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PROCEEDINGS AND DEBATES

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SECOND SESSION

SENATE

FRIDAY, *February 11, 1927*

(Legislative day of Wednesday, February 9, 1927)

The Senate reassembled at 12 o'clock meridian, on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Frazier	La Follette	Reed, Pa.
Bayard	George	Lenroot	Robinson, Ark.
Blease	Gerry	McKellar	Robinson, Ind.
Borah	Gillett	McLean	Sackett
Bratton	Glass	McMaster	Schall
Broussard	Goff	McNary	Sheppard
Bruce	Gooding	Mayfield	Shipstead
Cameron	Gould	Means	Shortridge
Capper	Greene	Metcalf	Smith
Caraway	Hale	Moses	Steck
Copeland	Harreld	Neely	Stephens
Couzens	Harris	Norris	Stewart
Curtis	Harrison	Nye	Trammell
Dale	Hawes	Oddie	Tyson
Deneen	Heflin	Overman	Underwood
Dill	Howell	Pepper	Wadsworth
Edwards	Johnson	Phipps	Walsh, Mass.
Ernst	Jones, Wash.	Pine	Walsh, Mont.
Ferris	Kendrick	Pittman	Warren
Fess	Keyes	Ransdell	Watson
Fletcher	King	Reed, Mo.	Willis

Mr. McMASTER. I desire to announce that my colleague, the senior Senator from South Dakota [Mr. NORBECK], is unavoidably absent from the Senate, being detained in a hospital on account of injuries received in an automobile accident.

The VICE PRESIDENT. Eighty-four Senators having answered to their names, a quorum is present.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were thereupon signed by the Vice President.

H. R. 4553. An act authorizing the President to restore Commander George M. Baum, United States Navy, to a place on the list of commanders of the Navy to rank next after Commander David W. Bagley, United States Navy;

H. R. 11421. An act to provide for conveyance of certain lands in the State of Alabama for State park and game preserve purposes; and

H. R. 14242. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works at Quantico, Va.

INVESTIGATION OF BREAD PRICES

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Federal Trade Commission transmitting, in response to Senate Resolution 163, Sixty-eighth Congress, first session (agreed to February 16, 1924) a preliminary report of the commission relative to conditions in the bread-baking industry, which, with the accompanying report, was referred to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Mr. WALSH of Massachusetts. Mr. President, I request that a telegram from the National Association of Cotton Manufacturers, a letter from the president of the Boston Chamber of Commerce, and letters from Stephen Apps, of Brady & Apps, of Fall River, Mass., and Bernard J. Rothwell, of Boston, be printed in the RECORD and lie on the table. These papers are in the nature of memorials and make protest against the passage of the so-called McNary-Haugen farm relief bill.

There being no objection, the telegram and letters were ordered to lie on the table and to be printed in the RECORD, as follows:

BOSTON, MASS., *February 10, 1927.*

Hon. DAVID I. WALSH,
Senate Office Building, Washington, D. C.:

Proposed McNary-Haugen bill is unsound economically and discriminating in its purpose. Its passage can result only in higher cost of clothing, yarn, tires, and many other articles to the consumer, and will further increase the difference in cost of manufacturing in this country and our competitors abroad, necessitating further tariff changes or loss of cotton textile industry employing over half a million. Our association with over 1,000 representative cotton manufacturers as members urges you to do your utmost to defeat this bill.

NATIONAL ASSOCIATION OF COTTON MANUFACTURERS.

BOSTON CHAMBER OF COMMERCE,
PRESIDENT'S OFFICE,
February 10, 1927.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SIR: The officers and directors of the Boston Chamber of Commerce appreciate your stand in opposition to the McNary-Haugen bill. It is so clearly against the interests of the people of the country as a whole that it ought to fail to pass, and we hope you will continue to oppose it at all stages.

It aims to benefit people raising wheat, corn, rice, swine, and cotton by increasing the cost of living of every person not directly engaged in these enterprises.

It undertakes to establish and maintain artificially high prices of these products regardless of supply. This is contrary to sound economics and to common sense.

The effect will be to stimulate production to excess of demand, and, at the same time, it attempts to maintain artificially high prices.

One effect will be the selling of staple products in foreign countries at lower prices than they are sold to our own citizens. This is "abnormal and repugnant."

Our textile mills will have to pay higher prices for raw cotton than foreign competitors will pay. This will be an additional handicap to the domestic textile industry, which normally is the greatest market for American cotton.

It will tend to throw a greater share of the world's textile business to foreign competitors. This will reduce the purchasing power of the American public and thus go a long way toward defeating the purpose of the bill.

The Boston Chamber of Commerce realizes that conditions in the agricultural industry are out of adjustment with those in other industries. It also recognizes the importance to the Nation of having that great industry on a healthy basis; but it is convinced that unfavorable conditions can not be effectively remedied by such legislation as the McNary-Haugen bill. Any lasting and equitable solution must be in accordance with sound economic principles.

The McNary-Haugen bill attempts to control prices without controlling production and is therefore unworkable.

Yours very truly,

ANDREW J. PETERS, *President.*

BRADY & APPS,
Fall River, Mass., February 4, 1927.

Mr. WM. J. DOOLEY,
Boston, Mass.

MY DEAR MR. DOOLEY: You undoubtedly noticed the strength in the cotton market to-day. It is stated that the probable passage of the farm bill is the answer. Taking surplus crops off the market appears to many as though the gambler will be sitting in the saddle. This seems a natural inference in view of the fact that the economic law of supply and demand will be relegated to the rear. The manufacturer of textiles certainly has everything to lose; i. e., if there is anything left after five years of the worst business in its history. There is no use denying the fact that high cotton has been a contributory factor counting for the present conditions of the best-managed plants in this country. A return to high commodity values, especially at a time when the supplies of cotton are the greatest in history, would surely mean the death knell

of many mills now operating throughout the country. Certainly it is a pleasure to read in the newspapers that our New England Senators are fighting this bill tooth and nail, evidently realizing what it means to the textile interests who are struggling in their endeavor to keep going.

With best regards, I am,

Sincerely yours,

STEPHEN APPS.

BAY STATE MILLING CO.,
Boston, 9, Mass., February 9, 1927.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SENATOR WALSH: Noting through our local press that you have had read into the CONGRESSIONAL RECORD an article by John Bantry, which appeared in the Boston Post of Saturday, February 5, may I call your attention to one serious misstatement which it contains, namely, "that this bill guarantees a profit to millers, all the big concerns who turn wheat, corn, and rice into flour meal and cereals."

As you are no doubt aware, this bill makes no such guaranty; on the contrary, so fraught with harm is it to the flour-milling industry that the Millers' National Federation actively opposes it, and individual millers all over the country are bringing every possible legitimate influence upon their Representatives in Congress to vote against it.

Far from being an advantage to the flour-milling industry, it is a distinct menace, liable to involve it in serious losses. By no possible construction could it add one cent to the profits of this highly competitive industry.

Am glad to note your opposition to its passage, and I sincerely hope that should it pass both Houses of Congress, consistent with his previous public expressions on this subject, the President will promptly veto it.

Yours very truly,

BERNARD J. ROTHWELL.

Mr. CURTIS presented the following concurrent resolutions of the Legislature of the State of Kansas, which was referred to the Committee on Appropriations:

Senate Concurrent Resolution 5 and memorial petitioning the Congress of the United States to appropriate not less than $8,000,000 for the conservation of flood waters in the State of Kansas during the years 1927 and 1928, making not less than $4,000,000 of the amount available not later than June 30, 1927, and $4,000,000 available June 30, 1928

Be it resolved by the Senate of the State of Kansas (the House of Representatives concurring therein)—

SECTION 1. That owing to the extreme dry weather in western Kansas and the damage done by floods in all parts of the State in rainy seasons during the summer months of each year, that the Congress of the United States be and is hereby requested to appropriate the sum of $4,000,000 to be available not later than June 30, 1927, to prevent the loss of waters in the streams of western Kansas, by impounding the same into large lakes, that said impounded water may be used for irrigation when available, and keeping the streams of the State within their channels. The said money to be expended for impounding such waters under the direction of the board of administration, and a like sum to be expended for the same purpose through the direction of the same board and be available not later than June 30, 1928.

SEC. 2. That the secretary of state be and is hereby directed to transmit copies of this resolution to the Senate and House of Representatives of the United States and to the several members of said bodies representing the State therein, and to the President of the United States.

I hereby certify that the above concurrent resolution originated in the senate, and passed that body January 26, 1927.

D. A. N. CHASE,
President of the Senate.
ARTHUR S. MCNAY,
Secretary of the Senate.

Passed the house February 4, 1927.

J. M. HAMILTON,
Speaker of the House.
W. S. MORGAN,
Assistant Chief Clerk of the House.

Mr. BRUCE presented petitions of sundry citizens of Baltimore, Md., praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

Mr. JONES of Washington presented petitions of sundry citizens of Seattle and Tacoma, all in the State of Washington, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

Mr. WILLIS presented memorials of sundry citizens of Jackson and Newark, all in the State of Ohio, remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, or any other legislation religious in character, which were referred to the Committee on the District of Columbia.

Mr. GILLETT presented petitions of sundry citizens of the State of Massachusetts, praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

Mr. DENEEN presented memorials of sundry citizens of the State of Illinois, remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, or any other legislation religious in character, which were referred to the Committee on the District of Columbia.

He also presented petitions numerously signed by sundry citizens of Chicago, Earlville, Rockford, and other cities and towns in the State of Illinois, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, and for the removal of the limitation on the date of marriage of Civil War widows, which were referred to the Committee on Pensions.

Mr. JOHNSON presented numerous petitions of sundry citizens of the State of California, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

ENVIRONS OF THE CAPITOL AND THE WHITE HOUSE

Mr. BLEASE. Mr. President, I have here a communication from the chairman of the committee on plan of Washington of the American Institute of Architects which I wish to have referred to the Committee on Public Buildings and Grounds and printed in the RECORD. I would like to ask that the committee pay some attention to the matter.

There being no objection, the communication was referred to the Committee on Public Buildings and Grounds and ordered to be printed in the RECORD, as follows:

THE AMERICAN INSTITUTE OF ARCHITECTS,
COMMITTEE ON PLAN OF WASHINGTON AND ENVIRONS.

THE AMERICAN INSTITUTE OF ARCHITECTS ANSWERS QUESTIONS

The institute has proposed four lines of legislative action for the protection of the Capitol and the White House:

1. DEFINITE ESTABLISHMENT OF THE FUTURE CHARACTER OF CAPITOL AND WHITE HOUSE FRONTAGES

Q. Does this mean ultimate Government ownership?—A. Not necessarily. Subject only to requirements of Planning and Public Buildings Commissions.

Q. Would not this "throw a cloud" over property?—A. No. It would relieve present situation from uncertainty by giving commissions the right to consider the use of these sites, and by forcing them to decide whether or not they wanted the property.

Q. How would it affect property not required?—A. It would enforce conformity in architectural type: (1) For the Capitol, to a scheme harmonizing with the Senate and House Office Buildings; (2) for the White House, to a scheme harmonizing with the Treasury Annex.

Q. Why not specify "like" these types instead of "harmonizing"?—A. Because exact repetition is monotonous and unnecessary. More freedom can be given to meet special requirements, and better results will follow if plans are subject to approval of the Fine Arts Commission.

Q. Is it proposed to take entire blocks as shown on plan of 1901?—A. Not necessarily; e. g., the Treasury annex is designed as a T-shaped building with only a wing going through to Fifteenth Street.

Q. How would it affect St. Johns Church?—A. On every hand, especially with the architects, the preservation of this landmark is being insisted upon; but if St. Johns were eventually to rebuild, a new structure on this site should conform to the prevailing type. The early protests were that the plan of 1901 would destroy the historic houses of Lafayette Square; but the historic houses have fallen before private development, not governmental. To-day the Hay, Adams, Slidell, and Corcoran houses have gone; the Dolly Madison, the Cameron, the Decatur, and others, are to go.

Q. Why bother about the new buildings when the State, War, and Navy and the Veterans' Bureau already violate the scheme?—A. No one, except seeing-Washington guides, has any brief for the Mansard bulk of the State Department Building. Plans have long since been made to scrape off its architectural excrescences, to decapitate it and bring it into some form of architectural subordination. Eventually these plans will be carried out. The Veterans' Bureau is a scathing indictment of just the "individualistic" planning which it is now sought to prevent. Undoubtedly in due course this building will be remodeled.

Q. Incidentally, what is meant by the expression currently used or objected to, "monumental" architecture?—A. This is a phrase used in opposition to such terms as "commercial" or "industrial." It implies a larger, more substantial, more dignified treatment than merely meet-

ing the absolute essentials. However, commercial buildings are not infrequently monumental; banks usually are, office buildings occasionally. Monumental treatment does not imply waste, excess, or overelaboration. One of the most distinctive, imposing, unappreciated structures in Washington is the simple but extremely dignified old City Hall. It is believed that Government buildings, in their main elements, should rank no lower in dignity than the best of corresponding private structures.

Q. Isn't this all a new scheme not in the L'Enfant plan?—A. It is a definite, logical development of the spirit of a violated first plan. The L'Enfant plan called for the ample setting of a "President's Park," extending from Fifteenth to Seventeenth Streets and north to I or K Street. The first violation was putting the Treasury where it stands and moving the building lines forward; allowing tall structures is equivalent to moving them even closer to the White House.

Q. In brief, what is the minimum requirement to cover the situation?—A. Uniformly harmonious façades for the enframing buildings, regardless of use (public or private); regardless of depth—block entirely or single units with set back and added stories * * * a blanket clause: "All new buildings to be subordinate to the general scheme as expressed (for the Capitol) in the Senate and House Office Buildings (for the White House), in the Treasury Annex and the Chamber of Commerce; all to be approved by the Commission of Fine Arts."

2. THE REZONING OF THE AREAS INVOLVED TO PREVENT FURTHER COMMERCIAL DEVELOPMENT

Q. What is the idea of this suggestion?—A. The idea is to avert waste—to head off building development not permanent in character.

Q. What is the objection to regulated commercial development such as the Chamber of Commerce?—A. There is no objection from the standpoint of appearances. There is every reason to believe, however, that all the available frontages of the White House and the Capitol will be needed for Federal purposes.

Q. Would not such zoning be confiscatory?—A. Possibly the word "prevent" should be replaced by "retard" or "arrest." Certainly the height limit should be reduced. Actually the Government should proceed at once to acquire the property it will eventually need.

Q. Exactly what does this heading call for?—A. That depends on what the planning commission recommends; and on whether or not the Shipstead bill passes (supervision by Fine Arts Commission of buildings facing parks).

Q. Will not the passage of the Shipstead bill as it stands be sufficient to meet the situation?—A. No; retroactive legislation is confiscation. It can not touch a building for which a permit has been granted. The only equitable solution apparent is acquisition of the properties.

3. AUTHORIZATION FOR THE VARIOUS COMMISSIONS TO INCLUDE THESE AREAS IN THEIR PLANNING

Q. Why is authorization necessary?—A. Because, in so far as current appropriations are concerned, permission to consider the use of these sites has been specifically withheld, and because, from the very beginning, private interests have endeavored to block Government development around Lafayette Square.

Q. Since the Bruce restriction applies only to the present appropriation, why not leave matters until another appropriation bill?—A. Because this same policy, adopted last year over the protest of the architects, has brought about these complications of the new hotel and the new office building; and because further delay in establishing a policy will tie up the extension of the Treasury Annex.

Q. What would be the special advantage of this study?—A. It would definitely clarify a tangled situation by determining just what property the Government will want. By freeing other properties from the burden of uncertainty, development may proceed. It will point the way and establish the character of treatment desired, whether public or private.

Q. What are these properties worth?—A. The architects' committee has made no investigations nor discussed the subject with property interests. It is understood that officials have made investigations.

Q. If purchased, what would properties be used for?—A. To meet the needs of the Federal Government as determined by the Planning Commission and the Public Buildings Commission. It might be assumed that the Dolly Madison house would eventually be required to complete the Treasury Annex, and that property on the west side of the square will in due course go into a single building of the same general size and character as the completed Treasury Annex—possibly the State Department. The Hay-Adams site has been mentioned for a building for the Bureau of the Budget or for the Federal Reserve Board.

Q. Why can not this matter stand until next session?—A. Because the price of delay will add between three and four millions of dollars to the cost of the properties; and will delay the development of this section for a generation.

Q. Why was not this question raised before?—A. It has been constantly stressed since 1901. Every attempt to develop the square has met effective opposition. The danger was pointed out by the architects' committee in May, 1926, when the public buildings bill was under consideration and the rider eliminating Lafayette Square was being forced. Senator Fernald, chairman of the Senate committee, told the architects' committee that he appreciated the situation but was powerless in the face of a filibuster endangering the whole public buildings bill.

4. IMMEDIATE ACQUISITION OF PROPERTIES FOR WHICH IMPROVEMENTS ARE DEFINITELY PROJECTED

Q. Why?—A. Because improvements projected are not in harmony with general schemes for treatment, and because cost of subsequent acquisition with improvements will mean wholly unnecessary added burden with loss not only of improvements but of added earning values, of demolition, etc.

Q. What properties and improvements are involved?—A. The new Carlton Chambers on H Street between Sixteenth and the Chamber of Commerce, a building higher than the established type and different in treatment. Work to begin immediately. A new office building on the west side of the square—Jackson Place. Plans out for bids. Likewise a structure differing radically from acceptable type and not subsequently adaptable. The Dolly Madison house (Cosmos Club), the sale of which for commercial purposes is being discussed. This property is needed for the completion of the Treasury Annex, which is designed for the entire block in length and already is one-third completed.

Current reports indicate that the Stephen Decatur house, built with prize money, may likewise go on the market.

Developments for Capitol frontages are unknown, but two apartment houses have been only recently started.

Q. Why wait until the last moment, "locking the barn after the horse is stolen"?—A. For 25 years the American Institute of Architects has urged the purchase of the properties in jeopardy, at a fraction of their present value.

It has consistently supported the 1901 development of the L'Enfant plan.

In 1924, in its official publication, The Plan of the Federal City, it called special attention to the White House and Capitol frontages, with this warning:

"Both of these great projects are endangered and their future made possible only at prohibitive cost unless plans are immediately made to insure their future realization."

For three years it has maintained a committee with members throughout the whole country to watch over the development of the national committee.

In 1926, in the closing days of the last session, it endeavored to defeat the Bruce amendment, warning of the inevitable results. It could do no more.

The institute now points out that, although several horses have been stolen, the greater part of the stable is still intact, but is about to be taken in toto. It urges that the doors be locked now, before the last horse is taken.

Submitted by—

HORACE W. PEASLEE,
Chairman the Committee on Plan of Washington of the American Institute of Architects.

WASHINGTON, D. C., *February 10, 1927.*

REPORTS OF COMMITTEES

Mr. TYSON, from the Committee on Claims, to which was referred the bill (S. 4795) for the relief of B. F. Cowley, reported it without amendment and submitted a report (No. 1458) thereon.

He also, from the same committee, to which was referred the bill (S. 5017) for the relief of Ruth J. Walling, reported it with an amendment and submitted a report (No. 1459) thereon.

Mr. STEPHENS, from the Committee on Claims, to which was referred the bill (S. 5230) for the relief of Kate Mathews, reported it with an amendment and submitted a report (No. 1460) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 1283) for the relief of Margaret I. Varnum, reported it without amendment and submitted a report (No. 1461) thereon.

Mr. CAMERON, from the Committee on Military Affairs, to which was referred the bill (H. R. 12797) to authorize the sale of the Buckeye Target Range, Ariz., reported it without amendment and submitted a report (No. 1462) thereon.

Mr. LENROOT, from the Committee on Public Buildings and Grounds, to which was referred the bill (H. R. 15414) to authorize the United States Veterans' Bureau to accept a title to lands required for a hospital site in Rapides Parish, La., reported it without amendment and submitted a report (No. 1463) thereon.

Mr. DENEEN, from the Committee on Claims, to which were referred the following bills, submitted adverse reports thereon:

A bill (S. 644) for the relief of Henry H. Hall (Rept. No. 1464); and

A bill (S. 2126) for the relief of George Andre and Alphonse Andre (Rept. No. 1465).

Mr. DENEEN also, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 4631) for the relief of Claude T. Winslow (Rept. No. 1466); and

A bill (H. R. 12551) for the relief of the Fidelity & Deposit Co. of Maryland (Rept. No. 1467).

ENROLLED BILL PRESENTED

Mr. GREENE, from the Committee on Enrolled Bills, reported that on February 11, 1927, that committee presented to the President of the United States the enrolled bill (S. 5197) to authorize an appropriation for reconnaissance work in conjunction with the middle Rio Grande conservancy district to determine whether certain lands of the Cochiti, Santo Domingo, San Felipe, Santa Ana, Sandia, and Isleta Indians are susceptible of reclamation, drainage, and irrigation.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RANSDELL:

A bill (S. 5671) to amend paragraph (c) of section 4 of the act entitled "An act to create the inland waterways corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes," approved June 3, 1924; to the Committee on Commerce.

By Mr. McLEAN:

A bill (S. 5672) granting a pension to Mary E. King (with accompanying papers); to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 5673) granting a pension to Mary A. Miller; to the Committee on Pensions.

By Mr. COPELAND:

A bill (S. 5674) for the transportation of foreign mails of the United States, the creation and maintenance of auxiliaries for the use of the Army and Navy, the defense of the United States, and for other purposes; to the Committee on Post Offices and Post Roads.

By Mr. STANFIELD:

A bill (S. 5675) validating certain applications for and entries of public lands;

A bill (S. 5676) providing for the disposition of certain lands in Michigan and Wisconsin and the adjustment of claims arising from erroneous surveys;

A bill (S. 5677) to amend section 2455 of the Revised Statutes of the United States, as amended, relating to isolated tracts of public land;

A bill (S. 5678) to withhold timberlands from sale under the timber and stone act;

A bill (S. 5679) to repeal an act entitled "An act to provide for stock-raising homesteads, and for other purposes";

A bill (S. 5680) to repeal the desert land laws, and for other purposes; and

A bill (S. 5681) to authorize the issuance of patent for lands containing deposits of copper and associated minerals, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. JONES of Washington:

A bill (S. 5682) granting an increase of pension to William G. Simpson; to the Committee on Pensions.

By Mr. SCHALL:

A bill (S. 5683) granting a pension to Eliza G. Murray; and

A bill (S. 5684) granting an increase of pension to Cora F. Marlette; to the Committee on Pensions.

By Mr. METCALF:

A bill (S. 5685) granting an increase of pension to Phebe Jane Sparrow (with accompanying papers); to the Committee on Pensions.

LEGISLATIVE APPROPRIATIONS

Mr. HARRISON. Mr. President, I desire to enter a motion to reconsider the action by which House bill 16863, the legislative appropriation bill, was ordered to a third reading and passed on yesterday.

I have just been informed that the bill has been transmitted to the House. I also desire to enter a motion to request the House to return the bill to the Senate.

The VICE PRESIDENT. The question is on the motion of the Senator from Mississippi that the House be requested to return to the Senate the legislative appropriation bill.

Mr. HARRISON. Let the motion be entered for the present. I ask unanimous consent that that may be done.

The VICE PRESIDENT. The motion will be entered.

Mr. HARRISON subsequently said: Mr. President, I desire to withdraw the motion which I entered asking the recall of the legislative appropriation bill from the House of Representatives and for a reconsideration of the vote whereby that bill was read the third time and passed on yesterday.

The PRESIDING OFFICER (Mr. FESS in the chair). Without objection, the motions are withdrawn.

RELATION OF THE PUBLIC-LAND STATES TO THE FEDERAL UNION

Mr. WARREN. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by Hon. Philip E. Winter, attorney at law, before the Open Forum of the Casper Chamber of Commerce at Casper, Wyo., on Tuesday, January 25, 1927, being a discussion and brief upon the relation of the public land States to the Federal Union. It is a valuable contribution of statistics, argument, history, and citation of authorities.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. Winter's address is as follows:

THE PROTEST OF THE WEST

For the purposes of this paper, the "West" includes the 11 so-called public-land States: Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming—which labor under the mutual ban and handicap of being "unequally yoked together" with the United States Government in the occupancy and control of the lands, within their respective State lines, which they are seeking to develop into sovereign States of a sovereign Nation, while at the same time the Federal Government is asserting dominion over more than one-half of the lands in each of these 11 States.

It is an anomalous, illogical relation which does not exist anywhere else in this "indissoluble Union of 48 indestructible States"—and it can not permanently continue here. The voice of protest has been raised from West to East, even as once it smote upon the ears of that Pharoah, and cabinet, farther East: "Let my people go!" so now the slogan is "Let go of our lands!" The West must and shall come into its own—"with none to molest nor make us afraid."

In other words, we are demanding the reestablishment of self-government in these public-land States, and this demand is based upon, and involves, the fundamental principles of the representative republican form of government which has been the admiration of the world for 150 years:

[From the Declaration of Independence, July 4, 1776]

Governments are instituted among men, deriving their just powers from the consent of the governed.

[From the Federalist, XXII, December 14, 1786]

The fabric of the American Empire ought to rest on the solid basis of the consent of the people. The streams of national power ought to flow immediately from the pure, original fountain of all legislative authority.—Hamilton.

[From the Federalist, XLV]

The powers delegated by the proposed Constitution to the Federal Government are few and defined. Those which are to remain in the State governments are numerous and indefinite. The former will be exercised principally on external objects, as war, peace, negotiations, and foreign commerce; with which last, the power of taxation will, for the most part, be connected. The power reserved to the several States will extend to all the objects which, in the ordinary course of affairs, concern the lives, liberties, and properties of the people, and the internal order, improvement, and prosperity of the State.—Madison.

This is, or would be, self-government but what if that "original fountain of all legitimate authority" be stopped! And what if it be attempted to have those streams of national power rise higher than their source!

To bring this directly home to our protest, let me quote the following from the recent speech at Williamsburg, Va., of President Coolidge, the present head of that "National power":

"No method of procedure has ever been devised by which liberty could be divorced from self-government. No plan of centralization has ever been adopted which did not result in bureaucracy, tyranny, inflexibility, reaction, and decline. Of all forms of government, those administered by bureaus are about the least satisfactory to an enlightened and progressive people. Being irresponsible, they become autocratic, and being autocratic, they resist all development. Unless bureaucracy is constantly resisted, it breaks down representative government and overwhelms democracy. It is the one element in our institutions that sets up the pretense of having authority over everybody, and being responsible to nobody. * * *

"While we ought to glory in the Union and remember that it is the source from which the States derive their chief title to fame, we must also recognize that the national administration is not and can not be adjusted to the needs of local government. It is too far away

to be informed of local needs, too inaccessible to be responsive to local conditions.

"The States should not be induced by coercion or by favor to surrender the management of their own affairs.

"These principles of independence, of the integrity of the Union, and of local self-government have not diminished in their importance since they were so clearly recognized and faithfully declared in the Virginia convention of a hundred and fifty years ago * * *."

Now, what is Wyoming's case?

Within the limits of this paper we can only hit a few of the high places, but they will make plain the justice of our cause.

On September 30, 1889, the people of the Territory of Wyoming, as we find it recited in the enabling act, "asked the admission of said Territory into the Union of States on an equal footing with the original States in all respects whatever." And in response the following action was taken by Congress:

"*Be it enacted, etc.*—That the State of Wyoming is hereby declared to be a State of the United States of America, and is hereby declared admitted into the Union on an equal footing with the original States in all respects whatever." * * *

In the second section of this enabling act is found the only exception or limitation to this express compact assuring to the people of Wyoming full equality with the people of the original 13 States, namely:

"*Provided*, That nothing in this act contained shall repeal or affect any act of Congress relating to the Yellowstone National Park or the reservations of this park, as now defined or as may be hereafter defined or extended, or the power of the United States over it; and nothing contained in this act shall interfere with the right and ownership of the United States * * * which shall have exclusive control and jurisdiction over the same."

This act was approved July 10, 1890. Would the Federal Government thus anxiously and carefully expressly stipulate for the retention by it of the Yellowstone National Park area if it then had in contemplation the later asserted claim that in spite of the statehood granted to Wyoming, the National Government remained the owner of more than half of the lands within the limits of the new State? Unquestionably, up to that time, there had been asserted no claim or hold by the Federal Government upon any of Wyoming's lands other than the Yellowstone National Park, except such claim or hold as it had upon the original 13 States and all the other States subsequently admitted into the Union alike.

Now, did it have any such right, or had it ever made any such claim as against the original thirteen States, or any States of the Union other than the eleven States now known as the public-land States?

On the contrary, we find that at the close of the Revolutionary War the Federal Government found it necessary to, and did, ask and obtain the cession to it by Virginia of certain lands known as the Northwest Territory in order that it might by the sale of those lands raise money to pay the debts of the Federal Government incurred by the war. This was assented to by what is known as the ordinance of 1787, and prior to the adoption of the Constitution. We further find that in the treaty of peace and the cession by King George III of all the lands and rights which Great Britain ever had within the limits of the present United States the precise language of the cession grants the lands not to the United States Government but to "the people of the thirteen Colonies."

We further find that when, subsequently, the making of the Constitution was begun, all power and all property was in the States—that is to say, in the hands of the people—and it was the weakness and poverty of the Federal Government that made a Constitution necessary for the establishment of the Government. Hence the language of the introduction: "We, the people of the United States, in order to form a more perfect Union * * * do ordain and establish this Constitution for the United States of America * * *" was followed by the grant from the people to the Federal Government of certain well-defined powers. It is impossible to read the debates in the Constitutional Convention, the 85 papers written by Alexander Hamilton, James Madison, and John Jay, grouped under the collective title, "The Federalist or the New Constitution," written and circulated while the adoption of the Constitution was pending before the various State legislatures for ratification, and the early decisions of the United States Supreme Court under John Marshall, without reaching the conclusion that all sovereignty and power and dominion over the soil was solely in the citizenry of those thirteen original State governments with which Wyoming was by the enabling act placed upon the same footing, and the citizenry only parted with so much of that sovereignty and power as would enable their common Federal Government, their creature and their agent, to function with sufficient force to provide for the defense and for the general welfare of the Nation. All other powers were retained in the hands of the people. It is true that in section 3 of Article IV this language is found:

"The Congress shall have power to dispose of and make all needful rules and regulations respecting the property or territory belonging to the United States."

But that clearly refers to the lands in said Northwest Territory, which were ceded to the Federal Government for the express purpose that it might make "primary disposal of the soil" and give title to the purchasers. And the same section closes with this language:

"And nothing in this Constitution shall be so construed as to prejudice any claims of the United States or any particular State."

And if any doubt remained on this point, it was removed by the tenth amendment to the Constitution, adopted with the nine preceding amendments as the bill of rights of the people of the United States, which reads as follows:

"The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people."

Let me repeat: The only power ever given to the United States in Congress assembled for the "primary disposal of the soil" is found in the Ordinance of 1787, and that was prior to the adoption of the Constitution. As to all other soil not purchased outright for its own purposes under Article I, section 8, No. 17, of the Constitution—that is to say, as to all the lands acquired by treaty or cession from Great Britain, Spain, France, and Mexico (all of which contributed to Wyoming's acreage of land)—our Federal Government has ever been, and can never be other than a mere trustee to receive the conveyances and hold the Territory until the inhabitants thereof gained its admission to statehood. It was then the plain duty of the Federal Government as trustee—even as a guardian when his minor ward becomes of age—to surrender the trust and turn over the property. In Wyoming's case this occurred in 1890, and it was then and there entitled to be placed, as expressly agreed in the enabling act, "on equal footing in all respects" with the original States. For as early as 1845 it had been decided, in the case of Pollard *v.* Hagen (3 How. 212, 220):

"We think a proper examination of this subject will show that the United States never held any municipal sovereignty, jurisdiction, or right of soil in and to the territory of which Alabama or any of the new States were formed, except for temporary purposes and to execute the trusts created by the acts of the Virginia and Georgia Legislatures and the deeds of cession executed by them to the United States and the trust created by the treaty with the French Republic of the 30th of April, 1803, ceding Louisiana. * * *

"Whenever the United States shall have fully executed these trusts the municipal sovereignty of the new States will be complete throughout their respective boundaries, and they and the original States will be upon an equal footing in all respects whatever. We, therefore, think the United States hold the public lands within the new States by force of the deeds of cession and the statutes connected with them, and not by any municipal sovereignty which it may be supposed they possess or have reserved by compact with the new States for that particular purpose. The provision of the Constitution above referred to shows that no such power can be exercised by the United States within a State."

In 14 Peters 30, in the case of the United States *v.* Gratiot, the case was stated by Thomas Benton for the defendant, as follows:

"The position has been assumed by the Attorney General that the United States may enter into the broad business of leasing the public lands and, by consequence, that the President may have as many tenants on the public lands of the United States as he shall desire; that he may lease in perpetuity and have those tenants to the extent of time. Such a power is solemnly protested against. No authority in the cession of the public lands to the United States is given but to dispose of them and to make rules and regulations respecting the preparation of them for sale; for their preservation and their sale. As to the power to lease which is claimed for the United States, what would the States have said, when the cession of these lands was made and accepted, if it had been declared that the President could lease the lands, and that 60 years afterwards this court would be engaged in enforcing a lease given by the United States of part of the lands then to be ceded? Would the lands have been granted if Congress were to have the power to establish a tenantry to the United States upon them? The State-rights principles would have resisted this; no lands would have been ceded.

"The clause in the Constitution of the United States, relative to the public lands, will govern this question; and the deeds of cession go with the provisions of the Constitution. The lands are 'to be disposed of' by Congress, not 'held by the United States.' No question can be raised on the construction of the provision of the Constitution relative to the public lands. The Constitution gives the power of disposal, and disposal is not letting or leasing. The power to make rules and regulations applies to the power to dispose of the lands. The rules are to carry the disposal into effect, to protect them, to explore them, to survey them. Congress has always treated the public lands on these principles."

That case hinged only upon the power of the President to lease certain lead mines in Illinois prior to the organization and admission of Illinois as a State, and involved only the payment of the bond given for the faithful performance of the lease contract. But the principles laid down by Mr. Benton are entirely applicable to our case.

Henry Clay said in the Senate in 1832:

"The General Government is a mere trustee holding the domain in virtue of those deeds, according to the terms and conditions which

they expressly describe, and it is bound to execute the trust accordingly."

In 1825, Daniel Webster said:

"I could never think the national domain is to be regarded as any great source of revenue. The great object of the Government with respect to these lands is not so much the money derived from their sale as it is the getting them settled."

In 1830, Hayne stated:

"If in the deeds of cession it has been declared that the grants were intended for 'the common benefit of all the States,' it is clear from other provisions that they were not intended merely as so much property, for they expressly declared that the objects of the grant is the erection of new States; and the United States, in accepting this trust, bind themselves to facilitate the formation of these States to be admitted into the Union with all the rights and privileges of the original States. This, sir, was the great end to which all parties looked, and it is by the fulfillment of the high trust that the common benefit of all the States is to be best promoted.

"In short, our whole policy with relation to the public lands may be summed up in the declaration with which I set out—that they ought not to be kept and retained forever as a great treasure, but that they should be administered chiefly with a view to the creation within reasonable periods of great and flourishing communities, to be formed into free and independent States, to be invested in due season with the control of all the lands within their respective limits."

This for at least half a century had been and was the settled law and the established doctrine as to the public domain within the United States and Territories.

Then came the Government camel seeking shelter from a sand storm, and sought permission to intrude its nose only into the tent of the Arab, the unsuspecting "people of these United States," whom 50 years of peace and prosperity had already caused to forget that "eternal vigilance" is the price of safety.

In the case of Wilcox v. McConnell (13 Pet. 498), in which a settler sought to preempt, in 1836, the ground on which the United States military post of Fort Dearborn, Chicago, had stood since 1804, it was held that—

"Congress are invested by the Constitution with the power of disposing of the public land."

and this holding was based solely on section 3 of Article IV, which, as we have already seen, clearly and exclusively refers to that Northwest Territory which was ceded to the Government for the express purpose of enabling it to sell and give title to the land. And even here it is only declared that Congress is invested with the power of "disposing of the public land." There is no intimation that it is the owner of the land and may perpetually hold and lease the same; but this first decision, so often referred to, which was absolutely right in itself, because the occupancy of that land for military purposes for the protection of the people during a period of Indian warfare from 1804 to 1839 had clearly brought this case within the provision of that other clause of the Constitution already referred to in this paper, viz, Article I, section 8, clause 17, which provides:

"The Congress shall have power * * * to exercise exclusive legislation, in all cases whatever, over * * * all places purchased by the consent of the legislature of the State in which the same shall be, for the erection of forts, etc."—

has ever since been cited as the basis for further gradual Federal encroachment on the rights of the States in this regard. The next step was the case of United States against Gratiot, decided in 1840, from which we have already quoted the statement made by Thomas Benton. This case, like the previous one just mentioned, involved lands in the "Northwest Territory" and has no weight as authority in cases of lands not ceded to the Government with the express purpose to enable it to make sale thereof and give title thereto. This vital distinction must be observed in considering the subsequent acts of Congress and the court decisions thereon.

In the case of United States v. Hughes (11 How. 568), decided in 1850, the court said:

"In this country 'the lands of the United States' lying within the States are held and are subject to be sold (under the authority of Congress) as lands may be held and sold by individual owners or by ordinary corporations; * * *. By the Constitution, Congress is vested with power to dispose of the 'public lands' and to make all needful rules and regulations respecting them."

Thus, within the space of eight lines of the same decision, the language changes from "the lands of the United States" to "public lands." Again, it must be observed that the sole "lands of the United States" were and are the "Northwest Territory" and the lands acquired from time to time for "public purposes by purchase from the States."

Yet in the case of Irvine v. Marshall (20 How. 558), decided in 1857, the syllabus states:

"The United States, being the owner of the public lands within the States and Territories, have the right to signify to whom, in what mode, and by what title they shall be conveyed."

But the language of the court in the decision itself is this:

"It can not be denied that all the lands in the Territories, not appropriated by competent authority before they were acquired, are in the first instance the exclusive property of the United States, to be disposed of to such persons, at such times, and in such modes, and by such titles as the Government may deem most advantageous to the public" * * *

thus limiting this decision to lands in the Territories and not including lands in the States.

The next case in line is that of United States v. Schurz (102 U. S. 395), decided in 1880, in which the court said:

"The Constitution of the United States declares that Congress shall have power to dispose of, and make all needful rules and regulations respecting, the territory and other property belonging to the United States. Under this provision the sale of the public lands was placed by statute under the control of the Secretary of the Interior. To aid him in the performance of this duty, a bureau was created * * * with many subordinates. To them as a special tribunal Congress confided the execution of the laws which regulate the surveying, the selling, and the general care of this land."

Thus, not content with arrogating to themselves a power which was expressly withheld from them by the people by the express terms of the Constitution, Congress now undertook to delegate such unconstitutional authority to a created "bureau * * * with many subordinates." Permit me here, in passing, to cite, out of turn, a comparatively recent case which exemplifies the nature and the result of such work by a created "bureau * * * with many subordinates." It is the case of United States v. Midwest Oil Co. (35 Sup. Ct. Rep. 309), decided in October, 1914, and of considerable local interest to us, in which a dissenting opinion was rendered by Mr. Justice Day, with whom concurred Mr. Justice McKenna and Mr. Justice Van Devanter, formerly of Wyoming. In this dissenting opinion they say:

"In our opinion the action of the executive department in this case, originating in the expressed view of a subordinate official of the Interior Department, as to the desirability of a different system of public-land disposal than that contained in the lawful enactments of Congress, did not justify the President in withdrawing this large body of land (3,000,000 acres in Wyoming and California) from the operation of the law (placer mining law) and virtually suspending, as he necessarily did, the operation of that law * * *. This conclusion is reinforced in this particular instance by the refusal of Congress to ratify the action of the President and the enactment of a new statute authorizing the disposition of the public lands by a method essentially different from that approved by the Executive."

Returning from this digression, permit me to call your attention to a small portion of the testimony recently taken in the hearings before the Committee on Public Lands and Surveys, United States Senate, on S. 2584, entitled "A bill to promote the development, protection, and utilization of grazing facilities on public lands, to stabilize the range stock-raising industry, and for other purposes." I think it will effectually dispose of the often-heard claim that from 1830 on the Government ownership of these lands was the accepted and settled doctrine.

"Senator ODDIE. Now, * * * Mr. Chairman, may I be permitted to ask Mr. Chapman a question? Going back to the original theory of the relation between the Federal Government and the Western States as to the unappropriated public lands, do you understand that the original theory was that the Federal Government would hold these lands in trust for the various States until the Revolutionary War debts were extinguished?

"Mr. CHAPMAN. If that was the original theory, it certainly was changed in 1830, when the question came up and was settled. Whether they ever decided one way or the other before that I do not know, but from that time on the theory was that these public lands should be held in trust for the Nation.

"Senator ODDIE. Is it not a fact that about the time when the war debt was canceled that a surplus existed in the Treasury, and that the Government loaned that money out to a great number of the Eastern and Middle Western States without interest, and which loans have never been repaid? I think about $28,000,000 of money was loaned out in this way.

"Mr. CHAPMAN. I would not say as to that.

"The CHAIRMAN. Yes; I think approximately $30,000,000, and that was the proceeds from the sale of public lands.

"Senator ODDIE. Yes.

"The CHAIRMAN. And that money has never been returned to the Treasurer * * * and no interest has been paid, although the subsidy was granted to the States, with the provision that it was returnable to the Treasury, and, I think, with interest. * * *

"And President Buchanan vetoed the bill providing for the ceding of the public lands to the several States, * * * and in vetoing it said that while he was in sympathy with the measure that he doubted the advisability of * * * ceding them to the several States entirely beyond the control of the Federal Government, but that it was con-

templated that the Federal Government should administer these lands for the benefit of the several States; and, just as stated by Abraham Lincoln at the time of the passing of the * * * homestead law, that the Federal Government was the trustee and should administer the public lands for the benefit of the several States wherein they lay. And that policy has been pursued until we come to the time of the withdrawal and the creation of the forest areas or withdrawn areas in the public-land States.

"Senator ODDIE. Now, Mr. Chairman, right at this point I think it would be interesting for me to read from a report made by the United States Senate Public Lands Committee in 1832:

"'Our pledge would not be redeemed by merely dividing the surface into States and giving them names.

"'The public debt being now paid, the public lands are entirely released from the pledge they were under to that object and are free to receive a new and liberal destination for the relief of the States in which they lie.

"'Nearly 100,000,000 acres of the land now in the market are the refuse of sales and donations through a long series of years, and are of little actual value and only fit to be given to settlers or abandoned in the States in which they lie.

"'The speedy extinction of the Federal title within their limits is necessary to the independence of the new States, to their equality with the elder States, to the development of their resources, to the subjection of their soil to taxation, cultivation, and settlement, and to the proper enjoyment of their jurisdiction and sovereignty.

"'The ramified machinery of the Land Office Department * * * extends the patronage and authority of the General Government into the heart and corners of the new States and subjects their policy to the danger of a foreign and powerful influence.'

"Mr. CHAPMAN. * * * Regarding the specific question of establishing grazing as one of the purposes of the national forests, we are against any legislation that would further that conception, because we do not believe grazing is one of the fundamental purposes of the national forests. It is thereby tolerance as a secondary use, and we want to keep it where it belongs.

"Senator MEANS. You are entitled to your view, but do not add 'where it belongs,' because, as to the theory of where it belongs, the people of the West, through the administration bureaus, are dissatisfied with governmental activities, and they would rather trust to Congress than to trust to regulation by bureau or administration by an officer who does not understand the conditions and the development of these States; and the development of those States is more important than anything else, because as the States develop the prosperity is reflected to the rest of the Nation. That is more important than anything else."

(NOTE.—It should perhaps be mentioned here that Wyoming, as well as Washington, is omitted from the said Stanfield bill, S. 2584, for the reasons stated by Mr. Bowden, counsel for the subcommittee holding the hearing, as follows: "The State of Wyoming also was left out of this bill. There are in the State of Wyoming large tracts of unreserved and unappropriated public lands. The subcommittee had hearings in Wyoming, and I can not recall a single witness who testified in favor of establishing control of grazing on those unreserved and unappropriated public lands. There was a unanimous expression of opposition to any form of control, and, as this bill was based on the principle of local-option lines, it was thought advisable to leave Wyoming out. Furthermore, this bill provides for the repeal of the 640-acre stock raising homestead act as to lands placed in grazing districts provided for in this bill. Witnesses appearing before the subcommittee in Wyoming testified that in their judgment a great deal more leased land in the State of Wyoming would be appropriated under the 640-acre stock raising homestead act. The land situated in Wyoming was not such that you could stabilize it on a grazing basis. Accordingly, the State of Wyoming was left out of the bill." But the omission is only from Title II, which deals with unappropriated, unreserved public lands. In Title III, relating to national forests, Wyoming and Washington are included with the other nine Western States.)

That the foregoing testimony and comments in the committee hearing reflect the actual facts of history, and the true established relations between the Federal Government and the States, is the essence of the protest of the West. If further confirmation were needed, it is found in abundance in the case of Scott *v.* Sandford (60 U. S. Sup. Ct. Rep. 393), decided in December, 1856—a quarter of a century after the time—1830—when, as Mr. Chapman asserted above in his testimony: "From that time on the theory was that these public lands should be held in trust for the Nation."

In the opinion of the court in that case Chief Justice Taney said of the "peculiar character of the Government of the United States," then 60 years under way:

"Certain specified powers, enumerated in the Constitution, have been conferred upon it; and neither the legislative, executive, nor judicial departments of the Government can lawfully exercise any authority beyond the limits marked out by the Constitution.

"It will be remembered that, from the commencement of the Revolutionary War, serious difficulties existed between the States in relation to the disposition of large and unsettled territories which were included in the chartered limits of some of the States.

"It was the disturbing element for the time, and fears were entertained that it might dissolve the confederation by which the States were then united. These fears and dangers were, however, at once removed, when the State of Virginia, in 1784, voluntarily ceded to the United States the immense tract of country lying northwest of the river Ohio, and which was within the acknowledged limits of that State. The only object of the State in making the cession was to put an end to the threatening and exciting controversy, and to enable the Congress of that time to dispose of the lands, and appropriate the proceeds as a common fund for the common benefit of the States * * *. The example of Virginia was soon afterwards followed by other States * * *. The main object for which these cessions were desired and made, was on account of their money value, and to put an end to a dangerous controversy, as to who was justly entitled to the proceeds when the lands should be sold. It is necessary to bring this part of the history of these cessions thus distinctly into view, because it will enable us the better to comprehend the phraseology of the article in the Constitution (Art. IV, sec. 3) so often referred to in the argument.

"At that time there was no Government of the United States in existence with enumerated and limited powers; what was then called the United States were 13 separate, sovereign, independent States * * * and the Congress of the United States was composed of the representatives of these separate sovereignties. * * * The territory belonged to sovereignties. * * * It was by a Congress representing the authority of these several and separate sovereignties * * * that the instrument usually called the ordinance of 1787 was adopted.

"This was the state of things when the present Constitution of the United States was formed. * * * It was obvious that some provision was necessary to give the new Government sufficient power to enable it to carry into effect the objects for which the territory was ceded. * * * It was necessary that the lands should be sold to pay the war debt. * * * And, moreover, there were many articles of value besides the property in land, such as arms, military stores, ships, etc., which were the common property of the States; and it was to place these things under the guardianship and protection of the new Government, and to clothe it with the necessary powers, that the clause was inserted in the Constitution which gives Congress the power 'to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States.' * * * It applied only to the property which the States held in common at that time and has no reference whatever to any territory or other property which the new sovereignty might afterwards itself acquire. * * * The concluding words of this clause appear to render this construction irresistible, for, after the provisions we have mentioned, it proceeds to say 'that nothing in the Constitution shall be so construed as to prejudice any claims of the United States, or of any particular State.'

"This view of the subject is confirmed by the manner in which the present Government of the United States dealt with the subject as soon as it came into existence. * * * The new Government took the territory as it found it and in the condition in which it was transferred, and did not attempt to undo anything that had been done * * * which no doubt the States anticipated when they surrendered their power to the new Government. * * * They have no connection with the general powers and rights of sovereignty delegated to the new Government, and can neither enlarge nor diminish them * * * and can not by any just rule of interpretation be extended to territory which the new Government might afterwards obtain from a foreign nation.

"This brings us to examine by what provision of the Constitution the present Federal Government under its delegated and restricted powers, is authorized to acquire territory outside of the original limits of the United States, and what powers it may exercise therein over the person or property of a citizen of the United States, while it remains a Territory and until it shall be admitted as one of the States of the Union * * * and if a new State is admitted, it needs no further legislation by Congress, because the Constitution itself defines the relative rights and powers and duties of the State, and the citizens of the State, and the Federal Government. * * * Whatever it acquires it acquires for the benefit of the people of the several States who created it. It is their trustee acting for them * * * and when the Territory becomes a part of the United States, the Federal Government enters into possession in the character impressed upon it by those who created it."

Mr. Justice Campbell in his filed concurring opinion said:

"These sovereign and independent States, being united as a confederation, by various public acts of cession, became jointly interested in territory, and concerned to dispose of and make all needful rules and regulations respecting it. It is a conclusion not open to discussion in this court 'that there was no Territory within the original United States, that was claimed by them in any other right than that of some of the Confederate States.' (Harcourt *v.* Gaillord, 12 Wh. 523.) 'The question whether the vacant lands within the United States,' says Chief Justice Marshall, 'became joint property, or belonged to the separate

States, was a momentous question which threatened to shake the American Confederacy to its foundations. This important and dangerous question has been compromised, and the compromise is not now to be contested.' Neither in the deeds of cession of the States, nor in this compact, was a sovereign power for Congress to govern the Territories asserted. Congress retained power by this act, 'to dispose of and to make rules and regulations respecting the public domain.' * * *

"I look in vain among the discussions of the time, for the assertion of a supreme sovereignty for Congress for the Territory then belonging to the United States, or that they might thereafter acquire. I seek in vain for an annunciation that a consolidated power had been inaugurated, whose subject comprehended an empire, and which had no restriction but the discretion of Congress. This disturbing element of the Union entirely escaped the apprehensive previsions of Samuel Adams, George Clinton, Luther Martin, and Patrick Henry; and, in respect to dangers from power vested in a central government over distant settlements, colonies, or Provinces, their instincts were always alive.

"Not a word escaped them to warn their countrymen that here was a power to threaten the landmarks of this federative Union and with them the safeguards of popular and constitutional liberty; or that under this article there might be introduced on our soil a single government over a vast extent of country—a government foreign to the persons over whom it might be exercised and capable of binding those not represented by statutes in all cases whatever. I find nothing to authorize these enormous pretensions, nothing in the expositions of the friends of the Constitution, nothing in the expressions of alarm by its opponents—expressions which have since been developed as prophecies. Every portion of the United States was then provided with a municipal government, which this Constitution was not designed to supersede, but merely to modify as to its conditions.

"The compacts of cession by North Carolina and Georgia are subsequent to the Constitution. They adopt the ordinance of 1787. * * *

"The refusal of a power to Congress to legislate in one place seems to justify the seizure of the same power when another place for its exercise is found. This proceeds from a radical error, which lies at the foundation of much of this discussion. It is that the Federal Government may lawfully do whatever is not directly prohibited by the Constitution. This would have been a fundamental error, even if no amendments to the Constitution had been made. But the final expression of the will of the people of the States in the tenth amendment is that the powers of the Federal Government are limited to the grants of the Constitution. * * *

"These constitutions (of the territory within the original limits of the United States) were framed by the concurrence of the States making the cessions and Congress and were tendered to immigrants who might be attracted to the vacant territory. The legislative powers of the officers of this Government were limited to the selection of laws from the States, and provision was made for the introduction of popular institutions and their emancipation from Federal control whenever a suitable opportunity occurred (statehood being the outside limit of time for this to be done).

"The Constitution permits Congress to dispose of and to make all needful rules and regulations respecting the Territory or other property belonging to the United States. * * * Could it have been the purpose of Washington and his illustrious associates, by the use of ambiguous, equivocal, and expansive words, such as 'rules,' 'regulations,' 'territory,' to reestablish in the Constitution of their country that fort which had been prostrated amid the toils and with the sufferings and sacrifices of seven years of war?

"Are these words to be understood * * * as George III would have understood them, or are we to look for the interpretation to Patrick Henry or Samuel Adams, to Jefferson, and Jay, and Dickinson; to the sage Franklin, or to Hamilton, who from his early manhood was engaged in combating British constructions of such words? We know that the resolution of Congress of 1780 contemplated that the new States to be formed under their recommendation were to have the same rights of sovereignty, freedom, and independence as the old. That every resolution, cession, compact, and ordinance of the States, observed the same liberal principle. That the Union of the Constitution is a Union formed of equal States; and that new States, when admitted, were to enter 'this Union.' * * * Had another union been proposed in 'any pointed manner' it would have encountered not only 'strong' but successful opposition. The disunion between Great Britain and her colonies originated in the antipathy of the latter to 'rules and regulations' made by a remote power respecting their internal policy. In forming the Constitution this fact was ever present in the minds of its authors. The people were assured by their most trusted statesmen 'that the jurisdiction of the Federal Government is limited to certain enumerated objects, which concern all members of the Republic,' and 'that the local or municipal authorities form distinct portions of supremacy, no more subject within their respective spheres to the general authority than the general authority is subject to them within its own sphere.' Still this did not content them. Under the lead of Hancock and Samuel Adams, of Patrick Henry and George Mason, they demanded an explicit declaration that no more power was to be exercised than they had delegated. And the ninth and tenth amendments to the Constitution were designed to include the reserved rights of the States and the people, with all the sanctions of that instrument, and to bind the authorities, State and Federal, by the judicial oath it prescribes, to their recognition and observance. Is it probable, therefore, that the supreme and irresponsible power, which is now claimed for Congress over boundless territories, the use of which can not fail to react upon the political system of the States, to its subversion, was ever within the contemplation of the statesmen who conducted the counsels of the people in the formation of this Constitution?

"The courts have said 'that Congress can not exercise municipal jurisdiction, sovereignty, or eminent domain within the limits of a State or elsewhere, beyond what has been delegated!' * * * but a constitutional prohibition is not requisite to ascertain a limitation upon the authority of the several departments of the Federal Government. * * * We have seen, Congress does not dispose of or make rules and regulations respecting domain belonging to themselves but belonging to the United States. These conferred on their mandatory, Congress, authority to dispose of the territory which belong to them in common; and to accomplish that object beneficially and effectually they gave an authority to make suitable rules and regulations respecting it. When the power of disposition (of it) is fulfilled, the authority to make rules and regulations terminates, for it attaches only upon territory 'belonging to the United States.'

"And this principle follows from the structure of the respective governments, State and Federal, and their reciprocal relations. They are definite agents and trustees of the people of the several States * * * they are, respectively, the depositories of such powers of legislation as the people are willing to surrender, and their duty is to cooperate with the several jurisdictions to maintain the rights of the same citizens under both governments unimpaired. * * * The distinguishing features of their system consist of the exclusion of the Federal Government from the local and internal concerns of and in the establishment of an independent internal government within the States."

These decisions bring us up to the time of Wyoming's admission as a State, and to the final question—

WHAT HAPPENED IN THE CASE OF WYOMING

This: On March 3, 1891, after eight months of statehood "on an equal footing with the original States in all respects whatever," and not having within its borders any part of the lands included in said Northwest Territory, or any part of any other lands "belonging to the United States," save and excepting only the Yellowstone National Park, Wyoming found itself confronted with an act of Congress for the "creation of national forests," section 24 of which act reads as follows:

"That the President of the United States may from time to time set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof."

This was followed by the act of June 4, 1897, in which it is provided:

"* * * To remove any doubt which may exist pertaining to the authority of the President thereunto (in regard to the national forests), the President of the United States is hereby authorized and empowered to revoke, modify, or suspend any and all such Executive orders and proclamations, or any part thereof, from time to time, as he shall deem best for the public interests. * * *

"The President is hereby authorized at any time to modify any Executive order that has been made or may hereafter be made establishing any forest reserve and by any such modification reduce the area or change the boundary lines of such reserve, or may vacate altogether any order creating such reserve."

This was followed, on March 4, 1907, by an act of Congress, in which it was provided:

"Hereafter no forest reserve shall be created, nor shall any additions be made to one heretofore created within the limits of the States of Oregon, Washington, Idaho, Montana, Colorado, or Wyoming, except by act of Congress."

Thus, having unconstitutionally voted to the President an unconstitutional power, Congress now takes from the President that power and unconstitutionally arrogates it unto itself.

Well, indeed, might Lord Bryce point out, as he did in his 2 American Commonwealth, 711:

"Congress has been the branch of government with the largest facilities for usurping the powers of the other branches, and probably with the most disposition to do so. Congress has constantly tried to encroach both on the Executive and on the States, sometimes like a wild bull, driven into a corral, dashing itself against the imprisoning walls of the Constitution."

If the stately minister from the Court of St. James finds the foregoing language essential to a proper criticism, certainly we of Wyoming may well be pardoned if we yield to the temptation to indulge, to the extent of our ability, "in thoughts that breathe and words that burn."

But we speak in sorrow, rather than in anger, not so much inveighing against wrongs we have suffered, as urging the undoing of the wrongs.

All the evils of which we complain and against which we protest had their inception in the foregoing enactments. Instead of fulfilling the object of those trusts created by the treaties, Constitution, cessions, and compacts, by transferring all remaining public lands to the respective States, it has since been voted by the agents of the people, in Congress assembled, to permanently reserve and forever bar from settlement lands aggregating 250,000,000 acres, 97 per cent of which are in Wyoming and the other 10 public-land States; and the Secretary of the Interior is now recommending, and there is now pending a bill for the permanent withholding and placing under a rental and fee system 200,000,000 acres more, abolishing the free range, and to repeal or make inapplicable the 640-acre stock-raising homestead law, which puts before the 11 public-land States the question "whether, not only the areas heretofore reserved, but a total of 450,000,000 acres of the present area of these 11 public-land States, is never to be settled, never to pass to private ownership or to be made taxable, but is to forever remain under the Federal Government as a perpetual landlord."

And what is Wyoming's peculiar share in this monstrous proposition? By the kindness of your Secretary I am able to here state, according to estimates on file in the Department of Commerce, Bureau of the Census, Washington, "the total value of exempt property (real) and improvements in Wyoming for 1922, distributed as follows:

State property	$2,271,500
County and municipal property	7,085,328
Federal property	299,830,670
School property	5,321,122
Churches and parsonages	2,786,642
Private charitable institutions	310,000
Cemeteries	429,628
All other private (Young Men's Christian Association, Salvation Army, etc.)	223,562
Indian reservations	3,275,188
Irrigation projects, other than Federal; irrigation districts	1,441,312
Carey Act (irrigation)	2,434,791
Total	326,529,743

"Estimates of wealth are compiled by this bureau every 10 years as part of the decennial census of wealth, private debt, and taxation, and the next estimates will relate to the year 1932."

This means that our sovereign State of Wyoming is limited to the taxation of real property and improvements aggregating $263,216,000, as against property forever untaxable amounting to $326,530,000, the ratio of exempt to taxed property being 124.5 per cent, twice that of the next highest State.

And the last issue of the Inland Oil Index, on January 14, 1927, contains the following:

"MORE WITHDRAWALS FROM WASHINGTON

"Associated Press dispatches under date of January 10 state that the Department of the Interior, in Washington, during the last year has withdrawn from private enterprise 56,993,778 acres of the public domain. These withdrawals include reserves for helium, potash, phosphate, coal, and petroleum. The largest withdrawals in New Mexico were 13,354,000 acres, including 7,418,437 acres of potash. In Wyoming approximately 6,000,000 acres were withdrawn. If these withdrawals continue by the Federal Government at the rate they have been for the last several years, it will not be long until such States as Wyoming, Colorado, and other Commonwealths in the Rocky Mountain regions will not have any public domain left."

This will add 6,000,000 acres of Wyoming's land to the tax-exempt Federal landlord domain within our borders to be withheld forever out of that which Wyoming's admission to statehood made absolutely our own. More than half of our acreage will be irrevocably gone.

Is it possible that 37 sister States of the 11 public-land States will permit this condition to continue? To them we address this, our protest.

Since this paper was written the CONGRESSIONAL RECORD of January 11, 1927, has brought us the text of your lone Congressman's address on that date to the other 434 Members of the House of Representatives on this subject.

Permit me to append, as a fitting conclusion to this paper, the closing paragraph of that address:

"Let us complete the American system of local government over local things, stop centralization in Washington, eliminate bureau government, relieve the people generally of costly national machinery, perfect the sovereignty of the public-land States, so that in deed and in truth we will be on equal terms with the original and all the other States. We ask no more than they have had. We ask the status of the States of a Union, not provinces of a central power. We ask equality and full sovereignty. We plead that the plan of the American Union be completed; that the process of building 'independent, sovereign republican States' be perfected; and that thereby our citizens have equal rights, immunities, and advantages with the citizens of the other States."

FARM RELIEF

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4808) to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities.

Mr. HOWELL. Mr. President, on yesterday certain distinguished Senators from several of the Eastern States charged in connection with the pending agricultural relief bill that its effect is merely to afford special consideration to the farmers of the West and South at the expense of the remaining population of the country. If our urban population were not also to become beneficiaries of this proposed legislation—which they ultimately will—is there not ample precedent for special legislative favors to be found in connection with the manufacturing industry? The plight of the farmer is due to the development of cooperation of and within the industries and occupations employing the populations in our urban centers. Such cooperation, which has been not infrequently aided by legislation, has been for the purpose of the elimination of competition to the end of assuring profits and satisfactory wages. Unfortunately the farmer has generally developed in his behalf no corresponding offensive. He is the victim of unrestricted competition, not only at home but also abroad, wherever similar crops are produced.

The United States Steel Corporation is among the outstanding examples of the result of urbanite cooperation aided by legislation for the elimination of competition and the insurance of profit. It is so overtowering in its proportions that every other steel enterprise in the country is compelled, because of certain ruinous discrimination to which it would be subjected otherwise, to assume the rôle of a 100 per cent cooperator with this giant. As a consequence, the United States Steel Corporation is the arbiter of prices of steel in this country and is the beneficiary of such legislation as to enable it to thwart any outside competition, even though the Steel Corporation's prices should be so high that outside steel interests might ship in their products, pay the tariff thereon fixed by Congress, and yet make a profit. In short, through its own prowess it controls its competitors in the domestic market, while, by grace of Congress, it may invoke the power of the United States—through the President—for protection from foreign competition, real or threatened. Thus, under the tariff law as now existing, after formal complaint has been filed with the United States Tariff Commission, the President may, in his discretion, under a favorable report, increase the already excessive tariff rates upon the products of the Steel Corporation by 50 per cent, based upon the valuation of the products in the importing country. If this is not high enough, the rates may be increased 50 per cent above the price of such products in this country. And if that is not sufficient, then the President may terminate such threatened competition by excluding such products from the right of importation; and such decision is final, not being subject to review.

Mr. President, I ask unanimous consent to insert in the RECORD section 315 (a) and (b) and section 316 (a), (b), (c), (d), and (e) of the tariff act of 1922.

The PRESIDING OFFICER. Without objection, it is so ordered.

The sections are as follows:

SEC. 315 (a) That in order to regulate the foreign commerce of the United States and to put into force and effect the policy of the Congress by this act intended, whenever the President, upon investigation of the differences in costs of production of articles wholly or in part the growth or product of the United States and of like or similar articles wholly or in part the growth or product of competing foreign countries, shall find it thereby shown that the duties fixed in this act do not equalize the said differences in costs of production in the United States and the principal competing country he shall, by such investigation, ascertain said differences and determine and proclaim the changes in classifications or increases or decreases in any rate of duty provided in this act shown by said ascertained differences in such costs of production necessary to equalize the same. Thirty days after the date of such proclamation or proclamations such changes in classification shall take effect, and such increased or decreased duties shall be levied, collected, and paid on such articles when imported from any foreign country into the United States or into any of its possessions (except the Philippine Islands, the Virgin Islands, and the islands of Guam and Tutuila): *Provided*, That the total increase or decrease of such rates of duty shall not exceed 50 per cent of the rates specified in Title I of this act, or in any amendatory act.

(b) That in order to regulate the foreign commerce of the United States and to put into force and effect the policy of the Congress by this act intended, whenever the President, upon investigation of the differences in costs of production of articles provided for in Title I of

this act, wholly or in part the growth or product of the United States and of like or similar articles wholly or in part the growth or product of competing foreign countries, shall find it thereby shown that the duties prescribed in this act do not equalize said differences, and shall further find it thereby shown that the said differences in costs of production in the United States and the principal competing country can not be equalized by proceeding under the provisions of subdivision (a) of this section, he shall make such findings public, together with a description of the articles to which they apply, in such detail as may be necessary for the guidance of appraising officers. In such cases and upon the proclamation by the President becoming effective the ad valorem duty or duty based in whole or in part upon the value of the imported article in the country of exportation shall thereafter be based upon the American selling price, as defined in subdivision (f) of section 402 of this act, of any similar competitive article manufactured or produced in the United States embraced within the class or kind of imported articles upon which the President has made a proclamation under subdivision (b) of this section.

The ad valorem rate or rates of duty based upon such American selling price shall be the rate found, upon said investigation by the President, to be shown by the said differences in costs of production necessary to equalize such differences, but no such rate shall be decreased more than 50 per cent of the rate specified in Title I of this act upon such articles, nor shall any such rate be increased. Such rate or rates of duty shall become effective 15 days after the date of the said proclamation of the President, whereupon the duties so estimated and provided shall be levied, collected, and paid on such articles when imported from any foreign country into the United States or into any of its possessions (except the Philippine Islands, the Virgin Islands, and the islands of Guam and Tutuila). If there is any imported article within the class or kind of articles, upon which the President has made public a finding, for which there is no similar competitive article manufactured or produced in the United States, the value of such imported article shall be determined under the provisions of paragraphs (1), (2), and (3) of subdivision (a) of section 402 of this act.

SEC. 316. (a) That unfair methods of competition and unfair acts in the importation of articles into the United States, or in their sale by the owner, importer, consignee, or agent of either, the effect or tendency of which is to destroy or substantially injure an industry, efficiently and economically operated, in the United States, or to prevent the establishment of such an industry, or to restrain or monopolize trade and commerce in the United States, are hereby declared unlawful and when found by the President to exist shall be dealt with, in addition to any other provisions of law, as hereinafter provided.

(b) That to assist the President in making any decisions under this section the United States Tariff Commission is hereby authorized to investigate any alleged violation hereof on complaint under oath or upon its initiative.

(c) That the commission shall make such investigation under and in accordance with such rules as it may promulgate and give such notice and afford such hearing, and when deemed proper by the commission such rehearing with opportunity to offer evidence, oral or written, as it may deem sufficient for a full presentation of the facts involved in such investigation; that the testimony in every such investigation shall be reduced to writing, and a transcript thereof with the findings and recommendation of the commission shall be the official record of the proceedings and findings in the case, and in any case where the findings in such investigation show a violation of this section, a copy of the findings shall be promptly mailed or delivered to the importer or consignee of such articles; that such findings, if supported by evidence, shall be conclusive, except that a rehearing may be granted by the commission, and except that, within such time after said findings are made and in such manner as appeals may be taken from decisions of the United States Board of General Appraisers, an appeal may be taken from said findings upon a question or questions of law only to the United States Court of Customs Appeals by the importer or consignee of such articles; that if it shall be shown to the satisfaction of said court that further evidence should be taken, and that there were reasonable grounds for the failure to adduce such evidence in the proceedings before the commission, said court may order such additional evidence to be taken before the commission in such manner and upon such terms and conditions as to the court may seem proper; that the commission may modify its findings as to the facts or make new findings by reason of additional evidence, which, if supported by the evidence, shall be conclusive as to the facts except that within such time and in such manner an appeal may be taken as aforesaid upon a question or questions or law only; that the judgment of said court shall be final, except that the same shall be subject to review by the United States Supreme Court upon certiorari applied for within three months after such judgment of the United States Court of Customs Appeals.

(d) That the final findings of the commission shall be transmitted with the record to the President.

(e) That whenever the existence of any such unfair method or act shall be established to the satisfaction of the President he shall determine the rate of additional duty, not exceeding 50 nor less than 10 per cent of the value of such articles as defined in section 402 of Title IV of this act, which will offset such method or act, and which is hereby imposed upon articles imported in violation of this act, or, in what he shall be satisfied and find are extreme cases of unfair methods or acts as aforesaid, he shall direct that such articles as he shall deem the interests of the United States shall require, imported by any person violating the provisions of this act, shall be excluded from entry into the United States, and upon information of such action by the President, the Secretary of the Treasury shall, through the proper officers, assess such additional duties or refuse such entry; and that the decision of the President shall be conclusive.

Mr. HOWELL. Mr. President, these extraordinary advantages and powers are granted to the United States Steel Corporation and other pig-iron producers for use, as is demonstrated by the facts set forth in a telegram which I received last evening from one of my constituents. It runs, in part, as follows:

The antidumping law on steel products now involving the shipment of 20 shiploads of German steel through the New York harbor involves more special legislation and special favors to the steel industry than is contemplated in the entire McNary-Haugen bill.

It is a peculiar coincidence indeed, as the vote on the pending agricultural bill is approaching, and Senators from manufacturing centers are protesting against the special advantages which it is claimed the bill proposes for those engaged in agriculture, that the steel corporation and other iron producers of the country are invoking the protection of the so-called antidumping section of the tariff law, as evidenced in the February 10th issue of the Daily Metal Trade (New York City) which carries the information that 20 ships from Germany, containing some 100,000 tons of pig iron, are being prevented from discharging their cargoes at the port of New York, pending an investigation by the Government—undoubtedly, due to the filing of complaints with the United States Tariff Commission.

Moreover, it has been learned from the office of the Tariff Commission that a report and recommendation, undoubtedly as a result of such complaints, has been made to the President, which, under the circumstances, can not be made public at this time.

Mr. President, what interests in this particular case are the beneficiaries of the possible exercise of these extraordinary powers? Is it an industry that has been traversing, as in the case of agriculture, the valley of the shadow of bitter financial depression? No, Mr. President, it is the great United States Steel Corporation and its 27 subsidiaries, together with the smaller steel and iron producers that are allowed by its grace to also exist and prosper, constituting one of the most prosperous, if not the most prosperous, industry in the country.

Thus, consider the following facts concerning the Steel Corporation taken from the Standard Corporation records of January 27, 1927:

As the leading producer of iron and steel in the world this corporation has the distinction of being the largest industrial organization in existence in point of capitalization and total capital employed. Its growth in the last 25 years, measured in terms of production, has been remarkable. * * *

Its annual capacity of pig iron production is now 18,940,000 tons. In the same period its yearly output of steel ingots and castings has increased from 9,430,000 to 22,750,000 tons, and that of finished products has increased from 7,923,000 to 16,252,000 tons. Production of cement has gone up from 500,000 to 16,500,000 tons.

Through some 27 principal subsidiaries and 165 underlying companies, the corporation, in addition to iron and steel, produces coal, coke, ore, oil, and timber; in fact, nearly every essential raw material. Its railroad operations embrace over 3,800 miles of tracks and it has a large fleet of steamships and barges engaged in transportation on the Great Lakes, inland waterways, and in the overseas trade.

* * * * * * *

On December 31, 1925, the common stock, which had practically no assets back of it at the formation of the corporation, had a book value of about $280 for each of the 5,083,025 shares outstanding. The profit and loss surplus alone on that date amounted to $521,863,109, while current assets exceeded current liabilities by $436,087,042. * * *

Earnings for the 10-year period ended 1926 averaged $15.21 a share on the common stock. For the same period, common dividends actually declared, including extras, averaged $7.85½ per share.

For the year ended December 31, 1926, earnings were equal to $17.98 on the common stock, compared with $12.86 in 1925 and $11.77 in 1924. On the stock as it will be increased by the 40 per cent stock dividend earnings in 1926 were equal to $12.84 a share.

On April 27, 1926, the common stock was placed on a "regular" 7 per cent basis. This did not alter the annual sum being received by the stockholders, as the corporation had regularly paid $7 a share on its common stock since the last quarter of 1923, although $2 of that amount was designated as an "extra" dividend.

By action of the directors December 16, 1926, subject to the formality of stockholders' approval at the April, 1927, annual meeting, the corporation for the first time will distribute to stockholders, through additional shares, some of the accumulated earnings reinvested in the property. By a 40 per cent stock dividend the common stock outstanding will be increased from $508,302,500, at which it has stood ever since organization, to $711,623,500. Thus, the junior issue will be brought to approximately double the amount of the preferred, of which $360,281,000 has been outstanding since 1903.

Some three years after the United States Steel Corporation was organized, that is, in 1904, the common stock was quoted as low as $8.38 per share. On February 8, 1927, it was quoted at $157.38. According to Moody's "Industrials" for 1926, the total dividends on the common stock of the Steel Corporation from April 1, 1901, to December 31, 1925, were 124½ per cent, or an average of about 5 per cent for that period. The present rate of dividend is 7 per cent, while the preferred has always paid 7 per cent. In addition, last December, just before Christmas, the directors of the corporation announced the cutting of a melon, that is, a 40 per cent stock dividend to the holders of common stock, which by no means exhausted the surplus, as that will amount to some $300,000,000 after this dividend. In 1925 the net income of the Steel Corporation was $90,602,653. Its net income for 1926 was $116,584,000, or some $26,000,000 more than in the previous year. In short, the 1926 net earnings amounted to nearly $18 per share of common stock, as against $12.86 for 1925.

In spite of this prosperity there is evidently an intent to compel the public to keep on paying high prices for iron and steel. They even begrudge the importation of a few hundred thousand tons of pig iron lest it may affect their dividends, which would seem to be an unjustified fear. Even so conservative a paper as the New York Journal of Commerce, under date of January 31, 1927, observes:

> In an industry so large as the iron and steel industry in this country it is very difficult to show that German importations have hurt the domestic market.

Naturally, if the German importations have not hurt the iron and steel industry, the only object of this protest on the part of the Steel Corporation is to keep up prices so as to maintain dividends. On the other hand, if German importations do seriously affect the iron and steel industry of the country, then this is merely another step on the part of the iron and steel interests for further eliminating competition to the detriment of farmers whose bankruptcies have increased from 22,462 in 1922 to 44,236 in 1925.

Why, Mr. President, the net earnings of the Steel Corporation for two years would nearly equal the amount of the rotating fund which the pending bill authorizes in aid of agriculture.

In 1919 and 1920, 52 railroads, practically without credit, were loaned by the Government $301,000,000, and still they are here with a bill now asking for ultimate cancellation of that debit.

Mr. President, it is because of what Congress has done for the other industries of this country that agriculture has no hesitation in demanding consideration at this time—in its extremity. The farmer has no apologies to make for his appeal to Congress, and in view of what our tariff is doing for such industries as the Steel Corporation, it is indeed with poor grace that Senators from the eastern manufacturing States complain of what is now proposed for agriculture.

The PRESIDING OFFICER (Mr. BLEASE in the chair). The time of the Senator from Nebraska has expired.

Mr. HOWELL. I have 15 minutes on the amendment, have I not, Mr. President?

Mr. REED of Pennsylvania. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Pennsylvania?

Mr. HOWELL. I understand that my time has expired.

The PRESIDING OFFICER. The present occupant of the chair is advised that the Senator has 15 minutes on the Moses amendment.

Mr. HOWELL. That is what I understood.

Mr. McNARY. Mr. President, I should like to see the Senator from Nebraska have ample time, but I inquire if that is the construction the present occupant of the chair places upon the unanimous agreement?

The PRESIDING OFFICER. That is the construction which the Chair is informed has been placed upon such agreements heretofore.

Mr. McNARY. I think it is quite important that we should have a construction of the terms of the agreement. It was the intention of the author, at least, inasmuch as a number of Senators wished to address the Senate, that the limitation of debate should be 15 minutes on the bill and all amendments offered thereto, including the substitute. If the agreement is going to be construed to the effect that 15 minutes may be allowed on the bill and 15 minutes on all amendments, one Senator may occupy all the time between now and 3 o'clock.

Mr. LENROOT. He could only occupy 30 minutes.

Mr. REED of Pennsylvania. He could occupy another 30 minutes on the next amendment which might be offered.

Mr. McNARY. That is it exactly.

The PRESIDING OFFICER. The Chair was informed that the 15 minutes which the Senator has used should be charged to the Moses amendment and that the Senator still has 15 minutes on the bill itself. The Chair is not ruling on the question, but that is the information which the Chair received.

Mr. McNARY. Mr. President, the construction to be placed on the agreement is quite important. That construction of the unanimous-consent agreement by the present occupant of the chair would nullify the purpose the author of the agreement had in mind. The idea was to give opportunity for free expression here by all Senators, each one to be limited to 15 minutes on the measure now the unfinished business and on all amendments, including the substitute.

The PRESIDING OFFICER. Does the Senator request the present occupant of the chair to rule?

Mr. McNARY. I think it is a highly important matter, and I should be glad to have a ruling.

The PRESIDING OFFICER. Then the present occupant of the chair holds that under the unanimous-consent agreement each Senator is limited to 15 minutes of debate.

Mr. BRUCE. Mr. President, may I say a word with the permission of the Senator having the floor?

Mr. REED of Pennsylvania. I yield to the Senator if he wishes me to do so.

Mr. BRUCE. I merely wish to make a suggestion to the Senator from Oregon; that is all, and then I will have nothing more to say. It seems to me that he ought to have the unanimous-consent agreement extended until 4 o'clock to-morrow afternoon, because a number of us who are opposed to this bill have had no opportunity to express ourselves at all.

Mr. McNARY. Of course, I can not speak for the unanimous-consent agreement, which by its nature comprises the thought, judgment, and action of the Members of this body.

Mr. HOWELL. Mr. President, I desire to call attention to the fact that yesterday I was on the floor from 1 o'clock until 5 and every Senator was allowed 15 minutes upon the bill and 15 minutes upon the amendment.

The PRESIDING OFFICER. The Chair noticed yesterday afternoon that some Senators asked for an extension of time, which was granted. Does the Senator from Nebraska ask for that?

Mr. HOWELL. If I am not entitled to the floor, I will not ask for an extension of the time.

Mr. REED of Pennsylvania. Mr. President, the Senator from Nebraska has read a telegram from some person in Iowa stating that there are now 20 ships tied up in New York Harbor because their cargo consists of German steel, which is not permitted to be landed.

I have just made inquiry of the customs division as to the facts about that matter. I am advised by the chief of the customs division, Mr. Camp, that so far as he knows there is not a single ship tied up in New York Harbor on that account and that he believes he would be instantly advised if there were a single ship held there under those circumstances.

I am further advised that under the antidumping provisions of the law there is no authority to impose an embargo at any time and that no embargo has been attempted; that the effect of the antidumping clause is to create an additional duty equal to the amount by which the foreign manufacturer who dumps his product here is underselling the foreign market; that it is optional with any importer to sell here at any time at any price, subject to the payment of that duty.

I am further advised that the statement which I understood the Senator to make regarding a report on steel products by the Tariff Commission is not correct, because the Tariff Commission, I am told by its chairman, has never since its organization made any report on any product of steel.

Mr. HOWELL. Has it not done so on pig iron?

Mr. REED of Pennsylvania. I am advised that it has made a report on pig iron, and the only product to which the antidumping provisions have been applied is pig iron. The Senator's statements as to the profits of the Steel Corporation from the application of these clauses can not be correct, because the Steel Corporation is not a seller of pig iron, but, on the contrary, has been ever since its organization a purchaser of pig iron; and the cheaper it can get its pig iron the better it is for the Steel Corporation. So that the application of these clauses can have

no effect on that or any other steel manufacturer that has to buy its pig iron.

Mr. WALSH of Montana obtained the floor.

Mr. HOWELL. Mr. President, I ask the consent of the Senator from Montana to make a short statement. It will take just a moment.

Mr. WALSH of Montana. I yield to the Senator from Nebraska.

Mr. HOWELL. Mr. President, yesterday, February 10, the Metal Trade, New York, contained an item to the effect that 20 ships from Germany, carrying 100,000 tons of pig iron, are being detained in New York Harbor pending an investigation by the Government in connection with the antidumping provisions of the tariff act. We called up the Tariff Commission this morning and asked if a complaint had been made, and it is our understanding that it has, and that they have made a finding, and the finding is in the hands of the President.

Mr. REED of Pennsylvania. Nobody in the Tariff Commission or any other department of the Government has any authority to detain any ship on that account.

Mr. HOWELL. But they can refuse to unload them.

Mr. REED of Pennsylvania. The Government does not unload them.

Mr. HOWELL. They can refuse to allow them to be unloaded.

Mr. WALSH of Montana. Mr. President, the Senator from Tennessee [Mr. McKELLAR] has sent to the desk and asked to have printed an amendment, and has suggested that it would be offered, as follows:

On page 13, line 18, insert the following proviso:

Provided, That no equalization fee on cotton shall be levied for a period of two years from the date of the passage of this act.

On page 13, line 23, after the word "commodity," insert the following:

Except that no such fee shall be paid in respect of cotton prior to two years from the date of the passage of this act.

If that amendment shall be offered, Mr. President, I shall move to amend it by striking out, in line 2 thereof, the words "on cotton," and in line 6 thereof the words "in respect of cotton," so that it will read:

That no equalization fee shall be levied for a period of two years from the date of the passage of this act.

And—

Except that no such fee shall be paid prior to two years from the date of the passage of this act.

The purport of the amendment of the Senator from Tennessee is that the equalization fee shall not be exacted with respect to cotton for a period of two years; and the effect of my proposed amendment would be that no equalization fee whatever should be exacted for a period of two years.

Mr. MAYFIELD. On any commodity?

Mr. WALSH of Montana. On any commodity.

I have indicated to the chairman of the Committee on Agriculture and Forestry, in charge of the bill, that if it should be amended by postponing for a period of two years the payment of the equalization fee, not on cotton alone, as has been proposed, but on all products subject to the operation of the bill, I should vote for it.

The changes in the bill by reason of which it differs from the earlier draft voted on at the last session do not obviate the constitutional objections urged by me at that time, nor would they disappear if an amendment such as that suggested should be adopted. I am unable to distinguish, however, in character between the expenditure of money from the Public Treasury for the purposes of this bill and the expenditure annually authorized for the general activities of the Department of Agriculture and possibly other departments of the Government. Upon the precedent thus established, and the course of Congress so long observed, I should feel quite justified in voting for the bill if, like bills making appropriations for the Department of Agriculture, it were impossible to assail it in the courts.

I found myself unable to sanction a bill which, if it became a law and were put into execution, would require the payment of equalization fees by the farmers of Montana to an amount that might aggregate as much as $5,000,000, every dollar of which would probably be lost to them if the act should be held to be unconstitutional, as I was constrained, after careful study, to believe it must be. If, however, the payment of the fee should be deferred as is proposed in the case of cotton, the validity of the law would meantime have been determined by the courts.

I am unwilling that the farmers of my State, sorely, desperately tried during the past six years, should be forced to wager the very great sum that would be exacted of them that the act is constitutional when I am convinced, quite contrary to my hope, that it is not. The regret with which I voted against a measure substantially like that now before the Senate at the last session will be intensified if I am forced now to act likewise, from the fact that the disparity between the prices of farm products and those of other commodities, instead of disappearing, as it was represented in some quarters would be the case, has, during the past year, increased alarmingly.

Mr. McKELLAR. Mr. President, I desire to ask the Senator from Montana a question, if I may, or make a statement in reference to the amendment suggested.

I prepared and had printed the amendment of which the Senator from Montana speaks, and at the time I intended to offer it; but since that time, upon mature deliberation and careful consideration and discussion of the matter, I have concluded to offer a different amendment, as follows:

On page 9, line 4, insert the following in reference to the putting on or stopping of the equalization fee, namely:

and until the board shall become satisfied that a majority of the producers of such commodity favor such action.

If the Senator will permit me to say it in his time, I am inclined to think that we should give the commission the authority to put the equalization fee upon all products alike, but provide that the fee should not be put upon any product until the commission had found that a majority were in favor of putting on the fee.

Mr. McNARY. Mr. President, may I have the opportunity of asking the Senator from Tennessee where his amendment is proposed to be inserted?

Mr. McKELLAR. On page 9, line 4. I am speaking in the time of the Senator from Montana, by his consent. I do not want to take my time at this moment.

Mr. STEWART. Mr. President, my remarks on the McNary-Haugen bill are going to be very brief. As the distinguished chairman of the Committee on Agriculture and Forestry said the other day, this bill has been so thoroughly discussed that there is not much left to say about it.

Mr. CARAWAY. Mr. President, will the Senator yield to me for just a moment?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Arkansas?

Mr. STEWART. If it is not taken out of my time.

Mr. CARAWAY. It will be taken out of the Senator's time.

Mr. STEWART. The economic phases of the bill, Mr. President, have been exhaustively and thoroughly and intelligently discussed. The constitutional phases of the bill, also, have been discussed in a very masterly way. One of the greatest speeches ever made in this Chamber on a constitutional question was made by that distinguished statesman, Albert B. Cummins, late Senator from Iowa, last June on the constitutionality of this bill. That speech is to be found on pages 11624 to 11631 of the CONGRESSIONAL RECORD for the first session of the Sixty-ninth Congress.

Mr. President, no one has even attempted to answer the arguments set forth there by that distinguished statesman. I have the greatest respect for the keenness of mind and sincerity of purpose of the great statesmen here who can not find themselves convinced of the constitutionality of this bill; but, Mr. President, even on the Supreme Court we have divided opinions, and so in this I am sure that the majority of the Senators disagree with those to whom I have referred and believe that the bill is constitutional.

In addition to the speech of the late distinguished Senator from Iowa I wish to refer to the report of the Committee on Agriculture and Forestry on the McNary-Haugen bill. I think that report is a masterpiece; and while we are talking about constitutional questions, Mr. President, it might be well to remember that the distinguished statesman who is the chairman of the Committee on Agriculture and Forestry—I refer to the Senator from Oregon [Mr. McNARY]—was once a member of the Supreme Court of Oregon, and was dean of a law school; and I think most of us are willing to concede that when it comes to speaking on constitutional matters the brief that he has set forth in this report speaks for itself, and should be convincing.

Mr. President, the people of Iowa have studied this bill for a number of years. They are convinced not only that it is economically sound but that it is constitutional. Not only the farmers of the State of Iowa are whole-heartedly behind the McNary-Haugen bill but the chambers of commerce, the business organizations, the bankers, and the Iowa State Legislature have all unanimously indorsed the McNary-Haugen bill.

Some criticism has been voiced on the floor to the effect that western bankers are in favor of this bill, but I say to that,

thank God that the bankers of the Middle West still conceive it to be their duty to use the funds intrusted to their care for the upbuilding of their communities.

There has been some criticism expressed on this floor to the effect that this demand for the McNary-Haugen bill comes only from the Middle West, and that the distinguished statesman from Maryland [Senator BRUCE], whom I personally admire, has used some cruel language in this Hall toward the mid-west farmers. He has accused them of being beggars. He has said that they have come to Congress asking for the McNary-Haugen bill, and he has said that it is a crack-brained scheme. In reply to that I wish to call the attention of the Senator from Maryland to the fact that after he had made these cruel remarks, these insulting remarks, I got in touch with the farm bureau of Maryland to find out how the farmers of Maryland felt about this matter, and I wish to read their reply.

DEAR SENATOR STEWART: We have received a communication from one of our members, Mr. Edward H. Sharpe, who is connected with our Frederick County Farm Bureau. He advises of the correspondence he has had with you with reference to surplus marketing measure known as the McNary-Haugen bill. * * *

We are inclosing herewith a copy of our letters to Senators BRUCE and WELLER.

I now read the copy of the letter of the Maryland Farm Bureau to Senator BRUCE:

DEAR SENATOR BRUCE: Inclosed herewith we are transmitting a set of the resolutions adopted by the Maryland Agricultural Society, the American Farm Bureau Federation, and the various organizations affiliated with this federation. These affiliated organizations are:

Agricultural Corporation of Maryland.
Maryland State Horticultural Society.
Maryland State Dairymens Association.
Maryland Tobacco Growers Association.
Maryland Sheep Growers Association.
Maryland Crop Improvement Association.
Maryland Vegetable Growers Association.
Maryland Bee Keepers Association.
Maryland Swine Growers Association.
Atlantic Coast Poultry Producers Association.
And the various county farm bureaus.

You will note very particularly the farmers' organizations of Maryland have gone on record in supporting a surplus marketing bill, and that the bill that meets their viewpoint is now before Congress, known as the McNary-Haugen bill.

Mr. President, I am tired of hearing the criticism in this Hall that the demand for the McNary-Haugen bill comes only from the farmers of the Middle West. I have just read the plea of farmers who live right under the very shadow of this Capitol, pleading with Congress to pass the McNary-Haugen bill in order that the farmers of this Nation may have a square deal.

Yesterday we heard some comment from the New Hampshire and Connecticut and other New England Senators regarding the McNary-Haugen bill. We heard it said that this bill would be a terrible thing for the farmers and a terrible thing for the laborers. The farmers and the laborers of this country are articulate, they are able to speak for themselves. They know their own minds, and I wish to say that the American Federation of Labor has unanimously indorsed the McNary-Haugen bill. Every farm organization that has appeared before the committees of this Congress has indorsed the McNary-Haugen bill.

If there are any farmers, or any great number of them, who are opposed to the bill, why have they not appeared before any of these committees and expressed their disapproval? When New England weeps for the laborers and the farmers the rest of the Nation must get a good laugh.

When I listened to the cruel words of the able Senator from Maryland and to the hard-hearted remarks of the Senator from New Hampshire I was reminded of the story of the banker who had a glass eye. A farmer went in to see his banker, who had a glass eye, and asked him for a loan. The banker said, "Now, I'll tell you, John, if you can tell me which one of my eyes is glass I will make you this loan." John looked at him intently for a moment and then said, "It's your right eye." The banker said, "That's right; but, John, how could you tell?" John replied, "Why, I thought I detected a gleam of human sympathy in that eye." [Laughter.]

Mr. President, the farmers of this Nation have never been sectional in their feelings. They always have been loyal in their support of everything that was for the good of this Nation. But as years have gone by they have seen a selfish spirit develop among certain classes of this Nation. They have seen the selfish interests come to Congress and get legislative relief. They inquired why, and they found that these selfish interests got legislative relief because they organized and expressed their wishes and made their demands upon Congress. So the farmers, benefiting from what they had learned of the procedure of these other bodies, determined to organize in order to get their demands. But as soon as the farmers started to organize and make demands, then we saw the hypocritical eyebrows raised in horror, and hands raised, and remarks made as to what a terrible thing it would be if we should develop blocs in this country.

After the experience of the farmer they get a good laugh out of criticism of that kind. The farmers know their rights, and they will no longer be frowned out of those rights.

In this great family of ours which we call the Nation the farmer has always played the part of the homely sister, who did all the drudgery around the house and wore the second-hand clothes, while the good-looking sisters had good clothes and went out to parties. But recently it has appeared that the family is much disturbed because a fine-looking fellow has been courting the homely sister, and it seems that he has not only offered to take her for a buggy ride but to take her for a ride in the Pullman cars.

There is more involved in the passage or defeat of the McNary-Haugen bill than simply the question of a square deal for the farmers. This country has grown and prospered because of its political and economic unity. The question involved here is whether or not we are going to permit certain selfish interests to break down the things that have brought prosperity and happiness to this Nation by refusing to give a square deal to all elements.

Mr. NEELY. Mr. President, I offer an amendment, which I ask to have read from the clerk's desk.

The PRESIDING OFFICER. The clerk will read.

The LEGISLATIVE CLERK. Beginning on page 17, strike out all of paragraph (b) of section 12 and insert in lieu thereof the following:

(b) For the purpose of developing continuity of cooperative services, including unified terminal marketing facilities and equipment, the board is authorized, upon such terms and conditions and in accordance with such regulations as it may prescribe, to make loans out of the revolving fund to any cooperative association engaged in the purchase, storage, sale, or other disposition, or processing of any agricultural commodity, (1) for the purpose of assisting any such association in the acquisition, by purchase, construction, or otherwise, of facilities to be used in the storage, processing, or sale of such agricultural commodity, or (2) for the purpose of furnishing funds to such associations for necessary expenditures in federating, consolidating, or merging cooperative associations, or (3) for the purpose of furnishing to any such association funds to be used by it as capital for any agricultural credit corporation eligible for receiving rediscounts from an intermediate credit bank. In making any such loan the board may provide for the payment of such charge, to be determined by the board from time to time, upon each unit of the commodity handled by the association, as will within a period of not more than 20 years repay the amount of such loan, together with interest thereon. The aggregate amounts loaned under this subdivision and remaining unpaid shall not exceed at any one time the sum of $25,000,000.

Mr. NEELY. Mr. President, the twofold purpose of this amendment is, first, by rearrangement to improve the language of the bill, and, second, to render its proposed benefits more available and more generally useful to certain cooperative concerns.

It is generally admitted that the following are essentials of successful cooperative marketing associations:

First. Sufficient facilities primarily to process and warehouse the commodities handled.

Second. The capacity and right to associate together in order to avoid competition between or among the associations.

Third. Such credit facilities as will enable the cooperatives to accommodate their membership by utilizing the facilities of the intermediate credit system, thus avoiding the necessity of inopportunely dumping commodities upon the market.

My amendment is designed to provide all of the foregoing essentials to cooperative marketing associations.

If adopted, it will be the only portion of the bill designed to aid associations which handle products other than those defined in the bill as basic agricultural commodities. To be more specific, the adoption of this amendment will enable the producers of nonbasic agricultural commodities, such as the fruit, the vegetable, and the buckwheat growers and the dairy farmers of West Virginia and every other State in the Union, to share the benefits of the pending measure.

It may be both surprising and interesting to some of the Senators to know that the aggregate annual value of the agricultural commodities defined as basic in the bill is between four and five billion dollars, while the aggregate annual value of the

agricultural commodities not defined as basic is between nine and ten billion dollars.

That the advantages of this legislation ought to be shared by the producers of this greater portion of our annual agricultural wealth should be so obvious to every Member of the Senate as to make superfluous either argument or proof.

For the information of the Senate I read the following self-explanatory indorsements. The first is a telegram from Martinsburg, W. Va., dated February 10, addressed to me, and is as follows:

We, the West Virginia State Horticultural Society, in convention assembled, hereby desire to express to you our appreciation and gratitude for your effort in our behalf which is reflected in your proposed amendment to the McNary-Haugen bill. This amendment, if adopted and becomes law, will be most helpful in our endeavor to organize on a cooperative basis. In fact, there is no other provision so helpful to our industry in many of the proposed bills. We earnestly urge upon Congress the approval of this amendment and the passage of the bill.

WEST VIRGINIA HORTICULTURAL SOCIETY,
FRANK ROBINSON, *President.*
HURLEY CRANE, *Secretary.*

The following is from Hon. G. M. Putnam, president of the New Hampshire Farm Bureau Federation:

CONCORD, N. H., *February 9, 1927.*

Senator NEELY:

Urge adoption of your proposal to amend McNary bill with reference to loans to cooperative under amortization plan. Such amendment would be most helpful in the development of cooperative marketing and should be adopted.

G. M. PUTNAM,
President New Hampshire Farm Bureau Federation.

The following is an excerpt from a letter which I received on the 8th day of February from Mr. Chester H. Gray, the Washington representative of the American Farm Bureau Federation:

The substance of this proposed amendment was approved in the resolution of the board of directors of the American Farm Bureau Federation early last year, and I believe the amendment, if enacted into law, would be very helpful in assisting cooperative enterprises financing their work.

AMERICAN FARM BUREAU FEDERATION,
CHESTER H. GRAY, *Washington Representative.*

Mr. President, I demand a vote on my amendment.

Mr. BRUCE. Mr. President, when this bill came up at the last session of Congress I voted against it, and since that time nothing has transpired to make me change the convictions by which I was then influenced.

I am opposed to the bill, first, because, in my judgment, it is unconstitutional; and, secondly, because, in my judgment, it is economically unsound.

The constitutionality of the equalization fee provided for in it is founded upon the claim that the fee is an incident of interstate commerce regulation. I deny that.

There is no distinction taken anywhere in the bill between interstate commerce and intrastate commerce, but if the validity of the equalization fee is to be referred to the interstate commerce clause of the Federal Constitution it falls directly within the scope of the decisions of the Supreme Court of the United States in the cases of Hammer against Dagenhart in Two hundred and forty-seventh United States, and the Child Labor case in Two hundred and fifty-ninth United States. In the former case Congress attempted to prohibit the transportation of commodities produced, in part, by child labor, and the attempt was made to uphold its enactment upon the ground that the measure was a regulation of interstate commerce. The Supreme Court of the United States said, "Not so":

The thing intended to be accomplished by this statute—

It declared—

is the denial of the facilities of interstate commerce to those manufacturers in the States who employ children within the prohibited ages. The act in its effect does not regulate transportation among the States, but aims to standardize the ages at which children may be employed in mining and manufacturing within the States.

That decision was followed by the Supreme Court of the United States in the Child Labor Tax case in Two hundred and fifty-ninth United States. There Congress undertook to impose a tax on the net profits received from certain commodities produced, in part, by child labor, and the court said:

The case before us can not be distinguished from that of Hammer v. Dagenhart (247 U. S. 251). Congress there enacted a law to prohibit transportation in interstate commerce of goods made at a factory in which there was employment of children within the same ages and for the same hours a day and days in the week as are penalized by the act in this case. This court held the law in that case to be void.

Then the court recalled a part of what it had said in the case of Hammer against Dagenhart, and continued:

In the case at bar Congress, in the name of a tax which on the face of the act is a penalty, seeks to do the same thing, and the effort must be equally futile.

The pending bill, I repeat, is controlled by those two decisions. It is contended that it is a regulation of interstate commerce, but, of course, the real fact is that its leading object, I may say its sole, exclusive object, is to artificially enhance agricultural prices. The equalization fee created by it can not be upheld as a quantum meruit for service incident to the movements of interstate commerce. Neither can it be upheld as a tax.

Need I argue that Congress has no power to levy a tax except for public purposes; that it has no authority to empower any public agency to impose a tax for the purpose of promoting the special interests of a particular class of individuals; and that was exactly what the Supreme Court said in the case of Parkersburg against Brown. There a statute authorized the city of Parkersburg, W. Va., to issue bonds of the city to an amount not exceeding $200,000 for the purpose of lending the same to manufacturers carrying on business in or near the said city. The Supreme Court of the United States said:

Taxation to pay the bonds in question is not taxation for a public object. It is taxation which taxes the private property of one person for the private use of another person.

So here I say that if we call the equalization fee prescribed by the pending bill a tax, then the bill endeavors to impose something that is in no true sense a tax at all, but simply an unwarrantable invasion of the principles of personal liberty and personal freedom of contract. How can a legislative provision that every farmer shall pay such an equalization fee, whether he is willing to do so or not, be otherwise than a gross violation of the fifth amendment to the Federal Constitution, which declares that no person shall be deprived of life, liberty, or property without due process of law?

Mr. REED of Pennsylvania. Mr. President, will the Senator from Maryland yield in that connection?

Mr. BRUCE. I am very sorry, but I have such a short time. I would gladly yield, but the minutes are really precious to me at this time, whether they are to anyone else or not.

Then again, as the Senator from Montana [Mr. WALSH] has so well pointed out, the bill is unconstitutional, because it does not prescribe any proper administrative standards for the exercise of the powers bestowed upon the farm labor board by it. So I say that the pending bill is in several vital respects absolutely unconstitutional, nugatory, and void.

Moreover, so far as it attempts to fetter the power of appointment vested by the Constitution of the United States in the President it is also unconstitutional and void. The Federal Constitution says the President shall, by and with the advice and consent of the Senate, have the power to nominate and appoint; and yet here we have a bill which seeks to empower nominating committees, named by the farmers, to restrict the power of appointment of the President to one of the three names handed in from each of the 12 land-bank districts of the country. It can not be done. As I said when the bill was last before the Senate, if we are going to pass a bill, do not let us pass one which, in the memorable language of John Randolph of Roanoke, "has the sardonic grin of death upon its very countenance."

I say, likewise, that the bill is economically unsound, but I have no time to stop to ask how far it is practically workable. Let us suppose that it is workable; what then? How would it operate, if it operated at all? It would operate, so far as the American people generally are concerned, by producing one of the things that have always been considered most undesirable by the human race; that is, scarcity of the necessaries of life. The object of the bill is to produce artificially by law the conditions which are usually produced only by drought, by storm, or by some other cruel natural catastrophe. In other words, in order to bestow a benefit upon the farmer, it is proposed to make the cost of living higher to every man and woman of the United States, including the farmer himself. If all the necessaries of life, which are called basic commodities in the pending bill, are enhanced in price, of course, that enhancement will run through the whole structure of human society in the United States. Every man, no matter what his calling, his occupation, his pursuit, his business, will have to pay a part of that enhanced price, including the farmer himself, when he comes to buy foodstuffs and dairy stuffs and the like. And especially

will that be true of the southern farmer, who buys every year some $1,500,000,000 worth of feed and foodstuffs from other portions of the United States. The bill ought not to be called a bill to promote orderly marketing. It ought to be called a bill to promote scarcity, to inflate prices for the necessaries of life, and to make the present cost of living, which is high enough, still higher.

Mr. KING. And to disrupt our industrial and economic structure.

Mr. BRUCE. Yes; the whole economic structure of the country, as I could readily establish, if I had a little more time.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. BRUCE. I have not the time; otherwise I would be glad to yield. I really think the Senator should agree to extend my time about 15 minutes longer. If he will do so, I shall be very glad to yield.

Mr. MAYFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from Maryland be given an additional 15 minutes.

Mr. McNARY. That is so contradictory of the intent of the unanimous-consent agreement and so unfair to other Senators that I feel impelled to object.

Mr. BRUCE. The other effect would be that while our own people would be paying all these high prices for wheat, for corn, for rice, for cotton, and what not, the people of other lands would be enjoying the low prices created by the surpluses which the farm board created by the pending bill would be dumping on those lands. Of course, one result of the dumping would be that the owners and employees of industrial establishments in foreign countries would profit at the expense of our industries because of the low prices at which they could obtain the commodities that would enter into such surpluses.

As soon as inflated prices were produced by the pending bill, of course there would be a demand on the part of labor for higher wages on account of those prices, and then we should have the same old vicious circle with which we have been so familiar in recent years. There would be a demand for increased wages, and it would have to be honored, and as a result of that course manufactured commodities of every sort will be higher and freight rates would be higher. Indeed, almost everything that enters into the economy of human life in the United States would be higher.

Another effect of the bill would be to give a tremendous stimulus to agricultural production that would roll up larger and larger surpluses and make the operation of the bill more and more difficult. With great respect to the Northwest, the pending bill is but a hollow cask. It is but another one of those deceitful fallacies which have from time to time been swept to view by brainstorms bred in that region and been borne eastward to fill with anxiety and alarm the breasts of the conservative inhabitants of the East. All through my life we have had to face in the East first one economic delusion and then another engendered in what I call the Bryan and Brookhart West. First, we had the greenback craze, when it was proposed to flood the country with rag money.

Then we had the Patron of Industry movement, the Farmers' Alliance movement, and the Populist movement, all involving proposals that legal-tender paper money should be issued directly from the Treasury without the intervention of any banking agencies at all.

That was the time when Peffer, of Kansas, nursed the long beard which became almost as famous as the beard of Frederick Barbarossa, and when Jerry Simpson, known as "Sockless Simpson," was supposed to be going about in sockless feet to show on what a very sad footing the agriculture of the country was.

Then came along the free-silver agitation, which furnishes an exact analogy to this bill. There the attempt was by law to create a parity, an unnatural, fictitious parity, between silver and gold in defiance of Gresham's law and other despotic economic laws. That madness, too, passed after the whole country had fairly rocked with excitement and fear as the result of it. And to-day we can as readily find in the United States a man willing to worship a cow or a snake as a man who has the slightest faith in the shallow, dishonest shibboleth of the free and unlimited coinage of silver without the aid or consent of any other nation.

The PRESIDING OFFICER (Mr. BLEASE in the chair). The time of the Senator from Maryland has expired.

Mr. BRUCE. I am sorry, because I should like to hit the pending bill some still harder blows. Many of my farmer constituents favor its passage, and I deeply regret that I can not concur with their views; but I am sure that they will be generous enough to realize that I am merely unwilling to be false to my honest convictions.

Mr. REED of Missouri obtained the floor.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Utah?

Mr. REED of Missouri. I yield.

Mr. KING. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	King	Reed, Mo.
Bayard	Frazier	La Follette	Reed, Pa.
Bingham	George	Lenroot	Robinson, Ind.
Blease	Gerry	McKellar	Sackett
Borah	Gillett	McLean	Schall
Bratton	Glass	McMaster	Sheppard
Broussard	Goff	McNary	Shipstead
Bruce	Gooding	Mayfield	Shortridge
Cameron	Gould	Means	Smith
Capper	Greene	Metcalf	Steck
Caraway	Hale	Neely	Stephens
Copeland	Harris	Norris	Stewart
Couzens	Harrison	Nye	Trammell
Curtis	Hawes	Oddie	Tyson
Dale	Heflin	Overman	Underwood
Deneen	Howell	Pepper	Walsh, Mass.
Dill	Johnson	Phipps	Walsh, Mont.
Edwards	Jones, Wash.	Pine	Watson
Ernst	Kendrick	Pittman	Willis
Fess	Keyes	Ransdell	

Mr. WALSH of Montana. I desire to state that the Senator from Arkansas [Mr. ROBINSON] and the Senator from Michigan [Mr. FERRIS] are necessarily detained from the Chamber on business of the Senate.

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, a quorum is present.

Mr. REED of Missouri. Mr. President, I am in this position. Confinement to my home has made it impossible for me to take a part in this debate, and now that the time limit is fixed it is impossible within the time allowed to do more than merely to state a few propositions. If I may have the indulgence of the Senate I shall try to state my views touching this proposed legislation in the briefest possible way.

Mr. President, I have the utmost respect for the opinions of those Senators who differ from me with regard to the merits of this bill. I think I am safe in saying that not one of them would be found a proponent for the measure if it were not that the farmers of the country generally are not in a prosperous condition. There is a natural desire in the heart of every man to see all the great elements of society prosper, and so, out of the hard condition affecting agriculture, comes an effort to secure some kind of relief; but some of our friends are very much in the attitude of a sick man who in his desperation will take any kind of medicine that is suggested, and that wholly regardless of the learning that has been accumulated through the ages which may clearly prove that the medicine is dangerous and perhaps deadly.

There is trouble in the farm situation. We have what we call prosperity, but it is a very "spotted" prosperity. Great manufacturing and financial institutions are making more money in a year's time, indeed, are making more money by a single transaction, than ever before in the history of the world. That makes an apparent prosperity. Wages are high, largely through the efforts of organized labor, and prices on manufactured products are high, very largely because of legislation which has been enacted by Congress.

The farmer, however, finds himself in a bad situation. I want for a moment to get at the causes of the disease and see, if we ascertain what the cause is, whether we can not find two things: First, the right remedy; and, second, the evils attaching to this proposed bill.

Mr. President, it is with a feeling akin to disgust that I see the proponents of a high protective tariff upon manufactured articles stand upon the floor and complain about the hardships of the farmer. They created those hardships very largely by positive statutory enactment. Years ago they took away from the American citizen the right to buy his goods in the free and open markets of the world by imposing an excessively high tariff for the express purpose of enabling the manufacturers of the country to charge higher prices for their products in order that the manufacturers might receive large profits. Thus they skimmed the cream of the country's industry and wealth and turned it into the hands of a few favored industries. That was the initial step in the depression of the farmer's condition.

No man is entitled to call himself a man of good judgment who will deny that when we pass a law artificially raising the price of that which the farmer consumes and do not at the same time raise the price of that which he produces we have

created a condition which is bound to result in the impoverishment of the farmer. Thus we fix the initial point from which we can proceed.

Second, when the World War came on there was an effort made to regulate the price of farm products. A law never was passed authorizing the regulation of those prices, but a power was vested in Mr. Hoover to license those organizations engaged in the business of buying grain, meats, and so forth. He exercised that power in this wise: He licensed these various organizations and said to them, "You will pay a certain price for wheat, for corn, for cattle, etc.; if you pay more or less I will revoke your license from you and destroy your business." Accordingly, there was a price fixed by the arbitrary action of this man upon the principal products of the farm.

At what point was that price fixed? We are no longer left to the realm of speculation or of fancy. We know that no wheat could be shipped out of this country except through the Export Grain Corporation, which was created by law and dominated and controlled by Mr. Hoover and his advisers. We know that that concern turned back to the Federal Government as profits made upon the farmers' grain $70,000,000. We know, therefore, that the price the corporation received for the grain shipped abroad was $70,000,000 in excess of the price received at home. That $70,000,000 of profits was realized upon the grain that went abroad, and, as only about two-ninths of the grain raised in this country went abroad, the total taken from the farmer, as shown by the figures, amounted to over $3,500,000,000 upon wheat alone.

But that is not all of the story. The Export Grain Corporation did not itself receive full war prices, for wheat was during the war frequently sold in Europe at $4 and $5 a bushel. American wheat that had been sold through this very board and purchased for $2 and $2.10 a bushel was sold in Europe—plenty of it—at $4 and $5 a bushel. The result was, therefore, that the farmer was compelled to sell upon a low and artificially fixed valuation. In the meantime he was forced to buy everything he purchased at full war prices. The result was that when the war was over he did not have a surplus in his bank. He found himself practically without any surplus whatever.

Let us take the next step, and be it observed these steps follow each other in logical sequence and tell their story as we go along.

When the war was over and it was expected that war prices would come down, the great manufacturing industries came to the Congress and demanded a higher tariff than had ever been levied in all the history of the world. I saw these men come before the Finance Committee and heard them declare in good, set terms: "We won this election. We elected Mr. Harding. We are entitled to the fruits of that election." So Congress passed a law to keep the price of everything the farmer bought and everybody else bought on the high level of the war by enacting a tariff law so outrageous as to accomplish that result.

What followed? The farmer then found himself obliged to sell upon the broken market of Europe at European prices as fixed by those bankrupt conditions. At the same time he was forced to buy in a market that you gentlemen on the other side of the Chamber voluntarily, intentionally, willfully, and wickedly raised. There the prices remain to-day.

What, then, would be the natural thing to do? It would be to lower that tariff, and give the farmer a decent opportunity to buy in a market at prices somewhat akin to those of the market in which he is compelled to sell; but you do not propose that. You come here with this bill.

In the few minutes that remain to me I want to give my attention to the bill itself.

First, you propose artificially to raise prices in a product where we have a great surplus going abroad every year. It is admitted that in order to accomplish that result you must in some way control the production, or monopolize the production, so that you can sell in this country at a high level, dump the surplus in Europe at a lower level. You then propose to find out what the loss is, divide that up among the farmers, and make them pay that loss proportionately. That is this bill, and that is all there is to this bill. You propose, however, to do this not by the voluntary action of the farmers of the United States but by force of law.

I frankly admit that the farmers of the United States would have the right, if they wanted to do so, to get together in some great assembly and sign a contract by which they would all agree not to sell their grain for less than a certain price, or to deliver it all to one seller, and authorize that man to fix the price in this country. It might not be sound from the economical standpoint, but such a scheme would permit the farmers of the country to exercise their natural right. But, Mr. President, the farmers of the United States have not done any such thing, and this bill does not propose to require them to do any such thing. This bill says to the farmers of the United States: "By law we propose to set up a board to control the prices of your products, we intend to regulate their sale, and we will attempt to find out how much money that board is going to lose, and we will, by law, make every one of you 60,000,000 farmers willy-nilly take part of your produce and turn it over to this board to do with as it sees fit; such is the intent and purpose of this bill when it is reduced to its final analysis.

Mr. President, I ask the Senate to consider what that means. It means, sir, that a free-born American citizen can buy a farm, can plow his field, can sow his grain, can harvest his crop, can thresh it, and then of what use is it to him? Absolutely none, unless he can sell it. At that point you propose to say to him: "You can not take this grain and sell it as a free man. You can take it to town, it is true; you can turn it over to a merchant, it is true; but when you turn it over to that merchant he must take out of your grain which you raised a certain proportion and turn it over to a board without your consent, without your agreement, and against your will." [At this point the gavel fell.] My time is not up. I have three or four minutes left. The Chair is mistaken.

Mr. BRUCE. I ask unanimous consent——

The PRESIDING OFFICER. The Senator started at 21 minutes past 1, and it is now 1.37. The Senator has spoken 1 minute over the 15 minutes; but if the Senator from Maryland requests unanimous consent that the Senator's time be extended——

Mr. BRUCE. I do.

Mr. McNARY. Mr. President, it is useless to do that. The Senator knows from his own experience that I can not discriminate between Senators.

Mr. BRUCE. I am perfectly willing to be discriminated against. The Senator refused to discriminate, as far as I am concerned, and if I was entitled to 15 minutes more, I should think the Senator from Missouri was abundantly entitled to it.

Mr. McNARY. I am not going to discriminate against the Senator from Maryland; hence, we must enforce the rule.

Mr. BRUCE. You are going to discriminate against all other classes of society in this bill, so why should you not discriminate against me?

Mr. LENROOT. Mr. President, a parliamentary inquiry: Was there not a quorum call, and has that been taken out?

The PRESIDING OFFICER. The quorum call was taken out, the Chair is informed; yes.

Mr. REED of Missouri. Mr. President, I want to make this appeal to the Senate: I have been ill. I have been unable to be here. I should like just about three minutes.

The PRESIDING OFFICER. If there is no objection, the Senator's time will be extended three minutes. The Chair hears none, and it is so ordered.

Mr. REED of Missouri. I merely want to conclude what I was saying.

Whenever the Government of the United States says to a citizen, "Against your will we will take some of your property and turn it over to a board or bureau to be expended," the Government is taking property without process of law; and if it can take 10 per cent of what a farmer has produced, it can take 20 per cent or 50 per cent. Whenever the Government can take away a portion of that which a man has justly acquired, not by general taxation for the general purposes of government but for the special advantage of certain other citizens, it has reduced the free man to the condition of a serf; for if the Government can take away the citizen's right to earn a livelihood, to enjoy the fruits of his toil, the Government can reduce him to a condition of dependence which, carried to the extreme, would establish absolute slavery.

Men may smile at that, but that is a power that was once asserted by tyrannical governments. It never heretofore has been asserted by this Government. The power to take a part of what the farmer raises can be applied to every citizen, and we can have boards and bureaus regulating the wages, profits, and property of people in every department of life.

One word in conclusion.

Men have stood here and said they represent the farmers; that they speak for all the farmers of the United States. I deny it. The farmers are not all members of these organizations. Nay, there are not, in fact, in my judgment, 20 per cent of the farmers of the United States in all of these organizations. The men outside are to be considered. This bill means the establishment of agricultural peonage if it is carried to its legitimate conclusion. It deprives the farmer of his right to till the soil and reap the result of his labor. It means for the Government to say: "I am strong enough, I am great enough

to reach into your pockets and take your money and use it for any purpose a few legislative sharps think is going to benefit you."

That is not freedom. That is not liberty. That is not Americanism. That is not democracy. That is tyranny. That is brutality. That is infamy. That is a blot upon our entire civilization.

Some day, when I have time, I will tell you what I think about this bill. [Laughter.]

Mr. SHIPSTEAD obtained the floor.

Mr. CARAWAY. Mr. President, will the Senator from Minnesota yield to me for just one minute? The Senator from Missouri [Mr. REED] said that some day he is going to tell us what he thinks about the bill. I hope he reads it before he does so, because evidently he has not read it. There is not a thing in the bill that the Senator said was there.

Mr. REED of Missouri. Mr. President, the Senator and I just differ.

Mr. CARAWAY. Oh, no; we do not differ. I have read the bill, and the Senator has not.

Mr. REED of Missouri. The Senator is mistaken.

Mr. CARAWAY. Oh, no; I am not.

Mr. REED of Missouri. We just have two different minds. Sometimes the Senator is going along with me, and he is all right; and sometimes he gets off on the other side.

Mr. CARAWAY. When the Senator reads the bill he is usually right, but when he makes a speech without having read it he is usually wrong.

Mr. REED of Missouri. Mr. President, I am not going to have a quarrel with my friend from Arkansas——

Mr. CARAWAY. I am not quarreling.

Mr. REED of Missouri. But when the Senator says I have not read this bill, or makes any assertion of that kind, he does not mean to say it.

Mr. CARAWAY. If the Senator has read it, when he says that 60 per cent of the farmers could be deprived of their rights he ignores the fact that an equalization fee can not be imposed until more than 50 per cent of them are for it.

Mr. REED of Missouri. I said that 60 per cent of the farmers do not belong to these organizations.

Mr. CARAWAY. Oh, no; that was not what the Senator said.

Mr. REED of Missouri. Well, we will not quarrel about an immaterial thing of that kind. It is too small to quarrel about.

Mr. SHIPSTEAD. Mr. President, I ask the attention of the Senator from Maryland [Mr. BRUCE] for just a moment.

The Senator from Maryland—who is a man of very notable character, has a very charming personality, and is recognized as having one of the keenest and ablest minds in the Senate at the present time—has taken it upon himself on various occasions to express, in language of considerable fluency, from a vision that is wide in latitude, his personal opinion of Senators, Member of this body from the Northwest, who are defending this piece of legislation. He has not confined his indictment to Senators only, but he has indicted the entire Northwest. He has accused us and the people of the Northwest of supporting hare-brained ideas. My vocabulary is not sufficient to repeat the anathemas he has hurled upon us.

I am sorry the Senator from Maryland did that, because I am sure I express the opinion of very many of his friends when I say that it is unworthy of the great Senator from Maryland. He has not only directed his criticism to the people of the Northwest, but I want to call attention to a letter that was addressed to the Senator from Maryland on January 28. This letter was written by Mr. Melvin Stewart, secretary-treasurer of the Maryland Agricultural Society. I want to read a paragraph or two from the letter, to show that it is not only the agricultural interests of the Northwest who favor this piece of legislation, but the farm organizations of the great State of Maryland have also indorsed it. The letter reads as follows:

Hon. WM. CABELL BRUCE,
United States Senate, Washington, D. C.

DEAR SENATOR BRUCE: Inclosed herewith we are transmitting a set of the resolutions adopted by the Maryland Agricultural Society, the Maryland Farm Bureau Federation, and the various organizations affiliated with this federation. These affiliated organizations are:

Agricultural Corporation of Maryland.
Maryland State Horticultural Society.
Maryland State Dairymens Association.
Maryland Tobacco Growers Association.
Maryland Sheep Growers Association.
Maryland Crop Improvement Association.
Maryland Vegetable Growers Association.
Maryland Beekeepers Association.
Maryland Swine Growers Association.
Atlantic Coast Poultry Producers Association, and the various county farm bureaus.

You will note very particularly the farmers' organizations of Maryland have gone on record in supporting a surplus marketing bill and that the bill that meets their viewpoint is now before Congress, known as the McNary-Haugen bill.

His indictment therefore stands against the farmers of Maryland, his own people, as well as against the people of the Northwest.

Mr. President, in the course of the debate upon this measure a great deal has been said about the power to tax. It is known and recognized by any economist that the power to tax is the power to destroy, and I submit that the power to fix prices on commodities is also the power to tax, and therefore inherently contains the power to destroy. In the price-fixing legislation that has been passed by the Congress in the past 25 or 30 years we have had a practical demonstration that the power to fix prices contains the power to destroy, and that power has been so used.

Of course, the purpose of this measure is to enhance the prices of farm products. Of course, it establishes a bureau. It is adding to the old system of bureaucracy that has been foisted upon this country by Congresses in the past, and by men who now stand before us and object to another bureau that is sponsored by the agricultural interests as a backfire for protection and defense against this prairie fire of bureaucracy that is sweeping down upon us and destroying agriculture.

What is the transportation act but a price-fixing measure? What has been the result since that law was passed upon the freight rates, hitting the producers of commodities? Passenger rates and freight rates have been enhanced 50 per cent.

What is tariff legislation and the tariff commission but a price-fixing measure and bureau? Through the power to tax, through a high tariff, there is the power to fix prices, and therefore the power to destroy.

What is the Federal reserve banking act but a price-fixing measure, establishing a price-fixing bureau, to fix the rediscount rates and the interest rates?

What is the result of the neglect to enforce the Sherman Anti-trust Act against the monopolies of the country, fixing prices, and through the power to fix prices using the power to tax the pockets of the American people?

Of course, these are price-fixing, tax-collecting bureaucracies which have been foisted upon the American people by Congresses in the past. It is a doctrine and it is a program that those who are opposed to this piece of legislation have forced upon us. We are now only putting back in their own teeth the very words they have been using here for 25 or 30 years, and because we have permitted it we have had to pay the price, and in the few minutes I have I want to call attention to the terrific price the agricultural interests have paid for this bureaucratic price-fixing legislation.

The condition is reflected in the statistics of bank failures throughout agricultural sections, and I want to read the statistics of the bank failures in the industrial East for the years from 1920 to 1925 and compare them with those in the other sections of the country.

In the great States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut, in the five years from 1920 to 1925, a total of 36 banks failed.

In the great States of New York, New Jersey, Delaware, Pennsylvania, and Maryland a total of 147 banks failed in the period from 1920 to 1925.

Note, when we come into the agricultural sections, the increase in bank failures. In the States of Michigan, Wisconsin, Illinois, Indiana, and Ohio 204 banks failed, with total resources of $99,333,000.

Then we go into the border States between the North and the South, the agricultural States. In West Virginia, Virginia, Kentucky, and Tennessee a total of 132 banks failed, with total resources of $32,000,000. In the old South, North Carolina, South Carolina, Georgia, Florida, Alabama, and Mississippi, a total of 502 banks failed, with total resources of $156,000,000.

In Louisiana, Texas, Arkansas, and Oklahoma 547 banks failed, with total resources of $181,000,000.

In Minnesota, North Dakota, South Dakota, Nebraska, Missouri, and Kansas 1,299 banks failed, with total resources of $430,000,000.

In Mohtana, Idaho, Wyoming, Colorado, New Mexico, and Arizona 519 banks failed.

The total bank failures for the United States amounted to 3,546, with resources of $1,617,000,000, and 95 per cent of those bank failures were in agricultural areas.

Here is a demonstration of the power to destroy agriculture through the power to fix prices below cost of production. The

following statistics are from pages 70 and 71 hearings before subcommittee of the Banking and Currency Committee of the United State Senate, Sixty-ninth Congress, first session, on S. 1782 and H. R. 2.

TABLE 8.—*State and National bank failures, by geographic divisions and States, 1900 to 1925, divided into periods preceding and following January 1, 1920*

NOTE.—The small figures indicate the number of failures for which no figures of resources are available. They should be deducted from the number given to obtain the number whose resources are given]

Geographic division and State *	State and National bank failures 1900, to Jan. 1, 1920		State and National bank failures Jan. 1, 1920, to August, 1925		Totals, 1920–1925	
	Number	Resources	Number	Resources	Number	Resources
A. New England States						
1. Maine	3	$1,859,000	1	$600,000	4	$2,459,000
2. New Hampshire	1	272,000	1	1,735,000	2	2,007,000
3. Vermont	4	2,946,000			4	2,946,000
4. Massachusetts	10	13,799,000	6	59,876,000	16	73,675,000
5. Rhode Island	5	30,378,000	2	1,299,000	7	31,677,000
6. Connecticut *	2	1,406,000	1	2,269,000	3	3,675,000
Total	25	50,660,000	11	65,779,000	36	116,439,000
B. Middle Atlantic States						
1. New York	47 [3]	182,402,000	2	4,203,000	49 [3]	186,605,000
2. New Jersey	9	7,157,000			9	7,157,000
3. Delaware						
4. Pennsylvania	66 [4]	97,506,000	16	21,920,000	82 [4]	119,426,000
5. Maryland	4	1,288,000	3	1,394,000	7	2,682,000
Total	126 [6]	288,353,000	21	27,517,000	147 [6]	315,870,000
C. North Central States						
1. Michigan	13	7,619,000	2	1,670,000	15	8,689,000
2. Wisconsin	20 [1]	11,489,000	31	7,601,000	51 [1]	19,090,000
3. Illinois	19	16,582,000	39 [1]	21,110,000	58 [1]	37,692,000
4. Indiana	20 [1]	6,324,000	14	5,153,000	34 [1]	11,477,000
5. Ohio	38 [1]	16,483,000	8	5,902,000	46 [1]	22,385,000
Total	110 [3]	58,497,000	94 [1]	40,836,000	204 [4]	99,333,000
D. Southern Mountain States						
1. West Virginia	25 [2]	5,165,000	8	3,180,000	33 [2]	8,345,000
2. Virginia	7	2,343,000	21	5,097,000	28	7,440,000
3. Kentucky	26 [10]	1,891,000	17	3,239,000	43 [10]	5,130,000
4. Tennessee	13 [3]	3,503,000	15	8,035,000	28 [2]	11,538,000
Total	71 [22]	12,902,000	61	19,551,000	132 [22]	32,453,000
E. Southeastern States						
1. North Carolina	25	3,817,000	66	17,931,000	91	21,748,000
2. South Carolina	11 [3]	1,114,000	87 [1]	32,624,000	98 [3]	33,738,000
3. Georgia	53 [13]	13,341,000	153	43,031,000	206 [13]	56,372,000
4. Florida	15 [3]	15,035,000	22	9,326,000	37 [3]	24,361,000
5. Alabama	26	8,445,000	18	3,755,000	44	12,200,000
6. Mississippi	5	887,000	21	6,913,000	26	7,800,000
Total	135 [16]	42,639,000	367 [1]	113,580,000	502 [17]	156,219,000
F. Southwestern States						
1. Louisiana	25 [2]	7,285,000	27	7,050,000	52 [2]	14,335,000
2. Texas	41 [3]	11,111,000	154 [8]	67,793,000	195 [8]	78,904,000
3. Arkansas	26 [2]	4,477,000	31	8,971,000	57 [2]	13,448,000
4. Oklahoma	61 [1]	14,757,000	182 [1]	60,034,000	243 [2]	74,791,000
Total	153 [8]	37,630,000	394 [9]	143,848,000	547 [14]	181,478,000
G. Western grain States						
1. Minnesota	35 [6]	4,632,000	162 [1]	62,506,000	197 [7]	67,138,000
2. North Dakota	27	2,988,000	269 [1]	61,260,000	296 [1]	64,238,000
3. South Dakota	41 [1]	3,832,000	196	81,373,000	237 [1]	85,205,000
4. Iowa	10 [1]	4,643,000	142 [5]	74,032,000	152 [6]	78,675,000
5. Nebraska	14	1,665,000	135	47,984,000	149	49,649,000
6. Missouri	32 [7]	6,963,000	102 [3]	41,209,000	134 [9]	48,172,000
7. Kansas	32 [1]	6,888,000	102 [3]	30,171,000	134 [4]	37,059,000
Total	191 [16]	31,611,000	1,108 [13]	398,525,000	1,299 [29]	430,136,000
H. Rocky Mountain States						
1. Montana	8	6,349,000	176 [1]	58,291,000	184 [1]	[6]64,640,000
2. Idaho	13	4,419,000	57 [1]	26,252,000	70 [1]	30,671,000
3. Wyoming			74 [1]	22,907,000	74 [1]	22,907,000
4. Colorado	22	6,557,000	55	14,707,000	77	21,264,000
5. New Mexico	9	896,000	68 [3]	29,984,000	77 [3]	30,880,000
6. Arizona	7 [2]	2,455,000	30 [1]	14,620,000	37 [6]	17,075,000
Total	59 [3]	20,676,000	460 [6]	166,761,000	519 [11]	187,437,000

* No data are available on failures of State banks in Connecticut.

TABLE 8.—*State and National bank failures, by geographic divisions and States, 1900 to 1925, divided into periods preceding and following January 1, 1920*—Continued.

Geographic division and State	State and National bank failures 1900, to Jan. 1, 1920		State and National bank failures Jan. 1, 1920, to August, 1925		Totals, 1920–1925	
	Number	Resources	Number	Resources	Number	Resources
I. Great Basin States						
1. Utah	2	$4,445,000	12	$6,963,000	14	$11,408,000
2. Nevada	14	916,000			14 [3]	916,000
Total	16 [3]	5,361,000	12	6,963,000	28 [3]	12,324,000
J. Pacific Coast States						
1. Washington	25 [3]	8,829,000	30	28,526,000	55 [3]	37,355,000
2. Oregon	10 [6]	731,000	24	13,853,000	34 [6]	14,584,000
3. California	34 [1]	27,380,000	9	6,149,000	43 [1]	33,529,000
Total	69 [10]	36,940,000	63	48,528,000	132 [10]	85,468,000
Grand total	955 [94]	585,269,000	2,591 [26]	1,031,888,000	3,546 [120]	1,617,157,000

Is this what you call "prosperity"?

Mr. President, I want to call attention to the fact that when we had the greatest financial panic in the history of the United States in the agricultural area we were exporting to Europe three times the amount of agricultural products that we ever had exported before the war.

I ask to have printed in the RECORD statistics compiled from the records of the Department of Commerce, and also copied from the Manufacturers' Record of August 30, 1923, showing what the exports of farm products were before the war and after the war, until the year 1923, during that period of deflation, when the farmers of the country were going bankrupt because we were told we could not export farm products. These records will show that we averaged three times the amount of exports of agricultural products during that time that we ever averaged before the war. The record shows that the exports of agricultural products have since the war been about three times greater than they ever were before the war. I quote the figures on these exports, which I took from the Manufacturers' Record of August 30, 1923. These figures were originally obtained from the Department of Commerce. I have checked them with the report of the Department of Commerce and I find them to be identical.

I ask unanimous consent that these statistics may be printed in the RECORD.

The VICE PRESIDENT. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Agricultural products

[From the Manufacturers' Record, Aug. 30, 1923]

	Pre-war average	Fiscal year 1923
Wheat.....bushels	56,913,228	154,950,971
Corn.....do	39,809,690	94,060,000
Rye.....do	854,765	51,410,000
Barley.....do	7,895,521	18,190,000
Potatoes (white).....do	1,511,000	2,980,000
Oats.....do	8,304,203	18,573,000
Wheat flour.....barrels	10,678,635	14,882,714
Oat meal and rolled oats.....pounds	24,297,000	123,115,317
Rice.....do	16,215,000	318,940,870
Sugar.....do	79,368,000	749,855,325
Lard.....do	482,159,000	952,641,705
Bacon.....do	188,750,000	408,282,000
Ham and shoulders.....do	172,859,000	318,186,689
Butter.....do	3,110,777	9,409,837
Cheese.....do	2,654,315	8,446,321
Milk, condensed and evaporated	16,473,782	157,000,000
Wheat, including flour.....bushels	104,967,085	221,923,184

Mr. SHIPSTEAD. The Department of Agriculture has asserted that, as a result of deflation of agriculture by Federal reserve banks, agriculture values have been reduced $18,000,000,000. This is only a part of the price we have paid for having prices fixed against us.

Mr. President, if this piece of legislation that has been proposed here for the relief of agriculture is economically unsound, who has the effrontery to defend the economic soundness of these various pieces of legislation, price fixing, if you please, carrying with them the power to tax, that have resulted in the present condition of agriculture in the United

States, and this long series of bank failures, running into the billions?

Is there anyone here who will assume responsibility for the economic soundness of the legislation that has been passed here for the last 25 or 30 years as a result of which we have this condition in the United States to-day, with exports of agricultural products larger than they have ever been before?

I do not believe in bureaucracy, neither do I believe in prairie fire, but when the bureaucracy of price fixing, for transportation, for banking, for industry, is sweeping down upon us to destroy us, I am willing to start a back fire by creating another bureau in order to save agriculture from complete annihilation. Like any other bureaucratic law, this law depends for success or failure upon its executors who may be chosen to administer it.

The newspapers have been carrying in headlines for the last four or five years announcements of the tremendous prosperity of the industrial sections of the country. Of course they have been prosperous. Why should they not be prosperous? We have been feeding them for less than the cost of production, and when we take a leaf out of their book and come to Congress and ask for a piece of legislation of the same kind and character that Congress has granted to transportation, to banking, and to the industries, we are met with the old cry that we are proposing something that is economically unsound.

The PRESIDING OFFICER (Mr. BROUSSARD in the chair). The Senator's time has expired.

Mr. SHIPSTEAD. Let me say, in conclusion, that all we ask is that the industrial East shall pay the agricultural West for what they eat, and pay at least the cost of production.

Mr. FESS. Mr. President, I wish to state in as brief manner as possible my objections to the bill. In other words, I wish to summarize what I have stated before, both in the last session and at the present time, upon this character of legislation.

I know of no measure yet presented to deal with an important problem which contains so many unsound features and involves such general bad results as the present unfinished business which is now before us. It proposes to handle the surplus by increasing its volume instead of reducing production or increasing consumption, a remedy which is worse than the disease, for any guaranty of the handling of a surplus which will maintain a higher price than economic conditions will warrant will be a stimulation of production instead of a retardation of production. The proposal to handle the surplus which is due to overproduction will stimulate overproduction instead of retarding it.

The bill totally ignores the consuming public by denying to the public, through the President of the United States, the power to appoint the board, but, on the other hand, leaves to the industry interested the power to appoint that board, the most far-reaching step toward the sovietizing of industry that has yet ever been undertaken, and I am quite certain that it will be one of the determinants as to whether or not the bill will ever become a law.

The bill proposes that the Government shall handle the surplus, which in the past has reached the enormous amount of $1,500,000,000, and while the bill suggests that this shall not be in operation except as the board may put it in operation, it does give the power to operate it whenever there is a surplus. Anyone who can think two thoughts in a row knows that there is always a surplus, which means that this is to be a continuing operation.

The bill proposes to deal with this enormous surplus by the Government entering into agreements by contract with the millers and the packers and the ginners, guaranteeing these agencies against any loss. It is written in the bill, and thus we have the Government itself undertaking to handle, through a board, the surplus that amounts to $1,500,000,000 worth of property through agencies like the packers, with the packers suffering no losses, but with the losses to be made up by the producer under Government direction. If there is any such approach of guaranty to special agencies by the Government in any legislation that has ever been proposed, I know nothing about it. Oh, it is said, on the one hand, this is not a price-fixing agency, and yet the Senator who has just taken his seat [Mr. SHIPSTEAD] has insisted that it is a price-fixing agency and excuses it by urging that it is not different from the Interstate Commerce Commission or other agencies like the Federal Reserve Board, and so forth.

That is a concession to our contention which can not be here contradicted, because it can not be successfully controverted, that it is either a Government fixing of the price or else it is the creating of a Government agent with which it contracts to fix the price itself without any control by the Government, for the contracts that are entered into cite the Government of the United States as the party of the first part and the packers and millers as the parties of the second part, and if the Government does not fix the price at which the packers shall sell, then it leaves the packers the freedom to fix it in accordance with their own wish, guaranteed against any loss in the transaction, and that guaranty made by the Government. Take your choice of either horn of the dilemma. If it is Government price fixing, then it is pernicious. If it is not Government price fixing, then it is pernicious that these irresponsible agencies, guaranteed against losses by the Government itself, can fix the prices without regard to the public welfare.

I claim, Mr. President, that if this is an entrance upon price fixing by the Government in any exchange of goods by private interests, there is no limit to what it will ultimately mean to the public welfare. I do not think anyone has any serious thought about what the Senator from Minnesota has just stated, that we are fixing prices through a Government commission of transportation. Le me say to him and to all others that the only reason why the Government regulates railroad rates is to keep them down in the interest of the public who use the roads. The railroad is a public function. Only in the degree that it is public does the Government interfere. The Government only interferes in the interest of the public to keep down the price which otherwise the railroads would or, at least, might put upon the shipping public, and not to increase the price upon the public as this bill proposes to do.

Here is a proposal to induce the Government under contract to lift the price, and it is a price of private industry which has no public function, with which the Government has nothing to do. If the raising of wheat were a public function like the transportation of wheat by the railroads, in which the public were the third party interested and upon whose interests transportation exists, then we could introduce the Government—for what purpose? To keep down the price so that it would not be exorbitantly charged on the public. That is the purpose of limiting the amount which the railroads may charge and the only basis upon which the Government can act.

I apologize for taking as much time upon such an insignificant utterance as that the Government is regulating railroad rates, and that gives us the right as a government to regulate the price of wheat or the price of corn or the price of swine. It is too ridiculous for anyone to consider for a second.

Mr. President, these losses are to be assessed in the form of an equalization fee to be assessed as a tax upon the producer without his consent and without counseling him. I hold that that can not be done under the constitutional privileges of the people of the country. I have no doubt that when it reaches the courts there will be a speedy decision upon the matter.

The proposal will injuriously affect the livestock industry in any State of the Union which is in competition with the livestock raiser of an adjoining country, because the purpose of the bill is to keep up the price at home of the corn that is fed to the American hogs and to permit the corn sold as surplus to be sold at less than the American consumer pays. That enables the Canadian hog raiser to feed corn costing him less than the American hog raiser must pay, because the very purpose of the bill is to make a difference between the cost of the article at home and the cost of the article that is shipped abroad. When the American hog raiser enters into competition with the Canadian hog raiser, if the American hog raiser has to feed corn costing a higher price than the Canadian hog raiser will have to pay, and if the Canadian hog raiser buys that cheaper corn from the American producer in order to keep up the price of corn here at home, it gives the Canadian hog raiser a distinctive advantage in the markets of the world, to our disadvantage. I am quite sure that when we estimate the 2,000,000,000 pounds of pork which is sold in a year in the export markets in competition with whatever is sold by a competitor north or south of us, the American farmer will begin to note the effect of the legislation upon animal industry.

Mr. President, the bill in a way is sectional, as everyone must admit. I think it is inequitable. I believe it is unjust in its operations upon the public. It includes all the consumers, and a greater portion of the producers are concerned without their consent and even without consulting them. Here is a plan where two or three members of a self-selected board can perpetually fasten upon the entire population of the United States, against their will, a perpetual burden in the interest of but a mere fraction of the people. What do I mean by that statement? The few States which produce 50 per cent and more of the corn—and there are only a few of them—when the bill becomes operative upon corn, will have two or three representatives on the board in the districts representing 50 per cent of the production of corn who, against the will of 9 or 10 other men representing all the people of all the other States and, in spite of their opposition to it, can cause it to go on perpetually, be-

cause the bill provides that when once put in operation it can not be discontinued until those members of the board representing 50 per cent of the production of the article in question vote to discontinue it. I can not imagine anything that will produce more prolific opposition.

The PRESIDING OFFICER (Mr. WILLIS in the chair). The time of the Senator from Ohio has expired.

Mr. FESS. Mr. President, a parliamentary inquiry. I have spoken 15 minutes on the bill. Have I not 15 minutes on the amendment?

Mr. McNARY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McNARY. That point was raised this morning, and I presented the view, which the Chair sustained, that a Senator has only 15 minutes on all amendments and the bill and the substitute.

Mr. FESS. Oh, that can not be correct. Mr. President——

Mr. McNARY. That question has been ruled upon this morning.

The PRESIDING OFFICER. The present occupant of the chair was not in the chair at that time, so he is somewhat at a loss as to the ruling to make on this question.

Mr. FESS. I ask the Presiding Officer to read the unanimous-consent agreement. It is perfectly clear.

Mr. CARAWAY. The agreement has been construed and that construction has been enforced.

Mr. FESS. In the interest of saving time, I shall not insist upon it if I may put into the RECORD three other objections which I have to the bill.

Mr. McNARY. I have no objection at all to the Senator doing that.

Mr. FESS. I shall not insist if that will be acceptable.

The PRESIDING OFFICER. Without objection, the Senator has permission to do so.

The matter referred to is as follows:

(8) This state of socialistic control, where a small minority becomes the dictator, will throw the Nation into a campaign between those producers and all the consumers who, in the end, will fix the producer where the last stage will be many times worse than the first.

(9) This coalition of block interests in which open bids are made for votes has reduced legislation to its worst stage and has displayed Congress in its worst light.

If, for any reason, this bill becomes a law, the courts will certainly pronounce it void; and in case it does not reach the courts in due time it will not be long until a revulsion of the better judgment of our people will break into a storm unlike anything we have yet seen.

The popular judgment against greenbackism and 16 to 1 fallacies will be but gentle zephyrs to a cyclone when compared with what will greet this conglomeration of economic and political nonsense.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KING. I inquire of the Chair and also of the Senator from Oregon [Mr. McNARY] whether the interpretation of the unanimous-consent agreement is that upon the amendments and upon the bill itself or substitutes but 15 minutes of debate are permitted to each Senator?

Mr. McNARY. The Chair, after considering the inquiry this morning, determined that the spirit and letter of the agreement were that one period of 15 minutes was all the time that any Senator had on the bill and the amendments.

Mr. KING. I am sure, Mr. President, that there would have been dissent from the unanimous-consent agreement if that construction had been insisted upon at the time it was asked for.

Mr. McNARY. That was the evident intention and is the interpretation that has been given to the unanimous-consent agreement.

The PRESIDING OFFICER. Let the Chair make this statement. If the present occupant of the chair had been called on to decide the matter, he would have decided it in view of this language, to wit:

and that after the hour of 3 o'clock p. m. on the calendar day of Thursday, February 10, 1927, no Senator shall speak more than once or longer than 15 minutes upon the bill or upon any amendment offered thereto.

Had the present occupant of the chair been called upon to decide the matter, he would have held that there would be 15 minutes allowed to each Senator on the amendments and 15 minutes on the bill itself; but that question is not now raised.

Mr. McNARY. Mr. President, I ask unanimous consent that the Secretary may read the telegram which I send to the desk.

The PRESIDING OFFICER (Mr. FESS in the chair). Without objection, it is so ordered.

The legislative clerk read as follows:

COLUMBUS, OHIO, *February 11, 1927.*

Hon. CHARLES L. McNARY,
United States Senate, Washington, D. C.:

Sentiment of Ohio farmers very strong for McNary-Haugen bill. Conditions worse here than one year ago. Land values in Ohio depreciated $1,250,000,000 since 1920. Farms now selling at 35 per cent below pre-war valuations. One farm of nearly 5,000 acres was bid in by creditors recently for $75 per acre. Five years ago it sold for $231 per acre. Another farm in Marion County of 435 acres was bought for less than $65 per acre by mortgagee, the Kentucky Land Bank Co. Ten years ago this farm sold for $100 per acre. Banks are full of frozen farm paper, consisting of mortgage notes, many of which have not even interest paid. Insurance companies having heavy loans on farms, now doubly scared because of corn-borer menace, are threatening to withdraw all loans from Ohio.

CHAS. V. TRUAX,
Director of Agriculture.

Mr. WILLIS. Mr. President, in view of the telegram which has just been read at the desk I think, as one of the representatives from Ohio in this body, I should make some comment upon it. I do not at all object to the gentleman who signed the telegram giving his expression of opinion, but, merely that there may be no misunderstanding about it, I should like to say that while, of course, in this body political considerations have no influence—that is understood by everybody [laughter]—the gentleman who signs this telegram is of the opposite political faith, and this question has become a very active political issue in the State of Ohio. Mr. Truax, director of agriculture, has a right to his opinion; but he has no right to speak, as he assumes to speak, for the attitude of the farmers of Ohio, unless my information is entirely wrong——

Mr. GOODING rose.

Mr. WILLIS. Just let me finish this statement; because within a week the Ohio Farm Bureau Federation, which, I think, is truly representative of the farmers of Ohio, held a meeting in the city of Columbus, not a meeting of a few directors but a meeting of the actual representatives of the Farm Bureau Federation, and the subject was fully discussed. After it had been fully discussed, by a vote of 116 to 16 they voted against the bill which this gentleman states in the telegram is favored by the farmers of Ohio. I submit, Mr. President and Senators, that the actual farmers themselves know as well what the sentiment of the Ohio farmer is as does this gentleman who is holding a political office and seeking to make a political issue out of this question in Ohio. Now I yield to the Senator from Idaho.

Mr. GOODING. I wish to ask the Senator from Ohio if he thinks the telegram states the truth in regard to the condition of the farmers of Ohio?

Mr. WILLIS. No; I do not.

Mr. GOODING. Then, the Senator thinks the author of the telegram does not know what he is taking about when he makes the statements which are contained in the telegram?

Mr. WILLIS. Of course, I do not undertake to analyze his motives or anything of that kind, but I do not believe that the conditions which he says exist really do exist in Ohio. I have the means which every other Senator has of keeping somewhat in touch with his constituents, and no such condition as that which this gentleman describes has been brought to my attention. I wish to say also that, according to the correspondence which I have had with the farmers of Ohio, four-fifths of those with whom I have communicated are opposed to this bill, because they understand perfectly well that this bill is so drawn as to penalize the Ohio farmer who carries on diversified farming in order to pay a premium to the one-crop farmer of the West. In my opinion, the farmers of Ohio are not for this bill.

Mr. NEELY. Mr. President, will the Senator yield?

Mr. WILLIS. Yes.

Mr. NEELY. What is the political faith of the farmers whose convention adopted the resolution opposing the measure?

Mr. WILLIS. I do not know, but I do know that it was representative of the farmers of Ohio. I can not tell the Senator the political opinion of a single member of that organization.

As I was saying, Mr. President, the farmers of Ohio understand this situation perfectly well, particularly in view of the fact that the sponsors of this bill will refuse to have placed within its provisions numerous important farm products that are raised in Ohio.

The amendment which has been offered by the Senator from West Virginia [Mr. NEELY] may be adopted; I do not know as to that, but the amendment which was offered by the Senator

from New Hampshire [Mr. MOSES], I dare say, will not be adopted. There is no opportunity to glean votes for this bill by putting in the items covered by the amendment of the Senator from New Hampshire; but when other items are added they have been added with the idea that such action would produce so many votes here or there.

Mr. GOODING. Mr. President, would the Senator vote for the bill if those items were included?

Mr. WILLIS. I would not.

Mr. GOODING. I thought so.

Mr. WILLIS. I will not vote for a proposition that is unsound economically and which will come back to plague the Senator and the farmers in his State of Idaho. He will have a job of explaining to do when one of the farmers of his State hauls a load of wheat to the market and is called upon to turn over a certain percentage of the value of his product——

Mr. GOODING. No; I shall have no difficulty about that.

Mr. WILLIS. The Senator can not interrupt me until I complete the sentence—to turn over a certain proportion of what he has received for the benefit of somebody, some airy, mythical board somewhere. Now, I yield to the Senator.

Mr. GOODING. I am going to say to the Senator that I have already explained to the farmers of Idaho; and the farm organizations, including the grange of Idaho, have all gone on record in favor of this bill.

Mr. WILLIS. That is fine. [Laughter.]

Mr. GOODING. So the Senator need not worry about my position.

Mr. WILLIS. But the Senator will have another job of explaining, for, while the Senator in his very happy way may have explained the theory of this measure to them——

Mr. GOODING. Oh, no; not that alone.

Mr. WILLIS. I am talking about what he will have to explain when the farmer is actually called upon to turn over a portion of his money for the benefit of somebody else, a transaction which, in my judgment, is absolutely unconstitutional. Has it come to pass in this country that Congress can enact a law to take money from A and put it into B's pocket?

Mr. GOODING. Oh, no; Mr. President, that is not what the bill does.

Mr. WILLIS. That is exactly what this bill does, and that is why I am opposed to the bill.

Mr. NEELY and Mr. GOODING addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Ohio yield; and if so, to whom?

Mr. WILLIS. I yield to the Senator from West Virginia.

Mr. NEELY. May I not assure the Senator from Ohio that if the amendment which I have proposed is adopted the benefits of the bill will be extended not only to the farmers who produce basic agricultural commodities but also to the grape growers of California, the melon growers of Colorado, Arizona, and the Ohio Valley, where the Senator lives, and to the apple producers, the buckwheat growers, and the potato raisers of West Virginia—and, by the way, West Virginia raises the very best buckwheat, potatoes, and apples the world has ever seen, just as she produces in unlimited quantities the finest coal the earth has ever yielded to man.

Mr. WILLIS. With the exception of the last parts of the statement of the Senator from West Virginia I might be willing to accede to it; but does the Senator think his amendment will be adopted?

Mr. NEELY. I feel quite sure that it will be, and it will also probably include the producers of the buckwheat which is served at the White House, and which is probably grown somewhere in New England.

Mr. WILLIS. It is very unfortunate that the Senator who now occupies the floor has not had the opportunity of tasting that delightful viand of which the Senator from West Virginia is speaking now with such authority.

Mr. NEELY. No; I have never tasted a crumb from the President's table nor a drop from his cup.

Mr. WILLIS. Is that so? [Laughter.]

Mr. NEELY. I assure the Senator from Ohio that it is.

Mr. WILLIS. If the Senator should vote for the pending bill and it should become a law and be put into operation, he will have to eat somewhere outside the State of West Virginia, because I am sure the farmers will not permit him to eat there. [Laughter].

Mr. NEELY. Mr. President, the Senator is either facetious or mistaken, or both, they will not only permit me to eat there, but they will be generous enough to invite the Senator from Ohio to West Virginia and provide him a feast or at least a square meal. [Laughter.]

Mr. CARAWAY. And they will have something to eat.

Mr. NEELY. Provided my amendment is adopted and the bill becomes a law.

Mr. WILLIS. Mr. President, how much time have I left?

The PRESIDING OFFICER. The Senator from Ohio has four minutes left.

Mr. WILLIS. Mr. President, the remark which has been made by the Senator from West Virginia and also the remarks made by my friend from Idaho remind me that not only is the Farm Bureau Federation of the State of Ohio opposed to this bill but the grange of the State of Ohio is opposed to the bill. However, I should not like to have it understood, so far as I am concerned, that my attitude upon this bill or any other measure is controlled by what is said by any particular organization. I am opposed to this bill, Mr. President, because it is wrong in principle, because it is unsound economically, because it is contrary to the Constitution of the United States, and because it is absolutely unworkable.

I was about to say that if this bill shall become a law—which in my judgment it never will—it will come back to plague the men who vote for it. We have not yet reached that condition in this Government where, as I suggested a little while ago, we can pass a law to take money from one man and give it to another. It will be found that if this bill should pass both Houses and receive the approval of the President, which in my judgment it will not, then it will not stand the test in the courts, and it ought not to stand in the courts, because it is absolutely out of harmony with the principles of American legislation and the American Constitution.

I wish to say further, regarding the suggestion made by the Senator from West Virginia, that I compliment him if he has received assurance that his amendment is to be adopted. I do not complain about its merits. I have been told, also, that an amendment is to be offered, or has been offered, to include tobacco, and, if such an amendment shall be adopted, probably it will be productive of some votes. If the Senator from West Virginia has been able to secure an agreement to the effect that his amendment will be adopted, I think he has accomplished something, because, as I said on this floor yesterday, if this is a wise measure there can be no reason given—and there has been no reason given—why its provisions should not apply to agricultural products other than those which are named in the bill.

Mr. NEELY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from West Virginia?

Mr. WILLIS. I yield for a brief question.

Mr. NEELY. I have no assurances regarding my amendment, excepting those implied in the numerous favorable comments that have been made by my colleagues. Furthermore, the Republican side of the aisle has recently been quoting Thomas Jefferson so liberally that——

Mr. WILLIS. O Mr. President, it is quite useless for the Senator from West Virginia to undertake to quote Thomas Jefferson in this matter, for everything that Jefferson ever said or did in a political way is opposed to this type of paternalistic legislation. So the Senator might quote Jefferson from now until sundown, but he would not find anything in his quotation in favor of this type of legislation.

Mr. NEELY. Will the Senator permit me to complete my statement?

Mr. WILLIS. I will if it will not take too long.

Mr. NEELY. I was going to say that those on the Republican side have recently become so Democratic that they now ought to practice what they preach and do justice to all—not excepting those who are engaged in the oldest and the most essential industry in the world—namely, agriculture.

Mr. WILLIS. I am following distinguished leadership. I hold in my hand a copy of the RECORD that contains the speech that was made by the Democratic leader, the distinguished Senator from Arkansas, when this bill was under consideration a year ago. Here is what he said, in part——

Mr. NEELY. Has he not since seen the light?

Mr. WILLIS. The Senator from Arkansas—and he is a man of ability and character—said then:

> I do not believe that the power exists in the Federal Government to levy such a fee—
>
> That is, an equalization fee—
>
> whether it be called a tax or a mere charge for service. If that power exists, I do not believe that it ought to be exercised against the consent or without the consent of the persons to be charged.

That was good Democratic doctrine a year ago. It is good Democratic doctrine now. It is good American doctrine; and I call upon Senators upon the other side of the aisle to rally to

the support of their leader and stand by the proposition that he announced a year ago; and if in the meantime he has been seduced from his position, I regret it.

Mr. NEELY. Mr. President, does the Senator not know that the Senator from Arkansas [Mr. ROBINSON] became a convert to the McNary bill?

Mr. WILLIS. I am sorry that he has.

Mr. NEELY. Of course, I do not assume to speak for the able Senator from Arkansas [Mr. ROBINSON], but I have been informed that he purposes to vote for the bill.

Mr. WILLIS. If that be the case, I am exceedingly sorry.

Mr. WALSH of Massachusetts. Mr. President, in approaching the subject matter of this bill, which has been so exhaustively discussed on this floor by various Senators, I am deeply sensible of the very great importance of its deliberation and final determination to the general welfare and economic prosperity of our people.

I do not believe personally that any thinking man who has listened to the arguments in debate made by the proponents of this bill in this body could fail to be impressed by the extraordinary sincerity that actuates their utterances. I am equally sure that no thinking man who has had the opportunity of surveying and speculating upon general conditions that exist in the great farming communities of our country, where the heart of the agricultural industry is centered, and who has seen and instinctively felt the distress, the impoverishment, the deprivation, and the miserable state in which those of the farming class find themselves can fail to be sorrowed by their plight. And if at this the time when a series of events, sometimes unconnected, have laid them low financially, foreclosed the mortgages on many of their homes, and caused them to suffer unmentionable economic burdens, we are unable to agree upon the remedies that would erase their troubles and restore their good fortune, we are at least unanimously agreed that they are deserving of the greatest consideration that this Government can possibly bestow upon them without sacrificing the interests of the great body of American laboring men and American middle-class workers who have to depend for the continuance of American standards of living upon the reasonable price of agricultural products.

While I stand ready and willing to support any sound movement that may be instituted in this body that is designed to revitalize the bloodless condition of the farmer's financial corpus, I have reached the conclusion that the present bill will not function to cure the defects in the agricultural situation and redound to the economic betterment of the farmer, but, to the contrary, will produce a very serious misadjustment in our economic order that is likely to have very dangerous, overpowering, and—if I may be permitted to draw on the views of some distinguished colleagues in this body—quite disastrous results to industry and to agriculture itself.

Mr. President, this bill clearly falls within the class of private legislation. It is special, it is privileged, it is a benefit conferred upon a single group within the Government. It is the sort of a benefit that has never been sought before by any group. It is more than a tariff, because a tariff on these products already exists. It is a device, which one class asks the Government to set up, that will stifle and choke competition and establish an agricultural monopoly to supplement our other trusts. It will block off the normal channels of trade and will in the end put the United States Government into the rather dubious business of constructing an artificial buttress to support high prices in the interest of a special and private class.

The bill is an abuse of public and governmental function. Far from operating to enhance the well-being of the whole Nation, it invokes the use of governmental machinery for and in behalf of a single unit in our population. We propose to establish the precedent of putting our hands into the Treasury vaults and taking away a bounty to use for the benefit of a private class in a private business.

Where will the process end? Will we not be swamped by applications for similar treatment from every possible class or group that is languishing economically, either through lack of foresight and business judgment or on account of the ordinary movements of economic law operating on world trade and finance?

That the effect of this bill extends a marked advantage to foreign labor and foreign consumers is manifest. We are dumping the surplus of what we produce here in this country, which would ordinarily remain in this country and help determine general price levels upon foreign markets at diminished prices. If, on the other hand, the policy provided in the operation of the bill of storing the surplus to await more favorable marketing conditions were adopted, we should be conferring a benefit upon Canadian, South American, and other national producers by allowing them to gain as a result of the diminished supply of farm products going into the world market.

The argument has also been advanced that this bill will extend to the farmer the same privileges of protection that other industries enjoy under the protective tariff laws. From a logical standpoint it would therefore appear that anyone who believes in the principle of high protective tariff ought to believe in the application of that principle to the farmer.

I have never been a believer in the system of grossly high-protective tariffs—perhaps, to be more accurate, I ought to call them prohibitive tariffs—because under the present laws we not only protect American industry but in many cases we have practically created a monopoly in certain products for American industrialists.

There is a necessity which no sane person can doubt for placing a check of a reasonable sort upon the promiscuous and voluminous importation of cheap foreign goods. That is an axiomatic fact, incidental to and required by the higher standards of wages, working conditions, living, and education prevalent here over those in Europe and other parts of the world.

Let us analyze the argument of analogy of this bill to the protective tariff, and see what the arguments disclose.

The tariff keeps goods out and deals with imports. This bill sends goods out and deals with exports. The tariff collects a charge upon the admission of goods; this bill not only collects a charge upon the export of goods but artificially raises the domestic prices, and, in addition, creates a fund to export goods, which is in reality nothing more than a subsidy, and then authorizes and permits American goods to be sold in world markets at lower cost than in the market at home. Ultimately, when the goods have been so sold in foreign markets, there is, to be sure, some returns; but there is also an advantage conferred upon foreign purchasers and consumers, in that they are enabled to buy the exportable surplus of food products and cotton at a price that is actually lower than the same commodities are sold for at home. We are thus not only granting a protective tariff and subsidizing American agriculture but we are subsidizing foreign industries and foreign populations and extending them a gratuity which in the long run, in my opinion, will enable them to outcompete and undersell us in the world markets in practically every line of trade and commerce where we enter into world competition.

It may be, as has been said by some, that the superior productivity of American capital will offset to a degree these disadvantages; but I can see no sound reason for putting such an onerous burden upon the backs of our industry, and yielding up such a patent advantage to the industries abroad.

As I look over the list of commodities that have been included in this bill to receive the several benefits of it, I wonder that the proponents of this legislation have stopped so short. They have not only included the ordinary agricultural products, but they have included cotton, which is an indispensable and vital raw material in the textile manufacture. In this connection, let me say that the textile industry located in the Eastern Atlantic States has suffered a severe depression during late years; that thousands of people in the States where this industry is located have been out of employment and on the border line of impoverishment; that investors have met with heavy losses. But this textile industry has not asked the Government to go into the business of exporting cotton goods; this textile industry has not come to Washington with its arms stretched out to the Members of Congress pleading that the Treasury of the United States subsidize its operations in the competitive field. The textile industry and every other industry of whose recent history I am aware, of whose trade practices I have information, have taken their losses, and have weathered the period of depression, and have gone through the so-called "thin years" by trying to handle their own problems, by trying to pull themselves back on to their feet, by revising their output to conform to demand, by letting the price levels keep pace with those demands that economic law dictates; and I have an abiding faith that when the upward swing toward a period of prosperity is begun again the textile industry will be the first to welcome it if the necessities of the case mean anything. But, as I said, to lay down a precedent of this sort that uses Treasury funds and the machinery of the Government to carry on the business of a private group that has only private interests and that has no direct connection with the public weal, would open the door to every form of political logrolling of which, the Lord knows, we have already too much.

I suggest to the proponents of this bill that they might insert a provision that would benefit the cranberry growers of Cape Cod, the apple growers of New England, the grape growers throughout the country, and the producers of any other

diversified products that might enjoy the subsidies granted in this bill.

In conclusion, my objections to this bill may be summarized as follows:

First. Its aim and its effect, so far as it accomplishes the purpose of its framers, is to raise the cost of the farm products affected and thereby increase the cost of living of industrial wage earners generally. In the case of cotton, especially, there is the double effect of increasing the cost of clothing and lessening the demand for factory goods, tending thereby to lower wages and increase unemployment.

Second. It diverts the attention of the farmer from pursuing real remedies and gives him a false hope. His difficulties, in part, lie in eliminating the wastes and reducing the costs of production and distribution, and also in reducing unprofitable production.

Third. In the long run, the plan is far more likely to injure the average farmer, directly as well as indirectly, than to yield him the expected benefits. The immediate effect of its enactment must be to cause farmers generally to believe that its operation will insure them a fair profit, whether the season shall prove favorable or adverse. Reason and experience combine to make it certain that overproduction will at once be increased, and increased at a higher average cost. With the surplus increases that must result, the operation of the act must break down, probably after obtaining from Congress large additional appropriations, and must therefore finally entail a heavy cost upon the taxpayer generally.

Fourth. While the scheme continues to operate it will benefit foreign consumers and producers at the expense of consumers in the United States. If wheat, for instance, is held in storage here to keep it out of the market, Canadian wheat raisers will obtain higher prices for their wheat both at home and in the export trade, because of the withdrawal of our stored surplus from the world market. If "dumping" instead of storage is resorted to, the beneficiaries will be the foreign consumers.

Fifth. The proposed replenishing of the "revolving fund" by assessing a sales tax, called an "equalization fee," upon transfers of the "stabilized" products from producer to middleman or manufacturer, is of very doubtful constitutionality and would be unworkable in practice, because of the vast number of dealers and transfers involved. If the courts permit its collection to be attempted at all, the tax that is collected will be ultimately borne by the consumer rather than by the producer. What is most probable is that no "equalization fee" will ever be collected, that the "stabilization fund" (with subsequent additions) will be exhausted, and that the cost of the futile experiment will be borne by the general taxpayer.

Sixth. The passage of this bill will bring upon the next Congress a flood of demands for special legislation in the interest of other classes of producers, agricultural and industrial, also. The apple growers of northern New England, the cranberry raisers of Cape Cod and New Jersey, the citrus growers of California and Florida, and many other agricultural groups produce surpluses which could hardly be refused similar "stabilization" without laying Congress and the Federal farm board open to just charges of class discrimination, and already some of the smaller manufacturing corporations are demanding Government loans at low rates, such as this bill contemplates, on the ground that their big competitors are forcing them out of business or into monopolistic combines by controlling and curtailing their bank credits.

For these reasons, Mr. President, I shall vote against this bill.

Mr. FRAZIER. Mr. President, the agricultural situation has not improved materially since this question was discussed in the Senate last June. In fact, in many places in the South and Mid West conditions are, if anything, worse than they were last year, worse than they have been in many years. More banks have failed, mortgages have been foreclosed on more farms, more farmers have been forced to leave their homes. There is undoubtedly more real hardship, more discontent, more dissatisfaction in general among the farmers than there has been before in this generation, to say the least.

There is more demand for constructive farm legislation, to give the farmer honest marketing conditions, than ever before from the farmers themselves, from business men, bankers, wholesalers, and manufacturers.

The purchasing power of the farmer has been continually going down since 1920, and manufacturers of all kinds are beginning to feel it.

Mr. President, a great deal has been said pro and con on this farm-relief question. I want to comment briefly on just a few of the statements that have been made recently.

Yesterday the Senator from New Hampshire [Mr. MOSES], comparing the State of New Hampshire with that of North Dakota, made the statement that the per capita income tax of New Hampshire was $7, as compared with the per capita income tax paid in North Dakota of $2. He goes on to say in the very next paragraph the purpose of this proposed farm-relief measure is to take money out of the Federal Treasury and give it to a favored class of people.

I can not quite understand what the Senator meant by that. I tried to ask him yesterday, but he refused to yield to me. He says this bill will favor the farmers of North Dakota to the detriment of the farmers of his State. Yet he admits that the average income tax in New Hampshire is $7, as compared with $2 in North Dakota. Yet he talked about a favored class. Are the favored class those who have an income tax to pay or those who are so poor they have no income tax whatever?

The farmers of North Dakota do not pay income taxes, nor do the farmers of New Hampshire. It is the manufacturers in New Hampshire who pay the income taxes, and newspaper men, and other business and professional men.

The Senator from Connecticut [Mr. MCLEAN] made a statement yesterday that rather amused me. He said:

> The greatest danger that overhangs the western farmer to-day is his ballot.

Apparently the Senator from the Nutmeg State means to infer that the farmers of the great Middle West are not intelligent enough to use the ballot wisely. That may be so, and yet statistics show that the voters of the Middle Western States vote in higher percentage than in any other section of the Nation; and magazine writers of great note have complimented the Middle West States upon that fact, drawing the conclusion that the people in that section know more about how they are voting than the voters in any other section of the Nation do, and I think that is correct.

The Senator from Connecticut made the statement that this was a price raising bill. That is what we intend that the measure shall do—raise prices for the farmers on certain farm products—and if it will raise them on the important products, it will raise them on all farm products undoubtedly.

Last spring in an argument on the tax measure the senior Senator from Connecticut [Mr. MCLEAN] made the statement that one-fourth of 1 per cent of the people paid 90 per cent of the income taxes. Yet Senators from the New England States talk about the favored farmers who are going to get the benefit of this law. One-fourth of 1 per cent of the people pay 90 per cent of the income taxes, showing that if there is any favored class it is those people who are able to pay income taxes.

Both of the Senators from Ohio—and Ohio is an agricultural State beyond any question—have made some rather remarkable statements, and especially about the condition of the farmers in that State. Some 10 years ago I made my first trip through the State of Ohio, and I was very much interested, in looking out of the car windows, to see on the farms those old-fashioned, zigzag rail fences. Coming through there last year again, I saw the same rail fences, and some of the farm buildings tumbling down, not having seen a repairman or a paint brush in the last 10 years, in the great old State of Ohio. That does not indicate that the farmers are very prosperous. They are not prosperous in Ohio or any other State in this Union. It is true that some of the old rail fences had been repaired a little by the farmer laying a barbed wire across the top to keep the old cow from jumping over, but that was about the only kind of repair I could see in the old State of Ohio on the farms.

Just a few moments ago I heard a statement by a distinguished Senator from one of the Southern States who said: "The farmers down in my country do not need to worry about this bill. If it will not do them any good, it can not do them any harm. They are now as poor as they can be." That is about the situation all over the Nation.

The opponents of this measure say that it is unconstitutional. Of course, anyone who says this measure is unconstitutional is only making a guess, and the Supreme Court will have the last guess. I would be willing to wager that if this measure shall be passed, and shall go before the Supreme Court, there will not be a unanimous opinion on it one way or the other by that court. The term "unconstitutional" is very familiar to me, because it is always the last argument of the financial interest crowd who are opposed to any progressive legislation for the benefit of farmers, the last resort, to take such measures to court and block them there, if they can not block them in any other way.

Mr. President, one of our Democratic friends said he was opposed to this measure because it would tend to put the farmers on an equality with the manufacturers, who are now protected by the tariff law. Talk about taking money out

of people's pockets; what does the tariff law do? Every man who buys a suit of clothes pays a portion of the tariff that is imposed to protect the manufacturers of New England and the other Eastern States. We have the tariff law whether we like it or not, and every one of us who buys a single article of clothing pays his proportionate share of the tariff protection. Are we to deny the farmers the right to have a little protection, and a measure to benefit them, because we have a tariff law which some may think is unjust? That is a rather poor argument, it seems to me.

Another argument that has been made against this bill is that there are only about 30 per cent of the people who produce food products in this country. I think that is about correct. It is argued by the opponents of the measure that because 70 per cent of the people may have their cost of living raised because of this bill, in order to give honest market conditions to the 30 per cent who produce the food products, the 70 per cent are not going to stand idly by and see the 30 per cent benefited by this measure, or any other measure. It seems to me that is a mighty slim argument. Because 30 per cent of the people produce the food products consumed here, the 70 per cent who consume most of them are going to stand by and say, "You can be thankful, Mr. Producer, that we let you live at all, because we are in the majority here, and we are going to say what you shall be paid for your products. We are not going to allow you to receive a price equal to the cost of production for your products." It seems to me that argument is very weak.

I have two or three issues of a little paper published over in New York City called "Patches." I want to quote just briefly from Mr. William Moore Patch, president of this publishing organization. The title of his article is "No wonder the farmer complains! Wherein we submit a few unpoetic Government statistics to show that his grievance is a real one, and that his dollar is worth less than ever before."

I think he is absolutely correct in his statement. I ask unanimous consent that this brief statement, which is only a part of the article, be printed in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER (Mr. FESS in the chair). Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[From Patches, November 13, 1926]

THE EAST MUST YIELD—UNLESS THE INDUSTRIALIST, BANKER, AND BUSINESS MAN GIVES THE FARMER HIS RIGHTS, REVOLUTIONARY LEGISLATION IS INEVITABLE

PRICE FIXING

(This is the fourth and final of a series of articles dealing with the farmers' relief problem. The articles were written by Mr. William Moore Patch, president of Patches Publishing Co., after a personal investigation of the various phases of the question, conducted in the West and Middle West.)

The most used objection to the McNary-Haugen plan is that it launches the Federal Government upon a policy of price fixing, which is contrary not only to sound economics but fraught with great menace to our institutions, because it is in reality State socialism. Such argument is claptrap. Nobody believes it except the 95 per cent dumb Pollyannas who pay annual dues to the United States Chamber of Commerce and their representatives.

The Federal Government has been engaged for years in the business of price fixing and still is engaged in it. Moreover, it is thus engaged openly and frankly for the purpose of insuring a profit to those interests in whose behalf it is fixing and regulating the prices.

What is the Interstate Commerce Commission? It is a Federal agency created by Congress and clothed with extraordinary powers and authority for the sole and express purpose of fixing the price of the commodity which transportation companies sell, and fixing that price so high that it will insure the transportation companies a reasonable return upon their investment and the value of their property.

What is the Federal reserve bank system? It is a Federal financial organization created by an act of Congress and clothed with extraordinary power for the express purpose of fixing the price at which banks may sell the use of their commodity, namely, money and credits. It has fixed this price arbitrarily, without regard in many cases to the best interests and welfare of great classes of our citizens and great sections of our country. It is a financial trust which controls the destinies of our business, industrial, and agricultural activities by being able to extend or withdraw credit. The Federal reserve system has taken care, under the price-fixing power given it, to fix the price at which it sells its money—otherwise known as interest charges—high enough to enable it to make from 20 per cent to 30 per cent a year and pile up great surplus, pay enormous salaries to officers, and invest tens of millions of dollars in tremendous buildings housing their operations. Yet the bankers now lead in the hue and cry that a plan to fix the price of agricultural products high enough to insure the farmer a profit is socialism. Railroad executives and directors have the nerve to sing the same tune notwithstanding the fact that in the price fixing for them by Federal agencies great transportation lines in the agricultural sections of the country are making a clear profit, over and above all expenses, of from 15 per cent to 28 per cent a year on their capital valuation.

Federal price fixing for the farmer is socialism, is it? Then, in heaven's name, what can be said of the United States Board of Conciliation in the Department of Labor, a Federal agency which fixes the price at which organized labor in the various industries in the United States shall sell its commodities? What shall be said of the United States Board of Mediation, which, under the Watson-Parker bill, supersedes the old United States Railway Labor Board? This board exists solely for the purpose of fixing the price at which railway labor shall sell its commodity. Since when has price fixing become a novel and dangerous experiment for the Federal Government? The cardinal principle of the Republican Party—the principle of a protective tariff—is nothing more or less than a price-fixing policy for the industrial interests of the United States. It makes no other pretensions. That it does so is its only defense.

The whole theory of a protective tariff is that it ascertains the cost of production abroad in competitive commodities and then fixes a tariff on imports of those commodities high enough for the American producer of like commodities to have a monopoly of his home market at a price which will guarantee him a profit and enable him to employ labor at a wage consistent with the American standard of living.

If the protective tariff is not a price-fixing policy for the benefit of American industries and the wage earners in American industries, then it is the greatest piece of fiction that has been written since the days of Jules Verne, and it has succeeded in buncoing more people than any other human agency outside of P. T. Barnum's freak sideshows.

All of these agencies are of the Federal Government, created by acts of Congress, sustained by Federal appropriations, and officered by Federal appointees. Nor does the Government's backing and responsibility end merely with the legislative creation and the Federal financing of these agencies. Price fixing is a part of the law of the land. There is not a court anywhere, from the local circuit up through all the legal machinery to the United States Supreme Court, that does not lay down the basic principle that a business has a right to enjoy a price for its goods or its service that will yield a fair profit on the capital over and above all costs, taxes, interests, rentals, and overhead. Anything less has been repeatedly characterized by all courts as confiscation of property without due process of law and in violation of constitutional rights.

There is no principle more firmly established in the courts of the land, and wherever a city council, State legislature, or the United States Congress, or any administrative official of local or Federal Government attempts to compel any public-service corporation, or bank, or industrial corporation to do business at a loss, the first thing such a corporation does is to go to the courts and obtain relief upon the ground that the Government guarantees it a right to fix a price that will give it a fair return upon its investment and the value of its property.

But now come the bankers, the United States Chamber of Commerce, the eastern industrial interests, the bigwigs of the railroads, and all the sundry gentility who fill the open spaces of the overstuffed furniture in the various Union League and University Clubs from Pittsburgh on the east with the astounding outcry that while the Federal Government may legitimately and safely fix prices for business and banks, for transportation and industry, for organized labor and organized corporate capital that power may not be used in behalf of the farmer, because to do so would push the American Government over the brink of anarchy.

During the World War prices were fixed by the Government. Prices for everybody and everything were fixed up—way up—with the exception of prices for agricultural products. One of the first acts of the Federal Government after the United States entered the war was to exercise the limitless war powers vested in the President to abrogate all rules compelling contracts to be let only upon the basis of competitive bidding and to substitute therefore the crooked, profiteering rule of letting all contracts upon "cost plus 10 per cent" basis, which enabled every concern furnishing any supplies to the Government or doing any work for the Government to increase its profits in exactly direct proportion to its increase in waste, expense, and graft.

During the war organized labor in munition plants, shipyards, railroads, steamship lines, and in industries which were making commodities that were essential to the production of munitions called strike after strike demanding that higher wages be fixed as the price of labor doing its part toward winning the war, and the Government quickly and meekly acquiesced.

But there was created the Grain Corporation under Herbert Hoover, the Federal food administrator, and under the personal administration of Julius Barnes, a personal friend of Mr. Hoover and a grain dealer of Duluth, Minn. The Grain Corporation fixed the price of wheat which should be paid the farmer, and it fixed it "down" upon the plea that the farmer should not attempt to make profits in time of war. But the same corporation fixed the prices of the great flour-milling companies. It is a matter of record by the Federal Trade Commission that the 37 great flour-milling corporations at the very time the Grain Corporation

was limiting the price at which the farmer should sell his wheat were permitted to charge prices which in 1916 and 1917 enabled them to make 44.7 per cent profit and in 1917 and 1918 to make 32.7 per cent profit.

Another charge is that the present distress in agriculture is attributable to the farmers having bought high-priced land during the war. In the majority of cases these purchases were made on borrowed capital at a relatively high rate of interest. It is claimed the farmer's trouble is due to his effort to pay off his notes and maintain the interest, which requires an income greater than can legitimately be expected from land, and in order to do this he is asking the rest of the country to fix for him an artificially high price for his products.

No less a distinguished citizen than former Gov. Henry J. Allen made this charge in the Nation's Business, the official organ of the United States Chamber of Commerce. And, in the same breath, no less distinguished citizen than the present Governor of Iowa, John S. Hamill, proceeded to expose Mr. Allen's ignorance with official data showing that less than 7 per cent of the Iowa farmers are operating land that changed hands during the war or following the war and that, furthermore, the value of land, whether it be too low or too high, has nothing at all to do with the fact that the farmer is not getting the price for his products which he should get to be on a parity with other producers. In other words, there is nothing to the charge that the present distress of agriculture is due to the farmer having speculated in high-priced land.

But even if it were the case, who are eastern industrialists that they should cast the first stone? Are they without sin? They had a section placed in the tax law which provides that in the case of buildings, machinery, equipment, or other facilities, constructed, erected, installed, or acquired on or after April 6, 1917, for the production of articles which contributed to the prosecution of the war, there should be allowed a deduction for the amortization of such part of the cost of such facilities as has been borne by the taxpayer. And these same interests have succeeded in getting from the Bureau of Internal Revenue a ruling that in order to come within the scope of the phrase of the law "articles which contributed to the prosecution of the war," it is not necessary that the articles be "absolutely essential." If they contributed in an appreciable degree, they come within the meaning and the intent of the amortization section.

The Internal Revenue Bureau has made the further ruling that the termination of the war destroyed the value of all such property, and those who had built factories and installed equipment and machinery, etc., are entitled to make deductions from their income-tax returns covering a period of three consecutive years equal to in the aggregate the entire value of their investment. Because of this law and these rulings, those interests have been handed hundreds of millions of dollars in tax refunds and tax deductions, representing the cost of buildings and machinery and equipment which they erected or purchased at war-time prices. Most of the gentlemen who put their hands in the public till and have charged against the Government the entire cost of their war-time expenses are now assembling in public places and lifting their voices the loudest in denunciation of the proposition to subsidize agriculture!

Another charge can be best stated in the language of a resolution unanimously adopted by the New York Board of Trade which reads, in part, as follows:

"Perhaps one of the most objectionable features (of the McNary-Haugen plan) is the suggestion that the Government shall sell the products of our own country to foreign consumers at prices below those which domestic consumers may pay."

This same protest was registered in a formal statement by the United States Chamber of Commerce and by a number of other like organizations, as well as by individuals in sympathy with these organizations.

Yet only within the last 30 days we read of a combination of the copper-producing corporations in the United States, numbering 18, which has for its sole purpose the fixing of prices not only in the United States but throughout the world, with the avowed intention of selling copper abroad for less money than it is sold in the United States. In other words, the 18 large copper-producing corporations have combined for the purpose of dumping their goods abroad in the world market at whatever price they can obtain in order to secure that market and, at the same time, to maintain an absolute monopoly of the American market and fix the American price high enough to enable the combine to show a profit on the whole, despite its losses abroad. This has been done under the laws of the United States and, furthermore, it has received the blessings of the Federal Trade Commission. Less than two months ago we read of a proposed plan of like character in the steel industry. The last tariff law provided for an absolute embargo against importations of any dye or dyestuffs which would break the price fixing in this country by the Du Pont and American Analine companies which, on the whole, dictate the price of all dyes in the United States.

But none of these acts are known as price fixing. God save the mark! They are known by the euphonious and more refined and delicate appellation of "price stabilization." Moreover, when this point was raised against the McNary-Haugen plan the agricultural associations and their leaders were rude enough to ask the Department of Commerce to please make public what products made in this country were being sold abroad for less money than the price asked for the same products in this country. Up to date no answer has been forthcoming!

It will require a congressional resolution, which will undoubtedly be introduced at the coming session of Congress, to jimmy that piece of information out of the Department of Commerce. But when it is produced, it will knock to smithereens the arguments of such organizations as the New York Board of Trade!

The most powerful opposition to the McNary-Haugen plan of aiding agriculture comes from industrial interests and is based upon the very frank argument that the plan would be effective. Being effective, it would raise the price of agricultural products, which in turn would raise the cost of food to industrial employees; this in turn would necessitate an increase in wages and cost of production. It is also set forth that under the plan surplus food would be dumped in Europe at a very low price. Wage earners of Europe would be enabled to buy American-produced food for much less than the wage earners of the United States. The eastern industrialists argue from this that they would be severely handicapped in their competition with European manufacturers.

In other words, the McNary-Haugen plan would work. It would do exactly what the farmers say it would do—increase the price of their products to a parity with the price of the products of industries—make their dollar equal in buying power to the dollar of the manufacturer, the merchant, and the banker, and these three classes are opposing the plan for the very reason that it would work.

Nor is the farmer indulging in any illusions as to the character of the opposition to his program, nor the extreme measures he may have to take in order to win. As an individual, and collectively through his great organizations and associations, the American agriculturalist of the Mississippi Valley is preparing to obtain legislative enactment of the principle of the McNary-Haugen plan which will increase the price of his products, or he is going to tear down the prices of industrial products and wages of industrial employees by repealing legislation such as the protective tariff, immigration, etc., which has resulted in artificially and arbitrarily increasing prices and wages in other industries.

The attitude of the western agriculturalist is brutally frank. He insists that he be given his share, with the alternative that if he is not, he will then see to it that nobody has prosperity. He offers the eastern industrialist the alternative of bringing the price of farm products up to the level of prices of manufactured goods or submitting to a reduction in prices of manufactured goods to a level with the price of farm products.

If the eastern industrialist, the banker, and the business man value their prosperity enough to grant the farmer his request for a square deal, there will be no danger of the repeal of the tariff or any serious amendment of the immigration laws or the Federal reserve bank act or other laws which subsidize this or that activity.

But if the eastern industrialist, banker, and business man does not think it is worth while conceding the farmer what he wants, there is not the least doubt that within the next four years the Nation will witness revolutionary legislation in the Halls of Congress that will equalize conditions in the United States by the rather drastic process of leveling everything down!

Mr. FRAZIER. Mr. President, I think it is conceded by everyone that the farmers are in bad condition. Even the Senators from New England who have talked against this measure say that up in Massachusetts and other places in New England many of the sidehill farms have been abandoned, and the houses are tumbling down, and they blame the western farmers for putting New England farmers out of business. They are entirely mistaken in that. It is the manufacturing interests of New England that have put the farmers of that part of the country out of business.

I drove through New England a year ago last spring. I have a lot of relatives up in Massachusetts, and in Maine, especially, and I talked with a lot of them. Most of them have been on the farm at some time, but very few of them are on the farm now. They told me without exception that the reason they could not keep up the farms was because the boys and girls could get better wages, have shorter hours, more enjoyment, more pleasure, working in the factories, and living in town, than they could on the farms. They had to abandon the farms because they had no one to work them, because their people went into the factories, making more money than they could on the farms. I am satisfied that is the situation.

Mr. President, because the farmers produce the food products to feed the Nation, because they are not organized, is no reason why they should be penalized and not given prices equal to the cost of production for their products.

No business on earth can succeed in any other way than by getting prices equal to the cost of production, equal to the overhead expenses, and a fair profit on the business. The farmer is no exception to the rule. In order to put agriculture on a

paying basis, we must give the farmer a chance to get prices that will give him cost of production, plus a fair and reasonable profit for his work.

I believe that the McNary-Haugen bill will be a step in the right direction. It may not solve the problem, and yet I believe if the bill is passed and an honest attempt is made to administer it, it will, at least, give the board, whose duty it will be to put it into operation, a chance to test it out by actual experiments, there will be a chance to work out amendments, and to come before the next session of Congress asking for amendments to make the act more workable, and give the farmers what they need, honest marketing conditions.

Mr. RANSDELL obtained the floor.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. RANSDELL. For what purpose?

Mr. HARRISON. I desire to offer two amendments, so that they may be printed.

Mr. MAYFIELD. Let us have the amendments read.

Mr. HARRISON. I offer two amendments, and ask that they be read.

The PRESIDING OFFICER. The amendments will be read for the information of the Senate, but the time will not be taken out of the time of the Senator from Louisiana.

The CHIEF CLERK. On page 10, after line 20, insert the following:

(i) No operations under this section shall be commenced by the board in respect of any basic agricultural commodity prior to the determination and imposition by the board of the equalization fee in respect of such commodity.

Mr. RANSDELL. Mr. President, when the McNary-Haugen bill was before the Senate last year I opposed it and made a brief speech against it. The present measure has been so greatly changed and improved that I shall vote for it. The bill of last year, as I construed it, was a price-fixing measure and objectionable to me on that ground, while the present bill does not attempt directly to fix prices, though in effect it is expected to increase the cost of commodities much the same way as the tariff increases the cost to the consumer of a great many articles of manufacture and of several agricultural products.

The old bill provided for an equalization fee on some commodities, but said there shall be no equalization fee on corn and cotton for three years, and not until Congress shall have passed a law providing for it. This seemed to be unfair discrimination in favor of these two products. If wheat were subjected to an equalization fee, then cotton, corn, rice, and other farm products should also pay a similar fee. In other words, all products of the farm should be placed on terms of parity as nearly as possible. The present bill provides an equalization fee for all five of the basic commodities included therein, to wit:

1. Wheat.
2. Corn.
3. Cotton.
4. Rice.
5. Hogs.

No discrimination is made for or against either of them. Moreover, the bill authorizes loans to the extent of $25,000,000 on other agricultural commodities not specifically named.

Paragraphs especially pleasing to me are:

A. That operations in a basic agricultural commodity shall not be commenced or terminated unless members of the Federal farm board appointed to administer the act, representing Federal land-bank districts, which in the aggregate produced during the preceding crop year more than 50 per cent of such commodity, vote in favor thereof.

B. That a commodity advisory council for each basic commodity is provided.

The old bill had no such provisions.

These two clauses place it in the power of the friends of the basic commodity to say whether or not the act shall apply to it and when its provisions shall cease to operate thereon.

I have always been opposed to the general idea of price fixing by law, and yet, many of the acts of Congress result more or less in enhancing prices. The first tariff acts, composed largely under the inspiration of Thomas Jefferson, imposed duties on articles of foreign manufacture with the avowed purpose of encouraging American manufacture and to enable our people to compete successfully with foreigners. From that date to this the duties on imports have caused the consumer of all products on which these duties rest to pay an increased price for them over and above what would be charged if there were no tariff. Our manufacturers of innumerable commodities have received very great benefit from these tariff laws, which, in many instances, have been applied also to products of the farm—like sugar, butter, milk, and so forth—and yet, at the present time few think that tariff legislation is uneconomic or price fixing in an improper sense.

The eight hour law for labor is another measure of recent enactment which resulted in higher prices for work performed by man, and a result was that labor unions throughout the land have induced general observance of this law. Moreover, during our recent Railroad Administration wages of labor were very greatly increased, and since then labor throughout the Nation has been receiving largely increased wages. The laboring people are prosperous, and I am glad of it, for the laborer is worthy of his hire. I have no quarrel with the eight hour law and other Federal provisions which enable a man or woman to receive better prices for their manual efforts. On the contrary, I approve them.

The transportation act of 1920 enables railroads to charge a sufficient sum for their services to earn 5½ per cent on their investments, which seems to be a reasonable rate. I believe the railroads are entitled to this reward, and hope nothing will be done to change the law, and yet, the effect of this law is certainly price fixing on the money invested in railroad properties.

Our Federal laws relating to banking are extremely favorable, and every inducement is held out to capital engaged in financing the business of our great Republic, which is as it should be.

Other illustrations might be given, but these four are sufficient. They demonstrate that Federal statutes have been passed and enforced to increase the price of innumerable articles of manufacture, to increase the price of labor, to increase the earnings of money invested in railroad properties, and to increase the value of bank investments. I fail to find any statute giving direct, immediate increase to the value of farm products. The most that can be said is that the Federal Government has been generous in the construction of good roads, which are used more by farmers than by others, but are available to every citizen, and through the farm land banks, which make loans at low rates, provided gilt-edge security is given therefor.

In connection with these farm loans, which have been so highly praised and which undoubtedly are very helpful to agriculture, I am reminded of the old distich about Madam Blaise, that good old soul who freely lent to all the poor who left a pledge behind. Our Federal Government lends freely to the farmers if they pay 5½ per cent and secure the loan by a first mortgage on real estate worth twice the amount thereof. It can not be said that these loans to agriculture on such security are in any way comparable to the vast benefits given to manufacture, to labor, to railroads, and to capital by the statutes in their interests.

It is contended by some that the equalization fee is unsound and will cause a production of a great surplus of the commodities to which it is applied. The exact reverse is true; when this equalization fee is collected on wheat, corn, hogs, cotton, or rice the farmer who produces same and pays the fee has it brought home to him in a forceful way that the purpose of this fee is to stabilize prices of his commodity and that the one sure way of keeping the prices stabilized is to hold down production in a reasonable way, so there will be no great surplus to struggle with during the coming year. To illustrate, if an equalization fee of $2 per bale on cotton be required to assist in withholding temporarily from the market and storing in warehouses a surplus of 4,000,000 bales of cotton, it is a simple matter of calculation which any farmer can understand that to withdraw from the market and hold 8,000,000 bales it would require double the equalization fee, or $4 per bale. Unless the surplus can be kept within bounds the equalization fee will continue to increase and get out of bounds. Hence, each and every farmer who pays this fee and has the facts brought to him in a personal manner will strive hard to so regulate production as to stabilize the price. This equalization fee requires the farmer to stand the loss resulting from the operations of the pending bill. The Government can lose nothing if the bill be carried out in the spirit of its conception, except the $250,000,000 revolving fund—a bagatelle, when compared to the total annual value of all the wheat, corn, hogs, rice, and cotton of this country. Any losses, if they accrue, must be met by the equalization fee, and this fee, let it be distinctly understood, attaches rigidly to and is collected from every unit of the commodity and no one can escape it. The wealthy producer, with his hundreds of thousands of bushels of wheat or corn, or thousands of bales of cotton, who feels independent and willing to take chances on marketing his individual crops in his own way, must cooperate with all the smaller producers and join in the common effort for the benefit of all.

In strong contrast with this wise equalization fee, making the farmers partners in a great cooperative effort, pulling together

as one man for the general benefit of all, we have the Curtis, Crisp, and Aswell bills, which each provide $250,000,000 for farm relief and promise big things, but offer no real incentive, as I understand them, to stabilize prices or prevent surpluses. If loss occurs in the operation of these bills, it must be met by all the citizens of the Republic and the farmers themselves will have no responsibility other than that attached to the general taxpayers. They can readily say, "Uncle Sam is footing the bill; what care I how the chips fall?"

There are so many farmers engaged in the production of each of the basic commodities named in the McNary-Haugen bill that heretofore it has been impossible for them to combine and unite their efforts toward a common purpose. Manufacturers and railroads being composed, comparatively speaking, of such small numbers have joined forces and met with great success from united efforts; labor has succeeded marvelously through its great voluntary unions, aided by Federal legislation, and there is a strong community of interests among the limited numbers in the banking world. Fully 43 per cent of our citizens are farmers and millions of men are engaged in producing each of the basic farm products. It is so hard for such vast numbers to organize and pool their interests. This bill drives a big entering wedge. Even if it does not work perfectly, it is a long step in the right direction. It may have serious defects and be difficult of enforcement, but it promises relief and a great many farmers believe in it. Their sufferings and losses have been so great for years and there is such a distressed condition throughout immense agricultural areas in every portion of the Republic that it is imperative for the Government to attempt something to relieve them.

Earnest, sincere studies have been made on this and similar measures for the past three years and it is my candid conviction that great benefits will result from its enactment. Beyond question, it is the best bill before us.

Mr. SMITH. Mr. President, I do not care so much to discuss the merits of the pending bill as to call the attention of the Senate to a point which, it seems to me, has not been emphasized as it should have been, and that is the fundamental difference between natural production and artificial production—in other words, manufactured production. Before I begin to discuss some of the differences, and what grows out of those differences, I wish to put into the RECORD some statistics, and I think these statistics will help the Senate to understand the comments I wish to make concerning the present effort to relieve the condition of agriculture.

I sent to the Department of Commerce and asked for tables showing the number of plants engaged in preparing for market the principal staple products included in the pending bill. Those statistics show that the number of meat-packing plants in America in 1923 was 1,397; the number of people employed therein was 166,000. The number of farms raising cattle—and I wish these statistics to be placed side by side for comparison purposes—the number of farms reported as raising cattle was 5,358,000. The number of farms reported as raising sheep was 538,000. The number reported as raising hogs was 4,850,000.

The number of flour mills in the United States in 1923, which were known as merchant mills, with a production of $5,000 or over, was 5,232.

The number of farms growing wheat was 2,225,134.

The number of cotton factories in the United States in 1925 was 1,375. The number of acres in cotton in 1926 was 48,000,000; the number of people employed in the production of cotton—I want that distinction kept in mind—was 6,600,000.

Mr. President, the point to which I wish to direct attention is that of all the hog production in the country it only requires 1,397 plants to cure, pack, and put on the market the production of 4,850,000 farms, with all the forces engaged in that production.

The number of flour mills is only 5,232, as against the number of farms growing wheat, 2,225,134. There are only 1,375 cotton factories to consume 7,000,000 bales of American cotton. Adding up the number of plants to process our meat, to process our bread, and to process our clothing does not make as many as one-fourth of 1 per cent of those engaged in cotton production alone.

When we consider that the amount invested in the 1,375 cotton factories is $2,000,000,000, that the amount invested in the processing of wheat is $1,000,000,000, and the amount invested in the processing of meats is $1,180,000,000, we can appreciate the reserve capital in the hands of these very few who are in charge of preparing for ultimate consumption the vast resources of our cattle ranches, our cotton farms, and our wheat farms. Therefore, Mr. President, we can all readily see that it is a very easy matter for these comparatively few, with their wonderful capitalistic resources, to organize themselves and to control their output.

Now I come, for only a few minutes, to what I consider should be the fundamental difference in the eyes of Congress to meet which the responsibility rests upon us.

The natural producer, the farmer, can not determine quantity or quality; neither can he determine nor control the hour and the day of the final finished product out of the factory of nature; in other words, the farmer has to depend upon forces outside of himself for both quantity and quality. When nature, through her processes, has finished a cotton crop or finished a wheat crop we have a 365 days' supply on the hands of the producer at once. Therefore, on account of the obligations he has incurred in production, he must find a market within 30 or 90 days for the sale of the 365 days' supply. His numbers are so great, his capital resources are so meager, the debts he has incurred in the long months that it takes nature to finish the products are so large, that he is forced by the very nature of his occupation to put on the market, within the time that he can pick it from the fields or reap it from the fields and have it put in the proper form, the product which it has taken nine months to perfect. I ask this body of legislators, how long could the Flour Trust, the Steel Trust, or any of our great combinations last if they were forced by the nature of their business to dispose of their entire 12 months' product within 30 or 90 days?

In sharp contrast to the method of marketing that is forced on the farmer let us consider that of the artificial producer, the manufacturer. Every day that his factory is running he produces an asset to meet the liabilities of the preceding 24 hours. He has his hand on the pulse of the markets of the world and the means in his control to increase or decrease production as he sees fit or as the market may justify. His numbers are so small, his capital per unit so great, that he can organize and partition off the world. By virtue of the similarity of the machinery he employs—for all cotton machinery is alike; all meat-packing machinery is alike; the processes are man made and are identical—he is in a position so to regulate his production as to meet the requirements of his market. He can make a contract to the yard, to the inch, to the pound, and fill that contract with certainty, whereas the producers of livestock, of wheat, of cotton, and other agricultural commodities have got to wait on the ultimate effect of nature before they know either quantity or quality.

Because manufacturers were so few in number and their capital was necessarily so great all that was needed in order to give the American market to them was to enact a tariff law and shut out the world; and the measure of the tariff was the measure of the profits or the bonus which the American Government granted them by legislative enactment.

Of course, constitutional complications were avoided by basing the imposition of protective rates on the right to raise revenue, and that has been distorted to the right of the manufacturers to raise revenue out of the remainder of the American people.

Now, I come to the last word which I care to say on this subject. Have we more concern in this body for a total number, together with their aids, of 751,000 engaged in meat packing and in manufacturing, especially in view of the fact that manufacturing is so advantageously situated as compared to natural production, than we have for 34,000,000, or one-third of the whole American population?

Mr. President, of course, we can not apply the same policy to agriculture which we apply to manufacturing, but we are in duty bound to apply the same principle wherever we may, and the time has come when agriculture must receive from the Government the same support that is given to manufacturing, or agriculture must cease to be in this country. You will have to do one of two things: You will have to raise by legislative enactment the market of the farmer to a parity with the market of the manufacturer, or you will have to lower the market of the manufacturer to the level of the natural condition of the farmer. It is your duty and my duty to see that this equity is done and preserved.

I do not know what will be the ultimate effect of this bill. The farmer has gotten to the point where, no matter what you do here, it can not hurt him. He has to look up now to see the bottom. That is his condition; and, no matter what we do, we can not hurt him. Eighty-seven per cent of the farms are under mortgage; and every day, even under the land bank that we established, the farmer is being dispossessed because he was foolish enough to produce more than some folks think he should have produced.

Mr. President, as I take it, the object of this bill is to enable the farmers not only to dispose of their surplus but to market their product 365 days in the year rather than to be forced to market it in 90 days. Nature has provided that the manufacturer may. Let us provide that the farmer shall.

Mr. CARAWAY. Mr. President, there are several groups in the Senate that are opposing the passage of this bill. They offer reasons that are inconsistent.

Two lawyers—who, I understand, were never in a courtroom except the day they went in to waive their examinations and be sworn in as members of the bar—who assure us with much vehemence that the bill is unconstitutional. There is another lawyer—whose name, I understand, has been attached to no case that has reached an appellate court—who likewise tells us that the bill is so unconstitutional that he has not words in which to say how unconstitutional it is.

There are other Senators who declare that they know the President's mind—and I concede that that is more than he himself knows—and they know that he is to veto the bill.

Then there is the frank group who say, "If you pass this bill you are going to raise the price of farm products so that the farmer will get not only what it costs him to produce them but a reasonable profit, and therefore make more costly our raw materials."

There is another group, whose motives everybody understands, who say, "We are for the bill, if you will defer for two years the equalization fee upon one product." Their position is more untenable than the positions of these others.

Here are the Senator from Connecticut [Mr. McLEAN] and the Senator from New Hampshire [Mr. MOSES] and the Senator from Massachusetts [Mr. GILLETT], who declare that the effect of this proposed legislation will be to make the cost of living higher, and they want cheap food and cheap clothing. In other words, they want to continue to have the farmers of this country feed and clothe them at 50 cents on the dollar of the cost of production. It is economically dishonest, but it is entirely within the comprehension of the people who stand for that system. And here is my friend, the distinguished Senator from Maryland [Mr. BRUCE], who gives utterance to the same sentiment. Why, they are perfectly understandable. They believe it seems that it is wise in this country to keep 34,000,000 people producing food and clothes for the city people at less than the cost of production. They are frank about it, though. Nobody needs misunderstand them.

But here is a proposition, now, to defer the equalization fee on cotton for two years.

Mr. BRUCE. Mr. President, will the Senator yield to me for just a moment?

Mr. CARAWAY. Yes; I yield.

Mr. BRUCE. I simply desire to register the statement that I think the Senator is pursuing a very offensive line of comment.

Mr. CARAWAY. Oh, it is doubtless so. Anybody who believes that the farmers ought not to be heard will always be offended when somebody says they have as much right as others. That is perfectly understandable in this body, and I am not trying to be offensive.

I started to speak about the deferment of the equalization fee. I want to discuss that for a minute.

If this bill be just and economically sound, if an equalization fee ought to be imposed and it is economically wise so to do, then under what theory do you say that in the case of one particular product it shall be deferred for two years? I could understand taking the position that some of us took a year ago when we said that we would vote for this bill if no equalization fee was imposed on cotton until further action of Congress. I do not think we were very wise, but we were, at least, consistent. We said that cotton had not the advantage of a tariff; and, therefore, ought to have this advantage in legislation. These very Senators who now seek to defer the equalization fee on cotton for two years voted against that bill with no equalization fee at all on cotton.

I say we were consistent then; but what do they say? They say to the wheat grower, to the tobacco grower, to the corn grower, to the producer of meat, "This is a good measure, and we are going to vote for it if you will let us defer the equalization fee on cotton for two years; and then, without further action of Congress, without any change in the economic structure, without any revision of the tariff, we are willing to let the equalization fee rest upon cotton."

Mr. President, that is open to but one construction. There is an election between this time and that, and it is expected that the cotton farmer is not to find out what you have done to him until you get his vote away from him. If the bill is bad, if I thought it never would be good for the cotton farmer, then I would not vote for the bill with a deferred equalization fee for two years, because the cotton farmer ought not to be hurt two years from now any more than he ought to be ruined now. If it is good, he ought to have the benefit of it now; and if you are doubtful about it you ought to vote "yes" or "no" on the bill, and you ought not to try to get his vote from him before he finds out what the effect of the legislation is to be; and that is all it is.

Suppose a man grows tobacco in this field and another cotton in that. You put the equalization fee on tobacco and defer it for two years on cotton. When the tobacco farmer asked you why you did that, what answer could you make to him except to say, "I am a little uncertain about how the cotton farmers are going to feel about it, and I want his vote before he finds out what the effect of the legislation may be."

That is the only answer you could make to him and be consistent and be honest, because you could not say there is to be a changed economic condition two years from now; you could not say, "Two years from now we are going to change the tariff," or "We are going to enact another law." You would have to say to him, "I am afraid if I put it on cotton now he will hold it against me two years from now, and therefore I will wait and get his vote and then let the thing fall on him after he has no power to punish me for putting it on."

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. CARAWAY. Yes; I yield.

Mr. GEORGE. I agree with the observations the Senator is now making on this feature of the bill; but let me ask the Senator, Why the effort here to levy the equalization fee as far away from the farmer as possible?

Mr. CARAWAY. Well, let us say it is dishonest; that ought to get some votes in the Senate.

Mr. GEORGE. But is that the purpose of it?

Mr. CARAWAY. No; that was not the purpose; but if anybody can get some consolation out of that, let us assume that it is. The purpose was to put it on something when it was in interstate commerce. Some thought it might change the constitutional question of the equalization fee. Now, any farmer knows—and the farmer has a little sense, although formerly some did not think so—any farmer who knows anything knows that freight, storage, insurance, and an equalization fee, if it must be levied, must follow the product. Anybody who would tell the farmer that it would not follow the product would not be honest with him, and anybody who would tell him that it would not follow the product would not get credit in many communities for being candid, because the farmer knows it.

Mr. GEORGE. Mr. President, the Senator is honest not only in his thought but in his statement. The effort here is to levy an equalization fee so far removed from the farmer as to leave him under the impression that the consumer is paying it.

Mr. CARAWAY. Oh, no. If that got into the Senator's head, he at least ought to read the bill.

Mr. GEORGE. I have read the bill.

Mr. CARAWAY. There is not anything of that kind in the bill.

Mr. GEORGE. I ask the Senator again: Why is the effort made to put the equalization fee as far away from the farmer as possible?

Mr. CARAWAY. In the first place, there is not any such effort. The effort is to put it on the product after it goes into commerce, because of the belief that under the commerce clause we have such a right.

Mr. GEORGE. I ask the Senator to read the amendments that are pending. He asked me to read the bill.

Mr. CARAWAY. If the Senator will let me have my time, I will do that.

I do not know a single farmer who objects to the equalization fee. The only people here who shed tears for the poor farmer who is about to be compelled to pay an equalization fee are the people who want farm products cheaper than they are. If we could have passed this bill at the last Congress instead of this, and had had an equalization fee, $20 a bale would have taken care of the surplus of cotton. Read the cotton market as it slumped as the surplus increased and you will find that we could have taken 2,500,000 bales of our cotton, piled them up in the streets of the towns of the South and burned them, and been $300,000,000 richer than we are to-day; and in addition to that we would not have had that surplus to hang over us and ruin us next year. We lost $670,000,000 because this Congress in its wisdom denied us the machinery to take care of our surplus in one crop—and that was cotton—last year.

I say, sir, that if we had had this bill on the statute books last year instead of this we could have taken our surplus off the market, we could have had 2,500,000 bales of cotton that would belong to the farmers of America in their warehouses, and we could have had $300,000,000 more in the pockets of

the producers of cotton than we have; and if that 2,500,000 bales of cotton could be sold at what cotton was worth a year ago, we would have had a product worth $370,000,000 in addition thereto. Now, if you think the farmer ought not to have it, why, God bless your soul, vote against this bill; but do it, and do it knowing that the farmer knows that you are doing it because you prefer that he shall feed and clothe you at half the cost of producing the things that you eat and wear. Let us be candid about it.

Going back to the question of the Senator from Georgia about an effort to remove the equalization fee farther from the farmer, I say that I do not find it in the bill; but let us say that it is there; then there is some chance, I judge, that the burden might be shifted to the other end of these two conflicting classes and the producer not have to pay it; I presume these objectors want to crowd it back so that the farmer must be charged with it. One inference is as fair as the other—that the Senators who are opposed to that want to be certain that the fee does land on the farmer.

But it is said that this is a price fixing bill. Well, let us concede that it is. There is always a price fixing somewhere, and heretofore the speculator has fixed the price for the farmer. The farmer has carried his products to the market and the other man has fixed the price. Let us change that and let the man who produces fix the price. Are you opposed to it? Are you?

My friend from Michigan [Mr. COUZENS] nods his head. He says he is. He is frank. He wants the consumer and not the farmer to fix the price. But at one time, when he was a partner in making "flivvers," he fixed the price. [Laughter.] Most people will confess that inasmuch as he piled up millions and millions of dollars on a shoestring investment that he fixed the price high enough.

Oh, it is a lofty sentiment to desire the power to fix the price on a Ford car, but to deny that right to the farmer, whose very existence depends upon fixing the price of the things he grows.

Mr. HEFLIN. Mr. President——

Mr. CARAWAY. I yield to the Senator.

Mr. HEFLIN. I thought the Senator had finished.

Mr. CARAWAY. Mr. President, I think I have said nearly as much as I should say. I am not like my distinguished friend on my left; I do not need an additional three minutes to tell what I do not know about the bill.

Mr. HEFLIN and Mr. GEORGE addressed the Chair.

The VICE PRESIDENT. The Senator from Alabama.

Mr. HEFLIN. Mr. President, I shall consume only about six minutes, because I have promised to yield part of my time to the Senator from Oregon [Mr. MCNARY].

Mr. GEORGE. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Georgia?

Mr. HEFLIN. Just for a question. I am a member of the Committee on Agriculture, and I have not yet spoken on the bill. I promised to yield some time to the Senator from Oregon, the chairman of the committee.

Mr. GEORGE. I have not spoken on the bill either. I do not know that I wish to speak, but I wish to make a statement about the matter in regard to which I interrogated the Senator from Arkansas, that is all; and I have been on my feet for some minutes trying to get recognition.

Mr. HEFLIN. How long will it take the Senator?

Mr. GEORGE. Not over three or four minutes.

Mr. HEFLIN. I could not yield under those conditions. It will take five or six minutes for me to say what I want to say.

Mr. GEORGE. Very well.

Mr. HEFLIN. Mr. President, as already stated, I have promised to yield some of my time to the Senator from Oregon, and I am not going to use the 15 minutes which would be allowed me under the agreement. I have not discussed this measure at this session. In the outset I want to make an observation about the threat of one of the New England Senators. The Senator from New Hampshire [Mr. MOSES], I understand, has threatened the corn growers of the West that if conditions were made very attractive for corn producers the farmers of New England would go to producing corn on a large scale. They can not grow enough corn in New England to feed the squirrels on the Capitol Grounds for one winter. [Laughter.]

The Senator from Ohio [Mr. FESS], the Senator from Wisconsin [Mr. LENROOT], the Senator from Connecticut [Mr. MCLEAN], the Senator from New Hampshire [Mr. MOSES], and the Senator from Massachusetts [Mr. GILLETT] are all together in opposition to farm relief legislation. That ought to secure support for most of the provisions of the bill.

I read in the Washington newspapers about a banquet supposed to be given here in Washington this week by Mr. Work, of Pennsylvania, Secretary of the Interior, one of Mr. Mellon's very warm friends and ardent supporters. It was a kind of Belshazzar's feast, in a marble mansion to the money lords of the Nation, and the newspapers tell us that the few select men who sat about that festive board represented $5,000,000,000.

Mr. President, that is indeed interesting, in view of the fact that the circulating medium of the United States to-day, the entire money supply in circulation to meet the financial needs of more than 100,000,000 people amounts to only $4,712,945,000. So a half dozen of those who sat at the feast of the money kings at the Capital are worth more than the entire money supply permitted to circulate in the body of the business of the whole United States. That gives an idea as to just what this Nation is coming to under Republican rule; the legislative machinery is operated in the interests of a favored few, while it robs and impoverishes millions amongst the masses of the American people.

Congress ought to be fair and just to all interests. It should never help the strong to oppress the weak.

The senior Senator from Washington [Mr. JONES], able and clever Senator that he is, made a speech here yesterday favorable to a ship subsidy measure, the Government to spend millions and millions more of money to build up another fleet of merchant ships. I wondered in my mind why he would suggest that. We spent during the World War, to build a fleet of merchant ships, three thousand million dollars, and I saw passed through the Republican House of Representatives, and killed in the Senate—and I helped to kill it—a bill providing for the sale of that entire fleet of ships to the Ship Trust for $200,000,000, representing a loss to the Government of $2,800,000,000.

I never heard the Senator from Connecticut, the Senator from Massachusetts, the Senator from New Hampshire, any of those Senators, lifting their voices in opposition to that indefensible measure. None of them say anything when these big measures are going through in favor of the big interests of the country.

Not one of them has lifted his voice against the high-handed work of Mr. Mellon, Republican Secretary of the Treasury, in refunding to the favorites of the Republican Party nearly a billion dollars in taxes since he has been Secretary of the Treasury. Right now a bill is pending in Congress to refund $175,000,000 more to the big rich taxpayers of the country. I opposed it in this body, under the leadership of the Senator from Tennessee [Mr. MCKELLAR], and we held up that appropriation of $175,000,000, which Mr. Mellon is now refunding in the main to the big rich men in the Republican Party, $6,000,000 of it going to Mr. du Pont, Republican, of Delaware; $21,000,000 of it going to five immensely rich men in the United States. None of these Senators rose in opposition to that strange and ugly performance. One hundred and seventy-five million dollars handed out in special-favor packages to the favorites of the Republican Party is all right with you, but when we come to ask that the farmers who feed and clothe the people of the Nation, and who, under the grinding processes of the Republican Party, have been so stripped of their substance and so impoverished that they are reduced to a state of agricultural slavery, should be considered and aided you cry paternalism and otherwise enter your vigorous protest against any and all remedial legislation.

The only thing the grain farmers of the West can do now is to have their friends here resort to the passage of a desperate measure, in a very desperate agricultural situation, asking Congress to permit them to lay a fee upon their own produce, to gather a fund and set it aside, to enable them to fight the grain gamblers, whom the Republican Party has enabled to rob and plunder under laws which Republicans have passed through Congress.

Mr. President, I supported this McNary-Haugen farm relief bill as I helped to amend it at the last session of Congress. I voted for it with the equalization tax or fee on cotton stricken out, and I will vote for it again to-day under the same condition.

Cotton has no tariff upon it. We export half of the cotton crop. So cotton, in an import sense, is not in the same class with grain. In view of this fact it is not asking too much to have this equalization tax or fee on cotton left off until the cotton producers can have time to decide for themselves whether or not they want to have imposed upon them the proposed equalization tax or fee on cotton. I am willing for the grain-growing west to have the aid provided for in this bill. The farmers out there ask for it. They approve it. They have indorsed the equalization tax or fee on grain and I am willing to let them try out the plan now that they have so unanimously indorsed if the equalization tax or fee on cotton is postponed as I have suggested until the cotton farmers pass upon the matter. The bill provides that they may borrow on their cotton from the revolving fund. The Republican leaders can

not cite a single big deal that you have tried to put over where you have not granted just what the big Republican favorites wanted. But you are not willing to grant to the farmers of the country substantial relief from the Republican agencies that have pillaged and plundered them. Mr. President, I supported this measure before amended as I have suggested, with regard to cotton, and I shall support it again with that provision in it.

Mr. McNARY obtained the floor.

Mr. HARRISON. Mr. President, I ask unanimous consent that the Senator from Oregon may have 15 minutes. He is the chairman of the committee.

The VICE PRESIDENT. Is there objection?

Mr. McNARY. I object myself, because I made objection to others having an extension of time.

I have a parliamentary inquiry to propound. Is it necessary to propose amendments prior to 4 o'clock?

The VICE PRESIDENT. Amendments can be received after 4 o'clock, but will not be subject to debate after 4 o'clock.

Mr. McNARY. I have two amendments which I desire to have the clerk read, and I want to discuss them just for a moment.

Mr. WALSH of Montana. Mr. President, I did not hear the response of the Presiding Officer to the inquiry of the Senator from Oregon.

The VICE PRESIDENT. Amendments can be presented after 4 o'clock, but without debate.

Mr. McNARY. Mr. President, the amendments I offer are not contained in the bill now before the Senate for its consideration. They simply grant to the board new powers by permitting the board, under certain rules and plans, to be by them fashioned to grant insurance policies to the producers of basic agricultural commodities, to insure them against loss from the time of the harvest to the time of marketing, to prevent violent fluctuations during that period, the amount of the premiums to be decided upon by the board. The premiums in all cases are to cover any losses, so that before the time the farmer delivers his product or his commodity to the markets, or to the warehousemen, or to any other place for storage, he may hold the product for a period of time, and be assured against loss during the period that it is withheld.

Mr. President, with this very brief explanation, I desire to have the two amendments read. They are amendments to separate parts of the bill, and consequently they are embodied in two different amendments. But they reach the question of insurance against price fluctuations during the period between the harvesting and marketing, and I ask that the clerk may read them.

The VICE PRESIDENT. The clerk will read the amendments.

The CHIEF CLERK. On page 9, line 5, strike out down through line 5 on page 10, and insert in lieu thereof the following:

(d) During the continuance of such operations in any basic agricultural commodity, the board is authorized to enter into agreements, for the purpose of carrying out the policy declared in section 1, with any cooperative association engaged in handling the basic agricultural commodity, or with a corporation created by one or more of such cooperative associations, or with processors of the basic agricultural commodity.

(e) Such agreements may provide for (1) removing or disposing of any surplus of the basic agricultural commodity, (2) withholding such surplus, (3) insuring such commodity against undue and excessive fluctuations in market conditions, and (4) financing the purchase, storage, or sale or other disposition of the commodity. The moneys in the stabilization fund of the basic agricultural commodity shall be available for carrying out such agreements. In the case of any agreement in respect of the removal or disposal of the surplus of a basic agricultural commodity, the agreement shall provide both for the payment from the stabilization fund for the commodity of the amount of losses, costs, and charges, arising out of the purchase, storage, or sale or other disposition of the commodity or out of contracts therefor, and for the payment into the stabilization fund for the commodity of profits (after deducting all costs and charges provided for in the agreement) arising out of such purchase, storage, or sale or other disposition, or contracts therefor. In the case of agreements insuring such commodity against undue and excessive fluctuations in market conditions, the board may insure any cooperative marketing association against decline in the market price for the commodity at the time of sale by the association from the market price for such commodity at the time of delivery to the association.

On page 10, line 7, after "associations," insert ", or corporation created by one or more cooperative associations."

Mr. McNARY. I do not think it is necessary to read the other proposal, because it follows along the same line, and the same suggestion is contained in it that is found in the one just read.

I ask for the adoption of those amendments.

The VICE PRESIDENT. The pending question is on the amendment offered by the Senator from New Hampshire [Mr. MOSES].

Mr. McNARY. Before the clerk states that amendment, the Senator from Tennessee [Mr. MCKELLAR] has one or two amendments to offer, and the Senator from West Virginia [Mr. NEELY] has an amendment to offer, I should rather have those amendments before the Senate prior to the vote upon any one of the amendments. I yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, I offer an amendment in regard to tobacco which I send to the desk.

The VICE PRESIDENT. Is there objection to the temporary laying aside of the amendment of the Senator from New Hampshire?

Mr. McNARY. It is not necessary to disturb the situation, so far as the amendment of the Senator from New Hampshire is concerned. I only desire the presentation of other amendments at this time and to have them read, but not to be acted upon.

The VICE PRESIDENT. Without objection, the clerk will read the amendment submitted by the Senator from Tennessee.

The Chief Clerk read as follows:

On page 7, line 25, after "rice," insert a comma and "tobacco"; and in line 26, strike out the period and insert a comma and the following: "except that the board may, in its discretion, treat one or more varieties or types of tobacco as a separate basic agricultural commodity."

On page 8, line 9, after "rice," insert a comma and "tobacco."

On page 8, line 11, after "rice," insert a comma and "tobacco."

On page 21, after line 9, insert the following:

"(4) In the case of tobacco, the term 'sale' means a sale or other disposition to any dealer in leaf tobacco or to any registered manufacturer of the products of tobacco."

On page 21, line 10, strike out "(4)" and insert in lieu thereof "(5)."

On page 21, line 12, strike out "(5)" and insert in lieu thereof "(6)."

On page 22, after line 13, insert the following:

"(4) The term 'tobacco' means leaf tobacco, stemmed or unstemmed."

On page 10, line 17, after "cotton," insert a comma and "or tobacco."

Mr. GLASS. Mr. President, may I ask if this is the amendment to which one of the Washington newspapers this morning referred as expected to get me to change my vote on the bill? [Laughter.]

Mr. McKELLAR. I offer another amendment and ask that it may be read.

The VICE PRESIDENT. The clerk will read the amendment sent to the desk by the Senator from Tennessee.

The CHIEF CLERK. On page 9, line 4, add the following:

and until the board shall become satisfied that a majority of the producers of such commodity favor such action.

Mr. McKELLAR. Immediately following that amendment I offer another amendment on behalf of the senior Senator from North Carolina [Mr. SIMMONS], who, though present, is not feeling well this afternoon.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 8, line 16, after the word "commodity," insert the following proviso:

Provided, That in any State where not as many as 50 per cent of the producers of the commodity are members of such cooperative associations or other organizations, an expression from the producers of the commodity shall be obtained through a State convention of such producers, to be called by the head of the department of agriculture of such State, under rules and regulations prescribed by him.

Mr. REED of Missouri. Mr. President, will the rules permit an inquiry of the Senator from Tennessee at this point? Does the last amendment read fix it so that if less than a majority are in favor of the scheme it may be adopted? Is it planned to call a State convention, a minority of which may be able to accomplish the result desired?

Mr. McKELLAR. No.

Mr. REED of Missouri. Then what does it mean?

Mr. McKELLAR. It means exactly what it says, that such a convention shall pass on it before it is put into operation.

Mr. GEORGE. Oh no, Mr. President.

The VICE PRESIDENT. Debate is not in order.

Mr. McKELLAR. On behalf of the senior Senator from North Carolina [Mr. SIMMONS], I present an amendment, which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 11, line 2, after the words "submitted by," insert the following:

The heads of the agricultural departments of the several States within the Federal land-bank district and from lists submitted by.

Mr. McKELLAR. Also on behalf of the senior Senator from North Carolina, I submit the amendment which I send to the desk.

Mr. BRUCE. Mr. President, has not the hour of 4 o'clock arrived?

The VICE PRESIDENT. The hour of 4 o'clock has arrived and debate is closed. The clerk will state the amendment submitted by the Senator from Tennessee on behalf of the Senator from North Carolina.

The CHIEF CLERK. Also, on page 2, line 16, after the words "consist of," strike out the word "five" and insert the word "seven," and on page 2, line 23, after the word "adjourn," insert the following:

Two of the members of the nominating committee in each district shall be elected by a majority vote of the heads of the agricultural departments of the several States of each Federal land-bank district at a meeting to be held in the same city and at the same time of the meeting of the convention of the bona fide farm organizations and cooperative associations in each district.

Mr. McKELLAR. I now offer another amendment in my own behalf.

Mr. McNARY. Mr. President, I have no objection to the amendments, because they attempt to give the producer a larger voice——

Mr. REED of Missouri. Oh, no, Mr. President, no debate is permissible.

Mr. KING. Regular order! We object because these amendments are intended to bludgeon men into farm organizations against their will.

The VICE PRESIDENT. The clerk will state the amendment submitted by the Senator from Tennessee.

The CHIEF CLERK. On page 20, line 22, strike out through line 2, on page 21, and insert in lieu thereof the following:

(2) In the case of cotton, the term "processing" means spinning, milling, or any manufacturing of cotton other than ginning; the term "sale" means a sale or other disposition in the United States of cotton for spinning, milling, or any manufacturing other than ginning, or for delivery outside the United States; and the term "transportation" means the acceptance of cotton by a common carrier for delivery to any person for spinning, milling, or any manufacturing of cotton other than ginning, or for delivery outside the United States; occurring after the beginning of operations by the board in respect of cotton.

On page 21, line 10, strike out the word "The" and insert in lieu thereof the following: "In the case of basic agricultural commodities other than cotton, the."

Mr. NEELY rose.

The VICE PRESIDENT. Senators will understand that these amendments will have to be offered formally from the floor. They will have to be offered again because there is an amendment now pending.

Mr. NEELY. In view of the statement of the Chair I shall withhold the amendment which I was about to offer and which has been accepted by the chairman of the committee.

The VICE PRESIDENT. The question is on the amendment of the Senator from New Hampshire [Mr. MOSES].

Mr. HEFLIN May the amendment be reported?

The VICE PRESIDENT. The pending amendment will be read.

The CHIEF CLERK. On page 7, line 25, after the word "rice," insert the words "hay, apples, potatoes, all dairy products."

On page 8, line 9, after the word rice," insert the words "hay, apples, potatoes, all dairy products."

On page 8, line 9, after the word "rice," insert the words "hay, apples, potatoes, all dairy products."

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from New Hampshire.

Mr. REED of Pennsylvania. Let us have the yeas and nays.

The yeas and nays were not ordered.

The amendment was rejected.

Mr. HARRISON. Mr. President, I think the next amendment to be considered is one which I offered, but I withhold that until the insurance proposition is disposed of.

Mr. McNARY. I now make formal offer of the amendments which I explained a moment ago.

The VICE PRESIDENT. The clerk will read the first amendment offered by the Senator from Oregon.

The Chief Clerk read as follows:

On page 9, line 5, strike out down through line 5 on page 10, and insert in lieu thereof the following:

"(d) During the continuance of such operations in any basic agricultural commodity, the board is authorized to enter into agreements, for the purpose of carrying out the policy declared in section 1, with any cooperative association engaged in handling the basic agricultural commodity, or with a corporation created by one or more of such cooperative associations, or with processors of the basic agricultural commodity.

"(e) Such agreements may provide for (1) removing or disposing of any surplus of the basic agricultural commodity, (2) withholding such surplus, (3) insuring such commodity against undue and excessive fluctuations in market conditions, and (4) financing the purchase, storage, or sale or other disposition of the commodity. The moneys in the stabilization fund of the basic agricultural commodity shall be available for carrying out such agreements. In the case of any agreement in respect of the removal or disposal of the surplus of a basic agricultural commodity, the agreement shall provide both for the payment from the stabilization fund for the commodity of the amount of losses, costs, and charges, arising out of the purchase, storage, or sale or other disposition of the commodity or out of contracts therefor, and for the payment into the stabilization fund for the commodity of profits (after deducting all costs and charges provided for in the agreement) arising out of such purchase, storage, or sale or other disposition, or contracts therefor. In the case of agreements insuring such commodity against undue and excessive fluctuations in market conditions, the board may insure any cooperative marketing association against decline in the market price for the commodity at the time of sale by the association, from the market price for such commodity at the time of delivery to the association."

On page 10, line 7, after "association," insert: ", or corporation created by one or more cooperative associations."

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Oregon.

Mr. REED of Missouri. I call for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. MOSES], who is unavoidably absent. I had an understanding with him, however, that I could vote on this amendment. I vote "yea."

Mr. BRATTON (when the name of Mr. JONES of New Mexico was called). The senior Senator from New Mexico [Mr. JONES] is absent on account of illness. He is paired with the senior Senator from New York [Mr. WADSWORTH]. If the senior Senator from New Mexico were present he would vote "yea."

Mr. McMASTER (when Mr. NORBECK'S name was called). The senior Senator from New Jersey [Mr. EDGE] has a general pair with the senior Senator from South Dakota [Mr. NORBECK]. Both Senators are unavoidably absent from the Senate. The Senator from South Dakota, having been in a serious automobile accident, is now confined to the hospital. I am authorized to state that if the senior Senator from New Jersey [Mr. EDGE] were present he would vote "nay," and if the senior Senator from South Dakota [Mr. NORBECK] were present he would vote "yea."

Mr. GLASS (when Mr. SWANSON'S name was called). My colleague [Mr. SWANSON] is unavoidably absent. He is paired with the Senator from Delaware [Mr. DU PONT]. I do not now know how either Senator would vote on this question.

The roll call having been concluded the result was announced—yeas 54, nays 33, as follows:

YEAS—54

Ashurst	Harreld	Means	Simmons
Bratton	Harris	Neely	Smith
Broussard	Harrison	Norris	Stanfield
Cameron	Hawes	Nye	Steck
Capper	Heflin	Oddie	Stephens
Caraway	Howell	Overman	Stewart
Copeland	Johnson	Pine	Trammell
Deneen	Jones, Wash.	Pittman	Tyson
Dill	Kendrick	Ransdell	Underwood
Ferris	La Follette	Robinson, Ark.	Walsh, Mont.
Fletcher	McKellar	Robinson, Ind.	Watson
Frazier	McMaster	Schall	Wheeler
Gooding	McNary	Sheppard	
Gould	Mayfield	Shipstead	

NAYS—33

Bayard	Ernst	Keyes	Sackett
Bingham	Fess	King	Shortridge
Blease	George	Lenroot	Walsh, Mass.
Borah	Gerry	McLean	Warren
Bruce	Gillett	Metcalf	Weller
Couzens	Glass	Pepper	Willis
Curtis	Goff	Phipps	
Dale	Greene	Reed, Mo.	
Edwards	Hale	Reed, Pa.	

NOT VOTING—8

du Pont	Jones, N. Mex.	Norbeck	Swanson
Edge	Moses	Smoot	Wadsworth

So Mr. McNARY'S amendment was agreed to.

Mr. McKELLAR. I offer the amendment which I send to the desk.

Mr. HARRISON. Will not the Senator permit to be first read the other amendment of the Senator from Oregon, which is right in line with the last one and carries out the insurance feature?

The VICE PRESIDENT. The clerk will read the second amendment offered by the Senator from Oregon.

Mr. McNARY. I offered two amendments.

The VICE PRESIDENT. The clerk will read the second amendment offered by the Senator from Oregon.

The CHIEF CLERK. On page 18 it is proposed to strike out lines 11 and 12, and to insert in lieu thereof the following:

(c) Any loan under subdivision (a) or (b) shall bear interest at the rate of 4 per cent per annum.

(d) The board may at any time enter into a contract with any cooperative marketing association engaged in marketing any basic agricultural commodity, insuring such association for periods of 12 months against decline in the market price for such commodity at the time of sale by the association from the market price for such commodity at the time of delivery to the association. For such insurance the association shall pay such premium, to be determined by the board, upon each unit of the basic agricultural commodity reported by the association for coverage under the insurance contract, as will cover the risks of the insurance.

On page 17, line 11, after "loans," insert "and insurance."

On page 15, line 13, after the comma, insert "premiums paid for insurance under section 12,".

On page 15, strike out line 16 through the comma in line 20 and insert "(b) the board, in anticipation of the collection of the equalization fees and the payment of premiums for insurance under section 12, and in order promptly to make the payments required by any agreement under section 6 or by the insurance contracts under section 12 and to pay salaries and expenses of experts,".

On page 16, line 11, strike out all after the word "only," down through the comma in line 14, and insert in lieu thereof the following: "(1) the payments required to be made by any agreement under section 6 or by an insurance contract under section 12,".

On page 19, line 1, after the parenthesis, strike out through the word "act" in line 3 and insert in lieu thereof the following: "including the payments required by any agreement under section 6 or by the insurance contracts under section 12."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Oregon.

The amendment was agreed to.

Mr. McKELLAR obtained the floor.

Mr. HARRISON. I have offered an amendment, which, I think, should come first.

Mr. McKELLAR. The amendment I have offered is to correct the text, and I hope we may first have a vote on it.

The VICE PRESIDENT. The amendment offered by the Senator from Tennessee will be read.

The CHIEF CLERK. On page 7, line 25, after the word "rice," it is proposed to insert a comma and the word "tobacco"; and in line 26, to strike out the period and to insert a comma and the following:

except that the board may, in its discretion, treat as a separate basic agricultural commodity one or more of such classes or types of tobacco as are designated in the classification of the Department of Agriculture.

On page 8, line 9, after the word "rice," insert a comma and the word "tobacco."

On page 8, line 11, after the word "rice," insert a comma and the word "tobacco."

On page 21, after line 9, insert the following:

(4) In the case of tobacco, the term "sale" means a sale or other disposition to any dealer in leaf tobacco or to any registered manufacturer of the products of tobacco.

On page 21, line 10, strike out "(4)" and insert in lieu thereof "(5)."

On page 21, line 12, strike out "(5)" and insert in lieu thereof "(6)."

On page 22, after line 13, insert the following:

(4) The term "tobacco" means leaf tobacco, stemmed or unstemmed.

On page 10, line 17, after "cotton," insert a comma and the words "or tobacco."

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Tennessee.

The amendment was agreed to.

Mr. McKELLAR. I offer another amendment, which I ask that the clerk may read.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 9, line 4, it is proposed to insert the following:

and until the board shall become satisfied that a majority of the producers of such commodity favor such action.

Mr. HARRISON. Mr. President, I thought the Senator from Tennessee was going to offer a different amendment. I offered first my amendment in reference to the two years' deference of the payment of the equalization fee and think it should be first considered.

Mr. McKELLAR. My amendment is merely to correct the text.

Mr. HARRISON. No; that is not merely to correct the text.

Mr. McKELLAR. My amendment naturally comes first.

The VICE PRESIDENT. The Chair thinks that the amendment of the Senator from Mississippi was first offered and is entitled to be first voted on. The clerk will state the amendment offered by the Senator from Mississippi.

The CHIEF CLERK. On page 10, after line 20, it is proposed to insert the following:

(i) No operations under this section shall be commenced by the board in respect of any basic agricultural commodity prior to the determination and imposition by the board of the equalization fee in respect of such commodity.

On page 14, at the end of line 4, insert the following:

No equalization fee shall be imposed, collected, or paid in respect of cotton prior to the expiration of two years from the date of the approval of this act.

Mr. WALSH of Montana. I move to amend the amendment offered by the Senator from Mississippi by striking from the second paragraph thereof the words "in respect of cotton." I ask the Secretary to read the amendment as it would read with the amendment which I have offered.

The VICE PRESIDENT. The clerk will read as requested.

The CHIEF CLERK. With the words stricken out by the proposed amendment to the amendment it reads:

No equalization fee shall be imposed, collected, or paid prior to the expiration of two years from the date of the approval of this act.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Montana to the amendment of the Senator from Mississippi [Mr. HARRISON].

Mr. BORAH. Let us have the yeas and nays.

Mr. REED of Missouri. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). Making the same announcement as before, I vote "yea."

Mr. McMASTER (when Mr. NORBECK's name was called). I make the same announcement with reference to the general pair announced previously between my colleague the senior Senator from South Dakota [Mr. NORBECK] and the senior Senator from New Jersey [Mr. EDGE]. I am not advised as to how the senior Senator from New Jersey would vote, if present; but the senior Senator from South Dakota, if present, would vote "nay."

The roll call was concluded.

Mr. BRATTON. I desire to announce that my colleague the senior Senator from New Mexico [Mr. JONES] is absent on account of illness. He has a general pair with the senior Senator from New York [Mr. WADSWORTH]. If the Senator from New Mexico were present, on this question he would vote "nay."

Mr. GLASS. I desire to repeat the announcement with respect to the pair of my colleague [Mr. SWANSON] which I made on the previous vote.

The result was announced—yeas 35, nays 52, as follows:

YEAS—35

Ashurst	George	Lenroot	Shortridge
Bingham	Gerry	McLean	Stephens
Blease	Glass	Metcalf	Underwood
Borah	Goff	Overman	Walsh, Mass.
Broussard	Hale	Pepper	Walsh, Mont.
Dill	Harris	Phipps	Warren
Ernst	Harrison	Pittman	Weller
Fess	Jones, Wash.	Reed, Mo.	Willis
Fletcher	King	Reed, Pa.	

NAYS—52

Bayard	Frazier	McKellar	Sackett
Bratton	Gillett	McMaster	Schall
Bruce	Gooding	McNary	Sheppard
Cameron	Gould	Mayfield	Shipstead
Capper	Greene	Means	Simmons
Caraway	Harreld	Neely	Smith
Copeland	Hawes	Norris	Stanfield
Couzens	Heflin	Nye	Steck
Curtis	Howell	Oddie	Stewart
Dale	Johnson	Pine	Trammell
Deneen	Kendrick	Ransdell	Tyson
Edwards	Keyes	Robinson, Ark.	Watson
Ferris	La Follette	Robinson, Ind.	Wheeler

NOT VOTING—8

du Pont	Jones, N. Mex.	Norbeck	Swanson
Edge	Moses	Smoot	Wadsworth

So the amendment of Mr. WALSH of Montana to Mr. HARRISON's amendment was rejected.

Mr. REED of Missouri. Mr. President, I move to amend the amendment by striking out the words "in respect of cotton" and striking out the words "two years" and inserting in lieu thereof "one year."

The VICE PRESIDENT. The Secretary will state the amendment as proposed to be amended.

The Chief Clerk read as follows:

No equalization fee shall be imposed, collected, or paid prior to the expiration of one year from the date of the approval of this act.

Mr. HARRISON. I call for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll; and Mr. ASHURST voted in the affirmative.

Mr. NEELY. Mr. President, a point of order. I make the point of order that the demand for the yeas and nays has not been sustained by one-fifth of the Senators present.

Mr. REED of Missouri. I make the point of order that the roll call has been ordered and started, and a response has been made.

The VICE PRESIDENT. The point of order is well taken. The Secretary will continue the calling of the roll.

The Chief Clerk resumed the calling of the roll.

Mr. BROUSSARD (when his name was called). I make the same announcement as before as to my pair and its transfer, and vote "yea."

Mr. BRATTON (when the name of Mr. JONES of New Mexico was called). I make the same announcement that I made on the preceding vote with respect to the pair between my colleague [Mr. JONES of New Mexico] and the Senator from New York [Mr. WADSWORTH]. If the Senator from New Mexico were present he would vote "nay."

The roll call was concluded.

Mr. GLASS. I repeat the announcement heretofore made that my colleague [Mr. SWANSON] is unavoidably absent. He is paired with the Senator from Delaware [Mr. DU PONT].

The result was announced—yeas 36, nays 51, as follows:

YEAS—36

Ashurst	Fess	King	Shortridge
Bingham	Fletcher	Lenroot	Simmons
Blease	George	McLean	Stephens
Borah	Gerry	Metcalf	Trammell
Broussard	Glass	Overman	Underwood
Bruce	Goff	Phipps	Walsh, Mass.
Dill	Hale	Pittman	Warren
Edwards	Harris	Reed, Mo.	Weller
Ernst	Harrison	Reed, Pa.	Willis

NAYS—51

Bayard	Gooding	McMaster	Sackett
Bratton	Gould	McNary	Schall
Cameron	Greene	Mayfield	Sheppard
Capper	Harreld	Means	Shipstead
Caraway	Hawes	Neely	Smith
Copeland	Heflin	Norris	Stanfield
Couzens	Howell	Nye	Steck
Curtis	Johnson	Oddie	Stewart
Dale	Jones, Wash.	Pepper	Tyson
Deneen	Kendrick	Pine	Walsh, Mont.
Ferris	Keyes	Ransdell	Watson
Frazier	La Follette	Robinson, Ark.	Wheeler
Gillett	McKellar	Robinson, Ind.	

NOT VOTING—8

du Pont	Jones, N. Mex.	Norbeck	Swanson
Edge	Moses	Smoot	Wadsworth

So the amendment of Mr. REED of Missouri to Mr. HARRISON's amendment was rejected.

The VICE PRESIDENT. The question is upon agreeing to the amendment of the Senator from Mississippi [Mr. HARRISON].

Mr. HARRISON. I call for the yeas and nays.

Mr. HEFLIN. Mr. President, a parliamentary inquiry. The amendment now pending simply defers the equalization fee on cotton?

The VICE PRESIDENT. The Secretary will state the amendment of the Senator from Mississippi.

The CHIEF CLERK. On page 10, after line 20, it is proposed to insert the following:

(i) No operations under this section shall be commenced by the board in respect of any basic agricultural commodity prior to the determination and imposition by the board of the equalization fee in respect of such commodity.

On page 14, line 4, at the end of the line, insert the following:

No equalization fee shall be imposed, collected, or paid in respect of cotton prior to the expiration of two years from the date of the approval of this act.

Mr. HARRISON and Mr. HEFLIN called for the yeas and nays, and they were ordered.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Mississippi. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). Making the same announcement as heretofore made, I vote "yea."

Mr. BRATTON (when the name of Mr. JONES of New Mexico was called). I desire to make the same announcement that I made on the previous vote respecting the pair between my colleague [Mr. JONES of New Mexico] and the Senator from New York [Mr. WADSWORTH]. If my colleague were present, he would vote "nay" on this question.

The roll call was concluded.

Mr. MCMASTER. In reference to the general pair between my colleague [Mr. NORBECK] and the senior Senator from New Jersey [Mr. EDGE], I am informed that if both Senators were present, they would vote "nay."

Mr. GLASS. My colleague [Mr. SWANSON] is unavoidably absent and is paired with the junior Senator from Delaware [Mr. DU PONT]. If my colleague were present, on this question he would vote "nay."

The result was announced—yeas 17, nays 69, as follows:

YEAS—17

Ashurst	Harris	Overman	Trammell
Blease	Harrison	Pine	Underwood
Broussard	Heflin	Simmons	
Fletcher	King	Smith	
George	McKellar	Stephens	

NAYS—69

Bayard	Frazier	McLean	Schall
Bingham	Gerry	McMaster	Sheppard
Borah	Gillett	McNary	Shipstead
Bratton	Glass	Mayfield	Shortridge
Bruce	Goff	Means	Stanfield
Cameron	Gooding	Metcalf	Steck
Capper	Gould	Neely	Stewart
Caraway	Greene	Norris	Tyson
Copeland	Hale	Nye	Walsh, Mass.
Couzens	Harreld	Oddie	Walsh, Mont.
Curtis	Hawes	Pepper	Warren
Dale	Howell	Phipps	Watson
Deneen	Johnson	Ransdell	Weller
Dill	Jones, Wash.	Reed, Mo.	Wheeler
Edwards	Kendrick	Reed, Pa.	Willis
Ernst	Keyes	Robinson, Ark.	
Ferris	La Follette	Robinson, Ind.	
Fess	Lenroot	Sackett	

NOT VOTING—9

du Pont	Moses	Pittman	Swanson
Edge	Norbeck	Smoot	Wadsworth
Jones, N. Mex.			

So Mr. HARRISON's amendment was rejected.

Mr. MCKELLAR. I now offer the amendment which I sent to the desk a moment ago.

The VICE PRESIDENT. The clerk will read the amendment.

The CHIEF CLERK. On page 9, line 4, insert:

And until the board shall become satisfied that a majority of the producers of such commodity favor such action.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Tennessee.

Mr. GEORGE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. GEORGE. I wish to have the amendment read again, as there was so much noise I could not understand it. I do not know whether the word "shall" or "may" was used.

The VICE PRESIDENT. The clerk will read the amendment again.

The Chief Clerk again read the amendment.

Mr. REED of Missouri. I would like to have the amendment read in connection with the text, so that we may understand it.

Mr. MCKELLAR. I ask unanimous consent that that be done.

Mr. REED of Missouri. It ought to be done without unanimous consent.

The VICE PRESIDENT. The clerk will read the text as it would read if amended as proposed by the Senator from Tennessee.

The CHIEF CLERK. Starting to read on page 8, line 21, the bill as amended would read:

Any decision by the board relating to the commencement or termination of such operations shall require the affirmative vote of a majority of the appointed members in office, and the board shall not commence or terminate operations in any basic agricultural commodity unless members of the board representing Federal land-bank districts which in the aggregate produced during the preceding crop year, according to the estimates of the Department of Agriculture, more than 50 per cent of such commodity, vote in favor thereof, and until the

board shall become satisfied that a majority of the producers of such commodity favor such action.

Mr. REED of Missouri. How would they satisfy themselves? Is there any provision about that?

Mr. McKELLAR. Nothing but what is contained in the amendment.

Mr. REED of Missouri. They have just to guess at it.

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. REED of Missouri. I ask for the yeas and nays.

The yeas and nays were not ordered.

The amendment was agreed to.

Mr. McKELLAR. I offer an amendment on behalf of the senior Senator from North Carolina [Mr. SIMMONS].

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 8, line 16, after the word "commodity," insert:

Provided, That in any State where not as many as 50 per cent of the producers of the commodity are members of such cooperative associations, or other organizations, an expression from the producers of the commodity shall be obtained through a State convention of such producers, to be called by the head of the department of agriculture of such State under rules and regulations prescribed by him.

Mr. REED of Missouri. Mr. President, I do not desire to delay the Senate, but I ask for a record vote on these important amendments. I call for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). Making the same announcement as before, I vote "yea."

Mr. BRATTON (when the name of Mr. JONES of New Mexico was called). I repeat the announcement I made on the last vote respecting the pair between my colleague [Mr. JONES of New Mexico] and the senior Senator from New York [Mr. WADSWORTH]. If my colleague were present and voting, he would vote "yea" on this question.

The roll call was concluded.

Mr. McMASTER. I desire to announce that my colleague [Mr. NORBECK] would vote "yea" if he were present and voting, and the senior Senator from New Jersey [Mr. EDGE], with whom he is paired, would vote "nay."

Mr. BORAH (after having voted in the affirmative). Having had an opportunity to read the amendment, I vote "nay."

The result was announced—yeas 58, nays 29, as follows:

YEAS—58

Ashurst	Glass	Mayfield	Shipstead
Blease	Gooding	Means	Simmons
Bratton	Gould	Neely	Smith
Broussard	Harreld	Nye	Stanfield
Cameron	Harris	Oddie	Steck
Capper	Harrison	Overman	Stephens
Caraway	Hawes	Phipps	Stewart
Copeland	Heflin	Pine	Trammell
Curtis	Howell	Pittman	Tyson
Dill	Johnson	Ransdell	Walsh, Mont.
Ernst	Kendrick	Robinson, Ark.	Warren
Ferris	La Follette	Robinson, Ind.	Watson
Fletcher	McKellar	Sackett	Wheeler
Frazier	McMaster	Schall	
George	McNary	Sheppard	

NAYS—29

Bayard	Fess	King	Shortridge
Bingham	Gerry	Lenroot	Underwood
Borah	Gillett	McLean	Walsh, Mass.
Bruce	Goff	Metcalf	Weller
Couzens	Greene	Norris	Willis
Dale	Hale	Pepper	
Deneen	Jones, Wash.	Reed, Mo.	
Edwards	Keyes	Reed, Pa.	

NOT VOTING—8

du Pont	Jones, N. Mex.	Norbeck	Swanson
Edge	Moses	Smoot	Wadsworth

So Mr. McKELLAR's amendment was agreed to.

Mr. McKELLAR. I now formally offer another amendment on behalf of the senior Senator from North Carolina [Mr. SIMMONS].

The VICE PRESIDENT. The clerk will read the amendment.

The CHIEF CLERK. On page 11, line 2, after the words "submitted by," insert the following:

The heads of the agricultural departments of the several States within the Federal land-bank districts and from lists submitted by.

Mr. REED of Missouri. I ask that the amendment may be read in connection with the text.

The VICE PRESIDENT. The clerk will read the text in connection with the amendment.

The CHIEF CLERK. Beginning to read on page 10, line 25:

Members of each commodity advisory council shall be elected annually by the board from lists submitted by the heads of the agricultural departments of the several States within the Federal land-bank districts and from lists submitted by cooperative marketing associations and farm organizations determined by the board to be representative of the producers of such commodity.

The VICE PRESIDENT. The question is on the amendment submitted by the Senator from Tennessee in behalf of the Senator from North Carolina.

The amendment was agreed to.

Mr. McKELLAR. I now offer another amendment on behalf of the Senator from North Carolina [Mr. SIMMONS].

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 2, line 16, after the words "consist of," strike out the word "five" and insert the word "seven," and on page 2, line 23, after the word "adjourn," insert:

Two of the members of the nominating committee in each district shall be elected by a majority vote of the heads of the agricultural departments of the several States of each Federal land-bank district at a meeting to be held in the same city and at the same time of the meeting of the convention of the bona fide farm organizations and cooperative associations in each district.

Mr. REED of Missouri. Mr. President, I make the point of order that there are two amendments embraced in one. The undertaking is to amend the bill in two particulars in one amendment.

The VICE PRESIDENT. The Senator from Missouri has a right to have them separated and to have them voted on separately. The clerk will state the first amendment.

The CHIEF CLERK. On page 2, line 16, after the words "consist of," strike out the word "five" and insert the word "seven," so as to make the sentence read:

There is hereby established a nominating committee in each of the 12 Federal land-bank districts, to consist of 7 members.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE PRESIDENT. The clerk will state the other part of the amendment submitted by the Senator from Tennessee on behalf of the Senator from North Carolina.

The CHIEF CLERK. On page 2, line 23, after the word "adjourn," insert:

Two of the members of the nominating committee in each district shall be elected by a majority vote of the heads of the agricultural departments of the several States of each Federal land-bank district at a meeting to be held in the same city and at the same time of the meeting of the convention of the bona fide farm organizations and cooperative organizations in each district.

Mr. REED of Missouri. I ask to have read the text which the amendment proposes to strike out, in order that the Senate may be informed.

The VICE PRESIDENT. The clerk will read the text in connection with the amendment.

The legislative clerk read as follows:

(b) There is hereby established a nominating committee in each of the 12 Federal land-bank districts, to consist of seven members. Four of the members of the nominating committee in each district shall be elected by the bona fide farm organizations and cooperative associations in such district at a convention of such organizations and associations, to be held at the office of the Federal land bank in such district, or at such other place in the city where such Federal land bank is located, to which the convention may adjourn.

Mr. REED of Missouri. Now, will the clerk please read the text that is to be changed?

The VICE PRESIDENT. It is merely an addition of language, not a change. The clerk will read the language to be added.

The legislative clerk read as follows:

On page 2, line 23, after the word "adjourn," insert:

"Two of the members of the nominating committee in each district shall be elected by a majority vote of the heads of the agricultural departments of the several States of each Federal land-bank district at a meeting to be held in the same city and at the same time of the meeting of the convention of the bona fide farm organizations and cooperative associations in each district."

Mr. REED of Missouri. Mr. President, a parliamentary inquiry. Does the amendment strike out the language in lines 23, 24, and 25, on page 2?

The VICE PRESIDENT. It strikes out nothing. The amendment is in addition to the language now in the bill.

Mr. REED of Missouri. It does not strike out the last sentence on page 2: "One of the members of the nominating committee in each district shall be appointed by the Secretary of Agriculture"?

The VICE PRESIDENT. It does not strike that out. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McKELLAR. I offer a further amendment, which I ask may be read.

The VICE PRESIDENT. The clerk will read the amendment.

The CHIEF CLERK. On page 20 of the bill strike out lines 22 to 25, both inclusive, and on page 21 of the bill strike out lines 1 and 2, in the following language:

(2) In the case of cotton, the term "processing" means ginning, and the term "sale" means a sale or other disposition in the United States of cotton for milling or ginning for market, for resale, or for delivery by a common carrier—occurring after the beginning of operations by the board in respect of cotton.

And insert in lieu thereof the following:

(2) In the case of cotton, the term "processing" means spinning, milling, or any manufacturing of cotton other than ginning; the term "sale" means a sale or other disposition in the United States of cotton for spinning, milling, or any manufacturing other than ginning, or for delivery outside the United States; and the term "transportation" means the acceptance of cotton by a common carrier for delivery to any person for spinning, milling, or any manufacturing of cotton other than ginning, or for delivery outside the United States; occurring after the beginning of operations by the board in respect of cotton.

The VICE PRESIDENT. The question is on agreeing to the amendment.

On a division the amendment was agreed to.

Mr. McKELLAR. I offer the further amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 21, line 10, strike out the first word in the line, "The," and insert in lieu thereof the words "In the case of basic agricultural commodities other than cotton the," so as to make the paragraph read:

In the case of basic agricultural commodities other than cotton the term "transportation" means the acceptance of a commodity by a common carrier for delivery.

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. REED of Missouri. Since we can not debate the amendment or ask anyone what it means, I ask for the yeas and nays on it.

The yeas and nays were not ordered.

The amendment was rejected.

The VICE PRESIDENT. The bill is still as in Committee of the Whole and open to amendment.

Mr. NEELY. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. Beginning on page 17, strike out all of paragraph (b) of section 12, and insert in lieu thereof the following:

(b) For the purpose of developing continuity of cooperative services, including unified terminal marketing facilities and equipment, the board is authorized, upon such terms and conditions and in accordance with such regulations as it may prescribe, to make loans out of the revolving fund to any cooperative association engaged in the purchase, storage, sale, or other disposition, or processing of any agricultural commodity, (1) for the purpose of assisting any such association in the acquisition, by purchase, construction, or otherwise, of facilities to be used in the storage, processing, or sale of such agricultural commodity, or (2) for the purpose of furnishing funds to such associations for necessary expenditures in federating, consolidating, or merging cooperative associations, or (3) for the purpose of furnishing to any such association funds to be used by it as capital for any agricultural credit corporation eligible for receiving rediscounts from an intermediate credit bank. In making any such loan the board may provide for the payment of such charge, to be determined by the board from time to time, upon each unit of the commodity handled by the association, as will within a period of not more than 20 years repay the amount of such loan, together with interest thereon. The aggregate amounts loaned under this subdivision and remaining unpaid shall not exceed at any one time the sum of $25,000,000.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from West Virginia.

On a division the amendment was agreed to.

Mr. FESS. Mr. President, I move to amend by striking out, on page 2, beginning in line 11, after the word "Senate," the balance of page 2, all of page 3, and all of page 4 down to and including line 20, being the nominating feature of the bill.

The VICE PRESIDENT. The question is on the amendment of the Senator from Ohio.

The amendment was rejected.

Mr. CURTIS. Mr. President, I propose the amendment which was printed a few days ago as a substitute for the bill.

The VICE PRESIDENT. The proposed substitute will be stated.

The CHIEF CLERK. The Senator from Kansas moves to strike out all after the enacting clause and insert a substitute.

Mr. CURTIS. Mr. President, unless some Senator desires to have the amendment read, I think the reading may be dispensed with at this time. The amendment was printed in the RECORD several days ago and has been fully explained. I do not care whether or not it is read again, unless some Senator desires to have it read.

The VICE PRESIDENT. In the absence of objection, the reading of the amendment will be dispensed with.

[For the substitute proposed by Mr. CURTIS see Senate proceedings of February 7, 1927, page 3125.]

Mr. CURTIS. I ask for the yeas and nays on the amendment.

Mr. FESS. Let us have the yeas and nays.

The VICE PRESIDENT. The question is on the amendment, in the nature of a substitute, proposed by the Senator from Kansas, on which the yeas and nays are demanded.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. MOSES]. I do not know how he would vote on this question; and therefore, I withhold my vote.

Mr. BRATTON (when the name of Mr. JONES of New Mexico was called). I repeat the announcement made on previous votes of the pair between my colleague, the senior Senator from New Mexico [Mr. JONES] and the Senator from New York [Mr. WADSWORTH]. If my colleague were present and at liberty to vote he would vote "nay" on this question.

Mr. McMASTER (when Mr. NORBECK's name was called). My colleague, the senior Senator from South Dakota [Mr. NORBECK], is paired with the senior Senator from New Jersey [Mr. EDGE]. If my colleague were present, he would vote "nay" and the senior Senator from New Jersey would vote "yea."

Mr. GLASS (when Mr. SWANSON's name was called). I repeat the announcement heretofore made that my colleague [Mr. SWANSON] is paired with the Senator from Delaware [Mr. DU PONT]. Were my colleague present, on this question he would vote "yea."

The roll call having been concluded, the result was announced—yeas 32, nays 54, as follows:

YEAS—32

Bingham	Gerry	King	Reed, Pa.
Blease	Gillett	Lenroot	Sackett
Curtis	Glass	McLean	Shortridge
Edwards	Goff	Metcalf	Underwood
Ernst	Gould	Overman	Walsh, Mass.
Fess	Hale	Pepper	Warren
Fletcher	Harris	Phipps	Weller
George	Keyes	Reed, Mo.	Willis

NAYS—54

Ashurst	Frazier	McNary	Shipstead
Bayard	Gooding	Mayfield	Simmons
Borah	Greene	Means	Smith
Bratton	Harreld	Neely	Stanfield
Bruce	Harrison	Norris	Steck
Cameron	Hawes	Nye	Stephens
Capper	Heflin	Oddie	Stewart
Caraway	Howell	Pine	Trammell
Copeland	Johnson	Pittman	Tyson
Couzens	Jones, Wash.	Ransdell	Walsh, Mont.
Dale	Kendrick	Robinson, Ark.	Watson
Deneen	La Follette	Robinson, Ind.	Wheeler
Dill	McKellar	Schall	
Ferris	McMaster	Sheppard	

NOT VOTING—9

Broussard	Jones, N. Mex.	Norbeck	Swanson
du Pont	Moses	Smoot	Wadsworth
Edge			

So the amendment of Mr. CURTIS in the nature of a substitute was rejected.

The VICE PRESIDENT. If there be no further amendments to be offered, the bill will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The VICE PRESIDENT. Having been read the third time, the question is, Shall the bill pass?

Mr. WATSON. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). The Senator from New Hampshire [Mr. MOSES], with whom I have a general pair, was called away to-day. He is opposed to this bill; I favor it. Being unable to secure a transfer, I withhold my vote.

Mr. BRATTON (when the name of Mr. JONES of New Mexico was called). My colleague, the senior Senator from New Mexico [Mr. JONES], is paired on this question with the Senator from New York [Mr. WADSWORTH]. If my colleague were present, he would vote "yea," and I am informed that if the Senator from New York were present, he would vote "nay."

Mr. KEYES (when the name of Mr. MOSES was called). My colleague, the senior Senator from New Hampshire [Mr. MOSES], is unavoidably absent. If present, he would vote "nay."

Mr. McMASTER (when Mr. NORBECK's name was called). As heretofore stated, my colleague, the senior Senator from South Dakota [Mr. NORBECK], is paired with the senior Senator from New Jersey [Mr. EDGE]. If present, my colleague would vote "yea," and the senior Senator from New Jersey, if present, would vote "nay."

Mr. GLASS (when Mr. SWANSON's name was called). My colleague [Mr. SWANSON] has a pair with the Senator from Delaware [Mr. DU PONT]. If my colleague were present on this question he would vote "nay," and I am told that the Senator from Delaware would vote "yea."

The roll call having been concluded, the result was announced—yeas 47, nays 39, as follows:

YEAS—47

Ashurst	Gooding	Mayfield	Sheppard
Bratton	Gould	Means	Shipstead
Cameron	Harreld	Neely	Simmons
Capper	Hawes	Norris	Smith
Caraway	Howell	Nye	Stanfield
Copeland	Johnson	Oddie	Steck
Curtis	Jones, Wash.	Pine	Stewart
Deneen	Kendrick	Pittman	Trammell
Dill	La Follette	Ransdell	Tyson
Ferris	McKellar	Robinson, Ark.	Watson
Fletcher	McMaster	Robinson, Ind.	Wheeler
Frazier	McNary	Schall	

NAYS—39

Bayard	George	Keyes	Sackett
Bingham	Gerry	King	Shortridge
Blease	Gillett	Lenroot	Stephens
Borah	Glass	McLean	Underwood
Bruce	Goff	Metcalf	Walsh, Mass.
Couzens	Greene	Overman	Walsh, Mont.
Dale	Hale	Pepper	Warren.
Edwards	Harris	Phipps	Weller
Ernst	Harrison	Reed, Mo.	Willis
Fess	Heflin	Reed, Pa.	

NOT VOTING—9

Broussard	Jones, N. Mex.	Norbeck	Swanson
du Pont	Moses	Smoot	Wadsworth
Edge			

So the bill was passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 11768) to regulate the importation of milk and cream into the United States for the purpose of promoting the dairy industry of the United States and protecting the public health.

NATIONAL BANK BRANCHES

Mr. PEPPER. Mr. President, there is lying on the Vice President's table a motion that the Senate recede from certain amendments made by the Senate to House bill 2, the banking bill, and that the Senate concur in certain House amendments to certain Senate amendments to that bill. I move that the Senate proceed to the consideration of the motion in question so that it may be made the undisposed of business before the Senate.

The VICE PRESIDENT. The question is on the motion of the Senator from Pennsylvania.

Mr. WHEELER. Mr. President, I will state that I desire to discuss the motion, but on account of the lateness of the hour I dislike to start in with the discussion to-night. If the Senator from Pennsylvania has no objection, I should like to have the matter go over so that I may be able to discuss it to-morrow.

Mr. PEPPER. I shall defer to the views of the Senator from Kansas.

Mr. CURTIS. It was my intention to move a short executive session, and then to move to adjourn.

BELLE FOURCHE AND CHEYENNE RIVERS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 4411) granting the consent of Congress to compacts or agreements between the States of South Dakota and Wyoming with respect to the division and apportionment of the waters of the Belle Fourche and Cheyenne Rivers and other streams in which such States are jointly interested, which was, on page 2, line 6, after the word "into," to insert:

Provided, That there is hereby authorized to be appropriated out of the reclamation fund $1,000, or so much thereof as may be necessary, to pay the expenses of such Federal participation.

Mr. KENDRICK. I ask unanimous consent that the Senate concur in the amendment of the House.

The VICE PRESIDENT. The Senator from Wyoming asks unanimous consent that the Senate concur in the amendment of the House.

Mr. JONES of Washington. I ask the Senator why this expense should come out of the reclamation fund. I understand that the amendment of the House is that it must come out of the reclamation fund.

Mr. KENDRICK. Yes; that is the House amendment.

Mr. JONES of Washington. But, I ask, why should that be done?

Mr. KENDRICK. I have no idea why the appropriation was to be taken from the reclamation fund. While it does not have to do directly with reclamation, it is at least incidentally related to that purpose. The amendment was made by the House, and I should like to have it concurred in by the Senate.

Mr. JONES of Washington. I do not like to see Congress invading the reclamation fund for anything except reclamation purposes. I have no objection to the amount coming out of the Treasury and having it carried out, but I do not want to see it come out of the reclamation fund.

Mr. KENDRICK. If the Senator prefers, I withdraw the request for the present.

Mr. JONES of Washington. I am glad the Senator has taken that course. That will give us an opportunity to look into it.

EXECUTIVE SESSION

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After six minutes spent in executive session the doors were reopened, and (at 5 o'clock and 36 minutes p. m.) the Senate adjourned until to-morrow, Saturday, February 12, 1927, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 11 (legislative day of February 9), 1927

FOREIGN SERVICE

MINISTER RESIDENT AND CONSUL GENERAL

James G. Carter, of Georgia, now a Foreign Service officer of class 7, assigned as consul at Tananarive, Madagascar, to be minister resident and consul general of the United States of America to Liberia.

SECRETARY IN THE DIPLOMATIC SERVICE

Allan Dawson, of Iowa, now a Foreign Service officer, unclassified, and a consular officer with the rank of vice consul of career, to be also a secretary in the Diplomatic Service of the United States of America.

UNITED STATES ATTORNEY

Lafayette French, jr., of Minnesota, to be United States attorney, district of Minnesota. A reappointment, his term having expired.

APPOINTMENTS IN THE OFFICERS' RESERVE CORPS OF THE ARMY

GENERAL OFFICERS

To be brigadier generals, reserve

Brig. Gen. Mortimer Drake Bryant, New York National Guard.

Brig. Gen. Harold Montfort Bush, Ohio National Guard.

Brig. Gen. George Rathbone Dyer, New York National Guard.

Brig. Gen. Charles Irving Martin, Kansas National Guard.

Brig. Gen. Edward Caswell Shannon, Pennsylvania National Guard.

Brig. Gen. Burke Haddan Sinclair, Wyoming National Guard.

Brig. Gen. Samuel Gardner Waller, Virginia National Guard.

POSTMASTERS

ALABAMA

Joseph S. Chambers to be postmaster at Talladega, Ala., in place of J. S. Chambers. Incumbent's commission expires March 3, 1927.

ARIZONA

Harry G. White to be postmaster at Glendale, Ariz., in place of H. G. White. Incumbent's commission expires March 3, 1927.

ARKANSAS

Lee W. McKenney to be postmaster at Black Rock, Ark., in place of L. W. McKenney. Incumbent's commission expires March 3, 1927.

James C. Russell to be postmaster at Camden, Ark., in place of J. C. Russell. Incumbent's commission expires March 3, 1927.

Arthur V. Cashion to be postmaster at Eudora, Ark., in place of A. V. Cashion. Incumbent's commission expires March 3, 1927.

John A. Borgman to be postmaster at Jonesboro, Ark., in place of J. A. Borgman. Incumbent's commission expires February 14, 1927.

Samuel G. Helm to be postmaster at Marianna, Ark., in place of S. G. Helm. Incumbent's commission expires March 3, 1927.

Arch B. Smith to be postmaster at Osceola, Ark., in place of A. B. Smith. Incumbent's commission expires March 3, 1927.

CALIFORNIA

James C. Tyrrell to be postmaster at Grass Valley, Calif., in place of J. C. Tyrrell. Incumbent's commission expires March 3, 1927.

Charles G. Brainerd to be postmaster at Loomis, Calif., in place of C. G. Brainerd. Incumbent's commission expires March 3, 1927.

Charles S. Graham to be postmaster at Pleasanton, Calif., in place of C. S. Graham. Incumbent's commission expires March 3, 1927.

William Junkans to be postmaster at Redding, Calif., in place of William Junkans. Incumbent's commission expires March 3, 1927.

Anna R. Armstrong to be postmaster at Woodland, Calif., in place of A. R. Armstrong. Incumbent's commission expires March 3, 1927.

COLORADO

Harry A. Cobbett to be postmaster at Cedaredge, Colo., in place of H. A. Cobbett. Incumbent's commission expires March 3, 1927.

CONNECTICUT

Edwin H. Keach to be postmaster at Danielson, Conn., in place of E. H. Keach. Incumbent's commission expires March 3, 1927.

GEORGIA

Ralph A. Waters to be postmaster at Alpharetta, Ga., in place of R. A. Waters. Incumbent's commission expires March 3, 1927.

John L. Callaway to be postmaster at Covington, Ga., in place of J. L. Callaway. Incumbent's commission expires March 2, 1927.

Huram R. Hancock to be postmaster at Maysville, Ga., in place of H. R. Hancock. Incumbent's commission expires March 3, 1927.

George H. Ray to be postmaster at Norwood, Ga., in place of G. H. Ray. Incumbent's commission expires March 3, 1927.

Marie E. Harrell to be postmaster at Pearson, Ga., in place of Loduskie Sutton. Incumbent's commission expired March 10, 1926.

William B. Smith to be postmaster at Tennille, Ga., in place of C. W. Gunnels. Incumbent's commission expired September 7, 1926.

Will C. Woodall to be postmaster at Woodland, Ga., in place of W. C. Woodall. Incumbent's commission expires March 3, 1927.

Samuel J. Padgett to be postmaster at Coffee, Ga. Office became presidential July 1, 1926.

HAWAII

William I. Wells to be postmaster at Haiku, Hawaii, in place of W. I. Wells. Incumbent's commission expired November 2, 1925.

Kenichi Masunaga to be postmaster at Kealia, Hawaii, in place of Kenichi Masunaga. Incumbent's commission expires February 24, 1927.

Carl H. F. Spillner to be postmaster at Makawell, Hawaii, in place of C. H. F. Spillner. Incumbent's commission expired June 3, 1926.

Lee Loon to be postmaster at Pahala, Hawaii, in place of Lee Loon. Incumbent's commission expired July 1, 1926.

Douglas E. Baldwin to be postmaster at Kahuku, Hawaii. Office became presidential July 1, 1926.

Paul Kaelemakule, jr., to be postmaster at Kohala, Hawaii, in place of E. D. Quinn, removed.

Alexander Moir to be postmaster at Papaikou, Hawaii, in place of A. O. Henderson, resigned.

IDAHO

Burton D. Fox to be postmaster at Challis, Idaho, in place of B. D. Fox. Incumbent's commission expires March 4, 1927.

ILLINOIS

John R. Funkhouser to be postmaster at Albion, Ill., in place of H. J. Glover. Incumbent's commission expired December 28, 1926.

Robert B. Marshall to be postmaster at Capron, Ill., in place of R. B. Marshall. Incumbent's commission expires March 3, 1927.

William S. Brownlow to be postmaster at Chapin, Ill., in place of W. S. Brownlow. Incumbent's commission expires March 3, 1927.

Levi H. Perryman to be postmaster at Cowden, Ill., in place of L. H. Perryman. Incumbent's commission expires March 3, 1927.

Samuel H. Lawton to be postmaster at Delavan, Ill., in place of S. H. Lawton. Incumbent's commission expires March 3, 1927.

William M. Karr to be postmaster at Flora, Ill., in place of W. M. Karr. Incumbent's commission expires March 3, 1927.

Edward S. Breithaupt to be postmaster at Gifford, Ill., in place of E. S. Breithaupt. Incumbent's commission expires March 3, 1927.

John E. Nelson to be postmaster at Hamburg, Ill., in place of J. E. Nelson. Incumbent's commission expires March 3, 1927.

Fannie Hicks to be postmaster at Ivesdale, Ill., in place of Fannie Hicks. Incumbent's commission expires March 3, 1927.

Edward F. Davis to be postmaster at New Berlin, Ill., in place of E. F. Davis. Incumbent's commission expires March 3, 1927.

Herman Meyer to be postmaster at Niles Center, Ill., in place of Herman Meyer. Incumbent's commission expires March 3, 1927.

Davis S. Cossairt to be postmaster at Potomac, Ill., in place of D. S. Cossairt. Incumbent's commission expires March 3, 1927.

Mary A. Barkmeier to be postmaster at San Jose, Ill., in place of M. A. Barkmeier. Incumbent's commission expires March 3, 1927.

William A. Bussert to be postmaster at Sheldon, Ill., in place of W. A. Bussert. Incumbent's commission expires March 3, 1927.

George A. Roberts to be postmaster at Staunton, Ill., in place of G. A. Roberts. Incumbent's commission expires March 3, 1927.

George J. Duncan to be postmaster at Villa Grove, Ill., in place of G. J. Duncan. Incumbent's commission expires March 3, 1927.

Emery S. Waid to be postmaster at Winchester, Ill., in place of E. S. Waid. Incumbent's commission expires March 3, 1927.

Sylvester H. DePew to be postmaster a Zion, Ill., in place of S. H. DePew. Incumbent's commission expires March 3, 1927.

Bahne E. Cornilsen to be postmaster at Chicago Heights, Ill., in place of John Mackler, resigned.

Walter C. Yunker to be postmaster at Forest Park, Ill., in place of H. F. Maiwurm, deceased.

Fred L. McCraken to be postmaster at Lake Forest, Ill., in place of F. G. Berger, resigned.

INDIANA

Andrew G. Kauffman to be postmaster at Atlanta, Ind., in place of A. G. Kauffman. Incumbent's commission expires March 3, 1927.

Lewis A. Graham to be postmaster at Decatur, Ind., in place of Harry Fritzinger. Incumbent's commission expired September 22, 1926.

John M. Sweeney to be postmaster at Dugger, Ind., in place of J. M. Sweeney. Incumbent's commission expires March 3, 1927.

John Stahl to be postmaster at Lawrenceburg, Ind., in place of John Stahl. Incumbent's commission expires March 2, 1927.

William G. Hays to be postmaster at Terre Haute, Ind., in place of J. A. Austermiller. Incumbent's commission expired January 9, 1927.

Addison N. Worstell to be postmaster at Valparaiso, Ind., in place of A. N. Worstell. Incumbent's commission expires March 3, 1927.

Dehn P. Keller to be postmaster at Warren, Ind., in place of D. P. Keller. Incumbent's commission expires March 2, 1927.

IOWA

Lloyd M. Poe to be postmaster at Blockton, Iowa, in place of W. A. Holland. Incumbent's commission expired March 24, 1926.

Judson P. Holden to be postmaster at Delhi, Iowa, in place of J. P. Holden. Incumbent's commission expires March 3, 1927.

Wesley L. Damerow to be postmaster at Dows, Iowa, in place of W. L. Damerow. Incumbent's commission expires March 3, 1927.

Russell E. Metcalf to be postmaster at Hawarden, Iowa, in place of R. E. Metcalf. Incumbent's commission expires March 3, 1927.

Isaac J. Phillips to be postmaster at Hiteman, Iowa, in place of I. J. Phillips. Incumbent's commission expires March 3, 1927.

Benjamin H. Todd to be postmaster at Ida Grove, Iowa, in place of B. H. Todd. Incumbent's commission expires March 3, 1927.

Charles B. Abbott to be postmaster at Imogene, Iowa, in place of C. B. Abbott. Incumbent's commission expires March 3, 1927.

Albert L. Clark to be postmaster at Lanesboro, Iowa, in place of A. L. Clark. Incumbent's commission expires March 3, 1927.

Karl J. Baessler to be postmaster at Livermore, Iowa, in place of K. J. Baessler. Incumbent's commission expires March 2, 1927.

Arthur C. Schnurr to be postmaster at New Hampton, Iowa, in place of A. C. Schnurr. Incumbent's commission expires March 3, 1927.

Edgar A. Greenway to be postmaster at Pleasantville, Iowa, in place of E. A. Greenway. Incumbent's commission expires March 2, 1927.

Silas L. McIntire to be postmaster at Pocahontas, Iowa, in place of S. L. McIntire. Incumbent's commission expires March 2, 1927.

Calvin L. Sipe to be postmaster at Sioux Rapids, Iowa, in place of C. L. Sipe. Incumbent's commission expires March 3, 1927.

Hiram E. Morrison to be postmaster at Seymour, Iowa, in place of H. E. Morrison. Incumbent's commission expires March 3, 1927.

Paul F. Wilharm to be postmaster at Sumner, Iowa, in place of P. F. Wilharm. Incumbent's commission expires March 3, 1927.

Kate R. Weston to be postmaster at Webster City, Iowa, in place of K. R. Weston. Incumbent's commission expires March 3, 1927.

KANSAS

Isaac A. Robertson to be postmaster at Alma, Kans., in place of F. C. Stuewe. Incumbent's commission expired December 8, 1926.

Robert T. Smith to be postmaster at Caldwell, Kans., in place of R. T. Smith. Incumbent's commission expires March 3, 1927.

Jesse M. Foster to be postmaster at Clifton, Kans., in place of J. M. Foster. Incumbent's commission expires March 3, 1927.

Edward R. Dannefer to be postmaster at Cuba, Kans., in place of E. R. Dannefer. Incumbent's commission expires March 3, 1927.

Albert J. Deane to be postmaster at Fowler, Kans., in place of Grant Taylor. Incumbent's commission expired January 23, 1924.

Melvin F. Gardner to be postmaster at Greenleaf, Kans., in place of M. F. Gardner. Incumbent's commission expires March 3, 1927.

John Irving to be postmaster at Jetmore, Kans., in place of John Irving. Incumbent's commission expires March 2, 1927.

Abe K. Stoufer to be postmaster at Liberal, Kans., in place of A. K. Stoufer. Incumbent's commission expires March 3, 1927.

Walter S. Wright to be postmaster at Mineola, Kans., in place of W. S. Wright. Incumbent's commission expires March 3, 1927.

Louis T. Miller to be postmaster at Ness City, Kans., in place of L. T. Miller. Incumbent's commission expires March 2, 1927.

Charles N. Wooddell to be postmaster at Nickerson, Kans., in place of C. N. Wooddell. Incumbent's commission expires March 3, 1927.

George S. Robb to be postmaster at Salina, Kans., in place of G. S. Robb. Incumbent's commission expires March 3, 1927.

William H. Dittemore to be postmaster at Severance, Kans., in place of W. H. Dittemore. Incumbent's commission expires March 3, 1927.

Herbert M. Bentley to be postmaster at Sterling, Kans., in place of H. M. Bentley. Incumbent's commission expires March 3, 1927.

Alta A. McCutcheon to be postmaster at Little River, Kans., in place of N. F. Troy, deceased.

Minnie E. Brown to be postmaster at Wilsey, Kans., in place of W. T. Brown, resigned.

KENTUCKY

Jewell S. Webb to be postmaster at Earlington, Ky., in place of J. S. Webb. Incumbent's commission expires March 3, 1927.

Samuel W. Crump to be postmaster at Glasgow Junction, Ky., in place of S. W. Crump. Incumbent's commission expires March 3, 1927.

Carl B. Marshall to be postmaster at Lewisburg, Ky., in place of C. B. Marshall. Incumbent's commission expires March 3, 1927.

Walter W. Crick to be postmaster at Madisonville, Ky., in place of W. W. Crick. Incumbent's commission expires March 3, 1927.

LOUISIANA

Charles E. Burch to be postmaster at Roseland, La., in place of C. E. Burch. Incumbent's commission expires March 3, 1927.

MAINE

John A. Babb to be postmaster at Dixfield, Me., in place of J. A. Babb. Incumbent's commission expired December 4, 1926.

MARYLAND

Irving S. Biser to be postmaster at Frederick, Md., in place of I. S. Biser. Incumbent's commission expires March 3, 1927.

MASSACHUSETTS

Joseph V. Curran to be postmaster at Attleboro, Mass., in place of J. V. Curran. Incumbent's commission expires March 3, 1927.

Nathaniel P. Coleman to be postmaster at Hyannis, Mass., in place of N. P. Coleman. Incumbent's commission expired February 10, 1927.

Henry T. Maxwell to be postmaster at Millbury, Mass., in place of H. T. Maxwell. Incumbent's commission expires March 3, 1927.

Elizabeth B. Flint to be postmaster at North Attleboro, Mass., in place of E. B. Flint. Incumbent's commission expires March 3, 1927.

Howard M. Douglas to be postmaster at Plymouth, Mass., in place of H. M. Douglas. Incumbent's commission expires March 2, 1927.

Josephine E. Dempsey to be postmaster at South Ashburnham, Mass., in place of J. E. Dempsey. Incumbent's commission expires March 3, 1927.

MICHIGAN

Elmer R. Fate to be postmaster at Bellaire, Mich., in place of E. R. Fate. Incumbent's commission expires March 3, 1927.

Orin T. Mallory to be postmaster at Blissfield, Mich., in place of O. T. Mallory. Incumbent's commission expires March 3, 1927.

Charles S. Wilcox to be postmaster at East Lansing, Mich., in place of C. S. Wilcox. Incumbent's commission expires March 3, 1927.

Frank A. Miller to be postmaster at Gladstone, Mich., in place of F. A. Miller. Incumbent's commission expires March 3, 1927.

Lottie E. Bultman to be postmaster at Hermansville, Mich., in place of L. E. Bultman. Incumbent's commission expires March 3, 1927.

Charles B. Curtis to be postmaster at Houghton Lake, Mich., in place of C. B. Curtis. Incumbent's commission expires March 3, 1927.

Frank E. Darby to be postmaster at Kalkaska, Mich., in place of F. E. Darby. Incumbent's commission expires March 3, 1927.

Olive F. Gowans to be postmaster at Mackinaw, Mich., in place of O. F. Gowans. Incumbent's commission expires March 3, 1927.

Albert Sanders, jr., to be postmaster at Stephenson, Mich., in place of Albert Sanders, jr. Incumbent's commission expires March 3, 1927.

Webb W. Walter to be postmaster at Three Rivers, Mich., in place of W. W. Walter. Incumbent's commission expires March 3, 1927.

Charles S. Sisson to be postmaster at White Pigeon, Mich., in place of C. S. Sisson. Incumbent's commission expires March 3, 1927.

MINNESOTA

Mary E. Stark to be postmaster at Buffalo, Minn., in place of M. E. Stark. Incumbent's commission expires March 3, 1927.

Claus H. Lepler to be postmaster at Clara City, Minn., in place of C. H. Lepler. Incumbent's commission expires March 3, 1927.

Lottie A. Samuelson to be postmaster at Grasston, Minn., in place of L. A. Samuelson. Incumbent's commission expires March 3, 1927.

Edwin H. Anderson to be postmaster at Monticello, Minn., in place of E. H. Anderson. Incumbent's commission expires March 3, 1927.

MISSISSIPPI

Robert B. Cox to be postmaster at Batesville, Miss., in place of R. B. Cox. Incumbent's commission expires March 3, 1927.

Ida E. Roberts to be postmaster at Cleveland, Miss., in place of I. E. Roberts. Incumbent's commission expires March 1, 1927.

Henry B. Edwards to be postmaster at Shuqualak, Miss., in place of H. B. Edwards. Incumbent's commission expires March 3, 1927.

MISSOURI

J. Orville Gochnauer to be postmaster at Belton, Mo., in place of J. O. Gochnauer. Incumbent's commission expires March 2, 1927.

I. Scott Jones to be postmaster at Bonne Terre, Mo., in place of I. S. Jones. Incumbent's commission expires March 3, 1927.

Abraham B. Peters to be postmaster at Bonnots Mill, Mo., in place of A. B. Peters. Incumbent's commission expires March 3, 1927.

Willis M. Wallingford to be postmaster at Carthage, Mo., in place of L. L. Ashcraft. Incumbent's commission expired September 22, 1926.

William R. Lytle to be postmaster at Fredericktown, Mo., in place of W. R. Lytle. Incumbent's commission expires March 3, 1927.

Owen S. Randolph to be postmaster at Gideon, Mo., in place of O. S. Randolph. Incumbent's commission expires March 2, 1927.

Thomas J. Richardson to be postmaster at Koshkonong, Mo., in place of T. J. Richardson. Incumbent's commission expires March 2, 1927.

Albert R. Lebold to be postmaster at Lawson, Mo., in place of A. R. Lebold. Incumbent's commission expires March 3, 1927.

Melvin Lutes to be postmaster at Lutesville, Mo., in place of Melvin Lutes. Incumbent's commission expires March 2, 1927.

Lewis M. Gamble to be postmaster at Mexico, Mo., in place of L. M. Gamble. Incumbent's commission expires March 3, 1927.

Fred A. Grebe to be postmaster at New Florence, Mo., in place of F. A. Grebe. Incumbent's commission expires March 3, 1927.

Charles Litsch to be postmaster at Perryville, Mo., in place of Charles Litsch. Incumbent's commission expires March 3, 1927.

Joseph V. Forst to be postmaster at Silex, Mo., in place of J. V. Forst. Incumbent's commission expires March 3, 1927.

Alpha De Berry to be postmaster at Stoutland, Mo., in place of Alpha De Berry. Incumbent's commission expires March 2, 1927.

William F. Meier to be postmaster at Wentzville, Mo., in place of W. F. Meier. Incumbent's commission expires March 3, 1927.

MONTANA

George R. Moshier to be postmaster at Baker, Mont., in place of G. R. Moshier. Incumbent's commission expires March 3, 1927.

Jennie W. Chowning to be postmaster at Ennis, Mont., in place of J. W. Chowning. Incumbent's commission expires March 3, 1927.

Andrew Kolnitchar to be postmaster at Geraldine, Mont., in place of Andrew Kolnitchar. Incumbent's commission expires March 2, 1927.

Harvey St. J. Cannon to be postmaster at Kalispell, Mont., in place of H. St. J. Cannon. Incumbent's commission expires March 3, 1927.

Wilfred J. Hazelton to be postmaster at Townsend, Mont., in place of W. J. Hazelton. Incumbent's commission expires March 3, 1927.

Samuel P. Eagle to be postmaster at West Yellowstone, Mont., in place of S. P. Eagle. Incumbent's commission expires March 2, 1927.

John W. Calfee to be postmaster at Frazer, Mont. Office became presidential July 1, 1926.

NEBRASKA

Edwin D. Gideon, jr., to be postmaster at Ainsworth, Nebr., in place of E. D. Gideon, jr. Incumbent's commission expires March 3, 1927.

Robert W. Finley to be postmaster at Bradshaw, Nebr., in place of R. W. Finley. Incumbent's commission expires March 3, 1927.

Edward H. Springer to be postmaster at Brady, Nebr., in place of E. H. Springer. Incumbent's commission expires March 3, 1927.

George Beardsley to be postmaster at Clarks, Nebr., in place of George Beardsley. Incumbent's commission expires March 3, 1927.

James M. Fox to be postmaster at Gretna, Nebr., in place of J. M. Fox. Incumbent's commission expires March 3, 1927.

Arthur H. Babcock to be postmaster at North Loup, Nebr., in place of A. H. Babcock. Incumbent's commission expires March 2, 1927.

Claude A. Barker to be postmaster at Pawnee City, Nebr., in place of C. A. Barker. Incumbent's commission expires March 3, 1927.

Frederick H. Crook to be postmaster at Paxton, Nebr., in place of F. H. Crook. Incumbent's commission expires March 3, 1927.

William E. Brogan to be postmaster at Tilden, Nebr., in place of W. E. Brogan. Incumbent's commission expires March 3, 1927.

George F. McMullen to be postmaster at Walthill, Nebr., in place of G. F. McMullen. Incumbent's commission expires March 3, 1927.

George W. Howe to be postmaster at Wisner, Nebr., in place of G. W. Howe. Incumbent's commission expires March 3, 1927.

NEW JERSEY

William G. Z. Critchley to be postmaster at Allendale, N. J., in place of W. G. Z. Critchley. Incumbent's commission expired December 12, 1926.

Marcus Cramer to be postmaster at Gloucester City, N. J., in place of Marcus Cramer. Incumbent's commission expires March 3, 1927.

Isaac E. Bowers to be postmaster at Groveville, N. J., in place of I. E. Bowers. Incumbent's commission expires March 2, 1927.

Robert E. Bromley to be postmaster at Haddon Heights, N. J., in place of R. E. Bromley. Incumbent's commission expires March 3, 1927.

Wilbert F. Branin to be postmaster at Medford, N. J., in place of W. F. Branin. Incumbent's commission expired February 10, 1927.

Mina A. Crowell to be postmaster at Minotola, N. J., in place of M. A. Crowell. Incumbent's commission expires March 3, 1927.

Herman H. Wille to be postmaster at Orange, N. J., in place of H. H. Wille. Incumbent's commission expires March 3, 1927.

Arthur Knowles to be postmaster at Phillipsburg, N. J., in place of Arthur Knowles. Incumbent's commission expires February 24, 1927.

NEW MEXICO

Claud E. Herndon to be postmaster at Clouderoft, N. Mex., in place of C. E. Herndon. Incumbent's commission expired March 29, 1926.

John H. Doyle, jr., to be postmaster at Mountainair, N. Mex., in place of J. H. Doyle, jr. Incumbent's commission expired June 28, 1926.

NEW YORK

William J. Leighton to be postmaster at Avon, N. Y., in place of W. J. Leighton. Incumbent's commission expires March 3, 1927.

Earl J. Franklin to be postmaster at Belfast, N. Y., in place of E. J. Franklin. Incumbent's commission expires March 1, 1927.

Roy W. Munson to be postmaster at Brasher Falls, N. Y., in place of R. W. Munson. Incumbent's commission expires March 3, 1927.

Nicholas Reilly to be postmaster at Brentwood, N. Y., in place of Nicholas Reilly. Incumbent's commission expires March 3, 1927.

Charles H. Brown to be postmaster at Corfu, N. Y., in place of C. H. Brown. Incumbent's commission expires March 3, 1927.

Beulah H. Kelly to be postmaster at Lisbon, N. Y., in place of B. H. Kelly. Incumbent's commission expires March 3, 1927.

Alexander Hickey to be postmaster at St. Bonaventure, N. Y., in place of Alexander Hickey. Incumbent's commission expired August 12, 1926.

Edwin P. Bouton to be postmaster at Trumansburg, N. Y., in place of E. P. Bouton. Incumbent's commission expires March 3, 1927.

Guy R. Dodson to be postmaster at Wyoming, N. Y., in place of G. R. Dodson. Incumbent's commission expires March 3, 1927.

William T. Williamson to be postmaster at Troy, N. Y., in place of C. V. Collins, deceased.

NORTH CAROLINA

Theophilus H. McLeod to be postmaster at Buies Creek, N. C., in place of T. H. McLeod. Incumbent's commission expires March 3, 1927.

Robert D. Herndon to be postmaster at Chapel Hill, N. C., in place of R. D. Herndon. Incumbent's commission expires March 2, 1927.

Walter G. Gay to be postmaster at Farmville, N. C., in place of W. G. Gay. Incumbent's commission expired December 13, 1926.

Eli D. Byrd to be postmaster at Ronda, N. C., in place of E. D. Byrd. Incumbent's commission expired January 5, 1926.

Samuel W. Watts to be postmaster at Southport, N. C., in place of S. W. Watts. Incumbent's commission expires March 3, 1927.

Lunda V. Owen to be postmaster at Winton, N. C., in place of L. V. Owen. Incumbent's commission expired December 13, 1926.

David E. Penland to be postmaster at Weaverville, N. C., in place of L. H. Michael, resigned.

NORTH DAKOTA

Mina H. Aasved to be postmaster at Carson, N. Dak., in place of M. H. Aasved. Incumbent's commission expires March 2, 1927.

Hugh C. Corrigan to be postmaster at Fargo, N. Dak., in place of H. C. Corrigan. Incumbent's commission expires March 3, 1927.

Martin E. Larson to be postmaster at Marion, N. Dak., in place of M. E. Larson. Incumbent's commission expires March 2, 1927.

Alexander R. Wright to be postmaster at Oakes, N. Dak., in place of A. R. Wright. Incumbent's commission expires March 4, 1927.

William F. Legler to be postmaster at Robinson, N. Dak., in place of W. F. Legler. Incumbent's commission expires March 3, 1927.

OHIO

T. Howard Sapp to be postmaster at Bainbridge, Ohio, in place of T. H. Sapp. Incumbent's commission expires March 3, 1927.

Herbert O. Tinlin to be postmaster at Carrollton, Ohio, in place of H. R. Kemerer. Incumbent's commission expired December 21, 1926.

Alexander M. Renick to be postmaster at Chillicothe, Ohio, in place of A. M. Renick. Incumbent's commission expires March 3, 1927.

Harry A. McConnell to be postmaster at Dorset, Ohio, in place of H. A. McConnell. Incumbent's commission expires March 3, 1927.

James W. McHenry to be postmaster at Elyria, Ohio, in place of J. W. McHenry. Incumbent's commission expires March 3, 1927.

John P. Cramer to be postmaster at Fredericksburg, Ohio, in place of J. P. Cramer. Incumbent's commission expires March 3, 1927.

Henry W. Gruver to be postmaster at Miamisburg, Ohio, in place of H. W. Gruver. Incumbent's commission expires March 3, 1927.

Hylas L. Vesey to be postmaster at Perry, Ohio, in place of H. L. Vesey. Incumbent's commission expires March 2, 1927.

John M. Washington to be postmaster at Sabina, Ohio, in place of J. M. Washington. Incumbent's commission expired August 11, 1925.

Pearl H. Cheney to be postmaster at South Charleston, Ohio, in place of P. H. Cheney. Incumbent's commission expires March 3, 1927.

Clyde S. Perfect to be postmaster at Sunbury, Ohio, in place of C. S. Perfect. Incumbent's commission expires March 3, 1927.

William S. Kindle to be postmaster at Thornville, Ohio, in place of W. S. Kindle. Incumbent's commission expires March 3, 1927.

OKLAHOMA

John W. Comer to be postmaster at Chickasha, Okla., in place of J. W. Comer. Incumbent's commission expires March 3, 1927.

James G. Sprouse to be postmaster at McCurtain, Okla., in place of J. G. Sprouse. Incumbent's commission expires March 3, 1927.

Dixon L. Lindsey to be postmaster at Marlow, Okla., in place of D. L. Lindsey. Incumbent's commission expires March 2, 1927.

George D. Graves to be postmaster at Norman, Okla., in place of G. D. Graves. Incumbent's commission expires March 3, 1927.

J. Ward McCague to be postmaster at Ralston, Okla., in place of J. W. McCague. Incumbent's commission expires March 3, 1927.

George F. Benge to be postmaster at Tahlequah, Okla., in place of G. F. Benge. Incumbent's commission expires March 3, 1927.

William C. Wallin to be postmaster at Watts, Okla., in place of W. C. Wallin. Incumbent's commission expires March 3, 1927.

Orland H. Park to be postmaster at Wright City, Okla., in place of O. H. Park. Incumbent's commission expires March 3, 1927.

OREGON

Robert N. Torbet to be postmaster at Albany, Oreg., in place of R. N. Torbet. Incumbent's commission expires March 3, 1927.

Claude E. Ingalls to be postmaster at Corvallis, Oreg., in place of C. E. Ingalls. Incumbent's commission expires March 3, 1927.

Darwin E. Yoran to be postmaster at Eugene, Oreg., in place of D. E. Yoran. Incumbent's commission expires March 3, 1927.

PENNSYLVANIA

George R. Steiger to be postmaster at Albion, Pa., in place of G. R. Steiger. Incumbent's commission expires March 2, 1927.

George C. Noblit to be postmaster at Brockway, Pa., in place of G. C. Noblit. Incumbent's commission expires March 3, 1927.

William Z. Mahon to be postmaster at Carlisle, Pa., in place of W. Z. Mahon. Incumbent's commission expires March 3, 1927.

Charles E. Taylor to be postmaster at Columbia, Pa., in place of C. E. Taylor. Incumbent's commission expired January 22, 1927.

William D. First to be postmaster at Conneaut Lake, Pa., in place of W. D. First. Incumbent's commission expires March 3, 1927.

William E. Mutthersbough to be postmaster at Driftwood, Pa., in place of W. E. Mutthersbough. Incumbent's commission expires March 2, 1927.

Joseph A. Hanley to be postmaster at Erie, Pa., in place of J. A. Hanley. Incumbent's commission expires March 3, 1927.

Edwin W. Dye to be postmaster at Lawrenceville, Pa., in place of E. W. Dye. Incumbent's commission expires March 3, 1927.

George B. Stevenson to be postmaster at Lock Haven, Pa., in place of G. B. Stevenson. Incumbent's commission expires March 2, 1927.

Ira A. Dinger to be postmaster at Mayport, Pa., in place of I. A. Dinger. Incumbent's commission expires March 3, 1927.

Walter V. Dingman to be postmaster at Milford, Pa., in place of W. V. Dingman. Incumbent's commission expires March 3, 1927.

George D. Claassen to be postmaster at Natrona, Pa., in place of G. D. Claassen. Incumbent's commission expires March 3, 1927.

John D. Williams to be postmaster at Shoemakersville, Pa., in place of J. D. Williams. Incumbent's commission expires March 3, 1927.

Wallace C. Dobson to be postmaster at Southampton, Pa., in place of W. C. Dobson. Incumbent's commission expires March 3, 1927.

Hugh T. Williams to be postmaster at Union Dale, Pa., in place of H. T. Williams. Incumbent's commission expires March 3, 1927.

Russell C. Parry to be postmaster at Walnutport, Pa., in place of R. C. Parry. Incumbent's commission expires March 3, 1927.

SOUTH CAROLINA

Fred Mishoe to be postmaster at Greelyville, S. C., in place of Fred Mishoe. Incumbent's commission expires March 3, 1927.

Julia E. D. Tolbert to be postmaster at Ninety Six, S. C., in place of J. E. D. Tolbert. Incumbent's commission expires March 3, 1927.

Carl G. Schoenberg to be postmaster at North, S. C., in place of C. G. Schoenberg. Incumbent's commission expires March 3, 1927.

Jacob M. Bedenbaugh to be postmaster at Prosperity, S. C., in place of J. M. Bedenbaugh. Incumbent's commission expires March 3, 1927.

SOUTH DAKOTA

Claud I. Force to be postmaster at Clear Lake, S. Dak., in place of C. I. Force. Incumbent's commission expires March 3, 1927.

Leo D. Houk to be postmaster at Colome, S. Dak., in place of L. D. Houk. Incumbent's commission expires March 3, 1927.

Ernest F. Roth to be postmaster at Columbia, S. Dak., in place of E. F. Roth. Incumbent's commission expires March 3, 1927.

James E. McLaughlin to be postmaster at Onida, S. Dak., in place of J. E. McLaughlin. Incumbent's commission expires March 3, 1927.

Israel R. Krause to be postmaster at Java, S. Dak., in place of I. R. Krause. Incumbent's commission expires March 3, 1927.

Charles E. Smith to be postmaster at Lemmon, S. Dak., in place of C. E. Smith. Incumbent's commission expires March 3, 1927.

Joseph Matt to be postmaster at Vivian, S. Dak., in place of Joseph Matt. Incumbent's commission expires March 3, 1927.

TENNESSEE

Ella M. Hill to be postmaster at Adams, Tenn., in place of E. M. Hill. Incumbent's commission expires March 3, 1927.

Joel F. Ruffin to be postmaster at Cedar Hill, Tenn., in place of J. F. Ruffin. Incumbent's commission expires March 3, 1927.

Daniel L. Hyder to be postmaster at Elizabethton, Tenn., in place of D. L. Hyder. Incumbent's commission expires March 4, 1927.

William T. Starbuck to be postmaster at Hohenwald, Tenn., in place of W. T. Starbuck. Incumbent's commission expires March 3, 1927.

Rufus C. Thompson to be postmaster at Milan, Tenn., in place of R. C. Thompson. Incumbent's commission expires March 3, 1927.

TEXAS

Lucy D. Campbell to be postmaster at Brazoria, Tex., in place of L. D. Campbell. Incumbent's commission expires March 3, 1927.

Harry B. Strong to be postmaster at Iredell, Tex., in place of H. B. Strong. Incumbent's commission expires March 3, 1927.

William H. Mallory to be postmaster at Port Lavaca, Tex., in place of W. H. Mallory. Incumbent's commission expires March 3, 1927.

Harry Reast to be postmaster at Whitesboro, Tex., in place of Harry Reast. Incumbent's commission expires March 3, 1927.

Charles A. Andrews to be postmaster at Wolfe City, Tex., in place of C. A. Andrews. Incumbent's commission expires March 3, 1927.

Andrew J. Nelson to be postmaster at Meadow, Tex. Office became presidential July 1, 1926.

UTAH

Annie Palmer to be postmaster at Farmington, Utah, in place of Annie Palmer. Incumbent's commission expires March 2, 1927.

VERMONT

William B. Needham to be postmaster at Bridgewater, Vt., in place of W. B. Needham. Incumbent's commission expires March 3, 1927.

Margaret I. Southgate to be postmaster at Concord, Vt., in place of M. I. Southgate. Incumbent's commission expires March 3, 1927.

Ruth S. Sheldon to be postmaster at Pawlet, Vt., in place of R. S. Sheldon. Incumbent's commission expires March 3, 1927.

VIRGINIA

Francis A. Haynes to be postmaster at Barboursville, Va., in place of F. A. Haynes. Incumbent's commission expires March 3, 1927.

Blodwyn R. Jones to be postmaster at Cambria, Va., in place of B. R. Jones. Incumbent's commission expires March 2, 1927.

Henry P. Holbrook to be postmaster at Castlewood, Va., in place of H. P. Holbrook. Incumbent's commission expires March 2, 1927.

Mary I. Wight to be postmaster at Charlotte Court House, Va., in place of M. I. Wight. Incumbent's commission expires March 3, 1927.

John W. Delaplane to be postmaster at Delaplane, Va., in place of J. W. Delaplane. Incumbent's commission expires March 2, 1927.

John D. Williamson to be postmaster at Fries, Va., in place of J. D. Williamson. Incumbent's commission expires March 2, 1927.

Margaret I. Lacy to be postmaster at Halifax, Va., in place of M. I. Lacy. Incumbent's commission expires March 2, 1927.

Lawrence L. Jacobs to be postmaster at Hanover, Va., in place of L. L. Jacobs. Incumbent's commission expires March 2, 1927.

Charles F. Flanary to be postmaster at Jonesville, Va., in place of C. F. Flanary. Incumbent's commission expires March 2, 1927.

Benjamin B. Parker to be postmaster at Middletown, Va., in place of B. B. Parker. Incumbent's commission expires March 3, 1927.

George H. McFarland to be postmaster at Reedville, Va., in place of G. H. McFarland. Incumbent's commission expires March 2, 1927.

John J. Kivlighan to be postmaster at Staunton, Va., in place of J. J. Kivlighan. Incumbent's commission expires March 3, 1927.

Dandridge W. Marston to be postmaster at Toano, Va., in place of D. W. Marston. Incumbent's commission expires March 2, 1927.

WASHINGTON

Mary G. Wilkinson to be postmaster at Auburn, Wash., in place of M. G. Wilkinson. Incumbent's commission expires March 3, 1927.

Alonzo E. Emerson to be postmaster at Ellensburg, Wash., in place of A. E. Emerson. Incumbent's commission expires March 3, 1927.

Egbert K. Field to be postmaster at Ferndale, Wash., in place of E. K. Field. Incumbent's commission expires March 3, 1927.

Cecil E. Haasze to be postmaster at Grandview, Wash., in place of P. W. Thiele. Incumbent's commission expired April 25, 1926.

Charles R. Bockmier to be postmaster at Granite Falls, Wash., in place of C. R. Bockmier. Incumbent's commission expires March 3, 1927.

John H. Gibson to be postmaster at Issaquah, Wash., in place of J. H. Gibson. Incumbent's commission expires March 3, 1927.

Arthur Bailey to be postmaster at Monroe, Wash., in place of Arthur Bailey. Incumbent's commission expires March 3, 1927.

Jessie A. Knight to be postmaster at Shelton, Wash., in place of J. A. Knight. Incumbent's commission expires March 3, 1927.

Clyde J. Backus to be postmaster at Tacoma, Wash., in place of C. J. Backus. Incumbent's commission expires March 3, 1927.

Augustus B. Eastham to be postmaster at Vancouver, Wash., in place of A. B. Eastham. Incumbent's commission expires March 3, 1927.

WEST VIRGINIA

Paul C. Freeman to be postmaster at Adrian, W. Va., in place of O. G. Casto. Incumbent's commission expired December 4, 1926.

John B. Hilleary to be postmaster at Buckhannon, W. Va., in place of J. L. Heavner. Incumbent's commission expired January 10, 1927.

Ruth Lewis to be postmaster at Buffalo, W. Va., in place of Ruth Lewis. Incumbent's commission expires March 3, 1927.

William M. Kidd to be postmaster at Burnsville, W. Va., in place of W. M. Kidd. Incumbent's commission expires March 3, 1927.

Carl A. Dehner to be postmaster at Chester, W. Va., in place of C. A. Dehner. Incumbent's commission expires March 3, 1927.

Cecil B. Dodd to be postmaster at Follansbee, W. Va., in place of C. B. Dodd. Incumbent's commission expires March 3, 1927.

Ruth L. McClung to be postmaster at Cedar Grove, W. Va., in place of W. C. Whaley, removed.

Walter O. Deacon to be postmaster at Hurricane, W. Va., in place of D. L. Martin, resigned.

WISCONSIN

Harry T. Ketcham to be postmaster at Abbotsford, Wis., in place of H. T. Ketcham. Incumbent's commission expires March 2, 1927.

Elizabeth Croake to be postmaster at Albany, Wis., in place of Elizabeth Croake. Incumbent's commission expired April 11, 1926.

Darryl V. Lampman to be postmaster at Augusta, Wis., in place of B. E. Fredrick. Incumbent's commission expired April 7, 1926.

Nicholas Hubing to be postmaster at Belgium, Wis., in place of Nicholas Hubing. Incumbent's commission expires March 2, 1927.

Leon F. Pallister to be postmaster at Brandon, Wis., in place of L. F. Pallister. Incumbent's commission expires March 3, 1927.

Ambrose M. Steinwand to be postmaster at Colby, Wis., in place of A. M. Steinwand. Incumbent's commission expires March 3, 1927.

Anton J. Hertz to be postmaster at Edgar, Wis., in place of A. C. Wagner. Incumbent's commission expired November 19, 1925.

Albert L. Marsh to be postmaster at Elroy, Wis., in place of A. L. Marsh. Incumbent's commission expires March 2, 1927.

Dean J. Hotchkiss to be postmaster at Foxlake, Wis., in place of D. J. Hotchkiss. Incumbent's commission expires March 2, 1927.

Edward Schroeder to be postmaster at Granton, Wis., in place of Edward Schroeder. Incumbent's commission expires March 2, 1927.

Stephen S. Summers to be postmaster at Milton, Wis., in place of S. S. Summers. Incumbent's commission expires March 2, 1927.

George B. Keith to be postmaster at Milton Junction, Wis., in place of G. B. Keith. Incumbent's commission expires March 2, 1927.

Carl V. Dahlstedt to be postmaster at Port Wing, Wis., in place of C. V. Dahlstedt. Incumbent's commission expires March 2, 1927.

Wilbur H. Bridgman to be postmaster at Stanley, Wis., in place of W. H. Bridgman. Incumbent's commission expires March 3, 1927.

Joseph E. Kuzenski to be postmaster at Stetsonville, Wis., in place of J. E. Kuzenski. Incumbent's commission expires March 3, 1927.

Adolph C. Sveen to be postmaster at Westby, Wis., in place of A. C. Sveen. Incumbent's commission expires March 3, 1927.

George T. Classon to be postmaster at Weyauwega, Wis., in place of T. R. Peterson. Incumbent's commission expired April 13, 1926.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 11 (legislative day of February 9), 1927

COLLECTOR OF CUSTOMS

Harry C. Whitehill to be collector of customs, collection district No. 2, St. Albans, Vt.

POSTMASTERS

IDAHO

George F. McMartin, Coeur d'Alene.

KANSAS

James G. Frazer, Halstead.
Raymond R. Norris, Marquette.
Walter S. Bradford, McLouth.
Jessie I. Dickson, Neosho Falls.
Luella Tapley, Quenemo.

KENTUCKY

James A. Leach, Beaver Dam.
Ward H. Metcalfe, Brooksville.
James W. Burns, Catlettsburg.
William M. Maffett, Cynthiana.
Sue C. Beardsley, Harrodsburg.
John B. Searcy, Lawrenceburg.
Squire F. Nelson, Lynch.
Newell R. Downing, Mays Lick.
Tom H. Brown, Millersburg.
H. Greene Hicks, Olive Hill.
Lewis A. McCoy, Owingsville.
Fountain S. Aynes, Pleasureville.
Burton Roberts, Richmond.
Lottie P. Thompson, Sadieville.
Edward S. Crawford, Science Hill.

MINNESOTA

Frank L. Lane, Bigelow.
Nellie M. Watkins, Clinton.
Frank A. Lindbergh, Crosby.
George W. Kiefer, Lewiston.
Samuel A. Nystrom, Watertown.

NEBRASKA

William A. Gibson, Cedar Rapids.
Gustav A. Koza, Clarkson.
Hiram B. Cameron, Herman.
Frank E. Crawford, Wymore.

NEVADA

Annie J. Christensen, Fernley.

NEW YORK

Frank O. Persons, East Aurora.
Roof D. Miller, Fort Plain.
William D. Shepard, Geneseo.
Charles J. Lansing, New Woodstock.
Dennis Lamarche, Plattsburg.
Brainard W. Russell, Windsor.

NORTH DAKOTA

James E. Galehouse, Carrington.
James R. Meagher, Velva.

OREGON

Arlington B. Watt, Amity.
Chester G. Coad, Dallas.
Harry A. Cool, Drain.
Oscar C. Maxwell, Elgin.
Thomas W. Angus, Gardiner.
Nellie G. Reed, Gold Hill.

PENNSYLVANIA

William S. Behanna, Connellsville.

TENNESSEE

Ira L. Presson, Camden.

TEXAS

Carlton A. Dickson, Cleburne.
Mildred A. Wilder, George West.
Fred L. Brown, Plainview.
George Ireland, Victoria.

VIRGINIA

Blanche M. E. Harris, Crozet.
Willie A. Roach, Durmid.
Robert A. Anderson, Marion.
Tivy E. Jenkins, Wilder.
Percy Bradshaw, Zuni.

WEST VIRGINIA

Noah W. Russell, Lewisburg.
Oliver A. Locke, Milton.
Robert E. L. Holt, Princeton.

WISCONSIN

Henry J. S. Hanson, Bayfield.
George C. Dobbs, Conover.
Frederick N. Lochemes, St. Francis.

HOUSE OF REPRESENTATIVES

FRIDAY, *February 11, 1927*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Oh Lord, our Lord, we are drawn toward Thy throne, which is established for ever and ever. It is our defense and the rock of our redemption. How much we need a sense of Thy nearness, for we are humanly weak in the things that are divinely strong. Oh come, Thou, and guide us in all our ways. As for the difficulties and labors of life, let them chasten our hearts and broaden our minds. By the light of every morning Thou dost say, I am with thee. Oh, words are too poor for Thy praise. Do Thou give us the fearlessness of honesty and the patience of earnest industry. Let Thy love be our strength and Thy service our joy; be as real to us as the very earth itself. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its principal clerk, announced that the Senate had passed with amendments House bill of the following title, in which the concurrence of the House is requested:

H. R. 16863. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1928, and for other purposes.

The message also announced that the Senate had passed Senate bills of the following titles, in which the concurrence of the House is requested:

S. 5259. An act granting permission to Maj. Charles Beatty Moore, United States Army, to accept the following decorations, namely, the Legion of Honor, tendered him by the Republic of France, and the officers' cross of the order, Polonia Restituta, tendered him by the Republic of Poland; and

S. 5596. An act granting the consent of Congress to Dauphin Island Railway & Harbor Co., its successors and assigns, to construct, maintain, and operate a railroad bridge and approaches thereto and/or a toll bridge across the water between the mainland at or near Cedar Point and Dauphin Island.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to the bill (S. 4727) to provide for the widening of Nichols Avenue between Good Hope Road and S Street SE., in the District of Columbia.

The message also announced that the Vice President appointed Mr. COUZENS and Mr. CARAWAY members of the joint select committee on the part of the Senate as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Department of Labor.

ENROLLED HOUSE BILLS SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, announced that that committee had examined and found truly enrolled House bills of the following titles, when the Speaker signed the same:

H. R. 4553. An act authorizing the President to restore Commander George M. Baum, United States Navy, to a place on the list of commanders of the Navy, to rank next after Commander David W. Bagley, United States Navy;

H. R. 14242. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works at Quantico, Va.; and

H. R. 11421. An act to provide for conveyance of certain lands in the State of Alabama for State park and game preserve purposes.

SENATE BILLS REFERRED

Under clause 2 of Rule XXIV Senate bills of the following titles were taken from the Speaker's table and referred as indicated below:

S. 5596. An act granting the consent of Congress to Dauphin Island Railway & Harbor Co., its successors and assigns, to construct, maintain, and operate a railroad bridge and approaches thereto, and/or a toll bridge across the water between the mainland at or near Cedar Point and Dauphin Island; to the Committee on Interstate and Foreign Commerce.

S. 4682. An act granting permission to Lieut. Col. Harry N. Cootes, United States Army, to accept certain decorations tendered him; to the Committee on Military Affairs.

S. 4683. An act granting permission to Commander Jules James, United States Navy, to accept the decoration of the Legion of Honor tendered him by the Republic of France; to the Committee on Naval Affairs.

JUDGE FRANK COOPER

Mr. GRAHAM. Mr. Speaker, I present a privileged resolution, which I send to the Clerk's desk.

The SPEAKER. The gentleman from Pennsylvania offers a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 415

Resolved, That the Committee on the Judiciary, and any subcommittee that it may create or appoint, is hereby authorized and empowered to act by itself or its subcommittee to hold meetings and to issue subpœnas for persons and papers, to administer the customary oaths to witnesses, and to sit during the sessions of the House until the inquiry into the charges against Hon. Frank Cooper, United States district judge for the northern district of New York is completed, and to report to this House.

That said committee be, and the same is hereby, authorized to appoint such clerical assistance as they may deem necessary, and all expenses incurred by said committee or subcommittee shall be paid out of the contingent fund of the House of Representatives on vouchers ordered by said committee and signed by the chairman of said committee.

Mr. MacGREGOR. Mr. Speaker, may I inquire solely for information, how much this is anticipated to cost?

Mr. GRAHAM. I do not know, sir.

Mr. MacGREGOR. What clerical assistance is going to be engaged?

Mr. GRAHAM. I have not any idea of engaging anyone at this time.

Mr. MacGREGOR. I know the gentleman will be economical in the matter.

Mr. BLANTON. Mr. Speaker, this is a very important matter——

The SPEAKER. Does the gentleman from Pennsylvania yield?

Mr. BLANTON. I would like to have five minutes on this resolution.

Mr. GRAHAM. Mr. Speaker, I must decline to yield because there is nothing involved in this matter but a little formality.

Mr. BLANTON. There is something very serious involved in it.

Mr. GRAHAM. I decline to yield.

Mr. BLANTON. Mr. Speaker, may I propound a parliamentary inquiry? Is this a privileged resolution from the Committee on the Judiciary?

The SPEAKER. It is privileged because it relates to impeachment proceedings.

Mr. BLANTON. I think we ought to have a quorum before we proceed, and I make the point of order there is not a quorum present.

Mr. GRAHAM. Mr. Speaker, before we have this obstruction, and that is all it is——

Mr. BLANTON. That is exactly what it is. When the gentleman can not yield five minutes to discuss a matter of this seriousness, it is very proper that there should be some obstruction.

Mr. GRAHAM. I will yield for five minutes to the gentleman from Texas.

Mr. BLANTON. Thank you.

Mr. DOWELL. Mr. Speaker, I make the point of order there is not a quorum of the House present.

Mr. TINCHER. Is this a filibuster against the Haugen bill?

Mr. DOWELL. If the gentleman from Texas is only going to consume five minutes, I withdraw the point.

Mr. BLANTON. Mr. Speaker, the present situation before the Committee on the Judiciary is one of the most remarkable that I have ever witnessed.

Mr. HILL of Maryland. Mr. Speaker, may we have order so we can hear the gentleman?

Mr. BLANTON. The gentleman from Maryland will hear me before I get through. And all the other "wets" here will hear me, because this is nothing in the world but a "wet" persecution of a "dry" judge who has been strictly enforcing the law and the Constitution.

This is a most remarkable situation. The distinguished chairman of this Judiciary Committee [Mr. GRAHAM], who is a very distinguished lawyer and one whom we all love as a friend, ruled Wednesday in committee that no one could call upon Judge Cooper to make a statement until the one who preferred the charges against him had made out a prima facie case; and when the one who had preferred the charges had made out nothing, had not produced a syllable of evidence against this man, when he left the matter before the committee just exactly where he left it when he presented his charges before the House, the committee, through its chairman, called both the witness Merrick and the judge to testify. The gentleman from New York [Mr. LAGUARDIA] fell down. The able chairman attempted to come to his rescue.

Mr. GRAHAM. Will the gentleman pardon an interruption for a second?

Mr. BLANTON. Certainly; but do not take it out of my time.

Mr. GRAHAM. We did not call upon him to testify. He was neither requested by the chairman nor by the committee to testify. He voluntarily made a statement.

Mr. BLANTON. Oh, I know what happened.

Mr. GRAHAM. I do, too.

Mr. BLANTON. And the committee chairman himself called a witness against him. Is not that true?

Mr. GRAHAM. No.

Mr. BLANTON. Well, I will submit the record as to what happened. This man Merrick made a statement before the committee and he backed up the judge in his statement. Both Merrick and Judge Cooper showed that the only purpose on God's earth that this judge had was to try to reach the "higher

ups" in the commission of crime and not to punish simply the little, insignificant bootleggers who operate under these big liquor kings in the country.

I think it is an outrage that provision is not made in this resolution to pay the expenses of this judge. I have investigated the matter and I happen to know he is a poor man. He has been forced to come down here before the committee, several hundred miles away from his home, and to pay his own expenses and to employ counsel.

Mr. CELLER. Will the gentleman yield?

Mr. BLANTON. I regret I have not the time. And this is another attempt to bring him back down here on expenses, and no provision is attempted to be made to pay any of his expenses, which he should not have to bear himself.

I ask unanimous consent, Mr. Speaker, to revise and extend my remarks, because I want to put in exhibits which I have in connection with this matter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BLANTON. Now, I want to ask my friend this question: Is the committee one day to rule one way and the next day to rule another? This committee ruled that this judge did not have to open his mouth; this committee ruled he did not have to bring a witness here until the gentleman from New York made out a prima facie case. When did the committee change this ruling?

I was present in the committee room and heard the distinguished chairman properly rule that that was the law in the case. Since then there has been a reaction upon the part of the committee chairman; since then something has transpired to induce the chairman himself to have witnesses testify; to let the chairman himself have the judge testify, and he is working right in with this Tammany bunch [laughter]; and with the gentleman from New York [Mr. LAGUARDIA]; with this unholy alliance that has been formed between the Socialist Member from New York and the "wet" Tammany bunch to discredit a man because he has done his duty.

Mr. CELLER. Will the gentleman yield at that point?

Mr. BLANTON. Oh, I know all about it. I wish I had a photograph of the two Tammanyites who sat at the table persecuting this man with the gentleman from New York [Mr. LAGUARDIA]. I would like to have a picture of that, and I would like to put it in every newspaper in the United States to show what is behind this unholy persecution of a righteous and upright judge.

WHAT ACTUALLY HAPPENED BEFORE COMMITTEE

What happened before the Judiciary Committee during its hearing of the charges preferred by the gentleman from New York [Mr. LAGUARDIA] is a matter of record and can not be denied. From the official transcription made by the official stenographer reporting the proceedings before said Judiciary Committee in its first meeting, held February 9, 1927, I quote the following excerpts. The distinguished gentleman from Pennsylvania [Mr. GRAHAM], chairman of the Judiciary Committee, said:

> It is our duty to hear what will be advanced in support of the resolution and what may be said in answer to that presentation. * * * The plan of procedure, therefore, will be to hear Mr. LAGUARDIA make a statement and produce anyone that he desires to be heard, and Judge Cooper is invited, likewise, to make a statement or to be represented by counsel in making a statement. Those who appear before the committee will be open to questioning by the committee for the information of the committee, but there will be no cross-examination of one side by the other.

Then, without offering to produce any witness against Judge Frank Cooper, the gentleman from New York [Mr. LAGUARDIA], aided and abetted by his two "wet" colleagues from New York, Mr. CELLER and Mr. BLACK, who were seated at the table with him, proceeded to read what purported to be the ex parte memorandum printed over the name of R. Q. Merrick, appearing on page 3 of Senate Document No. 198. Whereupon the following colloquy occurred:

> Mr. HERSEY. I just want to ask one question. You can produce Mr. Merrick, as the best evidence that you know?
>
> Mr. LAGUARDIA. He is obtainable. We have the right to subpœna him.
>
> The CHAIRMAN (Mr. GRAHAM). You stated, Mr. LAGUARDIA, that you would be heard and that you would produce one witness, Mr. Merrick, and would make a statement yourself before the committee. That is what I expected you were going to do.

And then on the suggestion of the ranking majority member of said committee, Mr. DYER, of St. Louis, Mr. LAGUARDIA proceeded to read what was contained in said purported statement of said R. Q. Merrick.

The only reference to any action taken by Judge Frank Cooper was in a 25-line memorandum purported to be signed by said R. Q. Merrick, appearing on page 3 of said Senate document. It was not a sworn statement. It was an ex parte unsworn statement. And the additional memorandums purported to be signed by said R. Q. Merrick, appearing on the balance of said page 3 and on pages 4 and 5 of said Senate document, do not pretend to show that said Judge Frank Cooper had any connection whatever with same, yet when making his charges on the floor of the House and when reading what purported to be said Merrick's statement concerning Cooper before said Judiciary Committee, the gentleman from New York [Mr. LAGUARDIA] did not call attention to the fact that he was reading from two separate memorandums, each signed by said Merrick, when only one of which referred to any action taken by said Judge Frank Cooper. However, when he presented the statements he had read to the stenographer for incorporation in the hearings, they do show that they are two separate instruments and separately signed.

And after the gentleman finished reading same, their judicial minds caused the following members of the Judiciary Committee to exclaim as follows:

> Mr. TUCKER. There seems to be nothing here indicating that that statement was sworn to.
>
> Mr. HERSEY. How does that bind the judge who is accused in any way, with respect to the evidence against him?
>
> Mr. LAGUARDIA. It does in this way: Mr. Merrick was called to Albany by Judge Cooper. Judge Cooper stated to him that he was tired. * * *
>
> The CHAIRMAN (Mr. GRAHAM). Where does that appear, except in Mr. Merrick's statement?
>
> Mr. LAGUARDIA. In Merrick's statement.
>
> The CHAIRMAN. Do you not think that Mr. Merrick ought to be here so that we can hear at first hand what he has to say and know exactly what took place?

And then when the gentleman from New York tried to excuse himself for not having any witness present, the distinguished gentleman from Pennsylvania very justly said:

> The CHAIRMAN. Mr. LAGUARDIA, do you not see that the committee is no wiser after reading this report than before? The committee ought to have something submitted to it in the way of a sustainment of the charges against the judge.

And then when it appeared that Judge Frank Cooper had gone to the trouble and expense of arranging his docket and having some one to hold court for him, and making a long, expensive trip here from Albany, N. Y., under assurances that witnesses would testify against him that no witnesses whatever were offered against him, but an attempt was made to have Judge Cooper himself subjected to examination before any witnesses had testified against him, and that so shocked the judicial mind of the former president of the American Bar Association [Mr. TUCKER] that he exclaimed:

> It seems to me that will not do.

Then the following colloquy occurred:

> Mr. BOWLING. What will not do, Mr. TUCKER? I did not hear your statement.
>
> Mr. TUCKER. To call Judge Cooper before this committee to defend himself against these charges. We ought to have the man (Mr. Merrick) present and cross-examine him closely * * *. I do not think it would be fair to the judge. He is entitled to know what he is charged with, and if we rest that upon this man's statement we ought to have the man here.

And then the following horse play occurred:

> Mr. LAGUARDIA. Then, may I call my first witness? Judge Cooper, take the stand.
>
> Mr. MICHENER. Wait a minute. We are getting into a position where we are either holding a hearing or we are not holding a hearing. Judge Cooper has certain rights here. * * * I hardly think it is ethical, and it certainly does not follow any procedure in court or any theory of American justice to invite a man charged with these serious offenses into court and then let the prosecutor immediately put him on the stand for cross-examination.

And then, when the chairman asked Mr. LAGUARDIA if he persisted in calling Judge Cooper, the following occurred:

> Mr. LAGUARDIA. No; the judge having expressed a desire not to take the stand at this time, I shall not press him.
>
> The CHAIRMAN (Mr. GRAHAM). He has not said a word.
>
> Mr. LAGUARDIA. I will ask the judge if he desires to take the stand at this time.
>
> Mr. BOWLING. I do not think we ought to take any action here or say a word that would put Judge Cooper in the attitude of refusing to

state his case. I think it is the wrong time, so far as I am personally concerned, for him to be called up either to refuse to say anything or to say anything. We have not gotten to that point in the procedure yet.

And then, with regard to there being no cross-examination of Judge Cooper by Mr. LAGUARDIA, the following occurred:

Mr. LAGUARDIA. The Chair just decided that there would be no cross-examination of witnesses?

The CHAIRMAN (Mr. GRAHAM). We did.

And then, after an executive session, the committee permitted the gentleman from New York [Mr. LAGUARDIA] to make a long argument, presenting what he claimed to be the law and facts of the case, which argument of Mr. LAGUARDIA covers 30 typewritten pages of the hearings and then the committee adjourned.

The next meeting of the Committee on the Judiciary was held yesterday, Thursday morning, at 11 o'clock, when the committee permitted one of the attorneys for Judge Cooper to make a statement. This attorney delivered to Chairman GRAHAM a letter from Hon. Roscoe Irwin, the attorney of Albany, N. Y., who represented the principal defendants who were tried before Judge Cooper, concerning whose trials Mr. LAGUARDIA claims Judge Cooper was guilty of action warranting his impeachment.

If anyone on earth had a grievance against Judge Cooper it would surely be the attorney whose clients were tried and convicted before Judge Cooper, yet this attorney for said defendants denounces the attacks Mr. LAGUARDIA has been making upon Judge Cooper, and eulogizes Judge Cooper not only as a fair, impartial, hard-working, conscientious, and upright judge, but also as a good man. The following is the letter:

FEBRUARY 9, 1927.

Hon. GEORGE S. GRAHAM,
Chairman Committee on the Judiciary,
United States House of Representatives, Washington, D. C.

MY DEAR SIR: From press reports I learned that certain charges had been made by Congressman LAGUARDIA against Hon. Frank Cooper, United States district court judge for the northern district of New York, and that such cases were based upon matters and things connected with the prosecution of certain conspiracy cases based upon violation of the national prohibition act and customs laws.

The press reports of these charges purport to accuse Judge Cooper of unfairness and partiality in connection with the trial of the conspiracy cases in question. I was retained as counsel in two of these cases and actually participated in the trial of the same before Judge Cooper, and knowing the manner in which Judge Cooper presided over these trials I am of the opinion that the charges presented by Congressman LAGUARDIA are without foundation either in fact or in theory.

Feeling that an injustice was being done to Judge Cooper, I felt it was my duty, as a member of the bar, to submit to your committee such information as I had regarding these alleged charges. In accordance with this sense of duty, I came to Washington and attended the hearing on the alleged charges had before your committee this morning and listened to the statements and arguments presented by Congressman LAGUARDIA. Several of the statements and arguments presented by Congressman LAGUARDIA are not in accordance with the facts, particularly in relation to the cases of the United States *v.* Albion and Mary LaFountain and the United States *v.* Harry C. Hartson and Barney Duken, these being two cases mentioned by Congressman LAGUARDIA in his argument before your committee. In the two cases mentioned I was retained as counsel for the defendants and actually participated in the trial thereof before Judge Cooper.

In Congressman LAGUARDIA'S argument to your committee I understood him to say that the issue of entrapment was not raised in the cases mentioned. The fact is that such issue was raised in both of these cases. In the La Fountain case entrapment was presented to the circuit court of appeals. In the trial before Judge Cooper, Albion La Fountain was convicted and the jury disagreed as to the defendant Mary La Fountain. The circuit court of appeals affirmed the judgment of conviction rendered against Albion La Fountain. In the Hartson and Duken case Judge Cooper in his charge presented to the jury the issue of entrapment and the jury returned a verdict of guilty against both defendants. The case was reviewed in the circuit court of appeals, and that court affirmed the conviction of Hartson and reversed the judgment of conviction as to Duken, but this reversal did not involve the issue of entrapment.

I have before me at the present time a transcript of these cases which was presented to the circuit court of appeals, and after carefully reviewing this transcript I am submitting to your committee the facts set forth in this communication.

In the trial of the two cases mentioned Judge Cooper was manifestly fair and impartial, and in my opinion each of the defendants in the cases mentioned had a fair trial, and there was nothing done by Judge Cooper during these trials which in any way prejudiced the rights or interests of any of the defendants.

I have tried many cases before Judge Cooper, and have observed the trial of many others, and I desire to state to your committee that Judge Cooper, in my opinion, has at all times given due weight and consideration to the various rights and interests presented to him in the litigation had in his court, and that he is a hard-working, conscientious, and upright judge.

If your committee desires my personal appearance at any time in respect to these matters, I will gladly attend at such time and place as you may designate.

My address is 91 State Street, Albany, N. Y.

Respectfully,

ROSCOE IRWIN.

And concerning the foregoing letter, the following occurred:

The CHAIRMAN (Mr. GRAHAM). Mr. Hanson, is the writer of the letter that you handed to me in the room?

Mr. HANSON. Yes, sir. Mr. Irwin is right here.

Is not this a most remarkable situation? Here is Mr. LAGUARDIA attempting to impeach Judge Cooper because of unfairness to defendants, and we find the attorney of such defendants leaving his home in Albany, N. Y., and coming to Washington in person to defend Judge Cooper's good name and to uphold him as a fair, impartial, conscientious, upright judge, and saying that he felt it his duty as a member of the bar to protect this judge from such persecution. And before said committee in such hearing he stood ready and willing to be interrogated by Mr. LAGUARDIA.

CHAIRMAN GRAHAM HIMSELF CALLS MERRICK

After the attorney for Judge Cooper had concluded his statement, it was Chairman GRAHAM himself who called Mr. Merrick as a witness, and there was no attempt on the part of Mr. LAGUARDIA to have Mr. Merrick testify; and to show this, I quote from the official record the following:

The CHAIRMAN (Mr. GRAHAM). Is Mr. Merrick in the room?

Mr. HANSON (Judge Cooper's attorney). I think that he is about here, Judge.

Mr. LAGUARDIA. At this time I want to inquire for the purpose of record—— [Mr. Hanson interrupts.] I merely want to state, Mr. Chairman, that Mr. Merrick is not my witness.

The CHAIRMAN. He is my witness. I am calling him. Will Mr. Merrick come forward, please?

That the chairman, Mr. GRAHAM, of the Judiciary Committee, proceeded to examine the witness, R. Q. Merrick, on his own initiative, as shown by the following:

The CHAIRMAN. What is your full name?

Mr. MERRICK. Romain Q. Merrick.

The CHAIRMAN. What is your occupation?

Mr. MERRICK. I am a Federal prohibition administrator.

The CHAIRMAN. In what district?

Mr. MERRICK. In the seventh district, comprising Virginia and North Carolina.

The CHAIRMAN. That is your present employment?

Mr. MERRICK. Yes, sir.

The CHAIRMAN. Were you formerly employed in the northern district of New York?

Mr. MERRICK. Yes, sir; for the entire State of New York and upper New Jersey.

The CHAIRMAN. When was that?

Mr. MERRICK. From March 1, 1923, until August 31, 1925.

And at this juncture we find the probable source of the present resolution asking the House to grant the Judiciary Committee the power to swear witnesses:

Mr. LAGUARDIA. Mr. Chairman, I ask to have this witness sworn.

The CHAIRMAN. We have no power to swear any witnesses. This is the preliminary stage.

Mr. LAGUARDIA. Then I ask that the committee obtain that power from the House.

Mr. CHAIRMAN. Very well; you have made your request.

Now, Mr. Merrick, will you please state when you left the New York district?

Mr. MERRICK. I left there September 1, 1925, for Buffalo. As acting administrator I was there until October 15, 1925, when I went to Chicago as assistant administrator. I left Chicago in November—I think the 11th—and came to Washington and took charge of the Virginia district on September 1, 1926.

The CHAIRMAN. How did you come to be in Washington at this time?

Mr. MERRICK. I received orders from Major White, administrator for this district, to appear here yesterday for a conference. I had a conference with him and Director Jones yesterday.

The CHAIRMAN. You voluntarily came here this morning?

Mr. MERRICK. I was called.

The CHAIRMAN. How did you come to be here?

Mr. MERRICK. I was told by Major White yesterday to stay over, that I might be needed as a witness to-day. I remained over.

The CHAIRMAN. Are you the person that made this report to the Treasury dated January 15, 1927, which report was submitted to the Senate and was made a part of a Senate document?

Mr. MERRICK. I am, sir.

The CHAIRMAN. Will you go on and tell this committee in your own way all about the conference with Judge Cooper, if there was one, which you had concerning the securing of evidence and prosecuting offenses against the Volstead Act?

Mr. MERRICK. Yes, sir. Would you allow me to tell how I happened to write that memorandum?

The CHAIRMAN. You may make your own statement. That memorandum is before the committee.

Mr. MERRICK. I was in Washington on January 13 and 14. About 4 o'clock on the afternoon of the 14th Mr. Simonton, who is the chief investigator for the Prohibition Unit, saw me in the prohibition department and he said that he had just received a message from General Andrews for me to submit a memorandum of the cases we made by our undercover agents in the northern district of New York during the winter of 1924–25.

I immediately went to Mr. Simonton's office and dictated this memorandum from memory only. It took me about 20 or 30 minutes. The office closed at 4.30. The young lady waited probably until 4.35 to get through taking my dictation.

And to show what was in the mind of Judge Cooper and what advice Judge Cooper really gave this prohibition agent, I quote from the testimony of Mr. Merrick in the committee's official record the following:

Mr. MERRICK. * * * The judge on a previous occasion had told me about the young men who were being brought before him: young fellows whom our agents and State officers would catch transporting liquor; young fellows 18 or 20 years old who were employed by the higher-ups to transport this stuff. But we never got any of the big fellows. All we got were the little rum runners. It seemed to worry the judge a good deal that these young fellows were induced to go into this business by the men with the money. He thought that we should do something to get the higher-ups, and I took this procedure.

Mr. BOWLING. Had that been a subject of conversation between you and Judge Cooper prior to this letter that he wrote you?

Mr. MERRICK. Yes, sir. It was because of the receipt of that letter that I took Parks with me. I finally got Parks off some other important work that he had been on. He had been at Waterloo watching a distillery up there. I took Parks up there so that he would know the judge and the judge would know him and recognize his voice if he called him over the 'phone and said that he was arrested. That was the reason for bringing Parks up.

Mr. TUCKER. Mr. Merrick, following your letter or statement in this memorandum which is contained in Senate Document No. 198, which is signed by you—have you read that?

Mr. MERRICK. Yes, sir; I read it as it appeared in the CONGRESSIONAL RECORD.

Mr. TUCKER. I suppose it is the same. The first was a letter from you to Mr. Andrews and the second is merely a memorandum signed by you.

Mr. MERRICK. Yes, sir.

Mr. TUCKER. I just wanted to know if you had seen the memorandum and whether you indorsed that statement also.

Mr. MERRICK. I made two memorandums, sir. The first part of that is marked—I marked it "Personal—confidential." That is, the first part of that memorandum.

Mr. TUCKER. It was a very confidential matter.

Mr. MERRICK. The second was not marked "Personal—confidential." The first part I marked "Personal—confidential." The last I submitted and just marked "Memorandum."

Mr. MICHENER. Mr. Chairman, may I ask a question?

The CHAIRMAN. Yes.

Mr. MICHENER. Mr. Merrick, you stated that you visited Judge Cooper on this particular occasion in response to his letter.

Mr. MERRICK. Yes, sir.

Mr. MICHENER. You also stated that you had had several conferences previous to this time with the judge in reference to the enforcement of the prohibition law.

Mr. MERRICK. Yes, sir.

Mr. MICHENER. In those conferences did the judge direct you as to any specific manner in which you were to proceed?

Mr. MERRICK. No, sir.

When the witness had finished answering all of the questions propounded to him by members of the Judiciary Committee, the following occurred:

Mr. LAGUARDIA. May I be permitted to ask questions of the witness?

The CHAIRMAN (Mr. GRAHAM). No. The committee has decided that there is to be no cross-examination. The ground for that, I think, is perfectly obvious. The papers which you submitted were papers that were not submitted under examination or under oath. This is simply a statement that this witness, not under oath and not subject to cross-examination, is making, giving his explanation of the paper that you presented to us. We think that we can only go as far at this time as to hear these statements. I am going to hear the statement of the judge.

Note that just as soon as the chairman of the Judiciary Committee, Mr. GRAHAM, had called Mr. Merrick as a witness, and had interrogated Mr. Merrick, he got through with Mr. Merrick, and then stated that he was "going to hear the statement of the judge." And the judge was then called around, and interrogation began as follows:

The CHAIRMAN. Will you state your name?

Judge COOPER. My name is Frank Cooper.

The CHAIRMAN. And your residence?

Judge COOPER. Albany, N. Y.

The CHAIRMAN. Your judicial district?

Judge COOPER. The northern district of New York.

The CHAIRMAN. Judge, you have heard the statement of Mr. Merrick. You heard the statement made yesterday with relation to these charges. You have expressed a desire to make a statement in reply. You are at liberty to do so, and the committee will hear you.

Judge COOPER. I heard only a portion of Mr. Merrick's statement. I was invited to come here and was glad to come and accept the invitation of the committee. In the limited time at my disposal, I prepared a little statement of the facts in these matters. I had to adjourn a court and had very little time.

Mr. Chairman and gentlemen of the committee: I thought that if I could very briefly describe to you the northern district of New York, over which I preside and the work of the court, it might make the situation clearer.

This district comprises 29 counties, containing approximately one-half of the area of the State of New York, and extends from the Canadian border on the north to the Pennsylvania line on the south. It has a population of more than 2,000,000 people, and includes such cities as Albany, Troy, Schenectady, Utica, Syracuse, Oswego, Auburn, Binghamton, Watertown, Ogdensburg, Plattsburg, and many others. The greater part of the main highway from Montreal to New York is within this district.

Besides this main highway, there are a great many roads running from the Province of Quebec into the State of New York. There are also water approaches to this district through Lake Champlain, the St. Lawrence River, and Lake Ontario. This will make clear to you the conditions under which the illegal smuggling and traffic of liquor along the extensive frontier can be carried on.

In the State of New York we have no State prohibition enforcement law, consequently all the prohibition cases are brought into the Federal court.

Without attempting to speak of the civil work, but to give you some idea of the volume of the prohibition work, I might say that during the fiscal year ended June 30, 1926, 1,840 prohibition cases were disposed of. Of these 1,840 cases, 1,595 persons pleaded guilty and about 240 were dismissed for various reasons.

So, gentlemen, you will readily understand that with this volume of business, it would be almost impossible for me to remember the details of any particular case. In the limited time at my disposal since the summons to come down here to-day, I have tried to get together as much information as I could as to the three specific cases upon which these charges seem largely to be based.

And then after Judge Cooper had reviewed and given the facts of all the cases concerning which Mr. LAGUARDIA had made complaint, he was interrupted, and the following occurred:

Mr. WELLER. Mr. Chairman, if I may be permitted to interrupt, I believe that most of us want to go over to the floor of the House to vote. There has been a call for the yeas and nays.

The CHAIRMAN. Judge, would you kindly do this? Your discussion of the law is a matter which will appear in your written statement and a matter about which there may be no dispute in the committee. The real point that you must answer, I think, or that you ought to answer—I will not say "must"—is this: You were a judicial officer. You were charged with the trial of every one that came before you, and you were to do it with impartiality and without participation on either side, either the prosecution or the defense. Did you have any conversations with Mr. Merrick in which he outlined the plan and procedure of his work, and did you approve of that plan of procedure and become a party to it, and then afterwards sit on the trial of the persons who, in pursuance of that plan, were apprehended and brought before you?

Judge COOPER. Mr. Merrick did tell me he was going to send agents up there who were unknown in that territory He told me in a general way the line of procedure they were going to follow. He told me, however, that they might be arrested, and if they were arrested and exposed, what they had done would be lost and they could do no more. He said that he thought I ought to protect him and while

I do not pretend to give you the exact words, I asked him how, and he said that I ought to provide in some way, if these agents were arrested, that word could be gotten to me and so that I could communicate with the commissioners and tell them to release these agents on their own recognizance, so that their identity would not be disclosed and they could go on with the work. I told him that I thought that was reasonable and that I would do it.

The CHAIRMAN. Had you any further connection with originating, directing, or approving the plan of procedure adopted by the officers, other than this agreement to release on bail any agent that might be arrested?

Judge COOPER. I told Mr. Merrick that they were bringing in a lot of boys of almost tender years before the court. Most of them were caught somewhere between Plattsburg and south, with Packard and Cadillac cars, with substantial loads which were worth, if they were ale, hundreds of dollars, and if they were wines or whiskies or gin, thousands of dollars, and that it was very evident to me and to everybody else that those boys were not the owners of those cars and those loads, because unless they were young Crœsuses, they could not have such money, and somebody was sending them out.

The CHAIRMAN. Judge, did you direct in any manner, or participate in the work of officers, or advise or counsel with them as to how they should proceed?

Judge COOPER. Not any further than I have told you.

The CHAIRMAN. That is to try and get the higher-ups?

Judge COOPER. Yes, sir.

The CHAIRMAN. And that was the whole extent of your advice and counsel to them?

Judge COOPER. That is my recollection of all the advice and counsel I gave Mr. Merrick.

The CHAIRMAN. I would suggest that the rest of your statement be submitted and printed in the record.

Judge COOPER. I can submit the rest of it. I wonder if you will bear with me just a moment? I wanted to point out that no crime was committed by these agents.

The CHAIRMAN. That is not material to us.

Judge COOPER. It is material to the public. It may not be material to you.

The CHAIRMAN. Only as you participated in it and had knowledge of it and approved of it. The agents are not on trial.

Mr. CHRISTOPHERSON. Mr. Chairman, I should like to say that I, for one, am of the opinion that Mr. LAGUARDIA should be given the right to propound questions to the judge.

The CHAIRMAN. That was decided in committee to-day. It is res adjudicata.

And the committee adjourned, Judge Cooper understanding that the committee was through with him, and he and his wife made their preparations to leave on the afternoon train for their return to Albany, N. Y., and just about the time he was to embark on the train he was notified by his attorney that Chairman GRAHAM had requested that he come back before the committee for cross-examination by Mr. LAGUARDIA. It therefore occurs to me that the chairman of said committee has one policy on one day and another policy on another day. That on one day he ruled that there is to be no cross-examination, and on the next day he ruled that there will be cross-examination.

ASSOCIATION AGAINST THE PROHIBITION AMENDMENT

Now, let me show you just what is behind this persecution of Judge Frank Cooper. He has been enforcing the prohibition laws, both the Constitution and the statute law of the land. He has been after the higher-ups. He has been after the princes as well as the paupers. He has been giving jail sentences and terms in the penitentiary for the ringleaders, and they do not like it. The following is one of their "organization" letters they have been sending out over the country:

[William H. Stayton, national chairman; G. C. Hinckley, national secretary and treasurer; office of Charles S. Wood, national campaign manager, 1202 Liberty Building, Philadelphia]

THE ASSOCIATION AGAINST THE
PROHIBITION AMENDMENT (INC.),
SUITE 409, LENOX BUILDING, 1523 L STREET NW.,
Washington, D. C., February 3, 1927.

DEAR SIR: In a recent communication to the United States Senate, Mr. Andrew W. Mellon, Secretary of the Treasury, transmitted to that body a report made to him by Mr. R. Q. Merrick, prohibition administrator, detailing the steps he had taken to check rum running from Canada.

The prohibition administrator states that, with the knowledge and approval of United States District Judge Frank Cooper, of the northern district of New York, Prohibition Commissioner Haynes, and Chief of General Prohibition Agents E. C. Yellowley, he employed, on or about December 1, 1924, other agents who made purchases of liquor in Canada and ran the liquor in automobiles to Albany, Troy, and Plattsburg, where they sold it to bootleggers, who were afterwards prosecuted and convicted for conspiracy to violate the national prohibition act.

In the opinion of this association the employment of men by the Government to break the law and thereby entice others to break it is an abominable practice and not to be tolerated in a civilized country.

We are anxious to secure more detailed information as to the practices outlined above, and should much appreciate hearing from you whether you have any personal knowledge of the connection of any Government officials either in the prohibition enforcement service, the judiciary, or the offices of the district attorney, or others, with matters of this kind.

We should particularly like to have the names and addresses of any persons who in your opinion would be likely to be able to give us reliable testimony as to this.

We shall keep your name out of the matter entirely unless we receive specific permission from you to use it.

We sincerely hope that you may be able to do us this service in the cause of orderly and decent government, and beg for the favor of a prompt reply, as the matter is already in the hands of the Judiciary Committee of the House of Representatives for investigation.

Very truly yours,

ASSOCIATION AGAINST THE PROHIBITION AMENDMENT,
CHARLES S. WOOD, *National Campaign Manager.*

I have omitted the name of the addressee in the above letter for obvious reasons. This association against the prohibition amendment is after every judge who has been enforcing the law. They are after Judge Cooper. They have caused to be written letters to members of the bar who practice before Judge Cooper, and have had parties go to such attorneys, seeking statements of misconduct on the part of Judge Cooper, hoping to comb up something to use against him in this LaGuardia impeachment.

HOPE TO BREAK DOWN THE LAW

Their hope is that they will break down the law. They have been trying to get Congress to help them. They have caused appropriations for this work to be denied by this Congress, when they know that such action will cripple and handicap the prohibition enforcement department.

APPEAL FROM THE SECRETARY OF THE TREASURY

Every posted man knows that Andrew W. Mellon, the Secretary of the Treasury, is not a prohibitionist. He does not believe in it. He is fundamentally wet. Yet the enforcement of prohibition laws has been placed in his hands, and he must make some show at least to uphold such law. And he knows that the action of Congress in cutting off the appropriation for under-cover work will cripple and handicap his department.

On yesterday, February 10, 1927, there was received by the Speaker of the House of Representatives the following appeal from the Secretary of the Treasury:

THE SECRETARY OF THE TREASURY,
Washington, D. C., February 8, 1927.

The honorable the SPEAKER OF THE
HOUSE OF REPRESENTATIVES, UNITED STATES,
Washington, D. C.

MY DEAR MR. SPEAKER: Beginning with the fiscal year 1922 Congress, in the appropriation act for each fiscal year, has authorized the Treasury Department to use a designated portion of the moneys appropriated as an advance fund in securing evidence of violations of the Harrison narcotic law, as amended, the narcotic drug import and export act, and the national prohibition laws. This provision was stricken from the appropriation act for the next fiscal year on a point of order. This leaves the department without authority to use any portion whatever of the appropriation for securing evidence in this manner.

The use of certain funds as advance moneys is absolutely essential to the successful enforcement of these laws. This was explained as follows in a recent communication from the department to the President of the Senate:

"This brings us to a consideration of the whole subject of law enforcement, as regards the national prohibition laws.

"The enforcement of these laws presents a problem which the public and the Congress must consider. Unlike other criminal laws, violations are not specific and limited to individual cases where only at most a small group is concerned. The country is faced with numerous, vast, and continuing conspiracies. It must be recognized that violations are nation-wide in their occurrence and almost without number. To meet this condition the Federal Government must concentrate its efforts upon the large, well-organized, illegal operations that develop and maintain the sources of supply and the wholesale distribution. Illegal traffic of this character and on such a scale is a menace to the stability of well-ordered society and to the common welfare. The men engaged in this illegal work have practically unlimited financial resources from the tremendous profits their trade offers; they are, therefore, able to get skilled assistance, both legal and chemical, and to practice corruption of public offi-

cials where corruptible officials can be found. They employ criminals who often do not hesitate at murder to assure the success of their operations.

"The advance of civilization means constant warfare between well-ordered society and the lawless elements. When society is aroused, aggressive and well organized, the criminal class is driven to cover and becomes more or less innocuous; when public opinion is indifferent the suppression of the criminal classes becomes ineffective until the law-abiding classes are aroused to the danger threatening their social order, and the laws are again enforced.

"This is a fair picture of the conditions to-day facing the executive department charged with the enforcement of the prohibition laws. Conspiracies are nation-wide in extent, in great numbers, organized, well financed, and cleverly conducted. No parallel of this situation exists in normal times. It is similar, rather, to war. Our efforts must be nation-wide and as thoroughly organized. We are in particular need of a highly developed department of intelligence to keep the forces of society informed as to the personnel and methods used by the lawbreakers. We can not defeat a force as to whose numbers, organization, and methods we are in the dark. Secret Service work is as necessary to the successful enforcement of these laws as it is for the enforcement of the laws against counterfeiting or similar crimes. Even more important is the existence of a public opinion which will sustain the morale of the Government agents.

"It is neither necessary nor desirable that these agents engage in any illegal practices or entice others to do so, but it is necessary that agents be employed who are qualified and do act as spies with the opposing forces. No one likes the idea, but it is as essential here as it is in war in order to gain necessary intelligence. Secret-service methods and under-cover men are absolutely necessary if the prohibition law is to be enforced. This is a fact which the public and their representatives must face. The alternative is lax and ineffective enforcement of the law. A limited number of Government employees, every one of them known to the criminal element, operating in broad daylight and in the view of all, can not hope to defeat unknown, intelligent, and unscrupulous men, not only highly organized, but constantly developing new channels and methods, and whose operations are necessarily enshrouded in darkness. Without meaning to justify the individual cases reported where agents have resorted to questionable methods in order to obtain the organization secrets and the methods of operation of bootleggers, it should be frankly stated that without the employment of undercover methods and the willingness of Government servants to become identified with the law violators in order to unearth their secrets, prohibition enforcement will be handicapped almost to the point of failure."

Congress not having provided authority for this use of funds in the next fiscal year, the department has had prepared, and forwarded herewith, a proposed act which will remedy this situation by providing that the Secretary of the Treasury, with the approval of the President, may make available for advances for this purpose, from appropriations already made, such sums as he deems necessary. This act is recommended by the department in the belief that the Congress does not intend to leave the executive department thus seriously handicapped in the matter of law enforcement.

An identical letter has been addressed to the President of the Senate.

A. W. MELLON, *Secretary of the Treasury.*

And Secretary Mellon transmitted a bill to Congress which he states is absolutely necessary, if his department is to enforce the law, and shows us that unless we pass such bill allowing him to use funds for under-cover purposes, it will be impossible for him to enforce the law.

And it will be remembered that this is the same Andrew W. Mellon who contributed $25,000 himself, and whose brother contributed $25,000, and whose nephew contributed $25,000, to to the campaign of a candidate for the United States Senate last year who was not acceptable to the prohibition forces of the United States. And this is the same Secretary of the Treasury, Andrew W. Mellon, who with his brother and nephew, supported in the last general election our colleague Mr. VARE, than whom there is no one more "wet," and when Mr. VARE from practically every housetop in Pennsylvania promised light wines and beer if he were elected. And yet, wet as he is, Secretary Mellon tells us that the prohibition law has been broken down because we have taken from him the funds to carry on this undercover work.

The attorney for Judge Cooper presented before the Committee on the Judiciary the following explanation of the LaGuardia charges:

Mr. LAGUARDIA, in his statements before the committee and in his statements on the floor, gave out the inference that these men whose conviction in Judge Cooper's court he criticizes were innocent persons enticed into the commission of crime. With respect to La Fountain the records of the court show that prior to his indictment in this particular case he had pleaded guilty and paid a fine on a charge of violation of the Volstead Act.

The record on appeal shows the following:

That on the trial of the indictment in question the prohibition agents testified that La Fountain boasted to the prohibition agents of his successful bootlegging, as follows:

The agents went to the Canada hotel, just across the line. Maschon, the manager, gave one of them a card and told them to take it to La Fountain. They went to La Fountain's house, about 2 miles away, and told him that they had a card from Maschon and wanted to see him with reference to buying Canadian ale. La Fountain answered, "All right; how much do you want?" The agents told him they had had previous dealings with Plattsburg dealers and were up looking around to see if they could get cheaper ale. La Fountain said, "We can sell you ale cheaper than the Plattsburg dealers can, but if you load with us up here you do not want to let the Plattsburg dealers know that you are loading up here, because a certain amount of jealousy exists between the Champlain dealers and the Plattsburg dealers, and they will get you caught if they know you are loading up here. Keep this under your hat." La Fountain further said, "I have been piloting cars from Champlain down to Plattsburg for the last five years and I have never lost one car." He said that he had a car loaded with ale in one of his garages for a New York man and he would leave that night for New York, and if he got safely to New York he would make $500 on the run. "I always know how the roads are before I put my cars out or put you on the roads."

"If you are really going to deliver any beer in New York you should buy it in carload lots. We can load you 300 cases, the smallest car we ship, and not more than 500 cases, into New York at $11 per case f. o. b. New York. All you have to do is to place the money in the bank and this car of ale will be shipped to you at New York or wherever you say, and we will have a man check this stuff in to you in New York, and if everything is all right then you O. K. the bill of lading and this man wires back to the bank and the money is then paid over to us."

La Fountain also asked if the agent would need any hard whisky, and named over Peter Dawson, Gordon Dry Gin, Johnny Walker, and two other brands of whisky, ranging from $45 to $55 per case.

THE HARTSON AND DUKEN CASES

Counsel might raise the question why Mr. LAGUARDIA based his charge against Judge Cooper in part on the so-called Hartson and Duken cases and then refrained from submitting the records in these cases to the committee. The facts are that Hartson and Duken were convicted in the trial court before Judge Cooper. Duken was convicted on only one count in the trial court, and that was of knowingly and unlawfully receiving, concealing, etc., intoxicating liquors when he knew that such intoxicating liquors had been unlawfully imported and brought into the United States from the Dominion of Canada. The circuit court of appeals held, with respect to Duken, that there should have been specification as to these liquors under the customs laws and the nature of the unlawfulness of Duken in handling them. On this technicality the case, with respect to him, was reversed. The conviction of Hartson on other counts, however, was affirmed and the record in his case is one of the most remarkable ones that could have been presented to this committee had Mr. LAGUARDIA not refrained from presenting it.

Hartson, Duken, and a man by the name of Lyons were jointly indicted. Lyons went before Judge Cooper and, through his attorney, filed an affidavit of prejudice and asked a severance. Judge Cooper granted this severance.

Now let us take up, first, what happened to Hartson and then what happened to Lyons. Hartson was tried; he was convicted; the plea of entrapment was raised in the trial court and the plea of entrapment was raised in the circuit court of appeals. The circuit court of appeals in its decision said:

"Parks was a Government agent investigating conditions in Plattsburg, near the Canadian border. He was introduced to Hartson by Lyons in the latter's barroom café. But it was more than a mere introduction. Lyons, according to Parks's testimony, first had to ask him for his name. He was a stranger. Then Lyons asked Hartson if he could supply Parks with 15 cases of William Dow ale, a Canadian ale, saying, 'He is up here after a load of ale and he is all right and fix him up.' A deal for the sale was promptly made by Hartson. Subsequently the liquor, bearing the Canadian label, was delivered and paid for at a nearby garage.

"This evidence, in our judgment, suffices to sustain the charge of conspiracy by Lyons and Hartson that Hartson should sell the imported liquors to Parks."

When the circuit court of appeals affirmed the conviction of Hartson it had before it the full record of testimony by the Government agents that they had purchased, transported, and sold liquor as Government agents in an effort to detect crime among criminals whom they suspected of being guilty of violating the law. Not only that, but the circuit court of appeals had before it the plea of Hartson that he had been entrapped by this procedure on the part of the Government agents, and it thought so little of the plea of entrapment that in its decision it ignored it.

Now, what happened to Lyons? As has been stated, Lyons filed an affidavit of prejudice against Judge Cooper and asked for a severance, so that he might be tried under another judge. The severance was granted. But notwithstanding the fact that this man Lyons accused Judge Cooper of prejudice, at a later time he came back into Judge Cooper's court and pleaded guilty. He did not stand trial.

HAYES AND DE FRANZO CASES

Now, with respect to Hayes and De Franzo, whose case likewise was appealed to the circuit court of appeals and can be found in 14 Federal (2d) 561 and on, the Government agents testified as in the other cases. They did not conceal any of the facts about their activities. In this case the defendants pleaded entrapment and requested an instruction of the trial judge. The judge, none other than Judge Cooper, instructed the jury as follows:

"If a person is entirely innocent, has no thought of committing a crime, no means of committing a crime, no desire to commit a crime, no such thing is in his mind—if a person, thus innocent, having no thought or intention or desire to commit or violate any law or commit any crime, is induced to do so by the solicitation and entreatment, the persuasion and insistence planted in the mind of the person, the desire and the intention to do it and he does it which except for said insistence and persuasion he would not otherwise have done, that is entrapment.

"Now, having that definition in mind, the defendant Hayes says that he would not have had any ale in his premises, sold any ale, or had anything to do with any ale or intoxicating liquors of any kind except for the solicitation, the entreatment, the persuasion, the insistence of Agent Parks. If that be so, then he is not guilty of the crime of conspiracy and he is not guilty of any of the offenses here charged. But if he was a willing seller; if he was engaged in the business, or if he only awaited an opportunity to sell, and all that Agent Parks and the other agents did was to give him an opportunity to sell, why, then, he is guilty of such offenses as the evidence warrants you in finding him guilty of."

The jury convicted; the case was appealed to the circuit court of appeals, which again, as in the preceding case, took its affirmative action without even referring to the issue of entrapment which was one of the principal pleas raised before it.

If ever there was an instance where the rule of res adjudicata could be applied, that is more outstanding than these cases, counsel has not heard of it. But the facts of record were not submitted to this committee for its consideration as they should have been by the one who brought these charges against Judge Cooper.

Mr. LAGUARDIA has tried to raise a question in the mind of this committee as to whether the entrapment of individuals suspected of engaging in criminal acts in violation of Federal law by Government officers, specifically directed by their superior officers to detect crime, is of itself a violation of the law, when the acts of these agents include the purchase, transportation, and sale of intoxicating liquors. This question was raised on the appeal in these three cases and the circuit court of appeals for the second circuit, after reviewing the testimony, the record of the trial, the instructions to the jury, decided that the Government agents in these particular cases about which Mr. LAGUARDIA has complained did not violate any law, but were performing their duty as they should have done.

All of these things complained about by Mr. LAGUARDIA, Mr. CELLER, and Mr. BLACK of New York happened back in 1924. But it affords an opportunity for the "wets" to harass and make weak-kneed certain judges who are enforcing the prohibition laws, despite the drawbacks and handicaps the States of New York, Maryland, and others have hampered them with. It is so seldom that we find a judge in New York who is strictly enforcing the prohibition law, that I am going to see that this one gets a fair deal and that he is properly defended before this Congress.

Mr. GRAHAM. Mr. Speaker, I do not suppose it is necessary to reply to this fiery oration by the distinguished gentleman from Texas. He has drawn upon his imagination for the facts to a degree most astonishing. One would suppose that he was guide, counsellor, and friend of the committee, taking the deliberations into his care as to what should be done, and that he was the special guardian of the judge, and that the committee was not looking after his interests in the slightest degree.

I wish to say to the House that this matter is being as carefully guarded in the proceedings as if the gentleman from Texas were the real counsel for the judge from Albany. [Laughter and applause.] Your committee is simply asking that they be permitted to swear witnesses who come before them rather than to go through the farce of having a man stand there not under oath and making a statement. In other words, the gentlemen who presented the articles of charges have themselves demanded the right of cross-examination. Our committee had declared, following, as we understood it, the plan which the gentleman from New York [Mr. LAGUARDIA] had outlined, that he was to make a statement, and then if the judge cared to make a statement he would be permitted to do so, and then the committee would take into consideration the matter and dispose of it.

It seems that when the gentleman from New York came before the committee he made nothing but a legal argument and presented documents from the Treasury Department, which had been submitted to it by the prohibition agent. He promised to produce the prohibition agent before the committee, but he failed to do it. I called the prohibition agent to the stand in order that we might examine him and force the gentleman to conduct his case in accordance with the original outline. In point of fact, the ruling of the committee was carefully guarded, and never at any stage of the proceedings was it decided that Judge Cooper should be compelled to testify. Such an unheard-of proceeding never entered the mind of anybody on the committee. It was after the hearing was closed and after we said that Judge Cooper could not be called to the stand by the gentleman from New York that he himself came to the chairman of the committee and asked permission to make a statement. That statement was made by him voluntarily, without coercion or any intimation from the committee itself.

Now, then, the demand was made on the committee for cross-examination. Rather than have it go out to the country and the world or to this House that anybody was being denied the privilege which they might have a legal right to demand, we considered what we would do in executive session, and we decided to close the mouths of those who might make such an assertion by giving to those who desired it the right to cross-examine persons presented as witnesses. We were notified by the gentleman presenting the charges that there would be four or five witnesses called. Do you think we wanted to sit there like mummies and let them make statements not under oath?

This committee will take care of the judge's reputation and character, with the closest scrutiny and guardianship, until there is disclosed something that may be made the basis of charges other than the frivolous things thus far asserted. [Applause.]

Mr. LAGUARDIA. Will the gentleman yield me three minutes?

Mr. GRAHAM. I do not think there is any necessity of further debate.

Mr. LAGUARDIA. But the gentleman has characterized the charges as frivolous.

Mr. GRAHAM. I will yield the gentleman three minutes.

Mr. LAGUARDIA. Mr. Speaker, I think the country and the world and this House, to which the distinguished gentleman from Pennsylvania has just referred, can get a pretty good notion of what the gentleman from New York is up against when the chairman of the committee takes an official document submitted by the Secretary of the Treasury to the United States Senate and describes it as a frivolous thing. My charges are based on that report. The gentleman criticizes the gentleman from Texas [Mr. BLANTON] for seeking to be the counsel for the defense, and yet he has put the gentleman from New York [Mr. LAGUARDIA] on trial rather than the judge who is before him for trial.

Mr. BLANTON. Well, he has gotten the right man all right. [Laughter.]

Mr. LAGUARDIA. The gentleman from Texas danced attendance upon the judge, but the judge brushed him aside and said that he would not want to be contaminated with the help of the gentleman from Texas.

Mr. BLANTON. That is not so.

Mr. LAGUARDIA. Did not the gentleman dance around him yesterday?

Mr. BLANTON. No. I never spoke to him in my life. However, he did ring me up over long-distance telephone, but he has never yet seen me to know me. We have never met personally.

Mr. LAGUARDIA. Then how did the gentleman know so much about it?

Mr. BLANTON. Because I investigated the gentleman's charges.

Mr. LAGUARDIA. How?

Mr. BLANTON. Oh, I have means of doing it, just the same as the gentleman has, except that they are more reliable and authentic.

Mr. LAGUARDIA. The gentleman did not take that sort of attitude when he was after Fenning. Mr. Speaker, I presented to the committee an official document from the Secretary of the Treasury, and it is not upon me to call the witness before the Committee on the Judiciary. That witness was in town at the very time that I was being upbraided for not producing him before the committee. I welcome this opportunity of presenting witnesses under oath, but I ask the chairman in all

fairness not to draw conclusions in advance and close his mind to an impartial and fair investigation of these very serious charges.

Mr. CELLER. Mr. Speaker, I ask the gentleman from Pennsylvania to yield me two minutes.

Mr. GRAHAM. Mr. Speaker, I call for a vote.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon the subject of the contemplated impeachment against Judge Cooper.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. GRAHAM. Mr. Speaker, I object.

Mr. CELLER. Mr. Speaker, I ask the gentleman from Pennsylvania to withdraw his objection. I want to put into the RECORD some American and English precedents on impeachment.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD by inserting therein certain precedents on the subject of impeachment. Is there objection?

Mr. WILLIAMSON. Mr. Speaker, I object.

Mr. BLANTON. Mr. Speaker, I rise to prefer a unanimous-consent request concerning charges that the gentleman from Massachusetts [Mr. TREADWAY] made that the National Tribune was collecting money from veterans of the Civil and Spanish-American Wars concerning its petitions that had been placed in the RECORD. I have a letter that I wrote to the Tribune demanding that they furnish a statement of what moneys they have collected, and I have their reply. I ask unanimous consent to put those in the RECORD.

The SPEAKER. Is there objection?

Mr. CELLER. Mr. Speaker, I object.

Mr. GRIFFIN. Mr. Speaker, I ask unanimous consent to print an editorial from the Iron Age on the bill H. R. 3846.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD by printing an article which appeared in the Iron Age. Is there objection?

Mr. WILLIAMSON. Mr. Speaker, I object.

IMPORTATION OF MILK AND CREAM

Mr. HAUGEN. Mr. Speaker, I call up from the Speaker's table the bill (H. R. 11768) to regulate the importation of milk and cream into the United States for the purpose of promoting the dairy industry of the United States and protecting the public health, with Senate amendments thereto, and move to concur in the Senate amendments.

The SPEAKER. The gentleman from Iowa moves to take from the Speaker's table the bill H. R. 11768 and recede and concur in the Senate amendments.

Mr. BLACK of New York. Mr. Speaker, I make the point of order against the motion upon the ground that the amendments inserted in the bill by the Senate are such that must be considered in Committee of the Whole.

The SPEAKER. The Clerk will report the Senate amendments.

The Clerk read as follows:

Page 4, after line 12, insert:

"The Secretary of Agriculture is directed to waive the requirements of paragraphs 2 and 5 of section 2 of this act in so far as the same relate to milk when issuing permits to operators of, or to producers for delivery to, creameries and condensing plants in the United States within 20 miles of the point of production of milk, and who import no raw milk except for Pasteurization or condensing: *Provided*, That if milk imported when the requirements of paragraphs 2 and 5 of section 2 have been so waived is sold, used, or disposed of in its raw state, or otherwise than as Pasteurized, condensed, or evaporated milk by any person, the permit shall be revoked and the importer shall be subjected to fine, imprisonment, or other penalty prescribed by this act."

Page 4, line 20, strike out all after "cream," down to and including "time," in line 2, page 5, and insert: ": *Provided, however*, That unless and until the Secretary of Agriculture shall provide for inspections to ascertain that paragraphs 1, 2, and 3 of section 2 have been complied with, the Secretary of Agriculture shall issue temporary permits to any applicants therefor to ship or transport milk and/or cream into the United States."

Page 5, line 6, after "has," insert: "failed to comply with the provisions of or has."

The SPEAKER. The Chair will hear the gentleman from New York.

Mr. BLACK of New York. Mr. Speaker, these amendments clearly go to the financial features of the bill. In the first amendment the Secretary of Agriculture may cut down the revenues by waiving certain requirements in respect to the issuance of permits, and at the same time in the proviso in that amendment may add to the cost of inspection by creating a new penalty and a new violation. The same is true of the second amendment, which also cuts down the requirement for permits. In the bill on page 3 the Secretary of Agriculture is permitted to issue regulations prior to the issuance of permits in compliance with those regulations. It is the usual thing for the Secretary of Agriculture vested with this power to require that money be paid for these permits, and anything that goes to the number of permits, to the increase of inspection, goes to the revenue features of the legislation.

I call the attention of the Speaker, though I presume it is not necessary to do so, to section 843 of the Manual, which requires that:

All motions or propositions involving a tax or charge upon the people; all proceedings touching appropriations of money, or bills making appropriations of money or property, or requiring such appropriations to be made, or authorizing payments out of appropriations already made, or releasing any liability to the United States for money or property, or referring any claim to the Court of Claims, shall be first considered in a Committee of the Whole.

This bill does not make an appropriation. It authorizes an appropriation. Through this blanket power given to the Secretary of Agriculture by page 3 of the bill, it authorizes him to draw up his own regulations, and it authorizes the making of license fees.

These amendments do affect the revenue from such licenses and applications for they dispense with permits in certain cases, and on the other hand in certain cases of adding to the cost of carrying the provisions on.

Mr. LAGUARDIA. In other words, it involves an expenditure?

Mr. BLACK of New York. Involves an expenditure of public moneys.

Mr. SNELL. Mr. Speaker, under paragraph 860 of the Manual—

House bills with Senate amendments which do not require consideration in a Committee of the Whole may be at once disposed of as the House may determine, as may also Senate bills substantially the same as House bills already favorably reported by a committee of the House, and not required to be considered in Committee of the Whole, be disposed of in the same manner on motion directed to be made by such committee.

As a matter of fact the amendments to which the gentleman from New York [Mr. BLACK] refers are entirely in accordance with provision of the rule just read and do not come under the provisions of section 843 at all, and the provision read by him in no way applies to the question in hand. The amendments of the Senate are simply limiting amendments, and they simply affect in a very minor degree the main provisions of the bill, or merely affect the administration or working out of the bill, and in no way affect the revenue produced by the bill. The House bill is changed only to a slight degree, and there is absolutely nothing in the amendments which involve consideration by the Committee of the Whole House, in regard to which, the gentleman from Iowa proposes to concur at this time.

Mr. LAGUARDIA. It collects a substantial sum, bringing it within the rule——

Mr. SNELL. That is a violent conclusion. The amendments do not affect the general purposes of the Senate bill in any way, shape, form, or manner, and in no way affect the revenue collected under the bill.

Mr. LAGUARDIA. It gives a greater latitude.

Mr. SNELL. You might say in one way that it does, but the main purpose of the bill is not changed.

Mr. BLACK of New York. As a matter of fact, do not the Senate amendments extend to the number of permits to be issued?

Mr. SNELL. I think so.

Mr. BLACK of New York. Then it does affect the revenues?

Mr. SNELL. It does not affect the revenues in any way, shape, or manner, for the permits have nothing whatever to do with the revenue collected under the bill. They are simply a matter of regulation provided for under the main bill.

The SPEAKER. The Chair is ready to rule.

A very recent decision of the House itself holds that if any amendment or provision makes a charge upon the Treasury it must appear upon the face of the bill itself. The House went so far even as to hold that the Speaker might not make use of any knowledge he might possess that a charge on the Treas-

ury would necessarily follow. The effect of the decision of the House is that any provision must show on its face beyond any possibility of speculation or doubt that a charge upon the Treasury is in fact created. The Chair is unable to see language in these amendments on their face which would cause the Chair to be certain of there being a charge on the Treasury and overrules the point of order.

Mr. BLACK of New York. Mr. Speaker, I have an amendment——

The SPEAKER. Does the gentleman from Iowa yield the floor for the purpose of allowing the gentleman from New York to offer an amendment?

Mr. BLACK of New York. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BLACK of New York. The gentleman from Iowa moves to recede and concur in the Senate amendment. The only thing before the House now is his motion. I want to offer an amendment to the motion——

The SPEAKER. The gentleman from Iowa has the floor for one hour, and the motion of the gentleman from Iowa is preferential.

Mr. TABER. Mr. Speaker, the gentleman from Iowa [Mr. HAUGEN] yielded to me.

The SPEAKER. The gentleman from New York is recognized.

Mr. TABER. Mr. Speaker, the amendments adopted by the Senate to this bill liberalize the bill a little bit, so that Pasteurizing plants on this side of the line may receive milk that is produced on the other side of the line within 20 miles of the plant under certain conditions. That amendment was said by the Sheffield farm people and other large distributers of milk to make the bill satisfactory to them. It does not hurt the bill any, in so far as keeping out their milk is concerned, because the milk which is so imported is subsequently Pasteurized, and the importer will still be liable and subject to the penalties prescribed by the act if it is not Pasteurized. The other amendments are amendments of detail and have no substantial effect.

I want to say this one word with reference to the New York City situation and to show the House just how far afield some of their statements have been. The total importations of milk during June, July, and August, 1926, according to the statistics of the Department of Agriculture and the Department of Commerce, are only 3,600,000 quarts.

Mr. LaGUARDIA. Was that more than the usual consumption?

Mr. TABER. That was more than the usual importation. The total consumption in New York City per day is 3,000,000 quarts, so that at the peak of the season the importation is only as much as 3 per cent of the total consumption in New York City, and the effect of this bill making those people who import comply with the regulations of a sanitary nature that are required in this act can not be serious, so far as New York City is concerned.

Mr. BRIGHAM. Mr. Speaker, will the gentleman yield there?

Mr. TABER. Yes.

Mr. BRIGHAM. Can the gentleman tell us the amounts imported in November and December?

Mr. TABER. Somewhere between 400,000 and 500,000 gallons, or 2,000,000 quarts, per month. The large importation is in the summer.

Mr. LaGUARDIA. In the other months there is a sufficient domestic supply?

Mr. TABER. Yes; in all the months there is a sufficient domestic supply. By the provisions of the bill the supply will not be cut off. It simply means that the Canadian producers will clean up.

Mr. NEWTON of Minnesota. Mr. Speaker, will the gentleman yield there?

Mr. TABER. Yes.

Mr. NEWTON of Minnesota. What the gentleman has said with reference to the Senate amendment would apply not only in New York, but it would not harm the situation anywhere throughout the country?

Mr. TABER. It would not. Unless they tried to bring in dirty milk.

Mr. HAUGEN. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. BLACK].

The SPEAKER. The gentleman from New York is recognized for five minutes.

Mr. BLACK of New York. Mr. Speaker and gentlemen of the House, this bill has only one purpose in view. It is not in the interest of the health of the people of the city of New York at all. This bill is for the purpose of giving to the Secretary of Agriculture the power to raise the price of milk for the people of the city of New York. It gives him the power of embargo over the milk coming into the city of New York. It gives him the power to deprive the people of the city of New York of milk.

The health commissioner of New York City, Doctor Harris, is opposed to this bill. He is a man whose regard for the health of the people of the city of New York has been confirmed by statements not only from his own party but from Republicans of the State of New York.

Mr. GRIFFIN. Mr. Speaker, will the gentleman yield?

Mr. BLACK of New York. Yes.

Mr. GRIFFIN. Does not the amendment affect other cities along the northern border?

Mr. BLACK of New York. Yes; the gentlemen who are guardians of the cows and have been for a number of years are coming down to protect our people.

Mr. GRIFFIN. Would not the amendment affect all the other cities along the southern side of the Canada border?

Mr. BLACK of New York. Yes.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. BLACK of New York. Yes.

Mr. SNELL. In what respect does it change the specifications in regard to the milk coming into New York—anything that would interfere with Doctor Harris's regulations?

Mr. BLACK of New York. Doctor Harris might be satisfied with certain milk, but the Secretary of Agriculture may prevent the same milk coming into New York; milk that otherwise would come in. It is not in the interest of the people of the city of New York, but in the interest of the farmers of the gentleman's district. You never worry about the children of the city of New York.

Mr. TABER. Does the gentleman object to the people in New York City having pure milk?

Mr. BLACK of New York. I object to the people of the city of New York not having milk unless they have to get it from you folks up the State. You people all your lives never gave a thought to the people of the city of New York until the last campaign.

Mr. BROWNE. The gentleman seems to differ with that distinguished Senator from New York City, DOCTOR COPELAND, who believes that this is a health measure for the benefit of the people of New York.

Mr. BLACK of New York. Oh, I disagree with COPELAND so much that I begin to think I am a consistent contradicter of COPELAND. When he lines up with TABER and SNELL, then he does not go along with me. [Laughter.]

Mr. BROWNE. I am sure the Senator would change his views if he knew where you stand. [Laughter.]

Mr. BLACK of New York. I am not particularly interested in straightening him out. This is a pure graft proposition, not a sanitary proposition. The alibi is health.

Mr. WAINWRIGHT. How does the Governor of New York stand on this pure-milk proposition as it affects the city of New York?

Mr. BLACK of New York. The Governor of the State of New York has already been for pure milk for the people of the city of New York. He has always been for a reasonable cost of living for the people of the city of New York. He has been one of the best friends of the farmers of the State of New York; and it does not behoove the Secretary of Agriculture, with such a governor in New York, to be doing a little bit of manipulation.

Mr. WAINWRIGHT. That is not an answer to my question. I asked the gentleman what the attitude of the Governor of the State of New York was on this bill.

Mr. BLACK of New York. I will not go to jail if I do not answer the gentleman.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. HAUGEN. Mr. Speaker, I yield one minute to the gentleman from New York [Mr. LaGUARDIA].

Mr. LaGUARDIA. Mr. Speaker, I fired all the ammunition I had on this bill when it was before the House. I know I can not stop it now, because it is going to pass in a very few minutes. I simply want to reiterate what I said before: This is an embargo bill. I am sure we are going to have a shortage of milk in New York City, which is going to enhance the price of milk, and I will be here next session to give you the information, and in all fairness I want the gentleman who offered it to be here at that time.

Mr. HAUGEN. Mr. Speaker, I yield three minutes to the gentleman from Kansas [Mr. TINCHER].

Mr. TINCHER. Mr. Speaker, I suppose every Member of the House remembers what this bill is. Most every State of the United States has imposed the tuberculin test upon dairy herds and have imposed certain sanitary regulations that must be

complied with by the dairymen of America. Canada will not comply with those regulations so long as they can bring their milk in without that compliance. Placing human life above the ambitions of Canadian dairymen in not testing their herds your Committee on Agriculture reported this bill, and so far as I know they are still supporting it.

Mr. HAUGEN. Mr. Speaker, I move the previous question.

Mr. BLACK of New York. Mr. Speaker, I have an amendment pending, but I withdraw my amendment in view of the tactics of the gentleman from Iowa in not giving me a chance to offer it.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Iowa to concur in the Senate amendments.

The Senate amendments were concurred in.

THE M'NARY-HAUGEN FARM RELIEF BILL

Mr. HAUGEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 15474) to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. MAPES in the chair.

The Clerk read the title of the bill.

Mr. HAUGEN. Mr. Chairman, I ask the gentleman from Kentucky [Mr. KINCHELOE] to use a part of his time.

Mr. KINCHELOE. Mr. Chairman, I yield myself 30 minutes. [Applause.]

Mr. ANDRESEN. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Minnesota makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and twenty-one Members are present, a quorum, and the gentleman from Kentucky is recognized for 30 minutes.

Mr. KINCHELOE. Mr. Chairman and gentlemen of the committee, I voted against the so-called McNary-Haugen bill on two occasions in this House on account of many objectionable features in that bill, which I have not the time and shall not undertake here to state, but what I want to do, if the House will indulge me awhile, is to try to explain the so-called McNary-Haugen bill that is now before you for consideration.

In a speech I made in the last session of the Congress on the bill, I tried to state my ideas for helping agriculture. If I had my way about it, and my party were in power, I would not be for any one of these bills now pending before Congress. If I had my way about remedying the helpless condition of agriculture, I would go to a different committee than the Committee on Agriculture. I realize that at this hour agriculture in this country, from ocean to ocean and from the Gulf to the Lakes, has creeping paralysis. Regardless of the products or regardless of the organizations the farmers have come about to their end.

As a member of the Agricultural Committee for four years, I have sat around the table and heard the wailing cry of agriculture throughout this country on every commodity, and whenever a man says to me that there is no problem in agriculture of this country, I do not think he knows what he is talking about. I say to you as a Democrat that I think this condition has been brought about largely by discriminatory legislation in behalf of other businesses and other industries in this country, which have levied a sad toll on the agricultural interests of this country. [Applause.] If I had my way about it, I would go to the Ways and Means Committee first, as this Democratic minority has tried to do in this Congress. I would reduce the tariff, prohibitive in many respects as to the necessaries of life, in a way that all manufactured articles which the farmer has to buy would cost him less. In that way I would increase the purchasing power of his dollar. I would make it possible for the manufacturers of Europe to come to this country and sell their products in open competition with the manufacturers of this country, whereby they could get American money with which to buy the surplus products of the American farmer and take them back to Europe, where they are so much needed. And I am no free trader nor do I want to hurt any legitimate business in this country.

I would go before the Committee on Interstate and Foreign Commerce and seek to have brought in a bill which would reduce the almost prohibitive freight rates upon the agricultural products of this country. I would develop Muscle Shoals so that the American farmer could buy his fertilizer cheaper. [Applause.] I would continue developing the inland waterways of this country, which will do more toward solving the problem of freight rates in this country than anything else. [Applause.]

But I realize that as long as this Republican administration is in power this can not be done. I agree in principle with the speech which the gentleman from Alabama, Mr. HUDDLESTON, made the other day; but when it comes to the point where I know this can not be done, and when I know that over 700,000 farmers of this Nation in the last four years have gone into bankruptcy and have been forced from their homes and from the farms where they once enjoyed prosperity and happiness to other pursuits in life, representing a population of over two and a half million people who were once happily engaged in agricultural pursuits on the farm, and who in this period of time have gone into bankruptcy by reason of conditions over which they had no control; and in view of the further fact that these other remedial legislative measures which I have enumerated can not be enacted under this Republican administration, as a Member of Congress, I am going to forego some of my opinions about the McNary-Haugen bill, resolve the doubt in favor of the bill, and give American agriculture and the American farmer a chance on this proposition. [Applause.]

I realize that in the debate yesterday we had some facetious talks, some unkind criticisms, but I am sorry to say the House was without any further information after that was done. [Laughter and applause.]

Now, what does the Haugen bill provide? The most autocratic Haugen bill ever introduced here since I have been in Congress was the first McNary-Haugen bill. The gentleman from Kansas, who is a great agriculturalist, says that one Member of Congress once said that there comes a time in a man's life when he should rise above principle, and when he refers to a man rising above principle, I presume he refers to the man who is going to support this bill. The first man who ever rose above principle in respect to this McNary-Haugen bill was the gentleman from Kansas himself, when he so eloquently and enthusiastically supported the first McNary-Haugen bill, when the wheat farmers of his country were flat on their backs.

The gentleman from Louisiana says by innuendo if not directly that the packers are for this bill and therefore everybody who is for this bill is controlled by the packers. These gentlemen are two great, outstanding agriculturalists in this country, the gentleman from Kansas, who raises nothing but wheat, and the gentleman from Louisiana, who raises cotton.

I come to you as a Representative on the floor of this House who has the honor to represent one of the greatest diversified farming districts in America, where we can raise practically everything except tropical fruits; and yet all the farmers of my country are practically bankrupt, regardless of the products they raise. I am in favor of giving these two distinguished gentlemen the degree of D. A. E.—doctor of agriculture and economics—the gentleman from Kansas and the gentleman from Louisiana.

This bill is the most democratic in its terms of any of these bills, and I mean by that, it is more representative and the farmers have all the say about it. It is a farmer's bill. It provides for an agricultural board with the Secretary of Agriculture as an ex officio member, and with one member from each farm land-bank district in the United States. These members are to be appointed by the President and confirmed by the Senate. But how are their names to be submitted to the President of the United States? The cooperative organizations and the farm organizations of the United States shall meet at the various Federal land banks or the cities in which they are located and submit the names of three men, whom they choose, to the President of the United States for appointment on this board, and the President of the United States must appoint one of these three men, and then he must be confirmed by the Senate.

The bill further sets up an advisory council composed of direct representatives of each basic commodity set up in this bill, which, as it is written, are corn, wheat, swine, cotton, and rice. How are these members of the advisory board selected? The Farm Loan Board select these seven members, who are representatives of the farmers engaged in each basic commodity, from lists submitted to them by the cooperative marketing associations and other farm organizations handling that specific commodity. They are to be the direct representatives of the farmers engaged in that specific commodity. They are to be the intermediary and the mouthpiece in the enforcement and the administration of this law between the farmer who raises this specific commodity and the farm board which is going to administer the law.

With this machinery set up, when you vote for this bill, my friends, you are not voting for an equalization fee on any com-

modity. You are voting to set up a piece of Federal machinery, which is going to give the farmers of each of these specific basic commodities the right to say whether they want an operating period declared or not. It is not like the former bills. You do not vote to put any equalization fee on any specific commodity by voting for this bill.

We have the same thing in connection with the Federal reserve system. If a State bank in any one of the States wants to join the Federal reserve system, the Federal Reserve Board says to this bank, "There is nothing compulsory about your coming in. You can come in if you want to; but if you do come in, you have got to comply with the laws and regulations of the Federal reserve system."

This board, when it is appointed, says to the farmers engaged in the production of such specific basic commodity, "You do not have to come in unless you want to; but if you do come in, you must comply with the laws and regulations as set out in this bill."

Suppose this was the law to-day. Let us take wheat as an illustration. What has got to be done in order for an operating period to be declared on wheat? First and foremost, the advisory council, which is representative of the growers of wheat, elected by the growers of wheat, must come to this board and ask for an operating period. Not only that, but the cooperative marketing associations of wheat and other organizations with respect to wheat must also come and ask this board to declare an operating period. Then the board, under this bill, still can not declare an operating period after all that is done. What else must be done? The members of this farm loan board, a sufficient number of them, representing land-bank districts in the United States that produce as much as 50 per cent of all the wheat raised in America, must first ask for it.

These three requests, gentlemen, must be made for it before the board can declare it. The board elected by the farmers, the advisory counsel elected by the farmers of that specific commodity, and the farmers themselves. When that is done they declare an operative period. Of course, the farmers that do not belong to cooperative marketing or other farm organizations raising wheat will not have any vote in the selection of the board or the advisory council. Neither does the taxpayer of the United States, notwithstanding he is paying taxes—State, county, and National—have any say in the election of officers to control these political units unless he votes. But he has got to pay his taxes whether he votes or not. He does not have to vote. No farmer under this bill has to go into the organization, and I would not vote for any bill that would compel him to go in.

Now, let us see—the operative period is declared on wheat and an equalization fee is fixed. And when it is fixed everybody must pay it pursuant to the definition set out in the bill.

Now, when the operative period is fixed the termination of it can be made in the same way and by the same people who start the operative period. When they come in the equalization fee is levied, and if it proves a benefit to the wheat farmer the man outside the organization gets the same benefit as the man inside the organization. Same thing with the other basic commodities. Suppose they go in. Suppose it is bad, suppose it is not a success, suppose it does not increase the price of wheat—do you think the farmers in the cooperative association and other organizations and their representatives are going to be fools enough to stay in when it does them no good? Why, if it is of no benefit to those in the organization and no benefit to those that are out they can get out the same way as they got in. They can get out whenever they want to. How?

These same organizations can come with their advisory council of seven men and with their votes in the Farm Loan Board representing 50 per cent of the commodity, and say, "Yes; we went in, we thought it would do us good, we paid the equalization fee, but we see after it is tried out it won't do, and we want to get out," and when they do that they can get out the same way they got in.

That, in subsance, is this bill. I never liked the equalization fee and I do not like it now. But if it is going to be good for the farmers on the inside of the organization, it is going to be good for those that are out. If it is going to be bad for those that go in, they are going to get out and you need not be uneasy about that.

The bill may not be perfect; no other great bill has been. When the time comes I am going to offer an amendment to put tobacco in the bill as a basic commodity. The Burley Cooperative Association of Kentucky with 105,000 members, the Dark Tobacco Association of Kentucky, Tennessee, and Indiana with 73,000 members, have been against the McNary-Haugen bill up to now because they thought they could carry the load and get through. But they have changed. They will tell you so themselves, because they have carried the load as long as they can carry it. They say they do not know whether the equalization fee is going to be a success, but they want to try it because they can carry the tobacco proposition no longer and they are gone anyway without something is done. Same way with most other farmers.

The gentleman from Kansas [Mr. TINCHER] says he thought that the bill was for food products. I suspect the gentleman did think so, for I doubt if he has read the bill enough to know about it. [Laughter.] It provides for agricultural commodities, and why should not tobacco be in it if the tobacco people want it? Tobacco is the only product which the American farmer raises that pays $390,000,000 into the Federal Treasury every year. [Applause.]

I do not know whether it is constitutional or not. I have tried in my humble way as a lawyer to satisfy my mind about it, but this is a unique piece of legislation. From the investigation I have made there has been no law passed that the courts have construed is sufficiently parallel to satisfy my own mind about it. The courts have construed the commerce clause of the Constitution. They have construed the taxing power of the Constitution; but, as I say, there is no parallel case to this. But let me tell you this: I do not know whether you have read the majority report on this bill or not, but it is the ablest report that I have ever read since I have been in Congress. I do not know who wrote the report, but it contains the best arguments for the constitutionality of this bill that I have ever read.

But in view of the precarious condition of agriculture, in view of the fact that I have not been able to find any parallel cases that would satisfy my mind about this, in view of the fact that every farm organization in the United States, with the exception of the Grange, and that the American Federation of Labor, consisting of 4,000,000 men, have come before the Agricultural Committee of the House and asked that this bill be enacted into law, I am going to resolve my doubt in favor of the bill and vote for it and let it be tried. [Applause.] And the great Grange organization has not declared against the McNary-Haugen bill. It merely declared for the debenture plan.

I want to show you a striking thing about agriculture. I was amused at the gentleman from Kansas [Mr. TINCHER] yesterday. He brought in two big maps and sandwiched himself between them and then never referred to either one of them. When he got through I was reminded of the story of the teacher who asked the children to write an essay upon the pin.

One boy wrote a rather prolix one, and in the course of it he claimed that the pin had saved the lives of thousands of people. After the teacher had read it he said to the boy, "What do you mean by the pin having saved the lives of thousands of people?" The boy replied that the pin had saved those lives because those people had never swallowed any. [Laughter.] The gentleman from Kansas saved himself by never referring to either one of these maps. When the gentleman comes to diagnosing legislation and chastising everybody who disagrees with him, he reminds me of the greyhound who runs by sight instead of scent. [Applause.] I have here a map that is prepared by the Bureau of Economics in the Department of Agriculture, which was loaned to me by my friend from New York, Mr. JACOBSTEIN, who, in my judgment, is the greatest economist in this House. [Applause.] Start at 1910 with nonagricultural products and 30 farm products. They run along together pretty well until 1915. The purchasing power of the farmer's dollar stood up as well as theirs. After the war came on and it was evident that we were going to get into it, both of them started to rise in price, and when it got to 1920, look how much higher the nonagricultural products went than the 30 agricultural commodities. That low place of the line of agricultural commodities represents a loss of $3,000,000,000 to the American farmer in 1920, because he did not get his proportion of high price for the commodities that he raised, as compared with what he had to buy. From 1920 up to 1926 look how they dropped. That period of 1921 until December, 1926, represents a loss of $15,000,000,000 to the agricultural interests of this country. There are two reasons for that: One, the iniquitous Fordney-McCumber tariff bill, which has provided a tariff so high that it has cut off competition in this country on many items, holds up the manufactured products, and the other, the Esch-Cummins railroad bill, which gives the Interstate Commerce Commission power to fix such rates as will yield the railroads a certain return, also helps to hold up the price.

Gentlemen, the 30,000,000 people on the farm can not live on this low line down here with those people on the high line above them. One of two things must happen. You have either got to

lower the nonagricultural products part of the way down or raise the agricultural products up. If I had my way about it, I would lower the nonagricultural products part of the way down and bring them down to meet the farmer. [Applause.] However, under this administration you can not do that. Every time the farmer buys a dollar's worth of manufactured products for himself or his family he pays tribute. It is true that there is no tariff upon agricultural implements, but there is a very high tariff on everything that goes into them. He pays his toll every time he buys a dollar's worth. Every time the people up here buy, they come down and get a discount. I tell you manufacturing gentlemen from New England, from Boston, from Massachusetts, that these 30,000,000 people, regardless of their present political affiliations, are not going to stand much longer the deep reward that you receive by reason of the discriminatory legislation in the way of a tariff and railroad rates. By their votes in the near future, if something is not done for agriculture, as sure as the sun shines they are going to elect a Congress and President who will take some of the pillars out of this great superstructure built up by discriminatory legislation. [Applause on the Democratic side.]

Mr. Chairman, last Tuesday night, by a strange coincidence, the Secretary of the Interior gave a dinner to the President of the United States and his wife at the Pan American Building. It was a wonderful banquet. Henry Ford came in his private car to attend that banquet, and gave out a statement in this morning's paper that he wants Coolidge reelected in 1928. Mr. Rockefeller was invited. Mr. Gary, of the Steel Trust, was invited, also Mr. Firestone, of the rubber-tire manufacturers, and Mr. Schwab and Mr. O'Leary, the president of the United States Chamber of Commerce, and many other notables, and, according to this clipping from the Washington Post, farmer Ned McLean's newspaper, if all of these people who were invited had attended, there would have been represented at the banquet a capital of $5,000,000,000, and it all occurred right at the time when this farm legislation was to be discussed at both ends of the Capitol.

I say it was a wonderful banquet. They held it in the Pan American Building, with its beautiful symmetrical columns, its Parian marble, under chandeliers that shone with all of the scintillations of a diamond, amid a pageantry of flowers that exuded their fragrance everywhere, amid the strains of music that fell as gently on the tympanum of the ear as a snowdrop on a mountain peak. Why, the feast of Belshazzar was a barn dance compared with that dinner. [Laughter.]

Mr. BARKLEY. Does my colleague intimate that the Secretary of the Interior invited no farmers to attend that dinner?

Mr. KINCHELOE. Oh, he had some of the Ned McLean's farmer type there, and just suppose if a vote on this McNary-Haugen bill had been taken at that banquet, including the President of the United States, how many votes do you suppose it would have gotten? Yet the pathetic thing about it is that 60 per cent of all the wealth that those people there possess was made possible by the discriminatory legislation in the way of tariff and railroad rates and other discriminatory laws on the statute books of the United States, that 60 per cent being contributed by the consumers, including these 30,000,000 farmers of the United States. [Applause.]

In favor of the McNary-Haugen bill—no. Why? It is "economically unsound." Everything you bring here for the benefit of the farmer is "economically unsound." The distinguished farmer from Kansas said it was economically unsound, and the distinguished gentleman from Louisiana, he says it is not only economically unsound—while not in the same stentorian tones of the gentleman from Kansas, but in a finer key, he says also that it is communistic.

Mr. ASWELL. Will the gentleman yield; he referred to me?

Mr. KINCHELOE. I will yield to his excellency.

Mr. ASWELL. I would like to ask the gentleman from Kentucky, on the roll call of the Committee on Agriculture in voting out this bill how did the gentleman vote?

Mr. KINCHELOE. I voted against reporting it. That is my answer.

Mr. ASWELL. But I have not finished. Will the gentleman vote for this Haugen bill as it now stands without amendment?

Mr. KINCHELOE. I will. I will answer the gentleman. [Applause.]

Mr. ASWELL. Will——

Mr. KINCHELOE. I have answered the gentleman's question and I trust he will not take up my time. I will say, gentlemen, at the last session of Congress when the "triplets" were reported out of the committee over my protest and at the gentleman's solicitation——

Mr. ASWELL. That is not true; I made no protest.

Mr. KINCHELOE. The gentleman mildly acquiesced.

The CHAIRMAN. The gentleman has consumed 30 minutes.

Mr. KINCHELOE. I will yield myself 15 additional minutes.

The CHAIRMAN. The gentleman is recognized for 15 minutes.

Mr. KINCHELOE. I followed the gentleman. I made a speech here in my humble way and said I would vote for his bill, and they went before the Rules Committee and got a triple rule—Damon and Pythias, the gentleman from Kansas and the gentleman from Louisiana; and after they got the rule and both of them offered their bills as substitutes in the Committee of the Whole House on the state of the Union, why, bless the Lord, they left me high and dry and withdrew them without getting to a vote. Gentlemen, these distinguished guests around the banquet Tuesday night—they could have taken one white chip off their financial stack in a collection and raised enough revenue to produce a revolving fund to put the agriculture of America on its feet. But they say it is economically unsound. Gentlemen, it may be unsound; I do not know; but the Capitol Hill to-day is being shelled with propaganda from big business organizations everywhere saying that it is economically unsound. If you are going to help the farmer now, you can do it by passing this bill, for it is the only one that has a chance. Who is against this bill? The United States Chamber of Commerce shelling Capitol Hill, the President bringing all the pressure to bear on you gentlemen on that side—Republican—against the bill.

Cotton exchanges are against the bill. Big millers are against the bill. Packers are against the bill, and, notwithstanding the statement of the gentleman from Kansas and the gentleman from Louisiana yesterday, the packers are against the bill. I am going to refer to that in a later speech, and I shall prove by good authority how they stand on this bill. The big interests are against the bill. Who is in favor of the bill? Every farm organization in the United States is for the bill. What are we going to do? Do you not believe these farm organizations have discussed this bill at every crossroads in the United States? They know what they are talking about. They know what they want; but if it is not going to help the farmer, if it is not going to help to raise him up to here [illustrating], I tell you that banquet would never have been held the other night. This bill would not have been shelled, at both ends of the Capitol, except by big business. Now, I am not discussing the merits or the demerits of any other bill, but I know and you know that the only bill that has got a chance of becoming a law at this session of Congress is the McNary-Haugen bill. [Applause.]

The gentleman from Kansas [Mr. TINCHER], of course, is the spokesman of the President. The gentleman from Kansas and the gentleman from Louisiana [Mr. ASWELL] in the last session quit both their bills and never gave anybody a chance to vote on them. But if the gentleman from Kansas can get enough division between the Crisp bill and the Aswell bill and a majority not voting for the Haugen bill he will have accomplished his purpose. I do not blame him. While the gentleman from Louisiana is not intentionally doing so, yet he is nevertheless contributing to a repetition of that situation.

The Washington Post says no Senator could be misled into thinking that the President favors the Haugen bill. He does not. If passed, he will veto it. And we were assured by the gentleman from Kansas yesterday that this bill would never become a law. I do not know how you feel about it. The vote is going finally to come, gentlemen, in the next few days upon the final passage of this McNary-Haugen bill.

My tobacco farmers and the tobacco farmers of other States have changed position on this question because they have gone as far as they can. They say that the cooperatives and marketing associations have carried this load as long as they can carry it. They held the price of tobacco, but last year, when the Dark Tobacco Association released its members, the price went down, and it is down now.

This board does not have the power to buy a dollar's worth of this basic product. It is no price fixing bill. It is simply a stabilization bill to take care of the surplus. Are you going to say to the farmers of this country that they can not raise a surplus? If you do not continue to raise a surplus of wheat in this Nation, the wheat-consuming public of the other nations of the world will get their wheat from somewhere else. If you do not continue to raise a surplus of cotton in this Nation, the cotton-consuming nations of the world will get their cotton somewhere else. If you can not continue to raise a surplus of tobacco in this Nation, the consumers of tobacco of other nations of the world will get it somewhere else, notwithstanding it is called a "food product." Gentlemen, I never heard of it being called "a food product" in my life until it was so called by the gentleman from Kansas yesterday, and the only moment when I have been led to think it might be "a food

product" is when I see the gentleman from Kansas masticating and emasculating a great big quid of it, or paralyzing a cigar. [Laughter.]

The only purpose of this bill is to take care of the surplus. The political economists of this Nation, many of them, have told me—and I believe it is true—that there is no domestic commodity now in this bill where, over a period of five years, there is either a domestic surplus or a world-wide surplus. If that is true, and you put on the equalization fee here, and every man bears his share of the burden and the load, it will yield a sufficient revenue to carry this surplus over a series of years.

I say to you cotton people that I do not know anything about the details of cotton, but I believe, as firmly as I stand here, that if the news could go out to this Nation to-morrow to the effect that this bill, with cotton in it as a basic commodity, should become a law, cotton would go up 8 or 10 cents a pound overnight. [Applause.] I believe if it were to go out to the country that tobacco is a basic commodity in this bill and this bill should become a law it would solve the problem of the tobacco producers. But, gentlemen, you must have some money to do it. A revolving fund of $250,000,000 is in this bill, the same as in the other bill. This bill starts with as much capital as the other two bills. Tobacco is taken care of in the bill introduced by the gentleman from Louisiana [Mr. ASWELL], and also, along with all other commodities, in the bill introduced by the gentleman from Georgia [Mr. CRISP]. But I am talking particularly about a bill that will produce capital enough to do the work; if not, it will be a failure.

We raise in this country from 200,000,000 to 250,000,000 bushels surplus of wheat practically every year. We raise altogether in this country annually from 750,000,000 to 800,000,000 bushels of wheat. The American people consume only 600,000,000 bushels. It would take all the capital in this revolving fund in the bill of the gentleman from Georgia and in the bill of the gentleman from Louisiana to take care of wheat alone. It would take more than that to take care of the surplus tobacco in one year. It would take more than that to take care of the surplus cotton of this country.

Gentlemen, pass any kind of legislation like this you want to, but let us go into it with a bill that is going to provide sufficient money, so that we can hold this surplus and say to the Tobacco Trust and the trade gamblers in wheat and cotton that we are not only going to take this surplus off the market and feed it by orderly process into the markets of the world, but we are going to have enough capital, and we are going to feed it in our own good time and in our own good way. And that is all we ask in this bill.

Gentlemen, all that these 30,000,000 people on the farms are asking for is to provide and take care of the surplus in an orderly way and hold it over. They want a decent domestic price. They are entitled to that. Will the McNary-Haugen bill do it? I do not know; but I do believe that if there is any bill here that will do it, it will. [Applause.] And the American farmers have said they want it.

They talk about a few fellows here like Peek. I have not seen Peek in a year and a half, but I do know that the patriotic representatives of American farm organizations all over this country say, "We want it," and the tobacco people say, "We want it, and we want an equalization fee on it, and we want to start paying that equalization fee as soon as an operating period is declared." And I want every commodity to pay this equalization fee and pay it then.

The gentleman from Louisiana [Mr. ASWELL] said, with all the complacency in the world, that aside from the 56 offices created by this McNary-Haugen bill, there will be 50,000 new offices created under it. Where he got that idea I do not know.

I do not know how many there will be, but under this bill they are going to put in the discretion of this board the power to levy an equalization fee either on transportation, on processing, or on sale, and when you give this board that power do you not think they are going to administer this law as cheaply as they can?

Now, gentlemen may differ with the gentleman from Iowa [Mr. DICKINSON] on the question of putting the equalization fee on Canadian wheat by putting it on transportation. However, I do not think there is any doubt in the world but what this board, under the power given it in this bill to put the equalization fee on transportation, on processing, or on sale, as they please, will have the power to do that. The gentleman from Kansas talked about the delegation of the power of Congress to this board. Did we not delegate it to the President of the United States under the flexible tariff provision of the Fordney-McCumber tariff law?

Did we not delegate it to the Interstate Commerce Commission when we gave them the power to fix freight rates? We have delegated it everywhere. And I will go a step further than the gentleman from Iowa. If an American representative of wheat is in Europe or an American representative of tobacco is in Europe and he makes a sale over there and that sale is consummated there, I believe that under this bill this board has the power to put the equalization fee on its transportation before it ever gets to the seaboard. That was thoroughly discussed in this tobacco meeting, the question of whether this proposition was sound or not, and there were some very good lawyers there, too.

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. KINCHELOE. Mr. Chairman, I yield myself an additional five minutes. Gentlemen, in conclusion, I want to appeal to you who represent agricultural districts. Do not fool yourselves. You are going to continue to be shelled and this Capitol Hill is being shelled this morning more than ever since I have been here by big business everywhere. But I want to see the farmers of this country go together. I want to see this equalization fee operative at once; that is, I want to see it made available so that the farmers producing a specific commodity can say, "We want to participate in the benefits of this bill if there are any in it," but when they do that I want every commodity to pay the equalization fee at once. They talk about the need of 50,000 Government employees to enforce the bill, but when you give that board the power to put the equalization fee on transportation, on the processing or on the sale you can collect that equalization fee with a very few Federal officers in addition to the officers of the Government we already have.

Gentlemen, this is a question we are going to decide this coming week.

Mr. KETCHAM. Will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. KETCHAM. Referring to your own tobacco cooperatives, will the gentleman take the time to tell the committee the reason why your tobacco cooperatives broke down?

Mr. KINCHELOE. I will say to the gentleman because there was not a big enough per cent in it. The only ones who had the load to hold and the ones who had to wait for their money were the members of the association. They were the only parties in it. They held this surplus and they are holding it now; they held it and are still holding it, and the only ones who are penalized are the ones who go in because they do not get all the money down. If every grower of tobacco were in the cooperative it would be a success.

Mr. KETCHAM. This will do it, will it not?

Mr. KINCHELOE. This will do it. As I say, I do not know whether the equalization fee is constitutional or not; I do not know whether it is going to be popular or not, but if the equalization fee has one virtue I will tell you what virtue it is and that is it will curtail overproduction more than anything that is contained in any of these other bills. [Applause.] Why, take tobacco. You have seven great tobacco farmers representing each type of tobacco, as my amendment will provide. You will have seven men chosen by the tobacco farmers. You will have them as intermediaries between the growers and the board.

They can say to them, "When you come in you are all going to pay an equalization fee," and they can tell from statistics and from making a survey just what conditions are, and they can say to them, "Do not grow over so much tobacco." They can tell them not to plant more than so many acres, because if they do it is going to decrease the price by increasing the equalization fee. They will tell them that if they do that in any one year they will be penalized the next year. Their Representatives will tell them that, and, in my judgment, the only thing contained in any of these bills which will act as a deterrent in regard to overproduction is the equalization fee.

They say they ought to diversify. As I say, they do diversify in my district. My district raises everything except tropical fruits. What is the farmer going to do under the present arrangement and where he appears on this chart? If he quits tobacco and goes to raising wheat, he goes in competition with the bankrupt wheat growers. If he goes to raising more corn, he goes in competition with the bankrupt corn men; if he goes to raising more swine—although it is true swine brought a good price this year because of the scarcity of hogs—he goes into competition with swine raisers somewhere else.

These cooperatives and these other organizations have carried the load as long as they can. They ask Congress to give them a revolving fund which is no greater than the revolving funds provided for in these other bills. They ask Congress

to let them try it and finance it themselves, and then if it is a failure they will quit; but so far as I am concerned, gentlemen, representing a diversified agricultural district, by my vote I am going to give the farmers an opportunity to try this out and see whether it will succeed. [Applause.]

Mr. ASWELL. Mr. Chairman, I yield myself seven minutes. [Applause.]

Mr. Chairman and gentlemen of the committee, for three long years the gentleman from Kentucky [Mr. KINCHELOE] and I have worked shoulder to shoulder in the committee, in the House, and in the conferences in opposition to the Haugen bill. Three times he grew more excited and vicious on this floor against the Haugen bill than he was to-day in favor of it. In every hearing of the committee he was offensive in his attacks upon the Haugen bill. I have the record showing that when this Haugen bill was reported out of the Committee on Agriculture by a roll call, the gentleman from Kentucky made it noticeable that he voted "no." The gentleman also voted to substitute every bill for the Haugen bill that was offered in the committee.

In my address yesterday I very carefully refrained from remotely referring to the gentleman from Kentucky because I understood his embarrassing situation, and I sympathize with him and I like him. I am amazed that he would come here this morning without any reason or excuse, misquote my language of yesterday, and make an unwarranted and offensive attack on me when I have been his friend and have sympathized with his embarrassing position at home.

Mr. KINCHELOE. Will the gentleman yield?

Mr. ASWELL. No. Three or four days ago we received a telegram, without personal signature, signed by the Dark Tobacco Association of Hopkinsville, Ky., and the gentleman, after all his noise and fights in the committee and in the House against the Haugen bill, he collapsed, and now sacrifices his position in the committee and in the Congress by turning turtle and taking to the tall timber. [Laughter.]

I once taught a Latin class. The sentence to be translated from the Latin language to the English was the simple sentence—"The spirit is willing but the flesh is weak." A boy in the class had not studied his lesson. He hesitated and then he took a shot at it and said, "The ghost is anxious, but the animal is feeble." [Laughter.]

During all these years the gentleman from Kentucky, defending constitutional government against Bolshevism, sovietism, and communism in America, had his ghost anxious to stand erect, the spirit was willing, but when he gets a telegram without a personal signature, but signed by the manager of a dark tobacco association now reported to be in the hands of a receiver, when this manager perhaps who had not discussed the matter with five tobacco growers, wired KINCHELOE, the animal grows feeble and the flesh grows weak. That is the pathetic situation of the gentleman.

Mr. KINCHELOE. Will the gentleman now yield?

Mr. ASWELL. I will not.

Mr. KINCHELOE. I will say to the gentleman that this tobacco association is not in the hands of a receiver and the gentleman ought to learn something about tobacco.

Mr. ASWELL. It is so reported to me, but it does not make any difference about that. The gentleman knows that this little telegram frightened him, sent him to the woods. [Laughter and applause.]

Mr. TINCHER. Mr. Chairman, I yield 45 minutes to the gentleman from New Jersey, a member of the committee, Mr. FORT.

Mr. PURNELL. Mr. Chairman, before the gentleman from New Jersey proceeds, may I inquire about the time?

The CHAIRMAN (Mr. LEAVITT). The gentleman from Iowa [Mr. HAUGEN] has 3 hours and 13 minutes remaining; the gentleman from Louisiana [Mr. ASWELL] has 1 hour and 5 minutes remaining; the gentleman from Kansas [Mr. TINCHER] has 1 hour and 58 minutes remaining; and the gentleman from Kentucky [Mr. KINCHELOE] has 50 minutes remaining.

Mr. FORT. Mr. Chairman and gentlemen of the committee, the gentleman from Massachusetts [Mr. UNDERHILL] the other day told me a story which seems applicable to the position of the gentleman from Kentucky [Mr. KINCHELOE] as just outlined by the gentleman from Louisiana [Mr. ASWELL]. He said that there was a colored man arrested down South for deserting his wife, and when he appeared before the judge and asked what the charge was, the judge said, "Desertion. Are you guilty or not guilty?" The colored man said, "Desertion? Jedge, has you seen my wife?" The judge said, "Yes," and the colored man replied, "Well, then, jedge, don't you know I ain't no deserter; I'se a refugee." [Laughter.] And the gentleman from Kentucky has joined the rest of the refugees on the Haugen bill.

On the details of the Haugen bill, I am going to beg leave to refer the Members of the House to the minority report on the bill. We believe that in that statement of our views we have sufficiently pointed out that the legislation is open to practically every one of the attacks which caused this House last spring to vote overwhelmingly against its passage. We believe we have in addition shown that the bill this year contains additional and serious defects.

We have charged in the report that this bill contains at least the following defects, as to no one of which has there been an answer to date upon the floor of this House:

We charge that it guarantees profits to packers and millers, but not to the farmer.

We charge that it would kill cooperative marketing organizations in the United States; that it is unworkable in detail; that it is a price-fixing measure; that it will upset all of the existing channels of trade, so that when, as eventually it must, it is abandoned because of its defects no channels will remain for operation.

We charge it will supply cheaper feed to foreign livestock raisers to compete with the American raiser of livestock. We charge that if it works to increase prices as promised it is certain to increase production; and, finally, we charge that the equalization fee plan is wrong in principle and in theory.

I am going to reserve a little of my time for later in the debate in the event that in the interim any of the proponents of this bill attempt to answer any of these objections. Neither in last year's debate nor thus far in this debate has any Member on this floor attempted to answer one of these propositions. Therefore, I would request of the gentlemen supporting the bill, who have four hours left on this side and an hour on that side to spend some of that time in meeting some of the objections that have been raised to this legislation. For example, can anyone deny that it promises the packers a profit at the expense of the farmers?

I want to confine myself, if I may, to a discussion of the real fundamentals of farm legislation. Three times this House has had before it a McNary-Haugen bill. Twice it has defeated that bill. Still it is back here again for discussion. It seems to me purposeless, in view of that fact, to deny that there is a sincere group of men in the United States who believe in it. To deny that these men have succeeded in persuading some of the farmers that it is good is also purposeless. Indeed, sincerity almost approaches fanaticism in the minds of some of its advocates. The McNary-Haugen bill has become in the minds of a large number of people a symbol of hope, just as 16 to 1 was a symbol of hope 30 years ago; and just as 16 to 1 was removed from their minds only by a demonstration to them that its fundamental theory and purpose was an error, so it seems to me here in this House we must approach this question from its fundamentals and not, as we have done in the past, by merely picking out the details that were caused by the faulty fundamentals and could never be made workable.

If the House will bear with me, I want to go into a brief history of this type of legislation in the United States. In the first place, it is based on a real problem. If there were no problem, it could not have lasted in the public mind as it has. The American farmer is not in the financial and economic condition that he wants to be nor in the condition that he reasonably ought to be. He has not quite reached the point, but he is afraid that he is going to lose his ancient relative position in the economic scale—somewhere between the capitalist and the laborer since he combined the ownership of property with the labor of his hands.

What is the cause of it? Overproduction. When I say overproduction I do not mean a definite figure in bushels of wheat or a definite figure in bales of cotton, but I mean a production too great to be able to be sold at a profit. That is the definition of surplus given by the eminent gentleman from New York [Mr. JACOBSTEIN] before our committee, and for the purposes of such discussions it is the definition we must use.

The American farmer has been producing too much to sell at a profit. One year, 1924, he produced too many hogs and too many potatoes. In 1925 he produced too much corn. In 1926 he produced too much cotton and too many apples—and I have found since the minority report was filed too much rice.

What is the cause of overproduction? Well, the overproduction started in the United States before the war, but we did not realize it. It started, probably, when we began to use machinery extensively on the farm. The adoption of machinery required fewer hands. We added to it by our policies of reclamation and irrigation. Then the rest of the world took a hand, and particularly since we have restricted immigration, so that emigration from Europe must flow elsewhere, there has been a tremendous opening of new land to production in

Australia, Canada, and the Argentine, and, of course, virgin soil and cheap labor can produce cheaper than we.

Then came the war, and we speeded up everything in the United States to force production as a war measure. We did that whether it was farming or manufacturing, whether it was transportation or what you please—everywhere we could get an additional ounce of production of any kind we went out and got it. Consequently we opened millions of additional acres of land in this Nation to production. We are not through with the demobilization of agriculture yet.

After the war we found that every nation in Europe, every nation of the world, started to increase its domestic production. All of our foreign customers started to increase their production at home as a safety guard for future war, if for no other reason. Our markets were reduced by the efforts of our old customers, and consequently overproduction became greater by the reduction of the demand. And, finally, and most important in the whole picture, most immediate in its effects, high prices brought excess production. Under the stimulus of war we are now told that the wheat price was fixed low. It was fixed at over $2, and why? To get more wheat, to induce the American farmer to plow up his barnyards, because as a war measure we needed every pound of wheat that American soil could produce.

The high price of rice in 1924 and 1925, is why rice this year is a basic commodity under the Haugen bill. When the price rose from $1.10 in 1923 to $1.54 in 1925, the acreage in 1926 increased nearly 20 per cent. Now, we have a surplus and rice is called a basic commodity. Wherever you touch the price with an artificial enhancement—or even with a natural enhancement that goes beyond the bounds of ordinary expectation of the farmer—you increase the acreage planted.

So, when this overproduction arose from all these causes and brought low prices with it, we were faced with the need of finding a remedy for the bad economic condition in which the farmer found himself. There was a remedy at hand of which neither then nor now does anyone advocate the application in the United States of America—and that is compulsory decrease of production. You are not in favor of it, I am not in favor of it; but that would solve the problem. Instead of a direct curb upon production, men who have searched for a cure have produced the Haugen bill.

What is the real principle underlying the Haugen bill type of projected legislation? I will tell you what I think it is and how I think it all originated. Some man who was thinking of a cure heard somebody say that the manufacturer dumped his surplus abroad—that thanks to the aid of the tariff wall for his domestic market, he dumped his surplus abroad. Having heard that, he said, "Well, if the manufacturer can get rich while dumping this surplus abroad, why not the farmer?" And from that thought has come the Haugen bill in all its different phases.

Does the manufacturer dump overproduction abroad? Sometimes; yes. The industry as a whole, never; the individual manufacturer, sometimes. If the International Harvester Co. has a 1926-model harvesting machine and it makes an improvement in 1927, it sells the improved model at home, and to avoid competition between the two models sells the old model abroad for what it can get. So do the motor-car people. Occasionally an individual manufacturer in some staple line finding himself overstocked, dumps the overstock lest it become out of fashion. But it is always the individual who does it, and never the trade as a whole. And there, in that distinction, is the point that has been overlooked by the proponents of this type of legislation. They have attempted to apply to the agricultural industry as a whole the rule that in manufacturing industry applies to the individual only.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. FORT. Not at this point. I shall yield in a very few minutes. What else does the manufacturer do when he dumps? He stops producing what he dumps. He does not go on producing the same model at the present time that he can not sell in this country and has to sell abroad at a loss, nor continue his production in the same quantities. He stops producing. If he is in a general line like steel, he shuts down some furnaces until his demand catches up with his capacity.

Mr. DOWELL. The gentleman is advising the farmer to quit the farm?

Mr. FORT. I do not yield at this time. I shall come to that.

Let us put ourselves, for a picture of this situation which they are endeavoring to apply to agriculture, at one of Judge Gary's luncheons, which are supposed to fix the policy and prices in the steel industry. Let us suppose they reach this condition. We have a total steel-manufacturing capacity of 60,000,000 tons. We are making 50,000,000 tons, which we can sell at home at a profit behind the tariff wall. Let us suppose that some manufacturer who is not doing very well gets up in that meeting and says, "Gentlemen, the world can produce steel more cheaply than we can; therefore the market for steel outside of the United States is lower than the market at home. We are already producing 50,000,000 tons, and we get the full benefit of the tariff up to 50,000,000 tons of steel. We can sell it at home behind the tariff wall and get our full price plus the tariff, but would it not be nice if we would all get busy and make 60,000,000 tons and then agree that we will not sell steel at home at less than our profitable price, plus the tariff, and then take the other 10,000,000 tons and sell it abroad at a loss." I can imagine what Judge Gary would say to that sort of a proposition. He would say, "If we can sell 50,000,000 tons at a profit and get the full benefit of the tariff, what is the sense of our making 10,000,000 more tons and taking a loss to be subtracted from the profit on the 50,000,000 tons." I think that is what he would say.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. FORT. Not now.

Do you think he would say that he thought it was a great scheme, and suggest that they pool all of their products so that those who are making a perfectly satisfactory income may help carry those who are not; so that those whom the present price compensates for the cost of producing the product may contribute to a pool to carry those who can not make steel as cheaply? Do you suppose that the man who is making a fine tool steel will come in on the pool and pay a fee in order that he may take care of the fellow who is making an inferior grade of general steel for which there is no market? Do you think that would happen at any business man's meeting? I think they would say, "Let us take some steps to limit production." There is no guarantee in the tariff principle to the steel man or to the farmer, except that the price will be maintained so that cheaper production abroad can not get in here; simply to bar out the lower production cost material of the rest of the world. And just exactly as in wheat, if the steel manufacturers of America made twice as much steel as the American market could absorb, then they would have to take their loss on it all because their competition in selling one against the other is going to lower the American price as well as the world price.

Now, my friends, the equalization-fee principle is in this legislation. And why? Because it is all done in anticipation of loss. And why is it in anticipation of loss? Because it is done to continue overproduction. There is no excuse on earth for this type of legislation unless it is designed and intended to encourage continued overproduction. If you wipe that out of the picture, if you reduce production to somewhere near the limit of demand, your board faces no loss, your farmer faces no loss, and, therefore, you need no equalization fee to pay losses with. The farmer sells his product on a protected market, and he has everything that the manufacturer under a protective tariff has. It is a proposal to try to coin losses into profits. It is a proposal to make the efficient producer carry the load for the inefficient, to make the Sea Island cotton grower of South Carolina, whose cotton always commands a premium on the world market, contribute his ratable share of a tax to maintain the price on the lowest grades of cotton grown in the South; to make the producer of the high-protein wheat of the Northwest—which to-day sells above the world's price when the premium is added for the high-protein content—to make that producer pay to carry the soft wheat of the Northwest. Neither of those classes of farmers can gain one cent from this legislation, and I ask anyone who thinks they can to take the floor right now and prove it.

Mr. BURTNESS. At this minute to prove it?

Mr. FORT. Now or later.

Mr. BURTNESS. I would be glad to establish it.

Mr. FORT. All right.

Mr. BURTNESS. Where?

Mr. FORT. Right here; go ahead.

Mr. BURTNESS. The gentleman is assuming——

Mr. FORT. If the gentleman is not going to go ahead, I will yield later.

Mr. BURTNESS. The gentleman knows he has caught me entirely unaware, without any figures, but I think I can collect my thoughts in half a minute. Of course, I assume he starts out upon the assumption that the figures submitted here the other day are correct, which is a false assumption.

Mr. FORT. Does the gentleman as a matter of fact deny that high-protein wheat comes in over the tariff wall and that adding the premium for the high-protein content some domestic wheat sells above the tariff-wall price?

Mr. BURTNESS. I do not deny that the tariff to-day is partly reflected in the price in the high-protein wheat in certain cases. I do not deny that at all.

Mr. FORT. Does the gentleman deny it sells at times above the tariff-wall price?

Mr. BURTNESS. Certainly. I deny such a thing would be impossible. Just as soon as wheat of a given quality would sell at Minneapolis for a figure above the world price by the amount of the tariff literally trainloads of wheat would be coming down from Manitoba Province into the Minneapolis and Duluth markets. That would of necessity be true whenever wheat sold at 50 or 60 cents more in those markets than at the Winnepeg market. I find the figures here. Let us take the situation in 1924, when there was more high-protein wheat of which we speak raised in the Northwest than was needed by the millers of the United States. Naturally when such is the case we arrive at an export basis in so far as price is concerned. I will give you a few figures.

Mr. FORT. Excuse me.

Mr. BURTNESS. The gentleman wants facts and I am trying to give them to him.

Mr. FORT. No tables in this speech.

Mr. BURTNESS. I assume the gentleman wants facts since I have accepted his proposition.

Mr. FORT. I want the facts.

Mr. BURTNESS. Our wheat starts movement in September, and——

Mr. FORT. Will the gentleman yield? [Laughter.]

Mr. PURNELL. The gentleman from New Jersey yielded to the gentleman from North Dakota.

Mr. FORT. I am not yielding for a stump speech.

Mr. BURTNESS. It is the figures that speak for themselves.

Mr. FORT. I asked a simple question that the gentleman has not answered. I refuse to yield further.

The CHAIRMAN. The gentleman from New Jersey refuses to yield.

Mr. BURTNESS. I will meet the gentleman on that question.

Mr. FORT. I asked a simple question, and the gentleman seems to be making a complicated answer.

Mr. BURTNESS. You asked me to prove it, and will you not let me prove it?

Mr. FORT. I refuse to yield further.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield to an inquiry relative to the effect on sea-island cotton?

Mr. FORT. Yes.

Mr. WHITTINGTON. My impression is that there is very little sea-island cotton raised in this country and that it would not have much effect.

Mr. FORT. No; that is not the question that I asked. I asked the gentleman whether, if the equalization fee proposal were applied—in the same way as I asked the gentleman from North Dakota whether, if the equalization fee were applied to the high-protein wheat—the sea-island cotton could gain any benefit in the price. The equivalent situation holds virtually for all the long-staple cotton, of which there is usually a small supply and a large demand, and for which there is always a good market.

Mr. WHITTINGTON. It has happened this past year that the yield of long-staple cotton has been better than for many years. I think there will be no effect as between the long staple and the short staple.

Mr. FORT. I think if the gentleman will examine the statistics of cotton or of wheat, even the table that was attempted to be put in by the gentleman from North Dakota [Mr. BURTNESS], he will find it to be true that the price of the high-protein wheat and the price of the long-staple cotton is controlled by factors entirely different from the factors controlling the lower grades of either commodity and that the levying of an equalization fee upon the higher grades can produce no benefit to them, even if it did produce benefit to the lower grades. It is a further fact that the lower grades are the ones which always go to make up the statistical surplus, whether it be in wheat or in cotton, and that therefore the proposal is one to raise the price of the lower grades, which constitute the bulk of the statistical surplus, by levying—whether it be in tobacco, in cotton, in wheat, or any other product—an equalization fee which under the Haugen bill must run across the whole production.

Now, that differs from any other economic proposal that I have ever heard of in that it intends and expects to make the more efficient producer, the more careful producer, the man having the natural advantages of soil and climate, for which he has paid an enhanced price in his land, carry the burden of the other man.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield there for a question?

Mr. FORT. No; I have already yielded to the gentleman.

On tobacco, which we are told is to be put into this bill, there are some grades which are chiefly domestic. Under the bill they must pay their share of the tax for those other grades which are chiefly export. The high grades of tobacco which come in contact in the market with Cuban tobacco must meet also the competition of the lower grades of tobacco that come into the market and must pay their equalization fee along with those lower grades to raise the price of those parts of the crop which may, as has been suggested, be a food product but are not fit to smoke.

Mr. GARRETT of Tennessee. Mr. Chairman, will the gentleman yield there for an inquiry?

Mr. FORT. I yield.

Mr. GARRETT of Tennessee. I would like to know—the bill is silent about it—what is the interpretation of the application of this equalization fee? Will it be in the power of the board to levy a different fee on different grades of different commodities, or will it be a uniform fee?

Mr. FORT. Under the terms of the bill it seems it must be a uniform fee on the whole commodity.

Mr. GARRETT of Tennessee. Without reference to the grade?

Mr. FORT. Without reference to the grade or quality or type.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. FORT. Yes.

Mr. BANKHEAD. Is that fact incontrovertible? There are some of us here who would like to get at some of the disputed features of the bill.

Mr. FORT. I do not see any language in this bill that permits any other interpretation.

The bill provides, in section 9:

> The board shall from time to time determine and publish the amount for each unit of weight, measure, or value designated by it, to be collected upon such unit of such basic agricultural commodity during the operations in such commodity. Such amount is hereinafter referred to as the "equalization fee."

It then provides, in section 10:

> Under such regulations as the board may prescribe there shall be paid, during operations in a basic agricultural commodity and in respect of each unit of such commodity, an "equalization fee."

In other words, the board may adopt a basis of pounds or bushels or dollars; but, having adopted any such unit, the same fee must be paid upon each such unit. No basis of distinction other than weight, measure, or value can be recognized.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. FORT. Yes.

Mr. NEWTON of Minnesota. In the two previous debates on the bill it seems to have been beyond dispute that the fee would be the same, regardless of the question of grade.

Mr. BURTNESS. The gentleman from Minnesota surely knows better than that.

Mr. FORT. Mr. Chairman, I refuse to yield.

Mr. BURTNESS. But does the gentleman contend——

Mr. FORT. I refuse to yield.

Mr. DOWELL. There is not anything in the bill that permits any such construction.

Mr. FORT. Mr. Chairman, is this dispute between other Members being taken out of my time?

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. FORT. Yes.

Mr. TINCHER. If it is not all the same, and the same equalization fee on all the grades, what possible meaning could the statement have carried—the statement made by the gentleman from Iowa [Mr. DICKINSON] the other day, and he is more familiar with the subject than anybody else—that if the Crisp bill passed and this bill did not pass, if it did not apply to durum wheat, the farmers would have to raise some other kind of wheat?

Mr. FORT. If gentlemen will permit me to resume—I find I have only five minutes left——

Mr. TINCHER. You can get more time.

Mr. CRISP. What effect does the gentleman think the Haugen bill, if passed, would have on cotton?

Mr. FORT. I want to refer to that. But on the point I have just been talking about the gentleman from Iowa [Mr. DICKINSON] in a debate at Chicago last summer claimed the equalization fee as the equivalent of the check-off system as applied to enforcing membership in labor unions. The only economic theory upon which the check off can be justified is that the inefficient must be carried along by the efficient, and the claim that it is a parallel for this legislation is an admission that its purpose is the very thing I have said to you—that the real purpose of this bill is to carry on the less efficient producer and to continue overproduction.

I want to prove it to you by rice. Rice has never been thought of as a basic agricultural commodity until this year in this bill, and we never had one witness before our committee to tell us why it was basic, not one. So I got out the statistics, and what did I find? I found that for the three years prior to 1926 rice production was year after year almost identical on an acreage, the maximum of which was 895,000 and the minimum 850,000, and that the crop grown on that acreage was salable at a price increasing from $1.10 a bushel in 1923 to $1.54 in 1925. Then what happened? The $1.54 price was attractive. One hundred and sixty thousand acres of marginal lands were brought into production; the price went back to $1.10; and now rice is considered a basic commodity and is to get the protection of the Haugen bill. The price was maintained and raised and the acreage was increased because of that price; but now Congress must legislate. What for? Not because of the farmers who raised rice on 850,000 acres, a crop that could command a good price, a profitable price—not because of them, no, but because others stepped in and are overproducing on account of the good price. Now we are asked to tax the men who used to raise on the 850,000 acres—and made a profit—and all the newcomers in order to carry the burdens of overproduction. And the proof of it is in the bill itself when they put rice in as a basic commodity.

Mr. McSWAIN. Will the gentleman yield?

Mr. FORT. Yes.

Mr. McSWAIN. I wish to ask if this is the gentleman's solution—or, at least, one of the solutions the gentleman offers—for the farmer to limit his acreage?

Mr. FORT. Not by law.

Mr. McSWAIN. Just appeal to each one of the 6,000,000 farmers to let up a little bit?

Mr. FORT. Yes; but not by law.

Mr. JACOBSTEIN. Will the gentleman yield?

Mr. FORT. Yes.

Mr. JACOBSTEIN. I understand the gentleman does not believe in the equalization fee. I would like to ask the gentleman what is meant by the language in the Crisp bill which says that wherever a loss occurs it may be assessed against succeeding operations in any of the commodities concerned—assessed against whom? I refer to section 13, page 12.

Mr. FORT. The operations by the corporation.

Mr. JACOBSTEIN. That means the loss shall be assessed against the corporation?

Mr. FORT. Against the corporation absolutely, or else I certainly would not support the bill, and I have so read it at all times.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. TINCHER. Mr. Chairman, I yield the gentleman 15 additional minutes.

Mr. FORT. Now, gentlemen, I want to say something in regard to cotton. In 1924, in the first McNary-Haugen bill, was cotton in? No. You were raising 12,000,000 or 13,000,000 bales——

Mr. ASWELL. Will the gentleman yield?

Mr. FORT. Yes.

Mr. ASWELL. It was not in the first McNary-Haugen bill for the reason that a conference was held by the Members of the House and the Senate to discuss whether they would permit cotton to go in, and after discussing the question for three hours they unanimously voted to keep it out.

Mr. FULMER. Will the gentleman yield for a question right there?

Mr. FORT. No; I am sorry, but I have only 15 minutes and I have promised to yield to the gentleman from Iowa in a moment. Cotton was not in in 1924 and there was no pressure to put it in, as the gentleman from Louisiana has just said. Then what happened? You increased the acreage 6,000,000 acres in 1925 and 4,000,000 acres more in 1926, and you raised your crop to 16,000,000 bales in 1925 and to 18,000,000 bales in 1926. And now cotton is to go into the bill. What for? To protect the overproduction, to protect the increased acreage. It becomes a basic commodity under the principle of the Haugen bill as soon as the production outstrips the world's demand.

Now, what is cotton going to get under this bill? I have taken a couple of sample States in the South. Here is Georgia. Georgia imports about 2,400,000 barrels of flour a year. If this bill works, that flour will cost about $2 a barrel more than it does now. That is $5,000,000 on flour. It imports at least 20,000,000 bushels of corn a year. There are no statistics on that but there are 340,000 mules down there, there are a million and a quarter hogs, and there are other things there which require at least 20,000,000 bushels more than are raised in Georgia. That is $3,000,000, at 15 cents a bushel. They import something over 150,000,000 pounds of pork. Well, let us say we are going to raise that a cent a pound although the chairman of the committee stated the other day it was figured on a raise of 5 cents. That is about a million and a half. Then they raise 1,160,000 bales of cotton, or did in 1925, which, at $5 a bale, means $8,000,000 for equalization fees. It is going to cost Georgia between the equalization fee and the increase in flour, the increase in pork, and the increase in corn a little bit over $15,000,000.

Mr. DICKINSON of Iowa. Will the gentleman yield?

Mr. FORT. Not just now, but if the gentleman will stay on his feet I will yield a little bit later.

In 1925—and those are the statistics I am using—Georgia got 19 cents a pound for its cotton, and on a big crop of 1,160,000 bales it would have to get 22 cents a pound to pay the cost of this scheme; $15,000,000 will mean an increase of $15 a bale on its cotton alone. Now, are you going to get 22 cents a pound for cotton because of the passage of this bill? If you are, you do not want it. The head of the biggest cotton cooperative, I believe, in the South protested to me against the Crisp bill because he said that bill would put the price of cotton to 15 cents, and he said, "We do not want it. We will get too much production if it goes to 15 cents before this new crop is planted."

If 19-cent cotton produced an 18,000,000-bale crop, what will 22-cent cotton produce? And yet you have to get 3 cents a pound more on your cotton in the State of Georgia to pay for its share of the Haugen bill. Does anyone believe it will raise the price 3 cents?

In Alabama the imports of flour are only 1,900,000 barrels, but the corn imports are probably greater than in Georgia, and pork about the same. On the 1,356,000-bale crop of cotton in 1925 the equalization fee would have been about $6,800,000 even at the low figure of 1 cent a pound and it would have taken, as in the case of Georgia, just about 3 cents a pound increase of cotton to have paid the bill for the fee and the increased food costs. All of these figures, of course, only estimate a cent a pound increase in pork and the minimum equalization fee of a cent a pound on cotton.

Again I ask, Does anyone seriously believe that the Haugen bill would increase the total price for cotton, of which 60 per cent or more must be sold abroad, 3 cents a pound? If not, the Alabama farmer is out of pocket on the deal.

Now, take Florida. Florida raises the whole of 38,000 bales of cotton and they import 1,000,000 barrels of flour. If they did not import anything else, Florida in 1925 would have had to get cotton up over 30 cents before it was even.

The farmers are the men who buy these products. The farmers have not studied the thing through. You have got to translate the profit you expect to make on your cotton into paying the bill not only for the equalization fee itself but for the increased cost of everything you buy to eat and wear.

My friends, they use illustrations of plans which they say have worked. They talk about rubber. What is that plan? A definite restriction on the export of rubber; a provision that the producer must store on his farm and may not sell all his rubber without paying a heavy tax. They talk about the working of the coffee stabilization, and what is that? Every pound of coffee goes into a government warehouse and comes out of that warehouse only in the order of the date at which it went in, and can not come out except with the government's consent, and the producer carries it until it comes out.

What has Cuba done with respect to sugar? Cuba has said to its producers, "Next year you can not produce over 60 per cent of this year's cane sugar, and if you do you can not grind it."

These are the schemes other nations have taken except one. Australia had a great, big wool clip left over at the end of the war. What did they do? The Government took it over at the then price and took five years feeding it out gradually into the world trade, and took care of the current production while they were doing it, and wound up last year with a profit on the entire operation. They made no effort to raise the price. They assessed no fee against the woolgrower. They stabilized the world market by taking and storing the surplus and feeding it into the market as the market would take it.

Mr. McSWAIN. Will the gentleman again yield?

Mr. FORT. Yes.

Mr. McSWAIN. In the light of that argument, which one of the three bills does the gentleman favor, because that is a very interesting point?

Mr. FORT. The Crisp bill. I am coming to it in a moment, if I may be permitted and if time serves.

Mr. McSWAIN. I wanted to emphasize that.

Mr. FORT. Gentlemen, the distinction between all these pieces of legislation is this: Doctor ASWELL's bill is a better bill than the Haugen bill in most ways, but it proceeds also upon the theory of an export corporation. That is not what you are going to solve this problem with. If you can give it any help in the halls of legislation—short of the one you will not take, and that is a deliberate restriction of acreage—if you are going to give it any help in any other way, you have got to proceed to store and to stabilize the price; and you can not start out to stabilize that price at too much of a profit to the producer. If you start to stabilize at anything that approaches a fixed price, whether you use as the measure of your profit the tariff or any other yardstick, you lose all control upon production; and if there be one fact in this situation which is undisputed, it is that our trouble comes from overproduction. You can not do it. The rice figures prove it. The cotton figures prove it. The corn figures, in 1925, proved it. You can not stabilize price at a profitable point and stabilize production simultaneously.

Any program that looks to the exaltation of price means trouble. The gentleman from Oklahoma [Mr. MCKEOWN] has had the courage to introduce a bill, if we have the courage to vote for it, that puts the equalization fee squarely on the extra production. If we are going to do that, all right; there is merit in such a proposal, but if we are not prepared to go there—and there is argument against it as well as merit—if we are not prepared to go there, my friends, do not take the chance of going to the point of increasing price when we are now suffering from an overproduction due to high prices.

Mr. JACOBSTEIN. Will the gentleman yield for a question?

Mr. FORT. Yes.

Mr. JACOBSTEIN. Does not the gentleman think it would be wise, then, for us to say that this orderly marketing under any of the bills ought to set out with the purpose rather of limiting the losses to agriculture than making it profitable?

Mr. FORT. Exactly. The gentleman has put in a word the argument for the Crisp bill as I see it. The Crisp bill proposes to put a curb upon speculation; to say to the bear trader, "You can not force the price of these great basic commodities of agriculture below the cost of production to the efficient producer," to the man whose production we need; not the marginal land man, not the man who can make a profit on wheat at $2 a bushel but can not at anything less; not the man who can make a profit on cotton at 25 cents a pound but can not at anything less; not to that man, no. That man had better use his land for something else and not do an injury to every other producer of wheat or cotton by swelling the surplus. That is not what we are after. But for the man whose crop can be produced at a reasonable price, for the man who produces the grades and qualities that we want, for that man we will stabilize the market; we will say to the bear trader, "You can not force that price below the level of the cost of efficient production."

Unwarranted price depression more often comes from panic than from economic causes. The planter with 10 bales of cotton sees the price at 15 cents. He knows that is low and that if he holds on he will get a better price. Perhaps he sells a bale or two to get needed cash, but holds the rest. The price, under bear pressure and scattering spot sales, goes to 14, and he begins to worry; to 13 and he fears it may go to 8; to 12, and all the world looks dark, and he sells. The bears cover; the trade and the speculators buy because they know that no necessity permanently sells below the cost of production. The price goes back above 15 cents—but the planter has no cotton then to sell. Of the loss, 100 per cent is borne by the American planter; of the profit, 60 per cent goes to the foreign consumer of American cotton. Then comes a year of short crop. The price mounts to 18 cents. The planter hopes for 20. It goes to 20 and he holds for 25 or 30. Perhaps it goes there. Consumers begin wearing silk or wool, but, before the influence of their shift is felt, acreage has been increased and fertilizer purchased. Another big supply comes, but demand has slackened and another panicky depression follows.

A device that produces 2 cents more per pound on an 18,000,000-bale crop means one hundred and eighty million profit to the planter. If it holds down the price 2 cents on an 8,000,000-bale crop, it costs him but eighty million, and may prevent an acreage increase which would cost him much more the next year.

A corporation adequately financed to purchase at or below production cost and to carry for a favorable market, will do all that mortal mind can devise for the cotton planter, and will make money on the operation to pay dividends to its stockholders.

The Crisp bill proposes just this policy; not for cotton alone but for all agriculture. It contains a clear definition that an agricultural emergency may be found to exist whenever a surplus exists or is threatened sufficiently great to force the price below the cost of production to efficient producers. Efficient producers are defined in a way to exclude those marginal producers who can produce profitably only when the commodity commands an abnormally high price.

When these conditions exist and the board set up in the bill finds that the cooperative associations dealing in the commodity are organized well enough to speak for the producers and intelligently enough to be able to direct the handling of the surplus the board may assist the cooperatives in organizing a corporation to deal in the commodity. To this corporation it may make advances for working capital with which purchases may be made of the commodity in the market. The cotton or wheat purchased, however, is not then to be dumped in Europe but is to be stored and held for resale at a profit.

The mere presence and existence of this corporation would prevent those excessive declines in the commodity markets which produce most of the dissatisfaction and much of the financial loss of the farmer. The trade would not and could not venture to let a great Government-financed corporation acquire great quantities of cotton or wheat to be held for a profit. The trade buyer and the bear trader alike would buy in their needs at a point above the one where they expected the cooperative corporation to begin to buy. Buying only at or below the cost of production in the event that it had to buy at all, the cooperative corporation must eventually make a profit since no necessity of life sells for very long below its production cost. The hazard of the Government losing money under the Crisp bill program is very slight. The chance of the cooperative corporation making money is excellent. If it does, it must capitalize a part of its profits and distribute the balance to the members of its stockholder cooperatives.

In time, therefore, the corporation should become financed from its profits, need no further Government aid, and the farmers of cotton and wheat and corn would own their own agency to manage their own business.

The plan further contains an effective curb upon overproduction, both in the fact that it carries over purchased commodities for resale and in the further fact that it prohibits advances of Government money in two successive years if in the second year there is an increase of acreage over the planting which has produced a surplus in the first year.

This bill I firmly believe will do all for agriculture that the Government can or should do. If it is adopted, it will prove the greatest forward step toward enabling the farmer to render his own business profitable that has yet been taken here or elsewhere. [Applause.]

The CHAIRMAN. The time of the gentleman from New Jersey has again expired.

Mr. PURNELL. Mr. Chairman, I yield 20 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman, ladies, and gentlemen of the House. This is the third time within three years that a farm relief bill has come before us for consideration. I regard this as being the most important question before Congress and the American Nation to-day. As I was brought up on a farm and have tried to keep in touch with the farmers and their problems ever since I left the farm, I approach this subject sympathetically and with a very strong desire to reach a conclusion that is sound economically and that will result in substantial relief to agriculture and a benefit to the Nation as a whole.

AGRICULTURE THE GREATEST BASIC INDUSTRY

I think we can all agree that agriculture is the greatest of all basic industries of the Nation. It is the great foundation source of the Nation's wealth and prosperity. In round numbers there are 6,500,000 farmers. If to these you add their wives, children, and helpers it will give you a grand total of more than 30,000,000 of our population, engaged in and directly dependent upon this industry. There is about $65,000,000,000 of capital invested in agriculture, as compared with $44,000,000,000 invested in manufacturing industries, $7,500,000,000 in mines and quarries, and $20,000,000,000 in railroads. You will observe that there is much more capital invested and many more persons engaged in agriculture than in any other industry. This industry pays out annually about $10,000,000,000 for goods and services produced by others. It supplies the raw material upon which depends other industries giving employment to over one-half of our industrial workers. It supplies about one-eighth of the total tonnage of freight carried by our railroad systems. The farm produces nearly one-half of the value of our exports. Farms and farm property represent nearly one-fifth of our tangible national wealth. The farmer pays in taxes over $2,000,000,000 toward the expenses of city, county, State, and Federal Governments. We must look to

the farmer for the food we eat and the clothing we wear. Our wealth comes from mother earth through the toil of the farmer.

In view of all of these very important considerations, the Congress of the United States as well as every citizen in every walk of life even though not engaged himself in agriculture must feel deeply concerned in the welfare of the 30,000,000 or more engaged in and dependent upon this great basic industry. Commerce, transportation, and other nonagricultural industries can not long continue prosperous if agriculture is prostrate. No nation can rise above its agriculture. The history of the nations of all the centuries teach us that the decline of their agriculture is the beginning of the decline of the nation.

AGRICULTURE PROSTRATE, OTHER INDUSTRIES PROSPEROUS

I wish briefly to point out the wide difference in the condition of agriculture of our country and nonagricultural industries, and to call your attention to the wide difference in the earnings of capital invested in agriculture and the wages received by the workers and the earnings of capital invested in other industries and the wages received by the workers.

The average return on capital invested in agriculture is about 2 per cent, while the return on capital invested in nonagricultural industries carefully managed runs all the way from 6 per cent to more than 100 per cent. The average wage of those engaged on the railroads is $2,141 per year. The average wage of those engaged in the manufacturing industries is $1,572 per year. The average income of the farmers of America is $730 per year, and this $730 includes what he uses from the farm. You will observe that on an average he does not receive one-half as much for his work as the persons engaged in nonagricultural industries, and he does not receive one-third as much income on the capital invested, yet he puts in much longer hours and there is much more drudgery connected with his labor.

I think the American consumer ought always to be willing to pay such prices for the commodities of any carefully managed concern as will yield a fair return on the investment and pay the workers engaged in that industry a good American wage. I believe in a fair return and good wages in every industry. I have voted for measures to help bring about good American wages in other industries and to make it possible for those industries to yield a fair return on the capital invested. I do not desire to pull down the workers or the investment in other legitimate industries, but I am very anxious indeed to do what I can to help bring the farmer and the workers in that industry up more on a parity with nonagricultural industries.

FARMERS MAKING MORTGAGES, OTHERS PILING UP BANK ACCOUNTS

In the year of 1920 the debts of the farmers of America were $3,500,000,000. In 1927 the debts of American farmers had grown to $12,450,000,000. Two million American farmers have lost their farms by foreclosure proceedings or are holding them through the leniency of their creditors. Since 1920 more than 3,500,000 people have gone from the farm to the city. Nine per cent of the farmhouses to-day are vacant. Since 1920 more than 3,000 banks have failed in agricultural States. In the last 15 years bankruptcy among the farming people of the United States has increased more than 1,000 per cent. The value of farm lands in America to-day is $4,000,000,000 less than 15 years ago, yet the manufacturing wealth of America for the last 10-year period has increased over $9,000,000,000. The cost of production on the farm has increased more than 100 per cent, while on the other hand, the wages of the workers on the railroads have increased since 1917 $1,763,365,874. The deposits of banks on June 30, 1914, were $21,359,842,316, and on June 30, 1926, they were $54,056,377,000, or an increase of $32,696,535,633. In the last 12 years our bank deposits have increased one and one-half times over all of our bank deposits from the signing of the Declaration of Independence up to the beginning of the World War. This tremendous increase of bank deposits has been confined largely to the cities and industrial centers. The United States Federal Trade Commission has estimated our national wealth at $373,000,000,000.

THE REPUBLICAN PLATFORM IN 1924 DECLARED FOR FARM RELIEF

All thoughtful persons who have made a study of the farm problem know there is a real problem, know that the farmer is in distress, and know that this problem must be solved. President Coolidge, in his message to Congress, said:

The important place which agriculture holds in the economic and social life of the Nation can not be overestimated. The National Government is justified in putting forth every effort to make the open country a desirable place to live. No condition meets this requirement which fails to supply a fair return on labor expended and capital invested.

The President declares that the National Government is justified in putting forth every effort in order to enable the farmer to make a fair return on labor expended and capital invested. This the farmer is not now receiving.

The Republican Party, at its national convention held at Cleveland, Ohio, in 1924, solemnly declared:

We recognize that agricultural activities are still struggling with adverse conditions that have brought deep distress. We pledge the party to take whatever steps are necessary to bring back the balanced conditions between agriculture, industry, and labor.

The Republican Party, in that convention in 1924, recognized and acknowledged the distressed condition of agriculture and pledged the party to take whatever steps were necessary to place agriculture on a parity with industry and labor.

Agriculture is in worse condition to-day than it was when that platform was written. It will soon be three years since that platform was adopted, and we have not yet given this relief pledged to agriculture. Our party was elected on that platform. I was elected to this House on that platform, and I wish to say to you, my colleagues, I feel honor bound to do what I can to help carry out the pledge in that platform.

The Democratic Party in national convention in New York in 1924 made about the same declaration. Seventy-five per cent of the membership of the present House and Senate were elected on those platforms, and if we vote according to the platforms upon which we were elected we can and will pass a farm relief bill and redeem our pledges to the farmers and the people of the Nation.

RAILROADS, STEEL MILLS, PACKERS, FLOUR MILLS PROSPEROUS

Since we have had under consideration this farm relief bill the newspapers have been carrying the headlines that 25 representative railroad stocks showed a new high market price and the highest figures in the history of railroad transportation. While the law limits the amount that these railroads can earn and disburse to the stockholders at not more than 5½ per cent, it appears that in 1926 one great railroad earned net more than 31 per cent; and other leading railroads earned 10, 12, 15, 18, and 20 per cent net, and the stocks of these railroads in many cases have more than doubled in value in the last six years. Thirty-seven of the great wheat-milling concerns of the Nation in a five-year period made a net profit of 200 per cent. This is an average net profit of 40 per cent. The United States Steel recently declared a stock dividend of 50 per cent. The Standard Oil for a 10-year period made a net profit each year of more than 50 per cent. Henry Ford, the great automobile manufacturer, started a few years ago with a small capital, and he is reputed to-day to be worth more than two billions of dollars, and declined some years ago an offer of $1,000,000,000 in cash for his holdings. I could go on and enumerate many, many other nonagricultural industries that have been and are now making enormous profits.

For an 8-hour day many carpenters, painters, brick and stone masons, machinists, and other mechanics are earning from ten to forty dollars per day. I believe in high wages and fair returns on the investment, but I am calling your attention to the wide difference between the returns and wages received by the farmer and the returns and wages received by those who are engaged in nonagricultural industries. This condition can not continue. If we can not lift up these 30,000,000 of people engaged in agriculture, when they get into action they are going to pull some of the other folks down.

FARM RELIEF BILL

This is the third farm relief bill that has been considered by the House and Senate within a period of three years. One of these bills was considered and defeated in 1924, the other 1926. All three of them have been called the McNary-Haugen farm relief bill because Senator McNARY, who introduced the bill in the Senate, has been all of this time, and is now, the chairman of the Committee on Agriculture in the Senate, and Congressman HAUGEN, of Iowa, who introduced these bills in the House, has been all the time, and is now, chairman of the Committee on Agriculture in the House. These bills have taken the names of the chairmen of the Agricultural Committees of the Senate and the House.

The bill of 1924 and the bill of 1926 and the bill of 1927 have differed in some respects. I spoke and voted for the McNary-Haugen bill in 1924. I spoke and voted against the McNary-Haugen bill that came up in 1926, because that bill carried a subsidy of $375,000,000. This was a proposed bonus to be given to the farmers, and the sponsors of the bill at that time frankly admitted that this subsidy was put in the bill in order to secure

votes for the bill. No one representing the farmers of the Nation had asked for a subsidy, and, in fact, the farm representatives who appeared before the Committee on Agriculture stated very positively that the farmers did not desire a gift from the Government or anybody else. The subsidy provision of the bill of 1926 greatly weakened it, and I think caused its defeat. Furthermore, in 1926 the Committee on Agriculture could not agree on a bill.

There were three bills before the Committee on Agriculture and neither one of them could command a majority of the members of that committee. As the Committee on Agriculture had studied this important question for years and had had all the leading men of the Nation who desired to speak on this subject or offer suggestions before the committee, it was very confusing for the House to try to agree on one of these three bills, and the result was they were all defeated. The farmers and farm organizations themselves were very much divided. The bill that is now before us has the support of all the farm organizations of the Nation except one, and that farm organization is not against this bill, but favors another plan. It has the support of the labor organizations of the country, and it has the active support of such leading statesmen, business men, farmers, and economists like Governor Lowden, of Illinois, Vice President DAWES, Senator WATSON, of Indiana, and many other leading business men and statesmen of the country. The legislatures of many of the States have strongly indorsed this measure of farm relief. This bill has the active support of many leading Republicans of Pennsylvania, Ohio, West Virginia, California, Colorado, Minnesota, and practically all of the Republican Members from Indiana, Illinois, Iowa, Kansas, Nebraska, Minnesota, and of course has the active support of practically all the Members of many of the States of the South and Southwest. It has a considerable support in the East, and in fact has a commanding majority both in the House and Senate. It is a bill around which a majority of the sentiment among the farmers and those who favor farm relief is centered, and if this bill can not be passed, no bill can be passed.

WHO IS OPPOSING FARM RELIEF?

It was very gratifying to me to see the representatives of the American labor organizations appear before the Committee on Agriculture and indorse this bill. They very wisely assert that the American farmer is the best customer of industry, and the farmer can not buy the products of other industries unless he is prosperous.

Who is against this bill? The great manufacturing interests of the East and the great cities; the big newspapers of the big cities; the United States Chamber of Commerce, representing the big business of the country; the big Millers' Trust, the Tobacco Trust; grain speculators; the big packers and cotton combines; and many of the Members of the House and Senate, representing the big industrial and big city districts. Many of these are very anxious to secure the farmers' products at the smallest price possible. The whole burden of their complaint is that if this bill is passed it will increase the price of farm products to the consumers. If it is necessary to increase the price to consumers in order to give the farmer a fair rate on his investment and decent wage, every American in favor of a square deal should be willing to this, but I am of the opinion that more than likely it will not increase the price to the consumer. The Tobacco Trust, the big packers, the Millers' Trust, the cotton combine, the grain speculators, and others make billions of dollars every year from the products of the farm in buying up the farmers' products when they are cheap and holding them for the high prices. This bill will enable the farmer to hold his surplus and will give him a fair price, and the 6,500,000 farmers of the Nation will reap much of these profits that the middlemen and speculators are now getting without any advance in price to the American consumer. The most of those who are fighting this bill have fought every farm bill that the farmer wanted. They are not willing for the farmer to have any bill that gives him anything more than "three cheers." I am supporting this measure because I think it will give relief to the farmers, and the farmers want this bill.

CONGRESS HAS HELPED OTHERS

Congress has passed several bills to help the farmer, the Federal farm loan bank, the Federal land bank, the cooperative marketing act, Federal aid for roads and the protective tariff on farm products. I think all of these measures have been helpful to the farmer, but the farmer needs other relief which I think Congress can give. There is much opposition in the industrial section of the country to farm relief, yet their great prosperity and success has been due to the protective tariff laws passed by Congress. The railroads and railroad workers are very prosperous. This was made possible by the transportation act and other acts passed by Congress for the benefit of the railroads and railroad workers. The banking business of the country has been stabilized, protected, and strengthened by the Federal reserve bank act passed by Congress. The working people engaged in nonagricultural industries have been greatly benefited by the protective tariff and by the strict anti-immigration laws passed by Congress, and I could name other groups and industries that have been benefited by the acts of Congress, but one great group has been neglected, and that is the farmers. The big interests and many of the big bankers who have been helped by Congress strongly oppose Congress giving this relief to the farmers. The President has shown his deep interest in agriculture. Some say he will approve this measure and other say he will veto it. I do not know what action he will take. I deem it my duty to support it. I shall follow the dictates of my own conscience.

IT WILL BRING RELIEF

I think most of us can agree that the reason agriculture has been declining is because it is unorganized. Labor and nonagricultural industries are enjoying good wages and good returns as the result of systematic organization. Many of those who now oppose this legislation urge that we leave it to the cooperative associations to solve the problem of the farmers, but these same persons strongly opposed Congress passing the cooperative marketing act of 1922. The cooperative associations or organizations are merely farm unions. I would be perfectly willing for the cooperative associations to handle this situation if they were able to do so. Time and experience have proved to us that they can not bring the relief to which they are entitled. If a large percentage of the country could be brought into cooperative associations then their united efforts would afford them substantial relief. There are about 6,500,000 farmers covering practically every section of 48 States. Because of the large number of them, widely scattered over this great country with a diversity of products, location to markets, financial differences, and other conditions it is humanly impossible to bring them together in a completely effective working organization. They can not in the very nature of things organize as the railroads, mines, and other groups of industrial owners, and workers.

The cooperative associations have accomplished much good, but those who are not in the cooperative associations are able to nullify the good work of those who are in the associations. In Kentucky we have the Burley and Dark Tobacco Cooperative Associations. The territory producing burley tobacco is very much limited. Some of the ablest and brightest minds in the country have been handling these tobacco associations. They have accomplished a great deal of good for the tobacco growers. There are three great tobacco concerns that buy practically all of our tobacco.

The cooperative associations have struggled to avoid overproduction. They have borrowed millions of dollars from the Government to carry over the surplus tobacco in the fat years so that it may be orderly marketed during the lean years. Those who pool their tobacco must usually wait until the tobacco can be sold to receive their pay. Along comes these big tobacco interests and pick out the men who are not in the association and pay to them the price or a little more than is paid to the cooperatives, and pay it all to them when their tobacco is delivered, and point out to these the advantages of not being in the cooperative associations. There are so many farmers and their families who are driven by stern necessity to make the best bargain possible for themselves. Those who are not in the pool do not feel any necessity to limit the acreage. They put out as big a crop as possible and get the same price the cooperatives get, or perhaps more. The cooperatives are the men that borrow the money, take the surplus off the market, maintain the price, and suffer the losses. The Cooperative Tobacco Association of Kentucky raised the price from around 10 cents a pound up to 20 and 25 cents a pound. They have made a gallant fight for years to protect themselves and their neighbors, but these great tobacco trusts have worn them down year by year, and they find themselves now facing disaster. Of course, if all the tobacco growers would go into the association and each one bear his part of the burden of protecting the tobacco growers' interest, and each one receive his part of the reward, there would be no necessity for this legislation. The tobacco growers and other farmers of Kentucky are in a bad way. Positive evidence was brought to us that the farm lands of Kentucky to-day will not bring 80 per cent of their assessed value. There are thousands of acres of fine blue-grass land for which there was a ready market at $100 or more per acre before the World War that can be bought to-day for $50 per acre or less.

Many good farmers are forced to borrow money to pay their taxes. Tens of thousands of good farms are under mortgage

and thousands of them are being sold to pay the mortgages. If this condition continues, in a few years the insurance and trust companies will own thousands and thousands of farms in Kentucky. If this bill is passed, each tobacco grower will contribute his part to protect that great industry from destruction by these great tobacco trusts. Each one will share in the benefits and each one will carry his part of the burden. This in substance will be a hundred per cent organization for the farmers, not only of tobacco, but of other commodities. The farmers can not organize and stick together, but this will enable them to organize and stick together. This will prove very beneficial to all. If conditions prevail as they now are, in a short time there will be no cooperative associations to battle against the tobacco trusts and the tobacco growers as well as the corn, wheat, and other producers will find themselves in the condition they were in before there were any farm organizations. If a few farmers' cooperatives can bring themselves substantial relief there is no doubt in my mind but what this bill will bring more relief to all the farmers. If the farmers do not hang together, they will hang separately. The farmers certainly can learn a lesson as to the benefits of organization from the working people and from those engaged in other industries. When the farmer sells his products he must deal with the organized packer, the organized miller, the organized tobacco trust, and others. When he buys the products of others or secures money he must deal with the organized banker, the organized mechanic, the organized manufacturer, and others and the only hope for the farmer is to be organized himself, and this bill does for him what he can not do for himself.

SURPLUS AND ORDERLY MARKETING

The menace to the American farmer is overproduction or surplus crops. We have our fat years and our lean years. When the supply is greater than the demand the market is glutted and the prices go tumbling. Farmers must be encouraged not to produce more than the market requires, and in the event there is a bumper crop the surplus must be taken care of in some way until there is a demand; and I might say here that, taking a five-year period, there is no surplus either in the United States or in the world. The lean years will absorb the surplus of the fat years. Under present conditions when there is a big crop, prices are low; but the farmer, because of his poverty and to meet his obligations, is forced to dump his crop on the market even though he can not get the cost of production of that crop. The Tobacco Trusts buy up his tobacco at low prices, the grain gamblers take in his grain in the same way, the packers get his cattle and hogs, and handlers of poultry products take his fowls and eggs, and they put these products that they buy at low prices in cold storage and keep them until there is a shortage, and they feed them to the market as the market can stand it at good prices, and it is these middlemen that get the profits.

Now, if this bill becomes a law it will have a tendency to bring information to all the farmers and to discourage overproduction of any commodity, and in the event there is a surplus in any one year this bill carries a revolving or loan fund of $250,000,000 to help the farmers take the surplus off the market and hold it until there is a demand for the product in the market, and when he can receive a fair price.

There are so many elements that enter into the amount of production for any one year. Late freezes, early frosts, droughts, floods, and other atmospheric conditions, and pests have much to do with the amount of production for any one year. We have always had our fat years and our lean years. This bill in operation will do for the farmers what they can not do for themselves.

A REAL FARMERS' BILL

You inquire who will administer this law and how. The United States is divided into 12 Federal reserve bank districts. There is a Federal reserve bank in each one of these 12 districts. The farm organizations and farmers of each Federal reserve bank district select four farmers and the Secretary of Agriculture selects one, and these five farm representatives submit three names to the President for appointment as a member to the Federal farm board. One member is appointed for each Federal reserve district, or 12 in all.

Some of those who are opposed to this farm bill strongly oppose the selection of the board in this manner. They think that the President ought to be free to select whomsoever he may desire; but we must not forget that the farmers themselves are going to take care of any losses that might be sustained, and this board is going to deal with the products of the farmers. As the individual property belongs to the farmers and they propose to take care of their losses, if any, we think they ought to have much to say in the selection of the men who are going to carry out the provisions of this law.

This bill further provides that the producers of any commodity themselves select a council of seven members, who are to advise with and assist with this Federal farm board. You will observe this will bring to the Federal farm board the requirements and needs and knowledge of those engaged in every industry. Now, you say, how is this going to operate to aid the farmers?

$250,000,000 LOAN FUND AND EQUALIZATION FEE

This bill covers corn, wheat, hogs, cotton, tobacco, etc. Let us take tobacco, for instance. Whenever seven members of this Federal farm board and seven members of the advisory council selected by the tobacco growers to represent them, and a substantial number of the organizations engaged in the production of tobacco, and at least 50 per cent of the tobacco producers agree that there is a surplus or is about to be a surplus that will force the price of tobacco down below a fair price, this Federal farm board may place in operation this law and use such an amount of the $250,000,000 as may be necessary to take the surplus off the market and hold it for orderly marketing, and as this operation will control all the tobacco unsold, these big tobacco buyers must come to this organization to get their tobacco and they must pay a fair price. Tobacco trusts will not be able to go around and pick up tobacco crops here and yonder and break the price. Now, in order to protect the Government for this loan, a small fee will be charged on each pound of tobacco. Some people say that the farmers would object to paying an equalization fee. Unless something is done for the farmers the day is not far distant when tobacco will sell for $10 a hundred or less, on the average. This year tobacco is selling for $6 less on the hundred than last year and still going down. The farmers can well afford to pay a small equalization fee if the price is kept up so that the farmer may receive a living price for his tobacco, or his corn, wheat, hogs, cotton, etc. The burden will not be great because all the farmers of each commodity will be standing together shoulder to shoulder and they will all receive the benefits. The railroad boys are receiving three times as much on the average for their work as the average farmer and his family receive, because the railroad boys have stood together.

This equalization fee is required so as to guarantee the Government against loss on the loan, but if this matter is properly handled this equalization fee will be charged as part of the cost of production on the tobacco when it is sold and the equalization fee will be recovered back with additional benefits.

The Burley Tobacco Cooperative Association borrowed millions of dollars from the Government to take surplus off of the market and they had wonderful success in holding up the price and of course would have had much better success if all the tobacco growers had stood together.

At any time after the Federal farm board has taken over any commodity and placed it under the operation of this law, if the board, the advisory council, and producers of each commodity feel that their particular commodity should be taken out from under the operation of the law they can so declare. In other words, the producers of a commodity do not have to go into this unless they want to, and they can get out of it at such time as they desire.

IT MAY NOT BE PERFECT

Some of those representing the big business interests of the Nation and many of the great newspapers of the great cities and some Members of the House and Senate have pointed out what they regard as unworkable features of this bill. It may have some faults. This bill will directly affect something like 30,000,000 of people and $65,000,000,000 of investment.

This is a new field of legislation. There is no mind in America to-day comprehensive enough to produce a measure covering this situation perfectly. When Congress passed the Federal reserve act many distinguished men like Elihu Root, Senator BORAH, Senator CUMMINS, Congressman BURTON, and others predicted dire results as those of them who are now living predict about this bill.

While it was not perfect, and Congress has amended it many times since, it has proven to be one of the greatest blessings that has come to this country. We passed the transportation act in 1920. Many predicted dire consequences. It was not perfect, and we were called upon to amend it in 1926 in a very important particular. The tariff act has been amended many times and in many ways. We have found it necessary to modify and amend our revenue laws in many respects. When we passed the Federal aid road act many great minds in this country claimed that it was revolutionary and predicted many

evils would follow, but while we have amended it in many respects it has proven a great blessing to the American people.

This bill represents more nearly the composite judgment of the American farmers, the American farm organizations, many careful business men, and a majority of the House and Senate. The farmers are urging us to give them a chance, give their legislation a trial, and they are willing to protect the Government against loss, and as the Republican platform in 1924 declared if it was intrusted with power it would give the farmers relief, I for one am willing to adopt this bill and give the farmers a chance. If in its operation we find that there are defects, Congress can add to that which is good and correct and strengthen the weak points. Agriculture must have relief. We must start somewhere and somehow. This appears to be a step in the right direction. The income tax law, which aids the Government now so much in revenues, required years to perfect it. The Departments of Agriculture, Labor, and Commerce, that were opposed by many, were not perfect, but we have strengthened them by many amendments suggested by experience.

Mr. FULMER. Mr. Chairman, I yield myself 20 minutes against the time of the gentleman from Kentucky [Mr. KINCHELOE].

Mr. Chairman and gentlemen of the committee, I propose to accept in my time the challenge of the big boy from Kansas [Mr. TINCHER], who stated yesterday that he challenged any member of the Committee on Agriculture to stand before the Congress and explain how cotton could be operated under this bill. [Applause.] I listened very closely to the gentleman from Kansas yesterday for 45 minutes and was splendidly entertained. He reminded me of some of those trial lawyers down in the rural districts of South Carolina before a country jury, where they have to use a lot of hot air and a good deal of bluff to win their cases. After considering his speech and reading it over I was somewhat reminded of the outcome of some of the oil wells that the gentleman has been drilling in Kansas. After they were all drilled and they looked the situation over they found the wells contained more gas than oil. [Laughter and applause.]

Mr. Chairman, a question was asked a while ago about the issuing of cotton receipts to the producer when he would sell his cotton. I shall take just a moment on that. Under the present bill they will issue to the producer a receipt at the first sale of his cotton, but the only difference will be that the producer who sells to a commercial buyer will receive a receipt for his equalization fee and go his way rejoicing, never to participate in any profits thereafter; or he can sell through the agency connected with the Federal farm board and receive his receipt, and the agency will hold the cotton off the market to be fed back into the market in an orderly way and at such time as it will demand a fair price. When they have closed the operation of this period in cotton, let it be six months or two years from the date of the commencing of the operation, the producer selling through this agency will then participate in the profits made by the agency in the operation to the extent of the number of bales sold to the agency. Now, this is not going to force any farmer into a cooperative association or to sell through this agency, but it will be a splendid inducement when he goes to market his cotton to know that he can receive just as much for his cotton from this agency on the day that he is ready to sell as he could receive from the commercial buyer, and in selling through the agency be able to participate in a profit which the agency will certainly have because of buying at or below the cost of production, selling in an orderly manner, and thereby bringing about a higher price. There is not a man on the floor of this House who will tell me now that he is not in favor of cooperative marketing. The Secretary of Agriculture—in fact, every department of the Government—believes that cooperative marketing would solve the problem, as far as cotton is concerned, if they could secure a membership of even 75 per cent of the farmers. It is a known fact that the Government, as well as a large number of farmers, has tried in the past few years to build up cooperative marketing in this country, with very little success except in one or two instances. The trouble has been that with a small number of producers in the association and with a tremendous overhead the fellow on the outside receiving just as much benefit as the fellow on the inside, and in many instances because of receiving this benefit on the outside those producers would proceed to increase acreage and production. Therefore, cooperative marketing is practically broken down in this country.

Ever since I have been a Member of Congress the only scheme offered to the farmer is a loan scheme. My good friends Mr. TINCHER and Mr. FORT will tell you that to remedy the situation to-day we must lend the cooperative association money to hold the cotton off of the market. I want to tell you, my friends, that the farmers to-day have borrowed more money than they will ever be able to pay back. We had the opportunity in the last Congress to pass a farm relief bill, a much better bill than we have even at this time, in some respects, but many Members from the South voted against this legislation, believing, no doubt, that cotton would remain at 20 or 22 cents a pound, but it did not. In the meantime, the people of the South were blessed with good seasons and they did not have the boll weevil, and, therefore, produced an 18,000,000 bale cotton crop, the largest in the history of the production of cotton. But, while they were blessed with this large crop, it has proved to be a curse to the fellow who produced it.

The gentleman from North Carolina [Mr. POU], and my good friend from Georgia [Mr. CRISP], and others, who stood here last year and said that the bill was economically unsound and unconstitutional, not even trying to do anything to amend the bill to make it workable, sound, and within the Constitution, were the very first ones when cotton prices commenced to go down last fall, to wire the President of the United States and even came to Washington and said to the President:

> For God's sake, Mr. President, call an extra session of Congress, or give us a loan fund for our producers, as our people are going into bankruptcy because of this large cotton crop and the present price.

The statement as to our people going into bankruptcy is absolutely true, Mr. Chairman. Every month I receive my home-county paper, and page after page is filled with advertisements of the sale of land, either to satisfy tax claims or mortgage indebtedness. I call your attention to one particular sale last Monday in my county—that of the home of an old couple of at least 75 years, sold at public outcry, not through any fault of their own, but because of the conditions existing to-day, brought about by special legislation for special interests, and because we have not the machinery, the money, and the backing of the Government to take care of the situation that they have to face in the South to-day.

I remember as a boy I used to visit this home. They had a splendid home and a splendid farm and seemed to be happy. This farm was deeded to these people some 50 years ago and they have passed through all of the trying panics of 1886 and 1907, and the boll-weevil period and to-day, in their old age, because of having to buy everything in a highly protected market and having to sell everything that they produce on the farm on a world's market, they are turned out in the cold, homeless and helpless. I say to you, my friends, that you, the representatives of the people of this great Republic, are responsible for the agricultural condition of this country to-day. Ninety per cent of the Members of this Congress are lawyers; some of the best to be found in the country; men of brains; and I want to say to you that, inasmuch as you are able to work out great pieces of constructive legislation in the interest of banking, the railroad interests, manufacturing interests, labor interests, and various other groups, that are economically sound and that come within the Constitution of the United States, you should be able to join in heartily in working out legislation for the interest of thirty millions of people scattered in the wilderness of the United States unorganized and crying to-day for help. [Applause.]

The gentleman from Georgia [Mr. CRISP], and others, came up and said to the President, "Give us a commission and a loan fund," and the President did it. I believe that the President saw the financial condition of the South as well as the political situation. He remembers that the South and the West last year came very nearly getting together and passing farm-relief legislation, therefore, he immediately appointed a commission and this commission joined in with the bankers and it was said to the press and the country that we have plenty of money and are now ready to make loans to farmers on their cotton, so as to take this cotton off the market, thereby holding up the price. The President did just exactly what I thought he would do. He appointed Mr. Hoover head of the Department of Commerce, and Mr. Meyer, who was at the head of the War Finance Corporation during the war, and Mr. Williams, head of the Federal Land Bank Board. Immediately, Mr. Hoover, who represents big business and who seems to control and dictate largely the Republican administration, appealed to the manufacturing interests of New England and of the South and this appeal was heard in foreign countries, urging the manufacturing interests to buy up all the cotton that they could buy at these prices, same being below the cost of production, stating that—

> Never again will you have an opportunity to buy cotton so cheap, even below the cost of production. Therefore, you should buy and store away enough cotton to last for two or three years.

Mr. FORT a few minutes ago told you why the cotton people did not come in under the Haugen bill three years ago. Perhaps he told you the truth, but he did not tell you all of it. At that time the Haugen bill proposed to handle commodities on what was known as a ratio basis. The price of cotton under that scheme would have been 19 cents. At that time cotton was selling for 22 to 24 cents; therefore, we of the South refused to come in under any plan that proposed to fix a minimum price, which would, undoubtedly, be the maximum price. I believe if we had gone in under that scheme and had stated to the world that the right price, or the ratio price, was 19 cents, that the price of cotton immediately would have gone down to this price. The surprising thing to me is to see so many Members who seem to oppose this farm relief bill continually making statements on the floor of the House which are really only a part of the truth or, in some instances, misstatements altogether. Therefore, it seems that they take great pleasure in making these statements, thereby trying to justify their position toward the bill. Mr. FORT also proposed to turn Members of the South against this bill when he stated, a few moments ago, that the people of Georgia and South Carolina where importing into these States millions of dollars worth of corn, flour, dairy products, and a great many farm products and therefore we would have to pay increased prices for these imports. I will say to my friends from the South that it is absolutely a shame upon the people of Georgia and South Carolina, where we have the finest climate in the world and a soil that will produce practically everything except coffee, that we do not grow these things. I sometimes think if this bill will do what the gentleman from New Jersey [Mr. FORT] states that it will do—raise the price of these farm commodities that we import into these States—perhaps that will be the thing that will force our people to cut the acreage of cotton and produce more of the real necessities of life.

I want to say this to my friends on my side of the House: Last year I worked in season and out of season, night and day, to help write a satisfactory farm relief bill that would give to the West what the people of the West really wanted, and that would take care of the troubles of the producers of the South. I held many conferences with the western farm leaders and with the western members on the Agricultural Committee, and finally succeeded in writing into the bill myself $75,000,000 out of the Treasury of the United States for two years, without interest, for the cotton producers of the South, subject to any losses, and we to retain any profits that might be made in the operation in connection with cotton. I wrote also into this bill an amendment deferring the equalization fee on cotton for two years, and that it should not be put on even at that time unless a majority of the cooperative associations or other farm organizations and individual farmers producing cotton asked for it, and in the event that the fee should apply after two years, not to exceed $2 per bale; and yet many gentlemen on this side, representing the South, turned this bill down. I want to tell you right now you will never get the chance to vote for or against a bill like this again. I thank God that I voted for it because of the conditions existing to-day in the South. For the lack of this money and machinery our people are in a serious condition, and certainly you gentlemen who had an opportunity to receive, as it were, on a silver waiter seventy-five million without an equalization fee, giving the Government a chance to demonstrate at the actual expense of the Government this new scheme, with the privilege to the farmers of the South to take it over if it should succeed or turn it down if it was not a good proposition, should certainly feel very badly about it.

Now as to cotton. Suppose this bill had passed last year carrying seventy-five million for cotton, with the equalization fee deferred for two years. You remember last fall when the Government gave out its first estimate that we would have a crop of cotton amounting to about 15,000,000 bales, the price of cotton was 18 to 20 cents, and everybody was happy and satisfied.

With this size crop and the world needing at least 15,000,000 bales, why, Mr. CRISP, of Georgia, myself, and others believed that no doubt the price would eventually go to 25 cents and we held our cotton off the market. Shortly, however, the Government came out with another report showing 16,000,000, bales, and later 17,000,000 bales, and finally 18,000,000 bales, and in every instance the price of cotton kept going down. What would have happened if we had passed the Haugen bill, as stated a few minutes ago, last year? Just as soon as the producers, the cooperative association, and the advisory council that had to do with cotton saw the situation and realized that we had an overproduction of cotton, they would have made their appeal to the Federal farm board, asking that they declare an operating period; and if the bill works just like I think it would work, I am sure they would have declared an operating period. They would have made connection with the cooperative association, a subsidiary corporation thereof, or some other agency, and as soon as possible put this machinery into operation. If this machinery works like I believe it would work, this agency immediately would have gone out on the market last fall and commenced buying cotton at the market price, in a competitive way, to the mills and commercial buyers, bidding, buying, and taking off of the market just whatever number of bales that it would take to bring about a legitimate demand and fair price. I can see at this stage of the game that the speculative interests, the interests that to-day largely manipulate the marketing of farm products, thereby fixing the price, would no doubt go into the market so as to take advantage of the holding of this cotton, and put the price up for speculative purposes. Then this agency would immediately feed back into the market this cotton, or so much thereof as would be required to put the speculator out of business, and stabilize the price. Therefore with this surplus on hand, they could use it as a stabilizer in connection with prices and have a long line of stabilized prices, which would be very satisfactory to the producer and should be satisfactory to the manufacturers of cotton.

Now, the opponents of this legislation will tell you that the way to stabilize the price of cotton and secure a fair price is to lend money to the cooperative association, or farmers, so that they can withhold sufficient cotton off the market to bring around a legitimate demand and fair price. I agree with these gentlemen, but it seems impossible to force anybody to accept these loans to the extent of taking off of the market a sufficient quantity to bring about orderly marketing and a fair price. For instance, the President's commission appointed sometime ago offered to the South barrels of money to take care of this situation, proposing to lend 9 cents per pound on cotton that was selling at that time for 12 cents. Some few farmers who are financially able to carry their cotton on this basis will take advantage of this scheme. I am carrying my cotton to-day; so is my good friend from Georgia, Judge CRISP, and others. But there are thousands of farmers in the South, white people as well as negroes, who have contracted obligations against their cotton, even before it was planted, perhaps at the rate of 15 cents or more per pound, and even at the price of 12 cents they are unable to meet their obligations, and certainly they can not afford to accept a loan of 9 cents, pay interest and carrying charges, and neither will the banks and the people who hold these obligations allow them to accept this small amount, when they, themselves, need so badly the full price of this cotton.

Under our scheme we go into the market in a competitive way when the price is too low and pay to these same producers the full market price and we hold his cotton, and allow him to pay his obligation and we carry his cotton for such time as we are able to put it on the market in an orderly way and at a fair price, and allow him to participate in the profits thereof. My friends, we have this to contend with in the South. We have thousands of negro farmers—some of them owning their own land, some contracting, and thousands of them renting and farming on their own initiative, and in every instance this type of citizen refuses, under any circumstances, to withhold his cotton from the market, but will put it on the market just as fast as he can gather and gin it, even if the price should go to the small price of 5 cents a pound. Therefore, while my good friend, Mr. CRISP, from Georgia, myself, and others, along with a small percentage who compose the cooperative marketing association, are trying to hold the market up with our cotton, they are daily dumping their cotton on the market and forcing the price down. We can easily take care of this situation under the Haugen bill.

Mr. GARRETT of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. FULMER. Yes.

Mr. GARRETT of Tennessee. Suppose enough of us had, at the former session, yielded to the blandishments of the $75,000,000 revolving fund proposition and had passed the bill then pending; this fall how much of that 18,000,000-bale crop would have been taken off of the market? That $75,000,000 was for two years.

Mr. FULMER. I will say to my good friend from Tennessee that the $75,000,000 for cotton would have at once become available, and with the $75,000,000 placed in cotton at the low prices this fall, pledging the cotton bought with the $75,000,000 through the Intermediate Credit Bank, or otherwise, on a basis of 75 to 85 per cent of its actual value, we could have taken off of the market from three to four million bales of cotton. I tried very hard when we had the bill up last year to explain that to the Members, but it seemed that they could not under-

stand that scheme of financing and could only see the purchase of the number of bales that could be purchased with the $75,000,000. I would like to say to my friend, and to the Members of the House, that if we had this board, and this machinery, and this money, with the backing of the greatest government on the face of the earth, we would not have to buy 3,000,000, not even 2,000,000 bales of cotton to put the price up to a fair and just one. I believe, my friends, the passing of this kind of a bill just to let the country know that this great Government of ours proposes to back a scheme that would protect the agricultural interests and see to it that they receive a fair return for their labor, would, within itself, bring about a fair price. [Applause.]

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. FULMER. Yes.

Mr. ROBSION of Kentucky. The cooperative association with much less money attempted to do this work and take off the surplus and they have succeeded well, considering the number in it and the amount of money. We know this, do we not? That this $75,000,000 would have taken off more surplus than the little cooperative could have done.

Mr. FULMER. Yes; under the President's proposition some time ago, they offered us millions. To-day we have millions in many of the banks of the South, and plenty of money in the money centers of this country standing idle. They are delighted to make loans on cotton-warehouse receipts, the best collateral in the country; but a loan scheme, either by the Government or individually, will never solve the surplus-cotton problem, unless you could so organize the cotton producers that the organization can control sufficient quantities of cotton to bring about orderly marketing, or, if this is impossible, then through the operation of machinery created under this bill, whereby we can go into the market and buy, even on a competitive basis, the surplus or that part of the surplus that would bring around a fair price.

Mr. McSWAIN. Mr. Chairman, will the gentleman yield?

Mr. FULMER. Yes.

Mr. McSWAIN. The seventy-five million would have enabled the board to purchase, if necessary, $3,000,000 worth of cotton, would it not?

Mr. FULMER. Yes.

Mr. GARRETT of Tennessee. They did not take advantage of the chance to borrow money to buy cotton.

Mr. FULMER. I will say to my good friend from Tennessee that they did not take advantage of the loan scheme suggested by the commission appointed by the President, whereby they advanced 9 cents on 12-cent cotton and 5 cents on low-grade 8-cent cotton. But, as stated a few moments ago, with this seventy-five million and the privilege of pledging cotton purchased with this seventy-five million for additional funds, and with the privilege of going on the market and paying full prices, and with the privilege to these same producers of participating in the profits, we can easily take off of the market a sufficient quantity to immediately place the price of cotton on a fair basis. I admit that a loan scheme will help the cooperative association now struggling, but there will be no inducement to increase the membership or the holdings of the association. I admit also that a loan scheme at reduced rates of interest will be interesting to large and independent farmers who are able to take advantage of same and carry their cotton until a short crop shall come around and advance the price for the benefit of this independent farmer, but it will not help the great masses of farmers who are forced to sell their cotton and are unable to take advantage, even if they wanted to, of a loan scheme.

To-day, my friends, we have in the South hundreds of banks going broke, with thousands of dollars on deposit; money belonging to every type of citizen. In some instances, the savings of a lifetime of some poor farmer or some workingman. An absolute loss to the stockholders and to the depositors. We have supply merchants furnishing supplies and fertilizers to farmers, who are unable to borrow money and who have not the money to run their farms. In both instances, the banks, as well as the supply merchants, have to collect in the fall to pay their obligations either to the Federal reserve bank or to the fertilizer people. Therefore, when prices are low, they will not allow the great masses of farmers to hold their cotton on a loan scheme, because of the small amount that they are able to borrow in comparison with the prices that they can get at this time on the market.

The opponents of the bill will tell you that if you stimulate the price of cotton you will stimulate production and thereby have an overproduction. This would be true if we would only stimulate one of the major commodities, but if we had this machinery and the board, so as to take into consideration the major farm commodities, each man would go into his line of production.

We have in the South to-day thousands of white people and negroes who are sadly in need of clothing and shoes, a condition brought about because they are unable to obtain a fair price for that which they produce, to enable them to buy that which they sadly need. If, under this machinery, we could stabilize the price of cotton and handle the surplus when it would occur, so as to maintain a fair price, the people in the South, who are now stifling with cotton, would be able to buy cotton goods, no doubt to the amount of 1,000,000 bales of cotton. No wonder the cotton mills of this country, as well as the merchants, are idle to a certain extent, and are not making any money to-day because of the condition of the consumer and producers, who would be able to buy the output of the mills and merchandise from the merchants if they could receive a fair price for what they produce.

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. FULMER. Yes.

Mr. BEGG. I would like to ask the gentleman concerning a point I tried to make the other day, and right along the line that the gentleman is discussing. If this emergency were declared by the board, they then would fix the price on cotton, would they not? In the emergency you described last year they would come to the board and appeal to it to declare an operating period, and then they would set the price on cotton.

Mr. FULMER. Under any of these bills they would in a way fix the price.

Mr. BEGG. I wanted that definitely understood, because that is my impression. Now, the minute the price was fixed the cotton producers in the South would immediately offer their cotton to the board; and would not the board, in self-defense, be forced to buy every bit of cotton offered on the market?

Mr. FULMER. No; they would not do that.

Mr. BEGG. Take your cotton. If you were to store it in the face of that operating period, you would lose the cost of the storage.

Mr. FULMER. Suppose this board would state that at this time 15 cents would be a fair price, considering the size of the surplus, which really would have lots to do in determining the price, so as to move the cotton. Certainly they could not put the price too high, so as to retard consumption. This would not mean that the board immediately would offer to the producers of cotton 15 cents a pound, while at the same time, perhaps, cotton would be selling at 10 or 12 cents. But they would go into the market, buying at the market price—say, 10 cents, for instance—and continue to buy until cotton would reach this fair price of, say, 15 cents. Therefore, rather than sell my cotton at 10 cents, the market price, believing that cotton would reach the 15 or, perhaps, 18 cents price, I would hold my cotton off the market so as to get the higher price.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. Mr. Chairman, I yield the gentleman an additional 10 minutes.

Mr. FULMER. Now, my friends, as I stated a few minutes ago, I offered to the representatives of the South last year a bill that would not hurt a hair on any man's head, a bill which would take care of the cotton situation, but many of you gentlemen from the South would not take it. At the proper time I am going to offer an amendment, as follows:

> No equalization fee shall be paid in respect of cotton prior to the expiration of two years from the date of the approval of this act, and the equalization fee in respect of cotton shall not exceed at any time the equivalent of $5 a bale. If by reason of unforeseen conditions a loss is sustained in the disposition of cotton purchased under the provisions of this act during the first two years, such loss may be assessed against the succeeding operation in connection with cotton.

I want to talk seriously to my friends on this side, because I am anxious to see this legislation pass; and if we are to pass it, we are going to need a good many votes over on my side of the House. I want to warn my friends from the West that when this amendment is offered the opponents of the bill, men like Mr. TINCHER, Mr. FORT, and the Representative from the East, will vote to retain the equalization fee on cotton, knowing that if they succeed they will have the privilege of voting with the Members representing cotton in the final vote to kill the bill. We went into this matter thoroughly a year ago, and it is generally understood, or should be, that I am not asking any special favor or privilege for cotton. In the first place, every man that has made a speech upon the floor of this House, for or against the bill, has stated that it would practically be impossible to make a loss on cotton, buying at or below the cost of production, and holding off of the market for the purpose of stabilizing the price.

I challenge any Member from the West to deny that it is your purpose and the purpose of the bill to make the tariff apply on your farm products. Now, if this is true, you have to-day, for instance, on wheat a 42-cent tariff. If you are able to make the tariff apply on wheat 42 cents per bushel, that will make the American price 42 cents above the world price, and my people and the consuming public will have to pay this 42 cents. In other words, if you should have to pay an equalization fee of 10 or 15 cents, we, the cotton producers of the South and the consuming public, would not only pay your equalization fee of 10 or 15 cents, but the difference between the equalization fee and 42 cents, which would be a net profit to wheat producers out of the pockets of the consuming public. I know that, and my people will know it. Yet, if you will be fair and allow us, who represent the cotton producers, to work out a satisfactory bill in the interest of cotton producers, we are willing to stand our part of it.

In the case of cotton, as stated a few minutes ago, the best that we can hope to do will be to pool the surplus, hold for orderly marketing, and thereby hope to increase the price; but in every instance the American price will be the world price. No chance in the world to make the tariff apply, and when the producers of cotton pay $2 or $5 a bale in the way of an equalization fee it will come deep down out of the pockets of cotton producers and not out of the consuming public.

Now, my friends from the West, to show you that my heart is in the right place I am going to first offer an amendment to defer the equalization fee on all commodities for two years, realizing that if this bill works like you believe it will work with your farm products, you will have a loss that will come out of the Treasury of the United States. I am willing to stand this loss by the Treasury of the United States. I believe that this great Government owes it to the farmers of this country who are in their condition to-day, brought about largely by legislation for special interests and otherwise, to take this new scheme and go to the country with it and test it out and demonstrate whether or not it will work, and if it costs the Government a million or two hundred and fifty million and will work, then you have rendered a great service to agriculture and a great service to this country. If you still propose to stick by your proposition of retaining your fee, then I ask you to do like you did last year—let the cotton people work out their own troubles, especially when we show by this amendment that if losses occur on account of any unforeseen reason during these two years, we will be assessed on future operations in cotton for these losses.

I want to warn my friends from the West that if you are going to stick by the enemy and hold the equalization fee on cotton and then have the enemy stick by the South and vote against the bill proposed, you will not be able to pass this bill like you hope to do.

Mr. ROMJUE and Mr. McDUFFIE rose.

Mr. FULMER. I yield to the gentleman from Missouri.

Mr. ROMJUE. A good many gentlemen have made inquiries whether or not the same equalization fee would be made applicable to the different grades of a product, and I want to call the gentleman's attention to the last two lines on page 13 and the first two lines on page 14 of the bill, and ask the gentleman if he does not believe that under the language of those four lines the board is empowered to fix a fee upon different classes or different grades of the products under the bill.

Mr. FULMER. I have heard a great many men talk about the details with respect to this board. We have never passed a piece of constructive legislation in the Congress but what we gave to the board managing same certain powers to work out these little things. If there is anything necessary to be done further, they will come back to the Congress. My friends, if we do not do anything else but create this board, if it could be a sure enough farmer-minded board and one which would do quite a lot of research work, as well as looking into the matter of freight rates, tariff rates, and into the question of distribution and marketing, reporting back to the Congress and recommending legislation, if needs be, to regulate and adjust these matters fairly between the various groups of the people of the country, they would be able to do wonderful work. [Applause.]

Down on my farm I have a white man who produced last year 300 bushels of fine sweet potatoes. He is hauling them to town and selling them for 75 cents a bushel. His children are out of school and are ragged, and yet in New York City they are selling sweet potatoes for $8.50 a bushel, and the poor people of New York, the consumers up there, can not afford to eat potatoes because of the price they have to pay. We are stifling with overproduction and yet the world is going hungry because of the unfair price the consuming world has to pay in comparison with the unfair price which the producer receives. And yet the Congress will sit around and quibble about details with respect to working out or trying out something which the Government ought to do for agriculture.

Opponents of this bill claim that the operation under this bill will increase prices to the consumer because we propose to increase the price to the producer. This is not necessarily true. If the board will look into the proper system of distribution and marketing, we ought to be able to work out a system whereby we could easily increase the price to the producer and decrease the price to the consumer.

I hold here a clipping from a paper edited at Springfield, Mass.—the New England Homestead—which reads as follows:

> The ostensible purpose is to force domestic consumers to pay 50 per cent more for flour, feed, grain, pork, and cotton, so that after covering the loss on surplus producers may net more than otherwise. While favoring cooperative marketing by producers, the bureau may authorize and aid "other agencies" to trustify these products. Astounding and incredible as the above is, yet all this and more is embodied in the McNary-Haugen bill, actually reported out last week in identical form to House and Senate by majority vote of their respective Committees on Agriculture. Having thus quickly won the first step, its advocates claim enough votes in both branches to pass the bill before Congress adjourns March 4. In that case they declare that President Coolidge will either approve or let it become a law without his signature. These facts warrant every person and group in telegraphing or writing instantly to both their Senators and to their Representatives at Washington most earnest protest against the McNary-Haugen bill. Its advocates are so vociferous, highly organized, and well financed that they plan to rush the bill through Congress before the mass of producers and consumers wake up sufficiently to prevent.

Read the speech of the gentleman from Massachusetts [Mr. LUCE], made the other day, and see what he has to say about the bill. There is one thing I can not understand, and that is why you folks from the West let those birds from New England come down here and propose any kind of class legislation in the interest of their people, and every one of you fellows from the West, like goats going to pasture, march right up and stick your fists on the dotted line. And yet, when any of you gentlemen come in and say "Let us in on this scheme," they say to you, "Go back to your farm in the West; continue to plow your mule; pay taxes and be satisfied." [Laughter and applause.]

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. FULMER. Mr. Chairman, I yield myself three minutes more out of the time of the gentleman from Kentucky [Mr. KINCHELOE].

One of the troubles with the Congress to-day is that we have located right down below the foot of Capitol Hill the United States Chamber of Commerce, which is established in the interest of big business and against anything that might be offered for the benefit of agriculture. They have declared against the Haugen bill and they have their member chambers of commerce and boards of trade from all over the country writing and wiring Members to vote against the Haugen bill. I have here a telegram from the Chamber of Commerce of Minneapolis, reading as follows:

> The so-called McNary-Haugen bill now under consideration by Congress would, if enacted into law, injure rather than help the agricultural interests and would check the present desirable tendency toward diversified farming methods.

Also one from the board of trade of the city of Chicago, as follows:

> Dependent as we are on a healthy condition of agriculture, especially in the Grain Belt, and anxious as we consequently are to see the position of the farmer on a permanent equality with other lines of industrial activities, we can not bring ourselves to advocate unsound measures of farm relief or measures which we believe will result in a worse ultimate situation than now prevails.

I also have several others that I will not insert in the RECORD, but in most instances they give you their reason for opposing this bill, and in nearly every instance their reasons differ just about as much as the reasons given by the opponents of this bill here on the floor of the House.

The gentleman from North Carolina [Mr. HAMMER] received a telegram a few days ago from one of his cotton mills opposing the Haugen bill. Mr. HAMMER immediately wired the mill to please state their reason for opposing this legislation and suggest legislation to help out the serious situation the farmers are in to-day. This mill immediately wired:

> We oppose the Haugen bill because under the bill they propose to sell two-thirds of American cotton in the world market at reduced

prices and one-third of American cotton on the American market at an advanced price.

This is an absurd statement, a ridiculous statement, because there is nothing in the bill that would propose that kind of proposition, neither could we undertake to handle cotton in this way. His remedy for the situation was that if we pass a bill to pass one carrying a fund so as to be able to buy up the surplus, take it off of the market, and feed it into the market in an orderly manner so as to bring about a fair price. Now, that is exactly what we propose to do under the Haugen bill. [Applause.] Yet my friend, Mr. POU, from North Carolina, stated the other day that this would force farmers into the cooperative association whether they wanted to go into it or not, therefore, he could not support the bill.

Mr. ASWELL, of Louisiana, who opposes the bill, stated just the reverse some days ago. That it would tend to tear down cooperative marketing because this board would take over the function of the cooperative association. Some days ago Mr. Yokum, who appeared before our committee at various times in the interest of the Aswell-Yokum bill, stated in a speech in New York that the McNary-Haugen bill would plunge the country into an era of profiteering the like of which we have never experienced since the war, and all at the expense of American farm producers and consumers. If Mr. Yokum is correct, I will be glad for my people to have the benefit of some of the prosperity that he speaks about.

The Columbia Record, a paper down in my district, stated some days ago that the Haugen bill would put from $10 to $10.50 tax on the farmers' cotton, and that we only have three cotton men on the board. There is nothing in the Haugen bill that states that there will be a tax of $10 or $10.50 on the cotton farmer and, while we will have only three cotton men on the board, if he wanted to be fair to his readers he should have told all of the truth in connection with this statement. The bill last year carried a provision that would not allow over $2 per bale, and we hope to pass the same amendment this year. And while we only have three men on the board, these three men will have the power to vote in or vote out an operating period on cotton over the other nine members composing the board.

If I had the time I would like to read you a part of a speech made by the gentleman from New Jersey [Mr. FORT] last year. I am going to insert same in the RECORD, because his statement will show that I am absolutely correct in all of my statements in connection with the handling of cotton under the Haugen bill. The only difference between Mr. FORT and myself is that he proposes a loan fund which you can not force any producer to accept, while we propose a fund to actually go into the market when we have a surplus and low price and buy sufficient cotton and take same off of the market, so as to bring about orderly marketing and a fair price:

PART OF SPEECH OF CONGRESSMAN FORT, OF NEW JERSEY, MARCH 25, 1926

Stabilization of anything depends upon continuity of supply, and continuity of supply as applied to agricultural products means definitely the adoption of a policy of carry overs from great crop years to lesser crop years. It means that in a year of a 3,200,000,000-bushel crop of corn enough of that corn will be lifted off the market, dried, and processed to be available for the the farmer to buy and feed his stock in the year of a 2,400,000,000-bushel crop. It means that in the year of a 900,000,000-bushel crop of wheat enough of that wheat will be lifted off the market and carried by somebody to take care of the year when the crop falls down to 600,000,000 bushels.

In the present depressed condition of agriculture he needs Government backing extended through some form of Government agency.

The best experts we have been able to get before us tell us that on either corn or wheat, if you take 100,000,000 bushels off the market in any year, off the cash market—remember what I told you about the amount of corn that never sells for cash—you would bring that price at least up to the point it ought to reach. At the same time the presence of that 100,000,000 bushels of carried-over corn will enable the pork and cattle farmer of the United States in making out his breeding program to assure himself that in the following year, even though there be a short crop, there will be a supply available to hold the price of corn from becoming so prohibitive as to make it impossible for him to purchase it and feed it to his pork or cattle. Now, for that purpose I would have this corporation step into the market—not to bull the price, not to raise the price unduly, but to fix it at a point below which the product ought not to sell, fix it perhaps by the advice of its farmer and cooperative stockholders as the minimum price they would be willing to take, and then step into the market and protect the market against depreciation below that price. Incidentally, with such an organization in existence, the bear trader in commodities would hesitate to press his position too far. Now, that program is not speculation. It is the soundest type of investment policy.

The man who buys anything only when it is at a low price, and holds it to sell only when it is at a high price, is an investor not a speculator. It is a sound policy, and it is one nobody ever went broke following if he had the financial ability to hold on.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. DICKINSON of Iowa. I yield the gentleman five minutes.

Mr. FORT. I would therefore have this corporation subject to conference with the board prepared not to go in and buy the first year if it was a normal crop, but simply to step in in surplus years and stop an abnormal decline in price. And then carry it over one year, maybe two years; but in American history we have never gone three years with big crops in succession, so far as I have found. We have never had three successive excellent years of weather to mature the growing crop.

I think it is high time that the Congress should think seriously about this proposition and that it should think seriously about my suggestion of allowing the Government to put up this revolving fund and when necessary go into the operation under this legislation and demonstrate to the satisfaction of producers and the Government that it is a workable scheme and then sell same to the producers of the country. [Applause.]

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from North Dakota [Mr. SINCLAIR].

Mr. SINCLAIR. Mr. Chairman, it seems to me as this debate has progressed that the question before us is whether we are going to give the farmers of America a marketing agency that will make their cooperation effective. To me it is largely a question of cooperation. If we enact this legislation, we are going to set up the machinery that will enable the farmers to overcome in an effective manner the market disadvantages they now meet in the sale of their products. You have heard the testimony here in regard to the tobacco growers of Kentucky; how their cooperatives failed because the purchasers of their product pooled against them and paid more than the cooperative society could afford to pay in order to break them. That same thing was enacted several years ago in North Dakota. We had a strong and efficient equity association for the handling of wheat and other grains. The chambers of commerce and the large millers boycotted them. The firms that did the buying for the consumers and the millers were able to defeat the very purpose of the equity organization by means of overbidding and boycotting it.

Some progress has been made in the past five years in the matter of agricultural relief legislation, even though as yet no definite concrete action has been taken. Five years ago, when I introduced my first farmers' and consumers' financing bill, it was deemed revolutionary in nature, too advanced in its provisions, and not at all necessary for the restoration of agriculture to a condition of prosperity. At that time the established marketing agencies were considered eminently sufficient to accomplish the desired result. As a matter of fact, the general sentiment was that there was no agricultural problem that would not right itself, and that action on the part of Congress was uncalled for and wholly unnecessary.

FARMERS WORSE OFF TO-DAY THAN FIVE YEARS AGO

Since then the plight of the American farmer has grown steadily worse. The deplorable condition of agriculture has already had an adverse effect on other industries. Business failures and bankruptcies throughout the United States are striking evidence of this fact. Over 3,000 bank failures have occurred in the past five years, most of them in the best farming States of the Union. Thousands of farmers and business men have gone broke, and a loss of $30,000,000,000 in farm values has ensued. The end of the depression is not yet.

The Department of Agriculture has but recently announced a slump in the value of farm crops in the United States for the year 1926 amounting to $1,148,008,000 over the previous year. This decline was due principally to lower prices for most of the farm products rather than to decreased production, although the production in some crops was slightly below that of the previous year. A little over one-half of this decline was on account of the lower price of cotton. The revised estimates of the crops of 1925 placed their value at $8,949,321,000. The principal crops for 1926, based on the December 1 farm prices, were valued at $7,801,313,000. This indicates a continuation of the losses that farmers have sustained in the last five years amounting to over $1,000,000,000 for 1926. It is well for us to contrast this decline in the value of farm crops with the $280,000,000 melon of the Steel Trust which was declared the past year and with the profits of the other big tariff-protected industries. Does it not look as if the farmer has something to kick about?

I feel confident that had the Norris-Sinclair bill been enacted into law five years ago, as was then proposed, or legislation

similar to the measure we now have before us—the McNary-Haugen bill—many of the failures and losses which the American farmer has been forced to take would have been averted, and the whole country now would be well on the road to financial prosperity.

GOVERNMENT AID IS MARKETING FARM PRODUCTS IMPERATIVE

It has been clearly demonstrated to the satisfaction of all thoughtful investigators that the established marketing agencies are not sufficient to meet the needs of agriculture in the existing depression. These agencies are not operated for that purpose. Primarily they are built up with a view to the financial profits of their owners. Regard for the welfare of either producer or consumer is a secondary consideration. It is only incidental. I am not saying that the work of distributing farm products is not well done. On the contrary, I believe it to be highly efficient. It is only the cost of distribution of which I complain. The American consumer has to pay in costs an increase commensurate with the higher efficient service.

Before the World War, notwithstanding the fact that farmers had much to discourage them, and that in many sections of the United States they were even then, on the average, fighting a gradually losing battle, yet they had definite and reasonably fixed charges to meet in the conduct of their business. They could establish their work and their investments at that time with a definite set of marketing conditions prevailing. The World War changed these conditions. Other industries could and did quickly adjust themselves to the change, or they were assisted in making it by the Government. Agriculture, on the other hand, could not readily make the new adjustment, and should before this have been given the same aid that was extended to other lines of business. This was not done, however, and the attempt at legislation now is but a tardy recognition of the right of the farmer to that equality in marketing his products which was his due.

It is often stated in considering the farm problem that it is one of overproduction, and that the farmers ought to get together and limit the amount of food products which they are going to raise each year. Of course, the men who advance that argument as a reason why Congress should extend no aid to agriculture must know that it is utterly and wholly impossible for the farmers of the United States, scattered as they are all over the country, to get together and in any way effectively limit or control production. The elements and nature have much to do with controlling or limiting the amount of crops. Those who till the soil have to be guided by their own circumstances in acres planted. I grant there is much the Government can do through a centralized agency to give intelligent guidance to the food growers of the country. It can suggest the approximate needs for the coming year; it can advise where the best markets may be found; it can assist in giving farmers instruction which will help them to meet reasonably the estimated future demands. This the Department of Agriculture, I am glad to know, is attempting to do. Far more, of course, might be done than is being done. But, after all, instruction is merely suggestive and advisory and can not hope to influence more than slightly the 6,000,000 individual farmers who must do the great work of producing the Nation's food.

NO OVERPRODUCTION, AS CLAIMED BY SOME

I should like to call the attention of Members of Congress who represent urban communities to the fact that, notwithstanding so much talk about overproduction of food products—and in point of returns to farmers it seems there is foundation for it—there is, as a matter of fact, less production to-day throughout the world of the staples of agriculture than there was in 1913. European nations, especially since the war, have taken cognizance of the necessity of developing their agricultural resources so that they will meet the requirements of their population and growth. Most of the European countries, having suffered quite severely from the depression after the war, are now making special efforts, and have been making special efforts the last few years, to increase their agricultural production and to diminish their dependence on outside sources like the United States for their staples. Despite these efforts, there are indications that the total world production of agricultural products has not kept up with the increasing population. In fact, there has been a slight decline. With the exception of tobacco, there has been an actual decrease of most important farm products in world production between the years 1913 and 1924. In 1913, the total wheat production was 4,087,000,000 bushels; in 1924, it was only 3,472,739,000 bushels. There has been a similar decline in the total world's production of rye, corn, barley, oats, and swine. Even in the production of cotton, of which there is so much complaint to-day, there has been a decline from 1913 in the total world's supply. The total world's production in these crops is as follows:

Corn:		
1913	bushels	3,743,000,000
1924	do	3,721,000,000
Rye:		
1913	do	1,893,000,000
1924	do	1,419,990,000
Barley:		
1913	do	1,779,000,000
1924	do	1,382,000,000
Oats:		
1913	do	4,798,500,000
1924	do	4,184,000,000
Hogs:		
1913	number	259,000,000
1924	do	221,000,000
Cotton:		
1913	bales	26,259,000
1924	do	24,700,000
Wool:		
1913	pounds	2,881,000,000
1924	do	2,837,000,000
Tobacco:		
1913	do	2,660,000,000
1924	do	3,100,000,000
Potatoes:		
1913	bushels	4,719,000,000
1924	do	4,446,000,000

The figures indicate that there has been a gradual decline in the production of agricultural products, quite marked, of course, during the years of the World War, but continuing at a lesser amount than the immediate pre-war period. It may be doubted whether over any considerable period there is likely to be any surplus of agricultural production above its needs for the world as a whole. It is evident that the agricultural problem is not only a national one here in the United States but also that it is really an international problem, and one which, to be solved properly and permanently, must of necessity contemplate the consideration of all the world-wide factors that enter into the question. I feel, as has been stated by some who are opposed to this legislation, that it is not a permanent solution of the farm problem. I believe we should have an international body or conference, meeting yearly, in order to study the problem from a world standpoint in all of its varying aspects, and that the information thus gained from these studies should be utilized in framing our legislation hereafter. To this end I introduced a bill several years ago providing for an international conference on agriculture to devise means of meeting the great problem of supplying the world's food. The fact that we have a reduced agricultural production throughout the world shows us that the problem is one which we must solve promptly, for it is evident that other Governments are already striving for a solution. If we fail to heed the farmers' difficulties of high-cost production which we have here in this country, it is evident that the problem will become an urban one, too. The cities, representing the nonfarming industrial groups, will soon have to face the dilemma of producing their goods at rising costs by reason of the rising prices of scarcer food which will confront them. They will have, in addition, the double difficulty of selling their manufactured articles at lowered prices to the agricultural customer less able to pay for them. Also, in consequence, the manufacturer will be forced to accept lower prices in meeting the sharp competition of the world's market.

Therefore, in the consideration of this farm-relief legislation, we should not be too much concerned with the question of domestic overproduction. This has been largely seasonal and temporary in times past, and, in my opinion, it is much overestimated when applied to the question before us. But even if the present bill, which admittedly will stimulate prices of farm products, should unduly increase production, that is no excuse for the Congress to be inactive, as it has been. We have delayed far too long the serious consideration of this great national problem for the past four sessions.

THE FARMERS' CONTRIBUTION TO INDUSTRY AND COMMERCE

The farm is not only the chief source of our food supply, but it also looms large as the primary source of supply for the raw materials for our manufacturing centers. Let me quote a few facts which strikingly summarize the important relation which agriculture bears to the rest of our national economic activities. These statistics clearly establish the important place which farmers and the farm hold in the national economy:

1. The farmers of the Nation and their families annually consume about $6,000,000,000 worth of the goods of other industries.

2. The American farm supplies the raw materials to industries which give employment to about one-half of the industrial workers of the Nation.

3. Of the total tonnage of freight carried by the railroads each year, one-fifth comes from the farms.

4. Over one-half of our exports are agricultural products.

5. One-fifth of the total taxes of the United States are paid by agriculture.

6. The farms and farm workers produce one-sixth of the total national income.

7. Of the total value of all of the wealth in the United States, one-fifth is agricultural investment.

8. Our industrial supremacy as a nation depends largely upon the basic materials furnished it by agriculture. Should the time arrive when we must become dependent on foreign countries for the raw materials necessary to our industries, our industrial advancement would cease.

It has been said, and rightly, that as long as the farmers are producing a surplus they are not in a position to command anything above the world's price for their products. Inasmuch as this is a protective-tariff nation, and inasmuch as the standard of living in the United States is upon a higher plane than that of any other country in the world, due, we believe, to the protection afforded by the tariff, it is only fair that the same measure of protection be accorded equally to all citizens. Investigations have shown that this economic equality can not be extended on those commodities or to the people raising commodities of which there is a surplus. The surplus must seek the world's market for an outlet and, in consequence, that price becomes the basis for the sale and disposal of both the domestic and exported article. The proponents of the McNary-Haugen bill are merely setting up, by Government sanction, the machinery that will enable the farmers to enjoy the same measure of protection that industry enjoys by reason of the tariff. Of course, no one doubts but that this result could be achieved by other means. It is my opinion that unless this bill or similar legislation be enacted for the proper and equitable protection of farmers, inevitably there must be a balance of power representative of the interests of agriculture rise up when the tariff schedules come up again for consideration. There is no doubt but that the representatives of agriculture from all sections will have to join hands to obtain the same equality under the tariff that is enjoyed by other productive industries. It is much to be preferred that the remedy afforded by the McNary-Haugen bill be adopted rather than the alternative of rewriting the tariff schedules.

TARIFF DOES NOT EFFECTIVELY PROTECT AGRICULTURAL PRODUCTS

The extent to which the American farmer must meet foreign competition in his home market may be noted by the competitive items we find in the list of total agricultural imports each year. The fact is, over a series of years our agricultural imports very closely approximate our agricultural exports. This is often lost sight of in the consideration of the farm problem. In 1925 our agricultural exports amounted to 47.7 per cent of all exports, and our agricultural imports amounted to 47.5 per cent of all imports. Of the total of imported agricultural commodities amounting to $1,818,000,000, more than one-half were of articles which come in direct competition with or tend to displace American farm products. For instance, we imported as follows:

Animals	$8,800,000
Meat	7,252,000
Eggs (almost)	9,000,000
Milk and cream	10,114,000
Butter	2,646,000
Cheese	17,349,000
Animal fats	637,000
Hides and skins	96,746,000
Leather and leather goods	36,266,000
Grains	26,237,000
Fodders and feed	11,850,000
Vegetables and vegetable preparations	36,244,000
Fruits	24,500,000
Nuts	34,725,000
Oil seeds	64,725,000
Vegetable oils and fats	75,000,000
Sugar, sirups, and honey	266,000,000
Seeds	11,870,000
Tobacco	83,881,000
Miscellaneous animal products	25,000,000
Miscellaneous vegetable products	5,000,000
Cotton	52,775,000
Flax	3,575,000
Straw materials	3,798,000
Wool	141,976,000

It is undoubtedly true that much, if not all, of this vast amount of imports could be successfully produced on our own farms. It is only fair to assume that if a high tariff were placed against a portion of these products it would shut them out and give an increased and better market to the home producer. This factor alone would make a vast difference in the value of the domestic products and add materially to the income of the farmer. The fact is we are being slowly forced to the viewpoint that the farmer needs protection under the tariff if the manufacturer is to be protected. Primarily the tariff was planned to protect manufacturers. Now, in order to be equitable it must be extended to every industry in the land. The abnormal prosperity of some industries has been unquestionably brought about at the expense of the farmer.

PASS LEGISLATION AND GIVE IT A TRIAL

In the criticisms of the McNary-Haugen bill there has been a tendency to oppose it because of the fear that it might not work in some respects or that it might not prove of benefit to certain commodities. It seems to me, in the enactment of any great constructive piece of legislation, it is not always possible to foretell precisely how the legislation will work. The problem that Congress must meet is whether there is real need for the legislation; whether there is a demand from a large part of our population for the relief which the legislation seeks to give. No one can foretell accurately how legislation will operate until it is tried. It is for us to initiate the legislation and, as we gain experience, from time to time perfect it where the need is apparent. To my mind this legislation is, of course, only a temporary remedy. It will serve as the clearing house in the distribution of farm products for all the agencies that may engage therein. Eventually I am hopeful that the farmers of this country may be organized cooperatively to such an extent that they can, if necessary, distribute their own products even to the ultimate consumer. This legislation will do more to hearten agriculture and encourage cooperatives than all the educational work that has been done in the past 10 years.

I feel that it is the duty of Congress to take this forward step and thereby assist the farmers of America to assume their rightful place in the economic life of the Nation. Further than that, we know the history of the establishment of this great Government. It sprang from the hearts of farmers and has been supported in every time of trial and trouble by the great liberty-loving farmers of our country. The free individuality of farm life builds up a citizenship that loves and supports democratic institutions. I am firmly convinced that if this Government is to continue as a great and independent democracy, as planned by the founders, there must be a recognition of the just rights and demands of agriculture. We can not with safety permit a system of European peasantry to gain a foothold here. I therefore urge the immediate enactment of this legislation, not only for the sake of the farmers themselves but in the interests of every citizen of the United States.

Mr. TINCHER. Mr. Chairman, I yield to the gentleman from Maryland [Mr. HILL].

THE PROPOSED "NATIONAL FARM MARKETING ASSOCIATION ACT OF 1927"—THE CURTIS-ASWELL-HILL FARM RELIEF BILL, H. R. 17071

Mr. HILL of Maryland. Mr. Chairman and members of the Committee of the Whole House on the state of the Union, the rule under which the present debate on farm relief is being conducted provides for the consideration of the bill, H. R. 15474, entitled "A bill to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities." This bill is known as the McNary-Haugen bill, and itself provides in section 18 that should it become law, it may be cited as the "Surplus control act." There are also under consideration as possible substitutes for the McNary-Haugen bill, H. R. 16809, known as the Curtis-Crisp bill, which provides by its section 24 that should it become law it may be cited as the "Farm surplus act of 1927." There is also under discussion H. R. 15655, known as the Aswell bill, which provides by its section 21 that should it became law it may be cited as the "Federal agricultural export corporation act." There is also H. R. 7392, known as the Adkins bill, more or less sponsored by the Grange, which, if passed, would be cited as the "Equality farm export act of 1927.

For six years the Congress has been discussing and seriously considering the question of farm relief. Certain things have been done for the assistance of the basic and fundamental agricultural necessities of the country through the Department of Agriculture and otherwise, but the basic question of farm relief still remains unsettled.

For the past six years I have watched very carefully the question of farm relief. Although I represent a city district, and not an agricultural district, the question of farm relief is just as vital to my constituents as it is to those who represent farming districts. In the first session of this Congress the question of farm relief was fully discussed, and the House voted on the McNary-Haugen bill. At that time the Committee on Agriculture had reported with the recommendation that they pass, three diametrically opposed methods of attempted farm relief. One was the McNary-Haugen bill, another was the Curtis-Aswell bill, and a third was the Tincher bill. All three of these bills were discussed, but there was no opportunity afforded for those of us who believed that the principle of the Curtis-Aswell bill was the best solution of the farm question to vote in favor of this bill.

To-day a more or less similar situation exists. There is before the House to-day the Curtis-Crisp bill, H. R. 16809, but

that differs radically from H. R. 11606, introduced April 26, 1926, by Mr. Aswell, and from H. R. 15655, the Aswell bill of to-day. The McNary-Haugen bill of to-day provides for a revolving fund, to be put up by the Treasury of the United States, of $250,000,000. It makes this provision in section 16A. The Curtis-Crisp bill in section 20A makes precisely the same provision as the McNary-Haugen bill for a revolving fund of $250,000,000 put up by the Treasury of the United States. The Aswell bill of to-day, in section 15A, provides for a fund to be furnished by the Treasury of the United States of $250,000,000. This provision is precisely like the revolving-fund provision in the McNary-Haugen bill and the Curtis-Crisp bill, with the exception that it contains a limitation upon the fund. The present Aswell bill provides, in section 15A—

there is hereby authorized to be appropriated the sum of $250,000,000, which shall be administered by the board as a revolving fund—

And here, in brackets, are the words which differ from the other two bills—

[and expended solely for the payment of subscriptions to the capital stock of Federal agricultural export corporations] in accordance with the provisions of this act. The Secretary of the Treasury shall deposit in the revolving fund such amounts within the appropriations therefor, as the board from time to time deems necessary.

The McNary-Haugen bill, the Curtis-Crisp bill, and the Aswell bill of to-day—all of these provide for the appointment by the President of the United States of a board, each member of which is to receive a salary of $10,000 a year and to have certain enormous powers in the control and disposition of surplus agricultural products. The Aswell bill of to-day differs from each of the other bills in the composition and powers of this board. There are a large number of Members of this House who earnestly favor farm relief and who desire such farm relief passed at once, but who can not possibly vote for either the McNary-Haugen bill, the Curtis-Crisp bill, or the Aswell bill of to-day. I therefore yesterday, after listening to the very clear statements of Mr. ASWELL as to the present situation, introduced a bill, H. R. 17071, to place the agricultural industry on a sound commercial basis, to encourage national cooperative marketing of farm products, and for other purposes. This bill which I introduced yesterday is House bill 11606, the Curtis-Aswell bill introduced by Mr. ASWELL on April 26, 1926, with certain minor changes in dates to bring it to the present moment. I introduced this bill because I wished to vote for it in the last session, and I see no reason why to-day it is not just as valuable a bill as it was a few months ago.

The Curtis-Aswell bill now appearing as House bill 17071, which I introduced yesterday, was favorably reported as House bill 11606 by the Committee on Agriculture of the House of Representatives on April 27, 1926, and the report of the Agriculture Committee is as follows:

[H. Rept. No. 1004, 69th Cong., 1st sess.]

NATIONAL FARM MARKETING ASSOCIATION

Mr. ASWELL, from the Committee on Agriculture, submitted the following report to accompany House bill 11606:

The Committee on Agriculture, to which was referred the bill (H. R. 11606) known as the Curtis-Aswell bill, embodying the Yonkum plan, to place the agricultural industry on a sound commercial basis, to encourage national cooperative marketing of farm products, and for other purposes, having considered the same, report it to the House of Representatives with the recommendation that the same do pass.

OUTLINE OF THE BILL BY SECTIONS

TITLE I. THE NATIONAL FARM MARKETING ASSOCIATION

Section 1: This section states the purpose of the bill in general terms. In order to promote and stimulate the orderly flow of agricultural commodities in commerce, to remove burdens and restraints upon such commerce, and to provide for the processing, preparing for market, handling, pooling, storing, and marketing of these agricultural commodities through cooperative marketing associations the bill creates a marketing corporation. The corporation, called the national farm marketing association, is referred to throughout the bill as the "national association." Twelve individuals are to be named by the three leading farm organizations (the Farmers' Educational and Cooperative Union of America, the National Grange and Patrons of Husbandry, and the American Farm Bureau Federation) as the incorporators. Incorporation is to be held effected when the 12 individuals so named accept and are specified by the President by Executive order.

Section 2: Section 2 confers upon the national association general corporate powers, perpetual succession, power to sue and to be sued, a corporate seal, power to make contracts, to acquire, hold, and dispose of necessary property, the power of appointment and removal of officers and employees, the power to adopt, repeal, and amend regulations, and such other general powers as are not specifically denied by law and as are necessary and proper for the conduct of the business of the corporation. Provision is also made in section 2 that the principal office of the association shall be in the District of Columbia.

Section 3: Under this section the national association is authorized to provide or approve systems of accounting, to provide crop and marketing information, and to advise particularly with respect to diversification of crops and overproduction. The association is authorized to determine upon an annual budget in order to pay its expenses, to make assessments against commodities marketed by the interstate zone organizations, so that the loans and interest provided for in section 301 shall be paid to the United States and so that a reserve fund may be built up to enable the national association to remove the necessity of any governmental assistance in the way of loans. Under subdivision (f) of this section specific authority is given to acquire, construct, maintain, and dispose of or acquire rights of operation in storage warehouses, facilities for transportation in connection with storage of agricultural commodities, and facilities for processing commodities.

Section 4: In this section a board of seven directors, called the national board, is provided for, one of whom is to be designated by the President as fiduciary officer of the United States. This director is to continue in office until the loan provided for in section 301 is repaid to the United States, at which time his term of office will cease. He is paid no salary by the national association, and his appointment is provided for only because of the loan feature of the bill. The other six directors are elected by the incorporators (two from each of the three organizations named in section 1) and their successors are to be elected by the members of the national association at the annual meeting provided for in section 7. The section contains provisions for salaries of the elected directors, terms of office, and the usual provisions concerning vacancies and the number required to constitute a quorum for the transaction of business. The number of elected directors can not exceed 13.

Section 5: The national association is to be a membership corporation without capital stock, and section 5 makes provision for the members of the association. The incorporators designated in section 1 are to be the first members, and successors are to be elected, in accordance with the provisions of section 203, by the representatives of the interstate zone organizations. Regularly elected members are to hold office for three years.

Section 6: This section deals generally with the manner in which the national association is to commence operations after the passage of the act. No specific method has been prescribed, it being considered advantageous to allow the association a free hand in its mode of procedure, the only limitation upon its operations being that in so far as practicable existing cooperative associations and other marketing agencies which are immediately available should be utilized and commodities which are considered as best adapted to national cooperative marketing should first be selected.

Section 7: This section imposes certain duties upon the members of the national association. They are required to convene at the call of the board of directors at an appointed place, annually to elect the directors of the board, to fix the salaries of the directors, to approve the budget of the national association, and to prepare a schedule of commodity assessments which when approved by the board of directors may be levied by the interstate zone organizations upon their members. Generally, the members are to act as an advisory group to represent their organizations and to supervise the operations of the national board.

Section 8: This section provides for branch offices of the national association, and that the association is to be regarded as an inhabitant and resident of the District of Columbia.

Section 9: This section requires the association to keep books at its principal office showing the minutes of the meetings and accounts of the association's business transactions.

Section 10: This section requires the national association to make an annual report to Congress in respect of all loans until such loans are repaid.

TITLE II. THE INTERSTATE ZONE COOPERATIVE MARKETING ASSOCIATION

Section 201: In order to carry out the functions vested in it by the bill, the national association is authorized to provide for the organization of interstate zone cooperative marketing associations in the several States. No specific form of organization is prescribed in the bill, so the national association is authorized to provide the form of organization in each State whether by incorporation, contractual agreement, or otherwise.

Section 202: Each interstate zone organization is to select annually a board of directors to direct the operations of the organization, and the board is to elect annually an individual to represent it at an annual convention of the representatives of State associations. The principal duty of the interstate zone organization is to organize local cooperative associations in accordance with the provisions of the Capper-Volstead Act, entitled "An act to authorize associations of producers of agricul-

tural products," approved February 18, 1922. Any local cooperative association, already formed and included within the provisions of such act, is eligible to membership.

Section 203: The representatives selected by the interstate zone organizations, in accordance with section 202, are to convene annually at a designated place to elect the members of the national association. Each representative has but one vote, which must be cast in person.

Section 204: In order to regulate effectively the interstate zone organization and local associations the national association is authorized to prescribe regulations requiring both local and interstate zone organizations to adopt approved systems of accounting, to use the systems of reporting and disseminating crop and marketing information provided by the national association, to use approved forms of agreement under which a local association may be admitted to membership in a State association, to use intrastate grading standards and marketing schedules, not in conflict with law, for the commodities marketed through the interstate zone organization, so as to avoid market glutting and destructive trade conditions. The payment by the State association of the commodity assessments, fixed by the interstate zone organization under section 3, is here required by regulation.

If the national association finds by a vote of two-thirds of its members that any interstate zone organization or local association has failed to comply with any regulation prescribed under this section, the national association will adopt a resolution publishing such finding, and thereupon the interstate zone organization association shall be ineligible, for a designated period, to obtain any loan provided in section 302, to be represented at an annual convention of representatives of interstate zone organizations or to obtain the antitrust exemptions of section 303. If the violation is that of a local association, the interstate zone organization is not to be ineligible if, within 30 days, the interstate zone organization terminates or suspends the local association for a designated period of time.

Section 205: This section provides for operating zones to facilitate marketing. Interstate zone organizations marketing a commodity, within a zone designated by the national association, may consolidate their marketing operations and may jointly contract with or establish such organization as they deem advisable.

TITLE III. MISCELLANEOUS PROVISIONS

Section 301: This section provides for an appropriation by the United States of $10,000,000, which is to be set aside as a revolving loan fund in the Treasury, available to the national association until December 31, 1936. Payments from such fund are to be made only upon the direction of the director designated by the President upon application by the national board. The loans are to bear interest at the rate of 4¼ per cent per annum until repaid, and repayment is to be made from commodity assessments fixed by the national association.

Section 302: The loans from such fund are to be made to the national association for administration expenses, including expenditures for the organization of interstate zone organizations, for expenses incurred by it in its organization of local associations.

Section 303: The Capper-Volstead Act, approved February 18, 1922, authorizes producers of certain agricultural products to organize as cooperative associations and provides that these associations may have marketing agencies in common. Under section 2 of the act, however, these associations are subject to regulation to prevent monopoly in restraint of trade which may unduly enhance the price of a commodity. The act is designed to supplant the antitrust laws in so far as agriculture is concerned by removing these associations from the general application of the antitrust laws, but it places certain restrictions upon the associations which the Secretary of Agriculture is to enforce. Section 303 brings the national association and the interstate zone organizations directly within the purview of the act by designating them marketing agencies, thereby granting them the antitrust law exemptions, but makes them subject to the same restrictions as a local association in so far as unreasonable price enhancement is concerned.

Section 304: This section provides for cooperation with executive departments in order to effectuate the purposes of the act. Any Government establishment in the executive branch of the Government, upon written request of the national association, is authorized to cooperate with such association or with any interstate zone organization to such extent as the head of such Government establishment deems compatible with the interests of the Government.

Sections 305 and 306: Section 305 contains the usual separability provision in the event of unconstitutionality, and section 306 reserves to the Congress the right to alter, amend, or repeal the provisions of the act.

Section 307: Section 307 provides the short title of "National farm marketing association act of 1926."

H. R. 11606, KNOWN AS THE CURTIS-ASWELL BILL, EMBODYING THE YOAKUM PLAN, CREATES A NATIONAL FARM MARKETING ASSOCIATION AND—

Proposes a permanent marketing system—	Not temporary relief only.
Proposes a marketing system national in scope—	Not a sectional marketing system.
Proposes farmer control and management—	Not governmental control of farm marketing.
Proposes that farmers themselves elect their own officers—	Not to throw selection of officials into political campaigns.
Proposes continuous service for efficient officers—	Not that administrations periodically change officials.
Proposes to control production and curb surpluses—	Not to encourage overproduction.
Proposes repayment of loan by commodity assessments fixed by the farmers—	Not an equalization fee assessed by a Federal board.
Proposes self-made rules and regulations—	Not to hamper farmers with Federal dictation.
Proposes home rule for the American farmer—	Not to create Federal agents or inspectors.
Proposes a separate organization for each farm commodity—	Not that one board handle all commodities.
Proposes State, zone, and national farmer boards—	Not to establish Federal bureaus and commissions.
Proposes farmer representative control—	Not "pork" or patronage.
Proposes a loan of $10,000,000 for organization purposes by the Government to be repaid with interest—	Not to place a heavy burden on the taxpayers by a subsidy from the Federal Treasury.
Proposes to stabilize farm prices under economic laws—	Not to establish artificial Federal price fixing.
Proposes to protect the consumers—	Not to allow exorbitant price raising to the consumer.
Proposes to absorb the unnecessary profits of useless middlemen—	Not to increase the handling costs.
Proposes to prevent gambling and speculation—	Not to continue speculation in domestic markets.
Proposes to solve the problems of domestic marketing—	Not to leave domestic products in control of the market monopoly.
Proposes a plain, simple law—free from technicalities—	Not a complex statute, loaded down with indefinite terms and technical phrases.
Proposes to establish farmers in their own business—	Not to put the Government into the farm business.
Proposes to establish true cooperation—	Not to establish State socialism.
Proposes economic independence—	Not to establish paternalism.

Concerning the merits of this bill, which for purposes of identification might be called the Curtis-Aswell-Hill bill, I invite the attention of this committee to the CONGRESSIONAL RECORD of May 6, 1926, page 8836, in which Mr. ASWELL fully discussed this bill. Concerning this bill, Mr. ASWELL said on page 8837:

I propose to present a substitute for the Haugen bill. My substitute, embodying the Yoakum plan, is not a political bill, and should not be. The Republican leader of the Senate has introduced it in the Senate and I in the House. It was reported by the Senate Committee unanimously in the last session.

Here we have a bill, the Curtis-Aswell-Hill bill, reported favorably unanimously both by the Senate Committee on Agriculture and by the House Committee on Agriculture, and thus reported favorably only a few months ago. Why is this bill to-day not the best solution of the question of farm relief? Again, on page 8837 of the RECORD for May 6, 1926, Mr. ASWELL says—

the moment that we agreed to consider this Curtis-Aswell bill in the committee, it was read for amendment, accepted as written, and is the only measure of any consequence that comes out of the Committee on Agriculture with a unanimous favorable report. None of the others did. This bill has been reported by both committees unanimously.

I have very great respect for the ability of the gentleman from Louisiana [Mr. ASWELL]. I am seeking, as far as I am personally concerned, something for which I can properly vote in the way of real farm relief. I can not vote for the unsound governmental and uneconomical principles embodied in the McNary-Haugen bill.

Again, I invite your attention to the remarks of Mr. ASWELL on May 6, 1926, in reference to the McNary-Haugen bill, contained on page 8836 of the RECORD, which are as follows:

Mr. ASWELL. Mr. Chairman and gentlemen of the committee, you have heard two speeches on this proposed agricultural legislation, one by the chairman of the committee, the gentleman from Iowa [Mr. HAUGEN], who told you in detail that the Tincher bill was of no account and meant nothing and would accomplish nothing. Whereupon the gentleman from New Jersey [Mr. FORT] told you in logical sequence that the Haugen bill was uneconomic, unsound, and danger-

ous. The gentleman left the Haugen bill more prostrate and more of a wreck than VOIGT, of Wisconsin, left it two years ago. I agree with both of the gentlemen in what they have said about each other's bill. [Laughter.] I have come to present a bill that contains none of the bad features presented by the other two. [Applause.]

Three years ago for 12 days as a visitor I sat in the British Parliament. I heard that body, at the request of the Minister of Agriculture, without debate, and practically by unanimous vote, repeal the law guaranteeing the price of agricultural commodities after it had been in force for exactly six months, at a cost of more than $100,000,000 to the treasury.

I sincerely desire to vote for farm relief. I have worked for farm relief ever since I have been a Member of Congress. To me, to-day, the Curtis-Aswell bill is just as excellent a solution of the question as it was on May 6, 1926. If the opportunity arises, I propose to try to obtain a vote upon this bill as a substitute for the McNary-Haugen bill.

In reference to the workings of the McNary-Haugen bill, should it pass and be held constitutional, the Baltimore Sun made some remarks editorially on Tuesday, February 8, 1927, which are very pertinent and which merit consideration by this committee. They are as follows:

Advocates of the McNary-Haugen bill were much incensed when any of the provisions of the bill were criticized last year. They saw in opposition to the measure either ignorance or some sort of depravity and hostility to the farmer. It is surprising to hear them urging the present bill because it has omitted some of the provisions contained in the former one which was declared to be so perfect. But it is true that the changes have improved the bill to the extent that they set up more restrictions upon its operation.

If the measure becomes a law, there is already assurance—provided it is not upset by the courts—that the agencies established by it are going to have their hands full. Cotton now has a surplus so heavy as to demand immediate attention. Another large crop would swamp the revolving fund unless there is some limit put on how much of it shall go to the cotton planter. Winter wheat acreage has been increased over both 1924 and 1925. Last year's crop amounted to 840,000,000 bushels, far in excess of this Nation's consumption. Rice production has largely increased, demanding other outlets. Tobacco producers are in the same boat, and corn bids fair to offer the usual troublesome problem.

Without such an offer to take care of surpluses and hold up prices as the McNary-Haugen bill holds out, favorable conditions will fill the bins and the barns of the Nation. With the additional allurement furnished by $250,000,000 of the taxpayers' money, the farmer who has modern equipment and can produce at low cost has an invitation and an incentive to go the limit. An equalization fee which would give a profit to Iowa, with its inflated farm values, not only tempts other States to exploit their cheaper land but holds out an irresistible appeal. They will be on hand with the goods, and it is a safe prediction that we shall then hear that the only trouble with the McNary-Haugen relief plan is that it did not supply enough money.

I am strongly in favor of farm relief legislation. To me, however, the McNary-Haugen bill is impossible, unconstitutional, governmentally, and economically unsound. I hope the House will adopt some such legislation as House bill 17071, which, should it pass, may be cited as the "National farm marketing association act of 1927."

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Kansas [Mr. STRONG].

Mr. STRONG of Kansas. Mr. Chairman and Members of the House, for six years we have been endeavoring to relieve agriculture from the depressed condition it had reached in 1919, 1920, and 1921, and have passed over 30 laws in such effort.

The most important of these was the farmers' emergency tariff act, which stopped the dumping of the agricultural products of other nations on our markets and which gave a monopoly to the American farmer of this Nation's markets, which are the best in the world, but because of the fact that agriculture is not organized to take advantage of such situation it has failed to enjoy the prosperity that has come to other industries.

Then in an endeavor to give needed financial relief we rehabilitated the War Finance Corporation, improved and liberalized the farm loan system, and created the intermediate credit act. And while agricultural prices have been increased generally, a fair return to the farmers for their labor and investment has not resulted, causing the national agricultural problem, for it must be admitted that national prosperity can not prevail if agriculture, in which one-third of our population is employed, does not prosper.

Three years ago it was generally agreed that the production of a necessary surplus of agricultural commodities over and above the Nation's needs, the markets for which were controlled by speculators, was the cause of agricultural depression, and the bill to create a board to market such surplus was prepared and reported out of the Agricultural Committee of the House, but did not receive sufficient votes to pass this body.

In the first session of this Congress the chief officers of the farm organizations of the country, joined with a committee of 22 appointed by the governors of 11 North Central agricultural States and recommended to Congress a bill creating a board to handle such surplus and assessing the cost of its operation back against the farmers themselves. Other bills were introduced and presented to the Agricultural Committee, with a result that three distinct bills were reported by that committee to the House, and in the contest between their supporters allegations of "price fixing," "Government in business," and "subsidies" were alleged against the bill indorsed by Chairman HAUGEN, with the result that such legislation was again defeated.

At the beginning of this session a bill, in which "price fixing," "the placing of the Government in business," and all "subsidies" were eliminated and the plan of creating a farm board with power to assist in the marketing of what was designated basic agricultural products with the power to charge back against the industry producing the same all losses and costs in such marketing, was introduced by Chairman HAUGEN of the House Agriculture Committee, which has received the favorable recommendation of both committees of the House and Senate, and such bills are now pending before both Houses. These bills are now opposed by those who do not believe in granting legislative relief to agriculture and those who believe the bills of which they are the authors should have preference.

But the farm organizations of this country are practically unanimous in support of the McNary-Haugen bill, and it seems to me that those of us who know the depressed condition of agriculture and desire to afford relief should unite in giving to the farmers of this country the legislation they desire.

Some of the Members of the House from industrial districts, no doubt, hesitate to support this bill because of the fact that it is intended to increase the price of agricultural products throughout the country; but let me say to them that if prosperity can be restored to agriculture so that the 6,500,000 farmers of the Nation can reasonably depend upon a fair return for their labor and investment, that their buying power will be increased on an average of at least $1,000 per year, which will create $6,500,000,000 of increased business, the great majority of which will go to the industrial centers, and the American Federation of Labor so well realize this that they are willing to pay a small increase in cost of agricultural products necessary to bring prosperity to the farmers, which will in turn bring increased employment to themselves, and have gone on record as favoring the passage of this legislation.

To create prejudice against this legislation, it has been stated in the press and on the floor of Congress that the President is opposed to this legislation and will veto it, but I have never been able to find anyone who would say that the President himself has so stated. I know President Coolidge to be in sympathy with the present condition of agriculture and to be desirous of having it enjoy the same prosperity that has come to other industries. I am, therefore, unwilling to believe that this legislation will fail to receive his approval.

Much criticism has been advanced because under the terms of the bill the farmers through their organizations are to be allowed to nominate those whom they desire to be appointed on the Federal farm board, but when it is taken into consideration that this board is to provide for the marketing of their products and charge the cost of so doing back to them, can it be said that such provision is an unjust or unreasonable one?

Those who are against the bill claim that it will amount to nothing and fail to produce the desired results. Why, then, are they so bitter? The truth is that the attorneys and economists and agricultural experts who have been employed by the representatives of the farm organizations and the Committee of Twenty-two advise that this is the bill that will produce the best results for agriculture.

My father, though a lawyer and business man, was for 26 years interested in the grain and milling business in Illinois and Kansas, and from the time I was a small boy until I was of age I had an opportunity to study the marketing of agricultural products, and though also a lawyer and business man, I have for years had invested the larger amount of what I have been enabled to accumulate in a dairy and stock farm, and believe that I have the experience to know the conditions that have prevented agricultural prosperity.

Always just before the harvest, when the reports came out of the estimated surplus crops over and above the estimated needs of the country, such reports were promptly exploited by the speculators and big milling organizations who wanted to depress

the market so they might buy the farmers' crops at the low price they thus established. Then, after the farmers had sold their crops to settle with their landlords, their bank, or to pay their taxes or interest, and such crops had passed into the hands of the speculators, big millers' organizations and exporters, the price reacted, and this thing has been going on for years, but if this bill is enacted into law, when the speculators, big dealers, and exporters begin to use the estimated surplus to bear down the price before the harvest, the Federal farm board will announce that it has arranged that such surplus will be purchased and taken off the market, and the fact that they have $250,000,000 at hand to carry out their announced program will put every speculator and every buyer of the agricultural product on the upward side of the market, which will be stabilized at a fair price, giving to the farmers a fair return for their labor and investment and resulting in prosperity to agriculture, so necessary to the prosperity of the Nation.

Let me urge those who realize that if prosperity is to abide throughout our Nation it must be enjoyed by all, to not be misled in this contest, but to give their vote to the support of this bill that has been so carefully drawn and so unanimously approved by the representatives of agriculture throughout the Nation.

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Iowa [Mr. DOWELL].

Mr. DOWELL. Mr. Chairman, the discussion on this legislation has continued for a number of days. This legislation has been before Congress for a number of years and has been carefully considered by both branches of the Congress.

During all of the time this legislation has been under consideration no one has questioned the claim of the farmers that they are not receiving a fair and an equitable price for their products.

No one has questioned the proposition that agriculture is entitled to a better and to a more stable market for its products than it has been receiving.

Prices of agricultural products, it is conceded, have not kept pace with the prices of nonagricultural products. Therefore, the prices the farmer must pay for the nonagricultural products are much greater than the prices he is able to secure for his own products.

The purchasing power of the dollar of the farmer has been greatly reduced by reason of the disparity in the prices he is able to get for his products and the prices he is compelled to pay for the commodities he must buy.

In other words, he must buy the things he must use in a home protected market, and he must sell his products in a market fixed by world prices.

Under these conditions the farmers of the country are unable to carry on their business at the prices they are receiving.

This condition has existed for a number of years, and the time has arrived when Congress should act.

I shall vote for the McNary-Haugen bill, and I earnestly hope it may pass at this session of Congress. [Applause.]

Mr. KINCHELOE. Mr. Chairman, I yield to the gentleman from Indiana [Mr. CANFIELD].

Mr. CANFIELD. Mr. Chairman and gentlemen, in discussing the question of farm legislation, I do so after having given it a great deal of study and consideration. I was born and reared on a farm in Dearborn County, Ind., and know somewhat of the hardships of the farmer. I know what it means to get up at 4 in the morning and work until dark from early spring until late in the fall as the farmers do in my part of the country. And the worst of it all is without receiving just consideration for the efforts they put forth.

Ever since I have been a Member of Congress one of my greatest desires has been to help our farmers in some way, so that they can be brought up on a par with other industries, occupations, and professions, and to see that they are reasonably rewarded for their labor.

In the past those that have been interested in the cause of the farmer have been defeated in this body when bills that would have been helpful to agriculture were presented.

The Agricultural Committee has been considering and investigating farm legislation for over four years, and during the first and second sessions of this Congress they have had some of the best minds of the country before it, and thank goodness they are now recommending a bill to this body that should have the loyal support of everyone that is interested in helping our farmers and placing them in a position to get the consideration for their efforts they so justly deserve.

The bill that the Agricultural Committee has favorably reported to this body has the indorsement of practically all the big farm organizations and best farmers of the country. It is true that they do not all agree that this is the best solution to this great problem. I, myself, think that permanent relief could have been given to the farmers in a different way and that it would have been much better for the farmers in the long run, but under this administration, in my opinion, this is the best and only way that we can pass legislation that will help our farmers, and everyone knows that help they must have and that without delay.

Mr. Chairman and gentlemen, when we look out over the agricultural sections of this great country of ours and see banks by the hundreds closing their doors and farmers by the thousands giving up in despair and abandoning their farms, something must be done and done without further delay.

In the campaign last fall we heard much about the great prosperity of the land, but those of us who live in the agricultural sections of this country know that we do not have prosperity, but instead depression all over the agricultural sections, and those that have given this great question consideration know that depression is spreading all over the land, and without something is done to relieve the distressed conditions in the agricultural sections, we are facing a very serious condition in the very near future. You can not long continue to have prosperity in the industrial sections with our agricultural sections depressed as they are to-day.

During the discussion on this legislation we have often heard it referred to as a revolutionary measure and experimental and dangerous. It is experimental; that is true; so was the Interstate Commerce Commission act and the law that made it possible for us to have the great Federal banking system and every other new system of any kind that had for its purpose the changing of an established way of doing things.

In the debate on the agricultural bills that were presented at the last session of this Congress the records show that one Member stated that there should be an industrial bloc to oppose the farmers in their efforts for legislation and that the farmers' problem was a western problem.

Mr. Chairman and gentlemen, I feel that instead of the business interests of the country organizing to work against the farmers, they should by all means organize to help them; in fact, the business men of our country can do no greater thing for their own future interests than to help solve the agricultural question. Every business man in America surely realizes that agriculture is the foundation on which we all depend. When the farmer prospers better business conditions follow, and when the farmer is depressed, as he is at the present time, poor business conditions are bound to be the result.

A large corporation manufacturing a class of furniture in this country made a general survey of the country to find out what it would mean to them if the farming conditions of the country could in some way be improved, and after compiling the figures of this survey they made the statement that if the earning power of every farmer in the country could be increased $50 a year they could double their business. If this is true with this corporation, it is likewise true of others in other lines of business.

The facts are, gentlemen, that it takes a very small difference in the income of the farmer to make a big difference in business conditions. If the farmers of the country were able to make $1 an acre more each year it would mean an increase of $500,000,000 annually to business, and to take $1 an acre off their earning power would mean from 20 to 30 per cent more failures in business.

This being true, the question of improving agricultural conditions should be of mutual interest to our business men and laboring men, as well as our farmers, for when the farmer is prosperous business will be good and labor will be in greater demand.

For our farmers to be prosperous it is necessary that he be able to sell the things he produces on his farm at a profit; or, in other words, he must be able to get more than it costs him to produce it.

Under the bill that has been recommended by the Agriculture Committee the Government will insure orderly marketing of farm products and stabilize agriculture the same as it has industry, labor, finances, and railroads.

With our present high protective tariff laws and restricted immigration laws aiding industry and labor, something must be done to stabilize agriculture and insure orderly marketing of farm products or our farmers can never expect to forge to the front so as to be able to cope with industry and labor.

Farming does not differ much from industry, and when our farmers are given an equal chance they can operate on a profitable basis, but they can not expect to do so as long as other classes are given legislation that will be helpful to them and the farmers left to work out their own problems.

I realize, as many of you do, that there are many things that could be done to help the farmer, such as lowering the present tariff law, reducing transportation charges, and many other

things; but these are impossible under the present administration, so let us all join hands regardless of our political affiliations or what part of the country we come from and pass legislation that will put farming on a profitable basis.

The question is often asked as to how the Haugen bill if made a law could help in any way now that the tariff as a yardstick has been taken out. My friends, in answer to this I will say that if there was nothing else to the bill outside of orderly marketing, farm products would be advanced, because, when farm products are marketed in an orderly way and not rushed on the market so that the markets are glutted at certain seasons of the year, farm prices can not help but be more stable.

Our Government proved what could be done in this respect in 1920 when cotton dropped from 34 to 9 cents. You will recall that when this happened the War Finance Corporation sent men into the South to instruct the cooperatives to have the growers bring in their cotton and put it in a warehouse, get a warehouse receipt, and the money for the value of their cotton, cotton began to advance at once; and in 90 days the price of cotton had doubled.

The Brazilian Government passed a law to stabilize the price of coffee. At that time they were getting 3½ cents per pound, and to-day they are getting several times that amount.

What has been done in the past can be done in the future. If other countries can stabilize prices on farm products, so can we, if the Congress will pass constructive farm legislation and the President will see that this legislation is made a law by annexing his signature to it.

But orderly marketing is not all this bill provides for. In addition to orderly marketing it provides definitely for dealing with agricultural commodities. It provides for assistance to cooperative associations in handling the surplus of any agricultural commodities, whether they be one of the five basic commodities or not. It provides for loans to help cooperative associations to construct or purchase facilities for storage and processing of agricultural commodities, and further provides that these loans may be paid off on the installment basis over a period of 20 years.

Under this bill we will have the farm cooperative associations all working as one body, and they will be able to secure for the producers a bargaining power that will influence the prices at which their commodities sell. In other words, they will be able to demand a price for their commodities that will give them a profit under ordinary conditions and not compel them to sell at a loss, as they are compelled to do at the present time.

My friends, as I have previously stated, this is not the first experimental legislation that has been passed. Every piece of legislation that has been enacted in the past that changed the system of doing things from the old-established system has been experimental, and never in the history of the country were the conditions that demanded that experimental legislation or any other kind of legislation be enacted, such as exists at the present time.

In all countries outside of the United States, Canada, and Australia farming is a peasant occupation, and it is only in these three countries that the farmer enjoys the status of independence, with full privileges of citizenship, and is on a par with those engaged in other callings; but while our farmers are free and independent in the United States at the present time, without some legislation is enacted, be it experimental or whatever you care to call it, the time is not far off when our farmers will, many of them, be peasants or even worse, and while, as I stated in the beginning, this legislation may not make it possible to handle the farmers' problems the best way possible, in the opinion of many of the Members present, the bill that has been reported out by the committee is the best that we can expect to get at this session of Congress, and it is evident that we must accept this or nothing. If the Members of Congress are really interested in helping the farmers, they will support this proposed legislation and do everything they can to see that it is passed, so that it can be submitted to the President before Congress adjourns.

In the debate on this bill we often hear "the subsidy" referred to. But, gentlemen, this is the bill that does not have a subsidy. The representatives from the farm organizations have not asked for a subsidy, and the American Farm Bureau Federation is specifically opposed to a Government subsidy, as they do not want the Government to pay the losses incurred from the disposition of surpluses. This bill provides that a "revolving fund" of $250,000,000 be authorized and that the board make loans from the fund to the stabilization fund, and when the equalization fees are collected the revolving fund is replenished by repayment of the loan made by the Government with interest. By handling it in this way all losses are met by the stabilization fund obtained by the assessment and collection of the equalization fee upon the unities of the commodities.

Under the provisions of this bill I think this loan is absolutely safe, for the commodity pays the cost of disposing of its surplus through the equalization fee paid by the commodity and placed at such amounts as will provide all necessary funds. This is paid in the stabilization fund and is always the aggregate amount of all equalization fees collected on each commodity. The stabilization fund will be used to pay off the revolving fund, which is at all times drawing 4 per cent interest on all money advanced from the Federal Treasury.

If this fund is properly handled—and we have no reason to believe it will not be—there will be no loss to the Government, because the revolving fund will be in the hands of a Federal farm board of 12 men in addition to the Secretary of Agriculture, an ex officio member. These men will be selected, one each, from the 12 Federal land-bank districts, and should at all times be practical men and men that are at heart in sympathy with the farmers' cause. Men of this class will not only see that this money is used to promote stability and effective protection for agriculture, but will likewise guard the Government against loss.

The greatest trouble with our farm problem is that there are a large number of people who take it upon themselves to recommend policies and tell the farmers how to run their business, when the facts are that these so-called advocates are not farmers and know nothing about farming. This bill provides that the men that have charge of handling this entire proposition be farmers or men who know somewhat of their problems and who are interested in their success.

The agricultural problem is not a local problem but instead a national problem, and it must be handled in a national economic way and not as a community or State problem. Under this bill it will be handled as a national problem, and results can and will be obtained.

We very often hear this legislation referred to as "farm relief." Personally I do not like to hear that term used, because the farmers in this bill are not asking for relief, but instead for legislation that will enable them to relieve themselves by putting them in position to get a fair price for the commodities they have to sell.

There are reported to be over 10,000 cooperative organizations in the United States. As long as these cooperatives work independently of each other they can accomplish very little, but when they are all joined together in a national organization they can put into practice the fundamental principles of national cooperative marketing the same as large producers of other industries, and by so doing cut down the tremendous spread between producer and consumer.

Under the present system of marketing the producer receives approximately seven and one-half billion dollars for their crop and the consumers pay approximately twenty-two and one-half billion dollars, or three times as much as the producer receives. With these conditions existing no wonder our farmers are not able to pay their taxes and are losing their homes, and the surprising thing of it all is that they have stood it as long as they have, for had this condition existed with organized labor or industry, I doubt very much—yes; I know—that Congress would have enacted legislation long before this that would have taken care of the demands made by them.

Those that are opposing the plan proposed under the Haugen bill continue to argue that it is not workable. I can frankly say that I think it will work. At least it is worth a trial. We must do something toward adopting a program of some kind to help the farmers, and if it does not work out as we expect it will we can amend it after we have had the experience as we are continually doing with other programs that have been adopted, some of which have not worked out exactly as was expected.

The Federal bank law is a wonderful advancement in the handling of business affairs of the country, but this law was not perfect when it was passed, and is continually being changed in some manner. The transportation act was by no means a perfect measure. The law creating the Interstate Commerce Commission has likewise been amended. As a matter of fact there has never been any constructive legislation passed in this body but what it has been found necessary to amend it at some time, and we can feel assured that this bill, when it becomes a law, will have to be amended, and possibly in many ways; but as I stated before the deplorable condition of our farmers demands that we adopt a program of some kind that will give them the advantages of orderly marketing through control of surplus and secure a protected market to the producers of our farm crops.

At the present time, according to the table put out by the Agriculture Department, the farmer's dollar is worth only 85 cents on the dollar, and I will say right here that these figures are higher than any figures put out before the campaign of 1926, and this may be the average for the farmers all over the country, but, personally, I think these figures are entirely too high for our Indiana farmers, but even if this figure applied to our State, we all know that the value of the farmer's dollar is entirely too low, and the purpose of this bill is to put the farmer's dollar on a par with the industrial dollar by stabilizing the price of farm commodities so that they can be sold at a profit, and thereby putting agriculture on a par with industry.

Another thing that will help stabilize the farmer's dollar is the fact that this bill, when made a law, will tend to eliminate the speculators from their gambling operations in grain, and by so doing help the farmers to get a better profit and make it possible for the consumer to buy at a lower price. This has long been an evil that has kept the farmer from getting a fair price when it was necessary for him to market his crop, and it has proved very expensive to the consumer, as they have had to pay the tremendous profit made by the speculators.

Gentlemen, as Members of this great body, each and every one of us must bear in mind that our farm homes are the fortifications of our social and political stability. The prosperity of our agricultural sections and industrial sections should be mutual, and a way must be found to bring the price of farm commodities up to a par with industrial commodities, or otherwise it will be necessary to lower the price of industrial commodities.

The time has come when something must be done. Both of the great political parties, in their recent platforms, promised the farmers that something would be done to relieve the depressed condition that prevails all over the agricultural sections of this country. Our farmers have a right to expect your support on this legislation. This is our opportunity to help them. Therefore, why not fulfill the promise that has been made by voting for this bill, and by so doing not only help our farmers to get the consideration they so justly deserve but help industry as well, for the farmers' prosperity means prosperity for all.

Gentlemen, we can not soft pedal this question longer. Our farmers must have consideration in the way of legislation that will be helpful to them, otherwise we are all going to suffer much worse than we have ever suffered in recent years.

Those of us who are really interested in the farmers' cause must not be led astray on this question by those that are camouflaging the issue. If the farmer is to be put in position where he can get back on his feet it is up to us all to get behind this legislation, whether it is exactly what we want or not, and put it over, so that not only our farmers will be prosperous but industry and labor as well.

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Ohio [Mr. THOMPSON].

Mr. THOMPSON. Mr. Chairman, I ask to have the following article read by the Clerk.

The Clerk read as follows:

[From the Paulding (Ohio) Republican of February 3, 1927]

TIME FOR CONGRESS TO "SHOOT"

In Sunday's issue of the Cleveland News appeared a cartoon entitled the "Problem." On the limb of a tree sat a bird labeled "Farmers' troubles." Beside the bird was a fat purse labeled "Consumers' pocketbook." Below occupying a prominent position was a large man labeled "Congress" with a double-barrel shotgun under his arm. The gun was called "Price-fixing legislation." The idea intended to be conveyed by the cartoonist is that Congress can not shoot the farmers' troubles with price fixing without at the same time killing or injuring the consumers' purse.

If this cartoon expresses the city folks' attitude toward higher and better prices for farm products, we consider it to be a narrow and unfair one. There has never been a time in the history of the country that laborers in the factories and labor of all kinds—carpenters, masons, plasterers, painters, and all forms of labor in the cities—have received such high wages as they are receiving to-day. There has never been a time that the business man's profits have been as high in bulk as they are to-day in the cities. The farmers as a class are not opposing these high wages. But it is the big profits and the high wages paid which make the prices of everything the farmer buys out of proportion in price to the prices of things he has to sell. The city man, whether he is employed in a factory, a store, or whatever his occupation, ought to be willing to pay enough more for what he eats—the farmers' products—so that the producer of his food, too, may enjoy some of the prosperity that the city citizen enjoys. If the fear that legislation to help the farmer secure better prices for his product will increase the price to the city consumers is the only thing that stands in the way of its enactment, we say to Congress "Shoot." The farmers have been standing for the high cost of manufactured articles, made so by high wages paid, for several years, and it is high time that they be given some additional relief.

Laborers are organized to protect their interests, manufacturers are also well organized for the same purpose. It seems that the farmers can not organize effectively. There are so many of them and their interests are so varied. And in his business he has to contend with many things beyond his control—weather, floods, drought, storms, insect pests, and other calamitous things. For these reasons we believe the Government is justified in giving him special aid. So again we say to Congress, "Shoot."

Mr. THOMPSON. Mr. Chairman, the foregoing editorial from the Paulding Republican, just read from the Speaker's desk, represents the sentiment of my district, which is an agricultural district, pure and simple. The editorial reflects the sentiment in a Republican county. In this connection I ask to have read from the desk a joint resolution of the General Assembly of Ohio calling for farm legislation.

The CHAIRMAN. Without objection the Clerk will read.

There was no objection, and the Clerk read as follows:

Joint resolution memorializing Congress to enact proper agricultural relief legislation

Whereas a combination of circumstances prevailing in the United States since the close of the great World War has ushered in a period of financial loss and depression in agriculture both in the great State of Ohio and the Nation at large; and

Whereas agriculture occupies the position of our one basic industry, on which depends the success of all other industries; first, because it supplies materials upon which depends the employment of over one-half the industrial workers of our land; second, because agriculture supplies one-eighth of the tonnage of the railroad system of the United States and almost one-half of our foreign exports; and, third, because the capital invested in industries of quarries, mines, and manufacturing combined; and

Whereas the pages of history furnish unmistakable evidence that the security and prosperity of any nation is in grave danger when its agricultural structure begins to decay: Therefore

Be it resolved by the General Assembly of the State of Ohio, That we, the members of the Ohio General Assembly (memorialize the Congress of the United States to make an earnest effort to enact such legislation at the earliest possible moment as may tend to protect our Nation from the effects of further agricultural decline and offer whatever possible aid toward its recovery as may come within its power, and request our Ohio delegation to give such legislation their faithful support.

Mr. THOMPSON. Mr. Chairman, this resolution represents the sentiment of 173 members of the House and Senate of the State of Ohio, 30 of whom are farmers. At the opening of this debate we had some remarks about the attitude of the people of Ohio. Ohio is a peculiar State. It is represented largely by cities. The city Members from Ohio, of course, will undoubtedly not vote for farm relief to any great extent, but the Members who represent the agricultural districts of Ohio do not see their way clear to placing themselves in the same attitude as the city Members from Cincinnati, Cleveland, Youngstown, and Toledo. Rural Ohio is for farm relief, and we are very much in favor of it.

THE NECESSITY FOR AGRICULTURAL LEGISLATION

Mr. Chairman, the problem of aiding the American farmer is one of the greatest questions before this Congress. I am glad to say that some progress has been made looking toward its solution.

A year ago the House Committee on Agriculture, of which I have the honor to be a member, held extended hearings covering the period of many weeks and reported to this House the Haugen farm relief measure, which was subsequently defeated by a close vote. This year the House Committee on Agriculture again took up the problem of extending relief for agriculture, because it deemed it a matter of paramount importance to the entire country to work out an agricultural policy which would be sound and workable and which would give the farmers real relief. After listening to various proposals the committee by a vote of 13 to 8 ordered a favorable report on a revised form of the Haugen bill. The burden of responsibility for action to place agriculture on a sound economic basis now rests with the Members of this Congress. The farmers of the Nation are looking to them for favorable action in response to their pleas before the adjournment of this session.

There are few people now who are willing to dispute the contention that something must be done to assist agriculture. It is now generally admitted that the farmers are not receiving their fair share of the national income, and that their economic situation is far below that of all of the other groups in this country. Business leaders, labor leaders, representatives of industrial groups have all conceded these facts. This in itself is indicative of the progress which has been made, be-

cause a few years ago and even so recently as a year ago there were those who were ready to deny the need for anything being done to help the farmers and who advocated letting things alone, on the theory that sooner or later the farmer would get whatever readjustment he was entitled to.

While practically all are agreed now as to the unfavorable condition of agriculture as compared with other industries, there are some differences of opinion as to the remedy for this situation. There are still some persons who take the position that Congress can do nothing in a legislative way to assist the farmers out of their plight, even though the existence of distressing conditions is admitted. Congress, however, can not justly reject the farmers' pleas on this ground. Congress has aided other industries in the country by legislative enactment in times past; why should Congress refuse the farmers now in their day of need. I am not one of those who is willing to take the position that because the problem is great we should therefore stand helpless. The farmers are entitled to the same consideration from Congress which other groups have already had.

In a speech which I delivered before this House on May 23, 1924, I called attention to the many laws enacted by Congress for the relief and assistance of other industries. I called attention to the aid given to the railroads through the transportation act, to the aid given to labor through the immigration law, the Adamson eight hour law, minimum wage laws, and workmen's compensation and insurance laws, to the aid given to the manufacturers and other groups through tariff laws and other forms of governmental assistance. The banks have been aided by Federal legislation providing for the Federal reserve system. The railroads are enabled, through Federal legislation, to operate with assurance that they will be able to exact from the people a reasonable profit after all costs have been met—and the farmer pays a large share of these profits. Great hydroelectric corporations, distributing power over territories covering many States, are likewise enabled, through legislation, to operate with the assurance that they can expect from the public a comfortable profit after all costs have been taken care of. If we can help the railroads, the banks, the manufacturers, great corporations, and organized labor through legislation, we surely should be able to do something for the greatest industry in this country—the business of agriculture. No one is foolish enough to contend or expect that Congress can by legislation make poor farmers successful or provide a panacea for all the ills of agriculture, but Congress can create conditions which will remove the disparity between agriculture and other industries and enable the farmers to secure through their own efforts their fair share of the national income.

FURTHER INVESTIGATION NOT NEEDED

There are some who are still urging that further investigations be conducted concerning the agricultural problem. Such proposals either reveal a lack of knowledge of what has already been done or else occasion suspicion that the real motive back of such proposal is to defeat the demands of the farmers for an adequate agricultural program. We have had plenty of investigations of the agricultural problem; the Agricultural Inquiry Commission made an exhaustive study of this problem; committees of Congress have spent months of time gathering testimony and investigating agricultural conditions as well as studying various remedies for the solution of agricultural problems; various farm organizations have given the matter a great deal of attention and detailed study; the National Industrial Conference Board, representing the industrial interests of the Nation, has made a complete and exhaustive inquiry into agricultural problems; various individuals and Members of Congress have also given a great deal of time and study to these problems; and in addition to all these investigations the Department of Agriculture has maintained a large number of agricultural experts at work constantly in research and investigation on practically every phase of farm problems. What we need now more than anything else is not investigations into the ills of agriculture but action in providing a remedy for these ills.

The distribution of the income which results from the production of agricultural products or any other form of wealth may be very inequitably divided among the various economic groups handling this wealth, due to arbitrary laws or due to customs which are permitted. Adam Smith, famous English economist, recognized this fact. He stated in his work, Principles of Political Economy, Book 2, chapter 1, section 1:

> The laws and conditions of the production of wealth partake of the character of physical truths. There is nothing optional or arbitrary in them. Whatever mankind produces must be produced in the modes and under the conditions imposed by the constitution of external things, and by the inherent properties of their own bodily and mental structure. * * * It is not so with the distribution of wealth. That is a matter of human institution solely. The distribution of wealth depends upon the laws and customs of society. The rules by which it is determined are what the opinions and feelings of the ruling portion of the community make them, and are very different in different ages and countries and might be still more different if mankind so chose.

SURPLUS PROBLEM NOT NEW

The surplus problem is not a new problem by any means. From the days of Joseph and Pharaoh down to the present time it has played an important part in agriculture. The existence of a surplus of farm crops is a desirable thing for the public welfare. The world is always only a short distance away from starvation, and it is only through the existence of surpluses that we are tided over the emergencies resulting from crop failures and food shortage. Furthermore, in the interest of the national defense it is extremely important that we maintain self-sufficiency in food supplies. This is one of the most important lessons to be learned from the recent World War. Still further, the maintenance of a surplus of exports of farm commodities is beneficial to the country generally because it helps to make possible the maintenance of a favorable balance of trade.

Thus the existence of a surplus of agricultural products, within reasonable limits, is a desirable state of affairs, but the farmers, under the present conditions, are unduly penalized for the production of these surpluses. Our present marketing system, operating under existing conditions, forces most of the farmers to dump their entire year's production within a short time, with the resultant glutting of markets, which depresses the price far below the actual value of the products. The middlemen wait until prices are unduly depressed and then step in and buy the farmer's product at a low price, store it, and allow it to trickle out to the consumers or to the processers in just the quantities which will be taken without lowering the price; and everyone who handles the farmers' product reaps a large profit, whereas the farmer who produces it is forced frequently to take less than the cost of production. In other words, the inability of the majority of the farmers to withhold their crop from the market and dispose of it in an orderly fashion prevents them from securing the price which the normal operation of supply and demand would justify.

The farmer also suffers as a result of a production of a surplus because he fails to get the full benefit of the tariff under these conditions. In a commodity like wheat, where there is wide competition in the markets of the world and when we produce more than we can consume at home, the price of that which is exported is determined by the world price, which is simply the price which it will bring in competition with other wheat in the markets of the world. Where there is a large exportable surplus the price which is obtained for the exported wheat largely determines the price for the wheat which is sold in this country, so that the farmers fail to get the added benefits in price which the tariff would give them if we had no wheat to export and kept foreign-grown wheat from coming over the tariff wall. Theoretically, the tariff should give the farmers for the portion sold in domestic markets a price equal to the world price plus the tariff, but the present method of handling exportable surpluses tends to depress the domestic price down to the level of the world price.

We are thus faced with this dilemma; the country generally is benefited by the production of agricultural surpluses, but the farmer is unduly penalized for producing such surpluses. How shall we deal with this problem so as to make it possible to provide a reasonable surplus without unduly depressing the price to the producers?

THE ACREAGE PROBLEM INEFFECTUAL

There are some who advocate the elimination of surpluses through control of acreage. Such a plan, however, would be impracticable, ineffective, and dangerous. To obtain reduction of acreage there must necessarily be unanimous action on the part of all producers or else those who refuse or fail to cooperate in such a program reap all the benefits of it at the expense of those who make the sacrifices. Such unanimous action is practically impossible under existing conditions with the majority of the farmers outside of farm organizations; and most farmers would probably resent any attempt by the Government to compel the individual grower to plant a certain number of acres and no more. Furthermore, any wholesale plan of limitation of acreage other than purely voluntary agreements entered into by the growers would be likely to result in injustice, because it would be difficult, if not impossible, to determine what acreage would be proper for every individual grower.

Even if it were possible and practicable to work out a plan by which the acreage of a certain crop should be restricted to

a given amount, there would still be no assurance as to what the production would be. There are numerous instances on record in which the total production in this country has increased greatly above a given amount during one year to be followed by as great a reduction in production the following year without any appreciable change in the amount of acreage. Change in weather conditions, ravages of insect pests, and plant diseases and greatly varying conditions of growth bring about tremendous fluctuations in production, even though the acreage should be maintained at the same level, so that it is impossible to assure satisfactory results from a program which is based entirely upon the control of acreage.

There is also the added danger that foreign countries would take advantage of an acreage-reduction program in this country by increasing their acreage. Southern cotton growers are faced now with just this possibility. They have been urged to plant less cotton in order to enhance the price, and now foreign countries are urging their growers to plant more cotton. As a remedy for the agricultural problem acreage control alone is a dangerous proposition.

If acreage control is an unsatisfactory remedy, the attempt to apply such a remedy under the existing conditions, with the farmers largely unorganized, would be doubly impracticable. Advocates of this plan, who say this is the only hope for the farmers' salvation, attempt to support their statements by trying to point out analogies between manufacturing industries and the business of farming. They argue that the manufacturer is able to maintain a profitable price by regulating the amount of the supply produced and that the farmer should follow a similar method. Theoretically, it is easy to advise the farmers to produce less, but the application to specific individuals is a far different matter.

The individual farmer is in a different situation from that of the great manufacturer. The manufacturing industry is much more concentrated than that of farming. The total number of manufacturers is smaller; large numbers of them are associated together in corporations and through interlinking of corporations; and the bulk of the industry is oftentimes confined to a relatively small area of the country. The business of farming, however, is made up of relatively small units, each one operating independently of the other, with the exception of the minority, who are associated in cooperative associations. With more than 6,000,000 farmers in this country, and more than 12,000 cooperative associations which handle only a small portion of the total production, the problem of controlling the production is obviously far more difficult for agricultural products than for manufactured products.

Furthermore, the manufacturer can decrease his production for six months or for one month, one week, or for even one day. He can entirely curtail his production for a given period, or he can limit the output to one-half the capacity of his plant; whereas the farmer must decide at the time of planting as to the amount which he expects to produce during the entire year, and having once planted the crop he must either carry through his program of production or else incur a considerable loss in labor and investment. Still further, the manufacturer who closes down his plant for a given period is able to eliminate his labor cost during that period, whereas the individual farmer, particularly the one who employs no labor other than himself, can not reduce his labor cost if he curtails his production below normal capacity.

This results in a higher cost of production to the farmer than to the manufacturer when the volume of production is reduced. Furthermore, in a period of depression and overproduction there are large numbers of farmers who are forced by economic necessity to add to their individual production in order to secure a larger number of bushels or a larger number of pounds of farm produce with which to meet their obligations. The control of acreage as a sole remedy for the surplus problem is therefore inadequate in its operation, impracticable of execution, and likely to be dangerous in its consequences.

MONEY LOANING NOT GOOD FOR FARMERS

Another remedy which has been proposed for dealing with the surplus problem is to extend more credit to the farmers and cooperative associations. While there may be individual instances in which farmers and cooperative marketing associations may require better credit facilities, this proposal as a remedy for the surplus problem is utterly inadequate. What the farmer needs is not more facilities for borrowing money, but a better price for what he has to sell so that he can pay back some of the money that he has already borrowed instead of going further into debt.

The Country Gentleman, one of the leading farm journals in this country, sought the opinion of representative farmers and farm leaders in all sections of the country last fall as to whether or not the farmer needed more credit for personal or cooperative use. Two questions were asked:

First. Does the farmer need more credit for personal or cooperative use?

Second. Will additional credit bring adequate farm relief?

The results of these inquiries were summarized in an editorial published in this journal in the October, 1926, issue, from which I quote the following:

> The replies left no doubt about the matter. * * * That better prices, or an evening up of advantages, should be the real objective of any measure undertaken for farm relief is the tenor of an overwhelming majority of opinions. * * * We have heard clearly and unmistakably the response of farmers in all sections of the country to any offer of further credits and nothing more. Such a relief plan will never do.

The board of directors of the National Association of Credit Men at their annual meeting in Atlantic City last spring issued a statement, from which I quote the following extract:

> Good planning, good marketing, and the reduction of waste, rather than more credit, are necessary.

In addition to these statements leaders of large farm organizations have publicly stated during the past year that the paramount need of agriculture to-day is not the extension of more credit but the creation of conditions which will make it possible for the farmer to secure a better price for his products.

COOPERATIVE MARKETING NEEDS STRENGTHENING

Another proposed solution for the difficulties of the farmers is to leave everything to the cooperatives. This would be very beneficial if all farmers were members of such organizations, but we must face conditions as they are and not as we would like to see them. When over two-thirds of the farmers are not members of any cooperative marketing association, and when the membership in such associations is split up among more than 12,000 organizations, it is impracticable to expect that these organizations shall be able to deal effectively with the surplus problem which demands for its solution concerted and coordinated action on the part of all producers.

There is an important wheel missing in our cooperative marketing machinery which prevents it from dealing effectively with the surplus problem. The missing portion in this machinery is the absence of control over the disposition of the surplus. Under present conditions the cooperatives do not dare to attempt to handle and dispose of surpluses, particularly when the surpluses are large in quantity, because most of the farmers are not members of cooperative associations, and the membership would be required to bear all the burdens incident to disposing of this surplus, while the nonmembers would share in the benefits in price enhancement without bearing any of the burdens. The effect of this would be to drive out from membership in the cooperatives those who are already members and to prevent nonmembers from joining; in other words, if the cooperatives, unaided and under present conditions, undertook to dispose of surpluses of commodities like wheat, the effect would be to destroy cooperative marketing organizations. Even when they have not attempted to handle and market the total surplus of a crop the cooperatives have had to battle for their lives, because nonmembers who stay out frequently share the same benefits as members and escape the burdens. Farm leaders have testified again and again that this has been one of the greatest hindrances to the development of cooperative marketing. To deal with this situation some means must be provided by which the burden of handling and disposing of the surplus of a farm commodity will be distributed equitably among all of the producers of such commodity and so that all producers may share alike in the benefits resulting therefrom.

Still other proposals have been offered which advocate arbitrary price fixing by the Government and the extension of direct subsidies out of the Federal Treasury. Such demands, however, did not come from the masses of the farmers. Representatives of great farm organizations and cooperative associations have repeatedly declared their opposition to arbitrary price fixing by the Government, and have stated time and time again that they do not want a Government subsidy. What they say they want is equality of opportunity, equality of bargaining power, and economic equality with other groups in this country.

WHY THE CURTIS-CRISP BILL IS NOT WANTED

The so-called Curtis-Crisp bill has been offered as a compromise measure; but it is not in reality a compromise measure but an inadequate substitute which fails to give the farmers what they want and offers them many things which they do not want. It fails to contain the equalization-fee principle indorsed by a large number of national farm organizations and declared by

them to be vital to the successful solution of the surplus problem. The Government must either be responsible for losses under this bill or else the operations must be restricted so much, in order to protect the Government from a loss, as to prevent much benefit being secured through handling the surplus. If there should be losses under the operation of this measure, the Government would have to pay the bill, whereas in the McNary-Haugen bill the Government funds which are advanced have, in addition to the usual security, the added protection of the equalization fund collected from the commodity. This proposal also involves price fixing based on "cost of production to efficient producers." The joint statement of representatives of farm organizations condemns this provision by pointing out that such a basis for price fixing would starve out the bulk of fellow producers of the so-called efficiency producers. Furthermore, the farmers, through their organizations, have expressed themselves very clearly as being opposed to arbitrary price fixing. These defects, as well as others which are pointed out in the report of the Agricultural Committee, serve to brand this measure as an inadequate and undesirable substitute.

REVISED HAUGEN BILL

Such are some of the proposals other than the Haugen bill which have been advocated. The Committee on Agriculture, after considering a large number of proposals and devoting a great deal of time to a study of this question, has given its approval by decisive vote to the Haugen bill. This measure would set up a Federal farm board of 12 members nominated by committees which are elected by the farm organizations. This board would be required to keep informed of agricultural conditions, and particularly concerning the probable existence of a surplus of the farm commodities included in the bill. Whenever such a surplus seemed to be imminent the board would have authority to enter into contracts with cooperative marketing organizations for the handling and disposition of the surplus. In order to finance these operations, including the payment of any losses that might be incurred in the handling of the surplus, the board would also have authority to collect a stabilization fee upon each unit of the said commodity. This fee would be collected at the point of processing, or upon the transportation thereof, or upon sale, whichever is deemed most practicable. Further finances are provided for in the form of a revolving loan fund of $250,000,000, which can be advanced by the board to the cooperatives with whom contracts are made for the handling of the surplus. These returns will have the protection afforded by the stabilization funds collected from the commodities. While the operations of the bill are to begin with corn, wheat, rice, swine, and cotton, provision is made whereby the board may recommend to Congress the inclusion of other commodities.

In the meantime, definite assistance may be rendered to any cooperative in the United States handling any commodity whatever through the special loan fund of $25,000,000 provided for in the bill, which can be used by the board to extend loans to the cooperatives at a low rate of interest and to amortize the repayment of such loans over a long period of time.

BENEFITS TO AGRICULTURE

Such, in substance, are the principal provisions of the Haugen bill. Let us see briefly just what it proposes to do for the farmers. If Congress sets up this machinery provided for in the bill, it will remove one of the greatest hindrances to the development of cooperative marketing and prove to be a great stimulus to the growth of cooperative organizations, because it will distribute equitably among all the cost and benefit of handling the surplus. One of the chief merits of this bill is that it contemplates using the existing cooperative associations rather than to set up an entirely new and independent marketing system.

By thus developing cooperative marketing of farm products and building upon the foundations of cooperative marketing which have already been built, the operations of this measure would not unnecessarily interfere with or endanger the existing economic structure, but would proceed along sound lines to secure for the farmers equality of bargaining power with other groups. If this measure did nothing else than to promote and coordinate cooperative associations so that they should be able to dispose of the farm surpluses so as to take the benefit of our protective laws, it would be well worth while.

The Government is not put into business and placed in competition with the cooperatives, but the Federal farm board would serve as a coordinating agency for the cooperatives and farm organizations through which effective control and disposition of surplus farm crops can be secured. It is not expected that the board shall make contracts with a view to handling the entire crop, but it will assist the cooperatives in disposing of the surplus so as to prevent the undue depression of domestic prices on the bulk of the crop. In other words, this legislation will make possible for the farmers themselves, through their own cooperative associations, assisted by a sympathetic Federal farm board, to deal effectively with one of the most distressing problems with which agriculture has to contend, namely, the surplus problem.

If this measure should be put into operation, the temptation for nonmembers to stay out of the cooperatives would be reduced and the incentive to become a member of such an association would be considerably enhanced, because the measure provides for the equitable distribution among all producers the cost and benefit of handling the surplus.

Another benefit which the farmers will receive from this legislation is that they will receive the full benefit of the tariff on foreign products. Manufacturers can maintain domestic prices at a level equal to the world price plus the tariff by selling their products abroad at a lower price than those in this country. Even though losses are sustained on the exportable surplus sold abroad at the lower price, the profits made on the bulk of the output which is sold in domestic markets at the higher price made possible through the tariff, much more than compensate for the losses sustained on the sale of the surplus; and the net return is greater as the result of these operations than if the exportable surplus were allowed to depress domestic prices. Under this legislation the farmers would be able, through their cooperative associations, assisted by the Federal farm board, to obtain the same benefits from the tariff which manufacturing and industrial groups have obtained.

COTTON

What I have just said in reference to the tariff does not apply, of course, to cotton. On account of the fact that the United States produces the major portion of the world's supply of cotton, the producers in this country would be in a dominant position and able to demand a profitable price for their product were it not for the fact that they are not sufficiently organized as to be able to market the bulk of the crop in an orderly fashion and regulate the flow of the raw material to market. This bill provides the necessary machinery with which to coordinate the existing cooperative organizations and others that may be organized later, and to give them such assistance as will enable them to withhold the cotton crop from the market and dispose of it in such quantities and at such times as will prevent undue price depression.

It is not contemplated, however, that a Government monopoly in cotton or any other farm product shall be instituted. There are no restrictions on the freedom of either producers or purchasers. Prices would still have to be determined through the operation of supply and demand. The bill does not contemplate the securing of arbitrary prices through Government monopoly such as has been attempted by other governments; and the farmers would still have to compete with foreign competition. The advantages which this measure would give to our farmers would be that it would enable them to secure the highest price for their products which market conditions and other economic factors would justify; it would distribute equitably upon all producers the burden of disposing of surpluses and enable the farmers to obtain all the benefits resulting from marketing their products in an orderly fashion instead of dumping the bulk of them on the market within a short time.

If the farmers can control the surplus problem and regulate the flow of their commodities to market, it will not only secure for them better prices on the average for their products, but it will tend to stabilize the whole industry of agriculture in the interest of both the producers and the consumers.

FOOD PRICES

Various criticisms have been aimed at the measure, but these fail to bear analysis. It is said by the enemies of this legislation that it will place an added burden on the consumer by raising the price of food products which they have to buy. While this may seem plausible, the actual operations of the bill would not work out that way in all probability. It is a well-known fact that the price of a loaf of bread remains the same despite large fluctuations in the price per bushel of wheat. This is true to a more or less extent of practically all farm products. The effect of this legislation would be to lessen the spread between the producers and the consumer, with the result that the farmer would get his fair share of profit which is now going to various middlemen between him and the consumer.

INDORSED BY LABOR

A representative of the American Federation of Labor, which represents one of the large groups of consumers in this country, appeared before the Committee on Agriculture last year in support of this legislation, and he denied unequivocally that it

would result in increasing the cost of living. I wish to quote the following extracts from his statement to the committee:

I have said in the past that if because of the enactment of any law it may be necessary that the workers shall pay more, why even then we are satisfied; but under this bill I can not see where we would be called upon to pay more. It is only an equalization bill. It is not even as far-reaching as the tariff is for manufacturers and industrial producers, inasmuch as it does not definitely raise prices. It just holds prices. Now, gentlemen, the American Federation of Labor is in favor of this bill and asks that it be enacted into law. * * * To me and to the American Federation of Labor it appears that this comes as near being a solution to the farm problem as anything that has been offered here.

In other words, organized labor representing a large group of consumers in this country is not expecting increased prices as result of this legislation, and they are in favor of such a measure even though it should result in higher prices, because they realize that the maintenance of a prosperous agriculture is essential to the well-being of the entire country, including themselves.

It has also been charged that this measure would stimulate excessive overproduction, and thereby defeat the purposes of the measure. It is claimed that an increase in the price which the farmer receives for his product would cause him to plant more next year, with the result that there would be a tremendous overproduction. Thus the opponents of this measure base their argument that it will cause overproduction upon the assumption that it will increase the price which the farmer will receive. In order to raise this objection, therefore, they are admitting that the measure will secure precisely the result which its advocates claim for it, namely, that it will bring the farmers a better price for what they have to sell, and this is exactly what the farmer needs.

Now that they have admitted this result, what about the conclusion which they draw from it, namely, that the increase in price will result in an overproduction so great as to depress considerably the prices during the succeeding year. Such a conclusion is unwarranted, but for the sake of argument let us assume for the moment that this would be true; then what they are saying in effect is that if we do something to give the farmers a better price we are doing something which we ought not to do, because it will lead them to produce a larger quantity. But what evidence do they offer in support of this conclusion? Are we going to deny the farmer a better income merely because we fear some purely academic "bogy"?

As a matter of fact there are many factors which would tend to prevent excessive overproduction. It appears doubtful that the total production of farm commodities will be very greatly increased in the near future even though prices should rise materially. This belief is supported by Dr. George F. Warren of Cornell University, one of the leading agricultural economists of the United States. I quote the following extract from his letter to a Congressman, dated May 1, 1926, which was published in the CONGRESSIONAL RECORD of May 25, 1926:

It takes a considerable period of time to increase yields per acre and a considerable period of time to decrease them * * * the present agricultural depression has been so drastic that the impetus to decrease production will undoubtedly occur for sometime even should the conditions improve. In other words, if conditions for farmers should at once be decidedly improved we would still expect production to continue to decline for some years * * * by that time we would probably need the increased production. For six crop years farming has been going through a period of agricultural depression. An imminent period of shortage of farm products is unavoidable. The longer the period of depression the longer and more violent the period of shortage will be.

In short I believe that if an improvement should occur in the agricultural situation at the present time that at first it would merely check the rate of decline in agriculture. It would be, I believe, some years before any actual increase in total production would occur.

The opponents of this measure raise the hue and cry that it would bring about disastrous overproduction but they overlook the fact that the individual farmer often increases his acreage following a period of low prices. He does this because he must secure a certain amount of income in order to pay his taxes, his fertilizer bills, his living expenses, and other costs; and when the prices are so low that he does not receive a sufficient amount from his present production to enable him to pay his bills he finds it necessary to increase his production per man in order to get a larger return per man. This situation is confirmed by Edwin S. Norse, of the Institute of Economics in his book entitled "Agriculture and the European Market" from which I quote the following extract:

The single individual reacts to falling prices by redoubling his effort thereby enlarging market supplies and continuing or even aggravating the downward tendency of prices. If corn is cheap the farmer with rent and taxes and interest to pay foresees the need of more bushels with which to pay these bills.

In addition to this statement which I have quoted from a well-known economist, this is a matter of common knowledge among those familiar with farming conditions.

In addition to these factors which will safeguard the farmers against overproduction, the McNary-Haugen bill contains several specific provisions which will serve as an added protection. One of the greatest arguments in favor of the equalization fee is that it will serve as a check upon excessive overproduction, because the larger the surplus produced the larger necessarily must be the equalization fee collected for handling the surplus. Furthermore, the board is authorized to advise with the producers as to production, and the various commodity advisory councils are empowered to cooperate with the board in suggestions to producers as to production. The result will be a tendency toward stabilization of production following a stabilization of prices so that the whole industry within a few years would probably reach a stabilized basis wherein production would vary but little beyond the fluctuations due to weather and climatic conditions. Under these conditions both the producers and the consumers would be able to anticipate their probable income and expenses with more degree of certainty and would be better able to plan their operations accordingly.

It has been further charged that the equalization fee is unconstitutional. This is one of the stock objections which opponents of legislation find convenient to fall back upon when they can discover nothing else that is seriously objectionable in a measure. If Congress had followed the policy of refusing to pass bills whenever anyone declared that they were unconstitutional, we would have been deprived of many important and useful measures which Congress has passed and which were later upheld by the courts. As a matter of fact, the questions as to constitutionality are thoroughly dealt with in a report of the committee. I will not take the time of the House at this time to give an account of the large amount of evidence which has been marshaled in support of the constitutionality not only of the equalization fee but of other provisions of the bill, but I merely wish to call attention to the fact that these matters are fully dealt with in the committee report.

In conclusion, Mr. Chairman, I wish to point out that we have before us for consideration a measure which has the indorsement of organized labor, representatives of business associations, an increasing number of State legislatures, and a large number of farm organizations representing every principal section of the United States. There is no other measure which has been considered by this Congress which has anything like the support which this measure has. There is no reference in the measure, whatever, to price fixing or price levels. It does not put the Government into buying or selling farm crops on its own account. Government funds, which are loaned to the cooperatives, are amply safeguarded. The measure uses and builds upon the cooperative movement which has already been developed rather than setting up a new system. It takes care of all commodities by authorizing the board to assist in disposing of the surpluses of five of the major farm commodities and to assist the producers of other commodities through extending amortized loans to cooperatives handling such commodities. It is not an attempt at securing unwarranted, artificial, and arbitrary prices through a government monopoly, but it provides a means by which the producers, through their own organizations, assisted by the farm board, can dispose of farm surpluses in such a way as to give the producers the full value of their product. In short it is a business proposition which will make it possible for the farmers to market their crops in an orderly manner so that they will be able to obtain the best price which market conditions and other economic factors justify and which will give to the farmers equal bargaining power and equality of opportunity with other groups. If this bill is passed it will stabilize the most important industry in this country on a basis of economic equality with other groups. I do not believe that Congress should deny these benefits to the farmer by refusing or neglecting to pass this legislation. I believe it to be the most constructive and most effective measure that has been proposed to us, and it is my purpose to vote for it.

Mr. HAUGEN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MAPES, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 15474) to establish a Federal farm board, to aid in the orderly mar-

keting and in the control and disposition of the surplus of agricultural commodities, and had come to no resolution thereon.

DEATH OF FORMER REPRESENTATIVE SAMUEL W. BEAKES, OF MICHIGAN

Mr. MICHENER. Mr. Speaker, it becomes my painful duty to announce to the House the death on the 9th day of the present month of my predecessor, Hon. Samuel W. Beakes, who served faithfully and well in the House of Representatives in the Sixty-third, Sixty-fourth, and Sixty-fifth Congresses.

Mr. Beakes was a man of ability and integrity, and always loyal to his friends. Politically he was a Democrat and held many positions of honor and trust in his home city and county.

Upon retiring from Congress he entered the Veterans' Bureau, and has made his home in Washington since that time. His death will be mourned by his many friends.

DEATH OF FORMER REPRESENTATIVE FRANCIS MARION GRIFFITH, OF INDIANA

Mr. CANFIELD. Mr. Speaker, it is with feeling of personal regret that I announce to the membership of the House the death of Hon. Francis Marion Griffith, which, as I am informed, occurred at his home in Vevay, Ind., on February 8, 1927, at the age of 77 years. Mr. Griffith was elected to the Fifty-fifth Congress to fill out the unexpired term of Hon. William S. Holman. He was also elected to the Fifty-sixth, Fifty-seventh, and Fifty-eighth Congresses, after which he retired from that body and again took up the practice of law. Mr. Griffith also served as circuit judge for six years, and from that time to the date of his death he had devoted his time exclusively to his law practice. For many years he was prominent in political affairs in Indiana and was one of the leaders of the State. In addition, he was one of the State's most esteemed characters whose death will not only be a distinct loss to the State of Indiana, but, I am sure, will bring sadness to many who knew him.

SENATE ENROLLED BILLS SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, announced that that committee had examined and found truly enrolled Senate bills of the following titles, when the Speaker signed the same:

S. 4553. An act granting the consent of Congress to the Chesapeake Bay Bridge Co. to construct a bridge across the Chesapeake Bay from a point in Baltimore County to a point in Kent County, in the State of Maryland; and

S. 4727. An act to provide for the widening of Nichols Avenue between Good Hope Road and S Street SE., in the District of Columbia.

ENROLLED HOUSE BILLS PRESENTED TO THE PRESIDENT

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that this day they presented to the President of the United States, for his approval, the following bills:

H. R. 4553. An act authorizing the President to restore Commander George M. Baum, United States Navy, to a place on the list of commanders of the Navy to rank next after Commander David W. Bagley, United States Navy;

H. R. 11421. An act to provide for conveyance of certain lands in the State of Alabama for State park and game preserve purposes; and

H. R. 14242. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works at Quantico, Va.

ADJOURNMENT

Mr. HAUGEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 4 o'clock and 43 minutes p. m.) the House adjourned until to-morrow, Saturday, February 12, 1927, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Saturday, February 12, 1927, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON APPROPRIATIONS

(10.30 a. m.)

Second deficiency bill.

COMMITTEE ON FOREIGN AFFAIRS

(10.30 a. m.)

To provide for the expense of the participation of the United States in the work of a preparatory commission to consider questions of the reduction and limitation of armaments.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

962. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the fiscal year ending June 30, 1927, for the War Department, amounting in all to $210,000; also drafts of proposed legislation affecting existing appropriations for the War Department (H. Doc. No. 704); to the Committee on Appropriations and ordered to be printed.

963. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the fiscal year ending June 30, 1927, for the War Department, amounting in all to $2,338,233, for the removal of high explosive ammunition from the Raritan ordnance reserve depot, N. J. (H. Doc. No. 705); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WINTER: Committee on Mines and Mining. S. 3641. An act to amend an act entitled "An act to provide relief in cases of contracts connected with the prosecution of the war, and for other purposes," approved March 2, 1919, as amended; with amendment (Rept. No. 2041). Referred to the Committee of the Whole House on the state of the Union.

Mr. SINNOTT: Committee on Irrigation and Reclamation. H. R. 9493. A bill conferring jurisdiction upon the United States District Court for the District of Oregon or the Court of Claims to hear and determine any suit or suits, actions or proceedings which may be instituted or brought by the Klamath irrigation district, a public corporation of the State of Oregon, or the State of Oregon by intervention or direct suit or suits, to set aside that certain contract between the United States and the California-Oregon Power Co., dated February 24, 1917, together with all contracts or modifications thereof, and to set aside or cancel the sale made by the United States Government, through the Secretary of the Interior, of the so-called Ankey and Keno Canals, and the lands embraced in the rights of way thereof, to the said California-Oregon Power Co.; said sale having been made in the year 1923; with amendment (Rept. No. 2042). Referred to the Committee of the Whole House on the state of the Union.

Mr. LETTS: Committee on Indian Affairs. H. R. 16288. A bill authorizing an appropriation for the survey and investigation of the placing of water on the Michaud division and other lands in the Fort Hall Indian Reservation; with amendment (Rept. No. 2044). Referred to the Committee of the Whole House on the state of the Union.

Mr. McLEOD: Committee on the District of Columbia. H. R. 15343. A bill to amend an act entitled "An act to provide for the examination and registration of architects and to regulate the practice of architecture in the District of Columbia," approved December 13, 1924, and for other purposes; with amendment (Rept. No. 2045). Referred to the Committee of the Whole House on the state of the Union.

Mr. ZIHLMAN: Committee on the District of Columbia. H. R. 16948. A bill to increase the salaries of the Commissioners of the District of Columbia; without amendment (Rept. No. 2046). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILLIAMSON: Committee on Indian Affairs. S. 1924. A bill for the relief of the Uintah and White River Tribes of Ute Indians of Utah; with amendment (Rept. No. 2047). Referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH: Committee on the Public Lands. H. R. 139. A bill to provide for addition of certain land to the Challis National Forest; with amendment (Rept. No. 2048). Referred to the Committee of the Whole House on the state of the Union.

Mr. PORTER: Committee on Foreign Affairs. H. J. Res. 353. A joint resolution for the relief of the consulate general at Yokohama, Japan; without amendment (Rept. No. 2049). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLE: Committee on Foreign Affairs. H. J. Res. 354. A joint resolution to provide for the payment of an indemnity to the Chinese Government for the death of Chang Lin and Tong Huan Yah, alleged to have been killed by members of the armed forces of the United States; with an amendment (Rept. 2050). Referred to the Committee of the Whole House on the state of the Union.

Mr. PORTER: Committee on Foreign Affairs. H. J. Res. 355. A joint resolution to provide for the payment of an indemnity

to the British Government to compensate the dependents of Edwin Tucker, a British subject, who was killed by a United States Army ambulance in Colon, Panama; with an amendment (Rept. No. 2051). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLE: Committee on Foreign Affairs. H. J. Res. 356. A joint resolution to provide for payment of the claim of the Government of China for compensation of Sun Jui-chin for injuries resulting from an assault on him by a private in the United States Marine Corps; without amendment (Rept. No. 2052). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WINTER: Committee on Irrigation and Reclamation. H. R. 16336. A bill for the relief of Robert F. Neeley and Franklin E. Neeley; with an amendment (Rept. No. 2043). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Naval Affairs was discharged from the consideration of the bill (H. R. 15942) for the relief of Charles W. Buck, and the same was referred to the Committee on Military Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLACK of New York: A bill (H. R. 17083) to grant additional leave to Federal employees who are members of the American Legion; to the Committee on the Civil Service.

Also, a bill (H. R. 17084) to create the Gowanus Stone House Battle Memorial Park; to the Committee on Military Affairs.

By Mr. BLOOM: A bill (H. R. 17085) to amend section 300 of the World War veterans' act, 1924; to the Committee on World War Veterans' Legislation.

By Mr. CARTER of California: A bill (H. R. 17086) to extend medical and hospital relief to retired officers and enlisted men of the United States Coast Guard; to the Committee on World War Veterans' Legislation.

By Mr. ESTERLY: A bill (H. R. 17087) to authorize the United States Public Health Service to furnish expert assistance and advice in respect of water, sewer, and street-surface drainage systems; to the Committee on Interstate and Foreign Commerce.

By Mr. DREWRY: A bill (H. R. 17088) to authorize certain officers of the United States Navy to accept from the Republic of Haiti the medal of honor and merit; to the Committee on Naval Affairs.

By Mr. LITTLE: A bill (H. R. 17089) relative to the dam across the Kansas (Kaw) River at Lawrence, in Douglas County, Kans.; to the Committee on Interstate and Foreign Commerce.

By Mr. LEAVITT: A bill (H. R. 17090) authorizing the classification of the Crow Indians of Montana; to the Committee on Indian Affairs.

By Mr. GARNER of Texas: A bill (H. R. 17091) to transfer Willacy County in the State of Texas from the Corpus Christi division of the southern district of Texas to the Brownsville division of such district; to the Committee on the Judiciary.

By Mr. WINTER: Resolution (H. Res. 416) providing for the consideration of S. 3641, to amend the war minerals relief act, approved March 2, 1919; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLOOM: A bill (H. R. 17092) for the relief of Charles A. Brown; to the Committee on Claims.

By Mr. DAVENPORT: A bill (H. R. 17093) granting an increase of pension to Lorena Daniels Wample; to the Committee on Invalid Pensions.

By Mr. DOWELL: A bill (H. R. 17094) granting an increase of pension to Francis L. Scofield; to the Committee on Invalid Pensions.

By Mr. GARBER: A bill (H. R. 17095) granting an increase of pension to Sarah Marsh; to the Committee on Pensions.

By Mr. GREENWOOD: A bill (H. R. 17096) granting a pension to Elmyra E. Porter; to the Committee on Invalid Pensions.

By Mr. JENKINS: A bill (H. R. 17097) granting a pension to Minnie L. Barnett; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 17098) to provide for a preliminary examination and survey of Grays Harbor, Wash.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 17099) for the relief of Letitia Spence; to the Committee on Claims.

By Mr. McSWEENEY: A bill (H. R. 17100) for the relief of Jennie Carroll, Mabel H. Lazear, Emily Lawrence Reed, and John R. Kissinger; to the Committee on Military Affairs.

By Mr. MENGES: A bill (H. R. 17101) granting an increase of pension to Mary C. Smith; to the Committee on Invalid Pensions.

By Mr. STALKER: A bill (H. R. 17102) granting an increase of pension to Margaret Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17103) granting an increase of pension to Margaret Sanford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17104) granting an increase of pension to Mary Strong; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17105) granting an increase of pension to Addie Champion; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17106) granting an increase of pension to Sylvia A. Hollenbeck; to the Committee on Invalid Pensions.

By Mr. TEMPLE: A bill (H. R. 17107) granting a pension to Margaret Crawford; to the Committee on Pensions.

By Mr. TUCKER: A bill (H. R. 17108) giving jurisdiction to the Court of Claims to hear and determine the claim of the Butler Lumber Co. (Inc.); to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6495. By Mr. ARNOLD: Petition from citizens of Mount Vernon, Ill., recommending the passage of the Civil War pension bill; to the Committee on Invalid Pensions.

6496. By Mr. BLAND: Petition of voters of Accomac County, Va., urging that steps be taken to bring to a vote a Civil War pension bill carrying the rates proposed by the National Tribune, Washington, D. C.; to the Committee on Invalid Pensions.

6497. By Mr. BLOOM: Petition of directors of the Chicago Board of Trade, regarding the McNary-Haugen bill; to the Committee on Agriculture.

6498. By Mr. BRIGHAM: Petition of Alma Bugbee and 45 other citizens of Morristown, Vt., favoring the passage of legislation for the relief of Civil War soldiers and widows; to the Committee on Invalid Pensions.

6499. By Mr. BROWNE: Resolution of the American Legion, Department of Wisconsin, urging that the bill for the retirement of disabled emergency Army officers be brought up for action; to the Committee on World War Veterans' Legislation.

6500. By Mr. CANFIELD: Petition of Mr. J. H. Shutts and 59 other residents of Dillsboro, Ind., urging passage of legislation for the increasing of pensions of Civil War soldiers and widows of soldiers; to the Committee on Invalid Pensions.

6501. By Mr. CARTER of California: Petition of W. O. Leanbert and 117 other voters of Oakland, Calif., urging the passage of legislation granting increase of pensions to veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6502. Also, petition of the National Council, Traveling Salesmen's Associations, representing 912,000 salesmen of the Nation, urging the repeal of the war-time Pullman surcharge; to the Committee on Ways and Means.

6503. Also, petition of S. C. Boyson and 49 other voters of Alameda, Calif., urging the passage of legislation increasing the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6504. By Mr. CHALMERS: Petition signed by about 50 voters of Toledo, Ohio, urging that legislation be passed to increase the pensions of all Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6505. By Mr. DEMPSEY: Petition of citizens of Middleport, N. Y., urging passage of Civil War pension bill for relief to suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

6506. By Mr. DOWELL: Petition of citizens of Polk County, Iowa, urging enactment of legislation increasing pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6507. By Mr. EATON: Petition of Mrs. Angie T. Bryan, 181 High Street, Somerville, N. J., and 32 other citizens of Somerset County, N. J., urging immediate steps be taken to bring Civil War pension bill to a vote and urging support by Members of Congress; to the Committee on Invalid Pensions.

6508. By Mr. ROY G. FITZGERALD: Petition of 149 voters of Butler and Montgomery Counties, Ohio, praying for the passage of a bill to increase the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6509. By Mr. FRENCH: Petition of citizens of Viola, Idaho, protesting against enactment of Sunday legislation; to the Committee on the District of Columbia.

6510. By Mr. FUNK: Petition of citizens of Cabery, Ill., urging further relief for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6511. By Mr. GALLIVAN: Petition of Clarence O. Case, president New England Flour Co., Boston, Mass., vigorously opposing the McNary-Haugen farm bill as vicious class legislation; to the Committee on Agriculture.

6512. By Mr. GARBER: Petition of Dolman & Dyer, attorneys, Ardmore, Okla., expressing approval of House bill 8708, a bill to reduce the interest rate on railroad indebtedness to the United States from 6 per cent to not less than 4¼ per cent and to extend the time of payment of such indebtedness; to the Committee on Ways and Means.

6513. Also, petition of the American National Retail Jewelers Association, urging enactment of House bill 16545, known as the national platinum marking act, 1927; to the Committee on Interstate and Foreign Commerce.

6514. Also, petition of the National Retail Coal Merchants Association, opposing all legislation tending to substitution of political control for economic control, the domination of business by politicians, the increase of Federal bureaus and employees, or the transfer of State authority to the Federal Government, whether affecting coal or any other commodity; to the Committee on Interstate and Foreign Commerce.

6515. Also, petition of Drennan & Drennan, Medford, Okla., urging enactment of House bill 8708, to extend the period of payment of railroad indebtedness for a period not to exceed 30 years and to reduce the interest rate on this indebtedness from 6 per cent to not less than 4¼ per cent; to the Committee on Ways and Means.

6516. Also, petition of the United Mine Workers of America, protesting against the burdensome uneconomic freight rates on coal from the mines of Indiana, Ohio, Pennsylvania, and Illinois; to the Committee on Interstate and Foreign Commerce.

6517. By Mr. HICKEY: Petition of Charles D. Robison and other citizens of Warsaw, Ind., urging the passage of a bill increasing the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6518. By Mr. HOCH: Petition signed by Capt. Wm. Schwartz and 115 voters of LeRoy, Kans., urging immediate action taken on bill increasing pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6519. Also, petition of five citizens of Plymouth, Kans., urging passage of the Civil War pension bill; to the Committee on Invalid Pensions.

6520. Also, petition of 16 citizens of Wabaunsee, Kans., urging passage of Civil War pension bill; to the Committee on Invalid Pensions.

6521. Also, petition of 62 citizens of Eureka, Kans., urging passage of the Civil War pension bill; to the Committee on Invalid Pensions.

6522. Also, petition of 30 citizens of Severy, Kans., urging immediate action on pending Civil War pension legislation; to the Committee on Invalid Pensions.

6523. By Mr. HOOPER: Petition of L. S. Dye and 98 other residents of Homer, Mich., in favor of pending legislation to increase the present rates of pension of Civil War veterans, widows of veterans, and dependents; to the Committee on Invalid Pensions.

6524. By Mr. JOHNSON of South Dakota: Petition of citizens of the second district of South Dakota, urging immediate action on legislation increasing Civil War pensions; to the Committee on Invalid Pensions.

6525. By Mr. JOHNSON of Washington: Petition of citizens of Buckley, Wash., praying for enactment of Civil War pension legislation; to the Committee on Invalid Pensions.

6526. By Mr. KIEFNER: Petition from the citizens of Fredericktown, Mo., urging Congress to pass legislation for the relief of the needy and suffering Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6527. By Mr. KIESS: Petition of citizens of Potter County, Pa., protesting against the passage of House bills 7179, 7822, 10123, and 10311; to the Committee on the District of Columbia.

6528. By Mr. KINDRED: Petition of Lieut. H. F. McCorkle Camp, United Spanish War Veterans, to the Members of the United States Senate and House of Representatives, requesting their approval and indorsement of Gen. George H. Woods's retention and reappointment as a member of the Board of Managers of the National Soldiers' Home; to the Committee on Military Affairs.

6529. By Mr. KNUTSON: Petition signed by P. M. Lovelace, of Hewitt, Minn., and others, urging Civil War pension legislation; to the Committee on Invalid Pensions.

6530. Also, petition signed by Rev. A. J. Oliver, of Pequot, Minn., and others, urging increase of pensions for Civil War veterans; to the Committee on Invalid Pensions.

6531. By Mr. LAMPERT: Petition from Fred H. Zermuehlen and 65 other citizens of Two Rivers, Wis., urging increase in pensions for Civil War veterans and for the widows of Civil War soldiers; to the Committee on Invalid Pensions.

6532. By Mr. MAGRADY: Petition of sundry citizens of Millville, Columbia County, Pa., urging that immediate steps be taken to bring to a vote the Civil War pension bill increasing pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6533. By Mr. MANLOVE: Petition of Mr. W. R. Gaddie, J. R. Hasting, H. W. Sterling, and 38 other residents of Jasper County, Mo., urging the passage of legislation for the relief of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6534. By Mr. MICHENER: Petition of residents of Deerfield, Lenawee County, Mich., asking that certain pension laws be enacted for Civil War veterans; to the Committee on Invalid Pensions.

6535. By Mr. MILLER: Petitions of citizens of Seattle, Wash., for increases in pensions for Civil War veterans and removal of limitation on date of marriage of Civil War widows; to the Committee on Invalid Pensions.

6536. By Mr. MOONEY: Telegram from Bishop Joseph Schrembs, of Cleveland, Ohio, urging favorable consideration of legislation to liberalize the immigration laws so as to permit the reunion of families; to the Committee on Immigration and Naturalization.

6537. By Mr. MICHENER: Petition of residents of Brooklyn, Jackson County, Mich., asking that certain pension laws be enacted for Civil War veterans; to the Committee on Invalid Pensions.

6538. By Mr. O'CONNELL of New York: Petition of the Board of Trade of the city of Chicago opposing the passage of the Haugen-McNary bill; to the Committee on Agriculture.

6539. Also, petition of National Federation of Federal Employees, favoring the passage of Senate bill 1077 or similar House bill now on the calendar; to the Committee on the Civil Service.

6540. By Mr. OLDFIELD: Petition of citizens of Jackson County, Ark., urging the passage of House bill 13450; to the Committee on Invalid Pensions.

6541. By Mr. ROBINSON of Iowa: Petition by the citizens of Waverly, Bremer County, Iowa, for the enactment of Civil War veterans pension legislation; to the Committee on Invalid Pensions.

6542. By Mr. ROMJUE: Petition of Hon. C. F. Hale, Dr. T. S. Watson, J. W. Nisbeth, et al., asking passage of legislation in behalf of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6543. By Mr. SANDERS of New York: Petition of residents of the town of Wethersfield, N. Y., urging immediate passage of a bill granting increased pension rates to Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6544. By Mr. STOBBS: Petition of residents of Shrewsbury and Worcester, Mass., opposing passage of Senate bill 4821, the Sunday observance bill; to the Committee on the District of Columbia.

6545. Also, petition of residents of Westboro, Mass., urging passage of Civil War pension bill; to the Committee on Invalid Pensions.

6546. By Mr. STRONG of Pennsylvania: Petition of citizens of Indiana County, Pa., in favor of the Sunday rest bill for the District of Columbia (H. R. 10311); to the Committee on the District of Columbia.

6547. Also, petition of citizens of Du Bois, Pa., urging immediate action on a bill to increase the rates of pension of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6548. Also, petition of citizens of Indiana County, Pa., urging immediate action on a bill to increase the rates of pension for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6549. By Mr. STRONG of Kansas: Petition of voters of Salina, Kans., urging enactment of Civil War pension bill; to the Committee on Invalid Pensions.

6550. By Mr. SUMMERS of Washington: Petition signed by Mrs. Mollie Maguire and 31 others, of Walla Walla, Wash.,

urging that the Civil War pension bill now pending be given prompt consideration; to the Committee on Invalid Pensions.

6551. By Mr. THURSTON: Petition of board of directors Creston (Iowa) Chamber of Commerce, indorsing the McNary-Haugen bill and recommending its passage; to the Committee on Agriculture.

6552. Also, petition of board of directors Bedford (Iowa) Chamber of Commerce, indorsing the McNary-Haugen farm bill and recommending its passage; to the Committee on Agriculture.

6553. Also, petition of the board of directors of the Des Moines (Iowa) Chamber of Commerce, indorsing the Mc-Nary-Haugen bill and recommending its passage; to the Committee on Agriculture.

6554. Also, petition of citizens of Creston, Union County, Iowa, relating to legislation in favor of veterans of the Civil War and their dependents; to the Committee on Invalid Pensions.

6555. Also, petition of citizens of Clarinda, Page County, Iowa, relating to legislation in favor of veterans of the Civil War and their dependents; to the Committee on Invalid Pensions.

6556. By Mr. TILLMAN: Petition of different citizens of the third congressional district of Arkansas, asking for pension legislation for veterans of the Civil War; to the Committee on Invalid Pensions.

6557. By Mr. VESTAL: Petition of John W. Grimes and others, of Madison County, Ind., favoring the passage of the Civil War pension bill; to the Committee on Invalid Pensions.

6558. Also, petition of Omer Sutton and others, of Madison County, Ind., favoring the passage of the Civil War pension bill; to the Committee on Invalid Pensions.

6559. By Mr. VINCENT of Michigan: Petition of residents of the eighth district, urging legislation to increase pensions of veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6560. By Mr. WATRES: Petition by residents of Carbondale and Scranton, Pa., favoring Civil War pension legislation; to the Committee on Invalid Pensions.

6561. By Mr. WEAVER: Petition of citizens of Reems Creek Township, Buncombe County, N. C., asking increase in Civil War pensions; to the Committee on Invalid Pensions.

6562. Also, petition of citizens of Cataloochee Township, Haywood County, N. C., asking increase in Civil War pensions; to the Committee on Invalid Pensions.

6563. By Mr. WOODYARD: Petition of citizens of Sistersville, W. Va., favoring additional pension legislation; to the Committee on Invalid Pensions.

6564. By Mr. WYANT: Petition of citizens of Scottdale, Westmoreland County, Pa., urging the passage of the Lankford Sunday rest bill (H. R. 10311); to the Committee on the District of Columbia.

SENATE

SATURDAY, *February 12, 1927*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, the God of our fathers in all the experiences of our national history, we bless Thee for Thy guidance and for every help that has come to us in days of darkness and of doubt. But we know that Thou wert the God of the past, and as Thou wert thus recognized we would have Thee as the God of the present and of the future.

We bless Thee for the history of one connected in our national life, whose name and influence add luster to its history, and we pray, our God, that in all the way of life we may recognize that righteousness exalts a nation.

Hear us and help us, so that in the midst of life's problems we may realize that the God of the past is now with us and ready to help us in every hour of need. Direct us for Jesus Christ's sake. Amen.

The Chief Clerk proceeded to read the Journal of the proceedings of the legislative day of Wednesday last when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were thereupon signed by the Vice President:

S. 4727. An act to provide for the widening of Nichols Avenue between Good Hope Road and S Street SE. in the District of Columbia; and

S. 4553. An act granting the consent of Congress to the Chesapeake Bay Bridge Co. to construct a bridge across the Chesapeake Bay from a point in Baltimore County to a point in Kent County, in the State of Maryland.

CALL OF THE ROLL

Mr. SMOOT obtained the floor.

Mr. LA FOLLETTE. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Gerry	Lenroot	Robinson, Ark.
Bayard	Gillett	McKellar	Schall
Bingham	Glass	McLean	Sheppard
Blease	Goff	McMaster	Shipstead
Borah	Gooding	McNary	Simmons
Bratton	Gould	Mayfield	Smith
Broussard	Greene	Means	Smoot
Bruce	Harreld	Neely	Stanfield
Cameron	Harris	Norris	Steck
Capper	Harrison	Nye	Stephens
Caraway	Hawes	Oddie	Stewart
Couzens	Heflin	Overman	Trammell
Curtis	Howell	Pepper	Tyson
Dale	Johnson	Phipps	Walsh, Mass.
Dill	Jones, Wash.	Pine	Walsh, Mont.
Ferris	Kendrick	Pittman	Warren
Fletcher	Keyes	Ransdell	Watson
Frazier	King	Reed, Mo.	Wheeler
George	La Follette	Reed, Pa.	Willis

The VICE PRESIDENT. Seventy-six Senators having answered to their names, a quorum is present.

Mr. SMOOT. Mr. President, I ask unanimous consent that I may be allowed for a few minutes to pay tribute to the memory of Abraham Lincoln.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Utah will proceed.

ABRAHAM LINCOLN, STATESMAN

Mr. SMOOT. Mr. President, 80 years ago next December, Abraham Lincoln took his seat in the lower House of Congress, in what is now Statuary Hall in the National Capitol. He was elected as a Whig and a follower of Henry Clay. He entered the National Legislature at a momentous period. For a decade the Nation had been absorbed in industrial pursuits. Business and internal development were uppermost. Patriotism slumbered, national impulses seemed dormant.

A wild passion for war revived the spirit of Bunker Hill and New Orleans. The soldier supplanted the accountant; deed eclipsed the dollar. Few stopped to discuss the righteousness of war, to what end it might lead or its effect on the status of slavery.

Mr. Lincoln did not willingly enter into this military atmosphere. Albeit a patriot and as a Congressman elect, admonishing those who hastened to the front to "stand by the flag till peace came with honor," nevertheless he was one of thousands of sober, thoughtful, yet loyal, citizens, who looked far beyond a war of annexation to the addition of another slave State. Mr. Lincoln's background was an absorbing hostility to what he sincerely felt was a national peril.

While a man of peace and opposed to war with Mexico, Mr. Lincoln never failed to vote for any bill or resolution that had for its object the sending of supplies to our troops ordered to the seat of war. Once in the war he supported its prosecution.

With courage and faultless logic he challenged the President's justification of war and the shedding of the blood of American citizens on foreign soil.

Let him [the President] remember—

He said—

he sits where Washington sat; and so remembering, let him answer as Washington would answer * * * and if, so answering, he can show that the soil was ours where the first blood of the war was shed * * * then I am with him for his justification.

This, his first great speech in yonder hall, should have won him a high place, were it not for the shifting standard of public opinion that confounds the thing of the moment with the ultimate principle.

In reply to sharp criticism from his Whig constituents, he sent a letter revealing his sincerity of purpose, his soberness of thought, and his adherence to the purposes of the Republic. He insisted that the important function of the Constitution in leaving the declaration of war with Congress, precluded the right of any one man to bring the oppression of war upon the people. Mr. Lincoln was not so elated with patriotism

that he lost his standard of righteousness. This rare ability he displayed in later years.

From the beginning of his public career Mr. Lincoln possessed a national mind. The logic of the preservation of the Union led straight to the protection of American industry and labor. He sounded the depths of discussion by his quaint and original method.

He had profound sympathy for the toiler. He voted for a resolution instructing the Committee on Ways and Means to inquire into the expediency of reporting a bill increasing the duties on foreign luxuries of all kinds and "on such foreign manufactures as are now coming into ruinous competition with American labor."

He was in advance of the thought of his day in the matter of internal improvements. He attacked the opinions of those who maintained that the burden of improvements would be general while the benefits would be local, thus involving a pernicious inequality. Mr. Lincoln's reply displayed his political wisdom. He argued that if every good thing was to be discarded which might be inseparably connected with a degree of inequality in its application, then all government would have to be discarded.

One of the outstanding elements of Mr. Lincoln's character and mental process was his knowledge of human nature and his belief that no righteous cause can be consummated until public opinion is ripe for it. His attitude toward his one consuming thought, hostility to slavery, was that of deliberation and caution until he felt that the time to strike had come. In this can be found the key to his final triumph. He never hurried, never plunged thoughtlessly and recklessly; but when he reached a conclusion and struck a blow, he reasoned that the hour had come for radical action.

Mr. Lincoln's waiting policy is well illustrated when, after his failures to be elected United States Senator, he was offered the nomination of Governor of Illinois, but declined and was presented as a candidate for Vice President, against his wishes. For several years he practiced his profession and bided his time.

He was invited to the city of Boston to participate in anti-slavery exercises in that abode of radical sentiment. Although stirred by the eloquence of Seward and Sumner, and fired by the spirit of New England, he husbanded his anger and planned with wisdom what he knew were the most effective ways. He realized that progress is a slow and labored process, and that haste is often the companion of reaction.

Mr. Lincoln left a respectable but not eminent record of two years in Congress. He had lost the support of many of the Whigs. To not a few his political career had come to an inglorious end. Though zealous for action, he appeared to others to be resigned to his fate. But some unseen power gave him faith in himself and his cause. Like Washington, he marked out his own path. Behind his exterior melancholy was a sublime faith that his time would come.

The same year that Mr. Lincoln took his seat in the National House of Representatives Stephen A. Douglas took his seat in the United States Senate, which then occupied what is now the Supreme Court chamber. From the day that Mr. Douglas moved to Illinois from Vermont, in 1833, to the untimely death of Mr. Lincoln the lives of these two men were intertwined in a miraculous manner. No picture can exaggerate the contrast between these two intellectual giants. Mr. Lincoln felt this contrast keenly. He was an ex-Member of Congress, a defeated candidate for Senator—a failure—while Mr. Douglas was a Senator, a leader in his party—a success.

Mr. Douglas had few superiors in a finished political debate. Mr. Lincoln's speech was quaint, rough, and at times raw. Mr. Douglas was bold, belligerent, dominating, and magnetic. Mr. Lincoln was modest, retiring, and thoughtful. Mr. Douglas was immaculate in dress and appearance. Mr. Lincoln was careless in dress, long and lank of body.

The five years following Mr. Lincoln's congressional experience reveal a strong man struggling with a giant problem against what appeared to be insurmountable obstacles. He was a lonely soul fighting a sublime battle in which the destiny of a Nation was to be settled. These were splendid years of preparation. Mr. Lincoln the politician was slowly emerging into Mr. Lincoln the statesman. He was ready when he met Mr. Douglas in the first public discussion between the two giants. It was in October, 1854. The speech of Mr. Douglas was a national event. He was fighting for reelection to the Senate and was forced to defend his votes on the repeal of the Missouri compromise and the Kansas-Nebraska bill.

Mr. Lincoln's reply surpassed all expectations. A new and dauntless advocate appeared to contest the aggressive championship of Senator Douglas. Mr. Lincoln felt in his soul the truths he uttered, crushing with his logic and holding up to scorn the defender of iniquitous propositions.

In this first great encounter with Judge Douglas Mr. Lincoln displayed the shrewdness and statesmanship that characterized his whole career. He recognized the fact that a moral prophet is seldom the political leader of his time. There must be intelligent recognition of the times and conditions to accomplish results. He made no false step. He was scrupulously fair to his antagonist. He added to the strength of his logic and reasoning a compelling sympathy from his hostile listeners by avoiding personal abuse. His keen analysis exposed the sophistry of popular sovereignty. Thus he passed from the sordidness and turmoil of the court room and petty politics to the championship of an impelling principle. His historic utterance, "A house divided against itself can not stand," was the battle cry of a people pledged to freedom. Their leader was Abraham Lincoln.

Senator Douglas accepted Mr. Lincoln's challenge to a series of joint debates in Illinois to test the Senator's plausible arguments and to bring popular sentiment in that State to decide whether Senator Douglas or Mr. Lincoln was legally and morally right. It is recorded that Mr. Douglas accepted not without misgivings, for he alone realized the mental strength and power of his antagonist, and his mastery of logic.

I shall have my hands full—

Remarked Mr. Douglas—

He is the strong man of his party. He is as honest as he is shrewd, and if I beat him, my victory will be hardly won.

No one realized to what heights Mr. Douglas had climbed more clearly than Mr. Lincoln. Speaking of his handicaps, Mr. Lincoln said:

With me the race of ambition has been a failure—a flat failure; with him it has been one of splendid success. We have to fight this battle upon principles.

To review the historic Lincoln-Douglas debates would be far beyond the limits of this brief address. The genius of Mr. Douglas was rebuked by the plain, homely Mr. Lincoln. The elaborate oratory of the Senate never confused the Senator from Illinois. For the first time in his career the national Democratic leader was worried and perplexed.

Beyond the crowds that listened before those rude platforms in the Illinois clearings Mr. Lincoln saw, what Mr. Douglas did not see—a listening Nation. To this larger forum Mr. Lincoln addressed himself. He was eager for the office at stake; but of more importance than ambition was the hope of overcoming his rival in the eyes of the whole country.

Mr. Douglas may be Senator—

Said a friend.

Perhaps—

Rejoined Mr. Lincoln—

but I am after larger game. The battle of 1860 is worth a hundred of this.

Mr. Lincoln's defeat in the senatorial election was actually a victory for him. While the Senator had merely maintained his great prestige already established, his opponent had leaped at one bound into a national reputation.

In the two years intervening between these historic debates and the Republican National Convention in 1860, the tide of events was sweeping Mr. Lincoln on with tragic swiftness. The convention passed over Seward, Chase, and other recognized leaders and nominated Mr. Lincoln. The same tide of events swept Mr. Douglas into the leadership of one wing of his party in the national convention. The debates with Mr. Lincoln compelled a division of Mr. Douglas's party and compassed Mr. Douglas's defeat, as Mr. Lincoln predicted. While the choice of Mr. Lincoln had back of it a consistent and uplifting righteous cause, the choice of Mr. Douglas meant a certain split. Be it said to the honor of Mr. Douglas, when the crisis came he turned from the consequences of his own sophistry and supported Mr. Lincoln and the Union.

It is a task far beyond the scope of this short address to analyze Mr. Lincoln's public addresses from the first in 1858 when he was nominated for United States Senator to his last inaugural in 1865. Through them all runs the grandeur of his cause, the sincerity of his purpose, the tenderness of his heart, and the divinity of his soul.

His first inaugural stands alone among American orations. It is as true to Lincoln as the reply to Hayne was to Webster. It is one of the most momentous messages in American history. It put in clear speech the question agitating the common mind. In his loneliness of soul he resolved that the hour for speech and action had come, that the time for compromise was over. In judging keenly of the drift of events he was wiser than the

pure politicians. Mingled with his political sagacity was a sublime communion with constitutional liberty and eternal justice. To a critic he replied:

If I had to draw a pen across and erase my whole political life from existence, and had one poor gift or choice left as to what would save me from the wreck, I would choose that speech and leave it to the world unerased.

The closing words of his first inaugural address are a tender appeal and a vision of the Union.

The mystic chords of memory, stretching from every battle field and patriot grave to every living heart and hearthstone all over this broad land, will yet swell the chorus of the Union, when again touched, as surely they will be, by the better angels of our nature.

Judge Douglas sat on the platform on the east portico of the Capitol with President Lincoln's hat in his lap when these words were uttered. Who can tell what thoughts were in his mind as he listened intently?

Mr. Lincoln's Gettysburg address has gone into the archives of classic literature. As some one has said, it is like a sacred poem. No American President had ever spoken words like these to the American people. America never had a President who found such words in the depths of his heart.

The closing words of his last inaugural address, March 4, 1865, are no less sublime. They reveal Mr. Lincoln as the Nation's redeemer and compassionate savior.

With malice toward none, with charity for all, with firmness in the right as God gives us to see the right, let us strive to finish the work we are in, to bind up the Nation's wounds, to care for him who shall have borne the battle and for his widow and his orphan, to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations.

Mr. Lincoln's political philosophy is worthy the study of every citizen, patriot and reformer, man or woman, who believes in the dawn of better days. No man in history longed more earnestly for the triumph of justice than Abraham Lincoln. He hated evil in all its forms; still his purpose was the preservation of the principles of the Republic. Such battles require leadership of the highest order. To husband strength, to bide the time and await the solemn moment for attack is political generalship, as essential in the Senate as on the battle field.

Mr. Lincoln gave due regard to the weight and potency of public opinion. He would not aid in the passage of a law not intended to be enforced or incapable of being substantially enforced. His one great principle behind self-government was law and order and observance of the law.

His guiding star was the Constitution and the law. He never believed that the Constitution and the law should be observed or not observed according to one's own liking. Often it is said that he departed from his own principle in denouncing the Dred Scott decision. Not so. He deplored the decision and waited patiently for a higher court of appeal—public opinion—to reverse it. He said:

We believe in obedience to and respect for the judicial department of Government. Its decisions on constitutional questions, when fully settled, should control * * * subject to be disturbed only by amendment of the Constitution as provided in that instrument itself. More than this would be revolution.

Mr. Lincoln believed in party organization and was a loyal partisan. He believed that parties are necessary in a self-governing republic. Having no sympathy with political anarchy or with independent group activity, he gave full credit to party government.

All that Mr. Lincoln accomplished was through party organization and united effort. Mr. Lincoln blended the enthusiasm of the idealist with the wisdom of the politician. He was the wisest politician in American history; consummate in strategy, a supreme friend and champion of democracy.

What would be Mr. Lincoln's views on the perplexing problems now confronting America? We can judge only by what he said and did.

Speaking in response to a serenade at the White House in November, 1864, he said:

Gold is good in its place, but living, breathing patriotic men are better than gold.

What would Mr. Lincoln say of law enforcement? In 1837, long before he became a national and sainted character, he said:

Let reverence for the laws be breathed by every American mother to the lisping babe that prattles on her lap. Let it be taught in schools, in seminaries, and in colleges. * * * Let it be preached from the pulpits, proclaimed in legislative halls, and enforced in courts of justice. In short, let it become the political religion of the Nation.

Again he said:

If the time ever comes in America when a minority can frustrate the will of the majority, the result will be mobocracy upon the one hand or tyranny on the other. Freedom does not mean the right to do as one pleases.

What would Mr. Lincoln say of the modern doctrine of self-determination? In the midst of the bewildering problems of the Civil War, he said:

I am driven to my knees over and over again because I have nowhere else to go.

To Mr. Lincoln, man proposes, God disposes.

It was his faith in God that made him a guide, a prophet, and a seer.

What would Mr. Lincoln say of communism and similar creeds? He was the apostle of human rights, and as such insisted upon the right of the individual to acquire property and hold it under the protection of the law. He said:

Property is the fruit of labor; property is desirable, is a positive good in the world. That some should be rich shows that others may become rich and hence is just encouragement to industry and enterprise. Let not him who is houseless pull down the house of another, but let him labor diligently and build one for himself, thus, by example, assuring that his own shall be safe from violence when built.

What would Mr. Lincoln say about government in the field of private business? He said:

In all that people can individually do for themselves, the Government ought not to interfere.

Mr. Lincoln believed that peace works from within out, rather than from without in. In this belief he closed his second inaugural address, and dictated the generous terms of surrender.

Mr. Lincoln's nationalism did not mean isolation but independence tempered with peace among all nations, and with commerce throughout the world.

Yonder stands the Lincoln Memorial, one of the most imposing and majestic edifices ever reared by the genius and the hand of man. Its marble columns, its classic design, its loggia wherein rests the heroic statue of Abraham Lincoln, seated as if in calm conference, is a fitting memorial of America's immortal son.

Of all the public structures in Washington, not excepting the Capitol and the Washington Monument, the Lincoln Memorial is the most uplifting and inspiring. It breathes the tenderness and compassion of the martyred President. It tells in silent eloquence the story of a tragic life and a heroic death.

It reminds all that the spirit of Abraham Lincoln still hovers over the Capital of the Republic for which he gave the last full measure of devotion.

LAFAYETTE SQUARE

Mr. BLEASE. I ask unanimous consent to have printed in the RECORD a letter and a report relating to the purchase by the Government of property around Lafayette Square.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

COLUMBIA, S. C., *February 10, 1927.*

Hon. COLE L. BLEASE,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Some days ago I sent you in the form of a circular letter addressed to all Members of Congress for South Carolina an appeal for purchase by the Government of the property around Lafayette Square in order to preserve a proper and dignified environment for the White House. I wish to apologize for addressing you in that manner, but the necessity for prompt action before the adjournment of the present Congress and the pressure of other matters that day prevented my writing personal letters.

Let me again bring this important matter to your attention and urge your favorable consideration.

If action is not taken by this Congress, the cost of the property will be increased by many millions before another Congress will have time to act.

While this Congress is crowded with important matters to be completed in a very few days there is still time to act; a rider can do it, just as a rider last year destroyed the McMillan plan.

Let us preserve Hoban's beautiful White House and its setting, and not allow it to be swamped by towering and incongruous commercial structures.

I am inclosing a copy of a report of the chairman, which you have doubtless already seen, but which I commend to your careful consideration.

Your prompt response to my former letter and the announcement of your support is greatly appreciated.

Yours very truly,

CHAS. C. WILSON,

The Committee on Plan of Washington of the American Institute of Architects, representing South Carolina Chapter.

THE DEVELOPMENT OF WASHINGTON WITH SPECIAL REFERENCE TO THE SETTING OF THE WHITE HOUSE AND OF THE CAPITOL

The development of the National Capital is based on a plan made by L'Enfant under the personal direction of Washington, with the assistance of Jefferson. Subsequent disregard of this plan led to great confusion in street extensions and in location of public buildings. To meet this situation there was formed, in 1901, a commission of the foremost American planners—Burnham, organizing genius of the Chicago world's fair; McKim, architect of our finest buildings; St. Gaudens, greatest of American sculptors; Olmsted, foremost landscape architect. They developed a new plan closely following the original, modified only to meet existing conditions. The plan of 1901 is regarded as a masterpiece of planning.

For 25 years this plan of 1901 has been generally accepted as the controlling plan. It has guided the Fine Arts Commission in all its supervision of public-building development. It has had the support of the planning professions throughout the country. But for 25 years it has suffered from occasional attacks made possible by lack of general information or understanding of the plan.

To-day the fundamentals of the Washington plan are in jeopardy. Only immediate action will avert costly corrective measures of lasting regret.

The plan of 1901 called attention to the fact that the White House is one of our finest national monuments, but that it is a relatively modest, unpretentious structure in architectural mass and could easily be dwarfed or rendered insignificant if thrown into sharp contrast with large buildings. The plan also called attention to the ultimate importance of Sixteenth Street as a main approach to Washington from the north. It provided for both conditions by enframing Lafayette Square with dignified departmental buildings, uniform in mass, low enough to respect the White House, imposing enough to give an adequate first impression to the visitor.

For 25 years the general acceptance of this plan has prevented exploitation of the White House district. Only two commercial buildings have been erected. In 1925 the Carlton Hotel was scheduled for the corner of Sixteenth and H Streets, but the promoter, recognizing a civic obligation, agreed to build elsewhere. Two structures were launched in accordance with the plan of 1901; one the Treasury Annex, the other the chamber of commerce. The Treasury Annex was designed to cover the entire east side of the square, eliminating the Belasco Theater and the Cosmos Club, and one-third of the building has been completed. The chamber of commerce, though privately built, followed the established monumental type of the annex, making it harmonize with the great plan.

In 1926, at the end of the last session of Congress and over the protests of all professional planning groups, an amendment was forced on the public building bill to eliminate areas "north of Pennsylvania Avenue" from Government development. This removed the blanket protection of the plan, and immediately the results were evident. The historic residences at Sixteenth and H Streets are being demolished and are to be replaced by an apartment hotel; and plans are out for a second commercial office building, to be erected on the west side of the square, with a third to follow.

As matters now stand the future holds this prospect: The Treasury Annex, which must eventually be completed, will give an imposing monumental appearance to the east side of the square. On the opposite side will be tall commercial office buildings. Directly opposite the White House will appear one monumental structure—privately erected—one apartment hotel, one church, one commercial office building—erected by the Government—and one private residence. This is hodgepodge; the worst mix-up that could be devised; inexcusable in a city preplanned as a National Capital, replanned, zoned, supervised, and sponsored by many patriotic interests. The White House, its most cherished heritage, is architecturally affronted.

Is the plan of 1901 to be definitely and finally abandoned, or is it to be maintained? Delay means abandonment because of added millions of improvements, or makes future accomplishment extravagantly expensive, if not impossible. If order is to prevail, the ban against Government buildings on Lafayette Square should be lifted and the property in jeopardy acquired before the improvements are made.

If action is not taken by this Congress the damage will be done before another Congress convenes.

Exactly the same situation holds for the Capitol frontages. The seat of government is too important to be surrounded by commercial structures. The plan of 1901 urged purchase of surrounding properties. For 25 years improvements have been made; prices have mounted. The Government has already partially carried out the great plan. In addition to the Library of Congress the Senate and House Office Buildings have been erected. A second House Office Building and a Supreme Court Building are in immediate prospect. The balance of the properties must eventually be acquired; why allow more improvements? Last year two office buildings, this year a hotel, apartment houses.

By act of Congress neither the planning commission nor the Public Buildings Commission nor the Fine Arts Commission can even consider the purchase of property fronting the Capitol or the White House north of Pennsylvania Avenue.

Four lines of legislative action suggest themselves—

1. Definite establishment of the future character of the Capitol and White House frontages.

2. Rezoning of the areas involved against further commercial development.

3. Authorization for the various commissions to include these areas in their planning.

4. Immediate acquisition of properties for which improvements are definitely protected.

The proposals are consistent with good planning, since additional sites must be provided in the near future. They are likewise consistent with a program of economy in acquiring, before the addition of millions in improvements, property which, in the opinion of the ablest planners throughout the entire country, should eventually be controlled by the Government.

This committee offers these recommendations relating to the Capitol and the White House solely on the merits of the cases, and without regard to pending legislation relating to the acquisition of the Pennsylvania Avenue triangle, which is likewise an integral part of the plan of 1901. The committee would regret to cause any complications in the public-buildings program, with which it is in full accord, but it regards the acquisition of the frontages of our two great national monuments as of equal or paramount importance. Accomplishment of one part of the great plan at the expense of two other elements is indeed "robbing Peter to pay Paul."

In his message of December 7 the President said:

"We are embarking on an ambitious building program for the city of Washington. * * * This program should represent the best that exists in the art and science of architecture. Into these structures, which must be considered as of a permanent nature, ought to go the aspirations of the Nation, its ideals expressed in forms of beauty. * * * Let it express the soul of America. Whenever an American is at the seat of his Government, however traveled and cultured he may be, he ought to find a city of stately proportion, symmetrically laid out and adorned with the best that there is in architecture, which would arouse his imagination and stir his patriotic pride."

Submitted by—

HORACE W. PEASLEE,

Chairman the Committee on Plan of Washington of the American Institute of Architects.

WASHINGTON, D. C., *February 7, 1927.*

REGULATION OF RADIO COMMUNICATIONS

Mr. DILL. Mr. President, I should like to submit a unanimous-consent request. I send it to the desk, and ask to have it read.

The VICE PRESIDENT. The proposed unanimous-consent agreement will be read.

The Chief Clerk read as follows:

It is hereby agreed by unanimous consent that when the Senate concludes its business Monday, February 14, it shall take a recess until noon Tuesday, February 15, and when the Senate convenes Tuesday, the conference report on the radio bill, H. R. 9971, shall be laid before the Senate for consideration, and that after 1 o'clock p. m. no Senator shall speak more than once nor more than 15 minutes on the report or any motion concerning the report, and the Senate shall take a final vote on the conference report and all motions relating thereto at not later than 2 o'clock p. m., Tuesday, February 15.

The VICE PRESIDENT. Is there objection to the unanimous-consent request?

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	Johnson	Oddie
Bayard	Frazier	Jones, Wash.	Overman
Bingham	George	Kendrick	Pepper
Blease	Gerry	Keyes	Phipps
Borah	Gillett	King	Pine
Bratton	Glass	La Follette	Pittman
Broussard	Goff	Lenroot	Ransdell
Bruce	Gooding	McKellar	Reed, Mo.
Cameron	Gould	McLean	Reed, Pa.
Capper	Greene	McMaster	Robinson, Ark.
Caraway	Harreld	McNary	Schall
Couzens	Harris	Mayfield	Sheppard
Curtis	Harrison	Means	Shipstead
Dale	Hawes	Neely	Simmons
Dill	Heflin	Norris	Smith
Ferris	Howell	Nye	Smoot

Stanfield	Stewart	Walsh, Mass.	Watson
Steck	Trammell	Walsh, Mont.	Wheeler
Stephens	Tyson	Warren	Willis

The VICE PRESIDENT. Seventy-six Senators having answered to their names, a quorum is present. The clerk will read the unanimous-consent request of the Senator from Washington.

The Chief Clerk read as follows:

It is hereby agreed by unanimous consent that when the Senate concludes its business Monday, February 14, it shall take a recess until noon, Tuesday, February 15, and when the Senate convenes Tuesday the conference report on the radio bill (H. R. 9971) shall be laid before the Senate for consideration, and that after 1 o'clock p. m. no Senator shall speak more than once nor more than 15 minutes on the report or any motion concerning the report, and the Senate shall take a final vote on the conference report and all motions relating thereto at not later than 2 o'clock p. m., Tuesday, February 15.

Mr. BLEASE. Mr. President, I am not going to object to the consideration of this unanimous-consent request, but I should like to state that on yesterday the question of the time limit on unanimous agreements was decided both ways by two different occupants of the chair. I do not ask the Chair for any ruling on that matter now, but I should like to understand what is contemplated by the proposed unanimous-consent agreement, and if my understanding of it is correct I shall object to it.

I wish to know this: Under the proposed agreement, if a Senator offers an entirely new amendment, something that the committee has not considered at all, something that no other Senator knows anything about, as was done here yesterday on several occasions, I should like to know if the proposed agreement would keep any other Senator from discussing that new amendment, something that nobody else has heard of.

The VICE PRESIDENT. The Chair will call attention to the fact that while the Senator's remarks would be relevant in other cases, this is a conference report, and amendments can not be presented to a conference report.

Mr. BLEASE. I understand that, Mr. President; but the proposed agreement also says "all motions relating thereto." Suppose some Senator makes a motion which is entirely new matter. Would the proposed agreement preclude any other Senator from discussing that new matter? Otherwise, I think the agreement is in proper form; but when an entirely new amendment is offered, such as was offered yesterday by the Senator from Tennessee [Mr. MCKELLAR] on the McNary-Haugen bill, amendment after amendment embodying entirely new matter, I do not think a unanimous-consent agreement should preclude a Senator from discussing such new matter.

In the future I shall object to any unanimous-consent agreement that so provides, so far as I am personally concerned.

Mr. NORRIS. Mr. President, I should like to suggest to the Senator from South Carolina that the condition which arose yesterday could not possibly arise, I understand, under the proposed unanimous-consent agreement, because under the rules a conference report can not be amended. As I understand, the Senator has reference to a case yesterday where, while he was in the chair, some Senator had consumed the 15 minutes allowed under the unanimous-consent agreement on the pending amendment, and he then asked for 15 minutes more on the bill; and, as I understand, the Senator from South Carolina held that he was not entitled to it.

Although the custom here has been different, probably, in most of the debates under similar unanimous-consent agreements, I thought at the time that the Senator from South Carolina, then presiding, was absolutely correct in his decision. It has been the custom when we have had similar unanimous-consent agreements applying to bills, where an amendment was in order, for a Senator to discuss the amendment for the length of time allowed and then to say, "Now, I will take my time on the bill." It has always seemed to me that that procedure was absolutely contradictory of the unanimous-consent agreement, and I confess I was delighted yesterday when the Senator from South Carolina held in accordance with what seems to me to be the only proper course to pursue.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. ROBINSON of Arkansas. I think the practice to which the Senator has just referred, of permitting a Senator to consume his time on the pending amendment and then to speak on the bill, where the unanimous-consent agreement provides for a limitation of time on amendments and on the bill, has resulted from unanimous consent rather than from any interpretation of the rule or construction of the agreements themselves. Undoubtedly, under such arrangements, the limitation applies to the pending proposition, and when one has consumed his time upon the pending provision, whether it be the bill or an amendment, he is not entitled, as a matter of right, to further time.

Mr. NORRIS. Mr. President, I am glad to hear the Senator from Arkansas say that, because I know the practice to which he refers has been followed here for a good while. As a matter of fact, when a bill is pending, and some Senator makes a motion to amend it in any particular, and that motion is stated, it is the question then pending before the Senate, and, strictly speaking, perhaps, one can not, as a matter of fact, talk on the bill. Senators may say what they please, under the rules, but they are talking on the pending motion, which is a motion to amend, and must wait to get their 15 minutes, or whatever the limitation is, on the bill, until there is no amendment pending. That is really the only time when a Senator is allowed to use his time on the bill.

We have followed the contrary practice so frequently, just running along, no one objecting, that when the Senator from South Carolina [Mr. BLEASE] then presiding, decided promptly that the Senator then asking for the additional time was not entitled to it, under the unanimous-consent agreement, I was glad to hear him make that decision; and I think it is a decision which Presiding Officers ought to follow, because that is the only proper practice, it seems to me, in enforcing a unanimous-consent agreement. It does not take away from a Senator the other 15 minutes, or 10 minutes, or 30 minutes, whatever the time may be, because there will always come a time, there must come a time, before the bill is acted upon, when no amendment can be pending.

In this particular case, where the question is the adoption or the rejection of a conference report, amendment can not be made. There might be a motion to recommit, or something of that kind, but outside of that the same condition can not arise.

Mr. REED of Missouri. Mr. President, on behalf of the special campaign fund committee I desire at this time to submit a report.

Mr. ROBINSON of Arkansas. I think the unanimous-consent agreement pending may be agreed to without further debate, if the Senator will consent that that shall be done.

Mr. REED of Missouri. I am perfectly willing to wait for a few minutes.

The VICE PRESIDENT. The Senate has heard the request for unanimous consent. Is there objection?

Mr. PITTMAN. Mr. President, this is the first I have ever heard of this unanimous-consent agreement. The Senator from Washington and I have talked about this bill at considerable length, and I had no knowledge that he was to ask for a unanimous-consent agreement this morning. I have not had opportunity to examine the form of this unanimous-consent agreement. I have not had any opportunity to discuss with those who I know are opposed to this conference report their desires with regard to debate.

I have no desire to filibuster, I will say, in connection with this matter. I have a desire to filibuster, but I do not intend to filibuster. I make that remark because of the pleasant look on the face of the Vice President. I do feel that this matter is sufficiently serious to warrant some debate on it. I think there are more Senators now who understand the measure than did understand it, but I believe there is still a chance for more of them to understand it than do now understand it.

I am receiving many telegrams from my State urging me to vote for this conference report, and informing me that things will all go to pieces, that there will be a terrible situation in this country that can not be coped with unless this report is adopted. Those telegrams come from people, most of whom, I know, know nothing on earth about this bill. Some of them, in fact, have told me that while they know nothing about the bill they think it ought to be passed immediately.

Mr. President, I supported the bill which passed the Senate. That bill had in it numerous provisions affording protection against monopoly and against discrimination, against the mistreatment of listeners in, and those things that we felt were necessary. Those matters have practically all been stricken out of the bill now reported, and this is a monopolistic bill which is dangerous in the extreme. I still have hope that this body will realize that, and will send the bill back to conference, with instructions that the life of the measure shall be limited to the last day of the next session.

Therefore I suggest to the Senator from Washington that before urging the acceptance of a unanimous-consent agreement which we have had no chance to look into, he had better withdraw it.

Mr. DILL. Mr. President, I want to say that I took the first opportunity to get the floor, because I know there is a motion pending, and I thought I might not be able to get it in later.

I am perfectly willing to withdraw the request temporarily, and consult the Senator further, but I wish we could have it acted on to-day, if possible, so that we might know where we stand.

Mr. PITTMAN. I object.

REPORT ON CAMPAIGN EXPENDITURES (PT. 4, REPT. NO. 1197)

Mr. REED of Missouri. Mr. President, on behalf of the Special Campaign Funds Committee, I submit a report. I desire to speak for a moment on the report which I have submitted.

Mr. CURTIS. Mr. President, under the rule, of course, the report submitted by the Senator from Missouri should go over. But if the Senator expects that he will take only a few minutes in explaining it, I shall not ask for that order now. However, I reserve the right to demand the regular order.

Mr. ROBINSON of Arkansas. I understand the Senator is merely submitting the report.

Mr. REED of Missouri. Mr. President, there has been more time taken up this morning in discussing a rule that was not before the Senate than I shall take in discussing this report.

I am perfectly willing not to discuss the report. I thought that a few words of explanation would aid the Senate, and save it some work.

Mr. CURTIS. I have no objection to that; but I simply wanted to know whether Senators intended to debate it or not, and to give notice that if Senators do intend to debate it to any extent, I shall demand the regular order. I have no objection to the Senator explaining the report.

Mr. REED of Missouri. Mr. President, I have no desire to debate the report. At the same time, I have no desire to be told just what I can talk about.

This report which is filed is not to be taken as the final report of the committee touching the duties that have been assigned to it, because the work of the committee is not yet completed.

I simply wanted to make this statement to the Senate. The report deals with the recalcitrancy of certain witnesses and calls attention to the particular testimony they gave and the questions they refused to answer. It is divided into two parts, that which relates to the Illinois situation and that which relates to the Pennsylvania situation.

In this report the committee does not recommend any particular action to the Senate, but leaves that whole question open for future action by the Senate. The purpose of submitting the report in this way, without a recommendation, is that the Senate may have the opportunity to read the evidence and the comments of the committee touching the action of the witnesses, so that on Monday, when we hope to bring in a recommendation, the Senate may be prepared to act in the light of the record which we here disclose.

On behalf of the committee I am inviting the attention of the Senate particularly to this report, because, busy as all Senators are, the question at issue is a highly important one, and it ought to receive the best thought of the Senate.

The committee will take the responsibility of making its recommendations, but it does not want to assume the responsibility that naturally devolves upon the Senate, which is that the Senate shall make its own decision after proper consideration.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

Mr. REED of Missouri. I yield.

Mr. NORRIS. Does the committee make no recommendation in this report?

Mr. REED of Missouri. Not in this report. We will make a recommendation, as I have said, in a resolution which we will bring in Monday.

Mr. NORRIS. As I understand it, this report calls the attention of the Senate to witnesses who have refused to answer questions?

Mr. REED of Missouri. Yes.

Mr. NORRIS. I should think that the committee ought to recommend to the Senate what action it desires to have the Senate take in the matter.

Mr. REED of Missouri. I have stated that the committee expects to bring in a resolution of that character on Monday, but for the present we are submitting a report for the consideration of the Senate, together with the findings of the committee touching the action of certain witnesses.

Mr. NORRIS. Does the Senator expect to get it up again Monday, then, and ask for the judgment of the Senate?

Mr. REED of Missouri. I hope to do so. The committee's findings can be read in a few moments by the Members of the Senate. They will be found running from page 1 to page 3, and at that point follows the particular testimony of the witnesses referred to. It is very brief.

There is a further comment of the committee on pages 16 and 17, closing up the Illinois situation, and there is the final statement of the committee on pages 33 and 34. So that Senators who do not care to read the evidence can read the findings of the committee and get the conclusions of the committee as to the facts. We wish, however, to invite the attention of the Senate to the entire report.

Mr. OVERMAN. Has it been printed?

Mr. REED of Missouri. It is printed and ready for distribution, so that all Senators can get copies of it.

Now, Mr. President, in view of the pressure of business and the desire of the majority leader to proceed, I shall not at this time enter into any discussion of the merits of the question at issue, but allow that to remain until the committee brings in its recommendations.

The VICE PRESIDENT. The report will lie on the table for the present.

NATIONAL-BANK BRANCHES

Mr. PEPPER and Mr. DILL addressed the Chair.

Mr. LA FOLLETTE. Mr. President, I demand the regular order.

Mr. DILL. Mr. President, I wanted——

Mr. LA FOLLETTE. I demand the regular order.

The VICE PRESIDENT. The Senator from Pennsylvania is recognized.

Mr. LA FOLLETTE. I rise to a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LA FOLLETTE. May not a Senator, before the hour of 1 o'clock, demand the regular order?

The VICE PRESIDENT. Certainly.

Mr. LA FOLLETTE. I demand the regular order.

The VICE PRESIDENT. The regular order is the presentation of petitions and memorials. The Senator from Pennsylvania is recognized.

Mr. PEPPER. Mr. President, I wish to direct the attention of the Senate to the situation which exists with regard to H. R. 2, the banking bill.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

Mr. PEPPER. I am very glad to yield.

Mr. NORRIS. Will not the Senator let the routine morning business be transacted? I have a motion that I want to present.

Mr. PEPPER. I am about to make a motion, and I shall try not to delay the Senator unduly.

Mr. NORRIS. As I understand it, if the Senator makes the motion which I understand he is going to make, it would interfere with morning business and we would not have an opportunity to transact routine business.

Mr. PEPPER. I understand that I am within my right, on the arrival of the hour of 1 o'clock, in moving that the Senate proceed to the consideration of a certain matter.

The VICE PRESIDENT. The hour of 1 o'clock has arrived and the Senator may make his motion.

Mr. PEPPER. I make the motion to proceed now to the consideration of a motion laying upon the President's table, which is to the effect that the Senate recede from certain Senate amendments to H. R. 2 and that the Senate concur in the amendments made by the House to certain Senate amendments to that measure. I make that motion and ask for the yeas and nays.

Mr. LA FOLLETTE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LA FOLLETTE. The regular order having been demanded prior to the hour of 1 o'clock, does that preclude the regular order from being carried on after 1 o'clock?

The VICE PRESIDENT. The rule provides that after the conclusion of regular morning business or after the hour of 1 o'clock a motion to proceed to the consideration of a bill is in order. The motion is made after the hour of 1 o'clock and accordingly it is in order at this time. The question is on the motion of the Senator from Pennsylvania.

Mr. NORRIS. Mr. President, I make the point of order that the motion is not in order until the conclusion of the routine morning business.

Mr. ROBINSON of Arkansas. May I suggest to the Senator from Nebraska that Rule VII is in the alternative, reading:

> Until the morning business shall have been concluded, and so announced from the chair, or until the hour of 1 o'clock has arrived.

Clearly, under the express provision of the rule, it is in order after 1 o'clock to make such a motion as the Senator from Pennsylvania has made.

The VICE PRESIDENT. The question is on the point of order raised by the Senator from Nebraska. The Chair holds the point of order not well taken.

Mr. NORRIS. I presume we have not yet reached that stage, but in order to reach it, I may as well present it now. I presume it is the theory of the Senator from Pennsylvania that the motion is not debatable.

Mr. PEPPER. It is not.

Mr. NORRIS. I make the point of order that such a motion is not debatable when the Senate is taking up the calendar under Rule VIII, and that the pending motion is debatable.

Mr. PEPPER. I call the Chair's attention, if that were at all necessary, to the final provision of Rule VIII, which is to the effect that all motions made before 2 o'clock to proceed to the consideration of any matter shall be determined without debate.

The VICE PRESIDENT. The Chair holds that the point of order is not well taken.

Mr. NORRIS. That provision follows other statements in Rule VIII and it is a part of Rule VIII that when we are considering the calendar under Rule VIII a Senator can make a motion at any time to consider a bill notwithstanding objection, and that when such a motion is made it is not subject to debate. It does not apply to the present case. We are not under Rule VIII, because we have not started to consider bills under Rule VIII.

The VICE PRESIDENT. The Chair holds the point of order not well taken. The question is on the motion of the Senator from Pennsylvania.

Mr. HEFLIN. Mr. President, does the Chair hold that we can not debate the motion?

The VICE PRESIDENT. The motion is not debatable under Rule VIII which provides that—

> All motions made before 2 o'clock to proceed to the consideration of any matter shall be determined without debate.

Mr. WHEELER. Mr. President, when this matter was up last night——

The VICE PRESIDENT. The question is not debatable. The question is on the motion of the Senator from Pennsylvania.

Mr. WHEELER. Mr. President, I rise to a question of personal privilege. I submit that I am not going to be railroaded in this fashion.

Mr. GLASS. Mr. President, I make the point of order that the motion is not debatable.

Mr. WHEELER. When this motion was put last night I said that I would object unless it could be agreed that I should speak this morning, and the Senator from Pennsylvania agreed that he would ask the Senate that I be permitted to speak.

Mr. ROBINSON of Arkansas. Mr. President, I suggest that the Senator can speak when the matter is before the Senate——

Mr. WHEELER. I know that.

Mr. ROBINSON of Arkansas. And he can not speak when the matter is not before the Senate. The Senator from Pennsylvania could not enter into an agreement that the Senate should bind itself to hear the Senator from Montana out of order.

Mr. PHIPPS and others. Regular order!

Mr. HEFLIN. It is not subject to a demand for the regular order. The Senator from Montana has a right to make his statement as a question of personal privilege. He has a right to state to this body whether or not the Senator from Pennsylvania had this agreement with him. The Senator from Pennsylvania is in charge of the bill. Let the Senate know what it is.

Mr. WHEELER. I say that the Senator from Pennsylvania did make that agreement. The Senator from Virginia [Mr. GLASS] was present and, as I understand it, consented to it. The Senator from Kansas [Mr. CURTIS], as I understood it, was present and understood and agreed to it. I ask the Senator from Pennsylvania if I am not right about it.

Mr. GLASS. Mr. President, I was not present when the agreement was made, if it was an agreement. I was told afterwards that the Senator from Pennsylvania had stated that he would ask unanimous consent that the Senator from Montana might speak for an hour on the question. As soon as I ascertained that that would carry us beyond the hour of 2 o'clock, I signified my purpose to object to it.

Mr. PEPPER. The exact fact is that last evening, after the Senator from Montana had announced his desire to speak on the pending motion, he came to me and asked whether I, as far as I was concerned, would be willing——

The VICE PRESIDENT. Debate is out of order. The question is on the motion of the Senator from Pennsylvania.

Mr. HEFLIN. I demand the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. FLETCHER (when his name was called). I have a general pair with the Senator from Delaware [Mr. DU PONT] I understand that he would vote as I shall vote on this matter, and I feel at liberty to vote. I vote "yea."

Mr. WATSON (when his name was called). I have a pair with the senior Senator from Virginia [Mr. SWANSON]. I am informed that he would vote as I shall vote, and therefore I am at liberty to vote. I vote "yea."

The roll call was concluded.

Mr. WILLIS. My colleague, the junior Senator from Ohio [Mr. FESS], is unavoidably absent from the Chamber. He is paired with the junior Senator from New York [Mr. COPELAND]. If my colleague were present he would vote "yea" on this motion, and I understand the junior Senator from New York would also vote "yea."

Mr. McMASTER. I desire to announce that my colleague, the senior Senator from South Dakota [Mr. NORBECK], is confined in the hospital. If present he would vote "yea."

Mr. GILLETT. I understand that the Senator from Alabama [Mr. UNDERWOOD], with whom I have a general pair, would vote "yea" if he were present. Therefore I shall vote. I vote "yea."

Mr. BRATTON. I have a pair with the junior Senator from Indiana [Mr. ROBINSON]. I am informed that if he were present, he would vote as I intend to vote, and I am therefore at liberty to vote. I vote "yea."

My colleague, the senior Senator from New Mexico [Mr. JONES], is necessarily absent on account of illness. He is paired with the senior Senator from New York [Mr. WADSWORTH]. I am informed that both these Senators would vote "yea" if present and voting on this question.

Mr. WALSH of Massachusetts. I wish to announce the unavoidable absence of the junior Senator from New Jersey [Mr. EDWARDS]. If he were present, he would vote "yea."

Mr. JONES of Washington. I desire to announce that the Senator from Rhode Island [Mr. METCALF] has a general pair with the Senator from Montana [Mr. WALSH].

I also wish to announce the necessary absence of the Senator from Kentucky [Mr. ERNST], the Senator from Maine [Mr. HALE,] the Senator from California [Mr. SHORTRIDGE], the Senator from New Hampshire [Mr. MOSES], the Senator from New Jersey [Mr. EDGE], the Senator from Maryland [Mr. WELLER], the Senator from Illinois [Mr. DENEEN], and the Senator from Kentucky [Mr. SACKETT]. If present, each of these Senators would vote "yea."

Mr. ROBINSON of Arkansas. I desire to announce that the Senator from Montana [Mr. WALSH] is necessarily absent on official business. He has a pair on this question with the Senator from Rhode Island [Mr. METCALF].

Mr. STEPHENS. I wish to announce that my colleague [Mr. HARRISON] is necessarily detained on business of the Senate. He has a general pair with the Senator from New Jersey [Mr. EDGE]. I am informed that both Senators, if present, would vote "yea."

Mr. BAYARD. I wish to state that the Senator from Rhode Island [Mr. GERRY] is detained on official business. If present, he would vote "yea."

The result was announced—yeas 58, nays 9, as follows:

YEAS—58

Ashurst	Gillett	McKellar	Sheppard
Bayard	Glass	McLean	Simmons
Bingham	Goff	McMaster	Smith
Blease	Gooding	McNary	Stanfield
Bratton	Gould	Mayfield	Steck
Bruce	Greene	Means	Stephens
Cameron	Harreld	Oddie	Stewart
Capper	Harris	Overman	Trammell
Caraway	Hawes	Pepper	Tyson
Couzens	Howell	Phipps	Walsh, Mass.
Curtis	Johnson	Pine	Warren
Dale	Jones, Wash.	Ransdell	Watson
Ferris	Kendrick	Reed, Pa.	Willis
Fletcher	Keyes	Robinson, Ark.	
George	King	Schall	

NAYS—9

Dill	La Follette	Norris	Shipstead
Frazier	Neely	Nye	Wheeler
Heflin			

NOT VOTING—28

Borah	Ernst	Metcalf	Shortridge
Broussard	Fess	Moses	Smoot
Copeland	Gerry	Norbeck	Swanson
Deneen	Hale	Pittman	Underwood
du Pont	Harrison	Reed, Mo.	Wadsworth
Edge	Jones, N. Mex.	Robinson, Ind.	Walsh, Mont.
Edwards	Lenroot	Sackett	Weller

So Mr. PEPPER's motion was agreed to; and the Senate proceeded to consider Mr. PEPPER's motion that the Senate recede from certain Senate amendments to House bill 2, and that the Senate concur in amendments made by the House to certain Senate amendments to the bill.

The VICE PRESIDENT. The motion of the Senator from Pennsylvania [Mr. PEPPER] will be stated.

The CHIEF CLERK. The motion of Mr. PEPPER is as follows:

I move that the Senate recede from its amendments Nos. 1, 13, 14, 15, 16, and 35, and that the Senate agree to the amendments of the House of Representatives to the amendments of the Senate Nos. 11, 26, 30, 36, 37, 38, and 39, and to the amendment to the title to the bill (H. R. 2) to amend an act entitled "An act to provide for the consolidation of national banking associations," approved November 7, 1918; to amend section 5136 as amended, section 5137, section 5138 as amended, section 5142, section 5150, section 5155, section 5190, section 5200 as amended, section 5202 as amended, section 5208 as amended, section 5211 as amended, of the Revised Statutes of the United States; and to amend section 9, section 13, section 22, and section 24 of the Federal reserve act, and for other purposes.

Mr. PEPPER obtained the floor.

Mr. LA FOLLETTE. Mr. President, will the Senator from Pennsylvania yield to me for a moment?

Mr. PEPPER. I yield.

Mr. LA FOLLETTE. Mr. President, in order to save time, I desire to state to the Senate that I shall object to unanimous-consent agreements fixing time for final vote upon important measures that may be proposed during the remainder of this session of Congress.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from Pennsylvania yield to me?

Mr. PEPPER. I yield.

Mr. ROBINSON of Arkansas. In view of the notice which the Senator from Wisconsin [Mr. LA FOLLETTE] has just given, I desire to suggest that within a very short time it would be a very good precedent to apply cloture on the motion of the Senator from Pennsylvania [Mr. PEPPER].

Mr. PEPPER. Mr. President, I rose for the purpose of asking, in view of the vote that has just been taken, a unanimous-consent agreement to fix a date for voting upon the pending motion, but, in view of the statement of the Senator from Wisconsin [Mr. LA FOLLETTE], I pursue an alternative course and now send to the desk a motion to close debate in accordance with the provisions of Rule XXII, signed as therein provided.

The VICE PRESIDENT. The motion presented by the Senator from Pennsylvania to close debate is as follows:

[H. R. 2]

Motion to close debate under Rule XXII on the motion proposed by Senator PEPPER to recede from certain Senate amendments to H. R. 2 and to concur in certain House amendments to Senate amendments to the same measure.

CLOTURE MOTION ON BANKING BILL

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, move that debate be brought to a close upon the motion of the Senator from Pennsylvania [Mr. PEPPER] that the Senate recede from its amendments Nos. 1, 13, 14, 15, 16, and 35 to the bill (H. R. 2) to amend an act entitled "An act to provide for the consolidation of national banking associations," approved November 7, 1918; to amend section 5136 as amended, section 5137, section 5138 as amended, section 5142, section 5150, section 5155, section 5190, section 5200 as amended, section 5202 as amended, section 5208 as amended, section 5211 as amended, of the Revised Statutes of the United States; and to amend section 9, section 13, section 22, and section 24 of the Federal reserve act, and for other purposes; and that the Senate agree to the amendments of the House of Representatives to the amendments of the Senate numbered 11, 26, 30, 36, 37, 38, and 39, and to the amendment of the Senate to the title of said bill:

Carter Glass, Wm. J. Harris, Thomas F. Bayard, Duncan U. Fletcher, Sam G. Bratton, Morris Sheppard, Henry F. Ashurst, Daniel F. Steck, Wm. Cabell Bruce, Woodbridge N. Ferris, E. I. Edwards, M. M. Neely, Lee S. Overman, A. A. Jones, Harry B. Hawes, H. D. Stephens, John B. Kendrick, Joe T. Robinson, L. D. Tyson, Earle B. Mayfield, T. H. Caraway, Kenneth McKellar, E. D. Smith, Key Pittman, F. M. Simmons, Jos. E. Ransdell, F. R. Gooding, Peter Norbeck, Walter E. Edge, Geo. P. McLean, James E. Watson, David A. Reed, George Wharton Pepper, W. B. Pine, David W. Stewart, A. R. Gould, Tasker L. Oddie, Ralph H. Cameron, R. B. Howell, Frank B. Willis, Guy D. Goff, Frederic M. Sackett, Chas. L. McNary, Frank L. Greene, Thos. D. Schall, Rice W. Means, Arthur R. Robinson, Arthur Capper, W. L. Jones, Robert N. Stanfield, Reed Smoot, L. C. Phipps, O. E. Weller, F. H. Gillett, Samuel M. Shortridge, Frederick Hale, Simeon D. Fess, Richard P. Ernst.

Mr. KING. Mr. President, may I inquire whether the motion of the Senator from Pennsylvania, to invoke cloture and prevent free debate, is signed by the necessary number of Senators?

The VICE PRESIDENT. The necessary number of Senators have signed the motion.

Mr. ASHURST. Mr. President, when will the vote be had under the motion of the Senator from Pennsylvania?

The VICE PRESIDENT. On the following calendar day but one. That would bring the vote on Tuesday next, one hour after the Senate shall meet.

Mr. ASHURST. The Chair holds, then, that Sunday is not a calendar day?

The VICE PRESIDENT. Sunday is not construed to be a legislative day.

Mr. ASHURST. I understand that, but the rule says "calendar day."

The VICE PRESIDENT. Sunday is not taken into consideration.

Mr. NORRIS and Mr. McKELLAR addressed the Chair.

The VICE PRESIDENT. Does the Senator from Pennsylvania yield; and if so, to whom?

Mr. PEPPER. I yield first to the Senator from Nebraska, and then I shall yield to the Senator from Tennessee.

APPOINTMENTS TO FEDERAL OFFICE

Mr. NORRIS. Mr. President, I desire to present a motion which, under the rule of the Senate, has to lie over for one day. I move that the Committee to Audit and Control the Contingent Expenses of the Senate be discharged from further consideration of Senate Resolution 338, which was referred to that committee on the legislative day February 1, calendar day February 2, 1927.

Mr. REED of Pennsylvania. A parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator from Pennsylvania will state it.

Mr. REED of Pennsylvania. Would the consideration of the motion of the Senator from Nebraska at this time displace the unfinished business?

The VICE PRESIDENT. The motion is out of order; unless unanimous consent is given, it can not be considered.

Mr. REED of Pennsylvania. Did the Senator from Nebraska ask unanimous consent?

Mr. NORRIS. I claim the right to offer this motion as a matter of privilege. It is a privileged motion which is provided for under the rules, and I am not asking to take it up. Under the rule it goes over one day. I think I have a right, under the rule, to offer the motion, and I am therefore not asking unanimous consent to do so.

Mr. REED of Pennsylvania. I make the point of order that the Senator can not offer the motion while the floor is held by another Senator.

Mr. NORRIS. I can do so with his consent, and I have obtained his consent.

Mr. REED of Pennsylvania. But the Senator from Pennsylvania can not yield the floor for such a purpose.

Mr. ROBINSON of Arkansas. Mr. President, I desire to make the suggestion that we do not want to get into the frame of mind indicated by the suggestion of the junior Senator from Pennsylvania. During the course of the remaining days of the session it will be necessary, for the convenience of all Senators, to relax the rule which forbids a Senator holding the floor yielding for certain purposes. I think the motion of the Senator from Nebraska should be received; and I should like to ask the Senator from Nebraska to advise the Senate as to the subject matter of the resolution from which the committee is to be discharged if his motion shall prevail.

Mr. NORRIS. Mr. President, will the Senator from Pennsylvania yield?

Mr. PEPPER. I will be very glad to yield to the Senator from Nebraska.

Mr. NORRIS. The resolution is one reported by me from the Judiciary Committee, and provides a direction to the Judiciary Committee to investigate the charge of the sale of public offices by officers of political committees.

Mr. McKELLAR. Mr. President, will the Senator from Pennsylvania yield to me?

Mr. REED of Pennsylvania. Will my colleague yield to me for a moment?

Mr. PEPPER. I yield first to my colleague.

Mr. REED of Pennsylvania. Mr. President, I should like to say in reply to the statement of the Senator from Arkansas that I agree with every word he has said; that we must relax the strictness of the rules if the public business is not to suffer; but it occurs to me that the relaxation ought to be bilateral, and I resent very much the treatment to which my colleague has been exposed this morning.

Mr. NORRIS. Mr. President, will the senior Senator from Pennsylvania yield to me further?

Mr. PEPPER. I yield.

Mr. NORRIS. I hope the junior Senator from Pennsylvania has no reference to my attitude when he refers to the treatment accorded to his colleague.

Mr. REED of Pennsylvania. No; I have not.

Mr. NORRIS. I assure the Senator that while I am opposed to the motion the senior Senator from Pennsylvania has made, I have never interposed any tactics which would be in the nature of a filibuster or anything of that kind. I am willing that the Senate shall take a vote; I have no objection to that. The objection that I raised this morning arose because I thought the rules had been violated, but the Senate has decided otherwise and I accepted that decision.

I am not asking the junior Senator from Pennsylvania on my account to waive a single technicality of any rule that he wishes to invoke. If he has reason to make an objection to the motion which I have made, it will not offend me if he makes it. I claim the right to make the motion as a matter of privilege. If the Senate shall decide that I have not that right and shall continue every day from now until the 4th of March, as has been done this morning, to prevent the transaction of routine morning business, and can get the Senate and the Chair to carry out that kind of a program, they can preclude me from making the motion; but, even if that is done, I am not asking for any relaxation of any rule on my account. If I can not get what I want I will go without it.

Mr. REED of Pennsylvania. I did not intimate that the Senator from Nebraska had been discourteous to my colleague, but I think the situation which has been developed here has been highly discourteous to him, and I resent it. But in that statement there is no implication against the Senator from Nebraska.

Mr. KEYES. Mr. President——

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from New Hampshire?

Mr. PEPPER. I yield.

Mr. KEYES. Mr. President, I regret that the Senator from Nebraska [Mr. NORRIS] has made the motion to discharge the Committee to Audit and Control the Contingent Expenses of the Senate from the consideration of the resolution referred to by him. It has just come to my attention that the resolution is not in legal form. I shall be only too glad to take up with the Senator from Nebraska that aspect of the case. I certainly have had no thought whatever of delaying a report on the resolution, and I think that when the law is called to his attention, he will agree that the resolution will have to be amended.

USE OF WATERS OF THE RIO GRANDE

Mr. PEPPER. Mr. President, I do not desire by pressing the debate on the motion to recede and concur to shut off the presentation of any matters which may be in order until 2 o'clock. I shall be glad to yield the floor to Senators who have routine business to present and go on with the debate when the matter takes its proper place before the Senate at 2 o'clock, provided such action will not in any way displace the matter that is now before the Senate.

The VICE PRESIDENT. That could be done only by unanimous consent.

Mr. JOHNSON. Mr. President, will the Senator from Pennsylvania yield?

Mr. PEPPER. Yes.

Mr. JOHNSON. Taking advantage of the suggestion which the Senator from Pennsylvania has just made, I wish to call up Senate Joint Resolution 159 and ask unanimous consent for its immediate consideration. If there be any debate upon it whatsoever, I will withdraw the request and will not press the joint resolution, but it is a measure that should be passed without delay. It is a joint resolution introduced by the Senator from Texas [Mr. SHEPPARD], which carries out the request which was made by the President and by the Secretary of State concerning the extension of the appointment of three individuals to furnish data on the Rio Grande and the lower Colorado Rivers. If there is any objection to the joint resolution, I shall not press it.

Mr. KING. Mr. President, I do not want to object, but I hope the Senator will not at this moment ask unanimous consent for the consideration of the joint resolution. It has just been brought to my attention, and I should like to examine it, because it affects a matter which is under consideration in both this branch of Congress and the branch at the other end of the Capitol.

Mr. JOHNSON. Mr. President, in that the Senator is in error; but because I do not wish to trespass upon the courtesy of the Senator from Pennsylvania, I shall not press the matter at the moment.

Mr. PEPPER. I thank the Senator, because it would not be possible for me to agree to any unanimous-consent agreement which would have the technical effect of displacing the measure now before the Senate.

BELLE FOURCHE AND CHEYENNE RIVERS

Mr. KENDRICK. Mr. President——

The PRESIDING OFFICER (Mr. BINGHAM in the chair). Does the Senator from Pennsylvania yield to the Senator from Wyoming?

Mr. PEPPER. I gladly yield to the Senator from Wyoming.

Mr. KENDRICK. I ask that Senate bill 4411 be laid before the Senate, and I move that the Senate disagree to the amendment of the House and that conferees be appointed.

The PRESIDING OFFICER. The Senator from Wyoming asks unanimous consent that Senate bill 4411 be laid before the Senate for the purpose of moving to disagree to the amendment of the House and securing the appointment of conferees. Is there objection?

Mr. NYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum being suggested, the Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Frazier	McKellar	Sheppard
Bayard	George	McLean	Shipstead
Bingham	Glass	McMaster	Simmons
Blease	Goff	McNary	Smith
Borah	Gooding	Mayfield	Steck
Bratton	Gould	Means	Stephens
Broussard	Harris	Neely	Stewart
Bruce	Harrison	Norris	Trammell
Cameron	Hawes	Nye	Tyson
Capper	Heflin	Oddie	Walsh, Mass.
Caraway	Johnson	Overman	Warren
Couzens	Jones, Wash.	Pepper	Watson
Curtis	Kendrick	Pine	Wheeler
Dale	Keyes	Ransdell	Willis
Dill	King	Reed, Pa.	
Ferris	La Follette	Robinson, Ark.	
Fletcher	Lenroot	Schall	

The PRESIDING OFFICER. Sixty-five Senators having answered to their names, a quorum is present. The Senator from Pennsylvania had yielded to the Senator from Wyoming, who made a unanimous-consent request. Does the Chair understand that the unanimous-consent request has now been withdrawn?

Mr. KENDRICK. I withdraw my request.

The PRESIDING OFFICER. The request is withdrawn.

ABRAHAM LINCOLN

Mr. FRAZIER. Mr. President, I ask unanimous consent to have printed in the RECORD a short letter from Mr. Arthur Charles Jackson, president of the International Longfellow Society, including the poem of Edwin Markham on Lincoln, the Man of the People.

The PRESIDING OFFICER (Mr. BINGHAM in the chair). Is there objection? Without objection, it is so ordered.

The matter referred to is here printed, as follows:

WASHINGTON, *February 12, 1927.*

MY DEAR SENATOR FRAZIER: The stately white marble Lincoln Memorial in Potomac Park was dedicated with impressive ceremonies May 30, 1922.

In its central hall is the colossal seated statue of Lincoln—above it is the following inscription:

"In this temple
As in the hearts of the people
For whom he saved the Union
The memory of
Abraham Lincoln
Is enshrined forever."

At the dedication ceremony, on Decoration Day, 1922, the only speakers were President Harding, Chief Justice Taft, Edwin Markham, and Robert R. Moton. In presenting the Memorial to the American people, Chief Justice Taft defined it as—

"A shrine at which all can worship, an altar upon which the supreme sacrifice was made for liberty; a sacred religious refuge in which those who love country and love God can find inspiration and repose."

The audience present was estimated at 100,000, and it is believed fully 1,000,000 more were listening in.

Edwin Markham read his Lincoln, regarded as the greatest of all Lincoln poems, as follows:

"LINCOLN, THE MAN OF THE PEOPLE

By Edwin Markham

"When the Norn-mother saw the whirlwind hour,
Greatening and darkening as it hurried on,
She bent the strenuous heavens and came down
To make a man to meet the mortal need.
She took the tried clay of the common road—
Clay warm yet with the genial heat of earth,
Dashed through it all a strain of prophecy;
Then mixed a laughter with the serious stuff.
It was a stuff to wear for centuries,
A man that matched the mountains, and compelled
The stars to look our way and honor us.

"The color of the ground was in him, the red earth;
The tang and odor of the primal things—
The rectitude and patience of the rocks;
The gladness of the wind that shakes the corn;
The courage of the bird that dares the sea;
The justice of the rain that loves all leaves;
The pity of the snow that hides all scars;
The loving kindness of the wayside well;
The tolerance and equity of light
That gives as freely to the shrinking weed
As to the great oak flaring to the wind—
To the grave's low hill as to the Matterhorn
That shoulders out the sky.

"And so he came.
From prairie cabin up to Capitol,
One fair ideal led our chieftan on.
Forevermore he burned to do his deed
With the fine stroke and gesture of a king.
He built the rail pile as he built the State,
Pouring his splendid strength through every blow,
The conscience of him testing every stroke,
To make his deed the measure of a man.

"So came the captain with the mighty heart;
And when the step of earthquake shook the house,
Wrenching the rafters from their ancient hold,
He held the ridgepole up, and spiked again
The rafters of the home. He held his place—
Held the long purpose like a growing tree—
Held on through blame and faltered not at praise.
And when he fell in whirlwind, he went down
As when a kingly cedar green with boughs
Goes down with a great shout upon the hills,
And leaves a lonesome place against the sky."

Sincerely yours,

ARTHUR CHARLES JACKSON,
President the International Longfellow Society.

NATIONAL BANK BRANCHES

The Senate resumed the consideration of Mr. PEPPER'S motion to recede from certain amendments of the Senate to House bill 2, and that the Senate concur in the House amendments to certain Senate amendments to that bill.

Mr. PEPPER. Mr. President, it seems to me that I may possibly be able to facilitate the consideration by Senators of the pending motion if I state briefly just what the points are upon which the two Houses are now in disagreement, thereby narrowing and bringing within a very small circle the issues which will have to be voted upon when the motion is finally disposed of by the Senate.

Mr. BORAH. Mr. President——

Mr. PEPPER. I yield to the Senator from Idaho.

Mr. BORAH. I do not know whether it is within the view of the Senator or not; but at some time before he closes I wish he would state just what this bill does in the way of indorsing the principle of branch banking.

Mr. PEPPER. I shall be very happy to comply with that request.

Mr. President, this bill was originally passed in the House, was messaged to the Senate, and the Senate made 39 amendments. Conferees were appointed, and the conference resulted in disagreement, because the House had passed an overriding resolution instructing the House conferees on certain points upon which the Senate had expressed itself so clearly that the Senate conferees did not feel that they could recede. The conference having resulted in disagreement, the House, instead of asking for a further conference or withdrawing specifically its overriding instruction, passed a resolution in which the House expressed its recession from the majority of the points of difference covered by the Senate amendments, concurred with the Senate in those cases, adhered to a few of the original provisions of the House in spite of Senate amendments, and proposed amendments to a few of the Senate amendments, and, as amended, approved them.

That resolution having come to the Senate, the parliamentary situation was that in substance we had before us a conference report; the legislation was all but perfected; but in form it was not a conference report, because the conferees had disagreed, and the thing before us was a resolution of the House of Representatives receding from certain of its original objections to Senate amendments, insisting upon certain of the points in disagreement, and amending on others. The motion, therefore, that was made was not a motion that had to do with a conference report, but it was a motion that the Senate concur in the amendments made by the House to the Senate amendments, and that the Senate recede on the points upon which the House stood firm.

Specifically, the matters involved were these:

Thirty-nine amendments were made by the Senate. On 26 of these the House yielded to the Senate by the resolution I have just described. In the case of six points of difference the House insisted on its position, and in the case of the remaining seven the House proposed amendments to the Senate amendments. The pending resolution, if it shall be passed, will have the effect of concurrence by the Senate in those seven House amendments to Senate amendments, and of yielding to the House on the six points upon which the House stands firm.

The subject matter which is brought before the Senate by this resolution is, for the most part, unimportant. With the exception of, say, 5 of the 13 points, all of them have to do with mere numerical changes of sections, section numbers, the arrangement of paragraphs, and matters of that sort which can not give rise to debate.

Of the remaining matters, only three are of capital importance. Two, while matters of substance, are of minor importance.

The capital matters are these: The Senate, by amendment, added to the bill as it passed the House a provision modifying those terms of the Clayton Act which place a limitation upon interlocking directorates. The Senate proposed and passed an amendment, which, if acquiesced in by the House, would have liberalized the system of interlocking directorates as between State and national banks. The House refused to accept the Senate proposition, preferred the law as it stands upon the statute books to-day; and if the pending motion prevails, and this bill becomes law, no change will be made in the existing law respecting interlocking directorates.

The second matter of capital importance was this: Under the terms of the bill as it passed the House, as amended by the Senate—the amendment of the Senate in that particular having now been concurred in by the House—it is provided that national banks in cities having not less than a certain number of inhabitants may have branches in the same city in which the parent bank is located.

In some cases, notably the case of the city of Cleveland, the metropolitan area is larger than the political area of the city, and the Senate approved of a proposal to allow branch banks to be established in the same metropolitan area as that in which the parent was situated and gave to the Comptroller of the Currency, under certain restrictions that were specified, the right to define that metropolitan area, which was a little larger in extent than the technical political area.

That provision of the Senate amendment was disagreed to by the House; and if this measure shall pass and become a law, the right to establish branch banks will be limited strictly within the political limits of the municipality in which the parent is situated, without the contiguous-territory provision.

Mr. BORAH rose.

Mr. PEPPER. I yield to the Senator from Idaho.

Mr. BORAH. As I understand the bill, if it is passed as now proposed, it will give the right to national banks to establish branch banks within a city in which the parent bank is located?

Mr. PEPPER. Provided that there is in the State where the question arises a legalized system of branch banking available for State institutions.

Mr. BORAH. In case the State has not provided for branch banking, do I understand then that the national banks, under this proposed law, could not establish branches?

Mr. PEPPER. They could not.

Mr. BORAH. In instances where the State has provided for branch banking, is there any limit to the number of banks which a parent bank may establish within a State?

Mr. PEPPER. Yes; there is. There is a very carefully worked out scale. There can not be any branch in a city with less than 25,000 population. There may be two, I think it is, branches up to 50,000, and possibly three up to 100,000, and

beyond that at the discretion of the Comptroller of the Currency; but there is a carefully worked out scale of limitation.

When I said to the Senator from Nebraska a few moments ago that this bill will not authorize national banks to establish branches in States which do not extend such privileges to their own institutions, I did not want to be understood as meaning that the question as to the policy of the State in that regard might be settled as of the date of the passage of this act. On the contrary, the principal point of contention between the House and the Senate had to do with whether the situation should be frozen by the so-called Hull amendments, which, if adopted, would have had the effect of making it impossible for a national bank hereafter to establish a branch in a city if the law applicable to State banks was passed in the State after the date of the approval and signature of the pending bill.

Because both Houses are in concurrence on that subject, and it is removed from the realm of controversy here as it now stands, if a State does not to-day or in the immediate future authorize its own institutions to have branches, then no privileges are conferred by this bill upon national banks. If a State at any given time adopts a provision applicable to its own banks, then the national banks may take advantage of the provisions of the State law, but only in so far as concerns branches within the restricted municipal areas I have described.

Mr. BORAH. What would be the effect if a State which now gives authority for branch banking, under its law, should withdraw that authority?

Mr. PEPPER. Mr. President, that subject has been a good deal considered. My own judgment is that since this measure is designed to promote equality of opportunity for national banking associations and State banking associations, if a State were to pass a law providing that thereafter no branches should be established, it is perfectly clear to me that under this proposed law no branch bank could thereafter be established by national banks. If the State were to undertake to close up existing branches in the State, giving rise to all sorts of questions of vested rights and confiscation, it would be for the Comptroller of the Currency to decide what was the fair thing to do in exercising his power to close down branches, which is very widely given to him under this measure.

Mr. BORAH. The Senator will pardon me for asking another question——

Mr. PEPPER. I hope the Senator will ask such questions as occur to him.

Mr. BORAH. I am more interested in this question of branch banking than in any other matter contained in the bill. As I understand, the bill is designed to give national banks authority to establish branch banks in cities where the parent bank is located in States where the States permit branch banking?

Mr. PEPPER. Yes; either now or hereafter.

Mr. GLASS. And it leaves to the States, I may add, the right to determine whether they will have branch banks.

Mr. PEPPER. I thank the Senator from Virginia for that suggestion. It operates to call attention to the reason why the Senate and the Senate conferees were opposed to the Hull amendment. We thought they represented an unwarranted attempt on the part of the Federal Government to determine for the individual States what their branch-banking policy should be.

Mr. KING. Mr. President, will the Senator permit an inquiry?

Mr. PEPPER. I yield to the Senator from Utah.

Mr. KING. The Senator has doubtless seen a statement in a leading financial journal of New York to the effect that this bill would be an invitation for States which do not now have branch banks to engage in such enterprises, and the further statement that the bill, in States which preclude branch banks and limit banks merely to the parent, in municipalities or throughout the State, permitting, as it does, branch banks within the limits of the municipality, would authorize the comptroller to grant permission to have branch banks within the limits of a municipality, and to the number provided in the bill, notwithstanding the fact that the State banks might not have branch banks at all.

Mr. PEPPER. Mr. President, I can not concur in the latter interpretation of the bill. It seems to me to be abundantly clear that no authority whatsoever is given to the Comptroller of the Currency or to any national banking association to establish any branch whatever anywhere unless institutions in the State, chartered under its laws and doing banking business therein, are lawfully authorized to establish branches and maintain them, and notwithstanding that the State may authorize for its own institutions state-wide branch banking, only then may the national banks have branches within the municipal limits as heretofore explained.

Mr. GLASS and Mr. WALSH of Massachusetts addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield; and if so, to whom?

Mr. PEPPER. I yield to the Senator from Virginia. Then I will yield to the Senator from Massachusetts.

Mr. GLASS. Not only is that the provision of this proposed enactment but the Supreme Court, in the Missouri case, has decided that a national bank may not establish a branch in a State which prohibits branches to the State banks.

Mr. PEPPER. I yield now to the Senator from Massachusetts.

Mr. WALSH of Massachusetts. As I understand the law in Massachusetts, it limits the number of branch banks of State banks to two. Does this proposed legislation limit the number of branch banks of national banks to two?

Mr. PEPPER. This proposed law does not authorize a national bank to establish any more branches, even within the municipal area, than are permitted under the law of the State, and if there is a limitation in the local law, that is ipso facto applicable to the national situation.

Mr. WALSH of Massachusetts. I am very glad to hear that. So that the limitation of two banks would be applicable to national banks?

Mr. PEPPER. That is clearly my judgment, and I think that is the design of the framers of the bill.

Mr. BORAH. Do I understand from that that in a State like Massachusetts, where the parent State bank can have only two branch banks, a national bank could have only two branch banks?

Mr. PEPPER. Yes, Mr. President; the act is so drawn——

Mr. WALSH of Massachusetts. That is not the general impression of the bill. I will be glad to have the Senator explain it.

Mr. PEPPER. That is the view which I entertain. I do not know that the question can be decided authoritatively; every Senator must make up his own mind; but as I interpret the provisions of the bill on the subject of branch-banking privileges to national banks, there is no possibility of disturbing that equality of opportunity which is the object of the law. The purpose is, not to put national banks at an advantage as compared with State banks, but to bring them up to an equality of opportunity, and put them on the same plane, and I should think it clear that where the State law contains a limitation applicable to State institutions, that limitation ipso facto becomes applicable to a national bank.

Mr. BORAH. Now, may I ask the Senator to tell me just what was the effect of the Hull amendments?

Mr. PEPPER. Yes; I shall be very happy to answer that question.

I think perhaps the clearest way to answer it is by taking a supposititious case. The State of Pennsylvania, for example, is opposed to branch banking. We have no branch banking law. State institutions are not permitted to have any branch banks, by law.

If the Hull amendments had prevailed and this measure had been passed with those amendments in it, then if, at a future date, at the next session of the Pennsylvania State Legislature, if you please, the State of Pennsylvania should enact a law authorizing its own banks to have branch-banking privileges, the national banks in Philadelphia and Pittsburgh and elsewhere could not take advantage of that State law because of the accident that it was not on the statute books at the date when this bill passed and should be signed by the President. In other words, the attempt of the Hull amendments was to freeze the situation as of the date of the passage of this bill, in the hope that by so doing it would shut off anything like drives by branch banking advocates on State legislatures, to lead them to pass branch banking laws for State institutions, in order that national banks might get the benefit of them.

Mr. BORAH. Would the Hull amendments have permitted branch banking in States where branch banking was already allowed?

Mr. PEPPER. Oh, yes, Mr. President. The Hull amendment distinctively had the quality that it did not affect the substantive provisions of the bill as to branch banking. It had the specific effect that it limited the authority of the national bank to have the branches which the act specified, limiting the authority to those cases in which, as of the date of the passage of this bill, the State in question already had on its statute books the enabling legislation applicable to its own institutions.

When the bill was before it the Senate, by the very large vote of 60 to 17, rejected the Hull amendment on the theory that it was not the business of the National Government by legislation to influence one way or the other the policy of a

State legislature as respects the branch-banking policy to be set on foot in the State by that legislature. In point of fact, I think that when we consider the practical aspects of the matter it will be realized that the danger of such drives on State legislatures was very much exaggerated because, by the terms of the proposition, it will be clear that neither this bill nor the Hull amendment has anything to do with the privileges of the State institution. If there is to be a drive for the benefit of the State institutions, that drive will eventuate irrespective of anything we do or fail to do here.

So far as the national banks are concerned, since the branch-banking privileges in the most favorable cases are limited to cities with 25,000 inhabitants or over, it follows as a mere matter of statistics that there is nothing in it for the great body of national banks in the towns and cities and country districts of the State to advocate any of the legislation of the sort feared, because under the terms of this bill they do not get the right to have any branch banks at all.

Mr. McLEAN. Mr. President——

Mr. PEPPER. I yield to the Senator from Connecticut.

Mr. McLEAN. I think it was also felt that if a State which now prohibits branch banks should change its policy and permit State banks to have such branches, the national banks of the large cities would be compelled to retire from the system and reorganize under State charters, because otherwise they could not compete with those banks having branches.

Mr. BORAH. Mr. President, may I ask just one further question?

Mr. PEPPER. Certainly.

Mr. BORAH. The Senator is familiar, I have no doubt, with what is known as the Bank of Italy of California?

Mr. PEPPER. Yes.

Mr. BORAH. I am informed that that bank has 98 branch banks.

Mr. PEPPER. It certainly has branches in the neighborhood of 100. We had a every elaborate series of hearings last year before the Committee on Banking and Currency in which, among other things, all the facts about the Bank of Italy were brought out and at the time I remembered the details. I can say to the Senator, without consenting to those particular figures, that there is a great branch-banking system connected with that institution.

Mr. BORAH. I may not be exactly correct as to the 98, but the number is enough.

Mr. PEPPER. Yes.

Mr. BORAH. In what respect does the Senator conceive that this bill would be to the advantage of the Bank of Italy of California?

Mr. PEPPER. The Bank of Italy is a State bank. Its authority to have whatever branches it has or may have hereafter is derived from the State law, which is in no way affected by anything we do here. In one particular the pending bill would operate as a restraint upon State banks to the extent that if a State bank wants to convert itself into a national bank or consolidate with a national banking association, it may bring into the consolidation or conversion only those branches which it has in existence at the date of the passage of the bill.

Mr. HEFLIN. Mr. President, if the Senator will permit me, the Bank of Italy, as I understand——

Mr. PEPPER. I am going to ask the Senator just to let me finish this thought and then I will yield to him.

The State bank may not go out and hereafter establish branches under the State law and then convert itself into a national bank by consolidation or conversion and bring in those future established branches. So there is no way that occurs to me at the moment in which this legislation is of advantage to the Bank of Italy, but I can think of ways in which it would restrain the spawning by it of more branches in the future.

I yield now to the Senator from Alabama.

Mr. HEFLIN. I was just going to say that the Bank of Italy, as I understand it, has over 200 branches, probably nearly 300, and under this bill it can come into the national banking system with all those branches.

Mr. PEPPER. I think the Senator is in error in that regard. I do not mean as respects figures, because it is true that there are a great many branches under the control of the Bank of Italy in addition to those which are technically branches within the meaning of the statement of the Senator from Idaho. My information is that the Bank of Italy has, in its capacity as a kind of holding company, the stock of some other institutions which themselves have branch banks, and that through its holding of the stock of the other institutions or banks it has a large number of branches of the sort referred to by the Senator from Alabama in addition to those which are the direct technical branches of the institution itself.

Mr. GLASS and Mr. KING addressed the Chair.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Pennsylvania yield, and if so, to whom?

Mr. PEPPER. I yield first to the Senator from Virginia and then I shall be glad to yield to the Senator from Utah.

Mr. GLASS. As a matter of fact, the testimony before the committee was that the Bank of Italy has approximately ninety-odd branches in the State of California. Its holding company does not operate in the State of California, but outside of the State of California in the United States. This bill is distinctively restrictive upon the operations of the Bank of Italy. In other words, should it convert into a national bank it may not retain any of its branches outside of the cities of California, none of its county or country banks. On the other hand, it may not remain a member of the Federal reserve system, which it is now, and then, if it desired to become a member, undertake to bring in any branches which may be established hereafter.

Mr. BORAH. Mr. President, may I ask the Senator from Virginia or the Senator from Pennsylvania——

Mr. PEPPER. The Senator from Idaho may recall that I promised to yield to the Senator from Utah immediately following the Senator from Virginia. I shall be glad to yield next to the Senator from Idaho.

Mr. BORAH. Very well.

Mr. KING. I was going to ask the Senator if it would not be more accurate to say that the Bank of Italy would derive some benefit from the legislation if it were a member of the Federal reserve system now, in that its present branch banks would be recognized; but banks in California which are members of the Federal reserve system or hereafter might become members of the Federal reserve system, and those now in existence which have branch banks, would be precluded from having branch banks other than those within the corporate limits of the parent bank, as indicated by the Senator.

Mr. PEPPER. It is true, as implied in what the Senator from Utah has just said, that if a State institution, whether in California or elsewhere, has, in virtue of the local law, up-State branches at the date of the passage of the bill, it may by conversion or consolidation acquire a Federal character and bring those existing branches into the consolidation; but neither in California nor elsewhere may the State institution bring into the consolidation, or acquire the status of a national bank by conversion, and retain, in the consolidated or converted life, branches established up State after the passage of this bill.

Mr. GLASS. Does the Senator from Pennsylvania think that the Bank of Italy is not now a member of a Federal reserve system? The Senator from Utah seems to assume that it is not.

Mr. PEPPER. My impression is that the Bank of Italy is a member of the Federal reserve system.

Mr. GLASS. It is a member.

Mr. KING. I did not mean to imply that. I used it as an illustration.

Mr. GLASS. It is a member, but it may not remain a member if, after the passage of this bill, it undertakes to establish any branches not provided for in the bill.

Mr. BORAH. Mr. President, may I ask this question? Suppose after the passage of the bill the Bank of Italy concludes to change its bank into a national bank; could that national bank, for which it takes a charter or which it then becomes, then have 96 or 98 branches in California?

Mr. GLASS. I do not think so under the terms of the bill.

Mr. PEPPER. I should be inclined to differ from the Senator from Virginia on that point.

Mr. GLASS. Does the Senator have in mind subsection (b)?

Mr. PEPPER. Under existing provisions of the Revised Statutes, if a State institution with branches converts itself into a national bank, it may retain the branches that it has. We do not change the law in that regard.

Mr. GLASS. No; we do not.

Mr. PEPPER. So that in the case put by the Senator from Idaho of the Bank of Italy converting itself into a national bank, the Bank of Italy, if the bill which we are now discussing were never enacted into law, would still have the right to bring into that consolidation the branches which it now has. That is the provision of the Revised Statutes to-day.

Mr. McLEAN. But those branches would be under the supervision of the Comptroller of the Currency, which is not the case now.

Mr. PEPPER. That is correct.

Mr. BORAH. Am I to understand that at the present time, if the Bank of Italy should convert itself into a national bank, the Bank of Italy could have 96 or 98 branches?

Mr. PEPPER. The Bank of Italy, under the Revised Statutes as they stand to-day, may upon conversion into a national banking association or upon consolidation with a national banking association retain whatever branches it lawfully had as a State institution at the date of the conversion or consolidation.

Mr. GLASS. So that under the terms of the bill it would derive no advantage in the world with respect to the establishment of branch banks or of membership in the Federal reserve system?

Mr. PEPPER. In answer to the original question of the Senator from Idaho, I said, not so clearly, but in substance, the same thing which has just been said by the Senator from Virginia. I can think of ways in which the bill, if passed, would be restrictive in its effect upon banks of that sort, but I do not see how it is going to give them enabling powers.

Mr. BORAH. Mr. President——

Mr. LENROOT. Will the Senator from Pennsylvania yield to me?

Mr. BORAH. If the Senator from Wisconsin will excuse me for a moment, I should like to ask the Senator from Pennsylvania a question.

Mr. LENROOT. Certainly.

Mr. BORAH. In view of the fact that, according to newspaper reports, the Bank of Italy is extending its branches and ramifications not only throughout California, but into foreign countries, I should like to know, in case the Bank of Italy should convert itself into a national bank, what restraining power there would be under this bill against extending its branches?

Mr. PEPPER. The question asked by the Senator from Idaho is a very important one and the answer is important. The branches of a State banking institution which is not nationalized are subject only to the jurisdiction of the State banking commission or secretary of banking or whatever he may be, but the instant that institution converts itself into a national banking association or by consolidation merges its life with a national banking association that instant its branches, if it has any legally established, become subject to the supervisory power of the Comptroller of the Currency and that supervisory power is tremendously far-reaching and effective.

Mr. McLEAN. But it could not have an additional branch outside of the city limits.

Mr. PEPPER. I thank the Senator from Connecticut. The case is as he suggests.

Mr. NORRIS rose.

Mr. HEFLIN. Now, Mr. President, will the Senator from Pennsylvania yield to me?

Mr. PEPPER. I yield first to the Senator from Nebraska, and then I will yield to the Senator from Alabama.

Mr. NORRIS. Mr. President, I want to ask the Senator from Pennsylvania a question. I find myself in just a little difficulty as to whether I can make myself plain, but to my mind the matter is quite important. Using the same bank as an illustration which other Senators have been using, I desire to ask, Will this bill, should it become a law, give to the Bank of Italy any advantage so far as branch banking is concerned over any other bank not now a member of the system which may come in after the bill shall have become a law? Do I make myself plain?

Mr. PEPPER. Yes, Mr. President, the Senator makes himself plain. I take it that the question in his mind is something like this: Assuming the Bank of Italy to have, as is charged, monopolistic tendencies, whether there is anything in this measure which will enable it to protect itself in an existing monopoly and shut the door in the face of anybody else with similar aspirations?

Mr. NORRIS. And who may want to come in.

Mr. PEPPER. Who may want to come in. I can not see, Mr. President, any way in which such a result could be worked out. We are now talking about California, because that is a notable instance of a State with branch banking, and any banking institution of the State of California, so far as the law goes, has a right to establish as many branches as it chooses to establish and to maintain itself as a State institution with such branches. It is true that if at any given moment two State institutions convert themselves into national banks, and one of them shall have more branches than the other, the one that has the greater number of branches will enjoy this advantage over its competitor, that neither of them thereafter may establish any branches except within the limits specified by this proposed act.

Mr. NORRIS. I understand. It seems to me that, as I look at it, the Senator discloses that a bank now in with branches would have an advantage over the bank that is now out but comes in after the passage of the proposed law in regard to the establishment of branches. In other words, is it not true that the Bank of Italy now has many branch banks that it would not be allowed to organize, should this bill be passed, if it did not already have them?

Mr. PEPPER. That is true under the existing law as well as under the bill now under consideration.

Mr. NORRIS. The practical consideration, it seems to me, that presents itself is this: The bank now having branches that comes in or is in with such branches has an advantage over the bank—and it may be its competitor—that wants to have branches but is not organized and does not come into the Federal reserve system until after the passage of this proposed law.

In other words, if, after this bill were passed, the Senator and I were going to organize a bank to compete with the Bank of Italy, and we undertook to organize branch banks in the various places where our competitor has branch banks, would we not be precluded under the law from organizing quite a number of them, while our competitor would be allowed to retain its branches, because it already had them?

Mr. PEPPER. Mr. President, if we organized as a State institution, we could take advantage of the local law and do exactly what the Bank of Italy has done. We could meet our competitor, branch for branch, all through the State.

Mr. NORRIS. I understand that.

Mr. PEPPER. But when it comes to federalizing and nationalizing——

Mr. NORRIS. That is the point.

Mr. PEPPER. It is true, Mr. President, that the moment that the State institution converts itself into a national bank or consolidates with a national bank, at that moment it becomes restricted in respect of the branches which it may thereafter establish.

Mr. NORRIS. Yes; and those restrictions, as I understand—and I want to be informed if I am in error—those restrictions which the competing bank would have to observe do not apply now to the Bank of Italy and its branches, and if this measure should become a law, would not apply, because they are already established.

Mr. PEPPER. I think the Senator states the matter accurately. Of course, Mr. President, the logic of the situation to which the Senator has called attention is that a State bank desiring to compete with the Bank of Italy, assuming that the Bank of Italy had nationalized, would retain its State status, develop its branches as numerously as it pleased, and carry on whatever commercial warfare it choose, meeting branch with branch.

Mr. NORRIS. But it would be outside.

Mr. PEPPER. It would be outside.

Mr. NORRIS. And it would have to remain outside the Federal reserve system. If it came in, it would have to give up some of its branches.

Mr. PEPPER. It would have to surrender some of its branches.

Mr. NORRIS. In other words, the number of branches that the parent bank may take with it will be different after the law is passed from what it is now. Is not that true?

Mr. PEPPER. Yes; the branches which the converting or consolidating bank of State origin may retain will, after the passage of this law, be such branches only as it had in lawful operation at the time of the conversion or consolidation. I now yield to the Senator from Alabama.

Mr. HEFLIN. Suppose a bank in lawful operation under the State law should, with its branches, apply for a charter and come into the Federal reserve system. If it had a hundred branch banks, what would be the status of it after it got into the system?

Mr. PEPPER. If a State institution operating in a State which authorizes by law state-wide branching has as of the date of the passage of the pending measure any number of branches whatsoever, it may, upon converting itself into a national banking association or consolidating with a national bank association, become a national banking association and retain the branches to which I have referred.

Mr. HEFLIN. It may bring its branches in with it. I have in my hand an item from the Los Angeles Examiner of November 26, 1926, from which I read this statement:

> If the measure agreed upon by the American Bankers' Association in their convention at Los Angeles last May becomes a law, the Bank of Italy interests will naturally further expand.

The measure referred to is the McFadden bill without the Hull amendments. That newspaper seems to have the under-

standing that a bank can expand still more if it gets into the system under the McFadden bill.

Mr. PEPPER. If that is the meaning of the writer of that news item or editorial, I think he misconceives this bill. I can not think of any way by which the Bank of Italy upon the passage of the bill under consideration will gain any additional right to expand beyond that which it has to-day or would have if this bill never were enacted. On the contrary, I can think of many ways in which its liberty of expansion will be limited by the measure which we are discussing. The thing which will happen is the thing to which the Senator from Nebraska has acutely directed attention, and that is that the branch-banking institutions which have already very large families of children will be at an advantage compared with those whose children are not yet in being but are later brought to birth, because it is only those that are in being at the date of the passage of this bill which can be retained upon conversion or consolidation.

Mr. LENROOT. Mr. President——

Mr. SMITH. Let me ask the Senator a question. Suppose the Bank of Italy——

Mr. PEPPER. I will yield in a moment to the Senator from South Carolina. The Senator from Wisconsin [Mr. LENROOT] has been claiming my attention for some moments, and I yield first to him.

Mr. LENROOT. Mr. President, I should like to ask the Senator if, under the bill as passed by the House, the Bank of Italy could only become nationalized on condition that it drop all of its branches outside of its home city?

Mr. PEPPER. Is the Senator referring to the original bill?

Mr. LENROOT. I am referring to the bill that was passed by the House.

Mr. PEPPER. I think that is true, Mr. President, as the bill came here originally.

Mr. LENROOT. Then the Senate struck that out and substituted for it this language:

> Nor shall any such State bank or banks entering into such consolidation be located at a greater distance from such national banking association than is authorized by the laws of the State in the case of a consolidation or merger of two or more State banks.

I understand those are amendments that have been accepted by the House. Am I correct in that?

Mr. PEPPER. That is correct, Mr. President. Let me say to the Senator from Wisconsin, if I may, that under the law as it stands to-day——

Mr. LENROOT. I understand that; but the House bill would have prevented the Bank of Italy from becoming nationalized except on the condition that it gave up its branches outside of its home city.

Mr. PEPPER. I think that is true, Mr. President, in the form in which the bill passed the House in the first instance.

Mr. LENROOT. I should like to go a step further with reference to acquiring——

Mr. GLASS. Right on that point, may I intervene and ask the Senator from Wisconsin of what advantage could it possibly be to the Bank of Italy in those circumstances to nationalize?

Mr. LENROOT. I was just getting at the facts.

Mr. GLASS. It is already a member of the Federal reserve system, and it has its branches. It seems to me that nothing could induce it to put itself under the provisions of the House bill.

Mr. PEPPER. Mr. President, I understand the Senator from Wisconsin is just taking that institution as a type.

Mr. LENROOT. Yes, and I am just trying to get at the facts now and not arguing the effect of them.

With reference to the Senate amendment and as to its effect upon the Bank of Italy, is it not true that under the amendment which has now been accepted the Bank of Italy could organize State banks in every place in California where it saw fit, and then, having organized the State banks, could take them over, and they would be lawful under this bill?

Mr. PEPPER. I am not entirely sure that I understand the Senator's question. He asks whether the Bank of Italy might not organize State banks in various parts of California and then take them over?

Mr. LENROOT. After they became nationalized.

Mr. PEPPER. Does the Senator mean to ask whether the Bank of Italy after the passage of this bill might under the State law establish additional branches?

Mr. LENROOT. That would be the effect of it; and would not the prohibition found in the bill against the establishment of branches by the Bank of Italy after being nationalized be circumvented by other provisions of the bill by which they would organize State banks and then consolidate those State banks with the Bank of Italy, and would they not thereafter, in effect, be lawful branches?

Mr. PEPPER. The Senator is touching now a matter of very great importance——

Mr. LENROOT. I think so.

Mr. PEPPER. But one with which neither the committee nor the House nor the Senate has dealt.

Mr. LENROOT. The House dealt with it.

Mr. PEPPER. I think not, Mr. President.

Mr. LENROOT. I think so.

Mr. PEPPER. The Senator is now dealing with the subject of chain banking.

Mr. LENROOT. That is what it amounts to.

Mr. PEPPER. He is putting a case in which an institution becomes, through stock ownership or other intercorporate relation, the controlling owner of scattered institutions, each of which exists on its own charter and has its own capital stock, which may or may not be held by the central organization. We had a lot of evidence before us respecting the dangers of chain banking, but we did not think we could add to our troubles by considering them.

Mr. LENROOT. No; that, perhaps, we could not deal with; but I want to know the fact as to whether under this bill that separate ownership might not be consolidated, and in effect extend the system of branch banking in a State that did not prohibit it?

Mr. PEPPER. Under existing law, in the case put by the Senator, the Bank of Italy might establish branches in addition to those that it has, effect a consolidation, and then consolidate itself with a national bank; or, if the bill in controversy becomes law, it might effect direct consolidation without the intermediate step.

Mr. LENROOT. That is the fact I wanted to get. Of course, under the House bill that could not have been done.

Mr. PEPPER. I am not clear about that, Mr. President. As I read the language of the House bill, it seems to me that there is nothing in that language which would have prevented the State institution from acquiring, by stock ownership, the control of any number of banks in a State.

Mr. LENROOT. Oh, no; that might be, but they could not merge them with the institution. They might have an ownership through stock control, but they still would have independent corporate existences.

Mr. PEPPER. I thought the Senator was looking for loopholes in the bill through the means of which it might be circumvented.

Mr. LENROOT. No; not in that way; but the bill does prevent the extension of branches in the future.

Mr. PEPPER. Yes, sir.

Mr. LENROOT. My point was that those controlling a parent bank might organize a State bank, and then, under the provision of the law, consolidate with the parent bank and have a lawful branch.

Mr. PEPPER. That is correct, sir; and of course it is no answer to the implied objection of the Senator that that point is not now in controversy between the Houses——

Mr. LENROOT. No.

Mr. PEPPER. Because that is aside from the question that the Senator is raising; but it will be remembered that while this question of branch banking is the subject matter in which most Senators are interested, the fact is that the two Houses are now together on the subject of branch banking. There is no point in controversy respecting that whole subject, saving only the point I mentioned a while ago relating to the inclusion of contiguous territory, by action of the comptroller, within the limits of the metropolitan area in which the parent may establish a branch. The House took the conservative, the restrictive view on that subject, and rejected the Senate amendment; and if the pending motion is agreed to, the Senate will recede from its amendment on that subject and accept the original provisions of the House bill.

Mr. LENROOT. Just one further question.

Mr. PEPPER. I shall be very glad to yield.

Mr. LENROOT. Is there anything left in disagreement between the two Houses that affects even remotely the question of branch banking?

Mr. PEPPER. Only the question of contiguous territory.

Mr. LENROOT. I meant aside from that.

Mr. PEPPER. That is all.

Mr. President, it is very hard in this kind of a desultory discussion to keep one's thread. I began in an effort to state what the three major points of difference between the Houses are and the two minor points of difference, regarding all the others as negligible, because they are merely clerical in their nature and have to do with section numbers.

I had mentioned the insistence by the House on its view regarding the interlocking-directorate question; and, if the pending motion is agreed to, the Senate will yield to the House on that matter, and the law will stand as it now stands under the Clayton Act.

The second point of substantial difference which I mentioned was the contiguous-territory provision.

The third point of substantial difference is that which deals with the subject of the purchase and sale of investment securities. The House took a more conservative view than the Senate on that subject; and the provisions of the existing law will stand if the pending motion is agreed to, saving that the Comptroller of the Currency is given much more power to grasp the situation and control it than at present.

Mr. SMITH. Has the Senator explained the contiguous-territory provision?

Mr. PEPPER. In answer to the question of the Senator from South Carolina I will say that before he entered the Chamber I did explain that the pending motion, if agreed to by the Senate, will have the effect of excluding from the bill the Senate amendment on the subject of contiguous territory, and leaving it, on that point, in the form in which it originally passed the House, with some verbal changes.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Utah?

Mr. PEPPER. I yield to the Senator from Utah.

Mr. KING. Before the Senator concludes his observations respecting the investment banking features of the bill, I desire to say that complaint has been made and some rather important criticism has been directed against the bill because it is contended, first, that it gives too much power to the banks to buy investment securities, and particularly to loan to brokers, and it will thereby encourage stock speculation; that the bill seems to be more interested in furnishing the brokers money for their speculative purposes than it is interested in some other matters that might be more meritorious. Secondly, it is contended that the bill also contains provisions which may prove very dangerous by freezing the assets and permitting too large a share of the deposits and the assets of the bank to be invested for a long period of time—to wit, five years—in real estate.

Mr. PEPPER. Mr. President, let me say that so far as the last point is concerned, the two Houses are not in disagreement. We had before us a lot of testimony on the question whether a short-term mortgage, which the banks under the existing law may take, or a longer-term mortgage, was in fact the more liquid; and the weight of the testimony was to the effect that you can deal with a mortgage that has three or four or five years to run more effectually and more readily than you can with one that is going to mature inside of a year or shortly thereafter. That, however, is not a point which was in controversy.

On the subject of investment securities, which is dealt with in the first part of the Senator's question, let me say that if any such criticism as the Senator has echoed could be justly directed against part of this bill, it would have been against the Senate amendment. If the pending motion is agreed to, the Senate will recede from its amendment and adopt the conservative provisions of the House bill, which contain no grant of power at all to national banks to engage in the purchase and sale of investment securities, and merely recognize the existing practice, but give to the Comptroller of the Currency a good deal of supervisory and regulatory power in respect thereof.

Mr. KING. Does not the Senator think that the existing practice has been abused by the banks, and that there have been too liberal loans to speculative organizations and to brokers, and too liberal expenditures by the banks in the purchase of stocks and bonds and investment securities?

Mr. PEPPER. I am sure the Senator has had my experience, and that is of hearing of this dangerous liberality in the making of loans by banks, bankers, and so forth, but that it has never actually occurred in his experience or mine.

Mr. GLASS. Mr. President, if it be conceded that that criticism has foundation in fact, this provision of the proposed act puts a limitation upon it, in that it confides to the Comptroller of the Currency a power which he has not hitherto had of inspection and scrutiny of these very things. In other words, the intent of it is to scrutinize and restrict rather than to expand.

Mr. PEPPER. Yes; it contains in its present form no grant of power to the corporation, and it does strengthen the arm of the Comptroller of the Currency and enlarge his grasp in regulating that activity.

Mr. SMITH. Mr. President, did not the McLean amendment attempt to modify the danger of a bank accepting certain securities as collateral in the reserve system and going out into other territories under the law and exhausting their assets—that is, their available money? Was there not introduced here about three or four years ago what is now known as the McLean amendment, giving the board of governors the power to establish a base line beyond which a bank would be penalized by a graduated, progressively increasing rate of interest?

Mr. PEPPER. There is such a provision of law as that to which the Senator refers, but I do not understand that that is in any way disturbed by the contemplated legislation.

Mr. GLASS. The progressive-rate-of-interest provision was repealed three years ago.

Mr. SMITH. Oh, no.

Mr. GLASS. Yes; it was.

Mr. PEPPER. Mr. President, I think that, so far as it is possible for me to do so, I have accomplished the purpose with which I rose, which was merely to state in compact form, and for convenience of reference in the pages of the RECORD, the principal points which are in real controversy between the two Houses.

I have tried to show—and I hope successfully—that there are only three major points of difference and two minor points, and that in other respects the pending motion, if passed, would result in action by the Senate more conservative than the action which would have been taken had the Senate amendments on those points prevailed.

I think, therefore, Mr. President, that I can well yield the floor to those better able to discuss this matter than I.

Mr. LA FOLLETTE. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MCNARY in the chair). The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Bayard	Goff	McMaster	Schall
Blease	Harreld	McNary	Sheppard
Broussard	Harris	Mayfield	Shipstead
Bruce	Harrison	Neely	Smith
Cameron	Hawes	Norris	Smoot
Capper	Heflin	Nye	Steck
Couzens	Howell	Oddie	Stephens
Curtis	Johnson	Overman	Stewart
Dale	Jones, Wash.	Pepper	Trammell
Dill	Keyes	Phipps	Tyson
Ferris	King	Pine	Walsh, Mass.
Fletcher	La Follette	Pittman	Walsh, Mont.
George	Lenroot	Ransdell	Warren
Gerry	McKellar	Reed, Pa.	Watson
Glass	McLean	Robinson, Ark.	Wheeler

The PRESIDING OFFICER. Sixty Senators having answered to their names, a quorum is present.

SENATOR FROM ARKANSAS

Mr. ROBINSON of Arkansas. I present a privileged document, being the certificate of election of the junior Senator from Arkansas [Mr. CARAWAY], and ask that it be received, read, and filed.

The PRESIDING OFFICER. The certificate will be received, read, and filed.

The Chief Clerk read the certificate, as follows:

Executive Department Proclamation

STATE OF ARKANSAS.

To all to whom these presents shall come, greeting:

Know ye that whereas at the general election held November 2, 1926, pursuant to the statute made and provided, the following Democratic candidate for United States Senator received the following votes: T. H. CARAWAY, 28,166, which was a majority of the votes cast for United States Senator.

Now, therefore, I, Tom J. Terral, Governor of the State of Arkansas, by virtue of the power and authority vested in me under the constitution and laws of said State, and acting in my official capacity, do hereby declare the following to have been elected as United States Senator at the past general election held Novembr 2, 1926: T. H. CARAWAY.

In testimony whereof I have hereunto set my hand and caused to be affixed the great seal of State in the governor's office at Little Rock, Ark., this, the 15th day of December, 1926.

TOM J. TERRAL, *Governor.*

By the governor:

[SEAL.] JIM B. HIGGINS, *Secretary of State.*

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate resolutions adopted by the legislature of the State of North Dakota, favoring the early passage of the so-called McNary-Haugen farm relief bill, which were ordered to lie on the table. (See resolutions printed in full when laid down by the Chair in Senate proceedings of Thursday, February 10, 1927, page 3402.)

Mr. WILLIS presented a petition of sundry citizens of Clyde, Ohio, praying for the prompt passage of the so-called White radio bill without amendment, which was ordered to lie on the table.

Mr. WALSH of Montana presented the following joint resolution of the Legislature of the State of Montana, which was referred to the Committee on Foreign Relations, as follows:

UNITED STATES OF AMERICA,
State of Montana, ss:

I, C. T. Stewart, secretary of state of the State of Montana, do hereby certify that the following is a true and correct copy of an act, entitled "A resolution expressing the desire of the people of the State of Montana to His Excellency the President of the United States of America that he take steps to negotiate a treaty with the Dominion of Canada in furtherance of the Great Lakes-St. Lawrence waterway," enacted by the twentieth session of the Legislative Assembly of the State of Montana and approved by J. E. Erickson, governor of said State, on the 7th day of February, 1927.

In testimony whereof, I have hereunto set my hand and affixed the great seal of said State.

Done at the city of Helena, the capital of said State, this 8th day of February, A. D. 1927.

[SEAL.] C. T. STEWART, *Secretary of State.*
By CLIFFORD L. WALLAR, *Deputy.*

Senate Joint Resolution 2, introduced by Shelver, expressing the desire of the people of the State of Montana to His Excellency the President of the United States of America that he take steps to negotiate a treaty with the Dominion of Canada in furtherance of the Great Lakes-St. Lawrence waterway

Whereas a joint board of engineers, representing the United States and Canada, have officially and unanimously declared ship-channel connection between the Great Lakes and the Atlantic by way of the St. Lawrence to be practical; and

Whereas the St. Lawrence Commission of the United States, appointed to determine the need of such a waterway, has unanimously declared, in its report to the President, made December 27, 1926, that—

"The construction of the shipway from the Great Lakes to the sea is imperative both for the relief and for the future development of a vast area in the interior of the continent"; and that—

"It has been estimated that the values of a single year to the farmers alone would equal the capital cost of the waterway"; and that—

"The economic importance of the improvement would be far greater than the savings made upon the actual tonnage transported, important though that would be"; and

Whereas the growth of the State of Montana, the development of her agricultural and mineral resources, her present prosperity, and her future welfare all demand permanent relief from the existing high transportation costs to and from the markets of the world and require that freedom to enter into world commerce, now denied to her by reason of distance from the Atlantic Ocean—a situation resulting in a combined rail-and-ocean transportation cost, prohibitive to many of her potential industries and oppressive to those industries which now exist; and

Whereas the St. Lawrence waterway would give to the State of Montana a sea base 1,400 miles nearer to her eastern border than at present and by such removal would permanently lower her rail-and-ocean costs of transportation to and from world markets, would increase the demand for her agricultural products, would stimulate the development of her mineral wealth, would invite new enterprise, and, generally, would assure to her citizens an enlarged and abiding prosperity: Now therefore be it

Resolved by the Senate of the State of Montana (the House of Representatives concurring), That we do most earnestly urge upon the President of the United States of America the imperative national need of such waterway, and that we do further express to him the desire of the people of the State of Montana that immediate steps be taken for the negotiation of a treaty with the Dominion of Canada in furtherance of the Great Lakes-St. Lawrence waterway.

W. S. MCCORMACK,
President of the Senate.
G. T. DAVIS,
Speaker of the House.

Approved February 7, 1927.

J. E. ERICKSON, *Governor.*

Filed February 7, 1927, at 2.21 o'clock p. m.

C. T. STEWART, *Secretary of State.*

Mr. SHIPSTEAD presented the following resolution of the Legislature of the State of Minnesota, which was ordered to lie on the table:

Concurrent Resolution 1, memorializing the Congress of the United States to enact legislation to restore and maintain equality to agriculture

Whereas the protective tariff system of the United States, established to protect all the industries of our country, has failed to function in such a way as to protect the producers of certain farm commodities of which there has been an exportable surplus, so that at times our farmers have been required to sell such commodities in a competitive world market, while by reason of such protective tariff system they have been required to purchase most of their necessities in a stabilized and highly protected domestic market, with the result that there has been a great and increasing disparity in the prices our farmers receive for what they sell with those which they have had to pay for what they buy, creating a real crisis, which has for a long time existed and does still exist, not only in the Nation's agriculture, but in all industries dependent on agriculture; and

Whereas to remove such disparity in prices and to provide and maintain equality to agriculture with the other industries of this country, it is absolutely necessary that our farmers receive an American price based on an American standard for their product consumed domestically and a world price only for the exportable surplus consumed abroad: Therefore be it

Resolved by the House of Representatives of the State of Minnesota (the Senate concurring), That the Congress of the United States at its present sitting and without further delay be, and the same is, urgently petitioned to enact such legislation as will extend the protective system and the benefits thereunder to the farmers, regardless of a surplus of any farm crop, whereby they will receive an American price for what is consumed domestically independent of the world price for the surplus, and that only in such manner can equality to agriculture be restored and maintained;

That to secure this end and to provide the necessary relief, and thereafter to maintain agricultural prosperity, legislation sponsored by the Mid West farm organizations providing for the creation of a Federal farm board and an export corporation thereunder, the segregation of the exportable surplus of all farm commodities and the collection of an equalization fee on each commodity affected is indispensable and should be speedily enacted into law; be it further

Resolved, That a duly authenticated copy of this resolution be transmitted to the President of the United States, the Secretary of Agriculture, the chairmen of the Agricultural Committees of the Senate and House of Representatives, and to each Member in Congress from Minnesota.

JOHN A. JOHNSON,
Speaker of the House of Representatives.
W. I. NOLAN,
President of the Senate.

Passed the house of representatives the 13th day of January, 1927.

JOHN I. LEVIN,
Chief Clerk, House of Representatives.

Passed the senate the 18th day of January, 1927.

GEO. W. PEACHEY,
Secretary of the Senate.

Approved January 20, 1927.

THEODORE CHRISTIANSON, *Governor.*

Filed January 20, 1927.

MIKE HOLM, *Secretary of State.*

I, Mike Holm, secretary of state of the State of Minnesota and keeper of the great seal, do hereby certify that the above is a true and correct copy of house file No. 8, as shown by the records in my office.

[SEAL.] MIKE HOLM, *Secretary of State.*

Mr. SHIPSTEAD also presented resolutions adopted by the State Agricultural Society of Minnesota, protesting against the passage of the bills S. 4944 and H. R. 15540, which propose to make changes in the farm loan act, under which the Federal land banks and intermediate credit banks are now operated and which "tend to remove from the stockholders of these banks their operation, control, and inspection as now performed by the Federal Farm Loan Board," etc., which were referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted by the State Agricultural Society of Minnesota, favoring the passage of the so-called McNary-Haugen farm relief bill, which was ordered to lie on the table.

He also presented a resolution adopted by the State Agriculture Society of Minnesota, favoring the establishment of the Great Lakes-St. Lawrence ship channel and the taking of immediate steps for the negotiation of a treaty with Great Britain and Canada to effectuate such end, which was referred to the Committee on Commerce.

He also presented petitions of sundry citizens of Faribault, Willmar, and Moorehead, all in the State of Minnesota, praying for the passage of legislation granting increased compensation to employees of the United States Custodian Service, with a minimum wage of $1,200 per annum, which were referred to the Committee on Appropriations.

He also presented petitions of sundry citizens of Minneapolis and Willmar, all in the State of Minnesota, praying for the prompt passage of legislation granting increased pensions to

Civil War veterans and their widows, which were referred to the Committee on Pensions.

He also presented memorials of sundry citizens of Hutchinson, Faribault, Morristown, Warsaw, Willmar, and Brainerd, all in the State of Minnesota, remonstrating against the passage of legislation providing for compulsory Sunday observance in the District of Columbia, which were referred to the Committee on the District of Columbia.

REPORTS OF COMMITTEES

Mr. DALE, from the Committee on Pensions, to which was referred the bill (H. R. 16461) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, reported it with amendments and submitted a report (No. 1468) thereon.

Mr. REED of Pennsylvania, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (H. R. 1130) authorizing the Secretary of War to donate to the Wayne County Council of the Veterans of Foreign Wars, of Detroit, State of Michigan, two obsolete brass cannons (Rept. No. 1472); and

A bill (H. R. 10504) to amend the act approved June 4, 1897, by authorizing an increase in the cost of lands to be embraced in the Shiloh National Military Park, Pittsburg Landing, Tenn. (Rept. No. 1473).

MISSISSIPPI RIVER BRIDGE

Mr. STEWART. From the Committee on Commerce, I report back favorably with an amendment the bill (S. 5620) granting the consent of Congress to John R. Scott, Thomas J. Scott, E. E. Green, and Baxter L. Brown, their successors and assigns, to construct, maintain, and operate a bridge across the Mississippi River, and I submit a report (No. 1469) thereon. I ask unanimous consent for its present consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendment was, on page 1, line 10, after the word "opposite," to insert "in the State of Illinois," so as to make the bill read:

Be it enacted, etc., That the consent of Congress is hereby granted to John R. Scott, Thomas J. Scott, E. E. Green, and Baxter L. Brown, their successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River at a point suitable to the interests of navigation, between a point at or near the northern city limits of the city of St. Louis, in the State of Missouri, and a point opposite in the State of Illinois, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon John R. Scott, Thomas J. Scott, E. E. Green, and Baxter L. Brown, their successors and assigns, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches and terminals as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in condemnation and expropriation of property in such State.

SEC. 3. The said John R. Scott, Thomas J. Scott, E. E. Green, and Baxter L. Brown, their successors and assigns, are hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under authority contained in the act of March 23, 1906.

SEC. 4. After the completion of such bridge, as determined by the Secretary of War, either the State of Missouri, the State of Illinois, any political subdivision of either of such States, within or adjoining which any part of such bridge is located, or any two or more of them jointly, may at any time acquire and take over all right, title, and interest in such bridge and its approaches, and any interest in real property necessary therefor, by purchase or by condemnation in accordance with the laws of either of such States governing the acquisition of private property for public purposes by condemnation. If at any time after the expiration of 20 years after the completion of such bridge the same is acquired by condemnation, the amount of damages or compensation to be allowed shall not include good will, going value, or prospective revenues or profits, but shall be limited to the sum of (1) the actual cost of constructing such bridge and its approaches, less a reasonable deduction for actual depreciation in value, (2) the actual cost of acquiring such interests in real property, (3) actual financing and promotion cost, not to exceed 10 per cent of the sum of the cost of constructing the bridge and its approaches and acquiring such interest in real property, and (4) actual expenditures for necessary improvements.

SEC. 5. If such bridge shall be taken over or acquired by the States or political subdivisions thereof as provided in section 4 of this act, and if tolls are charged for the use thereof, the rates of toll shall be so adjusted as to provide a fund sufficient to pay for the cost of maintaining, repairing, and operating the bridge and its approaches, to pay an adequate return on the cost thereof, and to provide a sinking fund sufficient to amortize the amount paid therefor as soon as possible under reasonable charges, but within a period not to exceed 25 years from the date of acquiring the same. After a sinking fund sufficient to pay the cost of acquiring the bridge and its approaches shall have been provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper care, repair, maintenance, and operation of the bridge and its approaches. An accurate record of the amount paid for acquiring the bridge and its approaches, the expenditures for operating, repairing, and maintaining the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 6. The said John R. Scott, Thomas J. Scott, E. E. Green, and Baxter L. Brown, their successors and assigns, shall within 90 days after the completion of such bridge file with the Secretary of War a sworn itemized statement showing the actual original cost of constructing such bridge and its approaches, the actual cost of acquiring any interest in real property necessary therefor, and the actual financing and promotion costs. The Secretary of War may at any time within three years after the completion of such bridge investigate the actual cost of constructing the same, and for such purposes the said John R. Scott, Thomas J. Scott, E. E. Green, and Baxter L. Brown, their successors and assigns, shall make available all of its records in connection with the financing and the construction thereof. The findings of the Secretary of War as to actual original cost of the bridge shall be conclusive, subject only to review in a court of equity for fraud or gross mistake.

SEC. 7. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to John R. Scott, Thomas J. Scott, E. E. Green, and Baxter L. Brown, their successors and assigns, and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person.

SEC. 8. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OHIO RIVER BRIDGE

Mr. STEWART. From the Committee on Commerce, I report back favorably without amendment the bill (S. 5598) to extend the time for constructing a bridge across the Ohio River approximately midway between the city of Owensboro, Ky., and Rockport, Ind., and I submit a report (No. 1470) thereon. I ask unanimous consent for its present consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of the bridge authorized by act of Congress approved June 12, 1926, to be built across the Ohio River between the city of Owensboro, Daviess County, Ky., and Rockport, Spencer County, Ind., are hereby extended one year and three years, respectively, from the date of approval hereof.

SEC. 2. That the right to alter, amend, or repeal this act is expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BRIDGE ACROSS TUG FORK

Mr. STEWART. From the Committee on Commerce, I report back favorably with amendments the bill (S. 5588) granting the consent of Congress to the Big Sandy & Cumberland Railroad Co. to construct and maintain and operate a bridge across the Tug Fork of Big Sandy River, at Devon, Mingo County, W. Va., and I submit a report (No. 1471) thereon. I ask unanimous consent for its present consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendment was, on page 2, after line 6, to insert the following sections:

SEC. 2. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted

to the Big Sandy & Cumberland Railroad Co., its successors and assigns, and any corporation to which such rights, powers, and privileges may be sold, assigned, or transferred, or which shall acquire the same by mortgage foreclosure or otherwise is hereby authorized to exercise the same as fully as though conferred herein directly upon such corporation.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

So as to make the bill read:

Be it enacted, etc., That the consent of Congress is hereby granted to the Big Sandy & Cumberland Railroad Co., a corporation organized under the laws of the State of Virginia and authorized to do business in the State of West Virginia, and operate railways in Kentucky, its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Tug Fork of Big Sandy River at a point suitable to the interests of navigation at Devon, Mingo County, W. Va., where the said Tug Fork forms the boundary line between the States of West Virginia and Kentucky, in accordance with the provisions of the act to regulate the construction of bridges over navigable waters, approved March 23, 1906.

SEC. 2. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to the Big Sandy & Cumberland Railroad Co., its successors and assigns, and any corporation to which such rights, powers, and privileges may be sold, assigned, or transferred, or which shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized to exercise the same as fully as though conferred herein directly upon such corporation.

SEC. 3. The right to alter, amend, or repeal this act, is hereby expressly reserved.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill granting the consent of Congress to the Big Sandy & Cumberland Railroad Co. to construct, maintain, and operate a bridge across the Tug Fork of Big Sandy River at Devon, Mingo County, W. Va."

ENROLLED BILLS PRESENTED

Mr. GREENE, from the Committee on Enrolled Bills, reported that on February 12, 1927, that committee presented to the President of the United States the following bills:

S. 4727. An act to provide for the widening of Nichols Avenue between Good Hope Road and S Street SE., in the District of Columbia; and

S. 4553. An act granting the consent of Congress to the Chesapeake Bay Bridge Co. to construct a bridge across the Chesapeake Bay from a point in Baltimore County to a point in Kent County, in the State of Maryland.

BILLS INTRODUCED

Bills were introduced, read the first time, and by unanimous consent the second time, and referred as follows:

By Mr. BINGHAM:

A bill (S. 5686) to amend the act entitled "An act to provide a civil government for Porto Rico, and for other purposes," approved March 2, 1917, as amended; to the Committee on Territories and Insular Possessions.

By Mr. CAPPER:

A bill (S. 5687) granting an increase of pension to Margery Warren (with accompanying papers); to the Committee on Pensions.

By Mr. HAWES:

A bill (S. 5688) granting an increase of pension to Lucy R. Steckel (with accompanying papers); to the Committee on Pensions.

By Mr. McMASTER (for Mr. NORBECK):

A bill (S. 5689) granting a pension to Martha E. Jones; and

A bill (S. 5690) granting a pension to Louise Schmit; to the Committee on Pensions.

By Mr. SMITH:

A bill (S. 5691) granting a pension to George C. Ezell; to the Committee on Pensions.

A bill (S. 5692) granting permission for the laying of pipes for the transmission of steam along the alley between lots Nos. 5 and 32, in square No. 225; to the Committee on the District of Columbia.

By Mr. TRAMMELL:

A bill (S. 5693) to correct the naval record of Marion R. McLelland; to the Committee on Naval Affairs.

A bill (S. 5694) granting a pension to Dennett H. Mosely; to the Committee on Pensions.

By Mr. FRAZIER:

A bill (S. 5696) to amend the United States grain standards act; to the Committee on Agriculture and Forestry.

A bill (S. 5697) to amend sections 311 and 313 of the tariff act of 1922, as amended; to the Committee on Finance.

COMMEMORATION OF DEDICATION OF RUSHMORE MOUNTAIN, S. DAK.

Mr. McMASTER. I ask unanimous consent to introduce a bill and to occupy a short time explaining the purpose of the measure.

The PRESIDING OFFICER. Without objection, the bill will be received.

The bill (S. 5695) authorizing the coinage of silver 50-cent pieces in commemoration of the dedication of Rushmore Mountain, located within Harney National Forest, S. Dak., for the carving thereon of a heroic monument commemorating the deeds of George Washington, Thomas Jefferson, Abraham Lincoln, and Theodore Roosevelt in the founding, preservation, and territorial expansion of the Republic, and in memory of Calvin Coolidge, President of the United States of America, in whose administration this memorial was begun, was read twice by its title.

The PRESIDING OFFICER. The Senator asks unanimous consent to address the Senate for a short time. Is there objection. The Chair hears none, and recognizes the Senator from South Dakota.

Mr. McMASTER. I desire to say, Mr. President, that my colleague [Mr. NORBECK], who is confined in a hospital at the present time, is the real father of the bill which I have just introduced. He has devoted much work and displayed great enthusiasm in his indefatigable efforts to laying the foundation plans for this great memorial.

In 1925 Congress passed an act authorizing the State of South Dakota, through a commission, to undertake the building of a monument of national character to be located in the Harney National Forest in the famous Black Hills section of South Dakota. The original object of the memorial was to commemorate the birth as well as the preservation of the Republic through the carving of two colossal statues of Washington and Lincoln; but, owing to the fact that there has been great national interest aroused in the erection of the memorial, it has been decided to enlarge its historical import by including not only the formation and preservation but the development, expansion, and growth of the Republic.

The State of South Dakota occupies a peculiar position from a historical standpoint in that great drama of the development of that vast empire in the West that is comprised within the area known as the Louisiana Purchase. The story of the relation of South Dakota to those great epoch-making events is as follows:

In 1742 the King of France, seeking to outflank the British colonies on the west and the north, dispatched to America that intrepid explorer Cavalier La Verendrye. From Quebec he moved southward, and finally reached the point on the Missouri River which is opposite to the city of Pierre, where is now located the capital of South Dakota.

There on a lonely eminence he planted a plate of lead bearing the inscription that all the territory lying to the north and to the south and to the west should henceforth come under the jurisdiction and into the possession of France. The establishing the facts concerning this event through the diary of La Verendrye assisted France materially in maintaining its claim to that great empire of the West. Only a few years ago the leaden plate was unearthed, and this priceless historic relic now reposes in the Capitol Building of the State of South Dakota.

In 1756 this territory was ceded by France to Spain and in 1803 Spain transferred it back again to the First Consul of France, Napoleon Bonaparte. Then it was that Jefferson, through his foresight and wisdom, brought about what is known as the Louisiana Purchase. Then came the settlement in the southwestern country, out of which developed the Republic of Texas, which soon became a part of the Union. Then came the Mexican War, then the acquisition of California and the purchase of Oregon.

I wish to say in this connection that the sculptural features of the proposed memorial consists, first, of a colossal portrait of George Washington, chiseled in granite, 60 feet high, on the right of which will be a colossal portrait of Thomas Jefferson, who conceived the importance of the Louisiana Purchase; and to the left a portrait of the immortal Abraham Lincoln, and also a portrait of Roosevelt, because of the fact that he brought about the consummation of the construction of the Panama Canal, which fulfills the prophecy of Christopher Columbus. In the background of these sculptures, chiseled in granite, will also be an entablature vividly portraying the rapid sequence, the great historic events of the Republic of Texas being admitted to the Union, the acquisition of California, the acquisition of the Oregon Territory, the purchase of Alaska from Russia, and also the cession of the Floridas by Spain.

In a word, Mr. President, the object of this great memorial is to commemorate by a story carved in stone one of the most colossal events in all history—the birth, the preservation, the development, and expansion of this Republic.

On account of the national character of this memorial, on account of its historical importance, the bill which I have introduced asks that Congress cause to be struck at the United States mint certain suitable memorial coins which will assist the committee in the great work it has undertaken.

The PRESIDING OFFICER. The bill will be referred to the Committee on Banking and Currency.

AMENDMENT TO SECOND DEFICIENCY APPROPRIATION BILL

Mr. ODDIE submitted an amendment intended to be proposed by him to the second deficiency appropriation bill for the fiscal year 1927, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

Under the Department of Commerce, Bureau of Mines, insert at the proper place the following:

"For mineral mining investigations, $25,000; for economics of mineral industries, $40,000; for operating mine rescue cars and stations, $55,500; and for investigating mine accidents, $35,000."

PRESIDENTIAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on February 10, 1927, the President had approved and signed the following acts:

S. 3634. An act providing for the preparation of a biennial index to State legislation; and

S. 3928. An act authorizing the designation of an ex officio Commissioner for Alaska for each of the executive departments of the United States, and for other purposes.

BELLE FOURCHE AND CHEYENNE RIVERS

The PRESIDING OFFICER (Mr. JONES of Washington in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 4411) granting the consent of Congress to compacts or agreements between the States of South Dakota and Wyoming with respect to the division and apportionment of the waters of the Belle Fourche and Cheyenne Rivers and other streams in which such States are jointly interested, which was, on page 2, line 6, after the word "into," to insert:

Provided, That there is hereby authorized to be appropriated out of the reclamation fund $1,000, or so much thereof as may be necessary, to pay the expenses of such Federal participation.

Mr. KENDRICK. I move that the Senate disagree to the amendment of the House, request a conference with the House on the disagreeing votes of the two Houses, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. PHIPPS, Mr. JONES of Washington, and Mr. KENDRICK conferees on the part of the Senate.

NATIONAL DEFENSE AND PREPAREDNESS—ADDRESS BY SENATOR TYSON

Mr. McKELLAR. Mr. President, on February 11 my colleague, the junior Senator from Tennessee [Mr. TYSON], delivered a notable address at the Women's Patriotic Conference on National Defense, his subject being "National defense and national preparedness." I ask unanimous consent that the address may be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The address is as follows:

I desire to express my appreciation of the honor you have conferred upon me in inviting me to be present and address you on this occasion.

The subject of my discourse to-day is the most important that can occupy the attention of any people and one that has occupied the attention of every nation of the world, great and small, from the beginning of time down to this good hour.

I believe that I am well within the bounds of truth when I say that in proportion to the consideration and the persistent attention that has been given to this subject have the greatness and permanency of all the nations of the world been measured.

The oldest and the truest of all maxims is that "self-preservation is the first law of nature."

We have several tragic examples of ancient nations now existing which have never been prepared for war.

China and India, together, have over 700,000,000 human beings; they contain more than two-fifths of all the people of the earth, and yet India is a subject nation to another nation with one-sixth of its population and situated nearly 10,000 miles away. China, the most populous nation of the world, has been for a hundred years the prey of a dozen European nations of one-tenth its size and population. All due to the lack of preparedness for war and of national defense.

It can be truly said that not more than five nations of the world to-day with a combined population of less than 300,000,000 people are dominating and practically controlling the rest of the world of 1,800,000,000 people.

Madame Chairman, let me repeat that this is now, always has been, and always will be the greatest subject that can occupy and hold a nation.

The whole earth is strewn with the wreck and ruins and decay of peoples, of nations, of empires, mostly due to inadequate preparedness or inadequate provisions for national defense.

Assyria, Babylon, Rome, Greece, Carthage, Egypt, China, India, Arabia, the Mussulman Empire, where are they? If we are wise, we will profit by their example.

The United States of America is the most remarkable Nation that history records. In the course of 150 years we have risen from a small and insignificant Nation to be the greatest, the most powerful, and the richest Nation of the world.

It has been said that all the nations of the world hate us. I am not willing to believe that they go as far as that, but I do believe most of the nations of Europe greatly dislike us at this time. It is most unfortunate that this is true, and there is no justification for most of it, but I believe much of it is due to our attitude and action in regard to the League of Nations. Our allies of the World War believe we were guilty of an act of perfidy in not going into the League of Nations, thereby failing to do our part to maintain the peace of the world.

They feel that the League of Nations was largely our plan—at least it was the plan of our leader—and that it was through his influence that the treaty of Versailles was signed, containing the covenant of the league, and that all the Allies signed and ratified, thereby binding them, and that, although we signed the treaty through our representatives, we refused to ratify and left them to carry out and be bound by a treaty into which we had induced them to enter and then refused to be bound ourselves. This, added to natural jealousy and the debt question, is the cause of their dislike.

Madame President, 10 years ago the United States of America had a world-wide reputation for standing only for the right. Within that time she put 5,000,000 men into the World War; spent $40,000,000,000 of treasure; loaned the Allies $10,000,000,000; sent 2,000,000 of her sons 3,000 miles across the sea to fight in the greatest war of all time and saved the freedom of the world.

And yet to-day it is said she has not a friend in all the world.

If that be true, Madame President, taking example by the past and looking to the future of our country and realizing the great struggle in which nearly the whole world was involved so recently, it behooves us to take no unnecessary chances, and we should leave nothing undone which should be done to properly prepare our country for any defense that it may be necessary to make.

While by far the greatest part of my life has been spent as a civilian, at the same time I was trained for a soldier and I have served actively in all the wars in which this country has been engaged since I became of age.

I hate war. It is the most horrible and the most dreadful scourge that has ever afflicted mankind, and no nation ought ever to consent to make war unless attacked and until all honorable means have first been tried to prevent war.

No one ought to be a pacifist. There are many misguided persons who feel that we should not fight under any circumstances, and their whole propaganda is peace at any price. That is the surest way of ultimately causing war and bringing disaster to a nation.

There are some who are opposed to all force. They believe that all physical force is wrong; that public opinion alone should always control, and if left alone that public opinion will finally solve all problems and solve them in the right way.

Madame President, I will agree that public opinion in the long run will prevail in a democracy, but the question is, What is public opinion and when do you know what public opinion is?

Before public opinion can become known it must be resolved into law, and the law is the only thing that can be enforced. There are two things required to enforce a law. First, public opinion; and second, physical force.

Public opinion alone never enforced a law. Physical force may do so temporarily, but it can not for a long period prevail over public opinion except by great and overpowering physical strength and numbers.

It is said that might does not make right, but there is one thing that we must always remember, and that is that we can not have right for any length of time unless it is backed up by the power of physical might.

Every decree of a court is based upon law which is the expression of public opinion, and this must have in its last analysis the physical power of the sheriff and his posse to insure obedience.

And so the peace and order of society in any nation finally rests upon the power of its armed forces.

National preparedness and national defense are inseparably associated with the Army and the Navy. The condition and organization of these two branches of the two great services are the things that are most considered when we speak of preparedness and national defense, but they are not by any means the only things to be considered, for the day has come, as shown in the last war, that now not only the men and women engaged in the actual operations of war but the whole Nation behind the lines, including factories, farms, and every activity of a nation is used in war, and the elements and conditions obtaining behind the lines are as vital to success as those even in the very battle front.

Unfortunately for us the United States has gone into every war of importance that she has fought almost wholly unprepared. Of course, it was to be expected that we would have little if any preparation in our struggle against England in the Revolutionary War, but we declared war on Great Britain in 1812, 30 years afterwards utterly unprepared, and nothing but good fortune and the fact that Britain was in the throes of a desperate struggle with Napoleon kept us from a great disaster.

Our country had no army worthy of the name so far as size was concerned in 1861 when it went into one of the greatest struggles in history. Had the United States had an army of 50,000 men and 3,000 trained officers the battle of Bull Run, of course, would have been another story; that war would have been much shorter; vast treasure and untold suffering and countless lives might have been saved.

But, Madame President, we learned nothing even from that war, for nothing was done for 30 years to prepare for any future war so far as the Army was concerned.

It will be observed that the intervals between wars in our country have been about every 30 years.

We had begun to realize the necessity for having a Navy and we had built a fairly good Navy when the Spanish American War came so suddenly upon us.

We had done practically nothing in the way of preparation. We had only 25,000 men and 2,000 officers in the Regular Army and these were scattered in small posts and detachments over this great country from Maine to California.

There were but small supplies of arms and ammunition. There was no surplus clothing, no medecines, no organization of those things so essential for an army.

At that time the United States was already one of the richest Nations of the world, and yet the volunteer army that came crowding to the colors, in overwhelming numbers, from every part of the country was one of the poorest supplied and the poorest equipped armies that ever went to battle.

This was the first army that the United States had ever sent across the sea. We sent 15,000 men to Cuba, 5,000 to Porto Rico, and several thousand 10,000 miles away, to the far-off Philippine Islands.

Never have the sons of America flocked more readily or more enthusiastically to the colors than they did in the Spanish-American War.

And while few of them died in battle, hundreds died from unsanitary surroundings, ignorance and neglect by reason of the want of medical supplies, and proper medical treatment.

The Navy fortunately was efficient and well supplied and won two great victories in Manila Bay and at Santiago, and thus enabled the Army to win the battles on land and end the war.

Few people appreciate the value of the Spanish-American War to the American people. Aside from any material advantage that we gained, it brought home to us the necessity of preparedness, especially in sanitation and medical supplies, and many other essentials of war.

And not only that, but the organization of the Spanish-American War veterans and their activities in helping to bring to the attention of the country the necessity for preparedness for war had a very salutary effect upon the country and was one of the greatest ultimate influences in securing the passage of the national defense act or reorganization of the Army in 1916.

In 1904 the Spanish-American War Veterans wrote into their constitution as among the objects of their organization, "To encourage and promote the maintenance of an adequate Military and Naval Establishment in our country and an efficient military and naval force in the several States, with a proper system for organizing a volunteer Army in time of war; to educate our people to a sense of the necessity for making provision for national defense, and to the importance of educating and training the youth of our land, so that they may be able sufficiently to serve their country and defend the flag in time of war."

This was the first public utterance in behalf of a national defense act.

In this act three different departments were provided:

First, the Regular Army and this Army was to consist of 175,000 men.

Second, it provided for a Reserve Officers' Training Corps, so that students at colleges might have proper military training, and

Third, it provided for citizens' military training camps and Reserve Corps officers to be attached to the service in time of great emergency.

By reason of the lesson of the Spanish-American War we had supplies and full preparation made to equip 500,000 men when we went into the World War. While this amount of supplies was thought to be ample, it was soon found that they would be only a fraction of the amount that would be required, for by October, 1917, we had over a million men enlisted in the service, and in a few months thereafter 2,000,000, and by the middle of the following summer 4,000,000.

Now, with the lessons of the past, if a catastrophe should overtake us by virtue of our failure to prepare, we would have only ourselves to blame.

I am glad to be able to say to you, however, that although we are not prepared as well as we ought to be, at the same time, I believe we are fairly well prepared to meet the probable contingencies that may arise in the near future.

The World War caused us to pass what is known as the national defense act in 1920, two years after the war closed. This act was drawn under the supervision and by the direction and the approval of our great commander in the World War, Gen. John J. Pershing, who was at that time the Chief of Staff of the United States Army. This act provided for an Army of 280,000 men. It provided for a National Guard of 435,000 and a Reserve Corps of an indefinite number of men, which would take in all the man power of the Nation and make them available for national defense.

In this act we laid out and defined a national military policy, and that policy was and is that the United States must always have an adequate national defense.

This was the first time that we had laid out and defined a national military policy for this country, notwithstanding the fact that we had been a Nation for more than 140 years.

The forces provided for in the national defense act of 1920 have not been maintained, however.

The Army for 1927 is fixed at 118,750 men, and about 10,500 officers.

There has been a great deal of dissatisfaction and criticism as to the air forces of the Army and the Navy. Last year the Congress passed a bill providing for a great increase in the air forces of both the Army and the Navy, and a great number of new planes and a greatly increased personnel in both the Army and the Navy is to be made, to be extended over a period of five years.

When these new planes are built and this additional personnel is provided, it is believed that the air forces of the Army and the Navy will at least compare favorably with any other nation of the world and be adequate for the national defense.

In addition to the forces provided for above, there is in many States now an effective organization of National Guards, which is supported jointly by the States and the United States. These troops are for the use of the States first, and when needed can be called into the service of the United States.

There is a large force of reserve officers, and at least 1,000,000 men who would be available from the World War.

There has never been a time when the Regular Army officers were so well trained or when they worked so hard or were so efficient. To-day the Army is a great school and every officer is examined at intervals and he has to stand high or he is dropped. The only question is, are there enough men and are there enough officers to meet any emergency that is likely to arise?

The Army and the Navy are the agencies for our preservation as a Nation. It will be all right if we have more than we need in a war, but what if we did not have enough and the war should be lost?

I have not spoken of the Navy, and, of course, the Navy is as important if not more important than the Army in the matter of preparedness, because the Navy is the first line of defense, and if a war comes there is no time to build a navy. It must be ready to go right into battle and protect the country while the Army is concentrating or preparing. Of late there has been much discussion as to the condition and size of our Navy. At the close of the World War we had the greatest Navy in the world either built or building.

It has been said that if we had completed all the ships that we scrapped under the terms of the Conference on the Limitation of Armaments and had we built a sufficient number of cruisers, submarines, and other auxiliary ships to round out the Navy, which we would probably have done had it not been for the conference, we would have had a navy powerful enough to withstand the combined navies of the world now in existence. This would have guaranteed us absolute protection from the sea, but it would have cost an enormous amount of money. The ships we scrapped had already cost $150,000,000, and it would have cost $250,000,000 more to complete them.

Much complaint has been made about the sinking of these ships, but if we have no war in the next 10 years, and there seems little prospect of any, the United States has saved not less than $500,000,000 by the armament conference, to say nothing of showing her great desire for and will to sacrifice for peace.

While the limitation of armaments was confined to two classes of ships—battleships and carriers—and while we have not yet been able to get the nations of the world to agree to extend it to other classes

of ships, we still have the hope that there will be another naval conference at some time in the near future at which we may extend the limitation of armament to all classes of ships. This will be a great boon to peace and the economical administration of the Governments of the world.

As you will remember, the limitations of armaments conference provided that the ratio for ships in regard to capital ships and carriers should be on the basis of 5–5–3—Great Britain 5 and the United States 5, Japan 3, France and Italy each 1.67. That is to say, Great Britain and the United States were to be equal, Japan was to have 3 for every 5 we had, and France and Italy 1.67 for each ship we had. It is true that Great Britain and Japan have greatly increased the number of their ships which are in the classes where there were no limitations and we have not increased ours, but our example has without doubt had a great influence on the armaments of the world.

Without doubt the American people expect us to keep up the ratio of 5–5–3—that is, our Navy to be kept up to the point where it is as strong as the British Navy and where it is at least two-fifths stronger than Japan. While it is true that the Navy is perhaps to-day not as strong as it should be, at the same time it is believed by a great many, and especially by the President of the United States, that we have an adequate navy and one sufficiently large to meet all the needs of this country for national defense at this time.

Now, we must always take into account the cost of everything, and the present ships of the Navy cost the United States Government the enormous sum of $883,000,000, and if they had to be replaced to-day they would cost $1,200,000,000. It is estimated that this great fleet will have to be entirely replaced, even if nothing more is added, during every 20 years, as the efficient life of ships of the Navy is, on the average, 20 years.

The best authorities which we have in Congress in regard to the Navy feel that while our Navy is not the greatest in the world, that it is perhaps adequate for the present needs, but in view of the fact that we have just provided for several additional cruisers, and as the sentiment of Congress seems to be for a strong navy and to keep our ratio up to the 5–5–3, I do not feel that Congress will permit our Navy to fall below what it is to-day.

Personally, I do not believe it is absolutely necessary for this country to maintain as great a navy as Great Britain. We have no such impelling reasons. Great Britain's whole future and Empire itself is based upon her naval forces, as she has colonies and possessions in every part of the world which she must protect with her navy. Her food supply is brought from other countries. She could not live a week without ships coming into her harbors every day.

Not so with America; we have only Porto Rico, Panama, and Hawaiian Islands, and the Philippines as our foreign possessions, and I believe we need a navy for our protection superior only to that of Japan, but we must always maintain a navy greatly superior to Japan. Of course, a navy as large as that of Great Britain would be very gratifying to our pride but it would cost an enormous sum of money, which is not necessary now as I see it, and it would be a waste of money.

As for our Army, while perhaps it would be better to have a large army, at the same time I believe that 125,000 men will meet our needs for the present.

The number of officers, perhaps, is not large enough, 10,500 in the Regular Army, but we are doing more to train officers in the Reserve Officers' Training Corps than ever before, and we have tens of thousands of officers for the present who would be available, who were in the World War, and in addition, as I have said, there are so many men who went to the World War that for the next 10 years there will be in this country a trained force of at least 1,000,000 men that will be available in any emergency which might arise.

The Army and the Navy are the two most expensive departments which we have in all our Government, and they will remain so as long as we remain properly prepared. It is a financial burden, however great, which we must carry. It is an insurance policy for the future security and safety of the Nation, and while we should be careful to see that we do not pay a higher price for our insurance than we need to, we should ever be willing to pay as much as is necessary.

The Army and the Navy cost the country now something between $650,000,000 and $750,000,000 per year. War is the most expensive proposition that has ever been presented to mankind. We not only have to spend vast sums of money in maintaining an army and navy in times of peace, but if there should be war, we have to expend still greater amounts for the war, and then the pensions and compensation which we should pay to those who are wounded and disabled in the service of our country are an added source of expense which will always be with us.

While there is a great cry on the part of many for the greatest navy in the world and a larger army, we must not be taken off our feet, but we must be reasonable and not waste money, but must ever conserve our resources for in the last analysis it is money and resources that win wars. It was the great money power of the United States and its capacity to loan money to the Allies, that won the last war, and money and resources will win the wars of the future, and that is something we must never forget.

I am for peace—the American people are for peace, but every sensible American, man and woman, must realize that we do not want peace at any price. We must ever be ready to do right by all the nations of the world, but we must at all times be ready and willing to fight for the just rights of our citizens in every part of the world whenever necessary, in order to maintain our dignity and honor as a nation. In order to do that we must be prepared by land and sea to maintain and preserve the great place which we have attained in the world.

I do not believe that Great Britain would make war upon us. We have been at peace with her for more than 100 years, and there is much more reason now for Great Britain to remain at peace with us than ever before. I feel there is no possibility of any war with France, Spain, Italy, or Germany—in short, no other country of the world, with the exception of Japan, who would possibly consider the idea of making war upon us. Japan is the only possible menace to the United States, the Philippines being so close to her that they are really a hostage; but I can not conceive that Japan could be so unwise and foolish as to make war upon us. We want only peace and good will toward her; and while she could give us trouble, perhaps, for a considerable length of time, we would ultimately ruin Japan because of our great resources and our ability to maintain ourselves for so long a time, something which Japan could not do. Furthermore, the commerce which Japan has with us is the greatest she has with any nation, and the stoppage of this trade with us would ruin her financially.

China is a great undeveloped mass of people, and one that may develop into a world power, but that is a long time in the future. No nation can be great that can not have a large navy, and China has no navy. It would take her a very long time to develop one, if ever.

If we had war with any South American nation, we would have to go to them and not wait for them to come to us, and we could take our time and fight them at our leisure.

We should cultivate friendly relations with all the Latin-American people, and let them realize that ours is a country which desires to help and build up and to maintain the Monroe doctrine, not alone for ourselves but for all the nations of the Western Hemisphere as well.

We must show to the world that while we are not militaristic neither are we pacifists, but that we are willing to go as far as any other nation in the matter of the limitations of armaments.

At the same time, we must keep up the spirit of our people. We must let the Regular Army and Navy, the National Guard, and the Reserve Corps realize that they are ever objects of our most solicitous attention; that we intend to give them everything that they should have, and we must have a large and still larger force of trained officers ever ready to meet any emergency.

When the National Guardsmen, the reserve and emergency officers, and the private soldiers realize that the Nation appreciates their services and that when they go forth to battle and come back sick, wounded, and disabled they will receive consideration at the hands of the Government commensurate with the service which they have rendered, we can feel that the proper spirit of preparedness will prevail, that Congress will always provide the necessary funds, and that we need not fear for our country, for it will ever be protected by a loyal and devoted people.

Madame President, there is another kind of preparedness which we must consider which is no less essential, and on this form of preparedness the late President Harding made the most forcible presentation which I have ever seen. On March 4, 1921, in his inaugural address he said:

"If war is again forced upon us, I earnestly hope a way may be found which will unify our individual and collective strength and consecrate all America, materially and spiritually, body and soul, to national defense. I can vision the ideal republic, where every man and woman is called under the flag for assignment to duty for whatever service, military or civic, the individual is best fitted; where we may call to universal service every plant, agency, or facility, all in the sublime sacrifice for country, and not one penny of war profits shall inure to the benefit of private individual, corporation, or combination, but all above the normal shall flow into the defense chest of the Nation. There is something inherently wrong, something out of accord with the ideals of representative democracy, when one portion of our citizenship turns its activities to private gain amid defensive war, while another is fighting, sacrificing, or dying for national preservation.

"Out of such universal service will come a new unity of spirit and purpose, a new confidence and consecration, which would make our defense impregnable, our triumph assured. Then we should have little or no disorganization in our economic, industrial, and commercial systems at home, no staggering war debts, no swollen fortunes to flout the sacrifices of our soldiers, no excuse for sedition, no pitiable slackerism, no outrage of treason."

President Coolidge also said:

"A sound selective service act giving broad authority for the mobilization in time of peril of all the resources of the country, both persons

and materials, is needed to perfect our defensive policy in accordance with our ideals of equality."

Let Congress also adopt a just and fair policy that will assure to our National Guard and the great bulk of our civilians the same treatment and consideration for their injuries in defense of their country that it accords to the Regular Army and Navy.

Congress has accorded the privileges of retirement for injuries received in the World War to every class of officers except the civilians who fought as an emergency Army officer.

There were nine classes of officers who fought in the World War—the regular officer, the provisional officer, and the emergency officer of the Army; the regular officer, the provisional officer, and the emergency officer of the Navy; the regular officer, the provisional officer, and the emergency officer of the Marine Corps.

The officers in every one of these classes who were injured have been permitted to be retired under the same conditions as the Regular Army, the Navy, and the Marine Corps; in all, eight classes of officers, except the emergency officers of the Army; and yet, although the emergency officers of the Army are many times in number and suffered more than any other class of officers who went to the World War, Congress has refused to give them retirement.

It is the greatest and most glaring injustice that has ever been done to any class of the Nation's defenders in the history of this Republic.

There is now pending in the Senate and House a bill to remedy this great and glaring injustice; and yet, while it has been before Congress since 1919, we have not been able to pass it, by reason of obstructive tactics on the part of some Members of the House and Senate.

As long as injustices of this kind are permitted, the morale of the old Army and the future Army are necessarily greatly impaired.

Madame President, the question is, What can your organization do to promote preparedness and national defense?

I take it that this great patriotic organization will be glad and willing to do all in its power to forward and promote everything that conduces to the defense of the Nation.

You must first and foremost give your vigorous support to the military and naval policy of the country, as outlined by the experts of the War and Navy Departments and enacted into law by the Congress of the United States.

We do not need a large standing army, but we need to carry out a military policy and a system of defense suited to our needs and to the genius of our people.

It is not enough to merely put our policy on paper. The defense of our country lies largely in the hearts, minds, and hands of our people. We must be ever watchful and jealous in guarding our national defense.

Some would render this great Nation impotent in the training of our youth in our schools and colleges and summer camps. The success of the training of our youth in this country is not so much in the conduct of those who are immediately in charge of this training, but it is in the attitude of our citizens toward it. Notwithstanding the great value of training the youth of our country to be prepared for war in a proper and legitimate way, the attitude of some of our people toward it is most extraordinary, and has a tendency to nullify the efforts of the military instructors for efficient preparedness.

Is it fair to our young men to send them into battle untrained and unfit to cope with the rigors of war?

It is our plain duty to support with all the power at our command the training of our youth, as well as the National Guard men in the various States, so that we can build up a military strength and a knowledge of the horrors of war in the minds of our citizens that will go far toward avoiding a resort to armed force.

The particular vehicles for imparting military training to the young men of the Nation are the Reserve Officers' Training Corps units in schools and colleges and the citizens' military training camps held each summer. We have some 323 Reserve Officers' Training Corps units located at 223 institutions. The total enrollment is about 120,000. We conduct citizens' military training camps throughout the United States each summer with an enrollment of about 30,000. These numbers are not so important. The important matter is that the men and women of this Nation should be fully alive to the vital necessity of this phase of preparedness and should give it their full moral support, and resist all attacks made upon it with a full knowledge that such attacks emanate from minds that would render us defenseless.

There are no organizations in this country that can do more to encourage a proper spirit toward the effort which is now being made, especially by the War Department, to train the youth of our country than your own patriotic societies, and let me in closing say to you that it is the greatest duty which you can perform to the country in aid of a proper preparedness for national defense.

FARM RELIEF—CORRECTION OF RECORD

Mr. HARRISON. Mr. President, I am not in a position under the parliamentary rule, I appreciate, to enter a motion to reconsider the vote by which the bill known as the McNary bill passed the Senate on yesterday, for the reason that I voted in the negative on the final passage of the bill. So I ask unanimous consent that the vote by which that bill was passed be reconsidered, and then I shall ask unanimous consent for its return from the House to the Senate, and I want to make a statement in connection with my request.

One of the amendments which every friend of the measure had agreed upon, which was approved, as I understand it, by every representative of every farm group, was that pertaining to the equalization fee being applied after the product entered into transportation or commerce. In other words, it was to eliminate that very objectionable feature which had been carried in the other bill, and which was in the bill as reported out by the committee, applying the equalization fee at the gin in the case of cotton. The Senator from Tennessee [Mr. McKELLAR], at the instance, I presume, of the chairman of the committee, offered an amendment to the bill on yesterday, to which no one thought there was any opposition, reading as follows:

> In the case of cotton, the term "processing" means spinning, milling, or any manufacturing of cotton other than ginning; the term "sale" means a sale or other disposition in the United States of cotton for spinning, milling, or any manufacturing other than ginning, or for delivery outside the United States; and the term "transportation" means the acceptance of cotton by a common carrier for delivery to any person for spinning, milling, or any manufacturing of cotton other than ginning, or for delivery outside the United States; occurring after the beginning of operations by the board in respect of cotton.
>
> On page 21, line 10, strike out the word "The" and insert in lieu thereof the following: "In the case of basic agricultural commodities other than cotton, the."

I am not making this suggestion frivolously, and I shall not press it if it does not appeal to Senators here. If it can be gotten around in some other way, very well, but there were Senators who voted for the bill yesterday in the belief that that amendment had been adopted. I know I thought it had been adopted. I suppose the chairman of the committee thought so. I am sure the author of the amendment thought it had been adopted. Yet the RECORD discloses the remarkable fact that it was not adopted by the Senate.

It does seem to me that it is a matter of extreme importance to have that amendment incorporated in the bill, and it would not disarrange anything if the measure should be brought back here and the vote reconsidered. I do not think there is a Senator here who would raise any other objection to the bill, and I do not think it would delay the bill in the slightest, or that it would precipitate any further discussion; but it merely should be incorporated, so that when the House substitutes the Senate bill that amendment will be before them.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HARRISON. I yield.

Mr. McKELLAR. As appears on page 3513 of the RECORD, I offered an amendment to strike out, on page 20, from line 22, through line 2, on page 21, and to insert in lieu thereof the provision of which the Senator speaks.

Mr. HARRISON. Yes; and the amendment was not adopted.

Mr. McKELLAR. It will be remembered that those amendments were read but not adopted at that time. Afterwards they were voted on in order, and when it came to the amendment referred to, the RECORD, on page 3517, shows the following, about one-third of the way down the page:

> Mr. McKELLAR. I offer a further amendment, which I ask may be read.
>
> The VICE PRESIDENT. The clerk will read the amendment.
>
> The CHIEF CLERK. On page 20 of the bill, strike out lines 22 to 25, both inclusive; and on page 21 of the bill, strike out lines 1 and 2, in the following language.

Then the Chief Clerk read. Thereupon the amendment which I offered was actually adopted, as shown by the RECORD, but it does not show the reading of the amendment by the clerk. It seems to me that all that is necessary to be done is to correct the RECORD. The amendment was offered, the amendment was read and read twice, and all that is necessary is to correct the RECORD by showing the true fact.

Mr. HARRISON. Of course, if the amendment was adopted——

Mr. McKELLAR. If the Senator will excuse me, I ask unanimous consent that the RECORD may be corrected to accord with the actual fact.

Mr. HARRISON. That is all right. I may say to the Senator from Tennessee that this matter was called to my attention by a Member of the House. I read the RECORD very carefully, and I could not find where that amendment had ever been adopted. It is of such importance that it ought to be corrected.

It may be that the House would adopt it; I do not know. They ought to do so.

Mr. REED of Pennsylvania. Mr. President, if I may make a suggestion, it seems to me it is a very bad precedent to set to alter the formal record which has been made of the action of the Senate, particularly on votes of this importance. It appears to me, therefore, that the procedure suggested by the Senator from Mississippi is preferable.

Mr. HARRISON. Of course, if this amendment was adopted, my unanimous-consent request is not necessary.

Mr. McKELLAR. The amendment was actually agreed to. Senators will remember that there was another amendment which was defeated.

Mr. HARRISON. I had not seen that the amendment was adopted.

Mr. McKELLAR. It was adopted, and there is no reason in the world why the RECORD should not be corrected.

Mr. REED of Pennsylvania. It does not appear in the RECORD that it was adopted, and in order that our record may be unimpeached, would it not be better to follow the suggestion of the Senator from Mississippi and allow the bill to be brought back by unanimous consent and the vote reconsidered?

Mr. McNARY. I would object to that procedure.

The PRESIDING OFFICER (Mr. WATSON in the chair). The Senator from Oregon objects to the request of the Senator from Mississippi.

Mr. BRUCE. Mr. President, what is the amendment that is proposed to be reconsidered?

Mr. McKELLAR. I will read the amendment. On page 20, line 22, strike out through line 2 on page 21, and insert in lieu thereof the following:

(2) In the case of cotton, the term "processing" means spinning, milling, or any manufacturing of cotton other than ginning; the term "sale" means a sale or other disposition in the United States of cotton for spinning, milling, or any manufacturing other than ginning, or for delivery outside the United States; and the term "transportation" means the acceptance of cotton by a common carrier for delivery to any person for spinning, milling, or any manufacturing of cotton other than ginning, or for delivery outside the United States; occurring after the beginning of operations by the board in respect of cotton.

Mr. BRUCE. Did the Senator say the amendment was adopted?

Mr. McKELLAR. It was adopted.

Mr. BRUCE. Then I have no objection.

Mr. HARRISON. The RECORD shows that it was adopted, but it does not show what the amendment is. It does not show that the clerk read the amendment and no one can tell what the amendment was at that particular time. That is the trouble about the proposition.

Mr. OVERMAN. What does the bill show as it went to the House?

Mr. HARRISON. The bill in its amended form has not yet been printed.

Mr. McKELLAR. Under these circumstances I ask unanimous consent that the RECORD may show the true fact, that the amendment set forth on page 3513, to which I have called attention, was actually agreed to on page 3517.

Mr. McLEAN. Are we to understand that the Senator is making that as a motion?

Mr. McKELLAR. No; I am asking unanimous consent that the RECORD may speak the truth; that is all.

Mr. REED of Pennsylvania. Will the Senator indicate where the amendment occurs?

The PRESIDING OFFICER (Mr. WATSON in the chair). The Chair desires to state that he is informed by the clerks at the desk that the amendment was finally adopted.

Mr. McKELLAR. Yes; and the RECORD shows it was finally adopted. If the Senator from Pennsylvania will look on page 3517, about one-third of the way down in the left-hand column in the small print——

Mr. REED of Pennsylvania. Yes; I see it.

Mr. McKELLAR. Now, if the Senator will turn back to page 3513, at the middle of the page, he will see the amendment which was adopted. The clerk apparently, according to the RECORD, only read that part of it which was stricken out and did not actually read that part of the amendment which was adopted or the language which was inserted.

Mr. REED of Pennsylvania. Will the Senator allow this matter to go over for a few minutes until I have an opportunity to study it?

Mr. McKELLAR. Very gladly.

Mr. BLEASE. Mr. President, was there a yea-and-nay vote on the amendment?

The PRESIDING OFFICER. The Chair is informed that the amendment was adopted on a division and not by yea-and-nay vote.

Mr. McKELLAR subsequently said: Mr. President, I renew my request for unanimous consent to correct the RECORD by adding on page 3517 the amendment actually adopted as shown on page 3513 of the RECORD, and in order to be certain about it I read the amendment.

Mr. NEELY. Mr. President, will the Senator please state upon what page the amendment should have been inserted?

Mr. McKELLAR. It is to be inserted immediately after the paragraph under "(2)," about one-third of the way down on page 3517; in other words, after the word "cotton," and just before the words "The Vice President." I ask that the permanent RECORD be changed according to the correction made. The language to be inserted is:

(2) In the case of cotton, the term "processing" means spinning, milling, or any manufacturing of cotton other than ginning; the term "sale" means a sale or other disposition in the United States of cotton for spinning, milling, or any manufacturing other than ginning, or for delivery outside the United States; and the term "transportation" means the acceptance of cotton by a common carrier for delivery to any person for spinning, milling, or any manufacturing of cotton other than ginning, or for delivery outside the United States; occurring after the beginning of operations by the board in respect of cotton.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

Mr. LENROOT. Mr. President, may I suggest to the Senator from Tennessee that if he will ask that immediately before the words "The Vice President," where he puts the question, there be inserted the words "and insert the following," and then follow with the language to be inserted, the RECORD would be complete.

Mr. McKELLAR. I accept the suggestion made by the Senator from Wisconsin.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

Mr. BLEASE. I would like to know what the original bill itself shows.

Mr. McKELLAR. I have sent for the amendment and for the bill as amended.

Mr. BLEASE. I think the matter ought to go over until Monday, so I object.

The PRESIDING OFFICER. Objection is made.

Mr. McKELLAR subsequently said: Mr. President, I have found the original amendment to which I referred and have shown it to the Senator from South Carolina [Mr. BLEASE]. I want to renew the request I made a while ago, that on page 3606 of the RECORD, after the paragraph marked 2, which was stricken out, to insert the amendment which was actually adopted, as follows:

(2) In the case of cotton, the term "processing" means spinning, milling, or any manufacturing of cotton other than ginning; the term "sale" means a sale or other disposition in the United States of cotton for spinning, milling, or any manufacturing other than ginning, or for delivery outside the United States; and the term "transportation" means the acceptance of cotton by a common carrier for delivery to any person for spinning, milling, or any manufacturing of cotton other than ginning, or for delivery outside the United States; occurring after the beginning of operations by the board in respect of cotton.

The clerk informs me that that amendment was actually adopted, and we all remember that it was actually adopted. So I am asking that the permanent RECORD shall show that action.

The PRESIDING OFFICER (Mr. McNARY in the chair). The correction will be made in the RECORD as requested.

NATIONAL BANK BRANCHES

The Senate resumed the consideration of Mr. PEPPER's motion that the Senate recede from certain Senate amendments to House bill 2, and that the Senate concur in amendments made by the House to certain Senate amendments to the bill.

Mr. McLEAN. Mr. President, the motion is pending and if no one desires further to discuss it I would like to have a vote on it.

The PRESIDING OFFICER. The question is on agreeing to the motion submitted by the Senator from Pennsylvania [Mr. PEPPER].

Mr. HEFLIN obtained the floor.

Mr. DILL. Mr. President, will the Senator yield to me?

Mr. HEFLIN. I yield to the Senator from Washington.

REGULATION OF RADIO COMMUNICATIONS

Mr. DILL. A number of Senators have asked me what my purpose is regarding the taking up of the conference report on the radio bill. In the light of statements made on the floor that it would be impossible to get a unanimous-consent agreement to take it up, I desire to give notice that, because of the great pressure upon the part of the people of the country for radio legislation, I shall move to take it up as soon as the banking bill is disposed of. I want to take just a moment now to explain the situation as it exists to-day regarding radio stations.

The Department of Commerce officials informed me this morning that there are 721 stations now licensed; that there are 160 in process of construction which, if no law is enacted, will undoubtedly be licensed as soon as they make application. They have information that 328 more stations are in contemplation. So that in the natural development of events there will be approximately 1,200 stations on the air by July 1. If this is permitted to occur it means that the ordinary radio set in this country will be practically worthless except for mere local reception. I feel, therefore, that it is my duty to bring the conference report on the radio bill before the Senate at the earliest possible date and I shall make the motion to that effect at the first opportunity.

Mr. HOWELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Nebraska?

Mr. HEFLIN. I yield.

Mr. HOWELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Bayard	Gooding	McMaster	Sheppard
Blease	Harreld	McNary	Shipstead
Broussard	Harris	Mayfield	Smith
Bruce	Harrison	Neely	Smoot
Cameron	Hawes	Norris	Steck
Capper	Heflin	Nye	Stephens
Couzens	Howell	Oddie	Stewart
Curtis	Johnson	Overman	Trammell
Dale	Jones, Wash.	Pepper	Walsh, Mass.
Dill	Kendrick	Phipps	Walsh, Mont.
Ferris	Keyes	Pine	Warren
Fletcher	King	Ransdell	Watson
Frazier	La Follette	Reed, Mo.	Wheeler
George	Lenroot	Reed, Pa.	
Glass	McKellar	Robinson, Ark.	
Goff	McLean	Schall	

Mr. WATSON. I desire to announce that my colleague the junior Senator from Indiana [Mr. ROBINSON] is unavoidably absent from the city.

The PRESIDING OFFICER. Sixty-one Senators having answered to the roll call, there is a quorum present.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Kansas?

Mr. HEFLIN. I yield.

Mr. CURTIS. I understand that several Senators who desire to speak on the pending motion will not be ready to address the Senate until Monday. I would be perfectly willing to have an executive session at this time if that would be satisfactory to other Senators.

Mr. HEFLIN. That will be perfectly agreeable to me.

EXECUTIVE SESSION

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 3 o'clock and 33 minutes p. m.) the Senate adjourned until Monday, February 14, 1927, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate February 12, 1927

COUNSEL OF THE PUBLIC UTILITIES COMMISSION OF THE DISTRICT OF COLUMBIA

Ralph B. Fleharty, of the District of Columbia, to be additional counsel of the Public Utilities Commission of the District of Columbia, to be known as the people's counsel.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 12, 1927

MEMBER OF MISSISSIPPI RIVER COMMISSION

Col. Edward H. Schulz.

APPOINTMENTS BY TRANSFER IN THE ARMY

Capt. Morris Keene Barroll, jr., to Ordnance Department.

First Lieut. Arthur Richardson Baird to Ordnance Department.

Capt. David Wilson Craig to Field Artillery.

Capt. John Jacob Bethurum to Field Artillery.

Maj. Fred Warde Llewellyn to Judge Advocate General's Department.

Capt. Marion Irwin Voorhes to Cavalry.

APPOINTMENTS IN THE ARMY

Don Longfellow, first lieutenant, Medical Corps.

William Paul Holbrook, first lieutenant, Medical Corps.

Harvey Cecil Maxwell, first lieutenant, Medical Corps.

James Ogilvie Gillespie, first lieutenant, Medical Corps.

PROMOTIONS IN THE ARMY

Charles Bertody Stone, jr., to be colonel.

Louis Cass Brinton, jr., to be lieutenant colonel.

Lucien Samuel Spicer Berry to be major.

Loyd Van Horne Durfee to be captain.

Desmond O'Keefe to be captain.

Hal Marney Rose to be captain.

Frank Charles McConnell to be first lieutenant.

Dale Phillip Mason to be first lieutenant.

Donald Fowler Fritch to be first lieutenant.

John Ter Bush Bissell to be captain, Field Artillery.

James Madison Callicutt to be first lieutenant, Field Artillery.

PHILIPPINE SCOUTS

Nemesio Catalan to be first lieutenant.

POSTMASTERS

CALIFORNIA

Edna J. McGowan, Belmont.
Henry Metzler, Fowler.
Bert W. Miller, Hilts.
Emerson B. Herrick, Lodi.
Warren N. Garland, Oakdale.
Sherman G. Batchelor, San Bernardino.

COLORADO

Ama Hill, Arapahoe.
William A. Russom, Bristol.
John L. Nightingale, Fort Collins.
Theodore Stremme, Gypsum.
Orion W. Daggett, Redcliff.
Merrill D. Harshman, Wiggins.

ILLINOIS

Louis Lindenbauer, Camp Point.
William D. Chambers, East Moline.
Richard W. Miller, Hamilton.
Walter V. Berry, Irving.
Albert O. Kettelkamp, Nokomis.
Fred A. Sapp, Ottawa.
George S. Faxon, Plano.
Katherine Adams, Riverton.
William H. Fahnestock, Rushville.

IOWA

Oscar W. Larson, Odebolt.
Joseph C. Allen, Zearing.

MARYLAND

Roscoe C. McNutt, Falston.
Charles W. Foxwell, Leonardtown.

MISSOURI

Everett Drysdale, Butler.
George L. Pemberton, Charleston.
John R. Edwards, Dawn.
Edwin H. Laubert, Mayview.

NEBRASKA

Harry A. Riley, Spalding.
Wayne Mead, Western.

NEW JERSEY

Timothy J. Nevill, Carteret.

NEW MEXICO

C. E. Gibbs, Madrid.

PENNSYLVANIA

Harry A. Borland, Indiana.

RHODE ISLAND

William H. Godfrey, Apponaug.

WASHINGTON

Maud E. Hays, Starbuck.
Orien L. Renn, Touchet.
Ira S. Fields, Woodland.

WISCONSIN

Charlotte G. Johnson, Amherst.

WYOMING

Reuben A. Faulk, Lusk.
Alma N. Johnson, Yoder.

HOUSE OF REPRESENTATIVES

SATURDAY, *February 12, 1927*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Brightly beams our Father's mercy and all glory be unto His excellent name. It is boundless, flowing through the world far and wide. Vouchsafe unto us this day the blessing of Thy guidance that our walk may be acceptable unto Thee. Give, Oh give us the repose of mind that believes that all things work together for good to them that love Thee and keep Thy commandments. Provide a way of happiness and peace for the discouraged, the wounded, and the sick. Bless us with hunger for righteousness, wisdom, and all other virtues that lift us to the best service for our country and the good of our fellow men. Through Christ our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its principal clerk, announced that the Senate had passed Senate bill of the following title, in which the concurrence of the House is requested:

S. 4808. An act to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities.

The message also announced that the Senate disagrees to the amendments of the House of Representatives to the bill (S. 4411) entitled "An act granting the consent of Congress to compacts or agreements between the States of South Dakota and Wyoming with respect to the division and apportionment of the waters of the Belle Fourche and Cheyenne Rivers and other streams in which such States are jointly interested," and requests a conference with the House on the disagreeing votes of the two Houses thereon, and had appointed as conferees on the part of the Senate Mr. PHIPPS, Mr. JONES of Washington, and Mr. KENDRICK.

SENATE BILL REFERRED

Under clause 2 of Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred as indicated below:

S. 4808. An act to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities; to the Committee on Agriculture.

MAJ. CHARLES BEATTY MOORE

Mr. OLDFIELD. Mr. Speaker, I ask unanimous consent for the consideration of the bill S. 5259, an identical House bill having been unanimously reported by a committee of the House.

The SPEAKER. The Clerk will report the bill by title.

The Clerk read as follows:

An act (S. 5259) granting permission to Maj. Charles Beatty Moore, United States Army, to accept the following decorations, namely, the Legion of Honor tendered him by the Republic of France, and the officers' cross of the order Polonia Restituta tendered him by the Republic of Poland.

The SPEAKER. Is there objection?

Mr. BEGG. Mr. Speaker, reserving the right to object, our Committee on Foreign Affairs has a whole lot of bills just like this, and I do not believe we ought to single out and pass one of these without passing others when we have such a lot of them in our committee.

Mr. OLDFIELD. The Committee on Military Affairs, it seems, had this bill and reported it unanimously. This young man is a very high-class young man, in the war——

Mr. BEGG. That is practically true of every one before the committee.

Mr. OLDFIELD. I suggest that the gentleman from Ohio report out those bills and pass them. There are bills we have passed similar to this. You can thrash out those entitled to consideration and those that are not just as this was thrashed out in the Committee on Military Affairs here.

Mr. BEGG. Who is going to present these decorations? I have not read the bill.

Mr. OLDFIELD. France and Poland——

Mr. BEGG. How does the Committee on Military Affairs get jurisdiction?

Mr. OLDFIELD. It was referred to that committee, and it has been reported out unanimously. He is a son-in-law of Mr. MONTAGUE.

Mr. BEGG. And they also come to the Committee on Foreign Affairs?

Mr. OLDFIELD. I hope the gentleman will not object in this particular instance.

Mr. BEGG. I am going to ask the distinguished gentleman from Arkansas if he will not withdraw his request for to-day until we have a little chance to look it over.

Mr. OLDFIELD. I shall be glad to do that.

Mr. BEGG. I do not want to be forced to object to it this morning. I may change my mind.

Mr. OLDFIELD. I withdraw the request for the time being.

EXTENSION OF REMARKS

Mr. FISH. Mr. Speaker, I ask unanimous consent to place in the RECORD a statement by Major Mills, prohibition administrator of New York, in answer to certain charges made against him on the floor of the House.

The SPEAKER. Is there objection to the request of the gentleman from New York.

Mr. UNDERHILL. Mr. Speaker, reserving the right to object, I did not hear what the matter was.

Mr. FISH. It is a statement made by Mr. Mills in answer to certain attacks made upon him on the floor of the House.

Mr. UNDERHILL. Mr. Speaker, it does not seem to me that the House ought to continue to fill the RECORD up at this time when it is such a voluminous document with a lot of outside and extraneous matter, and because I have objected to these matters before, I feel compelled to object.

Mr. FISH. It is in answer to charges made on the floor of the House by a man who can not come and answer them here.

Mr. UNDERHILL. I will think the matter over, but for the present I object.

Mr. HALL of North Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting in the RECORD a resolution adopted by the Legislative Assembly of North Dakota with respect to the Great Lakes and St. Lawrence waterway.

The SPEAKER. The gentleman from North Dakota asks unanimous consent to extends his remarks in the RECORD by inserting a resolution of the Legislature of North Dakota in regard to the St. Lawrence waterway. Is there objection?

Mr. UNDERHILL. What is the use in having it printed in the RECORD twice? A note of it will appear in the back of the RECORD anyway. If the gentleman wants to place it in the basket, all right. There is no necessity of having it printed twice in the RECORD.

The SPEAKER. Objection is heard.

BRIDGE ACROSS THE MISSOURI RIVER

Mr. DENISON. Mr. Speaker, I rise to prefer a unanimous-consent request, for the immediate consideration of a bridge bill, in connection with which there exists an emergency. I am doing this, Mr. Speaker, at the request of the gentleman from Nebraska [Mr. MOREHEAD], and he assures me that there is quite an emergency connected with it.

The SPEAKER. If the gentleman assures the Chair that there is a distinct emergency connected with this bill the Chair will recognize him.

Mr. DENISON. It is the bill H. R. 16282, granting the consent of Congress to the Nebraska-Iowa Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Missouri River.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. DENISON. I will state, Mr. Speaker, that this bill is in the usual standard form of bridge bills of that character. There are no committee amendments; and, therefore, I ask unanimous consent that the bill may be considered as having been ordered to be engrossed and read a third time, and passed.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The motion to reconsider the vote whereby the bill was passed was ordered to be laid on the table.

ABRAHAM LINCOLN

Mr. GRIFFIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing some remarks I made before the Holy Name Society of Holy Trinity Church, this city, on February 10, on Abraham Lincoln.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD by inserting an address delivered by him on Abraham Lincoln. Is there objection?

There was no objection.

The remarks are as follows:

There is double impulse which prompts me to select Abraham Lincoln as my topic for to-night's address. My primary reason is perhaps that this occasion happens to be so near the anniversary of his birth. Also, and not the least of the motives which inspire me, is the fact that Lincoln was a man of deep religious sentiments. It is eminently proper, therefore, that I should hold up as a model for the stimulation of the young men of this society the great and noble statesman who in his private life was always a virile exponent of those habits of clean living and wholesome conversation for which you men so conspicuously stand.

He had a fondness for quaint and amusing stories, but they were always notably free from anything coarse or suggestive. Profanity was his aversion. And this also brings him into close harmony with the aim of your society to instill in the hearts of the youth of our land a reverence for God and abstinence from uncleanliness in thought, word, or deed.

HIS RELIGIOUS TRAINING

I know that a distinguished atheist once tried to elicit, perhaps, some comfort for his own hopelessness, by making the charge that Lincoln was an agnostic; but anyone who will take the trouble to peruse the speeches and addresses of this great man will discern the clear, bright light of his intensely religious soul.

When at Springfield, Ill., on the 11th of February, 1861, his neighbors gathered around him to wish him God speed on his journey to Washington to take upon his shoulders the responsibility of the Presidency he gave utterance to this solemn and reverential farewell:

"Trusting in Him who can go with me and remain with you and be everywhere, for good, let us confidently hope that all will be well. To His care commending you, I hope in your prayers you will commend me, friends and neighbors, an affectionate farewell."

No agnostic could have uttered such sentiments as those.

Among all the utterances of great men in all history, what is there to equal in diction, in sublimity of thought, or in deep religious fervor, that beautiful peroration on the occasion of his second inaugural address?

The great fratricidal conflict was drawing to a close. He had suffered much, and if he had been of common clay, with the mean resentments of a petty mind, he could never have given utterance to this beautiful and eloquent aspiration:

"With malice toward none, with charity for all, with firmness in the right as God gives us to see the right, let us finish the work we are in—to bind the Nation's wounds, to care for him who shall have borne the battle, and for his widow and his orphans, to do all which may achieve and cherish a just and a lasting peace among ourselves and with all nations."

NOT A KNOW-NOTHING

Like all great men, who are themselves genuinely religious, he had an aversion to intolerance and profoundly believed in the equality of all men before the law, regardless of race, color, or previous condition of servitude. In 1855, when the serpent of religious intolerance showed its slimy head—even as it does to-day—Lincoln was charged with being a "Know-Nothing." At that time this was not altogether a term of reproach for the Know-Nothing Party had grown to greater proportions than even the Ku-Klux movement has attained to-day. In fact, they were sufficiently organized to carry the elections in Massachusetts and in Delaware in 1854, and in 1856 nominated candidates for President and Vice President of the United States.

Lincoln, when charged with belonging to this organization, spurned the accusation with his customary vigor in the use of strong language. He said:

"I am not a Know-Nothing; that is certain. How could I be? How can anyone who abhors the oppression of negroes be in favor of degrading classes of white people? Our progress in degeneracy appears to me to be pretty rapid. As a Nation we began by declaring that 'all men are created equal.' We now practically read it: 'All men are created equal, except negroes.' When the Know-Nothings get control it will read: 'All men are created equal, except negroes and foreigners and Catholics.' When it comes to this I shall prefer emigrating to some country where they make no pretense of loving liberty—to Russia, for instance, where despotism can be taken pure and without the base alloy of hypocrisy."

HIS ORIGIN AND EARLY LIFE

Having now a picture of the soul of the man, let us look back into his origin and early history. On both paternal and maternal sides he was of old Virginia stock. His grandfather, Abraham Lincoln, was one of those early pioneers who left his environment in the Old Dominion to establish a new home in the wilderness. He set his hearthstone in Kentucky, but inside of two years the life of this rugged pioneer was quenched out in an encounter with the Indians.

THOMAS LINCOLN

His son, Thomas Lincoln, the father of Abraham Lincoln, grew up in this primitive atmosphere in constant struggle with the forces of nature. Of course, he was without the amenities of a "dressed-up civilization," but he was a rugged, sterling character. Some modern historians, ever on the alert to detect flaws in historic characters, have said that he was ignorant, uncouth, and shiftless. That is a vile, unwarranted charge. He may have been "uneducated," but he was not "ignorant." He may have been "homely," but he was not "uncouth." He may have been "unfortunate," but he was not "shiftless."

His education had a greater diversity than could have been obtained in books. He knew the birds of the air and the beasts of the earth—their seasons, their habits, and their uses. He knew the virtues of the soil and the art of planting. He could use his hands and could construct a boat, a wagon, or a sleigh, build a log-cabin and fashion its furniture. But above all, he was a good, wholesome, honest, God-fearing man. He had to combat the hostile elements of a primitive environment which yielded nothing more than a bare living. Under these adverse circumstances he married Nancy Hanks, a woman of noble character, and endowed the world with one of the greatest men in all history.

Abraham Lincoln was born of this union on February 12, 1809, at Nolin Creek, Hardin County, Ky. Brought into the world in such an environment as this and deriving his blood through such stock, we can easily account for the courage, the frugality, the self-denial, and the tenderness which distinguished him in later life.

When 7 years old, his father sold his humble farm and determined to make a new home for his little family across the Ohio. The price that he got for his farm was 10 barrels of whisky. Do not let this shock you! Whisky in those primitive regions was then a medium of exchange. It was equivalent to money. Remotely distant from markets for his produce, it could not be shipped over rough roads, so the only alternative was to turn nature's golden corn into indifferent whisky, and that was universally used as a means of barter and sale.

He put all his household belongings on a little boat, including his "money," and set forth on his Argonautic journey down Salt Creek. It does not appear that this historic stream was ordinarily perilous, but, in some manner, the wedges holding the barrels in place gave way and all of Tom Lincoln's "cash" rolled off into the waters.

Arriving on the other side of the Ohio River, the place selected for the new home was on Little Pigeon Creek, about 16 miles north of the Ohio and located within the present township of Carter, Ind. It was not long after their arrival there that the devoted soul of Mrs. Lincoln passed out of her weary body—the body of a pioneer wife, worn out with the fatigues and labors of establishing a new home in the wilderness.

In this hour of grief, the young boy assisted his father in the making of the coffin which was to hold the remains of his beloved mother. The father sawed a log into boards, planed and fashioned them and the parts were held together with rough wooden nails that young Abe whittled out with his penknife. Such were the rough inconveniences of life in those early days.

In the following year, Tom Lincoln brushed up a bit, fitted himself in his best togs, and went on a long journey to Elizabethtown, Ky. He well knew where he was going and what was his object. When he returned with a new wife his neighbors were not surprised. He had married an old sweetheart, herself by this time a widow—Mrs. Sally Bush Johnston. Let no one say that the man, who could conduct such a courtship and carry off his prize in such short order, was shiftless.

Young Abraham was fortunate in his new mother. She was a woman of education, loving and devoted, and her kindness to him was ever keenly appreciated. He was now about 10 years of age and knew nothing of the advantages of education. She taught him his letters and stimulated in him a fondness for reading. Once started, the young student became an enthusiast for learning.

He wrote his spelling lessons with a piece of burnt stick on scraps of paper, on the bark of trees, on the back of an old wooden shovel, and, in fact, wherever he could obtain a suitable surface, so that his father often gave signs of irritation at his zeal.

The next step was to get books. Of course, there was the family Bible, and that was a never-ending source of edification and encourage-

ment. He learned the parables by heart. He obtained a copy of Æsop's Fables, and his subsequent fondness for anecdote attests the good he obtained from that old classic.

His mind reached out and got knowledge because he wanted it. He was not coddled, as you can well imagine, as I believe boys are to-day. He knew the value of learning, and with this simple, rudimentary knowledge of his letters he spelled himself, by dint of hard labor, into the real treasures of the world.

He secured a copy of Weem's Life of Washington and read it diligently. This gave him the groundwork of American history. He also obtained a copy of the Arabian Nights, which he read with much amusement and comfort.

His father, Tom Lincoln, often deplored his spending so much of his time over the Arabian Nights, calling them "all derned lies." The young son replied, "Well, dad, they're derned good lies."

Dennis Hanks, a cousin and 10 years older than Abe, lived with them around this interesting period and is responsible for many interesting recollections. He lived to be over 90 years of age, and in 1889 his reminiscences of Lincoln's boyhood were collected by Eleanor Atkinson at Charleston, Ill., where the old man spent his declining years. Her book is worth reading.

After Lincoln was admitted to the bar and his fame in winning juries by his common sense and humor began to be spread, Denny on one occasion said:

"Abe, where did you get so many blamed lies?" And, as Denny tells the story, Lincoln replied:

"Denny, when a story larns you a good lesson it aint a lie. God tells truths in parables. They're easier for common folks to understand and recollect."

But before he reached the attainment of membership at the bar he had a long road to go—an arduous, rough road of trials, at all kinds of work. He worked as a clerk in a store, did rough farm labor for the neighbors, and spent a period as a deckhand on a river boat. But in the meantime he studied. He taught himself surveying and earned something at that. His tastes were versatile and the scope of intellectual curiosity almost universal. Neither did he neglect his body. He grew up strong and hardy—6 feet 4 inches in height and of athletic build. He was ready with his tongue and could address a popular gathering in an appealing way.

He moved to Macon County and then to New Salem, Sangamon County, Ill. In New Salem his versatility was put to good use. He clerked in a store, did surveying, and acted for awhile as postmaster.

At this time the Black Hawk War broke out and he enlisted as a private, but was almost immediately elected as captain of his company. On his return from the war he interested himself in politics, and his readiness in stump-speaking soon earned for him the nomination for the assembly. He was beaten, but, as he said, in his own brief autobiography, it was the only time he failed in a direct appeal to the people. The next time he ran, which was at the next election in 1832, he was triumphantly elected and his political life began.

He was reelected twice again to the Illinois Legislature. In the meantime, in 1837, he was admitted to the practice of the law. From thence onward his progress was steady and uninterrupted. As a lawyer he was a success, but although he occupied a position of prominence at the Illinois bar and was much sought after in jury cases, the financial rewards were never abundant. This was less due to his want of success than to the fact that he was never avaricious for money.

In 1846, at the age of 37 years, he was elected to Congress. He was distinguished for his earnestness and the strength of his convictions. He voted to abolish the slave trade in the District of Columbia and against the Mexican War. After his one term in Congress he settled down earnestly to the practice of law and became known as one of the leading figures at the bar.

The passage of the Kansas-Nebraska act repealing the Missouri Compromise reawakened his interest in public affairs. He was immediately pitted against Stephen A. Douglas, the "Little Giant." He became a candidate for the United States Senate. When he was beaten—in the legislature, of course—he was not a bit abashed, but, in his quaint way, said that he "was after bigger game." He was looking forward to the presidential nomination. The Lincoln-Douglas debates during the senatorial campaign, though not winning him the election, put him in the forefront as "available timber" in the great campaign of 1860. From that time onward he was an avowed candidate and made speeches throughout the North and East which defined the issues of the great coming conflict. In his speech at Cooper Union, New York City, on February 27, 1860, he outlined his faith in the supremacy of moral principles in these resounding words:

"Let us have faith that right makes might; and in that faith let us to the end dare to do our duty as we understand it."

At the Republican convention held in Chicago May, 1860, this unpolished country boy was chosen as the candidate for President over such sophisticated statesmen as Seward, Chase, Stanton, and Bates.

He was elected at the election in November, 1860, by an overwhelming plurality. Nevertheless, he was a minority President. His opponents were Breckenridge and Douglas from the two wings of the shattered Democratic Party and John Bell, who led the remnants of the old Know-Nothing Party to final defeat and obliteration.

Yes; he was a minority President, even as Wilson was! But there was a marked difference between the two men. Wilson had not the faculty of fraternizing with his fellow men, not that he was inconsiderate or unkind, but he was so direct and sincere that he failed to understand that even big men had to be humored and cajoled. Lincoln, on the other hand, knew how to deal with men.

I studied law in the office of Gen. Daniel E. Sickles, who was a great admirer of Lincoln. When he dropped into reminiscent mood, as he would often do, he used to delight in dwelling upon Lincoln's urbanity. As an example of this, he told how the Great Emancipator, when the situation between the White House and the Senate grew strained, would drop into Charles Sumner's office and greet him with the flattering request: "Sumner, brew me a cup of tea which only you can brew."

Over the teacups, then, the two statesmen would iron out all the differences, and the legislation or other matters would go through without further hitch!

Lincoln, in other words, was not afraid to play with those who differed with him. You know he appointed his political rivals for the Presidency as members of his Cabinet and got along with them famously.

General Sickles also resented the slander, encouraged by a hostile press that Lincoln was homely, awkward or uncouth. One of these vicious sheets called the Great Emancipator "a hideous baboon." Sickles claimed that he had an athletic figure and that his face was of classic outline.

In the splendid address of Governor Yates in the House of Representatives, on February 12, 1921, he tells a story of the kindly relations between Sickles and Lincoln and as it also gives strength to my thesis as to Lincoln's religious fervor, I will put it in Governor Yates's own words. This is the way that Sickles told the story to President McKinley:

On the day after the Battle of Gettysburg when Major General Sickles was carried to Washington desperately wounded his first caller was President Lincoln and after he inquired all about the battle General Sickles said:

"Mr. President, what do you think of Gettysburg?

Mr. Lincoln replied:

"Well, Sickles, I will tell you. When I heard that General Lee was marching with his vast army on Gettysburg, and that the safety of the Capital, North, and of the whole Nation was imperiled, I went into a little room that I have at the White House, where nobody goes but me, and I just got down on both my knees and I prayed to the Lord God Almighty as I never prayed before, and I told Him that this was His people and that this was His country, and these were His battles we were fighting, and that we could not stand any more Fredericksburgs or Chancellorsvilles; and I told Him that if He would stand by me I would stand by Him."

And Sickles says that the President ended with the statement:

"After that, Sickles, I somehow had no more fear about Gettysburg."

During the trying hours of the great Civil War, the character of Lincon was revealed in all its greatness. His soul was bared to, but never pierced, by the shafts of criticism. His humanity and simple mannerisms endeared him to all who came in contact with him and his unfailing humor and keen sense of the perspective of events enabled him to appraise all things at their true relative value.

His versatility was shown in his criticism of generals and military movements. For instance, when Hooker allowed Lee to steal away from his front at Fredericksburg so that before he knew it the head of Lee's column had swept up the Shenandoah Valley, Lincoln wired Hooker: "If the head of Lee's army is at Martinsburg and the tail of it on the plank road between Fredericksburg and Chancellorsville, the animal must be very slim somwhere; could you not break him?"

In the hour of his great triumph, the hand of a fanatical assassin struck him down. His untimely death affected North and South alike. A generous foe appraised him at his true worth and the grief of the Nation in mourning was the true portent of a united Nation. The words of Richard Henry Stoddard, the poet, well expressed the thought of all the world:

"Hold warriors, councillors, Kings! All now give place
"To this dead benefactor of his race."

The beauty of Lincoln's life is that there is nothing to be found in it which there is need to extenuate, or for which apologies have to be made. Living in a period of great conflict and deep animosities—indeed a principal in that conflict—his character was so just, so sincere, so intensely patriotic that even his enemies were won over, and to-day it may be justly said that there is no personage in American history whose character is more admired or whose memory is more revered.

NO QUORUM—CALL OF THE HOUSE

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to proceed for a quarter of a minute to make an announcement.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Speaker, the voice of our distinguished colleague from Georgia [Mr. UPSHAW] has been heard from one side of the United States to the other in behalf of sobriety and honesty and uprightness and good citizenship. It is a distinct loss to the country and to this House that he is soon to leave us. He is to make his farewell speech in this House this morning. I think there should be a quorum present. I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present. Evidently there is no quorum present.

Mr. TILSON. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 28]

Andrew	Fitzgerald, Roy G.	McLaughlin, Mich.	Sosnowski
Anthony	Fredericks	McLaughlin, Nebr.	Stephens
Appleby	Free	McSwain	Strong, Kans.
Arentz	Frothingham	Manlove	Strong, Pa.
Ayres	Gallivan	Mead	Strother
Beedy	Gilbert	Mills	Sullivan
Bell	Golder	Montague	Swartz
Bowman	Goldsborough	Montgomery	Sweet
Boylan	Gorman	Moore, Ky.	Taber
Britten	Graham	Moore, Ohio	Tinkham
Butler	Harrison	Morin	Tolley
Carew	Houston	Nelson, Wis.	Vare
Carter, Calif.	Hudson	Newton, Mo.	Vinson, Ga.
Celler	Hull, Tenn.	O'Connell, N. Y.	Wainwright
Cleary	Johnson, Ky.	O'Connor, La.	Walters
Cramton	Johnson, S. Dak.	O'Connor, N. Y.	Watres
Crosser	Kahn	Oliver, N. Y.	Wefald
Crowther	Kendall	Perlman	Weller
Crumpacker	King	Phillips	Welsh, Pa.
Cullen	Knutson	Prall	Whitehead
Curry	Kunz	Quayle	Wilson, Miss.
Davenport	Kurtz	Reed, N. Y.	Woodrum
Deal	Lee, Ga.	Robinson, Iowa	Woodyard
Dempsey	Lindsay	Rouse	Wright
Dickstein	McClintic	Seger	
Doyle	McFadden	Somers, N. Y.	

The SPEAKER. Three hundred and twenty-nine Members are present, a quorum.

Mr. TILSON. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

Mr. JOHNSON of Indiana. Mr. Speaker, I have been requested to announce that the gentleman from South Carolina [Mr. McSWAIN], the gentleman from Georgia [Mr. WRIGHT], the gentleman from New York [Mr. WAINWRIGHT], and the gentleman from Michigan [Mr. JAMES] are unavoidably detained because of attendance at a meeting of a subcommittee of the Committee on Military Affairs.

SUPPLEMENTAL VIEWS

Mr. WINTER. Mr. Speaker, I ask unanimous consent to have five legislative days within which to file minority supplemental views on Senate bill 3641.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that leave be granted for five legislative days within which to file minority supplemental views on Senate bill 3641. Is there objection?

There was no objection.

NATIONAL LESSONS FROM LINCOLN'S CREED

The SPEAKER. Under the order of the House the Chair recognizes the gentleman from Georgia [Mr. UPSHAW] for one hour. [Applause.]

Mr. UPSHAW. Mr. Speaker and gentlemen of the Congress, I ask you to accept my unmixed gratitude for this high and exceptional honor you have voted me in extending to a southern Democrat the privilege of communing with you in this high and ardent hour concerning national lessons from Lincoln's creed, and thus sending these lessons beyond this historic Chamber to the whole country.

It is not a far cry to the well-springs of sacred sentiment for a son of Georgia, a son of the South—the son of a Confederate soldier, to find a wealth of patriotic inspiration in the birthday of Abraham Lincoln? [Applause.] Himself a Southerner by lineage and birth, Lincoln was so broadly American in his lofty ideals, his human sympathies, and his deathless achievements that he is at once, like George Washington and Robert E. Lee, the heritage of all Americans [applause] and the inspiration of all mankind. [Applause.] Born in a humble dirt-floored cabin in Kentucky 118 years ago to-day, he taught, with many other pioneer builders of this Republic, that half-forgotten lesson—that America is the premier land of all the world for virile, personal, and national stimulus and measureless opportunity. [Applause.] Cradled in poverty, baptized in early sorrow, and nourished and nurtured in the enriching school of frontier adversity, Abraham Lincoln furnished to every worthy ambitious American boy that inspiring lesson, that from the "American log cabin" to the White House of the Nation, there is a great "Appian Way" along which the awakened, fair-minded American people ask but one question—not "Who was your father?" but "Who are you?" Not, "Where did you come from?" but "Where are you going?" [Applause.]

W. I. Van Name said of Lincoln:

> The boy grew early into the man. He had only the meager schooling that the frontier afforded; but he had read every book, it is said, within 50 miles. He knew his Bible, Shakespeare, and Burns, Aesop's Fables, and Bunyan's Pilgrim's Progress. He studied American history—he committed to memory the Declaration of Independence and the Constitution of the United States.

[Applause.]

Do we wonder, then, that he thus became an early disciple of human freedom?—as good a Democrat as he was a Republican, and a better American than he was either. [Applause.] Certainly, then, it is no breach of the proprieties for a patriotic, southern Democrat to pay tribute to, and learn lessons from, the life and creed of Abraham Lincoln. [Applause.]

THE ILLINOIS TRIO—LINCOLN, CANNON, AND BRYAN

Remembering that Lincoln grew up in Illinois and came from that great Commonwealth to serve his country and humanity, I feel, somehow, that I can hardly proceed to discuss the vital lessons of this hour without a passing mention of those other immortal sons of Illinois, almost as famous and widely beloved as Lincoln—William J. Bryan and Joseph G. Cannon. [Applause.] Each was essentially a commoner—a leader who never lost the human touch—who loved to—

> Live by the side of the road
> And be a friend of man.

Walking even yet with tender, reverent tread in the fresh footprints of our long-time colleague, "Uncle Joe" Cannon, and finding the flowers of love blooming everywhere he stepped, we rejoice to remember that notable spiritual transformation that marked the closing years of his remarkable life. Having won the highest honors the Nation could give him save that of the Presidency, "Uncle Joe" found as he journeyed down "that slope that leads to the place of common sleep," when the sands of time were crumbling under his unsteady steps—ah, he learned that great truth uttered by John Quincy Adams in his "Wants of man"—"What most I want is the mercy of my God." And letting down by faith on the Rock of Ages he beckons to his colleagues from that new-made grave in Danville, saying: "Be ye also ready, for the night cometh."

William J. Bryan, that other marvelous member of this Illinois trio, told me with this own lips how he laid the foundation stone of his own life's pyramid on that same Rock of Ages when he was a boy of 14, and, studying reverently the Bible of his devout parents, of Lincoln and Cannon from his childhood, he fed his regenerating faith on the bread of life, building that stalwart stature of Christian manhood, which enabled him to tower, unsullied, above the ruins of three presidential defeats and stand at life's sunset the acknowledged moral and spiritual leader of the political world. [Applause.]

If Cannon, who voted for the eighteenth amendment, and Bryan, who did so much to secure its enactment, were here to-day, I believe they would indorse the text and the spirit of this hour—that it is better far to celebrate Lincoln's birthday by a coronation of his ideals than by historic recital, however illuminating, of the domestic and public incidents of his monumental life. Especially is this true when we remember how well that fascinating and inspiring task has been done in recent years by honored Members of this House, Governor YATES and Mr. RATHBONE, of Illinois, who knew Lincoln, or whose parents knew him intimately while he was growing in awkward, rugged grandeur toward his unapproachable place in the gallery of the world's immortals. [Applause.]

GIVE THE SOUTH MY LOVE

Treasured, indeed, among all sons and daughters of the South are those golden words as told us by the gentleman from Illinois, Governor YATES, when President Lincoln sent that Federal official, William Pitt Kellogg, to New Orleans, saying the day before he died, "Make love to those good people in the South for me." Ah, if only such a man with such a heart could only

have lived! [Applause.] The suffering, misunderstood South would have missed, we verily believe, the indescribable horrors of reconstruction [applause]—far worse to endure than the war—and "the ambiguities in the Constitution that could only be wiped out by a baptism of blood" as President Harding eloquently said at the dedication of the Lincoln Memorial, made clear and final in the tragic arbitrament of war, would have brought the North and the South back together in understanding fellowship far earlier than was humanly possible after the great-hearted Lincoln was gone! [Applause.]

And ah, my colleagues, as I think of all that my beautiful Southland suffered—as I think of the chasm of bitterness and misunderstanding which the exploiting carpetbagger dug, and so long maintained between the honest patriotic people of both sections, I have a new quarrel with the liquor traffic which Lincoln predicted would bring to America the next great national battle after the abolition of slavery; for it was in a saloon, a liquor shop in Prince Georges County, Md., where the assassination of Abraham Lincoln was planned. As I think of that horrible night, that baleful den of devilish intrigue, and that tragic spot here in Washington where the kindly Lincoln fell, I feel like nationalizing and paraphrasing that frantic cry of Lady Macbeth as she saw the tenacious blood on her guilty finger: "Out, out, damned spot!" to remove the stain on the beautiful flag that Lincoln loved and saved! [Applause.]

This is Lincoln's creed:

> Let every American, every lover of liberty, every well wisher of posterity swear by the blood of the Revolution never to violate in the least particular the laws of the country and never to tolerate their violation by others. As the patriots of Seventy-six did to the Declaration of Independence, so to the support of the Constitution and laws let every American pledge his life, his property, and his sacred honor. Let every man remember that to violate the law is to trample on the blood of his father and to tear the charter of his own and his children's liberty.
>
> Let reverence for the laws be breathed by every American mother to the lisping babe that prattles on her lap; let it be taught in schools, in seminaries, and in colleges; let it be written in primers, spelling books, and almanacs; let it be preached from the pulpit, proclaimed in the legislative halls, and enforced in courts of justice.
>
> In short, let it become the political religion of the Nation; and let the old and the young, the rich and the poor, the grave and the gay of all sexes and tongues and colors and conditions sacrifice unceasingly upon its altars.

[Applause.]

This sacred reverence for religion and law was taught by a great human mountain peak who said:

> All I am or ever expect to be I owe to my angel mother.

What an awakening, appealing lesson to purposeful childhood and consecrated parents evermore!

The heart of this creed, "Let reverence for law be the political religion of the Nation," is part of my text to-day, but it would be incomplete if it did not rest on that great bedrock of Bible truth which Lincoln reverently loved. Listen as I read it to you from the Word of God:

> Woe to him that buildeth a town with blood and establisheth a city by iniquity. Behold, is it not of the Lord of Hosts that the people shall labor in the very fire and the people shall weary themselves for very vanity; for the earth shall be filled with the knowledge of the glory of the Lord as the waters cover the sea.
>
> Woe to him that giveth his neighbor drink, that putteth thy bottle to him and makest him drunken; also that thou mayest look on their nakedness.

This terrific arraignment of organized government, the city, and the individual unit of that government, the citizen, for complicity in protected vice and for collectively or personally passing that blighting sin to others is found in the second chapter of Habakkuk from the twelfth to the fifteenth verse, inclusive.

CALLING THE NATION'S LEADERS

Oh, that the Nation's leaders—political, social, and commercial leaders—would speedily learn that neither governments nor individuals can trample the Word of God—can defy the authority of God, and get away with it. Woe to that government—municipal, state, or national—that is established by iniquity! Woe to that individual that giveth his neighbor drink—whether with the hand or the ballot or by inattention to civic and patriotic duty—by patronizing bootleggers, by harboring bootleggers, by winking at bootleggers—in short, by surrendering, through mental indolence, moral reluctance, or immoral connivance, to lawbreakers, drinkers, and liars in their organized defiance of the laws of God and man! Then think of that sublime picture, "When the glory of the Lord shall cover the world as the waters cover the sea."

Listen! Even if there should be some irreverent men who hear me from the floor or the gallery, or who read these printed words, do you think the glory of the Lord can cover any spot where debauching, intoxicating liquors are made or sold or consumed? An honest answer to that sane, vital question will stop every drinker who hears my voice—every distant man or woman with a conscience who reads these earnest, honest words. And no man who personally violates the law of God and the law of man can blame anybody but himself if his son surpasses the copy set for him by his father, or if his daughter breaks his heart by marrying a man who does.

WHY I SPECIALIZE IN HUMANITY

If some of my genial colleagues, as well as some of my critics, who playfully refer to what they and some newspapers are pleased to term my "radical dryness" would like for me to tell in this—practically my farewell address to Congress—why I have specialized on prohibition enforcement since I have been a Member of this body, I answer, without hesitation, that it is largely because I specialized in it before I came to Congress, having fought the old-time diabolical saloon on countless fields of forensic carnage, north, south, east, and west. My friends used to laughingly tell me that I never really made a speech until I saw a barroom on one side, a home on the other, and a hesitating voter in the middle of the road.

I wore this white badge of the Woman's Christian Temperance Union when I was out in the thick of the fight; and, frankly, I found good reason for not taking off this badge after I got to Washington. [Laughter.]

But the great underlying, overpowering reason is the fact that I could not quit loving humanity because I became a Member of Congress. We all know that every Congressman worth the name is a specialist. Some lawmakers tinker with the tariff, others with other forms of revenue; some battle for justice to the Army, others are "rocked in the cradle of the deep" as they dream and work for the Navy. Still others are "up in the air" with radio and aviation, while others are down on the ground with agriculture. I am, and have been, for all of these in their proper relationships, but I, without apology—indeed, with great enthusiasm I stand essentially and fundamentally for the great first cause of all these other forms of legislation. I stand for humanity. [Applause.]

I remind my friends in Congress and my critics on the outside that all revenues are in vain, all the Army and Navy are in vain, all economic development is in vain, and the flag itself waves in vain if there are no sober, loyal boys and girls coming on as the "seed corn of the Republic." [Applause.]

It is related that when Robinson Crusoe counted over the money he had brought from that sunken ship to that uninhabited island he threw it on the ground and said with impatient gesture: "The worthless stuff!" Why was it worthless? There were as many carats or grains of value in that money as if it were lying on the counter of the Bank of England, but there was nobody on that lonely island that wanted it. And all the railroads and factories and mines and even banks in America would not bring a dollar if sold on the steps of the Capitol to-day if there were no sober, intelligent boys and girls coming on to give them value. [Applause.]

Mr. SCHAFER. Will the gentleman yield?

Mr. UPSHAW. I feel that the gentleman should not ask me to yield during an address of this kind.

HUMANITY MY HERO

Without apology I declared on every stump in my first campaign, that, while I expected to take intelligent interest in all questions of public interest, I expected to show, at least, one segment of kinship for Henry Grady who declared "Humanity is my hero." I have, therefore, specialized in every phase and form of legislation touching human relief, human betterment, and human preservation. I have laid myself out for soldier relief. I began my first speech on that subject with the words: "I stand for the man on crutches." I have rejoiced to go through snow and sleet and rain to secure compensation, hospitalization, and vocational training for disabled veterans. On every vote I have done what I said I would do before I came—I have given "the man in overalls" the benefit of the doubt, and I have tried to do the same thing for the struggling farmer, although I have almost turned grayheaded and had nervous prostration in trying to reach a conclusion. [Laughter.] I have voted unblushingly for better salaries for overworked and underpaid Government employees—yea, and for overworked and underpaid Congressmen.

And certainly with this declarative bent in favor of humanity I had no trouble from the beginning in fighting in Con-

gress and out of Congress humanity's "Great Destroyer." I have worn this white badge to let people know before I even open my mouth that I feel about liquor like the young doctor did at the Georgia Medical College. Questioned as to the use of turpentine, he replied: "I've forgotton what our Professor said, but turpentine is such a good medicine I am in favor of using it internally, externally, and eternally." He got his diploma. [Laughter.]

And liquor is so bad—so morally bad, so economically bad, so indefensibly bad, so inexcusably bad, that I want the world to know that I am against liquor, internally, externally, and eternally. [Laughter.]

I noticed in that "damp" fun column in a certain Washington paper this morning, the suggestion that Mr. UPSHAW, in his Lincoln Day address, should tell how this country can endure half wet and half dry. [Laughter.] First of all I answer that this country is not "half wet" and I prove it by the fact that at every election the people send a larger "dry" majority than ever. The classical fun editor also expressed the hope that this would be my farewell address. I guess there are many more wets over the country who hope the same thing. [Applause.] I wish, however, that George Rothwell Brown would take a course in Webster's Blueback Spelling Book and learn to spell my name—not "O'pshaw" but "U-p-s-h-a-w." [Laughter.]

And I remind him and all his wet crowd that we are going to settle this question like Lincoln settled slavery. He said this country "could not long endure half slave and half free," and in the spirit of him who fought resolutely for complete human freedom we propose to dry up those wet sections of the country that are defying our constitutional law and save the future generations from their debauching slavery to liquor. [Applause.]

LINCOLN A TOTAL ABSTAINER

It is undoubtedly then in happy consonance with this Lincoln's memorial day that we should consider this great moral theme that the Great Emancipator loved so well—for he not only wrote and signed his own pledge of total abstinence, but on January 24, 1853, he signed an indorsement of the following statement made by Rev. James Smith, D. D., of Springfield, Ill.:

> The liquor traffic is a cancer in society eating out its vitals and threatening destruction, and all efforts to regulate it will not only prove abortive, but will aggravate the evil. There must be no more effort to regulate the cancer; it must be eradicated; not a root must be left, for until this is done all classes must continue in danger.

If Lincoln could only have known that Nicholas Murray Butler, with iridescent dreams of a "damp" White House in his head was going to disagree with him, how different might have been the feelings of that great soul of lonely grandeur! [Laughter.]

FIGHTING FOR THE SOUL OF THE NATION

No man can read the papers—that part of the press that has done so much to encourage the violation of our constitutional prohibition law without being impressed that America is engaged in the greatest internal battle that any nation has ever known. That battle is not economic, although the sanest and soundest economics are bound up in its solution; that battle is not industrial, although no great industry can properly function where its man power does not sustain a proper relationship to this great industrial question; that battle is not agricultural, although confessedly, I usually vote in Congress with the "farmer's bloc" (whatever that means) who believe that theirs is the base of all bases in the development of our national life; that battle is not political—I mean from a partisan standpoint—although the purest and cleanest and bravest politics—nonpartisan politics, must be dedicated to the winning of this great unfinished fight.

America's greatest battle, as I conceive it, is a fight for the soul of this Nation; a battle for the very ideals of this Republic, a battle to prove to the eyes of our children, who are dearer to us than the ruddy drops that gather in our hearts—our children, whose intelligent, sober loyalty must make of our Constitution more than "a scrap of paper" and our flag more than a beautifully decorated piece of bunting to be given to the breeze on the 12th of February, the 22d of February, and the Fourth of July; our children, who, as Jacob Riis said, are the "Tomorrow of the Republic"; yes, and if we really love our flag—its majesty at home and its reputation abroad—it is a battle to prove also to the nations that watch us from the galleries of the world across the seas that the United States of America as a great governing entity is grandly capable of enacting a great moral principle into law, and then demonstrating to the upward march of struggling humanity that the enactment of that law was not a mistake, as the liquor men declare, and that the vindication of that law, the moral majesty of that law, the triumphant coronation of that law—God help America—shall not prove a farce! [Applause.]

My supreme appeal must be for our own children, who must be guarded by our Government if they are to be the future guardians of our national ideals; but while we are momentarily abroad with our contemplation let me remind you, my colleagues, that when I was in Europe three summers ago I found it impossible to carry my wife and little daughters to any café, however humble or however glittering, where we did not find more than half the women smoking and drinking with the men. And as I looked on that sickening, tragic picture I said in my soul: "Is this Europe? Are these the mothers of the present and the future of Europe?" No wonder Europe, sodden and staggering for a thousand years, reaches her attenuated, trembling hand for the stalwart supporting arm of Uncle Sam!

FOREIGNERS LAUGH AT OUR PROHIBITION

And my sober, loyal American soul was vexed within me to hear foreigners of the blasé sort make fun of our prohibition everywhere. "Beer and wine?" queried those enterprising, exasperating European waiters (speaking good English with the prospect of fat American tips) until I was sorely tempted to bring on diplomatic embarrassments. [Laughter.] Talmadge said he never swore an oath in his life but there were times when he "didn't feel very devotional." Upon my word, I did not swear, but I will confess I did not feel very devotional when those wily, tantalizing rascals continued to pester me with their personal and national affront. Finally, Carl Hutcheson, an Atlanta attorney who belonged to our party got hot under the collar and shouted back: "No; we are from Prohibition America!" "Ah," said that Vienna waiter naively, as he looked back over his shoulder: "You want whisky, then!" [Laughter.] And they seem to think over there that—

> The Frenchman takes his native wine—
> The German takes his beer—
> The Briton takes his 'alf and 'alf
> Because it brings good cheer!
> The Irishman takes his whisky straight
> Because it brings him dizziness—
> The American has no choice at all—
> He drinks the whole ——— business.

[Laughter and applause.]

BAD BRAND OF PATRIOTISM

Mr. Speaker and gentlemen, I am uneasy about the man who has just enough religion to walk straight while he is in his home town with the eyes of his wife and pastor upon him, but who finds that religion all evaporated when he gets to Baltimore, Philadelphia, or New York. A man whose religion will not carry him to New York and bring him back straight has not enough, I fear, to carry him from his home town to heaven. Religion that will pass current at the gates of pearl will make a zone of light and righteousness 25,000 miles around. Yes; and I am uneasy about that brand of patriotism that will sing America and the Star-Spangled Banner and salute the Stars and Stripes on the Fourth of July at home; that will pledge allegiance to that flag with his children as they "stand at attention" and repeat The American Creed on some gala occasion at the public school; the man who will again salute that flag when he sees it waving proudly at the mast of the vessel on which he sets sail across the seas; who will salute it yet again when he meets it on another vessel in mid-ocean; yea, who will almost make obeisance when he sees that flag waving over the American embassy or consulate in London or Paris, Geneva or Berlin; who, if some foreigner steps on his American big toe or pulls a strand of his American hair, will rush to that flag and wrap himself in its protecting folds so he can make a face at that foreigner and tell him to "go where it does not snow"; but who, when that thrilling dénouement is over, will step aside and wave a farewell kiss to that flag and say: "Goodbye, Old Flag, for a few gay weeks! I count you a good flag to protect my fortune, my mine, my bank, my factory, my family, but I spit on your stars, I trample your stripes when my debased appetite wants a drink of bootleg liquor. I abhor your puritanical ideals—for seven years you have interfered with my personal liberty—and while I am over here in Europe I expect to have a high-heel time and drink all the liquor I want! Down with the creed of Abraham Lincoln, who wrote and signed his own pledge of total abstinence—down with the creed of the American flag that has outlawed intoxicating liquor—goodbye, Old Glory, until I need you again!"

That is bad patriotism. That brand of patriotism could not be trusted to the nth degree in our country's greatest physical

or moral crisis. Such a man ought to be ashamed to look the Goddess of Liberty in the face as he steams up New York Bay coming back to rest again and grow richer still under the protesting ægis of our sober Constitution and our stainless flag. [Applause.]

Over against that bad and dangerous brand of patriotism I offer those ringing words of Judge Edwin Parker, the great Texas lawyer, who wrote me from New York four years ago when I made my first plea for sober officials:

> I have been an honest antiprohibitionist; I have not been a teetotaler, but when my Government outlawed intoxicating liquor by due constitutional process I refused from that hour to touch liquor of any kind.

[Applause.]

America should stand with uncovered head before such a knightly spirit, for only in such a spirit can the homes and the youth of America be safe; only in such loyalty can the ideals of the land we love be preserved under the approving eye of the God and guard of enduring civilization.

ILLUMINATING OUR BRITISH COUSINS

It is relevant here to note that while I was in London I spoke on the same platform with Herbert Tracy, the keen-eyed editor of the Brotherhood Outlook. He said, "UPSHAW, I want you to write a story for my paper on prohibition in America." "From what angle, Tracy?" I asked. And then with a sort of quizzical, triumphant British grin, he said: "First of all, tell us whether you drys put it over on the American people when they were not looking."

Gentlemen of Congress, you should have heard me laugh from London to Washington! Parenthetically, I am sure these bright school boys and girls who honor us with their inspiring presence in the gallery, with their minds fresh with the enrichment of American history, are ready to agree that our British cousins should be about the last to ever imagine that the sons and daughters of the courageous "Colonials" and the ragged "Regimentals" who fought for the birth of this Nation at Concord and Lexington and Bunker Hill and Ticonderoga and Saratoga and Monmouth and Trenton and Valley Forge and Brandywine and Cowpens and Kings Mountain and Yorktown were ever "asleep at the switch" when anybody was tampering with the Constitution of our fathers. [Applause.]

But listen again, and if you have tears to shed prepare to shed them now—for that British editor made another request: "Tell us also," he said (oh, the plaintive pathos of it all!), "whether the American Congress took advantage of the absence of 2,000,000 American soldiers who were over here fighting for freedom and stabbed them in the back when they were not looking and took away from them the freedom for which they were fighting!" Yea, yea, Pauline, it was awful! Anyway, with such a challenge and such an invitation, I proceeded to try to illumine and illuminate our misguided British cousins. I reminded them, as I remind you, and as we need to remind our children who are growing up under the lying propaganda—I measure my words; the utterly false propaganda of the liquor crowd, the "wet" papers and "wet" speakers—that our prohibition law was not passed in a spasm of war-time hysteria, as the "wets" claim, with advantage taken of the absent defenders of the Republic, but that it was passed after generations of education and agitation by a Congress elected with the eighteenth amendment as the burning issue. I reminded them as I remind you now that 33 States had already gone "dry" by local enactment when we were forced to come to Washington to get constitutional protection from the "wet" States that were outraging the white virtue of territory that had voted to be free.

I reminded them as I remind you now that before I became a Member of Congress I sat in that gallery all day long with many prohibition friends and watched the battle rage over the Hobson amendment, and at the end of that imperfect day we saw that amendment under the eloquent leadership of the intrepid "Hero of the Merrimac" receive a majority of 8 votes, but not being a constitutional majority, the "dry" leaders stood up and announced to the press gallery the story that flashed on the front page of every daily paper in America next day: "We will go home and elect a Congress that will pass a Federal amendment outlawing the liquor traffic." And I remind you—get this again, you who say that the American people never had an opportunity to express themselves on national prohibition—with that as the burning issue—you referendum dreamers and prevaricators, get it again—the Sixty-fifth Congress was elected with an emphatic mandate from the American people to come to Washington and outlaw the liquor traffic forevermore. And you who say that we "took advantage of the absent defenders of the Nation," listen to this, and forever after hold your peace—that Congress was elected many months before a single soldier was sent to France. [Applause.] And yet, and yet, men are going around loose [laughter], actually outside the walls of St. Elizabeths—some of them in the United States Senate, and some on the way there—saying that we took advantage of American soldiers and that "the American people never had a chance to express themselves on prohibition!" [Applause.]

Dear old Sam Jones used to say that he "could endure ignorance, but he just could not stand ig-no-rance," with his drawling emphasis on the last syllable. [Laughter.]

UNCONSTITUTIONAL "IG-NO-RANCE"

And that man is guilty of "ig-no-rance"—inexcusable, unconstitutional ig-no-rance, who continues to make such pitiful, unpatriotic, misleading claims concerning the passage of this constitutional law.

What then? The only thing occurred that could occur in the execution of a constitutional process. I remind our "damp" objectors and our embryonic young citizens who may be misled by them, that, after the eighteenth amendment had received a constitutional majority in both branches of Congress, it was carried, as the Constitution provides, to every legislature of every State in the American Union; and with the searching eyes of their constituents, to whom they were amenable, full upon them, 46 States—not the bare margin of 36 like the nineteenth amendment received, but 46—fifteen-sixteenths of the States of the Union, voted to ratify that constitutional compact—among them the States of Maryland and New York, ratifying the bone-dry amendment to the Constitution—the amendment which they now refuse to support through the constitutional obligation of a concurrent State law.

But back to the story. The eighteenth amendment was enacted, of course, by legislative indorsement, with 10 States to spare; but our "wet" friends were seized with a spasm of "constitutionitis," and with vigilant and belligerent zeal for the constitutionality of the Constitution they employed one of America's greatest lawyers—twice a member of the President's Cabinet—to argue the unconstitutionality of the Constitution; and when that court of last resort for every loyal red-blooded American had heard his brilliant sophistry, they handed down the high decision that every step in the process of passing our national prohibition law was according to the Constitution of our fathers! [Applause.]

Now I submit, my countrymen, that that is the way we pass our laws in the "Good Old U. S. A.," and if there is anybody in fair and frisky Frisco, or brilliant and blasé Boston, or wet and windy Chicago, or gay and godless Gotham, or sad and saddening St. Louis, or historic but "hootchy" Philadelphia, or beery and boozy Baltimore [laughter], with all their foreignized booze-loving elements that do not like the way we red-blooded, sober, God-fearing, constitutional Americans pass our laws in the United States of America, I respectfully and sadly remind them that the boats are still running to Russia. [Great applause.]

And I think three spacious suites should be reserved for the Republican editor of the Chicago Tribune and the Democratic editors of the Baltimore Evening Sun and the New York World who have openly taught nullification of a constitutional law—while a whole deck is reserved for that ponderously brilliant president of Columbia University, Nicholas Murray Butler [laughter], who declared that it is no more harm to drink alcohol per se than it is to eat roast beef and buckwheat cakes. I wonder if he ever knew anybody to eat roast beef and buckwheat cakes and shoot up the town and go home and beat up his wife and children as the result. No, no; I would not banish these poor misguided leaders forever, but just long enough in Russia and elsewhere abroad to make them fall in love anew with America—our people, our laws, and our national ideals.

Mr. BLANTON. You ought to excuse him because he did say something the other day that was worth while.

Mr. UPSHAW. Thank you. I am going to refer to that right now.

I am reminded that that "lofty intellectual," Nicholas Murray Butler, who was put forward for President by a part of the New York delegation some years ago and who demanded a wet plank in the Cleveland platform, is the same curious colossus who, with one wave of his consequential hand, has just swept Calvin Coolidge into the political discard concerning a third term, and who demands that the next Republican nominee shall stand on a "damp" platform and wave a beer bottle in one hand and a liquor bottle in the other—for he calls for a repeal of the eighteenth amendment. He is determined that the genial and dangerously popular Alfred E. Smith shall not wear the only damp diadem in apostate New York. And that brilliant Boanerges of Republican dryness, Senator BORAH, challenges Columbia's erring president to debate. I object. [Laughter.]

I claim "first go" at "Uncle Nicholas," for I challenged him first. [Applause.] And when I issued him an open challenge following some of his piratical attacks upon the prohibition amendment and its supporting statute, what do you suppose he said? This erstwhile and all the while loquacious advocate of presidential wetness answered faintly from the inside of a beer keg: "Being the challenged party, I have the choice of weapons—and I choose silence." [Laughter.]

Now, I submit that that answer was not a very brave or consistent one for a man who has made as much noise on this question as the damp Doctor Butler. I remember that Doctor Butler gave as another reason for declining to debate with me the fact that somebody down in my district called me "Mr. O'pshaw."

Wrong number. He must have been reading the kaleidoscopic, microscopic performances of George Rothwell Brown in the Washington Post. But both of these acrobatic sons of intellectual gymnastics and many of their "wet" compatriots need to be reminded that this same "Mr. O'pshaw," who seems to have disturbed their serenity, has received for the fifth consecutive time the emphatic vote of confidence—even in the last election—of the great capital city of Georgia. And it is a higher honor to be the "dry" Congressman of such a city as Atlanta than it is to be the "wet" president of Columbia University. [Applause.]

YOU CAN NOT "REGULATE" LIQUOR

Doctor Butler, wet Republican, his wet Democratic governor, and all the wet authors of the "57 varieties" of modification bills that are periodically introduced by the industrious but despairing wet minority in Congress are all crying out against the Lincoln doctrine of "eradication" and demanding a legal return of the old-time doctrine and practice of "regulating" the liquor traffic.

Ah, my countrymen, if these sophisticated citified "wets" only knew—if they had come from the country, like Lincoln and most of us did, they would know that you can no more regulate a liquor shop than you can regulate a polecat. [Laughter.] There is something about the thing that you just can not regulate. You can pour a whole barrel of cologne on the pesky varmint, but it is a polecat still. [Laughter.] If somebody does not like that illustration, I remind you that the Lord of Creation made them, and I have never understood why unless it was to establish an analogy between a polecat and a barroom. [Laughter.] You just can not regulate a barroom and let it keep on selling liquor. [Applause.]

And you can open a liquor shop at 6 in the morning and close at 6 at night—you can open at 10 and close at 4—you can open at 12 and close at 1, and during the hour in which you keep it open and regulated you may guard it with a thousand efficient officers of the law, but if you sell one flask of the devilish "regulated" poison that robs a man of his reason—that makes his body stagger to its fall—that robs labor of the fruits of its honest toil—that strikes the crust from the lips of a starving child—that drives the roses from a happy woman's cheek—that hushes the song on the altar of her one-time happy heart—that shatters the vase that holds her all of peace and love and the dream and hope of Heaven—that makes cowards of politicians that support it—that makes a brute of the man who shoots up the town and goes home and kills his wife and children—and you know it has done all this ten thousand times—ten thousand times in America, then you know and I know and God knows that that liquor shop is not "regulated" for the safety of your home and mine! [Applause.]

There is only one way to regulate a liquor shop, and that is the way you regulate a rattlesnake—smash its devilish head with personal-wide, town-wide, state-wide, nation-wide, world-wide prohibition of the liquor traffic! [Applause.] This reign of sober, God-fearing righteousness is "that far-off divine event toward which the whole creation moves"—that will help to usher in the radiant fulfillment of the dream of those who pray "Thy Kingdom come, Thy will be done, on earth as it is in Heaven."

SEVEN YEARS IS NOT ENOUGH

Bishop Manning, who has not been listed among the outstanding advocates of prohibition, has declared this very week that prohibition ought to be given a fair chance to win. We know well that when a man has been drunk a long time it takes a long time to sober up; and when a nation has been drunk in fact or in ideals for a full century—indeed, in its tastes and the inherited prejudices in its progenitors for a thousand years, it should not be expected to sober up in the short space of seven years. If the wets had been good sports and loyal constitutional Americans, they would have taken hold of this duly constituted law and helped to make it succeed. But they predicted failure and they, for the most part, have tried to prove their evil prophecy true. Attacked by enemies without and betrayed by enemies from within, this new law has done marvels in seven years.

My intense feeling on this subject is told in the following anniversary lines, written at the request of the N. E. A. Service, over against some "wet" verses of Congressman CELLER, of New York:

'TIL SEVENTY TIMES SEVEN

'Tis seven years since the legal reign of moral might began—
The greatest battle ever fought in the upward sweep of man!
Not "spasmodic sentiment," as the poor wets tell the earth,
But generations of plans and prayers gave prohibition birth.

And never for a single day since a stainless flag unfurled,
Have the wanton wets, with all their pets, cared for a sober world.
They've fought the law, they've picked a flaw with every passing hour,
And marshaled well the imps of hell with all their devilish power.

They've trampled truth; they've poisoned youth; they've stabbed the Nation's heart.
And now they spout and rave and shout and do the coward's part.
Shall craven bands with "yellow" hands surrender now the flag
Because bootleggers vendor booze and drinkers want to jag?

Shall "scofflaws" flout the Nation's stripes and hip flasks rule the stars?
By a leaping flood of heroes' blood in all our country's wars
We swear to stand with fearless hand 'til seventy years times seven,
'Til law and truth shall keep our youth and guard their path to heaven!

[Applause.]

(Read at the recent national conference of the Woman's Christian Temperance Union at the Mayflower in Washington.)

In striking consonance with this thought of our ability to enforce this law are the following virile and vigorous lines from Rev. James I. Seder, the highly efficient and popular associate superintendent of the West Virginia Anti-Saloon League. It was doubtless inspired by the powerfully effective work of Judge McClintic, of West Virginia, who is a "terror to evildoers":

"IT CAN'T BE ENFORCED"

James I. Seder, A. M., with acknowledgments to Edgar A. Guest

Doubting one said that it couldn't be done,
But the judge with a chuckle replied:
That "maybe it couldn't," but he would be one
Who wouldn't give up till he'd tried.
With a firmly set jaw and a grip on the law,
Stern his face; if he worried he hid it.
He looked like a king as he tackled the thing
That couldn't be done—and he did it.

Yes; some lawless ones scoffed: "Oh, you'll never do that—
No officer ever has done it";
But he made out the warrant, 'ere he took off his hat,
And the sheriff was off, he'd begun it;
With his hand on the law, firmly setting his jaw,
That place, of the lawless he'd rid it.
He stood like a king as he tackled the thing
That couldn't be done—well, he did it.

All the "scofflaws" will tell you it can not be done;
"The 'dry' law?—you can not enforce it."
They're slackers and cowards ev'ry one,
They hate it, hence do not indorse it.
But you just set firmly your jaw, true man of the law,
First make up your mind, then go to it;
Law's scepter you swing as you tackle the thing
That "can not be done"—and you'll do it.

RIGHT CAN NOT SURRENDER

When we are bidden not to be "extreme" and "radical" on the subject of prohibition enforcement and also the fundamental question of keeping inviolate this great constitutional law we answer without hesitation or equivocation that right can not surrender to wrong! Lincoln bravely said:

I must stand with anybody that stands right—stand with him while he is right and part with him when he goes wrong.

If it were a question of mere economics—abstract economics; if it were a question of the tariff and other related revenues—if it were a question of Army and Navy appropriations and regulations and what not, we might give and take, sit around a conference table, and enter into a platform and program of compromise; but on a great moral question that holds within its compass the issues of moral and spiritual debauchery for time and eternity we can not surrender one inch to the forces of constitutional disloyalty and national immorality.

But liquor is wrong. It is poison. It is insidious. It is cruel. It blights and debauches and damns. It is supported by forces immoral and corrupt. The same crowd, for the most part, that fought prohibition before it came is now fighting to destroy it. By a combination of methods that beggar description this unholy, unpatriotic fight is being carried on in utter defiance of the laws of God and man.

The "wets" declare, "Modify or we will nullify!" And then they keep right on illegally nullifying without waiting for legal modification. And they might as well not wait, for we friends of our bone-dry, sober Constitution refuse to lower our fortifications for the sake of fraternizing or compromising with the attacking army. To surrender an inch to that unholy demand would dishonor the God to whom we prayed for victory and lower and soil the flag that has been hailed victorious before the eyes of the watching world.

In the ringing words of that pioneer crusader, the late Dr. Wilbur F. Crafts, we answer the demand for surrender: "You would not ratify, and you shall not nullify!" [Applause.]

A PROGRAM OF UNWORTHY "WETNESS"

Against the honest "wet" who sincerely opposed prohibition before it came, but who now obeys the law and seeks only by clean constitutional methods to change or repeal it, I have no word of harshness, but rather, only sharp variation with his judgment and abounding commiseration for his hopeless plight. But for the insincere "wet" who puts his appetite above his country's laws and who stabs his party without conscience and his country's good name without remorse—may the good Lord deliver us from his baleful influence!

In this camp, regardless of lines of political cleavage, you find those who blatantly declare that they never want to see the old saloon return, and yet they berate the eighteenth amendment that put 177,000 saloons out of business. You can not find a mother's son of them who will stand on the floor of Congress or even on any representative platform in his wet home city and boldly fight for the old barroom days, and yet he underwrites the stream of abuse which "wet" papers and "wet" politicians pour upon the "political parsons" and "fanatical, sentimental women," as they are outrageously termed, who earnestly prayed and unselfishly worked to banish the saloon and who are now earnestly praying and unselfishly giving their money and their labors to keep saloons from coming back.

They attack the Woman's Christian Temperance Union as "impractical dreamers" and flay the Anti-Saloon League and its brilliant, knightly leader, Wayne B. Wheeler—as clean a man as ever walked and as brave a man as ever fought—the wets call all these dry leaders "intolerant fanatics" and "political meddlers," but they have no word of censure for the Association against the Prohibition Amendment and forty-odd other wet organizations that have come into being since the eighteenth amendment was passed for the express purpose of nullifying and destroying the prohibition law, and who brazenly boast that they have raised, and are yet raising millions of dollars with which to defeat every dry man and measure possible and elect every wet man who will pledge himself to carry out this program of unworthy "wetness."

Mr. Speaker, I fear I can not conclude in the hour allotted to me and "in the name of the Continental Congress" and of this fine Lincoln Day fellowship, I ask unanimous consent, for the last time perhaps I will ever ask it, that my time be extended for 20 minutes.

Mr. SCHAFER. I object.

Mr. UPSHAW. I hope the gentleman will reconsider.

Mr. SCHAFER. I withdraw the objection.

Mr. UPSHAW. The gentleman has a heart as big as his body, and I am much obliged.

RED BADGE, RED NOSE, AND RED FLAG

Here is concrete evidence of the monumental gall of the Association Against the Prohibition Amendment. I found over in Delaware membership blanks urging enrollment before the election, with a footnote specifically stipulating "No financial obligation is incurred by my signature." Then, when the names were in, a special letter was sent saying "that while we are glad to have the assurance that you are with us, it must be remembered that by votes alone can we defeat the fanatical drys. Send us a dollar to join our voters' league," and so forth. A "dry" friend sent a dollar on a voyage of discovery, and here is what he got—this card, telling him he was paid up for a year; he must pay his dues every year to be in good standing; and this red badge to wear, with a red nose, I suppose, beneath a red flag. [Laughter.] That is no fairy tale about the red flag. Over in West Virginia I found men and, alas, women engaged in the task of securing signatures to a petition to repeal our prohibition law; and they were asked, foreigners and Americans, to sign in red ink—the red language of red Russia—and they were thus saying:

We will give our red blood if necessary to repeal the Constitution that denies to us the red liquor we want to drink.

And yet these "wet" organizations have the unspeakable gall to ask the Anti-Saloon League and other "dry" organizations to go out of business and leave 42 "wet" organizations in charge of the field. We answer without hesitation or equivocation that we "drys" will go out of business just the day after the organized "wets" leave the field and not one day before! [Applause.]

The wets say they only want light wines and beer when they know that beer is made in breweries and sold in saloons, and that these saloons would be nothing less than the camouflage and the open door for the reenthronement of those three corrupting agencies of human degradation—the drink shop, the gambling hell, and the house of shame.

WET PRESIDENTIAL CANDIDATES INDICTED

Yea, more, I indict every "wet" national politician of both parties as guilty of monumental insincerity and cowardice utterly unworthy of party leadership. These wet leaders with their State heroics, their inane, indeterminate local referenda, and their bawling acrobatics about State rights—meaning liquor rights—would not dare propose a wet plank and a wet platform appeal for themselves or any other candidate in the next presidential campaign. They may rail at this indictment, but I dare any one of them to come out in the open and deny this unequivocal charge. The timely death of that candidate would come before his untimely birth. [Applause.]

PROHIBITION HAS NOT FAILED

Prohibition has not failed. While it has suffered some reverses here and there, it has won a thousand battles in a great war of increasing victories. Only yesterday I read the statement from Dr. Jasper C. Massee, the famous pastor of Tremont Temple, Boston, declaring that in a preaching tour of 10,000 miles in America he never saw a single drunk man on the train or street car. It has been defied in the big, wet cities, but the hinterland is increasingly dry. Leave out, if you will, the testimony of preachers, teachers, and women—builders of citizenship—who have personally seen countless thousands of homes redeemed from want, the crickets chirping again on the hearth, and the music of childish laughter making that humble home the antechamber of the skies. Henry Grady said he could not give one such home redeemed from drink with the light of heaven again in the face of the one-time desolate wife and mother, for all philosophy since Cicero thundered and all the swords and crowns that ever contended "since Cataline conspired and Cæsar fought." [Applause.]

But this is not intended as an argument of statistics—else I could pile them to the dome of the Capitol to prove the incontestable blessings that have come to the American masses during these seven initial years of prohibition; but enter such captains of commerce and exponents of character and patriotism as Roger Babson, master of statistics and business and Christian philosophy; Richard Edmunds, great God-fearing editor of The Manufacturers' Record; Elbert Gary, sitting on his throne of steel, wrapped in his four-score years of resplendent wisdom and success; Owen D. Young, clear-headed member of the Dawes Commission and inspiring friend of humanity and the flag; John D. Rockefeller, whose name spells Santa Claus to more institutions of constructive benevolence than any other name perhaps in the whole world; Fred B. Smith, whose organizing genius on the side of right is a marvel of national blessing—yea; and Henry Ford—language fails—whose name is the synonym of business wizardry and abounding love of humanity—take them all—these mountain-peak builders of civilization that skirt the shores of the world's industrial scenery, and they all pack their sweeping witness into Henry Ford's laconic wisdom at the White House this week: "It is the difference between night and day. Prohibition is day. I hope it has come to stay." [Applause.]

Against such a crushing avalanche of incontestable business testimony the puerile opposition of the enemies of prohibition should promptly subside into a stammering and eternal hush.

GEORGIA ELECTS "BONE DRY" GOVERNOR

It is interesting to note that not only is Georgia's present able governor, Clifford Walker, personally and politically dry, but our governor elect was the author of our State prohibition bill when he was a member of the Georgia Senate in 1907. Knowing that Doctor Hardman had not used alcohol in his wide practice of medicine nor his great sanatorium at Commerce, Ga., for many years, I wired him for a statement concerning the matter and here is the response of Governor elect Hardman:

COMMERCE, GA., *February 10, 1927.*

Hon. W. D. UPSHAW,
Member of Congress, Washington, D. C.

Do not remember how many years since I have used alcohol in practice of medicine. Certainly 35 years or more. Early in practice, when we knew less about alcohol and its effect, I prescribed it some; but it was so disappointing, never benefiting patients; and after studying it from every angle, how it lowered the vitality of my patients, discontinued its use. There is no disease in which alcohol has any curative effect.

L. G. HARDMAN.

This ringing statement from the next Governor of Georgia—a physician of high character and great business success, supporting the recent testimony of Doctor Mayo, the famous surgeon of Rochester, Minn., ought to give heart to those who believe alcohol is unnecessary as a medicine.

SURE CURE FOR PROHIBITION ILLS

But remembering that the present spasm of prohibition opposition—an opposition that was expected when the law was enacted—is simply the result of the tenacious appetite begotten by the long reign of the legalized liquor traffic, and remembering also that every vicious violation of the law brings a new reason for eradicating the evils of the illegal traffic, root and branch, I offer a dead shot, sure cure for all the prohibition ills that we see and the many more that its enemies tell us about—let everybody on the floor and everybody in the galleries, especially the press gallery [laughter] get this; I told our resourceful and thoroughly honest prohibition director, Gen. Lincoln C. Andrews, that I am uttering in every speech I make over the country a sentence of five words that would put him, Wayne B. Wheeler, and the whole dry enforcement brigade out of business: Let everybody quit buying liquor! [Applause.]

That is simple enough, with that other basic injunction—let everybody quit drinking liquor! [Applause.]

And then our troubles will be over; no more appropriations, no more greed, no more graft, no more redness of eyes, no more mothers weeping over drinking sons and daughters, our children and our national ideals safe at home and our country's reputation safe abroad.

CONVINCE AMERICA—BEGIN AT THE TOP

The first great step toward complete victory is to convince the masses of America that the Government means business by officially drying up the Nation's Capital. Marvelous progress has been made. It seems about a million miles in space and a million years in time as we think of the difference between that horrible barroom with its tragic quota of official patronage that was banished from the basement of the Capitol and this fair day of decency and sobriety when a Congressman under the influence of liquor is "As rare as a day in June" or "A Chinaman with whiskers." Indeed, the improvement since prohibition came seven years ago is glorious to contemplate. I rejoice to proclaim on the platform everywhere that Congress is overwhelmingly "dry" in precept and in practice. In fact, I think I could count on the fingers of my two hands all whom I have ever seen under the influence of liquor since I came here eight years ago. One crowning act, however, awaits to be done—to profoundly impress the youth of our own country and the nations of the earth. Let the President and the Vice President, every Member of the Cabinet, and the popular Speaker of the House, all openly and unitedly announce that they will not attend any function—social, fraternal, commercial, or diplomatic—where intoxicants are served. This would give a moral thrill that would electrify the world. [Applause.] And further, let the President of this prohibition Nation, through the Secretary of State—as I proposed four years ago—inform all nations with which we have diplomatic relations that we have entered upon this great national moral program and that we respectfully request that no representative, consular or diplomatic, ask for diplomatic immunity concerning the shipment and serving of liquors that have been outlawed by the Constitution of the United States. [Applause.] This is sane, wholesome, and fundamentally American. Thirsty Americans who are foolish enough to want liquor very naturally complain when they see foreigners haul through the streets and serve at their functions the intoxicating liquors which are denied by law to our own American citizens. Diplomatic courtesy to our foreign guests does not require moral or constitutional surrender. [Applause.]

What a marvelous opportunity for our sober, God-fearing President to send America's great moral evangel to every nation on earth! I believe Lincoln, the Great Emancipator, would indorse this completion of America's emancipation from the liquor which he fought from his resolute boyhood to the day of his tragic translation.

And somehow I have the exhilarating suspicion that if Theodore Roosevelt were President, he would slap Uncle Sam on the shoulder and say, "By George, Uncle, since your Constitution says so, if we are going to have prohibition, let's begin in Washington and have it 100 per cent and then some."

WHY NOT A PROHIBITION BREAKFAST?

And while we are thinking of Washington, let us be frank clear through. On January 3, 1924, on the floor of this House I paid the following honest tribute to the President of my country:

Let me say frankly that I have faith in President Coolidge. [Applause.] I believe in his character and I believe in his courage. But I want him to give me a larger faith—and the people of America a larger faith—in his dynamic initiative by using the executive guillotine on the head of every drinking official; those who hope and pray for national sobriety are anxious to see him lead the holy crusade by smashing every jug and breaking every bottle in official Washington.

I stand by that utterance and put it into shining italics to-day. I believe the President of the United States personally practices the prohibition which he preaches in his messages to Congress; but I believe just as honestly and frankly that he and General Andrews and even Wayne Wheeler himself have never quite awakened to the enormity of the crime of the bootlegger and his supporting patron—enemies of the Constitution, enemies of the authority of the flag, enemies of God, and enemies of man. If the President had really realized the enormity of this thing, I am sure he would never have allowed any liquor Senator or Congressman to pay a political debt by having a "wet" man appointed to enforce a "dry" law. [Applause.] This incongruous thing has been at once the despair and shame of much of our effort at prohibition enforcement.

Let us ask again—where are the Cramton bill, the reorganization bill, and the Stalker bill, if you please, changing "or" to "and," making jail sentences mandatory for every violator of the prohibition law? Has the august body at the other end of the Capitol gone "wet"? Or is the dry majority helpless in the hands of a few "wet" buccaneers?

When the President wants tariff or any other form of revenue legislation—when he wants to speed up any sort of legislative program, he has a breakfast, and when he wants to protect American property or American life in foreign lands, he is vigilant enough and spunky enough to send a special message to Congress and marines to Nicaragua; but for four years remedial enforcement legislation has been languishing in one or the other branches of Congress, and yet there has never been a specific message or an emergency breakfast that I have ever heard of concerning this question. I believe in my soul that there ought to have been at least one dozen plates of waffles, one or two pitchers of maple sirup, and a few links of sausage dedicated to the greatest problem before the American people. [Applause.] This is neither narrow or partisan; it only illustrates my deep conviction that the whole American Nation needs a new and militant conscience concerning this national challenge that is being hurled daily at the American Government from the forces of lawlessness on every side.

I believe that "that little piece of Vermont granite that occupies the White House," as Raymond Robbins strikingly referred to President Coolidge, is a man of "marble integrity," but I want to see him get excited, if you please, in weeding out every wet, wayward official under his appointive power and pushing all forms of enforcement legislation. [Applause.]

When Gifford Pinchot declared in his inaugural address as Governor of Pennsylvania, "The mansion will be dry, the governor will continue to be dry, and no official will be appointed to office who does not promise to be dry," he set the only safe example for all executives of the Nation.

FINAL WORD TO MY FELLOW DEMOCRATS

I hope it will not be necessary to summon the Sergeant at Arms to make you dear Republicans "behave" while I bid an affectionate farewell and give a little free advice to my fellow Democrats—for I seem to remember (Glory be!) [laughter] that you have a perfectly lovely new-born "wet" and "dry" squabble in the G. O. P. ranks. [Laughter.]

Forget it not, my Democratic comrades, that the very stars in their courses are fighting for us in 1928—if we will only be wise—and—and keep sober as a party. The economic skies are heavy with clouds for the opposition; the long delay in farm-relief legislation spells nothing promising for the opposition; dissatisfaction with prohibition enforcement is an inescapable liability to the opposition: the three successive defeats of the Republican Party when the Dingley, McKinley, and Payne-Aldrich tariffs went into effect show that the people who pay the bills are getting ready to visit the same condign pun-

ishment on the perpetrators of the Fordney-McCumber tariff if—if—if we Democrats will only furnish a platform, a candidate, and a program that will give them half a chance to support us. Everybody knows that a divided Democracy can no more win in 1928 than a divided Republican Party could win when Woodrow Wilson was elected. What then?

BASIS FOR DEMOCRATIC HARMONY

I propose as a basis of Democratic harmony the Constitution of the United States! If that is not sound Democracy, then pray tell me what is? [Applause.]

"Oh, but you mean the eighteenth amendment," some "damp" Democrat replies. Why, certainly—and all the other amendments. But as there is more dissension and discussion about the eighteenth amendment right now than all others put together, I propose in absolute loyalty to my party and to my country that the next Democratic convention declare without equivocation or prevarication that the party will stand 100 per cent in platform and candidate for the enforcement of the constitutionally enacted eighteenth amendment and its supporting statute.

The God-fearing, patriotic American people will not stand for any more pussy-footing on this great moral question. They will brook no more glittering generalities and elusive innuendoes. For once economics will be largely forgotten in the great Armageddon for humanity and our threatened national ideals.

No friend of Democratic harmony and victory will propose a cowardly plank or a cowardly candidate. As a loyal Democrat, believing that the Democratic Party holds the economic hope of the masses, I am anxious to the point of consecration and desperation for my party to win, but I ask, in the words of Patrick Henry, why cry "Peace, peace, when there is no peace!"

The dry constitutional Democrats want peace, but they will not sign the articles of agreement on the upturned head of a beer keg—unless that keg is empty. If our fellow Democrats who are honestly "wet" and who honestly want the party to win should complain good-naturedly or a bit impatiently that we "drys" are "hard-headed," I answer, "But we are hard-headed on the side of the Constitution, while you 'wets' are hard-headed on the side of nullifying and destroying the Constitution—that part of the Constitution which holds within its compass the moral emancipation of the American people." The past eight years are strewn with presidential wreckage because "wet" unconstitutional counsel prevailed. Mark my words, we will never surrender again. Better that the Democratic Party lose another election than to lose its soul forever! Come on, fellow Democrats, and let us stand together flat-footed on the constitutional water wagon and ride to a clean, glorious victory in 1928! [Applause.] In that remarkable Toledo speech of William G. McAdoo, the most dynamic, powerful utterance on the subject of constitutional prohibition and law enforcement since William J. Bryan died—indeed, never surpassed, if equaled, by Bryan himself—he rightly warned against the political dominance of wet States that have broken with State enforcement of this Federal constitutional law. McAdoo is right—increasingly right. The great wet cities that defy this law have no right to control or defeat the sober democracy of the Nation.

I am sure that my Republican colleagues, with whom I have always had good personal and patriotic fellowship in this House, will forgive this brief digression, this heart-to-heart conference with my fellow Democrats, especially when you know that you will be the gainer if they do not take the advice I have so freely and honestly given.

Mr. Speaker, how much time have I remaining?

The SPEAKER pro tempore (Mr. MICHENER). The gentleman has five minutes of his original hour. The gentleman made a request for an additional 20 minutes. Objection was heard and the objection was withdrawn but the Speaker pro tempore in the chair at the time did not submit the question. The Chair therefore asks: Is there objection to the request of the gentleman from Georgia to proceed for an additional 20 minutes?

Mr. UPSHAW. I think I shall hardly need that much time, but I will be grateful for this extension.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

FINALLY AND FAREWELL

Mr. UPSHAW. Finally, my comrades, on both sides of the aisle, I shall rejoice to remember when I have taken leave of you that I have never consciously done one discourteous thing toward any Member of this House. You have given me a thousand reasons to be glad and thankful that a kind Providence led me into your fellowship.

While I have believed my specialty with an intensity that has been the passion of my life, I am glad that I know—I am glad that God knows I have been every whit honest and that I have practiced what I have preached. [Applause.]

I can never forget how, on the 3d day of March eight years ago when I lifted my eyes and saw the dome of the Capitol as my train was entering Washington, bringing me to become a Member of Congress, I suddenly remembered how I rode 4 miles in a wire spring and leaned on the arm of my Christian father, as I cast my first ballot at old Oregon Court Ground, in Cobb County, Ga., and wrapped that ballot in the prayer that God would make my entrance into citizenship a blessing to my country and an honor to my God. And as I looked on the beautiful dome of this Capitol—nothing else like it for symmetrical grandeur in all the world—I found myself communing again with my Christian father and my birth into active citizenship; and I am not ashamed to say that I bowed my head and lifted my heart again to God that He would help me to be God's man in the Capitol of my country. [Applause.]

Have I been true to that prayer and that ideal? I leave the answer to the God of my creation, the Christ of my redemption, and the friends who know me best and who love me best. I am just human enough, as I think of many of the rash and harsh criticisms that the "wet" papers have heaped upon me because of my so-called "radical views on prohibition"—I am human enough, I say, to put over against them that declaration of the Literary Digest which certainly plays no favorites with southern Democrats—but after reviewing my honest contention for sober officials, begun with a little 13-minute speech four years ago at Christmas time, the Literary Digest said:

To Congressman UPSHAW belongs the credit of awakening the conscience of America on the question of sober officials.

I think I would be willing—I speak the truth as I feel it—to go from this spot by His Grace to the bosom of my Maker if by thus going I might have assurance that the sacred task I then espoused would thus be made complete.

The other night, coming from my office, I found this empty bottle [laughter] near the elevator. Behold—it has a Glasgow and London trade-mark. It shows that lawbreakers in a friendly country thus smuggle in their defiance of our Constitution and of our flag. It shows by its final destination that its owners were willing to make money by debauching some Member of this House or some secretary of a Member. It is an ingenious affair. It has a nonrefillable stopper, so that the foolish man who bought it thought that he was getting genuine Scotch—but behold the bottom. Some devilish bootlegger had cut the glass, taken it out, removed the genuine liquor and filled it, doubtless, with a superpoison from the liquid haunts of hell, and then snugly sealed it back again. Mr. Speaker, it is empty. [Laughter and applause.]

As I hold this outlaw flask aloft language almost fails me. How I hate the stuff that will make seller and buyer descend to such deviltry as would make even some thieves blush with shame. I hate it with a hatred too deep for words. I hate it because "it leads to bewilder and dazzles to blind." I hate it because as the word of God declares, "It biteth like a serpent and stingeth like an adder." I hate it because, as Henry Grady grandly declared, "It has dug more graves and sent more souls unsaved to judgment than all the pestilence that has wasted humanity since God sent the plagues into Egypt and all the wars that have ever been fought since Joshua stood beyond Jericho." I hate it because of the happy homes it has destroyed, of the promising lives it has wrecked, and the unspeakable sorrows it has brought to millions of wives and mothers and children in the world. I hate it because it has twice wrecked the Democratic Party—the party I was taught from youth to love—and is preparing and daring to wreck it again. I hate it because, after all it has done to despoil humanity, along its trail of slime and crime through the centuries, and after it has been outlawed by due governmental process, it comes here now to challenge this Government again in the very Halls of Congress—to trample the Constitution beneath our feet and defy the flag above your home and mine. [Applause.]

YANCEY'S GREAT DECISION

Without one vestige of sectional thought, gentlemen, but illustrating the spirit of those tragic times and the type of courage and character necessary to make great moral decisions, I remind you of that dramatic hour just before Alabama seceded, when William L. Yancey, the eloquent Alabamian, was to speak in New York. When he rose and advanced toward the front of the platform the great crowd stood up and became a howling mob. They cried "Put him out—the enemy of the Union—put him out!"

But Yancey stood with folded arms like an uncrowned king and faced that frenzied throng. Watching his opportunity, he suddenly threw his voice like a silver bell across the excited multitude, and the tumult ceased—the curse, half uttered, died upon the lip—and then, with a logic overpowering and a pathos that melted all hearts, Yancey plead for his misunderstood section and people. When he sat down the audience was wrapped in a flame of subdued and subduing fervor. Everybody wondered who would break the magic spell. Then a man stood up in the back of the audience and called out "Mr. Yancey!"

All eyes were upon him.

"You faced an audience that was hostile an hour ago" said the speaker, "but now you must recognize the fact that you are in the house of your friends. This would we know of you, Mr. Yancey—if Alabama does secede, what will be your individual course?"

Heart strings seemed about to snap as that breathless crowd waited for the southern orator's answer. But they heard it not. Yancey clasped his hands to his throbbing brow and paced the stage. He caught a vision—the vision of his name in blazing letters all over the Northern press next morning, saying "Yancey goes with the Union—a Cabinet place with Lincoln." He paused, looked at the crowd but did not answer. He caught another vision of a beautiful southern home like Grady saw in his dying message in Boston—an old-fashioned southern home with tall colonial columns and the white pigeons fluttering down through the golden air.

He paused again but did not answer. Then, pressing both hands to his fevered brow, he paced the stage again as he caught the vision of his last hour in Montgomery. His departing train was thronged with constituents, his life-long neighbors and friends.

They were ringing his hands while tears were in their eyes. He heard them say again: "Yancey, we trust our all with you!"

Yancey had decided. He suddenly paused, stretched out his trembling hand toward that great multitude swaying with emotion and said: "Alabama's past has been my past, Alabama's glory has been my glory, Alabama's sorrows are my sorrows, Alabama's present is my present, and by the help of Almighty God, Alabama's destiny shall be my destiny!"

Thus, with startling and electrifying moral heroism Yancey broke with what he conceived to be wrong in Government and cast his lot with that little republic for which Robert E. Lee fought and Stonewall Jackson fell!

Ah, my colleagues, we of the South and the North thank God together that, with "ambiguities in the Constitution wiped out in a baptism of blood," we are one country now, living, working—if need be, fighting together for a common flag and sacred national ideals. We face a moral crisis greater than Yancey faced—greater than the Nation ever before has known. The eyes of our children are on us. The eyes of the nations of the earth are upon us. The outlawed liquor traffic, without conscience or character, is defying all things sacred to our laws, our hearts, and our homes.

I call upon you to break with every phase and form of the liquor traffic; break with all that is unclean in public life and leadership and cast your all for your children and your country—"for God and home and every land." [Applause.]

Mr. YATES. Will the gentleman yield?

Mr. UPSHAW. Yes.

Mr. YATES. I am the son of an Illinoisan who sat for years in the House of Representatives side by side with that distinguished son of Georgia, Alexander H. Stephens. As one son of Illinois who has watched your course in Congress, I want to say to you that you bear from this Chamber my admiration, and that so far as I know the admiration of all of our colleagues. We wish you well, sir, in your future. [Applause.]

Mr. UPSHAW. Thank you, Governor, your words are graceful and gracious.

I ask this with my closing words: In this Chamber and beyond this Chamber, I ask the leadership of America, which will you take, this bottle I hold before you or this Bible? This Bible says:

> No drunkard shall enter the kingdom of heaven.

Abraham Lincoln said:

> Do not try to regulate, but eradicate, the unspeakable cancer.

And he urged and practiced total abstinence.

This bottle says: "Down with the Bible, down with the teachings of Lincoln, down with the prohibition that is trying to save the homes and youth of America." Which will you take? In God's name there is only one answer, and if there be those in the gallery or anywhere in America who laugh over this serious, desperate, passionate appeal, I remind you that these principles for which Abraham Lincoln stood, the eternal principles that this Bible teaches and that I humbly and loyally support, will dance above the graves of their detractors and shine in the firmament of the ages like the stars of God forever and ever. [Applause.]

Mrs. Ella Boole said the other night, at that wonderful meeting of the Women's Christian Temperance Union:

> Prohibition must win, because the prayers are on our side, and there is no prayer on the side of liquor.

God knows I would not be on any side for which I could not pray. [Applause.]

In the sacred closing moments of this birthday contemplation we love to think of those beautiful, enriching words of Edward J. Davis on Lincoln:

> Heroic in his heart and mind,
> Unparalleled—in deeds so kind;
> Forever in our hearts enshrined—
> Immortal spirit—God-refined!

I say with my last word, I came here with my heart on my knees. With the holy impact of the teachings of a family altar upon me, I have prayed daily that I might be true to every principle of that righteousness that exalteth a nation.

My colleagues, I would rather live in your hearts and help you and your children upward than to live anywhere this side of heaven.

I can leave to you and to them no loftier personal and national concept than Lincoln's creed—for he believed with Richard Hooker, the great British pathfinder in religion and patriotism, that—

> Of the law no less can be said than that its seat is the bosom of God—its voice the harmony of the world.

Let us then obey the injunction of the great God-fearing Emancipator, friend of the flag, friend of God, and friend of man, and "make reverence for law the political religion of the Nation," and then, and not until then, may we be sure that "Government of the people, by the people, and for the people shall not perish from the earth." [Prolonged applause, the Members rising.]

Mr. SCHAFER. Mr. Speaker——

The SPEAKER pro tempore (Mr. MICHENER). For what purpose does the gentleman from Wisconsin rise?

Mr. SCHAFER. I ask unanimous consent to address the House for five minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. HAUGEN. Mr. Speaker, I regret that I shall have to object to the request at the present time.

Mr. SCHAFER. Will the gentleman reserve his objection?

Mr. HAUGEN. We are trying to get through the debate on the farm-relief legislation——

Mr. SCHAFER. If the gentleman wanted to get through with the debate on farm-relief legislation, why did not the gentleman object to the one hour of the preceding speaker being extended 20 minutes? I raise the point of no quorum.

Mr. HAUGEN. Mr. Speaker, I do not want to be discourteous about the matter, and if it is a matter of importance for the gentleman to proceed now, I withdraw the objection.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SCHAFER. Mr. Speaker, ladies, and gentlemen of the House, I will be brief, because I do not want to interfere with farm-relief legislation.

The speaker who has preceded me has told the House and the country that farm relief or other legislation was not important, and that the main and the vital question in which the people of America and the Congress should be interested is the one problem which is foremost in his mind, namely, the prohibition question. If this Congress is in accord with the gentleman of Georgia, it should necessarily suspend the consideration of all legislation and confine the rest of this short session to the consideration of the prohibition question.

I asked the gentleman to yield during his address in order to correct a wrong impression which some of his statements appeared to convey. From his argument one would reach the conclusion that the only question and the only issue upon which the sovereign voters of America expressed themselves at the ballot box was the prohibition question, because the gentleman cited, as usual, the fact that a majority of Members who agree with him on this question were returned to the Congress. Thank God that the democracy of America has not sunk so low as the gentleman would lead us to believe. When the day comes—and I know that it has not come and will not come when a majority of America's citizens will determine who will

represent them in the Halls of Congress on one question alone, be it prohibition or modification, then I fear for the safety of the Republic.

On November 2 last the voters of Wisconsin in a clear-cut referendum indicated their desire that the Volstead Act be modified by a vote of 349,443 in favor of and 177,602 against. My congressional district is included in the County of Milwaukee, which voted 81,000 for and 14,000 against.

It is unfair and unjust for the gentleman from Georgia and other prohibition advocates to convey the impression that American citizens who desire that the Volstead Act be modified do not respect the flag and institutions of America.

I yield to no one, not even to the gentleman from Georgia, in my desire that all laws be enforced while they are on the statute books. I yield to no one in my reverence for the flag, Constitution, and institutions of our Republic, either in times of war or in times of peace.

I will say to the gentleman from Georgia that, under the American Constitution, if you please, the sovereign citizens of this Nation have just as much moral and legal right to ask for the repeal or amendment of the Volstead Act or for the amendment of the eighteenth amendment or its repeal, as they have to ask for the amendment or repeal of any other constitutional provision or law on the statute books. They have just as much right to ask for or advocate such amendment or repeal as he and those who now champion the Volstead Act had before its enactment.

It is to be regretted that the gentleman from Georgia should make a prohibition memorial and political speech on Lincoln's Birthday and convey the impression that said speech was a Lincoln memorial address. The gentleman declined to yield and indicated that he would not yield because he was delivering a Lincoln memorial address.

I think Abraham Lincoln, George Washington, and the late Robert M. La Follette were three of the most distinguished citizens of this Nation, and I yield to no one, not even to the gentleman from Georgia, in my high regard for President Lincoln. A prohibition memorial address such as the gentleman has delivered here on Lincoln's Birthday under the guise of a Lincoln memorial address is an insult to the memory of Abraham Lincoln.

Mr. UPSHAW. Mr. Speaker, I ask unanimous consent to address the House for half a minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. UPSHAW. Mr. Speaker, I simply wish to make the RECORD clear that my address was never announced as a memorial to Abraham Lincoln. I asked the privilege and was given the privilege of speaking on the national lessons from Lincoln's life and character. I have been true to my announcement.

Mr. SCHAFER. The gentleman called it a memorial address when I started to interrupt him.

THE M'NARY-HAUGEN BILL

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent in extending my remarks on the farm relief bill to include therein statistics prepared by Mr. O. F. Bledsoe on the insurance plan, and also to include therein an analysis of the McNary-Haugen bill with the Bledsoe amendments included by A. H. Stone of Mississippi.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTINGTON. Mr. Speaker, under the leave granted me to extend my remarks in the RECORD, I now refer to a plan that I proposed some days ago that has not been worked out by dreamers but by successful cotton growers who are familiar with the problem of production and are skilled to an unusual degree in the methods of cotton marketing. I regard insurance against seasonal decline in the prices of cotton as vitally necessary in the pending legislation.

The insurance to which I refer is in no sense a guarantee of profit nor an insurance against loss. The only thing which may be insured is the price at delivery. This price may or may not result in a profit to the producer; that is a matter outside the limits of the proposed insurance.

I again call attention to this insurance plan, which has been proposed by Mr. O. F. Bledsoe, jr., a successful cotton planter and one of the ablest cotton men in the country; under this plan members of cooperatives would receive approximately the spot market price for their cotton on the day of delivery less carrying charges, and if the average annual price of cotton should be higher, they would receive the benefit of the higher price.

I am delighted that amendments to carry out the plan proposed by Mr. Bledsoe have been adopted by the Senate. I call attention to the fact that Mr. Bledsoe appeared before the Senate Committee on Agriculture and his views on the proposed plan may be found in the hearings of the committee on the McNary bill as reported to the Senate. The proposed plan has been carefully investigated. It is regarded as sound. The result has been that those who advocate legislation for the relief of agriculture are prepared to adopt Mr. Bledsoe's plan covering cotton, and desire that the plan be extended so as to take in the other basic commodities. In other words, I am not advocating an amendment for the proposed legislation that has not been carefully considered. The insurance plan has been investigated, and the amendment has been proposed by the author of the pending bill in the Senate, indicating that the advocates of the pending legislation desire to cooperate in any amendments that will perfect it.

As a matter of fact, the hearings disclose that in the case of cotton insurance experts have declared that it presents a legitimate risk from the standpoint of commercial insurance. The insurance can not be obtained commercially because of the insurance laws of the various States.

The amendment providing for insurance leaves the details to the board, and it can be undertaken by the board in the case of cotton and in the case of other commodities where proper statistical data is furnished for the basis of premium agreements. Experiences in insurable risks will have to be ascertained in the various basic commodities. I have carefully investigated the matter in so far as cotton is concerned, for I am more familiar with this product than I am with other basic commodities. Investigations are based upon statistics of the New Orleans Cotton Exchange, which is the most stable cotton market in America, for a period of 20 years.

Statistics for a period of 20 years, from September 1, 1905, to August 31, 1925, show that, with the exception of 5 years, the average price of cotton during the harvesting or delivery season, which is the period from September 1 to December 31, in which farmers usually sell their cotton, is lower than the average price of cotton for the 12 months beginning September 1 and ending August 31.

The five years in which there were exceptions, and in which the trend has not held good, are all suspectible to reasonable explanations, due to unusual conditions, most of which are certainly not likely to occur again.

Many of us have been studying this matter, and we are convinced that it would be for the substantial gain of the cotton grower if a plan of insurance against crop decline during any one year could be put into effect. Under the plan which Mr. Bledsoe proposes, and which I now advocate, the cooperative cotton associations would be guaranteed that their weighted average delivery spot price during the delivery period—that is, from September 1 to December 31—would not be less than their average selling price for the year—that is, from September 1 to August 31. The result would be that such associations would be able to pay their members approximately the full spot market price for their cotton at the time of delivery, less carrying charges, which consist of freight adjustment, one year's insurance, storage, and interest.

The examinations of the daily price records of the New Orleans Cotton Exchange for the period mentioned were made by Ernst & Ernst, public accountants. I embody herein the result of these examinations:

First. A letter from Messrs. Ernst & Ernst to Mr. O. F. Bledsoe, jr., dated September 1, 1926, covering examinations of the New Orleans Cotton Exchange, and giving the average prices of middling spot cotton for the delivery and for the annual seasons for the 20 years, which show the average price during the farmers' delivery season from September 1 to December 31 to be 17.55 cents per pound, while the average price during the entire season from September 1 to August 31 is 18.03 cents per pound, or the average price for the year is 0.58 cent, or a little over one-half a cent per pound, more than the average price during the harvesting or farmers' selling period, as follows:

27 CEDAR STREET, *September 1, 1926.*

Mr. O. F. BLEDSOE, Jr.,
President Staple Cotton Cooperative Association,
Greenwood, Miss.

DEAR SIR: We hereby certify that we have examined the daily price records of the New Orleans Cotton Exchange from September 1, 1905, to August 31, 1925, and find that the average prices reported for middling spot cotton for the periods from September 1 to December 31 and from September 1 to August 31 were as follows:

Sept. 1 to Dec. 31—	Average price	Sept. 1 to Aug. 31—	Average price
	Cents		*Cents*
1905	10.86	1905–6	10.92
1906	10.22	1906–7	11.22
1907	11.48	1907–8	11.14
1908	8.93	1908–9	10.03
1909	13.79	1909–10	14.51
1910	14.26	1910–11	14.39
1911	9.85	1911–12	10.87
1912	11.99	1912–13	12.26
1913	13.29	1913–14	13.23
1914	7.29	1914–15	8.29
1915	11.45	1915–16	12.15
1916	17.56	1916–17	19.78
1917	26.47	1917–18	29.40
1918	30.88	1918–19	30.01
1919	36.15	1919–20	38.33
1920	20.21	1920–21	14.75
1921	18.21	1921–22	18.71
1922	23.34	1922–23	26.15
1923	31.39	1923–24	30.51
1924	23.45	1924–25	23.89
20-year average	17.55	20-year average	18.03

Attention is directed to the fact that in the year 1914 the exchange was closed during August and September. Therefore price of 7.29 cents above actually covers three months. The prices of 13.23 cents for the year 1913–14 and 8.29 cents for the year 1914–15 actually cover only 11 months of each year.

ERNST & ERNST.

Second. The summary of the New Orleans spot prices of cotton, as follows:

New Orleans exchange spot middling cotton

Year	January	February	March	April	May	June
1906	11.55	10.67	10.84	11.27	11.31	10.99
1907	10.44	10.48	10.82	10.79	11.88	12.81
1908	11.83	11.59	10.91	10.19	10.91	11.57
1909	9.33	9.43	9.38	10.03	10.58	11.03
1910	15.22	14.87	14.73	14.63	14.88	14.84
1911	14.95	14.62	14.55	14.70	15.48	15.26
1912	9.52	10.31	10.64	11.62	11.71	12.06
1913	12.58	12.51	12.45	12.43	12.29	12.44
1914	12.92	12.90	12.94	13.09	13.36	13.78
1915	7.87	8.01	8.34	9.42	9.04	9.11
1916	12.03	11.45	11.72	11.88	12.61	12.79
1917	17.33	17.14	17.93	19.51	20.01	24.18
1918	31.06	30.90	32.75	32.94	28.92	30.71
1919	28.84	26.94	26.83	26.70	29.37	31.94
1920	40.27	39.38	40.69	41.41	40.31	40.49
1921	14.53	12.85	11.03	11.16	11.79	11.03
1922	16.51	16.36	16.74	16.79	19.30	21.68
1923	27.51	28.78	30.43	28.42	26.53	28.61
1924	33.94	31.90	28.73	30.41	30.69	29.47
1925	23.66	24.60	25.63	24.51	23.53	24.06
Average	18.09	17.78	17.90	18.09	18.23	18.94

Year	July	August	September	October	November	December
1905			10.25	10.15	11.28	11.67
1906	10.95	9.97	9.24	10.75	10.35	10.48
1907	12.88	12.13	12.47	11.18	10.83	11.53
1908	10.80	9.92	9.10	8.92	8.96	8.74
1909	12.13	12.46	12.66	13.43	14.40	14.95
1910	14.92	14.91	13.49	14.19	14.49	14.84
1911	14.28	11.91	11.28	9.60	9.33	9.17
1912	12.93	12.04	11.36	10.94	12.15	12.80
1913	12.34	12.02	13.12	13.73	13.31	12.98
1914	13.33	None.	8.38	7.01	7.42	7.18
1915	8.71	8.93	10.40	11.95	11.50	11.88
1916	13.03	14.25	15.26	17.24	19.44	18.34
1917	25.41	25.03	21.68	26.75	28.07	29.07
1918	29.57	30.22	33.22	31.18	29.75	29.43
1919	33.93	31.37	30.37	35.18	30.57	39.88
1920	39.41	34.02	27.47	20.95	17.65	14.63
1921	11.48	22.77	19.35	18.99	17.27	17.17
1922	22.01	21.54	20.74	22.04	25.38	25.47
1923	25.73	24.22	27.70	29.18	33.68	34.88
1924	29.23	26.65	22.76	23.47	23.95	23.66
1925	23.97	23.07				
Average	18.85	18.33	17.01	17.34	17.93	17.94

Grand average 20 years, 18.03; Sept. 1 to Jan. 1, 17.55.

Third. Actual Staple Cotton Cooperative Association deliveries and prices for the years 1922–23, 1923–24, 1924–25, as compared with the theoretical average, show a gain of 0.11 cent per pound of actual delivery average over the theoretical delivery average, as follows:

Staple Cotton Cooperative Association

Month	Percentage of deliveries	20-year average price	Average delivery price
August	0.29	18.33	5.3157
September	26.27	17.01	446.8527
October	42.72	17.34	740.7648
November	23.02	17.93	412.7486
December	5.74	17.94	102.9756
January	.71	18.09	12.8439
February	.73	17.78	12.9791
March	.23	17.90	4.1170
April	.18	18.00	3.2562
May	.02	18.23	.3646
June	.04	18.94	.7576
July	.05	18.85	.9425
Total	100.00	18.03	17.44

Theoretical delivery average, Sept. 1 to Jan. 1	17.55
Actual based on association delivery average	17.44
Gain	.11

Fourth. Variations by annual seasons in middling spot quotations for the period of 20 years, as follows:

Variations in middling spot cotton quotations—New Orleans

Season	Loss	Gain
1905–6		0.06
1906–7		1.00
1907–8	0.34	(1)
1908–9		1.10
1909–10		.72
1910–11		.13
1911–12		1.02
1912–13		.27
1913–14	0.06	(2)
1914–15		1.00
1915–16		.70
1916–17		2.22
1917–18		2.93
1918–19	.87	(3)
1919–20		2.23
1920–21	5.46	(4)
1921–22		.51
1922–23		2.81
1923–24	.88	(5)
1924–25		.44
	7.61	37.69

[1] Money panic.
[2] World War.
[3] Armistice signed.
[4] Crop estimate.

I also embody a statement, dated January 26, 1927, prepared by Mr. Bledsoe, giving profit and loss of seasonal cotton-price insurance from 1905 to 1919 and from 1921 to 1924, inclusive, which shows that the growers would have received, under the plan proposed, an increased amount for the annual period over the four months' delivery period in the sum of $1,011,325,750. The production during these years was 228,528,000 bales; and if the Government had underwritten insurance against decline in the annual price at a premium of $1 per bale, the premiums would have amounted to $228,528,000, while the losses would have been $120,783,450, leaving a profit of $107,744,550 to the Government. The said statement is as follows:

STAPLE COTTON COOPERATIVE ASSOCIATION,
Greenwood, Miss., January 26, 1927.

Profit and loss statement of seasonal cotton price insurance from 1905 to 1919 and 1921 to 1924, inclusive

Fiscal year	Bales produced	Value per pound, Sept. 1 to Dec. 31	Value per pound, Sept. 1 to Aug. 31	Increased amount received by growers, yearly period over 4 months	Losses due to decrease in value, yearly period over 4 months
1905–06	10,575,000	10.86	10.92	$3,172,500	
1906–07	13,274,000	10.22	11.22	66,370,000	
1907–08	11,107,000	11.48	11.14		$18,921,900
1908–09	13,242,000	8.93	10.03	72,831,000	
1909–10	10,005,000	13.79	14.51	36,018,000	
1910–11	11,609,000	14.26	14.39	7,545,850	
1911–12	15,693,000	9.85	10.87	80,034,300	
1912–13	13,703,000	11.99	12.26	18,490,050	
1913–14	14,156,000	13.29	13.23		4,246,800
1914–15	16,135,000	7.29	8.29	80,675,000	
1915–16	11,192,000	11.45	12.15	39,172,000	
1916–17	11,450,000	17.56	19.78	127,095,000	
1917–18	11,302,000	26.47	29.40	165,574,300	
1918–19	12,041,000	30.88	30.01		52,378,350

Profit and loss statement of seasonal cotton price insurance from 1905 to 1919 and 1921 to 1924, inclusive—Continued

Fiscal year	Bales produced	Value per pound, Sept. 1 to Dec. 31	Value per pound, Sept. 1 to Aug. 31	Increased amount received by growers, yearly period over 4 months	Losses due to decrease in value, yearly period over 4 months
1919-20	11,421,000	26.15	38.38	$127,344,150	
1921-22	7,954,000	18.21	18.71	19,885,000	
1922-23	9,760,000	23.34	26.15	137,128,000	
1923-24	10,281,000	31.39	30.51		$45,236,400
1924-25	13,628,000	23.45	23.89	29,981,600	
	228,528,000			1,011,325,750	120,783,450

Growers' income from premiums payable on 228,528,000 bales of cotton at $1 per bale	$228,528,000
Losses due to decrease in value, yearly period over 4 months	120,783,450
Profit to underwriters	107,744,550

Baleage: United States Department of Agriculture.
Prices: Average spot middling prices of the New Orleans Cotton Exchange, New Orleans, La., certified to by Messrs. Ernst & Ernst, certified public accountants.

STAPLE COTTON COOPERATIVE ASSOCIATION,
O. F. BLEDSOE, *President.*

As stated, during 15 of the 20 years mentioned, the seasonal trend of the prices was upward; that is, the average of the prices during the selling period was higher than the average of the prices during the marketing season of the farmers. The years in which there has been a downward trend in which there has been a loss—that is, in which the delivery period average has been higher than the year's average prices, were as follows:

During the season of 1907–8 there was a loss of 34 points, or $1.70 a bale. This was the year of the great bank panic.

During the season of 1913–14 there was a loss of 6 points, or $0.30 per bale, due to the World War, when for more than two months during the delivery period all exchanges were closed, and there were practically no sales of cotton.

During the season of 1918–19 there was a loss of 87 points, or $4.35 per bale. This was the year of the armistice, and the loss was due to the fall in prices of cotton after the unusual demands of the war.

During the season of 1920–21 there was a loss of 546 points, or $27.30 per bale. This was the year of deflation. Such a condition could hardly occur in the future; and, inasmuch as the proposition is to be limited for one year, contracts for insurance made during such abnormal conditions as existed during the year 1920–21 would need to be given special consideration and should be eliminated from the plan here proposed.

During the season 1923–24 there was a loss of 88 points, or $4.80 per bale. This is the only year in the 20 years where the loss in price might possibly be ascribed to crop conditions. Because of the unusual crop conditions, the estimates of the crop during the delivery season as well as the estimates of the spinning activities in cotton proved to be quite short. There was an underestimate of supply and an overestimate of demand, with the result that a loss occurred during the whose season over the delivery season.

Except during these five seasons there has been an invariable gain for the selling over the delivery season.

Excluding the season of 1920–21, the average annual loss for the 19 years included in the calculations is 56.6 cents per bale. The monthly percentage of the Staple Cotton Growers Association deliveries multiplied by the 20 years average monthly price of the New Orleans Cotton Exchange shows that the actual delivery price is 17.44 cents against the theoretical 20-year average from September 1 to August 31 of 17.55 cents, a reduction of 11 points, which would reduce the average loss from 56.6 cents per bale to 46.3 cents per bale. The loss for the season 1920–21 is excluded for the reason that a contingent liability in deflation does not exist at the present. It would be unfair to include the loss due to inflation in 1920–21, as without deflation it is doubtful if there would have been any loss at all.

Assuming, however, for the sake of argument, that the loss for 1920–21 would have been the average of the other entire four years of loss, or $2.68 per bale, we get a total loss cost for the entire 5 years out of the 20 of $13.43 per bale, or $0.67 per bale per annum. Adding 33⅓ per cent for profit and expenses, in order to determine a reasonable insurance rate, would give a rate of $0.89½ per bale. It will be kept in mind that the aggregate loss cost for the four years, excluding the year 1920–21, amounts to $10.75 per bale.

The statistics which have been compiled show that the Government can safely guarantee that the members of the cooperative cotton associations would not receive less for their cotton than the average selling price during the year in consideration of the payment of a premium by the member of approximately one-fifth of a cent per pound, or $1 per bale. This would be approximately 46 cents per bale more than the actual loss during the period of 20 years, as already stated, and would be a sound business and insurance proposition.

The premiums paid by the associations would be used to reimburse the associations for losses that might occur and to provide a reserve for any future losses. The premium of $1 per bale would provide for unusual losses and allow for considerable margin, which would be placed in a reserve to take care of unusual conditions.

The plan proposed is especially applicable to short-staple cotton. In fact, it would be more beneficial to short-staple than it would be for long-staple cotton, for the grower of long-staple cotton must take the risks in so far as the difference between the value of his cotton and short-staple cotton is concerned.

There is no private agency that can finance the proposed plan. The proposition is safe; as an insurance measure it is sound. The Government can aid agriculture, and in this case a sound plan for financial aid by the Government is proposed.

There are a number of amendments whereby the insurance plan can be made effective, and I am advised that the pending bill can be amended in two particulars, so as to make the insurance idea effective:

It can be done by providing for insurance on all basic commodities, and I have enlarged the plan originally proposed covering cotton so as to embrace all agricultural commodities, because those who represent other agricultural commodities asked that these commodities be embraced. I may say that the investigation covering wheat disclosed the same trend as to prices during the season. I am sure that the same thing is true as to other commodities that may be bought and sold on the exchange; in the very nature of the case this must be true, for otherwise there would be no buying and selling. Moreover, by accepting the plan for insurance against price decline the equalization fee would be justified. Cooperatives may then offer their members insurance and also the cost of carrying the commodity from the time of delivery to the date of sale. The plan would encourage cooperative marketing. It would still be voluntary. The equalization fee would only be collected in case of a surplus. The insurance would be available at all times, with or without an equalization fee, but with an equalization fee in the case of a surplus the insurance would be indispensable.

Two amendments will provide for the insurance on all commodities against seasonal decline in price, and I shall propose the following amendments, which have been adopted by the Senate:

On page 9, line 5, strike out down through line 5, on page 10, and insert in lieu thereof the following:

"(d) During the continuance of such operations in any basic agricultural commodity the board is authorized to enter into agreements, for the purpose of carrying out the policy declared in section 1, with any cooperative association engaged in handling the basic agricultural commodity, or with a corporation created by one or more of such cooperative associations, or with processors of the basic agricultural commodity.

"(e) Such agreements may provide for (1) removing or disposing of any surplus of the basic agricultural commodity, (2) withholding such surplus, (3) insuring such commodity against undue and excessive fluctuations in market conditions, and (4) financing the purchase, storage, or sale or other disposition of the commodity. The moneys in the stabilization fund of the basic agricultural commodity shall be available for carrying out such agreements. In the case of any agreement in respect of the removal or disposal of the surplus of a basic agricultural commodity, the agreement shall provide both for the payment from the stabilization fund for the commodity of the amount of losses, costs, and charges arising out of the purchase, storage, or sale or other disposition of the commodity or out of contracts therefor, and for the payment into the stabilization fund for the commodity of profits (after deducting all costs and charges provided for in the agreement) arising out of such purchase, storage, or sale or other disposition, or contracts therefor. In the case of agreements insuring such commodity against undue and excessive fluctuations in market conditions, the board may insure any cooperative marketing association against decline in the market price for the commodity at the time of sale by the association, from the market price for such commodity at the time of delivery to the association."

On page 10, line 7, after "associations," insert: ", or corporation created by one or more cooperative associations."

On page 18, strike out lines 14 and 15, and insert in lieu thereof the following:

"(c) Any loan under subdivision (a) or (b) shall bear interest at the rate of 4 per cent per annum.

"(d) The board may at any time enter into a contract with any cooperative marketing association engaged in marketing any basic agricultural commodity, insuring such association for periods of 12 months against decline in the market price for such commodity at the time of sale by the association from the market price for such commodity at the time of delivery to the association. For such insurance the association shall pay such premium, to be determined by the board, upon each unit of the basic agricultural commodity reported by the association for coverage under the insurance contract, as will cover the risks of the insurance."

On page 17, line 14, after "loans," insert "and insurance."

On page 15, line 16, after the comma, insert "premiums paid for insurance under section 12,".

On page 15, strike out line 19 through the comma in line 23, and insert "(b) the board, in anticipation of the collection of the equalization fees and the payment of premiums for insurance under section 12, and in order promptly to make the payments required by any agreement under section 6 or by the insurance contracts under section 12 and to pay salaries and expenses of experts,".

On page 16, line 13, strike out all after the word "only" down through the comma in line 16, and insert in lieu thereof the following: "(1) the payments required to be made by any agreement under section 6 or by an insurance contract under section 12,".

On page 19, line 4, after the parenthesis, strike out through the word "act" in line 6, and insert in lieu thereof the following: "including the payments required by any agreement under section 6 or by the insurance contracts under sectoin 12."

THE BENEFITS

The benefits to be derived from the plan are:

First. Banks can safely advance to cooperative marketing associations the spot-market price on the day of delivery, less carrying charges.

Second. Cotton cooperative associations will be able to pay members the spot-market price for their cotton on the day of delivery, less carrying charges.

Third. Cotton cooperative associations and their members will be insured against losses in cotton, with the orderly marketing of the cotton of the members.

Fourth. Members of the cotton cooperative associations, in the event of their association obtaining higher prices than were paid to them for their cotton on the day of delivery, will receive the gain in price.

Fifth. The operating expenses of the cotton associations will be reduced considerably, because the members will be receiving the full market price on delivery, without subsequent partial payments.

Sixth. Inasmuch as the producer is not guaranteed a specific or artificial price, but is only guaranteed against a seasonal decline in price, based on supply conditions, the tendency to stimulate production in excessive quantities is not present under this plan.

Seventh. All of these features would combine to strengthen cooperative associations and would promote the orderly marketing of cotton. The result would be both price and production stabilization.

The Federal farm board as underwriters of the contract will be taking the position that the cotton trade of the world is right to the extent that they will at least get back the price they paid for cotton, without carrying charges, storage, insurance, and interest.

The foregoing facts and statistics show that a Government agency would be warranted in indemnifying the cotton cooperative associations and the lending banks against losses arising from a decline during the annual season of delivery.

The Government can best assist in the problem of the surplus by aiding the growers to keep the surplus within their control. Surplus control by the producers in cotton is essential. I may say that the surplus of cotton is really low-grade cotton. When this surplus is taken out of the hands of the producers, it is taken from the only real friends that cotton has. This is true of any other agricultural commodity. In the very nature of the case no legislation will be beneficial, in so far as cotton is concerned, unless the legislation provides for the proper financing of low grades of cotton. By low grades I do not mean inferior staple; I refer to the stain and color resulting from weather conditions. There is a market for low-grade cotton, and while the grower can harvest an average crop, it is impossible for him to harvest an unusual crop, with the labor at his command, before weather conditions are such as to make the grades inferior.

In order to enable cooperative marketing associations handling cotton to pay their members approximately the full spot market middling price for their cotton on the day of delivery, the Federal farm board, as created by the McNary-Haugen bill, could allocate a revolving fund to cotton. The revolving fund for cotton would be used to make good the loss for any one year. The rate I have suggested is twice as much as is necessary to amortize the loss, based on a 20-year experience. The fee of $1 per bale as suggested would provide for the building up of a reserve fund. The revolving fund is needed to take care of conditions until the reserve is built up.

I believe that the insurance plan proposed will especially appeal to the Representatives of the cotton section of the country.

In this connection I desire to call attention to an analysis of the McNary-Haugen surplus control bill, if amended so as to include the Bledsoe plan of insurance, particularly with reference to its application to cotton, recently made by one of the most successful cotton planters of the South, who has made a profound study of the problems confronting cotton growers, and who has taken a leading part in all of the plans and meetings for the improvements of the condition of the farmers of the South, Hon. A. H. Stone, of Dunleith, Miss., and I ask all friends of agriculture, and particularly the Representatives from the cotton-growing regions of the country, to read carefully this fine analysis of the pending legislation, provided it is amended so as to embrace the insurance plan.

Mr. Stone's statement is as follows:

[S. 4808]

The McNary-Haugen surplus control bill as reported from the Senate Committee on Agriculture and Forestry January 24, 1927, and amended to include the Bledsoe plan of stabilization by price insurance, analyzed as to its general provisions, but with particular reference to its application to cotton.

PURPOSES

To promote the orderly marketing of basic agricultural commodities, to make possible the control and disposition of surpluses, to enable producers to stabilize markets against undue and excessive fluctuations, to reduce speculation and waste and to encourage the organization of cooperative marketing associations.

This declaration of policy in section 1 begins and ends with a recognition of the necessity of promoting orderly marketing by cooperative associations as a means of accomplishing the purposes contemplated in the bill.

SET-UP

The bill creates a Federal farm board to act as a central agency in Washington for promoting the purposes of the bill in the manner indicated later in this analysis. This board shall consist of the Secretary of Agriculture and of one member from each of the 12 Federal land-bank districts who shall be appointed by the President subject to Senate confirmation, as follows:

The bill provides for a nominating committee in each of the 12 land-bank districts to consist of five members, one member of each committee to be named by the Secretary of Agriculture and four members to be named by the bona fide farm organizations and cooperative marketing associations in each district at a convention called for such purpose. The committee is to continue as a permanent feature of the general set-up. Each nominating committee shall submit to the President the names of three individuals from which the President may select a member of the Federal farm board for such district. The terms of office for members shall be six years, the first appointments to be so designated as to allow the expiration of the terms of one-third of the members every two years. Members of the board shall be American citizens, shall engage actively in no other business, and shall receive salaries of $10,000 per annum. The board shall keep advised as to agricultural conditions at home and abroad, with special reference to actual or potential crop surpluses, and shall advise with cooperative associations and other farm organizations with a view to assisting them to receive the maximum benefits of this act.

ADVISORY COUNCIL

Section 7 of the bill directs the board to create for each designated basic commodity an advisory council. Each council shall consist of seven members selected by the board annually from lists submitted to it by such cooperative associations and other farm organizations as may be determined by the board to be representative of the producers of such commodities. Members of such advisory councils shall receive a per diem and expense but no salaries, and shall meet at least twice a year. Each commodity council shall have power to confer with the farm board on all matters related to its commodity. Special reference is made to the time and manner of operations in any commodity and to the amount and manner of collection of equalization fees.

MARKETING ASSOCIATIONS AND OTHER FARM ORGANIZATIONS

Throughout all of its recitals of powers and duties the bill recognizes in specifically repeated terms the essential part to be played by marketing associations and other farm organizations in any and every effort of the board to give effect to the remedial provisions of the act. The activities of the board are so closely hedged about and safeguarded and made so definitely dependent upon local, regional, and commodity sanction and initiative as to remove any reasonable ground whatever for apprehension of a centralization in Washington of undue power or control over any branch of American agriculture. Beyond the scope of its advisory functions, the board may be said to have no active authority other than that which it acquires by specific delegation from the producers themselves. Such powers as are granted to it under the bill are purely potential in character and remain dormant until called into activity by specific warrant from those who would invoke their aid.

OPERATIONS

The foregoing statement is amply justified by a consideration of the manner in which the board may operate as indicated generally in the bill and specifically set out in section 6. Before any action can be taken by the board other than that of studying conditions and advising with farm organizations the following things must definitely occur:

1. The board must find that there is or may be during the ensuing year either a surplus above the domestic requirements for wheat, corn, rice, or swine, or a surplus above the requirements for the orderly marketing of cotton. The term "surplus" as used throughout the bill clearly contemplates operations for the control ond disposition of surpluses in any basic commodity, whether arising through rapidity of delivery during the harvest season or arising from an annual or accumulated overproduction in any such commodity.

2. The commodity advisory council of seven members described above must "favor the full cooperation of the board in the stabilization of the commodity" in question.

3. "A substantial number of cooperative associations or other organizations representing the producers of the commodity" must also favor the full cooperation of the board.

4. The board must publicly declare its findings and must fix and publish with such declaration the date upon which it proposes to begin the operations authorized by the act. This guarantees full publicity to any action of the board before it is undertaken.

5. Any decision by the board relating to the commencement or termination of the operations authorized in the manner above detailed shall also require the affirmative vote of a majority of the appointed members in office. This excludes the Secretary of Agriculture, a member ex officio, from any voice in such decision and requires the majority action of the members selected by and for the producers themselves.

6. But even the total of all the above requirements is not yet sufficient to authorize the board to act. The majority vote just indicated must also include such members of the board as represent Federal land bank districts which in the aggregate produced during the preceding crop year, according to the estimates of the Department of Agriculture, more than 50 per cent of the commodity under consideration at the time.

After all these provisions have been specifically complied with and the board has been thus formally empowered to proceed with its operations, what may it really do as contemplated under the terms of the bill? Of itself, it can do absolutely nothing. The extent of all the power conferred upon it by the bill and brought into existence by compliance with the procedure here set out is a mere grant of authority to the board to enter into agreements with others for the purpose of carrying out the policy declared in section 1 of the bill; that is, to promote orderly marketing, to stabilize markets against undue and excessive fluctuations, to control and dispose of surpluses, to reduce speculation and waste, and encourage the organization of cooperative marketing associations. And with what agencies may the board make such agreements? The bill limits this also and confines such agreements to cooperative marketing associations or to corporations created by such association or to the processes of the commodity in question. There is but one exception to this limitation. Where the board is of the opinion that there is no such association or corporation capable of carrying out such agreements, in such case only it may agree with other agencies. This exception would not apply in the case of any basic commodity enumerated in the bill. In other words, the bill limits the operations of the board to agreements with the producers of the commodity to assist such producers in such effort as may be agreed upon to promote the purposes of the act. The English of the proposition is that the bill allows the board to cooperate only with the producers and only after the producers themselves have specifically set in motion the machinery of such cooperation.

FINANCING OPERATIONS

FEES AND FUNDS

The operations which may be agreed upon between the board and the associations or other farm organizations are to be financed in two ways. There is a fee to be collected on each commodity, out of which there is to be established a so-called stabilization fund for such commodity. There is also a direct appropriation from the Federal Treasury of $250,000,000 to be used and administered by the board as a revolving fund, as directed in the bill. The board may make loans from this fund to cooperative associations engaged in such stabilizing operations as may be mutually agreed upon. Such loans shall be repaid to the revolving fund from the stabilization fund of the commodity concerned in the particular operation.

Every operation authorized by the bill and provided for by specific agreement of the board is made in furtherance of the general interest of a particular commodity, and may be put into effect only at the instance of the producers of such commodity. There are a few broad general purposes common to all agriculture which may justify the grant of a general appropriation, as in the case of the revolving fund in the present bill. But specific operations and transactions, necessarily at the outset of a more or less experimental nature, should be financed by the commodity for the special benefit of which such operations are undertaken. It would be manifestly unfair to call on wheat to finance an operation in cotton, and vice versa. In other words, each commodity should bear its own burden and pay its own way though all of them may use the Federal farm board as a common medium, a sort of agricultural clearing house, by means of which the results of the experiences and operations of each commodity may be made available to all the others. Therefore, it is logical and sound that each commodity should have its own stabilization fund built up, maintained, and replenished from the equalization fees contributed by such commodity.

The board is authorized to determine the amount of each commodity equalization fee and to prescribe the manner of its collection. But no fee shall be fixed until the board in the manner described above has commenced operations in the commodity. The fee may be collected either on the transportation, processing, or sale of the commodity. An exception is made in the case of cotton in order that there may be no collection of the fee at the gin. It must be collected on cotton, either at the time of sale or in transportation after sale.

OPERATING AGREEMENTS

The agreements which may be made between the board and the associations or other farm organizations may provide for—

1. Removing or disposing of a surplus in any basic commodity.
2. Withholding or carrying such surplus.
3. Insuring such commodity against undue and excessive fluctuations in market conditions.
4. Financing the purchase, storage, sale, or other disposition of the commodity.

These agreements may be entered into only after the board has begun operations in the particular commodity covered by the agreement. There is, however, one contract which may be made by the board at any time, without all the preliminaries antecedent to commencing its other operations. By amendment to section 12 the board is authorized to contract with any cooperative marketing association, to insure such association for one year against decline in the market price of its particular commodity between the time of its delivery and its sale. For such insurance contract the association shall pay to the board such premium as may be agreed upon as being sufficient to cover the risk of the transaction. This is one of the Bledsoe amendments and was worked out by Mr. O. F. Bledsoe, president of the Staple Cotton Cooperative Association, of Mississippi. The proposal is based upon actual statistics of spot-cotton sales in New Orleans. The figures show that the proposition is sound beyond question for cotton. It is based upon the showing that the average price of middling cotton in New Orleans during the four months which constitute the delivery period, September to December, inclusive, is less than the average price of the same cotton during an annual selling period from September to August, inclusive. This was found to be true for 16 years out of the 20 covered by the investigation, 1905 to 1925. The four years showing a departure from the rule were years for the course of which there was an entirely reasonable explanation. This means that there is very little risk attached to such form of insurance in the case of cotton. In fact, this commodity has been declared by insurance experts to present a legitimate risk from the standpoint of commercial insurance. The only trouble commercially is presented by the insurance laws of the various States. This form of operation could be undertaken by the board in such commodities as presented proper statistical data as a basis of premium agreement. Experience would have to be relied on for the safe extension of the operation to the various commodities.

It should be kept clearly in mind that this is not in any sense or form an insurance of profit nor an insurance against loss. The only thing which may be insured is the price at delivery. This price may or may not mean a profit to the producer who makes the delivery. That is a matter entirely outside the terms of the insurance agreement.

Using cotton for purposes of illustration, as we already have the experience tables for this commodity, we may briefly consider the matter from the standpoint of the benefit of such price insurance to cooperative marketing, to promote which is declared to be one of the chief aims of the bill. The primary problem of market stabilization is that of securing control of a sufficient portion of the crop concerned. The cotton cooperatives could exert a very great influence on the situation as to

cotton if they could control the commodity. They handle only about 10 per cent of the crop. And the reason is well known. It is primarily a matter of prompt liquidation. The grower needs his money immediately upon the delivery of his crop. As the matter now stands, he can get his money only by sacrificing his cotton at such price as he may be able to obtain at the moment.

Thousands of cotton growers do this, and the disastrous results constitute one of the agricultural situations sought to be remedied by this bill. With the price-insurance contract from the Federal farm board the cooperative association could negotiate a loan from commercial banks up to 85 or 90 per cent of the value of its commodity. Couple this with the assurance that any advance in price would accrue to the benefit of the cooperative member and these associations would be in position to render such a service as is now wholly beyond their power to offer. The inevitable effect would be the promotion of those results which the bill seeks to accomplish. A more direct and definite means to an end can scarcely be conceived. It may be again stated that this form of contract may be made by the board at any time, because it involves the payment by the cooperative association of an insurance premium and is therefore not dependent upon an equalization fee or a stabilization fund.

The other amendment covers another Bledsoe proposition. This is insurance against price decline, coupled with reimbursement for fire insurance, storage, and interest. Under this agreement with the board the cooperatives could offer their members price insurance and also the cost of carrying the commodity from delivery to sale. The acceptance of this feature of the bill is justified upon the broad principle that the cost of removing the weight of a surplus from the market and of carrying it through the period of its orderly distribution should be borne by the entire commodity concerned rather than be imposed only upon that portion of it which is thus carried and distributed. This, of course, is grounded still further back upon the admitted fact that the portion of the commodity which is individually sold, instead of being marketed through an association, gets the benefit of a market from which has been lifted the weight of that portion of the commodity carried by the association. Any profit which might accrue through an advance in price between delivery and sale would accrue to the marketing association and be by it distributed to its members. No charge of discrimination in favor of the cooperatively sold portion of a commodity as against that portion sold by the individual can be fairly made under this plan. The individual seller operates in a market from which the cooperative cotton has been removed and competition thereby reduced; and the individual seller makes his own choice of methods and markets. He makes his own decision between selling individually and selling cooperatively.

This feature of the bill is of itself amply sufficient justification for the equalization fee for creating a stabilization fund from which to meet the cost of the stabilizing operation, which, in this instance, is carrying the commodity through the period of its orderly distribution for the benefit of the entire commodity concerned. For it should be borne in mind that this agreement—price insurance plus carrying-cost reimbursement—can be had only when the board is operating in the commodity and collecting an equalization fee.

The foregoing analysis covers the outstanding features of the bill and discloses the voluntary nature of its operations as well as making clear the safeguards with which such operations are surrounded.

The above analysis was made prior to the passage of the bill by the Senate. The bill was so amended in the Senate as to emphasize the part to be played by the producer in initiating the operations of the farm board in the following particulars:

In addition to requirements above enumerated as essential to authorize the board to begin operations in any commodity, the bill as amended provides that the board also "shall have become satisfied that a majority of the producers of such commodity favor such action." This additional requirement tends distinctly toward the democratization of the bill and refutes the charge that the bill would bind and deliver American agriculture into the hands of a relatively small number of cooperative marketing associations.

To enable the board to be advised in the premises, and as still further emphasizing the voice of producers who are not members of cooperative associations or other farm organizations, another Senate amendment provides that in any State in which less than 50 per cent of the producers of a given commodity are members of such organizations, the wishes of such producers shall be ascertained at a State convention held for such purpose. This also is a requirement antecedent to the beginning of commodity operations by the board.

The number of members of the district nominating committees is increased from five to seven, and two of these must now be elected by the heads of the agricultural departments of the States in the district at a meeting held for such purpose. It is also provided that these departmental heads shall have the right to submit to the board recommendations for membership on the commodity advisory councils, in addition to such membership recommendations made by cooperatives and other farm organizations, as in the original bill.

The definition of the term "processing" has been amended so that it means spinning, milling, or any manufacturing of cotton other than ginning. Under this amendment there can be no collection of the equalization fee at the gin.

A. H. STONE.

In conclusion, I beg to say that I believe the proposed legislation will be a distinct contribution toward the solution of the great agricultural problem confronting the country.

ADDRESS OF COL. WADE H. COOPER, OF WASHINGTON, D. C.

Mr. REECE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a brief speech made by Wade H. Cooper, of Washington, on Abraham Lincoln.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. REECE. Mr. Speaker, this evening in the Peabody Hotel in the city of Memphis, Tenn., there is being held a great celebration in commemoration of the birthday anniversary of Abraham Lincoln. The speaker of the evening is Col. Wade H. Cooper, president of the Continental Trust Co., of Washington, D. C. Colonel Cooper is a southern man, the son of a Confederate soldier. I have been furnished in advance with a copy of his speech to be delivered on this occasion. It is one of the finest tributes to Abraham Lincoln that it has ever been my pleasure to read.

I may say in this connection that the Continental Trust Co., of which Colonel Cooper is president, is one of the few financial institutions in this country that threw wide its doors and made loans to veterans of the World War on their adjusted compensation certificates regardless of race, color, or creed, and regardless of whether or not they were customers of the bank. As a veteran of the World War I desire to take advantage of this opportunity to express my appreciation of that service.

The speech referred to is as follows:

ABRAHAM LINCOLN

Mr. Chairman, ladies, and gentlemen, to the informed it is very difficult to think of any country, great or small, without associating therewith the name of some great character produced by that country.

In France it is Mirabeau and his contemporaries of the French Revolution, Napoleon and his excursions into Moscow and into Egypt, where he reminded his soldiers that 40 centuries looked down upon them. In England it is the Duke of Wellington and his victory at Waterloo, or Lord Nelson and his victory at Trafalgar. In Germany it is Frederick the Great and Bismarck. In Scotland it is Wallace and Wycliffe and Bruce and Sidney. In Ireland it is Emmett and O'Connell and Grattan. In Italy it is Garibaldi. In Hungary it is Kossuth. In Austria it is Marie Teressa; and in Russia it is Katherine the Great.

In Cuba it is Marti. In Mexico it is Juarez. In the Dominican Republic it is Duarte. In Argentina it is San Martin. In Brazil it is Bonofacio. In Bolivia it is Sucre. In Chile it is O'Higgins. In Colombia it is Santander. In Guatamala it is Barrios. In Honduras it is Morazan. In Panama it is Herrera. In Uruguay it is Artigas; in Peru it is Unanue; and in Venezuela it is Bolivar.

In our own great American Republic it is George Washington, its founder, and Abraham Lincoln, its savior and preserver.

This evening we are to talk about Mr. Lincoln. Forgetting for the moment his early life and his heroic struggles, let us consider Mr. Lincoln's public service and his life as a great statesman. He appeared in public life at that period in our history when the leading public men of the North and of the South were engaged in a great oratorical combat over the question of human slavery and the extension of the same, finally terminating in the attempt of the Southern States to withdraw from the Union.

While Mr. Lincoln opposed the extension of slavery into the free States, he was never an abolitionist. I think it well for us to keep in mind the fact that the idea of the abolition of slavery originated in the South. For instance, General Washington, in a letter to General Lafayette in 1798, said:

"I agree with you cordially in your views in regard to negro slavery. I have long considered it a most serious evil, both socially and politically, and I should rejoice in any feasible scheme to rid our State of such a burden."

And again our own Thomas Jefferson, the apostle of human liberty in this country, said:

"Indeed, I tremble for my country when I reflect that God is just; that His justice can not sleep forever; that considering numbers, nature, and natural means only; a revolution of the wheel of fortune, an exchange of situation, is among possible events; that it may become probable by supernatural influence. The Almighty has no attribute which can take sides with us in such contest.

"Nothing is more certainly written in the Book of Fate than that these people are to be free."

It may be instructive as well as entertaining for you to know how Gen. Robert E. Lee felt on the eve of the great conflict. My endeavor this evening is educational and not oratorical and I am going to read

you a brief portion of a letter of General Lee's to his son, C. W. Custis Lee, dated January 23, 1861, Referring in this letter to the existing troubles, General Lee concluded his letter as follows:

"As an American citizen, I take great pride in my country, her prosperity and institutions, and would defend any State if her rights were invaded. But I can anticipate no greater calamity for the country than a dissolution of the Union. It would be an accumulation of all the evils we complain of, and I am willing to sacrifice everything but honor for its preservation. I hope, therefore, that all constitutional means will be exhausted before there is a resort to force. Secession is nothing but revolution. The framers of our Constitution never exhausted so much labor, wisdom, and forbearance in its formation, and surrounded it with so many guards and securities, if it was intended to be broken by every member of the Confederacy at will. It was intended for 'Perpetual union' so expressed in the preamble, and for the establishment of a government, not a compact, which can only be dissolved by revolution, or the consent of all the people in convention assembled. It is idle to talk of secession. Anarchy would have been established, and not a government, by Washington, Hamilton, Jefferson, Madison, and the other patriots of the revolution * * *. Still, a union that can only be maintained by swords and bayonets, and in which strife and civil war are to take place of brotherly love and kindness, has no charm for me. I shall mourn for my country and for the welfare and progress of mankind. If the Union is dissolved, and the Government disrupted, I shall return to my native State and share the miseries of my people, and save in defense, will draw my sword on none."

The letter, which we have just read, from General Lee tells how he stood. He was opposed to secession and regarded it as nothing but revolution. But General Lee, when the conflict became inevitable, became the leader of the military forces of the South. I can see him in his Gethsemane as the war clouds gather.

I know that General Lee was to the South as Moses was to Israel.

I doubt if any greater tribute could be paid to General Lee than that paid him by Hon. Benjamin H. Hill, of Georgia. It is brief and I quote it:

"When the future historian comes to survey the character of Lee, he will find it rising like a huge mountain above the undulating plane of humanity, and he will have to lift his eyes toward heaven to catch its summit. He possessed every virtue of the great commanders, without their vices. He was a foe without hate, a friend without treachery, a private citizen without wrong, a neighbor without reproach, a Christian without hypocrisy, and a man without guilt. He was a Cæsar without his ambition, a Frederick without his tyranny, a Napoleon without his selfishness, and a Washington without his reward. He was obedient to authority as a servant, and loyal in authority as a true king. He was gentle as a woman in life; modest and pure as a virgin in thought; watchful as a Roman vestal in duty; submissive to law as Socrates, and grand in battle as Achilles."

The greatness of Gen. Robert E. Lee is now recognized by all people of all sections.

In order for us to have a proper appreciation of Mr. Lincoln it is necessary for us to have a proper understanding of his views and his acts and of the environment in which he lived and moved.

I have shown you that two of our greatest Americans—Washington and Jefferson, both southern men—favored the abolition of human slavery.

The Rev. Dr. John Newton, a noted Episcopal minister of London, England, about 75 or 100 years prior to the Civil War, published in book form some of his observations and experiences while engaged in the African slave trade.

Prior to his becoming a minister of the Gospel he had served in the capacity of an officer on an English vessel engaged in transporting and selling African slaves to the American Colonies and the West Indies. He tells of the evils growing out of the slave trade, some of which he says were too horrible for publication. He describes how the poor, ignorant male slaves were fastened in chains, bound hand and foot, and linked together in the lower part of the vessel, unable to move and without fresh air for weeks and weeks at a time. Sometimes they would die by the hundreds as the result of some kind of fever or some other sickness contracted while on board the vessel.

He recalls one occasion when 100 of the unfortunate slaves were thrown overboard into the sea to perish in order to save fresh drinking water for others. He recalls one occasion when the mate, an officer on a small vessel, became irritated at the cries of a baby in its mother's arms and finally in exasperation snatched the baby from its mother and threw it into the sea, leaving the poor mother to mourn and moan for her little child for days and weeks afterwards. And some of the impositions practiced upon the helpless female slaves were indeed unspeakable and unprintable. Such cruel practices as these were doubtless known to Washington, Jefferson, and Lincoln.

I am speaking to you as a southern man, of southern birth, the son of a Confederate soldier named for Gen. Wade Hampton, one of the leaders of the Confederacy. No braver men ever stepped to martial music than the men who followed Lee and Jackson and Johnson. The bravery and courage of the Confederate soldier was only equaled by the bravery and courage of the men who followed Grant and Farragut and Sheridan and Thomas, who fought that our Republic might live.

It would seem that if our great American Republic is to endure that it would be a confederation composed of all the people regardless of section, a confederation of love and affection, a Union of loyalty and not disloyalty, a Republic of union and not disunion.

The oldest republic of which recorded history gives us any account is the Hebrew Commonwealth under the administration of Moses, one of the greatest, if not the greatest, lawgiver of all time. Then follows the ancient republics, including the Carthaginian Republic, the Lombard League, the Ionian League, the Athenian Republic, the Roman Republic, the Venetian Republic, the Florentine Republic, the Achaen League, the Beotian Confederacy, and the Aetolian League.

The Venetian Republic lived for about 1,300 years, having endured longer than any other of the ancient republics. The Florentine Republic lived for about 450 years, or the shortest lived of any of the ancient republics.

Therefore, if our own Republic should live for 300 more years, it will then only have lived as long as the life of the shortest of the ancient republics, the Florentine Republic.

It seems to me a difficult thing to appreciate a gift without appreciating the giver; a difficult thing to appreciate being rescued without appreciating the rescuer; a difficult thing to appreciate our great Republic without an appreciation of Abraham Lincoln who rescued and saved it.

A brief review of the record, as it is written, will only serve to increase your admiration and appreciation of Mr. Lincoln.

I believe Mr. Lincoln is his own best interpreter. I believe his papers, his writings, and his speeches reveal himself to us better than anything else.

I have not been able to find anywhere at any time, or in any place, any authentic statement that Mr. Lincoln ever advocated the abolition of slavery. He was opposed to slavery; he thought it a great moral wrong, but in all his speeches throughout his whole career from the time he entered public life until the Civil War, he stood for the Union, the Constitution, and the enforcement of the law. He had great respect for the Constitution—abhorring human slavery, he stood for the Constitution which sustained and supported it, but declaring always his opposition to its extension or its invasion of any free soil. He made his position clearly known in an address in Cincinnati in 1859 when he declared:

"I say that we must not interfere with the institution of slavery in the States where it exists, because the Constitution forbids it and the general welfare does not require it. We must not withhold an efficient fugitive slave law, because the Constitution requires us, as we understand it, not to withhold such a law; but we must prevent the outspreading of the institution because neither the Constitution nor the general welfare requires us to extend it. The people of these United States are the rightful masters of both Congress and courts, not to overthrow the Constitution but to overthrow the men who pervert the Constitution."

One of Mr. Lincoln's greatest speeches was delivered at the Cooper Institute, New York, February 27, 1860. He had measured swords with the brilliant Stephen A. Douglas, and his speeches in that debate brought him into great prominence, so much so that the eastern Republicans wanted to see and hear him. He accepted an invitation to speak in Cooper Institute. His audience expected to hear a story-telling speaker. He disappointed them, entering into an immediate discussion of the greatest issue then before the people of the country. By his earnestness and his sincerity he soon had his audience captivated. In the most kindly spirit he protested against the threat of the Southern States to dissolve and destroy the Union if they could not have their way in regard to slavery. I quote one short passage from that speech:

"Wrong as we think slavery is, we can yet afford to let it alone where it is, because that much is due to the necessity arising from its actual presence in the Nation; but can we, while our votes will prevent it, allow it to spread into the national Territories and to overrun us here in these free States? If our sense of duty forbids this, then let us stand by our duty fearlessly and effectively. Let us be diverted by none of those sophistical contrivances wherewith we are so industriously plied and belabored, contrivances such as groping for some middle ground between the right and the wrong, vain as the search for a man who should be neither a living man nor a dead man; such as a policy of 'don't care' about which all true men do care; such as Union appeals beseeching true Union men to yield to dis-Unionists, reversing the divine rule and calling not the sinners but the righteous to repentance."

Abraham Lincoln won the Republican nomination for President over William H. Seward in the Wigwam in Chicago, where the Republican National Convention was held on May 16 to 18, 1860. The platform upon which he was nominated and elected provided briefly:

"1. That slavery must not be extended into the Territories and that it was the duty of Congress to exclude it therefrom by positive legislation.

"2. That it was not right to interfere with slavery in territory in which it then existed.

"3. That it was right to protect all persons in the exercise of their constitutional rights." (This was meant as assurance to the South that their slaves would not be taken away from them.)

This was the position which Mr. Lincoln had taken all along; the platform, according to his letter of acceptance, was thoroughly satisfactory to him. After a most exciting campaign he was elected.

On March 4th following he was duly sworn in, his old-time rival, Stephen A. Douglas, holding his hat while Mr. Lincoln delivered his inaugural address. It is important that all Americans, and especially all southerners, should hear these few lines from his address.

After all the only real democracy is a democracy of education, a democracy of intelligent information. There is no such thing as a democracy of blind ignorance. I believe it was Goethe who said that one of the prime requisites of genius was a passion to know the truth.

"Ye shall know the truth, and the truth shall make you free."

No wonder the men of the South followed Lee and the men of the North followed Grant.

I want you, if you will, to visualize Mr. Lincoln standing on the steps of the National Capitol at Washington at noon on March 4, 1861, and hear him as he uttered these words:

"Apprehension seems to exist among the people of the Southern States that by the accession of the Republican administration their property and their peace and personal security are to be endangered. There has never been any reasonable cause for such apprehension. Indeed, the most ample evidence to the contrary has all the while existed and been open to their inspection. It is found in nearly all the published speeches of him who now addresses you. I do but quote from one of those speeches when I declare that—

"I have no purpose directly or indirectly to interfere with the institution of slavery in the United States where it exists. I believe I have no lawful right to do so, and I have no inclination to do so.

"Those who nominated and elected me did so with full knowledge that I had made this and many similar declarations and had never recanted them; and more than this, they placed in the platform for my acceptance, and as a law to themselves and to me, the clear and emphatic resolution which I now read:

"'*Resolved*, That the maintenance inviolate of the rights of the States, and especially the right of each State to order and control its own domestic institutions according to its own judgment exclusively, is essential to that balance of power on which the perfection and endurance of our political fabric depend; and we denounce the lawless invasion by armed forces of the soil of any State or Territory, no matter under what pretext, as among the gravest of crimes.'

"I now reiterate these sentiments, and in doing so I only press upon the public attention the most conclusive evidence of which the case is susceptible that the property, peace, and security of no section are to be in any wise endangered by the now incoming administration. I add, too, that all the protection which, consistently with the Constitution and the laws, can be given will be cheerfully given to all the States when lawfully demanded, for whatever cause, as cheerfully to one section as to another."

And hear his earnest and sincere appeal from this same address:

"My countrymen, one and all, think calmly and well upon this whole subject. Nothing valuable can be lost by taking time. If there be an object to hurry any of you in hot haste to a step which you would never take deliberately, that object will be frustrated by taking time; but no good object can be frustrated by it. Such of you as are now dissatisfied still have the old Constitution unimpaired and, on the sensitive point, the laws of your own framing under it; while the new administration will have no immediate power, if it would, to change either. If it were admitted that you who are dissatisfied hold the right side in the dispute, there still is no good reason for precipitate action. Intelligence, patriotism, Christianity, and a firm reliance on Him who has never yet forsaken this favored land are still competent to adjust in the best way all our difficulty.

"In your hands, my dissatisfied countrymen, and not in mine, is the momentous issue of civil war. The Government will not assail you. You can have no conflict without being yourselves the aggressors. You have no oath registered in Heaven to destroy the Government, while I shall have the most solemn one to 'preserve, protect, and defend it.'

"I am loath to close. We are not enemies but friends. We must not be enemies. Though passion may have strained, it must not break our bonds of affection. The mystic chords of memory, stretching from every battle field and patriot grave to every living heart and hearthstone all over this broad land, will yet swell the chorus of the Union when again touched, as surely they will be, by the better angles of our nature."

What a baptism of blood could have been avoided had his pleadings and his appeals been heeded? But, South Carolina had passed her ordinance of secession and when the Federal Government sought to provision Major Anderson and his men in Fort Sumter at Charleston Harbor, the fort was fired upon. State after State followed the example set by South Carolina and the Civil war was on.

On May 9, 1862, Maj. Gen. David Hunter, of the Federal Army at Hilton Head, S. C., took it upon himself to issue and did issue a proclamation declaring the slaves in the States of South Carolina, Georgia, and Florida to be forever free, these States at the time comprising the military department of the South under charge of Major General Hunter.

President Lincoln, always honest, always fair, and always just, on the 19th day of May, or 10 days later, issued a proclamation, stating that he had no official knowledge of Major General Hunter's proclamation freeing the slaves in the States mentioned, but if true, it was without any authority whatever and utterly void. President Lincoln further declared in his proclamation:

"I further make known that whether it be competent for me as Commander in Chief of the Army and Navy, to declare the slaves of any State or States, free, and whether at any time, in any case, it shall have become a necessity indispensable to the maintenance of the Government to exercise such supposed power, are questions, which, under my responsibility, I reserve to myself and which I can not feel justified in leaving to the decisions of commanders in the field. These are totally different questions from those of police regulations in armies and camps. On the 6th day of March last (1862), by a special message, I recommended to Congress the adoption of a joint resolution to be substantially as follows:

"'*Resolved*, That the United States ought to cooperate with any State which may adopt a gradual abolition of slavery, giving to such State pecuniary aid, to be used by such State, in its discretion, to compensate for the inconveniences, public and private, produced by such change of system.'

"The resolution, in the language above quoted, was adopted by large majorities in both branches of Congress and now stands an authentic, definite, and solemn proposal of the Nation to the States and people most immediately interested in the subject matter. To the people of those States I now earnestly appeal—I do not argue—I beseech you to make the arguments for yourselves; you can not if you would be blind to the signs of the times. I beg of you a calm and enlarged consideration of them, ranging, if it may be, far above personal and partisan politics. This proposal makes common cause for a common object, casting no reproaches upon any. It acts not the Pharisee. The change it contemplates would come as gently as the dews of heaven, not rending or wrecking anything. Will you not embrace it? So much good has not been done by one effort in all past time as in the providence of God it is now your high privilege to do. May the vast future not have to lament that you have neglected it."

Nothing came of the above-adopted resolution, as none of the seceding States adopted measures providing for the abolishment of slavery, as the resolution suggested.

And later, on September 22, 1862, President Lincoln issued a proclamation, containing among other things the following:

"That on the 1st day of January, 1863, all persons held as slaves within any State or designated part of a State, the people whereof shall then be in open rebellion against the United States, shall be then, thenceforward, and forever free, etc."

And then on December 1, 1862, after the issuance of the above proclamation, in a long message to the Congress of the United States President Lincoln earnestly urged the adoption of resolutions and articles amendatory to the Constitution of the United States providing for the issuance of United States bonds, to be delivered to any State in payment for the freedom of the slaves of that State, said State to abolish slavery "at any time or times before the 1st day of January, 1900."

President Lincoln made a long and earnest argument for the adoption of this amendment, stating how much blood and treasure it would save. He said:

"The plan is proposed as permanent constitutional law. It can not become such without the concurrence of, first, two-thirds of Congress, and afterwards three-fourths of the States. The requisite three-fourths of the States will necessarily include seven of the slave States. Their concurrence, if obtained, will give assurance of their severally adopting emancipation at no very distant day upon the new constitutional terms. This assurance would end the struggle now and save the Union forever."

None of President Lincoln's appeals, pleadings, or proposals were effective. Therefore, on January 1, 1863, in accordance with his previously announced purpose, he issued his famous emancipation proclamation, striking forever the chains of slavery from the black people of the South, declaring it to be a fit and necessary war measure for the suppression of the rebellion.

I give you the facts according to the official records at Washington.

All the time we find Mr. Lincoln working, pleading, and praying for peace.

Mr. Lincoln had his troubles in the North as well as in the South. He complained that his views and his policies were sometimes badly misunderstood or misrepresented in the North as well as in the South. He especially complained that the Boston Courier misrepresented him. And his letter to Horace Greeley, editor of the New York Tribune, in reply to Mr. Greeley's letter criticizing him, shows that Mr. Lincoln

was not only a great statesman but a great philosopher as well. This letter will teach all of us a lesson in patience, forbearance, and kindness. Listen and hear how he handled Horace Greeley:

EXECUTIVE MANSION,
Washington, August 22, 1862.

HON. HORACE GREELEY.

DEAR SIR: I have just read yours of the 19th, addressed to myself through the New York Tribune. If there be in it any statements or assumptions of fact which I may know to be erroneous, I do not now and here controvert them. If there be in it any inference which I may believe to be falsely drawn, I do not now and here argue against them. If there be perceptible in it an impatient and dictatorial tone, I waive it in deference to an old friend whose heart I have always supposed to be right.

As to the policy I "seem to be pursuing," as you say, I have not meant to leave anyone in doubt. I would save the Union. I would save it the shortest way under the Constitution. The sooner the national authority can be restored the sooner the Union will be "the Union as it was." If there be those who would not save the Union unless they could at the same time save slavery, I do not agree with them. If there be those who would not save the Union unless they could at the same time destroy slavery, I do not agree with them. My paramount object in this struggle is to save the Union and is not to save or destroy slavery. If I could save the Union without freeing any slave, I would do it; and if I could save it by freeing all slaves, I would do it; and if I could save it by freeing some and leaving others alone, I would also do that.

What I do about slavery and the colored race, I do because I believe it helps to save the Union; and what I forbear, I forbear because I do not believe it would help to save the Union. I shall do less whenever I believe what I am doing hurts the cause, and I shall do more whenever I shall believe doing more will help the cause. I shall try to correct errors when shown to be errors, and I shall adopt new views so fast as they shall appear to be true views.

I have here stated my purpose according to my views of official duty; and I intend no modification of my oft-expressed personal wish that all men everywhere could be free.

Yours,

A. LINCOLN.

As I emerged from Westminster Abbey in London last summer, I stood with uncovered head before the statue of Abraham Lincoln. As I stood there I wondered what human being could be so ungenerous or unjust as to withhold from this great man the tribute of praise to which he was so justly entitled, and what human being could become so embittered as to strike him down in death.

Was there ever a man clothed in human form more honest, more sincere, more earnest in his desire to deal fairly with all parties and all sections and save the Union? There is no doubt in my mind but that every time he struck a blow at the South for the preservation of the Union his heart bled. Indeed, his heart might well be compared to a great ocean with rivers of compassion and mercy flowing into it. That Mr. Lincoln was the best friend the South ever had, as well as the best friend the Nation ever had, all fair-minded men and women must agree when they know the record as it was really written.

Since Mr. Lincoln's untimely death numerous thrones of various kings and monarchs have trembled, tottered, and tumbled, never to rise again, but the gates of hell have not yet prevailed against our Republic which he died to save. And when you go home to-night I want all of you, if you are as courageous and brave as the men who followed Lee and the men who followed Grant—I want you to get down on your knees and whisper down, deep down, into the cold dead ear of Mr. Lincoln's honored dust—and tell him how thankful you are that the Great Republic which he died to save still lives.

Mr. Lincoln's letter to Mrs. Bixby reveals the character of the man. There is nothing finer or nobler than the sentiment expressed in this letter. Hear it:

"MY DEAR MADAM: I have been shown in the files of the War Department a statement of the adjutant general of Massachusetts that you are the mother of five sons who have died gloriously on the field of battle. I feel how weak and fruitless must be any words of mine which should attempt to beguile you from a loss so overwhelming. But I can not refrain from tendering you the consolation that may be found in the thanks of the Republic they died to save. I pray that our heavenly Father may assuage the anguish of your bereavement and leave you only the cherished memory of the loved and lost, and the solemn pride that must be yours to have laid so costly a sacrifice upon the altar of freedom.

"Yours very sincerely and respectfully,

"A. LINCOLN."

And his speech at Gettysburg is a classic. It will be remembered as long as our Republic endures. I quote it:

"Fourscore and seven years ago our fathers brought forth on this continent a new Nation, conceived in liberty and dedicated to the proposition that all men are created equal.

"Now, we are engaged in a great Civil War, testing whether that Nation or any nation, so conceived and so dedicated, can long endure. We are met on a great battle field of that war. We have come to dedicate a portion of that field as a final resting place for those who here gave their lives that that Nation might live. It is altogether fitting and proper that we should do this.

"But in a larger sense we can not dedicate—we can not consecrate—we can not hallow this ground. The brave men, living and dead, who struggled here have consecrated it far above our poor power to add or detract. The world will little note nor long remember what we say here, but it can never forget what they did here. It is for us, the living, rather to be dedicated here to the unfinished work which they who fought here have thus far so nobly advanced. It is rather for us to be here dedicated to the great task remaining before us—that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion—that we here highly resolve that these dead shall not have died in vain; that this Nation under God shall have a new birth of freedom; and that government of the people, by the people, for the people shall not perish from the earth."

The martyred President McKinley says that Mr. Lincoln was much impressed with the words printed on a silken flag which was presented to him just prior to his departure from Springfield to Washington. This inscription was taken from the first chapter of Joshua:

"Have I not commanded thee? Be strong and of good courage; be not afraid, neither be thou dismayed; for the Lord thy God is with thee, whithersoever thou goest. There shall not any man be able to stand before thee all the days of thy life. As I was with Moses, so shall I be with thee."

Upon my desk in the city of Washington I have a portrait of Mr. Lincoln, given me by some of my office associates, and immediately thereunder are some of his rules of human conduct, as follows:

"I am not bound to win, but I am bound to be true. I am not bound to succeed, but I am bound to live up to what light I have. I must stand by everybody that stands right; stand with him while he is right and part with him when he goes wrong."

The story of Mr. Lincoln's life has been often told, but like that of the Man of Galilee, it never grows old.

Mr. Lincoln himself has told the story of his life much better than I can tell it. In brief and simple form he has told it from infancy to the time he became a great national character; at first declining and then demurring but finally yielding in 1859. To the pleadings of one who had urged him to give him the story of his life, Mr. Lincoln said:

"I was born February 12, 1809, in Hardin County, Ky. My parents were both born in Virginia, of undistinguished families—second families, perhaps I should say. My mother, who died in my tenth year, was of a family of the name of Hanks. My paternal grandfather, Abraham Lincoln, emigrated from Rockingham County, Va., to Kentucky about 1781 or 1782, where a year or two later he was killed by the Indians, not in battle but in stealth, when he was laboring to open a farm in the forest.

"My father, Thomas Lincoln, at the death of his father, was but 6 years of age. By the early death of his father and the very narrow circumstances of his mother, he was, even in childhood, a wandering, laboring boy, and grew up literally without education. He never did more in the way of writing than bunglingly to write his own name. He removed from Kentucky to what is now Spencer County, Ind., in my eighth year. It was a wild region, with many bears and other animals in the woods. There were some schools, so called, but no qualification was ever required of the teacher beyond 'readin', writin', and cipherin' to the rule of three. If a straggler supposed to understand Latin happened to sojourn in the neighborhood he was looked upon as a wizard. Of course, when I came of age I did not know much. Still, however, I could read, write, and cipher to the rule of three. But that was all. The little advance I now have upon this store of education I have picked up from time to time under the pressure of necessity.

"I was raised to farm work—till I was 22. At 21 I came to Illinois, Macon County. Then I got to New Salem, where I remained a year as a sort of a clerk in a store. Then came the Black Hawk war; and I was elected a captain of a volunteer company, a success that gave me more pleasure than any I have had since. I went into the campaign, was elated, ran for the legislature the same year (1832), and was beaten—the only time I ever have been beaten by the people. The next, and three succeeding biennial elections, I was elected to the legislature. I was not a candidate afterward. During the legislative period I had studied law and removed to Springfield to practice it. In 1846 I was elected to the lower house of Congress. Was not a candidate for reelection. From 1849 to 1858, inclusive, practiced law more assiduously than ever before. Always a Whig in politics, and generally on the Whig electoral tickets, making active canvasses. I was losing interest in politics, when the repeal of the Missouri Compromise aroused me again.

"If any personal description of me is thought desirable, it may be said that I am in height 6 feet 4 inches, nearly; lean in flesh, weighing

on an average 180 pounds; dark complexion, with coarse black hair, and gray eyes. No other marks or brands recollected."

There is the plain, simple, modest story as told by Mr. Lincoln himself. I think it would be interesting to you to hear a description of Mr. Lincoln as given by Col. A. K. McClure, of Pennsylvania, in 1861. Colonel McClure had been an ardent supporter of Mr. Lincoln, but had never known him personally; he therefore went to Springfield, Ill., to meet the President elect. Here is Colonel McClure's own story:

"I went directly from the depot to Lincoln's house," says Colonel McClure, "and rang the bell, which was answered by Lincoln himself opening the door. I doubt whether I wholly concealed my disappointment at meeting him. Tall, gaunt, ungainly, ill clad, with a homeliness of manner that was unique in itself, I confess that my heart sank within me as I remembered that this was the man chosen by a great Nation to become its ruler in the gravest period of its history. I remember his dress as if it were but yesterday—snuff-colored and slouchy pantaloons; open black vest, held by a few brass buttons; straight or evening dress coat, with tightly fitting sleeves to exaggerate his long, bony arms, all supplemented by an awkwardness that was uncommon among men of intelligence. Such was the picture I met in the person of Abraham Lincoln. We sat down in his plainly furnished parlor and were uninterrupted during the nearly four hours I remained with him; and little by little, as his earnestness, sincerity, and candor were developed in conversation, I forgot all the grotesque qualities which so confounded me when I first greeted him. Before half and hour had passed I learned not only to respect, but, indeed, to reverence the man."

What a fine inspiration it would be for every American boy, especially every poor boy, to visit the humble cabin home in which Mr. Lincoln was born in Kentucky.

Of course, Mr. Lincoln had his romances with the ladies when a young man. His first love was Ann Rutledge, and Mr. Lincoln was deeply grieved at her death.

Then a Miss Mary Owens, of Kentucky, attracted him and he became infatuated with her. But nothing came of it, and Mr. Lincoln finally married Miss Mary Todd, a well-educated, dashing young lady of one of the best families of Kentucky.

I am very sorry I have not the time to step into the beautiful garden of rhetoric and pick a few choice flowers for you ladies in regard to these various romances, but I must hurry on.

Some people have been unjust enough to say that Mr. Lincoln plunged our country into war; others have stated that he was without sympathy for the slaves in the South, and freed them to attack the women of the South. The record shows that both of the above statements are without any sort of foundation, utterly false and untrue in every respect, and could only be made as the result of prejudice or misinformation. The record shows that Mr. Lincoln had a horror of human slavery and exhausted every effort in seeking to avert the calamity of war.

If there is any one spot on the American Continent where Mr. Lincoln deserves a lasting monument above all others, it is on that very spot down yonder in the city of New Orleans where, when a boy, he witnessed the sale on the auction block of human slaves and which aroused his whole nature against the institution of slavery.

Ladies and gentlemen, God in His Providence moves in a mysterious way. He always supplies the man for the hour. Sometimes they come in single and sometimes in double column formation.

If we are searching the pages of history for a great law giver, we see in the dim distance the figure of Moses; if for a great prophet, it is old Isaiah; if for the founder of a great race, it is old Abraham; if for a great soldier, we see Alexander the Great, weeping for other worlds to conquer, or Hannibal, the mighty Carthagenian, knocking at the very gates of imperial Rome; if for a great scientist, it is Isaac Newton with his law of gravitation; if for a great astronomer, it is Copernicus or Galileo; if for a great philosopher, it is Socrates, Aristotle, or old Diogenes.

If you are looking for a great poet, it is Dante or Homer; if for a great historian, it is Gibbon or Hume or Macaulay; if for a great traveler, it is Marco Polo; and if for a great discoverer, it is our own Christopher Columbus.

If you are searching for a great musician, you hear the beautiful strains of Beethoven or Mozart; if for a great artist, you see Raphael's Madonna or The Last Supper by Leonardo da Vinci or The Last Judgment by Michael Angelo; if it is a great statesman, you see the form of Bismarck or Disraeli or hear the voice of William E. Gladstone. If you are looking for the founder of a great nation, it is George Washington. But you may search all the pages of all the histories of all the countries on earth for all past time and you will find but one savior of a great Republic, and it is our own Abraham Lincoln.

I am about to close, and I want you to hear this quotation:

"Mind is the master power that molds and makes,
And man is mind, and evermore he takes
The tool of thought, and, shaping what he wills,
Brings forth a thousand joys, a thousand ills;
He thinks in secret, and it comes to pass;
Environment is but his looking-glass."

We should not judge our fathers and our grandfathers too harshly because they tolerated human slavery. They were the victims of environment; and in deed and in truth environment is but a looking-glass.

In conclusion, let me say our country has been ever generous in its production of great men. I have great admiration for George Washington, the Father of Our Country, and many other great Americans; but to my mind Abraham Lincoln, the preserver and savior of our great Republic, surpasses them all. The spirit of that rugged man of sorrowful life and tragic death is a heritage and an inspiration to all our people, and touches alike the mansion and the cabin.

The greatest declaration ever made for human liberty, human rights, and human justice was the immortal emancipation proclamation of Abraham Lincoln in January, 1863, driving slavery forever from the soil of our great country. There is no other declaration in all history, from the very earliest dawn of authenticity, that even approaches this declaration for human freedom by Abraham Lincoln, save the declarations contained in Magna Charta, when the people wrested their rights from King John at Runnymede.

If I could send a message to-day to every boy and girl in my beloved country to point to them the upward paths of life, there are many great Americans, living and dead, whose footsteps I could bid them trace; but I should not fail to fix in their mental vision the path of glory that leads from the immortal rail splitter's cabin to the Olympus of eternal fame.

As a patriotic American, a son of the South, proud of our great country and its vast achievements, I reverently salute the memory of Abraham Lincoln, and give to-day the tribute of the South as I know it to exist in the hearts of her great people.

The name of Abraham Lincoln belongs to no section, but to the whole Nation and to the entire world. In every land and every clime where people love human freedom, human rights, and human justice their hearts and souls will ever thrill at the mention of his immortal name.

M'NARY-HAUGEN FARM RELIEF BILL

Mr. HAUGEN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 15474) to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities.

Mr. KINCHELOE. Mr. Speaker, how much time is remaining for general debate on this bill?

The SPEAKER pro tempore. The gentleman from Iowa [Mr. HAUGEN] has 2 hours and 22 minutes. The gentleman from Louisiana [Mr. ASWELL] has 1 hour and 31 minutes. The gentleman from Kansas has 57 minutes, and the gentleman from Kentucky [Mr. KINCHELOE] has 16 minutes.

Mr. KINCHELOE. I would like to ask the chairman of the committee, the gentleman from Iowa, if it is the intention to extend general debate beyond the 12 hours?

Mr. HAUGEN. Nothing has yet been definitely determined on that point.

Mr. KINCHELOE. I have 18 requests, and I have only 16 minutes remaining.

Mr. HAUGEN. I suggest that we go on this afternoon and take that question up this evening.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Iowa.

The motion of Mr. HAUGEN was agreed to; accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. MAPES in the chair.

The Clerk read the title to the bill.

Mr. ASWELL. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, I represent in Texas a producing district. The great majority of my constituents are farmers and stock raisers. I am naturally interested in anything that affects their business. I have been anxious ever since the war to vote for any measure that would promise any real relief for agriculture. I have carefully studied every bill that has been proposed during that time.

There is an all-powerful influence that keeps Congress from passing farm relief. What is it? Why do not we admit it? It is the interest of the consumer in the big cities. It is the conflicting interest of the city consumer, who wants at a low price everything he eats and uses against the interest of the man who raises the product. You who have been here for several years remember the remark that was made from this floor by that former distinguished gentleman from New York, our former colleague Hon. Bourke Cockran, who said that he was not going to camouflage on the subject; he said he was going to be frank with the Members of the House. He said he represented a city of 5,000,000 consuming constituents in New York, and he said he wanted for them everything they ate and wore at the very lowest price possible.

There is the influence that stops the passage of farm relief legislation. That is the conflicting interests that never will be solved on the floor of the House; it will always exist. It is the conflicting interests of the producer against that of the consumer.

I can remember when our friend from Iowa [Mr. HAUGEN] introduced his first bill on this subject on May 2, 1924. When he was fixing the basic commodities of that bill he forgot all about cotton. He did not put cotton in the bill.

Mr. HAUGEN. Will the gentleman yield?

Mr. BLANTON. Certainly; but I have not much time.

Mr. HAUGEN. It was a matter left with the cotton producers to determine whether they wanted it included or not. They did not ask for it.

Mr. BLANTON. Why? Because cotton raisers knew it would not benefit them. As I say, it was not in his bill—one of the main products of this Nation that is produced by the farmers of the country. Not a Congressman from a cotton-raising State asked that cotton be placed in the bill. They knew that it would not help cotton.

Mr. BURTNESS. Will the gentleman yield?

Mr. BLANTON. Not now; I have only 10 minutes, and the gentleman can get his own time. And then I remember when our friend from Iowa introduced his next bill and got it reported on April 26, 1926. He put cotton in that bill, hoping to get votes from the cotton States, but in his reported bill, and to meet the objections of some and to get the votes of others, he provided that the equalization fee should not apply for two years after the passage of the bill, which would have made his bill inoperative on cotton until 1928, because his bill is wholly dependent on the collection of such a fee if it is to relieve cotton in any way. Hence if he had passed his bill last year, it would now be inoperative as to cotton and would in no way have relieved the present situation. And in his 1926 bill he also provided that on cotton the equalization fee, which is nothing in the world but a tax on the farmers' products, should not exceed $2 a bale on cotton.

In that 1926 McNary-Haugen bill, which was introduced in the House by the gentleman from Iowa [Mr. HAUGEN], it provided for an appropriation of $375,000,000, which should constitute a revolving fund. That is, it would be a revolving fund as long as it lasted. But some of us who investigate such pipe dreams beforehand knew that it would not last long. And if we had passed that bill just as Mr. HAUGEN hoped we would pass it when he introduced it, that $375,000,000 of the people's money would long since have been wasted and Mr. HAUGEN would not be asking for a new replenishment.

In section 305 of his bill (H. R. 9033), Mr. HAUGEN provided that any farmer who failed to pay, or who attempted in any manner to evade paying, the equalization fee, he could be fined $5,000 and imprisoned for one year.

Our friend from Iowa [Mr. HAUGEN] at first provided that there should be four appointed officers who should receive $10,000 each per year. Those few positions did not interest enough active propagandists to gain any impetus for his bill. He could not get enough votes for it to get it started. So when he introduced his 1926 bill he provided for plenty of positions to go around. He created an advisory council of 44 members, to draw $20 per day each as expenses when attending meetings. He thought that would be particularly attractive to the 44 men, as he thought some of them were not used to drawing $20 per day, and he felt that such provision would get many votes for the bill. And then he provided for not 4 but 12 officers who were to draw $10,000 per year each, and he knew that such prizes would make many men seeking such positions get busy in behalf of the bill in their respective States. And I can imagine that our old friend, Hon. Clarence Ousley, down in Texas, has had one of these twelve $10,000-per-year positions in his mind during all the time he has been hunting up these memorials in behalf of the McNary-Haugen bill.

But why was it that Mr. HAUGEN agreed to limit the equalization fee on cotton to $2 per bale? It was because some men good on statistics had figured up that to accomplish anything it would be necessary to collect anywhere from $5 to $10 per bale to do cotton any good, and some estimated even that it would require an equalization fee of at least $15 per bale on cotton to provide a sure means of carrying over the surplus. And such a tax scared off our Representatives of cotton-growing States, and Mr. HAUGEN was about to lose their votes, so he reduced the fee and put in a limitation of $2 per bale in the bill. But that 1926 Haugen bill provided that the board could raise this fee, and we all know that it would have raised it, and we all know that it would have been raised to $10 or $15 per bale, which might have ruined every cotton grower in the South, especially when under the terms of the 1926 bill cotton could have been taxed to provide means of protecting corn or wheat or the other commodities.

Since by its own provisions, which made the equalization fee not applicable until 1928, had the 1926 Haugen bill been passed last year it would not have helped the present cotton situation at all, and would have been of no benefit whatever to the 1926 crop of cotton. And the $375,000,000 of the people's money would have been wasted and gone, and the farmers would have been taxed to cover the loss.

It was a godsend to the farmers of the South that the 1926 McNary-Haugen bill was not enacted into law, and those who prevented its enactment performed a valuable service to the farmers.

The McNary-Haugen forces have amended the 1926 proposal in many particulars, and their new bill that is now before the Congress has eliminated from it some of its unsound, uneconomic provisions. This 1927 McNary-Haugen measure is still economically unsound. But it is some better than the 1926 bill. Its appropriation for a revolving fund is $125,000,000 less than the one proposed in the 1926 measure. So this is a saving of at least $125,000,000. The present measure does not require the farmer himself to pay the equalization tax, and it provides no penalty upon the farmer for refusing to pay such tax. However, it shifts the fee, and requires the one buying the product to pay the fee, so, after all, it will come out of the farmer.

I believe that the farm-relief measure offered by our friend from Louisiana [Mr. ASWELL] promises much more for the farmers of this country than any other measure that is before this House. [Applause.] I am going to vote for Mr. ASWELL's motion to recommit and to substitute his bill. I believe that the Aswell measure is sound. I believe it can be worked into a proper farm-relief measure, and I am going to support it and I hope that it will prevail. The President would sign it promptly and we would be assured of some farm relief. And there must be some relief for agriculture. Otherwise the farm boys are all going to leave their farms and go to the cities. And then the cities will starve to death for want of food.

But suppose that we are not able to substitute the Aswell bill? Then what are you colleagues who believe as I do going to do about farm relief? I know what I am going to do. I have made up my mind. I am tired of seeing the interests of the farmers kicked back and forth in Congress. I am tired of seeing their rights ignored. I am tired of seeing the farmers turned down. I am tired of seeing all relief denied them. They must have some relief measure before we adjourn. And I am going to help pass such a measure before we leave here March 4.

The farm organizations all over my district and State have requested Texas Members to vote for this McNary-Haugen bill if we can not get anything else. They have asked me to support it. And while I know that it contains some unsound provisions and some really vicious provisions, yet since the farmers of my State have asked for it and can not get anything else, as a last resort I intend to vote for this new McNary-Haugen bill, if the Aswell substitute is voted down, and there is no chance to pass any other farm-relief measure. The time has come when the farmer is entitled to something, and I am not going to turn him down.

The Farm Bureau at Brownwood, Tex., has requested me to vote for this new McNary-Haugen bill. The Coleman Farm Bureau has made such request. The Abilene Farm Bureau, the Nolan County Farm Bureau, the one at Comanche, the one at San Saba, the one at Brady, and many others in my district have requested me to give it support. And I have just received a telegram from the one at Dallas. Whether it is good for them or not, and whether it will do for them or not what they expect, they have asked for it, and if that is all we can get, I am going to help to give them what they want. They are the ones I am hoping to relieve. They are asking for certain relief. When they ask for bread, I am not going to give them a stone. I am going to give them what they ask for.

I realize that until you get this McNary-Hauge. bill out of the way the farmers of the country will never get any relief at all.

Mr. WILLIAMS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I regret I can not. I have only a few minutes. I received a long petition from some farmers, some of whom I knew well. One name signed to the indorsement of the Haugen bill was H. J. Guyer. I immediately sent him the RECORD containing the speech of our friend from Louisiana [Mr. ASWELL] made some time ago, and I sent him a copy of the Aswell bill and also a copy of the new Crisp bill, as well as a copy of the new Haugen bill. I told him I wished he would

take them home and study them and then give me his reaction. I have his letter here, and if there is no objection I shall put it into the RECORD. He says he signed the indorsement of the Haugen bill believing that it was something else. Here is the letter:

(Louis Garms, president, Bangs, Tex.; W. E. Lohn, vice president, Lohn, Tex.; H. J. Guyer, secretary-treasurer, Brownwood, Tex., route 1, box 113. Executive committee: A. Q. Jordan, chairman, Hico; J. E. J. Pepper, Valera; C. Q. Sevier, Goldthwaite; Paul Gerhardt, Rowena; W. J. Mogford, Menard; W. T. Loudermilk, De Leon; M. L. Bennett, Sweetwater; Fred Tettons, Lohn; J. M. Kennedy, Rising Star; W. R. Butt, Eola; R. A. Milsap, Kempner; W. J. Johnson, San Saba. F. E. and C. U. of T., Pecan Valley District Farmers' Union No. 26, composed of Brown, Comanche, Concho, Coleman, Eastland, Hamilton, Lampasas Mills, McCulloch, Menard, Mitchell, Nolan, Runnels, San Saba, Taylor, and Tom Green)

BROWNWOOD, TEX., *February 8, 1927.*

HON. THOMAS L. BLANTON,
Member of Congress.

MY DEAR CONGRESSMAN: Your kind favor of the 29th ultimo at hand, for which I thank you very much, especially for the three farm bills which are now before your honorable body, and which I have very carefully read and reread. I find the McNary-Haugen bill very different from what it has been represented to me as being.

A few days ago a representative of the farm bureau was circulating a petition asking us farmers to indorse this bill, stating that the equalization fee had been eliminated and a tax was levied per bale, as per our national income tax; that is, the tax was a graduated tax on production. As I am very much in favor of the graduated tax I signed his petition. But I see absolutely nothing in the bill of the elimination of the fee on cotton. I would thank you very much to mark my name off the petition which was sent you.

Of the three bills I prefer the Aswell bill. But it is not what we want.

I am offering the same objection to each of these bills, to wit, they seek to hold the surplus when they should seek to prevent the surplus being produced.

Our carry over this year will be around 8,000,000 bales, and it is absolutely immaterial who holds this cotton; it will be added to our supply for next year. Therefore it is not the amount of cotton held but the amount produced which will stabilize the price; then why not seek to stabilize production?

My dear Congressman, if you would like to see the surplus cotton disappear, pass a bill giving us a graduated tax on production—say a tax of 25 cents per bale for the first 50 bales, 50 cents for the next 50 bales, and graduate the tax up so that the man who raises 1,000, 2,000, 3,000, or 10,000 bales would pay from $100 to $500 per bale—then and not till then will you see the carry over disappear. The little farmer must be protected just the same as the little railroads are being protected. Thanking you for these bills,

I am yours very truly,

[SEAL.] H. J. GUYER.

That letter shows you what is in the mind of some farmers after they had studied the Haugen bill—they reached the conclusion that the Aswell bill promised more for the farmers of the country, and even it did not suit. But we can amend in the future as the defects arise.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman already has that privilege.

Mr. HAUGEN. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. ADKINS].

Mr. ADKINS. Mr. Chairman and gentlemen of the committee, I did not expect to participate in the debate on this bill. The bill has been before Congress for a long time. During this session I had occasion to go into the matter before the committee, and I addressed the House very fully during the last session. Realizing that a large number of men want to be heard, I decided that I would not ask for any time. However, as the debate has progressed we find a new feature developed in the opposition to the bill. After the futile arguments that have been brought forth by the chief opponents of this type of legislation were found to be without effect, the gentleman from Kansas [Mr. TINCHER] the day before yesterday, after he pulled off the usual stunt of swearing himself in as a friend of the farmer, proceeded to inject ridicule as an argument in opposition to the measure. I do not know that it would be particularly my duty to meet that particular issue, except for the fact that he made me the butt of his ridicule, and the bellwether of the incompetent and ignorant who were supporting it because they did not know any better. He stated that I was innocent—which is commendable—but could not "comprehend."

Mr. ASWELL. Mr. Chairman, will the gentleman yield?

Mr. ADKINS. I have only 10 minutes.

Mr. ASWELL. The gentleman surely does not call that ridicule.

Mr. ADKINS. As I observed the gentleman pulling off his little vaudeville stunt here to help defeat the Haugen bill, after hearing what he had to say about my mental limitations, it occurred to me that he certainly had a bad case of overdeveloped "comprehension." I have always thought that that attribute of the mind found a seat up here in the head, but as I observed the gentleman's anatomy, as he pranced back and forth, I could only conclude that as his "comprehension" overdeveloped, it overflowed and went down into another part of his anatomy. [Laughter.]

I think that overdevelopment has been at the expense of his discretion. The thought that impressed me was that if he had a little less development of "comprehension" and a little more development of discretion, he might have a little less belly and a little more brain. [Laughter.] And as he was impressing his ridicule upon the House another thought came to me, and that was that his case of overdeveloped "comprehension" stood him in very good stead long before the last session of Congress adjourned. You will remember the ancient king who did not have so much of the "comprehension" that distinguishes the gentleman from Kansas. He saw a "handwriting on the wall."

My limited "comprehension" helped me to "comprehend" along about the time the gentleman from Kansas saw the handwriting on the wall, and that it was a warning to him to flee from the "wrath to come." Then I thought of the gentleman from Kansas doing what I was doing, supporting the Haugen bill. Even the two distinguished Senators from Kansas, I notice, yesterday did, and I knew that he did have a little discretion left, too much to go out and put his Senators in the same class with me, or criticize his colleagues from Kansas as not having "comprehension," because he was the only man from Kansas not supporting the Haugen bill. I thought of our old friend, HAYS WHITE, who is religiously advocating a certain reform. Another thought came to me that if HAYS WHITE'S idea was the law of the land and a newly elected Congress had assembled at the beginning of this short session of Congress, we might have one more advocate from Kansas for the Haugen bill.

Mr. WOODRUFF. Will the gentleman yield?

Mr. ADKINS. I have not the time. I have got "comprehension" enough to "comprehend" another thing. Do you remember the crazy quilt he had out here, called a chart, I believe, and how vociferous he was in trying to present that to the House? His overdeveloped "comprehension" stood him in good stead when he brought it out to divert the mind of the public and the House from what he put in the RECORD last winter in reference to Canadian wheat, using this same chart. All the high-protein wheat in the country centers over in TINCHER'S district, a little of it slips over in Colorado in TIMBERLAKE'S district, and a little in the other districts in Kansas—but most of it in his district his talk would indicate. He was trying to divert the minds of the people from the old chart he brought out in reference to Canadian wheat. It just occurred to him under the Haugen bill that when the public found out that every miller in the country, if the board declared to collect the equalization fee at the mill, would have to collect an equalization fee during an operating period, whether that wheat came from Canada, TINCHER'S district, or wherever it came from. That thought just occurred to him. Look at that part of his speech in the RECORD last winter that he made, using this chart, and then read the Haugen bill; that is, the section providing for collection of equalization fee.

But he appreciated the fact that Sidney Anderson was here opposing the bill for the millers. Yes; Sidney Anderson put in the record of Committee on Agriculture a statement to the effect that he represented a milling organization that controlled 65 per cent of the milling interests of the country. He put into the same record the statement that the milling interests in the country bought 80 per cent of the wheat of the country, and it occurred to me, when I got from the Commerce Department the other day the statement, which no doubt you all got, why the millers were here opposing the enactment of this bill.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. ADKINS. Has anybody a little time to yield me, so that I can finish this?

Mr. HAUGEN. I yield to the gentleman two minutes.

The CHAIRMAN. The gentleman from Illinois is recognized for two minutes more.

Mr. ADKINS. The reason occurred to me why the millers were opposing this bill and why the packers were not. The Department of Commerce shows that there are more than 116,000,000 bushels of wheat now owned by the mills which Sidney Anderson in part represents; about 4,500,000 barrels of flour, equal to about 20,000,000 bushels in public warehouses and mills December 31, 1926, depressing the price, as the proponents of this bill contend. They can afford to pay Sidney Anderson any price he may ask to come here and prohibit this board from taking off the market this surplus that they hope to reap the benefit from.

The gentleman from Kansas knows that the millers bear the same relationship to this board that the packers do. But there is this difference between them: The packers know that we can not take the live hog and store it. He has to be processed. The millers know that they can hold the wheat in storage without processing. They would rather have control of it than have the farmers control it. That is why Mr. Anderson is so valuable to the milling interests. I do not care what his price is. If he can defeat this bill, he is well worth it to the milling interests.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. ADKINS. Will the gentleman from Iowa give me a couple of minutes, so that I can finish this?

Mr. HAUGEN. I yield the gentleman two minutes.

The CHAIRMAN. The gentleman from Illinois is recognized for two minutes more.

Mr. ADKINS. I do not accept what appears to me the gentleman's "comprehension" of the farmer. I think his "comprehension" of the farmer is that the farmer is a fellow going around with a long chin beard and a slouch hat and a red bandana handkerchief around his neck and smoking a cob pipe. I can imagine his "comprehension" working when he saw Bill Settle wearing a pair of 75-cent spats. He ridiculed the men representing agriculture here, and praised the man representing the millers here, saying what a smart fellow Mr. Anderson was. I think he is smart. He is serving the millers well, because if the millers defeat this bill they can lay in their stocks of wheat sometimes too cheap for the farmer, and they are not interested in the price being profitable to the farmer and do not want to be interfered with by this organization we are trying to provide for, that will try to function, when wheat is too cheap, so the farmer can get a fair price. [Applause.]

Mr. HAUGEN. Mr. Chairman, I yield three minutes to the gentleman from Missouri [Mr. NELSON].

The CHAIRMAN. The gentleman from Missouri is recognized.

Mr. NELSON of Missouri. Mr. Chairman, this is the birthday anniversary of Lincoln, known as the Great Emancipator. I trust that the successful termination of the fight in which the House is now engaged may at least hasten the emancipation of the American farmer. I do not come as a new convert to this cause. I am not a band-wagon booster. So I shall speak but briefly. But in view of the favorable action taken on yesterday by another body, and believing in the certain passage of the bill, I felicitate the farmer, congratulate the country, and thank the Lord for Lowden. Astute and practical politician as is Mr. Lowden, it is but fair that we confess that but for the strength of the Lowden lever it would be impossible to lift the block of New England granite which has so long borne down this bill. I say this because when, in the first session of this Congress, the farm relief bill was up for passage, not one vote for it came from the land of Coolidge.

Many measures may best be judged by the enemies they make, may be fortunate alike in friends and foes. To my mind this is true of the McNary-Haugen bill, which special interests and their spokesmen are now so viciously attacking.

Even on the floor there has been far too much of intemperate talk. When measures favored by special interests have been under consideration their representatives here have not been singled out for attack and had their motives impugned, as in this instance, when men honestly and unselfishly working for farm betterment have been subjected to abuse. Instead of these farmer spokesmen being treated at least as courteously and as considerately as have been the representatives of the tariff and the railroads, it has been openly charged that the former are interested in the passage of the McNary-Haugen bill only because of the fat jobs they expect to secure. Such talk is not only unfair to these men, but it is unfair to millions of farmers.

The opinion of the Washington Post, a publication supposed to be close to the President and which daily continues its tirade, is typical. This paper, professing great interest in the public welfare, is deeply concerned lest "absolute control of the people's bread be placed in the hands of a bureau in Washington to manipulate as the bureau saw fit." Then there is seen the ghost of a "supergovernment not amenable to the President or Congress."

Unable to justify its position through reason or argument, the Post resorts to strong language, to ridicule, and invective. It is the "vicious" McNary-Haugen bill, supported by "weak-kneed" Members of Congress. It is "this brazen scheme to rob the majority of Americans for the benefit of the minority." It is the "McNary-Haugen urban hold-up farm grab bill," whose supporters are classified as "dumb." This morning we read—unable to fully vent its spleen in prose, the Post degenerates into doggerel, and says:

> The farm-bill bloc discloses, by thunder,
> The cohesive power of public plunder.

But why all this fear on the part of the Post lest the McNary-Haugen bill become a law? Surely this can not be possible if what the papers say is true, when it states that—

> the resentment of consumers against this proposed outrage is rapidly rising—

That—

> the majority of farmers are opposed to the McNary-Haugen bill—

And finally that—

> there is every reason to assume that if the McNary-Haugen bill should be presented to the President he would veto it.

Why, then, should the Post be so perturbed over an impossible proposition?

Another Washington paper, the Evening Star, is less pronounced in its views. However, a recent cartoon in the Star is interesting. It is based on a news item, "Another swimmer makes the Catalina Channel crossing." The "swimmer" about to make the start is the McNary-Haugen bill and into the swimmer's mouth are put the words, "Everybody seems to be getting away with it."

Now, the Catalina cartoon is not complete. It should have shown the island shore and some of the "swimmers" who had successfully crossed the channel. Prominent among these would be the Fordney-McCumber Tariff Act, an indefensible special-interest measure through the working of which several billions of dollars are annually taken from the pockets of the people. No reference to the Fordney-McCumber tariff bill would be complete did we not mention the 40 per cent stock dividend by the United States Steel Corporation, whose earnings for 1926 were $199,004,741. Nor should we fail to mention the $60,000,000 bond issue of the highly protected Aluminum Co. of America and which issue proved most attractive to buyers. The interests which are now most vocal in their opposition to the McNary-Haugen bill found no fault when Mr. Fordney-McCumber Bill started out to swim.

Then there should be shown, on the farther shore, the Esch-Cummins bill, under the workings of which the farmers, and especially those of the Corn Belt country, are paying exorbitant freight rates while the railroads are enjoying rich returns, as shown by recent reports. Under this bill class 1 railroads showed a net operating income of $1,151,604,395 for the first 11 months of 1926. A few days ago Mr. CRISP, of Georgia, stated that the estimated average earnings of the first-class railroads in the United States in 1926 amounted to 5.77 per cent, and he added:

> They earn that by the Government, through the Interstate Commerce Commission, fixing freight rates.

In this connection it might be said that this figure fails to indicate the full prosperity enjoyed by the railroads, which, according to a recent statement, have been and continue to make extensive, even lavish, expenditures in the way of purchases of new equipment, improvement of roadbed, and additions and betterments to terminal facilities.

A maintenance table showing estimated expenditures from 1920 to 1927, inclusive, places such expenditures at $875,000,000 for 1926 and $900,000,000 for 1927, with a total of more than $6,000,000,000 for the eight years. This, it might be added, is a reminder of that period when highly prosperous business firms were spending vast sums in advertising in order not to show greater excess profits. Just why such action should be necessary on the part of the railroads is not plain, as only $6,618,203 has ever been paid in under section 15–A, known as the recapture clause of the Esch-Cummins bill. Commissioner Esch adds that a large portion of this has been paid under protest.

The gentleman from Georgia, in the speech referred to, also called attention to the fact that the Government made loans

of over $400,000,000 to the railroads and paid out under the guarantee provisions of the Esch-Cummins law $532,000,000.

When the bills referred to and others framed to benefit special groups or interests were under consideration, there was no expressed opposition from those who are now finding most fault when Congress attempts to do justice to the farmer.

Digressing a moment, I would mention the attack made against tax-free securities and which was centered on the Federal land-bank system. It will be recalled that it was represented that because of the tax-exempt provision billions of dollars were going into such investments while the demand for taxable bonds was being destroyed. As the attack led by the big interests proved futile, less was heard. The truth is that bond investments, including a billion dollars invested in foreign securities last year, have since broken all records. Yet the selfish financiers would, if possible, have forced the farmer, now struggling to carry the heaviest indebtedness he has ever borne—$12,450,000,000 in farm mortgages alone—to pay a much higher rate of interest, as would have been the case had the tax-free feature been stricken out.

In short, it makes all the difference in the world as to whose ox is gored. In this case, though, nobody's ox will be gored. The proposed bill is for the common good. Sooner or later unless something is done the cities will see this. Their prosperity, which has been almost unprecedented, can not long continue unless something is done to change conditions in the country where bankruptcy and distress are now the rule.

I want especially to appeal for the support of my colleagues who come from the cities. You may feel that you are not directly concerned with what is going on in the country. In this view you are mistaken. You can not continue to prosper while the country is suffering heavy losses. Even now the end of the big city boom is in sight. Values greatly inflated must be readjusted. The first-of-the-year talk of continued city prosperity for 1927 sounds, if one but will listen closely, like the whistling of a scared man as he goes through a graveyard at night. If this newspaper talk be optimism, it is the optimism of a man who fell from the top of a 20-story building and on his way down said, as he passed each window, "I'm all right so far."

City builders, rather city promoters, have been shortsighted. They have failed to read the signs of the times, largely because they are selfish. A long time ago Lincoln expressed the thought that this Nation can not exist half slave and half free. It is equally true that it can not continue half "broke" and half prosperous.

Your big self-satisfied cities have so far given but scant thought to the country; but, if wise, they will change their ways. A part of the adversity which these same cities face is due to farm failures. They have been content to go right on killing the goose that lay the golden egg and soon must pay the penalty. A fair division of prosperity would have prevented much of the depression through which the country has passed and through which your cities must pass.

Three, four, or five years from now the captains of industries and their lesser lights in the centers of population will know more. In the meantime, there will be enough water squeezed out of corporations, building associations, and a thousand fictitious-value concerns to afford sufficient moisture for the most arid spot in our western country. The pendulum has swung far, first to one side, then to the other, but always when pendulums stop the location is near the center. This condition will be good for both city and country.

Then I would appeal to the 106 Members of this House who last May voted against the McNary-Haugen bill, but who only a few weeks ago supported the big Navy program. You believe in national defense. So do I. But I would remind you that in every great war the farm constitutes the last line of defense, if not, in fact, the first. Without food, food for our own fighters and food for the Allies, the World War would not have been won when and as it was.

During the last year we have not been hearing quite so much about the prosperity of the farmer. Even the presidential spokesman is having less to say on the subject, less of "an abounding prosperity," to quote the words of the President. More than a year has gone since the Chief Executive said:

> There is every reason to suppose that a new era in agricultural prosperity lies just before us, which will probably be unprecedented.

With more than 3,000 bank failures during the Harding and Coolidge administrations, 192 of these in the State of Missouri, and with farm bankruptcies increased more than 600 per cent, even the purveyors of political propaganda are learning, with Lincoln, that it is impossible to fool all the people all the time.

True, there has been prosperity in the specially favored industries. The St. Louis Globe-Democrat of January 1 contained a New York dispatch over which was placed the caption, "Year just closed most prosperous in history of Nation." It was asserted that 1926—

> leaves us with an estimated wealth of about $400,000,000,000 as compared with an estimated wealth in 1912, or just before the war, of $205,000,000,000.

More recently the Washington Post in an article in which President Coolidge is referred to as "one of the foremost business men of all time" it is said:

> The United States was more prosperous in 1926 than in all preceding years in its history.

Those who know the Post and the facts will draw their own conclusions.

To-day all over the agricultural sections of America local newspapers are carrying columns of legal notices having to do with farm foreclosures, sheriff sales, and taxes overdue. Many farmers, bankrupt and discouraged, have taken their own lives.

While the total wealth of the United States is said to have increased almost $200,000,000,000 since shortly before the war, farm values have decreased more than $20,000,000,000 and farm indebtedness increased almost $9,000,000,000 since the war. The value of farm crops in the United States in 1926 was more than a billion dollars short of that for 1925. Thus is the condition of the farmer becoming "no better fast."

Charles Nagel, of St. Louis, former Secretary of Commerce and Labor and head of the Business Men's Commission on Agriculture which was created jointly by the National Industrial Conference Board and the United States Chamber of Commerce to study the problems of agriculture in America, has just made a significant statement. He says:

> Not only the farmer, but all classes of people find a grave common peril unless something practical is done to relieve conditions which harass American agriculture. Everyone we have heard admits that a grave situation confronts us because of the farmers' plight.

I might quote from many of my constituents. An extract from one letter is typical. The writer is a public-spirited citizen, president of a national bank, and a Republican who has been honored by his party. He says:

> I am particularly interested in the preservation of rural communities in this State, and I have a deep feeling about the depression they are undergoing now because of the discrimination that apparently exists in our economic structure against agriculture. I feel that the prosperity of the last five years enjoyed in such marked degree by eastern interests and railroads should be shared by people devoted to agriculture. This is the big problem that must soon have a solution.

It is easy to understand the opposition to farm legislation, or at least the lack of interest in the subject on the part of those who are enjoying great prosperity.

Many have received letters from the National Chamber of Commerce, of which John W. O'Leary is president, advising us not to support the McNary-Haugen bill. Tuesday night Mr. O'Leary was one of the guests at the $5,000,000,000 dinner given in Washington by Secretary of the Interior Work in honor of the President and Mrs. Coolidge.

The same Washington Post which finds so much fault with the proposed farm relief measure says of this dinner:

> Had all those invited been able to attend the dinner, the combined wealth represented at the banquet table would have been $5,000,000,000. As it was, a large share of the world's wealth was represented.

In running through a partial list of guests at the dinner given by Mr. Work to people who do not have to work, I fail to find the name of even one farmer. How many votes, think you, would the McNary-Haugen bill have received had a straw vote been taken at this dinner? Yet most of the men who sat about that table are more or less dependent upon the farmer. This is true of all, as is illustrated in the following from Edwin T. Meredith, one time Secretary of Agriculture:

> While I was in a store in New York recently I saw a girl buying a tube of Colgate's dental cream. I asked her at what work she was engaged. "I'm a stenographer," she replied. "Where?" "Upstairs." "Are you interested in agriculture in Madison County, Iowa, or Texas?" "I never saw a farm, and wouldn't know one if I did." I went up to see the lawyer who employed her. "Are you interested in agriculture?" "No; we have no farmers' deposits. We have no farmers' loans." "With whom do you do business?" "Steel corporations largely." I went to a steel corporation. "Are you interested in agriculture?" "Not a particle. We never sold a farmer a piece of steel. We only manufacture structural steel." "To whom did you sell your last order?" "Bill Smith, of Rock Island, Ill." I saw Bill Smith and said to him, "Are you interested in agriculture?" "Well, I should say so. Why we sell the farmer trucks and tires. We sell him wire fences, we sell him roofing, we sell him a thousand things. And we

just bought some structural steel last week to build a new unit to our factory." All right; no tire order—no structural-steel order; no structural-steel order—no steel company; no steel company—no bank; a bank without deposits—no lawyer; a lawyer without a client—no stenographer; and no stenographer—no Colgate's.

I have referred to the opposition of the National Chamber of Commerce. Happily, this body does not control the local chambers of commerce in smaller cities and towns which are in close touch with local conditions and have the fullest sympathy for the farmer. For instance, I am in receipt of a telegram from the Boonville (Mo.) Chamber of Commerce, as follows:

Directors chamber of commerce, believing McNary-Haugen bill economically sound and calculated to relieve the situation under which citizens of Corn Belt States are laboring, have passed resolution unanimously urging you to support and aid the passage of said bill.

Some there may be who have the welfare of the farmer at heart, yet can not bring themselves to support the McNary-Haugen bill. They are anxious to do something, but this is not the way they would prefer. Frankly, it is not altogether my way, but it is one way and the only way at this time. I feel that we owe it to the farmers to give it a trial. If it does not work, we will have the satisfaction of knowing we have done all within our power. Then, if necessary, we will make another effort, perhaps in a different direction. To those who counsel a commission or institute to inquire into the ills of the farmer and report at some distant day I would reply that unless something is done agriculture, as we have known it in America, will be dead when that day comes. Whatever is to be done for the farmer must be done now.

I am reminded of a remark once made by Mrs. Marie T. Harvey, a Missouri woman who has made a phenomenal success of a one-room rural school. Asked why she did not at once advocate the abandonment of the one-room school and advocate consolidation everywhere, she replied, "I want to do something for the farm boys and girls now on earth." Those of us who are supporting the pending bill want to do something for the farmers now on earth.

Many explanations have been made as to this bill. Imagine an old-fashioned cupboard, such as some of us recall. On the upper shelves are cakes, cookies, and other goodies. Near the middle are the more substantial foods, while the lower shelves are bare. A boy, Manufacturer by name, stands on a step-ladder known as the tariff and helps himself to the contents of the upper shelves. A little lad called Farmer stands on the floor and can reach but a small quantity of the food on the middle shelves. It is proposed through this bill to supply a stepladder for the farmer boy and so put him on an equality with the other youngster. Then the one will not overeat and the other will not go hungry. Failing in our effort to provide a second stepladder, one for farmer boy, we will take from the other boy his stepladder and the two lads will have equal opportunity, which is all the farmer asks.

Among the opponents of the McNary-Haugen bill are those who allege that it would place a tax on the farmer. Others, with equal emphasis, assert that it would unduly increase prices of food products.

Again there are those who hold that this bill is unconstitutional. In this contention many are, I am sure, entirely conscientious. But I would remind them that the Supreme Court can, if need be, pass upon the proposition when the time comes. Nor do I forget that in my legislative experiences I have frequently heard the question of unconstitutionality raised by those who sought to defeat worthy measures.

Finally, some say that it will not be worth while to pass the bill, as the President will fail to approve. As to this I do not know. But I do not hesitate to say that if there is a veto, the initials of the White House spokesman will be not C. C. but D. D. All the "dead ducks" will not be in the House. But when I think of the shadow of Lowden, lengthening across the land, "a giant staff in a giant's hand," I imagine I can hear the President say, feebly though it may be, "Pass the pen, please."

So I predict the enactment into law of this farm relief measure and sincerely trust that it may do well its work and put new hope in the hearts of the occupants of every farm home. [Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. ASWELL. Mr. Chairman, I yield 12 minutes to the gentleman from North Carolina [Mr. BULWINKLE].

Mr. FORT. And I yield to the gentleman eight minutes additional.

Mr. ASWELL. I recognize him for 10 minutes.

Mr. KINCHELOE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KINCHELOE. Is it not customary for those who have charge of the time to rotate?

The CHAIRMAN. The only one demanding recognition from the Chair was the gentleman from Louisiana [Mr. ASWELL].

Mr. KINCHELOE. If that has been the usual custom, I shall not object.

The CHAIRMAN. Does the gentleman from Kentucky desire to be recognized?

Mr. KINCHELOE. Not now. I do not want to disturb the gentleman from North Carolina.

Mr. BULWINKLE. Mr. Chairman, I realize that I am one of the Representatives from one of the great agricultural States of the Union. North Carolina to-day is fifth in the value of its agricultural products. And the district that I have the honor to represent is the equal of any district in North Carolina from an agricultural standpoint. On this account, therefore, you can readily see that I for one would be for farm relief. But I can not, sir, vote for this bill, the McNary-Haugen bill, H. R. 15474. Notwithstanding that I have received one or more veiled threats, I shall not vote for the bill.

And probably it would be easier for me to vote for this bill, and thus follow the line of least resistance, and help by this means to put it up to the President of the United States to veto. But I believe that I have a duty here to perform and that I should not attempt to pass the responsibility to anyone else. I am opposed to this bill for many reasons, chief among them being the fact that, in my opinion at least, two provisions of the bill are unconstitutional, and the bill is unsound from an economic standpoint, and also it is unworkable.

I have wondered why it was, as this debate has proceeded, that the proponents and the supporters of the measure have not really spoken on the bill itself. There has been a smattering here and there. Why have they not told of the operation of it? Why have they not told of the machinery necessary to put the bill in operation? Except in a few isolated cases, nothing has been said. For this reason, before presenting my argument as to why the bill should not pass, I believe that it will be best to make an analysis and also to give the Members of the House the formation, the structure, or the machinery under its provisions by which it is supposed to set in operation the forces necessary to give the relief which is needed by agriculture at the present time.

You must bear in mind that under section 1, labeled the declaration of policy, it is declared to be the policy of Congress that there should be orderly marketing of the basic agricultural commodities, both in interstate and foreign commerce, by taking care of the surplus and also "to encourage the organization of producers of such commodities and the cooperative marketing associations." Of this last declaration of policy I shall speak later. The structure of the bill is cumbersome, for it provides that there shall be, first, a Federal farm board which is composed of 12 members and also the Secretary of Agriculture, who shall be a member ex officio.

The 12 members of the board shall come one from each of the 12 Federal land bank districts, and they are selected in this manner: In each of the 12 land bank districts a convention of the "bona fide organizations and cooperative associations" holds a conference at the office of the Federal land bank to elect four people who are known as a nominating committee. In addition to these four another person is appointed by the Secretary of Agriculture on the nominating committee. Shortly thereafter the nominating committee of five members meets and selects three names to be submitted to the President, who shall select one of the three as a member of the Federal farm board, and such member so appointed by the President shall be confirmed by the Senate.

In order, therefore, to find 12 competent persons to act on the Federal farm board, we find that the bill sets up machinery of having 12 conventions, composed of representatives of bona fide farm organizations and cooperative associations, 60 members of a nominating committee, the Secretary of Agriculture, the President of the United States, and the Senate of the United States.

The board so created is given both general and special powers. Under the general power provision of the bill "it may make such regulations as necessary to execute the functions as are vested in it by this bill." And, in addition thereto, "shall maintain its principal office in the District of Columbia and may maintain such other offices in the United States as it deems necessary." It also has the general power to "appoint and fix the salaries of a secretary and such experts," and, in addition to these, such officers and employees as may be necessary, these officers and employees, but not the experts, being subject to the provisions of the civil service law.

Before I proceed further I wish to call the attention of the House to the fact that as many quarters or offices in the United States can be rented as the board wants to rent, and that there is no limitation upon the number of experts and the salaries of the experts to be selected by the board, except for the experts who are paid under the provision of subsection B, section 11. But evidently the experts provided for in this subdivision are not those which are provided for under subsection F of section 4. Also, there is no limitation upon the number of officers or employees that will come under the provisions of the civil service law. This being so, it is impossible for anyone studying the provisions of the bill to estimate the cost and expenses which the Government of the United States will have to take care of.

Why does not somebody who is in favor of this bill tell the House all about the number of employees and their expenses and salaries? Why does not somebody who claims to know something about this bill tell of the cost? Why did not the report give some of these facts and figures? But not a word, not a statement is given for the information of the House. It is true that the farmers shall be charged with the salaries of experts, but from my construction of the bill, the farm loan board can employ experts which the Federal Government will pay for and experts that the farmers shall pay for.

Before I discuss the bill further I wish to say that I am not going to speak on the amendments inserted in the bill and which were in the bill on its final passage in the Senate. I do not know what will happen to these amendments. Occasionally I have heard from members of the committee proponents of the bill that the amendments shall be included. All that I know in this argument is what is in H. R. 15474. Nor do I have any information of the secret plan that may be proposed later on.

Under the special power granted to the board they have the right to advise the cooperative associations and farm organizations, as well as the producers, of any adjustments that they may deem necessary for production and distribution in order that the benefits of the bill might be secured to the producers. Therefore it is clear that Congress is attempting under this provision to give power to the Federal farm board to say to every farmer in the country that unless you do as we say and comply with our orders and our advice no benefits, if there should be any under this law, are intended for you.

In addition to the Federal farm board, the nominating committee, the secretary to the board, the unlimited number of experts, officers, and employees, the bill provides that there shall be created at least five advisory councils to consist of seven members each. These are to be known as the cotton advisory council, the wheat advisory council, the corn advisory council, the rice advisory council, and the swine advisory council. These advisory councils meet twice a year at least, and oftener when necessary, and have the right to make recommendations to the board, or receive information from the board, or to aid the board in advising the producers, cooperative associations, and the farm organizations that it will be necessary to follow the advice of the board in matters of farm productions in order to secure the benefits of the bill. In order to select a board of 12 members and to keep that board fully advised, even though the Secretary of Agriculture be an ex officio member of the board, it is necessary to have under the bill 95 men who are paid $20 a day and per diem expenses. This is a brief statement made with the intention of showing to the House, as I have said before, how cumbersome many provisions of the bill are.

The bill authorizes the appropriation of the sum of $500,000 to cover the expenses incurred prior to July 1, 1928. But I doubt very much if there is a single member of the Committee on Agriculture who thought for one instant that $500,000 would cover the salaries of the board, the salaries of the experts, officers, and employees of the board, and the per diem compensation and expenses of the members of the nominating committee and of the advisory council, as well as the necessary office expenses, the printing, binding, and the purchase of books and periodicals. How much all of this will cost no one knows, and no one can foresee.

It is well that I call the attention of the House to the fact that unless a farmer or producer is a member of a cooperative association or another farm organization which is recognized by the Federal farm board he has no right or representation in the selection of either the nominating committee or the advisory council. And as far as North Carolina is concerned, with only 8 per cent or less of the farmers belonging to the cotton cooperative associations, it will have very little representation or will have very little say in any of the matters either in selecting the committee or in the placing on of the equalization fee or tax. Or it will have very little say regarding the right of the board or either one of the advisory councils in the matter of the adjustment of production.

Prior to the commencement of operations and when in the opinion of the board there is likely to be a surplus, the board estimates the amount of advances, losses, costs, and charges that are to be paid in regard to the operation of the law in such commodity, and it determines that it will be necessary for each producer of such commodity to pay a tax, known as an equalization fee, upon each bale of cotton, bushel of wheat or corn, or pound of rice or pork. But the board does receive advice and recommendation from the advisory council in regard to placing on the equalization fee.

This equalization fee under the provisions of the bill shall be paid upon either the transportation, processing, or sale of such commodity. The amount of this equalization fee is agreed upon by the advisory council and the board, and there is no way of determining under the provisions of the bill what that fee will be in the case of cotton, as well as the other commodities. There is no limitation upon the amount that the board may tax the farmer under the guise of aiding and helping. Who collects this tax, and how? The bill is silent. But may I not call to the attention of the House the fact that there will be, if this becomes a law, a horde of employees, because it will take a horde to collect a tax from either the producers, who come under the provisions of this bill, or from every small or large butcher, every packer, every transportation company, every gin, every mill, and so on ad infinitum. How many it will take we have no idea. What the salaries will be we have no idea. But this we know, that somebody will have to pay the salaries and expenses of this group of employees. Whether these come under the name of experts, which the board is allowed to employ and which is paid by the Government, is not known. Or whether, on the other hand, the salaries or traveling expenses of these tax or equalization fee collectors are paid by the farmers under the provisions which permit the board to pay the salaries and expenses of experts from the stabilization fund it is not known, nor does the report of the committee or the hearings before the committee give any light upon this subject.

This can be gained from the bill, that the farmer, manufacturer, butcher, packer, miller, or merchant shall be required to pay a tax, the amount of which is unknown at the present time and which no human being can estimate. That this equalization fee shall be enough to cover the losses, costs, and charges in respect of the operations in the basic agricultural commodity or its food productions, the salaries and expenses of experts, and the repayment to the revolving fund of any amounts advanced with 4 per cent interest.

In speaking further about the equalization fee under the provision of this bill, as I have stated before, this fee will be placed on all commodities named, as well as such others as the board may determine. I know that when a farmer in my district who purchases, kills, and dresses a hog for market, and carries it to the market, the butcher will say to him, "You know Congress put a tax on the sale of hogs. I am sorry that I have to deduct it from the amount I owe you, but Congress did it." Are you willing for the many dealers in these various commodities to make such a statement?

Who collects all this tax anyhow? All the bill provides is that there shall be a return made by the purchaser, but who is to check up on the purchaser? Why can not you give us some information about this? Again I say that there will be an unlimited number of these tax collectors, and in all probability they will be classified as experts and the farmers will have to pay. The Members of this House are entitled to know something about this bill. They are entitled to hear something else besides talk about the general conditions of agriculture. We all know that and we are sorry for that condition, but we have before us this bill for consideration, and we should know how it will operate if it becomes a law.

The equalization fees when put in one fund are known as the stabilization fund. It is expected that this amount will cover all losses, costs, charges, and expenses. The revolving fund provided for in the bill is a sum of $250,000,000, which may be loaned for the purpose of taking care of the surplus, or to cooperative associations engaged in purchasing any of the commodities, or in purchasing or constructing facilities to be used in the storage or processing any commodity.

I can not speak for other productions; but if the bill had been in operation last year I wonder what the equalization fee, or tax, on cotton would have been. It is very hard to estimate this. I have tried it myself, and I have had experts at the Department of Agriculture assisting me. This I know: That the cost and charges on one bale of cotton for six months, exclusive of transportation charges, would have been around

$6.15; for one year $9.75, and for two years $17.15. And right here I shall insert in the RECORD this table of costs and charges on cotton:

Cost of processing and storing cotton, per bale, for six months, one year, and two years, respectively, but not including transportation to warehouse

	One-half year	One year	Two years
Storage per month, 40 cents	$2.40	$4.80	$9.60
Receiving	.10	.10	.10
Weighing	.10	.10	.10
Reweighing	.15	.15	.15
Grading and stapling	.40	.40	.40
Sampling	.05	.05	.05
Insurance average 60 cents per $100—60 cents	.40	.60	1.20
Turning out	.10	.10	.10
Patching, 2 patches at 10 cents	.20	.20	.20
Compression	1.25	1.25	1.25
Interest on advance 4 per cent ($100 value)	1.00	2.00	4.00
	6.15	9.75	17.15

Cost of processing and storing, but not including transportation charges to warehouse, 4,000,000 bales:

6 months	$49,600,000
1 year	64,000,000
2 years	93,600,000
Advances:	
4,000,000 bales, value $100 per bale	400,000,000
50 per cent advance	200,000,000

Mr. BANKHEAD. What charges are included in your statement?

Mr. BULWINKLE. Transportation is not included; that is, the freight paid to a common carrier or any other transportation company from whatever place to the warehouse is not included, but storage, receiving, weighing, reweighing, grading and stapling, sampling, insurance, turning out, patching, compression, and interest on the advance at 4 per cent.

Mr. ABERNETHY. Will the gentleman yield?

Mr. BULWINKLE. Yes.

Mr. ABERNETHY. Does the gentleman mean there would be that much equalization fee on a bale of cotton?

Mr. BULWINKLE. Yes. There will be that much or more, because there is no freight included. There are no salaries for these experts that the farmers have to pay included, and there is none of these other things that the bill provides included. Are you men from the South, upon the basis of these figures—and they tell us it will be possibly three years they will have to hold this cotton off the market—willing to let the farmers be taxed $20 or $25 a bale?

Mr. McDUFFIE. Will the gentleman permit an interruption, because I want to understand whether or not the figures the gentleman gave are representative of the cost now of holding a bale of cotton or do they include the probable fee or fees that might be put on cotton by this board?

Mr. BULWINKLE. They have nothing to do with the fee put on by this board.

Mr. McDUFFIE. All of that is the cost of holding cotton?

Mr. BULWINKLE. That is the cost of holding cotton, as estimated by the Department of Agriculture, and it is a conservative estimate.

Mr. McDUFFIE. The fee will be in addition to that?

Mr. BULWINKLE. Yes; and in addition, if you force them to joint cooperative organizations they will have to pay their annual dues to such organizations and the overhead expenses of the organizations.

They further say that it may be from two to three years that they will have to hold this cotton, and the board which must determine this in advance can not say, "We will take the cotton off the market for six months, or we will just take it off for 12 months," but they must estimate the fullest time and your farmers will be taxed accordingly.

I would like to see—no; I would not like to see it, because I know what would happen when some farmer would have to send his cotton to a country merchant and the merchant would say, "Yes; we are giving you to-day 15 cents a pound, but there is a board sitting up there in Washington and that board says you have to pay $25 because you belong to these organizations." And this is done for the protection of the farmers.

You know what would happen as well as I do, and this applies not only to cotton but to wheat, which we also raise in North Carolina, to corn and to all these other products.

How much cotton it would have been necessary to take off the market in order to raise the price is a disputed question. Assuming, for the sake of argument, that there is a surplus of American cotton over and above the American consumption, over and above that which is bought by the American spinner as well as the foreign spinner, of 5,000,000 bales, and that it would have been necessary to take this, or the greater part of it, off the market. And assuming that 4,000,000 bales had been declared surplus by the board and had been taken off the market last year, we do know that it would have required $200,000,000 to place this cotton in warehouses.

That, in addition to the interest charges of 4 per cent on this amount, there would have been the rent or purchase of warehouses, the installation of the sprinklers and other systems for fire protection, if none had been provided for, the expense of city water, the insurance, the salaries of buyers, graders, clerical help, warehouse men, and laborers, and also the amount of freight paid for railroad or other transportation as well as other miscellaneous expenses. All these costs and charges would have been paid by the cotton farmer and would have been a very heavy tax on him. I am not willing, even though I thought the equalization-fee provision of this bill constitutional, to permit by my vote and my influence a tax to be placed upon the producers of my district. We all realize that the "power to tax is the power to destroy," and I am not willing, and I shall never vote to give a board the right and the power to place upon the farmers who raise cotton, wheat, swine, and corn in my district a tax, even though that tax were stipulated in the bill. But here we have the case of an uncertain amount of tax which at the present time can not be determined. I fear that if the bill were passed the farmer would find himself in a worse condition than he is in now. Congress or any other legislative body can never pass permanent legislation which attempts to override the economic law of supply and demand.

Again, I call to your attention that one of the outstanding provisions of this bill is an attempt to force the farmers of the United States to join various cooperative associations or farm organizations whether they want to or not. I believe in cooperative associations and will do all in my power to aid them, but I shall never vote for any measure which contains a provision to force farmers or producers of any commodity into any association or organization. Nor shall I, while I am in Congress, ever vote for a measure which directly or indirectly controls production. The supporters of this bill say that the control of production can be accomplished by placing a tax or equalization fee upon the commodities produced. And also by the advice, counsel, and direction of the board and advisory council.

It seems impossible to me that we of the South, who believe in local self-government, should be willing to turn over to the Federal Government the very land of the farmers themselves, for they say they intend by this measure to control production. Are you willing for that? I know you are not.

There is more in this than the temporary relief that can be afforded. There is a future question at stake, and that goes back to the philosophy of our Government, because they tell us that the only thing that can be done is to stop production, and by these means in the bill they hope to do that. If this should be done, then the Federal Government would have control of the farms.

How many farmers of the South or anywhere else know the full contents of this bill and know the full meaning of it? I have talked to them at home. And they have also come to me and asked me, "What are you going to do up there?" And I have said, "What do you think we can do?" And they have said, "Nothing, except to leave us alone." I have gone in my district to a good many farmers and have talked with them, and when you explain to them that there is an unlimited tax placed upon what they raise, they will tell you, "For God's sake, stay off of it because we are taxed enough."

I am for farm relief, yes; but I am not for this measure. I am for no such monstrosity as this, and I hope this bill will be defeated next week, because in the end its defeat will prove a blessing not only to the farmers of my district but to the farmers of the Nation. [Applause.]

I have not had the time to speak on the constitutionality of the bill. I have not had time to go into all the details as fully as I wished to do, but for these reasons and others not mentioned I shall vote against this measure and shall vote for the Aswell bill upon the motion to recommit.

Mr. HAUGEN. Mr. Chairman, I desire to yield 30 minutes to the gentleman from Kentucky [Mr. KINCHELOE] to be used whenever he desires.

Mr. KINCHELOE. Mr. Chairman, I yield 15 minutes to the gentleman from Missouri [Mr. RUBEY].

Mr. RUBEY. Mr. Chairman, we have had so much discussion upon this question that if I had my way about it I would yield back the rest of my time and ask everybody else to do the same and let us vote on this bill. [Applause.]

I enjoyed very much the remarks of my friend from Illinois [Mr. ADKINS], who has just preceded me, about our good friend POLY TINCHER, of Kansas. I heard the distinguished Kansan address the House the day before yesterday. At that time

he greatly entertained us, notwithstanding the fact that he spoke in opposition to this measure, which I have always favored. I realize that men upon this floor do not always agree. However, my friend from Kansas is always entertaining and, frankly, I am very fond of him. He retires from the House on the 4th of March. He leaves voluntarily, and I know that I voice the sentiments of every Member when I say that he goes from here with our very best wishes. [Applause.] It is rumored that a good appointment awaits him. We his friends upon this side hope he will get one that will be pleasing to him and one in which he can do the least harm to us. [Laughter.]

Mr. Chairman, to-day as we take up for discussion this important measure the eyes of more than 30,000,000 men and women residing upon the farms of America are upon this Congress. These stalwart men and women, representing as they do nearly one-third of the combined population of the Nation, extending from the Atlantic on the east to the placid waters of the Pacific on the west, and from the Canadian boundary on the north to the Gulf on the south, are the bone and sinew of this Republic. As the earth makes its daily revolution, the sun does not shine upon a greater people or a people more deserving of aid and assistance at this very hour. [Applause.]

The need of farm relief is so well known that to discuss it is absolutely unnecessary. The need of legislation of this kind has been dwelt upon by every country newspaper in the land; it has found its way into the editorial columns of many of the great daily papers; it has been discussed by speakers everywhere; it has been the subject of lecturers and of magazine articles. In fact, to put it in a few words, there is not a man or woman anywhere who at all keeps abreast of the times who does not know that American agriculture is in great distress and sorely in need of relief. That question is settled; why prolong the discussion of it? There are a few in this House, and some out of it, who believe that that relief should come from the farmers themselves and not from the Government. If, however, every Member of this House were assembled upon this floor and the question were put to them as to whether or not some bill for farm relief should be passed, I firmly believe that 90 per cent of the Members would answer in the affirmative. Practically every Member acknowledges the need of such legislation; therefore there is no need for further discussion upon this point.

The only question, therefore, to discuss at this time, is which one of the measures that have been introduced and discussed before this body, should be enacted into law. The Committee on Agriculture, the last time it had the honor of coming before the House asking for farm relief, was very liberal, it came here with three bills. This time we have not been so generous, we have brought to you only one measure, the McNary-Haugen bill, and we ask you to enact it into law, or, at least to do your part by passing it through this body, and if you will do that, we have every reason to believe that it will be passed by the Senate and that the President will complete the job by signing it and enacting it into law. [Applause.]

It has been said, Mr. Chairman, that twice before this bill has been before the Congress; first in the Sixty-eighth Congress and again in the first session of the Sixty-ninth Congress. I am reminded that a long, long time ago there was uttered a certain proverb and it now comes ringing down the ages without the slightest loss of our faith in it, and it is here to-day; and that is, when you have a great undertaking before you "If at first you don't succeed, try, try again." And upon this particular occasion I am reminded of another proverb which at this time fills the hearts of the proponents of this bill with hope and delight, and that is, "The third time is the charm." The proponents of the McNary-Haugen bill have great faith in it, and we firmly believe that when the final roll is called at its conclusion our distinguished Speaker will arise and announce "The bill has passed." [Applause.]

Mr. McDUFFIE. I am sorry to interrupt the gentleman, but will he yield for a question?

Mr. RUBEY. Yes; go ahead.

Mr. McDUFFIE. Is it the opinion of the gentleman that this bill if passed and signed by the President, goes immediately into operation?

Mr. RUBEY. It will take time to put it into operation.

Mr. McDUFFIE. I did not mean under the terms of the bill; but does not the gentleman think that the constitutionality of the bill will be tested out in the courts of the country before it is permitted to be tried out?

Mr. RUBEY. Any farm relief bill that passes this House which has the determined opposition of so many of the big interests of this country will be tested out in the courts. You can not pass a farm relief bill that will not be carried into the courts. I am talking about the exchanges and all the big combines in the country opposed to farm legislation.

Mr. McDUFFIE. Does not the gentleman think that if the farmers are to get farm-relief legislation the Crisp bill or the Aswell bill would not be tested out before it was put into immediate operation?

Mr. RUBEY. No; I do not think so; any bill we may pass will be tested out in the courts. I think we ought to pass the McNary-Haugen bill, and I will tell the gentleman why before I get through. I will tell him why it is of greater importance than any other piece of legislation which seeks to bring farm relief.

I face to-day, Mr. Chairman, what I believe to be a body of great Americans. We are not all of one accord upon the legislation we are now called upon to enact. Our views are divergent as to what should go into this bill and what should be left out of it, but a very large majority of us are practically of-one opinion, and that is that legislation should be enacted at once for the welfare and relief of American agriculture. [Applause.] Many measures of relief have been introduced. At least three of these measures have been discussed at some length upon the floor of this House.

First. The McNary-Haugen bill, which is before us now, and which comes with the favorable report of the Committee on Agriculture with the recommendation that it be considered and passed by this body.

Second. There is the Aswell bill, which has been prepared, introduced, and discussed by the Hon. JAMES B. ASWELL, long a faithful and efficient member of the Committee on Agriculture. Mr. ASWELL deserves much credit; he spent many months abroad this past summer studying agricultural conditions. I have extended to him every possible courtesy; I have read and studied his bill, listened to him before our committee and when he spoke on the floor of this House.

Third. There is the so-called Crisp bill, which was introduced by the Hon. CHARLES R. CRISP, of Georgia. Mr. CRISP is not a member of the Committee on Agriculture, but of another great committee. He did not write the bill, he so states, and he claims no pride in authorship. I have heard the question asked many times, "Why did CHARLEY CRISP introduce this bill?" I feel quite sure I can answer that question. Mr. CRISP is one of the most distinguished Members of this body, affable, agreeable, and really lovable, exactly the kind of a man who would be sought out by anyone looking for a real master to direct the course of a legislative bill. Some days before it actually occurred it was rumored about the House that there was to be introduced another agriculture bill, and that it would be introduced into the House by a prominent Member of the South—a Democrat—and into the Senate by a prominent western Republican. I have given to Mr. CRISP's bill very careful consideration. I have extended to him every courtesy; I studied his bill, listened attentatively to him when he came before our committee and when he addressed the House. The shortcomings of this bill have already been discussed, and I shall not take the time other than to say that the Crisp bill is a temporary measure intended only to meet emergencies. This he himself states.

Mr. Chairman, if I had to choose between the two temporary measures, the Aswell or the Crisp bill, I am frank to say that I would choose the Aswell bill. It shoots straight from the shoulder; it would accomplish the purpose its author intends; but it too is a temporary measure. I am for the McNary-Haugen bill; I have been for it for a long time, and really believe, as I have already stated, that this third time will be the "charm." I would support the Aswell bill in preference to the Crisp bill for another reason, and that is, that it is presented to this House by a member of the Committee on Agriculture.

During the years I have been here frequently a man comes onto the floor of the House when the roll is being called on the passage of an important bill and asks of some Member this question: "What are we voting on?" Some one will tell him. The next question is, "How is the committee on the bill?" He is told that the committee is favorable. "All right, then I will vote for it." You have heard time and again this kind of a colloquy. In a large legislative body such as this, where hundreds, yes, thousands of bills are introduced each session, it is impossible for each Member to make a careful study of each bill introduced; he must therefore depend largely upon the judgment of the committee to which a bill has been referred. The committee has given this bill the most exhaustive consideration and study. No bill was ever before any committee in this House that has been given a fairer or more extended consideration than the McNary-Haugen bill by the Committee on Agriculture. By a majority vote it has reported this bill to the House and now asks that it be passed.

A few days ago there came to my office and to the office of every other Member of Congress a letter from the chamber of commerce of one of the large cities of the East, presenting resolutions which they had adopted. The writer of that letter

started out by saying that its "board in the broader interest of the country opposed the McNary-Haugen bill."

I took with a grain of salt the proposition that this chamber of commerce was opposing the McNary-Haugen bill in the broader interest of the country. I was reminded of the fact that just a day or two before, when the motion was made in the United States Senate to take up for consideration the McNary-Haugen bill, every Senator except two who voted against that motion came from the Northeast, nearly all of them from the New England States. I recall the further fact that every time we have had under consideration a farm-relief measure the Members of both the House and the Senate residing in the Northeastern States, which is the protected section of this great country, have voted solidly against it. That section of the country, with its large manufacturing industries, receives more benefits by legislation than any other section of the country. Yet they are unwilling for this great Government to come to the relief of distressed American agriculture.

Another argument presented—and that argument has been presented time and again by at least one of the daily newspapers here in Washington—that the passage of this measure would increase the prices of farm products and depress the conditions of the consumers of the country. Thus they admit that at least one of the objects aimed at by the McNary-Haugen bill will be accomplished, but at the same time they exaggerate the burdens that will come as a result of it to the consumers.

This same letter which came from the chamber of commerce of this large city decries any method whereby legislation be devised to handle the surplus of the country, and yet it is a well-known fact that in the campaign of 1924 there was one question upon which all political parties agreed and that was the question of handling the surplus farm products. They agreed that legislation should be passed which would prevent the surplus from beating down domestic prices and thus bring distress to the farmers of the country.

There is no question in my mind but that by taking the surplus off the market, holding and reselling it as needed, it can be effectively handled. We ship abroad at least 60 per cent of the cotton raised in America. That cotton, if we have an overproduction, should be taken off the market, stored, and resold as needed. We can say to the people of Europe who must have our cotton, "Give us a fair and reasonable price for it, and you can have it; otherwise not."

If the McNary-Haugen bill becomes a law and goes into effect, what will it do for agriculture? This is a question which was asked me a few days ago by a prominent Member of this House, one who has always opposed the enactment of this legislation. He further stated that in the whole experience we had had in the discussion of this legislation no one of its advocates had ever come upon the floor and attempted to say what the legislation would do. The gentleman is incorrect in his statement, for this particular phase of the legislation has been discussed time and again. It is my purpose now, briefly, for my time is limited, to answer this gentleman's question.

From the very beginning of time agriculture is the only industry on earth whose workers have not had a single thing to say about the prices which they should receive for the products which they produce. The farmer toils from one year's end to the other. When the crop season comes he goes out into the field in the early morning, toils on through the heat and burden of the day until late at night. He undergoes all kinds of hardships. He contends with all sorts of weather; he meets the storms, the rain, the wind. He fights against floods that come and many times has to wait for the long, drawn-out drought to be broken. When, at last, the end of the season comes, if fortune has favored him, he carries his hard-earned products to market and humbly asks the buyer, "How much will you give me for them?"

It frequently becomes necessary for him to ship his cattle and his hogs many miles to market and there somebody else tells him what he can get for them, and it frequently happens that there is no competition in the bidding, in fact, it more often happens that he receives only one bid, and that a very reluctant one, and he must take that or nothing. He is hundreds of miles from his home, he can not afford to reship, therefore he takes whatever is offered to him. That is not only true of cattle and hogs but is true of everything raised on the farm.

If this bill passes, as I am confident that it will, all this will be changed. A Federal farm board created in this bill will become the farmer's agency through which he will be represented in having the prices determined for his products. This Federal farm board, composed of 12 members, one from each Federal land district in the United States, together with the Federal council cooperating with it, will determine the prices for each one of the staple products provided in this bill, and when this bill is passed, and this Federal farm board is appointed and gets thoroughly organized, it will become the most powerful and the only agency the farmers of the country have ever had in obtaining for them fair, equitable, and just prices for their products. This is the vital point in this legislation and the fact that we have provided this agency in this bill is the reason that the opposition to it is so determined. We hear Members upon the floor of this House say "This is a price-fixing bill, and therefore I will not vote for it." Who fixes the prices for the farmer to-day? He does not do it himself, therefore who does it? The gamblers upon the exchanges, the manipulators, the grain dealers, the packers, and hundreds of others who manipulate the business in the great central markets of the country. All of these people, and many others are opposing bitterly the passage of this measure because they know that the passage of the McNary-Haugen bill will sound the death-knell of their nefarious business. [Applause.]

The Federal farm board, through its agencies, will go into the markets, buy agricultural products and purchase them at a price that will yield to the producer a reasonable profit, plus the cost of production.

There is no doubt that when this law goes into effect there will be advances in the principal markets of the country of the prices of the agricultural products named in this measure. Only a few days ago, when it was given out through the press that the McNary-Haugen bill would probably pass, cotton, wheat, and other products immediately advanced in price.

It will take time to put this law into effect. The matter of selecting the farm board, through the very efficient manner in which it will be selected under this act, may take months. Better to proceed with care and caution and get the very best men that can be secured than to make haste and get less efficient men. The success or the failure of this act will depend more upon the kind of men who will be selected for the Federal farm board than upon anything else; but I say now, without fear of successful contradiction, that when this board is selected and established and secures the cooperation of its agencies throughout the country, it will become in the course of a very few years the greatest and most potential organization that the farmers of America have ever had. Under the operation of this board the farmers of America will have, for the first time in all history, an able, efficient body of men who will represent them fairly and squarely, and I may say justly, in the determining of the prices which the producers shall receive for their products. I say justly and fairly to all, because I do not believe that any board selected, in its desire to aid agriculture, will go to the extreme and bring undue hardships on the great consuming public. The fundamental object of this bill is to bring farm relief to distressed agriculture and to give to the farmer a just and fair price for his products, and there can be no doubt but what this bill will do that. The friends of the measure think that it will, the opponents of the measure admit that it will, because in the editorials found in the large city newspapers, the home of the consumers, they object to this bill because they believe that it will make prices too high and be burdensome upon the consumer.

In the putting of this measure into operation the board should proceed, as I have already said, with care and caution, and the board which we hereby create, I am satisfied, will do that. They have in a manner supervision of the whole marketing system.

One of the troubles we have to-day is the fact that from the hour the product leaves the farm its price is increased and increased through every hand it passes until when finally it reaches the consumer it has been enhanced many times. Those things will be studied out by this board, and everything done that it is possible to do to bring about, as this bill provides, orderly marketing.

The passage of this bill and the putting of it into full and complete operation will bring relief to every farmer in America. We must not stop there in our comment; it will help every industry in the land. When the farmer is helped, when he gets a fair price for his product, when he is enabled to pay off his debts and obligations, when he, indeed, becomes fairly prosperous every merchant in his town will feel the favorable result of that. That merchant, as a result, will meet his obligations to the wholesale merchant and be placed in a position where he can handle increased stocks of goods. The whole business world will feel the stimulus of the increased purchasing power of the farmer. The farmer will be able to pay his obligations at the bank; bank failures in agricultural communities will become a thing of the past. The great railroads of the country, steaming from east to west and from north to south, will carry more freight, more passengers, and their business will be greatly enhanced.

Agriculture is the basic industry of America. Make its foundations solid and sure, give to it the means by which it can become successful, and you will help every industry on the continent. [Applause.]

Mr. HAUGEN. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. WILLIAM E. HULL].

Mr. WILLIAM E. HULL. Mr. Chairman, having been born and raised on a farm until 20 years of age, I have a recollection of what the farm was 35 years ago.

In that period there was always a surplus of grain on the farm. This surplus was carried by the farmer.

In those days after the harvest the haymow was filled with hay, the granaries were filled with corn and other cereals, and the straw stack remained on the outside.

The farmer went to town on Saturday, made his purchases for the necessities of life.

Then he gradually sold from the granary and haymow enough to pay his bills.

But invariably at the end of the year there was left a surplus. This surplus was in the clear and he carried it over until the next year, or to such time as the prices would show a reasonable profit.

In this way the farmer carried the surplus. This was the time of the reaper, the mower, and the self-binder. But since then the farming business has changed. To-day the farmer carries on his farming with improved utensils at a high automobile speed, raises better crops, increases production, plants more land, and the result is a larger supply of products.

But when the harvest time comes his indebtedness is so large that he finds it necessary to sell the entire crop in order to raise the money to pay the bills. What is the result? Market declines, he sells at low prices and plants at high prices, and the result, his profits are nil, and the farming occupation to-day is not a profitable proposition.

Gentlemen, if this Congress does nothing more than to relieve the mind of the farmer by passing legislation, it will have accomplished a great deal for the future welfare of the agricultural industry of this country. [Applause.]

It is the same old proposition: If you are going down the street and are met by 10 successive friends and each of them tells you that you are sick, in most cases you will become sick and send for a doctor.

The farmer to-day believes he is sick or broke; he believes he needs legislation at Washington, and everybody he meets tells him that he needs legislation at Washington.

If you disappoint him at this term of Congress you are going to set him back several notches in his future welfare.

I have sat here for these few days and listened to arguments on both sides of this question. I have tried to study this bill so as to have some definite idea of what it seeks to accomplish. I am not entirely convinced that it will do all that we hope it will accomplish, but I am sure of one thing, it is the best plan that has been offered, and if it is enacted into law the farmer will know that the Congress of the United States earnestly wants to do something for him. [Applause.]

The farmer thinks that you have done something for practically every other kind of business in this country; he believes that he has been sinned against and that no one has been his protector; he believes that the Congress of the United States has not been diligent in supporting some measure for his benefit.

Now, let us pass the Haugen bill; let us at least show him that the Members of Congress, east, west, north, and south, are determined to make a start toward helping him in his future progress. Let us take it for granted that the Haugen bill will not be a success; that it will work just the opposite to what has been proposed upon this floor and to what it was intended; that it will destroy the success of the farmer instead of assisting him. Let that be as it may, Congress can repeal the bill, but in the meantime we will have done one thing, we have done what the farm organizations of this country have asked us to do, we have made some effort to help the farmer. As far as I am concerned, I am going to support the Haugen bill. I am going to try to get every man that I can to vote with me for the Haugen bill, and I want to say to this Congress that as far as I know, there will be no Member from the State of Illinois outside of the city of Chicago but what will vote for this bill. [Applause.]

Mr. HAUGEN. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. CLAGUE].

Mr. CLAGUE. Mr. Chairman and members of the committee, there may not be much that I can say that will enlighten the Members of the House regarding farm legislation. The great majority of the thinking people now realize that the agricultural conditions are not satisfactory. For four years I served as a member of the Committee on Agriculture, and I wish to say in behalf of that committee that there is not a more hard-working committee in this House. For the past four years this committee has given much time and conscientious study to the question of farm relief legislation. My best consideration has been given to the study of the three farm relief bills which are now being considered. There is no doubt in my mind that if the Crisp bill were passed it would do some good. Mr. CRISP has given much study to the bill introduced by him, and I know that he would never have introduced it if he had not thought there was much merit in the same. My friend ASWELL, with whom I served four years on the Agriculture Committee, has before this body his bill. He has given much time and attention and much thought to the agricultural situation, and there is no doubt in my mind that if the Aswell bill would pass it would do some good, but only one of these bills can pass at this session, and the question before us is, Which bill will be of the greatest benefit and give the most relief to present farming conditions? After a careful study of each of these bills, it is my opinion that the McNary-Haugen bill, if passed, will be of much greater benefit to the farmers of our country than the passage of either of the other bills.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. CLAGUE. I am sorry, but I can not yield at this time as I have only a few minutes.

I do want to see some practical farm-relief legislation passed at this session of Congress. Both of the great parties, Republican and Democrat, promised at their last conventions to help bring forth and place upon our statute books farm-relief legislation, and I am just a little surprised by the action of some of our Republican Members of Congress who have at all times fought every proposition to aid in the passage of any farm relief bill. You eastern Republicans have been before Congress many times asking for relief for the manufacturing interests in the shape of tariff legislation, and we have assisted you in securing a tariff on most articles manufactured in this country. I believe in a reasonable tariff. Our tariff laws have been of some benefit to our farmers, but it has been of a much greater assistance to manufacturing industries than to the farmers of the country. Within the last two years there has been an increase of 4 cents a pound in the butter tariff, increasing it from 8 to 12 cents. This is a benefit to our dairy farmers. We passed yesterday the cream and milk bill which prohibits the shipping into the United States from Canada of insanitary milk and cream. This bill will be of assistance to all of the dairy farmers of the United States.

As a whole, the farmers of the Central and Northwestern States have not prospered since 1920. At this time I wish to call your attention to some charts which are before you, which were prepared by the Department of Agriculture for our colleague, Mr. JACOBSTEIN. I wish that you would observe the lines on these various charts. One of these lines represents the prices of nonagricultural products which the farmer has to buy. The other represents the prices received by the farmer for the basic products which he has had to sell, such as wheat, hogs, cattle, corn, and cotton. These charts show that there has been a great loss to the farmers of this country since July, 1920. The chart relating to cattle shows that if the farmer had received for his cattle the ratio price that he has had to pay for things that he has had to buy, the farmers would have received over $2,300,000,000 more than was received.

Look at the chart which relates to hogs. It shows you that if the farmers had received the same ratio price for hogs since July 1, 1920, that they paid for the articles which they had to buy, the farmers of the United States would have received over $2,500,000,000 more than was paid to them. The chart relating to corn shows that corn farmers have lost over a billion dollars in the price that they would have received for this product, compared with the price which they have had to pay. The wheat farmers have lost over $1,100,000,000. Chart No. 3, which I wish to call your particular attention to, shows the index price received by the farmers on upward of 30 basic agricultural products, as compared with the prices of some 300 nonagricultural commodities. This chart shows that the total losses to the farmers on these basic farm products since July 1, 1920, is more than $13,000,000,000. In other words, if the farmers of the United States had received a ratio price for these basic farm products produced by them on a parity with the nonagricultural commodities which they had to buy, the farmers of the United States since July, 1920, would have received more than $13,000,000,000 more than they did receive. Any person who has given study to the farm question must admit there is an agricultural problem; if this disparity between the prices of the things which the farmer has to buy and what he has to sell continues, farmers can not exist.

A few days ago my colleague from Minneapolis [Mr. NEWTON] made some statements regarding farm conditions. He is one

of the best fellows on earth, but when he stands before us and says that he believes that his views represent a great mass of farmers of Minnesota I take issue with him. There is not a farmer in his district.

Mr. NEWTON of Minnesota. The gentleman is mistaken.

Mr. CLAGUE. The gentleman may have a few small farms.

Mr. NEWTON of Minnesota. I have one township.

Mr. CLAGUE. Probably 3 acres to each farm.

Mr. NEWTON of Minnesota. Very good farms, too.

Mr. WHITE of Kansas. I know personally he has a good many constituents who were born on a farm.

Mr. CLAGUE. I will admit that.

The great grain exchange of the Northwest is located in Minneapolis, and I am proud of that wonderful city. This grain exchange is in my colleague's district, but until we secured general legislation relating to grain in Minnesota we did not always get the best results in selling our wheat in Minneapolis. There are located in his district some of the largest flour mills in the United States. In his talk before us the other day he called our attention to another matter. He gave us to understand that the indebtedness of the people of the Northwest was much less now than a few years ago. I only wish this were true. I have taken the pains in the last few days to look up this matter, and from such statistics as I am able to secure I find that the indebtedness, not only in the State of Minnesota but in the whole Northwest, has greatly increased since 1920. The mortgage indebtedness in the United States in the past 10 years, according to the best figures that I am able to secure, has increased from about $4,000,000,000 to over $10,000,000,000. When I asked my colleague from Minnesota the other day if there were any farm organizations in our State opposing this bill, he referred to the Twin City Milk Producers' Association and the Land O'Lakes Creameries Association, and the impression that I got from his statements was that these organizations were opposed to this bill. I wish to read you a telegram received by Congressman ANDRESEN:

ST. PAUL, MINN., *February 7, 1927.*

AUGUST ANDRESEN,

Congressman, Washington, D. C.:

Public press reports Congressman NEWTON as saying that Land O'Lakes Creameries Association is opposed to the McNary-Haugen bill. Land O'Lakes has never taken any action opposing this legislation and never will. Dairy farmers of Minnesota overwhelmingly indorse this legislation. Personally, I unreservedly approve McNary-Haugen bill.

HENRY ARENS,

Vice President Land O'Lakes Creameries (Inc.).

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. CLAGUE. Yes.

Mr. NEWTON of Minnesota. The gentleman will recall that my statement was in answer to the gentleman's inquiry to show him any farm organization that had not come out in favor of the Haugen bill, and I mentioned the Land O'Lakes Creamery, and the gentleman can not show a telegram from that concern saying that it has come out in favor of the Haugen bill.

Mr. CLAGUE. The Land O'Lakes Creamery Co. is composed of about 500 creameries scattered throughout the State which send their butter direct to the Land O'Lakes organization at Minneapolis, and the butter is reshipped from that point. I have a number of telegrams from local creameries, members of the Land O'Lakes Association, favoring this bill. I have a telegram from the Twin City Milk Producers Association stating that it has taken no action regarding the bill.

I represent one of the great farming districts in the State of Minnesota. The farmers in my section carry on diversified farming. There has been much discussion of farm-relief legislation. I have not received one telegram or letter from any farmer in my district opposing this legislation; but on the contrary I have received hundreds of letters and telegrams from farmers, business men, and farm organizations favoring it. I have received letters from parties residing in Minneapolis opposing the bill, saying that it would hurt the farmers. I have not received a letter or telegram from any farmer in the State of Minnesota opposing farm-relief legislation, and of the 10 Members in the House from Minnesota nine favor this bill. [Applause.] I have in my possession petitions signed by several hundred business men, companies, and corporations in Minneapolis petitioning for the passage of the McNary-Haugen bill. [Applause.] The passage of this bill will not do all that is claimed for it by some of its advocates. It is not 100 per cent perfect; neither will it give 100 per cent relief to the farmers of our country upon its passage; but in my opinion it will give considerable assistance. The bill was prepared by men who have given much study to the farm question. The farm leaders of many of our leading farm organizations of the United States have given years of study to this question. They have helped prepare this bill, and favor its passage. It is not perfect, but if passed, and given a fair trial, the defects of the bill will soon become known, and it can then be amended and be made a more perfect law. Its passage will be a partial fulfillment of the promises made in the late Republican and Democratic conventions.

No one can deny that legislation has not assisted labor, railroads, and our industries. Labor is fair toward this bill, and it gives me pleasure to state that labor leaders of the great labor organizations favor its passage. Many of these leaders have appeared before the Agriculture Committee and stated that, while the passage of farm-relief legislation might increase in some cases the cost of living, they were willing to bear their share of the increased cost, as they want the farmers of the United States to have a fair return for their labor and investments.

A higher price to the farmer for his products does not, as a rule, make much difference in the price to the consumer. Agricultural statistics during the years 1923, 1924, and 1925 show there was nearly 100 per cent fluctuation in the price of wheat paid to the farmers and only 5 per cent fluctuation in the price of bread. During the same years there was about 100 per cent fluctuation in the price paid to farmers for live hogs and the fluctuation in the cost to the consumer not over 30 per cent. Since 1923 there has been a fluctuation in the price of cotton of about 100 per cent, with little or no fluctuation in the price to the consumer of cotton goods. The same is true of all our basic farm products.

Legislation has been passed by Congress and laws are now on our statute books allowing railroads a fair return on their investments. Tariff legislation has protected our great industries, and through such legislation manufacturers are enabled to secure a reasonable return on their investment, and for us to sit idly by and say nothing can be done to help agriculture is folly. During the years 1925 and 1926 about 27 per cent of the people of the United States were engaged in agriculture. Under all rules of economics this 27 per cent of the people should have received about 27 per cent of the national income, but statistics show that they only received about 7½ per cent. Statistics further show—and it is undeniable—that the average income of the farmers of the United States during each of the past years has been less than $700, while the average wage of all industrial workers, ordinary mechanics, teachers, and clerks, and other workers was nearly $1,500 per year.

Many of the opponents who have spoken on this bill state that the farmers, when they come to understand it, will oppose the equalization fee. Like many others who favor this bill, I am interested in farming, and I know the ordinary farmer is intelligent, and I do not believe there is a farmer in the United States who would oppose paying a small equalization fee when he knows that it will bring him a higher price for his products. Many papers that are opposing this legislation have given the people to understand that upon the passage of this bill it will at once go into effect, and that the farmers will have to begin paying an equalization fee on the basic products mentioned in the bill. Such is not the case. No equalization fee will ever be placed upon wheat, or upon any other basic product, until the farmers, through their farm boards and organizations created by this bill, fix a fee thereon. In other words, when there is a surplus of wheat and the price is low the wheat growers will determine whether or not they wish to place an equalization fee upon wheat and take up the surplus for the purpose of increasing the price. The same is true as it relates to other farm products mentioned in the bill.

We do not want legislation that enables the farmer to borrow more money. They owe too much now. What our farmers want is a higher price for their products which they produce and have to sell in order that they may secure money to pay their present debts. I am going to vote for this farm-relief legislation for the reason that I honestly believe it will help general farming conditions. The passage of this bill will be a step in the right direction and I am in hopes that the Members of this House will assist in its early passage at this session of Congress that the bill may soon become a law.

Mr. FORT. Mr. Chairman, I yield one minute to the gentleman from Minnesota [Mr. NEWTON].

The CHAIRMAN. The gentleman from Minnesota is recognized for one minute.

Mr. NEWTON of Minnesota. Mr. Chairman, in view of the fact that the gentleman from Minnesota [Mr. CLAGUE] could not yield further, I have asked for this time.

The statement that I made in answer to the question of the gentleman from Minnesota was based on a telegram that I personally received last spring from Mr. Brandt, who was then and still is the executive of the Land O'Lakes Creamery

(Inc.). This was to the effect that their organization had never come out in favor of the Haugen bill, the Tincher bill, or any other bill; and I repeat to-day that that organization has not come out in favor of any particular brand of farm relief legislation. My statement stands uncontradicted, as the RECORD shows. [Applause.]

Mr. KINCHELOE. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. McSWEENEY].

Mr. McSWEENEY. Mr. Chairman, gentlewomen and gentlemen of the committee, I am so enthusiastic about farm relief that I only wish I had some influence among the Members of the House to have them feel as I do on this great subject. I can not add much to it but I would like to speak a word in behalf of farm legislation.

First of all it seems to me we must have premises to depart from. The most ardent opponents of the bill; going back three years when the gentleman from Wisconsin [Mr. VOIGT] was conducting the opposition—acknowledged two premises; first of all that there was a farm condition which was very bad economically, and second that legislative enactment would undoubtedly help the situation.

Let us come down to the present opponents, and I speak of the gentleman from Kansas [Mr. TINCHER], the gentleman from New Jersey [Mr. FORT], both of them able, strong opponents of this legislation, and both of these men have the same premises to depart from. First, they believe that we have the critical situation confronting agriculture; and second, that legislative enactment will help that situation. Both of these gentlemen have introduced bills which further prove to you that they believe legislation can do something for the farmer.

With these two premises let us discuss the bill. To my mind the question is whether governmental help will relieve the farmer from overproduction or not. I have been greatly interested in the Crisp bill and feel that one of his provisions is, in reality, a deterrent of overproduction. The equalization fee in the Haugen bill to my mind is a deterrent of overproduction. If I am misled I feel that I have done the farmer an injustice by voting for this measure. I really wish to do something constructive that will be beneficial for him in the years to come.

There are opponents who say that the good farmer, the efficient farmer, does not need help. I will probably agree with them. But may I make a comparison? I am a Democrat who believes that you can not suddenly change the tariff situation and, realizing this, I would not vote to remove the tariff wall that surrounds the businesses of my district. If I did, I would be as unjust to those manufacturing people as a man would be who would allow a canary bird that had been housed in warmth to be suddenly put out in the cold. So, believing in the tariff, I feel that you will understand me when I ask you to consult Henry Ford; I ask you to consult the Remington typewriter people. They will laugh if you speak of protection. They have built up an efficient business and go into the countries of the world where labor is negligible and undersell the producers of these countries. It is not for these highly efficient men that we have a tariff wall, but for the protection of the average business man who must compete in world markets. If that is true, why should we as legislators not try to help the efficient farmer and have him succeed even more, and at the same time let the man of average ability, the man who is struggling along, doing his best on the farm, have the same opportunity in the great field of food products of our country as the business man has in his field of production. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. KINCHELOE. I yield to the gentleman five minutes more.

Mr. McSWEENEY. And so I hope that you and I can realize that the efficient man will take care of himself, but we want to provide for that man who has not the best land and who is not nearest the market to weather the storm and to overcome the bad conditions in which he finds himself.

In conclusion, I would like to quote the distinguished gentleman from Massachusetts [Mr. LUCE]. He said if we pass this bill and allow some of our surplus of foodstuffs to be sent abroad and there sold at a price less than they are sold in America we will be furnishing the sinews of commercial warfare—food—to our competing laborers in Europe.

As I said before, I believe in a reasonable tariff, and under a tariff we must allow our surpluses to be dumped abroad. We have allowed the laborers in the field of agriculture in Europe to enjoy the use of American-produced farm machinery at a price less than our own farmers pay for the machinery in the city where it is built. We have allowed the foreign laborers in all lines of work to enjoy the products of America at a price cheaper than the American consumer enjoys them. We have landed rails from the United States Steel Corporation in the harbor of Liverpool cheaper than they are obtained in the place of production. I merely say that the argument of the gentleman from Massachusetts [Mr. LUCE] to my mind would lose weight, because we have already given those sinews of commercial warfare to our enemies abroad. It seems to me, from a humanitarian standpoint, that we can give sufficient food also, and at the same time give relief to the American farmer.

Mr. Chairman, in the years to come, when this bill is in operation, as I anticipate it will be, I hope that I shall be able to look back with pleasure and pride upon the fact that I had some small part in helping to pass it; and I hope, too, that the particular part of it which has been the bone of contention, the equalization fee, will prove to be the deterrent we wish it to be and will help the farmer to again enjoy the prosperity that he should have. [Applause.]

Mr. HAUGEN. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. BRAND].

Mr. BRAND of Ohio. Mr. Chairman and members of the committee, since I received an assault upon my political body last Tuesday, delivered by the gentleman from Ohio [Mr. BEGG], I have been receiving some reaction from Ohio, and I think the House will be interested to know what Ohio thinks on this question of the McNary-Haugen bill. From Mount Sterling I received this telegram:

The Mount Sterling Chamber of Commerce, composed of merchants and farmers of this community, is with you in your support of the McNary-Haugen bill. The Ohio Farm Bureau in its rejection of this bill does not reflect the sentiment of the farmers of this community.

Here is one I received from the grange in Champaign County:

The grange of Champaign County indorses the McNary-Haugen bill and asks that you support the same with your influence and vote.

Here is one from the grange of Warren County:

Believing that a majority of the farmers of this Nation are in favor of farm relief, be it therefore

Resolved, That we earnestly request the National Congress and the President to pass the McNary-Haugen bill now before the Congress.

Here is one from the farm bureau in Champaign County:

The Champaign County Farm Bureau at their annual meeting to-day, February 11, indorsed and recommends the adoption of the McNary-Haugen farm relief bill. Success in the fight.

Loudon, Ohio, Chamber of Commerce:

I am glad to inform you that the chamber of commerce went on record as favoring the McNary-Haugen bill.—Scott D. Slaughter, Secretary.

There are a good many others, but I shall let it go at that. I have received two invitations to come into Mr. BEGG's district and discuss the McNary-Haugen bill. I believe I should do that, because I do not think Jim can explain it. I have listened to him on the floor, and I am satisfied that he can not explain it to his home folks. But I shall go there with a good deal of trembling and fear, because it is the district of a great man. I know that from what I saw in the papers there a few months ago during the campaign. When I was there I saw in glaring headlines in the paper an advertisement to this effect: "Three Big Men in Congress—LONGWORTH, TILSON, and BEGG." My genial colleague from Ohio evidently admits that, and I understand that he has it on his calling cards at home. [Laughter.]

I have but 10 minutes, and that is my share, of course, when everyone wants to talk about this question, and I shall take the time of the House on just one point.

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. BRAND of Ohio. Yes.

Mr. TINCHER. Is the gentleman going to read the letter he has from Mr. Palmer, the head of the State Farm Bureau of Ohio?

Mr. BRAND of Ohio. I have not that letter with me, but I should be very glad to put it into the RECORD with my answer to it.

Mr. TINCHER. Very well.

Mr. BRAND of Ohio. I told him in my answer——

Mr. TINCHER. If the gentleman does that it will be satisfactory.

Mr. BRAND of Ohio. I do not yield further. I told him in my answer that I told the House why that resolution was passed in the chamber of commerce banquet was because the Secretary of Agriculture and Professor Jordan were there addressing it. I told him that I was sorry to present that to the House, but I felt that it might have some effect on the

House and the vote in the House if it was not properly explained, and I told him in my letter this morning, "I find your resolution has had no effect in the House and that twice as many Congressmen from Ohio will vote for the legislation as did a year ago."

Mr. TINCHER. The gentleman is telling what he told him in his letter. Is the gentleman going to put his letter in to show what he told the gentleman?

Mr. BRAND of Ohio. All right.

Mr. TINCHER. All right, if it goes in. If it does not, I shall put it in.

Mr. BRAND of Ohio. Mr. Chairman, as to the point that I wish to bring out in the argument finally, the Washington Post stated the real difference of opinion about this bill. That paper in an editorial yesterday said:

> We are opposed to the McNary-Haugen bill because it sets up a bureaucracy in Washington to boost the cost of living.

That is what the newspaper says, and that is really the opposition in this House. I call attention to the fact that it may not affect the cost of living, and I want to give some of my reasons for saying so. In the South you gentlemen have lost nearly half the value of your cotton this year, below the cost of production. You are selling cotton at nearly half the price that you were a year ago when we were debating this matter, and I wanted to find out whether that has been reflected in the price of cotton goods which sell in the stores of America.

Mr. BRAND of Georgia. It has not been.

Mr. BRAND of Ohio. I sent my wife down to Woodward & Lothrop's big store in Washington and I asked her to go from counter to counter in that store and find out whether there had been any changes made in the price of cotton goods during the past six months. Now, she went to the shirt counter and asked the price of shirts and then she said, "Has there been any change in the price of shirts," and the clerk bristled up and said, "Certainly not. We sell these shirts as cheaply as we can and make very little profit," and that may be so, and he said there had been no change in the price of shirts. Then she went to the sheets and other places where cotton goods are sold, and in not one case has there been a penny's drop in the price of cotton goods in that store. That is fairly representative of the country. I have no reason to doubt it. Now, here is the point, gentlemen. I think there is not 10 cents worth of cotton in a dollar and a half shirt. Shall anybody dispute that? And it does not make any difference whether cotton costs 7, 8, or 15 cents, that shirt remains at $1.50 when you pay for it, and, therefore, I think if this bill operating on cotton should raise the cotton price 5 cents you will see no change in the price on cotton goods.

Mr. KETCHAM. Will the gentleman yield?

Mr. BRAND of Ohio. I will.

Mr. KETCHAM. I wonder if the gentleman is willing to take from me the statement of Mr. Rabenold's, of the baker's association, figures which I have in this hearing upon the bread bill. He was asked in regard to what change in the price of flour was required to affect the price of bread 1 cent. Will the gentleman kindly read it. I have it marked.

Mr. BRAND of Ohio (reading)—

> We find that, on an average, a fluctuation of $2.50 per barrel in flour is necessary to justify a full unilateral increase of 1 cent in the selling price of bread.

That is $2.50 a barrel, 5 bushels of wheat in a barrel, 50 cents a bushel.

Mr. KETCHAM. And right upon that very point in the same hearing did not he also say that the baking companies could absorb the entire increase in the cost of wheat up to 50 cents without being called upon to raise the price of a loaf of bread 1 cent?

Mr. BRAND of Ohio. I believe he did. Now I take up the matter of bread, if the gentlemen will give me their attention about bread.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. I yield the gentleman five additional minutes.

Mr. BRAND of Ohio. There are a good many in the House being appealed to by the bakers of the country asking them to vote against the measure because they are sure it will hurt their business. Now, what is to happen with the bakers? They take about two and a half cents worth of material, knead it into a loaf, and sell it. It retails here at 8 cents. Of course, if this bill goes through and raises the price of wheat it will add somewhat to the cost of that material, and it will make their material cost perhaps 3 cents instead of 2½ cents, and the question is will that half cent be added to the 8 cents for a loaf of bread. I will say I have watched the price of wheat during the last five or six years and it has changed in price from 83 cents to $1.85, and during the 83-cent period the price of bread was 8 cents and during the $1.85 period it was 8 cents, and I know, too, gentlemen, of a bread-making establishment that made 48 per cent dividends when wheat cost $1.85. You can add the tariff to the price of wheat to-day and not raise the price of wheat beyond $1.85 per bushel, and therefore I say that you will not see a difference in the price of bread.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BRAND of Ohio. I will.

Mr. LAGUARDIA. It is not the honest fluctuation that the consumer has to fear, but it is the large bread companies of the United States, who take advantage of this measure to pass it on to the consumers.

Mr. BRAND of Ohio. I will say to the gentleman, in reply to that, that I have asked the bakers why they did not go above the 8-cent price, and their answer was that when bread goes above 8 cents the women of the country begin to bake, and they can not afford to have the women of the country go into the baking business.

Mr. LAGUARDIA. With the price of gas in New York City as it is, the women can not afford to bake.

Mr. FORT. Mr. Chairman, will the gentleman yield?

Mr. BRAND of Ohio. Yes.

Mr. FORT. The gentleman has been before our committee in support of his bread bill, in which he has contended that while the price is not changed, the size of the loaf is changed to meet the fluctuation in the cost of the raw material.

Mr. BRAND of Ohio. All over this wide country there are States which have laws which require full-weight bread. Ohio has one and Indiana has one. They are selling bread in both to-day at 8 cents. I will take you to New York City and take you to the retail stores there, and you will find a 13-ounce loaf costs 8 cents; 3 ounces pinched off and taken away from the consumer because the chairman of the Committee on Rules of the House of Representatives of the United States refuses to have that bread bill go before his committee. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BRAND of Ohio. I thank you, gentlemen.

Mr. HAUGEN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MAPES, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 15474) to establish a Federal farm board to aid in the orderly marketing and in the control and distribution of the surplus of agricultural commodities, had come to no resolution thereon.

GREAT LAKES-ST. LAWRENCE WATERWAY

Mr. LEAVITT. Mr. Speaker, I ask unanimous consent to print in the RECORD a resolution of the State Legislature of Montana expressing the desire of the people of my State that the President take steps to negotiate a treaty with the Dominion of Canada in furtherance of the Great Lakes-St. Lawrence waterway.

There is no single thing of such great importance to the agricultural and industrial interests of Montana in so far as our transportation problems are concerned as is the construction of this great deep waterway to the sea. It has been my privilege and pleasure to support this proposal consistently from its beginning, and I shall continue to press it in cooperation with those similarly interested constructively in this development as a means of bringing the utmost good to the Nation and our States.

There was no objection.

Mr. LEAVITT. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following resolution of the Legislature of Montana:

UNITED STATES OF AMERICA,
State of Montana, ss:

I, C. T. Stewart, secretary of state of the State of Montana, do hereby certify that the following is a true and correct copy of an act entitled "A resolution expressing the desire of the people of the State of Montana to His Excellency the President of the United States of America that he take steps to negotiate a treaty with the Dominion of Canada in furtherance of the Great Lakes-St. Lawrence waterway," enacted by the twentieth session of the Legislative Assembly of the State of Montana, and approved by J. E. Erickson, governor of said State, on the 7th day of February, 1927.

In testimony whereof, I have hereunto set my hand and affixed the great seal of said State.

Done at the city of Helena, the capital of said State, this 8th day of February, A. D. 1927.

[SEAL.] C. T. STEWART,
Secretary of State.
By CLIFFORD L. WALKER,
Deputy.

Senate Joint Resolution 2, introduced by Shelver, expressing the desire of the people of the State of Montana to his excellency the President of the United States of America that he take steps to negotiate a treaty with the Dominion of Canada in furtherance of the Great Lakes-St. Lawrence waterway

Whereas a joint board of engineers representing the United States and Canada have officially and unanimously declared ship-channel connection between the Great Lakes and the Atlantic by way of the St. Lawrence to be practical; and

Whereas the St. Lawrence Commission of the United States, appointed to determine the need of such a waterway, has unanimously declared, in its report to the President, made December 27, 1926, that—

"The construction of the shipway from the Great Lakes to the sea is imperative both for the relief and for the future development of a vast area in the interior of the continent" and that—

"It has been estimated that the values of a single year to the farmers alone would equal the capital cost of the waterway" and that—

"The economic importance of the improvement would be far greater than the savings made upon the actual tonnage transported, important though that would be," and

Whereas the growth of the State of Montana, the development of her agricultural and mineral resources, her present prosperity, and her future welfare, all demand permanent relief from the existing high transportation costs to and from the markets of the world, and require that freedom to enter into world commerce now denied to her by reason of distance from the Atlantic Ocean—a situation resulting in a combined rail-and-ocean transportation cost, prohibitive to many of her potential industries, and oppressive to those industries which now exist, and

Whereas the St. Lawrence waterway would give to the State of Montana a sea base 1,400 miles nearer to her eastern border than at present, and by such removal would permanently lower her rail-and-ocean costs of transportation to and from world markets; would increase the demand for her agricultural products; would stimulate the development of her mineral wealth; would invite new enterprise, and, generally, would assure to her citizens an enlarged and abiding prosperity: Now therefore be it

Resolved by the Senate of the State of Montana (The House of Representatives concurring), That we do most earnestly urge upon the President of the United States of America, the imperative national need of such waterway, and that we do further express to him the desire of the people of the State of Montana that immediate steps be taken for the negotiation of a treaty with the Dominion of Canada in furtherance of the Great Lakes-St. Lawrence waterway.

W. S. MCCORMACK, *President of the Senate.*
G. T. DAVIS, *Speaker of the House.*

Approved, February 7, 1927.

J. E. ERICKSON, *Governor.*

Filed, February 7, 1927, at 2.21 o'clock p. m.

C. T. STEWART, *Secretary of State.*

THE M'NARY-HAUGEN FARM RELIEF BILL

Mr. GARRETT of Tennessee. Mr. Speaker, I desire to prefer a unanimous-consent request, to which I ask the attention of the gentleman from Iowa [Mr. HAUGEN].

Mr. Speaker, during the discussions of the rule for the consideration of the bill which is now the order of business there were certain gentlemen in the House who were opposed to three of the measures that have been discussed, and some additional time was then granted, an hour, I believe. Now, all the time has been occupied, up to the present, by gentlemen who are for one or the other of these three measures. The gentleman from New York [Mr. JACOBSTEIN], who is recognized as a student of economics, and a great one, is opposed, I learn, to all three measures. I think he should be entitled to have some time. I was wondering if it would be agreeable for the gentleman from Iowa [Mr. HAUGEN] to permit this time to be extended by 45 minutes, that time to be used by the gentleman from New York when next we go into general debate.

Mr. HAUGEN. I will say to the gentleman that the time is equally divided, for and against. They have the same privilege as everybody else, for or against. That is in accordance with the rule provided by the Committee on Rules.

Mr. GARRETT of Tennessee. Let me call the attention of the gentleman from Iowa to this very peculiar situation. Of course, the time is equally divided between those for and against the Haugen bill, but the time that is being controlled against the bill is being controlled by gentlemen who are for another proposition or propositions. The gentleman from New York is against all three bills.

Mr. HAUGEN. There may be one-third of the membership of the House who are against all of them. Personally I should be delighted to hear the gentleman from New York. I have great respect for him as an economist and as a Member of this House. But we are operating under a rule, and I see no reason for extending the privilege to one particular Member over others.

Mr. GARRETT of Tennessee. Then I will put it in another way. I will ask unanimous consent that on Monday, after the reading of the Journal and the disposal of business on the Speaker's table, the gentleman from New York [Mr. JACOBSTEIN] may have 45 minutes.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that on Monday, after the reading of the Journal and the disposal of business on the Speaker's table, the gentleman from New York [Mr. JACOBSTEIN] may address the House for 45 minutes. Is there objection?

Mr. HASTINGS. Mr. Speaker, may I inquire how much time of the general debate remains outside of this 45 minutes?

The SPEAKER. The gentleman from Iowa [Mr. HAUGEN] has 1 hour and 2 minutes remaining, the gentleman from Louisiana [Mr. ASWELL] has 51 minutes, the gentleman from Kansas [Mr. TINCHER] has 35 minutes, and the gentleman from Kentucky [Mr. KINCHELOE] 23 minutes.

Mr. HASTINGS. What is the total?

Mr. CRISP. About three hours.

Mr. HASTINGS. A little over three hours?

The SPEAKER. Two hours and 51 minutes altogether.

Mr. KETCHAM. Reserving the right to object, Mr. Speaker—and I shall not object—I find, so far as my own case is concerned, that I am somewhat in the same situation as the gentleman from New York [Mr. JACOBSTEIN], except that I take the opposite view. I am in favor of the very best plan for farm relief that can be formulated, but I have not asked for time of any gentleman now in control of the time, although as a member of the Agricultural Committee I would be entitled to it. I therefore ask unanimous consent that at the conclusion of the remarks of the gentleman from New York I may have 20 minutes.

Mr. HAUGEN. Then I object, because there will be 50 Members who will make the same request.

The SPEAKER. Objection is heard.

Mr. GARRETT of Tennessee. Do I understand that the gentleman from Iowa objects to the request I am making?

The SPEAKER. Is there objection to the request of the gentleman from Tennessee, that the gentleman from New York [Mr. JACOBSTEIN] may have 45 minutes on Monday after the reading of the Journal and the disposal of business on the Speaker's table?

Mr. HAUGEN. Mr. Speaker, I certainly would not object to Mr. KETCHAM, a member of the committee having time, but the gentleman from New York is not a member. If we extend it to one we should extend it also to every Member of the House who desires to be heard.

The SPEAKER. All the Chair desires to know is, Is there objection to the request of the gentleman from Tennessee?

Mr. CHINDBLOM. Why not extend the time one hour and give these gentlemen that time?

Mr. HAUGEN. Then extend the time two hours and divide it equally.

Mr. CHINDBLOM. I dare say the House wants to hear some more discussion of the bill.

The SPEAKER. Objection is heard.

Mr. GARRETT of Tennessee. Mr. Speaker, I assume the proponents of the bill will be seeking another rule in a day or two, and we will see if we can then work out the time.

Mr. HAUGEN. I believe it can be worked out, and I hope it will be worked out in an orderly manner.

PRIVATE CALENDAR

Mr. BULWINKLE. Mr. Speaker, I would like to have the attention of the gentleman from Connecticut [Mr. TILSON]. There are a number of bills on the Private Calendar. Could the gentleman from Connecticut tell us when the House will consider these private bills or what he has in view?

Mr. TILSON. Mr. Speaker, it is my hope that, after the completion of this bill and two or three other minor bills that are pending, we may take up the Private Calendar in the regular order and consider it. If I find that no time can be found for doing it in this way I shall then ask the House to set apart an evening on which the Private Calendar may be considered. I hesitate, however, to ask the House, after working long hours,

to come back at night and consider bills on the Private Calendar and shall not do so unless it becomes necessary.

Mr. BULWINKLE. There are only three weeks remaining.

Mr. TILSON. I realize that, but after this bill is finished there is no other major matter that will take a long time. We shall have to wait for conference reports, and while so doing we can fill in with the consideration of bills on the Private Calendar. I think these bills should be considered.

THE EXPORT DEBENTURE PLAN

Mr. JONES. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing in the Appendix a substitute which I propose to offer at the proper time, namely, the export debenture plan.

The SPEAKER. The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD by printing a substitute he proposes to offer in connection with this bill. Is there objection?

There was no objection.

Mr. JONES. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following substitute which I propose to offer at the proper time, namely, the export debenture plan:

Mr. JONES offers the following amendment by way of substitute: Page 1, line —, strike out the first paragraph and in lieu thereof insert the following:

"That it is hereby declared to be the policy of the Congress to place agricultural products and provisions upon a price equality with other commodities, to stabilize prices, to advance the market for agricultural commodities, and to promote the orderly marketing of such commodities in interstate and foreign commerce, and to provide for the disposition of the surplus of agricultural products and provisions so as to place producers in the United States on a more equitable basis of competition with producers of similar products exported from other countries.

"DEFINITION AND SHORT TITLE

"SEC. 2. (a) When used in this act—

"1. The term 'person' means individual, partnership, corporation, or cooperative association.

"2. The term 'United States' includes not only continental United States but also possessions, except the Philippine Islands, the Virgin Islands, and the islands of Guam and Tutuila.

"3. The term 'debenture' means export equalization debenture as provided for in this act.

"TITLE II. DEBENTURES

"SECTION 1. The Secretary of the Treasury is hereby authorized to issue to any person exporting products hereinafter enumerated export equalization debentures in such form and denominations as he may deem desirable.

"SEC. 2. Except as hereinafter provided, debentures be issued only upon exports of wheat, wheat food products, corn, oats, rice, tobacco, products of tobacco, cottonseed, cotton, cattle, swine, and food products of cattle and swine: *Provided*, That such commodities were produced wholly in the United States and have not previously been exported therefrom.

"SEC. 3. Applications for the issuance of debentures shall be made on such forms and shall be supported by such documents as may be prescribed by the Secretary of the Treasury.

"SEC. 4. All debentures shall be instrumentalities of the United States Government receivable by the Treasury of the United States at par without interest from any original holder or transferee in payment of import duties on commodities imported into the United States, and shall not be otherwise receivable by the Treasury of the United States: *Provided*, That presentation of debentures in payment of import duties must be made at ports of entry or stations thereof not later than one year from the date issued.

"SEC. 5. Debentures shall be negotiable as between any persons, whether individuals, firms, corporations, or cooperative associations, and whether domiciled in the United States or elsewhere.

"SEC. 6. Nothing in this act shall be construed to place upon any cooperative association of producers vested by their charters with authority to engage in the exportation of agricultural products hereby made debenturable any special limitation restricting its power to receive and/or to apply such debentures in payment of duties on commodities imported by them under authority of said charters.

"SEC. 7. In the event that the aggregate amount of debentures issued prior to April 1 of any fiscal year shall be equal to or in excess of 50 per cent of the total amount of import duties paid in debentures or otherwise during the last preceding fiscal year, the Secretary of the Treasury shall take such steps as he deems advisable to prevent the amount of debentures issued during the entire current fiscal year from exceeding 75 per cent of the amount of import duties levied during the current fiscal year: *Provided*, That any excess debentures issued beyond 75 per cent of the amount of import duties levied during any fiscal year shall be charged against the amount of debentures issuable during the succeeding fiscal year.

"SEC. 8. Any person owning or handling commodities upon which application is filed for debentures shall be liable to a penalty of three times the amount of debentures for which application is made under this section for any false statement made in the application. Such penalty shall be collected in a civil suit brought by the Secretary of the Treasury in the name of the United States.

"TITLE III. DEBENTURABLE LIST

"SECTION 1. That on and after the day following the passage of this act, except as otherwise specially provided for in this act, there shall be issued upon all articles when exported from the United States into any foreign country the debenturable rates which are prescribed by the debenturable list of this title.

"SCHEDULE 1. AGRICULTURAL PRODUCTS AND PROVISIONS

"(a) Cattle, weighing less than 1,050 pounds each, 1½ cents per pound; weighing 1,050 pounds each or more, 2 cents per pound; fresh beef and veal, 3 cents per pound; tallow, one-half of 1 cent per pound; oleo oil and oleo stearin, 1 cent per pound.

"(b) Swine, one-half of 1 cent per pound; fresh pork, three-fourths of 1 cent per pound; bacon, hams, and shoulders, and other pork, prepared or preserved, 2 cents per pound; lard, 1 cent per pound; lard compounds and lard substitutes, 4 cents per pound.

"(c) Corn or maize, including cracked corn, 15 cents per bushel of 56 pounds; corn grits, meal, and flour, and similar products, 30 cents per 100 pounds.

"(d) Oats, hulled or unhulled, 15 cents per bushel of 32 pounds; unhulled ground oats, 45 cents per 100 pounds; oatmeal, rolled oats, oat grits, and similar oat products, 80 cents per 100 pounds.

"(e) Paddy or rough rice, 1 cent per pound; brown rice (hulls removed), 1¼ cents per pound; milled rice (bran removed), 2 cents per pound; broken rice, and rice meal, flour, polish, and bran, one-half of 1 cent per pound.

"(f) Wheat, 30 cents per bushel of 60 pounds; wheat flour, semolina, crushed or cracked wheat, and similar wheat products not specially provided for, 72 cents per hundred pounds.

"(g) Cottonseed, one-third of 1 cent per pound.

"(h) Cotton and cotton waste, 2 cents per pound.

"SCHEDULE II. TOBACCO AND MANUFACTURES OF

"(a) Tobacco, manufactured or unmanufactured, 55 cents per pound; scrap tobacco, 35 cents per pound.

"SEC. 2. If, under section 315 of the tariff act of 1922 or under any other act a change in rate of duty or classification is made in respect of any article which is included within the provisions of this act, the rate thus established shall become the debenturable rate for such article.

"TITLE IV. SPECIAL PROVISIONS

"SECTION 1. That there shall be issued upon all debenturable articles exported from the United States to the Philippine Islands, the Virgin Islands, Guam, and/or Tutuila debentures at the same rates as apply upon the same articles exported to foreign countries.

"SEC. 2. Minimum issues. No issue of debentures shall be made in amounts less than $100. Claims amounting to less than $100 shall be permitted to accumulate until the sum due reaches that amount.

"SEC. 3. The Secretary of the Treasury is authorized to make such rules and regulations as may be necessary to carry into effect the various provisions of this act.

"PART II. PENALTIES

"SECTION 1. (a) That any person (1) who knowingly forges, counterfeits, alters, or falsely makes any receipt, debenture, or other paper or document necessary to establishing claim for debenture or uses, attempts to use, possesses, obtains, accepts, or receives any receipt, debenture, or other paper or document incidental to the administration of this act, knowing it to be forged, counterfeited, altered, or falsely made, or to be used unlawfully, or to have been procured by any false claim or statement, or to have been otherwise procured by fraud or unlawfully obtained; or (2) who, except under the direction of the Secretary of the Treasury, or other proper officer, knowingly engraves, sells, brings into the United States, or has in his control or possession any plate in the likeness of a plate designed for the printing of any receipt, debenture, or other paper or document incidental to the administration of this act, makes any print, photograph, or impression in the likeness of any receipt, debenture, or other paper or document incidental to the administration of this act, or has in his possession a distinctive paper which has been adopted by the Secretary of the Treasury for the printing of any receipt, debenture, or other paper or document incidental to the administration of this act, shall, upon conviction thereof, be fined not more than $10,000.

"(b) All laws relating to embezzlement, conversion, improper handling, reception, use, or disposal of moneys of the United States shall apply to debentures while in the custody of any officer, employee, or agent of the United States.

"PART III. REPEALING PROVISIONS

"SECTION 1. All laws and parts of laws in conflict herewith are hereby repealed.

"SEC. 2. If any provision of this act is declared unconstitutional or the applicability thereof to any person or circumstance is held invalid, the validity of the remainder of the act and the applicability thereof to other persons or circumstances shall not be affected thereby.

"SEC. 3. The Congress of the United States reserves the right to alter, amend, or repeal any of the provisions of this act."

M'NARY-HAUGEN FARM RELIEF BILL

Mr. CARTER of Oklahoma. Mr. Speaker, I want to submit a unanimous-consent request. I think we all recognize that those opposed to all three of these bills ought to be given some time for discussion, and I, therefore, ask unanimous consent that one hour additional of general debate may be had on this measure, the time to be controlled one half by the gentleman from New York [Mr. JACOBSTEIN] and the other half by the gentleman from Michigan [Mr. KETCHAM].

Mr. KETCHAM. Mr. Speaker, may I say I would not want the unanimous-consent request to stand with that statement, because I am not opposed to the bill. I am going to vote for the best farm relief bill that can be perfected by the Committee of the Whole, providing it avoids the subsidy features of the McNary-Haugen bill of last May.

Mr. TILSON. If, then, the gentleman is in favor of all of the bills, would not that offset the speech of the gentleman from New York [Mr. JACOBSTEIN]? [Laughter.]

Mr. CARTER of Oklahoma. The gentleman does not object to having the time, does he?

Mr. KETCHAM. Mr. Speaker, I want my statement to stand with reference to the unanimous-consent request of the gentleman from Oklahoma. Of course, I would appreciate the time, and as a member of the Committee on Agriculture I really feel I would be entitled to it, but I wanted to make this qualification with respect to his request.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent that the time for general debate be extended one hour, one-half to be controlled by the gentleman from New York [Mr. JACOBSTEIN] and one-half by the gentleman from Michigan [Mr. KETCHAM]. Is there objection?

Mr. LEAVITT. Mr. Speaker, reserving the right to object, is not this the situation? The gentleman from New York [Mr. JACOBSTEIN] being opposed to all three bills, and only one bill being before the House, the McNary-Haugen bill, any speech that the gentleman makes against all three bills is against the McNary-Haugen bill, the only bill before the House. Therefore if the gentleman is given this time and an equal amount of time is not given to somebody who is a proponent of that particular bill, the effect is to extend by 30 minutes the debate against the McNary-Haugen bill without an equal amount of debate for it. It seems to me it can have no other effect.

Mr. CARTER of Oklahoma. I had assumed, since the gentleman from Michigan [Mr. KETCHAM] said he was going to support the best bill, that the gentleman was going to support the McNary-Haugen bill. The gentleman himself says he is, and I propose that the gentleman shall have one-half of this time.

Mr. LEAVITT. The gentleman is taking the position that if that bill is the one finally adopted in the committee, the gentleman will vote for it.

Mr. CARTER of Oklahoma. Then that divides the time equally between the opponents and the proponents of the McNary-Haugen bill.

Mr. LEAVITT. No; the gentleman is not a proponent of this particular bill.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. CARTER of Oklahoma. Yes.

Mr. CHINDBLOM. The gentleman from Michigan, as I understand, proposes to show how the McNary-Haugen bill can be still further perfected.

Mr. CARTER of Oklahoma. The gentleman may want to amend it, but still, according to the gentleman's own statement, he is for the McNary-Haugen bill, which divides the time in a perfectly equal manner between the proponents and the opponents.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. CARTER of Oklahoma. Yes.

Mr. NEWTON of Minnesota. I understood it was not desired to have the bill amended in any way, shape, or form. That is what the wires I get indicate.

Mr. CARTER of Oklahoma. Perhaps the gentleman is right.

Mr. LEAVITT. Mr. Speaker, further reserving the right to object, if the gentleman will propose as a part of his request to put one-half of the additional time in charge of the gentleman from Iowa [Mr. HAUGEN], the leader of the proponents of the bill, I shall not object.

Mr. CARTER of Oklahoma. I have no objection to that if it will take care of the gentleman from Michigan [Mr. KETCHAM], but the gentleman from Michigan needs to be taken care of or we may have objection from him.

Mr. LEAVITT. I have not been able to get time and I am in favor of the bill.

Mr. HOWARD. What about me? [Laughter.]

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. MURPHY. Mr. Speaker, reserving the right to object, I think I will have to object to the request made by my friend from Oklahoma [Mr. CARTER], because there are many Members of this House who would like to talk on this bill who have not been able to get even one minute, and I do not see why we should extend the time one hour and give this time to some one who is absolutely opposed to any legislation, when the politicians of this House, on both sides of the aisle, have promised to the farmers of this country some legislation. Let us try to legislate just as rapidly as possible. I object.

Mr. CARTER of Oklahoma. If the gentleman will withhold his objection a moment, the time is to be divided between a man who is opposed to the bill and one who is for it. I myself would like to have time on the bill, but I have not been able to get it.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. CARTER of Oklahoma. Yes.

Mr. CHINDBLOM. The time is to be divided between one who is opposed to the legislation in any form and one who is in favor of it in any form. [Laughter.]

Mr. CARTER of Oklahoma. I think that is about the situation.

Mr. MURPHY. I object, Mr. Speaker.

LEGISLATIVE APPROPRIATION BILL

Mr. DICKINSON of Iowa. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 16863) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1928, and for other purposes, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

Mr. GARRETT of Tennessee. Mr. Speaker, reserving the right to object, do I understand this is agreeable to the ranking minority member of the subcommittee, the gentleman from Colorado [Mr. TAYLOR]?

Mr. DICKINSON of Iowa. It is my understanding it is agreeable.

Mr. GARRETT of Tennessee. It is the gentleman's understanding that the gentleman from Colorado agrees to this course?

Mr. DICKINSON of Iowa. Yes.

The SPEAKER. Is there objection to the request of the gentleman from Iowa? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. DICKINSON of Iowa, SUMMERS of Washington, MURPHY, TAYLOR of Colorado, and COLLINS.

HOUSE ENROLLED BILL SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled House bill of the following title, when the Speaker signed the same:

H. R. 11768. An act to regulate the importation of milk and cream into the United States for the purpose of promoting the dairy industry of the United States and protecting the public health.

DEATH OF REPRESENTATIVE A. E. B. STEPHENS

Mr. BURTON. Mr. Speaker, it is with the deepest sorrow that I announce the death after a long and painful illness of the Hon. AMBROSE E. B. STEPHENS, a Member of this House from the second district of Ohio. At a later time I trust arrangements will be made to commemorate the most excellent and lovable qualities of the deceased and dwell upon his public services. At the present time I desire to offer the following resolutions:

The Clerk read as follows:

Resolved, That the House has heard with profound sorrow of the death of Hon. AMBROSE E. B. STEPHENS, a Representative from the State of Ohio.

Resolved, That a committee of 17 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

The SPEAKER appointed the following committee:

THOMAS S. BUTLER, Pennsylvania; CHARLES C. KEARNS, Ohio; CHARLES J. THOMPSON, Ohio; C. ELLIS MOORE, Ohio; FRANCIS F. PATTERSON, jr., New Jersey; ROY G. FITZGERALD, Ohio; JOHN C. SPEAKS, Ohio; JAMES M. MAGEE, Pennsylvania; W. W. CHALMERS, Ohio; W. T. FITZGERALD, Ohio; THOMAS A. JENKINS, Ohio; CARL VINSON, Georgia; HERBERT J. DRANE, Florida; CHARLES A. MOONEY, Ohio; ROBERT CROSSER, Ohio; JOHN MCSWEENEY, Ohio.

The SPEAKER. The Clerk will report the other resolutions.

The Clerk read as follows:

Resolved, That as a further mark of respect this House do now adjourn.

Accordingly (at 4 o'clock and 15 minutes p. m.) the House adjourned until Monday, February 14, 1927, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Monday, February 14, 1926, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON APPROPRIATIONS

(10.30 a. m.)

Second deficiency bill.

COMMITTEE ON BANKING AND CURRENCY

(10.30 a. m.)

To amend the Federal farm loan act (H. R. 15540).

COMMITTEE ON THE DISTRICT OF COLUMBIA

(7.30 a. m.)

The subcommittee making a survey of the District government will consider tax collection and the system of condemnation proceedings.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

964. A communication from the President of the United States, transmitting draft of proposed legislation affecting the appropriation under the War Department for the civil government, Panama Canal, and Canal Zone, for the fiscal year ending June 30, 1927 (H. Doc. No. 706); to the Committee on Appropriations and ordered to be printed.

965. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the legislative establishment, Library of Congress, for the fiscal years 1927 and 1928 in the sum of $40,000 (H. Doc. No. 707); to the Committee on Appropriations and ordered to be printed.

966. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the legislative establishment, United States Senate, for the fiscal year 1928, in the sum of $6,000 (H. Doc. No. 708); to the Committee on Appropriations and ordered to be printed.

967. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the Post Office Department for the fiscal year ending June 30, 1927, $364.30 (H. Doc. No. 709); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. SCOTT: Committee on the Merchant Marine and Fisheries. S. 3896. An act to amend section 11 of the merchant marine act, 1920, and to complete the construction loan fund authorized by that section; with amendment (Rept. No. 2053). Referred to the Committee of the Whole House on the state of the Union.

Mr. GRAHAM: Committee on the Judiciary. H. Res. 379. A resolution declaring H. R. 5218 a public law; with amendment (Rept. No. 2054). Referred to the House Calendar.

Mr. KIESS: Committee on Insular Affairs. H. R. 16996. A bill to confer United States citizenship upon certain inhabitants of the Virgin Islands and to extend the naturalization laws thereto, and for other purposes; without amendment (Rept. No. 2065). Referred to the House Calendar.

Mr. FISH: Committee on Foreign Affairs. H. J. Res. 352. A joint resolution to provide for the expenses of the participation of the United States in the work of a preparatory commission to consider questions of reduction and limitation of armaments; with amendment (Rept. No. 2066). Referred to the Committee of the Whole House on the state of the Union.

Mr. GASQUE: Committee on the District of Columbia. H. R. 16920. A bill granting permission for the laying of pipes for the transmission of steam along the alley between lots Nos. 5 and 32 in square No. 225; without amendment (Rept. No. 2067). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. CARPENTER: Committee on Claims. H. R. 5622. A bill for the relief of Mary M. Jones; with amendment (Rept. No. 2055). Referred to the Committee of the Whole House.

Mr. CARPENTER: Committee on Claims. H. R. 5662. A bill for the relief of John J. Corcoran; without amendment (Rept. No. 2056). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 7852. A bill for the relief of D. George Shorten; with amendment (Rept. No. 2057). Referred to the Committee of the Whole House.

Mr. CARPENTER: Committee on Claims. H. R. 11727. A bill for the relief of the Press Publishing Co., Marianna, Ark.; without amendment (Rept. No. 2058). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 16311. A bill for the relief of the First National Bank, Savanna, Ill.; without amendment (Rept. No. 2059). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 118. An act for the relief of all owners of cargo aboard the steamship *Gaelic Prince* at the time of her collision with the U. S. S. *Antigone;* with amendment (Rept. No. 2060). Referred to the Committee of the Whole House.

Mr. CARPENTER: Committee on Claims. S. 190. An act for the relief of Samuel S. Archer; without amendment (Rept. No. 2061). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 2094. An act for the relief of C. P. Dryden; without amendment (Rept. No. 2062). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 3665. An act for the relief of the owner of the ferryboat *New York;* with amendment (Rept. No. 2063). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 4841. An act for the relief of Samuel J. Leaphart; without amendment (Rept. No. 2064). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MORROW: A bill (H. R. 17109) authorizing a per capita payment to the Mescalero Apache Indians of New Mexico from their tribal funds held in trust by the United States; to the Committee on Indian Affairs.

By Mr. HOWARD: A bill (H. R. 17110) conferring jurisdiction upon the Court of Claims to hear, examine, and adjudicate and enter judgment in any claims which the Miami Indians in Indiana have against the United States, and for other purposes; to the Committee on Indian Affairs.

By Mr. JAMES: A bill (H. R. 17111) to authorize an appropriation to rehabilitate the Picatinny Arsenal in New Jersey; to the Committee on Military Affairs.

By Mr. McKEOWN: A bill (H. R. 17112) authorizing an appropriation of $300,000 for the purchase of cottonseed, kafir seed, milo maize seed, and seed grain, to be supplied to farmers in the pest and flood stricken areas of the State of Oklahoma; to the Committee on Agriculture.

By Mr. MILLER: A bill (H. R. 17113) to amend an act entitled "An act to increase the limit of cost of certain public buildings, to authorize the enlargement, extension, remodeling, or improvement of certain public buildings, to authorize the purchase of sites for public buildings, and for other purposes," approved March 4, 1913; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 17114) amending an act entitled "An act making appropriations for sundry civil-service expenditures of the Government for the fiscal year ending June 30, 1912, and for other purposes"; to the Committee on Public Buildings and Grounds.

By Mr. ROY G. FITZGERALD: A bill (H. R. 17115) to regulate the height and exterior design and construction of public and private buildings in the National Capital fronting on or located within 200 feet of a public building or public park; to the Committee on the District of Columbia.

By Mr. RANKIN: Resolution (H. Res. 417) directing the Federal Trade Commission to make an inquiry into cottonseed products, and for other purposes; to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the Legislature of the State of Michigan, requesting continued maintenance of the American Legion hospital at Camp Custer, Mich.; to the Committee on World War Veterans' Legislation.

Memorial of the Legislature of the State of North Dakota, in support of the McNary-Haugen bill; to the Committee on Agriculture.

By Mr. EVANS: Memorial of the Legislature of the State of Montana, requesting the negotiations with the Dominion of Canada in furtherance of the Great Lakes-St. Lawrence waterway; to the Committee on Rivers and Harbors.

By Mr. SINNOTT: Memorial of the Legislature of the State of Oregon, requesting favorable action on S. 4627, providing for the development of the Umatilla Rapids power and irrigation project on the Columbia River; to the Committee on Irrigation and Reclamation.

Also, memorial of the Legislature of the State of Oregon, urging a repeal of the Federal estate tax; to the Committee on Ways and Means.

By Mr. SINCLAIR: Memorial of the Legislature of the State of North Dakota, urging passage of the McNary-Haugen bill for farm relief; to the Committee on Agriculture.

By Mr. KVALE: Memorial of the Legislature of the State of Minnesota, urging passage of disabled emergency officers' retirement bill; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CORNING: A bill (H. R. 17116) granting an increase of pension to Catharine Craigan; to the Committee on Invalid Pensions.

By Mr. EATON: A bill (H. R. 17117) granting an increase of pension to Alice T. Cantwell; to the Committee on Invalid Pensions.

By Mr. W. T. FITZGERALD: A bill (H. R. 17118) granting an increase of pension to Anna Sparks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17119) to correct the military record of Joseph W. Stroud; to the Committee on Military Affairs.

Also, a bill (H. R. 17120) granting an increase of pension to Rachel Graham; to the Committee on Invalid Pensions.

By Mr. GIFFORD: A bill (H. R. 17121) granting a pension to Charles Henry Mosher; to the Committee on Invalid Pensions.

By Mr. KEARNS: A bill (H. R. 17122) granting a pension to John P. Chain; to the Committee on Invalid Pensions.

By Mr. LANHAM: A bill (H. R. 17123) granting an increase of pension to Lou D. Kyle; to the Committee on Pensions.

By Mr. REECE: A bill (H. R. 17124) granting a pension to Dwight L. Trent; to the Committee on Pensions.

Also, a bill (H. R. 17125) granting a pension to Minnie Davis; to the Committee on Invalid Pensions.

By Mr. THATCHER: A bill (H. R. 17126) for the relief of the legal heirs of Mildred Eberlein, deceased; to the Committee on Claims.

By Mr. UNDERWOOD: A bill (H. R. 17127) granting a pension to Nancy Jane Lemon; to the Committee on Invalid Pensions.

By Mr. COLTON: Joint resolution (H. J. Res. 357) authorizing the making of surveys, plans, and estimates for the irrigation of certain land in the States of Arizona, California, Colorado, New Mexico, Nevada, Utah, and Wyoming under terms of the Colorado River compact, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. McDUFFIE: Joint resolution (H. J. Res. 358) directing the Federal Trade Commission to investigate the operations and activities of those persons, firms, or corporations who purchase cottonseed for the purpose of crushing cottonseed and refining and marketing the same; to the Committee on Interstate and Foreign Commerce.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6565. By Mr. AUF DER HEIDE: Petition of Mrs. Salome Cerrenner, of Hoboken, N. J., and other residents of the eleventh congressional district of New Jersey, urging increased pensions for the widows of Civil War veterans; to the Committee on Invalid Pensions.

6566. By Mr. AYRES: Petition of citizens of Caldwell, Kans., in behalf of legislation for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6567. By Mr. BACON: Petition of 131 citizens in opposition to House bill 10311 and protesting against compulsory Sunday observance laws; to the Committee on the District of Columbia.

6568. By Mr. BLOOM: Petition of New York Commandery of the Naval Order of the United States, regarding the maintenance of the United States Navy; to the Committee on Appropriations.

6569. By Mr. CANFIELD: Petition of Mr. A. B. Ward and 22 other residents of Lawrenceburg, Ind., against the passage of any of the compulsory Sunday observance bills, known as House bills, 10311, 10123, 7179, and 7822; to the Committee on the District of Columbia.

6570. Also, petition of Mr. J. W. Brookbank and 14 other residents of Lawrenceburg, Ind., against the passage of any of the compulsory Sunday observance bills, known as House bills 10311, 10123, 7179, and 7822; to the Committee on the District of Columbia.

6571. Also, petition of Dr. John B. Talmage and 45 other residents of Lawrenceburg, Ind., against the passage of any of the compulsory Sunday observance bills, known as House bills 10311, 10123, 7179, and 7822; to the Committee on the District of Columbia.

6572. By Mr. CAREW: Petition of the board of aldermen of the city of New York, favoring passage of legislation helping veterans to get loans on soldiers' bonus certificates; to the Committee on World War Veterans' Legislation.

6573. By Mr. CHALMERS: Petition signed by 100 residents of Toledo, Ohio, urging that immediate action be taken to increase the pensions of all Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6574. By Mr. CONNERY: Resolution of the American Sons and Daughters of Sweden, urging repeal of the national-origin clause of the immigration act; to the Committee on Immigration and Naturalization.

6575. By Mr. COOPER of Ohio: Petition of Mrs. Earl Gilmore and other residents of Warren, Ohio, urging increase of pension for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6576. Also, petition of W. H. Welsh and other residents of Youngstown, Ohio, urging increase of pension for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6577. Also, petition of Violet Moran and other residents of Vernon Township, Trumbull County, Ohio, favoring increase of pension for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6578. By Mr. CORNING: Petition from citizens of Watervliet, N. Y., requesting passage of bill providing for increased pensions for the Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6579. Also, resolution from the Troy German Hall Association, Troy, N. Y., requesting repeal of the Reed or "national origin" clause of the immigration act of 1924; to the Committee on Immigration and Naturalization.

6580. By Mr. CRUMPACKER: Petition signed by residents of Portland, Oreg., asking that the Civil War pension bill become a law at this session of Congress; to the Committee on Invalid Pensions.

6581. Also, petition signed by residents of Portland, Oreg., asking that the Civil War pension bill become a law at this session of Congress; to the Committee on Invalid Pensions.

6582. By Mr. DEMPSEY: Petition urging passage of Civil War pension bill for relief of veterans and widows of veterans; to the Committee on Invalid Pensions.

6583. By Mr. DOWELL: Petition of citizens of Mitchellville, Iowa, urging enactment of legislation increasing pensions of veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6584. By Mr. DRANE: Petition signed by Mr. George Klein and others, of Tampa, Fla., urging the passage of pension legislation for the relief of veterans of the Civil War and widows of veterans at the present session of Congress; to the Committee on Invalid Pensions.

6585. Also, petition signed by Roy Martinez and others, of Tampa, Fla., urging the House of Representatives not to pass the Sunday compulsory bill (H. R. 10311); to the Committee on the District of Columbia.

6586. Also, petition signed by Mr. A. J. Elcott and others, of Sarasota, Fla., urging the House of Representatives not to pass the Sunday compulsory bill (H. R. 10311); to the Committee on the District of Columbia.

6587. Also, petition signed by Mr. H. B. Mayor and others, of St. Petersburg, Fla., urging the House of Representatives not to pass the Sunday compulsory bill (H. R. 10311); to the Committee on the District of Columbia.

6588. Also, petition signed by L. C. Burnap and others, of Lake County, Fla., urging the passage of pension legislation for the relief of veterans of the Civil War and widows of veterans at the present session of Congress; to the Committee on Invalid Pensions.

6589. By Mr. ROY G. FITZGERALD: Petition of Department of Wisconsin of the American Legion, urging immediate passage of the Fitzgerald bill (H. R. 4548) for retirement of disabled emergency Army officers of the World War; to the Committee on Rules.

6590. Also, petition of Disabled American Veterans of the World War, composed of almost 100 per cent of enlisted men, per P. J. Trahand, chairman Illinois legislative committee, asking rule for consideration of House bill 4548, for the retirement of disabled emergency Army officers of the World War, advocated by the Legislature of Illinois in a joint memorial to Congress; to the Committee on Rules.

6591. Also, petition of 18 voters of Montgomery County, Ohio, praying for the passage of a bill to increase the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6592. Also, petition of Disabled Veterans of the World War, State Department of California, urging the passage of House bill 4548, for the retirement of disabled emergency Army officers of the World War; to the Committee on Rules.

6593. Also, petition of the Elmonte Chamber of Commerce, urging that the House demand a rule which will permit immediate consideration of House bill 4548, for the retirement of disabled emergency Army officers of the World War; to the Committee on Rules.

6594. Also, petition of the Alhambra (Calif.) Chamber of Commerce, urging that a rule be given permitting an immediate vote on House bill 4548, so that unfair discrimination against these few disabled veterans may be ended; to the Committee on Rules.

6595. Also, petition of the Rosemead Chamber of Commerce, urging the granting of a rule to permit immediate vote on House bill 4548, granting retirement privileges to disabled emergency Army officers of the World War; to the Committee on Rules.

6596. By Mr. GALLIVAN: Petition of Cambridge Chamber of Commerce, Cambridge, Mass., protesting against enactment of McNary-Haugen bill; to the Committee on Agriculture.

6597. By Mr. GARBER: Petition of the Farm Life Publishing Co., indorsing House bill 13446, making certain changes in existing postal rates; to the Committee on the Post Office and Post Roads.

6598. Also, petition of the International Longshoremen's Association, urging enactment of Senate bill 3170; to the Committee on the Judiciary.

6599. Also, petition of the Broom and Whisk Makers Union, urging enactment of the Cooper bill, to afford relief from the competition of prison labor; to the Committee on Labor.

6600. Also, petition of the Beaver, Meade & Englewood Railroad Co., urging enactment of the Pittman bill (S. 4390); to the Committee on Interstate and Foreign Commerce.

6601. Also, petition from Frank Dale, Guthrie, Okla., and from E. E. Blake, Oklahoma City, Okla., urging enactment of House bill 8708, to extend the time of payment of railroad indebtedness and to reduce the interest rate on such indebtedness from 6 per cent to not less than 4¼ per cent; to the Committee on Ways and Means.

6602. Also, resolution of the Missouri River Navigation Association, opposing House bill 8902, commonly known as the contractors bill; to the Committee on the Judiciary.

6603. Also, petition of the executive committee of the Department of Oklahoma, American Legion, asserting belief in adequate military preparedness, indorsing the system of Reserve Officers' Training Corps training in colleges and schools and the civilians military training camps in summer training camps and recommending appropriations to be made by Congress sufficient to bring the Army, Navy, and Air Service to proper strength for adequate preparedness; to the Committee on Military Affairs.

6604. Also, petition of Breathitt Post, No. 107, American Legion, Jackson, Ky., urging enactment of House bill 16783, to erect a Veterans' Bureau hospital in Breathitt County, Ky., to be known as the honor county memorial hospital; to the Committee on World War Veterans' Legislation.

6605. By Mr. GARDNER of Indiana: Petition of Durham Gilliland and 88 other citizens of New Albany, Ind., urging the Congress to immediately bring to a vote a Civil War pension bill giving relief to needy and suffering veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

6606. By Mr. GRIFFIN: Resolution of the Chamber of Commerce of Amsterdam, N. Y., protesting against the construction of the proposed St. Lawrence Canal, which would be constructed almost wholly through foreign territory, and urging consideration of the all-American waterway; to the Committee on Rivers and Harbors.

6607. By Mr. HICKEY: Petition of Rev. E. E. Willsey and other residents of Marshall County, Ind., urging the passage of a bill increasing the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6608. Also, petition of Mr. E. W. Parker and other citizens of Warsaw, Ind., urging the passage of a bill increasing the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6609. Also, petition of Mr. Joseph Scholl and other citizens of La Porte, Ind., urging the passage of a bill increasing the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6610. Also, petition of Mr. William Blender and other citizens of Goshen, Ind., urging the passage of a bill increasing the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6611. By Mr. HOWARD: Petition submitted by Mrs. Sarah E. Bean and 55 others of Tekamah, Burt County, Nebr., pleading for increased pension for relief to suffering veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

6612. Also, petition presented by Mrs. S. H. Wiegert and 74 others, of Plainview, Pierce County, Nebr., in behalf of better legislation for veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6613. By Mr. JENKINS: Petition signed by four residents of New Marshfield, Ohio, urging that immediate steps be taken to bring to a vote a Civil War pension bill; to the Committee on Invalid Pensions.

6614. Also, petition signed by 43 residents of Meigs County, Ohio, urging that immediate steps be taken to bring to a vote a Civil War pension bill; to the Committee on Invalid Pensions.

6615. Also, petition signed by 136 residents of Jackson County, Ohio, petitioning the House of Representatives not to pass the compulsory Sunday observance bill; to the Committee on the District of Columbia.

6616. By Mr. KEARNS: Petition of citizens of Georgetown, Ohio, requesting passage of Civil War pension bill carrying rates proposed by the National Tribune for relief of veterans and widows of veterans; to the Committee on Invalid Pensions.

6617. By Mr. KELLY: Petition of Department of Pennsylvania, American Legion, urging erection of hospital in Philadelphia; to the Committee on World War Veterans' Legislation.

6618. Also, petition of citizens of Tarentum, Pa., urging increased pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6619. By Mr. KINDRED: Resolutions by the board of directors of the Chamber of Commerce of Amsterdam, N. Y., protesting against the United States Government entering into any arrangement for the construction of the St. Lawrence waterway, which would be constructed almost wholly in foreign territory, and which in the opinion of the Chamber of Commerce of Amsterdam, N. Y., would confer no benefits to the Middle West which could not be more fully and completely realized through the all-American route; to the Committee on Rivers and Harbors.

6620. Also, resolution of Jamaica Post No. 1059, indorsing House bill 16283, known as the firing squad bill; to the Committee on Military Affairs.

6621. By Mr. KVALE: Petition of Stevens County Council of Agriculture, urging passage of the McNary-Haugen bill; to the Committee on Agriculture.

6622. Also, petition of Chippewa County Council of Agriculture, urging passage of the McNary-Haugen bill; to the Committee on Agriculture.

6623. By Mr. McKEOWN: Petition of Mr. J. J. Simpson, Walter Richard, J. W. Lowther, W. H. Hilton, J. E. Henry, J. A. Perry, and many others, of Pottawatomie County, Okla., urging that immediate steps be taken to bring the Civil War pension bill to a vote; to the Committee on Invalid Pensions.

6624. Also, petition signed by N. M. Son, H. F. Gann, J. W. Hill, Tyrresa E. Conrad, and others, all of Milburn, Okla., urging that immediate steps be taken to bring the Civil War pension bill to a vote; to the Committee on Invalid Pensions.

6625. Also, petition of J. M. Thompson, Maggie Thompson, Lila Stafford, Alice Helsm, Jim Cox, Ruth P. Cotham, and others, all of Kellyville, Okla., urging that immediate steps be taken to bring the Civil War pension bill to a vote; to the Committee on Invalid Pensions.

6626. By Mr. McMILLAN: Petition of Charles C. Wilson, of Columbia, S. C., representing American Institute of Architects, South Carolina chapter, asking purchase by United States of land around Lafayette Square to preserve environments of the White House; to the Committee on Public Buildings and Grounds.

6627. By Mr. MANLOVE: Petition of Mr. J. T. Pinnell, Mrs. Viola Shoemaker, T. R. Marquardt, and 45 other citizens of Pineville and Seneca, Mo., protesting passage of House bill 10311, known as the Sunday bill; to the Committee on the District of Columbia.

6628. By Mr. MILLIGAN: Petition signed by citizens of Worth County, Mo., urging the consideration of the Civil War pension bill; to the Committee on Invalid Pensions.

6629. By Mr. MOORE of Kentucky: Petition signed by 88 voters of Barren County, Ky., urging immediate passage of the Elliott pension bill; to the Committee on Invalid Pensions.

6630. By Mr. MOORE of Virginia: Petition of citizens of Arlington, Va., requesting Civil War pension legislation; to the Committee on Invalid Pensions.

6631. By Mr. NELSON of Missouri: Petition signed by Guy Long and others, in behalf of the Civil War pension increase bill; to the Committee on Invalid Pensions.

6632. By Mr. NELSON of Wisconsin: Petition signed by M. J. Rawson and others, of Madison, Wis., praying the passage of remedial legislation for veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

6633. Also, petition signed by William M. Woodman and others, of Cazenovia, Wis., praying the passage of remedial legislation for veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

6634. Also, petition signed by Mr. Fred Turner and others, of Richland Center, Wis., praying the passage of remedial legislation for veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

6635. By Mr. NEWTON of Minnesota: Resolution by the House of Representatives of the State of Minnesota, requesting Congress to pass Senate bill 3027 or its companion bill in the House, House bill 4548, or some other measure designed to give relief to disabled emergency officers as provided in said bill; to the Committee on Military Affairs.

6636. By Mr. O'CONNELL of New York: Petition of the Veterans' Association of Federal Employees, navy yard, Brooklyn, N. Y., that the navy yard should be supplied with work enough to maintain its pre-war force of skilled artisans; to the Committee on Naval Affairs.

6637. Also, petition of Chamber of Commerce of Amsterdam, N. Y., protesting against the United States Government entering into any arrangement for the construction of the St. Lawrence waterway; to the Committee on Rivers and Harbors.

6638. Also, petition of American Cotton Shippers Association, Memphis, Tenn., opposing the passage of the McNary-Haugen bill (H. R. 15474); to the Committee on Agriculture.

6639. Also, petition of the National Association of Cotton Manufacturers, opposing the passage of the McNary-Haugen bill; to the Committee on Agriculture.

6640. By Mr. ROBINSON of Iowa: Petition from the citizens of Waterloo, Black Hawk County, Iowa, for the enactment of Civil War pension legislation; to the Committee on Invalid Pensions.

6641. By Mr. ROWBOTTOM: Petition of Lou Eads and others, of Gibson County, Ind., that the bill increasing Civil War widows' pensions be enacted into law at this session of Congress; to the Committee on Invalid Pensions.

6642. By Mr. RUBY: Petition of the citizens of the sixteenth congressional district of Missouri, urging additional legislation for the relief of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6643. By Mr. SANDERS of Texas: Petition by sundry citizens of Smith County, Tex., in favor of the Civil War pension bill; to the Committee on Invalid Pensions.

6644. By Mr. SINNOTT: Petition of certain citizens of Baker, Oreg., in favor of further increase in pension for veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6645. By Mr. SWANK: Petition of the executive committee of the Department of Oklahoma, American Legion, indorsing adequate military preparedness and the present system of Reserve Officers' Training Corps, training in colleges and schools, and the citizens' military training camps; to the Committee on World War Veterans' Legislation.

6646. By Mr. TAYLOR of Colorado: Petition from the citizens of Leadville, Colo., urging legislation for further relief of the soldiers and widows of soldiers of the Civil War; to the Committee on Invalid Pensions.

6647. Also, petition from the citizens of Montezuma County, Colo., urging legislation for further relief of soldiers and widows of soldiers of the Civil War; to the Committee on Invalid Pensions.

6648. By Mr. THOMPSON: Petition of 51 citizens of Lelpsic, Ohio, urging more liberal pension legislation for the veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6649. Also, petition of 110 citizens of Van Wert, Ohio, urging more liberal pension legislation for the veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6650. By Mr. TILLMAN: Petition of Mrs. Ett Eads and many other residents in the third district of Arkansas, praying for more liberal pensions for veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6651. By Mr. TOLLEY: Petition of 10 citizens of Johnson City, N. Y., for liberalization of the Civil War pension laws; to the Committee on Invalid Pensions.

6652. Also, petition of 47 citizens of Broome County, N. Y., to liberalize the Civil War pension laws; to the Committee on Invalid Pensions.

6653. By Mr. WEFALD: Petition of Mr. R. A. Gletne and 42 residents of Moorhead, Minn., urging passage of a Civil War pension bill; to the Committee on Invalid Pensions.

6654. Also, petition of Mrs. Eliza C. Davis and 37 residents of Richville, Minn., urging passage of a Civil War pension bill; to the Committee on Invalid Pensions.

6655. By Mr. WHITE of Kansas: Petitions of John Maddy et al., of Stockton, Kans., and vicinity; S. G. Fish et al., of Wallace County, Kans.; Esther Schwietzer et al., of Osborne, Kans.; Mrs. Jennie Copeland et al., of Goodland, Kans.; and Joe P. Kinderkneets et al., of Ellis, Kans., for the relief of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6656. Also, petitions of J. D. Zumwalt et al., citizens of Downs, Kans.; Bernice Elkinton et al., of Prairie View, Kans.; Tom Chapman et al., of Ellis, Kans.; Mrs. Anna Williams et al., of Downs, Kans.; Mr. A. Beardsley et al., of Oberlin, Kans.; Mr. E. I. Randall et al., of Oberlin, Kans.; Mrs Rebecca Pierce et al., of Hill City, Kans.; D. Pershing et al., of Ogallah, Kans.; Anna Myers et al., of Beloit, Kans.; and J. A. Poppen et al., of Ionia, Kans., for the relief of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6657. By Mr. WILLIAMSON: Petition of A. D. Reader, Mrs. M. Barrett, and J. A. Kelly and sundry other persons of Perkins County, S. Dak., asking for an increase of pensions of Civil War veterans and widows of veterans without reference to time of marriage; to the Committee on Invalid Pensions.

6658. By Mr. ZIHLMAN: Petition of citizens of Hancock, Md., urging immediate action and support of Civil War pension bill granting relief to needy veterans and widows of veterans; to the Committee on Invalid Pensions.

SENATE

MONDAY, *February 14, 1927*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our heavenly Father, we rejoice in the privilege of calling Thee Father. We would understand Thy ways better and be guided by Thy principles in all the pathway of duty. Be very near unto us this day. Clear our vision in every prospect of responsibility, and so guide us that when the day is done we may be able to ask Thine acceptance. Through Jesus Christ our Lord. Amen.

The legislative clerk proceeded to read the Journal of the proceedings of Saturday last when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed a bill (H. R. 16282) granting the consent of Congress to the Nebraska-Iowa Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Missouri River, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 16863) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1928, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DICKINSON of Iowa, Mr. SUMMERS of Washington, Mr. MURPHY, Mr. TAYLOR of Colorado, and Mr. COLLINS were appointed managers on the part of the House.

The message further communicated to the Senate intelligence of the death of Hon. AMBROSE E. B. STEPHENS, late a Representative from the State of Ohio, and transmitted the resolutions of the House thereon.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 11768) to regulate the importation of milk and cream into the United States for the purpose of promoting the dairy industry of the United States and protecting the public health.

PETITIONS AND MEMORIALS

Mr. SMOOT presented the following concurrent resolution of the Legislature of the State of Utah, which was referred to the Committee on Agriculture and Forestry:

STATE OF UTAH,
EXECUTIVE DEPARTMENT,
SECRETARY OF STATE'S OFFICE.

I, H. E. Crockett, secretary of state of the State of Utah, do hereby certify that the attached is a full, true, and correct copy of House Concurrent Resolution No. 3, by Mr. Dewey, entitled "A concurrent resolution memorializing Congress to pass at this session Senate bill No. 5454," as appears on file in my office.

In witness whereof I have hereunto set my hand and affixed the great seal of the State of Utah this 10th day of February, 1927.

[SEAL.] H. E. CROCKETT,
Secretary of State.

House Concurrent Resolution 3, by Mr. Dewey, memorializing Congress to pass at this session Senate bill No. 5454

Be it resolved by the Legislature of the State of Utah (the governor concurring therein)—

Whereas a scientific investigation by the Department of Agriculture and the State Game Commission of Utah, and others, has proven conclusively that the Bear River marshes furnish breeding and feeding grounds for migratory wild fowl, which is essential to the preservation of these birds in at least 11 Western States; and

Whereas there is a mortality of these birds each year on these marshes in numbers of from 200,000 up to approximately 2,000,000 birds, due to causes which experiments have demonstrated can be eliminated by the construction of dikes for impounding fresh water to prevent the birds from concentrating on small areas, thus polluting the water and breeding disease, and also to prevent them from being compelled to live in waters strongly charged with alkali and salt; and

Whereas the condition is now such as to cause great alarm for the future of these birds, all varieties of which are highly beneficial and many varieties valuable for food: Therefore be it

Resolved, That we hereby recommend the passage of Senate bill No. 5454 at this session of Congress, in order that the proposed reclamation work be undertaken at once, thus saving the tremendous loss of birds which is certain to occur each succeeding season.

The foregoing House Concurrent Resolution No. 3 was publicly read by title and immediately thereafter signed by the president of the senate, in the presence of the house over which he presides, and the fact of such signing duly entered upon the journal this 9th day of February, 1927.

J. W. PETERS,
President pro tempore of the Senate.

Attest:

H. L. CUMMINGS,
Secretary of the Senate.

The foregoing House Concurrent Resolution No. 3 was publicly read by title and immediately thereafter signed by the speaker of the house, in the presence of the house over which he presides, and the fact of such signing duly entered upon the journal this 9th day of February, 1927.

S. M. JORGENSEN,
Speaker of the House.

Attest:

E. L. CROPPER,
Chief Clerk of the House.

Received from the house of representatives this 9th day of February, 1927.

Approved February 10, 1927.

GEO. H. DERN, *Governor.*

Received from the governor and filed in the office of the secretary of state this 10th day of February, 1927.

H. E. CROCKETT,
Secretary of State.

Mr. DENEEN presented the following joint resolution of the Legislature of the State of Illinois, which was ordered to lie on the table:

STATE OF ILLINOIS,
OFFICE OF THE SECRETARY OF STATE.

To all to whom these presents shall come, greeting:

I, Louis L. Emmerson, secretary of state of the State of Illinois, do hereby certify that the following and hereto attached is a true photostatic copy of House Joint Resolution No. 8, the original of which is now on file and a matter of record in this office.

In testimony whereof I hereto set my hand and cause to be affixed the great seal of the State of Illinois. Done at the city of Springfield this 12th day of February, A. D. 1927.

[SEAL.] LOUIS L. EMMERSON,
Secretary of State.

House Joint Resolution 8

Whereas it has come to our attention that the disabled emergency officers of the Army during the World War have not been accorded the privileges of retirement like disabled officers of the Regular Army and disabled emergency officers of the Navy and Marine Corps; and

Whereas all officers disabled in the line of duty in the service of the United States are allowed to be retired on 75 per cent of the pay given their rank at the time of disability, except the emergency Army officers disabled in the line of duty during the World War; and

Whereas there are approximately 1,200 of these disabled emergency Army officers now suffering from disabilities received on the field of battle whose honorable retirement has not been granted by Congress; and

Whereas it is simple justice to the officers who served during the emergency of the World War as emergency officers of the United States Army and who were disabled while in the line of duty to receive the same benefits accorded disabled officers of the Regular Army and emergency officers of the Navy and Marine Corps: Therefore be it

Resolved by the House of Representatives of the Fifty-fifth General Assembly of the State of Illinois (the Senate concurring herein), That Congress be urged to enact legislation for the purpose of speedily correcting this injustice to disabled emergency Army officers; and be it further

Resolved, That copies of this resolution be sent to the President of the United States, the President of the Senate, the Speaker of the House of Representatives, the chairman of the Committee on Military Affairs of the Senate and the chairman of the Committee on World War Veterans' Legislation in the House of Representatives, and to each Member of Congress.

Adopted by the house January 26, 1927.

ROBERT SCHOLY,
Speaker of the House of Representatives.
B. H. MCCAIM,
Clerk of the House of Representatives.

Concurred in by the senate February 2, 1927.

FRED E. STUTING,
President of the Senate.
JAMES H. RADDOCK,
Secretary of the Senate.

Mr. DENEEN also presented petitions numerously signed by sundry citizens of Chicago and other cities and towns, all in the State of Illinois, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and for the removal of the limitation of the date of marriage of Civil War widows, which were referred to the Committee on Pensions.

Mr. TYSON. Mr. President, I ask unanimous consent to have inserted in the RECORD and referred to the Committee on Military Affairs resolutions adopted by the Women's Patriotic Conference on National Defense, held in Washington, D. C., on February 9, 10, and 11.

There being no objection, the resolutions were referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

Resolutions adopted by the Women's Patriotic Conference on National Defense, composed of 33 national patriotic organizations and societies, which met in three-day session in Memorial Continental Hall, February 9, 10, and 11, upon the call of Mrs. Adalin Wright Macauley, national president of the American Legion Auxiliary, and Mrs. Alfred J. Brosseau, president general of the Daughters of the American Revolution

We, the representatives of 33 national and local organizations comprising the Women's Patriotic Conference on National Defense, made up of the descendants, mothers, wives, sisters, and daughters of those who have fought to maintain the liberties guaranteed under the Constitution of the United States, together with all other patriotic women interested in the same high purpose, noting the constant attacks being made on the Constitution of the United States and more particularly the attacks made on national defense and all that pertains thereto, do hereby resolve that—

Whereas in all past wars our Nation has been unprepared, which unpreparedness did not keep us out of war but only increased the sacrifice of men and money, and believing further that adequate national defense and preparedness are the only and best insurance for America's future peace and welfare and the protection of our sons and grandsons, should it be necessary for them to fight in the defense of the country; and

Whereas the future of the Nation depends upon the training of the youth of to-day, which fact is realized to the full by all those pacifist, socialist, communist, and radical organizations seeking to overthrow the Government of the United States, and who, knowing it, are taking full advantage of that fact by endeavoring in every way to persuade boys in our colleges to resist military training and education, to teach disrespect for the flag and national ideals through speeches and writings deriding and belittling those who show respect for the flag and the Nation's ideals, and are endeavoring to persuade the youth of America to take the so-called "slacker's oath"; and

Whereas these organizations are seeking to place teachers in schools and colleges who will teach atheism, disrespect to the flag, and opposition to the Constitution of the United States, and at the same time persuade sincere but misguided preachers and church members to take oaths or pass traitorous resolutions to support no war in which the Nation may be engaged; and

Whereas the defense of the Nation under the Constitution and in accordance with all that is fair and just places the responsibility of defense upon every citizen: Therefore be it

Resolved by the Women's Patriotic Conference on National Defense assembled on this 11th day of February, 1927, That we urge upon every member of this conference interested in the welfare of the United States and the preservation of our form of government;

Resolved, First, that the national defense act passed June 4, 1920, when the Nation realized the danger of unpreparedness, immediately following the World War, be supported in all its terms, and that a sufficient Regular Army, National Guard and Reserve Corps, and citizen's military training camps, as from time to time determined by those in authority, be maintained at all times;

Resolved, Second, that the Navy, as an essential part of the national defense, be maintained fully in the ratio of 5–5–3, as set forth in the Limitation of Arms Conference, and that Congress immediately provide funds to commence construction of the three authorized cruisers and to enact the pending measure which would authorize 10 additional cruisers;

Resolved, Third, that the Army and Navy Air Services, as essential adjuncts of national defense, be expanded to their full power, and that Congress be urged to pass pending legislation appropriating sufficient funds for carrying out the Navy's five-year aircraft building program;

Resolved, Fourth, that we urge the continued full support of the Chemical Warfare Service and deplore all attempts to destroy this valuable part of our national defense, the necessity of which was recognized during the World War.

Whereas evidence that a nation-wide campaign of radicalism is being conducted throughout the United States, which is well organized and well financed, and which has for its purpose the disarming of the Nation by reducing our defenses; and

Whereas the instruction given in the Reserve Officers Training Corps and citizens' military training camps is of inestimable value to our young men in training them for citizenship, leadership, and to uphold the standards of our Nation; and

Whereas concerted attempts are being made toward the complete elimination of these two branches of service: Therefore be it

Resolved, That the members here assembled pledge themselves separately and collectively to devote their best efforts henceforth to a never-ceasing fight against the pacifist, the defeatist, and radical individuals and groups and to support the Constitution of the United States in all its provisions and principles in order that we may hand down to our children this priceless heritage which has been intrusted to us for posterity.

Whereas we, as a body of patriotic women, appreciate the importance of fostering reverence for the flag as a symbol of American ideals and institutions by every means in our power: Be it hereby

Resolved, That this conference go on record as indorsing the uniform flag code adopted by the flag conference on June 14, 1923, and ask Congress to adopt a resolution to this effect.

Whereas The Star-Spangled Banner has been declared the national anthem by the regulations of the Army and Navy and has occupied that exalted position for more than 100 years; and

Whereas The Star-Spangled Banner, that immortal poem written by Francis Scott Key, music by John Stafford Smith, is instilled into the hearts of all Americans and is recognized and known in every nation in the world and inspired our men when called to serve their country: Now therefore be it

Resolved, That we, a group of women here assembled, representing 33 national patriotic organizations, do petition the Congress of these great United States of America to declare and protect The Star-Spangled Banner as the national anthem for all time.

Wherefore by our meeting here in Memorial Continental Hall we are reminded afresh of the heritage handed down to us from the founders and preservers of our Republic—a heritage which summons us—

To reverence God;
To uphold the Constitution of the United States;
To honor the flag;
To defend the institutions of Government;
To venerate our national patriots;
To respect traditions of nationalism;
To perfect our citizenship;
To observe law and order.

Whereas evidence abounds that enemies are not only robbing us of domestic tranquillity by invading our schools, our forums, our market places, and even our homes and churches, but are seeking to overthrow the Government of the United States: Now therefore be it

Resolved, That the delegates and representatives of the 33 organizations participating in the Women's Patriotic Conference on National Defense undertake a specific program of action; and be it further

Resolved, That such a program of action embody intensive individual research, group study classes, lectures, and public meetings in the determination to refute false doctrines with truth and to bring about a clear-cut cleavage between un-American subversive forces and the constituents of our patriotic societies; and be it further

Resolved, That the proceedings of this conference be studied and their practical suggestions applied to local, State, and national conditions as far as practicable under the leadership of our State and national officials; and be it

Resolved, That each individual go from this conference charged with responsibility to execute to the best of her ability the tasks nearest at hand which will contribute the largest measure of service toward national defense and the perpetuation of home and Government.

Whereas attempts are being made to delete our school histories of the heroism of battles and the honor rolls of our valiant fighters; to substitute for our patriotic expressions radical pacifist slogans calculated to stress internationalism in place of nationalism; to ban recognition of our warrior patriots who have fought and died for the life of the Nation, and to exalt in their stead so-called "heroes of permanent service" and civilian and scientific heroes; and

Whereas we realize the great importance that accurate history should be taught in our schools to-day, together with a proper appreciation of the achievements of our patriots; and

Whereas we realize the vital importance that love of country and respect for its laws be instilled into the minds and hearts of our youth for the future safety and understanding of these great United States of America; and

Whereas a very large number of patriotic organizations of both men and women have sponsored and indorsed the seventh and eighth grade United States history known as "The Story of our American People," which is a true and accurate history of our Nation's life: Be it

Resolved, That we recommend that the members of this conference bring this history to the attention of the school boards in all communities and urge that it be adopted as a textbook on United States history; and be it further

Resolved, That we recommend that the members of this conference visit the schools and urge other parents to do likewise, to become acquainted with the sentiments of the teachers and their methods of instructing the children in the part the United States has taken in history; and that the great men and women who have carried the banner of patriotism and loyalty to country and the high ideals upon which this Nation was founded and has prospered be presented to the youth in their true characters; and be it further

Resolved, That this Women's Patriotic Conference on National Defense do request our members to urge a law in their respective States

that all teachers of public and private schools shall be required to take the oath of allegiance to the United States of America.

Whereas a proper care of the disabled veteran, his widow and his orphans is of paramount importance in maintaining patriotism and that willingness to serve, which is essential for national defense: Therefore be it

Resolved, That we urge Congress to pass the bill now known as the Tyson-Fitzgerald bill, granting to disabled emergency Army officers of the World War the same right of retirement as is granted to regular officers; be it further

Resolved, That each member of this conference acquaint her Senators and Representatives, both State and National, with the sentiments of this conference as embodied in its resolutions so that the lawmakers of our country will understand that this conference stands wholeheartedly and unequivocally for adequate national defense.

Mr. ROBINSON of Indiana presented a communication signed by the president and other officers of the United Mine Workers of America, which was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

JANUARY 31, 1927.

To the Members of the Senate and House of Representatives, Washington, D. C.:

On behalf of the coal-mining industry and many of the citizens of the States of Indiana, Ohio, Pennsylvania, and Illinois, we have the honor to direct your attention to a condition, which in our opinion, menaces the welfare and prosperity not only of these but also of a number of other States. Apart from its economic aspects this situation involves a question of fundamental justice and equity that can not be ignored.

The coal industry of Indiana, Ohio, Pennsylvania, and Illinois is being destroyed by the existence of unjust, unreasonable, and arbitrary discrimination in freight rates. These rates were imposed, we contend, in violation of the letter and spirit of the interstate commerce act and in defiance of sound, economic principles.

It is not our purpose in this memorial to present in detail the evidence available to demonstrate that the freight rates on coal from the mines of these districts to the principal markets are unjust and discriminatory by every test and every standard. We desire merely to present certain outstanding facts which can not be disputed.

1. The coal fields of Pennsylvania, Ohio, Indiana, and Illinois are located nearest to the great coal-consuming markets and shipping points at tidewater, the lower lake ports, and Chicago, respectively. East of the Mississippi and north of the Ohio and Potomac Rivers this is true with reference to every important coal-consuming market. These coal fields are entitled therefore to the advantages of their superior natural location.

Nevertheless these coal fields have been virtually driven out of their natural markets and thrown into a condition of extreme depression by an unjust and unreasonable freight-rate policy.

2. This was accomplished originally by imposing excessive rates upon coals from the Indiana, Ohio, Pennsylvania, and Illinois fields, and at the same time maintaining exceptionally low rates to the coal fields of Kentucky, Virginia, West Virginia, and Tennessee on the ground that they were an infant industry that required special encouragement.

For many years, therefore, the railroads have favored these long-haul coals by granting to them relatively lower rates to those markets than to the coal mines of Pennsylvania, Ohio, Indiana, and Illinois, and in some cases absolutely lower rates for much longer hauls to the important markets.

We do not know that there is any warrant in law for thus stimulating alleged infant industries by the granting of preferential freight rates at the expense of other districts and other shippers. Nevertheless, even if we grant the original propriety of such preferential treatment, it is obvious that the justification for it has long ceased to exist. The coal fields of Kentucky, Virginia, West Virginia, and Tennessee are no longer infant industries, but, according to the United States Coal Commission, have been overdeveloped by this artificial stimulation.

3. This discrimination has been aggravated by the policy pursued since the war of maintaining the fixed differentials established during these earlier years and granting flat increases of so many cents per ton to the railroads. It is notorious that during this period the value of the dollar has been deflated until to-day it has only a fraction of its former purchasing power. This policy has resulted in imposing much higher percentage increases on the short hauls from Indiana, Ohio, Pennsylvania, and Illinois than on the longer hauls from other districts. Thus the average increase in the rates from Indiana, Ohio, Pennsylvania, and Illinois since 1917 will approximate 100 per cent, which is in many cases more than double the rate of increase that has been awarded the favored coal fields of Kentucky, Virginia, West Virginia, and Tennessee.

Even more unjustly this policy has proportionately lowered the value of the unreasonable differentials originally existing. It is obvious that with a 50-cent dollar a differential of 60 cents becomes worth only 30 cents.

We contend that this plan of freight-rate adjustment by the imposition of flat increases of so many cents per ton and the maintenance of the differentials fixed before the war, when the value of the dollar was much greater, is unsound, unscientific, and destructive of the welfare of any industry to which it is applied. It inevitably overstimulates some districts and depresses others.

Furthermore, it is not in accord with the policy pursued in the readjustment of freight rates generally where percentage increases have been applied.

4. This inequitable and unscientific method of readjusting freight rates has driven the coal producers of Pennsylvania, Ohio, Indiana, and Illinois out of their legitimate markets and brought them to a condition of depression and bankruptcy.

Widespread depression exists in every section. Mines are idle, production is diminishing. Values have decreased by enormous amounts and the losses thus far sustained can not be further endured without precipitating bankruptcy on a colossal scale.

On the other hand, the competing mines in Kentucky, Virginia, West Virginia, and Tennessee, as a result of these special favors, have increased their production, opened new mines, and thus added to the already demoralized condition of the industry.

5. This has not benefited the consumers of the United States. On the contrary, the records of the Interstate Commerce Commission show that industrial consumers and State commissions in the States west of Lake Michigan and Lake Superior have vigorously supported the coal producers of Indiana, Ohio, Pennsylvania, and Illinois in their demands for rate revisions.

6. Nor have these excessive charges for coal benefited the railroads serving the Indiana, Ohio, Pennsylvania, and Illinois mines. Because they are higher than the traffic can bear, they have enormously reduced the tonnage shipped and thus caused these carriers heavy losses.

Thus the president of the Chicago & Eastern Illinois Railroad, in his annual report for the year ending December 31, 1924, stated:

"Losses sustained by this company in 1924 from mines on its line were made up by increased tonnage of nonunion coal from connections.

"The effect of this, however, was a longer haul and a decrease in earnings per ton. The average haul on coal increased 7.17 per cent, while the rate per ton decreased 4.3 per cent, the result being a decrease in earning per ton-mile of 10.75 per cent, equivalent to a decrease of $308,433 in gross revenues. The amount collected from the Elgin, Joliet & Eastern Railway for trackage decreased $273,650, due to less coal tonnage handled by that company from Indiana and Illinois mines."

This report of the Chicago & Eastern Illinois Railroad shows that in the year 1924 that carrier's revenue from coal as compared with 1923 had decreased $582,083.

7. As a result of these excessive discriminatory rates it is extremely difficult for the Indiana, Ohio, Pennsylvania, and Illinois mines to compete in their natural markets.

8. The present unjust freight-rate relationship affects the public interests by promoting a waste of transportation. Coals are being hauled between 400 and 600 miles, while mines within 200 miles of Chicago and the Lake ports, the tidewater ports, and other destinations in this territory are shut down for lack of business. Public interest is affected not only by these unreasonably long hauls, but also by the improper use of special-purpose coals, the national supply of which is limited.

9. The low freight rate to the coal fields of Kentucky, Virginia, West Virginia, and Tennessee has resulted in the uneconomic opening of new mines in those regions in violation of the recommendations of the United States Coal Commission.

This commission in its report to the President and the Congress declared:

"Cost of the long haul to the consumer: There is little dispute of the fact that the differentials in rates, early established and but slightly modified since, by which these remote coals are able to enter the large consuming markets do not reflect the differences in cost of transportation. It is equally evident that the long haul brings about a dilution of coal-car equipment and other transportation facilities. Since in the aggregate the consumers must pay the total cost of all transportation, whatever actual loss or inadequate return is incurred as a result of these long hauls on coal is paid for in the rates on other coal or other commodities."

The commission definitely recommended:

"Gradually and without undue violence to established conditions, the rates should be readjusted to reestablish more natural relations between the elements of cost and service which will make for economic zoning. The result will be a reduction in the total cost of transportation to the Nation."

The extreme distress and depression produced in the northern coal districts by these freight-rate discriminations has never been more forcefully described than in the recent report of William A. Disque, an examiner for the Interstate Commerce Commission, denying the reduction in rates which had been requested by the Indiana operators. Examiner Disque declared:

"Complainants fear that the situation threatens the gradual extinction of their industry. Many of the mines, perhaps more than half of them, are idle. Most of them that are still operating are doing so intermittently and at little or no profit. A number are in receiverships. The social and business life of the mining communities is in deplorable condition. Thousands of miners and other people directly or indirectly depend upon the industry are out of work. Commercial activity in general in the affected districts is at low ebb."

In this report the examiner of the Interstate Commerce Commission admits the facts regarding the freight-rate discriminations as charged and the exceptionally favorable conditions for hauling Indiana coal at low cost. Nevertheless, in his decision he goes outside the record, manifests undue prejudice, and distorts the evidence actually presented in order to find cause for denying any reduction.

In the Lake Cargo case we have the exact reverse. There the examiner recommended a reduction in rates for the Ohio and Pennsylvania fields, but the commission, by a bare majority of one, after admitting the gross discriminations complained of, overruled the examiner and denied relief.

The motives underlying the maintenance of the unreasonable and abnormal freight rates were exposed by Commissioner Eastman in his dissenting opinion in the Lake Cargo case when he declared:

"The abnormal increases in the rates in question have been made not because of any proof or event claim of justifying differences in transportation conditions but solely in order that certain established differentials favoring coal-producing districts much more distant from any lake port might be preserved for the benefit of other districts."

Even more specifically Commissioner Eastman declared:

"I entertain no doubt whatever that nothing has been shown which warrants the imposition of relatively higher rates upon the northern districts in order that the southern districts may have the benefit of relatively low rates; and that is what has plainly occurred. There may be cases where a group adjustment warrants the imposition of such a penalty upon the shorter hauls, but there is no such situation here."

We can not find in the interstate commerce act or in any other legislation ever passed by Congress any warrant of law for such discrimination in favor of any industrial district or any group of corporations. Such discrimination is abhorrent to every American tradition and would be a gross violation of the Constitution of the United States.

If there is any legislation now on the statute books which is held to confer the power to establish and maintain such discrimination in favor of any geographical or industrial district of the United States, we hold that it is the duty of Congress to ascertain that fact and amend or repeal it.

We, therefore, earnestly petition the Senate and House of Representatives, through the appropriate committees, to investigate thoroughly the relation of freight-rate discrimination to the extreme depression of the coal industry of Indiana, Ohio, Pennsylvania, and Illinois and the adequacy of existing law to afford relief.

We further urge Congress, after due consideration, to take whatever action may be necessary to put an end to the unjust discrimination complained of and to protect the interests of the coal producers and consumers as well as the railroads which depend upon this traffic.

Respectfully submitted.

JOHN L. LEWIS, *President.*
PHILIP MURRAY, *Vice President.*
THOMAS KENNEDY, *Secretary-Treasurer.*

Approved by unanimous vote of the delegates to the Thirtieth Consecutive Constitutional Convention of the United Mine Workers of America, held in the city of Indianapolis, January 25 to February 2, 1927.

Mr. JONES of Washington presented a petition of sundry citizens of Port Angeles, Wash., praying for the passage of legislation providing for the optional retirement of classified civil-service employees without regard to age who have served for 30 years, which was referred to the Committee on Civil Service.

Mr. DILL presented a memorial of sundry citizens of Spokane, Wash., remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, or any other legislation religious in character, which was referred to the Committee on the District of Columbia.

Mr. WILLIS presented a memorial of sundry citizens of Dresden, Ohio, remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, or any other legislation religious in character, which was referred to the Committee on the District of Columbia.

He also presented a petition of sundry citizens of Cleveland, Ohio, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which was referred to the Committee on Pensions.

Mr. COPELAND presented a memorial of sundry citizens of New York City, N. Y., remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, or any other legislation religious in character, which was referred to the Committee on the District of Columbia.

He also presented letters in the nature of petitions from sundry citizens of New York City, Brooklyn, Ozone Park, Huntington, Richmond Hill, and Jamaica Park, all in the State of New York, praying for the passage of legislation for the creation of a commission to make a survey and study of the civil service retirement law, which were referred to the Committee on Civil Service.

He also presented numerous petitions of sundry citizens of the State of New York praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

He also presented a resolution adopted by the New York Chapter of the American Institute of Architects, favoring the taking of prompt action by Congress to protect Lafayette Square in the city of Washington from commercial exploitation and to preserve it for the purposes designated in the original L'Enfant plan of Washington and its interpretation by McMillan in 1901, which was referred to the Committee on Public Buildings and Grounds.

He also presented resolutions adopted by the Chamber of Commerce of Amsterdam, N. Y., protesting against the United States Government entering into any arrangement for the construction of the St. Lawrence waterway almost wholly in foreign territory and favoring the all-American route, which were referred to the Committee on Commerce.

Mr. BINGHAM presented resolutions adopted by the annual convention of the American Legion, Department of Connecticut, at New Haven, Conn., favoring the passage of the so-called Tyson-Fitzgerald bill, providing for the retirement of disabled emergency Army officers, which were ordered to lie on the table.

Mr. BRUCE presented petitions of sundry citizens of Baltimore and sundry Baltimore & Ohio Railroad employees, all in the State of Maryland, praying for the passage of legislation regulating radio communications, which were ordered to lie on the table.

FARM RELIEF

Mr. TRAMMELL. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an editorial from the Jacksonville Journal of the 9th instant, with reference to the farm relief bill which passed the Senate last Friday.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A GHOST WALKS

The resurrected McNary-Haugen farm relief bill, dead last year, walks again in congressional debate this week. The bill provides an elaborate Federal machinery and appropriation for maintenance of wheat, corn, hog, cotton, rice, and tobacco prices by withdrawal of surplus production from time to time. Opponents of the bill consider it class legislation, subsidizing the farmer and disregarding the principles of supply and demand and competitive-price determination to which the present economic policy of the Government is committed.

With these objections it is hard to agree. As has often been pointed out, the present high protective tariffs on imports into this country, in effect, a class legislation and a subsidy in favor of great manufacturing interests which make it ill becomes the proponents of these tariffs to object to similar Federal favor for the farmer. The Government has certainly as much right and obligation to maintain prices for the American farmer as for the American manufacturer. Nor does the objection apply which sees the proposal artificially to maintain farm prices as a denial of the general principle that the laws of supply and demand should be left to determine all prices. Ordinarily, where this law of supply and demand actually operates, the safest course is to leave prices to its dictates. But the law does not apply in farm production. Supply has no relation at all to demand, but is the mere result of crop or weather conditions as a rule. The size of the annual wheat or cotton crop is determined not by the demand for these products but by nature. This makes agriculture the great economic exception to the law of supply and demand.

The real objection to the McNary-Haugen bill is in the complexity and fallibility of the machinery it proposes to establish for maintenance of farm prices. Whether or not the Federal Government is scientific enough and impartial enough always to run this machinery in the best interests of those concerned is the more pertinent question for debate now.

REPORTS OF COMMITTEES

Mr. PITTMAN, from the Committee on Interstate Commerce, to which was referred the bill (S. 4390) to amend section

15a of the act to regulate commerce in respect to certain common-carrier railroads, and for other purposes, reported it with amendments and submitted a report (No. 1475) thereon.

Mr. SMITH, from the Committee on Interstate Commerce, to which was referred the bill (H. R. 10510) to prevent the destruction or dumping, without good and sufficient cause therefor, of farm produce received in interstate commerce by commission merchants and others, and to require them truly and correctly to account for all farm produce received by them, reported it without amendment and submitted a report (No. 1476) thereon.

Mr. GILLETT, from the Committee on the Library, to which was referred the bill (H. R. 3791) to purchase a painting of the several ships of the United States Navy in 1891 and entitled "Peace," reported it without amendment and submitted a report (No. 1477) thereon.

Mr. HARRELD, from the Committee on Indian Affairs, to which was referred the bill (H. R. 15602) to amend the last paragraph of an act entitled "An act to refer the claims of the Delaware Indians to the Court of Claims, with the right of appeal to the Supreme Court of the United States, reported it without amendment and submitted a report (No. 1479) thereon.

Mr. ASHURST, from the Committee on Indian Affairs, to which was referred the bill (H. R. 15906) to authorize the purchase of land for an addition to the United States Indian School farm near Phoenix, Ariz., reported it without amendment and submitted a report (No. 1480) thereon.

Mr. McMASTER, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (H. R. 9787) to correct the military record of Samuel Wemmer (Rept. No. 1481); and

A bill (H. R. 10662) authorizing an appropriation for the construction of a roadway and walk leading to and around the Chalmette Monument, Chalmette, La. (Rept. No. 1482).

Mr. McMASTER also, from the Committee on Indian Affairs, to which was referred the bill (H. R. 16212) to authorize per capita payments to the Indians of the Cheyenne River Reservation, S. Dak., reported it without amendment and submitted a report (No. 1483) thereon.

He also, from the same committee, to which was referred the bill (H. R. 13503) authorizing and directing the Secretary of the Interior to investigate, hear, and determine the claims of individual members of the Sioux Tribe of Indians against tribal funds or against the United States, reported it with an amendment and submitted a report (No. 1484) thereon.

Mr. BRATTON, from the Committee on Indian Affairs, to which was referred the bill (S. 5353) to authorize an appropriation for a road on the Zuni Indian Reservation, N. Mex., reported it without amendment and submitted a report (No. 1485) thereon.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. PHIPPS. From the Committee on Appropriations I report back favorably with amendments the bill (H. R. 16800) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1928, and for other purposes, and I submit a report (No. 1478) thereon. I desire to give notice that I shall call the bill up for consideration at the earliest opportunity.

The VICE PRESIDENT. The bill will be placed on the calendar.

IRENE FLETCHER

Mr. KEYES, from the Committee to Audit and Control the Contingent Expenses of the Senate, reported back favorably without amendment the resolution (S. Res. 339) submitted by Mr. CURTIS on the 2d instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Irene Fletcher, daughter of Joseph Montgomery, late a laborer under supervision of the Sergeant at Arms, employed by the Senate for 58 years, a sum equal to one year's salary at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

ROSWELL D. MORGAN

Mr. KEYES, from the same committee, reported back favorably without amendment the resolution (S. Res. 340) submitted by Mr. NORRIS on the 3d instant, which was read and considered by unanimous consent, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay to Roswell D. Morgan, son and sole heir of William E. Morgan, late an employee of the Senate under supervision of the Sergeant at Arms, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. JONES of Washington. Mr. President, I notice that one of the resolutions just reported by the Senator from New Hampshire provides for payment equal to compensation for a period of a year and the other for a period of six months.

Mr. KEYES. The reason for that is that it has been the custom of the Senate to pay the equivalent of a year's salary to the family of old employees of the Senate who have been connected with the Senate for more than 25 years. One was the case of an employee of more than 25 years' service and the other was less than that period.

Mr. JONES of Washington. Very well.

The resolution was agreed to.

ASSISTANT CLERK TO COMMITTEE ON INTERSTATE COMMERCE

Mr. KEYES, from the Committee to Audit and Control the Contingent Expenses of the Senate, reported back favorably without amendment the resolution (S. Res. 314) submitted by Mr. GOODING January 5, 1927, which was read, considered by unanimous consent, and agreed to, as follows:

Senate Resolution 314

Resolved, That Senate Resolution No. 124, agreed to April 15, 1926, authorizing the Senate Committee on Interstate Commerce to employ a special assistant clerk until the end of the Sixty-ninth Congress, to be paid out of the contingent fund of the Senate, hereby is further continued in full force and effect until June 30, 1927, inclusive.

ASSISTANT CLERK TO THE DISTRICT COMMITTEE

Mr. KEYES, from the same committee, reported back favorably without amendment the resolution (S. Res. 321) submitted by Mr. CAPPER January 7, 1927, which was read, considered by unanimous consent, and agreed to, as follows:

Senate Resolution 321

Resolved, That Senate Resolution No. 205, continuing the employment by the Committee on the District of Columbia of a resident assistant clerk to be paid from the contingent fund of the Senate until the end of the Sixty-ninth Congress hereby is further continued in full force and effect until June 30, 1927.

EMPLOYMENT OF FEDERAL PRISONERS

Mr. KEYES. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably without amendment the concurrent resolution (S. Con. Res. 27, submitted by Mr. OVERMAN January 26, 1927, and I call it to the attention of the Senator from North Carolina [Mr. OVERMAN].

Mr. OVERMAN. Mr. President, I ask unanimous consent for the present consideration of the resolution. The resolution was approved by the Committee on the Judiciary and was then referred to the Committee to Audit and Control the Contingent Expenses of the Senate, which has just reported it favorably. It is a resolution providing for the appointment of a joint committee to see what can be done with convicts in solitary confinement in the Federal penitentiaries and to see if we can not do something in the way of giving them employment.

The concurrent resolution was read, considered by unanimous consent, and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That a special joint committee of the Senate and the House of Representatives be created, composed of three members of the Committee on the Judiciary of the Senate and three members of the Committee on the Judiciary of the House of Representatives, to be designated by the President of the Senate and the Speaker of the House of Representatives, respectively, that shall investigate and report to Congress, not later than the first Monday in December, 1927, what further employment for Federal prisoners is desirable in the United States penitentiaries, the United States Industrial Home for Women, and the United States Industrial Reformatory, the cost of erecting buildings and the equipment of such buildings with the necessary machinery for the manufacture and production of any articles which said joint committee may consider feasible and practical, the probable cost of manufacture of any such articles, and the prices now paid under contract for such articles, and such other data as may be pertinent to the general inquiry. Such committee may employ clerical and stenographic assistance, and the expenses thereof and of the committee may be paid one-half out of the contingent fund of the Senate and one-half out of the contingent fund of the House of Representatives upon vouchers to be approved by the chairman of such joint committee, but such expenses shall not

exceed $5,000, which sum may be appropriated therefor, and said joint committee shall have power to sit either within or outside of the District of Columbia, and to sit during the sessions of the House and Senate until adjournment sine die of the Sixty-ninth Congress and thereafter until said inquiry is completed.

APPOINTMENT TO FEDERAL OFFICE

Mr. KEYES. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably with an amendment the resolution (S. Res. 338) reported by Mr. NORRIS from the Judiciary Committee on the 2d instant, and I ask that it may go to the calendar.

Mr. NORRIS. Mr. President, the Senator from New Hampshire has done just what he agreed with me to do. I desired to ask, when the matter came before the Senate, unanimous consent for the immediate consideration of the resolution, but I can not do it very well to-day because the Senator from Kentucky [Mr. ERNST], who submitted a minority report from the Judiciary Committee, is not present. I ask that the resolution may lie on the table without being referred to a committee, to be taken up to-morrow, or, if the Senator from New Hampshire prefers, I would ask him to withdraw it and report it to-morrow when, perhaps, the Senator from Kentucky will be here and then I can submit my request.

Mr. KEYES. I am willing to do whatever the Senator from Nebraska suggests.

Mr. NORRIS. I will ask the Senator if he will not make the report to-morrow instead of to-day?

Mr. KEYES. Very well.

Mr. EDGE. Mr. President, may we have the amendment to the resolution stated? I think it refers to the amount of money to be allowed the committee.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. The committee proposes to amend by inserting:

Which shall not exceed the sum of $25,000.

Mr. EDGE. I understand the presentation of the report is withheld until the Senator from Kentucky is here.

Mr. NORRIS. Not necessarily until he is here, but until to-morrow. I do not want it to go over indefinitely, because I expect to get some action by the Senate on the resolution.

Mr. EDGE. It is withheld until to-morrow, at least?

Mr. NORRIS. It is withheld until to-morrow.

MARY MOORE

Mr. ROBINSON of Arkansas. Mr. President, from the Committee on Military Affairs I report back favorably without amendment the bill (H. R. 1231) for the relief of Mary Moore, and I submit a report (No. 1474) thereon. I ask unanimous consent for its present consideration.

Mr. SMOOT. What is the import of the bill?

Mr. ROBINSON of Arkansas. It is a House bill for the relief of Mary Moore. Her husband, William M. Moore, enlisted May 25, 1898, and served for nearly a year in the United States Cavalry. He rendered active service to the date of his discharge. He was discharged February 24, 1899, with a notation "without honor." The War Department reports as follows:

I regret to inform you that a very careful search of all the records likely to afford any information on the subject has resulted in failure to disclose the cause for the issue of a discharge without honor in this case.

The services of the soldier were satisfactory. He is now dead. His widow and daughter are, of course, interested in the character of his military service. During his lifetime he indicated to them that he knew of no reason for his discharge without honor, and since the War Department knows of no reason and can find none, it is believed that his record should be corrected in that respect.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, William M. Moore (now deceased), who was a private in Troop L, Third United States Cavalry, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a member of said company and regiment on the 24th day of February, 1899: *Provided*, That no back pay, pension, or bounty shall be held to have accrued prior to the passage of this act.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ORDER OF BUSINESS

Mr. WILLIS. Mr. President, I am about to submit a request for unanimous consent, perhaps unusual; but if the Senate will indulge me for a moment, this is the statement I desire to make.

Mr. JOHNSON. Mr. President, may I inquire what is the order of business under which we are operating?

The VICE PRESIDENT. Reports of committees are in order.

Mr. JOHNSON. I ask if the Senator will not defer his request until we finish the morning business, which will take, I assume, but a few moments. There is a joint resolution which was before us at our last meeting and which I desire to present to the Senate this morning. It will take but a moment.

The VICE PRESIDENT. Does the Senator from California ask for the regular order?

Mr. JOHNSON. I do.

The VICE PRESIDENT. Reports of committees are in order.

USE OF WATERS OF THE RIO GRANDE

Mr. JOHNSON. Mr. President, coming over from Saturday is the joint resolution (S. J. Res. 159) amending the act of May 13, 1924, entitled "An act providing a study regarding the equitable use of the waters of the Rio Grande," and so forth, which has been submitted to those interested in it upon the other side of the Chamber, and I think there is now no objection to it.

Mr. BRUCE. Mr. President, is it in order this morning, or is the calendar under Rule VIII in order?

The VICE PRESIDENT. Morning business has not yet been closed.

Mr. JOHNSON. May I state to the Senator from Maryland that the joint resolution is one coming over from a previous day, upon which I think there will be no debate and to which I think there is no opposition. If it should occupy any particular time, I assure the Senator I would not care to press it.

Mr. SMOOT. Is it a Senate resolution?

Mr. JOHNSON. It is Senate Joint Resolution 159.

Mr. SMOOT. The joint resolution was referred to a committee?

Mr. JOHNSON. It was referred to the Committee on Foreign Relations and was reported by that committee on Thursday last. I called it up on Saturday, and at the instance of the junior Senator from Utah [Mr. KING] it went over until to-day.

The VICE PRESIDENT. It occupies a place on the calendar as Order of Business 1471. The Senator from California asks unanimous consent for its present consideration.

Mr. SMOOT. I do not know what the joint resolution is. Let the clerk read it.

The Chief Clerk read the joint resolution.

Mr. JOHNSON. Mr. President, I may state, for the information of the Senator, that on the 2d day of February the President transmitted his message to the Senate and to the House of Representatives inclosing the report of the Secretary of State and the report of the Secretary of the Interior, both of whom asked that the life of the commission be extended in order that the data might be obtained to settle the boundary disputes on the Rio Grande; first, and in the course of the negotiations with Mexico the Mexican embassy suggested that the lower Colorado be included. The design of the joint resolution is merely to provide for the collection of the data by the commission appointed by the President, and to the authority granted is added the right to collect data upon the Tia Juana River, which forms the boundary between San Diego County and Mexico.

Mr. CAMERON. Mr. President, I shall have to object to the consideration of the joint resolution at this time.

Mr. BRUCE. I object. The Senator from California [Mr. JOHNSON] stated that he believed it would lead to no discussion or difference of opinion.

The VICE PRESIDENT. Objection is made.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WADSWORTH:

A bill (S. 5698) authorizing the construction of a bridge across the St. Lawrence River near Alexandria Bay, N. Y.; to the Committee on Commerce.

By Mr. OVERMAN:

A bill (S. 5699) relating to the admission of candidates to the Naval Academy; to the Committee on Naval Affairs.

By Mr. TYSON:

A bill (S. 5700) for the relief of Capt. George R. Armstrong, United States Army, retired; to the Committee on Military Affairs.

By Mr. SHEPPARD:

A bill (S. 5701) making certain regulations as to vacancies in warrant officer grades (with accompanying papers); to the Committee on Military Affairs.

By Mr. SWANSON:

A bill (S. 5702) giving jurisdiction to the Court of Claims to hear and determine the claim of the Butler Lumber Co. (Inc.); to the Committee on Claims.

By Mr. JONES of Washington:

A bill (S. 5703) for the relief of Lloyd Garretson Co.; to the Committee on Claims.

By Mr. MOSES:

A bill (S. 5704) granting an increase of pension to Annie Leavitt (with accompanying papers); to the Committee on Pensions.

By Mr. HAWES:

A bill (S. 5705) to extend the times for the construction of bridges across the Mississippi River at Alton, Ill., and across the Missouri River near Bellefontaine, in Missouri (with an accompanying paper); to the Committee on Commerce.

By Mr. SACKETT:

A bill (S. 5706) granting a pension to Nancy Kelley (with accompanying papers); to the Committee on Pensions.

By Mr. KING:

A bill (S. 5707) to amend section 10 of the act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900; to the Committee on Territories and Insular Possessions.

By Mr. CAPPER:

A bill (S. 5708) authorizing the use of land owned by the United States in the District of Columbia for highway purposes; and

A bill (S. 5709) to amend the act approved June 7, 1924, relating to the regulation of the practice of dentistry in the District of Columbia; to the Committee on the District of Columbia.

By Mr. COPELAND:

A bill (S. 5710) providing an appropriation for the reconditioning of the frigate *Constitution;* to the Committee on Appropriations.

By Mr. STEPHENS:

A bill (S. 5711) for the relief of William G. Beaty, deceased; to the Committee on Military Affairs.

AMENDMENT TO SECOND DEFICIENCY APPROPRIATION BILL

Mr. PHIPPS submitted an amendment proposing to increase the compensation of the assistant clerk to the Committee on Irrigation and Reclamation from $1,940 to $2,150, intended to be proposed by him to the second deficiency appropriation bill for the fiscal year 1927, which was referred to the Committee on Appropriations and ordered to be printed.

CATHERINE HARDESTY

Mr. McNARY submitted the following resolution (S. Res. 348), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Catherine Hardesty, widow of Martin T. Hardesty, late a messenger in the employ of the Senate, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

INVESTIGATION RELATIVE TO THE COLUMBIA BASIN PROJECT

Mr. DILL submitted the following resolution (S. Res. 349), which was referred to the Committee on Irrigation and Reclamation:

Resolved, That the Committee on Irrigation and Reclamation, or a duly authorized subcommittee thereof, is authorized to make a complete investigation with respect to proposed legislation relating to the building of the dams, canals, reservoirs, and other necessary works for the Columbia Basin project in the State of Washington. For the purposes of this resolution such committee or subcommittee is authorized to hold hearings prior to the beginning of the first regular session of the Seventieth Congress, to sit and act at such times and places within the United States and to employ such clerical and stenographic assistants as it deems advisable. The cost of stenographic service to report such hearings shall not be in excess of 25 cents per hundred words. The committee or subcommittee is further authorized to send for persons and papers, to administer oaths, and to take testimony, and the expense attendant upon the work of the committee or subcommittee shall be paid from the contingent fund of the Senate.

REVISION OF THE RULES

Mr. BLEASE. I submit a resolution which I ask may be printed and lie on the table.

Mr. JONES of Washington. Let the resolution be read.

The Chief Clerk read the resolution (S. Res. 350), as follows:

Whereas there exists much difference of opinion as to the proper construction to be placed upon the various rules of the United States Senate; and

Whereas there are rules in the Senate which seemingly contradict others, causing much confusion in their construction; and

Whereas it is becoming too common a practice in the Senate to appeal from the decision of the Presiding Officer, thus leaving to a majority of the Senate the right, if they see fit, to impose their construction of the rules upon the minority: Now therefore be it

Resolved, That the President of the Senate be authorized and requested and do appoint five (5) Members of the Senate, who shall be instructed not to change, alter, or amend any present rule of the Senate, but to rewrite and present to the Senate a draft of the present rules, omitting any duplication of same or any seeming contradiction thereof, and that they submit such draft to the Senate during the first days of its next regular session for such action as the Senate deems advisable to take thereon; and be it further

Resolved, That said committee shall act without compensation, but shall have their actual expenses paid and shall be empowered to employ a secretary and an expert parliamentarian, should they deem it necessary, who shall be paid such compensation as shall be fixed by the committee; and be it further

Resolved; That the sum of ——— is hereby appropriated for such purposes, which shall be paid out of the contingent fund of the United States Senate on vouchers which shall be signed by the chairman and the secretary of the committee.

The PRESIDING OFFICER (Mr. LENROOT in the chair). The resolution will go over under the rule.

BID OF THE FARMERS' FEDERATED FERTILIZER CORPORATION ON MUSCLE SHOALS (S. DOC. NO. 206)

Mr. McNARY. Mr. President, this morning I received from the Secretary of the Treasury a report and financial analysis of the proposal of the Farmers' Federated Fertilizer Corporation to lease Muscle Shoals. I desire to have it printed in the RECORD, and I also ask unanimous consent to have it printed as a Senate document.

There being no objection, the matter referred to was ordered to be printed as a Senate document and to be printed in the RECORD, as follows:

TREASURY DEPARTMENT,
Washington, February 12, 1927.

Hon. CHARLES L. MCNARY,
Chairman Committee on Agriculture and Forestry,
United States Senate.

MY DEAR MR. CHAIRMAN: Further reference is made to your letter of January 7 requesting that the department make an analysis of the offer of the Farmers' Federated Fertilizer Corporation to lease the Muscle Shoals project in the same manner as has heretofore been done with the offers of the Air Nitrate Corporation, American Cyanamid Co., and the Muscle Shoals Fertilizer Co.

There is transmitted herewith an analysis of this bid which has been prepared by the engineering division of the Income Tax Unit as nearly as possible along the same lines as the other bids.

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

ANALYSIS OF THE BID OF THE FARMERS FEDERATED FERTILIZER CORPORATION

For the purpose of comparison with the analysis of the other bids for the properties at Muscle Shoals payments into the fertilizer fund are considered on the same basis as payments that would be made by the other bidders directly into the Treasury of the United States. It is assumed that the payments into the fertilizer fund will be limited to the rentals provided for in section 11 of Senate bill No. 5319, Sixty-ninth Congress, second session, less deductions provided for notwithstanding the provisions of section 61; for it is believed that the exemption from Federal taxes on income derived from the corporation's business other than the sales of power will more than offset any payments to the fertilizer fund which the corporation would make in dividing its profits in excess of 8 per cent on its investment equally between the fertilizer fund and the corporation.

In the computations of gross rentals no deductions have been made for any primary power the corporation will use. Accordingly, these amounts are too high, depending upon the amount of primary power which will be used by the corporation and not sold. The gross rentals as used appear to be in part payment (about 10 per cent) for primary power derived from steam plants. It would appear from the definition of primary power as defined by the bill that the power developed by steam plants would not be paid for. Also the gross rentals as shown are based upon a 100 per cent load factor. Ordinarily the load factor is materially less, and it would appear that a load factor of 80 per cent would be a much closer estimate. It is therefore believed that the gross rentals as shown in the following tabulations are maximum amounts.

It is assumed that all debenture bonds are to be amortized over a period of 20 years where the amounts set aside each year (which are deductible from rentals) for the amortization funds are such that the sum of these amounts, together with interest at 3 per cent, compounded annually from the time of entrance to the fund, will amount to the full value of the bonds.

Section 75 provides for interest on construction debenture bonds as a deduction from rentals. The interest rate assumed is 6 per cent as representing a reasonable expectation as to the marketability of these bonds.

It will be noted by reference to the tabulations submitted herewith that the estimated rentals during a large number of consecutive years are less than the deductions provided for by the bill. It may be assumed that these deficits will be accounted for by a reduction of the renewal and replacement fund or by other funds or accrued with interest at 4 per cent.

Inasmuch as section 15 of the bill provides that the corporation shall be exempted from all taxes of any nature whatsoever, it is necessary to make some computation as to the direct loss to the Government of such Federal taxes as would otherwise have been paid. For the purpose of this computation a uniform rate of 8 per cent is assumed for Federal income taxes. Only the income from power facilities is considered in arriving at the present worths of such estimated exemptions. The net income of the corporation under conditions No. 1 is assumed to be $50,000,000. The net income of the corporation under condition No. 2, without headwater storage, and conditions No. 2 with headwater storage are assumed to be those shown in Senate Document No. 189, Sixty-ninth Congress, second session, page 64, column 9, and page 66, column 10, respectively. If exemption from State taxes is intended and can be granted, the amount of such exemption would probably be in excess of the exemption from Federal taxes on the income from power sales and the corporation's other business.

The costs of power facilities are not stated in this analysis, since they are available in the analysis of the other bids and reports by the War Department. No data are available as to the cost of construction required under section 41.

All present worths shown in the following tabulations are based on 4 per cent compound interest, the same interest rate used in the analysis of the other bids. This is not intended to express, or imply, that there is the same assurance of the Government's realizing the income, or benefits, as set forth in the analysis of each of the other bids, or the bids here under consideration.

DETAILS OF DETERMINATIONS

Condition No. 1, without headwater storage and no further construction to be done

Present worth of net rentals (see column 8, condition No. 1, tabulation), which the corporation will pay to fertilizer fund		$29,305,603
Less present worth of exempted Federal taxes		1,718,560
Present worth of total benefits to Government		27,587,043

Condition No. 2, without headwater storage and additional works as itemized in section 55.

Present worth of net rentals with no allowance for deficits (see column 10, tabulation headed "Condition 2, without headwater storage")		$19,452,880
Cost of additional power facilities (see footnote (IV), condition 2, tabulation without headwater storage)	$44,000,000	
Cost of additional fertilizer facilities (see column 14, page 65, Senate Document No. 189; Sixty-ninth Congress, second session; the sum of the amounts in this column plus interest earned by these amounts at 3 per cent being equal to $20,000,000)	20,000,000	
Total additional facilities	64,000,000	
Present worth at 4 per cent of above amounts invested in additional facilities which will be turned over to the Government at the end of 50 years		9,005,632
Total		28,458,512
Less present worth of exempted Federal taxes		3,042,868
Present worth of total benefits to Government		25,415,644
If the above is to be reduced by the present worth of the rental deficits (see column 11 of condition No. 2, without headwater-storage tabulation), or		25,431,300
There remains no value.		

Condition No. 2, with headwater storage and additional works as itemized in section 55 and Cove Creek headwater-storage project

Present worth of net rentals, with no allowance for deficits (see column 10, condition No. 2, tabulation with headwater storage)		$23,777,622
Cost of additional power as provided by section 55	$44,000,000	
Cost of additional fertiliser facilities	20,000,000	
Cost of additional power facilities, Cove Creek project	20,000,000	
Total additional facilities	84,000,000	
Present worth at 4 per cent of above amounts invested in additional facilities which will be turned over to the Government at the end of 50 years		11,819,892
Total		35,597,514
Less present worth of exempted Federal taxes		3,228,050
Present worth of total benefits to Government		32,369,464
If the above is to be reduced by the present worth of the rental deficits (see column 11, condition No. 2, with headwater-storage tabulation), or		32,819,387
There remains no value.		

CONDITION NO. 1.

WITHOUT HEADWATER STORAGE

Table calculated on assumption that the Muscle Shoals project will be operated as it now exists without construction of Dam No. 3 and without additions to Dam No. 2 or to steam plant

Year	Gross rental credited, secs. 11 and 12[1]	Research fund, sec. 59	Emergency fund, sec. 60	Renewal and replacement fund, sec. 65[2]	Salaries and office expenses, secs. 35, 38, and 39	Total columns 2-5	Net fertilizer fund, sec. 61	Present worth fertilizer fund
	1	2	3	4	5	6	7	8
1	$800,000	$300,000	$100,000		$100,000	$500,000	$300,000	$288,461
2	1,118,000	300,000	100,000		100,000	500,000	618,000	571,376
3	1,436,000	300,000	100,000		100,000	500,000	936,000	832,100
4	1,754,000	300,000	100,000		100,000	500,000	1,254,000	1,071,924
5	2,072,000	300,000	100,000		100,000	500,000	1,572,000	1,292,069
6	3,155,200	300,000	100,000		100,000	500,000	2,655,200	2,098,444
7	3,155,200	300,000	100,000		100,000	500,000	2,655,200	2,017,734
8	3,155,200	300,000	100,000	$1,290,000	100,000	1,790,000	1,365,200	997,540
9	3,155,200	300,000	100,000	1,290,000	100,000	1,790,000	1,365,200	959,172
10	3,155,200	300,000	100,000	1,290,000	100,000	1,790,000	1,365,200	922,280
11 to 50	126,208,000	12,000,000	4,000,000	51,600,000	4,000,000	71,600,000	54,608,000	18,254,503
	149,164,000	15,000,000	5,000,000	55,470,000	5,000,000	80,470,000	68,694,000	29,305,603

[1] Based on the assumption that there is now available hydropower for 8,000 hours yearly of 95,000 kilowatts and steam power of 60,000 kilowatts, or a total of 155,000 kilowatts, which for 8,000 hours gives 141,552 kilowatt years. 141,552 kilowatt years at $22.29=$3,155,200.

[2] Based on the following costs:

Dam No. 2 (8 units)	$47,000,000
Steam plant	6,000,000
	53,000,000
Less navigation facilities	10,000,000
	43,000,000

8 per cent of $43,000,000=$1,290,000.

CONDITION NO. 2

WITHOUT HEADWATER STORAGE

Assumes the completion of Dam No. 2 with its full power equipment of 18 generating units, the construction and full power equipment of Dam No. 3, and the enlargement of the steam plant to a total capacity of 120,000 kilowatts, together with other items specified in section 55 of the proposed bill

Year	Gross rental credited secs. 11, 12 [1]	Deductions from gross rentals credited						Net fertilizer fund sec. 61	Net fertilizer fund deficits	Present worth of amounts shown in column 8	Present worth of amounts shown in column 9
		Research fund, emergency fund, and salaries, and office expenses, secs. 59, 60, 35, 38, and 39	Renewals and replacements, sec. 65 [2]	Amortization fertilizer debenture bonds, sec. 67 [3]	Amortization of construction debenture bonds, sec. 55 and 67 [4]	Interest on construction debenture bonds, sec. 75, at 6 per cent	Total deductions, 2 to 6, inclusive				
	1	2	3	4	5	6	7	8	9	10	11
1	$739,000	$500,000					$500,000	$239,000		$229,806	
2	1,940,000	500,000					500,000	1,440,000		1,331,361	
3	2,675,000	500,000			$111,647	$180,000	791,647	1,883,353		1,676,177	
4	3,001,000	500,000			334,941	540,000	1,374,941	1,626,059		1,389,962	
5	3,662,000	500,000		$744,400	669,883	1,080,000	2,994,283	667,717		505,488	
6	3,751,000	500,000		744,400	1,228,119	1,980,000	4,452,519		$701,519		$554,421
7	3,776,000	500,000		744,400	1,414,197	2,280,000	4,938,597		1,162,597		883,478
8	4,650,000	500,000	$2,487,000	744,400	1,637,492	2,640,000	8,008,892		3,358,892		2,454,309
9	4,673,000	500,000	2,487,000	744,400	1,637,492	2,640,000	8,008,892		3,335,892		2,343,754
10	5,101,000	500,000	2,487,000	744,400	1,637,492	2,640,000	8,008,892		2,907,892		1,964,467
11	5,530,000	500,000	2,487,000	744,400	1,637,492	2,640,000	8,008,892		2,478,892		1,610,241
12	5,530,000	500,000	2,487,000	744,400	1,637,492	2,640,000	8,008,892		2,478,892		1,548,308
13	5,530,000	500,000	2,487,000	744,400	1,637,492	2,640,000	8,008,892		2,478,892		1,488,758
14	5,530,000	500,000	2,487,000	744,400	1,637,492	2,640,000	8,008,892		2,478,892		1,431,498
15	5,530,000	500,000	2,487,000	744,400	1,637,492	2,640,000	8,008,892		2,478,892		1,376,439
16	5,530,000	500,000	2,487,000	744,400	1,637,492	2,640,000	8,008,892		2,478,892		1,323,500
17	5,530,000	500,000	2,487,000	744,400	1,637,492	2,640,000	8,008,892		2,478,892		1,272,596
18	5,530,000	500,000	2,487,000	744,400	1,637,492	2,640,000	8,008,892		2,478,892		1,223,651
19	5,530,000	500,000	2,487,000	744,400	1,637,492	2,640,000	8,008,892		2,478,892		1,176,586
20	5,530,000	500,000	2,487,000	744,400	1,637,492	2,640,000	8,008,892		2,478,892		1,131,334
21	5,530,000	500,000	2,487,000	744,400	1,637,492	2,640,000	8,008,892		2,478,892		1,087,822
22	5,530,000	500,000	2,487,000	744,400	1,637,492	2,640,000	8,008,892		2,478,892		1,045,981
23	5,530,000	500,000	2,487,000	744,400	1,525,845	2,460,000	7,717,245		2,187,245		887,422
24	5,530,000	500,000	2,487,000	744,400	1,302,551	2,100,000	7,133,951		1,603,951		625,735
25	5,530,000	500,000	2,487,000		967,609	1,560,000	5,514,609	15,391		5,773	
26	5,530,000	500,000	2,487,000		409,373	660,000	4,056,373	1,473,627		531,521	
27	5,530,000	500,000	2,487,000		223,293	360,000	3,570,293	1,959,707		679,660	
28	5,530,000	500,000	2,487,000				2,987,000	2,543,000		848,032	
29	5,530,000	500,000	2,487,000				2,987,000	2,543,000		815,415	
30	5,530,000	500,000	2,487,000				2,987,000	2,543,000		784,055	
31 to 50, inclusive	110,600,000	10,000,000	49,740,000				59,740,000	50,860,000		10,655,628	
Total	255,168,000	25,000,000	106,941,000	14,888,000	32,749,838	52,800,000	232,378,838	67,793,854	45,004,692	19,452,880	25,431,300

[1] From figures given on page 64, column 10, of Senate Document No. 189, Sixty-ninth Congress, second session.

[2] Derived as follows:

Dam No. 2, cost to date		$47,000,000
Additional units, Dam No. 2		8,000,000
Dam No. 3, cost including tie line		32,500,000
Total		87,500,000
Less for navigation facilities:		
Dam No. 2	$10,000,000	
Dam No. 3	4,000,000	
		14,000,000
Total cost of Dams 2 and 3		72,900,000
Add steam plant		10,000,000
Total subject to renewals and replacements		82,900,000
3 per cent of above		2,487,000

[3] Taken from page 65, column 14, of Senate document above referred to.

[4] These figures are derived by amortizing at 3 per cent compound interest over a period of 20 years the following amounts, taken from page 64, columns 2, 3, and 4 of the same Senate document:

First year	None.
Second year	$3,000,000
Third year	6,000,000
Fourth year	9,000,000
Fifth year	15,000,000
Sixth year	5,000,000
Seventh year	6,000,000

WITH HEADWATER STORAGE

Assumes the completion of all work mentioned in condition No. 2 and in addition the construction of a headwater storage project at Cove Creek at an estimated cost of $20,000,000

Year	Gross rental credited secs. 11, 12 [1]	Deductions from gross rentals credited						Net fertilizer fund sec. 61	Net fertilizer fund deficits	Present worth of amounts shown in column 8	Present worth of amounts shown in column 9
		Research fund, emergency fund, and salaries and office expenses, secs. 59, 60, 35, 38, and 39	Renewals and replacements, sec. 65 [2]	Amortization fertilizer debenture bonds, sec. 67 [3]	Amortization of construction debenture bonds, secs. 55 and 67 [4]	Interest on construction debenture bonds, sec. 75, at 6 per cent	Total deductions, 2 to 6, inclusive				
	1	2	3	4	5	6	7	8	9	10	11
1	$739,000	$500,000					$500,000	$239,000		$229,806	
2	1,940,000	500,000					500,000	1,440,000		1,331,361	
3	2,675,000	500,000			$111,647	$180,000	791,647	1,883,353		1,674,208	
4	3,001,000	500,000			334,941	540,000	1,374,941	1,626,059		1,389,962	
5	3,662,000	500,000		$744,400	669,883	1,080,000	2,994,283	667,717		548,815	
6	3,751,000	500,000		744,400	1,228,119	1,980,000	4,452,519		$701,519		$554,421
7	3,776,000	500,000		744,400	1,414,197	2,400,000	5,058,597		1,282,597		974,667
8	4,650,000	500,000	$2,487,000	744,400	1,637,492	2,940,000	8,308,892		3,658,892		2,673,516
9	4,673,000	500,000	2,487,000	744,400	1,637,492	3,228,000	8,596,892		3,923,892		2,756,876
10	5,101,000	500,000	2,487,000	744,400	1,637,492	3,648,000	9,016,892		3,915,892		2,645,436
11	6,536,000	500,000	2,937,000	744,400	2,381,892	3,840,000	10,403,292		3,867,292		2,512,119
12	6,740,000	500,000	2,937,000	744,400	2,381,892	3,840,000	10,403,292		3,663,292		2,288,081
13	6,952,000	500,000	2,937,000	744,400	2,381,892	3,840,000	10,403,292		3,451,292		2,072,756
14	7,173,000	500,000	2,937,000	744,400	2,381,892	3,840,000	10,403,292		3,230,292		1,885,413
15	7,266,000	500,000	2,937,000	744,400	2,381,892	3,840,000	10,403,292		3,137,292		1,742,025
16	7,266,000	500,000	2,937,000	744,400	2,381,892	3,840,000	10,403,292		3,137,292		1,675,025
17	7,266,000	500,000	2,937,000	744,400	2,381,892	3,840,000	10,403,292		3,137,292		1,610,601

CONDITION No. 2—Continued

WITH HEADWATER STORAGE—continued

Assumes the completion of all work mentioned in condition No. 2 and in addition the construction of a headwater storage project at Cove Creek at an estimated cost of $20,000,000—
Continued

Year	Gross rental credited secs. 11, 12 [1]	Deductions from gross rentals credited: Research fund, emergency fund, and salaries, and office expenses, secs. 50, 60, 35, 38, and 39	Renewals and replacements, sec. 65 [2]	Amortization fertilizer debenture bonds, sec. 67 [3]	Amortization of construction debenture bonds, sec. 55 and 67	Interest on construction debenture bonds, sec. 75, at 6 per cent	Total deductions, 2 to 6, inclusive	Net fertilizer fund sec. 61	Net fertilizer fund deficits	Present worth of amounts shown in column 8	Present worth of amounts shown in column 9
	1	2	3	4	5	6	7	8	9	10	11
18	$7,266,000	$500,000	$2,937,000	$744,400	$2,381,892	$3,840,000	$10,403,292		$3,137,292		$1,548,648
19	7,266,000	500,000	2,937,000	744,400	2,381,892	3,840,000	10,403,292		3,137,292		1,489,091
20	7,266,000	500,000	2,937,000	744,400	2,381,892	3,840,000	10,403,292		3,137,292		1,431,819
21	7,266,000	500,000	2,937,000	744,400	2,381,892	3,840,000	10,403,292		3,137,292		1,376,750
22	7,266,000	500,000	2,937,000	744,400	2,381,892	3,840,000	10,403,292		3,137,292		1,323,798
23	7,266,000	500,000	2,937,000	744,400	2,270,245	3,660,000	10,111,645		2,845,645		1,154,352
24	7,266,000	500,000	2,937,000	744,400	2,046,951	3,300,000	9,528,351		2,262,351		882,591
25	7,266,000	500,000	2,937,000		1,712,000	2,760,000	7,909,000		643,000		241,204
26	7,266,000	500,000	2,937,000		1,153,773	1,860,000	6,450,773	$815,227		$294,043	
27	7,266,000	500,000	2,937,000		967,693	1,560,000	5,964,693	1,301,307		451,315	
28	7,266,000	500,000	2,937,000		744,400	1,200,000	5,381,400	1,884,600		628,471	
29	7,266,000	500,000	2,937,000		744,400	1,200,000	5,381,400	1,884,600		604,290	
30	7,266,000	500,000	2,937,000		744,400	1,200,000	5,381,400	1,884,600		581,058	
31 to 50, inclusive	145,320,000	10,000,000	58,740,000				68,740,000	76,580,000		16,044,199	
Total	324,945,000	25,000,000	124,941,000	14,888,000	47,637,838	78,816,000	291,282,838	90,206,463	58,544,301	23,777,622	32,819,387

For (1), (2), (3) and (4), see tabulation No. 2, except that the cost used as the basis of amortization of construction debenture bonds are increased by $20,000,000 and the cost used as basis for renewals and replacements are increased by $15,000,000, assumed to be expended for the Cove Creek project by the end of the eleventh year.

PUBLIC CHARITABLE AND REFORMATORY INSTITUTIONS AND AGENCIES IN THE DISTRICT OF COLUMBIA (S. DOC. NO. 207)

Mr. CAPPER. I present a compilation of the reports of the public charitable institutions of the District of Columbia made by Dr. George M. Kober, of the Board of Public Welfare, and ask that they be printed as a Senate document.

The VICE PRESIDENT. Without objection, it will be so ordered.

HOUSE BILL REFERRED

The bill (H. R. 16282) granting the consent of Congress to the Nebraska-Iowa Bridge Co., its successors and assigns, to contruct, maintain, and operate a bridge across the Missouri River was read twice by its title and referred to the Committee on Commerce.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 9319) to authorize certain officers of the United States Navy to accept from the Republic of Chile the order of merit, first class, and the order of merit, second class.

PRESIDENTIAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that the President had approved and signed the following acts and joint resolution:

On February 12, 1927:

S. 4942. An act to authorize an appropriation for the purchase of certain privately owned land within the Jicarilla Indian Reservation, N. Mex.; and

S. J. Res. 141. Joint resolution to approve a sale of land by one Moshulatubba or Mushulatubbe on August 29, 1832.

On February 14, 1927:

S. 4727. An act to provide for the widening of Nichols Avenue between Good Hope Road and S Street SE. in the District of Columbia.

CLAIMS OF CERTAIN ARMY OFFICERS

The PRESIDING OFFICER (Mr. LENROOT in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 3436) for the relief of certain officers and former officers of the Army of the United States, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. MEANS. I move that the Senate insist on its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MEANS, Mr. CAPPER, and Mr. TRAMMELL conferees on the part of the Senate.

LEGISLATIVE APPROPRIATIONS

Mr. WARREN. Mr. President——

The VICE PRESIDENT. Morning business is closed.

Mr. WARREN. I ask that the action of the House of Representatives disagreeing to the amendments of the Senate to the legislative bill may be laid before the Senate.

Mr. BRUCE. Mr. President, is that in order?

The VICE PRESIDENT. It is in order for the Chair to lay before the Senate at any time a message from the House, or for a Senator to ask that such message be laid before the Senate. The Chair lays before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 16863) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1928, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WARREN. I move that the Senate insist upon its amendments, accept the invitation of the House of Representatives for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed as conferees on the part of the Senate Mr. WARREN, Mr. SMOOT, Mr. CURTIS, Mr. HARRIS, and Mr. JONES of New Mexico.

URGENT DEFICIENCY APPROPRIATIONS

Mr. WARREN. I present a conference report on House bill 16462, the deficiency bill, and ask that it may be read.

The VICE PRESIDENT. The conference report will be read.

The Chief Clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate numbered 8, 9, and 10 to the bill (H. R. 16462) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1927, and prior fiscal years, and to provide urgent supplemental appropriations for the fiscal year ending June 30, 1927, and for other purposes, having met, after full and free conference, have been unable to agree.

F. E. WARREN,
CHARLES CURTIS,
LEE S. OVERMAN,
Managers on the part of the Senate.

WILL R. WOOD,
LOUIS C. CRAMTON,
JOSEPH W. BYRNS,
Managers on the part of the House.

The VICE PRESIDENT laid before the Senate the action of the House of Representatives further insisting on its disagreement to the amendments of the Senate Nos. 8, 9, and 10

to the bill (H. R. 16462) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1927, and prior fiscal years, and to provide urgent supplemental appropriations for the fiscal year ending June 30, 1927, and for other purposes.

Mr. WARREN. Mr. President, the Senate is entitled to some explanation of this conference report.

Mr. HEFLIN. Mr. President, I desire to ask the Senator from Wyoming if this is the conference report on the deficiency bill?

Mr. WARREN. It is the conference report on the first deficiency bill.

Mr. President, I desire to state that the committee of conference have formally and informally had some eight or nine meetings, but they have been utterly unable to agree upon the two amendments remaining in dispute, after having come to a full agreement upon all other items contained in the bill.

The two amendments which are still in disagreement between the two Houses are, first, No. 8, the one which included an amendment offered by the Senator from Tennessee [Mr. McKELLAR]. That was an addition to the bill. The other amendment, No. 10, is a proposition to strike out, and was offered by the Senator from Utah [Mr. SMOOT].

The House conferees submitted a report of disagreement some four or five days ago. They have asked for no further conference. So it is left with this body whether they will proceed further or not. The conferees on the part of the House have twice reported to that body the conditions, and the House has unanimously, or nearly so on every occasion, by three different recorded votes, instructed their conferees to insist upon the position which they have taken.

On amendment No. 8, the so-called McKellar amendment, a record vote in the House was taken on February 10, and on a motion that the House further insist upon its disagreement to the amendment, the vote, on a division, was—yeas 128, nays 8.

On amendment No. 10, the so-called automobile accessory amendment, which struck out the House language, there were two record votes in the House, the first on February 4, where, on a motion to recede and concur in the Senate amendment, the vote, on a division, was—yeas 1, nays 187; and the second vote on February 10, where, on a motion that the House further insist upon its disagreement to the amendment, the vote by yeas and nays was—yeas 348, nays 1, answered "present," 3, not voting 81.

In cases of this kind it is quite customary to make a preferential motion that the Senate recede in order to reach a settlement, but I am not inclined to make such a motion unless requested to do so. The next step which might be taken would be to ask for a further conference and request the House to join us in that conference. My own judgment is that it is very doubtful whether we shall be able to convince the conferees on the part of the House of the wisdom and propriety of the course which we have taken in this body. The conferees on the part of the Senate have suggested, within our rights, various changes between the higher and the lower limits of these amendments. The suggested changes, including several which have been made to the conferees on the part of the Senate and which we have presented to the conferees on the part of the House, have been discussed and a good deal of time spent over them. So far, however, we have not been able to reach an agreement, and it seems likely that we shall not be able to do so and bring about a result which will be satisfactory to all; but I presume that my colleagues on the conference committee on the part of the Senate are entirely willing to try further, as am I. Therefore, I move that the Senate further insist upon its amendments still in disagreement, ask for a further conference with the House on the disagreeing votes of the two Houses on those amendments, and that the conferees on the part of the Senate be appointed by the Chair.

Mr. ROBINSON of Arkansas. Mr. President, I support unqualifiedly the motion of the Senator from Wyoming. The two amendments in dispute are known in the Senate as the amendment of the Senator from Tennessee [Mr. McKELLAR] and the amendment of the Senator from Utah [Mr. SMOOT]. The latter amendment strikes out a provision of the bill which requires a certain class of claimants to execute a bond to distribute the amount of the claims recovered under the bill to consumers. The amendment of the Senator from Tennessee provides that claims for refund shall be audited by the Comptroller General.

Both of these amendments ought to be written into the law, the amendment of the Senator from Utah for the reason that the advocates of the House provision justify it on the ground that if it is retained refunds will not be made. I may say that when the Government illegally collects a tax and it is adjudicated by Government tribunals that the collection is illegal, refund ought to be made in order to comply with the rules of common honesty.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. ROBINSON of Arkansas. I yield to the Senator from Michigan.

Mr. COUZENS. Does the Senator from Arkansas contend in the case of some 90 items which are involved where the manufacturer who paid the tax has collected it from the purchaser of his product that the manufacturer should be able to secure a refund and not pay any part of it to the purchaser, the ultimate taxpayer?

Mr. ROBINSON of Arkansas. The principle to which the Senator from Michigan refers applies to nearly all of these refunds. The enormous sums that are carried in this bill, aggregating $175,000,000, for the most part have been paid in the first instance by the direct taxpayer and charged to and collected from the consumer. If the principle of distribution is to apply, it ought to be made general, and Congress ought not to authorize a refund with the understanding that it is never to be made. It ought not to impose conditions which render impossible the payment by the Government of claims adjudicated by the Government's own tribunal.

I sympathize with the principle to which the Senator from Michigan has referred, but I am not willing to let $175,000,000 of refunds be made without any audit, on the theory that the Government is providing for the distribution of a few million dollars of this fund, applicable only in the case of manufacturers and importers, and the far more important amounts go without audit except by Treasury agents to the large taxpayers whose claims have been adjudicated in the same way in which the claims of the manufacturers and importers have been adjusted. This is the equivalent of appropriating $175,000,000 of public money from the Treasury of the United States upon the findings and conclusions of accountants in the Internal Revenue Bureau, and there is not a reason sounding in the public interest why all of these claims should not be audited by the Comptroller General. The only reason in actual fact is that in all probability a large part of the $175,000,000 may not be finally allowed.

Mr. WARREN. Mr. President——

Mr. ROBINSON of Arkansas. I yield to the Senator from Wyoming.

Mr. WARREN. I hardly think the Senator is right in saying that we are appropriating from the Treasury $175,000,000 of the money of the United States. We are giving back sums which were illegally taken from citizens, companies, and corporations by the United States.

Mr. ROBINSON of Arkansas. Yes; but at the same time it is equivalent to making an appropriation of that amount, because the money has been paid by the taxpayers.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. ROBINSON of Arkansas. Yes; I yield to the Senator from Michigan.

Mr. COUZENS. The Senator from Wyoming has said that this money has been illegally collected. That may be true in some cases; but the Congress has no information as to whether this money was illegally collected or otherwise; in other words, one bureau determines the legality and the justice of the claims, without any audit or control of any kind.

Mr. ROBINSON of Arkansas. Yes; that is the worst of it. The bureau that determined it to be legal and just in the first instance, and that collected it, has determined that it is illegal and unjust in the second instance. In other words, the bureau, according to its final findings, has imposed illegal taxes in the aggregate amount of $175,000,000; it has collected those taxes; and now it reverses its first findings, and proposes to return that $175,000,000 without adjudication in any form except by its own agents and accountants; and it is the equivalent of appropriating $175,000,000 out of the Treasury.

I say that if the claims are properly adjudicated, they ought to be paid. The United States ought not to collect taxes illegally and refuse to refund those taxes; but it is an astonishing fact that we are proposing to carry in one bill $175,000,000 of illegally collected taxes.

Mr. COUZENS. Mr. President——

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Michigan?

Mr. ROBINSON of Arkansas. I do.

Mr. COUZENS. To be perfectly fair to the Bureau of Internal Revenue, I should like to point out to the Senator from Arkansas that some of these moneys have been declared by the courts to have been illegally collected.

Mr. ROBINSON of Arkansas. What amount?

Mr. COUZENS. Nobody knows. That is the point I want to raise. Many of them have been declared by the courts to

have been illegally collected, and it is not the bureau's fault that they have to be refunded.

Mr. ROBINSON of Arkansas. Of course, as to those amounts, they ought to be refunded; and I understand that a large number of the claims to which the amendment of the Senator from Utah relates is in that class. They have been adjudicated by the courts, and judgments have been rendered declaring that they shall be refunded; and now it is proposed to write into the law a provision which will make it impossible to carry out the orders of the courts.

Mr. WARREN. I will say to the Senator that that is a small amount in comparison to the larger one.

Mr. ROBINSON of Arkansas. How much is it?

Mr. WARREN. I think about $20,000,000.

Mr. ROBINSON of Arkansas. Well, that is a small amount compared with $175,000,000.

Mr. WARREN. If the Senator will allow me to complete what I was about to say, it is, as the Senator says, small compared to the $175,000,000; but it is a considerable amount, nevertheless.

Mr. ROBINSON of Arkansas. Mr. President, I imagine that $20,000,000 is substantial enough in sum to justify the Senate in insisting upon applying the principles of justice as we understand them. When a court of the United States decides that the Government has illegally collected a tax, we ought to make the refund; but as to the remainder—approximately $155,000,000, if the statement is correct that the amount adjudicated by the courts is $20,000,000—there can be no objection to having them audited unless the objection arises out of the fact that the audit when made will disclose that the claim, or a portion of it, is not well founded.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. ROBINSON of Arkansas. I have concluded what I had to say.

Mr. McKELLAR. May I say this to the Senator in reference to the matter of which he has just spoken: I wrote to the Secretary of the Treasury and asked him for information as to how much of the $175,000,000 would be used for paying court judgments and how much for paying Board of Tax Appeals judgments, if any there were; and he declined to give me any information at all about the matter.

Of course, we all know that all that anyone having a judgment of a court has to do is to send the judgment, or a certified copy of the judgment, down to the Appropriations Committee, and it is always allowed. There is no reason in the world for looking into that, and it will not be done. It is a mere subterfuge, however, to mix up these other matters with court judgments, because nobody objects to the payment of the court judgments. The Senator from Arkansas is exactly right in saying that the Internal Revenue Department has the power of collecting these moneys in the first place, and then it has the power to pay back for its mistakes. That power ought to be revised in some way, and it seems to me that the way arranged in the amendment is the best way.

Mr. LENROOT. Mr. President——

Mr. McKELLAR. I yield to the Senator from Wisconsin.

Mr. LENROOT. Referring to the item under consideration, $20,000,000, is it not true that while the court in a single case decided the principle of law which calls for the refund of a small amount there are many other cases involving the same principle of law which are equally entitled to refunds?

Mr. McKELLAR. As to that we have no knowledge whatsoever. The Secretary of the Treasury declined to furnish any information on the subject.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. ROBINSON of Arkansas. That is just what we are trying to ascertain. We are denied information on the subject.

Mr. McKELLAR. We are denied information absolutely.

Mr. ROBINSON of Arkansas. My proposition is this, if the Senator will yield in order to enable me to state it——

Mr. McKELLAR. Yes; I yield.

Mr. ROBINSON of Arkansas. Whenever the tribunals established by the United States declare that a tax has been illegally collected, and therefore a refund should be made, it is the duty of the Congress as an act of common honesty to make the necessary appropriation and comply with the obligation of the Government. In so far as the courts have adjudicated these claims, we certainly ought to make the necessary appropriations. If we want to establish and adhere to the principle of distributing sums refunded to the persons who in the last analysis paid them, we ought to make the applications more general; and if that were done, we would have far fewer claims for refunds presented, and much less than $175,000,000 in refunds carried in these annual deficiency appropriation bills.

Mr. HEFLIN, Mr. CURTIS, and Mr. LENROOT addressed the Chair.

The VICE PRESIDENT. Does the Senator from Tennessee yield; and if so, to whom?

Mr. McKELLAR. I yield first to the Senator from Alabama.

Mr. HEFLIN. Mr. President, I want to tell the Senator about some information I got on this subject. I called up the department a few days ago, and a Mr. McCullough answered, from the Internal Revenue Department. I said, "Is there any way to get a list of names of the people to whom you have decided to refund this money?" He said, "Senator, we have not determined that yet. We have not audited this proposition yet. We are asking to get this money and have it ready so that when we make the audit we will have the money on hand, and can settle the claims without having to pay interest." I said, "Do you mean to tell me that you have estimated this amount, that that is the way you got at it?" He said, "Yes, sir." I said, "How did you estimate it?" He said, "By the amount we used last year."

Think of that, Senators! Striking an average as to this matter of refunding taxes, and having the Government appropriate $175,000,000 to lie in the Treasury to be fed out in refunds as some clerk audits these accounts. I think Congress ought to require them to have a list, to go over it and put opposite each name the amount which the taxpayer is entitled to have refunded, and bring it up at the next session of Congress, and say, "That is the amount that we have adjudged should be returned to these people," and then let Congress pay it.

Think of the slipshod, haphazard, indefensible program we have had here of going ahead and letting them estimate how much they will give back to taxpayers who paid taxes in 1919, 1920, 1921, 1922, 1923, and 1924, and it is estimated this year that the amount is $5,000,000 more than it was last year.

Mr. LENROOT. Mr. President, I should like to ask the Senator from Tennessee a question.

Mr. McKELLAR. I shall be very glad to have the Senator do so.

Mr. LENROOT. The Senator said that no information had been furnished about this item. The Senator will remember that it was discussed in the committee, and that we were there informed that this item grew out of the fact that the Supreme Court had decided that certain parts that had been taxed were not taxable under the law, because they were used for articles other than automobiles.

Mr. McKELLAR. The Senator is speaking of automobile parts?

Mr. LENROOT. Yes.

Mr. McKELLAR. That is true.

I now yield the floor.

Mr. SMOOT. Mr. President, there seems to be a misunderstanding in the minds of some of the Senators as to this $175,000,000 appropriation.

This $175,000,000 is appropriated exactly in the same way that the amount for the preceding year was appropriated. The refunds to the persons whose names the Senator read have already been made.

Mr. McKELLAR. If they have, Mr. Nash is responsible for a mistake, because he says in the hearings they have not.

Mr. SMOOT. I am quite sure they have been paid.

Mr. McKELLAR. Maybe they were hurried a little bit.

Mr. SMOOT. I know they have been paid, Mr. President. I do not have to take the word of Mr. Nash or anyone else. I say to the Senator that they have been paid, and the amount of $175,000,000 now appropriated in the bill that is in conference is for a credit in the Treasury of that amount of money, in order that any judgment or final settlement of a claim is arrived at in favor of the taxpayer shall not wait a year. The Government of the United States, under the law, is compelled to pay 6 per cent interest on such amounts; and as soon as a judgment or claim is rendered the United States ought to pay that judgment. Again, the matter is not passed upon by one or two clerks, as so often stated by Senators.

Mr. FLETCHER. This is not confined to judgments.

Mr. SMOOT. I mean a judgment or settlement by the department and taxpayer.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. SMOOT. Just a moment. These matters are not passed on by one or two clerks, as has been stated. They are passed on by four divisions of the Treasury Department, as I stated the other day. Not a cent of this money is paid until the matter passes through those four divisions of the department; and when it is finally decided there, if the taxpayer is not satisfied with the judgment he can appeal to the Board of Tax

Appeals; and if he does that, and the Board of Tax Appeals renders the same judgment, he then can appeal again to the United States court.

Mr. McKELLAR. Mr. President——

Mr. SMOOT. I yield.

Mr. McKELLAR. I just want to say to the Senator that in so far as judgments of courts are concerned, and judgments of the Board of Tax Appeals, if there are any, there will not be the slightest question raised about appropriating the money to pay those claims, because we know that they ought to be paid; but the great body of this $175,000,000 which is appropriated is there as a fund and an open invitation to these gentlemen to pay out refunds, and that is what I object to.

Mr. SMOOT. I simply want to state for the information of the Senator that many of these large refunds come about from the jeopardy assessments that were placed on the taxpayer by the Government. We all know that.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. SMOOT. Yes.

Mr. COUZENS. Does the taxpayer have to pay a jeopardy assessment?

Mr. SMOOT. If determined that it is right, he does.

Mr. COUZENS. But he does not have to pay it because it was a jeopardy assessment.

Mr. McKELLAR. No; he does not have to pay it.

Mr. SMOOT. Not if found incorrect, but if a jeopardy assessment imposed by the Treasury Department is finally decided to be correct the tax payment must pay it.

Mr. COUZENS. That is not correct.

Mr. SMOOT. I say it is correct, and I say that the Treasury should not retain from the taxpayer the full amount of the jeopardy assessment where the tax was less than the assessment. The question was whether the jeopardy assessment was correct or not. The time limit was about to be reached, and they either had to put the jeopardy assessment on or they could not impose any additional tax upon the taxpayer, and in order that the Treasury Department should be perfectly secured and safe in cases I think they imposed more than they actually expected the assessment to be.

Mr ROBINSON of Arkansas. That makes the case worse.

Mr. SMOOT. That is the history of it.

Mr. ROBINSON of Arkansas. I have not made any attack on the Bureau of Internal Revenue——

Mr. SMOOT. I know the Senator has not.

Mr. ROBINSON of Arkansas. I have particularly refrained from doing that, but if it is the policy of the Government of the United States, in levying its taxes, to make assessment in amounts more than the Government officers believe the Government is entitled to collect, then that policy needs correction.

Mr. SMOOT. Mr. President, it has been corrected by law, and not only that, most of these jeopardy assessments came on the assessments for the years 1917, 1918, and 1919. I do not know a jeopardy assessment that has been imposed since returns of 1919.

Mr. ROBINSON of Arkansas. That does not make any difference in dealing with the principle.

Mr. SMOOT. It makes this difference: The laws were so complicated at that time that very few people could make a return which they knew to be absolutely correct. There were complicated questions as to capital-stock and excess-profits taxes, depletion, and so on. It seemed that there was every complication in connection with the taxes that could have been conceived of. The system was new to the taxpayers of the United States, and that was proven by the investigations made, in which it was found that there were many errors, both against the taxpayers and in favor of the taxpayers. The time limit was approaching and the jeopardy assessments were imposed; and many of these refunds come within that class. The Government of the United States imposed the jeopardy assessments to protect the Treasury of the United States.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield for a question?

Mr. SMOOT. I yield.

Mr. ROBINSON of Arkansas. What proportion of the $175,000,000 carried in the bill for refunds is included within what the Senator terms "jeopardy assessments"?

Mr. SMOOT. I could not give the exact proportion.

Mr. ROBINSON of Arkansas. Can the Senator say approximately?

Mr. SMOOT. I will say a large part of them were jeopardy assessments.

Mr. ROBINSON of Arkansas. That is so utterly indefinite, that it does not give me a very clear impression of what the Senator means.

Mr. SMOOT. I can not tell the exact amount.

Mr. ROBINSON of Arkansas. Then, why does the Senator say that a great part of them are jeopardy assessments?

Mr. SMOOT. Because I know that a great part of them are. I do not know the percentage, whether it is 90, or 95, or 85.

Mr. ROBINSON of Arkansas. The Senator thinks, then, it is from 85 to 95 per cent?

Mr. SMOOT. I would not say that that is the figure.

Mr. ROBINSON of Arkansas. The Senator does not know, but he has made a statement here, in seeking to justify the processes employed in connection with the adjudication of these claims, that they were based on jeopardy assessments. Why should the Government in any case—in any case—assess a tax in an amount more than the Government agents believe ought to be paid?

Mr. SMOOT. I will say to the Senator that away back in 1917, 1918, and 1919, the Government of the United States sent out, as fast as was possible, requests to the taxpayers to sign a waiver as to the time limit. There was no jeopardy assessment imposed on those who signed the waiver. There was a jeopardy assessment immediately assessed against those who did not sign the waiver.

Mr. ROBINSON of Arkansas. Does not the Senator know that the jeopardy assessments are not in fact paid, as a rule?

Mr. COUZENS. Certainly they are not.

Mr. SMOOT. Not unless they are found to be correct.

Mr. ROBINSON of Arkansas. Then, why should there be an appropriation to refund a tax that has never been paid?

Mr. SMOOT. I did not say there was never any tax collected through a jeopardy assessment, because there have been such taxes collected; and in large amount. They were a measure of protection which the Government took advantage of.

Mr. ROBINSON of Arkansas. It was no protection if the Government levied a tax which its agents did not believe should be collected. That is a species of oppression that is simply intolerable under any system of tax collection.

Mr. SMOOT. It grew out of the war.

Mr. ROBINSON of Arkansas. No matter what it grew out of.

Mr. REED of Pennsylvania. Will the Senator yield to me?

Mr. ROBINSON of Arkansas. No system ought to be fostered and encouraged which permits Government agents to impose or levy taxes which the agents do not believe can properly be collected.

Mr. SMOOT. The Secretary of the Treasury at that particular time thought otherwise. It was the policy of the administration to do it, and they did it, and now these cases are being settled; and it is nothing more than common honesty on the part of the Government of the United States to pay back to the taxpayer whatever tax was collected unjustly.

Mr. ROBINSON of Arkansas. I agree with that, provided the claim has been efficiently and fairly adjudicated.

Mr. SMOOT. I agree with the Senator in that statement. I have no reason whatever to doubt that they have been.

Mr. ROBINSON of Arkansas. Why should we not have some proof about the matter? Why should the Senate and the Congress of the United States be asked to take the findings of accountants and clerks upon subjects of this character without even an audit?

Mr. REED of Pennsylvania. Mr. President, if the Senator will yield to me——

Mr. ROBINSON of Arkansas. We will not pass through the Congress a private claim for $40 for the widow of a dead soldier without having an investigation by a committee of Congress and without a long discussion on the floor of the Senate of the United States, but here we are setting up a system by which $175,000,000 of public money collected, or alleged to have been collected, under the laws and by the processes provided for by the Congress is to be refunded without an audit.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield to me?

Mr. ROBINSON of Arkansas. I yield.

Mr. REED of Pennsylvania. Until we established the Court of Tax Appeals it was not possible for the taxpayer to get a judicial review of the assessment of taxes against him. The only way he could get a review was to pay the amount assessed by the Bureau of Internal Revenue and then bring suit to recover it back. A very large percentage of this $175,000,000 of refunds has been judicially determined in that way, and that is necessary, because it had been paid in.

Mr. ROBINSON of Arkansas. Will the Senator yield?

Mr. REED of Pennsylvania. Yes.

Mr. ROBINSON of Arkansas. What amount of this $175,000,000 has been judicially determined in the way the Senator has stated?

Mr. REED of Pennsylvania. I do not know.

Mr. ROBINSON of Arkansas. In such amount the Congress is morally bound to make appropriations; but if it was neces-

sary to establish a Board of Tax Appeals in order to protect the taxpayer against oppression by the Government and in order to protect the Government against the inefficiency of the department, then why not limit these refunds to the amounts that have been adjudicated?

Mr. WARREN. Mr. President, since the Senator has alluded to the amount which may be payable now, I want to say that I think it is about $65,000,000, more or less; probably more.

Mr. ROBINSON of Arkansas. Then we are appropriating $110,000,000 to pay claims which the Senator from Pennsylvania——

Mr. WARREN. After the people have already waited four or five years to be paid.

Mr. ROBINSON of Arkansas. Which the Senator from Pennsylvania justifies in the amount of $65,000,000.

Mr. REED of Pennsylvania. No, Mr. President——

Mr. ROBINSON of Arkansas. I do not mean to misquote the Senator.

Mr. REED of Pennsylvania. The Senator does not misquote me, but he does not allow me to finish.

Mr. ROBINSON of Arkansas. I did not know the Senator had started——

Mr. REED of Pennsylvania. I seem to have started $65,000,000 worth.

Mr. ROBINSON of Arkansas. I yield.

Mr. REED of Pennsylvania. Just a moment, if the Senator will indulge me.

Mr. ROBINSON of Arkansas. Certainly.

Mr. REED of Pennsylvania. A very large number of assessments are made by the subordinate officials in the bureau because of a belief that the taxpayer has deducted too much for depreciation, or amortization, or depletion, items of that sort, which depend largely on judgment. When those claims come on for a review by the board of review which they have installed in the department, it is very often found that not enough has been assessed against a taxpayer, and then he is charged for more, and these daily reports from the Treasury Department show millions of dollars coming in every week under those additional assessments. The converse is often so. The board of review will find that in its zeal to protect the Government the bureau has assessed too much taxes. It is only common honesty that we pay that back, and pay it promptly. That is where the balance of this comes in.

Mr. ROBINSON of Arkansas. When we know what amount we have unlawfully collected, we ought to pay it back. That is what I have been insisting all morning. But I further insist that when the Senator justifies this appropriation on the ground that the Board of Tax Appeals had passed upon the items involved in the appropriation, when it later appeared that less than half of the amount had ever been passed upon by the Board of Tax Appeals, there arose in my mind a doubt as to the remainder of the appropriation.

I am not questioning the honesty of anybody who has participated in these decisions, but I do say that there is nothing unfair, oppressive, or unjust in adjudicating these claims against the Government before an impartial tribunal. The fact that the agents of the Internal Revenue Bureau levied an illegal assessment in the first instance, which is the basis of the claim, justifies me in believing that someone besides the agents of the bureau ought to have an opportunity to pass upon the matter.

Mr. REED of Pennsylvania. If the Senator were a taxpayer who had paid $50,000 more than he was lawfully required to pay——

Mr. ROBINSON of Arkansas. I do not want the Senator from Pennsylvania to misunderstand me. I say that in the first place the Government should never levy a tax against a taxpayer which it is believed is not collectible. That is the first reform that ought to be inaugurated.

Mr. REED of Pennsylvania. Who ever said they did?

Mr. ROBINSON of Arkansas. The Senator from Utah [Mr. SMOOT].

Mr. SMOOT. No——

Mr. ROBINSON of Arkansas. He said over and over, in his statements in the debate this morning——

Mr. SMOOT. I will say again——

Mr. ROBINSON of Arkansas. He said that in order to protect the Government against the possibility of loss it was the habit of the agents of the Internal Revenue Bureau in many instances to levy assessments in amounts which they did not believe were collectible.

Mr. SMOOT. No; I did not say that.

Mr. ROBINSON of Arkansas. I leave it to the RECORD.

Mr. CURTIS. Mr. President——

The VICE PRESIDENT. The Senator from Kansas.

Mr. CURTIS. I understand the motion is that we disagree and ask for a further conference.

The VICE PRESIDENT. The question is upon the acceptance of the conference report——

Mr. CURTIS. The conferees have been carrying out the instructions——

Mr. BRUCE. Mr. President, I want to ask a question. Will the Senator yield to me?

Mr. NORRIS. Mr. President, I can not hear the questions that are being propounded to the Chair.

Mr. CURTIS. I suggested that the conferees have been carrying out the instructions of the Senate, and the motion of the Senator is to disagree and send the bill back to conference, and I hope we can get action upon it.

The VICE PRESIDENT. The question is first upon agreeing to the conference report——

Mr. NORRIS. I want to be heard.

Mr. BRUCE. I want to ask a question of the Senator from Wyoming.

The VICE PRESIDENT. Senators will wait until the Chair states the pending question. The question is upon agreeing to the conference report, which is to the effect that the conferees disagree. That is the question before the Senate at present. Without objection, the report is agreed to.

Mr. BRUCE. Mr. President——

The VICE PRESIDENT. The Senator from Maryland.

Mr. BRUCE. I would like to ask the Senator from Wyoming a question.

Mr. WARREN. One moment, please.

Mr. BRUCE. Certainly.

Mr. WARREN. Mr. President, did I or did I not make a motion for the appointment of conferees?

The VICE PRESIDENT. The motion of the Senator from Wyoming is now in order.

Mr. WARREN. I move that the Senate further insist on its amendments and ask for a further conference with the House, and that the Chair appoint the conferees on the part of the Senate.

Mr. BRUCE. Mr. President, I should like to ask the Senator from Wyoming whether he really entertains any serious, substantial expectation that the House conferees will recede from their position? The information I have is by no means authoritative, but I have pretty good grounds, I think, for believing that the House conferees will not recede, and that consequently the reference of this matter to the conferees again will be nothing more than just an empty form.

I wish to say a word more in this connection. A good deal has been said about jeopardy assessments. I submit that a jeopardy assessment, or what is equivalent to a jeopardy assessment, is a feature of almost every system of assessments in the United States. In the city of Baltimore, for instance, it is the commonest thing in the world for the board charged with the duty of assessing property in that city to notify the taxpayer that it has assessed his property at such a sum, and if he deems that sum excessive he will have the right of coming before the board and disproving the correctness of the assessment. It is a frequent thing, where the taxpayer attempts to evade a fair consideration of the question as to whether he should or should not be assessed, for a tentative assessment to be made. It may be called a jeopardy assessment, but I call it a tentative assessment, subject, of course, to rectification in case it should prove that the assessment is unjust or oppressive.

It seems to be supposed that all of these refunds are going to be made to manufacturers or other persons who have passed the taxes on to the consumer. That idea is not tenable. For instance, I am interested at this moment in a refund asked for by one of the great financial institutions of the city of Baltimore, amounting to about half a million dollars, and asked for in behalf of trust estate or trust estates held by it. Is such a refund to be held up? It is bearing no interest. It has long ago been audited and approved by the Treasury officials. Is it to be held up and finally, if paid, paid without interest after the lapse of months and months?

There was a time perhaps when the interests of the public were not properly protected in the matter of refunds, but as the Senator from Utah [Mr. SMOOT], with the fullness of knowledge that he possesses on every subject which relates to the finances of the Government, has demonstrated, that time has passed. If the conclusions reached by subordinate Treasury officials are unsatisfactory to the taxpayer then, as I understand it, the matter may be taken up by four different divisions of the Treasury Department. There can be a review by the Board of Tax Appeals and there can be an appeal to the courts. What more can be desired than that?

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. BRUCE. I know the Senator from Michigan is quite an expert on this subject and has passed through the mill himself. I yield to him.

Mr. COUZENS. I would like to ask if the Senator understands, when a taxpayer agrees with the subordinate officials, where the matter goes then? The Senator is referring only to the cases where there is a disagreement between the subordinate officials and the taxpayer.

Mr. BRUCE. Yes; I know. I suggested at the last session of Congress that in those cases there should not only be an appeal allowed to the taxpayer but an appeal allowed to the Government. I would have every solitary one of the refunds open to appeal by the Government. If I may refer to the city of Baltimore again, because a man likes to take his own home for illustration, when property is assessed by its appeal tax court, not only has the taxpayer the right to appeal from the assessment but the city of Baltimore, too, has the right to appeal from it.

Mr. COUZENS. The Senator must remember that that is done in the open; that it is done by public hearings. This is not done by public hearings in the Treasury Department. There it is done in secret.

Mr. BRUCE. What the Senator suspects then, I suppose, is corruption on the part of Government officials?

Mr. COUZENS. I not only suspect it, but I know it.

Mr. BRUCE. I should think that it is the duty of the Senator from Michigan then to follow his knowledge up and see that those miscreants are prosecuted and punished.

Mr. COUZENS. The Senator from Michigan has already submitted a report in volumes to this Congress which the Senator from Maryland has evidently never read, in which I proved conclusively that the statement I have made is correct. With respect to the jeopardy assessments it is perfectly obvious that the jeopardy assessments may be made and are made as the Senator from Utah said, and when the taxpayer submits the jeopardy may be removed, all behind closed doors. The taxpayer may even get a refund secretly after having submitted to the dictates of the Treasury Department.

Mr. BRUCE. Then why does not the Senator, instead of coming forward with this cloud of suspicion, introduce a bill giving the Government an opportunity to review such action on the part of its officials?

Mr. COUZENS. There is a bill before the Finance Committee now covering that very matter.

Mr. SMOOT. Mr. President, will the Senator from Maryland yield?

Mr. BRUCE. I yield to the Senator from Utah.

Mr. SMOOT. In every case of a refund it goes to four divisions of the department.

Mr. COUZENS. That is not true.

Mr. BRUCE. In spite of the claims of the Senator from Michigan——

Mr. SMOOT. Oh, yes, Mr. President.

Mr. BRUCE. I yield to the Senator from Utah.

Mr. SMOOT. All I can say is that my statement is correct. I am told by the Treasury Department that the matter is followed up, and why should it not be followed up? The taxpayer has a perfect right to take it to the Board of Tax Appeals, and even if they agree then it has to go immediately clear through the four divisions of the Treasury Department before it is finally paid.

Mr. BRUCE. It seems to me that the matter is abundantly safeguarded. I trust that the Senate will not insist on these amendments. It is perfectly clear that they have not met with favor at the hands of the House. It is fair to assume that the Senate conferees have done everything in their power to make the amendments palatable to the House conferees, but they have not been able to do it. Why should this everlasting circle of conferences be kept up? The bill is a deficiency bill and of the utmost importance. There is $175,000,000 of tax refunds hanging on the result of its passage and millions of this amount, I imagine, are sums that are to be refunded to financial institutions, trust companies, and what not.

Mr. WARREN. There are a great many items other than the automobile tax in the bill.

Mr. HEFLIN: Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. HEFLIN. I understand that the motion to agree to the conference report has been carried.

The VICE PRESIDENT. The conference report has been accepted, it being a report of a disagreement. The motion of the Senator from Wyoming now is that the Senate further insist upon its amendments, ask for a further conference, and that the Chair appoint conferees on behalf of the Senate.

Mr. WARREN. Mr. President——

Mr. BRUCE. I yield to the Senator from Wyoming.

Mr. WARREN. The Senator from Maryland asked me a question. I wish to say to him that the life of a conferee is somewhat vexatious, but while there is life there is hope always. We got into this rather unusual situation. To show the condition we had to meet I will say that the House, through its two floor leaders, one from each side, the chairman of the Committee on Finance and, for that matter, his entire committee so far as I know, and the Speaker of the House have all agreed upon the amendment regarding the automobile-tax question, which our committee deemed impracticable and which we cut out accordingly. They have behind them the legislative action of the Committee on Ways and Means of the House. They took the matter to the House in the first place and reported. The House voted upon the automobile proposition almost solidly, as I have shown, the first time the conference managers reported. On the next vote there was one defender of the so-called McKellar amendment, but aside from that the vote was unanimous. Later, on another day, they reported to the House again, after further meeting with us, and they had two different votes. The first one, covering both disputed amendments, was 348 votes against and, I think, 5 in favor. On the other vote it was again unanimous, with the exception of the 1 vote. We have that condition to meet and to contend against.

Mr. BRUCE. It is perfectly obvious that the objections of the House are absolutely insurmountable. That is the point I was trying to make.

Mr. WARREN. I do not care to enter into the merits of the case, but we must remember that the law provides who shall arrange the payments of these taxes. For instance, the Comptroller General, with whom I have talked about this matter, feels that the law has placed in him the duty to prevent any fraud. So far as he knows, he sees to it that the amounts are correct; but the law itself, which was enacted in 1926, provides that the Commissioner of Internal Revenue shall finally settle these matters after they have been through the hands of the various officials of the Treasury Department; so that under the law the House has rather the best of us. I am not prepared to say that we can not win perhaps in the long run. The Senator himself can see the difficulties.

Mr. BRUCE. I know that the Senator from Wyoming is an old soldier and does not give up very quickly. But if I were in his position I think I would lay down my arms.

Mr. WARREN. I am ready to have a vote on the question.

The VICE PRESIDENT. The question is on the motion of the Senator from Wyoming that the Senate further insist upon its amendments, ask for a further conference, and that the Chair appoint the conferees on the part of the Senate.

Mr. BRUCE. Mr. President, I have not yet yielded the floor. I submit that I am entitled to consideration. I want to retain the floor simply for the purpose of making an apology to the Vice President for having broken in on him a few moments ago. I thought he was about to decide the question, and I was mistaken. He might well have taken exception to my manner.

Mr. WARREN. Mr. President, I remember one time in my boyhood—Civil War times—when it was undertaken to collect internal taxes and we thought it was nearly murder. I remember the near revolution that took place. The present internal revenue law of course applies more sharply than does the levying and collecting of taxes upon counties or towns. That is one of the matters for which we ourselves provided. We provided for it first by amending the Constitution. We provided for it, furthermore, by a law which leaves a man where he is bound to pay or go to jail.

Mr. COPELAND. Mr. President, I should like to ask the Senator from Wyoming a question. Is the Senator in favor of the amendment of the Senate?

Mr. WARREN. Whenever the Senate of the United States amends on this floor a bill of which I have charge and then puts me in charge of it as one of the conferees, I favor it as long as it has any life left.

Mr. COPELAND. I honor and respect the Senator for his devotion to duty. So far as I am concerned, however, it seems very unfair to me to discriminate between a taxpayer having a refund of over $50,000 and require him to go through a certain process, when the man who has only $40,000 or $25,000 refund does not have to go through such a process. As I view it, it is unfair discrimination.

I want to ask the Senator a further question. If the bill passes, what about claims which have been already adjusted and which have been adjudicated. Will it be necessary for those claims to be taken up?

Mr. WARREN. If the claimant has his money, he is all right.

Mr. COPELAND. But if it has gone through the Internal Revenue Department and has been agreed upon and the payment has not been made, will it be necessary for that claimant to take to the Comptroller General the matter of his claim?

Mr. WARREN. We shall have to wait until sometime in the future, when the Congress may provide otherwise by appropriation.

Mr. COPELAND. It means that many claims have been years and years before the Internal Revenue Bureau.

Mr. WARREN. That is true.

Mr. COPELAND. I know of one claim brought to my attention which has been before the bureau four years and has just now reached adjustment. They must go into the Comptroller General's Office and present the matter there.

Mr. WARREN. We have two courts which are very busily engaged in settling these tax questions. There is the Tax Appeals Board, so called. They have operated, I think, and passed upon some thirty-odd thousand claims, and they have as many more awaiting their action.

There are some four hundred and forty-odd cases before the Court of Claims. I have a list of the cases which are pending there. I asked why they should be there instead of before the Board of Tax Appeals. They said they could think of only one reason, and that was that appeals from the Court of Claims could go directly to the Supreme Court, while the appeals from the Tax Appeals Board would have to go into the district courts.

Mr. CARAWAY. Mr. President, will the Senator from New York yield to me, in order that I may ask the Senator from Wyoming a question?

Mr. COPELAND. I yield to the Senator from Arkansas.

Mr. CARAWAY. The Board of Tax Appeals was established because it was thought that the department was making mistakes, was it not?

Mr. WARREN. I do not entertain that idea, probably because I am not connected with any committee which has the handling of revenue measures.

Mr. CARAWAY. Under what theory did we set up the Board of Tax Appeals, unless it was thought that there were errors to be corrected?

Mr. WARREN. All questions of difference are subject to the review of a court, of course.

Mr. CARAWAY. Congress thought it wise to have some place where mistakes could be reviewed, did it not?

Mr. WARREN. Yes.

Mr. CARAWAY. If it were wise, does the Senator think that the Board of Tax Appeals has been helpful or hurtful? Would the Senator like to abolish that Board of Tax Appeals?

Mr. WARREN. If the Senator from Arkansas is asking me for my private opinion, I will say that I do not think we should do away with that board, because, as I have stated before, differences arise between the best of people and in the best-administered governments.

Mr. CARAWAY. This amendment seeks to set up some tribunal which can pass upon the mistakes that may be made by the department. Why should that not be done? What earthly objection can any honest man who is in the department and who is charged with the responsibility of paying out millions of dollars alleged to have been collected erroneously advance against having his action reviewed?

Mr. WARREN. Under the circumstances of the matter at issue, I suggest to my friend from Arkansas that he consult the gentleman with whom we are unable to agree.

Mr. CARAWAY. I thought, perhaps, they had given the Senator some information that he might impart to us.

Mr. COPELAND. Mr. President, I simply wish to say for myself that I think it is unfair to the taxpayers to impose a further burden upon them when they have already adjusted their differences with the department.

In the next place, I think it is unfair to discriminate between the man who has a claim for a refund of $50,000 and the man who has a lesser amount involved. It was for that purpose I rose to express my convictions.

Mr. NORRIS. Mr. President, I am not sure that I have been able to satisfy myself even yet as to just what this dispute is about. The Senator from Wyoming [Mr. WARREN], the chairman of the Committee on Appropriations, as I understand, stated there is complete agreement between the conferees of the House and the conferees of the Senate on everything except the two amendments which are still in dispute.

Mr. WARREN. There is one other amendment in dispute, but it really is unimportant. I refer to amendment No. 9. The amendments in dispute are 8, 9, and 10, but amendment No. 9 amounts to but little.

Mr. NORRIS. The Senator from Wyoming referred to these amendments as having been introduced, respectively, by the Senator from Tennessee [Mr. MCKELLAR] and the Senator from Utah [Mr. SMOOT], but there is nothing in the bill or in the conference report to show who proposed those amendments. The Senator from Wyoming did not refer to them by number, but I have a copy of the bill before me as it passed the Senate, and I wish to ask for information now whether the two amendments which are in dispute are amendments numbered 8 and 10.

Mr. WARREN. Yes.

Mr. NORRIS. That is correct, is it?

Mr. WARREN. The Senator is correct in his statement.

Mr. NORRIS. Mr. President, as I understand the Senator from Tennessee [Mr. MCKELLAR] and the Senator from Arkansas [Mr. ROBINSON] and the Senator from Utah [Mr. SMOOT] and the chairman of the Committee on Appropriations [Mr. WARREN] are all agreed as to what the Senate should do, and yet notwithstanding that agreement there has taken place here for the last hour and a quarter one of the liveliest and most exciting debates that I have witnessed for a good while. I can not understand how Senators can quarrel so when they all agreed as to what we should do.

Mr. WARREN. The Senator from Nebraska himself has refrained from participating in the debate.

Mr. NORRIS. I never wish to get into a controversy of that kind; it is too exciting. I should like to understand now, first, about amendment numbered 8. That was an amendment which was added by the Senate when the bill passed this body. It was an addition to the House text and reads as follows:

Provided, That no part of this appropriation shall be used to pay any claim in excess of $50,000 until such claim shall be approved by the Comptroller General of the United States in accordance with existing law.

As I understand, all Senators who have so far addressed the Senate in this bitter controversy are in favor of that amendment. It is a Senate amendment. The Senate conferees are insisting on it, the Senator from Arkansas is also insisting on it, the Senator from Utah is insisting on it, and so is the Senator from Tennessee.

Mr. BRUCE. But not the Senator from Maryland.

Mr. NORRIS. Not the Senator from Maryland.

Mr. SMOOT. And not the Senator from Utah.

Mr. COPELAND. And not the Senator from New York.

Mr. NORRIS. Nor the Senator from New York. However, with due despect to the Senator from New York and the Senator from Maryland, the leaders on both sides of the Chamber have agreed, and yet they have quarreled terribly.

Mr. WARREN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. LENROOT in the chair). Does the Senator from Nebraska yield to the Senator from Wyoming?

Mr. NORRIS. Yes.

Mr. WARREN. We may have agreed here or we may not have agreed, but at the time the amendment went in I had been making points of order against amendments embodying extraneous matters affecting taxes, and so forth. The amendment as it was offered, except for attaching the little tail "according to existing law," of course, was obnoxious to the rule as being legislation on an appropriation bill. I could have objected to it and made a point of order against it, but the inclusion of the words "according to existing law" required an inquiry into the matter. In my judgment, the addition of those words amounted to nothing whatever except as a medium to railroad in the amendment; otherwise it would have been objected to on a point of order.

Mr. NORRIS. Mr. President, except for the objection in theory which the Senator from New York has presented, I myself do not see anything wrong with the amendment. It is true that it makes a different rule for a claim of less than $50,000 from that which applies to a claim of more than $50,000. I suppose that the theory is that there are so many little claims that it would probably be a physical impossibility, without a large force of additional assistants, for the Comptroller General to pass on all of them.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. NORRIS. In theory, of course, one claim is just the same as another, but it is a common practice in the enactment of law to fix the jurisdiction of courts and commissions according to the amount involved. That is very often done, and I think it is justified, not because there ought to be a different procedure in the case of one claim as against another but because from the very necessity of the case such a course must be followed. I now yield to the Senator from New York.

Mr. COPELAND. Mr. President, with due respect to all other Senators, I think the Senator from Nebraska is the fairest-minded man in this body. I appeal to him that it is not fair for a man who has a claim of $50,000 to have to go through two or three years—because that is what it would mean—of dispute with the Comptroller General, when a man who has a claim for $49,000 escapes that procedure.

Mr. NORRIS. That is probably true. Yet it might be to the interest of the taxpayer to have his claim go through the machinery of the Comptroller General.

Mr. COPELAND. Granting that, what does the Senator say of a man who has already spent four or five years in fighting out a claim having to undergo a still further delay?

Mr. NORRIS. It is not right. I do not think anybody can doubt that; but, for instance, suppose we should provide that justices of the peace should have final jurisdiction of a case tried before him where the amount involved was not more than $20. If there were $21.10 involved under that kind of a law, a man could go up to the higher courts and wear his opponent out, but if the amount involved was less than $20 and the justice of the peace should be unfair the man having the claim would get the worst of it, and there would not be any remedy for him, although his claim might be $19.75. Perhaps he could not get justice; but the law is thus arbitrary, and I think in every civilized country the jurisdiction of the courts and various commissions to a great extent is fixed by the amount of money involved.

Let me call the Senate's attention to another fact. Whether the provision is right or wrong, we can not amend it now in the present parliamentary stage. The conferees on the part of the Senate in meeting with the conferees on the part of the House could agree upon a substitute for amendment No. 8 fixing a different amount, either smaller or larger, and such an amendment would be in order, I think, when the report came back; but that is not really before us, because we can not change the provision if we want to.

Mr. COPELAND. But, Mr. President, if the Senator will yield, there is before us this opportunity to change it: The House refusing to accept the amendment, the Senate can recede.

Mr. NORRIS. Yes; we can surrender, we can recede, and the amendment would go out, and I think it would be proper now to move that the conferees on the part of the Senate be instructed to recede from this amendment.

Now, Mr. President, I wish to take up the other amendment in dispute, which is amendment numbered 10. That is a long amendment. It proposes to strike out a page of the House text of the bill. So we must remember we have two amendments here. One is to put additional matter in the bill and the other is to strike something out. The Senate conferees are contending of course for the Senate position. In the case of amendment numbered 10 it is to strike out; while in the other case the conferees are contending for the insertion of new matter.

The language of the House bill provides in general terms, as I understand, that when a taxpayer is allowed a refund—and the $175,000,000 appropriation will apply to all refunds—before he shall be entitled to obtain it he must put up a bond that he will turn the refund that he gets over to the people who have in reality paid the tax; in other words, to his customers. A manufacturer, for instance, is taxed too high; he makes a showing to that effect, and obtains a refund of $50,000, we will say, which is to be paid out of the $175,000,000 appropriation. It is probable that the manufacturer added his tax when he sold his product, whatever it might be; as a matter of fact, he has passed it on to his customers; he has collected it from them. He gets it back from the Government because it is held that the tax was illegally collected. The provision will require him to pay that money to the man from whom he collected the tax in the first instance.

I may be wrong but, as I understand it, it is contended by those taking the viewpoint of the Senate that such a provision of law is impracticable and can not be enforced. I confess I do not know as to that. If it can be enforced it is no more than just, it seems to me, but if it can not be enforced of course it can not operate. But certainly——

Mr. COPELAND. Mr. President, may I interrupt the Senator?

Mr. NORRIS. Certainly if I have paid on my business a tax that has been illegally assessed and I sell my product to the Senator from New York and add to the sale price the amount of the tax I have paid, then if I get the money back from the Government it is simply making me a present of that much money. The House bill would require me to pay it to the Senator from New York.

Mr. HEFLIN and Mr. COPELAND addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Nebraska yield, and, if so, to whom?

Mr. NORRIS. I yield to the Senator from Alabama.

Mr. HEFLIN. In other words, if the Senator's tax was $100,000, and he made his customers pay that tax on the things he sold to them, then that $100,000 has been paid by them into the Treasury?

Mr. NORRIS. Yes.

Mr. HEFLIN. If the Government now pays back that $100,000 to the Senator, as he says, it makes him a gift of $100,000.

Mr. NORRIS. Yes.

Mr. GEORGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Georgia?

Mr. NORRIS. In just a moment. In my humble judgment, if there is any way—others will probably know much better than I do about this—to require the beneficiary in this kind of a proceeding to pay the money to the man who in reality has paid the tax, he ought to do it. It may be that in the case of the illustration I put, where I sold to the Senator from New York, he sold the same product to a hundred different men, and they paid the tax. I do not know whether it is practicable to follow it on.

Mr. GEORGE. Mr. President——

Mr. NORRIS. Now I yield to the Senator.

Mr. GEORGE. May I suggest this to the Senator: I do not doubt that in some instances—indeed, in many instances—the tax is passed on to some one below the actual payer of the tax; but what is passed on? I think the error in the whole argument on this point is in determining what is passed on.

What is passed on? Not the illegal tax. No manufacturer could ever figure out an illegal, excessive assessment and pass that on to his customer. He could only pass on the tax which under the law he should pay. Otherwise he would simply be guessing. There would not be any definite way of determining the amount.

Mr. NORRIS. No; but let me see if I understand the Senator. Let us try to make an illustration.

Mr. GEORGE. Bear in mind, the refund is not of the amount which is legally due from the taxpayer to the Government. He is entitled to no refund for that.

Mr. NORRIS. No; I understand that.

Mr. GEORGE. The refund is for an excessive levy, or a sum which in law he ought not to be called upon to pay.

Mr. NORRIS. Yes.

Mr. GEORGE. But he could not, in the nature of things, have prorated that to his customers. He might have as to all of the legal tax.

Mr. NORRIS. He has not distinguished between the legal and the illegal tax. He can not do so. It has not been adjudicated at the time he pays it and at the time he passes it on. He passes on all that he pays——

Mr. HEFLIN. To be sure.

Mr. NORRIS. Including the legal tax and the illegal tax. The House text undertakes to require him to refund to his customers the illegal tax, to refund to them what he gets from the Government.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. NORRIS. In just a moment.

Mr. GEORGE. Then the Senator's suggestion would come to this—that in all cases, the legal as well as the illegal, where the tax is passed on to the manufacturer's customers, those customers should be subrogated to his claims against the Government for the excess payment or any improper payment.

Mr. NORRIS. Yes.

Mr. GEORGE. I do not see how that could possibly be worked out.

Mr. NORRIS. I do not, either.

Mr. COUZENS and Mr. BRUCE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Nebraska yield; and if so, to whom?

Mr. NORRIS. I promised to yield to the Senator from Michigan.

Mr. COUZENS. May I illustrate to the Senator from Georgia? Let us assume that the Bureau of Internal Revenue interpreted the tax of 5 per cent on automobile accessories as being 5 per cent on batteries, for instance, and it was afterward determined that the Bureau of Internal Revenue were wrong in classing a battery as an automobile accessory, for the reason that batteries were used for several purposes other than automobiles. Assume that after it had gone on for several years, and the bureau had been collecting 5 per cent from those who sold batteries, the court determined that they were wrong. For example, if the Senator from Georgia had bought from me, a dealer, a battery for $100, and there had been a tax of 5 per cent on the battery, making $105, and I had passed it on to the Senator from Georgia and then the court declared that the bureau should not have collected that money, the contention of the House is that when the manufacturer or the seller gets the refund from the Government he should pass back the $5 that he collected on that particular item.

Mr. NORRIS. I think that is a fair explanation of the House text.

Mr. GEORGE. Mr. President, I ask the Senator, is that the meaning of the House provision?

Mr. COUZENS. That is the meaning of the House provision. If the Senator will yield a little further——

Mr. NORRIS. I yield.

Mr. COUZENS. I should like to say that I think perhaps the amendment is too drastically drawn, because there are cases where the manufacturer absorbs the tax. In other words, he sells to you for $100 this particular battery. He says, "I will take the $5 out of my own profit and pay it to the Government." Having done that, of course, he should not be required to return it to the buyer.

Mr. GEORGE. Manifestly, he should not.

Mr. COUZENS. No; and I think there is a clear distinction between those two kinds of cases. I believe the amendment can be properly drawn so that the man who actually paid it may get it back, but if the manufacturer paid it out of his own profit he may get it back.

Mr. BRUCE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Maryland?

Mr. NORRIS. In just a moment.

Mr. BRUCE. I was going to say that that is the very point I wanted to make. That is to say, you can not assume that the tax can in every instance be passed on to the consumer. The business may not be able to bear it.

Mr. NORRIS. I presume that is true; but it would be an extremely difficult thing to enact a law that would do the right thing in one case and not do an injustice in another case.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. NORRIS. Yes.

Mr. COUZENS. I do not think it is a difficult proposition, because all that the manufacturer or the sales agency or the importer has to do, if the amendment is drawn properly, is to satisfy the bureau that he absorbed the tax, and then he gets his refund. If he does not so satisfy the bureau, then he does not get his refund.

Mr. CURTIS and other Senators addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Nebraska yield, and, if so, to whom?

Mr. NORRIS. I will yield to all the Senators presently, but let me say this before I get away from the remark of the Senator from Michigan: Suppose—and this is a really practical illustration, I think—that the person to whom a manufacturer sold the various articles, himself being a local dealer, let us say, had sold them to a hundred different people. He ought to be required, the same as the manufacturer, to refund that money to the man who bought of him if he has collected it. The same rule would apply, because if it was fair in one case it would be in the other. In other words, the final, ultimate consumer as a rule, where the tax is passed on at all, has paid the tax, and it ought to be repaid to him by somebody.

Where these transactions run into the thousands, as they often do, I should like to do it if we can, but I believe it is a difficult thing—sometimes, perhaps, impossible—to enact a law by which we will get the money back to the man who actually did make the payment.

Mr. COPELAND. Mr. President, will the Senator yield there?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from New York?

Mr. NORRIS. Yes.

Mr. COPELAND. I think the original language covers the matter. It must be evidenced by affidavit in such form and containing such statements as the commissioner may prescribe, and we authorize refunds only where such evidence is submitted.

Mr. NORRIS. Yes; but the Senator from Arkansas [Mr. ROBINSON] argued, and I think with a great deal of force, that the result would be that there would not be any refund at all. Perhaps, if we can not get it to the man who ought to have it in common justice, it would be better not to make it; and yet that would mean that the Government is keeping something to which it is not entitled, and I do not want the Government to do that.

Mr. BRUCE. Mr. President——

Mr. NORRIS. I yield to the Senator from Maryland.

Mr. BRUCE. I just wish to say that my recollection is that it was the Senator from Michigan [Mr. COUZENS] who pointed out the other day, when this bill was under consideration in the Senate, the difficulty of following the tax to the consumer.

Mr. COUZENS. I think the Senator is correct——

Mr. BRUCE. Yes; I most assuredly am correct.

Mr. COUZENS. But I do not think I raised the particular point that it should be entirely eliminated. I disagreed with the Senator from Utah that there is no language that may be put in the bill to accomplish the end desired by Congress, but I did not favor taking it out altogether.

Mr. BRUCE. "Consistency, thou art a jewel."

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Utah?

Mr. NORRIS. Let me say just a word further before I yield. Under the House provision, as I understand, unless it were shown by the person who paid the tax to the Government that he actually had returned or would return the money to the consumer, he would not get the refund. It seems to me that if we are going to trace the money as far as the sale that he made to the next step, we ought to trace it on to the ultimate consumer; and if the ultimate consumer can not get the benefit of it, he being the man who paid it, I do not see any reason in justice why any of these people should get the refund, when, as a matter of fact, somebody else made the payment.

Mr. COUZENS. What happened, if the Senator will yield, is that when the decision was reached to exclude some 90 articles, if I remember correctly, from the list of articles on which the Bureau of Internal Revenue was collecting the tax, many former employees and tax experts went around and circulated among the dealers and manufacturers and inspired claims to be presented to the bureau because of this decision. It may not have even occurred to the manufacturers or the dealer, but he was inspired to make these claims; and the Treasury Department very properly, I think, made a suggestion to the Ways and Means Committee that this proviso be put in. I ask the Senator from Utah if that is not correct?

Mr. SMOOT. I can not tell whether they really advised it or not. I have heard it stated that they did, and I have heard it denied.

Mr. COUZENS. The letter which was published stated that the Treasury Department asked that this proviso be put in the bill.

Mr. NORRIS. To get down to a practical proposition, if the Senate wants the House language to remain in the bill, we ought to direct our conferees to recede from the Senate amendment, because the Senate amendment strikes out the language of the House; and if the Senate amendment prevails there will be nothing in the law applying to these matters.

Mr. COUZENS and Mr. BRUCE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Nebraska yield; and if so, to whom?

Mr. NORRIS. I yield to the Senator from Michigan.

Mr. COUZENS. I think the Senator from Utah intended—at least, I understood that to be his intention when he moved to have this amendment stricken out—to try to agree upon some language that would attain the desired end. Is that correct?

Mr. SMOOT. I knew that it would go into conference, and my idea was that we would see if we could work out something there, as I stated.

I want to say to the Senator from Nebraska that I know one of the large manufacturers in the United States who claims that in selling his batteries he had more customers using the batteries outside than those that went into automobiles, and therefore he said, "I shall not increase the price of my batteries." He sold the batteries at just exactly the same price from the time the tax was imposed until the decision was arrived at.

Mr. COUZENS. Of course, he should have his refund.

Mr. SMOOT. What are you going to do? Are you going to give that man $5 now on each of those batteries?

Mr. NORRIS. I should think that under that showing, if he convinced the officials of the Government that that was true, he is entitled to a refund of the tax now.

Mr. COUZENS. Why, certainly.

Mr. NORRIS. He paid it, and he has not passed it on.

Mr. COUZENS. And that was the hope of the Senator from Utah, as I understood, when he asked to have this House amendment wiped out.

Mr. SMOOT. Not only that, but take the manufacturers of pistons: Pistons are used in automobiles, and pistons are used in all sorts of engines and other articles in the United States. How can they divide it? That is the trouble.

Mr. COUZENS. If they did not add any specific tax to their invoices, I do not think they should be required to follow it through but should get a refund from the Government. When they can show, however, that they have added to each invoice the tax provided to be collected by the law as then interpreted, they should be required to make a refund to the purchaser, and not otherwise.

Mr. SMOOT. The only trouble with that is the difficulty of finding out how far that has passed on, and through how many

hands it has passed, and whether we can find the fellow who really paid the tax.

Mr. COUZENS. That would show on the claimant's invoice. If the claimant who is making the claim for the refund has not added anything to his invoice, then he should not be required to make a showing but should get a refund from the Government; but if his invoice shows he has collected it, he should be required to refund it to the purchaser.

Mr. FLETCHER. Mr. President, it seems that everybody is in favor of the motion, so why not put the question?

Mr. WARREN. I was about to ask that the question be put on the motion.

Mr. COUZENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Fess	Lenroot	Schall
Bayard	Fletcher	McKellar	Sheppard
Bingham	Frazier	McLean	Shipstead
Blease	George	McMaster	Shortridge
Borah	Gerry	McNary	Simmons
Bratton	Gillett	Mayfield	Smith
Broussard	Glass	Means	Smoot
Bruce	Goff	Moses	Steck
Cameron	Gooding	Neely	Stephens
Capper	Hale	Norris	Stewart
Caraway	Harreld	Nye	Trammell
Copeland	Harris	Oddie	Tyson
Couzens	Hawes	Overman	Underwood
Curtis	Heflin	Phipps	Wadsworth
Dale	Howell	Pittman	Walsh, Mass.
Deneen	Johnson	Ransdell	Warren
Dill	Jones, Wash.	Reed, Pa.	Watson
Edge	Kendrick	Robinson, Ark.	Wheeler
Edwards	King	Robinson, Ind.	Willis
Ferris	La Follette	Sackett	

Mr. McMASTER. I desire to announce that my colleague [Mr. NORBECK] is still detained in the hospital as the result of an automobile accident.

Mr. REED of Pennsylvania. The senior Senator from Pennsylvania [Mr. PEPPER] is detained from the Senate on account of illness.

The PRESIDING OFFICER. Seventy-nine Senators having responded to their names, there is a quorum present. The question is upon the motion of the Senator from Wyoming that the Senate further insist upon its amendments, ask for a further conference with the House, and that the Chair appoint the conferees.

The motion was agreed to; and the Presiding Officer appointed Mr. WARREN, Mr. CURTIS, and Mr. OVERMAN managers on the part of the Senate at the further conference.

JOEL C. CLORE

Mr. WILLIS. Mr. President, I desire to submit a request for unanimous consent, and before I submit it I want to make a statement.

The Senate has to-day received official information of the death of a prominent Member of the House of Representatives, Hon. A. E. B. STEPHENS, of the second Ohio district. Mr. STEPHENS was a useful legislator, an upright citizen, and a splendid American. In the closing days of his life he expressed regret that he had not been able to secure the passage of the one remaining bill which he had introduced. That bill is on the calendar and has been favorably reported. I therefore ask unanimous consent that the Senate proceed to the consideration of House bill 3432, for the relief of Joel C. Clore.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, and it was read, as follows:

[H. R. 3432, 69th Cong., 2d sess.]

An act for the relief of Joel C. Clore

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the accounts of Joel C. Clore, former postmaster at Cincinnati, Ohio, in the sum of $8,783.57, due to the United States on account of the loss of postal funds, postage stamps, thrift stamps, and war-revenue stamps, resulting from burglary of said post office on June 16, 1921.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

SETTLEMENT OF CLAIMS AGAINST THE UNITED STATES

Mr. FESS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Order of Business 1451, Senate bill 4332, to authorize the Secretary of the Navy to modify agreements heretofore made for the settlement of certain claims in favor of the United States.

Mr. GERRY. Let the bill be reported.

The bill was read.

Mr. KING. Reserving the right to object, I would like to have an explanation of the bill.

Mr. FESS. Mr. President, there are existing contracts where the Government entered into agreements with certain munitions makers and builders, and at the close of the war the adjustments were made in the form of notes payable by these contractors to the Government, running 20 years, perhaps, with no interest. There is one firm in Akron, Ohio, which would like to make the settlements now instead of paying $1,000 a year every year for 20 years, because the building stands on property that belongs to these parties, and they can not do anything at all with the property until the title is clear.

The bill was drawn by the Navy Department, submitted to the Committee on Naval Affairs of the Senate and reported favorably, and covers about six cases; but, so far as I know, there is only one where the parties interested want to make settlement.

Mr. KING. The bill is general in its character and would extend to all who desired to take advantage of it.

Mr. FESS. Yes.

Mr. SMOOT. Can the Senator state the present value of the claim to which he refers?

Mr. FESS. Yes; it is to be settled on the basis of the present worth of the claim, which would be paid at the rate of $1,000 a year for 20 years, and it represents a considerable reduction.

NATIONAL BANK BRANCHES

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the chair lays before the Senate the unfinished business, which is the motion of the Senator from Pennsylvania [Mr. PEPPER].

The Senate resumed the consideration of Mr. PEPPER's motion to recede from certain amendments of the Senate to House bill 2, and that the Senate concur in the House amendments to certain Senate amendments to that bill.

Mr. WHEELER. Mr. President, I appreciate that it is lese majesty for anyone to attempt to speak upon the banking bill who is not a member of the Committee on Banking and Currency. I confess that I have not had an opportunity to study the banking bill as carefully as I would like in many of its important phases, but I submit that I am not in any different position than the vast majority of the Members of the Senate as well as some of the members of the Committee on Banking and Currency. It must be apparent to anyone who has heard the discussions upon the floor of this body that some of the Members of the Senate at least are quite unfamiliar with some of the provisions of the bill itself. Only the other day in discussing the provisions of the bill with a banker who is a member of the committee he suggested to me that the bill extended loans to farmers upon farm lands, which was not permitted under the present law. Of course, a cursory reading of the bill indicates that that is not the case.

Again, on last Saturday, in discussing the bill, statements were made by the Senator from Pennsylvania [Mr. PEPPER], in answer to questions asked by the Senator from Idaho [Mr. BORAH], which are clearly not borne out by the facts concerning the bill. The Senator from Idaho said:

Mr. BORAH. In instances where the State has provided for branch banking, is there any limit to the number of banks which a parent bank may establish within a State?

Mr. PEPPER. Yes; there is. There is a very carefully worked out scale. There can not be any branch in a city with less than 25,000 population. There may be two, I think it is, branches up to 50,000, and possibly three up to 100,000—

That, of course, is not a correct statement, but it is a minor matter—

and beyond that at the discretion of the Comptroller of the Currency; but there is a carefully worked out scale of limitation.

The carefully worked out scale of limitation is that the Comptroller of the Currency may, in any State or in any city of over 100,000 population, establish as many branch banks as in his judgment may seem proper.

The Senator from Massachusetts [Mr. WALSH] said:

Mr. WALSH of Massachusetts. As I understand the law in Massachusetts, it limits the number of branch banks of State banks to two. Does this proposed legislation limit the number of branch banks of national banks to two?

Mr. PEPPER. This proposed law does not authorize a national bank to establish any more branches, even within the municipal area, than are permitted under the law of the State, and if there is a limitation in the local law, that is ipso facto applicable to the national situation.

I challenge the statement of the Senator from Pennsylvania. He can not point to a single, solitary statement in the bill bearing out that statement. The fact is, as I said a moment ago, that it is within the discretion of the Comptroller of the Cur-

rency to grant in the city of Boston just as many branch banks as he desires.

Mr. WALSH of Massachusetts. I am very glad to hear that. So that the limitation of two banks would be applicable to national banks?

Mr. PEPPER. That is clearly my judgment, and I think that is the design of the framers of the bill.

Again the statement was made:

Mr. BORAH. What would be the effect if a State which now gives authority for branch banking, under its law, should withdraw that authority?

Mr. PEPPER. Mr. President that subject has been a good deal considered. My own judgment is that since this measure is designed to promote equality of opportunity for national banking associations and State banking associations, if a State were to pass a law providing that thereafter no branches should be established, it is perfectly clear to me that under this proposed law no branch bank could thereafter be established by national banks. If the State were to undertake to close up existing branches in the State, giving rise to all sorts of questions of vested rights and confiscation, it would be for the Comptroller of the Currency to decide what was the fair thing to do in exercising his power to close down branches, which is very widely given to him under this measure.

Mr. BORAH. The Senator will pardon me for asking another question——

Mr. PEPPER. I hope the Senator will ask such questions as occur to him.

Paragraph (b) of section 5155 reads, as proposed to be amended:

(b) If a State bank is hereafter converted into or consolidated with a national banking association, or if two or more national banking associations are consolidated, such converted or consolidated association may, with respect to any of such banks, retain and operate any of their branches which may have been in lawful operation by any bank at the date of the approval of this act.

In other words, I submit that no other construction can be placed upon that language than that if the State of California, for instance, enacted a law to the effect that thenceforth they would allow no branch bank; that from that time on State banks could convert into national banks and could keep every single, solitary branch they had in the State of California under the national banking association act.

Mr. EDGE. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER (Mr. MCNARY in the chair). Does the Senator from Montana yield to the Senator from New Jersey?

Mr. WHEELER. I yield.

Mr. EDGE. While I think the Senator is entirely correct, as I understood his statement, is not that the condition anyhow in those States where branches exist to-day, and would exist whether the bill was enacted into law or not and whether the Legislature of California enacted a law prohibiting such branches? They are there anyway.

Mr. WHEELER. But I am making the point, let me say to the Senator from New Jersey, that this provision ought not to permit such a thing to exist. I do not think it would exist if the Hull amendments were in the bill. I am frank to say there is another provision to which I want to call the attention of the Senate. I call attention to section 9, on page 21, as follows:

but no such State bank may retain or acquire stock in a Federal reserve bank except upon relinquishment of any branch or branches established after the date of the approval of this act beyond the limits of the city, town, or village in which the parent bank is situated.

Clearly, to my way of thinking, the two paragraphs are inconsistent. It leaves it, to my way of thinking, absolutely with permission to the State bank to keep the branches, we will say, of the Bank of Italy in California.

Mr. GLASS. Mr. President, will the Senator permit an interruption?

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Virginia?

Mr. WHEELER. I yield.

Mr. GLASS. I would like to call attention to the fact that there is another important provision of the bill which the Senator from Montana seems to have overlooked, and I would like to get his reaction to that. The section which he has read and stressed does say precisely what he said it does:

If the State bank is hereafter converted into or consolidated with a national bank.

"If" it is converted. The question arises right there how such consolidation or conversion may take place. I refer the Senate to section 8, page 2, of the committee print of the bill, which says:

That any bank incorporated under the laws of any State or any bank incorporated in the District of Columbia may be consolidated with a national banking institution—

Where?

located in the same county, city, town, or village under the charter of such national banking association.

Mr. BORAH. In other words, the word "State" has been eliminated.

Mr. GLASS. Yes; it has been eliminated, so that the consolidation is confined to the incorporated city, or——

Mr. WHEELER. To the incorporated county.

Mr. GLASS. I was about to say the incorporated city, town, or county.

Mr. WHEELER. But it permits them to have branches under that provision in the county, for instance, in which they have other branches.

Mr. GLASS. Under the existing law they are permitted to have them all over the State.

Mr. BORAH. That raises a question which I would like to ask the Senator from Virginia. Am I to understand the construction which he places upon the section just read is to the effect that in the consolidating of State banks to convert them into a national bank, they are limited now to the county or city?

Mr. GLASS. That is my construction of that provision of the bill. We originally had the word "State" in there, but it was stricken out. The consolidation or conversion, I will say to the Senator from Idaho, is confined to the city, town, or county in which the two consolidated banks are located.

Mr. BORAH. Mr. President, will it interrupt the Senator if I submit another inquiry?

Mr. WHEELER. I yield to the Senator from Idaho.

Mr. BORAH. Let us take a practical proposition. Suppose a bank in a State which now permits State banking, has some 25 or 30 branches scattered all over the State, and it should undertake to consolidate and convert them into national banks, would it be confined in that action to the county or State in which the parent bank was located?

Mr. GLASS. That is my interpretation of section 3 of the bill.

Mr. WHEELER. I think that it is possibly true that it would be confined to the county, but the claim is that this bill limits the consolidation of banks or branch banking to the cities, while we find in the bill a provision under which, if a bank wishes to convert, branch banking may be extended to the various counties.

Mr. GLASS. Just on that point, Mr. President, I desire to say that this bill is very restrictive of the existing law. Under existing law banks may consolidate all over the State, but this bill confines them to the city, county, or township.

Mr. WHEELER. Yes; but let me call attention to the most objectionable feature about the bill, which is that although a State may desire to wipe out branch banking entirely, yet a State bank may enter the national banking system and maintain branches in the county and city. There is no question about that.

Mr. GLASS. Mr. President, the answer to that is that the provision to which the Senator is objecting is not in controversy at all as between the two Houses.

Mr. WHEELER. I am not saying that that is in controversy between the two Houses; but I am not at this particular time arguing only such questions as are in controversy between the two Houses. I am saying that, in my judgment, this bill provides for an extension of branch banking in this country, although many of the proponents of the bill—not all of them—have been claiming all the time that it does not provide for an extension of branch banking. They are also claiming that the Hull amendments would be an invasion of the rights of the States. I submit that that is not true, because this bill will invade the rights of the States just as much as would the Hull amendments invade the provisions of State law.

Here we have, for instance, a provision in the bill which would permit this situation to arise: If the State of California or the State of South Carolina or any other State should prohibit branch banking, this measure would permit them to become a part of the national banking system and carry on branch banking in violation of the laws against branch banking in a State, in counties, and in cities where the people do not want branch banking. There is no question about that. As I said a moment ago, the statement which was made by the Senator from Pennsylvania [Mr. PEPPER] to the effect that this

proposed legislation limits the number of branch banks to two or permits the same number only of branch banks in the city of Boston that the State law permits, is absolutely not in accordance with either the fact or the law.

Mr. GLASS. Mr. President, under the provisions of the bill, if as described by the Senator, a bank in a State should convert itself into a national bank it could only have one branch in a town of 25,000 population.

Mr. WHEELER. But that has nothing to do with the argument at all. Whether the bill would permit one branch bank in a city of 25,000 or 50 branch banks in the city of Chicago, it would still permit branch banking in a State where the State legislature and the people of the State had said that they did not want it; and yet we hear much about State's rights, and the statement is made: "We do not want the Hull amendments because we shall thereby be invading the principles of State's rights."

Mr. President, I wish to say that in my judgment this bill should be defeated for many reasons, but principally, I think, it should be defeated because of the fact that it is objectionable, first, on the ground that it permits branch banking. It is the entering wedge, if you please, of the little group in this country who have been seeking by every means known to extend their grasp upon the people of the country through the medium of branch banks.

Second, it extends the provisions of section 5200 so that it permits the national banks to go into the investment banking business, into the speculative banking business, and it extends no security whatsoever to the savings depositors of the country.

Third, it extends an indefinite charter to the Federal reserve system eight years before the law under which the banks of that system are operating ceases to function. That provision is put in as a rider to this bill.

Some Senator has said that the provision with respect to section 5200, extending, if you please, the provisions of the national banking act so that national banks may make loans upon city real estate, so that they may make loans upon farm securities, upon wheat, for instance, and may go into the investment banking business, is desired by the farmers of the country. If it is desired by the farmers of the country, I have as yet to hear from one single, solitary farmer or one single, solitary farm organization in the country advocating the passage of the bill. Permit me to say that if they were advocating the passage of the bill upon that ground, I would contend that this is a bad provision, because it permits bad banking. The provisions of section 5200 should not be broken down to enable national banks which accept savings deposits to invest large amounts of their funds in real-estate loans.

The farmers of this country, let me say, are not asking to borrow more money. The very thing that broke the farmers of the Northwest was the fact that during the war they were encouraged by the bankers to raise more wheat and to borrow more money. Then, my friends, after the farmers were thus encouraged and the little bankers were encouraged to loan to the farmers up to the hilt upon inflated real estate, the time came when the Federal Reserve Board in 1920 held a secret conference in the city of Washington, at which they stated in substance, "We must start in on a period of deflation." It was that period of deflation, brought about by the Federal Reserve Board, which caused the farmers and the little banks of the Northwest and the Middle West to go broke.

We have just passed a bill attempting to aid the farmer. One of the things, I repeat, which brought them into the condition in which they are at the present time was the fact that the Federal reserve system, to which we now seek to give new life indefinitely, produced this period of deflation.

Let me ask what reason there is for the Federal Reserve Board to come here, eight years before the charters of the Federal reserve banks expire, and ask that they should be extended? Is there any reason in the world why they should be here eight years before those charters expire asking for this legislation?

The Washington Post the other day said something about our having a strong President in the White House, and that the President of the United States would undoubtedly veto the farm relief bill. It declared it to be the fact that the Congress of the United States had submitted to the pressure of the farmers of this country, but it did not say anything about the Congress of the United States submitting to the pressure of the bankers of this country to pass the bank relief bill. It is in reality nothing more than that. There is no need at this session of Congress to pass this bill. I venture to say that not over 20 per cent of the Members of this body have ever read the bank bill; there are not over 20 per cent, if there are that number who are familiar with the provisions in the banking bill; and yet we seek to pass a bill in the closing days of this session of Congress which is not understood by the people of this country, not understood by the Members of the Senate, and not understood by some of the members of the committee itself. That becomes apparent when statements which are made upon the floor of the Senate in explanation of the provisions of the bill are found upon examination of its provisions to be not at all in accord with them.

We have heard, Mr. President, at this session of Congress and in past sessions of Congress a great deal about the farm bloc; we read in the great daily newspapers of the country articles denouncing blocs in this body; but where is there a great daily newspaper that denounces or, in fact, says anything about the banking bloc in the Senate that seeks at this time to cram this bill down the throats of the American people and to fasten upon them the Federal reserve system under an indefinite charter? I wish to say in this connection that I am not at this time prepared to say that the Federal reserve system is all bad, because I think the Federal reserve system has in many instances done much good. The thing which I deplore is that the advocates of the Federal reserve system have found it necessary to place as a rider on this branch banking bill a provision extending the charters of the Federal reserve banks eight years before those charters will expire, and without the members of this body knowing what is in the bill or having read the bill. It is not fair to the people of this country; it is not fair to the Federal reserve system itself.

There have grown up under the Federal reserve system in this country practices which ought to be investigated before we extend the charters of the Federal reserve banks. Yet Senators sit here meekly and permit the provision extending their charters to go through as a rider on the pending bill, and if anyone dares to speak in opposition to a bank bill, of course, Mr. President, he is committing lese majesty, according to the idea of the banking bloc of the Senate.

Let me remind Senators that Nicholas Murray Butler the other day stated that one of the issues in the next campaign would be farm legislation and another would be prohibition. I wish to point out to the Members of the Senate that if they jam this bill through in the closing hours of the session the banking bill will also be an issue in the next campaign. The reason why it is desired to attach the provision extending the charters of the Federal reserve banks as a rider on the pending bill at this time is because of the fact that they do not want it discussed in the open upon the floor of the Senate at the next session of Congress or in the sessions that are to follow.

Mr. President, I wish to read briefly concerning the secret conference of the Federal Reserve Board which was held in 1920. I want to read it because of the fact that I desire to impress upon the Members of the Senate the great power that is in the hands of this body of 12 men. In that secret conference they sat around the table and decided the future destiny of this country so far as concerns the determination whether or not they should make the farmers of this country disgorge what they were holding for higher prices. They discussed the question whether or not they should permit the little merchant to have more money; they discussed the question whether or not, behind closed doors, secretly, they should extend any credit to anybody excepting to those who they said were the favored class. At the same time in that secret conference, when they were proposing to deflate the farmers of this country, they passed resolutions asking that the railroads of the country should have increased freight rates!

I point out those things because I say that the Federal reserve bank to-day has the power absolutely and positively to crush the very life out of the ordinary citizen of this country.

In this secret conference, among other things that were said, was this:

> Thus the directors of Federal reserve banks are clearly within their rights when they say to any member bank, "You have gone far enough; we are familiar with your condition; you have got more than your share, and we want you to reduce; we can not let you have any more." They must exercise their discretion as to the proper course to pursue, but they have the power, and there are many cases where the rule ought to be laid down and a member bank ought to be made to understand that it can not use the resources of the Federal reserve banks for its own private advantage for profit; that it must not abuse the rediscount privilege of the Federal reserve system.

Again, Mr. President, they said:

> The fundamental trouble with the situation to-day is that there is a large volume of essential goods and commodities held back from the markets and kept out of the channels of distribution, either for speculative purposes, being held with the idea of getting higher prices later on, or where they are held back of necessity on account of lack of facilities to transport them to market.

Whom did they have in mind? They, no doubt, were talking about the farmers of the West and the Northwest, who at that time were holding their crop for a higher price; and they met here for the very purpose of discussing that matter and making the farmers of the country disgorge the wheat which they claimed they were holding for speculative purposes. I cite that as an instance of the power which we give to this banking group in the Federal reserve act.

Again, I find, on page 17:

In other words, I think the purpose to be served—

He is speaking of deflation——

Mr. NORRIS. Who is speaking?

Mr. WHEELER. This is a Mr. Alexander, of New York.

Mr. NORRIS. Where was he speaking?

Mr. WHEELER. He was speaking at this secret conference that was held here in Washington on May 18, 1920.

Mr. NORRIS. Of what?

Mr. WHEELER. Of this advisory council.

He says:

Now, there is the objection, as stated by you, of charging 7 per cent to the member banks when they can only collect 6 per cent. I think that is a feature of the situation that must be met. In other words, I think the purpose to be served—

He is speaking of deflation—

is so great and of such prime importance that these other matters must be considered of smaller importance.

Again, he said:

We could say that they couldn't have the money, and we should see to it that the profiteer is cut out and that the essential industry is carried even at the expense of the bank.

They were then talking in regard to the farmers of the Northwest. If you will remember the newspapers at that time were full of statements to the effect that the farmers of the Northwest were profiteers.

Again, it was stated in this conference—

We have been endeavoring in our own bank—

This is Mr. Wayne, of Philadelphia, speaking—

We have been endeavoring in our own bank in the last month to force Liberty bonds on the market but they do not go on very comfortably. People who have to part with them and lose 18 points do not part with their money very gracefully. But as to the district, I think we are in a very comfortable position, because if anything should turn up and we would have to sell our Liberty bonds we have a margin to go on.

In other words, they were seeking to force those who purchased Liberty bonds during the war to sell them at something like $13 on the hundred below what they paid for them.

I read next from the statement of Mr. McDowell, of North Dakota. He said, by way of protest against raising the discount rate to 7 per cent and bringing on this deflation that they sought to bring on:

It seems to me that now is a poor time to penalize the little fellow, and I am afraid we are just going to create a little more unrest out in the Northwest, where socialism has got such a strong foothold now, if we do not look at this thing not from any other standpoint except that of safety. The Federal Reserve Bank of Minneapolis is making $10,000 a day. Is that profiteering when they have been using our money without any interest ever since it started? Is the Federal Reserve Board going to be put in the same class as the sugar profiteerer and the manufacturer who has been making big money?

Nothing was said with reference to that kind of profiteering.

Mr. FRAZIER. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. FRAZIER. I want to say, for the benefit of those Senators who are interested, that the bank of which Mr. Wesley McDowell was the head at the time this statement was made closed some months ago, and he has gone out of the banking business.

Mr. WHEELER. Again, they finally passed a resolution as follows:

Resolved, That the bankers here assembled in their capacity as members of the Federal advisory council, in their capacity as directors of the Federal reserve banks of the country, in their capacity as members of the orderly deflation committee of the American Bankers' Association, and in their capacity as officers and directors of banks doing business in the various cities of the country, approve the sentiments expressed in the very able address of Governor Harding as representing the views of the Federal Reserve Board; and

Resolved, further—

And so forth.

Again, the following report was brought in:

The unanimous report of your committee is as follows:

This was brought in by a Mr. Watts:

The whole country—

He says—

is suffering from inflation of prices with the consequent inflation of credit. From reports made by the members of this conference representing every section of the country it is obvious that great sums are tied up in products which, if marketed, would relieve necessity, tend to reduce price level, and relieve the strain in our credit system.

The congestion of freight is found in practically all of the large railroad centers and shipping ports. It arises chiefly from inadequate transportation facilities available at this time and is seriously crippling business. We are informed that the per-ton mile of freight increased in three years—1916, 1917, and 1918—47 per cent, while the freight cars in service during the same period increased 1.9 per cent.

A striking necessity exists which can only be relieved through the upbuilding of the credit of the railroads. This must come through adequate and prompt increase in freight rates. Any delay means the paying of greater cost directly and indirectly and places a burden on the credit system which in the approaching time for seasonal expansion may cause abnormal strain. * * *

Be it resolved, That this conference urge as the most important remedies that the Interstate Commerce Commission and the United States Shipping Board give increased rates and adequate facilities such immediate effect as may be warranted under their authority, and that a committee of five be appointed by the chair to present this resolution to the Interstate Commerce Commission and the United States Shipping Board with such verbal presentation as may seem appropriate to the committee.

As I said a moment ago, the Federal Reserve Board, sitting there as a board with the power to deflate the farmers of this country, with the power to raise the interest rates so that they could simply wipe out the little banker or the little merchant and keep him at their mercy, were at the same time asking that the farmer be deflated and that the railroads have increased rates.

Finally, we find this:

Governor HARDING. I would suggest, gentlemen, that you be careful not to give out anything about any discussion of discount rates. That is one thing there ought not to be any previous discussion about, because it disturbs everybody; and if people think rates are going to be advanced, there will be an immediate rush to get into the banks before the rates are put up, and the policy of the Reserve Board is that that is one thing we never discuss with the newspaper man. If he comes in and wants to know if the board has considered any rates, or is likely to do anything about any rates, some remark is made about the weather or something else, and we tell him we can not discuss rates at all; and I think we are all agreed it would be very ill advised to give out any impression that any general overruling of rates was discussed at this conference.

Everybody in this country knows what followed that secret meeting. From one end of this country to the other, particularly in the farming communities of the Northwest and the West, pressure was put on the little bankers, and they were not permitted to loan any money, and they were notified that they must call in the loans that they had. The final result of it was that it left in its wake a lot of bankrupt farmers from the Pacific clear to the Mississippi River, and likewise left in its wake bankrupt banks from the Pacific to the Mississippi River, and it likewise left in its wake bankrupt merchants from the Pacific to the Atlantic.

Now they come in here saying that this Federal reserve bank, with all of the power that it has to throttle business, the farmer, and everybody else, shall be given an indefinite, indeterminate charter; and they know that if this bank ever gets an indeterminate charter it will be a long time before the Congress of the United States and the Senate of the United States will dare to stand up and repeal it, because of the propaganda and the influence of the American Bankers' Association and their allies, once it is fastened upon the people of this country.

"Oh," they say, "we have a strong man in the White House now. He will veto the farm bill"; but I would ask if he is strong enough to veto this bill which should be termed the bankers' relief bill, and which puts the death grip of the bankers, if they see fit to use it, upon the business of this country.

What excuse is there for the bankers of the country coming in here and asking an indefinite extension of the Federal reserve charter eight years before it expires? None whatever. What excuse is there for them to come in here and break down the provisions of section 5200, which is going to leave unprotected

the little depositor, the washerwoman, the workingman, the farmer who have deposits in national banks?

"Oh," but they say, "the farmers want it." I challenge them to show one letter from one farm organization or from one farmer saying that he wants that kind of legislation in this session of Congress or in any other. They do not want more loans. That has been the curse of the farmer during the war—that he was encouraged to make loans up to the hilt, to produce more and more wheat, and then, after he had tried to produce it and had borrowed up to the hilt, they came along with their deflation and just put him out of business as a penalty for his patriotic efforts during the World War to feed the boys across the water.

The fight that has been going on for branch banking has not just arisen during this session of Congress. We have at the present time chain stores, spreading from one end of this country to the other, that are gradually driving the little merchant out of business; chain grocery stores, owned by the great monopolies and combines, gradually putting the little grocery men out of business. We have the chain shoe stores, putting the individual shoe dealer out of business. We have chain clothing stores, putting the little clothing merchants out of business. Now it is said that we are to give to the bankers of this country the entering wedge to establish branch banks. Where do they want them? Do they want to limit them just to the cities? Oh, no; that is just the camouflage. They want branch banking first in the city, then in the county, because the proponents of this bill actually put in this bill a provision, which was stricken out in the House, for branch banking in the county outside of the city. They want branches not only in the city but in the county, and they want them in the State, and they want them in the Nation; and they will have authority to establish such branches unless this Congress and future Congresses have the intestinal stamina to stand up here and fight against the great banking interests which seek, from the cities of New York and Chicago, to engulf this whole Nation in branch banking from one end to the other.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. COPELAND. I think the Senator is just a little bit unfair to some of the New York bankers, if he will permit me to say so. He will recall that when these banks started, they were all down in the financial district.

Mr. WHEELER. They can move, can they not?

Mr. COPELAND. Yes; they can move their one bank, but it is not fair that the State banks in the city of New York should have innumerable branches, as they have—I can speak, for instance, of the Manufacturers' Trust——

Mr. WHEELER. Let me say to the Senator from New York very frankly that I am not objecting to branch banking for the city of New York, I am not objecting to it for the city of Chicago, and I am not objecting to it for the city of Boston; but I say that this bill ought to have in it the Hull provisions, which would prevent the extension of this any further than the city limits of these great cities, which possibly need them, providing the bill contains the Hull amendments.

Mr. COPELAND. I agree fully with the Senator in that matter, and I feel that the bill does make that very provision.

Mr. WHEELER. That is where the Senator is entirely mistaken, as I have pointed out and shall further point out in a few moments. That is where the Senator is entirely mistaken, in my judgment.

Now I refer to section 5200. I confess that my experience in banking has been limited to signing notes and paying them through the teller's window, and I was extremely timid about even attempting to argue this bill until I talked with some of the bankers who are upon the committee; and when I found out how little they knew about the provisions of the banking bill I thought that possibly I knew as much about it as many of the members of that committee, however limited my knowledge might be, particularly when I heard the statements made upon the floor of the Senate last Saturday by the distinguished and learned banker and statesman from Pennsylvania.

I am not going to quote to the Senate from something that has been said by some farmer or some lawyer who knows nothing about banking. I am not going to quote, if you please, some lawyer who has not had any experience in banking; but I am going to give the opinion of a man who had as much to do with the drafting of the Federal reserve law, in my judgment, as did Colonel House, or those Senators who vie with Colonel House in claiming the authorship of the Federal reserve law.

I shall quote now from Mr. H. Parker Willis, who wrote a letter to the junior Senator from Utah [Mr. KING], in which he said:

When I called upon you at the Capitol on Tuesday last at (as I understood it) your suggestion, you asked me to tell you what I thought of the McFadden bill now before the Senate for final action. I undertook to do so, but as you will recall the time was too short, as I was then on my way to the train, to say more than a few words; and so I agreed to write you about it. This I am now doing.

I think I ought to tell you first of all that, although last winter at the time when I testified before the Senate committee, I gave the results of a lengthy inquiry which I had made at the request of and on behalf of California bankers, I have done no further work since then and do not in any way represent the views of those or of any other bankers. Exactly what their opinions are at the present time as to the present form of the McFadden bill, I have not inquired, and what I say to you in this letter is my own opinion merely and has no force as being representative of the views of any man or group. It is my own opinion merely.

As an American citizen for years interested in the banking problem I have my own opinions about the McFadden bill, and they have been adverse to the measure from its inception down to the present time. A survey of the McFadden bill as it stands leads me to feel that the objections which I have all along entertained with regard to it still hold good in the main and I am therefore as regretful as ever that it should be seriously considered by Congress. To go into the detail of the objections to the McFadden bill would require very extended treatment. Generally speaking, I may say that my testimony of last February before the Senate Banking and Currency Committee impresses me as being in all essential respects as pertinent now as it was then. I have reviewed my testimony with care. It contains nothing that I wish to change—beyond stenographic errors—and I, therefore, reassert what I then said.

I understand you to wish, however, for a specific statement of objections to the McFadden bill and I therefore note the following points which strike me as the major questions involved:

1. The McFadden bill seems to me, although greatly improved in its present form as compared with the original measure, to be still an unjust and undesirable way of dealing with branch banking. To grant the right of establishing branches within the city limits but not in the suburban districts surrounding cities seems to me to take away much of the public convenience and advantage which this phase of the bill might otherwise promote, while the situation in which branch bankers organized under State laws (in branch-banking States) are left in their relations to the Federal reserve system, seems to me an unfair and unsatisfactory one. The question whether the Federal Reserve Board shall or shall not continue to control the establishment of the branches by member (nonnational) banks appears still to be open although the language of the act in the form in which (as I understand it) the conference committee has left it, restores language which ought to act as a restraint upon the unwarranted use of Federal reserve membership by the board. After all, the best that can be said about the branch-banking provisions of the measure is that they are a compromise in which neither side has received full justice and which must inevitably provoke a future discussion of the whole subject, probably at an early date, and almost certainly after conditions have arisen, in the course of competitive business life, which will render an equitable final adjustment more difficult than it would be had no such measure been adopted.

2. I regard the whole branch banking aspect of the McFadden bill as largely camouflage, the real and vital elements in the measure being the provisions it contains with respect to other subjects, which however, have had little or no real discussion at the hands of Congress. The first of these subjects is the revision of section 5200 Revised Statutes now found in section 10 of the bill. This section as you are unquestionably aware, has been thoroughly canvassed by the Federal Reserve Board which retained a professional advisor but so far as I know the work of that advisor and the recommendations of the board have had no attention. I believe that subsection (4) of section 5200 (p. 22) opened a wide door for the extensive discount of speculative paper and would permit much larger loans for stock exchange purchases than is intended under the present law. I believe further that subsection (6) (p. 23) relating to loans on staple commodities, would seem to open the door wide to loans made for the purpose of carrying cotton, wheat, and other similar speculative commodities and to allow borrowers to get increasing loans from the banks as the current quotation ("market value") of such staples was advanced by means of speculative tactics. I believe that subsection (7) (p. 25) permits hazardous loans with insufficient margin and should not be thought of. I believe that the great epidemic of bank failures of the past few years is in part due to the laxity in lending which has been made possible by the successive amendments of section 5200, and of the correspondent statutes in various States, and that what we want now is a tightening of the provision and not a further relaxation.

Is there any question in the mind of any Member of this body as to what happened with reference to the national banks and the other banks of the Northwest and the Middle West? They became loaded up. The best of the paper, if you please,

was taken by the Federal reserve banks. I see the Senator from Connecticut [Mr. McLEAN] shakes his head, but I think I know sufficient about that situation in the Northwest to say that I have it upon the authority of many reputable bankers that the Federal reserve banks did take——

Mr. McLEAN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Connecticut?

Mr. WHEELER. I yield.

Mr. McLEAN. I shook my head because I was a member of the committee when the Federal reserve bill was reported, and I will say to the Senator from Montana that the six months' agricultural paper provision was put into the bill at the insistence of the then Senator from Nebraska, Mr. Hitchcock, and it was done, as he said, because it would benefit the farmers of the West, and they must have it. It seems to me it is rather late in the day now to blame the Federal reserve system for something that the farmers secured when the bill was drawn, because they believed then that it would be for their benefit. If they abused the privilege, it might have been partly the fault of the banks, but the farmers demanded it. I was opposed to it.

Mr. WHEELER. I will say to the Senator that I am not condemning the Senator from Connecticut because of the fact that he voted for the provision, but I am simply referring to the effect it has had, and, in my judgment, the effect it is going to have, if these provisions are further extended, as they are being extended by this bill.

Mr. McLEAN. Then the Senator must change the views of the Senators here who represent, or pretend to represent, the agricultural interests, because they insist now, as they did then, and as they have insisted all through the 12 years since the bill was passed, that the six months' agricultural paper was a great benefit to the farmer.

Mr. WHEELER. Let me tell you what took place in actual practice. All through the Northwest the good paper was taken by the Federal reserve banks. When the little banks could not loan any more they had to close their doors. There was nothing left in those banks but worthless paper, which condition had been brought about by the deflation of the Federal reserve banks throughout the country. We are talking about protection of this class and that class, but somebody ought to talk about protection to the little depositor, who puts his savings in the bank. There is no provision in this bill to safeguard them.

Mr. Willis went on to say:

3. The McFadden bill in its present form provides in section 16 for an amendment of section 24 of the Federal reserve act which allows banks to loan one-half of their savings deposits upon real-estate securities. We have at the present time a great inflation in city real estate and an unduly large amount of real-estate paper in banks.

Was that put in at the instance of the farm organizations of the country, I wonder?

Mr. EDGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from New Jersey?

Mr. WHEELER. Certainly, I yield.

Mr. EDGE. The Senator is aware, is he not, that under the pending bill an amount can be loaned equal to one-half of the total capital and surplus, the loan to run for a period of 10 months, as against existing law, which permits only 25 per cent of the total capital and surplus to be loaned for a period of 6 months? Certainly that is an advantage to the farmer, so far as liberality is concerned, is it not?

Mr. WHEELER. You are allowing the loans upon city real estate, as I understand the provisions of this bill——

Mr. EDGE. I am now discussing agriculture.

Mr. WHEELER. I am talking about improved city real estate.

Mr. EDGE. Does the Senator approve of the increased credit allowed agriculture?

Mr. WHEELER. No, I do not. I am very frank to say that I do not agree to it, and do not subscribe to it. I think it is a bad thing for the banks of this country, and particularly for the national banks, to extend that further credit. I hope Senators will not misunderstand me or my position. I do not feel that the national banks ought to be permitted to take these long-time mortgages and loans upon real estate, whether it is farm or whether it is city property, because I think it is bad banking, and I think it is a bad thing for the depositors, and it has proved to be in the West and in the Middle West.

Mr. EDGE. The Senator is also perhaps aware that in the matter of livestock, under the pending bill, the amount provided to be loaned on livestock has been liberalized as compared with existing legislation.

Mr. WHEELER. I think it is bad. I think it is bad for the livestock men themselves and I think it is bad for the banks of the country, and particularly for the poor little fellow who puts his money into those banks and allows them to pass it out over their counters for such purposes.

Mr. EDGE. Then the Senator does not agree with some Senators on the other side of the aisle who have for years——

Mr. WHEELER. I do not know who those other Senators are. I am simply expressing my own views and not the view of any other Senator upon the subject.

Mr. EDGE. Senators who for years have complained that the Federal reserve system policy denied farmers an adequate opportunity for credit.

Mr. WHEELER. I am simply stating my own judgment about the matter. I still contend that it is bad banking and does not protect the depositors sufficiently.

Mr. HOWELL. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Nebraska?

Mr. WHEELER. I yield.

Mr. HOWELL. Is it not a fact that with no grace at all they could have extended the privileges with reference to other raw materials, and also stocks and bonds, without also granting it to livestock?

Mr. WHEELER. Yes, indeed, of course. But the bill goes ahead, as I shall point out, and permits them to go into the investment banking speculation. I assume Senators will claim that was put in the bill at the request of the farmers. I read further:

We have at the present time a great inflation in city real estate and an unduly large amount of real estate paper in banks. To increase this amount and to permit savings deposits or the equivalent thereof to be invested practically as the bank may wish (subject to a 50 per cent of value limitation), is to invite disaster at a time when savings deposits, as I showed last winter, have assumed a very ill protected and dangerous position.

Mind you, Mr. President, this is not my statement, because as I said at the outset it is the statement of Mr. Willis, who, I assume, will be recognized by Members of this body as being as able an economist, particularly with reference to banking, as there is in the country.

4. As I read the present draft of the McFadden bill I understand it to provide in subsection 7 of section 5136 of the Revised Statutes as amended by section 2 (page 8), that national banks may go in the investment banking business. It is quite absurd to say that they are in that business now and that they have to carry it on for the sake of their customers. It is quite true that they have a service function of this kind, but (as I showed last February) they are not in the investment banking business and this bill will put them there. It allows them to go into what is called "the business of buying and selling investment securities" and it specifies that they can purchase practically any kind of "marketable obligation," provided that they do not at any "time" allow themselves to "hold" more than a limited amount of such securities made by any one obligor. And yet this great power is subject to none of the restrictions which surround it in State law so far as I can perceive. This is not a desirable kind of business for national banks to engage in, especially where we have banks of such widely varying ability and size as we do have in this country.

In other words, according to Mr. Willis, the bill permits the banks to go into the buying and selling of speculative securities, with none of the safeguards around the national banks which are required of State banks which do an investment banking business.

He continues:

I might go on at great length to discuss the language and details of the McFadden bill, but I am sure that this is not what you desire for the bill, as I understand it, is now far past any possibility of improvement or amendment.

Like yourself I should be the last to want to intrigue against any measure or to want to obstruct it for purely political reasons. This bill, however, is a measure of first-class importance to the financial public of the United States, and I should suppose that every Member of Congress would want and would feel it his duty to know exactly what he is voting for or against when he casts his vote. Personally I have done what I could in such writings as I have published throughout the whole history of the bill to try to make its provisions clear in order that there may be no mistake with regard to their bearing, and this letter, written at your request, has precisely the same purpose.

I remain with respect, yours very truly.

This is a man who, as I understand it, was secretary to the Federal Reserve Board for a while. This is the man who

worked with the committees of Congress diligently, night and day, in drafting the Federal reserve plan. This is not any man who is trying to break down the banking system of the country. He is taking this interest for the purpose of building up and preserving the banking institutions of the country as they ought to be preserved, in a legitimate way, and to prevent them from going into speculative business.

The national banks of the country are looked upon by the rank and file of the American people, who want to deposit their money, as being safer places than the State banks of the country. The very fact that we give them the privilege of saying that they are national banks is evidence to the average man or woman of the country of the fact that the National Government is going to see to it that their money is protected. And yet because of the fact that divers interests here in the Senate at this time, some of them wanting branch banks and some wanting to go into speculative banking business, some of them wanting to put the Federal reserve charter on the bill as a rider, are going to put the bill through Congress without any discussion, without knowledge upon the part of Senators, because I aver that there are not more than half a dozen men in this body who know what the provisions of the bill are.

We hear a great deal about propaganda in the country. We hear that the Members of Congress are stampeded into voting against their own best judgment because of the propaganda of certain farm organizations. But what has happened with reference to this bill?

What has happened with reference to the branch banking bill in this body? Never a more determined effort has been made to put any bill through Congress than has been made to put this one through. Never in the history of this body since I have been a Member of it has the pressure been put on the Members by the bankers—not all the bankers, but by a little group of bankers who want to extend branch banking from one end of the country to the other—than has been put on in this session of Congress. It does not date just from the present time. The branch bankers of the country started as far back as 1913 to attempt to get branch banking established. In 1924 the American Bankers' Association when they met, I think in the city of New York, with the little country bankers collected from all over the country, went on record against the McFadden-Pepper bill without the Hull amendments. But constantly and continually was a little group, working inside of the American Bankers' Association, which was determined to thwart the will of the little bankers throughout the country. Finally the bankers met in the city of Los Angeles and there railroaded a resolution through the convention asking that the McFadden bill should be put through without the Hull amendments. I say they railroaded it through that convention. I was not there and I do not know, but I have it upon the authority of one of the ablest bankers of my State who was present and who wrote me saying that he had never attended a meeting of any kind in his life where such tactics were used as were used in that convention to get that resolution through. I have another letter from a banker in the State of Wisconsin who uses just as strong if not stronger language.

Now, we find what? Here we find the American Bankers' Association sending out a night letter or telegram. This night letter is addressed to the chairman of the Federal Legislative Council:

McFadden bill passed House last Monday with Hull amendment eliminated and containing recharter Federal reserve banks in accordance with Los Angeles resolution. Serious situation has, however, developed in the Senate as conference report has not privileged status and three attempts to have bill considered have been blocked by objection to unanimous consent. Letters and telegrams should go immediately to Senators asking for immediate action. Opponents are trying to build up a filibuster and Senators WHEELER, Montana; DILL, Washington; HOWELL, Nebraska, who oppose the bill, should be reached specifically.

What do they mean by "reaching Senator DILL and Senator HOWELL"? Do they mean that they want the bankers to resort to the customary practice to which they generally resort when they want to get members of legislative bodies to do their will? Do they want to find out whether these Senators have loans in banks and then pull the strings upon them to get the bill through? Is that the way they want to "reach Senator HOWELL and Senator DILL"? What do they mean when they say these Senators should be "reached specifically"? Then Senators talk about propaganda. "Reach DILL and HOWELL." "Reach" them! How do they mean to reach them?

Majority of Senate favors bill, but this can not be made effective unless bill is brought up. Senators should be urged to do everything in their power to help leaders pass the bill.

What leaders? Who are the leaders? Of course, I realize that it is not just a Republican bill, it is not just a Democratic bill. I realize that party lines have completely broken down under the pressure of the bankers of the country and that this is a bipartisan bill.

Explanatory circular quoting this telegram will be mailed from headquarters office to all members of your committee.

(Signed) Edmund S. Wolfe, chairman committee on Federal legislation.

"Reach" Senators! Yes; "reach" them, and I will point out before I get through that they must have reached some one—not Members of this body, because I want to say frankly that I do not think any Member of this body would be reached by the American Bankers' Association, but certainly little bankers have been reached who under the economic pressure of the bigger banks have had to change their minds and say now that they want the bill, when in their hearts and souls they do not want it, for fear it is going to put them out of business. Yes; I shall show before I get through that they did reach men who had opposed the bill, who had denounced it, and persuaded them to change their minds. I shall show that they have newspapers who had denounced it to change their minds. They reached them in some mysterious manner.

I want next to read a letter from the office of the general counsel of the American Bankers' Association.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. LA FOLLETTE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Fess	King	Schall
Bingham	Fletcher	La Follette	Sheppard
Blease	Frazier	McKellar	Shipstead
Borah	George	McLean	Smith
Bratton	Gillett	McMaster	Smoot
Broussard	Glass	McNary	Stephens
Bruce	Goff	Moses	Stewart
Cameron	Gooding	Neely	Trammell
Capper	Gould	Norris	Tyson
Caraway	Hale	Nye	Wadsworth
Copeland	Harris	Oddie	Walsh, Mont.
Couzens	Harrison	Overman	Warren
Curtis	Hawes	Pine	Watson
Deneen	Heflin	Ransdell	Wheeler
Dill	Howell	Reed, Pa.	Willis
Edge	Johnson	Robinson, Ark.	
Edwards	Jones, Wash.	Robinson, Ind.	
Ferris	Kendrick	Sackett	

The VICE PRESIDENT. Sixty-nine Senators having answered to their names, a quorum is present. The Senator from Montana will proceed.

Mr. WHEELER. Mr. President, as I was saying, here is a letter sent out by Edmund S. Wolfe, chairman of the committee on Federal legislation, asking that the bankers of the country get busy in the effort to reach Senators upon the floor of this body so that they could line them up. "Reach" them, he says, and particularly reach HOWELL and reach DILL. I am just wondering what he means when he says "reach them."

I next have a telegram here from a little banker down in Louisiana. I am not at liberty to give his name because of the fact that he feels it would put him out of business if I did so. He states:

Have wired as requested, but pressure from the powers will compel me to cease activities. Personally wish you success.

They have "reached" this poor little banker down in Louisiana, they have "reached" him because of the fact that they have put on the economic pressure and he is afraid to say his soul is his own.

Then, Mr. President, let me read you this amusing letter. I am wondering whether or not, as I read this letter, they were trying to "reach" Representative HULL. I do not see how it could be read in any other light, because they are writing and suggesting that they will give him legal business. It was either written in the plainest kind of common ignorance or else it was intended to "reach" him by throwing him business in his law practice:

OFFICE OF THOMAS B. PATON,
GENERAL COUNSEL AMERICAN BANKING ASSOCIATION,
New York, October 16, 1926.

DEAR MR. HULL: We frequently have requests from banks in different parts of the country for the name of a reliable attorney. Your name has been given to us, and we will be glad to recommend to you any business called to our attention.

In this connection we should like you to send this letter back to us with any notation correcting your name and address for our files, and also please state what banks you represent.

To attorneys who are properly recommended to us we are sending the American Bankers' Association new 1926 compilation of legal opinions—

And so forth.

Next week we are making shipment to attorneys in your section. * * *

Incidentally, as a subscriber we will be glad to send you complimentary copies of the legal service bulletins.

The letter is signed "Thomas B. Paton."

I am going to ask that the whole letter be inserted in the RECORD.

P. S.: Don't bother to write. If you will sign and return this letter to me in the stamped envelope inclosed for your convenience, it will come directly to my desk, and I shall personally see that this work goes forward to you for examination.

Mr. President, I ask that at this point I may insert the entire letter in my remarks.

The PRESIDENT pro tempore. In the absence of objection permission is granted.

The letter is as follows:

NEW YORK, *October 16, 1926.*

Mr. M. D. HULL,
1206 Borland Building, Chicago, Ill.

DEAR MR. HULL: We frequently have requests from banks in different parts of the country for the name of a reliable attorney. Your name has been given to us and we will be glad to recommend to you any business called to our attention.

In this connection we would like you to send this letter back to us with any notation, correcting your name and address for our files, and also please state what banks you represent.

To attorneys who are properly recommended to us we are sending the American Bankers' Association new 1926 compilation of legal opinions, banking law, decisions, and forms, etc., for free examination, with a view to its possible purchase. Prominent Illinois attorneys, who specialize in banking practice unite in saying this work is most complete and an invaluable aid in their work.

Next week we are making a shipment to attorneys in your section and I shall be happy to include your name in the list. We believe you will welcome this opportunity because of the practical usefulness of the work and I hope you will send your comments marked for my personal attention.

Incidentally, as a subscriber we will be glad to send you complimentary copies of the legal service bulletin issued from time to time, free of charge, which will keep you posted on the latest opinions covering banking law as they are handed down by the courts.

Very truly yours,

THOMAS B. PATON, JR.,
Assistant General Counsel.

P. S.: Don't bother to write. If you will sign and return this letter to me in the stamped envelope inclosed for your convenience it will come directly to my desk, and I shall personally see that this work goes forward to you for examination.

Mr. WHEELER. Mr. President, I am curious to know what bankers recommended Representative HULL as an attorney for the Bankers' Association. Every banker in his district knows that Representative HULL has not been engaged in the business of practicing law. Was the letter written through ignorance, or on October 16, 1926, was the American Bankers' Association seeking to "reach" Representative HULL because at that time he was making the fight of his life for the Hull amendments? They say in this telegram "reach" Senators, and they were attempting to "reach" Senators and attempting to "reach" Representatives and attempting to "reach" little bankers throughout the country.

Then let me call attention to this: For convenience sake I am going to read a portion of what Representative HULL says about this matter. He stated:

Next it is said that the Secretary of the Treasury has advised against the Hull amendments. That is true. If Mr. Mellon were to advise me how to make money, I should be inclined to take his advice, but when he advises on branch banking I suspect that his own membership of the economic group that would profit by the practice unconsciously colors his judgment.

Again let me repeat, this is not a question on which we need expert testimony.

It is simply a question of public policy on which you and I are entitled to have an opinion quite as much as any expert. It is simply a question whether we wish to encourage the creation of monopolistic banking in America with all that means of power to control the destinies of communities and of men.

Now, as to the advice of the President. The advice of the President in his annual message is given in cautious and ambiguous phrases.

I am not surprised at that, because all of his advice is given in cautious and ambiguous phrases.

Assuming it to mean what it is claimed to mean, that by the branch-banking forces, I am not moved by it. I listen to the opinions of the President always with respect, usually with approval, and often with enthusiasm, but I hold to my own judgment when I think I am right, even when I have to disagree with my President. And when I reflect that in the multitude of his duties he can not have given more than a moment's attention to the subject and must have acted upon the representation of some one else, I am not disturbed that my judgment should disagree with his.

Lastly, I must refer to the opinions of the former comptroller, Mr. Henry M. Dawes, and of the present comptroller, Mr. McIntosh. I confess that with my recollections fairly clear in the matter, I was astonished at the introduction into the RECORD last June of a letter of Mr. Henry M. Dawes disavowing any responsibility for the Hull amendments. A paragraph of that letter of Mr. Dawes reads as follows:

"I would like, therefore, to make it clear to you, since my name has been used in the debate, that the comptroller's office under my administration was not responsible in any degree for the Hull amendment and never gave it its indorsement."

As against the statement of Mr. Dawes of last June, let me quote Mr. Dawes, speaking in his comptroller's report of December, 1924. Mr. Dawes is suggesting his recommendations for a banking bill. His suggestions are paragraphed under the capital letters A, B, C, etc. When he gets to paragraph E he says:

"Should any State which does not now permit branch banking by law or practice, after the passage of this bill, enact legislation which will permit the establishment of branches, the national banks shall not have their facilities extended by such legislation, and State banks shall not be permitted to avail themselves of such privileges and retain or become eligible for membership in the Federal reserve system."

What is that statement? Is not that a statement of just exactly what we want in the Hull amendments, nothing more nor less? And yet in the former paragraph Mr. Dawes said, in substance: "I hope nobody will think I am in any way responsible for the Hull amendments." Had this banking association reached Mr. Dawes, as it would have liked to reach Senators?

I quote further from Mr. Dawes:

The practical effect of this legislation can be summarized by the statement that so far as the operation of members of the Federal reserve system are concerned, further extension of branches beyond the limits of a single municipality is definitely prohibited, and both State and National members of the system will, in future extensions, be subject to the same limitation. No additional branch-banking privileges will be given to the national banks except such as are confined to the limits of single cities where State banks are already carrying on the practice.

Mr. Dawes versus Mr. Dawes. That paragraph is Mr. Dawes's recommendation for banking legislation and is about as concise and accurate a description of the Hull amendments as it would be possible to give. And yet Mr. Dawes's letter of last June says that the comptroller's office under his administration was not responsible in any degree for the Hull amendments and never gave them its indorsement.

Now, as to Mr. McIntosh, the present comptroller. In his letter to Mr. MCFADDEN of last June he makes the same claim—

"neither my predecessor in office, Mr. Dawes, nor I have heretofore made any recommendations to Congress with reference to the Hull amendments."

All right, Mr. McIntosh, let us see what you said in your report of December, 1925:

"In the last two annual reports of the Comptroller of the Currency my predecessor strongly recommended certain amendments to the national banking laws * * *. These recommendations formed the substance of the bill H. R. 8887, Sixty-eighth Congress, second session, which passed the House by a large majority but which failed to be reached in the Senate.

"The principal features of this bill and the reasons in detail why each proposed amendment is necessary are set forth in the reports of the Comptroller of the Currency for 1923 and 1924. I most urgently recommend the prompt reintroduction and enactment of this legislation."

What was that bill which passed the House? Why, it was the McFadden bill with the Hull amendments—nothing more or less.

This is Mr. McIntosh versus Mr. McIntosh. Thus you have the American Bankers' Association and two Comptrollers of the Currency flopping around.

Who reached them? Who reached them, and how and why were they reached? You have the American Bankers' Association in 1924 going on record in favor of the Hull amendments and the American Bankers' Association in 1926 going on record

against the Hull amendments. You have Mr. Dawes going on record in one breath in favor of the Hull amendments and Mr. Dawes, under pressure of the bankers—a little group of international bankers in this country who want to extend branch banking—flopping over again in favor of branch banking. You have Mr. McIntosh, the Comptroller of the Currency, going on record against anything excepting the Hull amendments, and then you have Mr. McIntosh going on record in favor of the bill without the Hull amendments.

Who reached them? Why, Mr. President, undoubtedly the same person reached them that reached the former Attorney General, Mr. Harry M. Daugherty, when he wrote the opinion for Mr. Dawes saying that the national banks of this country had a right to have tellers' windows. Oh, yes, Mr. President; this fight for branch banking has been going on for a long time. It has been resisted by Comptrollers of the Currency in the past; but when Mr. Crissinger was brought down here with the Ohio gang and put in as Comptroller of the Currency, what happened? Then, Mr. President, in order to get around the law which said that they could not extend branch banking, Mr. Crissinger allowed them to have tellers' windows, in violation, I say, not only of the spirit but of the letter of the banking law. Then, Mr. President, when Mr. Dawes became comptroller, there must have been a doubt in his mind as to the legality of teller windows. He wrote a letter to Mr. Daugherty, asking for his opinion as Attorney General on the question of the legality of these so-called teller windows, and Mr. Daugherty rendered an opinion to the effect that they were legal.

That is why I say, Mr. President, these people have been reached. Yes; they reached Daugherty. It was not difficult to do it. This is the kind of a bill, Mr. President, that they are trying to put through in the closing days of this session. Just as surely as you do it, just as surely as you put on cloture to force this bill down the throats of the American people, you are going to have to meet the issue in the next campaign, because, in my humble judgment, the American people will resent your action in this matter.

Let me read a telegram of protest:

CHICAGO, ILL., *May 11.*

The following associations, representing approximately 9,000 Middle West banking institutions, respectfully ask that you aid in the early enactment of McFadden bill as passed by House.

With the Hull amendments, of course.

In fairness to our national banking system and as protection for the American system of independent banking it is imperative that the Senate concur in the action taken by the House. The Hull amendments, which were approved by Banking and Currency Committee of the House and which are a part of the bill as passed by the House, virtually guarantee that branch banking, a monopolistic practice, shall not be permitted to destroy a banking system which has played such a leading rôle in the marvelous development of America. This is more than merely a banking question, for unless branch banking is effectively curbed the American people must resign themselves to the inadequacies of an European or Canadianized banking system. We shall deeply appreciate your assistance.

IOWA BANKERS' ASSOCIATION.
INDIANA BANKERS' ASSOCIATION.
MISSOURI BANKERS' ASSOCIATION.
WISCONSIN BANKERS' ASSOCIATION.
NEBRASKA BANKERS' ASSOCIATION.
ILLINOIS BANKERS' ASSOCIATION.
CHICAGO AND COOK COUNTY BANKERS' ASSOCIATION.

I might add to that list that the Montana Bankers' Association went on record in favor of the Hull amendments; and every thoughtful banker in this country who has not had the pressure of the great banks of the country brought to bear upon him, who has not been reached by the American Bankers' Association since the passage of the resolutions at Los Angeles, has gone on record against it, because he conceives the idea that this is the entering wedge of the branch-banking system in this country, which, I repeat, is going to engulf this country and is going to destroy every little independent enterprise in the country. It means that in the future the man who goes to the bank for money, instead of borrowing money upon the character which he has built up in the community, is going to have to have it loaned to him simply upon whatever collateral he may present, and character will count for nothing. It means absolute absentee landlordism in this country. It means that the people of this country are absolutely going to be shackled by the great bankers in the large cities of this country.

Now, Mr. President, I desire to read a letter from the State Bank of Platteville, Wis., with a capital and surplus of $175,000.

JANUARY 20, 1927.

Hon. JOHN M. NELSON,
House of Representatives, Washington, D. C.
DEAR MR. NELSON—

Before I leave this man Crissinger, who is at the present time at the head of the Federal reserve banking system, who was brought down here, as I say, from a little town in Ohio and has been part and parcel of the Ohio gang, let me ask—for the benefit of the Members who reverence a man because he is placed in a position of power, as he is, at the head of the Federal reserve system of this country—who is he, and who were his associates?

Why, one of his chief "buddies" and closest associates was no other than George B. Hayes, of New York City—George B. Hayes, whom Daugherty and Burns and that crowd brought out to Montana and had him go upon the stand and make up as deliberate and premeditated a piece of perjured testimony as was ever given in a court of justice in this country. Why is not he prosecuted? Because he is the "buddy" and the pal, if you please, of Crissinger, of the Federal reserve bank, and this Attorney General of yours does not dare to prosecute him. I have asked him to, and I challenge him to prosecute him for perjury in the courts in Montana, where he committed the perjury, but he does not dare do it because of the fact that Hayes knows too much; he has been used too long. And then you want to put on the people of this country a rider here extending the system which has at its head Crissinger—Crissinger, whose pal is George B. Hayes!

STATE BANK OF PLATTEVILLE,
Platteville, Wis., January 20, 1927.

Hon. JOHN M. NELSON,
House of Representatives, Washington, D. C.

DEAR MR. NELSON: I understand that on Monday next an attempt will be made in the House to drop the Hull amendments to the McFadden bill. I appreciate the upstanding position you have always maintained toward branch banking and the splendid service you have rendered in blocking attempts to extend branch banking over the country. I am writing you to-day not because I fear your stand in this matter, because I know you are as adamant on our side of the question. I am appealing to you to exert your influence in every possible way to prevent the elimination of the Hull amendments. I know the efforts that the city bankers, aided by the American Bankers' Association officials, are making to have Congress indorse the principle of branch banking; and with this enabling act making it possible for national banks in any State to engage in branch banking when the States where it is now prohibited remove the barriers against it.

It will readily be seen that such congressional action is desired at this time to serve as the enabling machinery for removing the restrictions and barriers that now exist in 27 States against branch banking.

The minute this congressional sanction is obtained the lobby that is now working in Congress to commit Congress to a branch-banking policy for national banks will shift its labors to these 27 States where branch banking is prohibited, and the Federal statute, if they are given what they want, will be used on these 27 State legislatures to have them give branch-banking privileges to their State-chartered institutions. They will say that, inasmuch as Congress has seen fit to permit national banks in any State to engage in branch banking, when State legislatures permit the privilege to State banks that there now exists no good reason why the privilege should be withheld, as both State and National banks will be placed on a basis of equality with respect to branch banking. You can understand how the powerful groups throughout the Nation, with the cooperation of influential National and State bankers in all the States, will be able to remove the barriers that now exist in these 27 States against branch banking by State statutes.

This is the carefully concocted scheme of the powerful city banks aided by the officials of the American Bankers' Association to eventually bring about nation-wide branch banking. It will not be long if they secure the congressional help they are now fighting for—the McFadden bill without the Hull amendments—to have branches of the National City Bank of New York, the Guaranty Trust Co., the Bank of Italy, or the big banks of the various States, scattered all over the country, absorbing the liquid funds of every community in every State of this Union to be used, not in reloaning to the small trades people and the farmers of the Nation but to be used in no small way in underwriting all sorts of investment banking schemes, industrial and utility, and international investments that offer big profits to those participating in the syndicate groups. We created the Federal reserve system to decentralize banking monopoly in Wall Street; to insure a steady and unfailing supply of credit not to a banking monopoly but to industry, trade, and commerce in every section of the country; and yet these proponents of branch banking are asking Congress to pass legislation that will again create this centralization of banking credit and banking power in the hands of a comparatively few. Can it be possible

that Congress will be hoodwinked into granting this camouflaged legislation. I have been president of the Wisconsin Bankers' Association.

Some of these distinguished gentlemen would have Senators believe that it is only a little group of Senators from the West who are protesting. It is the legitimate bankers and the smaller bankers of this country who fear for the results.

I am a country banker and a volunteer member of the Federal reserve system. I am a member of the executive council of the American Bankers Association. I am a member of the Federal legislative committee of the American Bankers' Association, and I want to say to you that I am as familiar with the aims and purposes of this crowd of branch bankers as any man in this State. I want to denounce and condemn the action of the officials of the American Bankers' Association in the part they are contributing toward the indorsement of this nefarious scheme to extend branch banking by the passage of the McFadden bill without the Hull amendments. I was a delegate to the Los Angeles convention, and I happen to know the methods used by the officers of the American Bankers' Association in passing a resolution that eliminated the Hull amendments from the McFadden bill. The American Bankers Convention was held at Los Angeles for the purpose of aiding the branch bankers of the country in securing what they wanted from Congress. The convention was taken so far away from the bankers of the country that the great majority could neither spend the time nor the money that the trip involved. It was not a convention representative of the bankers of the country, but representative of the big city institutions of the country, packed with branch-banking representatives from every part of the state-wide branch-banking State of California.

The resolution was passed at an evening session, where there was only a total vote of 681, and it carried by only 145 votes. When the vote of 206 branch-bank managers from the city of Los Angeles alone is subtracted from that majority, it will be seen that the bankers there were not in favor of the elimination of the Hull amendments, as these 206 branch-bank managers were not voting for principles but for the extension of the power of the powerful branch-banking groups that dominate California. I say without hesitation, openly and fearlessly as a member of the executive council of the American Bankers' Association, that the action of the American Bankers' Association in this branch-bank controversy merits the condemnation and criticism of every banker in this country. That organization stands discredited in this matter for its sins of omission as well as commission. It has openly and flagrantly violated the confidence of the rank and file of the membership that has contributed toward its maintenance. Its officers aided in every possible way, including high-pressure and steam-roller methods, in bringing about a repudiation of the indorsement given by the Chicago convention to the Hull amendments—the most representative convention of bankers from every section of the Union ever held. I trust that you will use these facts as you may see fit, publicly or privately, as I feel in duty bound to make known the actual facts. My duty is to the membership of the American Bankers' Association who were absent from the Los Angeles convention.

Thanking you for doing all in your power to retain the Hull amendments in any branch-banking legislation that is passed, I am, with many thanks,

Very truly yours,

W. H. DOYLE, *Cashier.*

Do Senators think that the small bankers of the country are for this bill? Do not Senators think the small bankers can see their annihilation? Here is a man who is connected with the American Bankers' Association. Here is a man who is not only connected with that organization but who has held important offices within it, denouncing the organization and their tactics and this legislation in the severest terms. Yet what is going to happen in the Senate? Ninety per cent of the Members of this body will vote for this bill because the big bankers of this country want it, and they are going to vote for it without ever having read the bill or knowing what the provisions of the bill are. Furthermore, they are going to vote for it without apparently giving two whoops what is in the bill, because of the fact that the lash is cracked upon them by the banking interests of the country.

Then you say that you want to put on cloture. I say to you, I dare you to put on cloture. Put it on and force it upon the American people if you want to. Put on cloture, put on the gag rule in the closing hours of the session if you want to. Oh, yes; I know what happened. But I say to you, put it on, and you will have to answer to the American people if you do.

You can have your bipartisan organization in this body and cram it down the throats of the American people if you want to, but you are not going to stop a few people by any threat of cloture, or by any insinuation, or by any snarling or anything of the kind, from voicing their feelings upon this matter.

There may be members of this body who want to stop us, who do not want to allow us even to get the views of the representative bankers of the country, who do not want to have any views expressed on the bill because a few men on the Banking and Currency Committee, composed of Democrats and Republicans alike, think that they know more about banking than anybody else, and because of the fact that they feel it is lese majeste that anyone should for one moment attempt to interrupt their plan.

I now desire to read into the Record a letter from a banker located in Granite County, Mont., as follows:

THE GRANITE COUNTY BANK,
Philipsburg, Mont., April 1½, 1926.

Hon. B. K. WHEELER,
United States Senate, Washington, D. C.

DEAR MR. WHEELER: This is to advise you that we are opposed to the McFadden-Pepper bill as voted out by the Senate subcommittee but strongly indorse the McFadden bill with the Hull amendments as passed by the House.

Cordially yours,

B. E. BARNHILL, *Vice President.*

The following is a letter from the president of the Superior State Bank, who writes:

THE SUPERIOR STATE BANK,
Superior, Mont., April 12, 1926.

Hon. B. K. WHEELER,
Senate Chamber, Washington, D. C.

DEAR SIR: I notice that what is known as the McFadden-Pepper bill, voted out by the Senate subcommittee, will come up for action in the Senate in the very near future. I find that all of the bankers in group three of Montana, of which I am president, are much opposed to this bill as it is being reported, and at a recent meeting of our board of directors this matter was discussed and I was instructed by our board to write each of the Montana delegation in Congress protesting against its passage, and asking that instead, you support the McFadden bill as passed by the House, and I hope that you can see your way clear to do so.

It is the independent banking system, owned locally and responsive to local requirements, which has made possible the development of the West. If the branch bank bill goes through, then we can look for some of the larger banks to be putting in a branch in any small place that looks favorable. They will take the deposits to the central office, but there will be no accommodations to the small borrower, who can now go to his local bank, which knows him personally and his requirements and secure the needed assistance. But, if the branch bank comes in the local banks will be forced to the wall.

Very respectfully,

B. E. VAILL, *Cashier.*

Now, I desire to read from a report from London, which appeared in the Tribune of September 22, 1925, as follows:

LONDON, September 21.—The British bankers are worried by a campaign started against them by the Laborites. * * *

* * * It is being represented that the bank policy is directly responsible for bad trade and lack of employment in Great Britain.

RESENTED BY SMALL MERCHANTS

The attacks are dangerous, because already throughout the country among the small business men and farmers there is resentment over the policy of the five big banks which in recent years have absorbed nearly all the old-fashioned local banks.

In the old days a local man got credit from his local bank on his reputation; now the manager of a branch bank refers the application to London, which generally refuses it unless gilt-edged security is provided. The big five prefer wholesale dealings with the large industrialists. A campaign for the nationalization of the banks might therefore appeal to many voters, who will do anything to help the Socialists.

* * * * * * *

There is a labor group over there protesting against it, and saying that it is bringing about the unemployment in England, bitterly assailing the branch-banking system.

I also desire to read into the RECORD a telegram from one of the leaders of the farm movement in my State, a newspaper man, who was afraid that I, with some other Members of the farm group, had entered into a deal with the bankers to put over this farm legislation. He says in this telegram:

BELGRADE, MONT., *February 4, 1927.*

Senator B. K. WHEELER,
Washington, D. C.:

Farmers here say a vote for branch-banking measure in trade for support of McNary-Haugen bill will be a vote to give farmers relief and then take the benefits away from them. That is what they believe the branch-banking measure will do.

UNCLE SAM HAMPTON.

I am inclined to agree with him, that that is largely what it will do.

The Senator from South Carolina [Mr. BLEASE] asks me if there was such a deal made, and I answer "Yes." In my humble judgment it is unfortunate that any such understanding should have been arrived at. I think that those who are anxious to see the farm bill pass were unduly exercised, and were cajoled by their fear that there would be a filibuster against the farm bill to sign up cloture on this bill; and as far as I am concerned I submit that it was not necessary that anything of the kind be done, and the farm organizations and their representatives here will regret their action.

I next desire to read a letter from Mr. A. L. Stone, one of the ablest bankers of my State, one of the oldest and most conservative bankers of my State, one of the leading Democrats of the State. He said:

STATE BANK OF DILLON,
Dillon, Mont., April 24, 1926.

Senator B. K. WHEELER,
Senate Chamber, Washington, D. C.

DEAR SENATOR: My attention has been called to the McFadden bill and the amendments which were added to it by the Senate committee. The bill which passed the House was in accordance with a resolution passed by the American Bankers' Association, and in my opinion is just as liberal to those who are extending branch banking as we ought to make it. Personally, I have always believed that the policy of independent banks in our country is the one which we should continue. As you know, the tendency of all business as we grow in wealth and population is to become centralized. Whether we like it or not, the drift is going to be in that direction. For this reason I believe we should retard the movement as much as we can.

The rights and privileges which were originally reserved to the States and to individuals under our Constitution and business practice are being continuously encroached upon and turned over to central government and monopolistic business.

Would be glad to have your idea with regard to the matter, and unless there is some reason which I do not think of for indorsing the Senate amendments, to have them stricken from the measure when it passes the Senate.

With personal regards, I remain,
Yours truly,

A. L. STONE.

Just let me digress for a moment to say a word to those who stand in this body or go out on the platform and say to their constituents, "We want no more bureaus in Washington." I think we are building up a bureaucracy here which is going to be very dangerous to our institutions. But I say, with Mr. Stone, that just so long as we permit the concentration of wealth of the country into fewer and fewer hands, just as long as we continue to permit branch banking and the consolidation of this and consolidation of that in every line of industry, just so sure we have got to build up here in Washington more and more of a bureaucracy, because there is no other way to curb it. Even if we enact the proper laws, some President comes along who is entirely out of sympathy with the law, and he fills up the boards with men who, instead of being in sympathy with the purpose and aim of the laws, are the creatures of the very monopolies against which the Congress itself is seeking to protect the people.

Mr. McLEAN. Mr. President——

The PRESIDING OFFICER (Mr. NEELY in the chair). Does the Senator from Montana yield to the Senator from Connecticut?

Mr. WHEELER. I yield.

Mr. McLEAN. The Senator realizes, of course, that we have 20,000 State banks and less than 10,000 national banks. The State banks started the branch-bank movement. There are two State banks to each national bank. How does the Senator expect we can prevent the expansion of the branch-banking system when we have no control whatever over the State banks?

Mr. WHEELER. I do not think we can prevent it, of course, and nobody on this floor for one second contends that we can prevent it in State banks. But we can prevent it in national banks.

Mr. McLEAN. If we do, then the national banks will withdraw from the Federal reserve system and become State banks.

Mr. WHEELER. Oh, yes; I have had that statement before, but I do not think the statistics will bear out the Senator's statement.

Mr. BLEASE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from South Carolina?

Mr. WHEELER. I yield.

Mr. BLEASE. In that connection I would like to ask the Senator if my State of South Carolina, for instance, were to enact a law prohibiting branch banks, and a bank incorporated under the laws of my State, which now has branch banks, were to surrender its charter as a State bank and reorganize as a national bank, under the terms of this bill would that bank as a national bank have the right to nullify my State law and come into South Carolina and establish State branches?

Mr. WHEELER. There would not be any doubt in the world that it could do it in so far as the counties and cities were concerned, because the bill permits that to be done. In other words, I will repeat what I said a moment ago——

Mr. GEORGE. Mr. President, does the bill permit that to be done in a State where branch banking is outlawed? If so, I do not understand the bill.

Mr. WHEELER. Let me explain it. The bill permits this to be done, if, for instance, the State of Georgia or the State of South Carolina allows branch banking at the present time. Assuming that the legislatures of those States should provide that from and after a certain date banks must do away with their branches and would not permit them to have any more branch banks in those States, saying, "We think it is unhealthy for the people of our State and we do not want any more branch banking," then a State bank could convert itself into a national bank and maintain branches within the city and county where the main bank was located.

Mr. GEORGE. Thereafter?

Mr. WHEELER. Yes.

Mr. GEORGE. And nullify the State law?

Mr. WHEELER. And in that respect nullify the State law of the State of Georgia.

Mr. GEORGE. I did not have that impression.

Mr. WHEELER. There is no question about it at all.

Mr. GEORGE. Then I am not advised as to that feature of the bill.

Mr. BLEASE. Since the Senator from Georgia has asked the question I will say that there is a bank operating in South Carolina called the Western Carolina Bank. From what I understand about it I think that most of its capital comes from the State of Georgia. It is a State bank. It has branch banks in the State of South Carolina. My question to the Senator was, if the State of South Carolina were to enact a law prohibiting State branch banks, then, as I understand the provisions of the bill, the Western Carolina Bank could surrender its charter as a State institution, recharter as a national institution, and nullify the laws of the State of South Carolina by maintaining branch banks in my State. I want to know if I am correct in that interpretation of the Senator's statement.

Mr. WHEELER. There is no question about it at all, in my judgment. Paragraph (B) of the bill——

Mr. EDGE. Mr. President, will the Senator yield to me?

Mr. WHEELER. I would like to answer one question at a time. After I have answered the Senator from South Carolina and the Senator from Georgia I shall be glad to yield to the Senator from New Jersey.

Paragraph (B) of section 5155 reads:

If a State bank is hereafter converted into or consolidated with a national banking association, or if two or more national banking associations are consolidated, such converted or consolidated association may, with respect to any of such banks, retain and operate any of their branches which may have been in lawful operation by any bank at the date of the approval of this act.

Is there anything ambiguous about that language? Is there any reason in the world why any lawyer in this body should be confused about it? Yet the trouble with the bill is that it has just been printed and placed upon the desks of Senators on Saturday. No one in the Senate is familiar with its provisions and we get many confused ideas from members of the committee with reference to the meaning and interpretation to be placed upon this section, and that is one reason why the bill should not be passed.

Mr. HEFLIN and Mr. BLEASE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Montana yield; and if so, to whom?

Mr. WHEELER. Let me finish one further statement to the Senator from Georgia and then I shall be glad to yield

That provision in itself would permit a State bank to be converted into a national bank and permit it to carry on the whole state-wide branch banking. The bill as orignially drawn intended to do that very thing, but in the House they struck out the word "State" so that it now provides:

That any bank incorporated under the laws of any State, or any bank incorporated in the District of Columbia, may be consolidated with a national banking association located in the same county, city, town, or village under the charter of such national banking association.

In other words, they struck out the word "State" so that they could keep the branch banks which they had in the city of Atlanta, Ga., for instance, or in any other city of Georgia.

I now yield to the Senator from Alabama.

Mr. HEFLIN. This question was raised on last Saturday. I asked the Senator from Pennsylvania [Mr. PEPPER] a question, and I now read my question and his answer:

Mr. HEFLIN. Suppose a bank in lawful operation under the State law should, with its branches, apply for a charter and come into the Federal reserve system: If it had a hundred branch banks, what would be the status of it after it got into the system?

Mr. PEPPER. If a State institution operating in a State which authorizes by law state-wide branching has as of the date of the passage of the pending measure any number of branches whatsoever, it may, upon converting itself into a national banking association or consolidating with a national bank association, become a national banking association and retain the branches to which I have referred.

Mr. EDGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from New Jersey?

Mr. WHEELER. I yield.

Mr. EDGE. A few moments ago the Senator, in a colloquy with the Senator from Connecticut, made the statement that the statistics would not bear out the claim that national banks would go or had gone out of the Federal reserve system because of the denial of branch-bank privileges.

Mr. WHEELER. Yes.

Mr. EDGE. In the report of the Comptroller of the Currency for 1926 it is demonstrated that 256 national banks, since October, 1923, have surrendered charters, carrying an aggregate total of resources considerably over a billion dollars, and the reason assigned, as I understand it and as stated in the report, is a failure of the national system to provide the same opportunity for branch banking and other banking privileges as State institutions are now given under their State charters.

Beyond that, the information received from the comptroller's department is that there are a great many other banks which are awaiting the action of Congress on the pending bill as to whether they will go out of the Federal reserve system and take State charters in order to be given equal rights with State institutions.

Mr. WHEELER. Yes; I know that kind of propaganda has been put out by the comptroller's office, who have been lobbying for this kind of legislation. But I submit that those statements, as the Senator has read them, are not correct in that the banks are not going out because of the fact that they wanted to have branch banks. Some of them have been consolidated with other banks. Some of them have gone out of the national banking system, but others have come in, and the Senator's statement does not cover the whole situation.

Mr. EDGE. I would like to complete my statement if I may. The 256 national banks have gone out, and 29 State banks have come in with aggregate resources of $235,000,000. In other words, 29 came in and over 250 went out.

Mr. WHEELER. How many of those national banks were consolidated with other national banks?

Mr. EDGE. I have not that information.

Mr. WHEELER. Then, of course, the Senator's statement is not worth anything upon that proposition until he has that information.

Mr. EDGE. The statement is worth a great deal when it demonstrates resources of over a billion dollars of those banks which have gone out of the Federal reserve system, thereby having that amount of resources taken out of the national banking system and put into the State bank system. If the Senator does not believe in a Federal national banking system, then his argument can not be disputed, but if we are going to maintain the Federal system we certainly must make it as attractive as the State system.

Mr. WHEELER. The Senator asks if I do not believe in a national banking system. Let me say that I believe in a national banking system. I want to see it preserved as it has been so that it will have the respect of the people of the country. The Senator from New Jersey and those who are advocating this bill are saying what? They are saying that because a State permits burglars and burglary and bootlegging, then the National Government ought to permit burglars and burglary and bootlegging. They are saying that if a State lets a State bank go into the stock-jobbing business, into the swindling business, or any other kind of business, then we must call upon the Congress of the United States, under the whip and lash of the great bankers' association, to let the national bank steal because the State banks do. What logic that is!

Mr. EDGE. What we say is contained in clear language in the bill before the Senate. We permit certain new lines of procedure and credit.

Mr. WHEELER. Certainly.

Mr. EDGE. We permit a broadening of the process within what has been considered common-sense banking policies. We do not permit any generalities such as the Senator has stated.

Mr. WHEELER. The bill does exactly what I have said. I am not making that statement upon my own authority but I am making it upon the authority of an expert in banking, who, I think, will be recognized as such by the distinguished Senator from Virginia [Mr. GLASS] and by the Senator from Ohio [Mr. FESS] as being one of the ablest experts on banking in this country. He deplores the fact that this kind of a proposition is being incorporated in the bill. I doubt very much whether the Senator from Virginia will say on the floor of the Senate that he approves some of the provisions of the bill with reference to that subject.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Virginia?

Mr. WHEELER. I yield.

Mr. GLASS. Since I have been appealed to, while I have not desired to interrupt the Senator from Montana in the course of his speech, I want it distinctly understood that every contention which he has so far made will be answered before we are called upon to vote upon the conference report, and I think will be completely confuted in most instances.

Mr. WHEELER. I have no doubt the Senator from Virginia thinks my contentions will be confuted, in his opinion, because, of course——

Mr. GLASS. I can only give the Senator my opinion; I can not give the opinion of anybody else, of course.

Mr. WHEELER. I say I have not any doubt that in the opinion of the Senator from Virginia my contentions will be confuted; and I should be surprised if I made any statement upon the floor of the Senate at any time that the Senator from Virginia did not think would be entirely confuted.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Nebraska?

Mr. WHEELER. I yield.

Mr. NORRIS. I should like to recur to the original statement made by the Senator from New Jersey [Mr. EDGE], not, however, to prolong this controversy. I think the Senator from New Jersey stated that the report showed that there were 289 national banks since 1923 which had surrendered their charters and withdrawn from the Federal reserve system.

Mr. EDGE. To be exact, I stated the number as being 256.

Mr. NORRIS. Very well. I should like to suggest to the Senator from Montana and also to the Senator from New Jersey that in order to be fair if that argument is good, then, the Senator from New Jersey ought to show that those banks withdrew from the system because they were denied branch-banking privileges. If that can not be shown, then the figures have no particular weight, any further, at least, than respecting the number of banks which did withdraw for that reason.

Mr. EDGE. If I may interrupt the Senator, I desire to say that it is rather difficult, as he well knows, to assign the reason which in every case actuated a bank in giving up its national charter and taking out a State charter.

Mr. NORRIS. I understand that.

Mr. EDGE. But it must be admitted by the Senator from Nebraska that if those figures are correct—and I am sure they can not be disputed—256 national banks left the Federal reserve system for various reasons, some perhaps because of the lack of branch-banking privileges, some perhaps because of lack of banking advantages which were allowed the State banks, but, notwithstanding, they withdrew, and they represent aggregate resources of over a billion dollars.

Mr. NORRIS. The Senator from New Jersey having suggested that those banks withdrew when the Senator from Montana was discussing the branch-banking system, I simply want to call attention to the fact that they withdrew for all kinds of reasons, and their withdrawal is not an argument against or in favor of branch banking unless the Senator from New Jersey can show that the denial of the privilege of branch banking is the reason they withdrew. I happen to know of some banks which withdrew in my own State, where we do not have branch banking, and which therefore could not have been influenced by that reason. It would have been impossible.

Mr. EDGE. Does not the Senator agree that it is just as important if those banks withdrew for some other reason——

Mr. NORRIS. Exactly.

Mr. EDGE. Perhaps because of defects in the law that we are endeavoring to correct in the measure before us?

Mr. NORRIS. But the branch-banking provisions of the bill will remedy that situation and keep such banks in the system.

Mr. GLASS. Mr. President, the Senator from Montana has not confined himself to the branch-banking features of the bill. He has traversed the bill from beginning to end, and the most savage part of his assault has been upon the features of the bill that do not relate to branch banking.

Mr. NORRIS. I understand all that; but the Senator from New Jersey gave that evidence when the Senator from Montana was arguing the branch-banking system, and the impression left at least was to the effect that State banks wanted branch banking, because so many of them had withdrawn from the system. There may have been some of them which withdrew for that reason; I do not know as to that; but we do know that a large number, running over a series of years—some of them, at least, of which I have personal knowledge—did not withdraw and could not have withdrawn on account of the lack of branch banking in the Federal system.

Mr. HOWELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Nebraska?

Mr. WHEELER. I yield.

Mr. HOWELL. As evidence that those banks did not withdraw from the system because they were denied the privilege of branch banks, I will state that, beginning in the latter part of 1922, 298 national banks were allowed to establish branch banks by the Comptroller of the Currency against the law.

Mr. WHEELER. I was just going to call the Senate's attention to the fact that during the last five years in the principal cities of the United States branch banks have been allowed—they are called "teller windows," but they are nothing more than branch banks—and they have been allowed upon the authority and under an opinion of Harry M. Daugherty. So there would not have been any reason for them to withdraw from the system because of the fact that they were not allowed branches, when the truth is that banks all over the country have been allowed to establish "teller windows," and they have been allowed to do so in some instances where the State provided against branch banking. For instance, if I am not mistaken, branch banks have been permitted in at least one instance in the city of Omaha, Nebr., and if I am not mistaken one has been permitted in the State of Minnesota, where the State law has not provided for branch banking.

Mr. HOWELL. Mr. President——

Mr. WHEELER. I yield to the Senator from Nebraska.

Mr. HOWELL. The opinion handed down by Attorney General Wickersham in 1911 was against the establishment of branch banks by national banks. Attorney General Daugherty in 1922 or 1923—I think it was in 1922—rendered an opinion in which he modified the opinion handed down by Attorney General Wickersham, but the Supreme Court of the United States subsequently sustained Attorney General Wickersham.

So far as establishing branch banks is concerned in my city, two have been established, although branch banking is not allowed in Nebraska, and in the city of Minneapolis six have been established, although branch banking is not permitted in the State of Minnesota.

Mr. WHEELER. I am glad the Senator from Nebraska brought that to the attention of the Senate. I know his statement is correct, but I had overlooked it.

In answer to the statement made by the Senator from Virginia [Mr. GLASS] that I have denounced many other provisions of the bill more severely than I have the branch-banking features, I merely wish to say that my chief objection to the bill is on account of its branch-banking provisions. I think, however, many of the amendments to section 5200 of the Federal reserve act are unjustifiable and will result disastrously to the national banks and to the people of the country.

Coming down to the Federal reserve act, I wish to say very frankly that I have not had the time to go as deeply into the workings of the Federal reserve system as I should like, but I deplore the fact that a provision extending the charter of the Federal reserve banks is being put on as a rider to this bill at this time without giving the Members of the Senate an opportunity to study the provisions of the bill and the workings of the Federal reserve banks more in detail. I think that feature of the bill ought to be presented as a separate measure, and it ought to be discussed thoroughly upon the floor of the Senate. It is one of the greatest subjects that can confront this Nation. When the Federal reserve act was first passed it was denounced by the American Bankers' Association, I think in their convention in the city of Boston, as being socialistic. I have felt that the Federal reserve banking system has done a great deal of good in a great many ways, and I still think so, but I say that any organization that has the power the Federal reserve banks have should not be dealt with as this bill proposes to deal with them under the conditions surrounding this measure, when there are not 10 per cent of the Members of this body who know anything about how the system is working at the present time; and, if my information is correct—and I do not say that it is, but I have been reliably informed to that effect by an economist of the highest character—practices have grown up in the Federal reserve system which were never contemplated by the Federal reserve act itself.

I am told that the Federal Reserve Board does not in reality run the system, but that in reality it is being run by a board of governors for which the act does not provide at all, and that under Mr. Mellon's administration they are more or less subjected to Mr. Mellon's influence. I may be entirely in error about that; I do not know positively what the facts are, and I am speaking only from the information which I have been given and which has come to me from a reliable source. I do say, however, that it is not fair that a provision extending the charters of the Federal reserve system should be attached as a rider to a branch banking bill.

Mr. President, there are many other features of the measure now under consideration which ought to be discussed before the bill is disposed of and which ought to be thoroughly understood by every Member of the Senate. That is why I have objected to proposed unanimous-consent agreements to fix a time to vote on the conference report, and I shall continue to object to unanimous consent being given, because there is no more important subject concerning the people of this Nation at this time than the banking bill which we have now under consideration. For that reason I can not understand why those who are in favor of it are so insistent that it be passed at this session of Congress.

What is there about the branch-banking provisions of this bill that makes it imperative that it be passed in the closing days of this session? What is there to-day that makes it imperative that this measure should be placed upon the statute books at this late hour in the session without time for Members to get the facts, without time to study and debate? What is there about the proposed amendments to section 5200 of the Federal reserve act that makes it imperative that they should be jammed down the throats of the Senate and of the American people? What is there about the Federal reserve act that makes it so imperative to jam through at this session of Congress a measure amending the provision of the present law when their charters will not expire for eight years? These are matters that will have to be explained to his constituents when he goes back home by every Senator in this body if he votes for this bill.

Mr. President, in closing I submit that there are numerous other Senators who wish to discuss this bill.

I should have liked to have more time to give to the various provisions of this bill which amend section 5200. I should have liked to hear them discussed upon the floor of the Senate at length. I should have liked to see the Members of this body pass upon the bill after they had given their mature judgment to it. Instead of that, however, we are going to pass it here under the lash of the whip of the American Bankers' Association, without any knowledge or consideration of the bill, and you are going to put on cloture! A little bipartisan group of Democrats and Republicans are going to force it through this body.

You may force it through this body. You may intimidate Senators upon this floor into voting for it. They may be frightened because somebody stands up on the floor and says, "If you do not consent, we will put on cloture." Well, who cares whether you put on cloture or not? Whom do you think you are intimidating by threats of that kind?

Talk about the President being a strong man! Yes; he will be strong enough, probably, to veto the farm bill, but he will not be a strong enough man to stand up under the pressure of the bankers of this country. He will veto a farm relief bill for the poor, little, unfortunate fellow out on the farm 30 miles, 40 miles—yes, 70 miles—from a railroad; but he will not have the courage of Andrew Jackson to stand up in the White House and veto a relief bill for the bankers of this country.

The unfortunate thing from my standpoint, and the thing I am sorry for, is to see Democrats who claim to be followers of Andrew Jackson and Thomas Jefferson standing up and fighting for a bill of such a character that Jackson would turn over in his grave if he knew that Democrats who claimed to be followers of his were advocating it. What we need in this country to-day is more Thomas Jeffersons and more Andrew Jacksons. What the South needs to develop is more Jeffersons and more Jacksons and fewer men of the type of the reactionary Bourbons of New England.

POSTAL RATES

Mr. GEORGE. Mr. President, I desire to detain the Senate but a very short time, and not on the banking bill.

Since the postal bill is by unanimous consent to be taken up at an evening session this evening, and since I shall be unable to be present at that time, I wish to say just a few words on that measure.

According to a custom which I have pursued, I have asked many of the various users of the mails in my State about the pending measure, and I have had replies from users of first-class and second-class mail generally agreeing with the provisions of the bill now before the Senate. I have received one letter from a large user of third and fourth class mail, pointing out certain objections to the bill, and it is this particular letter that I wish to have inserted in the RECORD.

The writer of this letter gives his express approval to the reduction in the rate on private mailing cards from 2 cents to 1 cent, and says that that reduction is in line with common sense. He also suggests as to the reduction on second-class matter that it is common knowledge that the current rate on transient mailing of second-class matter is all out of line. He points out merely that certain of the rates on third-class matter and on parcel post, which comes under the fourth class, will work a hardship upon particular users of the mail.

Without further comment and because of my inability to be present in the Senate during the night session, when this matter is to be considered, I ask that this letter be inserted in the RECORD as being the only letter in response to mine pointing out objections to the bill.

The VICE PRESIDENT. Without objection, it will be so ordered.

The letter referred to is as follows:

ATLANTA, GA., *January 18, 1927.*

Hon. WALTER F. GEORGE,
United States Senate, Washington, D. C.

DEAR SENATOR GEORGE: In line with your request, my views as to postage rate bill reported out by Senate committee are as follows:

The reduction on rate on private mailing cards of 2 cents to 1 cent is in line with common sense and to be commended.

I am not sufficiently informed on second-class matter to pass judgment, although it is common knowledge that the current rate on transient mailing of second-class matter is all out of line.

Fourth-class matter, or parcel post, the removal of the 2-cent service charge, is entirely in line with the present contention of the entire seed trade. We were always against the service charge, because it meant, with the narrow net margin the seed business is operated on, the necessity of increased prices on our goods to the consumers, who are largely farmers. The elimination of the service charge would save in our postage bill approximately $6,000 per year on parcel-post mailing.

The trouble in the present bill is the rate on third-class matter, including catalogues. There is a distinct stepping up in net cost under the proposed rates. Incidental to the above, would say that the catalogues of the seed houses all over the country are geared to the present rates and weight limitations, and a change would throw the whole thing out of gear.

On the basis of our catalogue mailings all last summer and this present winter and spring, the increase in postage cost to us under these proposed new rates would approximate $13,750, leaving a net increase in postage cost of $7,750, after deducting the saving due to the cutting out of the service charge.

Naturally, under all the circumstances we would much prefer to let the present service charge stand, as well as the present rates on catalogues, for it would mean a net saving of $7,750, as against the proposed change in rates covering both third and fourth class matter.

A group of mail-order seedsmen representing about five-sixths of the catalogue seedsmen of the country met in Chicago last October, and this postage question was discussed. In every instance a raise in prices had been necessary to take care of the increased cost due to the service charge. If the present proposal goes through, it will necessitate another step-up in the postpaid price of seeds to take care of this further increase in catalogue postage above what would be saved by reduction due to the cutting out of the service charge.

It is the idea of the mail-order seedsmen to put their goods in the farmers' and gardeners' hands at the lowest possible cost consistent with good goods, the cost of doing business and relatively small profit. There has been no such advance in the price of seeds since 1914 as there has been in other commodities or articles of merchandise. We have fought against the idea of raising prices in spite of the steadily increased cost of doing business in that period.

The universal complaint in the seed trade to-day, both retail and wholesale, is that there is little or no profit being made out of the business. Every possible endeavor has been made to cut costs of doing business. The service charge was an increased load that had to be met by increased prices on seeds sent postpaid, and if that portion of this proposal relating to third-class matter goes through it means another step-up in prices, for the margins that the seed trade is now getting are so small that increased costs can not be absorbed without further price raises.

There is another angle to this third-class proposal in its relation to the printing business, and that is that it will undoubtedly tend to curtail very largely the number of catalogues printed, and this means throwing out of work many in the printing industry.

I believe the above states the case in brief, at least, so far as the seed-trade attitude is concerned.

It is my understanding that in so far as second-class matter is concerned, these proposed rates go back to the basis of 1920. The same would be true as to first class and fourth class, and I see no reason why the mailing of catalogues and other printed matter should be made the goat of this postal situation.

Would suggest that you use your good offices in securing a delay in any action on this bill until hearings on third-class changes can be had. This proposal of the Postal Committee has been entirely unexpected and is like a bolt out of the blue.

* * * * * * *

Yours truly,

H. G. HASTINGS CO.,
H. G. HASTINGS, *President.*

EXECUTIVE SESSION

Mr. CURTIS. Mr. President, if there is no other business to be transacted, as we have to recess at 5 o'clock, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

RECESS

Mr. CURTIS. I move, under the agreement previously made, that the Senate take a recess until 8 o'clock this evening.

The motion was agreed to; and (at 4 o'clock and 42 minutes p. m.) the Senate took a recess until 8 o'clock p. m.

EVENING SESSION

The Senate reassembled at 8 o'clock p. m., on the expiration of the recess.

POSTAL RATES

The PRESIDING OFFICER (Mr. LENROOT in the chair). Under the unanimous-consent agreement the Chair lays before the Senate Calendar No. 1291, House bill 13446.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13446) to restore the rate of postage of 1 cent each to private mailing or post cards, which had been reported from the Committee on Post Offices and Post Roads with amendments.

The PRESIDING OFFICER. The Clerk will read the bill for action on the amendments of the committee.

The legislative clerk proceeded to read the bill.

The first amendment of the Committee on Post Offices and Post Roads was, on page 1, in line 7, to strike out the word "regulating" and insert in lieu thereof the words "relating to," so as to read:

That section 201, Title II, of the act of February 28, 1925, is amended to read as follows:

"SEC. 201. The rate of postage on private mailing cards described in the act entitled 'An act to amend the postal laws relating to the use of postal cards,' approved May 19, 1898, shall be 1 cent each.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. BRUCE. Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Ferris	McKellar	Sheppard
Bayard	Fess	McMaster	Shortridge
Blease	Frazier	Mayfield	Smith
Bratton	Gooding	Moses	Smoot
Broussard	Gould	Neely	Stanfield
Bruce	Hale	Norris	Steck
Cameron	Harris	Nye	Stephens
Capper	Harrison	Oddie	Stewart
Caraway	Hawes	Phipps	Trammell
Copeland	Heflin	Pine	Tyson
Couzens	Howell	Pittman	Walsh, Mass.
Curtis	Johnson	Ransdell	Walsh, Mont.
Dale	Jones, Wash.	Reed, Pa.	Warren
Deneen	Kendrick	Robinson, Ark.	Watson
Dill	Keyes	Robinson, Ind.	Willis
Edge	La Follette	Sackett	
Edwards	Lenroot	Schall	

Mr. McKELLAR. The senior Senator from North Carolina [Mr. SIMMONS] is unavoidably detained from the Senate. He

asked me to make the announcement that he is unavoidably detained and that if present he would support the bill.

I wish to make a like statement in behalf of the Senator from Georgia [Mr. GEORGE].

The VICE PRESIDENT. Sixty-six Senators having answered to their names, a quorum is present. The clerk will continue the reading of the bill.

The next amendment of the Committee on Post Offices and Post Roads was, on page 2, in line 1, to insert a new subtitle and the following new section, from lines 2 to 16, inclusive:

PRIVATE REPLY CARDS

Under such regulations as the Postmaster General may prescribe it shall be lawful to accept for transmission in the mails business reply cards, when presented in the quantity and under the conditions he may establish, postage thereon at the regular rate, together with an additional postage charge of not more than 2 cents on each card, to be collected on delivery: *Provided*, That for the purpose of fixing the compensation and allowances at first, second, and third class offices credit shall be allowed only for the postage collected in addition to the regular rate on business cards delivered at such offices: *Provided further*, That postmasters at offices of the fourth class shall be entitled to include in the amounts upon which their commissions on cancellations are based the amount of postage chargeable at the regular rate on business reply cards mailed at their offices.

The amendment was agreed to.

Mr. BRUCE. I ask that the bill may be read in full.

The VICE PRESIDENT. The Clerk is reading the bill.

Mr. BRUCE. Is he reading the entire bill?

The VICE PRESIDENT. He is reading the bill in full.

The next amendment of the Committee on Post Offices and Post Roads was, on page 2, after line 16, to insert:

DEFICIENT POSTAGE

All mail matter of the first class upon which one full rate of postage has been prepaid shall be forwarded to its destination, charged with the unpaid rate, to be collected on delivery. If the postage is short paid one rate, the additional charge shall be 2 cents, or the deficient postage, if it is short more than one rate, the deficient postage and an additional charge of 1 cent for each ounce or fraction thereof shall be collected.

The amendment was agreed to.

Mr. FESS. A parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator will state it.

Mr. FESS. Is this the formal reading of the bill or is the bill being read for amendment?

The VICE PRESIDENT. The text of the bill was read in stating the first committee amendment. The clerk is stating the committee amendments. The next committee amendment will be read.

The next amendment was, on page 3, beginning at the top of the page, to insert:

SECOND-CLASS MATTER

SEC. 2. Section 202 of said act of February 28, 1925, is hereby amended to read as follows:

"SEC. 202. (a) In the case of publications entered as second-class matter (including sample copies to the extent of 10 per cent of the weight of copies mailed to subscribers during the calendar year) when sent by the publisher thereof from the post office of publication, or other post office, or when sent by news agents to actual subscribers thereto, or to other news agents for the purpose of sale—

"(1) The rate of postage on that portion of any such publication devoted to matter other than advertisements shall be 1½ cents per pound or fraction thereof.

"(2) On that portion of any such publication devoted to advertisements the rates per pound or fraction thereof for delivery within the eight postal zones established for fourth-class matter shall be as follows: For the first and second zones, 1½ cents; for the third zone, 2 cents; for the fourth zone, 3 cents; for the fifth zone, 3½ cents; for the sixth zone, 4 cents; for the seventh zone, 5 cents; for the eighth zone, and between the Philippine Islands and any portion of the United States, including the District of Columbia and the several Territories and possessions, 5½ cents.

"(3) The rate of postage on newspapers or periodicals maintained by and in the interest of religious, educational, scientific, philanthropic, agricultural, labor, or fraternal organizations or associations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, shall be 1½ cents per pound or fraction thereof, and the publisher of any such newspaper or periodical, before being entitled to such rate, shall furnish to the Postmaster General at such times and under such conditions as the Postmaster General may prescribe satisfactory evidence that none of the net income of such organization or association inures to the benefit of any private stockholder or individual.

"(b) Where the space devoted to advertisements does not exceed 5 per cent of the total space the rate of postage shall be the same as if the whole of such publication was devoted to matter other than advertisements.

"(c) The rate of postage on daily newspapers and on the periodicals and newspapers provided for in this section when deposited in a letter-carrier office for delivery by its carriers shall be the same as now provided by law, and nothing in this act shall affect existing law as to free circulation and existing rates on second-class mail matter within the county of publication. The Postmaster General may hereafter require publishers to separate or make up to zones, in such manner as he may direct, all mail matter of the second class when offered for mailing.

"(d) With the first mailing of each issue of each such publication the publisher shall file with the postmaster a copy of such issue, together with a statement containing such information as the Postmaster General may prescribe for determining the postage chargeable thereon."

Mr. ROBINSON of Arkansas. Mr. President, I desire to offer an amendment to the committee amendment. On page 4, line 4, in subsection 3, I move to strike out "1½" before "cents" and to insert "1¼."

Prior to 1925 newspapers and periodicals of the class designated in paragraph (3), the paragraph now under consideration, bore the rate of 1¼ cents per pound or fraction thereof, the same rate as is proposed in the amendment which I have offered. While the act of 1925 raising the postal rates was under consideration in the Senate there was submitted and agreed to by a well-nigh unanimous vote of this body an amendment identical in substance with the proposal which I now make. In conference, however, that amendment went out and the rate was advanced to 1½ cents per pound.

The periodicals and newspapers dealt with in paragraph (3) are not published for profit; they are published for religious and educational purposes. It had been the policy of the Government prior to the act of 1925 to treat them generously in the matter of postal rates. Since this is a bill the primary purpose of which is to reduce postal rates which were raised in 1925 and to restore the rates which existed prior to 1920, I believe, it occurs to me that it would be fair and just to adopt this amendment. I express the hope that the Senator in charge of the bill will let it go to conference.

Mr. MOSES. Mr. President, I can not accept the amendment and I can not accept the Senator's recital of the history of this rate. Although what he has said is wholly accurate, he omitted to say some things——

Mr. ROBINSON of Arkansas. I would not expect the Senator to accept what I say if it is accurate. [Laughter.]

Mr. MOSES. The Senator is accurate as far as he goes, but he wholly omitted to narrate that portion of the episode in the Senate in 1925 when a vigorous effort was made to strike from the postal rates altogether the flat rate accorded to periodicals of the kind enumerated in paragraph (3).

It should be borne in mind, Mr. President, that this rate of 1½ cents a pound is a flat rate all over the country and that it applies not only to the reading matter in the periodicals but also to the advertising matter; and it will be observed in the second paragraph of this section that the rates for the advertising matter in all other periodicals and publications is infinitely greater than the rate provided in paragraph (3), which is a flat rate and covers everything.

There are some 6,000 publications which enjoy this religious, scientific, agricultural, and so forth, rate, that being the phrase in which we commonly speak of it when hearings are being held on the postal rate structure. It can not be said of any large percentage of these 6,000 periodicals that they are not conducted for profit. It is true that they are not conducted for profit in the sense that dividends are being paid to stockholders, but they are being conducted for the profit of individuals or of organizations, and many of them are in every sense periodicals which are in competition with every other periodical of like nature published in the country.

A classic example, Mr. President, of a publication which enjoys the flat rate of 1½ cents a pound all over the country for its reading matter and its advertising as well is the National Geographic Magazine, with a circulation of something like a million copies, which is in competition with every magazine of this country for advertising, and anyone who examines that magazine will find that as large a proportion of its bulk is devoted to advertising, which advertising pays a high price, as in the case of any magazine in the country. There are numerous other magazines of a similar character, though not with so large a circulation, but I can immediately think of several the circulation of which is in excess of 100,000, and one with a circulation of 300,000. That is the type of magazine that enjoys this privilege.

Prior to the work of the Hughes Commission, which studied the question of second-class postal rates in 1911, there was a regulation in the Post Office Department whereby abuses of the character I have described were prevented; that is to say, there was a regulation providing that when more than a certain per cent of the space in any periodical was devoted to advertising which was not connected with the purpose of the organization publishing the periodical, the flat preferential rate should not be enjoyed. For a reason which I have never been able to ascertain, and following the report of the Hughes Commission—which commission, I may say, was wholly futile in its results—that regulation disappeared from the postal laws and regulations, and these magazines and periodicals have increased to such an extent that, as I have stated, they now number more than 6,000. They flood the mails with tons and tons of matter, and, having this preferential rate, they are enabled to carry on a much more intense competition. They are in every sense periodicals, just as much so as every other periodical published in the country. That is one reason why I can not accept the amendment proposed by the Senator from Arkansas.

I trust the Senator will permit me to repeat what I said in my opening statement when I presented this bill to the Senate some weeks ago, namely, that there are already so many controversial points on the rate structure which this bill proposes that the conferees will have no little difficulty in composing a bill upon which the two Houses can agree. They will have still more difficulty, as I believe, Mr. President, in composing a bill which the Post Office Department will approve, and, possibly, still more difficulty in producing a bill which the President will approve.

Mr. ROBINSON of Arkansas. Mr. President, may I ask the Senator a question?

Mr. MOSES. Yes, indeed.

Mr. ROBINSON of Arkansas. Does the Post Office Department approve this bill?

Mr. MOSES. The Post Office Department has sent a letter here, which I read to the Senate at the time I made my opening statement on a former occasion, in which the Post Office Department withholds its general approval of the bill, but approves certain of its features, and then gives reasons why it has not heretofore approved other sections of the bill. It is my opinion, Mr. President, that the attitude of the Post Office Department at the minute is hostile to the bill in its general form. I can draw no other deduction from the last paragraph of the Postmaster General's letter to me on the subject. It is for that reason that I want to get the bill into conference at the earliest possible moment, so that we may try to work out something which will afford relief to publishers who deserve it. May I say to the Senator from Arkansas it is my reasoned judgment that the publishers of the periodicals which he seeks to benefit by the amendment, in view of the preferential treatment they now receive and which they have received for so many years, can not possibly justly claim this further reduction.

Mr. ROBINSON of Arkansas. Mr. President, in reply to some statements made by the Senator from New Hampshire, the suggestion that it will be difficult to secure the approval of the Post Office Department of this bill if the amendment I have proposed is agreed to is not forceful for the reason, as admitted by the Senator from New Hampshire, that the Post Office Department is opposed to the bill in the form in which it is presented to the Senate.

A large majority of the publications of the class embraced in this section, and to which this amendment relates, are issued and published at a loss. It is true, as stated by the Senator from New Hampshire, that a few of these periodicals, including the National Geographic Magazine, are profitable and widely distributed. Hundreds of these publications are totally unprofitable, and many of them have been faced with a condition which will make their further publication difficult, if not impossible.

It is a wise policy to encourage the distribution through the mails of newspapers or periodicals maintained in the interest of religious, educational, scientific, philanthropic, agricultural, labor, or fraternal organizations or associations. The rate in the paragraph as already written would not apply if any of the net income of such organization or association inures to the benefit of any private stockholder or individual.

It is true that the rate carried in the paragraph is a flat rate, and that other rates in the bill relate to zones; but a large number of these religious and educational publications have quite a limited geographical circulation, and the zone principle would have little or no practical application to them.

We are restoring in this bill generally the rate on second-class mail matter; and I think the Senate would do well to adhere to the precedent that it established when it adopted the Butler amendment in 1925, and provide for a flat rate of 1¼ cents per pound or fraction thereof on the class of publications referred to.

Mr. WILLIS. Mr. President, will the Senator yield for a question?

Mr. ROBINSON of Arkansas. I have concluded all I have to say.

Mr. WILLIS. I wondered whether the Senator had made any computation as to the effect his amendment would have on the revenues.

Mr. ROBINSON of Arkansas. It would be comparatively small. I have no figures or estimates that I would desire to publish as authentic.

Mr. WILLIS. Perhaps the Senator from New Hampshire could elucidate that matter.

Mr. MOSES. Mr. President, I will agree with the Senator from Arkansas that the amount of diminution in postal revenues caused by his amendment would be small as compared to the total revenues of the Postal Service, which will run to $750,000,000 a year; but I am quite sure that the diminution in postal receipts which would be produced by the adoption of the Senator's amendment would be a most impressive figure.

Mr. ROBINSON of Arkansas. If the Senator will do so, and is prepared to state the amount, I should like to have him say what the estimates show the difference would be.

Mr. MOSES. Mr. President, we have no estimate, because we did not change that rate, and the Post Office Department gave us no estimate on it; but I am satisfied that with 6,000 publications of this character, many of them running the bulk of edition that they do, the sum manifestly must be very large.

Mr. President, I want to make my own position clear about this amendment and about all other amendments which will be offered to the bill.

Inasmuch as the matter has to go to conference, it might be argued that it makes very little difference what the form of bill is which we send to the House. I can not agree to any such argument as that if it should be advanced, because I am satisfied that the more inflammatory bill we send to the House, the more inflammatory bill we exhibit to the Post Office Department, the greater will be our trouble in dealing with the subject in conference when the bill once gets there.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator pause to explain to the Senate what he means by an "inflammatory" bill?

Mr. MOSES. It might be explained by saying that it is that manner of expression and that form of words which the Senator from Arkansas and I sometimes use in private conversation with each other.

Mr. ROBINSON of Arkansas. Mr. President, I am sure that there is nothing in this bill or amendment that can be characterized with the language that the Senator from New Hampshire so frequently employs in private conversation and which, it appears, he can not use on the floor of the Senate.

Mr. MOSES. Mr. President, that amendment—the amendment just stated by the Senator from Arkansas—I will accept.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. MOSES. I should like to conclude.

My idea is that we should get this bill to a point where we can deal with it. Manifestly we can not build a postal-rate structure on the floor of the Senate which will be in any sense satisfactory to any users of the mails. The special joint subcommittee, of which I have been chairman, spent many months taking testimony in all sections of the country, and we were unable to reach any substantial accord as to what should be done with postal rates. I am of the opinion, Mr. President, that there never will be a structure of postal rates satisfactory to the users of the mails until every pound of mail matter of all classes is carried through the mails free of charge. Then the people who use the mails will be content.

I now yield to the Senator from Wisconsin.

Mr. LENROOT. Will the Senator tell us what the estimate is of the deficit that will be created by the bill as reported from the committee?

Mr. MOSES. The Post Office Department estimates about $28,000,000. That ought not to be stated in just that form, Mr. President. There is now an operating deficit in the Postal Service of about $39,000,000. The cash deficit, however, when all the accounts are adjusted, is something under $20,000,000 a year. The postal receipts, it is estimated by the Post Office Department, will be diminished by something more than $28,000,000 if this bill passes in this form; and, wishing to be perfectly fair to all of my colleagues on the subcommittee who prophesy great increase in the postal business if we are able to bring about some of these reductions, I wish to say that the Post Office Department's estimates are by no means to be looked upon as infallible. They have been known to err in

the Post Office Department as well as we have been known to err in the Post Office Committee; but, as was once said to me by a very great authority on postal matters, to whom shall we turn for information of this character unless to the Post Office Department?

Mr. SMITH. Mr. President, I should like to ask the Senator to which class of the mail is the greater loss attributable?

Mr. MOSES. According to the cost-ascertainment report which was presented to Congress by the Post Office Department in December, 1924, based upon the operations of the Postal Service for the year 1923, by far the greatest deficit was estimated to have occurred in the transportation of second-class matter, which is the class of matter to which this further reduction in rates would apply.

Mr. WILLIS. Mr. President, I think the amendment offered by the Senator from Arkansas should be adopted, not only for the reasons which he so clearly stated but for the additional reason that any additional deficit certainly would be very small as compared with the deficit which this bill creates.

I am not disposed to find fault with the very able committee; but to me it is a singular situation that is presented in this bill, and perhaps the observation of the Senator from New Hampshire is correct that it will not be possible to reach any satisfactory bill until all the different classes of mail matter are carried free of charge. At all events, it seems to me that the present bill does not furnish an illustration of satisfactory rate making.

According to the reports of last year, the one class of matter that furnished a considerable gain was first-class matter. First-class matter was handled at a gain to the department of $73,768,000; and yet the class of matter that was handled not at a loss but at a gain is required under this bill to bear increased rates. If I am not mistaken in my computation, this bill will still further increase the rates upon first-class matter, which now produces a gain for the Government of $73,000,000 a year. It increases the rates about $2,800,000 per year. In other words, the rates that already show, by the fact that there is a surplus, that they must be sufficiently high, it is proposed to increase; and on second-class matter, which produces a deficit of $83,000,000 a year, it is proposed to decrease the rates and to increase the deficit.

Mr. McKELLAR. Mr. President——

Mr. WILLIS. I yield to the Senator from Tennessee.

Mr. McKELLAR. I know of no increase on first-class matter.

Mr. MOSES. There is none, Mr. President—not a penny.

Mr. McKELLAR. On the contrary, the rate on first-class matter is decreased. For instance, post cards are carried as first-class matter and are part of first-class matter, and on them the rate is decreased from 2 cents to 1 cent; so the Senator is entirely wrong in saying that there is an increase in first-class rates.

Mr. WILLIS. What does the Senator say about second-class rates? That is what we are talking about now.

Mr. MOSES. But the Senator from Ohio said the first-class rates had been increased.

Mr. WILLIS. Under the terms of this bill the department estimates that there will be an income of some $2,800,000 more than is had under the present bill.

Mr. MOSES. Yes; but "a little knowledge is a dangerous thing," may I say to the Senator from Ohio.

Mr. WILLIS. I think the Senator's bill exemplifies that.

Mr. MOSES. No; it does not; because the increase in receipts from first-class matter will come from bringing back into the mail those post cards which were put out of the mail by the increase carried in the act of 1925; and it is on that basis that the Post Office Department estimates the increase in receipts from first-class matter.

Mr. WILLIS. Then go right on; what does the Senator say about the second-class rates?

Mr. MOSES. As to the second-class rates, I admit that if carried into effect as proposed in this bill, and still further, if carried into effect as proposed by the amendment of the Senator from Arkansas, the revenues will be reduced, the department estimates, by about $8,000,000 a year; and if the Senator had done me the honor to follow my original statement in connection with this measure, when I presented it, he would have found that I freely and frankly exposed all those facts to the Senate.

Mr. WILLIS. Mr. President, that illustrates exactly what I was seeking to bring out. The second-class matter, under the present law, is carried at a loss to the Government of about $83,000,000 a year. Therefore it is herein proposed to increase that deficit by about $8,000,000. I will put the exact figures in the RECORD directly. It seems to me, therefore, that the small increase in deficit that would be caused by the adoption of the amendment offered by the Senator from Arkansas would be amply justified when we take into consideration the character of the publications.

Mr. FESS. Mr. President, will my colleague yield?

Mr. WILLIS. Certainly.

Mr. FESS. I wish my colleague would call attention to the increase in the rates for third-class matter.

Mr. WILLIS. I will be glad to have my colleague do that. I intended to, but what was the particular point my colleague desired to bring out?

Mr. FESS. In this proposal there is an increase in one class, for example, catalogues——

Mr. WILLIS. That is practically prohibitive.

Mr. FESS. And books, under which one firm in our State will have an increase that will amount to $200,000 in a single year. It appears to me that is pretty serious, and I would like to have my colleague offer an amendment, or I will offer one, when we reach the third-class matter.

Mr. WILLIS. I hope my colleague will offer the amendment. I have not one prepared at the moment, but I agree with the statement he has made.

It seems to me a most amazing situation that at the time when we are proposing still further to increase the deficit in certain classes of matter we are proposing to increase the rates on the particular class of matter to which my colleague has referred.

I recognize that the Post Office Department is not infallible, and I recognize that the committee is not infallible. I recognize, further, that it is a very difficult matter to make postal rates here on the floor of the Senate; but it seems to me that the recommendations of the men in the Post Office Department who are particularly familiar with these things are entitled at least to some weight and consideration.

As I have gone over this bill and compared the bill with the departmental recommendations, I note that the first change is recommended by the department.

Mr. MOSES. May I ask the Senator if he wants to introduce a bill along the lines advocated by the Post Office Department?

Mr. WILLIS. No; I do not know that I do.

Mr. MOSES. If he does, there will be no change in second class, third class, or fourth class.

Mr. WILLIS. I was not proposing to introduce any bill, because I recognize that those on the committee and in the Post Office Department who have the greater opportunity to study these matters should be depended upon to frame the legislation. Yet, in a kindly and Christian spirit, and with great respect, I am suggesting to the Senator some things which seem to be rather indefensible.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WILLIS. I yield.

Mr. McKELLAR. I merely want to suggest to the Senator that the amendment which he has just announced he was going to support, and is supporting, is not recommended by the department or the committee.

Mr. WILLIS. I so understand, but if we are to adopt a program here of reducing rates wherever anybody wants them reduced, reducing the rates so as to increase the deficit in the class of matter that already produces the greatest deficit, it seems to me we should not strain at a gnat and swallow a camel. The reduction that would proceed from the adoption of the amendment offered by the Senator from Arkansas is comparatively small. On second-class matter, as I have already said, it is proposed to reduce the rates, although there is now a deficit some $8,000,000 beyond the $83,000,000 deficit which now exists.

Mr. McKELLAR. Mr. President——

Mr. WILLIS. I further yield.

Mr. McKELLAR. The very matter the rates on which the Senator desires further to reduce is second-class matter.

Mr. WILLIS. Mr. President, I thought I had answered that. If the committee were willing to formulate a bill along scientific lines, I would be willing, I think, to stand by such a bill, but they proceed on the theory that the rates should be reduced and the deficit increased in that class of matter which now produces the greatest deficit, and I say that the additional deficit that would be caused by the amendment of the Senator from Arkansas would be practically negligible, in view of the fact that there is now in the red, under the post-office accounts, I think the Senator from New Hampshire said, about $38,000,000. This will increase it about $27,000,000, making the total deficit in the department, if this shall become a law, about $66,000,000 per annum.

I have always proceeded on the theory that in the long run the Post Office Department ought to be self-supporting. In the

long run it is not fair to tax the great body of the taxpayers in order that certain people may have the privilege of sending their matter through the mail below cost.

Mr. MOSES. Mr. President, does the Senator want to carry that into effect in all postal-rate legislation?

Mr. WILLIS. The Senator knows it is not possible with entire accuracy to allocate and appraise the elements of cost. So far as that can be done, however, I would say to the Senator I do believe that principle should be applied.

Mr. MOSES. And especially it should be applied where large sums of money are involved?

Mr. WILLIS. Yes.

Mr. MOSES. That being the case, then, Mr. President, the Senator would have to strike down every rural free delivery route in the country.

Mr. WILLIS. The Senator now enters upon a field that is one of approximation, one of speculation. I have heard it said that the rural routes cause a great deficit.

Mr. MOSES. Oh, Mr. President, this is not speculation. The cost ascertainment report, which is accurate so far as poundage is concerned, shows that less than one-tenth of 1 per cent of the volume of the mail originates or is delivered on rural free delivery routes.

Mr. WILLIS. Mr. President, the Senator understands perfectly well that no human agency can determine just to what extent the business of the Post Office Department has been increased through the establishment of the rural routes. I know it is customary, whenever this question is brought up, to saddle the whole thing upon the rural free delivery system, but the Senator knows perfectly well there is no method to allocating with accuracy these costs.

It is, perhaps, not in order at this point, but since I have the floor, and shall not take it again on this matter, I call attention to the reduction that is made in fourth-class matter, resulting in an additional deficit of $19,000,000. This bill which is proposed to be passed with little discussion adds to the burden of the taxpayer something over $2,000,000 per month.

Only because I share the wish of the Senator from New Hampshire that this bill shall be gotten into conference, and share the hope that when it gets into conference some of these glaring inequalities and unreasonable rates will be corrected, shall I consent to the passage of this measure.

Mr. NORRIS. Mr. President, may I ask the Senator from Ohio a question?

Mr. WILLIS. I yield.

Mr. NORRIS. Would he be willing to apply that doctrine to all other legislation?

Mr. WILLIS. I do not quite understand the Senator.

Mr. NORRIS. The Senator says, after telling what a bad bill this is, that he is going to support it on the theory that it will be made a good bill in conference.

Mr. WILLIS. No, I think not; but I think this is quite a different situation. When it comes to rate making, I think the Senator, from his long and distinguished and successful experience here and in another body, will agree with me that the House of Representatives and the Senate are two of the poorest places in the world where postal rates or freight rates should be fixed; and since the Senator has asked that question, I say to him that I think ultimately, in order to get at some reasonable basis for rate making, we shall have to create in this country for the Post Office Department an organization not dissimilar to the Interstate Commerce Commission, because in this Chamber and in the other legislative body I have seen rates changed just on the spur of the moment. Somebody introduces an amendment and the amendment is adopted, without reference to what its effect will be. So while I do not have the fullest confidence always in the ability of conference committees, frankly, I would rather trust a conference committee to work out a just system of rates than I would to undertake to work them out here.

I ask permission to have inserted in the RECORD a letter which I have just received from the Postmaster General.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., January 31, 1927.

Hon. FRANK B. WILLIS,
United States Senate.

MY DEAR SENATOR WILLIS: Replying to your letter of this day inquiring, first, as to the deficit last year arising from the different classes of mail matter under existing rates, and, second, as to the probable effect of bill H. R. 13446, I have the honor to inform you as follows:

With reference to the estimated revenues and expenditures for the fiscal year 1926 allocated and apportioned to the several classes of mail matter and special services, your attention is called to the "Cost ascertainment report" for the fiscal year 1926, copy of which is inclosed. On page 6 of the report you will find the information asked for.

With reference to the probable effect of the bill upon the postal revenues, an estimate has been made and transmitted to the chairman, Committee on Post Offices and Post Roads of the Senate, showing the information in the following form:

	Net increase in revenue	Net decrease in revenue
Post cards—reduction in rate from 2 cents to 1 cent each		$1,200,000
Private-reply cards, collect-on-delivery	$4,000,000	
Deficiency in postage, penalty for	75,000	
Second class—pound rate 1920 rates		8,589,180
Second class—transient		100,000
Third class, revised schedule		3,483,000
Fourth class, discontinuance of service charge		19,000,000
Special handling—exclusively		600,000
Special delivery with special handling	800,000	
	4,875,000	32,772,180
		4,875,000
		27,897,180

The above estimate is made on the basis of the revenues for 1928.

The estimate includes two items which are difficult of ascertainment. They are the probable net decrease in revenues on account of the provision for the private reply cards—collect on delivery—and on account of the provision for rates on third-class matter. As to the amount of increase in revenue which is estimated as probable on the private-reply cards, this will depend entirely upon the use which will be made of this new facility if authorized. This is necessarily of such an uncertain character that it is difficult to make an estimate upon. There is nothing to guide us on this point, because we have nothing in the service like it. The estimated net decrease in the revenues from third-class matter on the basis of the suggested change is also uncertain. The net decrease is made up on the estimate that the change in rates on third-class matter will mean a reduction in revenue of approximately $13,483,000 a year. At the same time it has been claimed that a reduction in the rates will bring back into the mails a large number of pieces which were lost to them on account of the changes made by the act of 1925. If a billion pieces should come back, we would have a credit of $10,000,000 against this loss above stated, leaving a net loss still at $3,483,000.

Taking up the features of the bill separately, I have to inform you as follows:

The provision with reference to postal cards is that which was recommended by the department and passed by the House of Representatives in a separate bill.

The provision with reference to private reply cards is that which was recommended by the department and passed the House of Representatives in a separate bill.

The provision with reference to deficient postage on first-class mail is that which was recommended by the department and was passed by the House of Representatives in a separate bill.

The provision with reference to second-class matter is a return to the 1920 schedule of rates provided for by the act of 1917. This return to a former schedule has not been recommended by the department.

The provision with reference to transient second-class mail matter is the same as that which was recommended by the department and passed by the House of Representatives in a separate bill.

The provision with reference to third-class matter was not recommended by the department, but was prepared as an alternative to the proposition to return to the old schedule for third class in effect prior to 1925 and other propositions which were before that committee and was for the committee's consideration if a change in third class was to be made. In preparing the schedule it was intended to offer an improvement over the present schedules providing two rates applicable to third-class matter, and thus eliminate the continual protests from users of the mails against the 24-page book rating, the limitations as to permissible inclosures with books and catalogues, and similar regulations necessitated by the present dual system of rates. In these respects the proposed schedule would be a great improvement and in the interest of third class users generally.

The provision with reference to fourth-class matter was not recommended by the department.

The provision with reference to special delivery is the same as that recommended by the department and passed by the House of Representatives in a special bill and subsequently changed upon the suggestions of the department to effect a more satisfactory administration of that service.

The provision with reference to accounting has never been specifically recommended by the department, but has been approved. The credits which the Postal Service would take under this provision would be approximately $15,755,000 on penalty mail and $1,200,000 on franked

mail, but it should be borne in mind that this does not in any manner affect the actual revenues and expenditures of the Post Office Department.

Sincerely yours,

HARRY S. NEW,
Postmaster General.

The PRESIDING OFFICER (Mr. BRATTON in the chair). The question is on the amendment proposed by the Senator from Arkansas [Mr. ROBINSON] to the committee amendment.

The amendment to the amendment was agreed to.

Mr. McMASTER. Mr. President, I desire to move to amend the committee amendment by striking out all of (b) in section 4, on page 5, and inserting——

Mr. McKELLAR. That point has not yet been reached, Mr. President. Will not the Senator withhold his amendment until that section of the bill is reached?

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The LEGISLATIVE CLERK. On page 5, line 6, insert a new subhead "transient second class" and the following:

TRANSIENT SECOND CLASS

SEC. 3. Section 203, Title II, of said act of February 28, 1925, is hereby amended to read as follows:

"SEC. 203. The rate of postage on publications entered as second-class matter, when sent by others than the publisher or news agent, shall be 1 cent for each 2 ounces or fraction thereof."

The amendment was agreed to.

The next amendment was, on page 5, line 13, to insert a subhead, "Third-class matter," and the following:

SEC. 4. Section 206 of said act of February 28, 1925, is hereby amended to read as follows:

"SEC. 206. (a) Mail matter of the third class shall include books, circulars, and other matter wholly in print (except newspapers and other periodicals entered as second-class matter), proof sheets, corrected proof sheets, and manuscript copy accompanying same, merchandise (including farm and factory products), and all other mailable matter not included in the first or second class, or in the fourth class as defined in section 207.

"(b) The rates of postage thereon shall be 1 cent for matter weighing 1 ounce or less; 2 cents for matter weighing over 1 ounce but not exceeding 3 ounces; 3 cents for matter weighing over 3 ounces but not exceeding 5 ounces; and 4 cents for matter weighing over 5 ounces but not exceeding 8 ounces, except that the rate of postage on seeds, cuttings, bulbs, roots, scions, and plants, not exceeding 8 ounces in weight, shall be 1 cent for each 2 ounces or fraction thereof.

"(c) The written additions permissible under existing law on mail matter of either the third or fourth class shall be permissible on either of these classes as herein defined without discrimination on account of classification."

Mr. McMASTER. I move to strike out all of (b) in section 4 on page 5 and to substitute in lieu thereof the following:

The rate of postage thereon shall be 1 cent for each 2 ounces or fraction thereof up to and including 8 ounces in weight.

Mr. President, this proposed amendment would simply restore the rates of the present law. I am sure that when this amendment was voted on by the majority of the members of the committee they voted under a misapprehension. I am sure that no member of the committee actually intended to increase any of the rates in the bill, but the committee amendment greatly increases the rates on third-class matter, and the amendment which I have offered to the amendment simply restores the rates of the present law.

Mr. MOSES. Mr. President, once again in the colloquies with my associates here with reference to these rates I have to say that I can not accept all that the Senator from South Dakota says with reference to this particular class of mail and the rates applicable to it.

On the whole, there is a reduction in third-class rates, but the Senator knows, as every member of the committee knows—and this was discussed in the committee—there is one point in the rate structure for third class where the scale does not follow a normal curve, but, so to speak, hops up a considerable distance. In the rate to be paid on mail matter of third class weighing in the 2-ounce category there is an increase, but the greatest number of pieces of third-class mail matter are less than 1 ounce in weight. In that sense there is no injustice because the greatest number of pieces of mail secure the reduction from the rates now in force.

I will admit that there is a discrepancy in the general structure of the third-class rate as proposed in the bill; but I submit that to try to remedy it on the floor of the Senate is a rule-of-thumb method of dealing with a subject which should be discussed with some degree of intimacy, not only as among the conferees but with the experts from the Post Office Department, so that we may reach what I freely admit may be, probably will be, a more equitable rate for third class.

My own opinion about third-class rates has been that we should set up for that class of mail matter a pound rate comparable in some degree to the pound rate given to second-class matter. In all the discussions which have taken place through all of the months of investigation which the joint subcommittee carried on, that principle seemed to be agreed upon by the majority of the committee. The difficulty always was to find an initial pound rate or a progressive pound rate for third-class mail matter to which we could secure the adherence of the experts in the Post Office Department.

When the bill gets into conference I shall still press for a pound rate, if it may be had; and in view of the fact that the Senate evidently is disposed, as the Senator from Ohio so cogently said a few minutes ago, to accept these amendments which are offered here on the floor of the Senate, to take them on the spur of the minute simply because somebody who does not want to pay postage has importuned a Senator to introduce an amendment designed for the relief of somebody who is already making plenty of money and wants to make more, and thinks the Government should pay part of the expense of conducting his business—if that is the temper of the Senate in framing this bill here to-night, or at any time, of course I have to submit and take the matter to conference, and I shall submit if I have to do so; but because of the understanding which I have had with my associates in this matter I shall continue to resist to the best of my ability every amendment offered on the floor.

Mr. FESS. Mr. President, will the Senator yield?

Mr. MOSES. I yield.

Mr. FESS. I am not urging a thing that is different from the present law. The Senator has offered an increase. I am simply opposing the increase he offers. If the Senator will permit me, I would like to ask the Senator from South Dakota whether his amendment would have the effect in line 4, page 6, which I think it has. There we have the exception.

Except that the rate of postage on seeds, cuttings, bulbs, roots, scions, and plants not exceeding 8 ounces in weight shall be 1 cent for each 2 ounces or fraction thereof.

May I ask the Senator from South Dakota whether, in the matter of certain catalogues we do not there put in effect the law which is now in force with reference to the mailing of catalogues?

Mr. McMASTER. I understand that would be the effect of it. It simply restores the old rate.

Mr. FESS. In other words, the Senator's intention is simply to hold the rate to what it is instead of increasing it, as the committee reports?

Mr. McMASTER. It is the intention of the amendment to the amendment simply to restore the rate as it exists at the present time.

Mr. COUZENS. Mr. President, the Senators are holding a three-cornered conversation which we can not hear at all.

Mr. MOSES. Oh, no; it is a duet. I am not in it. [Laughter.]

Mr. COUZENS. Mr. President, I distinctly heard the Senator's voice a little while ago. [Laughter.]

Mr. FESS. If the Senator from South Dakota will permit me, it is hardly fair to make the statement that when some one writes to a Senator and asks him to resist a proposition for the payment of postage, the Senator will immediately represent that correspondent. What I have in mind is that here is a proposal which will increase the expenditure of one firm in the city of Cleveland to an amount in excess of $200,000. That is an increase which is proposed. All I am asking is why we should not leave it as it is? I have a right to offer an objection to the increase, as the Senator from New Hampshire will admit, I am sure.

Mr. MOSES. Of course I am not questioning the right of the Senator from Ohio or the right of any Senator here to offer any amendment which he chooses. My opinion is based upon conversations which I have had with all the representatives of the catalogue houses who have come here and talked with me, and I can say to the Senator from Ohio they have come in great numbers, in such numbers that some days I thought they were like a cloud of locusts, and it is my opinion that almost without exception those people were laboring under a misapprehension as to what the bill does.

If their catalogues weigh more than 8 ounces they then have to go into the fourth class, where the existing rate there is a

service charge of 2 cents for each piece. Those with whom I have talked without exception, I think, thought that they then had to pay the service charge on each catalogue which weighs more than 8 ounces. The bill strikes out the service charge altogether and catalogues weighing more than 8 ounces will go over into the fourth class and carry the absurdly cheap rate which applies to fourth-class mail matter.

There is a place in the third-class structure, as I attempted to show, where from 1 to 2 ounces there is an increase of one-half cent when we get above 2 ounces in weight.

Mr. FESS. There is a reduction from 1½ cents to 1 cent.

Mr. MOSES. On the 1 to 2 ounces.

Mr. FESS. But the house I have in mind can not utilize that rate.

Mr. MOSES. No; because their catalogue weighs more than 8 ounces and will have to go into the fourth class, and they think they will have to pay the service charge, but they will not.

Mr. FESS. Will the Senator from New Hampshire state why we increase the rate on third class where there is no such loss, and reduce it on the second class where there is such a tremendous loss?

Mr. MOSES. It is the opinion of the Senator from New Hampshire that there is no increase except in that one point.

Mr. FESS. It is there.

Mr. MOSES. In that one point it is, and, as I said at the outset, because at that point there is a step up instead of a gradual curve in the formation of the rate, I think we may be able to change it in conference.

Mr. COPELAND. Mr. President——

Mr. MOSES. I yield to the Senator from New York.

Mr. COPELAND. How much is that increase, may I ask the Senator from New Hampshire?

Mr. MOSES. The total increase?

Mr. COPELAND. The increase on third-class mail.

Mr. MOSES. It is now 1½ cents for 2 ounces. The new schedule has varied rates whereby it will be 1 cent from 1 ounce to 2 ounces, and then 2 cents, and then up until we reach a maximum of 6 cents.

Mr. COPELAND. May I ask the Senator, as he listened to the appeals of the users of third-class mail, whether he found them very well satisfied with the schedule as established for third-class mail?

Mr. MOSES. As established in the bill, or as established now?

Mr. COPELAND. As established in the bill.

Mr. MOSES. Oh, Mr. President, nobody has come to me satisfied with the rate structure under any class of mail. They all want it cheaper.

Mr. COPELAND. Were they fairly well satisfied?

Mr. MOSES. No; they all want it cheaper. There is a big association that wants 1-cent letter postage and they kept pressing the committee all the time for it. No one is satisfied with postal rates.

Mr. COPELAND. How much of a saving is there on the third-class schedule in the bill as compared with the present law? What will the saving be? What is the difference?

Mr. MOSES. I would have to refer to the letter of the Postmaster General to tell just what it is.

Mr. COPELAND. Is it a material amount?

Mr. MOSES. By reference to the letter, I find that the decrease would be $3,484,000, according to the Post Office Department.

Mr. FESS. Decrease in what?

Mr. MOSES. Decrease in revenue.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from South Dakota to the amendment of the committee.

Mr. COUZENS. May we have the amendment stated again?

The PRESIDING OFFICER. The clerk will again state the amendment.

The LEGISLATIVE CLERK. On page 5, line 24, strike out all of paragraph (b) and substitute in lieu thereof:

(b) The rates of postage thereon shall be 1 cent for each 2 ounces or fraction thereof up to and including 8 ounces in weight.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from South Dakota to the amendment of the committee.

Mr. BRUCE. I demand the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. WARREN (when his name was called). I have a general pair with the junior Senator from North Carolina [Mr. OVERMAN]. From the information which I obtained from him before he left the Chamber this afternoon, I assume that he would vote as I intend to vote. I vote "nay."

Mr. WATSON (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. SWANSON]. I am informed that, if present, he would vote "yea." Therefore, I am at liberty to vote. I vote "yea."

The roll call was concluded.

Mr. BRATTON. My colleague, the senior Senator from New Mexico [Mr. JONES], is absent on account of illness. He has a general pair with the senior Senator from Pennsylvania [Mr. PEPPER]. I do not know how either of them would vote if present and voting on this question.

Mr. McMASTER. I desire to announce that my colleague, the senior Senator from South Dakota [Mr. NORBECK], is detained in the hospital. If present, he would vote "yea."

Mr. McKELLAR. I wish to anounce that the senior Senator from North Carolina [Mr. SIMMONS] and the junior Senator from North Carolina [Mr. OVERMAN] are necessarily absent. If present, they would vote "yea."

I also desire to announce that the Senator from Georgia [Mr. GEORGE] is necessarily absent and, if present, would vote "yea" on this question.

Mr. JONES of Washington. I desire to announce the following general pairs:

The Senator from Maryland [Mr. WELLER] with the Senator from Montana [Mr. WHEELER];

The Senator from Connecticut [Mr. BINGHAM] with the Senator from Missouri [Mr. REED];

The Senator from Delaware [Mr. DU PONT] with the Senator from Florida [Mr. FLETCHER];

The Senator from Massachusetts [Mr. GILLETT] with the Senator from Alabama [Mr. UNDERWOOD];

The Senator from Oklahoma [Mr. HARRELD] with the Senator from North Carolina [Mr. SIMMONS];

The Senator from Connecticut [Mr. McLEAN] with the Senator from Virginia [Mr. GLASS];

The Senator from Rhode Island [Mr. METCALF] with the Senator from Texas [Mr. MAYFIELD];

The Senator from Kentucky [Mr. ERNST] with the Senator from Mississippi [Mr. HARRISON];

The Senator from West Virginia [Mr. GOFF] with the Senator from Louisiana [Mr. RANSDELL]; and

The Senator from Vermont [Mr. GREENE] with the Senator from Georgia [Mr. GEORGE].

I am not advised how any of these Senators would vote on this question.

Mr. SHEPPARD. I desire to announce that the Senator from Texas [Mr. MAYFIELD] is unavoidably absent. If present, he would vote "yea" on this question.

The result was announced—yeas 49, nays 13, as follows:

YEAS—49

Ashurst	Frazier	McMaster	Smith
Bayard	Gooding	Neely	Steck
Bratton	Hale	Norris	Stephens
Broussard	Harris	Nye	Stewart
Bruce	Hawes	Oddie	Trammell
Capper	Heflin	Pine	Tyson
Caraway	Howell	Pittman	Walsh, Mass.
Copeland	Johnson	Robinson, Ark.	Walsh, Mont.
Couzens	Jones, Wash.	Robinson, Ind.	Watson
Edge	Kendrick	Sackett	Willis
Edwards	La Follette	Schall	
Ferris	Lenroot	Sheppard	
Fess	McKellar	Shortridge	

NAYS—13

Blease	Deneen	Phipps	Warren
Cameron	Dill	Reed, Pa.	
Curtis	Keyes	Smoot	
Dale	Moses	Stanfield	

NOT VOTING—33

Bingham	Goff	Mayfield	Simmons
Borah	Gould	Means	Swanson
du Pont	Greene	Metcalf	Underwood
Ernst	Harreld	Norbeck	Wadsworth
Fletcher	Harrison	Overman	Weller
George	Jones, N. Mex.	Pepper	Wheeler
Gerry	King	Ransdell	
Gillett	McLean	Reed, Mo.	
Glass	McNary	Shipstead	

So Mr. McMASTER's amendment to the committee amendment was agreed to.

The VICE PRESIDENT. The question is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

Mr. COPELAND. Mr. President, I send forward an amendment to be inserted on page 8.

The VICE PRESIDENT. The clerk has not reached page 8 in the reading of the bill.

Mr. McKELLAR. I call the attention of the Senator from New York to the fact that the clerk is about to read the committee amendment on page 6. He has not reached page 8 in the reading.

Mr. MOSES. Has the Senator from New York in mind amending the text of the committee amendment further in respect to third-class matter?

Mr. COPELAND. No; I have in mind an amendment to add a fifth class; but I understand it is not yet time to offer the amendment.

Mr. WALSH of Massachusetts. Mr. President, I should like to have noted in the RECORD that I had intended to propose an amendment to the committee amendment reducing the rate on books and catalogues, but I understand the amendment just adopted embraces the amendment which I proposed to offer. Therefore I shall not offer the amendment which I filed some days ago.

Mr. BRUCE. Mr. President, I should like to make the same announcement. I had drafted an amendment that would have had exactly the same effect as the one which has been adopted.

The VICE PRESIDENT. The Secretary will state the next committee amendment.

The next amendment of the Committee on Post Offices and Post Roads was, on page 6, after line 10, to insert:

FOURTH-CLASS MATTER

SEC. 5. Section 207 of said act of February 28, 1925, is hereby amended to read as follows:

"SEC. 207. (a) Mail matter of the fourth class shall weigh in excess of 8 ounces, and shall include books, circulars, and other matter wholly in print (except newspapers and other periodicals entered as second-class matter), proof sheets, corrected proof sheets, and manuscript copy accompanying same, merchandise (including farm and factory products), and all other mailable matter not included in the first or second class, or in the third class as defined in section 206.

"(b) On fourth-class matter the rate of postage shall be by the pound as established by, and in conformity with, the act of August 24, 1912, and amendments thereto, and the service-charge provision of 2 cents for each parcel, fixed by the act of February 28, 1925, is hereby repealed.

"The classification of articles mailable, as well as the weight limit, the rates of postage, zone or zones, and other conditions of mailability under this section if the Postmaster General shall find on experience that they or any of them are such as to prevent the shipment of articles desirable, or to permanently render the cost of the service greater than the receipts of the revenue therefrom, he is hereby directed, subject to the consent of the Interstate Commerce Commission after investigation, to re-form from time to time such classifications, weight limit, rates, zone or zones, or conditions, or either, in order to promote the service to the public or to insure the receipt of revenue from such service adequate to pay the cost thereof.

"(c) That during the 12 months next succeeding the approval of this act the Postmaster General be, and he is hereby, authorized to conduct experiments in the operation of not more than 50 rural routes, in localities to be selected by him; said experiments shall be designed primarily to develop and to encourage the transportation of food products directly from producers to consumers or vendors, and, if the Postmaster General shall deem it necessary or advisable during the progress of said experiments, he is hereby authorized, in his discretion, on such number or all of said routes as he may desire, to reduce to such an extent as he may deem advisable the rate of postage on food products mailed directly on such routes for delivery at the post offices from which such routes start, and to allow the rural carriers thereon a commission on the postage so received at such rate as the Postmaster General may prescribe, which commission shall be in addition to the carriers' regular salaries. The amounts due the carriers for commissions shall be determined under rules and regulations to be prescribed by the Postmaster General directly from the postal revenues: *Provided*, That the amount so paid shall in no case exceed the actual amount of revenue derived from this experimental service.

"A report on the progress of this experiment shall be made to Congress at the next regular session.

"(d) Whenever, in addition to the postage as hereinbefore provided, there shall be affixed to any parcel of baby chicks or of other mail matter of the fourth class weighing in excess of 10 pounds postage of the value of 25 cents, with the words 'Special handling' written or printed upon the wrapper, such parcel shall receive the same expeditious handling, transportation, and delivery accorded to mail matter of the first class."

The amendment was agreed to.

The next amendment was, on page 8, after line 21, to insert:

SPECIAL DELIVERY

SEC. 6. Section 212, Title II, act of February 28, 1925, is amended to read as follows:

"SEC. 212. (a) To procure the immediate delivery of mail matter of the first class weighing not more than 2 pounds, stamps of the value of 10 cents shall be affixed (in addition to the regular postage); matter weighing more than 2 pounds and not more than 10 pounds, stamps to the value of 20 cents shall be affixed (in addition to the regular postage); and matter weighing more than 10 pounds, stamps to the value of 25 cents shall be affixed (in addition to the regular postage).

"(b) Mail matter of other than the first class bearing in addition to the regular postage, a special-delivery stamp of the proper denomination or the equivalent thereof in ordinary stamps, with the words 'Special delivery' written on the envelope or wrapper when ordinary stamps are used, shall receive the same expeditious handling and transportation as is accorded to mail matter of the first class and shall be accorded immediate delivery at the office of address, under such regulations as the Postmaster General may prescribe.

"(c) To procure immediate delivery of mail matter of other than the first class weighing not more than 2 pounds, stamps to the value of 15 cents shall be affixed (in addition to the regular postage); weighing more than 2 pounds but not more than 10 pounds, stamps to the value of 25 cents shall be affixed (in addition to the regular postage); and for matter weighing more than 10 pounds, stamps to the value of 35 cents shall be affixed (in addition to the regular postage).

"(d) For making special delivery there may be paid to the messenger or other person making such delivery 9 cents for matter of the first class weighing not in excess of 2 pounds, 10 cents for matter of other than the first class weighing not in excess of 2 pounds, 15 cents for mail matter of any class weighing more than 2 pounds but not in excess of 10 pounds, and 20 cents for mail matter of any class weighing in excess of 10 pounds.

"(e) For the purpose of this act the Postmaster General is authorized to provide and issue special-delivery stamps of the denominations 10, 15, 20, 25, and 35 cents."

The amendment was agreed to.

The next amendment was, on page 10, after line 11, to insert:

ACCOUNTING

SEC. 7. The accounting officers of the Post Office Department are hereby authorized and directed to make the appropriate entries for giving credit to the Postal Service for the amount of money which would have been received in case the service now performed for the so-called franked and penalty mail matter had been paid for at the established rates of postage, and the Postmaster General shall annually report to Congress the results of such accounting.

The amendment was agreed to.

Mr. NORRIS. Mr. President, I should like to call attention to the paragraph beginning on page 7, after line 2, and extending to line 15, on the same page. I understand that provision applies to the parcel post and to all fourth-class matter, and in effect gives to the Postmaster General the authority either to lower or increase the rate provided for in subsection (b) on page 6.

Mr. MOSES. That is the law now, I will say to the Senator from Nebraska.

Mr. NORRIS. The Postmaster General now has the same authority, has he?

Mr. MOSES. Yes. In suggesting these amendments, in order to make the matter submitted to the committee complete, we took in all of the existing law which was not affected by the changes in the rates.

Mr. NORRIS. Is the fourth-class mail self-supporting?

Mr. MOSES. I do not think so, and the Post Office Department reports that it is not.

Mr. NORRIS. Has the department determined it definitely by an investigation?

Mr. MOSES. It has determined it after a very exhaustive examination.

Mr. NORRIS. Mr. President, I am not one of those who have believed that the Post Office Department ought to be self-sustaining; I wish it were; but I think we ought to have service in all branches of the Post Office Department, even though a deficit may result. If it is in the power of the Postmaster General, under the law to which I have directed the attention of the Senate, to call on the Interstate Commerce Commission and, after an investigation has been made by them as provided therein, to increase the rates on all parcel-post matter, I am wondering if the Senate wants to continue that authority. The fact that it is in the law now, as the Senator from New Hampshire says, would indicate that the Postmaster General does not intend to do that, but if the investigation to which the Senator from New Hampshire has referred has been made recently—and I presume it was made with the intention of ascertaining whether the rates were fair and just—the Postmaster General might probably follow it up by an increase of these rates.

Mr. MOSES. Mr. President, may I interrupt the Senator at that point?

Mr. NORRIS. Yes.

Mr. MOSES. I do not think that it is the purpose of the present Postmaster General, and I do not think it has been the purpose of any Postmaster General within recent years, to do anything except bring about a revision of the total rate struc-

ture as applied to fourth-class matter, with a view to equalizing a certain section of the rate structure which is plainly inequitable as now administered.

With reference to making the service self-supporting, Mr. President, I am not sure that that could ever be done, although with the rates on fourth-class matter as they are now, under the legislation of 1925, fourth-class mail is more than paying its way, I should say, although I must say this to the Senator from Nebraska and to my colleagues generally:

I have always been skeptical regarding the figures adduced by the Post Office Department with reference to fourth-class mail matter. I can not convince myself that a class of mail matter is self-supporting which comprises more than 60 per cent of the total weight of the mails—and we sell postage by weight—and which comprises almost 70 per cent of the total bulk of the mails—and we buy transportation for the mails by bulk—and which, though more than 60 per cent in weight and almost 70 per cent in bulk, pays only 27 per cent of the total postal revenues.

Mr. NORRIS. With those figures and with that view, there is not any doubt but that it is not self-supporting.

Mr. MOSES. In my own mind there is no doubt, Mr. President; and I have hoped that the Interstate Commerce Commission might be asked to do this work as provided in the law as I hope it will be reenacted.

Mr. NORRIS. Mr. President, the point I want to bring to the attention of the Senate is whether the Senate desires to give to the Postmaster General authority and, in one sense of the word, instructions in this law to increase the rates on parcel post. I refer to the part of the bill on page 7, commencing with line 3 and ending with line 15. The Senator from Ohio [Mr. FESS] has just called my attention to the fact that—

> he is hereby directed, subject to the consent of the Interstate Commerce Commission after investigation, to reform from time to time such classifications, weight limit, rates, zone or zones, or conditions, or either, in order to promote the service to the public or to insure the receipt of revenue from such service adequate to pay the cost thereof.

Mr. MOSES. Mr. President, that has been the law ever since the Parcel Post Service was created, back in 1913 I think, and I have wished many times that the Postmaster General would make use of it; but, there being no penalty section, I see no way of bringing that about.

Mr. NORRIS. I am not anxious to have him do it, because, from all I have heard—of course, I have not had either the opportunity or the ability to get as much information on it as the chairman of the committee has—I have never had my mind satisfied on these cost figures on any of the postal activities. Of course, we know that there is a deficit, but as to how much should be allocated to each branch I think there is a large field for disagreement.

Mr. MOSES. If I may drop into the vernacular after hearing the Senator from Nebraska make that statement, I will say that he has nothing on me in that regard.

Mr. NORRIS. I am glad to have approval of my idea from the chairman of the committee; but, Mr. President, as I said before, I have never believed that we ought to sacrifice efficiency in the Post Office Department in order to make it pay financially, or even pay its own way. There are a good many things in the Post Office Department that I do not believe anybody would abolish that everybody knows run behind.

There is the rural free delivery, for instance. I remember when it was started, and it was an experiment then, but it has now covered the entire country. It costs a great deal of money. It does not come anywhere near sustaining itself, and yet there is not anybody that I know of in any line of business that would throw it aside, because it enters into the homes and the convenience and the happiness of all the people, and we would not discard it for anything.

The same thing can be said to some extent about some other things connected with the Post Office Department. I was always a great believer in the parcels post. I think we were justified in establishing it. It did not bring on the destruction that a great many honest citizens thought it would bring to men in business in the smaller towns of the country. I do not believe there are many people in the country who would like to abolish it; but, from the best I can learn, while I could not reach any definite figure to satisfy myself, it costs more money to operate it than we get out of it. I believe that can be said; and I would rather it would continue to run that way than to have it abolished or to have the rates made so that it would abolish itself in practical application; and what I fear is that we are giving a direction to the Postmaster General here the effect of which, if he follows it, will be to abolish the parcels post.

The rates provided for are somewhat reduced here. The 2 cents parcel service charge is abolished entirely. I remember when we put that on. I should like to ask the Senator from New Hampshire now if the results under that service have been about what it was anticipated they would be when we put it on?

Mr. MOSES. Very closely, I will say to the Senator.

Mr. NORRIS. Now as to the rates. That is the only change made in the rates?

Mr. MOSES. That is the only change made in the rate for mere transportation; but, Mr. President——

Mr. NORRIS. Before the Senator leaves that, how much money did we get during the last year from this service charge of 2 cents a package?

Mr. MOSES. Something like $18,000,000.

Mr. NORRIS. Of course, it is safe to say that that much would be lost by that reduction.

Mr. MOSES. Oh, clearly.

I do not want to take the Senator from the floor.

Mr. NORRIS. No; I am glad to have the Senator interrupt me, because I am trying to get information.

Mr. MOSES. I share with the Senator the opinion that the people of the country do not care a rap whether the Postal Service is self-supporting or not. What they want is service; and I have been grieved and shocked at times to see the manner in which some branches of the Postal Service have been made to suffer because of what I conceived to be a false idea of real economy.

We have repeatedly made provision here in Congress for the maintenance and the extension of certain classes of the Postal Service; and yet we have seen Postmasters General, in pursuit of the will-o'-the-wisp of economy, fail to carry out the plain intent of Congress, thereby bringing about a reduction in Postal Service which has been very detrimental to the business of the country.

The Railway Mail Service, for example, has not for many years been maintained at the point of personnel or of pound mileage of transportation such as Congress by its appropriations has intended the Postal Service to have; and yet all those elements—detrimental, as I believe, to the efficiency of the Postal Service as a governmental unit—are made use of to make up a record for efficient administration of a great executive department, contrary, as I maintain, to the desires of the people and contrary to the expressed intent of Congress in the appropriation bill.

As for the parcels post, the Senator is quite right in saying that nobody wants it to be done away with.

As far as the Rural Free Delivery Service is concerned, nobody wants even to curtail that. In all the testimony which the subcommittee took—and that subcommittee was the most diligent of any body of its character that I have known in my service in the Senate—not a line of testimony was adduced in any section of the country looking to the reduction of anything in the Postal Service except the payment of money on the part of the public. Everybody wanted to pay less money and to get better service.

Mr. NORRIS. Mr. President, what the Senator says about the Post Office Department often really misconstruing what seems to be the plain meaning of the law, in order to make a record of economy, agrees absolutely with the conclusion I have reached from several years of experience in looking up various items that have been called to my attention connected with the Post Office Department. I am glad to know that the judgment I have formed is also the judgment of the Senator from New Hampshire. I think that a great many Postmasters General have gone to the extreme and have often misinterpreted law that to me seemed to be perfectly plain, for the sole and only reason that they wanted to make a record of economy; and they did it, in my judgment, at the cost of efficient service.

Sometimes, I think, in administering some statutes that we passed, the Postmaster General, with the idea in view of saving as much money as possible, has not been fair to some of the employees, particularly in the rail service. I have had my attention called several different times to statutes that we had passed—I helped to pass them, or voted for them, at least, and I thought I understood them when I voted for them—to do some particular thing; I have no particular thing in mind now; some amendment to the law because we thought that as a result of the way it had been administered an injustice had happened or inefficiency had occurred; and I have seen it all perverted by the construction put on the new law by the Postmaster General.

It is always difficult to complain of the Postmaster General or any other public official who is trying to economize, because every one of us would like to see economy practiced every-

where; but we can be foolish about it, I think. We can economize at the expense of efficiency; and the Post Office Department is something that is established and maintained, as I view it, for the comfort and the convenience and the happiness and the education of all the people. We have to pay that bill anyway, and it does not make very much difference whether we pay it in one way or whether we pay it in another. It does not make very much difference, if we are going to get a certain amount of efficiency and have a certain work done, whether we pay it by buying postage stamps or whether we pay it out of the Treasury directly. It is all paid, in any case, by the people of the country.

Mr. McKELLAR. Mr. President——

Mr. NORRIS. I yield to the Senator from Tennessee.

Mr. McKELLAR. I just want to suggest that the average yearly increase in the postal revenues is 7 per cent; and the Senator can easily see that just from the ordinary increase of business the deficit that we now have is not at all likely to continue. Indeed, the Postmaster General I think about a year ago testified that probably within less than two years, with the normal increase of business, the increased revenues would wipe out the deficit.

Mr. NORRIS. Mr. President, I want to say just one word more about parcel post. I do not believe it is necessary to argue that we all want to maintain it; we want it to be efficient; we do not want to cripple it. If a higher rate would ruin it, I would be opposed to making the rate higher. If it can pay its way, I would be glad to have it do so. I think we are all convinced that it can not pay its way; that there will be a deficit in this particular class, as there will be in some other classes in the Post Office Department.

Suppose we pass the pending bill and the Postmaster General does what I really think we direct him to do by this measure, that he increases or doubles the rates on all parcel post. Everybody will be criticizing the Postmaster General, and yet he can come back here and say, "I have done that under the law you passed, where you even used the word 'direct,' telling me how to carry it out." I do not believe we ought to pass this kind of a measure.

Mr. MOSES. I understand this has been in the law ever since the parcel post law was enacted, and we simply carried it over in this description of fourth-class matter, with the rates, so that this measure in itself would be complete in its language without making various provisos.

Mr. NORRIS. One of the objects I had in view was to call the attention of Senators to this matter, and I wanted to get an expression, if I could, from other Senators, and I wanted it to go to the country in the RECORD. I particularly wanted an expression from the chairman of the committee, and I have now obtained it. If the Postmaster General were disposed to take such a step, he probably would be deterred somewhat if his attention were called to the discussion.

Mr. SHORTRIDGE. May I call attention to the language immediately following on lines 10 and 11, where it is provided that the Postmaster General "is hereby directed, subject to the consent of the Interstate Commerce Commission after investigation."

Mr. McKELLAR. That has been the law for a number of years, and it has not been resorted to yet.

Mr. NORRIS. Does the Senator go on the theory that it will not be resorted to?

Mr. McKELLAR. I do not believe it will be.

Mr. NORRIS. Does the Senator want the Postmaster General to carry out that law?

Mr. McKELLAR. No; I prefer that he should not.

Mr. NORRIS. Would it not be better to put in an amendment saying, "This is the law, but we do not want you to enforce it"?

Mr. McKELLAR. No.

Mr. NORRIS. Should we not express our true judgment? Do we expect to say to the Postmaster General that he shall disregard this law and obey all other laws?

Mr. McKELLAR. It is not mandatory upon him.

Mr. NORRIS. I do not know. It says that he is hereby directed, if he can get the consent of the Interstate Commerce Commission.

Mr. McKELLAR. Provided a certain state of facts arises.

Mr. NORRIS. That state of facts, at least judging from his figures, has already arisen. He has already demonstrated by his investigation, so the chairman of the committee tells us, that the parcel post does not pay its own way, and if it does not pay its own way, we say he shall raise the rates.

Mr. MOSES. The Senator misunderstood me. That was the case prior to the application of the service charge. The estimated deficit in fourth-class matter in the fiscal year 1923, according to the cost-ascertainment report, was something between six and seven million dollars. According to the report of 1925, after putting in the service charge of 2 cents for each package of fourth-class mail matter, we increased the revenue about $18,000,000, so that under the present rate structure fourth-class mail matter, parcel post, is self-sustaining, and pays a profit.

Mr. McKELLAR. It is more than self-supporting.

Mr. COPELAND. Mr. President, why does not the Senator from Nebraska suggest an amendment to strike out lines 3 to 15, inclusive?

Mr. NORRIS. I want to say to the Senator from New York that I would be glad to do that if I thought there was any show on earth of having it approved by the Senate; but we are considering this bill, in my judgment, in a way other than that in which we should consider it. It is one of the most important items of legislation that we have had before us at this session, and I insist that it ought to be properly considered and disposed of by the Senate; but with the vast amount of other legislation that we are going to try to consider and pass before the 4th of March, it is a physical impossibility to give to this the attention it ought to have.

I realize, too, that perhaps a very large majority of the Senate is in favor of the other bill to be considered to-night, after we dispose of this one, and I suppose I will be criticized a great deal for saying what I have said. If I had my way about it, I would not insert in the bill the language which has already been approved, as a matter of fact, by the committee. If there is any possibility of taking it out, I will help to take it out, and I will move to take it out, but I think I realize the situation here to-night, and that you could not take it out if you had a regiment of soldiers here to pull one end of the string.

The VICE PRESIDENT. The bill is still as in Committee of the Whole and open to amendment. If there be no further amendments to be proposed, the bill will be reported to the Senate.

The bill was reported to the Senate as amended and the amendments were concurred in.

Mr. COPELAND. Mr. President, I think this is the point where I should introduce my amendment. The clerk has it. It is to be inserted on page 8, following line 21.

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 8, after line 21, insert a new subhead and the following:

FIFTH-CLASS MATTER

SEC. 6. (a) Mail matter of the fifth class shall include books consisting wholly of reading matter and containing no advertising matter other than incidental announcements of books;

(b) The rate of postage on books included in subdivision (a) shall be 2½ cents per pound or fraction thereof, with a minimum charge of 3 cents for each parcel, and subject to the same maximum weights per parcel now prescribed by law for mail matter of the fourth class.

Mr. COPELAND. Mr. President, the purpose of this amendment is to take out of third-class mail matter books of a certain type, books not containing advertising matter, but textbooks, histories, the classics, the poets, and novels. It now costs 20 or 25 cents to send a book of an average size across the continent. It adds materially to the cost of good literature. We are all in favor of free libraries and the dissemination of knowledge, and it seems to me we have a very practical and simple way of giving those advantages to the people at less than it costs at present. So I think the chairman of the committee will be glad to accept this amendment. I hope he will. It appeals to me as a thing which we should do to improve the mail conditions.

Mr. MOSES rose.

Mr. COPELAND. I yield to the Senator.

Mr. MOSES. Oh, no; if the Senator has not concluded his statement about the amendment, I will wait.

Mr. COPELAND. I think I have said enough for the present.

Mr. MOSES. Mr. President, the committee heard testimony in many of the public centers from interested individuals engaged in the publishing business, who presented to us the same proposal which the Senator from New York now lays before the Senate in the form of his amendment.

The committee I think was unanimously of the opinion that no good case had been made out in behalf of a new class of mail matter, and for a reduced rate of postage upon books. I think I may say, without violating any secrets of the committee, that we were of the opinion, without exception, that the chief ground upon which this request was made to us by the book publishers was that they hoped that they might get theirs while others were getting their share of the reductions in postal rates.

We did not find, from anything that was presented to us, that any hardship was being worked upon the publishers by reason of the existing rates of book postage. I think the testimony showed with reasonable clarity that the distribution of books by mail does not constitute the great bulk of the sale of books.

We felt, certainly, that to establish this new rate of book postage was likely to do harm to the book stores, which we looked upon as something of educational centers in the communities where they exist, and we could not convince ourselves that to facilitate the circulation of "Revelry" through the mails would necessarily add to the intelligence or the morality or in any way to the uplift of the country.

Our whole purpose in rejecting the proposal when made to us by the publishers was that they are suffering no hardships now from the rates and that they are in reality not entitled to the reduction in book postage which they sought.

Mr. COPELAND. Mr. President, will the Senator yield at that point?

Mr. MOSES. I yield the floor.

Mr. COPELAND. I hope the Senator will not yield the floor.

Mr. MOSES. I will retain the floor at the request of the Senator.

Mr. COPELAND. I am not anxious about the publishers, but is it not probable that if we had this reduction in rates the public would benefit? If it meant simply that the publishers were going to get that much more for a book, I would not be interested in it, but if it does mean that the average citizen could buy a book for 25 cents less than he pays now, I am interested in it, and I think the Senator is.

Mr. MOSES. If that were the case, I would be very much interested, but I do not think that is the case. I think the average citizen buys his books at the book store, where he pays the list price as established by the publisher; or if he buys his book at a department store, as many citizens do, he buys it at a reduction from the list price. I think that the number of citizens who buy books to be sent to them through the mail is rather inconsequential as compared with the total volume of our citizenry who read books. I believe those who are attracted by advertising, and who send to the publisher for a book to be sent through the mail, are not numerous.

I can see that the Senator from New York would have a particular interest in a special classification for books, and a special reduced rate for books, because I can conceive that in his profession many of the desirable publications would necessarily have a limited circulation, even as compared with the great body of the profession which the Senator adorns, and that those people necessarily would be getting the volumes which they desired by addressing the publisher and having them sent to them through the mails. But on the doctrine of the greatest good to the greatest number the committee saw nothing to warrant them in establishing this class of mail matter and in setting up this new rate structure.

Mr. COPELAND. Mr. President, I appreciate the illuminating statement of the Senator, but I must disagree with him. It is not possible that the money that is being spent for all these pages of expensive advertising in the monthly journals would be spent if there were not an adequate return. We see advertised page after page of books. The price of the book is $1.50, plus postage. Certainly the publishers who are paying for that expensive advertising must be getting returns, otherwise they would not continue to advertise, and, as the Senator has said, not alone in my profession, but in the legal profession, and in every profession, there are textbooks which must be paid for. They are expensive books, anyway, and the addition of this amount for postage on a medical book or a law book is a very considerable sum, because they are usually ponderous volumes. Of course, I do not desire to cripple the bill.

Mr. NEELY. Mr. President, will not the Senator from New York turn around so that those who are not dressed like head waiters as he is, may hear the conversation between himself and the Senator from New Hampshire? [Laughter.]

Mr. COPELAND. I regret that my dress is not associated with the waiter business, because if there is a man in the Senate who seems to need food it is the Senator from West Virginia, and I should like to serve him. [Laughter.]

To go on with the debate, Mr. President, I do not know whether the proposal would take away from the Post Office Department a large sum of money, but if it does take it away it is left in the pockets of the people, because they are the ones who must pay it. I hope it may be possible for the Senator in charge of the bill to say enough kind words about the amendment to justify its adoption.

Mr. MOSES. Oh, no; I can not do that.

Mr. McKELLAR. Mr. President, I wish to indorse, as far as I can, the very excellent statement by the chairman of the committee as to what took place before the commission and before the committee. The book publishers did not make out a case at all, in my judgment, for this reduction of rate, and I hope the amendment will be voted down.

The VICE PRESIDENT. The question is on the adoption of the amendment offered by the Senator from New York [Mr. COPELAND].

The amendment was rejected.

The VICE PRESIDENT. The bill is in the Senate and open to amendment. If there are no further amendments to be proposed, the question is, Shall the amendments be engrossed and the bill be read a third time?

Mr. NORRIS. Mr. President, I was waiting for the Chair to announce that the amendments made as in Committee of the Whole were concurred in.

The VICE PRESIDENT. They have been concurred in.

Mr. NORRIS. I did not hear that done. I ask unanimous consent that the vote whereby the amendments made as in Committee of the Whole were concurred in may be reconsidered in order that I may offer an amendment in the Senate to a committee amendment.

The VICE PRESIDENT. Without objection, the vote by which the amendments made as in Committee of the Whole were concurred in will be reconsidered.

Mr. NORRIS. As I understand it, one amendment commenced in subsection (B), at the bottom of page 6, and ran down to line 15, on page 7. I want to make a motion to amend that amendment. I move to strike out that amendment of the committee, commencing in line 3, page 7, and ending in line 15, page 7. I will say to the Senate that that is the language in which is included the direction to the Postmaster General to change the rates and, as I read it, it does not contain anything else.

Mr. McKELLAR. May I make the suggestion to the Senator that what he proposes will not have the effect he desires for the reason that it is already the present law, and unless he moves to strike out those words and insert a repeal of the provision in the existing law he will not accomplish what he desires.

Mr. NORRIS. I can not do that now. That is another instance of how we are trying to consider the bill on the floor of the Senate. I do not know the place where that would appear in the existing statute.

Mr. McKELLAR. In order that the Senator may get it before us it seems to me the Senator could move to strike out the language to which he has referred and insert that "so much of the act of February 28, 1915, as applies to the subject is repealed."

Mr. MOSES. Mr. President, may I suggest to the Senator from Nebraska that he could have a test of the opinion of the Senate by the amendment which is already offered.

Mr. NORRIS. If it is already in the law and the amendment does not repeal it, what is the use of enacting it again?

Mr. MOSES. It is merely to get symmetry for this section dealing with postal rates.

Mr. NORRIS. I can see, if it is in the law, that the defeat of the amendment would not affect the present law. In the way we are legislating here, however, it is impossible, apparently, to accomplish what I want in the limited time at our disposal.

Mr. McKELLAR. It will test the sense of the Senate if the Senator will move to strike out the language to which he has referred.

Mr. NORRIS. I do not want to repeat what I said. This is the language that gives not only the authority but the direction to the Postmaster General to change these rates after they have been investigated by the Interstate Commerce Commission. I think that we are doing a very unwise thing and a very unfair thing to the Postmaster General to enact something into the law which we all say we do not want him to carry out.

Mr. MOSES. Mr. President, may I interrupt the Senator right there?

Mr. NORRIS. Certainly.

Mr. MOSES. I hope the Senator did not understand me to say I wanted the Postmaster General never to carry it out. I have seen no reason thus far in the development of the parcel post to warrant setting in process the machinery contemplated by this section or the original enactment, but there are now pending before the Interstate Commerce Commission applications from the railroad companies for an increase in the rates for the transportation of mails which, I am told by competent transportation authorities, will, if granted, add $65,000,000 a year to the cost of operating the Postal Service. Inasmuch as

the parcel-post service, as I pointed out to the Senator a few moments ago, constitutes more than 60 per cent in weight and still a greater per cent in bulk of mail, I would not want to see a situation created where $65,000,000 had been added to the annual cost of the transportation of the mail and the Postmaster General powerless to deal with that phase of the Postal Service.

Mr. NORRIS. I am not impressed with the fact that the railroad companies are making application for increased rates. In my judgment, the only reason why they are doing that is to prevent the other side from making application for decreased rates. We find them all over the country now making applications to the Interstate Commerce Commission for increase of freight rates at a time when they have made more money than they ever made before in their history. It is a sort of psychological proposition as I look at it. They think, "Before the other side gets in and asks that the rates be decreased, we will jump in and ask that they be increased," on the theory that "the other side then will not act, and our application will, of course, be denied."

I am not an expert, but I know that several years ago, when I gave some attention to the price paid to the railroad companies for carrying mails, I learned—and I have had railroad men tell me themselves in confidence a good many times—that, taking the thing as a whole, it is the most profitable business they had. I have not any doubt that they are making a good profit out of it. The point I want to make is that we are enacting a law which we do not expect to be enforced. If we do enact it, then let us not come back here in the next Congress, if the Postmaster General in the meantime has increased all the rates on parcel post, and criticize him, because he can say to us, "You directed me to do it. I found upon investigation that it did not pay, and therefore I raised the rates according to the law enacted by you."

Some time ago the Senator from New Hampshire very aptly said—and I was delighted to hear him say it, because it agreed exactly with my idea of what has been going on for a good many years in the Post Office Department—that the Post Office Department had been giving constructions to laws enacted by Congress that were not right, always with the view of avoiding doing something which the law directed should be done, with the idea of bringing about economy in the administration of the department. While we criticize the Post Office Department for that course, what position are we in when we enact a law which we admit we do not want to see enforced and leave it on the statute books? It seems to me that we are defenseless in the matter. If we do not want the parcel-post rates decreased, then we ought to vote for the motion I have made, because, as I understand the language, when we sum it all up there is nothing else in it except authority to increase or decrease, as the case may be, the rates which we have established by law.

Mr. MOSES. That is hardly the case. When I spoke briefly in a colloquy with the Senator a few moments ago to the effect that the only thing I had discovered as being in the minds of the authorities of the Post Office Department was a recasting of the parcel-post rate structure in certain places, that included very few increases and a great many decreases, because in that contemplation came the question of competition between the parcel-post service and the express companies. It was evident, from even a most casual study of the rate structure for the parcel post, that there were many sections of it which required readjustment to meet competitive conditions as well as to comply with what the Senator from Nebraska evidently thinks is a mandatory provision in the bill, but which I do not so construe because it necessitates the combined initiative of the Postmaster General and the subsequent approval of the Interstate Commerce Commission. Under those conditions I can not interpret the language to which the Senator objects as being necessarily mandatory.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Nebraska [Mr. NORRIS].

Mr. BRUCE. I call for the yeas and nays.

The yeas and nays were not ordered.

The amendment was rejected.

The VICE PRESIDENT. The question is on concurring in the amendments made as in Committee of the Whole.

The amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The VICE PRESIDENT. The question is, Shall the bill pass?

Mr. BRUCE. I call for the yeas and nays. We ought to go on record upon a measure of such importance.

The yeas and nays were not ordered.

The bill was passed.

The title was amended so as to read: "An act regulating the rates of postage."

THE TARIFF COMMISSION

Mr. SCHALL. Mr. President, I ask unanimous consent to have printed in the RECORD an article on "The duties, functions, and membership of the Tariff Commission."

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

The Democratic Congress in 1916 created the United States Tariff Commission and gave it the following duties to perform:

(1) To investigate the administrative and fiscal industrial effects of the customs laws of this country.

(2) To investigate the relation between the rates of duty on raw materials and finished or partly finished products.

(3) To investigate the effects of ad valorem and specific duties and of compound specific and ad valorem duties.

(4) To investigate all questions relative to the arrangement of schedules and classification of articles in the several schedules of the customs laws.

(5) To investigate the operation of customs laws, including their relation to the Federal revenues and their effect upon the industries and labor of the country.

(6) To investigate the tariff relations between the United States and foreign countries, commercial treaties, preferential provisions, and economic alliances.

(7) To investigate the effect of export bounties.

(8) To investigate the effect of preferential transportation rates.

(9) To investigate the Paris economy pact and similar organizations and arrangements in Europe.

(10) To investigate the volume of importations compared with domestic production and consumption.

(11) To investigate any other conditions, causes, and effects relating to competition of foreign industries with those of the United States, including dumping and cost of production.

(12) To put at the disposal of the President of the United States, the Committee on Ways and Means of the House of Representatives, and the Committee on Finance of the Senate, whenever requested, all information at the command of the commission.

(13) To make such investigations and reports as may be requested by the President or by either of said committees or by either branch of Congress.

From 1916 to 1922 the Tariff Commission carried out those duties according to the authority thus given and as far as the exigencies of the war and the unsettled conditions of the country permitted. Numerous reports were made showing the conditions of industries, imports, exports, our foreign and domestic tariff relations, and so on. These reports were helpful in framing the tariff act of 1922, and played a large part in bringing into existence the so-called flexible provisions of the tariff act of 1922.

By the tariff act of 1922 Congress conferred upon the Tariff Commission new and difficult duties and obligations in connection with these so-called flexible provisions. Not only were the Tariff Commission's duties under the act of 1916 continued after the passage of the act of 1922, but under section 315 of the latter act the commission was given these additional and tremendously important functions to perform.

Under section 315:

"Whenever the President, upon investigation of the differences in costs of production of articles wholly or in part the growth or product of the United States and of like or similar articles wholly or in part the growth or product of competing foreign countries, shall find it thereby shown that the duties fixed in this act do not equalize the said differences in costs of production in the United States and the principal competing country he shall, by such investigation, ascertain said differences and determine and proclaim the changes in classifications or increases or decreases in any rate of duty provided in this act shown by said ascertained differences in such costs of production necessary to equalize the same."

These new and heavy duties devolving upon the Tariff Commission, to make these technical investigations of the costs of production of domestic articles and of like or similar articles produced in the principal competing foreign countries, to assist the President in finding the existing differences in such costs of production as a basis for tariff adjustment, have given to the Tariff Commission an importance to both producers and consumers of dutiable articles that it never has had before.

Because of these new duties and the agricultural conditions of the country the farmers are far more interested in the tariff and in the Tariff Commission than they have ever been in the past. They now have a new and vital interest in the membership of the Tariff Commission and in the administration of section 315.

The farmers of this country must see to it that there are men appointed to membership on the Tariff Commission who are capable and who understand the agricultural conditions of the country and who are able to analyze the farm conditions and ascertain with accuracy the cost of production of the agricultural products of this and foreign countries for purposes of section 315.

Members of the commission must be willing to order investigations of agricultural products under section 315 when the conditions warrant such an investigation. Without such an investigation by the Tariff Commission the President is unable to give to the domestic farm producers any relief whatsoever from the often ruinous competition of imported farm products.

On the other hand, if the Tariff Commission is composed of men of the proper character and understanding who have the ability and training to analyze the economic conditions of agriculture as well as of the other industries of the country when conditions warrant it and applications are properly presented requesting investigation under section 315 of the costs of production of agricultural products looking toward an increase or a decrease in the duty, the commission will order such cost investigations and report the results to the President. If the facts warrant it, and if there are no compelling reasons of public policy why he should not do so, he will grant the relief desired.

The President, acting under this section of the act, after investigations of costs of production had been made by the Tariff Commission, has increased the duty on wheat from 30 to 42 cents a bushel, increased the duty on flour, semolina, crushed or cracked wheat, and similar wheat products not specially provided for from 78 cents to $1.04 per hundred pounds; and increased the duty on butter from 8 to 12 cents per pound. He decreased the duty from 15 per cent ad valorem to 7½ per cent ad valorem on the following feeds that farmers purchase for their livestock: Bran, shorts, and by-product feeds obtained in milling wheat.

As a result of these investigations by the Tariff Commission and the proclamations by the President establishing new duties on these agricultural products, the farmers of the country have already been given considerable relief under section 315 from the foreign importations of these products.

This brief explanation of the law and the above recital of a few cases in which it has been put into operation show clearly why the farmers of the country want a Tariff Commission that will not turn a deaf ear to their problems. There is one man on the Tariff Commission who is in sympathy with the idea that agriculture ought to have the same consideration in tariff matters as the other industries of the country. He is not in any sense a special advocate of the farmers in matters that come before the commission. He would not deal unjustly with other industries in comparison with agriculture.

Neither would he permit, if he could avoid it, agriculture to be dealt with unjustly. That man is Dr. E. B. Brossard. Before his appointment by President Coolidge as a member of the commission Doctor Brossard worked as a member of the Tariff Commission's staff on the wheat investigation, the sugar-beet investigation, the butter investigation, and others. I am informed also that Commissioner Brossard's work on the butter report of the commission was unusually good work. The farmers of the country appreciate his accurate and scientific work in that investigation. * * *

Because of Doctor Brossard's thorough training and broad experience, and because of his excellent record on the commission, especially in handling the agricultural problems, I am interested in seeing him kept on the commission, where he is now rendering such excellent public service. I am convinced that his qualifications, if simply stated without any frills or exaggeration, will convince any unbiased man of reasonable judgment of the desirability of the Senate voting to confirm his appointment when his name comes up for a vote.

TRAINING AND EXPERIENCE OF DR. E. B. BROSSARD THAT QUALIFY HIM FOR MEMBERSHIP ON THE UNITED STATES TARIFF COMMISSION

Dr. E. B. Brossard was appointed by President Coolidge to be a member of the United States Tariff Commission on July 9, 1925. Doctor Brossard took the oath of office July 22, 1925. The President submitted his name to the Senate for confirmation during the first session of the Sixty-ninth Congress, June 23, 1926.

The Senate adjourned that session July 3, 1926, without having taken any action on his confirmation. The President reappointed Doctor Brossard to the Tariff Commission July 3, 1926. Doctor Brossard took the oath of office on that same day, and he has served continuously since that time. Because the last session of the Senate adjourned without taking affirmative action on his confirmation, he has been compelled to serve for more than seven months without receiving salary. The President submitted his name to this session of the Senate on December 7, 1926, more than two months ago. As yet the Senate has taken no action on his confirmation. The matter should be taken up promptly by the Senate, and he should be confirmed.

Commissioner Brossard has had unusual training for a position as tariff commissioner. He was born and raised on a cattle ranch in Idaho and has had experience in ranching, dairying, and general farming.

He has had special technical training for the work of the Tariff Commission. After graduating from a recognized agricultural college in the West—the Utah Agricultural College—Doctor Brossard did graduate work one year at Cornell University in New York State, and for two additional years he pursued his advanced studies at the University of Minnesota. He also studied and traveled in Europe for three years, which is a great help in dealing with the foreign phases of the commission's investigations.

There are no better institutions in the United States than Cornell University and the University of Minnesota. The training given in economics as well as in the other subjects of the curriculum is as thorough and practical as that given at Harvard, Yale, or any other university. The instruction given in these two institutions in agricultural economics and farm management, in which Doctor Brossard specialized, is at least equal to if not superior to that generally given in the educational institutions of the country. From the University of Minnesota Doctor Brossard received the degrees of master of science (M. S.) and doctor of philosophy (Ph. D.). He specialized in economics and farm management, and his theses dealt with farm problems.

I am informed that he made an excellent record at the University of Minnesota, both as a scholar and as teacher, and his professors and colleagues on the faculty of that, my home-State institution, have unqualifiedly indorsed his appointment to be a member of the Tariff Commission, as have also the faculty and president of the Utah Agricultural College and his professors at Cornell University. They state that Doctor Brossard is an honest, capable, well trained, and reliable man in every way.

Those who are acquainted with Doctor Brossard state that he is open-minded and unbiased and that he is not now and never has been in active politics. This, it seems to me, is decidedly in his favor as a member of a scientific fact-finding body like the Tariff Commission. He brings to the Tariff Commission the well-trained, scientific mind that is quite desirable for a commissioner.

I understand also that Doctor Brossard has had seven years' experience as a teacher of economics and farm management at the University of Minnesota and at the Utah Agricultural College and that he is a thorough and reliable scholar, having had years of experience as an investigator in connection with the United States Department of Agriculture, Utah Agricultural Experiment Station, and with the United States Tariff Commission. He was a member of the staff of the agricultural and economics divisions of the Tariff Commission for two years prior to his appointment as a commissioner, and has been a member of the commission itself for more than a year and a half. This experience has given him a thorough understanding of the duties and functions of the Tariff Commission and qualify him for the work of the commission.

The agricultural schedule of the tariff act of 1922 is an active schedule. I understand that the Tariff Commission has received about 100 applications for investigations of agricultural products. A good part of the time and money of the commission has been expended in agricultural investigations and in the preparation of reports pertaining to agricultural products. At present eight agricultural investigations are being conducted by the commission under section 315 of the tariff act of 1922—Swiss cheese, milk and cream, onions, peanuts, soya beans, flaxseed, cottonseed, and eggs and egg products. A number of other agricultural investigations are being made under the general powers of the commission. In dealing with all of these agricultural investigations Doctor Brossard's training in agricultural economics and cost of production work has undoubtedly been of great assistance to the commission. He has rendered valuable service to the commission and to the public in his work on the Tariff Commission's investigations in connection with wheat, sugar beets, butter, and so on.

Doctor Brossard's scientific training in general economics, statistics, accounting, cost accounting, etc., furnished him a good technical background and foundation for analyzing the problems of the other industries of the country besides agriculture.

As I have already stated, the farmers of the country are still experiencing what has already been a long period of depression. They are now asking for tariff relief on many farm products under the flexible provisions of the tariff act of 1922. President Coolidge, fully cognizant of the agricultural conditions of the country and of the qualifications of Doctor Brossard, has appointed him to be a member of the United States Tariff Commission. His appointment was also recommended to the President by the Secretary of Agriculture, Dr. W. M. Jardine, who stated that he thought an agricultural economist should be on the Tariff Commission. Doctor Brossard is thoroughly trained and otherwise well qualified for the work of the commission, and the Senate should confirm his appointment without delay.

PUBLIC BUILDINGS IN THE DISTRICT OF COLUMBIA

Mr. LENROOT. Mr. President, I ask unanimous consent that there be a reprint of Senate bill 4663, authorizing the Secretary of the Treasury to acquire certain lands within the District of Columbia to be used as sites for public buildings, with the amendments adopted by the House, which bill is upon the President's table.

The VICE PRESIDENT. Without objection, it will be so ordered.

EXPENDITURES IN SENATORIAL ELECTIONS

Mr. NEELY. Mr. President, I submit a unanimous-consent request; but it is necessary to make a brief statement before I state it.

On the 2d day of July, or the day before the adjournment of the last session, at the unanimous request of the Committee on Rules, I reported to the Senate, Senate Resolution 268, with amendments. No formal report was made. I ask that the resolution, as amended, be printed in to-morrow's CONGRESSIONAL RECORD.

The VICE PRESIDENT. Without objection, it will be so ordered.

The resolution as proposed to be amended is as follows:

Whereas enormous sums of money have been expended in behalf of certain candidates for election to the Senate in primary elections recently held in various States: Therefore be it

Resolved, (1) That the expenditure of excessive sums of money in any primary election or nominating convention in behalf of a candidate for election to the Senate, either with or without his knowledge or consent, being harmful to the independence, the honor, and the dignity of the Senate, is hereby severely disapproved and condemned.

(2) That any United States Senator elect shall be deemed not to be entitled to hold a seat in the Senate if there shall hereafter have been expended by such Senator elect, or by any person or persons for him with his knowledge or consent, in aid or support of his candidacy in either the primary election or nominating convention by which such Senator elect was nominated as a candidate for the Senate, an amount in excess of (a) the amount permitted to be expended by the law of the State in which such Senator elect was nominated for the Senate, if such State law provides for a maximum expenditure which is less than that hereinafter provided; (b) the sum of $10,000; or (c) an amount equal to that obtained by multiplying 3 cents by the total number of votes cast in the State of the residence of such Senator elect at the last general election for all the candidates for the office of United States Senator, but in no event exceeding the sum of $25,000; except that money expended by a candidate to satisfy any assessment, fee, or charge made or levied upon candidates by the laws of the State in which such Senator elect resides, or expended for his necessary personal, traveling, or subsistence expenses, or for stationery, postage, writing, or printing (other than for use on billboards or in newspapers), for distributing letters, circulars, or posters, or for telegraph or telephone service, shall not be included in determining whether his expenditures have exceeded the sum fixed by this resolution as the limit of campaign expenses of a candidate.

BUREAU OF CUSTOMS AND BUREAU OF PROHIBITION

The VICE PRESIDENT. In accordance with the unanimous-consent agreement, the Chair now lays before the Senate, Calendar No. 1235, House bill 10729.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 10729) to create a Bureau of Customs and a Bureau of Prohibition in the Department of the Treasury, which had been reported from the Committee on Finance with amendments.

Mr. BRUCE. Mr. President, I hope the Senator from Utah will not endeavor to push this bill to a final conclusion to-night, because if he should endeavor to do so he will find that his labors will be all in vain.

Mr. SMOOT. Mr. President, I suppose the Senator from Maryland would not have any objection to proceeding with the consideration of the bill until 11 o'clock?

Mr. BRUCE. Of course not, if the Senator from Utah thinks it worth while to do so, but I know that it will be impossible for me to complete what I have to say on the bill by 11 o'clock.

Mr. SMOOT. The Senator will at least get that much of his speech into the RECORD, so that we can read it to-morrow.

Mr. MAYFIELD. Mr. President, will the Senator from Maryland yield to me for a moment?

Mr. BRUCE. For what purpose?

Mr. MAYFIELD. I understood that there were three prohibition measures pending on the Senate Calendar, which have been pending there since April, 1926; that to this one there was no particular objection, and it would be allowed to pass—one out of the three. I hope that the distinguished Senator from Maryland, for whom I have a great affection, will not very seriously object to this measure, so that it may be passed between now and 11 o'clock.

Mr. BRUCE. I am aware that the Senator from Texas never has such an extraordinary affection for the Senator from Maryland as when he wants to put a prohibition measure through. [Laughter.]

Mr. SMOOT. Mr. President, I will say to the Senator from Maryland that there are one or two amendments to the bill that I should like to have agreed to to-night, to which I am quite sure the Senator from Maryland will not object.

Mr. BRUCE. Mr. President, I have the floor, and I decline to yield. I will say to the Senator from Utah, however, that if he will agree to make the office force of the Bureau of Customs and the office force of the Bureau of Prohibition subject to the national merit system of appointment—that is to say, to the laws and regulations relating to the Federal classified civil service—and will strike out the provisions of this bill subjecting the prohibition field force to the laws and regulations relating to the Federal classified service, I will have nothing more to say about this bill.

I have no objection to the creation of a separate bureau of customs in the Treasury Department nor have I any objection to the creation of a separate bureau of prohibition in the Treasury Department; indeed, the more completely anything and everything is separated from prohibition the better it suits me. Dr. Samuel Johnson once said of Goldsmith that he touched nothing he did not adorn, and so I say that prohibition touches nothing that it does not defile. So I say if the Senator from Utah is willing to accept the amendments which I have suggested, I waive all further discussion of the bill.

Mr. SMOOT. Mr. President, let me explain to the Senator that, so far as the office force of the Prohibition Unit is concerned, they fall in the list of field employees, and the field employees have not yet been classified, as the Senator knows.

Mr. BRUCE. Yes.

Mr. SMOOT. Therefore they can not be classified as employees in the District of Columbia are classified, but that we intend to accomplish just as soon as possible. Therefore I do not see how the first suggestion of the Senator from Maryland could possibly be carried out. The employees in the field force are paid now under a direct appropriation; and I wish to say to the Senator that the salaries now paid to the field force are made to conform as nearly as is humanly possible to the salaries paid to classified employees in the District of Columbia.

The Senator from Maryland will remember I called to the attention of the Senate, when this question was under consideration as affecting the customs employees at the port of New York, the fact that the Appropriations Committee considered the salary paid to every employee in the field service and spent months of time in comparing the salaries paid employees in the District of Columbia with those paid employees in the field; and in every case, I will say to the Senator, we undertook to bring the salary of the field employees to exactly the same basis as that on which the reclassification act placed the employees in the District of Columbia.

As to the prohibition agents, I will say to the Senator that so far as I am personally concerned I have no objection to their being taken out of the classified service.

I take that position for this reason: I know from experience in my own State that perhaps some of the men best equipped to enforce the prohibition law could not comply with the civil-service requirements. In the first place, they are past the age; and in the next place, they could not take the examination as a schoolboy could take it. Yet they know how to detect violations of the prohibition law. I simply say that, so far as I am personally concerned, I am perfectly willing to submit the question to the Senate and let the Senate vote; but I have expressed my opinion that it would be best that these employees should not be put under the classification act. By that I mean that I think the law will be better enforced if they are outside the classified service than if they are embraced within it.

Mr. BRUCE. Is not that the same as saying that the Senator from Utah is really in sympathy with the old spoils system in politics and has no faith, of course, in the Federal merit system of appointment? I have frequently heard the argument as to civil-service examinations being mere schoolboy examinations; for some 30 or 40 years I have been familiar with it, and so have Members of Congress generally.

In the first place, I should like to ask why the office force of the proposed bureau of customs and of the proposed bureau of prohibition are not expressly subjected to the laws and regulations relating to the Federal classified service? That is usually done.

Mr. SMOOT. I will say to the Senator that the field force has not as yet been classified.

Mr. BRUCE. I am not talking about the field force; I am talking about the office force.

Mr. SMOOT. The office force is in the field. When I speak of the field force, I mean every man employed outside the District of Columbia.

Mr. BRUCE. The Senator has forgotten the text of his own bill, because section 2 deals with the office force of the proposed bureau of prohibition and the office force of the proposed bureau of customs. That section as proposed to be amended reads in part:

The Secretary of the Treasury is authorized to appoint in the bureau of prohibition 1 assistant commissioner, 2 deputy commissioners, 1 chief clerk, and such attorneys and other officers and employees as he may deem necessary.

Not a word is said about the civil service law; not a word is said about the Federal classified service; not a word is said about the Federal merit system of appointment. It is perfectly obvious that the Senator, because of the convictions to which he has just given expression with regard to the superiority of the old system of appointment to the merit system of appointment, has left out all reference to the classified civil service.

Mr. SMOOT. In such cases where the employees are in the District of Columbia they will fall under civil service under existing law. Section 5, paragraph (b) provides:

(b) The Commissioner of Prohibition, with the approval of the Secretary of the Treasury, is authorized to appoint such employees in the field service as he may deem necessary, but all appointments of such employees shall be made subject to the provisions of the civil service laws, notwithstanding the provisions of section 38 of the national prohibition act, as amended.

I may misunderstand the wishes of the Senator.

Mr. BRUCE. What does section 2 mean by the use of the words "and such attorneys and other officers and employees as he may deem necessary," in connection with the bureau of prohibition?

Mr. SMOOT. That refers to employees in the District of Columbia.

Mr. BRUCE. Well, what is the field force?

Mr. SMOOT. The field force is that force which works outside the District of Columbia.

Mr. WALSH of Montana. Mr. President, if I understand the Senator from Utah right, he says it is not necessary to make provision in section 2 in regard to appointments under the classified civil service, because there is a general provision according to which all of these employees in the District of Columbia fall under the civil service law.

Mr. BRUCE. I will say to the Senator from Montana that may be true; I am not prepared to negative that statement; but I know that invariably whenever provision is made in this manner for the appointment of employees the act of Congress is careful to say, and to say expressly, that the appointment of the employees shall be subject to the laws and regulations relating to the Federal classified service. I want those words inserted in this measure.

Mr. SMOOT. I have before me the House report, which says:

No specific reference is made to the civil service laws in the case of all other appointments in the Treasury Department or in the Bureaus of Customs or Prohibition under the bill, for the civil service laws will be applicable unless a specific exemption is given.

Mr. BRUCE. Who says that?

Mr. SMOOT. It is in the House report.

Mr. BRUCE. Who wrote the report?

Mr. SMOOT. The report was written by Mr. GREEN, chairman of the Ways and Means Committee of the House.

Mr. BRUCE. I am going to take that up presently; that is a different matter. But why should the Senator have any objection to the insertion of express language making that certain?

Mr. SMOOT. I have no objection if the Senator will confine his amendment to the employees of the District of Columbia.

Mr. BRUCE. What I ask is that after the words "and other officers and employees as he may deem necessary," there be inserted an appropriate provision subjecting the appointment of such other officers and employees to the laws and regulations relating to the Federal classified service. I also ask that when the committee amendment is considered, which provides among other things that "the Secretary is also authorized to appoint in the Bureau of Customs one chief clerk, and such attorneys and other officers and employees as he may deem necessary," that it be expressly declared in this section that the appointment of those other officers and employees shall be subject to the laws and regulations relating to the Federal classified service.

Mr. SMOOT. Do I understand the Senator desires that the civil service requirements shall apply to the assistant commissioner?

Mr. BRUCE. No; I think he might be exempt. I think, as a rule, the three commissioners are exempt, and I have no objection to that.

Mr. SMOOT. And deputy commissioners are always exempt. Now, as to the chief clerk——

Mr. BRUCE. I do not see why the chief clerk should not be subject to the merit system of appointment.

Mr. SMOOT. And as to attorneys and other officers and employees that may be necessary.

Mr. BRUCE. The other officers and employees certainly ought to be placed under the merit system of appointment, and I do not think it would be a bad idea if the attorneys also were made subject to the merit system.

Mr. SMOOT. They are subject to it under existing law.

Mr. BRUCE. Let us have an explicit provision on that subject. We usually have such a provision in laws of this kind, that in the appointment of new officers of a subordinate nature they shall be under the laws and regulations relating to the Federal classified service. Let us have it in this instance.

Mr. SMOOT. I will have no objection if the Senator will prepare his amendment and make it apply as he indicates. He certainly does not want it to apply to the assistant commissioner or to the two deputy commissioners?

Mr. BRUCE. No; I do not care to have it apply to the assistant commissioners or, I suppose, to the two deputy commissioners.

Mr. SMOOT. I have no objection to such an amendment applying to the chief clerk and to the attorneys.

Mr. BRUCE. It ought to apply to all the remainder. I want those subordinate officeholders subjected to the Federal merit system of appointment, because they will constitute, of course, a body of office subordinates of the Government; they will not come into contact with the corrupting influence of the practical workings of prohibition; and, therefore, I see no reason why they should not, as well as all other subordinate officeholders of the Government, be subjected to the laws and regulations relating to the Federal classified service.

Mr. EDGE. Mr. President, will the Senator yield?

Mr. BRUCE. I yield to the Senator from New Jersey.

Mr. EDGE. Mr. President, I do not want to interrupt the effort of the Senator from Maryland to have his amendments considered, but before this bill reaches the voting stage I wish to say very frankly that I see no objection whatever to the enactment of this proposed legislation. I do not think it is necessary for me at this late hour to discuss prohibition——

Mr. BRUCE. I must decline to yield to the Senator from New Jersey if he proposes to make a speech.

Mr. EDGE. I am not going to make a speech. If the Senator will give me five minutes, that is all I want; otherwise I will have to take the time after the Senator from Maryland has concluded.

Mr. BRUCE. Very well; I yield to the Senator.

Mr. EDGE. I repeat that I see no objection to the enactment of this proposed legislation. I agree with the Senator from Maryland that it will be a very helpful act on the part of Congress to separate the customs responsibilities from the Prohibition Bureau.

The Customs Department to-day, as I understand the law, is subject, under orders of the Secretary of the Treasury or the Commissioner of Internal Revenue, to engage in prohibition enforcement. We have practically ruined the splendid Coast Guard Service through attaching them to the Prohibition Department; and I have too much reverence for the Customs Service of the country and its traditions to continue it in the same position.

Under this bill—and I was serving on the Finance Committee when the bill was revised, and careful efforts were made to make that separation positive—the two departments will be entirely divorced, the Customs Department and the Prohibition Department. Even the Secretary of the Treasury will be powerless to use the personnel of the Customs Department as a part of the Prohibition Department, and vice versa. I have never opposed sane efforts to enforce the prohibition law, although I believe it is impossible to enforce it; and if this change in administration will assist in enforcing the law—and I hope it will—I think Congress should pass it. It has no relation whatever to the question as to the wisdom of compulsory prohibition.

Personally, I think that was a great social error, and it has been well emphasized by the results; but so far as administration is concerned, or so far as appropriations to help enforce the law are concerned, along proper lines, personally I have always approved of them and supported them; and I support this bill to divide these two departments, because the responsibility should be in the one department, and not bring customs and other bureaus of the Treasury or subdepartments of the Treasury under what I consider the contaminating influences clearly associated with the attempt at administration of the prohibition law.

I hope we can arrive at conclusions which will permit the passage of this law to divorce those departments and give the Treasury Department, with a detached prohibition department, every opportunity to try to enforce the law. Do not let it be said that we impeded or obstructed a single step in the effort for enforcement.

I hope that the departments are separated. I hope there is a prohibition department absolutely responsive to the chief of the Prohibition Department; and I trust the efficient Customs Bureau, with its tremendous responsibilities, will be permitted to go on and carry out those responsibilities, and that the Prohibition Department can be held responsible for its efforts to enforce the Volstead Act and the eighteenth amendment.

Mr. BRUCE. I am sure the Senator from New Jersey can not find any fault with the generous measure in which I have accorded my time to him.

Mr. EDGE. I might say that I took only four minutes instead of five.

Mr. BRUCE. Was it only four? It seemed longer.

Mr. President, I, too, as I have said, am entirely in favor of the enforcement of the law.

Mr. COUZENS. Mr. President, will the Senator from Maryland let me ask the Senator from New Jersey a question?

Mr. BRUCE. Yes.

Mr. COUZENS. I should like to ask the Senator from New Jersey if he approves of section (b) of section 5, which puts the prohibition field agents under the civil service law, or whether he believes in the spoils system as it now exists?

Mr. EDGE. I believe absolutely in the civil service law and will vote for the provision as contained in the bill.

Mr. MAYFIELD. Mr. President, will the Senator from Maryland yield to me?

Mr. BRUCE. I yield to the Senator from Texas.

Mr. MAYFIELD. I thank the Senator from Maryland for yielding for just a moment.

I wish to say that I most heartily concur in the remarks made by the Senator from New Jersey [Mr. EDGE] with reference to the enforcement of our prohibition law. Section 5 of this measure provides that all appointments in the prohibition service shall be placed on the same basis, which will give no opportunity for a charge of favoritism; and the Senator from New Jersey has just replied to the Senator from Michigan [Mr. COUZENS] that he favors section 5 (b) of this measure.

Mr. BRUCE. I will say to the Senator from Texas that I do not, most emphatically.

Mr. MAYFIELD. I understand that the Senator does not; but he was kind enough to yield to permit me to make this statement.

Mr. BRUCE. Oh, yes; I yield to the Senator from Texas.

Mr. MAYFIELD. With the consent of the Senator from Maryland, I should like to place in the RECORD a letter which I have received from the United States Civil Service Commission touching directly upon this measure, and especially upon section 5 (b).

Mr. BRUCE. I have no objection.

The VICE PRESIDENT. Without objection, it is so ordered.

The letter is as follows:

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., February 14, 1927.

Hon. EARLE B. MAYFIELD,
United States Senate.

MY DEAR SENATOR MAYFIELD: With reference to your letter of to-day concerning H. R. 10729, beg to advise:

The commission has expressed itself on a number of occasions as in entire accord with the recommendation of the President that if Congress approves making the prohibition enforcement service subject to the merit system the present incumbents be not given a classified status but be required to compete with others for retention in the service. This is provided for in section 5 (b) of H. R. 10729. Approval of this section of H. R. 10729 will place all appointments in the prohibition service on the same basis and will give no opportunity for charge of favoritism.

With respect to your second question "Would efficient agents be excluded by technical examinations?" it may be stated that the commission endeavors to follow a common-sense as well as scientific method in holding its examinations. First, a study is made of the duties of the position and decision reached as to the minimum qualifications required to perform such duties. In full consultation with the office in which employment is to be had, the commission then devises appropriate form of examination to secure persons having these qualifications. Where personality is a vital element, an oral examination is prescribed in addition to a written test. Where absolute integrity and honesty are necessary, there is an investigation of each candidate's life history. You will see, therefore, that the commission not only tests the person's intellectual equipment and accomplishment for the particular duties to be performed but also his personality and character.

With respect to your third general question, the commission has frequently heard it charged that the civil-service system operates to retain inefficient or even dishonest employees. This is not the fact; it is easier under such system to make removals than under any method in which personal or political favoritism bears a part. An employee may be immediately suspended by his superior officer, who may then write a letter or memorandum to the employee stating the reasons for the removal. The employee is given by his superior officer a few days in which to submit reply, after which the superior officer may direct his removal or recommend his removal to the head of his department. In some of the departments the orders to all supervisory officials are to the effect that removals must receive the final approval of the department, although, of course, this authority could be delegated to the supervisory officials or bureau chiefs.

It will be of interest to you to know that modern industry has, to a considerable extent, adopted a merit system in employment of personnel, and that this commission is frequently called upon to assist private establishments in suggesting appropriate tests for employment.

In conclusion, I wish to assure you that it is the purpose of the commission, should Congress decide to place the duty upon us of holding examinations to fill all positions in the prohibition enforcement service, to apply appropriate examination to each type of position to be filled, to require oral examination in addition where personality is a vital factor in the particular type of position, and to conduct rigid investigation as to the character, honesty, and integrity of the different candidates before certifying their names as eligible for the consideration of the Treasury Department for selection for appointment.

By direction of the commission:

Very truly yours,

W. C. DEMING, *President.*

Mr. MAYFIELD. Mr. President, as I said a moment ago, we have upon the Senate Calendar three prohibition enforcement measures that have been upon the calendar since last April. The Senator from Maryland knows that I entertain for him the very kindliest feelings, and especially for his great ability.

Mr. BRUCE. Not, I will say to the Senator from Texas, if he proposes to pass those bills over my head.

Mr. MAYFIELD. I want to appeal to the Senator's magnanimous spirit. It would seem to me that he would permit us to have one out of three. We are only asking at this time to pass just one of these measures. We have three on the calendar, and they all go directly to the enforcement of the prohibition law.

Mr. BRUCE. I will say to the Senator that if there were two bad ones and one good one, I might do that; but as they are all three bad——

Mr. MAYFIELD. But we are now presenting the good one to the Senator, and we appeal to him to permit us to pass it. It is now only 20 minutes of 11 o'clock, and we can pass this measure in just a few moments if the Senator will withdraw his objection. His colleague, the Senator from New Jersey [Mr. EDGE], has concurred in the effectiveness of this measure; and we beg him to permit us to pass this measure at this session of the Senate. Will he not yield and let us pass it at this time?

Mr. HEFLIN. May we not have a vote now?

Mr. BRUCE. You are trying, as the poet says, to draw iron tears down Pluto's cheek.

SEVERAL SENATORS. Vote!

Mr. BRUCE. There is no use in talking about a vote, because I am going to express my opinion on this subject; and I have been trying to arrive at some understanding with the Senator from Utah.

Mr. WALSH of Montana. Mr. President, I desire to make a suggestion.

Mr. BRUCE. Certainly.

Mr. WALSH of Montana. Apparently, everybody is quite agreed that the civil service law should apply to these employees. The Senator from Utah contends that the general law is applicable, and the Senator from Maryland feels a little doubtful about it, and he suggests the use of certain language. Let me suggest that we put an amendment in here in the very language of section 5, as follows, after line 9——

Mr. BRUCE. Go back to section 2 first.

Mr. WALSH of Montana. I am talking about section 2. After line 9 on page 2, in section 2, following the words "such attorneys and other officers and employees as he may deem necessary," insert:

subject, except for the assistant commissioner and deputy commissioners, to the provisions of the civil service laws, notwithstanding the provisions of section 38 of the national prohibition act, as amended.

Mr. BRUCE. That is all right.

Mr. SMOOT. I am perfectly willing to accept that amendment.

Mr. WALSH of Montana. Now, let us adopt it.

Mr. SMOOT. I will say that I asked Mr. Alvord to prepare an amendment along that line, and I think he has one prepared now; but the amendment suggested by the Senator from Montana covers the case exactly.

Mr. BRUCE. The Senator from Montana should go just one step farther, if I may invoke his attention for a moment. I want a similar provision inserted after the proposed amendment relating to the Bureau of Customs. If the Senator will read a little farther in the bill, he will see that it provides that the Secretary of the Treasury shall also appoint in the Bureau of Customs one chief clerk and such attorneys and other officers and employees as he may deem necessary.

Mr. McKELLAR. What page is that?

Mr. BRUCE. Page 2, lines 14 to 17.

Mr. SMOOT. It has been suggested to me that on page 2, line 17, after the period, the following be inserted—this would cover both cases:

Appointments under this subdivision shall be subject to the classification act of 1923, and, except in the case of the assistant or deputy commissioners, shall be subject to the provisions of the civil service laws and regulations.

That would take care of all of them.

Mr. BRUCE. That is entirely satisfactory to me.

Mr. WALSH of Montana. I withdraw the other amendment.

Mr. SMOOT. That amendment can go in on page 2, line 17.

Mr. BRUCE. Now we come to section 5.

Mr. McKELLAR. Let that amendment be adopted.

Mr. SMITH. Yes; let it be adopted.

Mr. SMOOT. I think it should be "commissioner and deputy commissioners." The amendment read "or," as I remember.

The VICE PRESIDENT. The Secretary will state the amendment.

Mr. SMOOT. It should be "commissioner and deputy commissioners."

The legislative clerk read as follows:

On page 2, line 17, after the period, it is proposed to insert the following:

"Appointments under this subdivision shall be subject to the classification act of 1923, and, except in the case of the assistant and deputy commissioners, shall be subject to the provisions of the civil service laws and regulations."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BRUCE. That brings us to section 5, paragraph (b), which subjects employees in the prohibition field service to the provisions of the civil service law. I ask the Senator from Utah to strike that out.

Mr. SMOOT. I thought the Senator desired it.

Mr. BRUCE. I do not. The point I make is simply this:

I have all my life been an advocate of the merit system of appointment—Federal, State, and municipal. Some 35 or 40 years of my life were spent in determined advocacy of that reform. I know that if the merit system of appointment is coupled up with prohibition that conjunction is going to result in more or less discredit to the merit system of appointment. Prohibition will infallibly exert the same corrupting influence or practically the same corrupting influence over appointees selected under the civil service laws that it has heretofore exerted over appointees suggested by the Anti-Saloon League and church organizations and Wayne B. Wheeler. As I have said before, prohibition is never associated with anything without contaminating and defiling it.

Mr. SMOOT. I will say to the Senator that, as far as I am concerned, I should like the Senate to take a vote upon that; and I am perfectly willing, as far as I am concerned, to do it now.

Mr. BRUCE. I will proceed, then, with my remarks.

SEVERAL SENATORS. Vote!

Mr. EDWARDS. Mr. President, will the Senator from Maryland yield for just a minute?

Mr. BRUCE. Yes; I yield.

Mr. EDWARDS. I am very happy to see the Senators agree with the Senator from Maryland, but I want to say here that I do not stand by any agreement made by anybody else. I am going to have my talk on this bill, if it comes up to-night, with the permission of the Vice President.

Mr. BRUCE. I was not undertaking to speak for anybody but myself, and never do. My friend, the Senator from Nebraska [Mr. NORRIS], reminded me to-day that I was not a leader. I have never arrogated that character to myself, and I speak only for myself; but when I do speak for myself, I propose to speak in no uncertain tones.

It is really idle for me to enter upon a consideration of this measure, which would lead me to ask that the civil-service provisions of section 5, paragraph (b), be stricken out; but as it seems to be necessary for me to do so, I regret to say that I shall be compelled to debate the matter at some little length.

Mr. EDWARDS. I suggest the absence of a quorum.

Mr. CURTIS. I hope the Senator will withhold that suggestion. We want to adjourn to-night out of respect for the memory of a Member of the House who has just died, and as only 10 minutes remain before the hour of adjournment, in any event, I was about to suggest that the Senator from Maryland yield the floor so that the Senator from Ohio [Mr. WILLIS] could offer appropriate resolutions and we could take an adjournment.

Mr. EDWARDS. In what position would that leave this bill?

Mr. CURTIS. It would naturally go over and retain its place on the calendar.

Mr. BRUCE. Unless my friend the Senator from New Jersey is opposed to the bill even with the amendments I have suggested, I trust he will let the bill be amended and passed to-night. I suppose the Senator understands that if those amendments go into effect the only provisions of the bill will be those creating a separate bureau of customs and a separate bureau of prohibition. If he is opposed to each of those two organizations, of course, he will follow whatever course his judgment may dictate.

Mr. EDWARDS. I certainly am opposed to the bill. It merely provides for the creation of new bureaus. It is a matter of providing jobs for the faithful.

DEATH OF REPRESENTATIVE AMBROSE E. B. STEPHENS

Mr. WILLIS. Mr. President, I ask the Chair to lay before the Senate the resolutions from the House now on his desk.

The VICE PRESIDENT laid before the Senate resolutions of the House of Representatives, which were read, as follows:

IN THE HOUSE OF REPRESENTATIVES,
February 12, 1927.

Resolved, That the House has heard with profound sorrow of the death of Hon. AMBROSE E. B. STEPHENS, a Representative from the State of Ohio.

Resolved, That a committee of 17 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect this House do now adjourn.

Mr. WILLIS. Mr. President, I offer the following resolutions and ask for their immediate consideration.

The resolutions (S. Res. 351) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. AMBROSE E. B. STEPHENS, late a Representative from the State of Ohio.

Resolved, That a committee of 11 Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Under the second resolution the Vice President appointed Mr. WILLIS, Mr. FESS, Mr. SHORTRIDGE, Mr. TRAMMELL, Mr. COPELAND, Mr. ROBINSON of Indiana, Mr. FERRIS, Mr. DENEEN, Mr. ERNST, Mr. DILL, and Mr. NEELY as the committee on the part of the Senate.

Mr. WILLIS. Mr. President, as a further mark of respect to the memory of the deceased Representative, I move that the Senate do now adjourn.

The motion was unanimously agreed to; and the Senate (at 10 o'clock and 50 minutes p. m.) adjourned until to-morrow, February 15, 1927, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate February 14, 1927

REGISTER OF THE LAND OFFICE

Charles Gilbert Boise, of North Dakota, to be register of the land office at Bismarck, N. Dak., vice Otto E. Anderson, term expired.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 14, 1927

MEMBER OF BOARD OF MEDIATION

Pat Morris Neff to be a member of the Board of Mediation.

DISTRICT JUDGE

E. Coke Hill to be district judge, division No. 3, district of Alaska.

UNITED STATES ATTORNEYS

Bascom S. Deaver to be United States attorney, middle district of Georgia.

Justin W. Harding to be United States attorney, division No. 1, district of Alaska.

UNITED STATES MARSHAL

Richard C. Callen to be United States marshal, district of Colorado.

POSTMASTERS

ALABAMA

Joseph S. Chambers, Talladega.

ARKANSAS

Lee W. McKenney, Black Rock.
James C. Russell, Camden.
Arthur V. Cashion, Eudora.
Samuel G. Helm, Marianna.
Arch B. Smith, Osceola.
Omer B. Ewing, Scranton.

CONNECTICUT

Edwin H. Keach, Danielson.
Burton Hodge, Roxbury.

GEORGIA

Charles L. Adair, Comer.
William C. McBride, Newnan.

IDAHO

Burton D. Fox, Challis.

INDIANA

Albert O. Cripe, Alexandria.
Amanda B. Gosnell, West Terre Haute.

MICHIGAN

Gladys E. Gaskill, Delton.
John S. Hamlin, Eaton Rapids.
Fred W. Walker, Otsego.

MISSISSIPPI

Robert B. Cox, Batesville.
Ida E. Roberts, Cleveland.
Henry B. Edwards, Shuqualak.

NEBRASKA

Edwin D. Gideon, jr., Ainsworth.
Robert W. Finley, Bradshaw.
Edward H. Springer, Brady.
George Beardsley, Clarks.
James M. Fox, Gretna.
Arthur H. Babcock, North Loup.
Claude A. Barker, Pawnee City.
Frederick H. Crook, Paxton.
William E. Brogan, Tilden.
George F. McMullen, Walthill.
George W. Howe, Wisner.

NORTH DAKOTA

Mina H. Aasved, Carson.
Hugh C. Corrigan, Fargo.
Martin E. Larson, Marion.
Alexander R. Wright, Oakes.
William F. Legler, Robinson.

OREGON

Robert N. Torbet, Albany.
Claude E. Ingalls, Corvallis.
Darwin E. Yoran, Eugene.

SOUTH CAROLINA

Fred Mishoe, Greelyville.
Julia E. D. Tolbert, Ninety Six.
Carl G. Schoenberg, North.
Jacob M. Bedenbaugh, Prosperity.

UTAH

Annie Palmer, Farmington.

WEST VIRGINIA

Paul C. Freeman, Adrian.
William M. Kidd, Burnsville.
Ruth L. McClung, Cedar Grove.
Carl A. Dehner, Chester.
Cecil B. Dodd, Follansbee.
Walter O. Deacon, Hurricane.

HOUSE OF REPRESENTATIVES

MONDAY, *February 14, 1927*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou in whose wisdom there is neither variableness nor shadow of turning, consider and hear us. Continue to teach us that duty is the upper road that leads to God and he who fails wrongs his own soul. To-day give us the rapture of high encouragement. While the years roll across the seas of time, Thou art our Father. Through every scene of life and death, Thou wilt not leave nor forsake us, so now we extend this moment at Thy holy altar. One has passed through the shadows. He was constant in his labors, just in his decisions, and manly in his bearing. It is thus that he holds the memory of our hearts. Upon the sorrowing ones let come the blessings of peace and resignation. Life's warfare is over. The stir of events can not break his calm repose. He is dust-pillowed on the soft bosom of kindly earth; sweet be his rest. May he gently, sweetly slumber in the arms of God. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of Saturday, February 12, 1927, was read and approved.

NATIONAL ARBORETUM

Mr. SNELL, from the Committee on Rules, presented a report to accompany a resolution for the consideration of S. 1640, authorizing the Secretary of Agriculture to establish a national arboretum, and for other purposes, which was referred to the House Calendar and ordered printed.

REAR ADMIRAL WILLIAM C. COLE, CAPT. YANCEY S. WILLIAMS, AND CAPT. JOSEPH K. TAUSSIG

Mr. COYLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 9319, to authorize certain officers of the United States Navy to accept from the Republic of Chile the Order of Merit, first class, and the Order of Merit, second class, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the Senate amendment.

The SPEAKER. Is there objection?

Mr. COLE. Mr. Speaker, reserving the right to object, is this the bill that my colleague on the Committee on Foreign Affairs, the gentleman from Ohio [Mr. BEGG], objected to last week?

Mr. COYLE. This is a bill that was passed at the last session. It was amended in the Senate and has passed that body. The bill has not been up for consideration at this session at all. It was not objected to by Mr. BEGG last week.

Mr. COLE. Mr. Speaker, there are about a hundred bills of the same kind before the Committee on Foreign Affairs. We have been trying to get up some uniform system of having such bills considered. Under the circumstances I shall have to object.

Mr. COYLE. Then, Mr. Speaker, I move to concur in the Senate amendment.

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania to concur in the Senate amendment.

The Senate amendment was concurred in.

ABRAHAM LINCOLN

Mr. YATES. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein an address I made on Abraham Lincoln in Washington, D. C., February 12, 1927.

The SPEAKER. Is there objection?

There was no objection.

Mr. YATES. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

Mr. YATES. I can not attempt an address on the life of Abraham Lincoln. I will be content with mentioning a few of the things in which he excelled preeminently. I call your attention to five of his

characteristics. I will speak to you of Lincoln the orator, Lincoln the lover, Lincoln the overcomer, Lincoln the politician, and Lincoln the chosen champion of the Almighty.

ORATOR

I remark, in the first place, that he was a real orator, peer of any. The first inaugural address, with its phrase, "The mystic chords of memory"; the second, with its phrase, "With malice toward none, with charity for all"; the Gettysburg address, with its phrase, "Of the people, by the people, for the people"; and the little talk to his neighbors and friends on the rainy morning that he left Springfield are not excelled in the whole field of English literature. In a speech at Columbus, Ohio, on the 13th of February, 1861, he said:

"There has fallen upon me a task such as did not rest even upon the Father of his Country; and feeling so, I can not but turn and look for that help without which it will be impossible for me to perform the great task; I turn then, and look for help, to the great American people and to that God who has never forsaken them."

You and I know that by such appeals he obtained the help that he prayed for—received it from 20,000,000 loyal hearts and from the Infinite Power on High; that he put one hand into the outstretched palm of the American people and with the other he laid a strong hold upon the almighty arm of the Almighty God, and standing there, supported by humanity and supported by Divinity, he fought the grandest fight and won the grandest victory since the Savior walked among the sons of men 2,000 years ago.

LOVER

I remark in the second place that he was a real lover, a paragon among lovers, ardent in the extreme, giving his whole heart to his beloved sweetheart, dear ones of the family, his friends, his country. He offered his hand in his youth to four different girls—Sarah Rickard, Mary Owen, Ann Rutledge, and Mary Todd. He married Mary Todd, a Kentucky girl, high strung, high spirited, educated to the handle, well equipped, a social leader, and naturally properly ambitious. And he made a model husband and she a model wife. But before that he was rejected by two, Sarah Rickard and Mary Owen, who did not comprehend him, and he was accepted whole-heartedly by Ann Rutledge, of Menard County. To that lovely girl he told the old, old story of man's love for woman, as old as it is sweet, thank God, and as sweet as it is old, thank God. He whispered it into her blushing ear as she sat at the quilting frame and stitched and stitched and stitched in the days of the old quilting bee.

It is no wonder that when Ann Rutledge suddenly sickened and died the young Lincoln's reason tottered on its throne and left its seat. Yes; that mighty heart and mind and soul and spirit, which, in later years could look without panic upon a flaming world in arms, all fell prostrate when a young girl died down in Menard County. Would you have had it otherwise? Are you not glad he had a heart that was gentle enough to break? I am. It is the opinion of the survivors of those who knew him best that it was the cherished memory of the loved and lost one that contributed as much as anything to make him what he was called—the saddest man of his time. As for me, I believe we would never have had the Lincoln we love to-day had he not himself loved and loved madly. I love to think that every man like Washington and Lincoln, who really kept the flag in the sky, fought when he fought, like an enraged lion, and loved when he loved, with all his might.

OVERCOMER

I remark in the third place that he was the overcomer, a knight of the sublime order of disappointment. From his earliest childhood his life was crowded full of griefs and bereavements, humiliations and disappointments, keen and crushing. At the age of 9 in the forests of Indiana he underwent the loss of his mother, sobbing his little heart out in that awful hour, in a log cabin without a floor. With a yearning to learn, he was denied access to almost all books. With a heart and soul in tune with poetry and song, he was, he himself said, possessed of a voice, face, and form alike unfortunate. Desiring to engage in business, he attempted several enterprises, all disastrous. He was burdened with debt until after his election to Congress at the age of 40. Desiring to serve in the legislature he was at first unsuccessful. Even when a candidate for Congress and Senator he underwent the indescribable humiliation of being misunderstood. I am satisfied that in all this adversity and God were making a man—a man that could not be appalled. And such a man they made.

BELIEVER

I remark, in the fourth place, that he was, in a nineteenth-century sense, a champion of the Almighty. He was religious, though not denominational. He never lost his faith in divine Providence. All his religious utterances breathe a simple, childlike faith. He studied and carried with him on the old circuit, not only the fables of Æsop and the plays of Shakespeare but the Pilgrim's Progress of Bunyan and the Bible. Is it not a comfort to know this; the Bible and Shakespeare—can we do better? It has been claimed that he was godless or at least agnostic. It can not be true. To his stepmother he wrote, when his father was dying, "Our great, good, and merciful Maker will not turn away from him in any extremity." To Gen. Dan Sickles he said, "When I heard that General Lee was marching on Gettysburg, I went into a little room at the White House, where nobody goes but me, and I prayed to the Lord God Almighty as I never had prayed before." Oh, blessed little room where our Lincoln prayed for us before the Living God! To Mrs. Bixby he wrote: "I pray that our Heavenly Father may assuage the anguish of your bereavement." And in his second inaugural address he said, "The judgments of the Lord are true and righteous altogether." And Nicolay and Hay publish in the "Complete Works of Abraham Lincoln" the thing they call "Meditation on the Divine Will," in which he wrote, in a memorandum not written to be seen by men, "By His mere great power on the minds of the now contestants He could have either saved or destroyed the Union without a human contest." I have never read words showing greater faith in God.

POLITICIAN

I remark in the fifth place that Abraham Lincoln was a consummate politician, of signal sagacity and shrewdness; a past master of political maneuver and tactics, intrigue, and strategy, enabling him to divine the purposes and motives of men and thereby to discern the development of events. He had a sublime and supreme regard for the truth, but within that high inclosure, as one of his biographers says, he was as ambitious as any man of his time. The time was in this country of ours when to grow up and serve the American Republic was the fondest and dearest aspiration of the American youth. Well will it be for America when that time shall come again; and when fathers will say, as mine did, "My son, I want you to grow up and serve the Republic," instead of saying, as many now do, "Anything but politics, my son; anything but politics." Men who seek public preferment, who aspire to the honors and awards of the public service, and who therefore attempt to serve their country in official position, either through appointment or election, are not on that account to be condemned. Mr. Lincoln took this view of this matter. He never hesitated to seek public preferment and never thought it beneath true manhood to do so. When the list of offices and positions to which Mr. Lincoln aspired is considered, it presents an array sufficient to astound every advocate of the theory that "the office should seek the man, and not the man the office."

The captaincy of a militia company, the postmastership of a village, the deputy surveyorship of a county, the circuit judgeship pro tempore, the honorary position of delegate to a convention, the honorably position of presidential elector, the appointive position of Commissioner General of the Land Office, the office of representative in the legislature, the office of Representative in Congress, the office of United States Senator, and the unsurpassable distinction of President of the United States, a round dozen political positions, were all sought by him; he did not hesitate; he did not consider any of them too small or too large. He favored political organization, and he was right. In November, 1858, an Illinois Legislature was to be elected, which would elect a United States Senator. Fourteen months before—in other words, in September, 1857, he wrote a letter to my father saying, in his usual and famous sentences of words of one syllable:

"And now let me say I wish you would make up your mind to come to the legislature from Morgan next time. You can be elected and I doubt some whether any other friend can. It will be a sacrifice to you, but can you not make it?"

In this same letter he commends J. O. Johnson, who "is a newcomer, but he can devote more time to getting up an organization than anyone I know, who knows as well as he how to do it." Real organization! O, let us encourage our young, our bravest and best, to serve the Nation!

CONCLUSION

One of the greatest things ever said about Abraham Lincoln was said by George Bancroft, the great historian. The occasion was a joint session of the Congress of the United States. The date was February 12, 1866, the first February 12, the first Lincoln's birthday after the assassination of the martyred President. The place was the Capitol at Washington. The assemblage included not only the famous Senate of that time and the famous House, but also a Diplomatic Corps of unmatched brilliancy, a Supreme Court never equaled, a distinguished and aggressive President and Cabinet, and a throng of Civil War heroes and popular idols, generals and admirals of world-wide fame.

In that great address the great Bancroft said that the great Lincoln was blessed with the wisdom that is like unto the wisdom of little children, and that from and through that wisdom came the relief that the wisdom of the wise and of those who were great after the flesh had not been able to give. I am sure that Abraham Lincoln did have that wisdom. He had the truth of the child and, above all, the forgiveness of the child. The result was that "the common people heard him gladly," even as it is written of Jesus Christ, and when he was martyred the same common people cried in the streets.

My own father said of Lincoln that he trusted the people and they him; that there was something in his lowly origin and in the story of his life and its struggles that made the people draw close to him; that he talked to them in such a way that they understood him better than they did other men. Knowing, as I do, that my father served as war Governor of Illinois during the four years Lincoln served as war

President, and that he was in conference with President Lincoln a hundred times, and before that had practiced law with him in all the courthouses of the old circuit for 25 years, I have confidence in this estimate. For myself, I believe he was the interpreter and translator, possessing the wisdom that is like unto that of the child.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its principal clerk, announced that the Senate had passed Senate bills of the following titles, in which the concurrence of the House is requested:

S. 5588. An act granting the consent of Congress to the Big Sandy & Cumberland Railroad Co. to construct and maintain and operate a bridge across the Tug Fork of Big Sandy River at Devon, Mingo County, W. Va.;

S. 5598. An act to extend the time for constructing a bridge across the Ohio River approximately midway between the cities of Owensboro, Ky., and Rockport, Ind.; and

S. 5620. An act granting the consent of Congress to John R. Scott, Thomas J. Scott, E. E. Green, and Baxter L. Brown, their successors and assigns, to construct, maintain, and operate a bridge across the Mississippi River.

ORDER OF BUSINESS

Mr. TILSON. Mr. Speaker, as the proponents of the McNary-Haugen bill seem not to be present, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 15963) to establish a Federal farm board in the Department of Agriculture, to aid the industry of agriculture to organize effectively for the orderly marketing, and for the control and disposition of the surplus of agricultural commodities.

The SPEAKER. The question is on the motion of the gentleman from Connecticut that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the McNary-Haugen bill.

Mr. RAMSEYER. Mr. Speaker, pending that motion, has the gentleman considered how he will use the time? [Laughter.] I understand that there are yet 2 hours and 51 minutes remaining of general debate. There is a demand for additional time.

Mr. UNDERHILL. Mr. Speaker, if the proponents of the McNary-Haugen bill are not here to go on with their debate, I suggest that there are about 150 matters on the Private Calendar in disposing of which we could very well utilize the day.

Mr. GARRETT of Tennessee. Mr. Speaker, as I understand it, the situation is this: The Committee on Agriculture is now in session.

Mr. LOWREY. Mr. Speaker, I very much want 5 or 10 minutes to discuss a matter which is, perhaps, a little out of order. I wonder if I could not do that now by unanimous consent?

Mr. TILSON. Mr. Speaker, I withdraw my motion for the present.

FARM RELIEF—MUSCLE SHOALS

Mr. GARRETT of Tennessee. Mr. Speaker, I ask unanimous consent that the gentleman from Mississippi [Mr. LOWREY] may address the House for 10 minutes.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that the gentleman from Mississippi [Mr. LOWREY] may address the House for 10 minutes. Is there objection?

There was no objection.

Mr. LOWREY. Mr. Speaker, in my opinion neither this Congress nor any other Congress of recent years has considered measures more far reaching or more important to our domestic welfare than the two measures which we have left for our closing days—farm-relief legislation and the Muscle Shoals problem. It seems to me that we must all realize that the rehabilitation of agriculture is the large question now before us. We talk about "What the farmer needs" or "What is good for the farmer." But it is not simply the question of the interests of the farming people. This is a very big question. Our country can not be permanently prosperous, happy, or strong if our rural population is to be unprosperous, unhappy, or, still worse, disloyal or resentful against their Government.

I realize that the expression "disloyal or resentful against their Government" sounds very ugly and looks almost like a vicious indictment against our sturdy and virtuous rural population. Yet any man who has mixed freely with the people on the farms, talked with them heart to heart, and realized what they have suffered for the last few years must know that I am not talking idly. Here is an exact quotation from a letter which I have just received from a citizen who has been recognized as one of the most intelligent, most progressive, and most successful farmers in my district, but who now faces the ordeal of giving his farm and home into the hands of his creditors and going out practically penniless: "Very few people want farm lands, however desirable or however cheaply they can be had. We have been enslaved gradually, though thoroughly, and the farmer, the most conservative, patient, and long suffering of our people, have about reached the limit of endurance. Precipitate, violent revolution may ultimately be forced upon a people. Many already have it in spirit and sentiment, and the money fools in power ought to take warning from past history. To make the feeling of resentment more bitter is the fact that my family, a wife and six children, are suffering along with me in this uneven and unfair situation."

You may charge that these words are unreasonable or unjust. But, perhaps, you have not faced the situation that this good man now faces. I say at least that when we, who are directing the affairs of government, hear expressions like these from intelligent, stalwart, native-born Americans, it is time for us to sit up and take notice. My brilliant colleague [WEBBER WILSON of Mississippi] recently stated from this floor that the countries whose desolation and ruin mark the landscape of the past have all perished from within and not from without. The safety of our country depends on the strength, courage, virtue, and loyalty of the plain people. When we wreck their courage and shock their loyalty, armies and navies can not save us. The best defense that any country has is a happy, patriotic, and devoted population. Hence, it is not simply the question of saving the farmer. It is a question of meeting a very critical situation which involves our every interest, if not the very safety of our Government.

But let me be more specific. For six or eight years now the people have been appealing more and more to this Congress to do two things: First, to pass some adequate farm-relief legislation, and second, to bring Muscle Shoals into operation for purposes primarily of giving cheap fertilizer and secondarily of giving cheap power.

I do not know anything else that would so discredit the Congress and the Government as for us to adjourn without meeting these two demands. In fact, if we adjourn and leave either one of these undone it will impress a very large number of our most worthy constituents that their Government has failed to function and is incapable of meeting serious situations.

For my part, I believe that the passage of this bill as it has come from the Senate or of the Crisp bill or the Aswell bill would greatly help the present situation and would do much to strengthen the courage and confidence of our suffering people. I will vote for any of the three rather than see the Congress adjourn without passing a farm-relief measure.

But really I came to the floor to say a word on the Muscle Shoals proposition. It comes to us now that the committee will probably not agree on any lease contract that has been proposed to them. We have spent on this project more than a hundred and sixty millions of the people's dollars, and we are told that to make it absolutely complete we will need to finally increase the amount to two hundred and twenty-five millions. These figures look startling, but I remind you that they are very far short of the amounts which we appropriate annually to the Army or the Navy. If we spend these great sums for what we call national defense, we can certainly afford to spend considerable sums on that internal defense which I have just discussed. But this great plant lies there in almost absolute idleness with some of its units absolutely deteriorating. If this Congress is capable of functioning at all, we ought not to adjourn without reaching some plan by which we can put so great an asset to work for our people.

We have figured on leases for these years without reaching any definite results. For more than two years the conviction has been growing on me that we ought at least for the present to adopt a plan of Government operation. And in my conversation with colleagues for the last few days I have been impressed that this conviction is very strong among the membership of the House generally. In fact, I believe this House would pass a well-framed bill of that kind if they could get a chance to vote on it. It seems that nobody really has the understanding of the problem to enter into a lease contract with any degree of assurance. Those who represent the Government realize that the whole matter is in an experimental stage, and that we do not yet know what we could afford to risk in the way of a contract for placing the plant under private management. And it is just as evident that the syndicates which have figured on bids are similarly at sea on the proposition. I am just about convinced that the only way out is for the Government to operate Muscle Shoals as a Government enterprise for a few years at least. It may be that after a reasonable time it would seem wise to lease the property to some private syndicate. But by a few years of Government operation we could at least carry the thing through its experimental stage and come to

where both the Government and the bidding syndicates would have better ideas as to what they could afford.

For these reasons I have introduced a bill proposing a plan of operation for a term of seven years under a Government corporation.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. LOWREY. Yes.

Mr. BLANTON. I am against Government operation of private business, but concerning this immense Government property at Muscle Shoals, which it seems we can not lease unless we have to give it away, I hope the Congress before we adjourn will have the Government operate the plant and manufacture nitrates, which will benefit the farmers, and they will then be sure of some relief.

Mr. LOWREY. I agree with the gentleman, and that is my bill exactly. Briefly stated, this bill proposes a Government corporation, of which the Secretary of Agriculture, the Secretary of Commerce, and the Secretary of War shall be the directors. They are given a Government fund of $25,000,000 to be used for the purpose of the necessary reconditioning and the opening up and operating of the plant. These three directors are given the authority to employ a superintendent, who shall be a man of recognized executive ability and experience in managing great industrial enterprises. Also three assistant superintendents, the combined salaries of the four not to exceed $75,000. It is stipulated that the primary business of the corporation shall be the manufacture of fertilizer and of explosives sufficient to meet the demands of the Army and the Navy. However, they are to distribute the surplus power upon such plan as they think wise to adopt. All products of this plant are to be disposed of upon the nearest possible calculation as to cost of production, and a safe method is provided by which the corporation shall control the price to the ultimate consumer.

The bill gives rather broad latitude and powers to the three directors. But I believe it contains all necessary safeguards. I am sure, too, that these directors will need broad powers if they are going to carry this enterprise successfully through its experimental stage. Again, it is to be remembered that the directors are three Cabinet members who have the responsibility of agriculture, commerce, and national defense, the three phases of public interest which the Muscle Shoals plant is supposed especially to serve.

The bill is brief, and I ask permission to insert it in the RECORD at this point, so that all the Members of the House may have opportunity to read it.

The SPEAKER. Is there objection?

There was no objection.

Mr. LOWREY. Mr. Speaker, in accordance with the unanimous consent granted me in the House, I place in the RECORD my bill for temporary Government operation of Muscle Shoals. It reads as follows:

A bill to provide for the national defense and to aid agricultural and industrial development by creating the United States Muscle Shoals Corporation, and for other purposes

Be it enacted, etc., That this act may be cited as the "Muscle Shoals Act of 1927."

ORGANIZATION OF CORPORATION

SEC. 2. For the purpose of providing for the national defense in time of war and for agricultural and industrial development in time of peace by the production and manufacture of nitrogen and nitrogen products, and for the purpose of maintaining and operating the properties owned by the United States in the vicinity of Muscle Shoals, Ala., the Secretary of Agriculture, the Secretary of War, and the Secretary of Commerce are hereby incorporated as a Federal corporation and declared a body corporate under the name of the "United States Muscle Shoals Corporation" (referred to in this act as the "corporation").

BOARD OF DIRECTORS AND OFFICERS

SEC. 3. (a) The board of directors of the corporation (referred to in this act as the "board") shall consist of the Secretary of Agriculture, the Secretary of War, and the Secretary of Commerce.

(b) All powers of the corporation are hereby vested in the board. The board shall be responsible for the performance of all duties imposed upon the corporation.

(c) The Secretary of Agriculture shall be chairman of the board. Vacancies in the board shall not impair the powers of the remaining members to execute the functions of the board, and two members shall constitute a quorum for the transaction of the business of the board. A director of the corporation shall receive no compensation for his services to the corporation.

(d) The chief executive officer of the corporation shall be a superintendent, who shall be responsible to the board for the efficient conduct of the business of the corporation. The board shall appoint the superintendent and shall select a man for such appointment who has distinguished himself as an executive in the industrial world. The superintendent shall be appointed to hold office until July 1, 1934, but he may be removed by the board for good cause, which cause shall, as soon as practicable thereafter, be stated in detail to the President and to the Congress. Should the office of superintendent become open for any reason, the directors shall fill it as herein first provided.

(e) With the advice of the superintendent, the board shall appoint three assistant superintendents, who shall be responsible to the superintendent, and through him to the board. With the advice of the superintendent, the board may at any time remove any assistant superintendent and refill such office as herein first provided.

(f) The combined salaries of the superintendent and the assistant superintendents shall not exceed the sum of $75,000 in any one year.

(g) A director, officer, or employee of the corporation, while acting as such, shall not be held to be an officer, employee, or agent of the United States. Each director, officer, and employee of the corporation shall take the oath of office as provided in section 1757 of the Revised Statutes.

CAPITAL STOCK

SEC. 4. (a) The capital stock of the corporation shall be $75,000,000, of which $50,000,000 shall be deemed to be in consideration of the properties vested in the corporation under section 8. The remaining $25,000,000 is hereby subscribed by the United States, to be paid in cash. The amount of such subscription shall be subject to call by the board in amounts of $100,000 or multiples thereof. Upon such call the Secretary of the Treasury is authorized to pay to the corporation the amount so called. There is hereby authorized to be appropriated the sum of $25,000,000 for the payment of such subscription. A certificate representing the ownership of $50,000,000 of the capital stock of the corporation shall be issued by the corporation to the United States and delivered to the Secretary of the Treasury; and upon payment of any part of the amount subscribed by the United States, certificates representing the ownership of capital stock in the amount of such payment shall be issued by the corporation to the United States and delivered to the Secretary of the Treasury.

(b) Dividends may be paid upon the capital stock, but only in cash from net profits, and then only when the board deems such profits unnecessary to the efficient conduct of the business of the corporation. Such dividends when paid shall be covered into the Treasury as miscellaneous receipts.

GENERAL POWERS

SEC. 5. Except as otherwise specifically provided in this act, the corporation—

(a) Shall have succession in its corporate name for a term beginning on the date of approval of this act, and expiring July 1, 1934.

(b) May sue and be sued in its corporate name.

(c) May adopt and use a corporate seal, which shall be judicially noticed, and may alter it at pleasure.

(d) May make contracts, but no such contract shall extend beyond the period of the life of the corporation.

(e) May adopt, amend, and repeal by-laws.

(f) May purchase or lease and hold such personal property as it deems necessary or convenient in the transaction of its business and may dispose of any such property held by it.

(g) May lease such real property as it deems necessary or convenient in the transaction of its business and may dispose of such leases.

(h) May incur obligations, borrow money for temporary purposes, and issue notes or other evidences of indebtedness therefor, but the aggregate amount of the indebtedness at any time shall not exceed 25 per cent of its unimpaired capital.

(i) May appoint and fix the compensation of such officers, employees, attorneys, and agents as are necessary for the transaction of its business, define their duties, require bonds of them and fix the penalties thereof, and dismiss at pleasure any such officer, employee, attorney, or agent.

(j) Shall have power to carry on the business of the corporation herein provided and shall have all such powers as may be necessary or appropriate for the exercise of the powers specifically conferred upon the corporation.

SPECIAL POWERS

SEC. 6. The corporation is authorized and directed—

(a) To hold, maintain, operate, and develop to the fullest extent the properties transferred to it under section 8 for the purpose of producing nitrogen and nitrogen products, and to construct, maintain, and operate such additional plants and facilities upon such properties as it considers necessary for such production.

(b) To manufacture, distribute, and sell fertilizers.

(c) Upon the requisition of the Secretary of the Navy or the Secretary of War, to manufacture for and sell to the United States the nitrogenous content of explosives.

(d) To establish, maintain, and operate laboratories and experimental plants, and to undertake experiments for the purpose of enabling the corporation to furnish nitrogen products for military and agricultural

uses in the most economical manner and at the highest standard of efficiency.

(e) To develop and produce power sufficient to supply all needs of the corporation in the manufacture of nitrogen products; and to sell such excess of power as the plant develops beyond such needs.

SELLING PRICES

SEC. 7. The selling price of the commodities produced and sold by the corporation shall be fixed from time to time by the board. This price shall be the price to the ultimate consumer. Sales through intermediates shall be under contracts through which the fixed price to the ultimate consumer shall be preserved. The basis for the determination of the price shall be all charges properly attributable to the production, marketing, and distribution of the particular product, including such items as are necessary to render and maintain the business of the corporation permanently self-supporting and a return of 8 per cent per annum upon the capital stock of the corporation. There shall be considered a margin of safety in the operation of the business, but no margin of profit.

PROPERTY

SEC. 8. In order to permit the corporation to exercise the powers vested in it by this act—

(1) All the right, title, and interest of the United States in and to the United States nitrate plants Nos. 1 and 2, located, respectively, at Sheffield, Ala., and Muscle Shoals, Ala., together with all real estate and buildings connected therewith, all tools and machinery, equipment, accessories, and materials belonging thereto, and all laboratories and plants used as auxiliaries thereto; the fixed nitrogen research laboratory, the Waco limestone quarry in Alabama, and Dam No. 2, located in the Tennessee River at Muscle Shoals, its power house, and all hydroelectric and operating appurtenances (except the locks), and all machinery, lands, buildings in connection therewith, is hereby transferred to the corporation.

(2) The President is authorized to provide for the transfer to the corporation of such other real and personal property of the United States as he may, from time to time, deem necessary and proper for the purposes of the corporation as herein stated.

OFFICES AND ACCOUNTS

SEC. 9. (a) The corporation shall maintain offices in the District of Columbia and in the immediate vicinity of Muscle Shoals, Ala., and may establish such agencies or branch offices at such places as it deems advisable. The corporation shall be held to be an inhabitant and resident of the District of Columbia, and of the northern judicial district of Alabama, within the meaning of the laws of the United States relating to venue of civil suits.

(b) The corporation shall at all times maintain complete and accurate books of accounts.

(c) The Comptroller General of the United States shall once during January and once during July of each year, and without expense to the corporation, make a complete audit of its books, and publish as soon as practicable after each audit a statement of the financial condition of the corporation in one daily paper in each Federal reserve district. Such audits shall be solely for the purpose of obtaining information for such statements.

REPORTS

SEC. 10. The board shall file with the President and with the Congress, in December of each year, a financial statement and a complete report as to the business of the corporation covering the year immediately preceding.

PENALTIES

SEC. 11. (a) All general penal statutes relating to the embezzlement, conversion, or to the improper handling, retention, use, or disposal of public moneys of the United States shall apply to moneys of the corporation while in the custody of any officer, employee, or agent of the corporation or of the United States.

(b) Any person who, with intent to defraud the corporation or to deceive any director or officer of the corporation or any officer or employee of the United States, (1) makes any false entry in any book of the corporation, or (2) makes any false report or statement for the corporation, shall, upon conviction thereof, be fined not more than $10,000 or imprisoned not more than five years, or both.

(c) Any person who shall receive any compensation, rebate, or reward or shall enter into any conspiracy, collusion, or agreement, express or implied, with intent to defraud the corporation or to defeat its purposes shall on conviction thereof be fined not more than $100,000 or imprisoned not more than 15 years, or both.

SUCCESSION

SEC. 12. Unless otherwise provided by law, the United States shall, on July 1, 1934, succeed to all the property, rights, and liabilities of the corporation.

EXTENSION OF REMARKS

Mr. GARRETT of Tennessee. Mr. Speaker——

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my remarks for the purpose of inserting in the RECORD a short resolution passed by both houses of the State of South Carolina in connection with farm legislation.

The SPEAKER. The gentleman from South Carolina asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr UNDERHILL. Mr. Speaker, reserving the right to object to the placing in the RECORD of this resolution, I do not believe in encumbering the RECORD with matter——

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. UNDERHILL. I will.

Mr. GARRETT of Tennessee. This is a resolution of a legislature of a State. I think it has been the custom to permit these to go in where they are resolutions of a legislature of a State.

Mr. UNDERHILL. I have been placing resolutions which I receive from the Massachusetts Legislature in the basket.

The SPEAKER. Is there objection?

Mr. UNDERHILL. I object.

PERMISSION TO ADDRESS THE HOUSE

Mr. LINTHICUM. Mr. Speaker, I ask unanimous consent to address the House on the 28th of this month for 20 minutes immediately after the reading of the Journal and the disposition of business on the Speaker's table.

The SPEAKER. The gentleman from Maryland asks unanimous consent that on the 28th of this month, after the reading of the Journal and disposition of matters on the Speaker's table, he may be permitted to address the House for 20 minutes. Is there objection?

Mr. TILSON. Reserving the right to object, on what subject?

Mr. LINTHICUM. On the one-hundredth anniversary of the Baltimore & Ohio Railroad.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. GARRETT of Tennessee. Mr. Speaker, I make the point of order there is no quorum present.

The SPEAKER. Will the gentleman withhold his motion for a moment?

Mr. GARRETT of Tennessee. I will.

EXTENSION OF REMARKS

Mr. BRAND of Ohio. Mr. Speaker, in the debate on Saturday the gentleman from Kansas [Mr. TINCHER] asked me to submit for the RECORD a letter from the farm bureau of Ohio, and I said I would do so and my reply. I am not interested one way or the other in this matter, only in answer to his request. I therefore ask unanimous consent to print these letters in the RECORD.

The SPEAKER. The gentleman from Ohio asks unanimous consent to print in the RECORD a letter from the farm bureau of Ohio. Is there objection?

Mr. BLANTON. Is the gentleman indisposed——

Mr. BRAND of Ohio. I do not care.

Mr. UNDERHILL. Mr. Speaker, I object.

Mr. BURTNESS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a concurrent resolution in the nature of a memorial addressed to the Congress by the Legislative Assembly of the State of North Dakota, requesting it to enact certain legislation.

The SPEAKER. The gentleman from North Dakota asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection——

Mr. BURTNESS. And may I be permitted to say I assume the gentleman from Massachusetts [Mr. UNDERHILL], being on his feet, desires to object to that also, and I want to ask him before he does that if he wants to take the position here of denying the people of a sovereign State the right granted to them by the Constitution to petition the Congress?

This comes in the form, not of an ordinary letter or ordinary communication or resolution, or something of that sort, but directly in the form of a concurrent memorial formally passed by both houses of the legislature of our State.

The SPEAKER. Is there objection?

Mr. LAGUARDIA. Reserving the right to object——

Mr. UNDERHILL. Reserving the right to object, Mr. Speaker, there is a place in the RECORD provided for all these petitions and concurrent resolutions. I happened to be chairman of the committee on Federal relations in the Massachusetts Legislature for a period, and during that time the Massachusetts Legislature never sent a petition to Congress, because they knew how much effect it had on Congress, or how little effect it had on Congress; and so, Mr. Speaker, following my fundamental objection to printing in the RECORD these extraneous remarks which have nothing to do particularly with us, I must insist upon objecting to all.

The SPEAKER. Objection is heard.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that on the morning of the 21st, following the disposition of matters on the Speaker's table, I may be permitted to address the House for 20 minutes.

The SPEAKER. The gentleman from Nebraska asks unanimous consent that on the morning of the 21st, following the disposition of matters on the Speaker's table, he may address the House for 20 minutes. Is there objection?

There was no objection.

M'NARY-HAUGEN FARM RELIEF BILL

Mr. HAUGEN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 15474, the farm relief bill; and, pending that motion, I ask unanimous consent that the time allotted for general debate be extended so as to take in all the balance of the day; that the time be devoted to the discussion of the bill, and the time be equally divided between the gentleman from Louisiana [Mr. ASWELL] and myself, for and against.

The SPEAKER. The gentleman from Iowa asks unanimous consent that the debate on this bill be extended until the House shall adjourn to-day, and that the time be equally divided between himself and the gentleman from Louisiana.

Mr. TILSON. Is that in accordance with the arrangement already made as to the other time? Are there no other terms or conditions connected with it?

Mr. HAUGEN. It is to be equally divided between the gentleman from Louisiana and myself, and I will yield half my time to the gentleman from Kentucky [Mr. KINCHELOE], and I imagine the gentleman from Louisiana [Mr. ASWELL] will yield half his time to the gentleman from New Jersey [Mr. FORT].

Mr. TILSON. Will it be divided on the same conditions as the other time was divided? Will it be done as provided for under the rules?

Mr. HAUGEN. Yes.

Mr. SNELL. May I inquire if the gentleman from Iowa wishes this additional time in order to permit the discussion of the new matter included in the Senate bill, instead of the original bill? It seems to me if you are going to do that, this would be the proper time to discuss the provisions of the Senate bill. There are some new things in it, and the House should be properly informed, I think; and that additional time should be used largely for discussing the new matter inserted in the Senate bill, which has not been considered by the House or the House Committee on Agriculture.

Mr. CHINDBLOM. Mr. Speaker, how much time is remaining now of the previous allotment?

The SPEAKER. The gentleman from Iowa [Mr. HAUGEN] has 1 hour and 2 minutes, the gentleman from Louisiana [Mr. ASWELL] has 51 minutes, the gentleman from Kansas [Mr. TINCHER] has 35 minutes, the gentleman from Kentucky [Mr. KINCHELOE] has 23 minutes; in all, 2 hours and 51 minutes.

Mr. PURNELL. Mr. Speaker, if I understand the situation aright, if this unanimous-consent request is agreed to, it does not set aside the original agreement, so that a motion could not be made to adjourn at the end of 2 hours and 51 minutes debate?

The SPEAKER. It could not.

Mr. TILSON. Mr. Speaker, with the understanding that this additional time is to be divided under the same conditions as the original time, I shall have no objection.

The SPEAKER. The gentleman from Indiana asks unanimous consent that the 2 hours and 52 minutes shall include the condition that the House shall not adjourn at the expiration of that time, but that the time shall be divided as the gentleman from Iowa indicated. Is there objection?

Mr. LaGUARDIA. Does that take care of the suggestion of the gentleman from New York [Mr. SNELL]?

Mr. MAPES. Reserving the right to object, in order that there may be no misunderstanding, I think the qualifications that have been put in make the unanimous request uncertain. I would like to ask the Speaker if, with the extension of time, the gentleman from Kentucky [Mr. KINCHELOE] and the gentleman from New Jersey [Mr. FORT] would have any more time than they now have?

The SPEAKER. The Chair thinks not. The Chair thinks that under the unanimous-consent request the 2 hours and 51 minutes would be used according to the original allotment, and the remaining time would then be divided in exactly the same way as the original time.

Mr. MAPES. Between the gentleman from Louisiana and——

The SPEAKER. Between the four gentlemen.

Mr. MAPES. Equally between the four gentlemen?

The SPEAKER. Yes; in the same proportion.

Mr. CHINDBLOM. Mr. Speaker, further reserving the right to object, I would like to call the attention——

Mr. GARRETT of Tennessee. Mr. Speaker, in order to give time to reach an agreement touching this matter I make the point of order that there is no quorum present, although I am perfectly willing to withhold it.

Mr. PURNELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. PURNELL. I should like to know how we can apportion the time following the 2 hours and 51 minutes when we have no idea when a motion will be made to adjourn.

Mr. GARRETT of Tennessee. Well, Mr. Speaker, I make the point of order that there is no quorum present.

Mr. LaGUARDIA. May I suggest that before closing the gentlemen adjust the matter?

The SPEAKER. The Chair thinks it might be well under the circumstances to proceed for 2 hours and 52 minutes and then make an arrangement for the further allotment of time.

Mr. CHINDBLOM. Mr. Speaker, a point of order. The gentleman from Tennessee has made a point of order that there is no quorum present.

The SPEAKER. The gentleman from Tennessee withheld it.

Mr. BANKHEAD. Mr. Speaker, I demand the regular order.

The SPEAKER. The Chair has suggested that we proceed and finish the general debate according to the former agreement and then have a request made as to further time. Is there objection to that?

Mr. DOWELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DOWELL. When we go into the Committee of the Whole on this bill an agreement, of course, can not be made in the committee so that it will be necessary to go into the House again.

The SPEAKER. The committee could rise.

Mr. DOWELL. It might be well to extend the time now for an hour or an hour and a half and complete the bill. However, Mr. Speaker, I withdraw my objection.

The SPEAKER. Is there objection to the suggestion made by the Chair? [After a pause.] The Chair hears none. The question is on the motion of the gentleman from Iowa that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 15474) to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 15474, with Mr. MAPES in the chair.

The Clerk read the title of the bill.

Mr. HAUGEN. Mr. Chairman, I yield two minutes to the gentleman from South Carolina [Mr. FULMER].

Mr. FULMER. Mr. Chairman and gentlemen of the committee, I think it comes with poor grace for any Member, and especially a Member of Congress from the State of Massachusetts, where they have been receiving for many years protection at the hands of the Congress of the United States at the expense of the people of my State of South Carolina and the consumers of this country, to stand upon the floor of the House and object to the insertion in the RECORD of a short resolution passed by the people of any sovereign State, expressing their views and their sentiments in regard to farm-relief legislation. [Applause.] I am glad to have the privilege of being able to stand on the floor of the House and have read in my time a resolution passed by my people in connection with how they feel about farm-relief legislation. I will ask the Clerk to read the resolution in my time.

The CHAIRMAN. Without objection the Clerk will read the resolution.

There was no objection.

The Clerk read as follows:

A concurrent resolution

Whereas the agricultural prosperity of our country depends upon the effective control of surplus crop production; and

Whereas this problem is of such magnitude as to be national in its scope; and

Whereas the condition of the farmers throughout the Nation affects the very foundations of our social structure: Now therefore be it

Resolved by the house of representatives (the senate concurring), That our United States Senators and Representatives in Congress be, and they hereby are, memorialized to use their influence for the prompt passage of such national legislation as will provide for the creation of a Federal farm board composed of farmers, which will put agricul-

ture on a par with industry and can effectively control the marketing of surplus crops, and that the incorporation of an equalization fee in such legislation, with proper safeguards to prevent it from becoming excessive, would not be objectionable; be it further

Resolved, That copies of this resolution be sent to the United States Senators and Representatives in Congress from South Carolina.

I hereby certify that the above is a true copy of a concurrent resolution adopted by the house of representatives and concurred in by the senate.

J. WILSON GIBBES,
Clerk, House of Representatives, South Carolina.

FEBRUARY 11, 1927.

Mr. HAUGEN. Mr. Chairman, I yield one minute to the gentleman from Massachusetts [Mr. UNDERHILL].

Mr. UNDERHILL. Mr. Speaker, I want the House to understand that it is through no discourtesy to the membership that I take this stand, but the rules of the House provide that through the medium of the basket all of these resolutions shall be presented to the House in due form and receive such consideration as is necessary. These resolutions from the various States are really for the information of the Members of the States themselves rather than for general information. So I take the stand on that farm-relief legislation, prohibition legislation, eighteenth-amendment legislation, and all of those things we might as well save our time and refuse unanimous consent to have them go in the RECORD.

Mr. HAUGEN. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. BERGER].

Mr. BERGER. Mr. Chairman and gentlemen, I have listened to the arguments and have read the literature on the various bills intended to remedy the sore plight of the American farmers, and I admit that it was not an easy task to make up my mind.

You see, it is this way:

Whenever I heard the critics of the McNary-Haugen bill point out the weaknesses of that measure and prove that it is economically unsound, that it is hard of execution, and that it will help very little, and even that help can be only temporary, I felt that I had to agree with the critics.

And then when I listened to the arguments of the proponents of the bill, showing up the shortcomings and impossibilities of the other two bills before the House—the Aswell and the Crisp bills—I was in the same position, I could not help but agree.

In short, I found myself in the position of that "Pennsylvania-Dutch" justice of the peace who listened to the lawyers in a damage case. He agreed at first with one of them and then with the other. And finally he said that they were both right, and decided that the constable had to pay the costs. [Laughter.]

In this case the critics on both sides seem to be right, and the people will have to pay the cost. [Laughter and applause.]

Thinking the matter over, however, I thought that of the various evils before us it might be wise to choose the smallest. And I believe that the McNary-Haugen bill in its present form is the least dangerous. [Applause.] And it also possesses a virtue which none of the speakers has so far pointed out.

Mr. Chairman, I admit that when the McNary-Haugen bill was up last year I voted against it. I was not quite sure at the time that I did right. I am going to vote for it now, and I am not any more certain that I am right now.

The fundamental differences in the bills before us are as follows:

The Crisp and the Aswell bills require a direct subsidy from the United States Treasury while the Haugen bill does not. [Applause.]

The Crisp bill makes it directly and definitely a price-fixing measure. The Haugen bill does not. [Applause.]

All the farmers' organizations are opposed to the Crisp and Aswell bills. They prefer no legislation at all to those. It is not more credit that they want; they want to dispose of their surplus. [Applause.]

The Haugen bill makes for a continued policy of orderly marketing. The Crisp bill wants to function in certain emergencies only. The Aswell bill will turn it over to a Government corporation. The Aswell bill is the most "socialistic" bill, but it is the devil's own socialism. [Laughter.]

Complete political control is established by both the Crisp and the Aswell bills. In the Haugen bill the farmers' organizations will control. And if they make a failure of it they can not blame anyone else. [Laughter and applause.]

Neither the Aswell nor the Crisp bill provide for a restraint on overproduction through an equalization fee. The Haugen bill does.

Of course, we must admit that a great deal of logrolling has been done by the adherents of the Haugen bill. Considerable swapping of votes has taken place. Cotton was taken in. Tobacco and even rice are now considered basic products. [Laughter.]

But logrolling takes place in the passing of all big bills.

And I can understand why even the country bankers should be so interested in this measure, especially in States like Iowa, Kansas, and Nebraska, where the farmers can not pay up their mortgages and can not even pay interest on them, and where bank failures have become epidemic.

Mr. HOWARD. Not in Nebraska.

Mr. BERGER. Some of them are in Nebraska. I have a list here.

The Haugen bill will undoubtedly also get some Democratic support, for the simple reason that the Democrats will want "to put the President in a hole." The President will either have to sign the bill and thereby repudiate the position he took in the past, or he will have to veto it and face that great Pullman farmer, Frank Lowden, of Illinois, who farms the Pullman porters, as the farmers' favorite son. [Laughter and applause.]

The greatest danger of the Haugen bill is that if it should be successful it will still further encourage overproduction of the staple products. Of course, that is not a danger that is facing the farmer immediately.

Another fault of the bill is, we are told, that the farm products will be sold cheaper in Europe than at home. In other words, farmers will get a premium on their export. All the big manufacturing corporations of America, however, are exporting and selling their products abroad cheaper than in America.

I have seen a list of 57 big corporations that are selling their products cheaper in Europe than they are here, so if the farmers do this, I will forgive them.

Mr. WEFALD. Especially the Harvester Co.,

Mr. BERGER. Especially the Harvester Co. The gentleman is right.

Besides, in the case of the Haugen bill, this fault is in reality a virtue, as I shall show later on.

Everybody agrees that the present overproduction of 30 per cent in wheat, of about 30 per cent in cotton, and of more than 20 per cent in other farm products is caused mainly by the fact that since the war we have lost our European markets, especially the English and the German markets.

As a matter of fact, there were less foodstuffs produced in 1925 in the world than there were produced in 1913.

So these peoples need our grain and our farm products as much as ever, or more than ever, only they can not buy because the war has ruined their buying power. And both in England and in Germany the working class now must exist nearer the starvation line than in hundreds of years in the past. Our farm problem is simply a question of finding a market for the surplus of our farm products.

By making it possible for these working people of Great Britain and Germany and other European countries to buy their flour and their meat cheaper we not only enable them to get on their feet again, and in course of time become good customers again, but we are also doing a very humane and socialistic thing. And that is the main reason why this time I am going to vote for this bill, especially since it has been improved.

The following thought also deserves attention:

We had no real cause for getting into the World War. Without our help and interference—which practically took place the very first day the war started, because we sold munitions and war materials—the war would have ended about three years sooner, and it would have ended in a "draw."

We got nothing out of our interference in that war, except 123,000 dead, about 200,000 maimed, and a war expense of about $40,000,000,000. Our reward was prohibition and the "flu." And we earned the hatred of every European nation.

All participants would have gone back to work in 1915 if our munition makers and profiteers had not kept them in, and Europe would have been on its feet a long time ago. And our farmers would not have lost their markets.

It is only a matter of plain international justice that we should pay for the sin of our interference. [Laughter].

Now, who is to pay?

We can not make the profiteers pay. They are the real patriots—they own the "patria." And they did not make us go into the war to pay out even a part of their profits again. They are "paytriots" because they can make others pay.

The American working class, at least as far as it is organized, will also resist, although the profiteers are very willing to have the workers pay in the form of lower wages and longer workdays.

Under these conditions, as a natural consequence, the farmers, who are very poorly organized, had to pay through the loss of their markets for the sin of America going into the war.

Mr. SABATH. When the gentleman says the farmers were not patriots——

Mr. BERGER. Oh, no. I say they were patriots.

I think that it is very unjust to make the farmers alone pay for that sin. I am willing that we should help to atone for the war sin by paying the farmers the export premium. I am willing that the European working people shall have bread cheaper than we have it ourselves. I am for the Haugen bill.

We are always told that this is the richest country in the world. According to the conservative estimate of the Commerce Department, we have accumulated more wealth in the last 12 years than all of England accumulated in the whole 1,000 years of her existence.

The national wealth of England is one hundred billions; of Germany, forty billions; of France, fifty-two billions; of America, three hundred and twenty-one billions. The United States to-day boasts of as much wealth as England, Germany, France, Italy, Belgium, and Japan combined.

Now, what is the use of being the richest country in the world if you can not be charitable?

I shall vote for the Haugen bill as a measure of charity and justice—charity to our European workers and justice to our American farmers.

Nor is the giving of legislative aid to certain classes a novel procedure.

It was always given to the manufacturers. In fact, the tariff walls that we have erected since the very beginning of our national existence were simply put up as a protection to the manufacturers.

It was always given to the railroads in innumerable land grants, subsidies, and other forms of Government bounty.

We have always given liberal aid to the bankers; hardly a session passes but what we enact some bills for their benefit.

Even the workmen, stepchildren as they are and always were, have been given some benefits through legislation, such as 8-hour workdays, child labor laws, workmen's compensation laws, minimum wage laws, and so forth.

We began the work of this Congress by giving millions in the form of reduced taxation to the richest of the rich. We gave billions to our European debtors, with which they can now compete more successfully in their race of building warships and arming battalions.

Only the farmers, although they represent the most important industry of our country, and a population of 30,000,000 dependent on the farms, have received no remedial legislation whatever.

They are in great danger of being pushed down to the level of the European peasant if they do not look out.

Our ruling class demands that the American farmers shall provide food and raw material for American industry and for American labor at prices no higher than foreign manufacturers and foreign labor get them for in foreign countries, while these manufacturers are enjoying the benefits of a high tariff at the present time, and have enjoyed these benefits for many years in the past.

Mr. ASWELL. Will the gentleman yield?

Mr. BERGER. When I get through with my statement I will yield. If the gentleman could get me some more time, I will be pleased to yield now.

Mr. ASWELL. I just want to ask one question. How many farmers has the gentleman in his district?

Mr. BERGER. I have some few thousand of them. Moreover, I represent every Socialist farmer in the country. Gentlemen, I am one of the Members who speaks rarely, and whenever I have something to say I wish you would give me a chance. [Applause.]

They call the farmer a "yokel," a hayseed, and a rube, and make a laughing stock of him. In all seriousness, the farmer is the most necessary and the most useful factor in civilization, because without him we would not eat.

In any event, I am for him because he is very much the under dog at the present time. We Socialists are always with the under dog. And therefore I shall vote for the Haugen bill, even though it may not be quite sound economically and may help only temporarily. [Applause.]

Please remember the entire capitalist system is not sound economically. And it will not last forever, either.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. ASWELL. I yield 15 minutes to the gentleman from New York [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Chairman and colleagues, we are engaged in the task of trying to find a remedy to improve the condition of the farmer. The consensus of opinion is that there is something wrong with the farmer's business—not with the farmer—he is all right. The city man and the farmer may well shake hands. They are in complete agreement in their troubles. They are in the same boat, if you please, on a stormy economic sea. I know it is the habit of demagogues—not in this House, because we have not any here—to say that the interests of the consumer, so called, in the city is antagonistic to the interests of the farmer, but there is no antagonism. The farmer also is one of the greatest consumers. The difference between the consumer in the large city and the consumer on the farm is one of degree; it is wholly a matter of relativity. They both suffer from the same exploitation—the boosting of prices by favored interest, high freight rates on farm products, and the heartless gouging of avaricious middlemen.

The gist of the arguments here goes to show that the farmer is buying in a protected market and selling in an open market. In other words, the farmer faces competition with the world when he tries to sell his products, but when he wants to buy he is obliged out of necessity to buy in a market that is artificially inflated by the protective tariff.

Why, then, does not the farmer get up on his hind legs and protest against the tariff? That is the question. I presume it is because it is so hard to break away from old party associations, but it is passing strange to me that men in the Democratic Party can, nevertheless, break away from the principles on which the Democratic Party is founded. The party of Jefferson, Cleveland, and Wilson, from its very inception, has been dedicated to the principle of "equal rights for all and special privileges to none." Yet, what is more in the nature of a special privilege than tariff schedules purposely designed to raise the price of products to the consumer?

If we find any substantial breaking away from that basic principle of democracy among the members of our party in this House, as there was in the Senate, I am going to predict right here and now that it will be the death knell of the Democratic Party. But gentlemen on the Republican side need take no encouragement from that, because there is a similar division of opinion on your side of the House.

TARIFF WALLS AN ANACHRONISM

The pronouncement in the Declaration of Independence that all men are created equal is no glittering generality, no idle formula, but an axiomatic principle necessarily the foundation stone of all democratic government. The purport of this maxim is that all men are equal before the law, entitled to equal protection under the law, and obligated to bear equal responsibilities of citizenship. Tariff walls are incompatible with this doctrine. They must be thrown down here as well as throughout the world. They are an anachronism.

The League of Nations is an ineffectual instrument to bring peace to the troubled world so long as tariff walls exist. Many respectable authorities maintain that the Great World War had its origin in commercial rivalries. There is much to commend that theory, for really there is no apparent occasion anywhere in the modern world for nations to engage in war over political issues.

Political preeminence has sunk into minor importance. Political rivalries have become subordinate to questions involving commercal advantage. Nations used to go to war over dynastic differences, rights of succession, and matters involving court jealousies. In the modern world the only remaining subjects of controversy between nations are closely connected with commercial rivalries.

Out of these have sprung the tariff barriers erected on the frontiers to prevent the free flow of commercial intercourse, the very thing that is the lifeblood of their prosperity. It is like two men engaged in a test of strength first tying one of their arms behind their backs. Neither of the antagonists is able to exert his full powers.

Witness the condition in Europe to-day. Each nation vying with the other in erecting tariff barriers to prevent the free exchange of commerce. Is it any wonder that their treasuries are depleted and their currencies depreciated?

THE MANIFESTO OF THE BANKERS OF THE WORLD

The bankers of the world understood this fully when they issued the manifesto on October 19, 1926, urging the nations of Europe to tear down the iniquitous tariff barriers—

so that commerce might flow in its natural channels unimpeded.

This is the summary of the situation:

To mark and defend these new frontiers of Europe, licenses, tariffs, and prohibitions were imposed with results which experience shows already to have been unfortunate for all concerned. One state lost its supplies of cheap food, another its supplies of cheap manufactures. Industries suffered for want of coal; factories for want of raw materials. Behind the customs barriers new local industries were started, with no real economic foundation, which could only be kept alive in the face of competition by raising the barriers higher still. Railway rates, dictated by political considerations, have made transit and

freight rates difficult and costly. Prices have risen, artificial dearness has been created. Production as a whole has been diminished. Credit has contracted and currencies have depreciated. Too many states in pursuit of false ideals of national interest have imperiled their own welfare and lost sight of the common interests of the world by basing their commercial relations on the economic folly which treats all trading as a form of war.

Here in this country we have less reason than the European nations to thus tie our own hands. What they have done has come from stupid avarice or traditional animosities. We have had no such influences to dictate our policies. We have gone into the venture of hampering our commercial freedom with our eyes open, but with a mistaken notion of the effect of our restrictive laws.

The world was made for men—not for any particular race. God in His wisdom designed that there should be differences of races as there are differences of climate. So did He provide that each nation should contribute its share of nature's bounties for the well-being of mankind.

A good and just God could not have designed otherwise than that these bounties of nature should have free intercourse. The barriers that prevent this intercourse and free exchange are the handiwork of greed and selfishness.

AS WATER SEEKS ITS OWN LEVEL

Our big industrial organizations asked for a tariff, however, to protect them from foreign competition. They got it. Their products rose in price. They were content for a time, but as water seeks its own level so do prices, which soon adjusted themselves to the new artificial economic level.

Among these things—and the last of the things that rose in price—was labor. When that condition arose our industrial friends clamored for another raise in the tariff wall. When that was obtained there was a repetition of the same economic levels and adjustments.

THE GROWTH OF THE "PROTECTIVE IDEA"

The growth of the "protective idea" in the United States has been gradual and insidious. At first it was a modest and trifling tariff of 10 per cent. Then came the Civil War, and industries created for war purposes found their existence imperiled by the return of peace. Then, in order to continue their existence, they felt obliged to ask for more and higher customs duties; so that by degrees a false protective system was gradually elaborated.

From one tariff to another the process went on, and invariably the ingenious beggars would plead as one of their arguments that their policy raised wages. So it did; but the moment labor began to get its share the advantage of the existing tariff rates was neutralized, and the profits resulting from the tariff relapsed to their old ratio. Then, "once again into the breach," rode the tariff barons for more booty.

So the process went on from generation to generation—one tariff law after another. The result has been a continuous inflation of prices. As each addition was made to the tariff schedules the disparity between the American prices and foreign prices became more marked.

WHERE THE SHOE PINCHES

Production in a high market—high as to raw material and as to labor—can go on forever so long as no attempt is made to export. Ah, yes, but when that phase is reached we are shocked, if you please, to find that American products encounter considerable difficulty in competing with goods produced in less-inflated countries.

HOW OUR TARIFF SYSTEM AFFECTED OUR SHIPPING

The first industry to feel the operation of this economic law of equilibrium was our shipping. We found we could not compete in the building of ships, nor in their operation, with countries whose standards were not inflated by false and artificial economic policies.

The shipping industry having been destroyed, the economic quacks promptly suggested a subsidy as the remedy.

NOW THE FARMERS

Then came the protests of the farmers, who got the idea that when the manufactured products were protected they ought to come in for some protection. To appease them a tariff was put on farm products. Nothing in the way of economic experiment ever turned out so miserably. His condition is now worse than before.

As with industry in general, so long as production was confined to our own boundaries, the healing processes of nature overcame the artificial restrictions placed on commerce, but when the farmer tried to export he encountered the same difficulty as his industrial contemporaries who were the beneficiaries of the tariff subsidies.

The farmer found that it was the foreign market that fixed the price of his produce. He was helpless. His industrial fellow "patriots" had jumped up prices so that the farmer found that he was buying in a protected market all the necessaries of his life but had to sell his own products at prices fixed by foreign markets.

THE TARIFF HAS NOT HELPED THE FARMER

What is the deduction to be drawn from this development? The tariff has been tried and failed as a help to the farmer. Would it not be common sense for him to insist that inflation should cease and that the industrial magnates should surrender a tariff subsidy that made them the special favorites of the Nation? Why does not the intelligent farmer wake up? I have so profound a confidence in the American farmer, with his newspapers and magazines, his radio and telephone, that I believe he has awakened, and I do not think that anyone who claims that the American farmer wants this McNary-Haugen bill knows what he is talking about. It is against all democratic notions of government that any industry whatever should be the special beneficiary of what is tantamount to a subsidy in order that it may get better prices for its products. It is simply putting your hands in all of the consumers' pockets in order that the favored industries may prosper. I think the farmer knows that.

TARIFF REFORM THE ONLY REMEDY

Up to this hour the Democratic Party has consistently fought the protective idea. The most heretofore that the Democratic Party has ever conceded has been "a tariff for revenue only."

I appeal to my colleagues who have in their minds the convictions of true democracy to adhere to the issue of "tariff reform." Do not break away and surrender the only bulwark, the only issue that distinguishes you from your traditional adversaries. If you do, you are gone.

FALLING OFF IN AGRICULTURAL EXPORTS

It is conceded that the farmer's chief stand-by is a big market abroad. It used to be so. The United States is essentially an agricultural country. In 1901 agricultural products constituted 65 per cent of our total exports. In 1913 it had dropped down to 43 per cent of the total exports. Then we had the Underwood tariff and what happened? The agricultural exports of the United States showed a continuous and consistent increase, so that in 1919 agricultural exports of the United States reached 50 per cent of the total. We come now to the Fordney tariff, and then what happened? In 1922 the Fordney tariff went into operation, and then came an immediate decline. In the last fiscal year, ending June 30, 1926, the agricultural exports dropped down to 40 per cent—the lowest point reached in a quarter of a century. There is your objective, gentlemen—more exports.

Mr. TYDINGS. Would not that take care of the surplus also?

Mr. GRIFFIN. That will attend to the surplus. More exports—that is the remedy. Get away from this idea of trying to help the farmer by artificial means. Throw down the barriers and let us have a free market. You will then find that the farmer will prosper again as he prospered from 1913 to 1919. That is one thing that is the matter with the farmer.

THE EFFECTS OF PROHIBITION

Another thing that is the matter with the farmer is prohibition. I do not want to ring in a prohibition speech on this occasion, as the gentleman from Georgia [Mr. UPSHAW] did in his address on Lincoln, but I wish he were here with his bottle. I would like to take that up and exhibit it—his bottle of Scotch whisky that was imported from Scotland.

Mr. LAGUARDIA. The gentleman does not believe that it was imported, does he?

Mr. GRIFFIN. I take it for granted that it was.

Mr. LAGUARDIA. For the sake of the argument.

Mr. GRIFFIN. That is right. It is a part of my argument that it was imported. We used to make it here. We used to turn the golden corn into whisky, and it was sold, and it profited the people of the country. To-day, except for the stuff that is concocted out of denatured alcohol, the bulk of the whisky that is consumed (and as much is consumed as there ever was) is smuggled from abroad, and it is made of foreign corn and foreign cereals. It is not made of American products. That accounts for some of the farmers' troubles.

Mr. BERGER. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. I can not yield. My time is running. Under the Underwood tariff of October 3, 1913, the annual average excess of our exports over our imports—in other words, the balance of trade in our favor—was $2,355,739,889. Under the Fordney-McCumber Act the balance of trade in our favor, the excess of exports over imports, has only been $640,000,000 a year. That is the average. It is considerable of a drop.

Those figures are significent. We are not exporting. The remedy is not to give the farmer some artificial, elaborate structure involving the tremendous outlay of $250,000,000 from the Treasury of the United States as a so-called "revolving fund"—and that would be only the beginning—because the mechanism established under this Haugen-McNary bill is obviously only the skeleton. We know how the other bureaus of the Government have expanded, notwithstanding the modest assurances given when they began their operations. The Aircraft Bureau, for instance; this year our appropriation for that branch will be about $3,500,000. Not a bureau has been established in the last 25 years of this country's history that has not exceeded the anticipated cost of its operation fourfold—yes, tenfold.

The best sentiment of the country to-day puts the responsibility for the farmer's condition upon the unfair discriminations involved in playing favorites through our tariff legislation. The McNary-Haugen bill is class legislation, analogous to tariff subsidies, and is utterly antagonistic to democratic principles of government. It would simply forge one more link in the iniquitous chain around the necks of the consumers of our land. As the New York World said in an editorial to-day—

> Bad as it is, the McNary-Haugen bill is no worse, it no more offensively mulcts all the people for the benefit of part of the people, it is no more unjust to the general consumer than the Fordney-McCumber tariff act under which we are living.

But that is no excuse for passing it. Nevertheless that is exactly the way some of our pseudo-economists are talking. They say: "The industrial interests have gotten theirs, now let the farmer get his," precisely as brigands would talk when dividing their booty. But, my colleagues, two wrongs do not make a right, and I urge my Democratic colleagues to hold fast to their traditions. This bill heads us in the wrong direction. I appeal to my Democratic colleagues and to my Republican colleagues as well, who are beginning, through the light of experience to realize the iniquities of this protective-tariff system, to stand fast to the basic principle of equal rights for all and special privileges for none. [Applause.]

Mr. ASWELL. Mr. Chairman, I yield five minutes to the gentleman from Maryland [Mr. LINTHICUM].

Mr. LINTHICUM. Mr. Chairman, allow me to announce in advance that I am opposed to this McNary-Haugen or so-called farm relief bill just as I was last year. I once knew a man who lived in Prince Georges County, Md., who was possessed of considerable money. He conceived the idea that he could make a perpetual-motion machine. He assembled a number of large and small pulleys, little and big cogwheels, a number of belts, but mainly a large number of heavy weights. He got them all together and he completed his machine and started it. It ran perfectly. Then he said to one of the farmers in his neighborhood, "Bring on your threshing machine and let me show you what we can do." They brought the threshing machine. The perpetual-motion machine operated well, and they threshed wheat for about one hour very efficiently. At the expiration of that hour all of the stored energy and power given to the perpetual-motion machine through these weights and adjustments of pulleys, belts, and so on, was expended, and the machine stopped working. My friend's money had all been expended, and that was the end of it. I think a very similar situation will occur with respect to the McNary-Haugen bill. So long as the $250,000,000 of Uncle Sam's money lasts, or so long as Uncle Sam will pour more money into the hopper, this perpetual motion or revolving fund will continue to work. But just as soon as that ceases, then the McNary-Haugen bill will cease in its operations, and the farmer will be worse off for having ventured upon a sudbsidy idea, and in worse condition than he is to-day. It is what might be called a boot strap bill, in that it tries to have the farmers lift themselves, as it were, by their own boot straps, called an equalization fee, to be paid on all the products mentioned in the bill—wheat, corn, cotton, swine, tobacco.

Unless some one can tell me how to control production and how to manage nature, I fail to see how this bill can work. Some years we have little rain and little sunshine and a correspondingly small crop. Another year we will have plenty of sunshine and plenty of rain, and the crop will be bountiful.

Some of the farmers who receive high prices under the operation of this bill will want to make more money, just as they did during the war, and they will increase their acreage and more cotton and more tobacco and more wheat and more swine will be produced. Unless you can tell me how you are going to take care of that increase I can not see how the bill can succeed. You will increase the production of tobacco through this bill—another great food product, as somebody has termed it, which has been added to this measure. We ought not to forget the experience of the Burley Tobacco Growers' Cooperative Association. This association for the past five years has largely controlled Burley tobacco prices. It was a powerful organization, capably managed with sufficient influence to procure necessary legislation giving it ample credit facilities. It raised the price of tobacco by holding the surplus off the market, just as the McNary-Haugen bill proposes to do. It worked splendidly for a time, except that it could not control production, and each year found more money necessary by the increasing surplus necessary to be carried over, which eventually threatened its financial standing, with the result that this association has joined the Corn Belt and jumped into the scramble for its part of the $250,000,000 appropriated under this McNary-Haugen bill.

The operations of this bill are to be controlled by 12 members, one from each of the Federal land-bank districts. They must be selected and appointed by the President from a list of three eligibles, who are named by a committee of five, known as the nominating committee, consisting of five members. Four of the five members of the nominating committees are elected by farm organizations and cooperatives in land-bank districts. The fifth member of the nominating committee is appointed by the Secretary of Agriculture. It will be seen that this Federal farm board is not within the control of the Government, because the President is compelled to select them from certain names submitted to him by this nominating committee of the farm organizations. It constitutes a supergovernment not amenable to the President or Congress.

Each of the members of the board receives a salary of $10,000. It could gamble in wheat, cotton, hogs, rice, and other crops that might be declared staple, and also tobacco.

In order to collect the equalization fee it must naturally have investigators and inspectors throughout all the country to see that the farmer pays his equalization fee on every bale of cotton, every bushel of wheat, every hog sold in interstate commerce, and so on ad infinitum. The farmer would find himself absolutely under the control of Government officials prying into his affairs.

We are told how poor old Pharaoh suffered from the pests brought upon him, but I verily believe before the farmer got through with all this inspection, supervision, and interference, he would be worse disgusted than Pharaoh himself. The good Lord knows with the boll weevil, the corn borer, grasshoppers, hog cholera, foot-and-mouth disease, and all the pests and insects the farmer now has to endure, then to add to his troubles this supergovernment provided under the McNary-Haugen bill, it seems to me would be more than he could bear. I predict if this bill ever becomes a law there will be in a few years a strong revolt against it by the very people it is supposed to help—to wit, the farmers.

Now, let us consider the other fellow, as this bill recognizes two classes—the producer and the consumer. The consumer must stand and deliver so that the producer may receive larger prices for the crops he grows; while I have no doubt that the great mass of consumers would be willing to pay more for things if they thought it would make the producing class more prosperous, I verily believe whatever additional price is charged to the consumer will be eaten up by this great mass of officeholders and overhead burdens. If we are to establish a subsidy, as it were, for the farmer, is it not equally fair to establish a subsidy for other industries which are not making money? For instance, the New England cotton mills claim they are unable to make any money even under the extraordinary high tariff which has been provided. Why would it not be proper, under the precedent established under this bill, to provide a subsidy for them, and likewise for all other industries needing resustenance?

Take the neighborhood in which I was born, old Anne Arundel County, Md. There the truckers have been unable for some time to make anything on their investment, and likewise a very poor living. They are not embraced in this bill; in fact, not being producers of any of the crops contained in this bill, they themselves would be compelled to contribute to the farmers subsidized herein. Why would they not have a right to come to Congress and say we want legislation which will compel the consumer to pay us more money for our crops, and so on down the list? If you establish this precedent, where, oh, where, will it end?

The people of the East and the North pay most of the Nation's taxes, and if this McNary-Haugen bill should become a law, it would be necessary for them to practically carry the farmers upon their backs. It is a subsidy pure and simple, and so admitted to be, and I am opposed to all subsidies. I do not blow hot and cold on such a proposition. I was opposed

to the proposed ship subsidy and voted against it. I was opposed to and am still opposed to the Fordney-McCumber tariff measure, which is nothing more nor less than a subsidy to the big interests of the country. I view subsidies as nothing more nor less than parasites upon the United States Treasury to the great detriment and injury of the American people.

I can not blame the farmer for complaining about his dire situation, and the low market for his products, but what I can not understand is why the farmers of the West continue to vote the Republican ticket and elect those who place upon their backs the burden of a high protective tariff. This causes them to pay abnormal prices for their own products and is certainly one of the main reasons why they find themselves in their impoverished condition to-day. They buy in a protected market and sell in an open market.

This is a proposition to establish in our own country what may be termed an internal protective tariff. The market of supply and demand is to be set aside. Production is to be manipulated that the prices may be maintained and the poor and rich both deprived of the munificent gift of nature while the surplus is to be sold abroad for what it may bring and at low prices.

I have heard some of the best Democratic speeches made by Republicans in this House upon this measure. They admit that the great trouble with the American farmer is that he is compelled to buy in a protected or closed market and must sell in the open market; that is, that he pays tribute under the Fordney-McCumber tariff upon everything he is compelled to buy, but when he goes to sell his surplus he is compelled to compete with the markets of the world. This diagnosis is absolutely correct, and the remedy would be the reduction of the tariff, so as to give the farmer a chance.

It is not proposed, however, to do this; but it is intended by this McNary-Haugen bill to create another subsidized class in the person of the farmers, and by the manipulation of a $250,000,000 corporation or association raise the prices of food products so that the farmer may be able to receive more money for his goods.

Now, if this increase of food prices could be limited to those of the industries and the trusts and combines, who fatten under this protective tariff, it might not be a bad idea to let the farmers get some of this money back from them, but that is not the condition. It is proposed that every citizen who lives upon these farm products must stand and deliver under this price fixing or price controlled bill.

The advocates of this bill diagnose the disease properly as a protective-tariff cankerous growth, but when they apply the remedy they use a curative for a different disease.

The people of my district are all consumers, earning their livelihood in the professions and industries. This bill would cost them a vast sum additional for food products, much of which would be wasted under the terms of this iniquitous measure, and I propose to protect them by voice and vote as far as I am able to do so from this increase in the cost of living.

The Republican Party has brought this state of affairs upon the farmers and the country by the passage of the Fordney-McCumber Tariff Act. This tariff is bleeding not only the farmer but the American consumer; it creates fictitious prices, brings about high cost of living, and impoverishes those who earn their living by the sweat of their brow.

You will naturally ask me what I suggest as a remedy. I suggest three things: First, the reduction of tariff taxes in order to reduce the cost of living and the cost of those things necessary to the farmer's business; second, a reduction of the freight rates, which will enable him to get his products to the market; third, the elimination as far as possible of a large number of middlemen, who secure their living by handling the farmer's products and raising the prices thereof before they reach the ultimate consumer; and may I mention as another help, if we would all become a little more economical in our expenditures for things which we do not need, it would go a long way toward helping to bring about prosperity among everyone. I am often reminded of what old Socrates said as he walked through the plentiful markets of Athens, "I thank God I do not need all these things." If we could adopt a little more of the spirit and economy of Socrates, there would be more money for the things we do need. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. LINTHICUM. May I have a few minutes more? Mr. Chairman, I ask to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none.

Mr. FULMER. Mr. Chairman, I yield to the gentleman from Nebraska [Mr. SHALLENBERGER] such time as he may desire of the time controlled by Mr. KINCHELOE.

The CHAIRMAN. The gentleman from Kentucky [Mr. KINCHELOE] requested the Chair not to recognize anyone to yield the 13 minutes remaining to him.

Mr. FULMER. That will be perfectly all right. The gentleman wants about a minute. I will say to the Chair that the gentleman from Kentucky had told me he would yield to him at this time.

The CHAIRMAN. The Chair will be glad to recognize the gentleman except for the fact that he had been requested not to yield out of the time of the gentleman from Kentucky.

Mr. KINCHELOE. Mr. Chairman, I yield such time to the gentleman from Nebraska as he desires.

Mr. SHALLENBERGER. Mr. Chairman, I thank the gentleman from Kentucky. I know the demand that is made upon him for time. I think, in fact, most of the Members are in much the condition of the Scotchman who said he had heard many a speech that changed his mind but never one that changed his vote. I represent in part a State that is more dependent upon agriculture than any other State in the Union. Only the great States of Iowa, Illinois, and Texas exceed Nebraska in agricultural products. Of course, we are vitally interested in this bill, and I am going to vote for H. R. 15474, the McNary-Haugen bill, not because it is all that I desire as a farm-relief measure, but because it is the only bill I shall have a chance to vote for in this Congress that holds out even the prospect of farm relief.

I was impressed with what the always eloquent and informing gentleman from Alabama [Mr. HUDDLESTON] said about the lack of organization among farmers—that because they are unorganized and other great interests are organized the farmer always fails to get his share of the Nation's prosperity.

It is true that manufacture, transportation, and labor have long been organized, and because of their organization they have received much special consideration and favorable legislation from Congress. The present tariff and the Esch-Cummins law, and the commissions which those laws create, are the direct results of organized efforts by special interests. Those interests are made thereby to profit by the laws which they have secured.

Just now when the railroads begin to show such earnings that they can no longer conceal them, nor claim they are just and reasonable, labor, by force of its organization, is able to demand and secure a generous part of these excess profits, but when unorganized agriculture asks for reduced freight rates the farmer is told to stand aside.

But the McNary-Haugen bill is the result of organized action and agreement upon the part of agriculture. The Congress and the President are for the first time being made to feel the powerful pressure that comes from united farm forces, and Congress at least is responding to that pressure. As a result of this organized effort some of the leading statesmen of this House have changed almost overnight from bitter opposition to ardent support of the measure.

Under this bill the Federal farm board will constitute a national commission at the capital in the direct interest of agriculture, ready at all times to act. The board will be the head of a centralized organization which agriculture has heretofore lacked but which other interests have long enjoyed in Washington.

The dominating power in national politics to-day is organized wealth. Farm wealth is the Nation's biggest business asset, but in the past unorganized as a political power. This bill will give that wealth a Federal organization through which agriculture can make its voice heard and its power felt. The Congress, and the President I hope, will alike listen to that voice and take notice of that power when once it is given form and authority through this bill. I want to congratulate the gentleman from Iowa [Mr. HAUGEN] that after years of hard fighting against great odds his day of triumph has come. That at last the farmer is no longer servant but the master in the house. [Applause.]

The McNary-Haugen bill is plowing a new field. No one expects it to revolutionize economic laws nor legislate money into men's pockets. Like any business enterprise, it anticipates profits and losses, and, since the farmer for the first time is to share in the benefits and profits, the bill soundly provides he shall protect the Federal Treasury from loss.

It is the only bill before the house that contains this provision. Like any other effective machine, it must have some one to run it, and this one operates through a Federal board to be controlled and named by its beneficiaries. Its enemies say it will not work. What they really fear is that it will.

The bill names certain basic agricultural commodities, and the surplus production of each is to be controlled and marketed under the direction of a Federal farm board. The products which are specifically designated are: Wheat, corn, cotton, rice, and swine. One basic commodity which was included in the former bill is not mentioned in the present measure.

Cattle are omitted from the list of basic farm commodities enumerated in section 6 of the present bill. The cow is the most valuable animal known to man. Her family, together with their products, constitute the greatest item of value in the inventory of agricultural wealth. No other domestic animal is so useful, so universal in its distribution, so productive of the essentials of life, or contributes so great an amount to the sum total of agricultural wealth. The prime purpose of the bill is to relieve agricultural distress. The cowman has had it in plenty.

Since the World War the producers and feeders of cattle have suffered the greatest losses and most serious reverses experienced by those engaged in any of the major lines of agricultural industry.

Producers of cotton, rice, and tobacco complain because of one bad year in seven. Like the Eyptians of old, the cattlemen have suffered not only one but seven long lean years of constant losses and consequent bankruptcy. If cheap cotton and corn have slain their thousands, cheap cattle have slain their tens of thousands. Any farm relief that is effective should include cattle and cattle products.

The sons of the cow carried the pioneer of American civilization across the continent. They broke the sod, pulled the plow, and furnished transportation to market. The milk of the cow fed the children, her hide shod the family, her flesh furnished food for the table. Every particle of her body is useful to man and, in addition, she fertilizes the farm, which is her home, more effectively than can Muscle Shoals no matter whether operated by Henry Ford of some super power trust.

The total annual value of cattle and cattle products equals the combined value of the corn, cotton, wheat, tobacco, and rice added together. This is shown in a table which I include in my remarks.

Twenty-five millions of cattle of all ages are slaughtered annually in the United States for human food. Their farm value at present bargain prices amounts to more than $1,600,000,000.

The market value of the dairy products of the cow anuually exceeds $2,700,000,000. The combined value of beef and dairy products is $4,355,000,000.

Each year in the United States $1,500,000,000 worth of shoes are made from the skins of the cow and her offspring. But the farmer is paid only 15 cents for the raw materials from which a $15 pair of shoes is made. The farmer is two years growing the raw leather, while the manufacturer makes the shoes and is ready to sell them to the public in two days.

The greatest injustice to the producers and consuming public is the tremendous loss they each suffer because of the unfair profits that middlemen take from them between the time the product leaves the farm and it finally reaches the consuming public. Unfair tariffs, high transportation charges, and excessive profits are the chief plagues of both consumers and producers. It will take other legislation than is contained in this bill to reach these evils. Livestock constitutes the greatest investment on the American farm and is the greatest source of farm income. It is essential in maintaining the fertility of the soil.

Swine are the only farm livestock that are included in the list of basic commodities named in the bill. At present hogs command a profitable price for the farmer.

Feeders and producers of cattle are still suffering annual losses running into the hundreds of millions of dollars. Hogs are said to be included because they are corn consumers and thereby reduce the surplus of corn and afford a profitable market for the grain.

Cattle annually consume a much greater amount of corn than hogs and a majority of the fat hogs sold at public markets are fed following cattle that are being themselves fed for slaughter. Hogs that are fed following cattle consume but little corn except such as falls from the feeding bunks and the steers that feed in the same yard.

Ten bushels of corn fattens the average hog when fed without cattle. Eighty-five per cent of all corn produced in the United States is fed upon the farm and 75 per cent of the farm consumption is fed other stock than hogs, principally cattle, sheep, horses, and mules.

To-day the most profitable commodity produced on the Corn Belt farm is the hog and the reason for the satisfactory profit is that corn is cheap and hogs are high.

The cattle industry in its various forms is absolutely essential to the American people and the farmer also. Iowa is the greatest farm State in the Union. The total income from Iowa farms for 1926, as reported by its agricultural department, was $712,138,000. The Iowa farmers in Congress sing loudly about Iowa being the State where the tall corn grows. Only $65,000,000 of farm income in that State during 1926 was derived from the sale of corn. Three hundred and thirty-nine million four hundred and sixty-five thousand dollars of that income was from the sale of livestock; $121,000,000 from dairy products. The average price of corn at public markets during 1926 was 70 cents. At the farm it was 45 cents. Marketed through hogs at 12 cents per pound, corn netted better than $1 a bushel.

With the cowman it is another story. Beef consumption has been reduced by "eat less meat" campaign and adverse propaganda until the home market has been seriously affected. The production of cattle has been a losing game for seven years and yet it is the most important of all farm industries.

I give below some comparative figures to show the importance of the cattle industry and to point out the terrific losses the beef cattlemen have suffered because of the contraction of credit since 1920, brought on by the financial czars of the Federal reserve system. [Applause.]

Comparative tables of basic agricultural commodities taken from reports of the Bureau of Agricultural Economics

Estimated value of 1926 cotton crop	$1,170,000,000
Estimated value of 1926 wheat crop	$997,589,000
Estimated value of 1926 tobacco crop	$245,000,000
Estimated value of 1926 rice crop	$44,988,000
Estimated value of 1926 corn crop	$1,703,430,000
Estimated number of hogs slaughtered in 1926	68,000,000
Estimated value of hogs slaughtered, 1926	$1,408,000,000
Estimated bushels of corn consumed by hogs slaughtered	700,000,000
Estimated total number of cattle slaughtered in 1926	15,000,000
Estimated total number of calves slaughtered in 1926	10,000,000
Estimated total value of cattle slaughtered in 1926	$1,655,000,000
Estimated total value of dairy products from cattle	$2,700,000,000
Estimated total value of cattle products for 1926	$4,355,000,000

Bushels of corn consumed by 25,000,000 cattle slaughtered in 1926	1,400,000,000
Bushels of corn consumed by 68,000,000 hogs slaughtered in 1926	700,000,000
Total consumed by hogs and cattle	2,100,000,000

It is conservatively estimated that the shrink in value of cattle upon the farms and ranches in the past seven years has amounted to at least $300,000,000 annually.

Table showing comparative farm census of livestock

Total number of cattle, 1926	61,200,000
Total number of cattle, 1911	60,700,000
Total number of sheep, 1926	41,700,000
Total number of sheep, 1911	45,000,000
Total number of swine, 1926	53,400,000
Total number of swine, 1911	63,700,000

It will be noted that swine show a decrease of 10,300,000, sheep 4,500,000, and cattle an increase of 500,000 in 15 years. This table shows at a glance that the present profitable prices for swine and sheep is because consumption has swallowed the surplus of former years. [Applause.]

Mr. KINCHELOE. Mr. Chairman, I yield to the gentleman from Illinois [Mr. ARNOLD].

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. ARNOLD. Mr. Chairman, the debate on farm relief legislation is fast drawing to a close. I have listened with considerable interest to the arguments, both pro and con, as to the merits and demerits of all proposed legislation. I have endeavored, as far as possible, to glean information from outside sources as to the character of legislation that would serve the best interests of the American farmer if enacted into law.

It was not my purpose to take part in these discussions, because I felt that the majority of the membership here, in their own minds, had determined the course of action they would pursue when called upon to register their choice. I feel, however, that I would be derelict in my duty to remain silent. The determined opposition to this bill has become so pronounced and the propagandists opposing wholesome remedial farm legislation have become so insistent and persistent in seeking to defeat the character of legislation advocated by the farming interests of the country that I desire to state briefly some of the reasons that have led me to the conclusions I have reached. It may in some small way be of assistance to some of the Members here who may have not yet determined the course they will pursue.

That something should be done to relieve the distress of agriculture all will admit. The question for us to determine is what that something is and which of the proposed bills will serve best the agricultural interests of the country. Agriculture can not thrive and prosper under the handicap that is now imposed upon it. Something somewhere is radically wrong. The Government has entered the field and relieved other lines of industry materially—has put props, so to speak,

under other lines of human activity that has given them a distinct advantage over agriculture, and as a result they have prospered largely at the expense of agriculture.

A restoration of equality between agriculture and other lines of industry must be brought about or the farming interests of the country will continue in its demoralized state, and the already distressed condition will be augmented throughout the agricultural sections of America. It is unnecessary for me to refer to the various laws that have been enacted that have given industry, trade, and commerce an advantage over agriculture. They have been stressed with such telling effect in this debate that nothing can be said by me that would add to the enlightenment of the membership along that line.

At the last Congress I voted for the Haugen bill in preference to the other proposals we had under consideration. I have had no occasion to change my views from that time until this. I had considerable misgivings as to the workability of the Haugen bill as it was before us during the last session, but I voted for the bill because up to that time it was the best solution proposed, in my judgment. Since that time the bill we are now considering, known as the Haugen bill, has been very materially altered, and, in my judgment, it is much more workable and practicable than the old Haugen bill.

The great body of farmers of the country, as far as we are able to get it and as far as it is possible to get it in concrete form, have spoken to us through their duly constituted representatives, registering approval of the present Haugen bill in preference to all others. They say it is practicable and workable. These men who have made a study of the agricultural needs and necessities of the country by their study and investigations are well qualified to speak. Their views represent the best expert advice we are able to get, and certainly are entitled to great weight with us in our determination of this question.

If legislation is to be enacted in the interest of the farmers of the country, their advice should be followed so long as it is within the range of possibility and workability. Labor of the country has spoken to us through their representatives, asking that we enact into law the Haugen bill in their sincere desire to restore agriculture to a plane of equality.

The Haugen bill is distinctly a farmer's bill. It was conceived by the farm organizations of the country. It will be controlled by the farmers of the country, as it should be. The farmers of the country are asking for this legislation because it creates the machinery under which they may avail themselves of its provisions if they so desire. The growers of any of the basic commodities mentioned in the bill that do not care to avail themselves of its provisions are under no obligations to do so. And the growers of none of the basic commodities in the bill are obliged to avail themselves of its provisions unless a majority of the growers of that commodity so desire. It is well safeguarded in this respect.

Certainly the growers of a commodity would not call into being an operating period for the product grown by them unless it was to their interest to have an operating period. It is purely voluntary on their part, and the mere passage of this bill, as argued by some, does not force the provisions of the bill on the producers of any basic commodity unless such producers voluntarily desire it and take the necessary steps to call into effect an operating period.

The bill has been assailed by some on the ground that it is a price-fixing measure. I deny that it is a price-fixing measure. If it is, so are the Crisp and the Aswell bills. The Haugen bill is designated to control the surplus above domestic requirements, that such surplus will not flood the markets and demoralize market prices. It is designed to promote orderly marketing, that the markets will not be flooded at times, thereby driving prices downward, and famished at other times, thereby driving prices skyward. Prices are bound to have a wide range of variation where there is no orderly flow of products to the market. The law of supply and demand will determine the market prices under this bill, relieved of the weighty exportable surplus. The board, if an operating period is ordered, deals only in the surplus above domestic requirements and leaves the law of supply and demand alone to operate as to domestic requirements.

Farmers not being able to carry their products along and feed them to the market in an orderly manner, the dumping process gluts the market at and near harvest time, and as a result the farmer gets the low level of prices and the speculator, who largely controls the commodity at other times, reaps the reward of high prices. This condition can, and I believe will, largely be obviated under the operations of the machinery set up in the Haugen bill.

Some of the advocates of the Crisp and Aswell bills, as well as opponents of all the bills under consideration, charge that the bill is a subsidy bill and that it puts the Government of the United States in the business of buying, storing, and selling agricultural products at Government expense. Certainly none of these advocates can be sincere in such charges. It is true under the Haugen bill a fund of $250,000,000 is authorized to be provided by the Government under the operation of the bill, but under the bill that is merely a revolving fund to be replenished by the service charge made on the commodity on which an operating period has been ordered. Such replenishment then will come from the farmers themselves, the growers of the commodity on which an operating period has been ordered at their own solicitation.

The Crisp and Aswell bills are purely Government subsidies. Each of those bills likewise provides an authorization of an appropriation of $250,000,000 for use in operation under the bill, but no provision is made for replenishing the fund. Therefore when the fund becomes exhausted it will be necessary to come back to Congress and ask that other millions be appropriated to carry on the operations under those bills. It seems to me that a subsidy of this kind, even in the interest of the farmers of the country, is unwarranted and unjustifiable in view of the fact that the farmers themselves are not asking a subsidy of the Government, but are willing to finance their own operations. At any rate, I am not willing to resort to the Treasury of the United States to carry on operations under either the Crisp or the Aswell bills until the farmers of the country, at their own request, are given an opportunity to finance their own operations.

It has been argued with great vehemence in this debate that to enact into law the Haugen bill will have the effect of raising the price of agricultural commodities at the farm, and that if the price of agricultural commodities at the farm are raised it will be an injustice to the consuming public, and the cost of living will be greatly enhanced thereby. It may have a tendency to that end, but it would be practically insignificant, if any. The price of the finished food product to the consumer is stabilized largely on the peak price of the raw commodity and not the price the farmer usually receives.

I submit that those voices come largely from the great manufacturing sections of New England and the big industrial centers of the country. It seems to me that the argument is based solely on the ground of selfishness, and as it comes largely from the interests that have been made to thrive and prosper through the operations of existing tariff laws it shows a sordid selfishness that is wholly unjustifiable. It is rather hard for me to conceive the workings of a mind that denies to others the things they demand for themselves. They demand protection against world prices through tariff schedules which are largely responsible for the disparity in relations between agriculture and industry to-day. They ought to concede protection to the farming interests of America through legislation designed to have a like effect on agriculture and thus establish an equality between agriculture and industry.

They also tell us that an increased price of the commodities at the farm will bring about an overproduction, and some go on the theory that overproduction is brought about solely by high prices. Those who argue from that standpoint are reckoning from a false premise.

Inflated prices might have that tendency, but largely the cause of our overproduction to-day is low prices at the farm strange as it may seem. The farmer has his obligations to meet, his taxes are certain, his interest is definite, he must feed and clothe his family. These are charges that are fixed obligations, regardless of whether he operates his farm at all or not. With these obligations staring him in the face and with low prices on his commodities, he must put forth a greater effort to increase his production and must put that increased production on the market in order to get enough money to meet his fixed expenses. He is pushed to the limit of his capacity to operate, and increased operation is followed by an increased production, which necessarily floods the market and adds to the complexity of an increased surplus.

When a fair price prevails the farmer has it within his own power voluntarily to regulate production as far as production can be regulated, taking into consideration the elements, crop pests, and various things beyond his control. When he gets a fair price he at least can control the acreage. With prevailing low prices he can not control the acreage, but is spurred on to the limit of his capacity to produce. The best way to enable the farmer to voluntarily control production through limitation of acreage is for him to receive a fair price for his commodities, in order that a less production will bring him the necessary returns to meet his obligations at the farm. Otherwise you are forcing him involuntarily to add to the surplus that is largely the cause of his plight.

The equalization fee will act as a deterrent to overproduction, as the greater the surplus to be controlled the more money

will be required for that purpose. It will, therefore, be to the interest of the farmers to limit production as far as they can to keep the equalization fee at a minimum.

This Haugen bill simply aims to control the surplus, creating the machinery whereby the farmers through their own agency, not the Government's, may buy, store, or sell to relieve the domestic market of the surplus. With the surplus removed from the markets, competition in the open market will raise prices on the commodity at the farm. The surplus that is thus withheld from the market may then be carried along, not by the Government but by an agency of the farmers, and fed out to the domestic market or disposed of abroad, in either event with due regard to orderly marketing.

The price-stabilization feature of the Haugen bill, through orderly marketing, is fully as effective as either the Crisp or the Aswell bills. It seems to me that the Haugen bill has all the good features and all the possibilities that are claimed for either the Crisp bill or the Aswell bill, and this without the semblance of a Government subsidy.

As it is the bill the farmers want, as they are willing to carry their own burdens through their own agencies, if given the opportunity, I much prefer to heed their request and give them the opportunity by establishing the machinery that will enable them to carry on the business without Government subsidy if it is possible so to do. They should be given the opportunity to try it out.

This is pioneer legislation it is true, and we should consider carefully and thoroughly each step that is proposed to be taken. In all legislation outside the beaten path we hear the stock arguments that such legislation is impracticable, unsound, unworkable, and dangerous, and that if it meets all other tests, it is unconstitutional. I have tried to weigh all these matters fairly and impartially; I believe it will meet the constitutional test. Being pioneer legislation, it doubtless will need correction in the future; but there will be future Congresses to make the corrections and changes if necessary. Up to the present it is the result of the best thought and experience in the American agricultural field for the relief of agriculture. We should pass it and give it a fair trial. Its success or failure will depend largely on the board selected. The board is clothed with vast and sweeping powers; but if wisely and judiciously administered, I think it can and will be of vast benefit to agriculture in America.

Mr. MENGES. Mr. Chairman, I am authorized by the gentleman from Iowa to yield 10 minutes to the gentleman from North Dakota [Mr. BURTNESS].

The CHAIRMAN. The gentleman from North Dakota is recognized for 10 minutes.

Mr. BURTNESS. Mr. Chairman and gentleman of the committee, I do not want to take up unduly the time of the House discussing the need for farm legislation. But there is one outstanding fact that looms up above all others and can not be overemphasized. It is shown by this chart [indicating] that the line representing the value of farm products in the terms of nonagricultural products does not converge toward the line representing the latter, but instead during the last year and some months the two lines have been spreading farther apart.

You will recall many effective speeches a year ago from opponents of the McNary-Haugen bill, including a speech delivered by the gentleman from New York [Mr. MILLS], in which it was claimed that it was just a question of a few months before those lines would be brought together and before agriculture would be brought to a normal price parity with other forms of industry in this country. In my opinion that argument appealed to many and resulted in Members voting against the bill. But to-day agriculture as a whole stands 20 per cent below normal, whereas it was 13 per cent a year ago. Proceeds of agriculture can buy only 80 per cent as much of other products as they could before the war. You can not take 13 per cent or 20 per cent or 10 per cent out of the gross returns of the farmer of this country at any time and make it possible for him to come out even. There is not that much profit in the business. Remember this relates to gross returns and not to net returns. There is no question about it whatsoever. Doctor JACOBSTEIN'S estimate of a $13,000,000,000 reduction in buying power over a five-year period has in an additional year been increased about $2,000,000,000 more.

I want to use most of my time to-day in addressing myself particularly to the two charts which our genial friend from Kansas [Mr. TINCHER] brought in the other day. You will recollect that several times during the course of the debate last year he told us he would show by a later chart that the enactment of this bill would mean absolute ruin for wheat farmers in North Dakota and the Northwest, for those raising high-quality milling wheat. He finally brought it in. I attacked the chart that very evening immediately following his remarks. He made no attempt to defend it further at that time. I was in hopes when he got the floor the other day and resurrected the chart that he would explain why he inserted 23 cents at this point [indicating]; that is, how he reached the conclusion that an equalization fee of 23 cents on wheat would be required. I dared him a year ago to show the computation by which that figure had been arrived at. He did not show it then, he did not show it the other day, and he will probably never show it to you.

I want to make a few comments as to the assertions made on this chart to-day. I am willing to accept it as the basis for my argument, accept the absolute truth of every figure that is on there and still show its erroneous conclusions. I think I can show you that the McNary-Haugen bill will be of substantial benefit to the wheat raisers of the Northwest. Let us first take the assumption as a premise that the world price of wheat controls the price of wheat in the domestic market. There are exceptions to that; but upon that assumption, what is the situation? The world price in this hypothetical case [indicating] is $1. The Canadian cost of production is 90 cents. The domestic or American production cost is $1.32. Of course if the Canadian farmer sells his crop in the world's market he has no more 23 cents advantage [indicating] over the American farmer, which the gentleman from Kansas complains of when he argues that the McNary-Haugen bill would result in such disadvantage would be such a terrible thing; but he has a 42 cents advantage over the American farmer. He has the advantage that comes from the difference in the cost of production. When the price is controlled by the same market such advantage can not be taken away from him.

But what is the actual situation under the plan of this bill? The gentleman from Kansas bewails the fact that the American farmer will be at a disadvantage of 23 cents a bushel in competition with the Canadian farmer, but that, at least, brings the American farmer's net loss down considerably under what it is if he sells his grain in the world's market. Selling wheat at the world price indicated, $1, which cost $1.32 to produce, means a loss of 32 cents per bushel, which in any event would be cut down from 32 cents to 13 cents a bushel. In other words, the figure he has here on the chart shows a saving of 19 cents a bushel, and 19 cents per bushel to a great many farmers would mean the difference between success and failure in his farming. It would mean a profit to the low-cost producer even if it would not cover average cost of production.

What, however, is the objection to his figures as to the equalization fee required? There is an error of at least 10 cents in them. I do not know how the error is made, for he does not show how he has arrived at his estimate.

Here is my computation, which I contend is fair: The average crop over an 11-year period has been 831,000,000 bushels. Seed and feed used on farms amounts to about 120,000,000 bushels, leaving 711,000,000 bushels. Assume the maximum possible loss of 42 cents per bushel on the amount Mr. TINCHER says must be taken off the domestic market, 200,000,000 bushels, and we have a loss of $84,000,000 to be provided by the equalization fee. Divide $84,000,000 by the wheat to which the fee would attach, 711,000,000 bushels, and you get a fee of 11.8 cents per bushel. Let us be conservative and add 1.2 cents more for operating expenses and for additional leeway and you get a total maximum equalization fee of 13 cents, or 10 cents less than as shown on the Tincher chart. His chart therefore creates an erroneous impression to that extent and should be corrected accordingly.

What else is pertinent? The application of the equalization fee to the wheat imported, which is permitted if deemed advisable by the board, and which should be levied. Some doubt has been raised as to the power of the board to apply such a fee to imports. There is no question about it. The constitutional question is simply whether we can do so in the regulation of interstate and foreign commerce. If we can regulate it to the extent of applying the fee in interstate commerce, we can, of course, do likewise with reference to any wheat that comes into our markets from abroad to be sold here.

If you take the 10-cent error in the estimate of the equalization fee and add to that the equalization fee that would be applied to the Canadian wheat, if it becomes necessary for the board to impose that equalization fee, you will wipe out all the advantage which Mr. TINCHER has suggested the Canadian farmer would have in our markets in a competitive way. When that advantage is wiped out, the American farmer is, of course, 42 cents better off in such competition than he is in many cases now where he must sell his wheat upon the world's market.

There is another thing the gentleman from Kansas forgot in preparing this chart, or that Mr. Anderson or the millers' association, or whoever is responsible for it, forgot. That is

the very important fact, which must be known to them, that it is impossible to bring wheat down from Canada into the markets in Minneapolis without at least paying something for so doing. I assume the gentleman from Kansas would be able to bring down a few bushels upon his stalwart back, bring those bushels all the way from Fort William and Port Arthur, around the head of Lake Superior, to Duluth, and then down to Minneapolis, but after he had brought those few bushels down he would probably be puffing as badly as some of us do at times in the heat of debate, and he puffs about as much as any of us do. Seriously, however, it costs from 8 to 10 cents a bushel, at least, to have that wheat transported by water and by rail into our markets, a very important factor, entirely omitted on this chart. I do not know why in the world they omitted it.

Then the next contention the gentleman from Kansas made the other day was this: He said Mr. Sidney Anderson, a former valued Member of this House, has since last year investigated the question, submitted his figures, and he has proved the correctness of this chart. He then pointed to this graph chart brought into the debate by the gentleman from Minnesota [Mr. NEWTON] The theory of the Anderson chart, offered here by Mr. NEWTON, seems to be to try to show that the present duty of 42 cents per bushel is always reflected in the price of the northwestern spring wheat. He so attempts by these lines [indicating], representing the price of No. 1 dark northern spring wheat at Minneapolis and No. 3 Manitoba northern at Winnipeg over a three-year period; but just get this point—I want to ask any reasonable man the question first before I submit the figures showing in detail the erroneous conclusion reached, whether any reasonable man would believe the assertion that in September or October, 1925, according to this chart, wheat of claimed comparable quality was selling in Minneapolis for 50 cents more than it was in the Winnipeg market, meaning delivery at Port Arthur or Fort William—more than 50 cents more? Oh, any attempt to make that sort of a claim reflects upon the intelligence of the membership of this House, because if that were the case we know that trainload after trainload would immediately come down from the Canadian Provinces to Duluth and Minneapolis, and there can be no question about it. However, none came. But what is the joker on this chart, which tends to show a state of facts which could not possibly have existed? It is as plain as anything to anyone who knows anything about the selling of wheat.

The joker is in this word "high." It gives the weekly "high" price at Minneapolis for No. 1 dark northern spring wheat. I do not blame Mr. NEWTON for the fact that he did not emphasize the word "high" when this chart was brought in the other day and for taking the position he does. Not at all. But what are the facts? This chart depicts in the curve the highest price received for one single shipment of grain each day in the Minneapolis grain trade and it does not represent the average sale price, weighted or otherwise, of No. 1 dark northern wheat at all. And Mr. NEWTON, of course, has never said it does represent the latter, though many Members doubtless so inferred. But it is rather surprising to me that when these figures were taken from the records gotten out by the research department of Stanford University, that for the sake of fairness, at least, the grain trade or the Millers' Association, represented so ably by Mr. Anderson, which prepared this chart, presumably did not give us the average price instead of the highest price for a single shipment of extra choice wheat.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. BURTNESS. I can not yield in the time I have.

Mr. NEWTON of Minnesota. But I want to correct the gentleman's misstatement. The Millers' Association did not prepare that chart. I had it prepared under my direction, and the idea was mine.

Mr. BURTNESS. All right; but the figures represented in this chart, found in the gentleman's remarks, were referred to by Mr. TINCHER as being furnished Members of Congress by Mr. Sidney Anderson. However, I do not care who made the chart. I want to explain the differences which appear here between the Minneapolis and Winnipeg markets, and because of lack of time I ask unanimous consent to revise and extend my remarks by inserting tables showing what the average weighted prices were during this particular period at Minneapolis and Winnipeg of various types of grain.

The CHAIRMAN. The time of the gentleman from North Dakota has expired. The gentleman has that right of extension under the order of the House.

Mr. BURTNESS. As I understand, I have the right to extend my own remarks, but these tables would not be my own remarks. They have been prepared upon information furnished by the Department of Agriculture and can not be disputed.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. MENGES. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. BURTNESS. I will put all of the figures in the RECORD and just give my conclusions therefrom. From 1923 to 1924, when the 1923 crop was being marketed and when Canada had a wonderful crop and when in the spring-wheat country we had a poor crop the American farmer did get the benefit of 25 to 30 cents per bushel from the tariff. The duty was then 30 cents. That type of wheat was not on an export basis. Our millers needed more of it than the American farmers could furnish.

During the crop season of 1924, however, I mean the marketing season for that crop, I venture the assertion, and it will be established by the detailed facts, that not one single penny of the tariff was reflected in the price to the producer of northwestern wheat, but that, on the other hand, by and large, the amount received for wheat in the Canadian market was equal to or higher than that received in the American markets. Every well-informed farmer and business man in our country knows this to be the fact. As one growing wheat and watching the markets from year to year, I know whereof I speak. I live 90 miles from the Canadian border and many of my neighbors and constituents own land in Canada who tell me of their marketing experiences each year.

Then when the 1925 crop was harvested the situation had changed somewhat, and that year, during the crop season, there was a very substantial benefit from the tariff, a benefit ranging from 20 cents to 35 cents and averaging possibly 25 to 30 cents, a greater benefit than in the average year. There was a special reason also for this. Our total wheat crop in this country was only 676,000,0000 bushels. The American millers needed our high-protein wheat. We were fortunate that year in this respect.

But when the 1926 crop came along we find a total production of 832,000,000 bushels, lots of protein in the Southwestern wheat as well as in the Northwestern, with the result that last fall when most of our farmers were marketing their grain the benefit from the tariff was very slight. Premiums paid for protein were low. If I say 12 cents a bushel, I am not far wrong. Naturally we would like the full benefit of 42 cents, the amount fairly representing the difference in the cost of producing wheat in the United States and Canada. From the detailed figures I will insert, you can draw your own conclusions.

The situation is simply this: The enactment of the McNary-Haugen bill is intended to give us the full benefit of the tariff, whether 42 cents or some other figure per bushel, each and every year, instead of once in a while, less the equalization fee. When we have conditions such as we had in 1924 the fee would be about 12 cents per bushel when we are on an export basis, or a net gain of 30 cents per bushel. In other years the net gain would be less, of course, although in such years the equalization fee would be smaller. If the wheat of lower quality is raised in price, there is no doubt but that higher quality wheat will continue to demand a premium, limited, of course, at the maximum to the world price for such wheat plus the tariff duty and the cost of transportation from the foreign markets to ours.

This bill can not do anything except to sell our surplus in an orderly way, thus stabilizing world markets, and then in the domestic markets operate behind the protection that is afforded by the tariff and the additional protection that is afforded by the cost of transportation, with a view of maintaining American prices for American products. [Applause.]

The CHAIRMAN. The time of the gentleman from North Dakota has again expired.

Mr. BURTNESS. In submitting tables under leave to extend I desire to say I question the contention made by Mr. NEWTON that Manitoba northern No. 3 is comparable to Minneapolis dark northern spring No. 1. This is a controversial question. Some claim No. 1 at both places are the nearest comparable. I will append tables giving prices of both No. 1 and No. 3 in the Winnipeg market. Experts in the Department of Agriculture have told me that No. 2 Manitoba seems to them to be nearest comparable to No. 1 dark northern spring as a milling wheat. In drawing my conclusions, hereinbefore given, I have given weight to that suggestion.

Dark northern spring No. 1, while all a splendid wheat above certain requirements, differs greatly in value in certain years. Sometimes the spread is as high as 30 cents or more; hence the unfairness of the Newton chart. In the tables submitted

all sales of wheat of that high grade are considered and properly averaged. This is the system used by the Department of Agriculture in the Annual Yearbook. The tables are as follows, and should be compared with the tables at page 2999 of the RECORD, submitted by Mr. NEWTON:

WHEAT

Weighted average cash sales No. 1 dark northern spring wheat in Minneapolis, and cash closing No. 1 and No. 3 Manitoba northern wheat in Winnipeg, July, 1923–June, 1926

Crop year	Minneapolis	Winnipeg		Difference between No. 1 dark northern Minneapolis, and No. 1 Manitoba northern Winnipeg
		No. 1	No. 3	
1923	*Cents per bushel*	*Cents per bushel*	*Cents per bushel*	*Cents per bushel*
Week ending—				
July 7	119.0	111.9	106.4	7.1
July 14	118.3	108.2	101.9	10.1
July 21	115.0	106.8	99.6	8.2
July 28	120.0	107.6	100.4	12.4
Aug. 4	120.4	106.9	99.7	13.5
Aug. 11	120.6	108.0	101.1	12.6
Aug. 18	123.3	111.5	104.4	11.8
Aug. 25	122.3	118.5	110.2	3.8
Sept. 1	125.3	117.5	107.5	7.8
Sept. 8	129.4	116.3	106.9	13.1
Sept. 15	127.2	109.3	99.1	11.9
Sept. 22	123.8	101.1	95.8	22.7
Sept. 29	124.5	97.9	92.1	26.6
Oct. 6	124.8	98.9	93.5	25.9
Oct. 13	127.0	99.1	93.0	27.9
Oct. 20	125.3	96.5	89.0	28.8
Oct. 27	126.2	96.7	88.7	29.5
Nov. 3	123.8	97.8	89.8	25.0
Nov. 10	118.7	97.5	89.5	21.2
Nov. 17	117.0	97.5	89.3	19.5
Nov. 24	118.2	97.8	89.5	20.4
Dec. 1	118.6	95.6	87.1	23.0
Dec. 8	121.5	96.7	87.0	25.8
Dec. 15	120.8	92.4	84.5	28.4
Dec. 22	117.3	92.1	84.1	25.2
Dec. 29	116.0	92.3	84.4	23.7
1924				
Week ending—				
Jan. 5	121.2	94.2	86.2	27.0
Jan. 12	123.5	96.6	88.7	26.9
Jan. 19	124.2	96.9	89.3	27.3
Jan. 26	123.8	96.8	89.2	27.0
Feb. 2	126.0	98.3	91.1	27.7
Feb. 9	127.3	99.9	93.0	27.4
Feb. 16	126.0	99.4	92.5	26.4
Feb. 23	127.4	100.0	92.7	27.4
Mar. 1	126.0	99.9	92.3	26.1
Mar. 8	127.7	100.0	92.5	27.7
Mar. 15	127.	97.9	90.8	29.1
Mar. 22	126.7	98.1	91.2	28.8
Mar. 29	123.7	96.1	88.9	27.6
Apr. 5	124.7	96.7	89.5	28.0
Apr. 12	124.5	97.7	90.4	26.8
Apr. 19	124.6	98.9	91.7	25.7
Apr. 26	128.2	99.0	91.8	29.2
May 3	126.5	101.0	94.2	25.5
May 10	130.0	102.8	96.2	27.2
May 17	129.2	103.0	96.3	26.2
May 24	130.8	105.7	99.1	25.1
May 31	131.2	106.9	100.3	24.3
June 7	128.5	106.9	100.2	21.6
June 14	133.7	110.5	103.5	23.2
June 21	143.5	117.5	110.5	26.0
June 28	143.8	119.1	111.5	24.7
July 5	145.0	122.9	115.2	22.1
July 12	142.2	123.2	115.3	19.0
July 19	148.7	136.0	128.0	12.7
July 26	150.2	144.4	136.0	5.8
Aug. 2	151.8	150.8	141.9	1.0
Aug. 9	150.2	148.5	139.1	1.7
Aug. 16	141.5	146.7	136.7	−5.8
Aug. 23	138.7	140.0	132.8	−1.3
Aug. 30	134.3	136.6	128.3	−2.3
Sept. 6	132.2	136.1	127.6	−3.9
Sept. 13	132.7	138.7	132.1	−6.0
Sept. 20	137.5	142.8	137.2	−5.3
Sept. 27	139.5	146.6	141.5	−7.1
Oct. 4	148.5	156.6	148.9	−8.1
Oct. 11	153.7	164.2	154.3	−10.5
Oct. 18	155.0	163.3	153.6	−8.3
Oct. 25	150.2	156.9	148.0	−6.7
Nov. 1	146.3	153.0	143.3	−6.3
Nov. 8	148.0	159.7	147.4	−11.7
Nov. 15	160.0	168.4	156.7	−8.4
Nov. 22	148.2	166.3	155.6	−8.1
Nov. 29	160.2	165.4	155.3	−5.2
Dec. 6	162.5	162.3	151.3	+.2
Dec. 13	167.7	167.9	157.0	−.2
Dec. 20	176.5	175.0	165.0	1.5
Dec. 27	179.6	182.3	172.1	2.9

Weighted average cash sales No. 1 dark northern spring wheat in Minneapolis, and cash closing No. 1 and No. 3 Manitoba northern wheat in Winnipeg, July, 1923–June, 1926—Continued

Crop year	Minneapolis	Winnipeg		Difference between No. 1 dark northern Minneapolis, and No. 1 Manitoba northern Winnipeg
		No. 1	No. 3	
1925	*Cents per bushel*	*Cents per bushel*	*Cents per bushel*	*Cents per bushel*
Week ending—				
Jan. 3	180.6	184.0	173.1	2.6
Jan. 10	188.5	186.7	174.8	1.8
Jan. 17	192.0	193.0	181.3	−1.0
Jan. 24	196.0	197.4	185.9	−1.4
Jan. 31	207.0	211.5	200.1	−4.5
Feb. 7	196.5	200.6	189.5	−4.1
Feb. 14	188.4	191.9	182.1	−3.5
Feb. 21	189.3	194.1	185.4	−4.8
Feb. 28	196.8	199.2	190.9	2.4
Mar. 7	198.5	197.6	188.9	.9
Mar. 14	184.8	184.4	175.0	.4
Mar. 21	165.7	165.7	155.8	.0
Mar. 28	167.5	166.7	157.0	.8
Apr. 4	152.8	145.6	136.6	7.2
Apr. 11	161.2	156.5	146.5	4.7
Apr. 18	166.3	159.0	148.9	7.3
Apr. 25	160.8	158.9	150.2	1.9
May 2	161.2	161.9	153.4	−.7
May 9	170.2	176.4	168.4	−6.2
May 16	170.0	178.0	170.0	−8.0
May 23	177.2	187.6	179.6	−10.4
May 30	177.8	192.7	183.9	−14.9
June 6	176.0	180.8	170.5	−4.8
June 13	175.2	177.2	168.7	−2.0
June 20	166.7	165.9	156.9	+.8
June 27	166.7	165.5	156.3	+1.2
July 4	157.6	158.9	149.4	1.3
July 11	159.8	160.9	150.9	1.1
July 18	172.0	166.8	158.7	5.2
July 25	170.3	161.9	154.1	8.4
Aug. 1	169.8	160.9	152.9	8.9
Aug. 8	175.7	171.2	164.4	4.5
Aug. 15	169.2	168.8	162.9	.4
Aug. 22	168.7	170.7	162.3	−2.0
Aug. 29	166.2	163.2	154.7	+3.0
Sept. 5	163.0	152.2	146.6	10.8
Sept. 12	159.6	145.2	138.4	14.4
Sept. 19	160.2	135.6	130.2	24.6
Sept. 26	156.2	128.4	123.2	27.8
Oct. 3	151.5	121.0	116.1	30.5
Oct. 10	155.5	124.0	118.9	31.5
Oct. 17	159.5	126.2	119.0	33.3
Oct. 24	160.5	128.2	120.0	32.3
Oct. 31	162.7	133.4	125.3	29.3
Nov. 7	163.7	136.1	129.4	27.6
Nov. 14	163.8	137.0	130.5	26.8
Nov. 21	167.3	141.9	134.7	25.4
Nov. 28	171	151.3	144.8	19.7
Dec. 5	178.8	161.5	155.2	17.3
Dec. 12	177.8	159.4	150.6	18.4
Dec. 19	173.5	152.1	143.8	21.4
Dec. 26	173.5	149.6	141.5	23.9
1926				
Week ending—				
Jan. 2	184.8	159.9	151.5	24.9
Jan. 9	183.3	158.7	149	24.6
Jan. 16	177	155.2	144.7	21.8
Jan. 23	176	155.4	144.9	20.6
Jan. 30	177	156.6	145.5	20.4
Feb. 6	180.2	159.9	148.9	20.3
Feb. 13	170.8	154.7	144.1	16.1
Feb. 20	171	153.3	143.3	17.7
Feb. 27	173.6	150.9	141.1	22.7
Mar. 6	166.7	144.2	134.6	22.5
Mar. 13	170.3	147.5	137.3	22.8
Mar. 20	169.5	150.6	139.5	18.9
Mar. 27	161.5	149.6	138.1	11.9
Apr. 3	162.8	151.2	139.2	11.6
Apr. 10	163.5	153.2	141.3	10.3
Apr. 17	169.7	157.4	146.2	12.3
Apr. 24	169.7	160.9	150	8.8
May 1	167	158.6	148	8.4
May 8	165	154.2	144.5	10.8
May 15	164.8	154	144.7	10.8
May 22	163.7	152.9	143.6	10.8
May 29	163.7	153.7	145.1	10
June 5	163.4	151	141.9	12.4
June 12	173.8	154.7	145.7	19.1
June 19	171.5	154.8	145.6	16.7
June 26	162.7	152.2	142.9	10.5
June 30	161	151.8	142.2	9.2
July 2	162	152	142	10
July 9	175	156	146	19
July 16	182	162	152	20
July 23	183	161	151	22
July 30	167	160	150	7
Aug. 6	167	155	145	12
Aug. 13	164	153	140	11
Aug. 20	157	152	138	6

Weighted average cash sales No. 1 dark northern spring wheat in Minneapolis, and cash closing No. 1 and No. 3 Manitoba northern wheat in Winnipeg, July, 1923–June, 1926—Continued

Crop year	Minneapolis	Winnipeg		Difference between No. 1 dark northern Minneapolis, and No. 1 Manitoba northern Winnipeg
		No. 1	No. 3	
1926—Continued	*Cents per bushel*	*Cents per bushel*	*Cents per bushel*	*Cents per bushel*
Week ending—				
Aug. 27	156	150	136	6
Sept. 3	148	145	132	3
Sept. 10	145	145	120	0
Sept. 17	150	145	134	5
Sept. 24	151	143	134	8
Oct. 1	152	142	136	10
Oct. 8	153	140	133	13
Oct. 15	153	139	132	14
Oct. 22	153	147	142	6
Oct. 29	153	147	139	6
Nov. 5	149	145	135	4
Nov. 12	150	145	136	5
Nov. 19	145	140	130	5
Nov. 26	144	139	129	5
Dec. 3	146	135	124	11
Dec. 10	149	134	123	15
Dec. 17	146	131	121	15
Dec. 24	149	135	124	14
Dec. 31	147	134	123	13
1927				
Jan. 7	146	133	121	13
Jan. 14	147	134	121	13
Jan. 21	147	135	123	12
Jan. 28	147	139	126	8
Feb. 4	146	140	127	6

The authority quoted by the opponents of the bill, the food research institute of Stanford University, at page 30 of volume 3, No. 1, November, 1926, finds that over the three-year period under review—1923–1926—"No. 3 Manitoba northern stood at import-price parity at Minneapolis with No. 1 dark northern in only 17 weeks, but in 54 weeks at Buffalo. Nearly all of these weeks occurred during the year 1923–24."

If Canadian wheat could find a market here at the world price plus the tariff, it would be imported in large quantities. This has not taken place since the passage of the emergency tariff act in 1921. The largest importations were in the year 1923–24 when the 30-cent duty was largely reflected in the price. Since then the importations have been only nominal. They have been as follows:

	Bushels
1923–24	13,680,934
1924–25	270,452
1925–26	1,664,858
July 1, 1926, to Feb. 5, 1927	4,000

So many erroneous impressions are abroad as to the effect of increased acreages on production, present large production, and so forth, that I deem it advisable to append a short table giving acreage, yield, production, and average farm price on December 1 of each year since pre-war times. It is to be noted that both average acreage and production have been less for the years 1921 to 1926, inclusive, than for the years 1914 to 1920, inclusive, in spite of normal growth of population. Contrary to the belief of some there is no overproduction as compared with the normal:

Table giving acreage, yield, production, and average farm price on December 1 since 1909

Year average	Acreage harvested	Average yield per acre	Production	Average farm price per bushel Dec. 1
				Cents
1909–1913, average	47,097,000	14.7	690,108,000	85.7
1914	53,541,000	16.6	891,017,000	98.6
1915	60,469,000	17.0	1,025,801,000	91.9
1916	52,316,000	12.2	636,318,000	160.3
1917	45,089,000	14.1	636,655,000	200.8
1918	59,181,000	15.6	921,438,000	204.2
1919	75,694,000	12.8	967,979,000	214.9
1920	61,143,000	13.6	833,027,000	143.7
1914–1920, average	58,205,000	14.5	844,605,000	156.9
1921	63,696,000	12.8	814,905,000	92.6
1922	62,317,000	13.9	867,598,000	100.7
1923	59,659,000	13.4	797,381,000	92.3
1924	52,535,000	16.5	864,428,000	129.9
1925	52,255,000	12.9	676,429,000	141.6
1926	56,526,000	14.7	832,305,000	119.9
1921–1926, average	57,832,000	14.0	808,841,000	112.8

Mr. TINCHER. Mr. Chairman, I simply yield myself one minute for the purpose of stating I have more pride now in the old map than I ever had, and I want to extend my remarks by inserting it here following the speech of the gentleman from North Dakota [Mr. BURTNESS] for the purpose of showing by the map that the gentleman from North Dakota [Mr. BURTNESS] did not contradict it, and that his verbal explanation simply emphasizes it; and that the figures shown on the map headed "World Crop Normal," discloses the fact that this bill would destroy those of us who are producing hard wheat for milling purposes.

May I have unanimous consent, Mr. Chairman, to extend the chart in the RECORD at this point?

The CHAIRMAN. The gentleman from Kansas asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

The matter referred to follows:

WORLD CROP NORMAL

	Per bushel
Canadian farmer, cost of production	$0.90
American farmer, cost of production	1.32
World price	1.00
American domestic price (world price + tariff)	1.42
Sale of wheat to American mills	1.42
Canadian farmer profit (after tariff paid) net	.10
American farmer profit (less equalization fee)	.10
Equalization fee necessary to take 200,000,000 bushels off market at world price	.23
American farmer's net loss (each bushel produced)	.13
Canadian farmer's profit	.10
Canadian farmer's advantage over American farmer	.23

At any rate, whatever equalization fee is, the foreign wheat producer will have just that advantage over American producer. Same proposition will apply to cattle, corn, hogs, and butter.

Canada claims to still have enough virgin soil to raise sufficient wheat for North America.

Mr. HAUGEN. Mr. Chairman, I yield five minutes to the gentleman from Wisconsin [Mr. PEAVEY.]

Mr. PEAVEY. Mr. Chairman and gentlemen of the committee, I want to ask permission at this time to insert in my remarks a table taken from the Agricultural Yearbook for 1925, showing among other things the acreage planted in corn and in wheat; the December price of the product; the total production and the amount exported from 1909 up to and including the year 1926.

The table referred to follows:

Corn and wheat acreage and production

[In thousands]

Year	Corn				Wheat			
	Acreage	Price	Production	Exports	Acreage	Price	Production	Exports
1909	98,383	48.6	2,572,336	—1.5	44,263	98.4	700,434	—12.5
1910	104,035	48.0	2,886,260	—2.3	45,681	88.3	635,121	—10.9
1911	105,825	61.8	2,531,488	—1.7	49,543	87.4	621,338	—12.8
1912	107,083	48.7	3,124,746	—1.6	45,814	76	730,267	—19.6
1913	105,820	69.1	2,446,988	—.4	50,184	79.9	763,380	—19.1
1914	103,435	64.4	2,672,804	—1.3	53,541	98.6	891,017	—37.3
1915	106,197	57.5	2,994,793	—2.6	60,461	91.9	1,025,801	—23.7
1916	105,296	88.9	2,566,927	—1.6	52,316	160.3	636,318	—32.0
1917	116,730	127.9	3,065,233	—.9	45,089	200.8	636,655	—20.8
1918	104,467	136.5	2,502,665	—.6	59,181	204.2	921,438	—31.2
1919	97,170	134.5	2,811,302	—2.2	75,694	214.9	967,979	—22.7
1920	101,699	67.0	3,208,584	—5.9	61,143	143.7	833,027	—43.9
1921	103,740	42.3	3,068,569	—5.8	63,696	92.6	814,905	—34.3
1922	102,846	65.8	2,906,020	—3.3	62,317	100.7	867,598	—25.6
1923	104,324	72.6	3,053,557	—.8	59,659	92.3	797,394	—19.6
1924	100,863	98.2	2,309,414	.....	52,535	129.9	864,428	.....
1925	101,359	67.4	2,916,961	.....	52,255	141.6	676,429	.....
1926	99,492	64.4	2,645,031	.....	56,526	119.9	832,305	.....

Mr. PEAVEY. I do this for the purpose of giving Members, I believe, some valuable information from this standpoint. It

is my understanding that the principal arguments against this bill from the opposition have been based upon two particular grounds.

The first one is that the American farmer is unable to control his production and produces a surplus crop of corn and wheat. The second follows in the regular order and is to the effect that if the McNary-Haugen bill were to be enacted into law it would not give the American farmer relief, because if the bill were to operate so as to raise the price of grain it would automatically increase the planting of corn and wheat and thereby increase production and in this way increase the farmers' problems.

My friends, I think if you will consult this table to-morrow in the RECORD you will see that the Department of Agriculture has compiled some figures that will show that this reasoning is wholly fallacious.

In the short time allotted to me let me bring to your attention just two or three outstanding deductions to be taken from these figures. I have no doubt this will be as startling to you as it was to me when I say to you that, referring to the corn farmers of America, in the eight years following the war we have planted less corn and produced less corn in the United States than we did in the eight years prior to the war; and just on this point let me call your attention to the argument against the McNary-Haugen bill to the effect that if the bill stimulates prices it is thereby going to increase production.

Let me call your attention to the positive record as shown by the Agricultural Yearbook, the figures for the two years of 1919 and 1920, with respect to the raising of wheat.

In the year 1919 the farmers planted 75,000,000 acres of wheat, in round numbers, and they produced 967,000,000 bushels of wheat, the second largest crop in the history of the country. They received a December price of $2.149 cents, and upon that showing, in the following year, 1920, instead of increasing their planted acreage, they reduced the planted acreage by 14,000,000 to 61,143,000 acres and had a crop production of 833,000,000 bushels, and received $1.43 a bushel for their crop, or a reduction of 71 cents in comparison with the year previous, with a high planting and a big crop.

I want to call your attention to the same things that have transpired with respect to corn and wheat, bringing it up to the present time.

I have often heard it stated on this floor in the course of the debate—and I was under the same impression until I received these figures—that we were producing both in corn and wheat a larger crop than ever in the history of the country. I want to call your attention to the fact that in the years of 1922, 1923, and 1924, in the production of corn in the United States, we planted less corn and produced less corn than we did in the years of 1910, 1911, and 1912.

The same thing is true as to wheat, because in the years of 1924, 1925, and 1926 we planted less wheat and produced less wheat than we did in the years of 1914, 1915, and 1916. [Applause.]

We find the wheat farmers of America planted 166,318,000 acres of wheat in the three pre-war years and produced 2,533,136,000 bushels, as against an acreage of 161,316,000 in 1924, 1925, and 1926, with a crop produced of 2,373,162,000 bushels, or, to make the deduction complete, the farmers of this country planted 5,002,000 more acres of wheat for the three-year period 1914, 1915, 1916 than they planted in 1924, 1925, 1926, and produced 176,974,000 less bushels of wheat than in the three pre-war years. A quite conclusive proof that the farmers' troubles to-day are not due to overplanting or overproduction.

Again let me cite the record for 1916 to prove the fallacy of giving the farmer relief by controlling production. In 1916, with an acreage of only 60,461,000, the farmers produced the greatest crop of wheat ever raised in America, or 1,025,801,000 bushels, and sold it at a price above the average price of the five preceding years, and what happened? They cut down their acreage the next year to 52,316,000, a drop of 8,145,000 acres.

A comparison of the years 1917 and 1918 shows the reverse—a trend from wheat to corn—and again the facts show the price had little or nothing to do with the acreage of either corn or wheat, to wit: In 1916 the farmers planted 52,316,000 acres of wheat, produced 636,318,000 bushels, and sold it in December at $1.60 a bushel, which was 69 cents per bushel over the price received for the 1915 crop, and in the face of this almost double rise in the price of wheat the American farmers voluntarily cut down their wheat acreage in 1917 by 7,227,000 acres.

Again, take corn. In 1917 farmers planted the highest corn acreage in the history of this country—116,730,000 acres. They produced that year the second largest crop, or 3,065,233,000 bushels, and received the extremely high price of $1.27 per bushel, and the very next year, 1918, they voluntarily cut down their corn acreage 12,273,000 acres. The acreage of corn in America in 1926 was a trifle over 1 per cent more than that of 1909 and the total production less than a half of 1 per cent more than 1909, and yet there are those who insist on telling us that the corn farmers are suffering from overproduction.

An outstanding conclusion to be reached from this historical record of American wheat and corn farming is this: There is no overproduction of wheat and corn in America to-day. The American farmer is not suffering because of his failure to control production; that, taking increased population into account, we are both planting and producing less corn and less wheat in 1926 than was planted and produced in 1909, the first year shown in the tabulation above.

God Almighty alone controls the production of wheat and corn in America. From all the information obtainable I am unable to discern that those opposing this legislation have, or claim to have, any special claim upon the Lord's favor. It is remarkable how many business houses, their lawyers, and lobbyist representatives, have suddenly been galvanized into action with the impending passage of this bill.

Outstanding among these recent farm converts is that great industrial genius who manufactures tin lizzies for the farmers. Mr. Ford is quoted recently as saying that he could revolutionize agriculture to an extent where the work would require but a single month out of every 12. But actual experience has shown that every business expert like Ford who has attempted to commercialize farming by the use of steam, gasoline, and other modern machinery and methods on a large scale has proven a failure. Witness the Gilfillan farm in Redwood County, Minn., in Congressman CLAGUE'S district. Witness the nationally known Dahlrymple farm of North Dakota and dozens of similar attempts. Why did they fail? And why will they always fail? Because every farm in America is a home where loyal sons and daughters work for father and mother, God and country without pay. No commercialized farmer can compete with those whose principal labor cost is that of raising a family of children.

Gentlemen, you can control the output and regulate both the price and production of pig iron and steel castings and shoes, for man controls these enterprises, but the American farm is still, thank God, in the hands of and under the control of individual Americans who acknowledge their sole allegiance to God and country.

Daniel Boone did not invade the wilds of Ohio to establish sawmills or to find oil. Frémont and his followers did not settle the prairie lands west of the Mississippi that he might build tanneries or flour mills. I would call your attention to the fact that of those who invaded the Pacific coast in the gold rush of 1849, nearly half left the trail when over the mountains and trekked their way on to Oregon in search of plow land instead of gold. They sought not wealth but homes, not riches but peace and security where they might raise their children in freedom. They hated tyranny and oppression, whether levied by autocratic decree of some emperor or king or under the soulless exactions of economic law.

Gentlemen, those pioneer farmers of days gone by made this country. They conquered the savages, they explored, pioneered, and endured every known hardship that they might enjoy for themselves and their posterity the fruits of their sacrifices. The monopolistic exactions of industry, the close combinations of manufacture and trade are to-day doing by economic force that which no enemy has ever been able to accomplish.

Every farm organization in the United States has come before the Committee on Agriculture in support of this bill or has given it their indorsement. The American Federation of Labor, consisting of over 4,000,000 union laboring men, has appeared in favor of the bill. I am therefore going to vote for it, because it is the only measure for farm relief that has a chance of passing Congress at this session.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. TINCHER. Mr. Chairman, I yield 10 minutes to the gentleman from Maine [Mr. HERSEY].

Mr. HERSEY. Mr. Chairman, there is a great deal of wisdom in the sayings of Will Rogers, America's greatest humorist. In my little sermon to-day on farm relief I want to take for my text one of the witty sayings of Rogers in the Associated Press this morning, as follows:

AUGUSTA, GA., February 13.—Here is my farm relief bill.

Every time a southerner plants nothing on his farm but cotton, year after year, and the northerner nothing but wheat or corn, why, take a hammer and hit him twice right between the eyes.

You may dent your hammer, but it will do more real good than all the McNary-Haugen bills you can pass in a year.

OLD DOC ROGERS.

During the late world-wide war the United States fed ourselves and our allies overseas from the American farms. Agriculture was then in a prosperous condition, prices were good, and our Government everywhere called upon the farmers to "produce, produce, more and more." Congress went so far as to price fix those farm products that could be used as food for the soldiers overseas.

When we entered the war this cry became more strenuous, "Produce, produce." Wheat was fixed at $2.20 per bushel The potato farmer received as high as $11 per barrel for his potatoes at the close of the war.

After the war was over and this country returned to normal conditions, the farmers still continued to produce more and more long after the price fixing laws had been repealed. The result of all this was a large overproduction of farm products in this country, more than the home market could consume, and there was no "world market" so called. Price fixing during the war had raised farm values everywhere, and the farmer expecting that these prices would continue kept on making a larger and a larger surplus, which could find no market.

The Secretary of Agriculture in speaking of those days said:

The overproduction which brought about the collapse in farm prices resulted largely from the stimulus of advancing prices and from the response made by the farmer to patriotic appeals for increased production during the war. The stimulus to increase production did not cease when the armistice was signed. Some Government officials, economists, and commercial papers taught the doctrine of permanently high prices. Farmers were given every encouragement to maintain production at a high level. They were assured that a starving world overseas would take all they could produce at profitable prices. When this stimulus to production had resulted in a large accumulation of foodstuffs, the overbalanced supply position, aided by a campaign of price deflation, brought on a collapse of values.

When President Coolidge took up the reins of government laid down by the late President Harding he found himself face to face with the problem of farm relief, due to overproduction of farm products. In his first message to Congress he reviewed the agricultural situation and called upon the farmers to cooperate to keep down production, to inaugurate a system of diversified farming, to study everywhere the farm problems, and to conduct the business of farming in a businesslike manner.

Among other things in that message he said:

No complicated scheme of relief, no plan for Government fixing of prices, no resort to the Public Treasury will be of any permanent value in establishing agriculture. Simple and direct methods put into operation by the farmer himself are the only real sources for restoration.

The gentleman from Iowa [Mr. HAUGEN], the chairman of the Committee on Agriculture of the House, then introduced a bill, alleged to be for farm relief, which has since been known as the Haugen bill, which attempted by abnormal and artificial means and methods to raise and maintain the price of farm products, without regard to the law of supply and demand. It organized a Government corporation, with a multitude of agents and employees, to buy up the surplus of farm products and to sell them in the foreign markets at the best price they could get, admittedly at a great loss from the purchase price, or to dump them abroad at the expense of the Nation. It started with an appropriation of $200,000,000 from the Treasury and a borrowing authority for $1,000,000,000 more. It fixed the price of this surplus according to a ratio taken from the four years of prices prior to the World War, which would make the price of wheat at that time $1.50, wheat then selling at $1 per bushel. After long discussion this bill was defeated.

At the last session of Congress a similar bill was introduced by Mr. HAUGEN, and this, too, ran the gantlet of a long discussion and was likewise defeated. At the present session of Congress comes the same old bill with a few slight changes for the worse. It still retains all its price-fixing features, its Government subsidies, its unconstitutional equalization fees, leaving out everything but cotton, wheat, and corn.

This bill was reported from the Agricultural Committee by a majority of 1 vote. The gentleman from Iowa [Mr. HAUGEN] thereupon obtained from the Rules Committee a rule making his bill in order, fixing 12 hours' debate to be divided equally between those for and those against the bill and shutting off all amendments.

At the same time a like bill had been introduced in the Senate by the Senator from Oregon [Mr. MCNARY] and reported favorably to the Senate. The Senate after some debate passed the bill with amendments, which include tobacco, cotton, rice, and swine, for the purpose of obtaining votes from those sections that produced wheat, corn, cotton, tobacco, rice, and swine.

This not being of sufficient inducement to pass the bill there was a "deal" made in the Senate between the proponents of the McNary-Haugen bill and the McFadden banking bill to support the Haugen measure if the McNary-Haugen friends of that measure would insure its passage in the Senate. This very questionable alliance was proven by the speech of Senator WHEELER, of Montana, found on page 3345 of the RECORD of last Wednesday, where he said:

I, for one, intend to oppose and to hold up the consideration of the banking relief bill if it is possible to do so until the farm relief bill is passed by both Houses of Congress and signed by the President.

This McNary-Haugen bill, after these amendments and this holding up received a majority of 8 votes in the Senate and comes to the House where I understand Mr. HAUGEN, the father of the bill in the House, will at the proper time move to substitute the Senate bill for his bill, which will put up to the House the passage of the Senate bill with all these obnoxious amendments, put in to get votes, as a proposition to take this or nothing and to obtain votes in the House by the same methods used in the Senate, and upon this amendment for substitution of bills there can be no debate, thus obviating the necessity of a conference with the Senate and possible filibuster in that body. The moment the Senate bill is substituted and passed the measure goes to the President.

Up to two years ago the potato farmers, due to overproduction, shared with the wheat and corn farmers in low prices and disastrous losses in the production of these crops. In 1926, due to a shortage of potatoes in the country and no surplus of that crop, potatoes sold for an average price of about $7 per barrel, which gave the farmer about $5 profit per barrel, which took him out of his financial troubles, paid his mortgages and debts, and gave him a little bank account besides.

In the present year there has also been no surplus of potatoes and prices have been kept up thereby so as to give the potato farmer a profit of $3 to $4 per barrel, and he is not here asking for the passage of this Haugen bill, because it can do him no good and might do him a great deal of harm. He has settled the question of what to do with the surplus, and that is not to have one. The potato farmer has gone about the matter in a businesslike way, lessening the amount of his acreage every year, watching closely the crop so that he might have no surplus.

The Department of Agriculture said a short time ago about the potato crop and a surplus as follows:

It is commonly believed that a small crop of potatoes is usually worth more to United States producers than a large crop. If the large crop of 425,000,000 bushels harvested in 1924 were valued at the reported average farm price for the season ($0.765) it would be worth $325,000,000; whereas the small crop of 323,000,000 bushels harvested in 1925, if valued at that season's average price ($1.835), would be worth $593,000,000. Thus 100,000,000 bushels less in 1925 than in 1924 made the crop worth $270,000,000 more.

The potato farmer has learned that the surplus fixes the price and that if he attempts to make a surplus he will thereby make a condition of low prices and discontent and suffering among the potato farmers. The grower of wheat and of corn, cattle, hogs, rice, tobacco, and cotton has yet to learn this lesson. The only relief that can come to the farmer when he is suffering from overproduction is to lessen his acreage, diversify his crops, and produce only enough for the home market, and be thereby independent. Price fixing, under the guise of Government subsidies and the enactment of the Haugen bill, can only result in larger production, for if the farmer can obtain through Government subsidies and guarantees a fixed price for his products and a profit, every farmer will engage in the business of producing more and more, for the more he produces the more will be his profits.

If the Government enters upon this revolutionary and socialistic policy in time of peace of buying and marketing farm products at a loss, it must extend this policy to everything else manufactured and produced in the United States.

Last year in my State a large cotton mill shut down for three months to have an opportunity of working off the surplus. If the farmer is entitled to have his surplus bought by the Government and dumped in Europe at a loss to the Government, then every other business and manufacturer is entitled to the same privilege.

Hon. Martin Dies, of Texas, a few years ago in this House made a very interesting farewell speech when he retired, and among other things he said:

I wish the farmers of this country and the taxpayers of our land might have a return of the old Democratic and Republican theory that government is not created to support the people but that it is a creature

to be supported by the people. The great mistake we are making here now, my friends, is that we are practicing hypocrisy upon the people. We are leading them to believe that the Government can support them and lift them by their boot straps out of their financial difficulties, when as honest men we should say to them that all that the Government can do is to protect their life and their liberty and tax them to support the Government. You have taken the fairest and best Government ever known among men and you are making it into the most despicable socialism. You will not help the people unless you tell them that the Government has but one duty to the citizen, and that is to protect his life and property and give him an equal and fair race in this world.

[Applause.]

Mr. HAUGEN. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. MENGES].

Mr. MENGES. Mr. Chairman, I know of no industry that can or has at any time been able to thrive and be prosperous when the prices of the materials that go into the products of the industry are made by outside parties who are interested only in getting out of that industry all that the traffic will bear and when the prices of the products of that industry are made by a combination with a similar purpose. This is exactly the condition of the farmer, with all of which I am thoroughly impressed by practical experience. Those who are trafficing in this way on the vitals of the farmer cry overproduction and call into requisition the so-called immutable law of supply and demand. This is a sensitive law and easily influenced by those who regulate it. A hailstorm in Argentina—where I have been told they never have hailstorms—sends the price of wheat up, while a report of fine harvesting weather in the same country several days later sends the price down on the exchanges. A report of an infection of black rust in the Northwest sends the price of wheat soaring, while a report several days later that rust has yielded to favorable weather conditions—when there was not a change in the weather for weeks—sends the price down. An invasion of chinch bugs in Kansas has the same effect in raising prices, and when the bug changes its mind and decides not to invade the wheat fields the fall of price begins.

The law of supply and demand is not discriminating. The price of the inferior article sets the price of the superior article. In the September issue of the Country Gentleman of 1926 a writer by the name of Malcolm C. Cutting publishes an article on the subject, "Where surplus wheat is grown." On page 150 of that journal this writer asserts—

there never is a surplus of desirable wheats, but usually an underproduction.

On page 21 of that jounal the same writer says:

The millers want the strictly hard types that test high in protein. They buy all of them and usually will pay a premium, ranging high or low, according to the quality and the supply. * * * The least desirable of the semihard types and damaged wheat that otherwise might be desirable must go to the exporter and take their chances on the world market.

On page 150 he says:

The wheat grown south of the Mason and Dixon line and wheat contaminated with garlic loses grade. These are export wheats.

On page 152 he says:

Our export surplus is not representative of the average quality of our crop, and the price paid for it is not representative of the average value. That circumstance tends to lower the level of the price paid for every bushel we grow.

Why does protein make wheats valuable? Because it contains the glutinous part of the flour and about all of the nitrogen of the wheat. Because this glutinous mass holds two or three times its own weight of water. It keeps bread soft, moist, and palatable—the most predominate of the proteins are gliodin and glutenin.

I believe in the law of supply and demand, but in my experience it only works as long as the overproduced supply remains in my hands. When there is an overproduction of wheat there certainly should be an oversupply of flour, and when there is an oversupply of flour there should be an overproduction of bread, and if the immutable law works all along the line, flour, bread, and the by-products of wheat should be forced down in harmony with the wheat from which they are derived. This immutable law is made the benign protection agency of the consuming public against the rapacity of the farmer by the very organizations who sell many times more wheat than is produced in the speculative markets of the exchanges for the benefit of the farmer and who bull and bear the markets, all for the benefit of the consumer.

But what are the facts about this law of supply and demand? Bread from dollar wheat is sold at the same price as bread made from $1.50. For the by-products, bran and middling, of dollar wheat I pay the same price as for bran and middling derived from $1.50 wheat. Some years ago there was an oversupply of hogs. I had about 80 of them. I sold them at the price these benignant fellows who are such strong supporters of the immutable law of supply and demand were willing to pay me, but that benignancy failed to communicate itself to the pork that was derived from those hogs. My experience teaches me that the immutable law does not work in every circumstance. I have remonstrated with these fellows for interfering with the law of supply and demand, but they tell me they are not in the charity business. With these conditions everlastingly in operation are we not driven in self-defense, the first law of humanity, which I think is constitutional, to establish an agency such as price stabilization, that we may get away from the hailstorms in Argentina or the discretion of the black rust when it descends or refuses to descend on the wheat fields of the Northwest, or the pleasure of the chinch bug when it invades or pleases not to invade the wheat fields of Kansas, or the selling of many times more wheat on the markets than is produced? We pay for the disposal of the surplus through the present agencies, and we have not one particle of control over them and nothing to say as to how they shall dispose of our surplus. Why should it be unconstitutional to allow us to set up an agency, such as the equalization fee, over which we have control and pay for the disposal of the surplus ourselves? Is it constitutional when another party compels me to pay for an action which he may or may not perform, and does it become a tax and unconstitutional when I pay for it myself and see that it is done? It seems to me that when we produce a superior quality of wheat containing high percentages of protein, the blood, muscle, and brawn making substances of the flour, that the price of that wheat should not be made by the inferior grades shipped to the Liverpool market. Certainly I am not a lawyer, and not a constitutional lawyer at any rate, but this is the way these matters appeal to a farmer. But I have been in the charity business so long that these gentlemen propose to keep me in it and sell my products for less than it costs to produce them.

Let us look at this charity business and see what I do to produce wheat in order that I may sell it for less than it costs me. I own the soil, the agency which produces it. I pay interest and taxes on the investment in that soil. I plow the land; I prepare it by thorough cultivation before sowing the wheat; I fertilize either with commercial fertilizers or with the farm manures or with both; I sow the wheat. I then wait a year until the harvest. I harvest the wheat, and when it is dry I thresh it. I may store it in my own bins or I may sell it or store it in a public or private elevator and I pay for the storing. I pay for getting it to the elevator. It is cleaned and ready to mill. Suppose I sell that wheat for $1.50 a bushel. How much do I get for the wheat that goes into a pound loaf of bread? Approximately 2 cents; and the fellows who are so much interested in the ultimate consumer and who by some legerdemain frustrate the law of supply and demand get 10 cents for that same loaf of bread, or about 400 per cent for a several days' job. It seems to me that about 300 per cent should be satisfactory to the most finicky about percentages [laughter] and instead of charging 10 cents for a pound loaf of bread they could charge 6 cents and the ultimate consumer could buy five 1-pound loaves of bread for the same price he now pays for three. He and his family could likely consume that much, and this matter of overproduction and this immutable law of suply and demand instead of being a curse to the farmer and a deprivation to the ultimate consumer could be converted into a blessing to both. I come from a generation of farmers and I have been raised to regard large crops as a blessing of the Lord instead of a curse which the protégés of the immutable law of supply and demand would have us believe it to be. I believe by such blessings the Lord means to demonstrate His desire that all His people should be well clothed and fed and protected, which is not the case at the present time with the so-called overproduction of the necessities of life.

I am a protectionist. Why am I a protectionist? Because I believe in and am an advocate of the American standard of living. I believe that the protective system has been one of the most potent agencies that we have ever had of establishing and maintaining an American standard of living. To maintain an American standard of living we must maintain an American standard of wages and prices. The protective system can be so adjusted that the family of the laborer, the artisan, the commercial man, and the professional man—all who earn a living by manual or mental exertion—can be provided with food, clothing, and shelter, and that the home environment may be

such that the children may develop strong, vigorous, disease-resisting bodies, a moral character with decided convictions, and an intellectual capacity into whose care the safety of the Republic can safely be intrusted.

Shall we here and now inaugurate legislation which will make it possible for the American farmer to realize the cost of production with sufficient profit on the various crops he produces to enable him to consume the products of the wool, cotton, and silk mills, the furniture and farm-implement manufacturer, and thus keep labor permanently employed and enable that labor to consume the surplus products of the farm and attain to and maintain an American standard of living such as all Americans are entitled to or shall we continue with and indorse a system which emasculates the law of supply and demand and perverts the protective system, impoverishing both the producer and the consumer of agricultural products? [Applause.]

Mr. HAUGEN. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. WILLIAMS].

Mr. WILLIAMS of Illinois. Mr. Chairman, I do not rise at this time to discuss the pending bill. The gentleman from Kansas [Mr. TINCHER] in his very able and entertaining speech to the House advanced as one of his main arguments why the Haugen bill should not be enacted into law the fact that W. H. Settle, president of the Indiana Farm Bureau, wore spats. [Laughter.] Mr. Settle needs no defense from me nor from anyone who knows him, but I think it only fair to him to put into the RECORD some facts as to who he is and what he represents.

Mr. Settle is president of the Indiana Farm Bureau, an organization with a membership of more than 50,000. He has been elected president of that great organization in Indiana by acclamation five times. He is also general manager and secretary of the Central States' wheat association, the largest of the kind in the United States, with a membership of 20,000 representative farmers. He is also president of the Indiana purchasing department of the Farm Bureau, with headquarters at Indianapolis, an organization of farmers with an annual business running into millions of dollars.

Mr. Settle lives on a farm; he is one of the most prominent farmers in Indiana, and also a prominent stock raiser. He has exhibited at the various livestock exhibits in his State stock raised on his farm on many occasions, and has taken first premiums. In 1917 he produced on his own farm and marketed $20,000 worth of hogs.

This is the character of man that my friend from Kansas, as I think, belittled and ridiculed—perhaps unintentionally—in his speech. He said Mr. Settle was here lobbying for farm legislation, wearing spats, and that he has a mortgage on his farm. If he has a mortgage on his farm, he is not any different from thousands of the best farmers in the United States. [Laughter and applause.]

I am not informed as to whether he wears spats or not, but he has a right to if he wants to. Many people tell me it is cheaper to wear spats on low-cut shoes than it would be for the farmers to buy high tops at the present abnormal prices. A good many people seem to think that the farmers should not have the right to dress as other classes of people in the United States do. I have seen the gentleman from Kansas, I think, wear spats, and the only difference between the gentleman from Kansas and the gentleman from Indiana, Mr. Settle, is that spats are more becoming to the gentleman from Indiana than to the gentleman from Kansas. [Laughter.]

Mr. STEVENSON. If the gentleman will yield, it is possible that the gentleman from Kansas comes from Medicine Lodge, from whence came the man to Congress some years ago who did not wear socks. [Laughter.]

Mr. WILLIAMS of Illinois. That may be true. I felt that in justice to this splendid farmer, this representative of the great farmers' organization in the State of Indiana, that it was only fit and proper that something should be put into the RECORD so that Members may know who he is.

An entirely erroneous impression of the worth of this man and of his standing in the great State in which he lives might be drawn from the humorous, witty remarks of the gentleman from Kansas [Mr. TINCHER]. As far as I am concerned, I rejoice that the farm organizations of the United States at last have found out that it is to their interests to send representatives here to Washington to appear before the committees of Congress and speak for agriculture. If they had been doing this for the last quarter of a century to the same extent other classes of people in the United States have been organizing and have been represented here by spokesmen, agriculture might not find itself in the sad plight it is to-day. We are here now making an earnest endeavor to enact legislation that will cure or that, at least, will tend to cure the deplorable condition of agriculture as compared with other industries in the country. I feel that these men who appear here representing farm organizations and speaking for agriculture should not be ridiculed and belittled before the Congress of the United States.

Mr. PURNELL. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Illinois. Yes.

Mr. PURNELL. Unfortunately, I did not hear all of the remarks of my colleague, but I know their general purport. I rise to suggest to the gentleman that the man to whom he refers, Mr. Settle, not only is known in our State most favorably but his reputation as a great farm leader and adviser extends throughout the country.

Mr. WILLIAMS of Illinois. Undoubtedly. Mr. Chairman, I yield back the remainder of my time.

Mr. KINCHELOE. Mr. Chairman, I have an agreement with the chairman of the committee to yield to me 10 minutes.

Mr. HAUGEN. Yes; I yield nine minutes to the gentleman.

Mr. KINCHELOE. Mr. Chairman, I yield 19 minutes to the gentleman from Mississippi [Mr. QUIN].

The CHAIRMAN. The gentleman from Mississippi is recognized for 19 minutes.

Mr. QUIN. Mr. Chairman and gentlemen of the committee, I trust that no gentleman will interrupt me, because I have only 19 minutes, and I propose to use those 19 minutes for the benefit of the farmers and not the benefit of inquiring minds on this floor. [Applause.]

You have heard all this discussion of the McNary-Haugen bill. We had this matter up one year ago before this House. Every kind of disaster was predicted by the gentlemen who opposed it from every section of the United States. Why, my good friend and neighbor who spoke just before me kept saying he is willing to vote for the other bills but he could not vote for this. To hades with the other bills! [Laughter and applause.] We want this bill. Why does any friend of the man who is behind the plow want to go out and talk about some other bill when this is the only bill of its kind that the United States Congress has the opportunity to pass? [Applause.]

Not only that but the Committee on Rules has just brought out the McNary-Haugen bill passed by the United States Senate. If the United States Senate could go out and vote for the farmer, who is it over here who can not see his way clear to cast his vote in favor of the American farmer? This bill, just as it passed the United States Senate without the crossing of a "t" or the dotting of an "i," is going to get my vote. I will vote against every amendment that is offered to it, because such amendments, I know, will kill this farm legislation. If we want to help the American farmer, we must vote for the bill that we know can become a law.

This great United States of America has $450,000,000,000 of wealth, with $65,000,000,000 invested in agriculture. That great class, representing 37,000,000 people in this Republic, is now lying prostrate. Men who own the great farms can not realize 2 per cent net on their investment. No; a great plantation is a liability instead of an asset. This great class of people the real "folks" of this Republic, the men behind the plow, contribute to every function of Government, and they are true and undefiled citizens. Thus far they have failed to get help from the United States Congress. Congress heretofore has gone out and helped the people who have $20,000,000,000 invested in railroads. With the Government aid that they have received, if they can not declare a dividend of 5½ per cent on water and all, God help them! You have given subsidies to every other class of citizens in this Republic. You have given to the manufacturers, by a protective tariff, a bounty on every line of production of merchandise in this Republic.

Strip this measure of all its verbiage and what does it mean? Two hundred and fifty million dollars of United States money put up for the use of farmers.

Some say, "I am afraid to put on an equalization fee." What do you care about your job? You are here to represent the people. It does not make any difference whether your name is John Smith or Percy Quin. A man ought to be willing to stand up and vote for what he knows is going to help the people. I know that if you put this measure into effect it is going to raise the price of every commodity in it. Already the possibility of its becoming a law has had that effect. Cotton has gone up $10 a bale, and if you gentlemen have any sporting blood in your veins you want to buy all the cotton you can between now and the time we get this bill up to the

White House, because cotton is going up just as quickly as they know this Congress is back of that great product. The same is true of wheat, of corn, of hogs, of tobacco, and of rice.

Some say they can not vote for it because of the equalization fee. Why, the farmer is a sensible man and he has to be a smart man. He has more sense than any other man engaged in business in this Republic, and he has to have it. A man who is engaged in farming, with the United States Government not helping him but robbing him all the time, with the elements against him, insects and pests, and with high railroad freight rates and high tariff against him, has to be a smart man in order to pay his taxes and exist.

Some gentlemen say, "Well, I know he is hard up, but I am afraid to vote for this bill." The man who is afraid to come up and cast his vote for that poor man behind the plow, that poor man who with his wife and children works from early dawn until late in the evening, some of them half naked, God have mercy on him. I want you gentlemen on the Republican side to know that I live in a country where about half the people are poor negroes, some of them fine citizens. I have seen negroes on cotton plantations down there working in the fields in the hot sun with bare heads, bare feet, and not enough clothes on to make a wrestling jacket for a louse. They work all the time. And many of the white people, the tillers of the farms, work the entire year and then can hardly buy a calico dress for their wives on the Fourth of July. Yet some of you say the United States Government is not able to help them.

I happened to hear over the radio a few nights ago the distinguished Chief Executive of this Republic, Mr. Coolidge, and my good friend, General Lord, the head of the Budget Bureau, talking about prosperity. President Coolidge told about the great prosperity of this Republic, and I actually felt in my pockets to see if I could not find some money. I realized that when the Chief Executive was talking he did not know the condition of the agricultural classes of this Republic. He did not know that at the very hour he was talking homes were advertised in every State of this Union for taxes. He did not know that good and honest homesteaders and good and honest farmers, who had worked with their wives and children the entire year, were unable to come up and meet the obligations of the county and State as assessed against them. Yet he proclaims prosperity. The people about whom the gentleman from New Jersey [Mr. FORT] was talking are prosperous. These men who have had their hands in the pockets of the people, plundering and exploiting them through manufacturing enterprises, are prosperous. The railroads, for which you guaranteed this enormous dividend, are prosperous. The shipping lines are prosperous; the fertilizer makers are prosperous; everybody is prosperous except the poor farmer, who must get down and plow the earth, who must depend for his sustenance and his profit upon the elements and, I might say, upon the hope of Congress.

Now is your last time. The man who says he is a friend of the farmer and votes against this bill will need a long time to explain.

Here is a piece of legislation that will help the farmer. Who is it that is afraid to say, "Mr. Farmer, I voted for an equalization fee on your wheat, your corn, your rice, your tobacco, your hog, and your cotton"? Who is afraid of that? Who is afraid to say, "I voted for an equalization fee to go on your cotton; I voted for the United States Treasury to put up $250,000,000 to help you build up your prices; I voted for you to get back three times $5 or $2 or whatever you put in; I voted for that to come back into your pockets"? You need not think the farmer is a fool. He knows that when he puts up $5 at the gin or at the factory, or anywhere else, he is going to get that back with manifold interest. Fifteen dollars for every $5 he puts in is what will come back to the farmer. You know the farmer has sense enough to know he can not get anything for nothing, but we must give him the quid pro quo, and if you really want to help the farmers of this Republic you must vote for the only measure that can become a law.

Gentlemen have said that they do not know what the President would do. You need not bother yourselves about the President of the United States. The question is: What are you, as Member of the United States Congress, going to do? The President of the United States has a function to perform. You need not worry about what he is going to do about this bill. Let us pass it just like the Senate has handed it to us and put it upon his table. You will see the President of the United States sign it. Some of these Washington papers have made it out that he is so cold-blooded that he would veto the bill and kick the poor farmer in the slats and say go beg or starve. [Laughter.] Do not you know the President of the United States will not do that? Do not you know that he recognizes, from one end of this Republic to the other, the great demand there is for this legislation? Do not you know that he recognizes the decrease there has been in the value of farm lands? Do not you know that he knows that these stalwart citizens in the East, North, South, and the West owning every foot of ground in this great Republic are crying out for justice?

They are not asking for any special privilege and this bill gives them none. It simply puts up $250,000,000 and says, "We will make you pay the balance or whatever is necessary to hold your product off of the market until it brings its own price; until they can get the price of production and a profit with an orderly system of marketing," and every sensible farmer in Mississippi and in my neighboring State across the river of Louisiana can read English and they know what this means. You need not be bothered about being afraid that the farmer will think their Congressman has betrayed them if he votes for a bill to raise the price of their stuff, even if he has to put up a few dollars with his Government in order to do this. What does a man care about putting up $5 if he knows he will make $15 by the operation? There is no man in this House, as a business proposition, who would not gladly jump at that chance. I take it every man here at some time in his life has had business dealings in this Republic; and every day in the year the chief worry with the farmer is whether or not he will have enough money to feed and clothe his family and pay his taxes, give a few dollars to the church, and pay something to the doctor. That is the situation of the average small farmer in this Nation.

Everybody has been helped except the farmer, and when he comes here with a measure backed by all the farm organizations and backed by all the men who have been studying for the last 24 months some way to help the poor farmer out, some gentlemen get up here with all their statesmanship—and some of them could not win a case in a justice court [laughter]—and say "Unconstitutional." [Laughter.]

I believe when the Angel Gabriel puts one foot upon the sea and the other upon the land, there will be some wise statesman rise up out of his grave and shout "Unconstitutional." Why, that has been the hobby of the opponents to every measure that has been for the relief of the people during the past 75 years. It was talked against the farm loan bill. The Democrats were in power at that time, and I heard men in the caucus bellowing for hours, "Unconstitutional." When we had the great Federal reserve bank bill in that same caucus I heard "Unconstitutional." When we had it up on the floor of the House—both of these great measures that stand as monuments in this Republic for progress and prosperity—men on both sides of this aisle would get up and shout, "Unconstitutional," and whenever any measure is proposed in the interest of the people, as a last resort the word "unconstitutional" is invoked.

You need not worry about the constitutionality of this measure. Some have talked about the Supreme Court. Some men say they will not vote for it when they know the President will veto it, and some say they will not vote for it because the Supreme Court is going to declare it unconstitutional. I say that all of you should vote for it because it is right. Do not try to hide behind what the President will do. Do not try to hide behind the sanctity of the Supreme Court, because the President of the United States is going to sign this bill. All he is waiting for is for this Congress to send it to him, all the bluffs notwithstanding.

The Supreme Court of the United States has nothing in this simple verbiage to declare unconstitutional. They will not declare it unconstitutional simply because the bill makes the farmer come across with a few dollars to help raise the price of his labor to what it is worth. Where is there a constitutional lawyer who can decide that this verbiage is unconstitutional? Yet this attempt is made on this floor. It matters not what the pretense or the pretext is, the enemy of the people always finds one.

Then they shout, "Economically unsound." Why, economically unsound has got to be a bugaboo, they have used it so much. [Laughter and applause.]

Some of these people living around smokestacks, with nothing but wheels turning around, poor people working to earn their living in the sweat of their face, are against this bill because they are afraid it will raise the price of wheat a few cents or the price of cotton a few dimes, when there are thousands and thousands of people in this Republic who need more clothes, when over yonder in Asia and in Africa and in various parts of Europe there are people going half naked and people that are entirely naked. They could have cotton garments on them.

You could have cotton garments in China, with its 400,000,000 people, you could have cotton garments all over Japan, you could have cotton garments in Java and everywhere else, and you could have the flag of this Republic, with its commerce, carried to the uttermost quarters of this earth, and the American farmer would then receive a fair and just price for what he produces, whether it be wheat, corn, lard, cotton, or what not.

We have given union labor a fair price for its work, and I helped to do it. I want to say there has never been a time since I have been here in the last 14 years when I have failed to stand up like a man and vote for the poor classes of people. [Applause.] I have stood up for the laboring man, the man in the humble walks of life. He is the fellow who needs our help. It is not the man who is able to ride in a limousine and to wear diamonds as big as a biscuit in his shirt front. [Laughter.] It is the man who toils for his living.

The man who needs your help is in this bill, and he is justified in being there. Every farmer, I do not care whether his name is John Smith or Bill Jones, is in this bill. He votes in your district, and God help him to judge us right and say whether or not we have been true and loyal to him on this final test, after all the struggle of all these years, when he has come before the American Congress and has said: "Give me justice and that legislation which will help to feed and clothe my children and properly care for my wife."

So long as I live, as God is my judge, I shall stand up for the poor people of this Republic. [Applause.]

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. FORT. Mr. Chairman, I yield 10 minutes to the gentleman from South Carolina [Mr. STEVENSON].

Mr. STEVENSON. Mr. Chairman, it almost moved me to tears to hear the gentleman from Mississippi plead the cause of myself because I am a farmer—much more than he is. All I do outside of being a politician is to farm. I am here to tell you that I have been gratified to see this Congress doing something for the farmer, but I am afraid it is going to do something to him as far as the cotton people are concerned.

My friend from Mississippi referred a minute ago to the question of the farmer having enough money to buy fertilizer. I have just contracted for enough fertilizer—in fact, I have bought enough fertilizer to plant 200 acres of cotton. How much do you suppose it cost me? Twelve and a half dollars an acre. Nitrate of soda costs $52 at the port, and yet although it could be cut in two at one move if they would begin the development of nitrate down at Muscle Shoals—that has been before the gentleman's committee for four or five years and they have been as sterile as a hen on a nest of china eggs, and now say they are unable to report anything—if they would report to Congress and enable the work to begin they could cut the price of nitrate to $6.25 an acre and the farmer would be better able to pay for his fertilizer than he would out of the Treasury of the United States. [Applause.]

I am in favor of something being done for the farmer and especially the cotton farmer. I do not like the provisions now before us because they are discriminatory to the cotton people, absolutely unfair in many respects.

A resolution was read from the South Carolina Legislature this morning. I do not think you have got it. I am going to read what they say:

> That our United States Senators and Representatives in Congress be and they are hereby memorialized to use their influence for the prompt passage of such legislation as will provide for the creation of a Federal farm board, composed of farmers, which will put agriculture on a par with industry and can effectively control the marketing and surplus cost.

That is provided for in the Aswell and Crisp bills.

> And that the incorporation of an equalization fee in such legislation, with proper safeguards to prevent it from becoming excessive, would not be objectionable.

What does that mean? Look at the bill before you and see where there is anything that will tend to curb an excessive equalization fee. Where is the limit that would be put on the board that is responsible to nobody to keep them from levying a fee that would be excessive to the cotton producers of this country.

The gentleman referred to getting $250,000,000 out of the Treasury for the farmers. I am going to vote for a bill that will give us that, but he seems to be holding for $10 a bale tax to come out of the farmers' pockets in addition. There is where I and the gentleman from Mississippi change cars on this matter, absolutely. This is all an experiment, and everybody knows that it will be an experiment.

The experiment should be taken up by the Government at the Government expense. If it is determined that a reasonable equalization fee can be made workable, it will be time enough to impose an equalization fee. But merely as an experiment I am opposed to putting a fee on the production of this country, that is absolutely unlimited, and will inevitably be put upon every bale of cotton that is made. The wheat and the swine that do not get to the market will pay no equalization fee, and neither will the corn, but inevitably every bale of cotton produced will have it to pay once they impose it. I am opposed to that until we see by proper experiment whether it is practicable to market a surplus and prevent the periodic depression we have been having.

Suppose you raise the price of cotton in the United States 2 cents a pound, or $10 a bale. Suppose you do, what will happen? There has been produced abroad 9,000,000 bales of cotton per year for the last six years. Whenever you raise the price 2 cents a pound in America, if it is not raised in Europe, do not you know that cotton will come in and we will be paying a tax on cotton grown in this country for the benefit of the fellow in India, in Brazil, and in Egypt, and wherever they raise cotton?

Wheat has a protection against the importation, corn has a protection, swine has a protection; but the cotton man is to pay a tax and raise the price and immediately 9,000,000 bales of cotton is brought into this country. There is another thing that is unfair to the cotton man. You say in the bill that every other food product arising from any other commodity, except cotton, shall be embraced within the terms of the bill.

But food products arising from cotton are not to be embraced in it. You have rice in here. The food products arising from cottonseed oil amounted last year to 811,360 tons, and that was outside of the cottonseed meal which goes into cattle and makes a food product. You have provided that the cottonseed people shall have no benefit from this, although the cotton people are going to pay the heaviest tax of anybody. Suppose you put $5 a bale on cotton. With 18,000,000 bales that amounts to $90,000,000. How much of the surplus is the $250,000,000 going to take care of? Two and a half million bales of cotton are surplus, and you know it will not be a drop in the bucket. It takes $200,000,000 to buy it alone, outside of the expense of handling it. There is nothing in this measure for cotton, except trouble, and nothing in this for the cotton people except trouble, and a tax laid specifically on a product that to-day is selling at below the cost of production.

I can not be accused of being against the farmers. If I have good luck I shall make 150 bales of cotton this year. You step up and pick out of that $10 a bale, and it amounts to $1,500, which is three-fifths of what the fertilizer costs at the present excessive rates. I am interested in taking care of the farmer. My people are cotton people and my whole accumulation is invested in it. I believe in cotton, and I believe it will work itself out, but I do not believe it will work itself out by taxation. I have never yet gotten rich by being taxed, and if you know anybody who has, I would like to have his given name and like to get his recipe. The only hope I have about this whole proposition, because it seems certain that it will go through, is that it will go through with the Simmons amendment on it, which throws the whole thing into what is practically a primary election, and the farmers will have some say as to whether they will come in or not. What will happen then? Suppose the cotton farmer says no, that he will not go in, that he does not want to undertake to raise the price here by paying a tax, and then have it taken away from him by foreign cotton, and suppose the wheat and the corn folks come in and it does raise the price of their products to the extent of the tariff, and I do not think there is any question about that, what will happen?

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. ASWELL. Mr. Chairman, I yield the gentleman six minutes.

Mr. STEVENSON. We buy our corn and wheat and flour, and immediately, instead of the cotton people getting anything out of this, they are soaked for a higher price for everything that they buy. Then, suppose they say that they will raise those things, and if they do that, what will happen to you? You put that doctrine into effect all over the South, and the best market you have for your corn and wheat and flour and your livestock will be gone, and it will be gone for good, because once they learn to do that they will never revert to the other.

But I am not prepared to admit that it would be economically proper to do that, because there is a certain amount of cotton needed in the world. The amount is increasing, and those who can raise cotton more economically than they can raise other things ought to raise cotton, and the people who can raise wheat and hogs and corn more economically than they can raise anything else ought to raise those things, and the exchange between the different parts of this country should regulate the home market for everybody, so that everybody will have something made as far as can be at home. The gentleman from Mississippi [Mr. QUIN] had a good deal to say about voting for the farmer. I want him to join me and vote to give $250,000,000 for the proper orderly marketing of the farmers' products of this country, for an experiment, whereby we can work these things out at the expense of all the people, just as the tariff is borne by all the people and the other alleged subsidies are borne by all of the people. We are entitled to have the experiment paid for by the Government, and not levied as a special tax on the farmers of the country.

I favor the bill that is offered by the gentleman from Georgia [Mr. CRISP], and next to that I favor the bill offered by the gentleman from Louisiana [Mr. ASWELL], and I do not care whether my friend from Mississippi thinks it is funny that I should want to vote for some other bill than the Haugen bill or not. I am a farmer and he is a lawyer, and that is the difference between us.

You will notice another thing about this Haugen bill, as amended in the Senate, which the gentleman says he is going to take without the crossing of a "t" or the dotting of an "i." They have this provision in it:

Provided, That in any State where not as many as 50 per cent of the producers of the commodity are members of such cooperative associations or other organizations, an expression from the producers of the commodity shall be obtained through a State convention of such producers, to be called by the head of the department of agriculture of such State, under rules and regulations prescribed by him.

What is an expression? What is to be expressed?

Suppose we have not over 10 per cent of the cotton farmers in the cotton cooperatives, and the States of North and South Carolina, Alabama, and Georgia do not go in, and the States of Mississippi, Oklahoma, Texas, and Arkansas vote to go in, what is going to be the result? How is it going to be determined? That matter is as indefinite as the declaration of Don Quixote when he was starting out to war on windmills. That is about the size of it; and yet that is the only provision that is going to save the farmers in our country from getting hooked up in this.

I want to tell you something about this matter of hearing from the farmers. I represent a farming district. I have heard from one banker who favors it—he is not a banker, he is a trust man—and from one farmer who is in favor of it, and I have heard twice from a fellow in Mr. GASQUE's district who is very much in favor of it. He is a warehouse man, and he gave himself away this morning in a letter to me and other members of the delegation when he said if it is passed he wanted us to back him for a director in his district.

Now, that is what is the matter with Hannah in a whole lot of places. The farmers are not paying attention to this at all. One gentleman who ran against me made this question—and you do not see him here; I am back—and yet we have the cry that this comes from the farmers. When you put this into effect and you put the farmer up against the proposition they are paying anywhere from five to ten dollars a bale tax, somebody is going to hear from it. I say to the farmers, "Do not you want that; didn't you ask me to vote for it?" The reply will be "Who asked you to do what?" Gentlemen, you will hear from it; there is no use talking about it, I know them. There is another thing; either it is going to raise the price of cotton or it is not. Suppose it raises it here and not in Europe, as I say it would the 9,000,000 bales made abroad to come here, and if it does not, the manufacturers in my district are going to pay higher prices for cotton to be manufactured, and the surplus will be sold at a lower rate in Europe to manufacturers there, and we will be driven out of the foreign market on cotton goods. I want the $250,000,000 and machinery to try out our marketing, but can not vote for the cotton tax to get it. I support the Crisp bill, and if I can not get a vote on that, the Aswell bill. Both of these give the same appropriation and neither one imposes a tax on cotton, and in the language of Mr. QUIN, of Mississippi, he can not pay his fertilizer bill now, then how can he pay fertilizer bill and tax both?

The CHAIRMAN. The time of the gentleman has expired.

Mr. FORT. How much time is there remaining?

The CHAIRMAN. Answering the inquiry of the gentleman from New Jersey, 23 minutes remain. The gentleman from Iowa [Mr. HAUGEN] has 1, the gentleman from Louisiana [Mr. ASWELL] has consumed all of his time, the gentleman from Kansas [Mr. TINCHER] has 14 minutes, and the gentleman from Kentucky [Mr. KINCHELOE] has 8.

Mr. FORT. I yield nine minutes to the gentleman from Vermont [Mr. BRIGHAM]. [Applause.]

Mr. BRIGHAM. Mr. Chairman, a few days ago the gentleman from Iowa [Mr. DICKINSON] in a speech on the Haugen farm relief bill made the following statement:

The present sentiment in the New England States against farm legislation is largely due to the fact that in New England they buy dairy feeds and are therefore fearful of the increase in the cost of feeds in the dairy business.

Mr. Chairman, I believe the people of New England are opposed to the Haugen-bill type of relief first of all because they believe it economically unsound. Furthermore, they are opposed to Federal price fixing in time of peace—to the beginning of a policy which may lead to the establishment here in Washington of a gigantic bureau which under the authority of law will determine prices according to the preponderance of political pressure which may be brought to bear from time to time. There is opposition to this bill, I admit, and just opposition, in my opinion, for the very reason that the gentleman names, not only from New England but from other sections as well. The call for farm relief has been loudest and most persistent from the Middle West, and the Haugen bill is designed to relieve the producers of only five commodities—cotton, wheat, corn, rice, and swine. If the formula we adopt here to-day to meet conditions now existing brings relief to these producers by adding to the cost of production of other groups of producers through raising the cost of their purchased raw materials, then we have simply transferred distress from the Middle West to other areas, and we shall be called upon at the next session to relieve them.

It is a matter of common knowledge that the rapid settlement of the public domain in the Valley of the Mississippi and westward and the building of railroads to transport the produce of these rich new lands forced the farmers of the older States to readjust their type of agriculture and to change from grain growing to dairying. The eastern dairy and poultry industries were established upon the basis of purchasing western grain, and the producers of these commodities have ever since been the grain grower's best customers.

The gentleman from Iowa says that the enactment of the McNary-Haugen bill will have no tendency to increase the cost of feeds purchased by dairymen because, to quote his exact words:

The price of dairy feeds, according to all statistics, fluctuates with the price of dairy products and not with the price of grains.

I submit that the gentleman from Iowa is mistaken. I have taken some pains to ascertain from statistics available in the Department of Agriculture the relationship between the price of grains and the dairy feeds made from them. I have some charts here which will show in graphic form this relationship. Considering that feeders of dairy cows have a somewhat wide range of feeds from which to choose the materials for a ration, and that one feed may be substituted for another, I am surprised to find that the relationship is so close. For instance, linseed-oil meal fluctuates in price very nearly with the price of the flaxseed from which it is made. The price of bran over a series of years from 1914 to 1925 has fluctuated very closely with the price of wheat. Furthermore, the price of gluten feed manufactured from corn fluctuates quite closely over a series of years with the price of the corn from which it is made. The evidence points to the fact that every cent added to the price of wheat or corn will find ultimately its proportionate reflection in the price of dairy and poultry feeds.

I wish to point out also a very definite manner in which the Haugen bill will discriminate between different sections of the country in prices which result from its operation. Take, for instance, corn, which is purchased in somewhat large quantities by eastern dairymen and poultry men and is used as a raw material in their business.

Let us assume for purposes of illustration that the Haugen bill as now written had become a law in the spring of 1924. The corn crop of 1924 was in round numbers 2,309,000,000 bushels. The farm price in Iowa on December 1 was 93 cents per bushel. This seems to have been fairly satisfactory, and probably the Federal farm board set up in the act would not have operated in corn. In 1925 the corn crop, due to larger

acreage and larger yield, increased 600,000,000 bushels, and the December farm price in Iowa dropped to 56 cents per bushel, or 37 cents less than the price of 1924. Under these conditions the Federal farm board would probably have begun operations in corn. If a surplus of 600,000,000 bushels in 1925 over the crop of 1924 caused a drop of 37 cents a bushel in price, then it is fair to assume that restoration of the price would require the removal from the market of the 600,000,000-bushel surplus.

The Haugen bill places upon the Federal farm board the responsibility of assessing an equalization fee upon each marketed unit to be paid into a fund to carry the expense and losses incurred by the operation of removing the surplus from the market. Where and upon what units of the product is this tax to be levied? The Federal farm board may levy the equalization tax upon the "transportation, processing, or sale" of a unit of the commodity. I apprehend that the proponents of this bill do not intend that the equalization tax shall be levied at the farm upon each bushel of corn sold. I believe this measure would receive few votes if it were thought that an army of taxgatherers would be employed to assess this tax upon every farmer who sold a bushel of corn to his neighbor. It is probable that the Federal farm board would require the railroads to collect this equalization tax at the same time the freight is collected, and the tax would be assessed against only that part of the crop which is shipped by rail.

I am informed by the Bureau of Agricultural Economics that only 20 per cent of the corn crop of 1925 was shipped out of the county where grown. This means that only about 600,000,000 bushels of corn was shipped by rail through the regular channels of trade, or about the amount the board would have to remove from the market to create the price conditions of 1924. Then for every cent per bushel loss on the surplus corn removed from the market a cent of equalization tax would have to be levied upon each bushel of corn sold through the regular channels of trade.

What would be done with this surplus, no one has as yet made clear. We know that 600,000,000 bushels is more than twice the amount of corn imported by all the countries of the world taken together. It is apparent, then, that an enlarged export outlet could be obtained only at a veritable slaughter in price. If this 1925 surplus of 600,000,000 bushels had been held in storage, it would be there yet, and the 1926 crop would have added to it another surplus of 300,000,000 bushels over the crop of 1924, and the board would be carrying nearly 1,000,000,000 bushels of surplus corn.

How much, then, would the equalization tax on corn amount to? The gentleman from Iowa took the editor of the New England Homestead severely to task for saying that the Federal farm board may fix the tax at any amount, and yet that is just what this bill gives the board power to do. Is it not fair to assume that the loss incurred in disposing of surplus might very easily amount to the difference in prices between the crops of 1924 and 1925, or 37 cents per bushel?

Then let us contrast the relative position of the livestock feeder, the dairyman, and the poultry raiser in the Corn Belt, where a surplus of corn is available at his very door, with the position of the producer of these commodities who is located at a distance. The producer in the Corn Belt can buy all the corn he needs from his neighbors at the farm price without equalization tax. The producer located at a distance must buy corn which is shipped by rail and must therefore pay the Corn Belt farm price, freight, equalization tax, and handling charges. The freight charges on corn to New England points is 27 cents per bushel. The equalization tax, as I have shown, in its limited application may be as much as 37 cents per bushel. The New England dairyman will likely find himself paying $20 per ton more for his feeding corn than the farmer of the Corn Belt.

If you place the distant livestock producer in this position, what have you done from the national point of view to relieve agricultural distress? You have only transferred distress from one area to another. Furthermore, considering the frequent objections we hear on this floor to burdensome freight rates, should we give a Federal farm board authority to order the railroad to collect with the freight bill a Federal tax which may be even a greater burden than the freight itself?

The gentleman from Iowa further issued a warning to eastern dairymen that they had better permit an increase in the cost of grains rather than to be compelled in the future to face the competition of the Mid Western States in the dairy business.

I would say in reply to the gentleman from Iowa that I can imagine no act of Congress better calculated to assist the Mid Western States to compete with eastern dairymen than this legislation we are now considering, and for the reasons I have just enumerated.

There is a reason, however, why the eastern dairyman is not afraid of western competition, and that is the reluctance of the western farmer to go into dairy farming. I find that reason well expressed in an editorial in Wallace's Farmer, one of the leading Corn Belt farm papers, and, by the way, one of the Haugen bill's staunchest supporters. This editorial is entitled, "Is dairying a type of peasant farming?" It speaks of the propaganda then put forth in behalf of dairy farming, and says:

> There is great danger in this sudden hue and cry after dairying. Dairying is a highly specialized type of farming and, in our opinion, the average farmer in the Corn Belt receives smaller pay per hour for the time he spends on his milk cows than for the time which he spends taking care of his crops or his hogs.

The editorial says further that—

> The dairy herd must be milked regularly twice a day 365 days a year. The man who embarks on dairying, puts up a silo, and installs the modern stanchions and other equipment which are necessary if efficient dairying is to be done, has committed himself to staying exceedingly close at home day after day for at least several years. If he is to get more than 20 cents an hour for the labor which he puts on his cows he must make plans 10 or 15 years ahead in the matter of building up his herd by the use of good sires.
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> * * * * * * *
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> Dairying is the closest approach to peasant farming which we have at the present time in the Corn Belt. It involves long hours of hard labor at a low wage, and that is the essence of peasant farming.

I, Mr. Chairman, come from a district where dairying is not considered a type of peasant farming and we are unwilling it should be made so. It is our principal farm industry and has been for half a century. Being engaged in that business myself, I know the confining hours, early and late, which must be put in by the dairyman. I do agree that Wallace's Farmer is right in warning farmers who are looking for short hours, for days off, and for long vacation periods between crop seasons not to go into that occupation.

But, Mr. Chairman, if our eastern dairy farmers are enduring their burdens patiently and by working these long hours and by the practicing of thrift and economy are paying for their homes, making a living for their families, and becoming people of substance in the communities in which they live, is it justice for the Government of the United States to interfere and take away that which they have earned by imposing a tax upon the raw material they must buy?

Any sound measure for the relief of agriculture will apply to all crops and all products alike and not to a few. [Applause.]

MESSAGE FROM THE SENATE

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate announced that the Senate further insists upon its amendments Nos. 8, 9, and 10 to the bill H. R. 16462, entitled "An act making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1927, and prior fiscal years, and to provide urgent supplemental appropriations for the fiscal year ending June 30, 1927, and for other purposes," disagreed to by the House of Representatives, and asks a further conference with the House of Representatives on the disagreeing votes of the two Houses thereon, and had appointed as conferees on the part of the Senate Mr. WARREN, Mr. CURTIS, and Mr. OVERMAN.

The message also announced that the Senate had passed without amendments House bills of the following titles:

H. R. 1231. An act for the relief of Mary Moore; and

H. R. 3432. An act for the relief of Joel C. Clore.

The message also announced that the Senate insists upon its amendment to the bill H. R. 3436, entitled "An act for the relief of certain officers and former officers of the Army of the United States, and for other purposes," disagreed to by the House of Representatives, and agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed as conferees on the part of the Senate Mr. MEANS, Mr. CAPPER, and Mr. TRAMMELL.

The message also announced that the Senate insists upon its amendments to the bill H. R. 16863, entitled "An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1928, and for other purposes," disagreed to by the House of Representatives, and agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed as conferees on the part of the Senate Mr. WARREN, Mr. SMOOT, Mr. CURTIS, Mr. HARRIS, and Mr. JONES of New Mexico.

M'NARY-HAUGEN FARM RELIEF BILL

The committee resumed its session.

Mr. KINCHELOE. Mr. Chairman, I yield the remainder of my time, 8 minutes, to the gentleman from Oklahoma [Mr. HASTINGS]. [Applause.]

Mr. HASTINGS. Mr. Chairman, the first question involved is whether or not there is a real farm problem to be met and solved. No one has disputed this in the debate. The only question is as to the remedy.

We have been considering farm legislation for the past three or four years. Because of differences among us no legislation has been enacted. The movement has been nation-wide to press upon Congress the importance of beneficial legislation. Innumerable persons, the heads of farm organizations, business men, bankers, and others interested, have met in their respective communities and have carefully studied all plans submitted, and their representatives who have appeared before the Committee on Agriculture have almost with one accord urged the passage of the so-called McNary-Haugen bill.

We debated a similar bill at length during the last session of Congress. I called attention then in great detail to the depressed condition of the farmer. His condition grows worse instead of better. The farmers and business men of the country are anxiously looking to Congress for some beneficial legislation.

Nearly every farmer in my district with whom I talked while at home asked me: What are you going to do for the farmer? He knows I am in sympathy with him and he has confidence that I will give this subject the very best thought of which I am capable, and that I will do what I can to secure beneficial legislation.

DEPRESSED CONDITION OF FARMERS A NATIONAL PROBLEM

There are 6,500,000 farmers in the United States and approximately one-third of the population of the country, or between thirty-five and forty million people, live upon farms. Everyone, either directly or indirectly, is more or less affected by the conditions in the farming industry. Surely, the matter is of such pressing importance that this Congress should not adjourn without the enactment of some legislation for their benefit.

Pass this bill and you add to the prosperity of the entire citizenship of the Nation. The prosperous farmer buys more of the goods manufactured in the East, furnishes more products for transportation, spends more improving his farm, employs more labor, has money in the bank, spends more money with local merchants, more generously supports schools and churches, and is better able to clothe, educate, and maintain his family. The proceeds of his products marketed go into the channels of trade, and the result is beneficial to all.

We all appreciate that this legislation is new; that it will require amending from time to time as its administration may disclose defects, but that there is a pressing demand for legislation of this character surely can not be disputed. Even the gentleman from New Jersey [Mr. FORT] admits that there is a real farm problem and, in fact, everyone who has spoken upon the bill admits that the farmer is in a precarious condition. The question has been as to the remedy.

OUR DIFFERENCES ARE AS TO THE REMEDY

Those from the East urge that it will raise the price of foodstuffs to the consumer and for that reason oppose the legislation. Others urge that because of beneficial legislation in the form of the tariff, manufactured articles are entirely too high and that the tariff should be lowered. I am in sympathy with this argument, but every Member of the House knows that we can not reform the tariff during the present administration.

It is urged that freight rates are too high. I did not vote for the Esch-Cummins railroad bill and made a speech against it. I predicted then that freight rates would be increased. I would be glad now to support legislation to lower them. Everyone appreciates, however, that this can not be done during the present session and during the present administration.

It is argued that the farmers should diversify their crops. With this I agree in so far as they can and conditions will permit. Every farmer, landowner, and tenant should raise what his family eats and should raise feed for his livestock. However, climate, character of soil, and financial and marketing conditions interfere with this if they do not prevent satisfactory diversification. To illustrate, you can not raise cotton in the Northern States. Wheat must be sown in a limestone soil. The financial condition of many farmers requires that they raise cash crops which may be readily sold, because they do not have the money to buy stock to which to feed corn and other farm products.

It is insisted that the acreage of the farmers should be reduced as to certain commodities. If this bill is enacted its educational value to the farmers will be very great. All will receive the benefits of the bill. They will be advised through the cooperatives and other governmental agencies familiar with conditions and warned in advance of the large surplus of any commodity that will be carried over. This will result in decreased acreage the following year. However, decreased acreage does not always determine the amount of a commodity produced. Because of adverse weather conditions and other factors beyond the control of the farmers there is a great variation in the amount of any commodity produced. In 1920 the average yield of corn was 31.5 bushels per acre, and in 1924, 22.9 bushels. In 1921 the average yield of cotton was 124.5 pounds per acre, and in 1924 it was 156.8. This acreage variation in yield is true of all crops, and the variation in price is equally as great. This bill has for one of its purposes the stabilization of prices in farm products so that the fluctuations may not be so great.

When no other excuse can be summoned the two very convenient and always ready arguments are advanced: (1) That the bill is "economically unsound," and this we have attempted to disprove, and (2) that the bill is "unconstitutional." Of course I would not knowingly vote for an unconstitutional bill. The report of the committee anticipates this objection and defends its constitutionality. I prefer to follow the judgment of the committee that has closely studied the question than the enemies of all farm legislation.

Are we, then, to do nothing? Are we to adjourn and pass no legislation of benefit and leave the farmers in their present financially depressed condition?

LOSSES OF FARMERS (1920–1925) STAGGERING

At the last session of Congress, during the consideration of a similar bill, I assembled some arguments emphasizing the need of farm legislation, which conclusively showed that there was and is a real farm problem to be met.

During the five years from 1919 to 1925 the exchange value of farm products has shrunk $13,000,000,000. The shrinkage of farm lands has been from $54,800,000,000 to $37,800,000,000, or $17,000,000,000.

According to a report of the Secretary of Agriculture the exchange value of farm products for manufactured products in 1925 was 60.3 cents. In other words, the farmer loses in exchange value on every dollar 39.7 cents. No individual, company, or firm engaged in business can survive that contributes 39.7 cents out of every dollar to other industries.

Let us examine the average income of the farmer. It is given in the report at approximately $730 per year, and this includes the labor of the farmer's wife and all other members of his family.

The average income of industrial and clerical workers is almost double this, or $1,415 per year.

It must also be remembered that industrial and clerical workers are comfortably housed and are not affected by the hazards of the seasons, work eight hours per day, and this does not include the labor of the wife and other members of the family.

From the $730 annual income of the farmer $630 is deducted for living expenses, leaving the farmer for clothing, education of his children, recreation, and other expenses the sum of only $100.

CATTLEMEN LOST $2,360,000,000 AND ALL WENT BROKE

Let us be a little more specific: The hog producers of the country during the five years from 1919 to 1925 lost $2,680,000,000. The cattlemen during the same period lost $2,360,000,000, and every single one of them, without exception, who did business on borrowed capital, went broke. The loss to the corn producers was over $1,000,000,000. The wheat farmers lost $1,150,000,000. Cotton is now being sold below the cost of production. When we were debating this bill at the last session cotton was worth 18 cents per pound, and that was estimated by economists in the House to be the cost of production. Congress adjourned without enacting any legislation, and cotton fell during the recess to between 11 and 12 cents. The prospect of passing this bill has advanced the price of cotton slightly. In other words, cotton fell 7 cents per pound to the producers. They lost $35 per bale below the cost of production. Surely we are not going to remain here during the last days of this session without enacting some legislation to help the deplorable condition of the farmers.

The Department of Agriculture estimates the total crop value of the 55 principal crops for the year 1926 at $7,801,313,000, or a decrease of $1,148,000,000, as compared with their 1925 value. Surely the decline can not long continue. It has reached the

bottom. The farmers and small business men throughout the Middle West will not stand for it.

LEGISLATION FOR OTHER CLASSES ENACTED

We have enacted beneficial legislation for practically all other classes, both at home and abroad. The tariff raises the cost of manufactured products to the consumers and requires them to pay tribute on account of this privileged legislation. The farmer loses in the exchange value of the products of the farm 39.7 cents out of every dollar. Surely no person can successfully defend this special-privilege legislation.

It enabled the Steel Corporation to declare a 40 per cent stock dividend, and in addition the regular quarterly dividend, and in addition placed a large amount—$500,000,000—to their surplus. The consumers of the country, including the farmers, out of this 39.7 cents out of every dollar, contributed to this dividend. Surely no one can defend it and I believe everyone will agree that the steel industry needs no special tariff protection.

I only use this as one illustration. Many other industries are making enormous profits at the expense of the consumers and are paying large dividends. The statistics show that the average farm dividend is 2 per cent or under. The farmers of the country have been reduced to industrial slavery. They have mortgages upon their farms to the amount of $12,250,000,000, and they are besieging Congress for some relief.

We enacted legislation for the benefit of the railroads. The Interstate Commerce Commission has placed the rates on transportation so high that the railroads, during the past year, showed the greatest net receipts in a quarter of a century. Now, mind you, I am not opposed to capital. I believe that all capital legitimately invested should be protected and should bring fair returns, but I am opposed to special-privilege legislation which enables, for instance, the Steel Corporation to declare a dividend of 40 per cent in stock, in addition to the regular quarterly dividends, and to place a large amount to surplus, and at the same time the farmers have lost during the past five years, through shrinkage in the value of farm products and farm lands, $30,000,000,000 and secured only 2 per cent on their investment, particularly when I keep in mind that the farmer, his wife, and children work on an average from 12 to 14 hours per day and are subjected to all the hazards of the seasons—the rain, snow, drought, and various pests, such as the boll weevil, which destroy the fruits of his labor.

We used a comparatively small amount of money in maintaining the price of wheat during the war, lost no money, but made a profit. This bill can be administered in such a way as to reduce the commission or equalization fee to a minimum and perhaps eliminate it altogether. The farm population is decreasing at a rate estimated at more than 500,000 annually. Improvements on the farms are deteriorating. Many farms have been and are now being abandoned. Large numbers are untilled. Mortgages are being foreclosed in surprisingly large numbers. Taxes are unpaid and become a lien against the farms, with heavy penalties. Everyone who represents the farmers of the Middle West knows that this picture is not overdrawn. Conditions generally are not improving. Shall we not attempt to afford some measure of relief before we adjourn?

TARIFF ARGUMENT A SUBTERFUGE

Every subterfuge is attempted to be found. In 1921 the emergency tariff bill was enacted. Instead of the price of farm products going up they went down. Everyone knows that where we raise an exportable surplus that a tariff can be of no benefit on agricultural products. Take cotton for example: We export approximately 60 per cent of our cotton. We are not only attempting to find a domestic but a foreign market. A tariff of $1 per pound on cotton would be of no benefit to the cotton producers of the country. What is true of cotton is true of other agricultural products, where we raise an exportable surplus. I can not, therefore, knowing the farm problem as I do, help but take a sympathetic view of the condition of the farmers. I think I know these conditions. I was raised on a farm. I own farm lands. Every person in my district is either directly or indirectly dependent upon the farmer. They all sympathize with him. They do not believe he gets a square deal from our National Government. I share this belief.

Just one more illustration: Take labor, for instance. Through laws we have restricted immigration and I voted for that. In 1907, 1,207,000 immigrants came to this country. Under existing law approximately 150,000 may now come each year. They should not be permitted to come any faster than they can be assimilated into the citizenship of our country and compete with labor in this country.

Other illustrations might be multiplied: We gave large land grants to railroads which built their lines across the continent some 60 years ago. We have appropriated vast sums, estimated at $2,150,000,000, for the merchant marine. We remitted to foreign governments on their war loans $10,705,000,000—which I voted against—because it was argued they were unable to pay.

When we insist that the Government should supply a revolving fund to assist the farmers through storage and orderly marketing to secure a fair price for their products, it is called a subsidy.

BANK FAILURES DUE TO FARM CONDITIONS

During the years 1920–1926, inclusive, there were 421 national bank failures and 2,647 State bank failures in this country, or a total of 3,068 banks, with liabilities of $990,161,000. These banks were practically all located in the agricultural sections of the country. What few banks failed in other sections failed on account of local causes. The reason for these failures was given as frozen assets or inability to collect, very largely, the notes due on account of farm loans. This indicates why the Oklahoma State Bankers' Association is urging farm legislation and that every industry, large and small, throughout the farming sections dependent upon farming are interested in having Congress take favorable action on farm legislation.

This is not a partisan question and should not be viewed from a partisan standpoint. We must answer to our constituents for the record which we make here.

If the eligible voters of the Nation would constantly keep in mind their own best interests and not be diverted to questions of lesser importance, and would go to the polls and vote, they would have a more potential voice in the affairs of the country. The farmers are not organized, too frequently vote their prejudices, and many neglect to go to the polls. Only about 51 per cent exercised the right of franchise in 1924. The big interests are organized, active, and alert, and get their full strength to the polls on election day.

BILL INDORSED BY COTTON GROWERS AND FARM ORGANIZATIONS

The Oklahoma Cotton Growers' Association has studied the principles of the McNary-Haugen bill and have indorsed it, as the following telegram indicates:

OKLAHOMA CITY, *February 14, 1927.*

Hon. WM. W. HASTINGS,
Washington, D. C.:

The 57,000 members of the Oklahoma Cotton Growers' Association, together with other farm organizations in Oklahoma, are praying for relief in their present distressed condition on account of the effect of the present surplus cotton. We believe McNary-Haugen bill will relieve situation to a great extent and ask you to do everything in your power to bring about the passage of the McNary-Haugen bill as amended by the Senate last week.

SAM L. MORLEY,
General Manager Oklahoma Cotton Growers' Association.

The State Bankers' Association, in convention last year, studied the bill and indorsed it. I know of no farm organization that has studied this bill that has not given it approval.

The report on the McNary-Haugen bill shows that practically every nation-wide farm organization in the country has indorsed the bill. This is an indorsement after some two or three years' mature study. It is not fair, therefore, to say that the principles of the bill have not been carefully analyzed and then indorsed by practically all of the farm organizations of the country. When a member of your family falls sick a physician is sent for who diagnoses the case and prescribes a remedy. When you are confronted with litigation an experienced lawyer is called upon, the facts in the case are submitted to him for advice and assistance. Now, if I had any doubt as to the remedy for the agricultural depression I would resolve that doubt in favor of the judgment of the nation-wide farm organizations.

I would not be prepared to set up my individual judgment, if doubtful about the remedy, as against the combined judgment of the very best thought of the Nation upon this subject. Fortunately for me, my judgment is in harmony with theirs, and I am therefore favoring this legislation because, after the most careful study I could give to it, I am convinced that it is the best legislation that has been presented and that it will prove effective. I do not mean that it may not need some amendments. We have never passed any very important legislation that defects in the administration of it have not been pointed out and perfected by amendments at subsequent sessions of Congress. There are certain amendments to this bill that I would like to see incorporated, but I am only one of 435 Members of Congress, and not being a member of the Committee on Agriculture, I will not be able to get them adopted, and in view of our substituting the Senate bill, and the short time before adjournment of this session, I think the House should pass this bill as it passed the Senate without

amendment, so that it will not have to go to conference, and whatever defects, if any are found to exist in the bill, can be perfected at the next session. It is much easier to amend a bill than to pass a new one. I remember well in 1913 that practically every national bank in the country was against the Federal reserve law. Over 13 years have elapsed. It saved the Nation from financial panics. Now everyone commends it. It is true that it has been amended from time to time, as defects appeared in its administration. That will be true as to this legislation. I am therefore going to vote for the McNary-Haugen bill. I am going to vote against the Crisp substitute and I am going to vote against a motion to recommit, if one is made to substitute the Aswell bill for this bill.

Among the amendments I would like to see added to the bill are:

First. I would increase the revolving fund to $500,000,000, not that I think it would be needed but for the psychological effect that the enlarged financial ability to render needed assistance would have.

Second. I would allocate a definite amount to each commodity as a guaranty against any fear of sectional favoritism.

Third. I would defer the collection of the equalization fee for one or two years and permit the Government to absorb the loss out of the revolving fund, if any, until the people became familiar with the details of administration.

M'NARY-HAUGEN BILL REVIEWED

Now, let me briefly review the provisions of these three measures.

In the first place permit me to compliment the Committee on Agriculture, and, in fact, the authors of all three of the bills, by saying that none of them contain any technical provisions that can not be easily understood by the average person. Anyone can take the McNary-Haugen bill and read it and understand it. The report submitted in behalf of this bill has been very carefully prepared and is one of the best reports to Congress I have ever read. It contains much explanation and information and, I might say, justification. The report, to my mind, completely defends this bill.

Now, what does the bill do and what are the differences between the three bills submitted to Congress?

In the first place section 1 of the McNary-Haugen bill contains the following declaration of policy and the language can not be improved upon:

SECTION 1. It is hereby declared to be the policy of Congress to promote the orderly marketing of basic agricultural commodities in interstate and foreign commerce and to that end to provide for the control and disposition of surpluses of such commodities, to enable producers of such commodities to stabilize their markets against undue and excessive fluctuations, to preserve advantageous domestic markets for such commodities, to minimize speculation and waste in marketing such commodities, and to encourage the organization of producers of such commodities into cooperative marketing associations.

It provides for a Federal farm board of 12 members, one from each of the 12 Federal land bank districts, to be selected from a list of three names recommended by a nominating committee, composed of five persons, four of whom are to be selected by farmers or farm organizations, the fifth to be selected by the Secretary of Agriculture. This should insure the selection of men in sympathy with the farmers and interested in the success of the bill.

An advisory committee of seven members for each commodity is to be selected to confer and advise with the members of the board. The basic commodities included in the bill are corn, cotton, wheat, rice, swine, and tobacco. The bill is not to go into effect as to any agricultural commodity until and unless members of the board representing the farm land bank districts which in the aggregate produced during the preceding crop year 50 per cent of such commodity shall vote in favor of it, and this can not be done unless both the advisory committee representing the commodity and the board further finds that the farm organizations representing the producers of the commodity favor the full cooperation of the board. In other words, it is voluntary with the producers of any commodity as to whether they will accept the terms of the bill and have an operating period declared, and having accepted the terms of the bill they can terminate the operating period with respect to any commodity at their own pleasure and in the same way. If the farmers find that the bill is not effective, in the first place they do not have to accept its benefits, and if after having come under the provisions of the bill they wish to do so they can voluntarily withdraw themselves.

The bill provides for a revolving fund of $250,000,000 and authorizes an appropriation of $500,000 for the expense of administration.

Section 9 of the bill provides for an equalization fee to be estimated by the board to cover the probable advances, losses, costs, and charges, to be collected upon each unit of the agricultural commodity coming within the operation of the law. This fee is to be paid under rules and regulations of the board, as provided for in the bill.

This is the provision of the bill against which most of the criticism is leveled and which I will refer to again in a moment.

The board must find, to illustrate with cotton, that there is a surplus above the requirements for orderly marketing, and with respect to other basic commodities that there is a surplus either above domestic requirements or a surplus above the requirements for orderly marketing.

Now, let us see how this bill will work, using cotton as an illustration: The board would be compelled to find during the present year that the 18,600,000 bales constituted a surplus above the requirements for the orderly marketing of cotton, and if the advisory board and the representatives of the farm organization favor the declaration of an operating period as to cotton, and the board from the farm land bank districts which produced 50 per cent or more cotton, vote in favor of declaring an operating period with respect to cotton, they shall so declare or issue a proclamation to that effect.

During the operating period the board is directed to assist in removing, withholding, or disposing of the surplus of cotton with cooperative associations engaged in handling it, or by entering into agreements with the group or association created by one or more of such cooperative associations or other agencies provided for in the bill, and the expense of storing and holding the cotton would be paid from a stabilization fund created out of the $250,000,000 revolving fund, replenished by the equalization fee which is paid upon each bale of cotton produced and sold.

In the event the revolving fund is exhausted this equalization fee augments the amount in the stabilization fund. This is one of the principal differences between the McNary-Haugen bill and the other two bills.

EQUALIZATION FEE IS A COMMISSION FOR SERVICE RENDERED

Before we get frightened let us examine a little more closely the so-called equalization fee. There is perhaps not a cattle or hog man in the country who, when he ships a carload of hogs or cattle to market, but ships them through a commission firm and pays to this firm a commission, or charge, or you might call it an equalization fee. The equalization fee is the commission which the producers pay on each unit of the agricultural commodity which comes within the provisions of the bill to cover his pro rata share of the cost and charges and estimated losses or advances. He is doing just what the hog and cattle men do when they ship to market. He is paying a commission or equalization fee.

When the Federal reserve bank system was created every member bank was compelled to contribute its ratable share by subscribing for a certain amount of stock and by depositing a per cent of its deposits, without interest, in order to create a financial reservoir or insurance fund which could be used by the Federal reserve banks to come to the assistance of member banks through loans or rediscounts. The same principle is involved in this bill. Each pays a commission or equalization fee in proportion to the benefit received. No more and no less. The same principle is involved in the farm land bank system. Each borrower is required to subscribe for a certain amount of the stock and must pay in addition to the rate of interest an amount sufficient to cover the cost of administration. You might call this a commission or equalization fee.

If this bill will enable the farmers to get more for their products through the payment of a commission, or equalization fee, as one interested in farming it would be good business for me to pay it.

CRISP AND ASWELL BILLS COMPARED—NOT ADEQUATE

The Crisp bill creates a board of 12 members in the Department of Agriculture, not in sympathy with the provisions of the bill, selected not upon the advice of a nominating committee, but with an advisory council. When the board, hedged about with many limitations (sec. 7) determines that an emergency exists it may require cooperative associations to form a corporation and advance the money out of the revolving fund to make purchases of any commodity under certain conditions (sec. 10) to assist cooperatives in the orderly marketing of any commodity, and it may advance money to the cooperatives to provide storage facilities (sec. 14).

The Aswell bill creates a board of 12 nominated by the President and confirmed by the Senate, selected not upon the advice of a nominating committee, and this board is authorized to create a corporation with six directors and subscribe for all of its stock.

Both of these bills authorize an appropriation of $250,000,000 as a revolving fund. Neither provides for the payment of any losses. Both, under certain conditions and in a very limited way, are meant to assist the farmers in the orderly marketing of their products under certain limitations or conditions.

Now, what are the differences in the three bills? As I analyze them they are threefold:

The McNary-Haugen bill will be administered by the advice of the farmers in sympathy with the bill and interested in making it a success.

Second. The equalization fee contributes to and keeps replenished the stabilization fund and insures its permanency.

Third. And to my mind this is the controlling factor, it concentrates and gives the bargaining power as respects any commodity to the cooperatives or agencies recognized by the board with whom agreements are made.

Let me illustrate this with cotton: Assuming that under the conditions of the bill the operating period on cotton has been declared by the board. When representatives of spinners from the eastern mills or foreign governments come to buy cotton they must bargain not with the helpless and financially distressed farmers, who must sell to meet their pressing obligations, but with the agencies recognized by the board, and cotton will not then be forced upon a ruined and depressed market, but stored and orderly marketed by experienced men who know conditions and who will exact a fair price. Suppose you had the bargaining power of all of any commodity and a financial reservoir created out of a revolving fund of $250,000,000, would you not be able to secure a fair price?

The McNary-Haugen bill insures the benefits of the bill to all producers, whether they belong to cooperatives or not. They pay their proportionate share and secure proportionate benefits. There is no way to bring all the producers of any commodity under the terms of the Crisp or Aswell bills. These measures will reach only a small percentage of the producers of any commodity. As a result the agencies created will not have the full bargaining power of the commodity. That is the reason cooperatives now fail. Only about 7 per cent of the farmers belong to cooperatives. They can not control the bargaining power of the commodity. A few—about 7 per cent—must attempt to finance for all. They can not control and store and withhold for orderly marketing enough of any commodity to insure a fair price to the producers. Seven per cent of them can not carry the load. Farmers are scattered across the continent. There are six and one-half millions of them. They can not be organized. Of the 197,000 farmers in Oklahoma, 115,000 are tenant farmers. Many live in sparsely settled communities. Their necessities force them to market their crops in order to meet their obligations to business men and banks. The steel men and manufacturers are comparatively few. They can and do organize. They can withhold their products from the markets. They are financially able to do this. This bill concentrates the bargaining power for the producers of farm products.

The bankers of the country met at Memphis, Tenn., during the past season and tried to finance the cotton producers of the South. It was not a success for two reasons: First, they were unable to finance it, and, second, they could not secure concerted action so as to insure the full bargaining power.

You ask, Will this bill raise the price of farm products to the consumers? That depends upon its administration. Suppose the middlemen are eliminated and the spread between the producers and consumers is saved to the producers. They would receive a substantial benefit even if the price of their commodity is not advanced to the consumers. But will anyone argue that the spinners of cotton or consumers of food products should not pay the cost of production plus a reasonable profit to the producers that resulted through concentration of bargaining power, storage, and orderly marketing, even if they had to pay a higher price? Are the farmers to be compelled, for want of assistance, to sell their products at ruinous prices? I know that the farmers can not survive under present conditions. I am willing to contribute my ratable share, whether it is called a commission or an equalization fee, if it will result in a better and a fair price for farm products and again restore confidence of all of the people in the justice and fairness of our Government and bring happiness, contentment, and prosperity to the farmers and business men throughout the country. [Applause.]

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. TINCHER. Mr. Chairman, I yield one minute to the gentleman from Illinois [Mr. CHINDBLOM].

Mr. CHINDBLOM. Mr. Chairman, I am informed that the Committee on Agriculture had no hearings on this bill. I am also advised that no estimate was obtained from any source as to the cost of administration. I therefore addressed a letter to the Secretary of the Treasury, asking his views on the administrative features and the probable cost of administration, and I have a reply from the Secretary of the Treasury. I ask unanimous consent to extend my remarks so as to include my letter and the reply thereto from Secretary Mellon.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

The letter and inclosure referred to are as follows:

FEBRUARY 9, 1927.

Hon. ANDREW MELLON,
Secretary of the Treasury, Washington, D. C.

DEAR MR. SECRETARY: If agreeable to you, I would like to have your views on the administrative features, including cost of administration, involved in the execution of the provisions of House bill 15474, a bill proposed "to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities." The Treasury Department will have much to do with the administration of the provisions of this bill, including, as I understand it, the collection of the equalization fee.

Very truly yours,

CARL R. CHINDBLOM.

THE SECRETARY OF THE TREASURY,
Washington, February 11, 1927.

Hon. CARL R. CHINDBLOM,
Committee on Ways and Means,
House of Representatives, Washington, D. C.

MY DEAR MR. CHINDBLOM: I have your letter of February 9 requesting my views on the administrative features of House bill 15474, more particularly with reference to the cost of administration of the provisions of the bill. In compliance with your request I have asked the Bureau of Internal Revenue to prepare a memorandum as to the administrative costs of collecting the equalization fee, which, in many respects as to administration, is similar to our excise taxes. I inclose herewith a copy of the estimate prepared by the Bureau of Internal Revenue.

Sincerely yours,

A. W. MELLON,
Secretary of the Treasury.

TREASURY DEPARTMENT,
OFFICE OF COMMISSIONER OF INTERNAL REVENUE,
Washington, February 11, 1927.

Memorandum on the cost of administration of House bill 15474.

You have asked for comment as to the administrative features involved in complying with the provisions of H. R. 15474, a bill proposed "to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities." You also asked for an estimate of the cost of administration.

The two major factors involved in the administration of the proposed legislation are:

A. Administrative organization and expense thereof.

B. Collection of equalization fee.

ADMINISTRATIVE ORGANIZATION AND EXPENSE THEREOF

The following statement indicates the organization and the estimated annual cost of maintenance thereof.

Federal farm board

PERSONNEL

Board members, salaries $10,000 each	$120,000
1 secretary (average salary, grade C. A. F. 12)	5,800
1 chief clerk (average salary, grade C. A. F. 11)	4,400
Experts, 5 at average salary of $5,800 (one for each basic commodity)	29,000
12 secretaries to members, $2,100 each	25,200
1 chief statistician	5,800
1 assistant statistician	4,400
5 grade 10 employees, $3,600 each, average	18,000
10 stenographers, C. A. F. 2, average salary $1,500	15,000
5 file clerks, average $1,500 each, grade 2	7,500
10 typists, average $1,320 each, grade 1	13,200
10 clerks, average $1,680, grade 3	16,800
5 clerks, average $1,500 each, grade 2	7,500
5 messengers at $1,140 each	5,700
100 field investigators, at $2,100 average salary, to be assigned to auditing and investigating accounts covering equalization fees	210,000

TRAVEL AND SUBSISTENCE

Board members, $600 per member	7,200
Experts, 5 at $1,000 each	5,000
Secretaries, 12 at $600 each	7,200
Field investigators, average $1,800 each	180,000

MISCELLANEOUS EXPENSES

Rent, 20,000 square feet, at $2 per square foot	40,000
Mechanical equipment	3,600
Furniture	11,800
Stationery and periodicals	3,000
Total	746,100

NOMINATING COMMITTEE

Salaries, 60 members at $20 a day for 5 days	$6,000
Travel and subsistence (average subsistence $10 per day for 11 days, transportation average $100 per member)	12,600
Total	18,600

ADVISORY COUNCIL

Salaries, 35 members, $20 per day for 20 days per year	14,000
Secretary to each of 5 councils, $16.11 a day for 25 days	2,013
Travel and subsistence (25 days at $7 a day for each of the 35 members; transportation, $100 a man for 2 trips each year)	9,625
Total	25,638
Grand total	790,338

COLLECTION OF EQUALIZATION FEE

The first important factor to be considered in this connection is the method to insure the filing of correct returns and the collection from various designated agencies of the equalization fee for each unit of basic commodity on which such fee is levied.

The bill provides that the equalization fee may be collected under such regulations as the board may prescribe during operations in a basic agricultural commodity and that the fee shall be paid upon any of the following: The transportation, processing, or sale of such unit. It also provides that no more than one equalization fee shall be collected in respect to any unit. The board shall determine in the case of any class of transactions in the commodity whether the equalization fee shall be upon transportation, processing, or sale. The board may require any person engaged in the transportation, processing, or acquisition by sale of a basic commodity:

(1) To file returns under oath and to report, in respect of his transportation, processing, or acquisition of such commodity, the amount of equalization fees payable thereon and such other facts as may be necessary for their payment or collection.

(2) To collect the equalization fee as directed by the board and to account therefor.

(3) In the case of cotton to issue to the producer a serial receipt for the commodity which shall be evidence of the participating interest of the producer in the equalization fund for the commodity. The board may in such case prepare and issue such receipts and prescribe the terms and conditions thereof. The Secretary of the Treasury, upon the request of the board, shall have such receipts prepared at the Bureau of Engraving and Printing.

Discussing the general terms of the bill, it is understood that its purpose is to provide methods to dispose of the surplus of any one of the five basic agricultural commodities, and that the method of disposing of such surplus will be either by sale to foreign markets at the best price possible or by withholding such surplus pending more advantageous conditions. The loss incurred as a result of such action will be apportioned and assessed upon each unit of the particular commodity as the commodity moves in commerce. As set forth above, the board may require either the person engaged in the transportation thereof, the processing, or acquisition by sale to file the return and pay the assessment.

Regardless of which of the three mediums of collection is adopted, a force of investigating agents must be organized for the purpose of ascertaining whether the designated collection medium has filed correct returns and paid the full amount of the fee. The investigating body might be compared with the present force of revenue agents employed under the supervision of the Internal Revenue Bureau. The impossibility of collecting every cent of the equalization fee is apparent. In addition to the fact that the equalization fee is a sum authorized by law which must be collected for the rehabilitation of the revolving fund, it can be seen that the collecting agency that does not make proper report is in effect withholding Government funds. The collection of the equalization fee will be difficult. So much will depend upon the honesty and alertness of the collection agency that it can be seen that many units of the proper commodity as it passes through commerce will fail to pay the equalization fee provided by law. An unscrupulous processor or purchaser or carrier will find that ability to evade the return of the equalization fee to the board will result in his profit. It must be realized that the ingenuity of the Government representatives must be vigorously applied to adequately meet in so far as possible the requirements of the proposed legislation.

It has been pointed out above that a corps of investigators will of necessity be employed to protect the interests of the Government. It will only be by the most intensive training, experience, and study on the part of these men that this important duty can be efficiently performed. They should be specialists in their particular line of endeavor.

The collection of the equalization fee from any one of the three mediums provided has so many disadvantages that it is not possible to say which would be the least difficult. Of course, the board would determine which of the three mediums would be selected at any given time or for any given commodity.

In the case of collection from the carrier there are 1,614 steam and electric railways, 2 express companies, and 1,730 steamship lines doing an interstate and intrastate business. It would be difficult to estimate or to ascertain the number of motor freight companies or freight vehicles making short hauls. The possibility of shipping a commodity by unregistered vehicles and the resultant difficulty in collecting a fee is apparent.

The impossibility of definitely ascertaining the various sources of acquisition by sale prompts the suggestion that the medium of collection at this source must be dismissed as impracticable unless we are to depend entirely upon the honesty and integrity of the acquirer in the collection of the fee.

From the latest figures available it is estimated that there are in the United States the following number of processors who operate in the basic commodities involved:

Cotton ginners	551
Packers	1,252
Millers	3,829

There is also to be taken into consideration the number of factories throughout the United States engaged in the business of canning corn. If collection is to be made by the processor, the above number would be involved. As a further evidence of the magnitude of the task, attention is called to the fact that in 1925 the wheat crop of the United States was estimated by the Department of Agriculture at 676,429,000 bushels, the corn crop at 2,916,961,000 bushels, the rice crop at 33,309,000 bushels, the cotton crop at 16,103,679 bales, and it was also estimated that a total of 55,568,000 head of swine, weighing 12,391,664,000 pounds, was produced in 1925. If all these commodities were under operation of the Federal farm board at the same time, collection would be required from an aggregate of 16,034,466,679 units. This is true regardless of which medium of collection is adopted.

Provision must also be made for the proper and most available place where the returns may be filed and where there may be turned over to the Government the amount collected. Unless it should be determined to fix this place of filing returns and making payment at some collection agency of the Government already established, collectors of equalization fees must be created in each of the 12 Federal land banks during the periods of operation, adequate accounting methods must be created to provide for crediting the amount paid, and proper means instituted to see that the payments made are promptly deposited to the credit of the revolving fund. It is reasonable to assume that regardless of the desires of the framers of the proposed legislation, it will not be possible to return to the revolving fund the entire amount withdrawn therefrom for the reason that experience in collecting taxes has established the fact that taxes are never collected 100 per cent.

The estimate does not take into consideration the actual filing of the returns or the collection of the fees. Nor does this memorandum cover those features of the bill covering contracts to be made with processors, cooperative associations, or other persons guaranteeing them against losses. To carry out these provisions and to protect the integrity of the stabilization fund, the board will necessarily have to employ a large force of accountants and technical experts. In addition, our experience in the collection of internal revenue taxes has indicated that it is necessary to maintain a large legal staff to deal with the many complicated questions that necessarily arise in the collection of large sums of money and in the auditing of vast business enterprises.

The time available has been too short to furnish even an estimate as to these administrative costs.

The CHAIRMAN. The gentleman from Kansas [Mr. TINCHER] is recognized for four minutes.

Mr. TINCHER. Mr. Chairman, the other day I suggested that there were plenty of men supporting this bill who could explain it if they wanted to; that if there was any legitimate field for the bill, some of the talent here would take the floor and explain how it would benefit some commodity.

In answer to that speech the gentleman from Illinois [Mr. ADKINS] spent his time describing my physical make-up. The gentleman from Illinois [Mr. WILLIAMS], second only to the gentleman from Illinois [Mr. ADKINS] in his ability to explain a bill of this kind, spent his time in explaining the merits of Billy Suttle. There has been no effort by anyone to discuss the economic soundness of this bill except that by my distinguished friend from Mississippi, Mr. PERCY QUIN. [Applause.] His is the only argument that has been delivered on the economic side of this bill.

I take the floor now, however, to bid Mary Haugen good-bye again, because to-day she dies, and to-morrow we abandon her. To-morrow a rule will be brought in, and after all this debate that we have had concerning the Haugen bill, which we all know can not pass, we have now another monstrosity that will result in the bringing in of a new rule and a new debate. And I will say in all kindness to dear old Mary Haugen, "You are going to die to-day, and there is only one place on earth where they have produced a worse mixture than you are, and she is coming in to-morrow for a new debate." Of course, the time will then be divided again, and we shall have many more economic discussions such as those we have been delivering here

concerning this one, and so I think we must regret that we shall no longer have the pleasure of talking about poor old Mary Haugen any more. [Laughter and applause.]

Just think of it. Twelve hours of general debate, and of all the talent here not one proponent of this bill could stand on this floor and explain how it is going to help.

They brought on the gentleman from North Dakota [Mr. BURTNESS] again to represent their side on the hard-wheat proposition. I ask you to read his statement on hard wheat. If it is an economic argument to charge Sidney Anderson with being unfriendly to agriculture, then I must quit.

Let me tell you about the changes, and you will notice how they have soft-pedaled that thing. One said, "We will hide the proposition of the equalization fee on imports." Another said, "We had better not go quite that strong; we had better not argue that," because some of those fellows will understand that if you put an equalization fee on imported wheat you will drive the American miller out of the United States to do his milling, because you can not put it on flour.

Of course, it is not worth while for me to go any further. She is dead, and to-morrow we will start with another baby. [Applause.]

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. HAUGEN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MAPES, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 15474) to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities, and had come to no resolution thereon.

Mr. SNELL, from the Committee on Rules, presented a report to accompany a resolution for the consideration of Senate bill 4808, to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities, which was referred to the House Calendar and ordered printed.

Mr. CHINDBLOM. Mr. Speaker, may the rule be read for information?

Mr. SNELL. Mr. Speaker, I ask unanimous consent that it be read for the information of the House.

The SPEAKER. Without objection, the Clerk will read the resolution for information.

There was no objection.

The Clerk read as follows:

House Resolution 421

Resolved, That upon the adoption of this resolution the Committee on Agriculture be discharged from the further consideration of the bill (S. 4808) to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities, and it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of said bill. After general debate, which shall be confined to the subject matter of said bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman of the Committee on Agriculture and the gentleman from Louisiana [Mr. ASWELL], the bill shall be read for amendment under the five-minute rule. At the conclusion of the reading of the bill for amendment the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage.

Mr. TINCHER. Mr. Speaker, I reserve a point of order against the resolution.

Mr. CHINDBLOM. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CHINDBLOM. What will become of the bill now pending in the Committee of the Whole House on the state of the Union? I presume the Committee of the Whole will have to make some disposition of the present bill now before it.

Mr. BANKHEAD. Mr. Speaker, I make the point of order that that is not a parliamentary inquiry, in view of the fact that the rule is only read for the information of the House.

The SPEAKER. The Chair would think it was in the discretion of the gentleman obtaining the floor to move to resolve into committee to consider either bill. Each bill would still be in order.

Mr. CHINDBLOM. But it would be a different Committee of the Whole, not the same Committee of the Whole.

The SPEAKER. The Chair does not think that would make any difference.

Mr. CHINDBLOM. There might be the same Chairman but not the same Committee of the Whole.

The SPEAKER. The Chair does not see how that distinction would affect the situation.

Mr. HAUGEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of H. R. 15474, to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities.

Mr. DOWELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DOWELL. The gentleman from Kansas reserved a point of order. If it is in order to reserve it, I want to insist upon the point of order being made.

The SPEAKER. This is not the proper time to make the point of order, because the rule is simply read for information.

Mr. DOWELL. And it is not the proper time to reserve it.

The SPEAKER. The Chair thinks a Member can always reserve a point of order. The Chair thinks it could be reserved at this time.

Mr. DOWELL. I do not understand how a point of order may be raised when the matter is being read for information only and not being considered.

The SPEAKER. But the report was made, and when a privileged report is made to the House, it is always in order to reserve a point of order.

Mr. CHINDBLOM. By way of analogy, when points of order are reserved on an appropriation bill the bill is not read, yet it is made upon the reporting of the bill.

Mr. CONNALLY of Texas. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CONNALLY of Texas. Can not this rule be considered now by unanimous consent?

The SPEAKER. Under the rule of the House a resolution from the Committee on Rules lies over for a day.

Mr. CONNALLY of Texas. But it can be done by unanimous consent, can it not, and why not go on with the consideration of the rule now?

The SPEAKER. By rule of the House it could be suspended by a two-thirds vote, and the Chair thinks it could be done by unanimous consent.

Mr. SNELL. It was agreed it should be called up to-morrow, so I do not feel like calling it up to-day.

Mr. GARNER of Texas. Mr. Speaker, the House can do anything, in the way of legislation, by unanimous consent.

The SPEAKER. It can be done by unanimous consent. However, the rule is that a report from the Committee on Rules lies over for a day unless two-thirds shall vote to the contrary.

Mr. HAUGEN. Pending my motion, Mr. Speaker, I desire to ask unanimous consent that the time for general debate be extended for one hour and a half, to be consumed this afternoon and to be equally divided between the gentleman from Louisiana [Mr. ASWELL] and myself.

Mr. KINCHELOE. Mr. Speaker, reserving the right to object, as I understand it, the one hour and a half will be consumed this afternoon?

Mr. HAUGEN. Yes; and it is my understanding that half of the time of the gentleman from Louisiana is going to be yielded to the gentleman from New York [Mr. JACOBSTEIN], and the time is to be equally divided.

Mr. BARKLEY. Does this mean there is to be another one hour and a half of discussion on the House bill and then two hours on the Senate bill when that bill is reached?

Mr. HAUGEN. The resolution of the Committee on Rules provides for that. This is exclusive of the two hours granted by the Committee on Rules.

Mr. BARKLEY. I think we should get to a discussion of the bill under the five-minute rule as early as possible.

Mr. HAUGEN. Yes.

Mr. NEWTON of Minnesota. Mr. Speaker, reserving the right to object, and I shall not object, as I understand it, if the rule is passed to-morrow, we drop the Haugen bill and discuss the Senate bill. The Senate bill has not been reported out of the Committee on Agriculture and will not be reported before the rule is adopted. We will have before us the Senate bill, and there were 23 amendments passed in the Senate. I have been trying to find out just where these amendments belong in the bill, and it is a matter of considerable difficulty. I am wondering if we can not have available for the Members of the House to-morrow the Senate bill with the changes in

italics so we can readily find out just what changes in the text have been made.

Mr. HAUGEN. Does the gentleman request that it be printed in that way?

Mr. NEWTON of Minnesota. I ask unanimous consent that that be done, Mr. Speaker.

The SPEAKER. The gentleman from Minnesota asks unanimous consent that the bill be printed showing the changes between the House bill and the Senate bill.

Mr. NEWTON of Minnesota. With the Senate amendments in italics.

The SPEAKER. And that the Senate amendments as affecting the House bill be noted in italics.

Mr. HAUGEN. The Senate bill with the amendments.

Mr. NEWTON of Minnesota. Yes; the Senate bill with the amendments placed on it in the Senate in italics.

Mr. DOWELL. Mr. Speaker, that would be entirely out of order. The Senate bill comes as a Senate bill. There are no amendments to the Senate bill. It comes in toto and is a bill in itself, and under this rule it will be taken up and considered by the House as a Senate bill, without any amendment whatever. If the gentleman desires to go through the RECORD and ascertain the words that were in the bill when it was reported from the committee and the amendments that were inserted in the Senate, of course that is a proper thing for him to do; but it certainly is not a thing that he can call for now, because it comes to us as a complete bill from the Senate as passed by that body.

The SPEAKER. It can be done by unanimous consent, of course.

Mr. NEWTON of Minnesota. I take it we want to be informed, and in this situation we are not going to have the benefit of a report from the Committee on Agriculture. They have reported on the House bill. They have not reported on the Senate bill. The Senate committee has not reported upon the amendments put on in the Senate. I think it would be of interest to the House, certainly to most of the Members, to know just what the Senate amendments are, so that we can find out exactly how they will affect the legislation pending before us.

Mr. UPDIKE. Mr. Speaker, will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. UPDIKE. I would like to know whether the Senate bill was the same bill we had in the House.

Mr. NEWTON of Minnesota. I do not know as to that.

Mr. UPDIKE. I understand it was not the same bill.

Mr. FORT. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes; if I have the floor.

Mr. FORT. Mr. Speaker, there were differences in the original Senate bill from the original House bill. It seems to me that what the gentleman from Minnesota [Mr. NEWTON] desires is the House bill reprinted with the changes between its form and the form in which the bill passed the Senate shown in italics. This would then give a guide to Members of the House as to the difference between the bill we are now being called on to debate and the bill which we have been debating.

Mr. KINCHELOE. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. KINCHELOE. I heartily agree with the gentleman from New Jersey that the gentleman's request should be to show in italics the amendments put on by the Senate to the original Senate bill, and I think that ought to be done for the information of the House, and I hope the gentleman from Iowa [Mr. HAUGEN] will not object to the request.

Mr. NEWTON of Minnesota. I have been told that the Senate bill and the House bill were identical in the first instance.

Mr. KINCHELOE. They were, practically.

Mr. NEWTON of Minnesota. If not, then the suggestion of the gentleman from New Jersey and of the gentleman from Kentucky should be carried out and the language in italics should show the changes from the House bill which we have been considering; and I make that unanimous-consent request.

Mr. RAMSEYER. Reserving the right to object, if the gentleman from Minnesota will follow the suggestion of the gentleman from New Jersey [Mr. FORT] to take the House bill and note the changes or the differences between that bill and the Senate bill as it comes over here now, I should not object to that being done for the information of the House.

But if you take the Senate bill 4808, have copies printed with amendments, it will lead to confusion, because the Senate bill, if the rule is adopted, will be before the House and will be complete in itself. There will be no amendments on it for the House to consider. If the gentleman has the House bill printed, noting changes in the Senate bill in italics, that will give the House Members all the information they desire and probably all they should have. The original request to take the Senate bill as messaged over and on that note the amendments would lead to confusion.

Mr. NEWTON of Minnesota. I accept the gentleman's modification. All I wanted was to be informed as to how the Senate bill differs from the one we are now considering.

The SPEAKER. The Chair understands the gentleman from Minnesota to ask unanimous consent to have the House bill indicate what changes have been made in the bill as it passed the Senate.

Mr. CHINDBLOM. Showing the difference between the House bill and the bill as passed by the Senate.

The SPEAKER. Is there objection to the request?

There was no objection.

The SPEAKER. The gentleman from Iowa asks unanimous consent that time for general debate be extended for an hour and a half, one-half of the time to be controlled by himself and one-half by the gentleman from Louisiana. Is there objection?

There was no objection.

The motion of Mr. HAUGEN to go into Committee of the Whole House on the state of the Union was then agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. MAPES in the chair.

Mr. ASWELL. Mr. Chairman, I yield 22 minutes to the gentleman from New York [Mr. JACOBSTEIN].

Mr. JACOBSTEIN. Mr. Chairman and colleagues, after listening for 12 hours to the debate on farm relief legislation, I feel it is my duty to say something about the pending bills from a purely economic point of view. I am sure you want a discussion from that angle, regardless of whether you agree with my conclusions or not.

I am not going to weary you with statistics now, although I am going to place some figures in the RECORD. In the short time at my disposal to-day I can only undertake to present some general observations and conclusions, based on these facts and figures.

REVOLUTION IN AGRICULTURE

I am going to make a startling statement at the outset which may shock you, but I believe it is true. I believe that agriculture is going through or about to go through the same kind of revolution that British agriculture and home industry went through just 100 years ago. Agriculture is becoming subordinate to industry in our great national economic life, just as it did in England a century ago. Anyone who fails to look at agriculture from this broad point of view can not come to a sound conclusion as to the remedy for the present and prospective ills of American agriculture. As England was transformed into a predominantly industrial nation, so the United States is fast becoming industrial. We may retard the movement, but we can not permanently prevent it. We may lessen some of the hardships resulting from the readjustment, but we can not escape the inevitable revolution.

The full evidence of that persistent transformation I shall not attempt to present to you now, but hope to place it in the RECORD later. Some commonly recognized facts, however, may be briefly sketched here.

EVIDENCE OF CHANGE

A hundred years ago 86 per cent of our gainfully employed population was agricultural and only 14 per cent industrial (nonagricultural). To-day the reverse is true. Seventy-four per cent of the population is industrial and only 26 per cent is engaged in agricultural production. This declining position of American agriculture has been made evident by each of the Federal censuses. This decline is continuing. The drift to the city is at the rate of half a million a year in this country. The total volume and widespread character of the bank failures in agricultural areas is alarming. The increase of farm mortgage debts has outstripped the increase in land values, and this burden has become exceedingly heavy. The large increase in the number of abandoned farms is evident in many sections of the country; and, what is more significant, the standard of living on the farms is not keeping pace with the standard of living in the cities.

These facts are tangible evidence to any open-minded person that there is a revolution going on in agriculture in America which is making for a steady decline in this basic industry.

While agriculture will continue to be basic, it will continue to lose in relative importance in American economic life. Desiring to be a self-contained nation, we will always need agriculture

to sustain an increasing industrial population, but more and more agricultural activity will occupy a less important place in our national life.

CAUSES FOR DECLINE OF AGRICULTURE

If this be true, our remedy must take these changing conditions into account. Before discussing the specific remedies before us, particularly the McNary-Haugen bill, I wish to touch briefly on the causes of the decline in agriculture and its present depressed condition.

What are the causes for the decline in agriculture? Some people think it is due to a surplus. Mr. Chairman, agriculture in America was prosperous many years ago when it had a national surplus; that is, when we produced more than we needed for domestic consumption. If you should look at the chart which I have here, you would find that there were periods when agriculture enjoyed good prices, even though we had very large surpluses for exportation. For example, in 1924–25 we exported 254,000,000 bushels of wheat at satisfactory prices. We must, therefore, distinguish between national surpluses and world surpluses. We have always exported cotton, we have always exported wheat. What, then, is the cause for the present decline of agriculture and in what light must we look at this cause with respect to the Haugen bill?

EXTENSION OF NEW FIELDS

First, American agriculture is coming more and more into competition with new fields outside of America. When my district in western New York, which was once the bread basket of the world, came into competition with the wheat fields of our own West, it yielded to the newer and more fertile areas. My colleague [Mr. SANDERS] will perhaps recall the time in his youth when the flour mills of Rochester were the great mills of the country before Minneapolis pushed us off the map; and just as the Middle West pushed western New York off the wheat area, so Canada, Australia, Argentina, and Russia are pressing us as competitors in the agricultural field. Furthermore, Europe is returning to its pre-war acreages, and in many commodities is already producing more than before the war. The following table illustrates the agricultural "comeback." of Europe since the war. Notice the increases since 1922:

European areas and production for specified crops: Average, 1909–1913; annual, 1922–1925, exclusive of Russia

Year	Wheat	Rye	Barley	Oats	Corn	Potatoes	Sugar beets	Tobacco	Total
AREA	*Million acres*	*Million acres*	*Million acres*	*Million acres*	*Million acres*	*Million acres*	*Million acres*	*Million acres*	*Million acres*
1909–1913	70.5	44.8	26.4	48.7	25.2	23.7	3.8	0.4	243.5
1922	62.6	37.5	25.4	44.9	23.4	23.0	3.1	.5	220.4
1923	63.4	38.5	26.7	45.5	23.2	23.0	3.5	.6	224.4
1924	65.0	37.2	26.9	45.8	24.3	23.3	4.5	.6	227.6
1925	66.8	39.9	26.6	45.4	25.6	23.6	4.0	.6	232.5
PRODUCTION	*Million bushels*	*Million bushels*	*Million bushels*	*Million bushels*	*Million bushels*	*Million bushels*	*Million short tons*	*Million pounds*	
1909–1913	1,348	975	692	1,931	581	3,835	45.9	458	----------
1922	1,043	712	602	1,548	426	4,491	35.1	353	----------
1923	1,261	825	668	1,824	475	3,560	36.5	470	----------
1924	1,058	649	578	1,639	593	3,918	48.9	627	----------
1925	1,400	941	696	1,808	659	4,376	46.8	542	----------

Any legislation that fails to take account of the facts indicated above can not meet the agricultural situation of America.

LESSENED CONSUMPTION

Second. There is a declining per capita consumption of certain agricultural products. For instance, we consume less wheat by almost 25 per cent per capita as compared with 40 years ago.

Per capita production of wheat and consumption of wheat flour in the United States

Year	Consumption of wheat flour per capita, bushels	Production of wheat per capita, bushels
1889	5.48	7.58
1899	5.37	8.80
1904	5.38	----------
1909	5.04	7.54
1914	5.03	----------
1919	4.70	9.00
1921	4.19	----------
1923	4.20	----------
1925	4.25	----------

HORSES AND OATS

Another significant fact is the decline in the number of horses in the United States. There are 7,000,000 less horses and colts in this country to-day than there were 10 years ago. On January 1, 1918, the total number of horses and colts on farms in the United States was 22,000,000; on January 1, 1927, there were 15,300,000. Do you know what that represents? It represents 400,000,000 bushels of oats, or a decline of 25 per cent in the demand for oats. Do you wonder that feed is not bringing a larger price? This also means a shrinkage of several million tons in the demand for hay for these horses. Yet the hay crop has actually increased several million tons in the past few years. No wonder hay is cheap! The substitution of gasoline for horsepower is one of the factors that is making for revolution in agriculture. Furthermore, anyone who does not take into account this increasing industrialization of the farm can not find an adequate solution for this farm problem. In North Dakota I witnessed how men were displaced by machines, which cut the grain and threshed the wheat almost like magic. It is said that 2 men with tractors and a harvester-thresher combine now do the work of 200 men. Similar improvements are still going on in the Wheat and Cotton Belts. The industrialization of the farm is increasing production per acre and per man to a point where we are bound to have more production than we need for domestic consumption. Have you taken into account what is going on in our life to-day as a result of the money we appropriate for the Department of Agriculture? Recently I was talking with Mr. H. A. Wallace, editor of Wallace's Farmer. He told me they are now developing a new corn seed which is likely to increase the yield of corn by 7 bushels per acre, an increase of 20 per cent, through proper seed selection. The introduction of scientific methods into agricultural production calls for fewer men on the farms and fewer farms. It is not surprising, therefore, that with fewer farmers we are producing more crops to-day than in 1920. Any legislative remedy must reckon with these fundamental factors of our economic life.

ARBITRARY FACTORS IN INDUSTRY

Furthermore, as I showed last year, and I think it has been uncontroverted, as a country becomes industrialized, agriculture is at a tremendous economic disadvantage, because of arbitrary and artificial agencies which are set up to the advantage of manufacturing, banking, transportation, and labor. I shall not go into this phase of the agricultural problem; but I contend again that these artificial factors tend to aggravate the situation by raising prices of the things that farmers buy. At the present time the superior advantages enjoyed by manufacturing, transportation, labor, and finance are to a large extent responsible for the glaring disparity in prices, unfavorable to farm products. The price disparity between agriculture and industry to-day is 20 per cent unfavorable to agriculture as compared with 13 per cent when we discussed this question a year ago. In other words, agriculture is worse off to-day than it was a year ago, and there are evidences that agriculture may be worse off a year from to-day than it is to-day. Because of this price disparity, agriculture has suffered a loss of about $15,000,000,000 in the last seven years. The farmers would have had that much more to spend if prices had been normal.

I am not alone in my diagnosis of this situation. Other economists in this country who have studied this from a broad viewpoint have come to the same conclusion. I refer you to a paper read at the meeting of the American Economic Association at St. Louis in 1926 by Dr. E. G. Nourse, of the Institute of Economics. Others, however, say this overproduction is only temporary, and I may say that the philosophy out of which the Haugen-McNary bill was born is found in the belief that this

overproduction is temporary and that we will soon pass out from under the cloud. I do not think so. I think that unless we apply drastic, fundamental and basic remedies, we are going to have this agricultural problem for a whole generation.

FARMER'S INCOME VERSUS WAGE EARNER'S INCOME

As recently pointed out in a publication of the United States Department of Agriculture, the average factory wage earner in 1925–26 was able to buy 16 per cent more goods with his current wages than in 1919–20, while the average farmer in the same year was able to buy 20 per cent less than in 1919–20. The essence of this statistical study is found in the following extract from this carefully prepared report:

Indexes of net income per farm family, farm and factory wage earnings, and of their relative purchasing power

[1919–20=100]

Year	Net income per farm family [1]	Farm wages without board [2]	Factory wage earnings per person employed	Relative purchasing power [3] of—		
				Net income per farm family	Farm wages	Factory wage earnings per employee
1919–20	100	100	100	100	100	100
1920–21	47	115	104	47	114	103
1921–22	34	77	88	39	89	101
1922–23	51	74	95	60	87	112
1923–24	61	82	100	70	94	115
1924–25	70	83	100	81	97	116
1925–26	72	84	103	81	94	116

[1] Net income for labor and management plus an allowance ($60) for residential value of farm dwellings.

[2] Calendar year averages, 1919=100.

[3] The first three columns of this table, adjusted for the following changes in the cost of living in the United States for December of each year, show: 1919, 100; 1920, 101; 1921, 87; 1922, 85; 1923, 87; 1924, 86; 1925, 89.

Earnings adjusted for the changes in cost of living in the United States since 1919, that the purchasing power of the average farmer's income during 1920 and 1921 dropped to less than half of what it was in 1919–20, and during the recent recovery, gradually reached 81 per cent of the predepression purchasing power. The purchasing power of employed factory workers, on the other hand, has throughout the past six years remained greater than in 1919–20, and during the past three years has averaged 16 per cent above. In other words, the farmer with his net income during the past two years could buy 81 per cent of the things he was able to buy before the depression, while employed factory workers could buy 116 per cent of a comparable amount, a difference of over 30 per cent.

If what I have said is true, that there is a 20 per cent disparity and that this disparity is likely to continue, there is only one of two things to do. You must either seek through legislation to pull down the structure of our industrial life, to pull down the price level, so that manufactured articles will cost less, so that our transportation-rate structure will come down and take less out of the farmer, so that our interest rates and labor costs will be less, or you must go to the other type of remedy, which seeks to lift the whole agricultural price level upward. Farm relief of the first type has been proposed in the resolution introduced by my distinguished colleague from Tennessee [Mr. C. HULL], H. R. 375.

Now, the Haugen bill, through control of the surplus and orderly marketing of a seasonal surplus, seeks to elevate the price levels of farm products. My own notion is that it will fail to lift the whole price bottom of agriculture up to where it really belongs. I do think it will offer relief for low prices which come from seasonal surpluses. The control and regulated distribution of a seasonal surplus will be of benefit to the farmer. I think the Aswell bill, as well as the Crisp bill, would do the same thing. I think the Haugen bill will offer a remedy for agriculture so far as its depression rests upon a temporary surplus which will pass away the next year or the year following. But if my analysis is correct, that we are in for more or less permanent surpluses, then I say the Haugen bill will not meet this situation.

Mr. LARSEN. Will the gentleman yield?

Mr. JACOBSTEIN. I will.

Mr. LARSEN. I notice in taking into consideration the reduction in farm animals and the increase to the population of the city, the gentleman simply mentions farm animals—horses, for instance—and did not state whether or not he took into account other animals on the farm, such as cows and hogs, and whether they had increased, or whether he had taken into consideration what the increase in population in cities would amount to by way of animal consumers.

Mr. JACOBSTEIN. In the brief time I have I must assume that the statistics which I shall place in the RECORD will prove the point, that there is an overproduction of these various articles; that our annual corn production of 3,000,000,000 bushels is 10 per cent larger than it used to be; that our wheat has increased by 15 per cent. I remember that 20 years ago a very prominent economist predicted that in 20 years America would be importing wheat. To-day we are exporting an average of 175,000,000 bushels as against 60,000,000 bushels when this famous economist made his prediction. We have increased our exports notwithstanding the extension of agriculture in various parts of the world, India, China, the Argentine, Australia, New Zealand, Russia, and Canada. So we are still producing to-day more wheat and more corn, in spite of increased foreign production.

Mr. HUDSPETH. Will the gentleman yield?

Mr. JACOBSTEIN. I will.

Mr. HUDSPETH. The gentleman spoke about the reduction in the number of horses and the effect upon the consumption of oats.

Mr. JACOBSTEIN. That is right.

Mr. HUDSPETH. How about corn? Does it affect corn?

Mr. JACOBSTEIN. I stated the results in terms of oats, but these include corn. The demand for oats is 25 per cent less to-day by virtue of the elimination of 7,000,000 horses from our farms and cities.

Mr. LARSEN. If the gentleman will permit, on the basis of which the gentleman is speaking, he is assuming that the present immigration laws will remain as they are. If we relax our laws and permit immigrants to come in, that would have to be taken into consideration.

Mr. JACOBSTEIN. I think everybody will admit that for another decade our restrictive immigration laws will remain in force and effect.

Mr. LOZIER. Mr. Chairman, will the gentleman yield there?

Mr. JACOBSTEIN. Yes.

Mr. LOZIER. Is it not a fact that the per capita production of wheat in the United States and in the world is less now than it has been at any time in the last quarter of a century, as well as the per capita of consumption?

Mr. JACOBSTEIN. No; I do not think so. Certainly, in the United States wheat production per capita has increased, but at the same time consumption per capita has decreased. I will place in the RECORD figures as to the world production of wheat and especially in those countries with which we have to compete. Canada has increased her acreage and her yield more than 100 per cent. This is largely due to the development of a new wheat variety, which gives higher yields and has a shorter growing season, enabling the area to be greatly expanded northward. Russia is coming back into the market. Last year she came back by 25,000,000 bushels. This year she has come back 25,000,000, and I suppose next year she will probably be back by 100,000,000 bushels. I think America is in strict competition with land worth about $10 an acre as compared with lands in Kansas selling for $80 to $100 and (corn) lands in Iowa selling for $150. We have land selling for from $100 to $150 competing with virgin soil selling at from $15 to $20 an acre. The expansion of wheat areas is shown in the following table (prepared by the Statistical and Historical Research Bureau of Agricultural Economics of the United States Department of Agriculture).

EXPANSION OF WHEAT AREAS

Below is a table showing the average of wheat acreages for the period 1909–1913 and acreage for individual years 1921–1926, giving an estimated world total, excluding Russia and China, estimated European total, excluding Russia, and estimates for the principal producing countries.

Wheat. Acreage, average 1909–1913, individual years, 1921–1926

Year	Estimated world total excluding Russia	Estimated total Europe excluding Russia	Russia	United States	Canada	Argentina	Australia	India
	Million acres	*Million acres*	*Million acres*	*Million acres*	*Million acres*	*Million acres*	*Million acres*	*Million acres*
1909–1913	204.2	72.9	74.2	47.1	9.9	16.1	7.6	29.2
1921	223.4	63.8	38.3	63.7	23.3	14.2	9.7	25.8
1922	220.8	64.7	24.4	62.3	22.4	16.3	9.8	28.2
1923	229.6	65.6	32.7	59.7	22.9	17.2	9.5	30.9
1924	222.6	66.7	46.1	52.4	22.1	17.8	10.8	31.2
1925	227.3	68.8	54.3	51.8	22.0	19.2	10.2	31.8
1926, preliminary	232.0	69.3	.....	57.6	22.8	19.3	11.0	30.5

TECHNICAL IMPROVEMENTS IN AGRICULTURE

The unfortunate thing about the above-mentioned improvements in agriculture is that the farmers can not retain the benefits accruing from changes leading to increased production at lower unit costs. Unorganized agriculture is forced to pass on the economies to the consumer almost immediately. Industry, on the other hand, well organized and operating behind a tariff and other artificial devices, manages to retain for itself over a relatively longer period of time the benefits that come from improvements. Through organization and concerted action labor has been able to secure some of the benefits of technical improvements in industry in the form of higher wages and shorter working hours and more sanitary and safe working conditions, as well as relative security of employment.

THE TARIFF AND THE HAUGEN BILL

The Haugen bill this year definitely seeks to get away from the tariff yardstick in previous bills. Nevertheless, the proponents of the Haugen bill assume or seek to imply that by this legislation we can make the tariff fully effective for agriculture. By indirection the authors and proponents of this bill aim to give to agriculture that kind of protection which we have given to industry through the tariff. I deny that that can be done. Even the proponents of the bill will admit that you can not do it for cotton.

Those of us who vote for the Haugen bill will make a mistake if we tell our constituents that by means of this legislation we will do for agriculture what we have done for industry through the tariff.

It is not unlikely that even if the Haugen bill becomes a law the farmers will come to Congress at some future date asking for relief through a reduction of the tariff, a reduction of freight rates, and so forth, as a means of wiping out the price disparity between agricultural and nonagricultural products.

If I vote for the Haugen bill, as I may, I am not going to deceive myself, and surely mislead others, into thinking that we can make the tariff operative for agriculture as we have for industry.

Mr. WEFALD. Mr. Chairman, will the gentleman yield?

Mr. JACOBSTEIN. Yes.

Mr. WEFALD. Then would not the passage of the Haugen bill as an experiment be worth all it costs?

Mr. JACOBSTEIN. The best argument I can find for voting for the Haugen bill is that it is purely an experiment in what I call economic homeopathy. We have injected into our social and economic system toxic doctrines which do not work equitably for all classes, and so to cure that situation in the system we have to pour more of the same kind of toxic substance into the system.

Mr. WEFALD. This is homeopathy?

Mr. JACOBSTEIN. Yes.

Mr. WILLIAM E. HULL. Mr. Chairman, will the gentleman yield there?

Mr. JACOBSTEIN. Yes.

WHAT IS MEANT BY A SURPLUS?

Mr. WILLIAM E. HULL. I would like to know whether or not you have studied the facts tending to show that there is a surplus of grain in this country for a period of five years. Take any commodity—wheat, corn, or oats. In any five-year period has there been any surplus?

Mr. JACOBSTEIN. What do you mean by "surplus"?

Mr. WILLIAM E. HULL. More than we can use.

Mr. JACOBSTEIN. Do you mean to ask if we have more wheat in this country than we can use?

Mr. WILLIAM E. HULL. Yes.

The CHAIRMAN. The time of the gentleman from New York has expired. Does the gentleman from Kansas or the gentleman from Louisiana yield to the gentleman more time?

Mr. TINCHER. I understand 20 minutes was yielded to the gentleman from New York.

Mr. MOORE of Virginia. The gentleman from Louisiana [Mr. ASWELL], who was called out of the Chamber, asked me to say that he had no further time.

The CHAIRMAN. Can anyone yield more time to the gentleman from New York? The Chair will recognize the gentleman from New York for five additional minutes.

Mr. WILLIAM E. HULL. What I want to ask is this: Is it a fact or not a fact that there is an accumulated surplus in this country in any five years of any commodity, after all exportation?

Mr. JACOBSTEIN. No. But that is not what we mean by "surplus." It all comes back to a definition. I can not take you to a warehouse and say, "Look at all the wheat that is not used." We sell what we produce, but we have to sell it at an unfavorable price at times.

Mr. WILLIAM E. HULL. That has nothing to do with the point I make.

Mr. JACOBSTEIN. I think it is a very vital point. Unfortunately, the Haugen bill does not define a "surplus." When the United States produces such a volume of a commodity that it compels the producer to accept a price which is an unprofitable price on the crop in its entirety, then it is an unprofitable surplus. That is the kind of surplus we are all interested in controlling by this legislation.

Mr. WILLIAM E. HULL. It has always been contended through the Department of Agriculture that there is never a surplus in the five-year period of any grain.

Mr. JACOBSTEIN. I think there is a surplus in the sense in which these relief bills seek to solve the problem of agriculture.

Mr. MURPHY. Mr. Chairman, will the gentleman yield right at that point?

Mr. JACOBSTEIN. I am sorry I can not yield. If I had the time, I would be glad to yield.

The CHAIRMAN. The gentleman declines to yield.

AMERICAN INSTITUTE OF AGRICULTURE

Mr. JACOBSTEIN. If you agree with me that there is a recurring surplus and apt to be a permanent surplus, then we should apply a remedy that would keep down that surplus. If it is only a seasonal surplus, then I think the Aswell bill, the Crisp bill, and the Haugen bill will do the job. But because I think it will be a recurring surplus for the next generation I proposed to the Committee on Agriculture and to you and to the Congress that we amend this bill so as to set up an agency which I call an American Institute of Agriculture, coordinating agricultural activities and seeking to curtail production in such a way as to eliminate this surplus in agriculture.

I refer you to the published hearings before the Committee on Agriculture on H. R. 15963—January 6 and 8, 1927—part 3, in which I elaborated in great detail this American Institute of Agriculture. My ideas are embodied in my bill—H. R. 16123—and were set forth in an address in the House of Representatives on January 31, 1927. I shall here reproduce part of this speech:

Mr. JACOBSTEIN. My plan contemplates creating what I call an American Institute of Agriculture. I am interested in permanent betterment for agriculture rather than in temporary relief. Therefore in the very preamble of my bill I say:

"A bill to create an American Institute of Agriculture and to provide for a permanent national policy for the well-balanced development of American agriculture, including production, marketing, and the limiting of losses from surplus production." You will observe at the outset that the purpose of my bill is broader than that of the Haugen bill or the Aswell bill or the Crisp bill. My plan seeks to provide for a permanent agricultural policy and not merely for temporary annual relief. My plan seeks to view agriculture as a whole, coordinating all farm activities and not merely affording relief to a specific crop. My plan, however, does embody machinery for helping the farmer when a surplus occurs. Frankly, I may say that personally I am primarily concerned with the prevention of a surplus, thereby affording permanent relief to agriculture.

My plan sets up an American institute of agriculture, which embraces, first, a farm congress, and, second, an executive committee. The farm congress itself is composed of 150 representatives of agriculture and, in addition, the 15 members of the executive committee. The 150 representatives come from the experimental stations, the agricultural colleges, the United States Department of Agriculture, and the farmers' organizations. The executive committee, which really shapes the policies of the congress, subject to the approval of the congress, like the congress itself, represents all of the interests affected by the betterment of agriculture and able to help put agriculture on a sound basis. Of the 15 members of the executive committee, 1 represents the United States Department of Agriculture, 1 the Federal Reserve Board, 1 the Federal Farm Loan Board, 1 the United States Department of Commerce, 1 the United States Department of the Interior, 1 the Interstate Commerce Commission, 2 agricultural economists, and 7 persons of practical experience in production, representing, respectively, cotton, wheat, corn, dairying, poultry, livestock, and forestry. The 150 members of the farm congress itself shall be the following: Directors of State agricultural experiment stations (or designated by them), 48; from the State agricultural colleges (preferably an economist rather than a production specialist), 48; representing farmers' organizations, 48; from the United States Department of Agriculture, 6.

I would have the congress meet at some central point, like Kansas City, Mo., for two weeks each year, to discuss and take action on recommendations made by the executive committee. The executive committee would be in session, however, all the year round, making its investigations, studies, and surveys in preparation for the farm

congress. The congress would approve or reject or modify, and with that sanction the executive committee would go forward day by day, doing those things which would help develop and build up a sound agricultural policy in the United States and for the betterment of the rural life of the United States.

I think that if this American institute of agriculture had been in effect 5 or 10 years ago we would not to-day be baffled by the surplus problem which confronts us. At least we would be dealing with it more intelligently, if we were dealing with it at all.

This organization which I set up would also have charge of the temporary problems which are dealt with in the Aswell bill, the Haugen bill, and the Crisp bill, and would meet these temporary surpluses as they arise. In order not to create any new machinery, I would have the same organization responsible for handling these annual surpluses when they occur.

The representatives in my proposed farm congress would come from every State in the Union and would represent every related interest seeking to develop and improve agriculture. This farm congress would make recommendations to the United States Congress concerning those things which it feels are wise and necessary for the betterment of American agriculture. In the administration of the plan, however, the farm congress would utilize every agricultural agency, including the 2,500 county agents in this country.

I would have this farm congress and this executive board always on the job, operating through these 2,500 county agents. From them information ought to go back and tell the farmer what to produce. We have 48 experiment stations which we are not now using effectively enough. Through this American Institute of Agriculture I would carry back to the farmer by means of legislation which they would enact for themselves policies which, if carried out, would direct into proper and profitable energies the agricultural activities of the United States.

I would not wait until Congress should pass remedial legislation. I would have the farmers do it for themselves through this farm congress. I would have this executive committee composed, as I said before, of those elements of the community that know banking, transportation, the technical production of agriculture, and the marketing of crops. When a surplus arose, they would take up the surplus and handle it most expeditiously, as provided in the Haugen bill and in the Crisp-Curtis bill and in the Aswell bill. But this emergency control of the surplus is only incidental to the machinery that I would set up.

Mr. OLIVER of Alabama. Mr. Chairman, will the gentleman yield again?

Mr. JACOBSTEIN. Yes.

Mr. OLIVER of Alabama. Is it thought by the gentleman that the educational program he has outlined would in itself be an effectual remedy?

Mr. JACOBSTEIN. I think the type and scope of the educational machinery I have in mind would have its ramifications all over the United States. In it the Government of the United States would be represented through its agents appointed from the Department of Agriculture; and its educational program would go back to the farmer through his bank and through the experiment stations and through every known agency, including the newspapers, telling the farmer what he must do. The use of financial credit and the use of the equalization fee would supplement the educational program.

Mr. OLIVER of Alabama. Is there anything in those bills which would indicate that that policy is in the minds of those who bring in these bills?

Mr. JACOBSTEIN. In answer to your question, I will say that it is my impression that the authors of the Haugen, the Crisp, and the Aswell bills have in mind principally giving relief to agriculture in any crop in any year in which a surplus happens to occur to depress prices. Their bills are therefore, properly speaking, emergency relief measures. On the other hand, I will say for the Committee on Agriculture that many of its membership realize the importance and the necessity for the more permanent constructive program which I outlined to the committee and which I finally embodied in my bill H. R. 16123. I realized at the time, and realize now, that the Committee on Agriculture, as well as the House itself, would desire more time than it has at its disposal in this short session for passing judgment on so far-reaching an agricultural policy as is implied in the establishment of the American institute of agriculture which I have recommended.

In view of this, I recommended to the committee that the bill which it decides to report out should contain at least a paragraph calling for the appointment of a congressional commission with authority to report back to the House a plan along the lines which I have outlined. Those sponsoring the Haugen bill, however, refused to have that document touched or amended in any way.

No pride of authorship will influence my judgment in my vote on any of these temporary relief measures. The plight of agriculture is so serious that I am willing to experiment with the best type of emergency relief bill that we can get through this Congress. But I am thoroughly convinced in my own mind that we will sooner or later have to come to the formulation and administration of a national agricultural policy, if we desire the farmers of America to compete on equal terms with organized industry. Until this is done agriculture will not get its just share of the wealth it produces. [Applause.]

One of the best informed and soundest thinking agricultural economists in this country, Prof. James E. Boyle, of Cornell University, was the first man, so far as I know, to project this idea of an American institute of agriculture.

I did not press my bill because I realized that the folks who were behind the Haugen bill did not want anything else to consider at this time.

I say, however, that Congress will be forced, sooner or later, to adopt a national policy for agriculture which will eliminate overproduction and eliminate that surplus which is making for trouble, not here alone, but all over the world. Agriculture across the water is suffering as it is suffering here. We need a coordination of and an intelligent planning for the future.

That there is need for this intelligent planning is recognized by those farm leaders who have organized the American Institute of Cooperation, the third annual meeting of which will be held this summer at Northwestern University. The purposes and program of this institute are definitely educational.

Significant, also, of the need for such a policy-making body is the series of economic conferences now being held at the Missouri College of Agriculture. There conferences will last for five weeks, beginning February 14, and the chief topic for discussion will be, "What to produce in 1927." Here you have the ball rolling, but only on a state-wide or sectional basis. It should be national in its scope and effect, as provided for in my project, set forth in my bill (H. R. 16123) creating an "American Institute of Agriculture," for the intelligent guidance and control of production.

The question is: What is going to be the economic effect of this McNary-Haugen bill? Some people say it will not raise prices in the city. That is nonsense. How are you going to give the farmers $2,000,000,000 more income annually without taking some of it, at least, from the pockets of the city folk? If you are going to give the farmer $2,000,000,000, where is it coming from? Do you think for a minute that the middlemen are going to stand it all? That is unbelievable. It is coming in large measure out of the consumer.

I am one of those who believe the consumer should pay it if that is just. I am one of those who believe that readjustment of our price levels is justified, provided the remedy is effective, and provided the farmer continues to get the increased income he is entitled to receive. Prices will not only be stabilized but raised to a higher level; otherwise the purpose of the bill will not be fulfilled. I say this bill will increase the cost of living; I say it will increase the price of food in the cities; but that is no reason for voting against the bill, any more than the farmers ought to be against increased freight rates, increased interest rates, or increased wages to labor and increased prices on manufactured goods, when such increases are warranted or necessary. The city folks prosper when the farmer has ample purchasing power. City factories are kept busy supplying manufactured goods to the farmers when the latter are prosperous.

They say this is class legislation. Most of our important legislation in the last 30 years has been class legislation. Let us face the facts. Our economic life to-day is founded on that basis. Banking was class legislation; transportation was class legislation; labor, in the railway labor act, was class legislation; this farm relief bill is class legislation. The purpose of this class legislation is to restore, if possible, the balance in favor of agriculture.

Now, what is going to be the full effect of the equalization fee if it is sustained by the courts?

In the first instance, the fee will be deducted from the farmer's price. But in turn the price to the consumer must be increased to yield back to the farmer a net price profitable to continue production. In proportion as this bill increases the price of commodities to the city you curtail the demand for your commodity or substitute other and cheaper commodities.

Mr. FORT. Will the gentleman yield?

Mr. JACOBSTEIN. Yes.

Mr. FORT. A moment ago the gentleman said the farmer was getting at the present time $2,000,000,000 less than he should be getting, which the consumer will pay. That $2,000,000,000 is based upon raising the price levels to the level for crops which the gentleman thinks the farmer should have and applying that increase over the entire present production, which the gentleman says is an overproduction; is not that so?

Mr. JACOBSTEIN. That is right.

Mr. LUCE. Will the gentleman yield?

Mr. JACOBSTEIN. Yes.

Mr. LUCE. Does the gentleman attach any weight, or where does he give weight, to the fact that the farm population of the country is now decreasing at the rate of 500,000 a year, and the industrial population correspondingly increasing? Does he or does he not think that this will speedily readjust the balance?

Mr. JACOBSTEIN. I think that is only a part of the solution. While 500,000 may be leaving the farms, we are applying machinery to the farms, fertilizers, seed selection, and better scientific methods of breeding to take the place of the 500,000 that are leaving the farms. If I may say so, I think if we had a steadier and heavier drift to the city, and if we could have an 8-hour day for the farmer and a 5-day week for the farmer, the farm problem would be partially solved. [Applause.]

Mr. MURPHY. Will the gentleman yield?

Mr. JACOBSTEIN. Yes.

Mr. MURPHY. I tried to interrupt the gentleman when he made the statement that the tariff would not work for the farmer. I do not want the gentleman to pass that off with a wave of the hand, but I would like to have him explain why the tariff will not work for the farmer.

Mr. JACOBSTEIN. Let me state some of the reasoning upon which I base that conclusion. Of course, it would take a long time to go into a tariff argument, but I say this——

Mr. MURPHY. Just as plain a statement as the gentleman can make.

Mr. JACOBSTEIN. All right. In the case of any commodity that we produce, where we export 25 per cent of our production, like wheat, and it is sold in the world market, we have to take the price of the world market, and on that kind of a commodity I say the tariff can not possibly be fully effective. [Applause.] Now, to show you how it works: On hard wheat, with a limited supply in this country for milling purposes, in competition with Canada, hard wheat of the same grade, the tariff is effective, but not fully effective even there, and I think nearly all the economists of the country would agree that on those commodities of which we export a large quantity, like cotton, we can not give the full effect of the tariff to the producers of those products. This is plain A, B, C economics. Of course, if we withhold part of the cotton crop from the market the domestic price would rise, but dumping the surplus onto the foreign market would depress the world price. And since our exports of cotton are such a large part of our total crop, what we gain in one direction we may lose in another.

Mr. KETCHAM. Will the gentleman yield for a question right on that point?

Mr. JACOBSTEIN. Just a question.

Mr. KETCHAM. If our production of wheat in America was suited to our normal needs, does the gentleman believe the tariff then would be effective to its full extent?

Mr. JACOBSTEIN. Of course. Suppose we produced only 500,000,000 bushels of wheat, but we consumed 600,000,000 bushels of wheat—where are you going to get it? You would have to import it. There would be a shortage; and in order to get it you would have to import Canadian wheat, say, from Winnepeg, which we will say is selling for from 15 cents to 20 cents less than ours. You would have to pay a tariff on it, plus transportation, and the price would go up. If that is true, the inverse is also true; where you export a sufficiently large quantity, you can not give the benefit of the tariff to the producer. Therefore, in telling the cotton farmer or the wheat farmer that your bill is going to give him the full effect of the tariff, you are selling the farmer a gold brick. [Applause.]

This is not a political argument, gentlemen, because I believe in protection. I was a gold Democrat and I am a protection Democrat. [Applause.] But I say to you that every man who voted for the emergency tariff act of 1921, when agriculture was depressed, and promised the farmer he would be lifted out of his depression, sold the farmer a gold brick, and you are now trying to get out from under and you can not do it. [Applause.] Please do not think this is a political argument. The tariff may have benefited the manufacturer, but it did not give the desired and necessary relief to agriculture. The tariff does work on wool, onions, and lemons, because we depend on importations to meet domestic requirements, and in lesser degree the tariff operates on butter and potatoes, depending on market conditions.

I question whether the equalization fee will work as easily as its proponents think it will. But I will say this: If I were a Haugenite, and if the equalization fee is thrown out by the court, as it might be, or thrown out because it is impractical, I would consider that we then had the Haugen bill in the same position that the Crisp-Curtis (administration) bill is in, because really the main difference between the two is that the Haugen bill depends on the application of the equalization fee and the Crisp bill on a Government subsidy and loans to agricultural corporations.

So, gentlemen, if you are going to vote for the Haugen bill, and have any fear in your heart that the equalization fee may not work, my answer to you is, do not be faint-hearted about it. I do not expect it will work, but that is not the thing that militates against the Haugen bill. The equalization fee will enter into the cost of production and into the price, just like insurance, taxation, freight rates, interest rates, and labor costs, and you can not get away from it. It is a basic, economic fact.

FOREIGN COMPLICATIONS

I am not unmindful of the fact that the successful operation of the control of the surplus under the Haugen bill has international implications. We might be accused of dumping abroad, and thereby doing the very thing we seek to prevent other nations from doing under the provisions of our own tariff laws. Great Britain is especially solicitous of protecting her colonies against the effects of dumping.

Furthermore, our own Government has protested on several occasions against the Government control of the production and sale of products shipped into our country. Only recently Mr. Hoover protested the British control of the rubber supply. We have expressed similar dissatisfaction over the control of coffee by Brazil, potash by Germany, nitrates by Chile, sugar by Cuba, iodine by Chile, raw silk by Japan, camphor by Japan and China.

I say, therefore, that I am not unmindful of the fact that we have this international trade relation question to think of in connection with the operation of some of the provisions of the Haugen bill. Of course, it is true that under this bill the foreign consumers are likely to secure our products at a lower price than the American price.

SUGGESTED AMENDMENTS

The Haugen bill ought to be amended in several respects. The Haugen bill is better this year than last year, and better than it was two years ago, but there are still some changes that ought to be made.

I would say that first of all it ought to include this provision creating an agency that will formulate and administer a permanent production and development policy, which will in the long run take care of a permanently recurring surplus. The Haugen bill is a surplus-control bill, but it does not define surplus. It should be amended to include a definition of surplus.

The Haugen bill imposes no limits on price elevation. The sky is the limit. The Crisp bill contains a provision which will tend to protect the consuming public against possible extortion. The Haugen bill will not suffer if amended in this regard. There should be a limit to the price elevation, not only to protect the consumer, but to act as a check on further overexpansion and overproduction.

I think it is foolish for the Haugenites to assume you are going to have an operating period whenever you have a surplus; that is, whenever you have more than you need at home, because you always have that. The operating period would apply all the time on cotton. It would apply nearly all the time on wheat and several other of our agricultural commodities. Therefore the test of the operating period ought not to be whether there is or is not a surplus, but whether there is a surplus at a price that is unprofitable to agriculture, and the bill should be amended and can be improved in this respect.

I am inclined to think the bill ought to apply to all commodities, at the will of the board, provided the producers of the various commodities give their consent. [Applause.] This would make it less sectional and more American. This would be playing fair with all farmers, showing partiality to no groups. If you do not do that, and if the Haugen bill works, you will have producers of other commodities rushing in here to Congress, knocking at the doors, and saying, "When do I get my relief?"

If the bill works, it ought to work for everybody. If it does not, then everybody ought to know it at the same time and everybody ought to feel that it does not work, and for this reason I would include them all, as in the Crisp bill.

IMPORTANCE OF LEADERSHIP

I think you also forget that if the Haugen bill works, it will work only because you have a personnel that understands the practical workings of the marketing of produce. It is quite likely that the nominating committee will present to the President of the United States a list of men who do not know the practical end of marketing and financing and transportation. Therefore, I would give the President of the United States

some leeway in putting upon this board a few men who have spent their lives in this business. They would not have control of the board, however. I would have added to the 12 members of the board selected by the farmers, three members selected by the President of the United States not nominated by farm organizations but representing all the people in the United States to help make the bill more practical in its application. The more I see of government, the more convinced I am that the practical application of a law depends for its success upon the right kind of men in these bureaus and in these departments; and while I think agriculture has a right to govern itself, as provided in this bill, I think the application of the law would be improved if we put some responsibility upon the President for adding to the board a few men who are practical men in fields outside of those represented by the farmers or the farm organizations. Furthermore, it should be made illegal, with a stiff penalty, for any member of the board to deal in, buy, or sell, or speculate in any of the commodities covered by the bill and handled by the board.

Now, what is my conclusion? Gentlemen, as an economist I regard the bill as far from perfect. It is a mixture of good and bad, like most of our experimental legislation. If you put into the bill a short new paragraph, calling for an agency which will study and give to the country this permanent national agricultural policy, I could swallow the Haugen bill with less discomfort. [Applause.] If you must vote for a farm relief bill, my advice to you is to vote for the Haugen bill. [Applause.]

I will tell you why. If we are going to experiment, let us try that bill which the farmers think will work. [Applause.] I have my grave doubts whether it will work in the way in which its proponents think it will, but I want the experiment tried in such a way that they can not come back here next year or in two years and say, "You gave us a farm relief bill but you did not give us the kind we wanted."

If the bill becomes a law, I sincerely hope it will confer real benefits upon agriculture. I hope those responsible for administering the law will ignore the weak spots and pitfalls hidden in the bill, and utilize only the good and sound features in it. In the last analysis, of course, its successful operation will depend on the common sense, good judgment, and acumen of those in charge of the machinery. On that basis we would go on experimenting for another 20 years.

So, fully conscious of its faults and limitations, preferring it to either the Aswell or the Crisp bill, I shall vote for the Haugen bill. Of course, I believe my own bill combines the good points of these three bills, and in addition has one feature not in any of them, namely, the creation of an American institute of agriculture for the permanent betterment of agriculture. If I am forced finally to vote for the Haugen bill, I shall do so reluctantly, skeptically, and experimentally. Out of it all may come some machinery and some force which will teach the farmer how to organize and operate collectively, as city folks have learned to do. The 6,000,000 farmers must learn to socialize more and individualize less.

But obviously it is the Haugen bill or no bill. I would like to see it amended in the way I propose, and with those amendments I would like to see the experiment tried to lift agriculture to the plane where it belongs. [Applause.]

Mr. HAUGEN. Mr. Chairman, I yield the remainder of my time to the gentleman from Kentucky [Mr. KINCHELOE].

Mr. KINCHELOE. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. DAVEY].

Mr. DAVEY. Mr. Chairman and gentlemen of the House, twice I have voted against the McNary-Haugen farm relief bill, and now I propose to vote for it. [Applause.] It is the purpose of these remarks to state the reasoning that has led me to this conclusion.

In the previous sessions it was my thought, and at least my hope, that time would help to work out this agricultural distress. But time has made it only worse.

Recently I have been making an investigation and have consulted the best available sources of information. Much to my disappointment, I find that the economic situation of agriculture to-day is actually worse than it has been in many, many years, as compared with the prevailing standards. In saying this, I am quoting one of the best-informed men in America. The actual delinquency in payments due on farm mortgages all over this country has reached an impressive number and total. An amazing number of farms have been taken over by the mortgage holders, and many of them are not now being worked. This is obviously the result of an inadequate return on the production of those farms.

A gentleman who knows the situation intimately told me a few days ago that, in his judgment, nearly half the farmers in the Central States have had to borrow money to pay their taxes in the last year. Nothing could suggest a more serious aspect of the agricultural situation than this cold and relentless fact.

It is only fair to state that I have not had a single request from any constituent to vote for this bill. The only communications that have come to me from my district are positively against it. There are 450,000 people in my district, and probably 400,000 of them represent the industrial class. From a selfish political standpoint, perhaps, I ought to oppose it, and yet it seems to me that we need to think nationally on every problem of this kind. To a considerable extent my district is opposed to this legislation, although it is largely uninterested, but I am trying to think in terms of my country, to which I owe a greater allegiance than to the narrow confines of one congressional district.

CAUSES OF RECENT INDUSTRIAL PROSPERITY

For the past several years we have enjoyed rather abnormal industrial prosperity. What are the causes for it? I would enumerate the chief ones as follows: When we entered the Great War America was wealthy by virtue of the development of the great natural resources of a virgin land. The Great War caused the wealth of the world to flow into America in unparalleled volume, until to-day we have something like two-thirds of the world's gold supply. We grew vastly richer out of the war in spite of its stupendous cost.

Since the close of the war we have had an enormous national building program that was brought about partly by the delayed building of the war period. In addition to this is the stupendous development of new industries, like that of the automobile, and many other things which are the outgrowth of a newer and higher standard of living, due in part to our increased wealth and buying power.

On top of all this has been the artificial stimulus to business expansion by means of the new and dangerous policy of installment buying.

There must come an end to this sort of expansion. It is now generally considered that the national building program has nearly if not quite reached the point of saturation. According to the January report of the F. W. Dodge Corporation, construction contracts awarded during January in 37 States east of the Rocky Mountains showed a decline of 16 per cent under January, 1926, and 28 per cent under December, 1926.

Of course, there will be a large volume of building in every year of our future history, but the total is bound to decline. No one knows when the point of saturation will be reached in the automobile business and kindred lines of luxuries or semiluxuries, but it can not go on forever with the amazing increase of the past few years. This is particularly important when considered in light of the fact that the American people have mortgaged their future earnings through installment buying for a considerable period of the near future. Once the forward movement of industrial prosperity is stopped and a decline is experienced, many of these delayed payments will become impossible through lack of employment and there will start a reverse movement which will affect the whole commercial structure adversely.

PRESENT SIGNS OF RECEDING PROSPERITY

You may wonder why I am impressed by these thoughts. Right now there is a greater volume of unemployment than the American public has been permitted to know. According to the employment figures of the United States Department of Labor at the close of 1926, the employment was only 91 per cent of what it was in the year 1923. This report is based upon returns from 10,117 establishments in 54 separate industries with 2,974,001 employees in December, whose combined earnings in one week were $78,922,522.

I am told on what I consider good authority that there are 65,000 or 70,000 people out of employment in Cleveland. I was told a month ago that there were nearly 100,000 unemployed in the city of Detroit. A few days ago in Philadelphia Henry Ford predicted another year of prosperity. I hope he is right, but I was told two or three weeks ago by a man who ought to know that Mr. Ford's plant was then running only two days out of five. The latest report of the United States Steel Corporation shows a decline of 160,000 tons in unfilled orders. I do not mean to infer that there is to be any business crisis, but I do believe that the high tide of industrial prosperity is passed and that we are entering a period of lessened business activity.

Recently I have been reading the February, 1927, issue of the Economic Conditions Bulletin, published by the National City Bank, of New York. While the whole tone of this bulletin is intended to be optimistic, it contains certain significant statements, as follows:

The situation at the outset of 1927, it must be admitted, is not quite the same as at the outset one year ago. We have had one more year of very heavy building operations, which must of necessity bring us nearer to the time when building operations will undergo some decline. We have also had another year of heavy production in the automobile industry, with indications that that industry also may not be able to continue without some interruption, its record of year-to-year increases. The decline in agricultural prices, particularly in the case of cotton, tends to disturb the equilibrium of business.

Bank clearings during January have continued to run below the corresponding weeks of a year previous, as in the closing quarter of 1926.

In the iron and steel industry the year has begun more quietly than usual, but this is not surprising in view of the sustained activity of 1926. January steel production, however, is expected to run above the 74 per cent rate of December, which will not be a bad showing, even though considerably below the 89 per cent rate of last January. Prices, however, have been under pressure. "Not in many months," says the Iron Trade Review in its issue of January 27, "has the finished-steel market been so highly competitive." Continuing, this authority says:

"Business not having come back as expected after the holidays, producers have gone after it in vigorous fashion, and in a moderate way they have succeeded. The past week has seen further improvement in the general tone of the market, with new business and production on a somewhat higher plane, but casualties among prices continue."

Automobile production, after dropping to a low ebb in December, was stepped up rapidly in January; but manufacturers are proceeding cautiously, and Detroit employment figures are well below the high points of 1924 and 1926.

Suggestions by the head of a large real estate mortgage house that the country is overbuilt and that a six-months' building halt would be desirable have again precipitated lively discussion over the status of the building industry. For some time conservative opinion has looked with misgiving upon the methods being pursued in the construction of certain types of apartments and office buildings in various sections of the country, and a warning that indiscriminate building of this character can not be carried on indefinitely without undesirable results will be approved by all.

AGRICULTURAL DISTRESS HURTS ALL BUSINESS

How could it be otherwise when the artificial and abnormal stimulants have nearly run their course and lost their potency, and when half our population are in economic and financial distress? It ought to be self-evident that a prosperous agriculture is necessary to continuous industrial prosperity. [Applause.] The future success of every business enterprise in America is dependent directly or indirectly upon the buying power of the agricultural part of our population. The most selfish provincialism and the most isolated viewpoint ought to realize that the prosperity of agriculture is a necessary condition to continued national prosperity. [Applause.]

When you think of the vast number of farms that are being abandoned, and the multitudes that are flocking into the cities to gain a livelihood where money has been flowing more freely; when you think of the millions of American farmers who are struggling on in the face of persistent adversity with insufficient income to meet their maturing obligations; when you think of the innumerable farmers who have had to borrow money just to pay their taxes; and when you think of the disastrous decrease in the buying power of American agriculture, you must recognize that we have in this situation a national problem, and it can not be solved by a merely local viewpoint or by raising the age-old cry against everything new that it is economically unsound and dangerous. Something must be done to help agriculture in order to help America, and the McNary-Haugen bill is the only thing in sight that offers any promise.

WHAT IS THE DIFFERENCE BETWEEN PROSPERITY AND DEPRESSION?

Some time ago, I had the opportunity to study a chart made by the Economic Research Bureau of the American Telephone and Telegraph Co., which is said to be one of the best in the country. This chart gave a graphic picture of the trend of American business over a period of 50 years. It was interesting to see how the upward march of prosperity continued by irregular movements, and the downward course of depression proceeded irresistibly in spite of politics or presidential years or other superficial reasons. If the tide of prosperity was generally upward, it continued its irregular course upward until it reached the high point of abnormal prosperity, and then it started downward. There was a surprising persistency to these movements, and depression followed abnormal prosperity just as prosperity followed depression, with significant regularity.

The most surprising thing to me, as disclosed by this chart, was the fact that the high point of abnormal prosperity was not much more than 10 per cent above the line representing normal business, and the low point of depression was not much more than 10 per cent below this same line representing normal business. In other words, there is a difference of only 20 per cent between maximum prosperity and maximum depression. All of this would indicate that the absolutely necessary requirements of the American people constitute 90 per cent of the normal business volume. The other 10 per cent probably represents luxuries or things which they can get along without.

When the economic forces bring back American business from depression to normal, it is inevitable that the upward movement carries us into a condition of prosperity. Of course, there is bound to be some psychological influence both in prosperity and in depression. When business is bad people are inclined to buy somewhat less than they want and can afford, and this increases the depression. When times are good people are inclined to buy more freely than they would ordinarily. This extra confidence increases prosperity and helps to continue it. But to the very extent that people overbuy they bring on that much more depression, and when depression comes it is that much worse and lasts that much longer. By the same token, when people underbuy in a period of depression, they make the return of prosperity a matter of course. Although it is delayed to the extent that people underbuy, prosperity is that much greater and lasts that much longer when it comes.

But here we have a serious situation brought about by the economic inequality of agriculture and by the steadily lessening buying power of the American farmers. We might just as well face the facts frankly. A continuation of the present financial adversity of the farmers of this country is bound to reflect itself in a decrease of industrial prosperity. The longer this agricultural depression continues and the more acute it becomes the more will the rest of the country suffer. It seems to me self-evident that if the American farmers can be helped even moderately out of their present economic distress, it is one thing that gives promise of help to maintain the national prosperity, and I think it will largely fill the gap created by the exhaustion of the artificial and abnormal stimulants which have been operating since the Great War.

WHY IS PRICE FIXING RIGHT FOR EVERYONE ELSE?

It is said that this bill is a "price-fixing" measure. Well, what of it? The most gigantic "price-fixing" measure that was ever given the dignity of law is the American tariff, which substantially fixes the domestic price at the world price plus the tariff rates. Of course, it is all right to provide a "price-fixing" measure for industry, but the beneficiaries of the tariff "price fixing" law condemn it as economically unsound to give the farmers a "price-fixing" measure of protection. The next most gigantic "price-fixing" measure ever enacted into law is the Esch-Cummins bill, which substantially guarantees rates that will yield a fixed rate on the railroad investment. That very law fixes the price of transportation for the farmers' produce and for the service that all the American people must buy from the railroads. "Price fixing" is all right for big industrial enterprises, but all wrong for unprotected farmers.

"Price fixing" has become more or less of an accepted practice in American business, and no one seems to think it is economically unsound and dangerous. Why, even organized labor has had the benefits of "price fixing" in connection with the labor they have to sell, and the right to do it is now recognized by both law and custom. Various professions get together in districts and agree upon minimum rates of charge for various types of service. Even the banks of various communities get together and agree upon the rate of interest they will pay and the rate of interest they will charge.

Why is it economically sound and proper to let everyone else fix prices for the things they have to sell, as now seems to be the accepted practice, and deny the same right to agriculture, which is the most important and basic industry of all? The farmers are the only people in America who have no voice in fixing the prices of what they buy or what they sell. They are the victims of a "price-fixing" era. This argument, coming as it does from the beneficiaries of "price fixing" and their satellites, is the most unfair and ridiculous and unsportsmanlike argument that could be advanced.

HELP AGRICULTURE IN ORDER TO HELP AMERICA

You who are opposed to this bill, and I assume that your position is thoroughly conscientious, I want to ask serious consideration of this question. Would you permit the farmers of America to be driven into economic ruin by the inequality of the artificial protection that has been provided by law for everyone else? Would you permit the farmers of this great country to be forced by adversity away from the farms? Would you be willing that the farmers should be developed by economic

inequality into an underpaid peasant class? Then woe be to America—you will pay dearly for such a course. If you permit the farmers to be driven away from the farms of this country, you will pay infinitely more for your food and raw materials than you would ever pay under the operations of this bill.

Every nation, so far as history records, that has gone down before the march of time, and every civilization that has disappeared, is a result of the destruction of its agriculture. We must not allow our basic industry to go that way. The farmers of America represent a great solid citizenship—hard-working, law-abiding, home-owning, and country-loving people. For the sake of our country we can afford to do no less than to give sympathetic and willing and constructive consideration to their great pressing problem of to-day. [Applause.]

Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

UNITED STATES DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS,
Washington, February 14, 1927.

Hon. MARTIN L. DAVEY,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: The Bureau of Labor statistics employment figures for January show an index number for automobiles—employment index 90.3, earnings index 69.0; automobile tires—employment index 102.4, earnings index 103.8.

This indicates that the number of people on the pay roll in the automobile industry did not materially increase in January, while the drop in the volume of pay roll indicates a very serious increase in part-time work, even as against December. Automobile tires shows an increase in number on pay rolls, but a slight decrease in pay roll showing a little more part-time work, though the change is not sufficient to base any conclusions upon.

The report of the employment office of Akron, Ohio, shows that during the month of January 3,098 male workers applied for jobs, while only 547 men were called for by employers. The Akron office placed 525 workers out of 3,098 applicants. In the employment offices of Ohio, taking the State as a whole, there were 12,815 men applied for jobs and employers applied for the services of 6,408 men, practically two applicants for each job offered.

Of course, these employment office figures do not tell the whole story of unemployment. For instance, recent reports indicate pretty clearly that there are about 68,000 men out of work in Cleveland, 8,000 of these being in the building trades; while the employment office reports that there were 3,884 applications for work filed by men in January, and there were 2,139 requests for male help by employers.

The report for Illinois has just reached my desk and shows that there was a decrease of 1.9 per cent in the number of workers on factory pay rolls during the month of January in that State.

Sincerely yours,

(Signed) ETHELBERT STEWART,
Commissioner of Labor Statistics.

Mr. KINCHELOE. Mr. Chairman, I yield 20 minutes to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. WHITTINGTON. Mr. Chairman, the hour is growing late and I shall be as brief as the importance of the subject will permit. I begin where the distinguished economist from New York [Mr. JACOBSTEIN] left off by agreeing with him that while the pending bill is not perfect, it is the best of any of the bills under consideration for the relief of agriculture. If the Senate bill is substituted for the House bill, it is my purpose, in a spirit of cooperation with the friends of agriculture, to support the Haugen bill. [Applause.]

I shall briefly analyze the McNary-Haugen bill, discuss the more important features of the pending legislation, make a few comparisons between the pending bill and some of the other measures proposed, answer some of the objections that have been urged against the McNary-Haugen bill, and emphasize the insurance amendments adopted by the Senate that will enable some of us to vote for the bill.

I. AGRICULTURAL PROBLEM

It is admitted that there is an agricultural problem. The petition of the farmers for relief is being considered. The typical answer of industrialism, the chief argument against any farm legislation, has been made. [Applause.] Perhaps the speech of the gentleman from New Jersey [Mr. FORT] best typifies the arguments made in opposition to the bill. He submits many objections, but it is significant that the chief objections relied upon by him during the first session of the present Congress are not so much as mentioned by him. Formerly, his chief argument in opposition was that this legislation constitutes a subsidy; he does not mention the matter of a subsidy now, either in his speech or in his minority report. Undoubtedly this course is pursued because the bill advocated by the gentleman has more of a subsidy in it than the Haugen bill.

Then again, last session the gentleman from New Jersey said that there was no overproduction, and that while there is a seasonal surplus, yet over a period of years there is no real surplus. To-day, in opposition to the pending legislation, he states that overproduction is the cause of agricultural distress. He admits that the farmer is not receiving an adequate price, but the trend of his argument is that it is wrong to increase the price of farm products, for an increase in price will be an injury to the farmer rather than a help. The object of all farm legislation is to give the farmer a living wage, and to give him at least the cost of his production. If the argument of the distinguished gentleman from New Jersey that an increase in price to the farmer would lead to overproduction be sound, why will not the same argument apply to the manufacturers of New Jersey asking for a tariff? The purpose of the tariff is to increase the price of the domestic production. It is just as reasonable to maintain that an increase in price to the manufacturer will lead to overproduction, as it is to assert that paying the cost of production to the farmer will lead to overproduction on his part. In other words, the sum of the arguments of the opposition is that the farmer should not be given relief because it will do him injury. The only logical position for the opponents therefore, would be to oppose all farm legislation. Their position is contradictory when they begin their argument by saying that there is a farm problem, and when they offer and support a bill to solve the problem.

II. OBJECTIONS ANSWERED

Mr. FORT complains that the objections submitted in his minority report have not been answered. I call attention to the fact that many of his objections were anticipated in the report of the committee, and the remainder were certainly answered in the report of the Senate committee on the companion bill.

I refer to one objection, for I regard it as typical. It is admitted that one of the main purposes of agricultural legislation is to encourage cooperative marketing. Mr. Fort gives as his chief objection to the Haugen bill that it will kill cooperative marketing. This is the only objection where he undertakes to submit alleged proof to support his statement. He refers to the fact that the Haugen bill covers Capper-Volstead cooperatives. He then argues that because, under the Capper-Volstead Act, at least 50 per cent of the volume of a commodity handled by a cooperative association must come from its members, the farm board created would be unable to make agreements with cooperative associations to dispose of the surplus, a very large part of which would not belong to the members. He stresses this point. The Crisp bill provides for cooperatives and for organizations to be formed by cooperatives. I submit that his objection must fall to the ground. The gentleman is evidently not familiar with the provisions of the Haugen bill reported on January 18, 1927. I quote from the Haugen bill, section 6:

(d) During such operations the board shall assist in removing or withholding or disposing of the surplus of the basic agricultural commodity by entering into agreements with cooperative associations engaged in handling the basic agricultural commodity or with a corporation or association created by one or more of such cooperative associations or with persons engaged in processing the basic agricultural commodity.

This section distinctly states that agreements may be made by corporations or associations created by one or more cooperative associations. I maintain that the agreements are not confined to millers and packers; the agreements are not confined to processors.

Again, I call attention to the fact that the definition of a cooperative association under the McNary-Haugen bill is found in section 15 (3); it is found in the Crisp bill in section 19 (3). The language of the definition of cooperatives in the two bills is identical. In both bills cooperatives are defined as those operating under the Capper-Volstead Act. It may be that the identity of the definitions, among other things, lead the distinguished coauthor of the Curtis-Crisp bill in the other Chamber, when his bill was overwhelmingly defeated in the Senate, to support the McNary-Haugen bill.

The other objections urged by the gentleman from New Jersey are equally untenable. It is passing strange that if profits are guaranteed to millers and packers, the chief opponents of this bill, from whom we hear every day, are the representatives of the millers. [Applause.] It would be natural, if this legislation were of benefit to the packers, that the packers would be asking Congress to pass it. I know of no requests from the packers to pass the proposed legislation.

Mr. FORT. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. Yes; when I finish my reply to your objections.

It may be that the legislation will upset some existing trade channels. I maintain that there should be an upset in existing trade channels. The gentleman himself admits that at least some of the trade channels should be eliminated. He condemns speculators and maintains that the speculative element ought to be eliminated from existing trade channels. One of the purposes of the pending legislation is to eliminate the profits of the undesirable trade channels. [Applause.] There are legitimate trade channels that will continue. If the cooperatives can not handle the products they are authorized to utilize other agencies, and certainly they will utilize legitimate trade agencies already existing.

Certainly the Haugen bill is no more unworkable than the Crisp bill. It is not as much of a price-fixing measure as the Crisp bill. Under the Haugen bill the equalization fee ought to curb production. Under the Haugen bill the surplus will remain in the hands of the producers, and all who are familiar with the farm problem admit that the problem of the surplus will be handled best if the surplus remains in the hands of its best friend, the producers of the commodity.

III. CONSUMERS

It is noticeable that the gentleman from New Jersey has manifested much interest in the cotton growers of the South. He is reputed to be the author, or at least one of the coauthors of the Curtis-Crisp bill. For some reason it was thought desirable by the philanthropic friend of the cotton growers, who resides in New Jersey, to secure the assistance of a real friend of agriculture from the South, to introduce legislation for the benefit of the cotton growers. When did the manufacturers of New Jersey appeal to the cotton growers of Georgia or Florida to introduce a protective tariff for their benefit? In his zeal for the interests of the cotton growers, he calls attention to the increased cost of consumption in the event of the passage of the bill. He uses arbitrary figures; he emphasizes especially the increased cost of flour and meat to the cotton growers of the South. At the same time he admits an assumed increase in the price of cotton. The answer to the argument is that there is no real quarrel between the producers and the consumers.

The producer would be satisfied to get the price paid by the consumer. [Applause.] I refer to statistics from the Department of Agriculture showing that on August 15, 1923, the average farm price for wheat in the United States was 86.4 cents per bushel, the lowest price paid during the years 1922, 1923, 1924, or 1925. On that same day the average price of bread at retail in New York City was 9.6 cents per pound. Eighteen months later wheat sold at an average farm price to the producer of $1.70 per bushel; this was almost double the price of wheat on August 15, 1923, and yet the price of bread at retail in New York City averaged 9.6 cents per pound, or exactly the same as when wheat was selling at one-half the price. The complaint of the farmer to-day is that he is not getting what the consumer pays. The undesirable trade interests, the speculators, are growing fat upon the handling of the produce of the farmers. The object of the proposed legislation is to enable the farmer to get more nearly what the consumer pays, without any undue or unnecessary increase to the consumers. [Applause.] I might cite statistics to the same effect relative to meat, and certainly I can cite them relative to cotton. How much more cheaply are the farmers buying their shirts to-day at retail than they bought them a year ago or two years ago, when the farmer was receiving twice as much for cotton? How much more cheaply is the farmer buying his gingham or his cotton cloth to-day, when cotton is selling at one-half what it sold for a year ago? The decreases in prices received by the farmers are not reflected in the prices paid by the consumers. The cotton grower will not be deceived. He is not altogether selfish. He is reasonable. He admits that if legislation is to be enacted that will be of benefit to the cotton grower, the wheat and the corn growers will receive the same relative benefits.

I can not believe that the American consumer objects to paying the American farmer a fair price for his product, particularly since I have shown that the increased cost to the consumer on any product is very slight.

When the cotton growers of the South plead that a protective tariff on manufactures increased the cost of his clothing, his plea, when presented to the manufacturers of New Jersey, fell on deaf ears. It is not strange, therefore, that efforts to becloud the real issue are made for the purpose of hindering and not helping agriculture.

IV. FOREIGN CONSUMERS

It may be that the wheat grower will receive a better domestic price under the Haugen bill, which the gentleman from New Jersey complains of. I listened to his remarkable statement about domestic manufacturers selling their products more cheaply in foreign countries than in the United States, and that the manufacturers only sell in the world markets old types of farm machinery, and old models of automobiles. In other words, his reply was that the manufacturers do not sell the same products abroad that they sell at home. Many of us have been told that instead of sending the inferior products abroad the manufacturers really send them to the South. I must confess that the argument of the gentleman from New Jersey was a real news item. I have really been laboring under the impression that the Fords in London were just the same as the Fords in New York. As a matter of fact, the great industry of the age, the automobile industry, has been built up not by a protective tariff but through efficiency.

There is practically no tariff on automobiles, and yet the wage earners in the automobile factories are the most highly paid of any laborers in the United States. I have communicated with the Department of Commerce and the Department of Agriculture and the Tariff Commission, and without exception I have been informed that generally the best types of manufactured products are offered for sale abroad. This statement must be true. In foreign markets our products are brought into competition with the products of the world. In the great markets of Paris, London, and Berlin we must offer our best products or we can not sell in these most efficient industrial centers on earth. I take no stock in the argument that the domestic consumer should pay more than the foreign consumer, but certainly the gentleman from New Jersey, who advocates a high tariff, can not complain.

V. GRADES

With but one more reference to the argument of the distinguished gentleman from New Jersey, I shall pass to the merits of the bill.

The matter of grades seems to disturb Mr. FORT. He complains that the grower of long-staple cotton will be called upon to make the same contribution as the grower of short cotton. The gentleman from Minnesota [Mr. NEWTON] complained that the grower of hard wheat, more valuable, will be called upon to make the same contribution as the grower of soft wheat.

The gentleman from New Jersey took up the refrain. He doth protest too much. I can speak for the growers of long-staple cotton, and I am sure that they will be satisfied if they are not called upon to pay any larger equalization fee than the growers of short cotton. If hard wheat is more valuable, the growers of hard wheat will be content if they are not called on to pay a larger fee than the growers of soft wheat. Instead of being an objection on the part of the growers of long-staple cotton or of hard wheat, this argument really is one in favor of the equalization fee.

I am not at all surprised that the gentleman should be distressed and perturbed about the matter of grades. It is one of the vices of the Curtis-Crisp bill. Section 9 of that bill provides that no commodity which is of inferior grade shall be purchased with advances made by the board. The Crisp bill deals with efficient producers. Is it not strange that when a tariff bill is written the qualification of the manufactures, limiting the benefits of the tariff to the efficient manufacturers only, is lacking?

But as to the matter of grades: Those who are familiar with cotton know that it is true that inferior grades constitute the surplus. They constitute the burden on the market. The holder of the better grades and of the better staple is the loser because of the burden on the market. He will gladly contribute the same comparative amount that the holder of the low grades is asked to contribute in order to relieve all grades.

The advocates of the Curtis-Crisp bill must admit that their program is one of subsidy. To prevent its operation, however, as a subsidy the operations of the bill are so circumscribed and restricted, by giving it no authority to deal with the very products that cause the surplus, that the bill can not operate for the real relief of agriculture. The subsidy is offered, but it is a subsidy that can not and will not be utilized.

I recall that during the past fall the spokesman for the administration, favoring now the Curtis-Crisp bill, announced to the South that the present administration was prepared to come to the relief of the cotton farmers. Mr. Eugene Meyer and other representatives of the administration went into all of the cotton-growing States. They maintained that the funds to carry over the surplus were available. They advocated a program that they announced was entirely adequate. Was the cotton farmer relieved? Was the price of cotton stabilized? While relief was offered, it was couched in such terms as those that obtain in the Curtis-Crisp bill. The restrictions as to grades were similar to those in the Curtis-Crisp bill. The result was that the cotton growers received no relief. I repeat, I am not disturbed about the matter of grades. I maintain that it is

the virtue of the Haugen legislation that it proposes to solve the problem by handling the low grades as well as the better grades of agricultural products.

VI. STORAGE CHARGES

I must now turn to answer a few of the objections to the Haugen legislation that are urged by Representatives from the South.

Something has been said as to the expense of carrying over cotton in the years of surplus. I reply that no more expense will be attached to the carry-over under this legislation than now obtains. The surplus is now carried over; it must either be carried over or be destroyed. The trouble now, however, is that the surplus is being carried over by traders or speculators, who only buy when the price is depressed, and who will hold until better prices obtain. At present the farmer must sell when real conditions are not reflected by the market. The proposed legislation will enable him to hold so that he, the farmer, may obtain the increase in price. Certainly the farmer will not have to pay any more storage or interest than the speculator or trader, who must pay such storage charges in carrying over the surplus.

VII. EXPENSE OF ADMINISTRATION

Some Members of the House are evidently alarmed about the expensive machinery of the proposed board. No one contends that the law will be self-executing. Such was the argument of wealth against the passage of the Federal income tax law, the fairest and most just of all laws, requiring only that citizens shall pay in proportion to their ability and in proportion to their earnings.

The opponents of the income tax law cried that it meant bureaucracy, that it meant additional offices. It is the stock argument of those who oppose progress. It was the argument against the creation of the labor board. It is the argument of the liquor interests against the prohibition laws. The liquor interests become exceedingly solicitous in reminding the American taxpayers that it will cost enormous sums of money to enforce the prohibition law.

But the real downright friends of farm relief are not misled by any such arguments. The Curtis-Crisp bill provides for the same appropriation. The expenses of the set-up and the machinery in this bill are substantially the same as those in the Haugen bill. Even the Aswell bill, confessedly a subsidy, requires a set-up and machinery almost as expensive as the Haugen bill.

Some of my colleagues seem to object because the proposed legislation provides for the employment of experts. Railroads employ experts, banks employ experts, manufacturers employ experts when they deal with their products; why should not agriculture have the benefit of experts? There will be some expense attached to the set-up and the machinery, but it deals with crops aggregating billions of dollars. I admit that the success of legislation under any bill will depend upon the efficiency of the members of the board and the officials of the corporations or associations that may be organized.

Again, it is said that there is no limit to the equalization fee. I answer that there is no limit on the equalization fee as to any product. Personally, I would like to see the equalization fee eliminated as to cotton. There is certainly less need for it on cotton than on any commodity. In my judgment the fee must be less on cotton than on any other commodity. But we are dealing with a big problem, a big question. Is it not wise, is it not better, to leave the matter to the board upon whom the success of the legislation largely depends? Legislatures of the States are authorized to levy taxes; Congress is empowered to levee taxes; there are no limits to the amounts. The people must trust their representatives. There must be confidence. The producers must trust their representatives on the farm board, and if their representatives exceed their authority, or abuse their power, Congress is in session every year, and the friends of the farmers will most certainly come to their rescue.

VIII. ANALYSIS

It is very difficult in the short time allotted to me to make a thorough analysis of the proposed legislation. I represent a cotton-growing constituency. I believe that the insurance features adopted by the Senate are among the most constructive features of the Haugen bill. They are contributions by the leaders of the cotton industry to the proposed legislation.

I think they are the most far-reaching and constructive measures for the relief of cotton that have been suggested in connection with the agricultural problem. I call attention to the insurance plan, a very thorough investigation as to its operation, contained in my remarks in the RECORD on Saturday, February 12, on page 3602. I also call attention to an analysis of the McNary-Haugen bill, with the insurance plan embodied therein, made by one of the most efficient cotton growers and most capable cotton men of the South, Mr. A. H. Stone, included in the remarks above mentioned. It deals particularly with the application of the Haugen bill to cotton.

IX. PRESENT HAUGEN BILL IS DIFFERENT FROM FORMER BILL

I opposed the Haugen bill in the first session of the Congress, and I gave my reasons for my opposition. I may say that I would oppose it at the present time without the insurance plan, to which I have referred, and without the amendments that were adopted by the Senate.

The present bill is different from the bill reported during the first session of the present Congress. I refer to a few of the differences: There is no reference to a tariff in the pending bill, nor is the matter of an embargo mentioned. It can not be said to constitute a subsidy. The tariff and embargo and subsidy have been eliminated.

The voluntary feature in connection with the equalization fee has been liberalized. In fact, it may be said that the bill makes the levy of an equalization fee in any commodity voluntary. The majority of the farmers control. The present bill provides for a nominating committee and for an advisory council. As amended by the Senate, the board can not begin operations, nor can an equalization fee be levied, until the board is satisfied that the majority of the producers of such commodity favor such action. In States where there are no farm organizations provisions are made for ascertaining the sentiment of the growers. The amendments of the Senate increase the membership of the nominating committee from five to seven and liberalize the provisions for membership to cover all farm organizations. The bill as amended by the Senate provides that no equalization fee shall be collected at the gin, and finally it provides that operations in any basic commodity shall not be commenced or terminated unless the members of the board representing Federal land-bank districts, which in the aggregate produced during the preceding crop year more than 50 per cent of such commodity vote in favor thereof.

The farm board will not actually handle a dollar. Its operations are defined. It may make agreements for removing or disposing, or withholding or carrying a surplus. The term "surplus" as used clearly means surplus on any basic commodity, whether arising through rapidity of delivery through the harvesting season or arising through a seasonal or accumulated overproduction in such commodity. It may make agreements to carry out the insurance plan so as to guarantee against excessive fluctuations in market conditions. Speculation will thus be eliminated. The board may make agreements for the purchase, storage, sale, or other disposition of the commodity.

The expense of operation will be determined by the board. The operations in each commodity will be financed by that commodity. The stabilization fee will be built up and maintained by the equalization fee contributed by such commodity. In the case of cotton this fee can not be collected at the gin. It may be collected in transportation or at the mills. I repeat, to emphasize, that the board can only operate and can only cooperate with the producer after the producer himself has specifically and voluntarily set in motion the machinery of the bill. Each commodity is treated as a separate unit, must stand its own losses, and will profit by its gains.

The insurance feature in cotton is especially beneficial. The insurance justifies the equalization fee in order to create a stabilization fund to meet the costs of operation. The insurance plan is not an insurance of profit, nor does it provide insurance against loss; the only thing that may be insured is the price at delivery. Moreover, the insurance plan is applicable to those commodities that have a harvesting season but that are and can be stored and marketed during the entire year.

The cotton growers of the South will be fortunate if they can secure the world price for their product at the time of delivery. The justification for the equalization fee is insurance against price decline, coupled with reimbursement for fire insurance, storage, and interest.

The farm board is the central authority. No single State can solve the problem. There must be a Federal authority. The farmers must trust their representatives. The farm board is nominated by the farmers, and this board represents the producers.

X. DEMAND FOR LEGISLATION

The farmers of the South may not be familiar with the provisions of any of the bills. They probably know as much about the McNary-Haugen bill as they do about the Crisp bill or the Aswell bill. It is apparent, as I have said, that the Haugen bill must be the basis of any legislation that is passed by the present Congress. Both the Haugen bill and the Crisp bill provide

for an appropriation for expenses in the sum of $500,000. All three bills carry an authorization for a revolving fund of $250,000,000.

In all frankness and in all candor it must be stated that the equalization fee found only in the Haugen bill is the only method or plan in any bill whereby the Federal Treasury will be reimbursed for advances from the revolving fund.

While the farmers of the South are not familiar with the terms of any of the bills, they are asking for and they are expecting legislation that will relieve the plight of the cotton grower to-day. Undoubtedly cotton is suffering more than any other commodity. The two large crops of the past two years have resulted not only in losses but in many cases in bankruptcy. It has been conservatively estimated that for the sixteen and a half million bale crop of 1925 and for the estimated eighteen and one-half million bale crop of 1926 the cotton growers of the South have sustained losses of $760,000,000. These losses amount to one-half the value of a normal crop.

As candidates, I am sure the Members of Congress from the South promised their constituents that they were familiar with the agricultural problem and that they would vote for the best solution of the problem that could be obtained. The McNary-Haugen bill is not perfect; if I had my way, I would make some changes. I would like to eliminate, I repeat, the equalization fee on cotton altogether. But I know that legislation is a matter of compromise; it results from a spirit of cooperation.

When I recall that the large cotton crops of the past two years have not brought to the growers as much by 25 per cent in the aggregate each year as the average normal crop in preceding years; when I recall that agricultural wealth has decreased since 1912, while the national wealth has steadily increased; when I recall that the farmer who owns his farm had a net return of only 2.5 per cent throughout the United States in the crop year 1925–26, while investments in the industrial field brought a return of approximately 11 per cent; when I recall that in 1925 the farmer paid approximately 27 per cent of his net-cash income in taxes; when I recall that in the case of cotton 46 per cent of the factors entering into the yield of cotton is due to acreage, and 54 per cent is due to weather, insects, and other conditions; when I recall that it is impossible now to change our economic system or to rebuild our economic structure, to repeal or revise the protective tariff, I am forced to conclude that I can best promote the interests of agriculture by supporting the McNary-Haugen bill, with the amendments adopted by the Senate, without which I can not support the measure.

I repeat that there is no real conflict between the unselfish consumer and the unselfish grower. There is no conflict between those who buy and those who sell where both desire justice and fairness. The great purpose of the legislation is to stabilize prices and production so that the price that is paid by the consumer can be reasonably reflected by the amount received by the producer.

I am in sympathy with all reasonable measures for the relief of agriculture. The McNary-Haugen bill is by no means perfect. It does not embody all the features I advocate for the solution of the farm problem. As amended by the Senate it is a distinct contribution toward the solution of the great question confronting the American people.

Agriculture asks only for justice. It demands a square deal. The McNary-Haugen bill, as amended by the Senate, will provide better conditions for agriculture. Its passage will contribute toward leading the American farmer out of the wilderness of despair, despondency, and bankruptcy into the promised land of a better day. Agriculture asks for a living wage and pleads for at least the cost of production. The farmer for himself and family asks for bread; will the Congress give him a stone? [Applause.]

Mr. FORT. Will the gentleman yield?

Mr. WHITTINGTON. Yes.

Mr. FORT. The gentleman has stated that the minority report with reference to cooperative marketing is in error. Has the gentleman stopped to consider, in the case of cotton, for instance, that the cooperative marketing associations——

Mr. WHITTINGTON. I did not yield for a speech.

Mr. FORT. I am asking a question.

Mr. WHITTINGTON. All right.

Mr. FORT. That the cooperative marketing associations handle less than 9 per cent of the crop and that, therefore, they can not be the agencies to handle the surplus, since the surplus is 50 per cent of the crop?

Mr. WHITTINGTON. Let me answer the gentleman by saying that the declared purpose of the Crisp bill—the distinguished coauthor of which in the other body, after making a speech for it, voted for the Haugen bill—let me answer the gentleman by saying that the declared purpose of all farm legislation is, among other things, to increase the cooperative movement in the country and to foster it. I have pointed out already that under section 6 the corporations or associations created by the cooperatives can be the agencies of the farm board. Moreover, the surplus is not ordinarily 50 per cent of the crop, and I maintain that no single feature and no more constructive matter in aid of cooperatives has been embodied in the bill than the insurance plan that was adopted by the Senate. In my judgment the insurance feature will be exceedingly helpful to cooperative marketing. [Applause.]

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. HAUGEN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MAPES, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 15474) to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities, and had come to no resolution thereon.

SENATE BILLS REFERRED

Under clause 2 of Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred as follows:

S. 5588. An act granting the consent of Congress to the Big Sandy & Cumberland Railroad Co. to construct and maintain and operate a bridge across the Tug Fork of Big Sandy River at Devon, Mingo County, W. Va.; to the Committee on Interstate and Foreign Commerce.

S. 5598. An act to extend the time for constructing a bridge across the Ohio River approximately midway between the cities of Owensboro, Ky., and Rockport, Ind.; to the Committee on Interstate and Foreign Commerce.

S. 5620. An act granting the consent of Congress to John R. Scott, Thomas J. Scott, E. E. Green, and Baxter L. Brown, their successors and assigns, to construct, maintain, and operate a bridge across the Mississippi River.

ENROLLED BILL PRESENTED TO PRESIDENT

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that this day they presented to the President of the United States, for his approval, the following bill:

H. R. 11768. An act to regulate the importation of milk and cream into the United States for the purpose of promoting the dairy industry of the United States and protecting the public health.

MAJ. CHARLES BEATTY MOORE, UNITED STATES ARMY

Mr. OLDFIELD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table, and pass, the bill (S. 5259) granting permission to Maj. Charles Beatty Moore, United States Army, to accept the following decorations, namely, the Legion of Honor tendered him by the Republic of France, and the officers' cross of the order Polonia Restituta tendered him by the Republic of Poland, which has passed the Senate, an identical House bill being on the calendar. I have been authorized by the committee having the bill in charge to have the bill considered at this time.

The SPEAKER. The gentleman from Arkansas asks unanimous consent for the present consideration of the bill S. 5259, which the Clerk will report.

The Clerk read the bill, as follows:

Be it enacted, etc., That Maj. Charles Beatty Moore, United States Army, be authorized to accept the following decorations, namely (1) the Legion of Honor tendered him by the Republic of France, and (2) the officers' cross of the order "Polonia Restituta" tendered him by the Republic of Poland, and that the Department of State be permitted to deliver the said decorations to Maj. Charles Beatty Moore, United States Army.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

MR. LEE FRIDAY

Mr. McSWEENEY. Mr. Speaker, I would like to address the House for two minutes.

The SPEAKER. The gentleman from Ohio asks unanimous consent to address the House for two minutes. Is there objection?

There was no objection.

Mr. McSWEENEY. Mr. Speaker and gentlemen of the House, I heard this afternoon that one of the newspaper boys who had continually visited my office and who was born in the neighboring State of Pennsylvania had died of pneumonia—Mr. Lee Friday, who has been working on a Cincinnati and several other papers.

I know that to his family and to his young son nothing can be of any comfort now except the memory of their pleasant association; the hope that Lee had for a greater future and the things he had planned for his young son and his patient wife, who only saw him one night a week because of his devotion to duty. But may I add the words of Robert Ingersoll when he spoke at his brother's funeral:

This loved and loving husband, brother, parent, friend, died where manhood's morning nearly touches noon and while the shadows still were falling to the west. He had not passed on life's highway the stone that marks the highest point, but being weary for a moment he lay down by the wayside, and using his burden for a pillow, passed into that dreamless sleep that kisses down his eyelids still, and while still in love with life and enraptured by the world, he passed to silent and pathetic dust. Is it not best in just the happiest, sunniest hour of all the voyage, when eager winds are kissing every sail, to dash against the unseen rock and in the instant hear the waves roar above the sunken ship, because no matter how his every hour was robed with sunshine and every moment jeweled with joy, whether in midocean or upon the breakers of the farther shore, a wreck at last must mark the end of each and all?

I regret he will no longer be among us; I only hope that some of the obligations and burdens of friendship will devolve upon me to help to bring to his son and his family some of the happiness he had planned for them.

I thank the House for its courtesy.

FREDERICK FENNING FINALLY FETTERED—INSANE ASYLUMS SHALL NOT ENTOMB OUR SANE SOLDIERS

Mr. BLANTON. Mr. Speaker, on last District day I obtained leave to revise and extend a speech I made at that time. I have been so busy I have not had time to get it up, and I am afraid the time will run out. I therefore ask unanimous consent to renew it as if the request were made and granted as of this day, which will give me the full 30 days from now to complete it.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Speaker, my investigation of William Wolff Smith, of St. Elizabeths, of Dr. William A. White, and of former Commissioner Frederick A. Fenning has produced far-reaching results. We not only forced Commissioner Frederick A. Fenning to resign, and thus removed him from mismanaging the affairs of the District of Columbia, but we have forced him to make timely retribution to his numerous victims—the helpless shell-shocked World War veterans whom as their guardian he had in his clutches—by forcing him to relinquish his trust over them to their parents and relatives, and to return to them the 25 per cent commissions on bond premiums he had been unlawfully taking from their estates and putting in his pocket. We have been instrumental in having the Supreme Court of the District of Columbia reduce his commissions to 5 per cent, when heretofore for 23 years he has been charging his several hundred helpless wards from 10 per cent up to as high as 90 per cent annually. By inciting legislation to be passed, we have been instrumental in forcing him to relinquish his guardianship over his numerous World War veteran wards, until he now has only 21 such cases left, and they will soon be reduced to 5.

On January 13 and January 15, 1927, the Supreme Court of the District of Columbia ordered Frederick A. Fenning to file his final account in the following eight cases: No. 7745, James Braggs; No. 7872, Gunaro Bruno; No. 7782, Nicholas Caroussos; No. 7873, Luis Cruz; No. 7972, Ramon Delamon; No. 7785, Walter A. Foley; No. 7905, George F. Gartz; and No. 7958, John H. Rose.

THUS LEAVES HIM ONLY 13

Verily, he has been dethroned. The following 13 cases are all that Frederick A. Fenning now has left of the many World War veterans he was robbing as guardian when I first investigated him, to wit: No. 7683, Thomas S. Callahan; No. 7879, Robert Chesko; No. 7717, Neils P. J. Erenbjerg; No. 8331, Leon Hill; No. 7851, Anton Kucis; No. 10795, George Lucak; No. 7298, Wilfred A. Motley; No. 7759, Frank Pach; No. 7787, Leighton B. Pierce; No. 7814, Gust Sefigas; No. 7932, Joseph S. Selecman; No. 7633, Rodney M. Smith; and No. 7806, Henry Williams.

TO BE REDUCED TO FIVE CASES IMMEDIATELY

Concerning further reducing these cases of Frederick A. Fenning to five, so as to conform to the law we have recently passed, I quote from a letter just received from Gen. Frank T. Hines, Director of the United States Veterans' Bureau, the following:

The bureau will proceed to finally reduce the number to five, in accordance with the ideas expressed both by your committee and Congress.

This new law provides that no person shall be guardian or committee for more than five wards in the District of Columbia.

FORCED TO RETURN WHAT HE TOOK UNLAWFULLY

To show that said Frederick A. Fenning has been forced to return to his many wards the 25 per cent commissions on bond premiums he had filched from their estates and put in his own pocket, I quote further from said letter just received from General Hines, as follows:

Mr. Frederick A. Fenning has returned the amount of commissions on premiums of fiduciary bonds he had received from such estates.

From said letter received from Director Hines I quote the following excerpt:

I wish to advise that the bureau has filed exceptions to Mr. Fenning's accounts in each case that a commission was recommended in excess of 5 per cent by the auditor, and that the court in the Adolf Adler case, upon the bureau's petition, held that as a warning to other fiduciaries the commission of Mr. Fenning on his current account should be reduced from 10 per cent prayed for to 5 per cent, inasmuch as Mr. Fenning had concealed bond-premium commission information. In the Henry Jones case, lunacy No. 8256, the bureau petitioned the court to reopen all accounts pending before it, as well as old approved accounts, and reduce the commissions formerly allowed to 5 per cent on the basis of the decision in the Adolf Adler case. Mr. Fenning opposed the petition on the theory of res adjudicata, and upon hearing the court ruled that the old accounts were not res adjudicata and could be opened.

FENNING'S CURRENT COMMISSIONS REDUCED TO 5 PER CENT

And the court has reduced Frederick A. Fenning's current commissions to 5 per cent on all of his pending cases.

FOUR HUNDRED AND EIGHTEEN WORLD WAR VETERANS REMOVED FROM ST. ELIZABETHS

Following my investigation of and report on the awful conditions maintained in St. Elizabeths Insane Asylum there has been removed therefrom by the Veterans' Bureau to other hospitals nearer their homes in 16 different States 418 shell-shocked World War veterans. And these removals were effected between May 26, 1926, and December 11, 1926.

WHAT SUCH REMOVAL MEANS TO THEIR LOVED ONES

Many of these poor boys were held here several thousand miles from their homes and loved ones. Many of their parents were poor people who could not come here to see them. And had their parents been permitted to serve as their guardians instead of Frederick Fenning, and had the thousands of dollars which were paid out of their estates to Frederick Fenning been paid to such parents, it would have been a godsend for them; and with such funds these parents could have given far better care and attention to their boys. For instance, of these 418 transferred, 13 of them were California boys, and were transferred to California. They never should have been placed in St. Elizabeths. And Dr. William A. White, superintendent of St. Elizabeths, and William Wolff Smith, general counsel for the Veterans' Bureau, and the courts here should never have permitted Frederick A. Fenning to qualify as their guardian in his studied exploitation of helpless victims.

FORTY-FIVE INMATES ESTABLISHED THEIR SANITY IN COURT

Since my investigation and report on St. Elizabeths and my impeachment of Frederick A. Fenning, wherein I proved that sane persons were being unlawfully held in St. Elizabeths, there have been 45 of these inmates who have secured writs of habeas corpus from the Supreme Court of the District of Columbia, and upon trial before such court have established their sanity and have secured judgments from said court declaring them sane and discharging them from this St. Elizabeths Insane Asylum. These 45 persons are the following:

Habeas corpus No. 1280, James A. Wood; No. 1287, Herman H. Bergman; No. 1289, John B. Jones; No. 1293, Frank Ferrero; No. 1282, Richard F. Millett; No. 1290, William M. Wolverton; No. 1295, Frank D. Allen; No. 1294, Ted Newman; No. 1301, Robert W. Brown; No. 1307, Clyde Oringer; No. 1299, William West; No. 1288, William P. Houghton; No. 1315, George F. Callahan; No. 1296, George de Brodes; No. 1306, Joseph P. Morris; No. 1310, John B. Collins; No.

1313, Robert W. Shufeldt; No. 1316, Bernard I. Boelscher; No. 1275, George C. Tisdale; No. 1314, Edward J. McCallig; No. 1315, Everett L. Mason; No. 1320, Gus R. Kaschubey; No. 1333, Joseph A. Murdock; No. 1326, Charles N. Howell; No. 1328, Thomas J. Schram; No. 1303, Noel C. Johnson; No. 1309, Esayas C. Boniger; No. 1330, Wayman G. Edwards; No. 1331, Patrick J. Crowe; No. 1339, Sidney Martin; No. 1343, Alfred C. Kolis; No. 1325, Albert Sullivan; No. 1353, Cyrus S. Hart; No. 1361, Lawrence Freeman; No. 1355, John L. Bailey; No. 1358, Anna M. Griffiths; No. 1357, John W. Gaskill; No. 1379, William F. Gaffney; No. 1386, Richard D. Brennan; No. 1387, Jane B. Ransom; No. 1390, Santi Arena; No. 1340, Eldred R. Kemp; No. 1396, Paul A. McDuffie.

The foregoing are merely the ones who between June 4, 1926, and the end of last year secured their discharge from St. Elizabeths by establishing their sanity in court and having a judgment rendered by the Supreme Court of the District of Columbia declaring them sane. There are likely others who have since the beginning of this year secured their discharges, but I have not had time to check up the records to find out.

PERSECUTION

In habeas corpus case No. 1301 Robert W. Brown secured his release on July 7, 1926, yet in the face of such judgment the authorities attempted thereafter to reincarcerate him, and he again secured his release by judgment of the court on August 17, 1926.

In habeas corpus case No. 1313 Robert W. Shufeldt secured his release from St. Elizabeths, yet in the face of such judgment the authorities attempted thereafter to reincarcerate him, and in a new proceeding, habeas corpus case No. 1341, he again secured a judgment of the court on September 29, 1926, adjudging him sane and releasing him from St. Elizabeths.

INSANE ASYLUMS WORSE THAN PENITENTIARIES

Mr. Speaker, an insane asylum, however necessary, is an awful institution. Once placed behind its portals rarely is one ever released therefrom ordinarily, except by death. When releases occur, the finger of public prejudice always points, and every act, perfectly normal in other people, is watched with suspicious criticism. The stigma follows even beyond the third and fourth generations.

INCARCERATING SANE PEOPLE WORSE THAN DEATH

For a sane person to be wrongfully placed behind the bars in an insane asylum is a punishment far worse than death. It is a punishment more severe than being sentenced to the penitentiary. For, when the sentence is served, one is released from the penitentiary, and time there is often shortened by good behavior, and there is always the chance of executive clemency, and the world soon pardons and forgets. But what hope is there for a sane person wrongfully held behind the bars of an insane asylum? There is no definite sentence that will end. There is no hope of executive clemency. The world does not forgive a former inmate of an insane asylum as it does a former convict from the penitentiary. If one escapes from the asylum, or succeeds in being brought before a court on a writ of habeas corpus and upon trial before his peers is adjudged sane and released, he never regains the position in society that he formerly occupied, for some will always question his sanity. It is rarely the case that he can procure employment from one knowing of his incarceration, and sooner or later such fact will be known wherever he goes, and whatever he does. It is hung around his neck for life.

SANE PEOPLE SHOULD HAVE EVERY SAFEGUARD

No person should be committed to an insane asylum until they have been legally adjudged insane by the judgment of a court, with every safeguard thrown around them to prevent exploitation by designing persons. I had read in novels that sane people were kept in insane asylums and exploited, but until my investigation of Dr. William A. White, Commissioner Frederick A. Fenning, William Wolff Smith, and St. Elizabeths Insane Asylum, I never dreamed that such exploitation was carried on in a Government institution of the United States almost within the portals of the Capitol dome in Washington.

DOCTOR WHITE SAVING LEOPOLD AND LOEB MURDERERS

From the floor of the House on December 14, 1925, I read a statement from Secretary Hubert Work, Department of the Interior, who certified that Dr. William A. White received a salary of $7,500 per year as superintendent of St. Elizabeths, and that the Government furnishes to him free for himself and family his residence, his food, his fuel, his furnishings, his servants, his automobiles, his lights, heat, gas, and water, and his laundry and medical attention, all free for himself and family; and that the law requires Doctor White to devote all of his time to said institution. And I then produced evidence, admitted by Doctor White himself in reply to my corkscrew letters, that he had sold his services to Clarence Darrow, and had gone to Chicago, there to testify for money to save the necks of the Leopold and Loeb murderers, their millionaire fathers paying Doctor White $250 per day for 14 days or the sum of $3,500 for selling his testimony.

I then called attention to the fact that Leopold and Loeb were not ordinary murderers, but that the atrocious murder committed by these two young millionaire college men, in its shrewd manner of planning and execution, shocked the entire world. These were not ordinary criminals with their minds warped from suffered hardships, but they were educated, pampered, well-fed, well-clothed, well-groomed, pleasure-gorged, luxury-surfeited, polished thugs, who cruelly killed a little boy just for a new thrill. There was not one single extenuating circumstance. Nothing whatever could be offered in mitigation. The enormity of the crime was simply apalling, and no punishment less than death was adequate. But for $3,500 cash paid him, Dr. William A. White violated the law and left his duties here and attended this trial in Chicago and helped Clarence Darrow save their infamous necks.

And I then showed that Doctor White had refused to answer my questions concerning other cases in which he had sold his testimony to save criminals, but like a criminal he dodged behind the old "I can't remember." All he would say was—

A detailed statement such as you ask is absolutely impossible for me to make. My memory does not serve me. As I told you, I have no record to which I could refer.

And then I began my investigation of Dr. William A. White and his St. Elizabeths Insane Asylum.

SOUGHT TO STOP SELLING TESTIMONY

On January 11, 1926, when the bill came up appropriating funds for Doctor White and St. Elizabeths, I offered the following amendment:

On page 107, line 17, after the word "patient," add a colon and the following proviso, to wit: "*Provided*, That no part of the money appropriated by this paragraph shall be used to pay the salary of any Government official who shall enter into an agreement with criminals to testify in their behalf in consideration of which such criminals agree to pay substantial remuneration."

The gentleman from Michigan [Mr. CRAMTON] made the point of order against it, and under House rules I could not secure a vote on it, although I then quoted from one of Doctor White's letters to me his admission that he intended to sell his testimony whenever he could, to wit:

Of course, I feel, where some one wants my opinion and they have plenty of money to pay for it, that there is no reason why I should not charge for it.

From my speech then made on the floor of the House I quote the following:

If Dr. William A. White had not been connected with this Government institution, Clarence Darrow would not have given 30 cents for his testimony. He must stop selling the Government of the United States for money in murder cases to let criminals escape just punishment. And he must not secrete his facts.

It is unfortunate, indeed, that the gentleman from Michigan saw fit to make a point of order against my amendment, for I believe that if it could have come to a vote in this House the membership would have stopped this Government official from leaving his position, to which by law he is required to devote all of his time, and selling himself to millionaire criminals, and spending two weeks in Chicago to help them escape the hangman's noose, at $250 per day reward for his testimony. This is one time when the House should have been permitted to vote on this proposition. And I serve notice now that I am going to our two Senators at the other end of this Capitol and request them to put this amendment in this bill there, where technicalities can not keep it out, and I believe that they will put it in and that the Senate will pass it.

If Congress does not stop this pernicious practice, the American people are going to hold Congress responsible for it. They have a right to pass this amendment over in the Senate. We are under limitations here, but they have no limitations over there and they ought to do it. We ought to stop these avaricious alienists from testifying for big pay in court to keep from the gallows men who ought to be hanged. I say that it is my belief that these two educated criminals ought to have been hanged by the neck until they were dead. [Applause.]

And the very next day I did appeal to one of our Texas Senators to take steps in the Senate to stop this pernicious practice.

WASHINGTON, D. C., *January 12, 1926.*

Hon. EARLE MAYFIELD,
United States Senator,
Senate Office Building.

MY DEAR SENATOR: I am inclosing you herewith a copy of yesterday's CONGRESSIONAL RECORD, on pages 1486 and 1487 of which you will note the amendment I offered that would stop Dr. William A.

White, a Government official who owes all of his time to the Government, from selling his testimony to such criminals as Leopold and Loeb for $250 per day for two weeks he spent in Chicago in their behalf to save them from a just hanging.

Doctor White gets $7,500 salary, gets his home, food, servants, heat, light, gas, water, medical attention, and fuel, all furnished to him free by the Government for himself and family, and he is under contract to give all of his time to the Government.

This amendment was subject to a point of order in the House, but when they go to put that $218,000 for the colored school (Howard University) back into the bill, you can force this amendment on the bill in the Senate, and I hope that you will take a firm stand to do so.

Very truly yours,

THOMAS L. BLANTON.

But no action was taken in the Senate to stop it.

Shortly after this several improper acts committed by Frederick A. Fenning, one of the Commissioners of the District of Columbia, came to my attention, and I also began an investigation of his record.

DOCTOR WHITE AND COMMISSIONER FENNING

Strange to say, my two investigations soon merged into one. I found that Dr. William A. White and Frederick A. Fenning had been operating together for nearly 25 years, and both had grown rich exploiting the veterans of three wars. And William Wolff Smith, general counsel of the Veterans' Bureau, silently sat by and permitted it.

DEPENDABLE MARTIN B. MADDEN

On March 18, 1926, from the floor of the House I made a speech showing that through the help of Doctor White the said Commissioner Fenning was having himself appointed guardian of soldiers incarcerated in St. Elizabeths, held there against the wish of their parents in the States, and drawing from their incomes several thousand dollars per year, and I contended that he had no right to do it, and that it ought to be stopped. And then the great chairman of the great Committee on Appropriations, MARTIN B. MADDEN, of Chicago, than whom there has never been in Congress any man more valuable to the American taxpayers, spoke as follows:

Mr. MADDEN. If the gentleman will permit, let me make this suggestion: If he is doing that, he ought to be put out of his office.

And I then asked Mr. MADDEN if he would have his committee look into it, and he replied:

Mr. MADDEN. We will.

Mr. BLANTON. Good; I know the gentleman means just what he says, and having accomplished what I desired, I am going to yield the floor.

I continued my investigations, and gathered indisputable evidence from the employees and records of St. Elizabeths, the District of Columbia employees, and the court records, and spent much time and money out of my own pocket accumulating the facts.

CITIZENS IN ALL 48 STATES AFFECTED

There were 4,417 patients then shut behind bars in St. Elizabeths. Some were veterans of the Civil War. Some were veterans of the Spanish-American War. There were over 900 of them shell-shocked veterans of the World War. Over 2,200 of them had never been committed by court adjudication. Many of them were absolutely sane. They were from practically every State in the United States. They had fathers, mothers, sisters, and brothers in the 48 States. I found a number there from the State of Texas. I found several boys there from my own district in Texas. Many of these boys came back from France shell shocked, and needed sympathy and love, and careful nursing, and careful dieting, and pleasant surroundings, and hope; and an insane asylum with its constant shrieks and senseless clatter was the last place on earth to which they should have been sent. There were several boys there from several foreign countries. Details of the inhuman treatment many had received there shocked me beyond expression.

NO HOPE OF HELP FROM DOCTOR WORK

Doctor White and St. Elizabeths are under the control of the Department of the Interior. Dr. Hubert Work, Secretary of said department, was formerly in charge of a similar institution in the State of Colorado, and is the intimate personal friend of Doctor White. There is a strong feeling of friendship and fellow sympathy existing between all alienists and superintendents of insane asylums. All have been investigated. All abhor investigations. All feel aggrieved when investigated. All expect criticisms and become callous to them. Therefore I felt that I would be wasting time in any attempt to persuade the Secretary of the Interior to remedy conditions, as he and Doctor White were such close personal friends.

APPEALED TO CONGRESS

On March 22, 1926, for one hour I spoke in the House, my speech covering 10 pages of the RECORD, and I showed how Doctor White and Commissioner Fenning were exploiting veterans. I showed that the Commissioners of the District of Columbia were sending people to this insane asylum upon executive order, without trial in court. I showed that the Director of the Veterans' Bureau was committing shell-shocked veterans of the World War to this insane asylum upon executive order without trials in court. I showed that the Secretary of War, the Secretary of the Navy, the Secretary of the Treasury, and the superintendents of old soldiers' homes were all sending men to this insane asylum upon their executive order, without any trials granted in court. I showed that for that fiscal year Congress had appropriated for St. Elizabeths the enormous sums of $1,023,000 and $900,000 and $260,000, aggregating $2,183,000. I showed that Commissioner Fenning was drawing a salary of $7,500, was furnished his suite of offices, his automobile, and a $2,100 chauffeur, and though expected to give all of his time to the Government, was maintaining a private law practice, and in collusion with Doctor White was having himself appointed as guardian of veterans in St. Elizabeths who had incomes from the Government. I read the statement from General Hines, Director of the Veterans' Bureau, giving the names of 75 World War veterans for whom Commissioner Fenning had had himself appointed guardian, and from whose estates General Hines certified:

Colonel Fenning has been allowed by the Supreme Court of the District in practically every case for which he is acting as guardian or committee 10 per cent of the principal of the personal estate and on the annual income of the estate, as provided in section 1135 of the Code of Law for the District of Columbia.

Very truly yours,

FRANK T. HINES, *Director.*

I quoted the report of the last grand jury, stating conditions in St. Elizabeths were deplorable, and indicating that many persons were confined there who were not insane but sent there for ulterior motives, and recommending that Congress investigate St. Elizabeths. I called attention to the charges made through the Library Critic, issue of February 24, 1926, to wit:

Last summer I found an old Army comrade of mine in St. Elizabeths Hospital, where he had been confined for nearly five years. He was not in the slightest mentally deranged. I was not able to get a hearing for him before any of the courts.

I found that there were many others similarly confined, thrown in by bureaucratic orders for which there were no legal grounds.

The Army, the Veterans' Bureau, the Navy, and the Department of Justice have been using this hospital for a muzzling station wherein to bury persons who have criticized officials in these departments. In such cases the victim is thrown in the hospital and held incomunicado behind cement walls.

George C. Tisdale was shanghaied into St. Elizabeths 12 years ago. He is not insane and never was. White has held him and denied access to him of friends and counsel.

I called attention to the letter received by me that morning from Dr. Miley B. Wesson, California, urging me to get action for a boy who almost died for want of proper treatment by the Navy, Doctor Wesson appealing as follows:

SAN FRANCISCO, *March 16, 1926.*

The Hon. THOMAS L. BLANTON,
House of Representatives, Washington, D. C.

DEAR MR. BLANTON: This communication is addressed to you because of your reputation for fearlessness. When I was a student at the University of Texas the members of the Athenaeum still told stories of your fight for decency in university politics. Later, when I lived in El Paso, Tex., we often heard that as a district judge in Abilene you were continuing your fight against crooked politics. Since that time the newspapers have kept us informed of the fact that you have not succumbed to the blandishments of the bureaucrats and are continuing your fight for decency. For that reason I am writing you concerning the following matter:

* * * * * * *

In the early days in west Texas bowie knives were rather common. If you have yours with you in Washington, will you not unsheath it and cut through the mazes of red tape that naval subordinates are winding about this matter? What is needed is apparently a little less law and a little more justice and equity. I want to see this boy live, and I know you do, and I know that you have no love for inefficient bureaucrats.

Very sincerely yours,

W. B. WESSON.

I had not only been investigating St. Elizabeths, but I had been getting the facts concerning the treatment of many World War veterans in other insane asylums scattered over the United

States. Some were from practically every State in the Union. I felt that if I could clean up St. Elizabeths and stop Fenning from robbing veterans here in Washington, then conditions could be remedied elsewhere. But I had to fight at every step. Fenning was strong personally, financially, and politically. Members would defend and take the other side. Frederick A. Fenning had been in charge of Republican affairs here in Washington. During this speech Members defended both White and Fenning. Even my good friend from Massachusetts [Mr. UNDERHILL] had to chide me, as follows:

Mr. UNDERHILL. Should not the gentleman be a little more temperate in his accusation against the commissioner, who might be accused of moral turpitude in such a case as this, and not use the words he has used on the floor of the House when he accused him of being a robber, but when, as a matter of fact, he is simply following the procedure of the court? You understand, of course, I am not approving of his good taste in taking these cases, because I would not want to do it myself, and I do not think the gentleman from Texas would want to do it, but I do not think any man ought to stand on the floor of the House and accuse another man who has no opportunity to reply to him, as the gentleman from Texas has accused the commissioner this afternoon.

Mr. BLANTON. I never make any charges until I am sure of my ground, and only when it is my duty to do so. These bad conditions will never be remedied until they are made known to you colleagues, who have not had time to investigate them. I was one of the first Congressmen to protest against the unlawful acts of former Director Charles R. Forbes, who yesterday was admitted to the penitentiary in Atlanta. And I see other colleagues here who likewise protested against his unlawful acts. And if some of us had not done so, and if the country had not become aroused, he might still be in charge of the United States Veterans' Bureau. Yet, when I first made charges against him, I was accused of slandering him unjustly.

I gave the number and style of over 100 cases certified by the auditor of the Supreme Court of the District of Columbia, wherein Commissioner Fenning had had himself appointed guardian for veterans and was getting 10 per cent of their estates. And I closed my speech as follows:

I am going to introduce a resolution to appoint a joint committee of the House and Senate to go out there and clean that institution up, and I hope I will be able to get it out of the committee and have it passed. [Applause.]

You will note that I got applause from the membership when I promised to introduce the resolution. I will show you shortly how that resolution was pigeonholed by the committee for weeks and I could get action only by impeaching Commissioner Fenning.

REMOVAL OF COMMISSIONER OF INSURANCE

And then the gentleman from Massachusetts [Mr. UNDERHILL] took the floor and criticized me for being so severe, and mentioned that I had brought before public gaze the personal habits of the former commissioner of insurance, whose removal from office I had forced because of improper conduct, and the following colloquy occurred:

Mr. BLANTON. The remarks of the gentleman from Massachusetts make it necessary for me to answer him. The insurance commissioner he mentions brought a bill before our committee, which for months he tried to pass, that had in it a provision which allowed him to appoint as many auditors as he wanted, without any limitation in number, and pay them $75 a day. He had another provision in the bill that he should be allowed an incidental expense account, and be permitted to spend out of the appropriation incidental expenses not less than $3,000 a year—"not less than $3,000." That was the most remarkable provision I ever saw in a bill. I have always known of expense accounts of not more than such a sum, but this was "not less than $3,000 a year." It gave him the blue sky as a limit in incidental expenditures. The foregoing are illustrative of many other wasteful and improper provisions in said bill. That made me suspicious of him, and I began to check up his department. The committee favorably reported his bill for passage over my objection. I had to do something to stop it. I brought the affidavits and statements of company after company showing that he had collected from them several hundred dollars each, unlawfully, company after company, if you please, which large sums of money he spent himself. That is the kind of evidence I produced against him in my minority report against his bill. I showed there was one poor colored company down here that he went to and forced them to make him two large loans of money under threat of taking their permits away from them. And I produced various other items in evidence against him. And, listen, my report killed his bill, and the next day after I filed my report with the commissioners they put him out of office, and the gentleman from Massachusetts criticises me for having an improper official put out of office.

Mr. UNDERHILL. That is not a fact, and I deny it.

Mr. BLANTON. That was your criticism, and I leave it to my colleagues.

Mr. UNDERHILL. My objection was to bringing in his private character and private life.

Mr. BLANTON. Mr. Chairman, the gentleman from Massachusetts is a valuable Member in this House; he is a splendid gentleman and I think the world and all of him; he is my friend, and he knows I did my duty in that insurance case; I kept that bill from passing, and it has never been passed to this good day. [Applause.]

Mr. UNDERHILL. The gentleman wants the RECORD correct.

The CHAIRMAN. Does the gentleman yield to the gentleman from Massachusetts?

Mr. BLANTON. I yield to the gentleman because he is a splendid gentleman and is one of the most valuable men in this House.

Mr. UNDERHILL. The gentleman said I objected to the evidence which he presented with regard to the action of this man, but I never objected, and I never would object, but I did object to bringing his private and family life into the discussion when it was not necessary.

Mr. BLANTON. Oh, when he was an immoral man and his whole life was one of immorality I had to make out my case so as to get the commissioners to put him out of office. When I try a case I try it for all there is in it. I do not introduce some of the evidence and apologize for not introducing all of it. I introduce it all before the jury and let the jury pass on it. And I forced the commissioners to fire him. But the gentleman and I are now working on a good insurance bill. We are going to bring in one that ought to pass, and the gentleman has been doing some good work on it, for which I congratulate him. We are working together shoulder to shoulder on the committee, and we think alike on most questions.

Promptly the next day, March 23, 1926, I introduced in the House Concurrent Resolution No. 16, which was referred to the Committee on Rules, being the following:

Resolved by the House of Representatives (the Senate of the United States concurring), That there is hereby appointed a special joint committee of 10 members, 5 of whom are, by the Speaker of the House, to be selected from the House Committee on the District of Columbia, and the remaining 5 are, by the President of the Senate, to be selected from the Senate Committee on the District of Columbia, such joint committee to have authority to sit during recess and after the adjournment of Congress.

SEC. 2. Said joint committee shall have power and authority to summon, swear, and interrogate witnesses, to require the production of papers, books, records, and documentary evidence concerning the institutions authorized to be investigated.

SEC. 3. Said joint committee shall investigate Gallinger Municipal Hospital, the house of detention, St. Elizabeths Hospital, the juvenile court, the Supreme Court of the District of Columbia, the National Training School for Boys, the National Training School for Girls, and the custom and practice of committing persons alleged to be of unsound mind to insane asylums pursued by the Metropolitan police department, the Commissioners of the District of Columbia, the War Department, the Navy Department, and the Department of Justice. Said joint committee shall report its findings to Congress at the earliest date practicable.

RULES COMMITTEE WOULD NOT ACT

Several times I went to the distinguished gentleman from New York [Mr. SNELL], chairman of the Committee on Rules, and urged him to grant me a hearing on my resolution. This he refused. I pleaded with him to report my resolution, so that the House could pass on whether or not a committee should be appointed to investigate Doctor White and Frederick Fenning, but he promised nothing. I went to several members of the committee, but could get no action.

WASHINGTON NEWSPAPERS FROWNED ON INVESTIGATION

Shortly after the House of Representatives met on March 29, 1926, I took the floor and called attention to the following:

I have now pending before the Committee on Rules a concurrent resolution providing for the appointment of a joint committee of the House and Senate to investigate this business conducted on the side by Commissioner Fenning and to ascertain just how much money he is making off of these wards of the Government, and just how many he is keeping their own loved ones from administering their affairs, and to report on same back to Congress.

To my great surprise, on Thursday, March 25, 1926, I saw in the Washington Star on its front page the following:

"Fenning practice O. K'd by Coolidge; precedents cited. President knew of private business and saw no bar to continuation. Lawyers in Congress given as examples. By J. Russell Young."

The above are headlines. And from the body of the article I quote the following excerpts:

"When President Coolidge appointed Frederick A. Fenning to succeed Captain Oyster as Commissioner of the District he was fully aware of the nature of Mr. Fenning's law practice and had no objection to his continuing it.

"As is his custom in making appointments of a more or less important nature, President Coolidge went very thoroughly into Mr. Fenning's record and the nature of his practice in this city.

"From an unquestionable source it was made known to the writer that Mr. Fenning, while answering the President's questions about himself, very frankly told him of his handling the so-called lunacy cases, and that the latter agreed to accept the appointment with the understanding that he would continue this work. The President was represented as having no objection.

"At the time Mr. Fenning's appointment was made public he issued a public statement, in which he said, with other things, that he intended to continue his law office in the Evans Building.

"PRIVATE BUSINESS NOT BANNED

"Although President Coolidge is represented as not being in the least disturbed by the present fight directed against Commissioner Fenning by Members of Congress because of his being the legal guardian of a number of mentally incompetent World War veterans, those who know him well feel very certain that he will support the commissioner if developments make it necessary.

"White House authorities can not see where the law has been violated or where Commissioner Fenning has acted with any impropriety by continuing his legal work.

"It is claimed also that a Commissioner of the District of Columbia has just as much right to give attention to his private law practice while in office as have Members of Congress who are lawyers. In this connection it is stated that one Member of Congress who intends to make a speech very shortly in defense of Commissioner Fenning will call attention to the fact that there are more than 170 Members of Congress who make frequent trips back to their home towns to try law cases."

NEWSPAPER THREAT TO EXPOSE CONGRESSMEN

You will note that said paper threatened that if the fight against Commissioner Fenning was continued a Congressman would take the floor in his defense and give the names of 170 Congressmen whom it claimed engaged in private law practice at home. I then answered same as follows:

Surely the President of the United States would not take the position that all of the acts of Commissioner Fenning are ethical and proper. And surely the President would not stand in the way of a proper investigation of St. Elizabeths Hospital, wherein the recent grand jury of the District of Columbia intimated that there were many persons held there who are of sound mind, and when such grand jury recommends that Congress investigate it.

Since I have been in Congress I have refrained from practicing law and have refrained from connecting myself with any law firm, but I have given all of my time to the Government. I could make fully $10,000 per year in the law practice, but I do no law practice whatever. The duties of my office require all of my time both when Congress is in session and in vacation, and I give all of my time to the people.

I would hardly mention such a newspaper report intimating a wrong position taken by the President were it not for the fact that again, on last Saturday, March 27, 1926, there appeared a second article in the Washington Star, from which I quote the following excerpts:

"Fenning's course known to chief—Law practice might be continued, President told appointee. By J. Russell Young."

The above are headlines. I now quote from the body of the article the following excerpts:

"The White House has let it be known officially that the President had no objection to Frederick A. Fenning continuing his legal work when he appointed the latter to the Board of District Commissioners.

"The President's attitude was made known at the biweekly conference of the President and the newspaper correspondents at the White House late yesterday afternoon in answer to a question as to the President's attitude toward the fight being made on Commissioner Fenning by several Members of the House, and if he knew of the nature of Mr. Fenning's law practice and approved his continuing it.

"In making this known officially at the White House the President's spokesman pointed out that President Coolidge had no personal objection to Mr. Fenning continuing his private work."

TRIED TO SHIELD PRESIDENT AND HIS PARTY

I then tried to shield President Coolidge and his Republican Party from the inferences to be drawn from the above, for I then said:

I do not believe the President of the United States authorized the above statement. I do not believe that such will be the attitude of the steering committee of the Republican Party on this floor and in this Congress. I do not believe that such resolution of inquiry will be blocked. I have waited since Saturday for the Republicans of this House to deny the foregoing, and I am disappointed that they have not yet denied it.

I know that Commissioner Frederick A. Fenning is a prominent Republican, and that he filled an important position in the local Republican headquarters in Washington during the last campaign, and that his close political and personal friend, Mr. Edward F. Colladay, is reputed to be the Republican national committeeman of the District of Columbia, and we know that Mr. Colladay has been putting in his time here in this Capitol, in the House Office Building, and in the Senate Office Building attempting to block an investigation of Commissioner Fenning and attempting to create sentiment to protect him.

But I have too much respect for the President of the United States and for the steering committee of the Republican Party here in Congress to believe that they would protect Commissioner Fenning and prevent an investigation into his business and the just rights of these many wards of this Government.

And I feel sure that the Committee on Rules will promptly report my concurrent resolution and allow this investigation to be made. I will guarantee that I will show them numerous cases where Commissioner Fenning has made large sums of money out of the estates of these helpless wards of the Government.

Commissioner Fenning is appointed to his office by the President of the United States. Such appointment is "by and with the consent of the Senate," and has to be confirmed by the Senate of the United States. This Government pays part of his salary. The District of Columbia is the seat of the Government of the United States.

Section 5498, page 1065, of the Revised Statutes of the United States provides:

"Every officer of the United States, or person holding any place of trust or profit, or discharging any official function under, or in connection with, any executive department of the Government of the United States, or under the Senate or House of Representatives of the United States, who acts as an agent or attorney for prosecuting any claim against the United States, or in any manner, or by any means, otherwise than in discharge of his proper official duties, aids or assists in the prosecution or support of any such claim, or receives any gratuity or any share of or interest in any claim from any claimant against the United States, with intent to aid or assist, or in consideration of having aided or assisted, in the prosecution of such claim, shall pay a fine of not more than $5,000 or suffer imprisonment not more than one year, or both."

Now I shall be able to show that out of claims against the Veterans' Bureau, against the Navy Department, and against the War Department, for wards of this Government, Commissioner Frederick A. Fenning has received for himself 10 per cent of their estates and of their incomes, and that the aggregate of such amounts totals an enormous sum of money.

I am sure that neither the President of the United States nor the Republican steering committee of this House would approve any policy that would incite a violation of the above law.

Your Committee on Rules ought to report the resolution to have an investigation.

URGING OTHER COMMITTEES TO INVESTIGATE

I was not depending altogether upon the Committee on Rules. I was urging the Committee on the District of Columbia to investigate. I was urging the Committee on World War Veterans' Legislation to investigate. I was exhausting every possible parliamentary means to secure a proper investigation.

AN UP-HILL FIGHT

To keep the matter from being pigeonholed it was necessary to fight every inch of the way. Being unable to get any satisfaction from the committees, I took the floor as soon as the House met on April 1, 1926, when the following occurred:

LEAVE TO ADDRESS THE HOUSE

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that on next Monday, after the disposition of the business on the Speaker's table, I may proceed for 30 minutes on the condition of veterans in St. Elizabeths Hospital.

The SPEAKER. The gentleman from Texas asks unanimous consent that on next Monday, after the reading of the Journal and the disposition of business on the Speaker's table, he may be permitted to address the House for 30 minutes, to speak on St. Elizabeths Hospital. Is there objection?

Mr. TILSON. Reserving the right to object, the gentleman realizes that that is Consent Calendar day and that the calendar is rather crowded.

Mr. BLANTON. When the gentleman hears what I have to tell him he will not object. This is an important matter. The rights of veterans of all the wars, the World War, and the Spanish War, and the Civil War, and wars back to the Mexican War are there, and the information I shall furnish is first-hand information.

Mr. TILSON. Why does the gentleman select a Consent Calendar day?

Mr. BLANTON. I will help get through the business on that day. My colleague knows that I will help to get the business through.

Mr. CULLEN. Reserving the right to object, Mr. Speaker, may I ask the majority leader if we are going to have Monday for Consent Calendar day?

Mr. TILSON. That is what we wish to do. The gentleman is right. There are very important bills on that calendar, and they ought to be cleaned up.

Mr. BLANTON. And I will help to clean them up.

The SPEAKER. Is there objection?

Mr. BERGER. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Texas if this is the Fenning affair?

Mr. BLANTON. He is connected with a few of those cases.

Mr. BERGER. If this is the Fenning affair, I believe it ought to be threshed out by a committee and investigated by a committee.

Mr. ROBSION of Kentucky. Mr. Speaker, I object.

Mr. BERGER. I object, too.

But I didn't let that stop me, I tried, tried, again.

Mr. BLANTON. Mr. Speaker, may I prefer another unanimous-consent request? I ask unanimous consent that on Thursday next week, after the disposition of the business on the Speaker's table, I may proceed for 30 minutes in discussing the rights which are denied veterans of every war who are incarcerated in St. Elizabeths Hospital, some of whom are of sound mind.

The SPEAKER. The gentleman from Texas submits the same request, substituting Thursday for Monday. Is there objection?

Mr. ROBSION of Kentucky. Reserving the right to object, Mr. Speaker, I objected a little while ago because of Consent Calendar day.

Mr. BLANTON. That is the reason why I renewed my request for Thursday instead of Monday.

Mr. ROBSION of Kentucky. I do not now object.

Mr. DYER. Reserving the right to object, Mr. Speaker, I would like to ask the majority leader if it is his intention, so far as he knows, to arrange for the investigation of this matter concerning which the gentleman from Texas desires to speak. If there is going to be an inquiry by a committee, with full authority to take testimony in this matter and some other matters concerning which complaints have been made affecting one of the Commissioners of the District of Columbia in connection with ex-soldiers of unsound mind, then in my judgment these matters could be better inquired into by an impartial committee.

Mr. BLANTON. I will state to the gentleman from Missouri that my information, to which I have devoted much of my time, will be for the benefit of the House and the Committee on Rules in the hope of helping them to get a proper committee of investigation. The Committee on the District of Columbia has no power or authority at all either to summon witnesses or to compel them to testify, and it is my hope to put such facts before my colleagues as will warrant the appointment of such a committee. If the gentleman knew about these facts, I am sure he would not object, because there are some men from the State of Missouri who are now at St. Elizabeths.

I have some evidence as to a man who has been there for a number of years, and I hope the gentleman will permit me to place this information before my colleagues.

Mr. DYER. I have no complaint to make about the gentleman's request, but there are two sides to all these questions, and I think everybody should have a chance to present their side.

Mr. CHINDBLOM. Mr. Speaker, I would like to know whether the gentleman from Texas has conferred with the majority leader.

Mr. BLANTON. I will say to the gentleman from Illinois that I spoke to him and told him I was going to ask for this time.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. DYER. I would like to have an answer to the question I asked of the gentleman from Connecticut [Mr. TILSON].

Mr. TILSON. I will say to the gentleman from Missouri that I have made no promise in that regard.

Mr. DYER. Mr. Speaker, the only thing is this: I believe we are entitled to have a hearing of all sides. Those who are complained of if the District, or wherever they may be, ought to have a chance to be heard.

Mr. BLANTON. Let me say to the gentleman from Missouri that I have a resolution now pending before the Rules Committee—and it has been there for a week—asking for a committee to investigate this Fenning matter. I have been to the chairman of the Rules Committee and urged him to vote it out, and I have been to other members of the Rules Committee. Now, surely the gentleman from Missouri will not deprive a Member of Congress from placing information that he has concerning poor soldiers of all the wars before this House?

Mr. DYER. I am not complaining, but I am trying to get the cooperation of the Republican leader and others in the House.

Mr. BLANTON. The Republican leader is cooperating all right, and I think I am going to give some facts which will warrant the voting out of this resolution.

Mr. DYER. I think both sides should be heard in a matter of this kind.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PLACED INDISPUTABLE FACTS BEFORE CONGRESS

As soon as the House met on April 8, 1926, the following occurred:

The SPEAKER. Under the order of the House, the Chair recognizes the gentleman from Texas [Mr. BLANTON] for 30 minutes. [Applause.]

COMMISSIONER FREDERICK A. FENNING

Mr. BLANTON. Mr. Speaker and gentlemen of the House, about two months ago, when I began my investigation of St. Elizabeths Hospital and the connection which Frederick A. Fenning, Commissioner of the District of Columbia, has with the guardianship and estates of numerous veterans of various wars, I knew I was making myself unpopular with certain prominent citizens of the District who use Commissioner Fenning in their business. Since that time I have received three notices that if I pressed this matter against Commissioner Fenning and if I did not hold up, not only would I be ruined but my many friends who are faithful employees of certain departments of government in Washington would likewise be punished.

I realize that Commissioner Fenning is now a prominent citizen here. I realize the prominence of his political friends. I know the tremendous influence and power of the "Big Six" behind him, and when I say the "Big Six" that has no reference to Congress; it is, as you know, in the city.

I am already beginning to feel their influence. My punishment has already begun. Until I began this investigation for the last three years without an exception at every monthly meeting of the chamber of commerce and monthly banquet in Washington I have received a guest invitation, but since I have begun my investigation those invitations have stopped. [Laughter and applause.]

A month ago I was invited as an honor guest to the firemen's banquet held last night. All of the 800 firemen here felt kindly toward me and are my friends. I had introduced, fought for, and helped to pass both through the committee and the Congress a bill which gave them a day off each week in lieu of Sunday, something they had never had before. They were very grateful. I was therefore invited as an honor guest to their banquet last night. I appreciated the invitation as a great honor from these brave men. Yesterday the firemen's president and a distinguished editor of a Washington paper called me out in the hall and very regretfully told me that at that banquet I would be persona non grata to Commissioner Fenning. I did not go, because I knew that the job and welfare of each and all of those 800 worthy men were in the hands of Commissioner Fenning, who could ruin any of them by a mere stroke of the pen.

For a month I have been invited to the big banquet to-night—the real-estate banquet in Washington. I have received notice from one of my realtor friends that my presence there would be persona non grata to Commissioner Fenning, who is also to be there. Hence I shall not go to-night.

Mr. JOHNSON of Washington. The gentleman can live very well without going to these banquets, can he not?

Mr. BLANTON. I will do my very best to survive it. I want to say that during the three years, at every monthly banquet of the chamber of commerce, I have only remained three times for their supper. Do you know why I went? I am your acting minority leader on the District Committee. You have the right to expect from me definite, concise information about every piece of District legislation that comes on the floor of the House, and I have gone down there simply as a matter of duty. When I ought to have been at home many times I have gone there to gather information, and when the business meeting would break up I would go home or go back to work at my office. I did not stay to the feasts they gave except on three occasions.

I also introduced a bill, got it through the committee, and helped to pass it through Congress into law, giving the policemen of this city, 1,200 of them, a day off in lieu of Sunday, something they had never had before. Naturally they are my friends and feel kindly toward me. I have always been invited to their banquets. They are to give an unusually big one at the Mayflower Hotel on the 15th of this month. Mr. Fenning is to be their honor guest and principal speaker, and I have not been invited. [Laughter.] My punishment has begun. [Laughter.] Verily, this commissioner has much power and influence, for by the stroke of a pen he could ruin any one of these 1,200 brave policemen.

Mr. SUMMERS of Washington. The gentleman seems to be surviving very well.

Mr. BLANTON. But this is just the beginning of my punishment. They say I am to be ruined.

I want to read you the main editorial in the Washington Post this morning:

POST EDITOR PROTECTS COMMISSIONER FENNING

The initial editorial, which is always the one deemed most important editorially, appearing in the Washington Post this morning was inspired by its multimillionaire editor, who, had he lived in Nero's time, would have harmlessly fiddled while Rome burned. He says:

"The House Rules Committee has before it several resolutions providing for 'investigations' of District officials and institutions, all of which it can well afford to throw in the wastebasket.

"One of the resolutions proposes to investigate the legal practice of Commissioner Fenning. The President, in inquiring into Mr. Fenning's qualifications before appointing him commissioner, found nothing objectionable in the maintenance of this private law practice.

"Mr. Fenning is entitled to public thanks for rendering his service."

ANYBODY WOULD SUIT HIM, IF OF THE RIGHT KIND

I am reliably informed by one of the most prominent Republicans in Washington that when the "Big Six" went to this millionaire editor and advised that they were thinking of having the President appoint Frederick A. Fenning to succeed Mr. Oyster as commissioner, and asked whether he had any objection, that he replied: "Oh, a negro would suit me, if he is the kind we want." So Commissioner Fenning being the kind the "Big Six" and the millionaire editor wanted, what does he care how many veterans of wars Fenning exploits or how many sane, helpless women Fenning keeps stored away in insane asylums while he robs them?

REJOICES IN AFFRONT GIVEN ME

And on his second page he tells of the annual banquet of the firemen last night, and in large headlines says, "Fenning gives talk—BLANTON not present," and then, under a large subheading, "BLANTON does not attend," he says:

"Representative THOMAS L. BLANTON, of Texas, failed to attend. Whether it was because of the presence of Commissioner Fenning, whom he has been attacking in Congress, could not be ascertained.

"E. F. Colladay (national Republican committeeman) predicted that the bill providing free uniforms would go through."

Was not that funny? And was not it funny that National Republican Committeeman Edward F. Colladay should all of a sudden decide to attend a banquet with Commissioner Fenning, whom he has been defending against my charges and whom he has been trying to protect by trying to keep my resolution from passing to investigate Fenning? It was funny indeed that the most interesting thing he could think of to say to these brave fire fighters of Washington was that my "bill to give them free uniforms would go through." Because it is my bill, and I got it through the committee, and got it passed by the House about two months ago, and it is now in the Senate. But I must get to my subject.

AN UNHOLY INTERLOCKING DIRECTORATE

Then I showed facts that should have spurred Congress to immediate action. I showed that 25 years ago Frederick A. Fenning was an employee of the Government in the United States Pension Agency; that all payments of pensions to fiduciaries, guardians, committees, and conservators for patients in St. Elizabeths were made through Fenning; that he secured a license to practice law, resigned his Government position, at which time he was receiving $1,200 per annum, and that in 1903 he made arrangements with Dr. William A. White to recommend him for appointment as guardian or committee for all persons in St. Elizabeths who had estates or incomes from the Government; and that Doctor White had done that for 23 years; that for the past 23 years Dr. J. Ramsay Nevitt, Fenning's brother-in-law, has been coroner for the District of Columbia and had protected Doctor White concerning patients who had met untimely deaths in St. Elizabeths; that for years Fenning had been a director of and attorney for the Gawler undertakers.

CONGRESSIONAL HEARING 20 YEARS AGO

I showed that 20 years ago Dr. William A. White and St. Elizabeths were investigated by a congressional committee, and I produced the printed report of the sworn testimony given at such hearing in 1906, during which said Fenning testified under oath that he was then—in 1906—committee of 65 lunatics, 1 habitual drunkard, and 7 minors; that he had gotten Doctor White to recommend him and the court to appoint him; that he had induced the court to allow a fee of $10 each to two doctors in each case, payable out of the estate, for signing the affidavits of insanity, and that he had paid such fees to Doctor Nevitt, his brother-in-law, and a doctor in St. Elizabeths; and in one case he got the court to allow them $25 each.

UNDERTAKER GAWLER'S TESTIMONY IN 1906

The CHAIRMAN. What is your business, Mr. Gawler?
Mr. GAWLER. Undertaker.
The CHAIRMAN. Do you frequently receive bodies from St. Elizabeths?
Mr. GAWLER. Very frequently; yes, sir.
Mr. WALLACE. How many do you get over there a year?
Mr. GAWLER. We get, I should say, about 45 or 50.

CORONER'S VERDICT NOT IN ACCORD WITH FACTS

From the 1906 hearings I quoted the following testimony to show that Fenning's brother-in-law, Coroner Nevitt, protected Doctor White in his certificates:

The CHAIRMAN. What do you know about the George Brown case?
Doctor WHITE. The scald case?
The CHAIRMAN. Brown.
Doctor WHITE. Yes; a man who was scalded.
The CHAIRMAN. Yes.
Doctor WHITE. I don't know that I can say anything about that, sir, except that I know the man was scalded.

* * * * * * *

Mr. HAY. What was the charge about this man Brown?
Doctor NEVITT. The charge was that he did not die from the cause of death as recorded in the death certificate, but that he died from an injury.
Mr. SMYSER. Have you seen strait-jackets in use out there?
Doctor NEVITT. Yes, sir.
Mr. SMYSER. How frequently?
Doctor NEVITT. I have seen them on two occasions.

1906 EVIDENCE AGAINST WHITE AND FENNING

From the printed hearings of the 1906 investigation I quoted the following sworn testimony:

Judge A. W. Thomas under oath testified:

"My name is A. W. Thomas. I am a member of the District bar, and practice here in Washington. I have had several habeas corpus cases in bringing inmates before the courts. Among those are the cases of Mr. Logue and the Corbetts. I found that Mr. Frederick A. Fenning, a member of the law firm of Coldren & Fenning, practicing attorneys, was committee. So I examined the records of the Supreme Court of the District of Columbia, and I found that from September 8, 1904, to November 25, 1905, Mr. Frederick A. Fenning had been appointed committee in 62 cases by the court; that fully three-fourths of those cases were cases of old soldiers. The old soldiers, in the great majority of those cases—in nearly all, in fact—were pensioners, and I examined to see how it was that he had so many of those cases. I found that in nearly all of those three-fourths of the 62 cases he was appointed the committee of the soldier upon the petition of the superintendent, Dr. William A. White, who recommended and suggested his appointment. I found that the petition of Superintendent White was drawn on the letterhead and on the legal-cap paper and other paper of the law firm of Coldren & Fenning. I found that the records showed that the law firm of Coldren & Fenning represented the petitioner, W. A. White, in the proceedings. I found that in looking over the papers that Mr. Coldren, the law partner of Mr. Fenning, was charging and was allowed a fee for drawing these petitions of $10, $15, $20, and in some cases $30. The drawing of the petition was a mere trivial matter. Any attorney could draw that very readily. I found that when the petition was sent to the court it was usually accompanied by the affidavit of two of the practicing physicians under salary at the asylum. For that, in many cases in which settlement has been made of the case by Mr. Fenning, they have received a fee of $10 or more. It occurred to me that the interest of Mr. Fenning in these cases was not that of a mere indifferent person.

"In the Logue case Mr. Fenning's attitude has not been one such as an ordinary committeeman would show. He placed every obstacle and delay he could to investigating the man's sanity. When Mr. Logue was brought into court Mr. Fenning opposed it and wanted a continuance. He got a continuance and then still another continuance. Then when he was finally discharged I demanded final account of Mr. Fenning, so that Mr. Logue could have his money. Mr. Fenning demurred and said that he should have 30 days. But I said, "This man has no money; in 30 days he will starve." So the matter went over, and in several weeks we got it up. Judge Stafford said to Mr. Fenning: 'This money belongs to this man; he is entitled to it; and I order you to pay down $200 cash now to him, and then you can determine the rest.' As to the rest of that money, six months have gone by and delays have been put in the way. We have brought proceedings to recover the money, and Mr. Fenning has questioned the law, and the man has not got his money yet, and I do not know that he will ever get it.

"Superintendent White finally wrote that he had no objection to Mr. Logue's release, but we said that he must be released as sane. When the time came for the trial Superintendent White signed the certificate of sanity. He had been there nearly six years, and there never was anything the matter with him, except that when he went there he had been treated for alcoholism. He had been perfectly sane ever since.

The same course was pursued in the Corbett case. Those ladies were taken to the asylum without any warning. Their goods were sold (by Mr. Fenning) without any warning. A valuable painting, valued at about $1,200, was sold for almost nothing.

"Mr. SMYSER. Do you think, Mr. Thomas, that there is collusion between Doctor White and Mr. Fenning?

"Mr. THOMAS. I would have no right to express a criticism of that kind, but I would think that it is exceedingly fortunate for Mr. Fenning that Doctor White recognizes him in that way. Otherwise he would hardly be appointed to so many cases. Probably one-half of all the committee cases in the record show the name of Frederick A. Fenning.

"Mr. SMYSER. Do you think there is anything sinister in it?

"Mr. THOMAS. I would not feel that it was proper for me to say anything other than that it is very fortunate for Mr. Fenning that it is done. Certainly it must be done not by mere accident, because these petitions are brought by Coldren & Fenning as attorneys for the superintendent. It must have been done by the consent or agreement or knowledge of the superintendent. He signs these things.

"Mr. SMYSER. Can you suggest any reason why Doctor White should be interested in naming the committee?

"Mr. THOMAS. I do not think he would have any proper reason to recommend anybody."

FENNING'S ADMISSIONS IN 1906 HEARINGS

Frederick A. Fenning testified under oath in the 1906 hearings. From same I then quoted the following admissions:

Mr. HAY. As I understand it, you went into this business on your own account. You saw that there was a field here, as you say, and you thought that it would be a good field, and you have continued in that line——

Mr. FENNING. Yes, sir.

Mr. HAY. And you have continued not only to solicit these cases from the Government Hospital for the Insane but from others.

Mr. FENNING. From every institution and from all the attorneys I could reach; from anybody who was connected in any way with a case requiring the services of a fiduciary.

Mr. HAY. Mr. Fenning, some criticism has been made by some of these gentlemen of the fact that you have in some cases in which you were guardian paid a fee to Mr. Coldren, your law partner.

Mr. FENNING. In cases in which Mr. Coldren appears as attorney, he appears as attorney for the case. The practice is to have an attorney in each case. If I am appointed committee in a case and no attorney handles the case—if I handle the case myself—then I am entitled to under our practice and the auditor will allow me—additional compensation for what I have done. He will add to what would otherwise be the commission a sum equal to what I would have paid to other counsel.

Mr. SMYSER. He whips the devil around the other way.

Mr. FENNING. Is that what you call it in Ohio?

Mr. SMYSER. Yes, sir.

Mr. HAY. I think the point of criticism was not as to the fact of the employment of counsel but the fact that Mr. Coldren was your law partner.

Mr. FENNING. I can not see how that would enter into it, Mr. Hay, or how that could be criticized, for, as I have just stated, if I did the work myself I would get additional compensation for it. I do not think it looks very well on the face of it to have an attorney who handles the case also act as committee. I think if you can bring in a disinterested man, as an attorney usually is, and have him act as counsel in the case, it shows better on the record. It does not have a cut-and-dried appearance, as you might say.

The CHAIRMAN. Does not that same condition of affairs obtain where a man's partner acts for him? I mean, does it not have the same cut-and-dried appearance?

Mr. FENNING. I can not see the difference, Mr. Chairman, between Mr. Coldren acting as counsel in a case in which I am committee and Mr. Larner, the general counsel of the Washington Loan & Trust Co., acting as counsel in a case in which the Washington Loan & Trust Co. is committee.

Mr. HAY. In other words, you do not share these fees with Mr. Coldren, do you?

Mr. FENNING. Mr. Coldren gets the counsel fee and I get the commission.

Mr. HAY. But do you not share with Mr. Coldren any of the counsel fees?

Mr. FENNING. It all goes to him as counsel, and all the commission comes to me as the committee.

Suppose the interrogation had stopped there? Fenning might then have misled somebody by his purposed evasion. But he was pinned down in 1906 by the following cross-examination:

Mr. SMYSER. Do you divide up? Do you throw it into hodgepodge and then divide?

Mr. FENNING. Mr. Coldren and I have a general partnership.

Mr. SMYSER. These fees that he gets in these cases, are they divided with you?

Mr. FENNING. All professional business done by either member of the firm is considered as firm business—yes, sir.

Mr. HAY. In whatever way it comes in?

Mr. FENNING. Yes; the professional time of each member of the firm belongs to the firm.

Mr. SMYSER. Do you yourself feel that you have transgressed the ethics of the profession?

Mr. FENNING. No, sir; I do not. I have been criticized by one or two members of the Medico-Legal Society in this proceeding, and it has been said that I have appeared in court and have endeavored to oppose habeas corpus proceedings and have thrown obstacles in the way of persons getting out of the hospital. I am frank to admit that in the Corbett case—I am the committee of Mrs. Corbett—I went into the court when the habeas corpus proceedings was about to be heard and told the judge that as committee of Mrs. Corbett I had looked carefully into the case since she had filed her petition for a writ of habeas corpus, and my opinion was that the best interests of Mrs. Corbett demanded that she remain where she was, and that that being the case I was going to appear with the district attorney in opposition to the issuance of the writ.

CRUELTY TO TWO HELPLESS WOMEN

Within a short time after Fenning testified in 1906, a prominent attorney in Washington with a writ of habeas corpus forced Doctor White and Fenning to bring these two women before the court, where upon trial they were adjudged to be sane and released, and for the past 20 years Miss Corbett has been an honored, respected, efficient employee here in Washington. Here is her affidavit I then read to Congress:

I, Miss Cornelia L. Corbett, being duly sworn, upon my oath, state: After my father's death, his estate consisting of at least $75,000 was handled by dishonest executors; my mother and I were living in Eckington, then a suburb of Washington, on June 11, 1904, the executors having forced the sale of our former home on M Street NW.; there had never been any impairment of my mother's mind, or of my own, of any kind whatever; without any warning whatever on the afternoon of June 11, 1904 my mother and I were placed in the patrol wagon and forcibly carried to St. Elizabeths, just as detailed in my testimony which I gave before the congressional committee, when I testified at the hearing on May 7, 1906; in the corps of officers sent for us, one was a large negro policeman; in our first application of habeas corpus Mr. Frederick A. Fenning prevented our having any witnesses, and he caused the court not to release us, but to remand us back to St. Elizabeths without a proper hearing, and he did everything within his power to obstruct our efforts to get out, and to keep us there; the cruel shock and humiliation nearly killed my mother; no one will ever know just how much we both suffered there; Mr. Fenning practically gave away all of our household effects, the accumulation of a lifetime; he sold all of same for about $500, out of which my mother received only $20 in cash, and had a dentist bill of $25 paid; and I received nothing; after the said hearing in May, 1906, Hon. Robert H. McNeill, an attorney of Washington, had granted a writ of habeas corpus, and through trial in court had us both declared sane and of sound mind, and by order of court discharged from St. Elizabeths, where for two years and four months Mr. Frederick A. Fenning had kept us incarcerated behind bars; I then brought suit against Mr. Fenning for my part of the effects he had sold, and the bill of particulars attached to my declaration in cause No. 49104, law, will show just what he had squandered of my property; he pleaded as an offset $100 which he claimed he owed my mother, and it was allowed against my suit, but before a jury I secured a verdict against him and the judgment of the court, but he was able to cut my judgment down far below what really was due me; he did not appeal from my judgment, and after nearly two years I finally was able to make him pay it.

My mother was never able to collect anything from my father's estate, and it was all squandered. If Mr. Frederick A. Fenning had not kept my mother and myself unjustly shut up behind the bars of St. Elizabeths for two years and four months we would have been able, in all probability, to have recovered something from my father's estate. I was released with my mother from St. Elizabeths under said order of court in October, 1906, and since then I have been employed in clerical capacities here in Washington. My mother had her life shortened very materially by that awful experience in St. Elizabeths, and she died some time ago. It makes me shudder now to think of all the suffering Mr. Frederick A. Fenning caused us; and, just to think, he did it all for the fees and commissions he got out of our property. I am not vindictive, but I do appeal to the Congress of the United States to see to it that this man is not permitted to occupy the important position of Commissioner of the District of Columbia.

Miss CORNELIA L. CORBETT.

Sworn to and subscribed by the said Miss Cornelia L. Corbett before me, the undersigned notary, on this the 6th day of April, A. D. 1926. Given under my hand and seal of office.

[SEAL.] HOWARD F. BRESEE,
Notary Public in and for the District of Columbia.

My commission expires May 9, 1926.

COULD THERE BE A CRIME MORE CRUEL?

Can anyone conceive of a crime more cruel than to capture from their peaceful and happy home a perfectly sane mother and perfectly sane daughter and keep them locked up without trial in an insane asylum for two years and four months, and while thus helpless rob them of their property? And Mr. Logue and others likewise secured their release from St. Elizabeths, and through suits in court here compelled Fenning to return to them their estates, which he had been withholding and upon which he was drawing annual commissions.

DOCTOR WHITE ADMITTED FAVORITISM

From the 1906 hearings I then quoted the following:

CONCERNING APPOINTMENT OF GUARDIANS

Mr. HAY. Does the court act upon your petition?

Doctor WHITE. Yes, sir; usually upon my petition.

Mr. HAY. As to who the guardian shall be?

Doctor WHITE. Yes, sir; in many instances.

The CHAIRMAN. Doctor, when this petition is prepared is there a nomination of some particular person for guardian?

Doctor WHITE. In the petition?

The CHAIRMAN. Yes.

Doctor WHITE. Yes, sir; Mr. Fenning has usually been mentioned in the petition.

Mr. WALLACE. Who first introduced Mr. Frederick A. Fenning to you and suggested the arrangement you made with him, whereby you executed so many petitions for his appointment as committee over the persons and properties of your ex-soldier patients?

Doctor WHITE. He may have introduced himself. I don't recall.

Mr. WALLACE. Did you have any knowledge of the fact that Doctor Nichols, Doctor Toner, Doctor Hummer, and others of your official staff were getting fees of $10 or more out of these ex-soldiers' pensions for testifying in these Fenning cases?

Doctor WHITE. I had knowledge they were getting a fee of $10.

Mr. WALLACE. For the purpose of preparing these petitions in lunacy, does Mr. Fenning have free access to the hospital records of these cases and their Army records?

Doctor WHITE. I think so.

And I showed that following said investigation in 1906 the two Congressmen most active on the committee filed their report, from which I quote the following condemnation of Dr. William A. White's management of St. Elizabeths, to wit:

That attendants have treated patients cruelly, both by blows and neglect, is proved beyond doubt, no less than 40 witnesses having testified to specific instances of cruelty; 26 of them were attendants and ex-attendants. A management under which such instances could happen, and under which they continue to happen, must be faulty. There is a certain amount of callousness displayed both by physicians and attendants, as well as a want of sympathy with these unfortunate people.

The great preponderance of the testimony is that the food is generally badly prepared, badly served, and oftentimes is not of such a kind as to be fit for consumption. It appears that the food served from the general kitchen is cold and unpalatable, that it is sometimes insufficient, and sometimes not fit to eat. Forty-one witnesses testified to one or the other of these conditions, and these witnesses are for the most part employees of the hospital. The meat is frequently bad, inspected by persons who are entirely inexperienced. There is no excuse for any or all of these conditions. The Government of the United States makes a very generous appropriation for the care of these unfortunates, and if properly managed and judiciously expended these appropriations are ample to provide good, palatable food, well cooked and properly served.

It has seemed to us that the manner of commitment of soldiers and sailors to the hospital is not in accord with those principles of law and justice which should be applied in cases involving the liberty and property of the citizens of this country. The law seems to provide that in the case of an enlisted soldier or sailor, or of a retired soldier or sailor, he can be committed to the hospital upon an order of the Secretary of War or of the Navy, as the case may be. It seems to us clear that these people should be entitled to a jury trial before they are deprived of their liberty.

But the case of the soldiers sent to the hospital from the different soldiers' homes is even worse. They are committed to the hospital upon the order of the president of the Board of Managers of the National Home for Disabled Volunteer Soldiers. No process of any kind is invoked. And from the evidence, it appears that the president acts upon the ipse dixit of the surgeons of the different homes. Surely a jury trial ought to be had in these cases, especially when it appears that men have been committed to the hospital who were not insane.

It is difficult to say how much is spent each year for the maintenance and support of this hospital.

It is desired to call attention to the very large powers exercised by the superintendent, who practically appoints every employee of the institution and fixes the salaries of these employees. It would be superfluous to point out the evils which inevitably result from placing in the hands of one man the power not only to fix salaries but to raise and lower them at his will and pleasure.

The superintendent's office is a most important one, and great care should be used in filling it. We might call attention to the Maenche case for the purpose of showing to what extent the power of the superintendent extends and how it may be abused. Maenche was superintendent of the laundry, where a large number of people are employed. He was reported on two occasions for an offense, with no investigation and no excuse for not having one, though the charge was well founded.

With the growth of the hospital it has been more and more impossible for the board of visitors to exercise necessary supervision. There are many wards into which the board of visitors do not go once in a year. There should be inspection by disinterested and impartial men whose duty it is to report upon every phase of management, and without fear or favor fearlessly expose any abuse which may exist. It should be inspected by some agency corresponding to lunacy commissions of States. Doctor White opposed such a method of inspection.

The undersigned would also call attention to the loose management of the finances of the institution. There has arisen a good many abuses.

JAMES HAY.
ROBERT M. WALLACE.

They were Members of Congress, under oath, certifying to conditions which had been established by sworn testimony before them.

BUT THAT EVIDENCED CONDITIONS 20 YEARS AGO

And in my speech on April 1, 1926, I showed that the same collusion had continued between Doctor White and Frederick Fenning during the past 23 years, and still existed. I read the following:

AFFIDAVIT OF ELLEN H. FINOTTI

I, Ellen H. Finotti, being duly sworn, upon oath, state: I was employed as record and file clerk in St. Elizabeths Hospital from 1918 to 1926, during which time I had charge of all the records of said hospital. I endeavored to keep said records conscientiously. However, upon the order of the superintendent, Dr. William A. White, I was notified that Mr. Frederick A. Fenning, now Commissioner of the District of Columbia, should have free access to such records and to correspondence concerning any cases that he should ask for. No other attorney enjoyed such privilege or concession.

I have no interest in this matter, and make this affidavit only because I was requested to testify as to what I knew about it.

ELLEN H. FINOTTI.

Sworn to and subscribed by the said Ellen H. Finotti before me, the undersigned authority, on this the 3d day of April, A. D. 1926, in Washington, D. C. Given under my hand and seal of office.

[SEAL.] HOWARD F. BRESEE,
Notary Public in and for the District of Columbia.

My commission expires May 9, 1926.

SERVED AT ST. ELIZABETHS HOSPITAL 40 YEARS

I, Frank M. Finotti, being duly sworn, upon my oath state: That I was chief clerk of St. Elizabeths Hospital from the time the office was created until I retired; I began work in St. Elizabeths on December 11, 1885, and worked there continuously until July 1, 1925, when I was retired. Years ago I used to officiate as notary there and received 25 cents for each affidavit. At one time the Pension Department began sending Mr. Frederick A. Fenning, one of its employees, over to St. Elizabeths to take the affidavits of pensioners; in this way he learned of inmates who were drawing pensions and who were entitled to pensions. Later on he quit the Pension Department and began to practice law himself, and it was then that he arranged things so that he was appointed the guardian or committee of many inmates. He had free access to all the records and correspondence, allowed him by Dr. William A. White, and I have seen him many times going through such records hunting up information concerning inmates who had money and property or who were entitled to pensions or compensation. I have just been shown the petition filed April 22, 1925, by Dr. William A. White, being No. Lunacy 10839 in the Supreme Court, stating that funds were there on deposit due James Roley and recommending that Mr. Frederick A. Fenning be appointed committee, and which was sworn to by Doctor White before me as a notary, and which is written upon the office paper of Mr. Frederick A. Fenning, attorney. I have seen many, many such petitions, and presume that in all there have been several hundred, altogether, wherein Doctor White recommended that Mr. Frederick A. Fenning be appointed committee. It is my belief that from some one in the Department of the Navy and the War Department Mr. Fenning learned of lunatics who were entitled to pay. I am not interested in this matter, and make this affidavit only because I have been requested to tell what I know.

FRANK M. FINOTTI.

Sworn to and subscribed before me by the said Frank M. Finotti on this the 3d day of April, A. D. 1926, in Washington, D. C.

[SEAL.] HOWARD F. BRESEE,
Notary Public in and for the District of Columbia.

My commission expires May 9, 1926.

$733,855.87 PAID TO FENNING BY VETERANS' BUREAU

I then showed a statement from Director Hines certifying that for 75 World War veterans, for whom Frederick A. Fenning had had himself appointed guardian, the Veterans' Bureau had paid him the enormous sum of $733,855.87.

KEPT FUNDS IN HIS OWN BANK

I then showed that Frederick A. Fenning was a director of the National Savings & Trust Co. and that he deposited all such funds in his own bank.

$100,070.25 COMMISSIONS

I then produced a certificate from the auditor of the Supreme Court of the District of Columbia certifying that concerning

123 wards of said Fenning, the number, name, and style of whose cases I gave, that the court had already allowed said Frederick A. Fenning $109,070.25 as his commissions for acting as guardian.

ROLEY LEE, OF VIRGINIA

I then read to the House the following affidavit from a poor Virginia mother from whom Frederick Fenning had kept her wounded son for several years merely to exploit him:

AFFIDAVIT OF MRS. ELIZA LEE

I, Mrs. Eliza Lee, being duly sworn, upon my oath state: I am a widow; will be 57 years old on the 26th of this month; I live in Grundy, Buchanan County, Va.; I am the mother of Roley Lee; he served in France during the World War; he was in perfect health when he entered the service; he had been a good, obedient son all of his life and was my chief support; while he was in France he made an allotment to me out of his wages for my support; he was wounded by shrapnel at Verdun and had a compound fracture of the left hip and was shell shocked, and because of such injuries was discharged June 11, 1919, on surgeon's certificate of being disabled. The diagnosis following his examination August 23, 1919, was active pulmonary N. P., and on examination December 21, 1919, was dementia precox; when he was first brought back from France he was taken to Camp Lee, and I went there to see him and found him shot all to pieces, but he knew me and put his arms around me and kissed me, and he finally got up and could go about; he disappeared, and for two years I did not know what had become of him, but found that he had been sent to St. Elizabeths and had been there all the time; Mr. Frederick A. Fenning sent papers already prepared for me to sign, which provided that he should be appointed a committee, and represented to me that it was best for my son to be kept in St. Elizabeths, as his mind was unsound, and that if I would sign the papers he could get some money both for me and my son; I was almost frantic to see my son and be able to visit him, and was ignorant of the facts and of my rights, and I signed the papers; I next learned that Mr. Fenning had become the guardian or committee of my son, and that the United States Veterans' Bureau had granted my son a total disability rating with an allowance of $157.50 per month, effective and payable from June 11, 1919, when he was discharged, and that besides drawing all of this money Mr. Fenning was also drawing the insurance allowances.

My son had taken out $10,000 insurance, half payable to me and the other half payable to his sister Ethel. I have before me a certificate from Director Hines, of the Veterans' Bureau, showing that he has already paid to Frederick A. Fenning as compensation $7,195.31 and as insurance benefits $4,715, making a total of $11,910.31 paid to said Frederick A. Fenning for my said son and myself; I attach to this affidavit a letter from Mr. Fenning showing that at first he allowed me only $20 per month, notwithstanding that as compensation alone the Veterans' Bureau was paying him $157.50 per month, effective from June 11, 1919, of which sum $57.50 was because of my dependency as his mother and my dependent daughter Ethel; and you will note in said letter that Mr. Fenning ridiculed my contention that I should be allowed at least $45 per month; when I found out just what Mr. Fenning was doing and that he was drawing 10 per cent of this money himself and that my son would be much better off at home with me up in the mountains of Virginia, where I could care for him and give him a mother's love and attention, I went into court and qualified as guardian and committee for my said son, and gave bond in the sum of $5,000, which was approved by the court; and I filed with Mr. Frederick A. Fenning a certificate, like the one I am attaching to this affidavit, from the Circuit Court of Buchanan County, Va., certifying that I had duly qualified, and the clerk of said court sent to St. Elizabeths Hospital certificate of my appointment, recommending that I be allowed to qualify as his guardian and committee and that I be allowed to bring my son home to the mountains; but both St. Elizabeths and Mr. Fenning denied my request. I attach hereto a letter which on August 31, 1922, Mr. Frederick A. Fenning wrote to Congressman Siemp, putting up the excuse that his court would not permit his ward's estate to be turned over to me unless the ward was removed to Virginia, and he knew that he could keep Doctor White from letting the ward be removed; and between the two they have kept my son and his estate away from me. I am attaching another letter which on January 23, 1923, Mr. Frederick A. Fenning wrote to Congressman Siemp making new excuses why he would not transfer my son and his estate to me as his lawful guardian and committee, and you will note in this letter that he admits that he is receiving $157.50 per month and is paying me only $57 per month, and this Congressman Siemp forced him to do by appealing to the court; and you will also note that Mr. Fenning is keeping my son's funds on deposit in the National Savings & Trust Co., of which he is a director. My son, Roley Lee, is absolutely harmless, and to be near him and care for him and give him a mother's love I have been forced to leave my home in Grundy, Va., and stay here in Washington among strangers and pay out every cent I can rake and scrape for my room and board and for little things to make my son happy.

I go to St. Elizabeths for him every day and they turn him over to me, and I take him to my room and all over town and amuse him, and he minds me just like a child; they allow me to keep him from 9 o'clock in the morning until 7 o'clock in the evening, when I get there that early for him, and it is all right for me to have him so long as Mr. Fenning is allowed to keep his money and draw 10 per cent of same for himself. I have before me a report which Congressman BLANTON has secured from the auditor of the Supreme Court of the District of Columbia, which shows that the court has allowed Mr. Frederick A. Fenning a total of $1,155.27 for himself out of the funds of my poor shell-shocked son. If instead I had been paid that amount, I could have made my son happy at home with it for a long time; and if the sums which Mr. Fenning claims he has paid out for clothes and other things for my son, and which the court has allowed him additional, had been paid me, I could have furnished him a hundred times the conveniences he has had. I gave three sons to my country during the World War, and it does seem to me that here in the National Capital a Commissioner of the District of Columbia should not be allowed by Congress to withhold my son from me merely to exploit his estate by receiving 10 per cent of his income each year, and I appeal to the Congress of the United States to right this great wrong.

Mrs. ELIZA LEE.

Sworn to and subscribed by the said Mrs. Eliza Lee before me, the undersigned notary, on this the 3d day of April, A. D. 1926. Given under my hand and seal of office.

[SEAL.] JOHN ANDREWS,
Notary Public in and for the District of Columbia.

My commission expires October 27, 1927.

HAD ROLEY LEE RESTORED TO HIS MOTHER

And I did not stop until I went before the Supreme Court of the District of Columbia and finally induced the Chief Justice to take Roley Lee out of the clutches of Frederick Fenning and return him to his mother, who ever since has had him at home with her in the mountains of Virginia, where he has improved wonderfully.

GENERAL ATTORNEY FOR MEDICAL SOCIETY

I showed that Commissioner Fenning was general attorney for the medical society here, although he was presumed to be giving all of his time to the District.

DIRECTOR FOR LAW REPORTER

I showed that Frederick A. Fenning was still a director of the Law Reporter Printing Co., which had been designated by the courts to print all of the legal notices concerning fiduciaries, which advertisements were quite remunerative.

STILL PRODUCED BUSINESS FOR HIS GAWLER UNDERTAKERS

I read the following receipt from court papers in Cause No. 10713:

WASHINGTON, D. C., *March 24, 1926.*

Received of Frederick A. Fenning, committee of Walter Garland Allan, $107.81, balance held to the credit of deceased, for services in connection with burial.

GAWLER.

This showed that even after death of his wards Frederick Fenning's business associates got what was left of their estates.

TIED UP WITH PUBLIC UTILITIES

I showed that up to November 6, 1919, Frederick Fenning had worked for the Washington Gas Light Co.; that as a commissioner he is a member of the Public Utilities Commission, created to prevent public utilities from robbing the people, and he permitted the street railways to charge 8 cents fare for both adults and children, notwithstanding that on November 1, 1919, the fare was 5 cents, and their charters provide that they shall never charge over 5 cents, and I showed that the common stock of the Washington Railway & Electric Co. in February, 1922, was worth only 38¼, but that since it has been permitted to charge 8 cents it has gone up by leaps and bounds, until in December, 1925, it went up to 250, thus making millions of dollars profit for the owners of this stock. I showed that Fenning permitted the Terminal Station and the hotels here to create monopolies by selling the curb space in the streets that belongs to the public to certain taxicabs for big sums.

REVENGEFUL CRUEL DEMOTION

I showed that because a policeman named Gore told Fenning's chauffeur he could not park in prohibited areas, and Fenning directed Inspector Albert J. Headley to severely reprimand Gore, that when he learned that Headley had only said, "Officer Gore, consider yourself severely reprimanded," Fenning demoted Inspector Headley to a captain without giving him a chance to be heard and despite his 30 years' faithful, unblemished service.

WILLIAM WOLFF SMITH DID NOT DO HIS DUTY

From the Washington Post of March 31, 1923, I read the following headlines:

Insane veterans pay out millions in fees—Lawyers, as guardians, said to be reaping harvest—Hines to fight practice.

They were the headlines. I then read what followed:

A searching investigation into the handling of allotments of insane and otherwise incompetent war veterans by attorneys and others who have been appointed by courts as legal guardians has been ordered by Brigadier General Hines, Director of the Veterans' Bureau.

The inquiry, it was learned yesterday, is to be conducted by William Wolff Smith, general counsel of the bureau.

And I then called attention to the fact that it was in March, 1923, that Gen. Frank T. Hines had learned that World War veterans were being robbed, and that he had then designated his general counsel, William Wolff Smith, to investigate and stop it, and that William Wolff Smith had done absolutely nothing. I said:

If I had known then what I know now about "Poker Bill" Smith, I could have told General Hines then that his general counsel would accomplish nothing in his investigation of crooks.

GENERAL HINES HAD ST. ELIZABETHS INVESTIGATED

In April, 1924, General Hines directed Dr. Henry Ladd Stickney, who was then control officer, inspection division of the Veterans' Bureau, to investigate St. Elizabeths. On April 26, 1924, Doctor Stickney filed his report with the bureau, and from same I quoted:

The control officer learned that one Frederick A. Fenning, Esq., an attorney, whose office is in the Evans Building, appears to have certain privileges and concessions shown him in contacting claimants of the bureau at the hospital. At the present time he is guardian for over 100 bureau patients. He constantly opposes the transfer of his wards from St. Elizabeths Hospital to any other hospital outside of this jurisdiction. It has been learned unofficially that Doctor White, superintendent, is very friendly to Mr. Fenning. Question is raised as to the propriety of allowing one attorney in the city to obtain guardianship of so many of the beneficiaries of the bureau.

The construction capacity of St. Elizabeths Hospital is for 3,300 patients. It has 4,200 patients; 901 of them are United States Veterans' Bureau cases.

Howard Hall group are neither well ventilated nor lighted. The beds are of wooden construction, antiquated, and are without springs. The benches are of an old type and are very uncomfortable. Blacks and whites occupy the same small court during recreation hours.

In one semipermanent ward used for tubercular patients blacks and whites are both hospitalized in the same building and only separated by an imaginary line.

Besides the assistant superintendent, Dr. Arthur B. Noyes, there are 37 doctors on the staff, 1 chief nurse, 5 assistant nurses, and 675 attendants and orderlies.

The cost of rations per diem for the fiscal year ending June 30, 1923, was between 40 and 45 cents. Attendants handled food in the most careless manner, were sloppy in their service, and appeared wholly inefficient. Some patients were not allowed even spoons to eat with. It is evidently the policy of the superintendent to keep down food cost. There was a doubt in the mind of the control officer whether or not all patients had sufficient amount of food. Lack of green vegetables and fruit, with no milk served except for tea and coffee, with no beverage for dinner and weak tea for supper, with no butter served, but oleomargarine instead, I was not satisfied that the diet was well balanced, or that a sufficient number of calories were afforded these patients.

Several patients are bathed in the same water. Patients are not properly segregated. Beds are too near together, and too many are congested in the day room. There are an insufficient number of toilets and bathrooms and showers in many of the wards.

WILLIAM WOLFF SMITH STILL DID NOTHING

Notwithstanding that on March 26, 1924, Dr. Henry Ladd Stickney called attention to the fact that Fenning was guardian for more than 100 World War veterans, and constantly opposes their transfer from St. Elizabeths, and was very friendly with Doctor White, General Counsel William Wolff Smith made no recommendations and took no steps whatever to stop it.

SHANGHAIED LIEUT. FRANK D. ALLEN INTO ST. ELIZABETHS

I then called attention to the fact that Lieut. Frank D. Allen was sane, and that Frederick A. Fenning had shanghaied him into St. Elizabeths and was exploiting his property. You will note later that Allen established his sanity in court and was released.

REPORT FROM ONE OF MY AIDS

I then read the following report from one of my helpers:

WASHINGTON, D. C., *April 6, 1926.*

MY DEAR MR. BLANTON: You have them worried. When you dropped in on them so unexpectedly last Saturday, as soon as you left, Doctor White got in touch with Commissioner Fenning and told him of your visit.

They have a system whereby when Fenning authorizes a certain portion of the ward's money to be spent for clothing, etc., the "committee" expressly stipulates where same shall be bought. Herzog, Saks, and Eiseman get the bulk of this business, with commissions allowed for the trade.

Doctor White spends most of his time writing books and articles. All of the St. Elizabeths' doctors practice outside, and some have offices outside.

Doctor White still holds his chair on the medical faculty of the Georgetown University, and also on the medical faculty of the George Washington University, notwithstanding the law requires him to give all of his time to St. Elizabeths.

PROTECTED THE KING OF ALL BOOTLEGGERS

I then called the attention of Congress to the following:

Joe Kelly is a political boss of Baltimore. He is the king of all high-toned bootleggers. His main liquor business is conducted from Greenmount Avenue and Eager Street in Baltimore. He directs his ships from the Bahamas and his big trucks in every direction from Baltimore. For $1,000 fee he will guarantee the safe delivery of a 5-ton truck load of liquor into Washington. His trucks enter the District at an exact hour agreed upon.

BARRAGE

Spectacular raids on stills and small bootleggers selling corn whisky in competition make a good blind for pretended enforcement. I am reliably informed that during a certain period last year 10,000 cases of imported liquor came into Washington and was distributed without any disturbance and that not one single truck load of liquor has been captured.

THE TROUBLE IS AT THE HEAD

The Metropolitan police force is a splendid bunch of loyal men, but they can enforce only when directed to do so.

And I then wound up my speech on April 8, 1926, as follows:

POLITICS MUST NOT CONTROL

We must keep politics out of this question. Too many ex-service men are involved. It is true that when Frederick A. Fenning was appointed commissioner he was then secretary of the local Republican organization here in Washington. And it is true that Hon. Edward F. Colladay, national Republican committeeman of the District of Columbia, is backing Mr. Fenning and trying to protect him.

MY RESOLUTION STILL PENDING

My resolution for the appointment of a joint committee, five Senators and five Congressmen, to investigate this whole situation here concerning treatment of our veterans of the various wars, has been held in the Committee on Rules since March 23, 1926. I trust that this committee will now report it out promptly.

I DEFY THE WHOLE GANG

I have received due notice that if I pressed this matter I would be ruined. I have fought bigger institutions than Frederick A. Fenning and Dr. William A. White. If they can ruin me, then let me be ruined. I am fully conscious of the power and influence of Frederick A. Fenning.

CONCLUSION

I have now done my duty. It is up to the House of Representatives, the Senate, and the President to do their duty. I have worked hard after hours for a number of weeks assembling these facts. It has all been work extra to our regular duties in our office and on the floor of this House. All of my colleagues know that I am on the floor all of the time when the House is in session. And my office work is fully as great as that of any colleague. But I felt that it was my duty to make this investigation and to place these facts before the Congress. I have confidence in the President of the United States. I have confidence in this Congress, though I must confess that my faith has been sorely tried on a few occasions; and I believe that the President of the United States will promptly remove from office Frederick A. Fenning as Commissioner of the District of Columbia, Dr. William A. White as superintendent of St. Elizabeths, and "Poker Bill Smith" as general counsel of the United States Veterans' Bureau.

FENNING'S UNSWORN STATEMENT

As soon as the House met on April 16, 1926, Mr. MADDEN stated that Commissioner Fenning had sent him a statement in defense of himself which he desired to go into the RECORD, when the following occurred:

Mr. BLANTON. That statement of Fenning's contains how many pages?

Mr. MADDEN. I should say about 20 pages.

Mr. BLANTON. The gentleman is permitting a man charged with high crimes and misdemeanors to sit down in his office and deliberately prepare his own defense without any cross-examination, when several Members of Congress may have facts that would show the absolute unreasonableness of every statement he makes.

Mr. MADDEN. There will not be any objection to the gentleman showing that.

Mr. BLANTON. I shall not object to Mr. Fenning's statement going in the RECORD. Will the gentleman permit me to have time next Monday to answer this statement?

MR. SNELL, CHAIRMAN OF THE RULES COMMITTEE

Mr. SNELL. Has not the gentleman had time already to make out his case?

Mr. BLANTON. I have not been able, apparently, to convince the chairman of the Rules Committee, but I have convinced many Members and the country, and I can convince the gentleman if I am given the opportunity.

Mr. MADDEN. I have no objection to the gentleman from Texas replying to the statement.

Mr. BLANTON. With that statement, I do not object to its going into the RECORD.

Mr. RANKIN. But do not let him dig under first.

Mr. GREEN of Florida. There seems to be an effort being made to condone this human vulture, and I am not in favor of it.

Mr. GARRETT of Tennessee. Mr. Speaker, * * * I think the charges that have been made here with regard to this commissioner and the evidence that has been submitted in the form of affidavits, sworn testimony, are sufficient not only to justify but to imperatively demand an investigation by some committee of this House.

This is not a matter that can be settled by the mere insertion in the RECORD of the statement which the gentleman has, no matter what it may contain.

Mr. MADDEN. I want the gentleman from Tennessee to understand I am not trying to cover up anything Mr. Fenning has done.

Mr. GARRETT of Tennessee. I understand that.

Mr. MADDEN. I am not defending him.

Mr. GARRETT of Tennessee. I know perfectly well the gentleman from Illinois is incapable of attempting any such thing.

Mr. MADDEN. I am in thorough accord with what the gentleman has said, and I think that everything in connection with this matter should be investigated and the evidence adduced here.

DISTRICT OF COLUMBIA COMMITTEE AUTHORIZES ACTION

On April 16, 1926, the Committee on the District of Columbia, on which I am the acting ranking Democrat, passed a resolution authorizing its chairman to appoint a subcommittee of five members to investigate Commissioner Fenning, St. Elizabeths, and all affairs in the District. But the chairman did not appoint the subcommittee.

CHAIRMAN SNELL AND CHAIRMAN JOHNSON OBJECT

As soon as the House met on April 17, 1926, the following occurred:

Mr. BLANTON. Mr. Speaker, I desire to prefer a unanimous-consent request. I have a certificate from the auditor of the Supreme Court of the District of Columbia showing that since the war started in 1917 he has paid Frederick A. Fenning $98,909.18 as his fees and commissions as guardian and committee in lunacy cases, and that this runs as high as 50 per cent in one case. It runs 12, 20, 30, 40, 46, and even 50 per cent in some cases. I ask unanimous consent to put this certificate from the auditor of the Supreme Court of the District of Columbia in the RECORD showing the cases——

Mr. SNELL. Does this refer to the same matter the gentleman referred to the other day?

Mr. BLANTON. It shows each veteran's case, specifying the amount and the years, showing exactly what was paid each year in each case, and the per cent. This, I think, will be interesting, because I think yesterday Mr. Fenning claimed that his $109,000 fees ran back to 1903 and that he only got 5 per cent. This shows exactly what he got and the years in which he got it. There will be nothing inserted in the RECORD except the certificate from the auditor of the Supreme Court of the District. I will put in no remarks of my own.

Mr. JOHNSON of Washington. Does not the gentleman think that a matter of this kind should be ordered printed for the information of the particular committee——

Mr. BLANTON. What committee? They are all balking and holding back and breaking quorums and will not have a hearing of any kind. I would like for the membership of the House to know something about this.

Mr. JOHNSON of Washington. It will be printed as a pamphlet for the information of the committee——

Mr. BLANTON. Some one would object to that. Every committee will get the benefit of it if it is put in the RECORD. It is information which gentlemen ought to know. This is information which each one of your districts ought to know, and they are asking for this information by letter every day, and I can not write a letter to every one of them, as my time is too much occupied, my desk is now piled with such mail, and I would put in this certificate of the auditor of the Supreme Court of the District so as to let the people of the country have this information.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. BEGG. Mr. Speaker——

Mr. BLANTON. Do not be afraid if you want to object.

Mr. TILSON. I am not afraid.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. BEGG. Well, Mr. Speaker, reserving the right to object, I want to say this——

Mr. BLANTON. Mr. Speaker, I ask for the regular order. If they are going to object, let them object. I ask for the regular order.

The SPEAKER. The regular order is demanded. The regular order is the question, "Is there objection?"

Mr. SNELL. I object, Mr. Speaker.

Mr. JOHNSON of South Dakota. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

Mr. SNELL, who objected, is chairman of the Rules Committee which for weeks had buried my resolution authorizing investigation. Mr. JOHNSON of South Dakota is chairman of the World War Veterans' Committee, and should have been anxious to obtain all information affecting the rights of veterans. Yet they objected.

BUT I DID NOT QUIT

Later on that day, during debate on a bill that would make it easier for dishonest debtors to receive discharges in bankruptcy, I took the floor, when the following occurred:

Mr. BLANTON. In a moment. I have been trying to get the general counsel down here in the Veterans' Bureau removed from office, because he has been wrongfully keeping veterans and their widows and orphans from getting their just deserts. He is generally known as "Poker Bill" Smith. I have been trying to have him removed. Why he has been discharged in bankruptcy twice from paying his honest debts, and yet he is now drawing a big salary from your Government down here in the Veterans' Bureau. You ought to stop it. It is not conducive to honesty and integrity to permit these men to come in every six years and be discharged of all their debts.

Mr. STEPHENS. Can not the gentleman have him removed?

Mr. BLANTON. I have been trying my dead-level best to have him removed. If the gentleman will help me, I think we can get him removed.

Mr. STEPHENS. I will help you.

Mr. BLANTON. But it is a slow process.

Mr. STEPHENS. Because I think he ought to be removed.

Mr. BLANTON. If I could get the chairman of the Rules Committee to go home for a week, we could have some of these fellows removed, but as long as he is here to protect them, God knows, it is a hard proposition. [Laughter.]

Mr. STEPHENS. I think Smith should be removed on account of lack of legal knowledge.

Mr. BLANTON. Why, of course. He never has known any law. He got into the legal fraternity by accident. [Applause.] He went in with a large bunch of applicants in 1916, and they just doled out his license here through this machine in Washington. Every attorney down there knows he knows no law. And I made him admit to Director Hines in the presence of Senator SHEPPARD that he had never tried any important case in a courthouse when he was made general counsel for the United States Veterans' Bureau.

The SPEAKER pro tempore (Mr. SNELL). The time of the gentleman from Texas has expired.

AND STILL I DID NOT QUIT

And just before adjournment that day, during debate on a bill to grant a pension to an old soldier, I took the floor and again called attention to the way Commissioner Fenning was robbing war veterans, and said:

Mr. BLANTON. Why do not we stop it? I am trying to stop it. I have a resolution before your Committee on Rules that has been there for nearly a month slumbering the sleep of death.

Mr. GREEN of Florida. Will the gentleman yield?

Mr. BLANTON. Your Veterans' Committee—some Democratic Members—are very enthusiastic and have been trying to get a hearing on the proposition, with Members clamoring to be heard, and they can not get but three or four Republican Members present, with no quorum, and they can not do any business.

Mr. CONNALLY of Texas. The gentleman is a member of the Committee on the District of Columbia, and that committee has jurisdiction of these matters. Could not the committee proceed and invite these people, Commissioner Fenning and others, to come before the committee?

Mr. BLANTON. Well, the committee could, but it will not.

Mr. CONNALLY of Texas. In a minute—and then if they refuse, would not we be in a position wherein the House could not afford to refuse the authority? Why does not that committee go ahead?

Mr. BLANTON. If I were its chairman the committee would act. I have found out that this House can afford to do almost anything it wants and get away with it when those in authority do not want to do something. The committee to which I belong yesterday passed a resolution for the chairman to appoint a committee of five to investigate this matter. But it has not yet been appointed.

IMPEACHMENT ONLY WAY TO GET ACTION

I have quoted from the RECORD extensively to show that apparently it was impossible to get action from any committee of Congress. So on April 19, 1926, I decided to impeach Frederick A. Fenning, and thus force action to be taken. Chairman SNELL had had my resolution authorizing investigation buried in his Committee on Rules since March 23, 1926, with no promise whatever of action. Notwithstanding the Committee on the District of Columbia had passed a resolution on April 16, 1926, directing its chairman, Mr. ZIHLMAN, to appoint a subcommittee of five Members to investigate, he had not appointed such subcommittee. We were expecting Congress to adjourn on June 1; hence something had to be done. So I decided to precipitate an investigation through the sole parliamentary means at my command.

IMPEACHMENT OF COMMISSIONER FREDERICK A. FENNING

As soon as the House met on April 19, 1926, the following occurred:

Mr. BLANTON. Mr. Speaker, I rise to a question of the highest privilege. By virtue of the office I hold as a Member of the House, I impeach Frederick A. Fenning, Commissioner of the District of Columbia, of high crimes and misdemeanors. I ask for time in which to make my charges.

The SPEAKER. The gentleman is recognized to make the charges referred to.

I then preferred 34 specific charges against Commissioner Frederick A. Fenning, specifying in detail the high crimes and misdemeanors he had committed, and I then offered the following resolution:

Mr. Speaker, I offer the usual resolution in such cases, which I ask that the Clerk read.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

"House Resolution 228

"*Resolved*, That the Committee on the Judiciary be, and it is hereby, directed to inquire and report whether the action of this House is necessary concerning the alleged official misconduct of Frederick A. Fenning, a Commissioner of the District of Columbia, and said Committee on the Judiciary is in all things hereby fully authorized and empowered to investigate all acts of misconduct and report to the House whether in their opinion the said Frederick A. Fenning has been guilty of any acts which in the contemplation of the Constitution, the statute laws, and the precedents of Congress are high crimes and misdemeanors requiring the interposition of the constitutional powers of this House, and for which he should be impeached.

"That this committee is hereby authorized and empowered to send for persons and papers, to administer oaths, to employ, if necessary, an additional clerk, and to appoint and send a subcommittee whenever and wherever necessary to take necessary testimony for the use of said committee or subcommittee, which shall have the same power in respect to obtaining testimony as exercised and is hereby given to said Committee on the Judiciary.

"That the expenses incurred by this investigation shall be paid out of the contingent fund of the House upon the vouchers of the chairman of said committee, approved by the Clerk of this House."

The SPEAKER. The Chair refers the resolution and the charges to the Committee on the Judiciary.

And then for one hour I produced evidence substantiating each and every one of the 34 charges preferred, during which the following occurred:

Mr. RANKIN. I want to ask the gentleman from Texas whether or not in these cases of guardianship in which these excessive fees were charged the wards were veterans of the World War?

Mr. BLANTON. Oh, many of them. Many of them were shell shocked in France. Many of them are veterans of the Spanish-American War, and one or two of them are even veterans of the Civil War, if you please. Many of them are disabled men, retired from your Army and your Navy, and one other department of Government.

Mr. RANKIN. The reason I asked that question is that a great many of us on the Veterans' Committee have been trying to get this investigation made, and it has been questioned by some members of the committee whether or not these excessive fees were charged in cases of demented veterans of the World War.

Mr. LUCE. Will the gentleman yield?

Mr. BLANTON. I yield to the distinguished gentleman, who for nearly a week has held up the Veterans' Committee and prevented them from investigating this case. [Applause.]

Mr. LUCE. I may inform the gentleman that the Committee on World War Veterans' Legislation began this morning in an orderly manner——

Mr. BLANTON. Oh, yes. After you had gone to your steering committee and your steering committee gave you orders to act. [Applause.] They told you you had held this matter up until it had become a crime upon the country, and then you acted, because you were whipped into line by your steering committee. I know all about it, because I went before your Veterans' Committee and I begged the chairman to give me 10 minutes, did I not?

Mr. RANKIN. Yes.

Mr. BLANTON. And I was refused?

Mr. RANKIN. And I tried to get the committee to give you the hearing.

Mr. BLANTON. Now I yield to the distinguished gentleman from Massachusetts, and I will cut out of the RECORD all I have just stated, because I have a great deal of regard for the gentleman.

Mr. LUCE. And also because it is inaccurate. [Laughter.]

Mr. BLANTON. Well, I will leave it to the members of the Veterans' Committee as to its accuracy. What about it, men?

Mr. RANKIN. The gentleman from Texas came before the Committee on World War Veterans' Legislation last Saturday——

Mr. BLANTON. Friday.

Mr. RANKIN. Friday or Saturday, and brought a list of these cases. He asked permission to make a statement of 10 minutes, and every member on the Democratic side was willing, waiting, and anxious to have him make that statement, but there was a point of order made.

Mr. BLANTON. By whom?

Mr. RANKIN. I believe by the gentleman from Massachusetts [Mr. LUCE].

Mr. BLANTON. Yes; it was made by the gentleman from Massachusetts, that there was not a quorum of the committee present, and that prevented my having 10 minutes.

Mr. RANKIN. And that prevented the Veterans' Committee from going ahead with this investigation and prevented the gentleman from Texas from presenting his facts.

And in reply to a question propounded by Mr. BANKHEAD, of Alabama, as to whether we could expect a full and comprehensive investigation before the Judiciary Committee, I said:

Mr. BLANTON. The chairman of the committee, the gentleman from Pennsylvania [Mr. GRAHAM] is not going to overlook anything. He is a good lawyer. When he goes into this case it will be carefully considered. If Dr. William A. White were such an officer as could be impeached by Congress, I would also impeach him, for he deserves it; but I believe that the President will promptly remove him.

Gentlemen, I want to say that the main thing the Committee on the Judiciary is going to find in their way, the first obstacle, will be a distinguished individual in Washington named Edward F. Colladay. He has bobbed up in front of me in several instances during my investigations, and he will bob up in front of the committee, as he is Mr. Fenning's main defender.

Mr. FAIRCHILD. Mr. Speaker, I make the point of order that the gentleman from Texas is not speaking to his own resolution.

Mr. BLANTON. This man Colladay is defending Fenning.

Mr. FAIRCHILD. The gentleman is bringing in a third party who is not charged here.

Mr. BLANTON. But he is Mr. Fenning's chief defender before the people of Washington, and I have a right to discuss it.

Mr. GREEN of Florida. I want to know if Colladay is the man who was indicted years ago in the District for misdemeanors and high crimes.

Mr. BLANTON. He was charged with forgery, and was granted $500 bail, and was discharged on habeas corpus, but finally, on appeal, was remanded back to jail; but later he got his case nolle prossed.

Mr. FAIRCHILD. Mr. Speaker, I renew the point of order.

Mr. BLANTON. Mr. Colladay is the local national committeeman of the Republican Party here in Washington, and certainly you do not want to shield him.

CHAIRMAN ZIHLMAN ACTS IMMEDIATELY

Just as soon as I impeached Frederick A. Fenning, Mr. ZIHLMAN, as chairman of the Committee on the District of Columbia, appointed the subcommittee of five to investigate, as directed by the resolution we passed in the committee on April 16, 1926, he appointing Mr. GIBSON, of Vermont, as chairman; Mr. BOWMAN, of West Virginia; Mr. HOUSTON, of Delaware; Mr. GILBERT, of Kentucky; and myself. And we began our hearings the next day, April 20, 1926.

THEN I WAS ATTACKED THROUGH WASHINGTON PAPERS

On April 22, 1926, I took the floor to answer the vicious attacks made upon me through the Washington papers, and I showed that same were false, unfair, and malicious, and made to obstruct my investigation. The chairman of the Rules Com-

mittee tried by repeated points of order to prevent my getting the floor, but the Speaker overruled him and gave me the floor, holding:

The Chair thinks that, while the gentleman from Texas is not mentioned specifically, it is the plain intention to charge that any Member of the House of Representatives who made these charges, whether they are true in fact or not, was unpatriotic and insulted the dignity of the House. The Chair thinks that founds a question of privilege. [Applause.]

And during the time I was presenting fact after fact against Fenning, politics caused others to interrupt:

Mr. KING. Mr. Speaker, I make the point of order that the gentleman is not addressing himself to the point in issue.

Mr. BLANTON. Yes I am. I am showing that my charges impeaching Frederick A. Fenning were not cowardly and were not unpatriotic, which is the charge that was made by A. J. Siler's resolution against me in the Star.

Mr. KING. The gentleman is undertaking to state something about Doctor White. Doctor White is not concerned in this matter.

Mr. BLANTON. Yes; he most certainly is concerned; he is Mr. Fenning's collaborator and partner in some of these matters.

Mr. KING. You are going to have an opportunity to be heard before the Judiciary Committee.

Mr. BLANTON. But I am going to answer this article first in this forum, and I will get through in a few minutes if the gentleman will not bother me.

Mr. KING. Has the membership no relief whatever from this thing, day after day?

The SPEAKER. That is a question of fact.

Mr. BLANTON. You will never get any relief from it until you put Mr. Fenning out of office and you put Doctor White out of office [applause], because I am going to the people of the country on this matter if I have to. Both of them must be put out.

Mr. BLACK of Texas. My colleague is doing the House a valuable service in throwing the light of publicity on these transactions.

Mr. BLANTON. The Secretary of the Navy will tell you that there are a lot of Navy men sent there by letter without trial. They are sent there from the War Department by letter without trial. The Public Health Service has sent hundreds of them there, without trial, by letter.

Is not that an awful condition that exists in this country? And because I try to stop it a fellow named A. P. Siler got a few citizens to meet the other night, with only a few persons present—there were not many members of the association there—and he got a resolution through condemning me and condemning my action as "unpatriotic and cowardly." This fellow Siler is the father of one of Fenning's employees, and this attack on me was thus influenced by Fenning.

Oh, if you knew what a proposition I have had to run up against and the big combination here I am fighting, you would say I was not cowardly. I have been facing their whole gang for weeks. I do not have any police guards around my home at night either, as Mr. Fenning did Monday night. Do you know that he had policemen placed outside of his home the other night all night? He must have been afraid of a mob.

Mr. OLIVER of Alabama. I think the information that the gentleman from Texas has furnished to this House ought to lead, and will lead at this session, to legislation that will prevent unjust and unfair charges, which seem to have been imposed in the past upon the funds of veterans, from being repeated in the future.

Mr. BLANTON. I am glad to hear the gentleman say that.

Mr. OLIVER of Alabama. And when that legislation passes, no Member of this House can say that it is not solely due to the disclosures made by the gentleman from Texas. [Applause.]

Mr. BLANTON. I thank the gentleman very much.

Mr. GREEN of Florida. Is the gentleman not surprised at Members of Congress undertaking to block such an investigation?

Mr. BLANTON. Yes; I am. I just simply can not understand them. Oh, it is just a few of them. The rank and file of these splendid men on the other side of the aisle are behind this proposition, and they are going to see that both Fenning and White are put out of office just as soon as we can force a vote on the question.

Mr. GREEN of Florida. What these two men have done is worse than the action of Daugherty or Forbes, because those men swindled soldiers who were not mentally infirm, and this man Fenning swindled war veterans who are not mentally capable.

Mr. BLANTON. Yes.

Mr. LOZIER. In view of the facts in this case, are we to understand there is any considerable number of the Members of this House, either Democrats or Republicans, who approve or want to indorse or defend this grafting?

Mr. BLANTON. No; there is only just a little handful, and I could name every one of them.

Mr. LOZIER. I hope so.

Mr. BLANTON. First, let me say this to the gentleman from Massachusetts [Mr. LUCE]. If he has not yet been able to find any delinquency on the part of Mr. Fenning, I would just as soon try to convince one of the sphinxes of Egypt. [Applause.]

Mr. LUCE. But you have not pointed out to the committee a single case of delinquency by any guardian in the District of Columbia.

Mr. BLANTON. What about Mr. Fenning?

Mr. LUCE. You have not pointed out as yet a violation of law by Mr. Fenning.

Mr. SPEAKS. Will the gentleman yield to me long enough to ask the gentleman from Massachusetts a question. In view of the disclosures and actual charges openly made on the floor of the House and in the press, does not the gentleman from Massachusetts feel that there is sufficient proof to warrant the House in taking action, and thus relieve the gentleman from Texas in carrying on this necessary work alone? [Applause.]

Mr. BLANTON. I can not yield any further. I think that disposes of the obtuse gentleman from Massachusetts.

Mr. BROWNING. Does not the gentleman know that the gentleman from Massachusetts [Mr. LUCE] and others on the Veterans' Committee have deliberately blocked the gentleman from Texas and prevented him from coming before that committee?

Mr. BLANTON. Yes; the gentleman from Massachusetts [Mr. LUCE] did that. I asked for 10 minutes, and he would not let me have it. And the gentleman from Oklahoma [Mr. MONTGOMERY] helped him.

Mr. BROWNING. And I will say to the gentleman that in the committee the chairman of the committee [Mr. JOHNSON of South Dakota] has already expressed himself and stated that in his opinion the gentleman from Texas has not any facts that would throw any light on these questions at all.

Mr. BLANTON. These facts which I have produced, and which have convinced everybody but the gentleman from Massachusetts [Mr. LUCE], the gentleman from South Dakota [Mr. JOHNSON], and the gentleman from New York [Mr. SNELL], these facts may not be considered facts by them, but when I bring a certified auditor's report from Herbert L. Davis, auditor of the Supreme Court of the District of Columbia, certified to in a way that would be accepted in any court in the United States as evidence, showing rates of interest or commission ranging from 10 per cent up to 94 per cent of his ward's estate, drawn by Frederick A. Fenning, God knows that ought to convince the gentleman, when Fenning has drawn from the Veterans' Bureau alone $733,855.87, funds due veterans of the World War now in insane asylums.

Mr. LUCE. But those are not delinquencies on the part of the guardian. They may be delinquencies on the part of the court but not the guardian.

Mr. BLANTON. Then the gentleman applauds Fenning for getting all he can.

Mr. BROWNING. May we find out from the gentlemen on the Veterans' Committee, who have been denying the gentleman from Texas [Mr. BLANTON] the privilege of coming before that committee, if they will let him testify before the committee?

Mr. BLANTON. Yes; will the gentleman from South Dakota [Mr. JOHNSON] let me have 10 minutes before his committee?

Mr. JOHNSON of South Dakota. I will say to the gentleman that when these records are all before the committee I will be perfectly willing to give the gentleman that time; but the gentleman is so ably represented on that committee——

Mr. BLANTON. Yes; I do not think I need to go, because I think my friends on the committee will take care of the situation.

Mr. RANKIN. The gentleman from Texas is no more ably represented on the Veterans' Affairs Committee than Mr. Fenning seems to be. [Applause.]

HAD COLLEAGUES SHOWED THEIR HAND

And then in closing I found out by a rising vote just how many of my colleagues were backing me in my fight to remove Fenning:

Mr. BLANTON. Now, in the last minute I am going to use I am going to ascertain just how many of you are not backing me up in this undertaking, in trying to get justice for our war veterans. I wish you who are not backing me would stand up. If there is a man in this House who is not backing me, I want him to stand up. I pause, and no one stands. I am glad to see that I have the unanimous backing of Members. [Applause.]

SEVERAL VOICES. Put it the other way.

Mr. BLANTON. How many of you are backing me in a proper investigation of this matter? I would like to see all who are backing me stand up. I note that with the exception of about 20 men who have not arisen, I seem to have almost the unanimous backing of you Members. [Applause.]

Mr. Speaker, I yield the floor, thanking my colleagues.

ESTABLISHED EVERY CHARGE BY OVERWHELMING PROOF

Now, I am going to quote each charge preferred by me against Frederick A. Fenning consecutively by number and then show the evidence I produced in support thereof. I not only conducted the presentation of evidence before the Judiciary Com-

mittee, but also before the Gibson District of Columbia Committee. For over two months I worked from 14 to 16 hours per day, and sometimes longer. I kept up with my office work and performed all of my regular legislative duties in the House.

FENNING'S BEVY OF RENOWNED ATTORNEYS

When Frederick A. Fenning appeared before the Judiciary Committee he brought with him three of the most renowned attorneys in Washington, Frank J. Hogan, Levi Cooke, and Thomas B. Littlepage. Hogan is the same attorney who represented former Secretary of the Interior Albert B. Fall and the big oil magnate, Edward L. Doheny, in which case it is reported that Hogan received a fee of $1,000,000. Levi Cooke is the general attorney of the owners of bonded whisky and the bonded liquor warehouses in the United States. Thomas B. Littlepage is one of the leading public-utility lawyers of Washington.

ADMISSIONS MADE BY FENNING'S LAWYERS

As soon as the Judiciary Committee organized to hear testimony, I placed in the RECORD the following admissions agreed to by Fenning's attorneys:

Mr. BLANTON. Mr. Chairman, I have had a tentative agreement with distinguished counsel here that will probably save a great deal of time and obviate the necessity of having certain witnesses brought here. I will state the agreement, and if I make any mistake I will ask Judge Hogan and his associates to correct me as I go along.

It is agreed, Mr. Chairman, that until November 6——

Mr. HOGAN (interposing). Will you state that this is subject to the relevancy of the facts presented?

Mr. BLANTON. Of course, the committee will not pay any attention to it unless there are facts developed that will show its relevancy later. As I am stating this, unless counsel admit it as I go along, it is not agreed to. If I make a mistake, they will correct me.

It is agreed that up until November 6, 1919, Mr. Frederick A. Fenning acted as an agent for the Washington Gas Light Co., for collecting delinquent accounts.

Mr. HERSEY. Had acted?

Mr. BLANTON. That he acted for them up to November 6, 1919, in collecting delinquent accounts.

Mr. HOGAN. The committee will be good enough to have before it the fact, of which you may take judicial notice, if I may just use that term, that Mr. Fenning became Commissioner of the District of Columbia on the 5th day of June, 1925, and he held no public office before that time except that of an officer of the Army during the war.

Mr. BLANTON. That he was duly sworn and took oath as prescribed by law on June 5, 1925.

Mr. HOGAN. And not before.

Mr. BLANTON. It is further agreed that until the 8th day of February, 1922, Mr. Fenning held stock in and was a director of the Washington Loan & Trust Co., of Washington, D. C., but has not been since that date, since February 8, 1922.

It is further agreed that after severing his connection with the Washington Loan & Trust Co. Mr. Fenning became a director of the National Savings & Trust Co., and held stock in it; and is still a director and still holds stock in it.

Mr. YATES. What was the date he took oath?

Mr. BLANTON. February 8, 1922.

Mr. YATES. No; I mean the date when he was appointed commissioner.

Mr. BLANTON. June 5, 1925.

It is admitted, gentlemen, that for several years Mr. Frederick A. Fenning has held stock in and has been a director of and is still a director of the Law Reporter Printing Co., of Washington, D. C., of which Mr. Chapin Brown is now president.

Mr. HOGAN. That is a journal that publishes the decisions of courts, an official court journal.

Mr. BLANTON. It is admitted, gentlemen, that for a number of years Mr. Fenning has held one share of stock in and has been a director of and attorney for the Joseph Gawler's Sons, undertaking establishment, which is a corporation here in Washington.

It is admitted, gentlemen, that for a number of years Mr. Fenning has held one share of stock in and has been a director of and attorney for the Laurel Sanitarium.

Mr. HOGAN. There is no admission of his being attorney for the Laurel Sanitarium. You can develop that, but we can not make the admission. I am not advised that he served in any capacity for that sanitarium. If I find anything later, I will let you know.

Mr. BLANTON. What about his owning the stock?

Mr. HOGAN. He holds a qualifying share of stock as director.

Mr. BLANTON. Then it is admitted, Mr. Chairman, that Mr. Fenning owns a qualifying share of stock and is a director of the Laurel Sanitarium. I will ask for witnesses later on the question of whether or not he is attorney for them.

Mr. PERLMAN. Where is that sanitarium?

Mr. BLANTON. It is near Laurel, Md., and it is a sanitarium to which mental defectives have been sent and incarcerated.

Mr. HERSEY. That is outside of the District?

Mr. BLANTON. It is about 16 miles from here. But the president of it lives here in Washington; he is a resident of the District of Columbia.

The CHAIRMAN. You say that he was a stockholder or attorney for it?

Mr. BLANTON. He owns a qualifying share of stock and is a director of it, but counsel desires to wait awhile before making any other admission.

I call the committee's attention to section 5498 of the Revised Statutes of the United States, which, if I am not mistaken, has come down as article 109 of the Penal Code of the United States.

Mr. HOGAN. As 5498 it was repealed and substantially reenacted as section 109 of the United States Criminal Code.

Mr. BLANTON. And you will find in it this language:

"Every officer of the United States, or persons holding any place of trust or profit, or discharging any official function under or in connection with any executive department of the Government of the United States, or under the Senate or House of Representatives of the United States, who acts as an agent or attorney for prosecuting any claim against the United States, or in any manner or by any means, otherwise than in the discharge of his proper official duties, aids or assists in the prosecution or support of any such claim, or receives any gratuity or any share of or interest in any claim from any claimant against the United States with intent to aid or assist, or in consideration of having aided or assisted, in the prosecution of such claim, shall pay a fine of not more than $5,000 or suffer imprisonment of not more than one year, or both."

The CHAIRMAN. It is your contention, Mr. BLANTON, that Mr. Fenning is an officer of the United States?

Mr. BLANTON. It is, and I will produce at your next meeting a brief which I am sure will prove that beyond peradventure of doubt.

Mr. PERLMAN. You say that section 109 covers Mr. Fenning?

Mr. BLANTON. It does cover Mr. Fenning; in other words, he is such an official of the United States Government as that statute will apply to. I also contend, gentlemen of the committee, that the following section has been violated by Mr. Fenning, and I shall offer proof on that point.

The CHAIRMAN. What section is that?

Mr. BLANTON. That is section 500 of Title V of the World War veterans' act, approved June 7, 1924, as amended by the act approved March 4, 1925, found on page 85 of the compilation of veterans' laws, which may be found in the document room in the Capitol and which reads as follows:

"SEC. 500. Except in the event of legal proceedings under section 19, of Title I of this act, no claim agent or attorney except the recognized representatives of the American Red Cross, the American Legion, the Disabled American Veterans, and the Veterans of Foreign Wars, and such other organizations as shall be approved by the director shall be recognized in the presentation or adjudication of claims under Titles II, III, and IV of this act, and payment to any attorney or agent for such assistance as may be required in the preparation and execution of the necessary papers in any application to the bureau shall not exceed $10 in any one case: *Provided, however,* That wherever a judgment or decree shall be rendered in an action brought pursuant to section 19 of Title I of this act, the court, as a part of its judgment or decree, shall determine and allow reasonable fees for the attorneys of the successful party or parties and apportion same if proper, said fees not to exceed 10 per cent of the amount recovered and to be paid by the bureau out of the payments to be made under the judgment or decree at a rate not exceeding one-tenth of each of such payments until paid. Any person who shall, directly or indirectly, solicit, contract for, charge, or receive, or who shall attempt to solicit, contract for, charge, or receive, any fee or compensation, except as herein provided, shall be guilty of a misdemeanor, and for each and every offense shall be punishable by a fine of not more than $500 or by imprisonment at hard labor for not more than two years, or by both such fine and imprisonment."

SPECIFIC CHARGES AND THEIR PROOF

Inasmuch as charges Nos. 1, 2, 21, 22, 23, and 24 all relate to the violation of the two laws quoted above, I will insert all six of such charges at this time so that they may be considered together as the evidence which proves the last five also proves the first one:

CHARGE NO. 1

I charge that the said Frederick A. Fenning, after being appointed to such office by the President of the United States, and after he had taken the prescribed oath and assumed the duties of the office of Commissioner of the District of Columbia, violated his oath and the law by violating the provisions of section 5498 of the Revised Statutes of the United States, in that he acted as attorney and received fees and commissions in violation of such law, the penalty prescribed for such

violation being a fine of not more than $5,000 and imprisonment for not more than one year.

CHARGE NO. 2

I charge that the said Frederick A. Fenning has violated the provisions of section 500 of Title V of the World War veterans' act of 1924 as amended by the act of March 4, 1925, which provides that respecting compensation and insurance claims filed in said United States Veterans' Bureau for adjudication and not prosecuted in courts no attorney shall receive a fee of more than $10 in any one case, the penalty prescribed for its violation being a fine of not more than $500 and imprisonment at hard labor for not more than two years.

CHARGE NO. 21

I charge that said Frederick A. Fenning, while Commissioner of the District of Columbia, on June 10, 1925, represented a client and as attorney filed in the Supreme Court of the District of Columbia a petition in lunacy, case No. 10890, and as such attorney caused Michael Flaherty to be adjudged of unsound mind, and in his petition had himself recommended for committee, and had himself appointed as such committee, after which,—as such, he prosecuted a claim against the Government of the United States, and on June 20, 1925, reported to the court that he had received from the United States Navy the sum of $565.80 as back pay due said Flaherty, and that he expected to receive from the United States Navy the sum of $94.30 each month thereafter as pay due his said ward.

CHARGE NO. 22

I charge that said Frederick A. Fenning, while Commissioner of the District of Columbia, on September 22, 1925, appeared in the Supreme Court of the District of Columbia as an attorney for a client whose business he had solicited and as such attorney filed a petition in lunacy, case No. 11041, seeking to adjudge Richard M. Norris of unsound mind, said Fenning in his said petition alleging "that Richard M. Norris is entitled to war-risk compensation monthly, the amount not yet known," which showed that to recover same it would be necessary for him to prosecute a claim before the Veterans' Bureau, and as such attorney said Fenning had said Norris adjudged of unsound mind, and as said attorney said Fenning did prosecute such claim before said United States Veterans' Bureau, in violation of law, and had such claim allowed, and on January 20, 1926, as such attorney said Fenning made report to the court showing that his client had received a check from the United States Veterans' Bureau and had deposited it in the said National Savings & Trust Co.

CHARGE NO. 23

I charge that the said Frederick A. Fenning, while Commissioner of the District of Columbia, appeared in the Supreme Court of the District of Columbia as attorney for his client, which business he solicited, and on the 20th day of October, 1925, filed a petition in lunacy case No. 11092 seeking to adjudge Francis D. Allen of unsound mind, and in such petition recommending that he be appointed committee, and said Fenning alleging in his said petition that the said Allen is entitled to recover from the United States Navy retired pay of $150 per month as a lieutenant in the Navy, and that, as such attorney, said Frederick A. Fenning tried said case on November 20, 1925, and caused said Allen to be adjudged of unsound mind, and caused himself to be appointed committee, and that on December 9, 1925, said Frederick A. Fenning reported to the court by his sworn pleading that he had received from St. Elizabeths Hospital $116.55 due said Allen, and that he expected to receive from the United States Navy $150 per month as retired pay due said Allen, and that he expects to receive certain funds said Allen has on deposit in a New York bank, and that he expects to receive proceeds from the sale of certain lots said Allen owns in New York, and that he expects to recover a refund of a deposit which said Allen made on a house in Pennsylvania, and upon all of which proceeds said Fenning will unlawfully receive at least 10 per cent annually.

CHARGE NO. 24

I charge that the said Frederick A. Fenning, while a Commissioner of the District of Columbia, appeared as an attorney for his client in the Supreme Court of the District of Columbia, and on December 2, 1925, filed a petition in lunacy case No. 11137 in said court, seeking to adjudge Charles L. Cunningham as of unsound mind; that the case was tried on December 4, 1925, and the judgment decreeing said Cunningham of unsound mind recites that petitioner appeared as his attorney—Frederick A. Fenning—and I charge that on January 27, 1926, said Commissioner Frederick A. Fenning, as said attorney, filed with said Supreme Court a petition for his client, stating that petitioner had employed said Frederick A. Fenning and Paul V. Rogers as attorneys, and asking permission to pay them their fee of $150, and that on that same day, January 27, 1926, said Frederick A. Fenning secured a signed order from Chief Justice McCoy authorizing the payment of said $150 fee to said Frederick A. Fenning and Paul V. Rogers, as attorneys, and that said Fenning received such fee in violation of the laws hereinbefore mentioned, and that on said January 27, 1926, said Frederick A. Fenning filed a petition for his client showing that petitioner had collected from a bank and the United States Navy the total sum of $1,605.13, which was deposited in said National Savings & Trust Co., said Fenning's bank.

FREDERICK A. FENNING HAD KNOWLEDGE THAT HIS PRACTICE WAS UNLAWFUL

During the World War Frederick A. Fenning secured a swivel-chair job in the Quartermaster Corps here in Washington. I will now quote from the hearings evidence I offered to show that he was notified then that he could not practice before governmental departments, and also showing that as soon as he became commissioner after the war he was so notified again:

Mr. BLANTON. I have submitted this document to counsel.

Mr. HOGAN. I have no objection to this [indicating paper].

Mr. HERSEY. What is it?

Mr. BLANTON. This is a certificate from the Commissioner of Pensions.

Mr. HOGAN. Read it all.

Mr. BLANTON. Yes; I will read it all. And in order for the committee to see the significance of it I would like to call their attention to the fact that my contention is that in this file [indicating] Mr. Fenning acknowledges that, being a Commissioner of the District, he is such an officer of the United States that he can not practice before the department.

I will first read the certificate:

DEPARTMENT OF THE INTERIOR,
PENSION BUREAU,
Washington, D. C., May 13, 1926.

I, Winfield Scott, Commissioner of Pensions, hereby certify that the attached pages, numbered 1 to 6, inclusive, are true copies of the originals thereof, on file in the Pensions Bureau, in the attorneyship files of Frederick A. Fenning, of Washington, D. C., admitted to practice before said bureau as an attorney, as therein set forth.

In testimony whereof I have hereunto subscribed my name and caused the seal of the Pension Bureau to be affixed, the day and year above written.

[SEAL.]

WINFIELD SCOTT,
Commissioner of Pensions.

Now, this is the card:

"Fenning, Frederick A., attorney, Washington, D. C. Admitted November 6, 1909. Prohibited, section 109, Penal Code, July 5, 1917. Restored March 16, 1919. Prohibited, section 109, Penal Code, June 5, 1925."

Then I will read this letter:

JULY 10, 1917.

Mr. FREDK. A. FENNING,
Washington, D. C.

SIR: This bureau is in receipt of information that you have been accepted in the Officers' Reserve Corps of the United States Army, and, if said information is correct, you are requested to so inform the bureau and give the date of your commission, in order that the records of the bureau may be noted as to your prohibition from practicing before it.

Please return this letter with your reply, which may be transmitted under cover of the inclosed envelope, without the payment of postage.

Respectfully,

G. M. SALTZGABER, *Commissioner.*

DEPARTMENT OF THE INTERIOR,
Washington, August 27, 1917.

The COMMISSIONER OF PENSIONS:

SIR: I have to advise you that Frederick A. Fenning, of Washington, D. C., who was admitted to practice as attorney for claimants November 6, 1909, has accepted office under the United States as captain, Quartermaster Department, United States Reserves. You will therefore not recognize him as having the right to represent claimants as an attorney in your bureau until further orders.

By direction of the Secretary.

Respectfully,

E. J. AYERS, *Chief Clerk.*

Prohibited July 5, 1917.

DEPARTMENT OF THE INTERIOR,
Washington, March 24, 1919.

The COMMISSIONER OF PENSIONS:

SIR: Referring to department letter of August 27, 1917, advising you that Frederick A. Fenning, of Washington, D. C., had accepted office under the United States as captain, Quartermaster Department, United States Reserves, I have to state that Mr. Fenning was honorably discharged as major, Quartermaster Corps, on March 15, 1919; you will therefore recognize him as entitled to represent claimants as an attorney before your bureau from March 16, 1919.

Respectfully,

E. J. AYERS, *Chief Clerk.*

Here is a letter written on the letterhead of the Commissioners of the District of Columbia, with the name Frederick A. Fenning at the top of it:

JULY 6, 1925.

The COMMISSIONER OF PENSIONS,
Pension Office, Washington, D. C.

MY DEAR MR. COMMISSIONER: On June 5, 1925, I took the oath of office as Commissioner of the District of Columbia. For many years I have been entitled to practice before your bureau, but to the best of my knowledge I am attorney in no pending causes before your bureau except that of my brother-in-law, John M. Boone, original number 1517466. Will you please advise me as to whether my present position bars me from the further prosecution of the said claim? I may add that if any fee is allowed me in connection with the said claim, I propose to indorse the fee check over to the claimant, but I suppose this feature does not enter into the real question as to whether I should further act in the matter.

Yours sincerely,

F. A. FENNING,
Commissioner, District of Columbia.

This is a letter from the Commissioner of Pensions to Mr. Fenning:

JULY 10, 1925.

Hon. FREDERICK A. FENNING,
Municipal Building, Washington, D. C.

SIR: In response to your communication of the 6th instant I have to advise you that you are correct in the opinion that, since your appointment on June 5, 1925, as a Commissioner of the District of Columbia, you are no longer entitled to prosecute any claim for pension.

Section 109 of the United States Penal Code (35 Stat. L.) provides as follows:

"Whoever, being an officer of the United States, or a person holding any place of trust or profit, or discharging any official function under, or in connection with, any executive department of the Government of the United States, or under the Senate or House of Representatives of the United States, shall act as an agent or attorney for prosecuting any claim against the United States, or in any manner, or by any means, otherwise than in discharge of his proper official duties, shall aid or assist in the prosecution or support of any such claim, or receive any gratuity, or any share of or interest in any claim from any claimant against the United States, with intent to aid or assist, or in consideration of having aided or assisted, in the prosecution of such claim, shall be fined not more than $5,000, or imprisoned not more than one year, or both."

Respectfully,

WINFIELD SCOTT, *Commissioner.*

You will note from the foregoing that when Fenning got his swivel-chair job in the Army during the war, he was then notified by the Pension Bureau that he could not practice, and when he was discharged, he had notice that he could resume practice; and the very next day after he became Commissioner of the District of Columbia he wrote to the Pension Bureau asking whether he could practice if he didn't charge for it, and he was notified distinctly that he could not, and had the law cited to him, showing that he would be subject to a $5,000 fine and imprisonment for one year. Yet he deliberately violated that law, and also the other one quoted by me, by practicing before several departments. Fenning became commissioner on June 5, 1925. And here is my proof of his practicing thereafter:

MICHAEL FLAHERTY CASE, CHARGE 21

Mr. BLANTON (continuing). I have here the petition that Mr. Fenning filed in the Supreme Court of the District on June 10, 1925, lunacy No. 10890, in re Michael Flaherty. It says on the back:

"Petition for writ de lunatico inquirendo and appointment of committee." It says "Filed June 10, 1925"; and says on the back, "Law Offices of Frederick A. Fenning, Evans Building, 1420 New York Avenue NW., Washington, D. C."

The petition says:

"That Michael Flaherty is now, and has been for some time past, a patient under treatment for mental disease at St. Elizabeths Hospital——

"That said Michael Flaherty is entitled to retired pay, United States Navy, amount now unknown.

"Wherefore, the premises considered, your petitioner asks:

"1. That a writ de lunatico inquirendo be issued by this court.

"2. That Frederick A. Fenning be appointed committee of the person and estate above named, under such bond as the court may deem proper."

And it is signed "Fred'k. A. Fenning, attorney for petitioner," on the side, and also signed by the petitioner and sworn to.

Mr. DYER. What is the date of that, Mr. BLANTON?

Mr. BLANTON. It is filed on June 10, 1925, in the Supreme Court of the District of Columbia; and it has this notation on the back:

"Let the writ issue, returnable, June 12, 1925, at 10 a. m. Walter I. McCoy, chief justice."

This order was issued June 22, 1925, and reads as follows:

"*Ordered*, That Frederick A. Fenning be, and is hereby, appointed committee of the person and estate of Michael Flaherty, upon his giving approved undertaking in the sum of $2,500, conditioned for the faithful discharge of his trust."

Then I have here this correspondence, photostatic copies of Mr. Fenning's correspondence.

The first is a letter from Mr. Fenning, reading as follows:

LAW OFFICES OF FREDERICK A. FENNING,
Washington, D. C., July 1, 1925.

CHIEF OF THE BUREAU OF SUPPLIES AND ACCOUNTS,
United States Navy Department, Washington, D. C.

DEAR SIR: I hand you herewith court certificate showing my appointment and qualification as committee of Michael Flaherty, chief boatswain's mate, United States Navy, retired, a patient at St. Elizabeths Hospital, with the request that all retired pay due my said ward and payments of same to become due be made payable to my order and sent to me as such committee.

Yours very truly,

F. A. FENNING.
H. A. L.

I showed that the initials "H. A. L." meant Helen A. Losano, who was Frederick Fenning's private secretary in his law office.

Mr. BOWLING. All of these papers, etc., to which you refer are part of the records of the Supreme Court of the District of Columbia?

Mr. BLANTON. Yes; in the Supreme Court of the District of Columbia, all of these papers were filed; the case was filed and everything done since he became commissioner.

Now, I have here a certificate from the Navy Department. I offer in evidence a certificate from Admiral Charles Morris, Paymaster General, United States Navy, in this Michael Flaherty case, reading as follows:

"Memorandum of payments of retainer pay in the case of Michael Flaherty (CBM (PA) No. 150 82 50 FNR). Retainer pay account of F-3-d 2948. Checks drawn by Capt. George G. Seibels, Signal Corps, United States Navy, under symbol 59081, payable to Frederick A. Fenning, committee of the person and estate of Michael Flaherty, 1420 New York Avenue NW., Washington, D. C., as follows."

Then the first check is dated July 14, 1925, for $565.80. Then there are 10 other checks, payable each month from July 31, 1925, on down and including April 30, 1926, one each month of $94.30, duly certified.

Then the next paper is filed July 20, 1925, and reads as follows:

"The report of Frederick A. Fenning, committee in this cause, respectfully shows the court—

"1. That he has received naval retainer pay due his ward from January 1 to June 30, 1925, in the sum of $565.80, which amount has been deposited in the National Savings & Trust Co. to the credit of F. A. Fenning, committee of Michael Flaherty; and the committee expects future payments of retainer pay at the rate of approximately $94.30 per month and funds from St. Elizabeths Hospital, held to the credit of the ward, in the amount of $1,558.55."

That is signed by Frederick A. Fenning, and sworn to before Helen A. Losano, notary public.

Mr. HERSEY. Mr. Fenning was acting as his own attorney in that matter?

Mr. HOGAN. He was acting as committee.

Mr. BLANTON. As committee and as attorney both.

Now, I want the committee to keep this in mind: That you will find in all these cases, in the report from the clerk of the court, and in the papers, numerous charges for notary fees out of the wards' estates—a number of notary fees in each case; and I am making the contention there that he does not disclose to the court or to the auditor that this notary is his own employee in his office, and has been for several years.

The CHAIRMAN. Do you think that would make any difference?

Mr. BLANTON. Yes; if those notary fees amount to a considerable sum every year, such as would pay her salary.

RICHARD M. NORRIS CASE—CHARGE 22

Mr. BLANTON (continuing). I have here, first, the legal docket, the back of which is indorsed as follows:

"Law offices of Frederick A. Fenning, Evans Building, 1420 New York Avenue NW., Washington, D. C. Filed September 22, 1925. Petition for writ de lunatico inquirendo and appointment of a committee."

Mr. HOGAN (interposing). It is the same as the other.

Mr. BLANTON. The first paper starts out, "The petition of Elizau Norris" respectfully shows the court.

Then it says that "Richard M. Norris is now and has been for some time past a patient under treatment for mental disease at St. Elizabeths Hospital, etc. That said Richard M. Norris is entitled to war-risk compensation, monthly amount not yet known."

And then comes the affidavit of the physicians, and next is the verdict of the jury, starting with the words, "Now comes here as well

the petitioner by her attorney, Frederick A. Fenning, as the alleged lunatic in person," and so on.

Then follows the order appointing committee, and then I am going to read to you a certificate from the Veterans' Bureau showing what was done by Mr. Fenning thereafter. The certificate shows that these are photostatic copies of records in the file of the case of Richard M. Norris. The first letter is as follows:

LAW OFFICES OF FREDERICK A. FENNING,
1420 New York Avenue, October 16, 1925.

Memorandum for the United States Veterans' Bureau.

In re: Richard M. Norris, C-1375146.

Find herewith certified copy of order of court showing the appointment and qualification of my client, Elizan Norris, as committee of her husband, the above-named veteran, who was admitted to St. Elizabeths Hospital for treatment about July, 1925, with the request that compensation be awarded said Richard M. Norris and the same paid to her as his committee. The committee's address is 336 W Street NW., Washington, D. C.

F. A. FENNING.

Now, if the committee will remember, there is no case of a committee here; it is the case of an attorney presenting this to the department for his client.

Mr. HOGAN. Are you putting in evidence or are you arguing the case?

Mr. BLANTON. I am calling the attention of the committee to the fact that this letter says "my client," so there is no question here that he is not an attorney.

I have here a letter from the Veterans' Bureau, dated October 22, 1925, reading as follows:

"In reply refer to R. 12.31, Norris, Richard M., C-1375146

"UNITED STATES VETERANS' BUREAU,
"Washington, October 22, 192-

"Mrs. RICHARD M. NORRIS,
"Washington, D. C.

"DEAR MADAM: You are informed that the statement dated September 25, 1925, signed by two persons stating that you and your husband have lived continuously together and have not been divorced is not an affidavit.

"It will be necessary that you forward an affidavit giving this information, sworn to before a notary public. It is also requested that a verified copy of the official record of your marriage be forwarded to this office certified to by the clerk in charge of the records."

Then I have here a letter dated October 31, 1925, from the United States Veterans' Bureau, addressed to Mr. Frederick A. Fenning, attorney at law, reading as follows:

"R. 12.31, Norris, Richard M., C-1375146

"OCTOBER 31, 1925.

"Mr. FREDERICK A. FENNING,
"Attorney at Law, Washington, D. C.

"DEAR SIR: Receipt is acknowledged of your letter of October 16, 1925, forwarding a certified copy of the court order appointing Mrs. Elizan Norris as committee of the estate of her husband, Richard M. Norris, who is at the present time a patient at St. Elizabeths Hospital, Washington, D. C.

"Under date of October 22, 1925, a letter was addressed to Mrs. Norris advising her as to the correct evidence to be forwarded to this office relative to her marital status. It is requested that this office be furnished with a verified copy of the official record of the marriage of Mrs. Norris to the claimant certified to by the person in charge of the public records. It will also be necessary that an affidavit be forwarded signed by two persons stating that Mrs. Norris has lived continuously with her husband since her marriage and has not been divorced."

That letter is signed by the chief of the claims division.

Here is another letter to Mrs. Elizan Norris, dated December 4, 1925, reading as follows:

"Mrs. ELIZAN NORRIS,
"336 W Street NW., Washington, D. C.

"DEAR MADAM: There is returned herewith the order appointing you committee of the person and estate of Richard M. Norris who has a claim for compensation on file in the Washington regional office. Upon examination it is found that this certificate does not bear the seal of the court. It is therefore requested that you have the seal of the court attached to this document, and that the same be immediately returned to the Washington regional office for prompt attention."

Then, answering that, here is a letter from Mr. Fenning dated December 9, 1925, headed:

MEMORANDUM FOR THE UNITED STATES VETERANS' BUREAU,
WASHINGTON, D. C.

LAW OFFICES OF FREDERICK A. FENNING,
Washington, D. C., December 9, 1925.

In re Richard M. Norris, C-1375146. Your file R. 12.8.

In accordance with your letter addressed to my client, Mrs. Elizan Norris, December 4, 1925, in the case of the above described, I have had the clerk of the court affix the seal of the court to certificate showing the appointment of said Elizan Norris as committee of her husband, Richard M. Norris, and said certificate is returned herewith, with the request that the matter go forward as promptly as possible.

F. A. FENNING.

Here is another letter from Mr. Fenning:

MEMORANDUM FOR THE UNITED STATES VETERANS' BUREAU,
WASHINGTON, D. C.

LAW OFFICES OF FREDERICK A. FENNING,
Washington, D. C., January 9, 1926.

In re Richard M. Norris, C-137546. Your file R. 12.31.

I call attention to my memorandum of December 9, 1925, in the above-described case, and request, on behalf of my client, Mrs. Elizan Norris, committee of Richard M. Norris, that the matter go forward without delay.

F. A. FENNING.

Here is a letter from the United States Veterans' Bureau, dated February 2, 1926, addressed to Mr. Frederick A. Fenning, Evans Building, 1420 New York Avenue, Washington, D. C., reading as follows:

"This is to advise you that the award of compensation approved in favor of Richard M. Norris, by which Mrs. Elizan Norris, committee of the estate of this claimant, was allowed $30 per month from November 1, 1925, was amended, and beginning January 1, 1926, the amount of compensation paid to the committee of this claimant was reduced to $10 per month, and the remaining $20 will be forwarded direct by this office to St. Elizabeths Hospital for the comforts and necessities of this claimant.

"By direction,

"N. E. MARTINDALE,
"Chief Claims Division, Regional Office, Washington, D. C."

You will note that in all three of his said letters to the Veterans' Bureau, Fenning spoke of "my client."

FENNING'S CLANDESTINE MEETINGS AT NIGHT

It is very likely that if I had not gone to the precaution of having photostat copies of Fenning's letters to the bureau made and preserved they might have disappeared from the files.

Mr. BLANTON. Your name is Davis G. Arnold?

Mr. ARNOLD. That is right.

Mr. BLANTON. And your position with the United States Veterans' Bureau is what?

Mr. ARNOLD. Assistant to the director and national guardianship officer.

Mr. BLANTON. I will ask you to state whether or not, since charges were first preferred against Mr. Fenning in the House of Representatives, touching a case known as the Norris case, whether Mr. Frederick A. Fenning arranged with you to get those Norris papers and meet him one night down at the United States Veterans' Bureau?

Mr. HOGAN. State the facts, please.

Mr. BLANTON. Answer that, yes or no; is that a fact or not?

Mr. ARNOLD. In substance; yes, sir.

Mr. BLANTON. In substance that is correct?

Mr. ARNOLD. Yes, sir.

Mr. BLANTON. Did he not meet you at the Veterans' Bureau at night?

Mr. ARNOLD. Yes, sir.

Mr. BLANTON. Regarding those papers?

Mr. ARNOLD. Yes, sir.

Mr. BLANTON. You got them at his request and had them in your office?

Mr. ARNOLD. I did, sir.

Mr. BLANTON. Did you know, Major, that there had been a photostat taken of all the papers in that file at that time?

Mr. ARNOLD. No, sir.

Mr. BLANTON. You did not know that?

Mr. ARNOLD. No, sir.

Mr. BLANTON. Did he know it?

Mr. ARNOLD. I do not know it now.

GOT ENOUGH OF HOGAN'S CONTINUAL SARCASTIC INTERRUPTIONS

Mr. BLANTON. Well, there have been two sets of photostats taken of them; I will let you know that.

Mr. HOGAN. We have had some comment about persons not testifying when they were not under oath.

Mr. BLANTON. Well, there is so much of that here by other counsel that they are not in a position to complain.

Mr. DYER. The committee, of course, will have to try to separate the evidence from the comment and arguments.

Mr. BLANTON. I know this is disagreeable to them.

Mr. HOGAN. There is no justification for that statement, and it is not true.

Mr. BLANTON. Mr. Chairman, there is a whole lot of barking here.

Mr. DYER. Let us proceed.

Mr. HERSEY. Go on.

Mr. HOGAN. Those statements can not go on without calling for some reply.

Mr. BLANTON. Of course, I do not mind that talk. Of course, any common cur can bark at a man, and you can not stop it.

Mr. DYER. Proceed.

Mr. BLANTON. What time of day do the Government employees leave the office in the afternoon?

Mr. ARNOLD. Four thirty.

Mr. BLANTON. Four thirty?

Mr. ARNOLD. Yes, sir.

Mr. BLANTON. That is the closing hour, is it not, Major?

Mr. ARNOLD. For practically all.

Mr. BLANTON. Yes; 4.30?

Mr. ARNOLD. Yes, sir.

Mr. BLANTON. And what time was it that night that you met Mr. Fenning about these Norris papers?

Mr. ARNOLD. About 7.30.

Mr. BLANTON. That is about three hours after closing time, is it not?

Mr. ARNOLD. Substantially.

Mr. BLANTON. He looked at the letters he had written?

Mr. ARNOLD. He asked about those three letters he had written, and I showed them to him.

Mr. BLANTON. Yes; you showed him the three letters he wrote to the department?

Mr. ARNOLD. Yes, sir.

Mr. BLANTON. And that was after you had seen in the press the fact that he was charged with practicing before the department in the Norris case, was it not?

Mr. ARNOLD. I think I had seen that; yes.

Mr. BLANTON. Yes.

Mr. DYER. When was this, Mr. Witness?

Mr. ARNOLD. It was two or three days after Mr. BLANTON called the attention of the House to the Norris case.

Mr. DYER. It was this year?

Mr. ARNOLD. Yes, sir.

Mr. BLANTON. That is all, Major Arnold.

Mr. GORMAN. Well, is there any charge here that there were papers missing in this case?

Mr. BLANTON. Well, I think——

Mr. HOGAN (interposing). Of course, the answer is, No.

Mr. BLANTON. Well, the answer is, Yes.

Mr. HOGAN. There is no such charge.

Mr. BLANTON. In this case the answer is, Yes.

Mr. GORMAN. Have you any witness who will testify to that?

Mr. BLANTON. There was a Congressman here yesterday who testified under oath that his files had been broken into and important papers were missing. Did the gentleman not hear that?

Mr. GORMAN. He said some papers had mysteriously disappeared in his files in particular cases; but he made no statement that his office had been broken into.

Mr. BLANTON. I did not say his office; I said his files had been broken into; that is what he said.

Mr. GORMAN. No.

Mr. BLANTON. Mr. Chairman, have Mr. GREEN brought here, please? I want to determine that question.

WHAT CONGRESSMAN GREEN HAD SAID UNDER OATH

Mr. BLANTON. You are a Representative in Congress from the State of Florida?

Mr. GREEN. Yes; second district.

Mr. BLANTON. I will ask you whether during the last year you have made any demand on Mr. Fenning to let the guardianship of this boy, Fred C. Hall, be transferred from him to his father in Florida?

Mr. GREEN. Mr. BLANTON, the first request I made, I find from the files, for this transfer or for a change of guardian from Fenning to his father, was made directly to the Veterans' Bureau.

Mr. BLANTON. Did you have any communication with Mr. Fenning, either by telephone or letter, about it?

Mr. GREEN. I did.

Mr. BLANTON. Read it.

Mr. GREEN. It is embodied in a letter from the bureau to me. The original telegram was lost from my files as, very mysteriously, other letters in this case have disappeared from my files.

Mr. BLANTON. There have been other letters disappeared from your files?

Mr. GREEN. There have been, and the files have been unlocked.

Mr. DYER. Do you remember what it was, in substance?

Mr. GREEN. That he acknowledged receipt of the following telegram of March 16, 1925:

"Fred C. Hall, veteran, patient St. Elisabeths Hospital, Washington, D. C., desires transfer to Hospital No. 6, Augusta, Ga. His parents, L. A. Hall and Mary Hall, desire transfer near his Florida home. His guardian is F. A. Fenning, Washington, D. C. Want itemized account. Also want guardian dismissed and natural father appointed."

That was my telegram to the bureau. The bureau then wrote me, saying they had examined him and desired to keep him here.

Mr. BLANTON. Have you ever made demand on Mr. Fenning for the transfer?

Mr. GREEN. I have; but I find from my files that the first demand was made in a letter to the Veterans' Bureau.

Mr. BLANTON. I am talking about Mr. Fenning.

Mr. GREEN. Yes.

Mr. HOGAN (interposing). I will give you all the letters. You need not tell about what you got. You sent this letter to Mr. Fenning, did you not?

Mr. GREEN. Yes.

Mr. HOGAN (reading):

FEBRUARY 18, 1926.

Mr. FREDERICK A. FENNING,
Evans Building, Washington, D. C.

DEAR MR. FENNING: With reference to your favor of February 12, beg to advise that I have had a personal conversation with General Hines in this matter, and have decided to insist upon the transfer of Fred C. Hall from St. Elizabeths Hospital, Washington, D. C., to United States Veterans' Hospital No. 62, Augusta, Ga. Therefore, I most respectfully and finally request that you effect this transfer immediately.

In the event, from any cause, there is any delay or hold-up in this matter, kindly advise me promptly. I am advising the father of Fred C. Hall to-day that his son will be transferred immediately.

Very truly yours,

R. A. GREEN,
Member of Congress.

[Excerpt from letter from GREEN to Fenning, dated March 16, 1926]

* * * I might say, in connection herewith, that this boy's father has recently died, and said death was, in all probability, caused largely from grieving over your refusal to make this transfer, as he so kindly and repeatedly requested. The mother and the brothers of this man now repeat their urgent request for the transfer, and I sincerely trust that you will not compel me to have this transfer made by congressional action.

Sincerely yours,

R. A. GREEN,
Member of Congress.

Mr. GREEN. There is another letter you wrote me about getting permission to be appointed. Have you a copy of that?

Mr. HOGAN. I have not.

Mr. GREEN. That letter has disappeared from my files. He wrote me a letter that he had written Hall's parents to be appointed guardian for Hall when I demanded to know how he was appointed.

Mr. BLANTON. That letter disappeared from your files?

Mr. GREEN. Yes.

Mr. BLANTON. Together with others?

Mr. GREEN. Yes.

Mr. BLANTON. You are positive you received such a letter from Mr. Fenning?

Mr. GREEN. And commented freely upon it in my office to my two secretaries.

Mr. BLANTON. And he did admit he had written to Fred Hall's parents to be appointed?

Mr. GREEN. Yes.

[Excerpt of letter from GREEN to Fenning, dated May 9, 1925]

DEAR SIR: In letter sent by Veterans' Bureau of Washington, D. C., to subdistrict office, Jacksonville, Fla., said letter dated February 10, 1925, showed that you had to credit of above-named veteran the amount of $9,229.89.

In letter sent by you to L. H. Hall, father of said Fred C. Hall, said letter dated February 12, 1925, showed that you had to credit of said veteran the amount of $10,990.

We can not understand why this great difference exists; please explain same and tell us just what you had at that time for this veteran, and just what you now have.

FREDERICK FENNING DID RECEIVE FEES

Mr. BLANTON. Your name is Paul V. Rogers?

Mr. ROGERS. That is correct.

Mr. BLANTON. You have been associated in business, one way or another, with Mr. Frederick A. Fenning, for how long?

Mr. ROGERS. We have had joint law offices for five years.

Mr. BLANTON. Mr. Fenning's offices are in the Evans Building?

Mr. ROGERS. That is right.

Mr. BLANTON. He has one reception room where Miss Helen A. Losano usually stays?

Mr. ROGERS. That is right.

Mr. BLANTON. Leading out of that reception room, in one direction, is Mr. Fenning's office?

Mr. ROGERS. That is correct.

Mr. BLANTON. Leading out of that reception room in the other direction is your office?

Mr. ROGERS. That is correct.

Mr. BLANTON. Is that not the fact?

Mr. ROGERS. That is the fact.

Mr. BLANTON. And for the last five years you have attended to many pieces of legal work for Mr. Fenning?

Mr. ROGERS. I have.

Mr. BLANTON. You attended to his business for courtesy, without any pay?

Mr. ROGERS. That is correct.

Mr. BLANTON. That is right?

Mr. ROGERS. That is right.

Mr. BLANTON. All of his business?

Mr. ROGERS. You are talking about generally speaking.

Mr. BLANTON. I mean generally.

Mr. ROGERS. There are a great many cases where Mr. Fenning and I have been associated together from the inception of the case and, in those cases, we divided the fee.

Mr. BLANTON. How many of such cases?

Mr. ROGERS. Oh, I could not tell you.

Mr. BLANTON. Well, name some of them where you have divided the fee equally—50–50.

Mr. ROGERS. Well, there are one or two of those lunacy cases.

Mr. BLANTON. Which ones of them; name them?

Mr. ROGERS. The Cunningham case.

Mr. BLANTON. The Cunningham case; that is one?

Mr. ROGERS. And the Norris case.

Mr. BLANTON. And the Norris case?

Mr. ROGERS. Yes, sir.

Mr. BLANTON. Now, between you, you got $150 fee paid in one of those cases, did you not?

Mr. ROGERS. That is right.

Mr. BLANTON. Which one?

Mr. ROGERS. Cunningham.

Mr. BLANTON. Well, I will get at it in another way. You say in the Cunningham case you got $150 fee?

Mr. ROGERS. I did—we did, I say; Mr. Fenning and I did.

Mr. BLANTON. How much did you get out of it?

Mr. ROGERS. $75.

Mr. BLANTON. How much did Mr. Fenning get out of it?

Mr. ROGERS. He must have gotten the other $75.

Mr. BLANTON. In the Norris case, how much did you get?

Mr. ROGERS. Personally?

Mr. BLANTON. You and Mr. Fenning, together.

Mr. ROGERS. $75.

Mr. BLANTON. You got half of the $75?

Mr. ROGERS. That is right.

Mr. BLANTON. How much does Mr. Fenning pay for those three rooms?

Mr. ROGERS. I think one hundred and fifty or one hundred and sixty; something like that.

Mr. BLANTON. How much do you pay him a month?

Mr. ROGERS. I pay him $35.

Mr. BLANTON. You have got a key to all the offices?

Mr. ROGERS. Surely.

Mr. BLANTON. You have free access to all three rooms?

Mr. ROGERS. Yes.

[From page 401, Gibson committee hearing]

Mr. BLANTON. Here is the report which Mr. Fenning prepared and Helen Losano took the jurat, showing that the committee had received—this is January 20, 1926—making report that she has received from the United States Veterans' Bureau the allowance requested by her attorney, Mr. Fenning, for the aforesaid ward, which amount she has deposited in the National Savings & Trust Co.—

Of which we know something.

How much was she to pay you, Mr. Fenning, as her attorney?

Mr. FENNING. In the court services?

Mr. BLANTON. Yes.

Mr. FENNING. She was to pay me for services in court.

Mr. BLANTON. How much?

Mr. FENNING. She was to pay me for services in court and for any other services.

Mr. BLANTON. How much?

Mr. FENNING. $75 for court services.

Mr. BLANTON. How much has she paid you?

Mr. FENNING. I think $75.

FRANCIS D. ALLEN CASE, CHARGE 23

This case clearly illustrates how Doctor White, and his subordinate, Doctor Main, pimped for Fenning, by sending him business; how Fenning prostituted his position to get business, and how he exploited a sane man locked up in an insane asylum. Because Allen tried to collect a debt due him from a superior naval officer, he was locked up in St. Elizabeths simply on orders from the Navy, without a hearing or trial, and then Fenning took him and his property over. I demonstrated his sanity in a public hearing, and he secured habeas corpus proceedings and before a jury of his peers established his sanity, and was released by the Supreme Court of the District of Columbia, and he has been getting along fine, attending to his own business affairs and making money ever since. Here are the facts:

Mr. BLANTON. Your name is Edward C. Allen?

Mr. ALLEN. Edward C. Allen; yes, sir.

Mr. BLANTON. And you live where?

Mr. ALLEN. 2 South Pine Street, Richmond, Va.

Mr. BLANTON. You are perfectly at home here with these people.

Mr. ALLEN. This is my first appearance in court, and I am not used to it.

Mr. BLANTON. You have lived in Richmond, Va., how long?

Mr. ALLEN. Four years.

Mr. BLANTON. Are you a brother of any man in St. Elizabeths?

Mr. ALLEN. Yes, sir; Francis D. Allen—Frank D. Allen.

Mr. BLANTON. How did you first learn that your brother, Frank D. Allen, was in St. Elizabeths?

Mr. ALLEN. From a letter written to me from him, that he was a prisoner in St. Elizabeths Hospital.

Mr. BLANTON. Now, if you went out to St. Elizabeths, state whether you went by yourself or with somebody?

Mr. ALLEN. I went the first time with Mrs. Piquett.

Mr. BLANTON. Mrs. Piquett is what relation of yours and of Frank D. Allen's?

Mr. ALLEN. Second cousin.

Mr. BLANTON. And Mrs. Piquett lives where?

Mr. ALLEN. 162 U Street NE., Washington, D. C.

Mr. BLANTON. Now, you and Mrs. Piquett went out to St. Elizabeths Asylum together to see Frank?

Mr. ALLEN. Yes, sir.

Mr. BLANTON. Now, with respect to what Doctor Main told you, if he told you anything about what you would have to do, tell the committee.

Mr. ALLEN. They told me he was to have an operation; that in his case, that the life of his case would be from 30 to 90 days unless an operation was performed, and to perform this operation there would have to be a guardian appointed.

Mr. BLANTON. Now, with regard to his recommending you to see anybody if he did do so, state what he said—as to whom he recommended you to see.

Mr. ALLEN. Yes, sir. I told Doctor Main I knew of nobody I could appoint as guardian and, if he knew of anybody, I would like for him to recommend them to me. He said, "We won't recommend anybody, but I will give you the name of Mr. Frederick A. Fenning." That is the first time I ever heard of Mr. Frederick A. Fenning before.

Mr. BLANTON. Then it was Doctor Main, of St. Elizabeths, who first mentioned Mr. Fenning to you?

Mr. ALLEN. Who first mentioned him. He said, "I am not recommending anybody, but I will give you the name of Frederick A. Fenning, who is a capable man in such cases."

Mr. BLANTON. Now state whether or not you and Mrs. Piquett went to see Mr. Frederick A. Fenning.

Mr. ALLEN. We did.

Mr. BLANTON. Now, with regard to when you went to see him, state whether or not you went down there to have him appointed guardian or went for some other purpose.

Mr. HOGAN. Just a moment. What his purpose was, I submit, is immaterial. Now, what was stated, what did he say to Mr. Fenning, and what did Mr. Fenning say to him; he can state that.

Mr. BLANTON. Just state what occurred between you and Mr. Fenning. When you went there, did you see Mr. Fenning?

Mr. ALLEN. I did. I went to see Mr. Fenning and I found him there by himself in his office.

Mr. BLANTON. Go ahead.

Mr. ALLEN. I told him about my brother's case; that Doctor Main had called his name for me to see him. I stated his case and told him I would like to get some information in "regardance" to his money affairs; that he had a lot of money, and what he had done with his money I did not know, and I did not know whether my brother was a millionaire or as poor as I am, which is pretty poor, and I would like to get him—I would like to find out something about his case, something about it, and just would like him to explain matters to me.

Mr. BLANTON. What did he say?

Mr. ALLEN. Why, Mr. Fenning says in getting a lawyer's appointment as guardian it would have to be a lawyer, or something to that effect; I would have to have a lawyer if I was appointed his guardian, and it would take money for me to come here to Washington, and lawyer's expenses, and such as that; but that he himself could handle the case on a percentage basis.

Mr. BLANTON. Now, what did he say to you about what it would

Mr. BLANTON. Do you know Mr. C. C. Berkeley, an attorney, who

Mr. BLANTON. As attorney or guardian, which?

Mr. ALLEN. As guardian.

Mr. BLANTON. As guardian?

Mr. ALLEN. There would have to be a guardian; and if I would appoint him my brother's guardian he would handle the case on a percentage basis.

Mr. BLANTON. He would handle it on a percentage basis?

Mr. ALLEN. He would handle the case on a percentage basis, but he would work, otherwise, on a fee basis.

Mr. BLANTON. That is, if you had somebody else appointed?

Mr. ALLEN. If I was the guardian or somebody else.

Mr. BLANTON. He would charge you a law fee?

Mr. ALLEN. He would charge me a law fee; but if I would have him appointed guardian he would work on a percentage basis. So to make it plain I told him I had no money to throw away, and I wanted him to understand thoroughly if my brother had nothing he would get nothing. He said that was all right; that he would work on a percentage basis.

Mr. BLANTON. Now, with regard to what he did to show you his qualifications for the office, if he did anything, if he showed you the files in any other cases, state what he did.

Mr. ALLEN. He told me he handled other cases of such cases, and he showed me that he handled other cases, quite a few of them, quite a number of them. I could not tell how many.

Mr. BLANTON. He showed you that in the office?

Mr. ALLEN. He showed me that in the office; yes, sir; and was explaining to me of his handling some man's property in New York, I believe, a man who had bought some lots up there for $400, or something like that, I think, and he sold the lots for this man, which amounted to several thousand dollars, I think. It was a great big interest that was made on the lots.

Mr. BLANTON. Then, if I understand you, he told you that if you would let him be guardian he would handle it on a percentage basis?

Mr. ALLEN. On a percentage basis; yes, sir.

Mr. BLANTON. But if you wanted to be guardian he would charge you a lawyer's fee? What did he say, if anything, about being Commissioner of the District?

Mr. ALLEN. He says he was appointed commissioner of the District by President Coolidge.

Mr. BLANTON. By President Coolidge?

Mr. ALLEN. Yes, sir.

Mr. BLANTON. Well, did he tell you anything about you being able to rely on him by reason of that fact?

Mr. ALLEN. Yes; he says—well, he told me that to show me that he was all right, that he was a man of his word and trustworthy, by being District commissioner.

Mr. BLANTON. Now, up to that time, Mr. Allen, had your father ever seen Frederick A. Fenning?

Mr. ALLEN. He never has to this day, as I know of.

Mr. BLANTON. Your father is a man how old, about?

Mr. ALLEN. Well, about 81, I think, last March.

Mr. BLANTON. And he has not been to Washington, to your knowledge, since your brother has been in the asylum?

Mr. ALLEN. My father never was out of the State of Virginia in his life.

Mr. BLANTON. Now, it is shown here that on the law papers of Mr. Frederick A. Fenning a petition was prepared and your father signed it.

Mr. ALLEN. Yes.

Mr. BLANTON. Was that after you saw Mr. Fenning or before?

Mr. ALLEN. That was after I saw Mr. Fenning. I never saw that paper before.

Mr. HERSEY. Will you give the date?

Mr. BLANTON. It was the 15th day of October, 1925.

Mr. HERSEY. Last October?

Mr. BLANTON. Yes. Now, Mr. Allen, do you or do you not know whether or not your father would have signed this if it had not been for your trip here?

Mr. HOGAN. That is objected to.

Mr. ALLEN. He would not.

Mr. BLANTON. Now, if you had known your brother had a thousand dollars equity in property up here in Chester, Pa., and that he had some money in a bank, and that he was going to get about $200, approximately, from the Government each month, and that he was supposed to have some lots up in New York——

Mr. ALLEN. Yes, sir.

Mr. BLANTON. And money in a bank in New York, and that Mr. Fenning would be allowed 10 per cent, as much as 10 per cent, on all of that property he handled, would you have agreed to have let him be guardian?

Mr. HOGAN. I submit that is not testimony. I will leave it with the committee.

Mr. BLANTON. And he had to have an operation?

Mr. ALLEN. He had to have an operation.

Mr. BLANTON. And in order to have an operation he had to have a guardian?

Mr. ALLEN. Had to have a guardian.

Mr. BLANTON. Now, you say Mr. Fenning never made any report to you about whether your brother was getting along all right or whether he had an operation?

Mr. ALLEN. No, sir.

DOCTOR MAIN LIED ABOUT ALLEN'S CONDITION

Mr. BLANTON. Your name is what?

Mrs. PIQUETT. Annie R. Piquett.

Mr. BLANTON. Are you the Mrs. Piquett whom Mr. Allen mentioned as having gone with him out to St. Elizabeths?

Mrs. PIQUETT. Yes, sir.

Mr. BLANTON. Mrs. Piquett, when you went to St. Elizabeths the first time, tell if you went to see Doctor Main. I will bring it right down to something that is material; tell what Doctor Main told you when you were hunting for Frank Allen.

Mrs. PIQUETT. Well, he told me he was crazy and they told me that he was there, but I could not see him that night. That he was upset and unable to be seen. He said he was a very dangerous man and he ought to be in an asylum, and that unless I had come looking for him that I would never have found him; that it would have been as if he was swallowed up.

Mr. CHRISTOPHERSON. As if what?

Mrs. PIQUETT. Unless I came looking for him it would have been just as if he was swallowed up; nobody would ever have known where he was.

Mr. BLANTON. You say it would have been as if he was swallowed up?

Mrs. PIQUETT. Absolutely.

Mr. BLANTON. Did he show him to you that day?

Mrs. PIQUETT. No, sir; he said I could not see him.

Mr. BLANTON. Then how long was it after that before you saw Frank?

Mrs. PIQUETT. I went to see him the next day.

Mr. BLANTON. Was Frank dangerous?

Mrs. PIQUETT. Not to my knowledge, he was not; he talked to me the same as usual.

Mr. BLANTON. Did he talk to you then like he talks to you now?

Mrs. PIQUETT. Well, no; because he was very much excited then; he was mad because he was there.

Mr. BLANTON. He was mad?

Mrs. PIQUETT. He was mad and very cross about being there. He did not say anything unpleasant to me; he was very nice to me.

Mr. BLANTON. Did you see anything about him that would have prohibited you from seeing him?

Mrs. PIQUETT. No, sir.

Mr. BLANTON. Where did you see Mr. Fenning?

Mrs. PIQUETT. In his office.

Mr. BLANTON. Had you ever seen Mr. Fenning before?

Mrs. PIQUETT. No, sir.

Mr. BLANTON. Was anybody else in his office at that time?

Mrs. PIQUETT. A stenographer was in and out, I think; a young lady.

Mr. BLANTON. Now just begin, in your own way, Mrs. Piquett, and tell the committee everything that you remember that was said to Mr. Fenning and everything that Mr. Fenning said to you and Edward; just tell the committee; take your own time and tell it in your own way.

Mrs. PIQUETT. Well, Mr. Allen told him just as he said, that he thought his brother had this money and had some property in Long Island, some property in Philadelphia, in Chester, and also money, he didn't know how much, and he didn't have any idea how much, but he wanted to know—he asked Mr. Fenning just what to do and what procedure to take in regard to Frank's estate; that the doctors said he must have an operation and we could not handle his money unless he had a guardian.

So Mr. Fenning explained things to him and stated several cases where he had made money for his patients, that is, his wards he was guardian for, and he also showed us files where he had these cases and said he would take it on a per cent; if the man had nothing, he would not get anything; if he did, why, of course, he would get a per cent.

Mr. BLANTON. Do you know whether or not Mr. Fenning mentioned the President?

Mrs. PIQUETT. Yes, sir.

Mr. BLANTON. What did he say about him?

Mrs. PIQUETT. He said: "The President has asked me to be commissioner, and I am a very busy man."

Mr. WELLER. Will you please repeat that, Mr. Stenographer?

Mrs. PIQUETT. He said: "The President has asked me to be commissioner and I am a very busy man and, unless I had the help of Mr. Rogers I could not handle your case."

Mr. BLANTON. Your name was Rogers before you were married?

Mrs. PIQUETT. Yes.

Mr. BLANTON. Now, what did he say to you about what it would be best for you and Edward to do; if you did do anything, as to what it would cost you, whether it would be more one way or another?

Mrs. PIQUETT. Oh, well, he said if we employed a lawyer it would cost a great deal more and, if we had one in the family appointed guardian, he would have to employ a lawyer to handle the case, and he would charge fees for every little thing he had to do and, if he was guardian, that would cover the whole thing—a per cent.

Mr. BLANTON. If he was appointed guardian, his per cent would cover the whole thing?

Mrs. PIQUETT. Yes; the per cent that he took.

Mr. BLANTON. Was anything said by Edward as to your ability to pay a fee either to the lawyer or guardian?

Mrs. PIQUETT. Yes; he said he was poor and did not have any money to throw away.

Mr. BLANTON. From what Mr. Fenning said, his actions, demeanor, and his words, was he taking the position that it would be cheaper for him to act as guardian than as attorney for you?

Mrs. PIQUETT. Yes, sir.

Mr. STOBBS. Why don't you ask the witness whether he did say it would be cheaper or not?

Mrs. PIQUETT. Well, he did say it would be cheaper.

Mr. BOWLING. Then you were seeking advice as to whether a guardian should be appointed for your brother or not?

Mrs. PIQUETT. Yes, sir.

Mr. BOWLING. Now, did you employ Mr. Fenning upon that occasion—you or your brother?

Mrs. PIQUETT. No, sir.

Mr. BOWLING. Not at that time?

Mrs. PIQUETT. No, sir.

Mr. BOWLING. What did he finally advise you to do after you had discussed the matter?

Mrs. PIQUETT. He said it was more advisable to have him as guardian and to have him handle things, rather than for one of the family to be appointed as guardian and have the family employ him outside as a lawyer.

Mr. BLANTON. From that date to this has Mr. Fenning ever written you a letter about it?

Mrs. PIQUETT. No, sir.

Mr. BLANTON. Has he ever come to see you at 162 U Street?

Mrs. PIQUETT. No, sir.

Mr. BLANTON. Has he ever made any report to you about Frank?

Mrs. PIQUETT. No, sir.

Mr. BLANTON. Has he ever told you anything about why he did not have an operation performed on Frank?

Mrs. PIQUETT. No, sir.

Mr. BLANTON. Did he ever tell you anything about how Frank was getting along?

Mrs. PIQUETT. No, sir.

Mr. HOGAN. And Mr. Fenning told him that he had been guardian in a great number of cases?

Mrs. PIQUETT. Yes.

Mr. HOGAN. And he had been appointed commissioner and was himself very busy, and therefore whatever court proceedings had to be taken he would have to have Mr. Rogers to assist him to attend to it for him?

Mrs. PIQUETT. Not those words exactly.

Mr. BLANTON. Now, the way Mr. Hogan put it, it indicated he would have to see Mr. Rogers and arrange for him to help him.

Mr. HOGAN. Oh, no, General; I did not say that.

Mr. BLANTON. That was the inference. "General" is right. [Laughter.]

Mrs. Piquett, is it not a matter of fact that Mr. Fenning said that he already had Mr. Rogers's help, in effect?

Mrs. PIQUETT. Yes, sir.

TESTIMONY OF MRS. FLORENCE C. PICKRELL

Mr. BLANTON. You are Mrs. Pickrell, of Newport News, Va.?

Mrs. PICKRELL. Yes; Newport News.

Mr. BLANTON. Mrs. Pickrell, you are a sister of Frank Allen, who is now in St. Elizabeths Hospital?

Mrs. PICKRELL. Yes, sir.

Mr. BLANTON. Last fall, after there had been a conference between your brother, Edward Allen, and Mr. Fenning, did you receive some papers from Mr. Fenning?

Mrs. PICKRELL. Yes, sir.

Mr. BLANTON. In those papers was there a petition for your father to sign?

Mrs. PICKRELL. Yes, sir.

Mr. BLANTON. That authorized Mr. Fenning to become committee of your brother?

Mrs. PICKRELL. Yes, sir.

Mr. BLANTON. Now, Mrs. Pickrell, state whether or not with those papers Mr. Fenning wrote you a letter.

Mrs. PICKRELL. Yes.

Mr. BLANTON. Do you know Mr. C. C. Berkeley, an attorney, who lives on Hampton Avenue, East End, Newport News, Va.?

Mrs. PICKRELL. Yes; he is my lawyer.

Mr. BLANTON. He is your lawyer?

Mrs. PICKRELL. Yes.

Mr. BLANTON. After your father signed that petition and it was sent to Mr. Fenning, state whether or not you employed Mr. Berkeley to take a matter up with Mr. Fenning in getting you an allowance from your brother's estate.

Mrs. PICKRELL. Yes; I did.

Mr. BLANTON. At that time did you turn over to Mr. Berkeley this letter that Mr. Fenning had written to you?

Mrs. PICKRELL. Yes, sir. Mr. Berkeley has all of Mr. Fenning's letters.

Mr. BLANTON. You gave them to Mr. Berkeley?

Mrs. PICKRELL. Yes, sir; he has my files.

Mr. BLANTON. Now, Mr. Berkeley got Mr. Fenning to make an allowance to you of $50?

Mrs. PICKRELL. Yes, sir.

Mr. BLANTON. And you paid Mr. Berkeley $50 fee?

Mrs. PICKRELL. Well, he charged me $50 fee; yes.

Mr. BLANTON. He charged you $50 fee. Since this hearing has begun you were notified to come down here before this committee and bring Mr. Fenning's letters, were you not?

Mrs. PICKRELL. Yes, sir.

Mr. BLANTON. State to the committee whether or not you requested Mr. Berkeley to give you those letters so that you could bring them down here.

Mrs. PICKRELL. Yes, sir.

Mr. BLANTON. Did he give them to you?

Mrs. PICKRELL. No; he did not give them to me.

Mr. BLANTON. And he would not give them to you?

Mrs. PICKRELL. He said it was best for me not to take them.

Mr. BLANTON. It was best for you not to take them; why?

Mrs. PICKRELL. Because he said Mr. Fenning and he had become great friends.

Mr. BLANTON. Yes.

Mrs. PICKRELL. And he said he thought he was a very fine man.

Mr. BLANTON. And he did not want you to injure him?

Mrs. PICKRELL. He did not say that.

Mr. BLANTON. But he did not want to give them to you?

Mrs. PICKRELL. Yes; that is right.

Mr. BLANTON. Will the committee issue the subpœna duces tecum?

* * * * * * *

Mr. BLANTON. Now, Mrs. Pickrell, your brother was a man of considerable property, was he not?

Mrs. PICKRELL. Yes; he had right much.

Mr. BLANTON. And he was a man who bought bonds and stocks on the New York market, was he not?

Mrs. PICKRELL. Yes.

Mr. BLANTON. And he handled considerable money and bonds. He was a business man, was he not?

Mrs. PICKRELL. He has always been a business man.

Mr. BLANTON. Always?

Mrs. PICKRELL. Yes.

Mr. BLANTON. He was at Chester, Pa., then, was he not?

Mrs. PICKRELL. Yes; and he was making money there.

Mr. BLANTON. And you knew he had bought a piece of property, did you not, from Mrs. Anna Smith?

Mrs. PICKRELL. Yes; from Mrs. Anna Smith.

Mr. BLANTON. And paid $1,000 down?

Mrs. PICKRELL. And paid $1,000 down on it.

Mr. BLANTON. Do you think your brother is crazy now, or sane?

Mrs. PICKRELL. Well, I think he is sane.

Mr. BLANTON. You think he is sane.

Mrs. PICKRELL. Yes, sir.

Mr. BLANTON. Did you get a letter from him the other day?

Mrs. PICKRELL. Yes; I got a letter from him.

Mr. BLANTON. Have you got that letter here now?

Mrs. PICKRELL. Yes; I brought that letter here.

Mr. BLANTON. Is that the letter of a crazy man or a sane man?

Mrs. PICKRELL. Well, he writes like a sane man.

Mr. BLANTON. Did you know that he had a bank account in New York?

Mrs. PICKRELL. Well, I thought so.

Mr. BLANTON. Well, I do not care to go into that now.

Mrs. PICKRELL. Well, I had about $2,000 of my brother's money in bonds in my bank at one time, and gave it back.

Mr. BLANTON. Do you know now, that in addition to his other property, Mr. Fenning is drawing approximately $200 a month from the Navy Department for your brother. Did you know that?

Mrs. PICKRELL. Well, I wondered what had become of the money; I did not know.

Mr. BLANTON. Has he ever reported to you that he was drawing approximately $200 a month from the Navy Department?

Mrs. PICKRELL. No; he never did.

Mr. BLANTON. He has reported to you that he employed a lawyer under order of the court, granted on petition of himself, up at Chester, Pa., and paid him $100 to compromise that case with Mrs. Smith, that he accepted $750 back and paid $100 to the lawyer out of that?

Mrs. PICKRELL. No; he has not, but I read it in the papers.

Mr. BLANTON. Mrs. Pickrell, if you had known that you could have qualified yourself as guardian of your brother and handled his funds and his estate yourself, and that the court would have allowed you, if you had been entitled to compensation out of his estate, the same compensation as you are getting now, and also a commission for handling it as his guardian, would you have agreed to let Mr. Fenning become guardian if you had known all of that?

Mrs. PICKRELL. Not if I could have done it myself.

Mr. BLANTON. You would have preferred to have handled it yourself?

Mrs. PICKRELL. Why, sure.

Mr. DYER. Where is your brother now?

Mrs. PICKRELL. In St. Elizabeths Hospital.

Mr. DYER. Who is in charge of his estate now?

Mrs. PICKRELL. Mr. Fenning.

WHAT ACTUATED LAWYER BERKELEY

Now I will show why Lawyer Berkeley refused to let Mrs. Pickrell have the letter Fenning wrote her. He was trying to shield Fenning, for such letter condemned him. It showed that with all of his power and prestige he failed at first to have Frank D. Allen adjudged of unsound mind, and had to take a second try at it. I finally forced its production:

Mrs. FLORENCE PICKRELL,
817 Twenty-fifth Street, Newport News, Va.

DEAR MRS. PICKRELL: The case of your brother, Francis D. Allen, came on for hearing yesterday morning. Every effort was made to convince the court that he was of unsound mind, but without avail, and the matter went over for two weeks. When the case is heard Friday, November 6, 1925, I will further advise you in the premises.

Yours very truly,

F. A. FENNING.

THE OFFICIAL COURT RECORDS

Mr. BLANTON (continuing). In the case of Francis D. Allen, the petition for writ de lunatico inquirendo and appointment of committee says on the back:

"Law offices of Frederick A. Fenning, Evans Building, 1420 New York Avenue NW., Washington, D. C."—
and then it says—
"Filed October 20, 1925."

That is a petition to declare Francis D. Allen a lunatic. It is a petition signed by Robert H. Allen, and it says, among other things:

"3. That said Francis D. Allen is entitled to retired pay of $150 per month on acount of his services as a lieutenant, United States Navy."

Mr. BLANTON. This is a petition that Frederick A. Fenning be appointed committee, and it is signed by him as attorney for the petitioner.

And then that was signed October 20, 1925; and the rule to show cause was served on this alleged lunatic October 23, 1925. Then comes the verdict of the jury, beginning—

"Now here comes as well the petitioner by his attorney, Frederick A. Fenning, as the alleged lunatic in person."

And then comes the order appointing Frederick A. Fenning, committee, which was made November 24, 1925.

Then comes the report of the committee, filed December 9, 1925, showing that he has received from the St. Elizabeths Hospital personal funds in the sum of $116.55, and deposited them in the National Savings & Trust Co., of Washington, to the order of Frederick A. Fenning; and that he expects to receive regular monthly payments of retired naval pay at the rate of $150 a month for his ward. That is signed by Mr. Fenning and sworn to before Helen A. Losano.

Then there is a petition for authority to make expenditures for board of ward, filed February 10, 1926. Then an order authorizing that expenditure, filed February 10, 1926.

Then there is a petition of the sister for monthly allowance, filed March 6, 1926, and an order granting allowance dated March 6, 1926.

Mr. MONTAGUE. Did the court or the department grant the order?

Mr. BLANTON. The court granted it.

Mr. HOGAN. That was an allowance for the support of the sister, who was dependent upon the non compos mentis.

Mr. BLANTON. It may be of interest for me to read to the committee, if the committee will give me time, this petition. It says:

"The petition of Frederick A. Fenning, committee in this cause, respectfully shows to the court—

And then it recites that said Frank D. Allen purchased from Mrs. Annie Smith a lot and residence in Chester, Pa., for $3,800, paying $1,000 cash down, and asking for permission to employ a lawyer to recover back said payment.

Then, on the same day, February 10, 1926, the court signed the order granting that petition.

Then here is a petition authorizing settlement and payment of costs and attorneys' fees, for $750—to accept $750 in settlement of the matter, an order authorizing that. And also the order authorizing the committee to pay a counsel fee of $100 to Charles F. Larkin, attorney at law, of Chester, Pa., for professional services rendered by him.

Mr. MICHENER (interposing). I am with you in what you are attempting to do. But do you think it would be our function to subpœna in these various people and examine them and determine whether or not they are sane?

Mr. BLANTON. I hope you will subpœna this Francis D. Allen and let him tell you how he was shanghaied in there, and you will think he is sane.

Mr. HOGAN. Can you not shorten it by saying it is substantially the same as the Flaherty case?

Mr. BLANTON. I think I can shorten it. It shows that there was paid to Mr. Frederick A. Fenning, committee of Francis D. Allen, four checks for $141.55 each from November 30, 1925, each month up to February 28, 1926, and then on March 22, 1926, there was mailed to Mr. Fenning a check for $191.25; on March 31, 1926, a check was mailed to Mr. Fenning for $179.80; on April 29, 1926, a check for $263.92 was mailed to Mr. Fenning; and on April 30, 1926, a check for $179.80, was mailed to Mr. Fenning.

Mr. HERSEY. Do you claim that he was guardian or attorney in that matter?

Mr. HOGAN. Guardian.

Mr. BLANTON. Well, he was acting, in my judgment, as both.

Mr. HERSEY. Well, he had been appointed guardian by the court, had he not?

Mr. BLANTON. Yes, sir.

This is a photostatic copy of a letter:

LAW OFFICES OF FREDERICK A. FENNING,
EVANS BUILDING, 1420 NEW YORK AVENUE,
Washington, D. C., November 28, 1925.

CHIEF OF SUPPLIES AND ACCOUNTS,
United States Navy Department, Washington, D. C.

DEAR SIR: Find herewith court certificate showing my appointment and qualification as committee of Lieut. Francis D. Allen, United States Navy, retired, with the request that future payments of my said ward's retired pay be made to me as committee.

Yours very truly,

F. A. FENNING.

Here is another one on his law-office letterhead:

LAW OFFICES OF FREDERICK A. FENNING,
EVANS BUILDING, 1420 NEW YORK AVENUE,
Washington, D. C., December 14, 1925.

The CHIEF BUREAU OF SUPPLIES AND ACCOUNTS,
Navy Department, Washington, D. C.

DEAR SIR: In accordance with your letter of the 1st instant, in the matter of my ward, Francis D. Allen, I return herewith certificate showing my appointment and qualification, to which I have attached a certified copy of order of court of December 7, 1925, amending caption of this cause and confirming my appointment as committee of Francis D. Allen (or Frank D. Allen).

I hope that the matter may now go forward without further delay.

Yours very truly,

F. A. FENNING.

Here is another one on his law-office letterhead:

LAW OFFICES OF FREDERICK A. FENNING,
EVANS BUILDING, 1420 NEW YORK AVENUE,
Washington, D. C., March 18, 1926.

BUREAU OF SUPPLIES AND ACCOUNTS,
Navy Department, Washington, D. C.

GENTLEMEN: You are now paying me, as committee of Frank D. Allen, retired pay due him as chief carpenter. It appears that my ward was commissioned some time ago as lieutenant (junior grade) and, accordingly, I ask that there be paid to me, as his committee, the difference between the retired pay of chief carpenter and that of lieutenant (junior grade) from the date that he was commissioned in the latter grade and that future payments be made to me, of retired pay, at the rate due my ward as lieutenant (junior grade).

If this matter can not be determined by your office, will you please refer the matter to the proper office for determination?

Yours very truly,

F. A. FENNING.

AMOUNTS FENNING COLLECTED

The following checks were issued in favor of Frederick A. Fenning, committee of Frank D. Allen, and mailed to Mr. Fenning direct:

Nov. 30, 1925 (to Mr. Fenning as stated above)	$141.55
Dec. 31, 1925 (to Mr. Fenning as stated above)	141.55
Jan. 31, 1926 (to Mr. Fenning as stated above)	141.55
Feb. 28, 1926 (to Mr. Fenning as stated above)	141.55

The following checks were issued in favor of Frederick A. Fenning, committee of Frank D. Allen, and mailed to Mr. Fenning direct—Continued	
Mar. 22, 1926 (to Mr. Fenning as stated above)	$101.25
Mar. 31, 1926 (to Mr. Fenning as stated above)	179.80
Apr. 24, 1926 (to Mr. Fenning as stated above)	263.92
Apr. 30, 1926 (to Mr. Fenning as stated above)	179.80
Total amount of money issued	1,522.52
Plus above-mentioned hospital fund	1.40
Total debits against Lieutenant (Junior Grade) Allen's pay account	1,523.92

B. L. LANKFORD,
Lieutenant (S. C.), United States Navy.

And it must be remembered that during all of this time that Frederick A. Fenning was practicing before these departments of Government in direct contravention of law, he was Commissioner of the District of Columbia.

WAS FRANCIS D. ALLEN SANE OR INSANE?

As the Judiciary Committee refused to have him brought before them for examination I had him brought before our Gibson committee, and to do this I had to overcome every obstacle imaginable that St. Elizabeths doctors threw in my way to prevent his showing us that he was sane. They claimed that it would be dangerous, that they had confidential reasons that they could not disclose, but I forced them to bring him out of St. Elizabeths and before us, and he testified:

Mr. GIBSON. The committee will be in order. Do you wish to proceed?

Mr. BLANTON. Yes.

Mr. Allen, will you come around here?

STATEMENT OF FRANCIS D. ALLEN

Doctor NOYES. May I ask that that examination of patients be in executive session? It seems hardly fair to exploit helpless patients whom we believe to be suffering from mental disease, before the public.

Mr. BLANTON. * * * It does not behoove the St. Elizabeths administration to come here now and demand a closed session. It does not look well for Doctor White to demand it. It does not look well for Mr. Fenning to demand it. It does not look well for Doctor Noyes to demand it, who is really the active man who does all the business out in St. Elizabeths for Doctor White.

Now, Mr. Allen, do you want an open meeting or a closed one?

Mr. ALLEN. I want an open meeting.

Mr. BLANTON. You want your meeting to be held before the people?

Mr. ALLEN. Before the people.

Mr. BLANTON. You don't want us to stay in here and close all these people out?

Mr. ALLEN. No, sir; I do not.

Mr. BLANTON. Mr. Chairman, I move that we pay no attention to Doctor Noyes's suggestion. * * * Here is a man who is a retired lieutenant of the United States Navy. He has the rank of captain in the United States Army. He will take care of himself here. Doctor Noyes need not be uneasy about anybody exploiting this man.

Mr. ALLEN. I have a good record.

Mr. BLANTON. There will be no danger about his being embarrassed.

Doctor NOYES. I should like to say that when I am asking this it is only for the protection of these patients.

Mr. GIBSON. You wanted to give us a diagnosis of their cases?

Doctor NOYES. Yes; a diagnosis.

Mr. BLANTON. I want this committee to diagnose these cases, and I want the people of Washington to diagnose them.

Doctor NOYES. You see, the proper nature of their diseases can not be explained to the committee, I believe, unless it is explained by some one who has had professional training.

Mr. BLANTON. That will come later. I make a point of order that this——

Mr. GIBSON. He is a doctor and it would not be out of order——

Mr. BLANTON. Your defense can come in later.

Mr. GIBSON. This is not exactly in the nature of a defense.

Mr. BLANTON. Yes; it is.

Mr. GIBSON. It is an explanation of their situation and their condition.

Mr. BLANTON. I see that they have brought their manhandler here—Taylor—on whom Strangler Lewis hasn't anything at all. I will put him up against Strangler Lewis any day.

Mr. ALLEN. He choked me many times.

Mr. GIBSON. Would it not be better to let these men testify and then you will have an ample opportunity to go into their condition?

Doctor NOYES. So long as we can explain their condition to the committee and let them know——

Mr. GIBSON. In the orderly process they are entitled to be heard first.

Doctor NOYES. Yes.

Mr. GIBSON. I want to say to the doctor that after the examination is over, if he wants to ask the gentlemen any questions, I think the committee will be inclined to permit him.

Mr. BLANTON. If they are not such as will exploit and embarrass him, I will not object.

Mr. ALLEN. I am not afraid of being embarrassed.

And I had all the trouble shown above, after I forced St. Elizabeths doctors to bring Allen before us, before I could induce the committee to let him testify. And he convinced the committee and the spectators crowded in the big caucus chamber that he was absolutely sane.

Mr. BLANTON. Lieutenant Allen, when you entered the Navy, you did not come up to be a lieutenant through Annapolis?

Mr. ALLEN. No, sir.

Mr. BLANTON. You came up from the ranks?

Mr. ALLEN. I came up through the ranks.

Mr. BLANTON. How many trips across the water did you make during the World War?

Mr. ALLEN. Counting going back and forth, I made 20.

Mr. BLANTON. Twenty?

Mr. ALLEN. Yes. Bringing soldiers back and bringing them over.

Mr. BLANTON. To what does the grade of lieutenant in the Navy correspond in the Army?

Mr. ALLEN. Captain.

Mr. BLANTON. You retired on retired pay when?

Mr. ALLEN. In 1923, September 18.

* * * * * * *

Mr. BLANTON. Did you ever live with Mrs. Anna Smith, of Chester, Pa.?

Mr. ALLEN. Yes.

Mr. BLANTON. How long?

Mr. ALLEN. I lived there practically two years.

* * * * * * *

Mr. BLANTON. You gave her your bank check for $1,000?

Mr. ALLEN. Yes; a thousand dollar bank check.

Mr. BLANTON. She had the check paid?

Mr. ALLEN. Yes; she had the check paid.

Mr. BLANTON. For a cash payment on some property?

Mr. ALLEN. As a cash payment.

Mr. BLANTON. How much was the value of this property that you were buying?

Mr. ALLEN. $3,800.

Mr. BLANTON. That is, you paid a thousand dollars?

Mr. ALLEN. A thousand dollars as a deposit.

Mr. BLANTON. And you still owed $2,800?

Mr. ALLEN. Yes.

* * * * * * *

Mr. BLANTON. Did you say that you paid somebody the sum of $300?

Mr. ALLEN. I sent Tracy & Pearl $300.

Mr. BLANTON. Tracy & Pearl was a real-estate firm?

Mr. ALLEN. Yes. He is very wealthy. He is a very good friend of mine.

Mr. BLANTON. The case papers down here show that Mr. Fenning has come into court and asked permission to bring suit against this Anna Smith to get your $1,000 back.

Mr. ALLEN. He came over to see me. What I don't like is that he came on Sunday about his business. He was very unpleasant to me. I didn't like him. He said, "I am your guardian."

Mr. BLANTON. How many times did he come to see you?

Mr. ALLEN. Twice.

* * * * * * *

Mr. BLANTON. He asked the court to give him authority to sell your lots in New York that your $300 covered. He said that you are entitled to those three lots. Would you like the court to give him authority to sell them? Did you ever authorize him to do that?

Mr. ALLEN. No. I never did. I never talked to him about it.

Mr. BLANTON. Did you ever authorize him to sell your lots in New York for you?

Mr. ALLEN. No.

Mr. BLANTON. If he is trying to sell your lots he is doing it without your authority?

Mr. ALLEN. Yes.

Mr. BLANTON. Have you ever authorized him to bring suit in Chester, Pa.?

Mr. ALLEN. No.

Mr. BLANTON. To take that property back from Mrs. Anna Smith?

Mr. ALLEN. No.

Mr. BLANTON. Have you ever authorized anybody to try to get your thousand dollars back?

Mr. ALLEN. No, sir. That man came there and told me, he said, "I brought suit through the Cambridge Trust Co. to sue those people and get this money."

WHY HE WAS SENT TO ST. ELIZABETHS

Mr. BLANTON. You made a trip to Washington after?

Mr. ALLEN. I was going home.

Mr. BLANTON. Did anybody down here owe you some money?

Mr. ALLEN. I came through here. I had written to the department, to Lieutenant Edwards.

Mr. BLANTON. Edwards was down here in the Navy Department?

Mr. ALLEN. I had written to the Navy Department, and they referred me to the Naval Hospital and said that a doctor there would take care of that. So when I came through I went to see my cousin that I was raised with, just like children. I ran in there at any time. Next morning I got in a taxicab in golf clothes and I went over to see a doctor and talked to him.

Mr. BLANTON. You went over where?

Mr. ALLEN. To the Naval Hospital.

Mr. BLANTON. Here in Washington?

Mr. ALLEN. Yes; here in Washington. I went in and saw Mr. Edwards. So, while I was talking to Mr. Edwards, this Doctor McDaniel came along and said that he would like to see me and have me examined.

Mr. BLANTON. You told Mr. Edwards that you wanted your money, didn't you?

Mr. ALLEN. Yes, sir.

Mr. BLANTON. What doctor was it that said he would like to examine you?

Mr. ALLEN. Doctor McDaniel. When he came in and introduced himself he was a stranger. I didn't know him. I was in golf clothes. He said he would like to examine me. I said, "Why, certainly." I had had the T. B. and had practically cured myself, but I wasn't feeling any too good. I had run down from working. I had worked too hard. So they took my clothes off and locked me up.

Mr. BLANTON. They locked you up?

Mr. ALLEN. They locked me up, and I wrote letters and asked the nurse, "What am I here for?" She wouldn't answer me. So when Doctor McDaniel came there I said to him, "Doctor, you examined me. When can I go back? I am in business and I would like to get back." He never answered me. So next morning I wrote several letters, but they took my letters and put them in the wastebasket.

Mr. BLANTON. You wrote several letters?

Mr. ALLEN. Yes. So I couldn't get any talk with anybody. Nobody would talk to me. Nobody would answer me. So I was thrown in an ambulance and sent over here.

Mr. BLANTON. To St. Elizabeths?

Mr. ALLEN. Yes. I was put in the officers' ward and I was insulted, actually insulted.

Mr. BLANTON. Is there a kind of jealousy among the regular line officers that come from Annapolis against the men that work their way through the ranks?

Mr. ALLEN. Yes; all the time.

Mr. BLANTON. Have you ever felt that they were showing you indignities?

Mr. ALLEN. They wouldn't associate with me at all.

Mr. BLANTON. The regular line naval officers won't associate with those that come up from the ranks?

Mr. ALLEN. No, sir.

Mr. BLANTON. Do you know Mr. Taylor here?

Mr. ALLEN. Yes; I know him. He choked me lots of times. He threw me down and kicked me down and I hit myself against the side of the table. I asked him one day, I said, "Mr. Taylor, what am I here for?" He said, "Who do you think you are? Do you think you are the Duke of Paris?" He said, "You are behind the ranks now. You are not a lieutenant any more. Get over there and push those shovels." I was insulted and I just stood there, and this fellow grabbed me around the neck and choked me and they kicked me in the stomach.

Mr. BLANTON. Did you ever see them towel anybody up there?

Mr. ALLEN. They towel them. We would have to go in, and they would undress me, and this fellow came along one day and kicked me in the stomach.

Mr. BLANTON. You say that they kicked people in the stomach?

Mr. ALLEN. Yes. They knocked me down and the others held me while they kicked me.

Mr. BLANTON. Let me tell you something. If Mr. Taylor ever kicks you in the stomach again, you let me know.

Mr. ALLEN. I am in his ward.

Mr. BLANTON. You write a letter and you turn it over to whoever is in charge there and tell them to give it to me.

Mr. ALLEN. There doesn't seem to be anybody in charge. You don't have anybody to talk to.

Mr. BLANTON. You asked them to take you before the conference, didn't you?

Mr. ALLEN. No; I never asked them to take me before the conference.

Mr. BLANTON. Well, I tried to take you there myself, but they wouldn't let me.

Now, Lieutenant, when Mr. Fenning became your committee they took you down here before the court. Did they give you a chance to get witnesses?

Mr. ALLEN. No, sir. I went in the first court and the court found I was all right. I went back to the next court and they had three negroes on the jury and everybody seemed to be asleep. There wasn't a decent-looking man in the jury. So two doctors—one of them never saw me before—got up and swore that I was crazy and didn't know what I was talking about. So I could see that everything was against me and nothing that I could do would be any use, so I didn't say much.

Mr. BLANTON. Did you know Mr. Fenning then?

Mr. ALLEN. I didn't know Fenning from nobody at all.

Mr. BLANTON. Did you ask that he be appointed your guardian?

Mr. ALLEN. No, sir. I did not.

Mr. BLANTON. Did you know that the court was going to appoint him your guardian?

Mr. ALLEN. No. I never saw the man till several days later, when he came over to see me and said, "I am your guardian."

AND FRANCIS D. ALLEN PROVED THAT HE WAS SANE

And upon proper application the Supreme Court of the District of Columbia granted a writ of habeas corpus and forced St. Elizabeths-Fenning outfit to bring Francis D. Allen before it; and on a trial before a jury of his peers he established his sanity, in spite of all the powers that were against him, and the following is a certified copy of the judgment of the supreme court discharging him:

IN THE SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Habeas Corpus No. 1295]

In re Frank D. Allen:

On consideration of the petition of the above-named Frank D. Allen, and the writ of habeas corpus having been duly issued and served, and the body of the petitioner having been produced in court, and the cause having been argued by counsel and considered by the court, and a jury having been called and having found that petitioner is of sound mind, and the court hereby confirming the verdict of the jury: It is, this 29th day of June, A. D. 1926, ordered that the petitioner be, and he is hereby, restored to his liberty as a person of sound mind as prayed in the petition filed herein.

[SEAL.] A. A. HOEHLING, *Justice.*

A true copy.

Attest:

[SEAL.] FRANK E. CUNNINGHAM, *Clerk.*
By MAUD A. ROGERS,
Assistant Clerk.

FENNING RECEIVED $126.16

The following is a certificate from the clerk of the court showing final settlement made by Fenning to Allen when he secured his freedom:

Frank D. Allen, habeas corpus 1295, lunacy 11092.

Copy of decree of court adjudging Allen sane inclosed (HC1295).

F. A. Fenning made final account on June 29, 1926, and turned over to Allen:

Cash, $1,433.22.

1. St. David Court serial coupon bond for $100, with May, 1926, and subsequent coupons attached.

Appointment as lieutenant in United States Navy and package of letters, receipt for which was filed July 27, 1926.

Mr. Fenning was allowed $126.16, or 5 per cent of $2,523.38, in account by H. L. Davis, auditor of court. Confirmed by J. Hoehling July 14, 1926, and receipt of Allen filed July 27, 1926.

Certified correct:

[SEAL.] FRANK E. CUNNINGHAM, *Clerk.*
By CHAS. B. COFLIN,
Assistant Clerk.

NOT 10, BUT ONLY 5 PER CENT

You will note that the court allowed Fenning only 5 per cent and not the 10 per cent which for so many years he had received. Had it not been for this action taken by me, he would have received $252.32 instead of the $126.16 allowed him. And Fenning was also denied his usual 25 per cent commission on bond premiums, which heretofore he has collected from so many of his wards' estates.

CHARLES L. CUNNINGHAM CASE, CHARGE 24

Mr. BLANTON. Now, I will leave that case, gentlemen, and go to the case of Charles L. Cunningham, lunacy No. 11137. This is a petition indorsed "Law offices of Frederick A. Fenning, Evans Building, 1420 New York Avenue NW., Washington, D. C." It is filed December 2, 1925, in the Supreme Court of the District of Columbia, and it recites that Betty Cunningham, who is the petitioner, is a citizen, and so on, and that Charles L. Cunningham was admitted to St. Elizabeths Hospital by order of the Secretary of the Navy.

And it recites:

"That the said Charles L. Cunningham is entitled to Navy pay of approximately $130 per month and to war-risk insurance, the amount of which is unknown to your petitioner, and is also believed to be the owner or have an interest in two houses in Philadelphia and one house in New York, the particulars of which are unknown to your petitioner."

And she prays:

"That your petitioner be appointed as committee of his person and estate under such bond or undertaking as the court may deem proper."

Besides her signing it, it is indorsed F. A. Fenning and Paul V. Rogers, attorneys for petitioner.

The CHAIRMAN. I am only suggesting that immaterial things should not be brought in; that will only protract this hearing. I am not deciding in any way.

Mr. BLANTON. I will refrain. I will state to the chairman I am more fatigued than he is. The affidavits of the two physicians from St. Elizabeths Hospital are filed December 2, 1925; the rule to show cause served on this lunatic was filed November 4, 1925. The verdict fails to state that Mr. Paul Rogers was one of the attorneys. It states this:

"Now comes here as well the petitioner by her attorney, Frederick A. Fenning, as the alleged lunatic in person, and a jury of good and lawful men of this District."

It does not mention Mr. Rogers. Then there is the order appointing the committee filed December 7, 1925; then the report of the committee under rule 74, which says that she has received from the Franklin Trust Co., of Philadelphia, Pa., $1,531.83, and a check from the Navy Department for pay in the sum of $73.30, which amounts have been deposited to her credit as committee of Charles L. Cunningham in the National Savings & Trust Co., of this city; that the committee expects arrears of rent due on the property of her ward in Philadelphia, Pa., and monthly payments of Navy retired pay, amount not known.

Then there is the petition of the committee for authority to make expenditures, the petitioner being Betty Cunningham. It is signed on the back F. A. Fenning and Paul V. Rogers, counsel for committee, and it says:

"That your petitioner employed Frederick A. Fenning and Paul V. Rogers to represent her in this proceeding; that they prepared all necessary papers, had conference with the hospital and with the patient.

"Your petitioner went to Philadelphia and employed H. S. J. Sickel, attorney at law, to represent her in looking after the affairs of her ward there.

"That your petitioner received from H. S. J. Sickel said bill in the sum of $274.49, which includes disbursement by him for taxes due on the ward's property; and that your petitioner has also received bill from Frederick A. Fenning and Paul V. Rogers for their services in the sum of $150."

She asked authority to pay these bills.

Mr. HOGAN. Sworn to in Kentucky?

Mr. BLANTON. Yes, I think so. Then the order is granted the same day that the petition is filed, January 27, 1926, and it authorizes her to pay $274.49 to H. S. J. Sickel, counsel in Philadelphia, and $150 to Frederick A. Fenning and Paul V. Rogers, counsel in this jurisdiction. It is signed by Judge Walter I. McCoy.

Then here is a petition of the sister for reimbursement of $400 expenses filed February 23, 1926, and here is a memorandum of the court telling her that she must itemize that $400, and here is the petition itemizing it, signed "F. A. Fenning." It does not say "Paul V. Rogers" on the back; it is indorsed F. A. Fenning, counsel for committee, Evans Building, and it itemizes the $400. Then there is the order authorizing that $400 to be paid.

Then I offer the certificate from the Navy Department. It shows five checks for $73.30 each, the first one paid December 31, 1925, and the last paid April 30, 1926, sent to Betty Cunningham, committee of the person and estate of Charles L. Cunningham, in care of F. A. Fenning, Esq., 908 Evans Building, Washington, D. C., and I offer the photostatic copy of her letter inclosing this court order in which she says all future payments of retired Navy pay "be sent to me as such committee in care of F. A. Fenning, Esq., 908 Evans Building, Washington, D. C."

FOREGOING CHARGES PROVED

I respectfully submit to any unprejudiced, unbiased mind, that the foregoing evidence unmistakably, indisputably, and overwhelmingly proves my charges Nos. 1, 2, 21, 22, 23, and 24.

As they are intimately related, and proved by the same court records and certificates from court officials, I will now take up my charges Nos. 8, 10, 11, 12, 13, and 14 together:

CHARGE NO. 8

I charge that the said Frederick A. Fenning has violated the law and the rules of practice of the Supreme Court of the District of Columbia, which prohibit any committee or guardian for a lunatic receiving as compensation more than 10 per cent of his ward's estate or annual income, in that the said Frederick A. Fenning in several cases wherein he is committee or guardian has received exorbitant remuneration ranging from 12 per cent to as high as 94 per cent, which facts are certified to by the auditor of the Supreme Court of the District of Columbia.

CHARGE NO. 10

I charge that the said Frederick A. Fenning, since the United States entered the World War April 6, 1917, has been allowed by the auditor of the Supreme Court of the District of Columbia and has received as fees and commissions from the estates of his said wards the enormous sum of $98,544.46, and that, too, when his services to such wards was of practically no value whatever, and when some of said wards had never seen him, and that the said auditor of the Supreme Court of the District of Columbia has certified officially that said Frederick A. Fenning has been allowed and has received the said sum of $98,544.46 as his fees and commissions since April 6, 1917.

CHARGE NO. 11

I charge that the auditor of the Supreme Court of the District of Columbia has certified officially to the following: That in the case of Daniel G. Campbell, lunacy No. 4073, the rate of commission received by Frederick A. Fenning amounted to 15 per cent in 1920, 24 per cent in 1921, 23 per cent in 1922, 23 per cent in 1923, 31 per cent in 1924, and 36 per cent in 1925; that in the case of Daniel Paul Fenn, lunacy No. 4405, the rate of commission received by Frederick A. Fenning was 15 per cent in 1920, 18 per cent in 1921, 24 per cent in 1922, 25 per cent in 1923, 25 per cent in 1924, and 21 per cent in 1925; that in the case of Patrick Griffin, lunacy No. 4252, the rate of commission received by Frederick A. Fenning was 16 per cent in 1920, 18 per cent in 1921, 15 per cent in 1922, 25 per cent in 1923, 50 per cent in 1924, 31 per cent in 1925, and 32 per cent in 1926; that in the case of James A. Higginson, lunacy No. 3887, the rate of commission received by Frederick A. Fenning was 32 per cent in 1920, 16 per cent in 1921, 35 per cent in 1922, 19 per cent in 1923, 46 per cent in 1924, and 22 per cent in 1925; that in the case of William John Kennedy, lunacy No. 3694, the rate of commission received by Frederick A. Fenning was 30 per cent in 1920, 28 per cent in 1921, 25 per cent in 1922, 26 per cent in 1923, 25 per cent in 1924, and 37 per cent in 1925; that in the case of Patrick J. Byrne, lunacy No. 3682, the rate of commission received by Frederick A. Fenning was 24 per cent in 1920, 24 per cent in 1921, 37 per cent in 1922, 49 per cent in 1923, 37 per cent in 1924, and 64 per cent in 1925; and that in the case of John Flavehan, lunacy No. 1320, the rate of commission received by Frederick A. Fenning on January 22, 1926, for the preceding year was 94 per cent.

CHARGE NO. 12

I charge that said Frederick A. Fenning made a deliberate attempt to deceive Congress when, in the prepared typewritten statement he sent to Representative MARTIN B. MADDEN and requested its insertion in the RECORD on Friday, April 16, 1926, he intimated that Gen. Frank T. Hines, Director of the United States Veterans' Bureau, erred when he certified that said Fenning received 10 per cent of the estate and annual income of his Veterans' Bureau wards, said Fenning intimating that his commission was only 5 per cent in most instances.

CHARGE NO. 13

I charge that said Frederick A. Fenning made a deliberate attempt to deceive Congress when, in his said prepared statement, he falsely stated that the $109,070.25 fees and commissions which the auditor of the Supreme Court of the District of Columbia had certified had been allowed to said Fenning "includes the full amount of commission and counsel fees in cases going back to the year 1903," because as a matter of fact many fees and commissions received by the said Fenning do not appear in said auditor's certificate, and said auditor certifies officially that since we entered the World War in 1917 the fees and commissions allowed by the auditor to said Frederick A. Fenning amounted to $98,544.46, thus showing affirmatively that of the said $109,070.25 allowed said Fenning in fees and commissions only $10,525 was allowed prior to April 6, 1917, and said Fenning is yet to receive his commissions on all cases for the last 12 months that will end on the court year expiring May 1, 1926.

CHARGE NO. 14

I charge that since our brave ex-service men have returned from France wounded and shell shocked in the World War said Frederick A. Fenning, as guardian and committee for wards of our Veterans' Bureau, has received from said United States Veterans' Bureau the enormous sum of $733,855.87 compensation and insurance due them, and that he has deposited same in his own bank, the National Savings & Trust Co., of which he is a director and in which he owns stock, and that he receives substantial benefits from such deposits by receiving increased dividends on his stock in said institution.

FREDERICK A. FENNING POCKETED FOR HIMSELF $109,070.25 FEES AND COMMISSIONS

I introduced in evidence before said hearings the following certificate from the auditor of the Supreme Court of the Dis-

trict of Columbia, showing that on merely those lunacy cases which Fenning had pending on May 16, 1925, said Fenning had already received from his wards' estates as fees and commissions for himself the enormous sum of $109,070.25, and this did not embrace the annual allowance which the court would grant him before July 1, 1926:

REPORT OF AUDITOR OF SUPREME COURT

COMMISSIONS AND ATTORNEY FEES TO FREDERICK A. FENNING, ESQ., AS COMMITTEE OR ATTORNEY IN LUNACY CAUSES PENDING IN THE SUPREME COURT OF THE DISTRICT OF COLUMBIA ON MAY 16, 1925, AS SHOWN BY RECORDS OF HERBERT L. DAVIS, AUDITOR OF THE SUPREME COURT OF THE DISTRICT OF COLUMBIA, SUPPLEMENTED BY CERTAIN DATA OF RECORD IN THE OFFICE OF THE CLERK OF THE SUPREME COURT OF THE DISTRICT OF COLUMBIA

This statement includes only lunacy cases in which reports were filed by Frederick A. Fenning, Esq., as committee or attorney, under the provisions of the sixty-ninth equity rule of the Supreme Court of the District of Columbia, and which were reported upon by the auditor of said court on May 16, 1925:

Lunacy No.	Name of ward	Date	Commission		Attorney's fee	Total
			Rate	Amount		
			Per cent			
7742	Adler, Adolph	July 20, 1920	10	$162.58		
		Aug. 11, 1921	7	270.63		
		Aug. 2, 1922	10	214.29		
		July 31, 1923	9+	200.00		
		Aug. 11, 1924	9−	200.00		
		July 24, 1925	10	187.05		
						$1,234.55
7767	Ahlemeier, Henry J	Aug. 9, 1920	10	155.31		
		July 19, 1921	10	179.18		
		July 19, 1921	5	39.51		
		July 24, 1922	10	165.09		
		June 23, 1923	10	207.98		
		June 24, 1924	10	183.22		
		July 17, 1925	10	187.00		
						1,117.29
10713	Allan, Walter Garland	Mar. 3, 1926	10	135.08		135.08
7716	Anderson, Emanuel M	Feb. 13, 1920	10	138.65		
		Jan. 22, 1921	10	148.40		
		Jan. 20, 1922	10	129.80		
		Jan. 15, 1923	10	144.00		
		Jan. 25, 1924	10	138.99		
		Jan. 24, 1925	10	145.45		
		Mar. 10, 1926	10	119.84		
						965.13
7688	Arcese, Ardrino	Aug. 6, 1920	10	110.78		
		Aug. 11, 1921	5	92.00		
		Aug. 11, 1921	10	201.85		
		Aug. 4, 1922	10	202.01		
		July 30, 1923	10	218.77		
		Aug. 8, 1924	10	221.92		
		July 24, 1925	9−	200.00		
						1,247.33
7686	Baker, Wilder P	Feb. 14, 1920	10	124.82		
		Mar. 16, 1921	10	132.26		
		Mar. 14, 1923	10	134.45		
		Mar. 31, 1924	10	135.88		
						527.41
8327	Brintia, John	Feb. 26, 1921	10	369.54		
		Feb. 20, 1922	5	52.13		
		Feb. 20, 1922	10	161.07		
		Feb. 21, 1923	10	177.96		
		Feb. 16, 1924	10	182.30		
		Mar. 17, 1925	10	189.83		
		Mar. 4, 1926	10	189.23		
						1,322.06
7872	Bruno, Gunaro	Aug. 24, 1920	10	132.08		
		Aug. 25, 1921	5	100.25		
		Aug. 25, 1921	10	152.27		
		Aug. 2, 1922	10	208.37		
		July 30, 1923	10	215.15		
		Aug. 19, 1924	9	205.42		
		Aug. 11, 1925	9+	200.00		
						1,213.54
3682	Byrne, Patrick J	Sept. 18, 1911	10	107.96		
		Oct. 1, 1912	24+	5.00		
		Sept. 25, 1913	12+	5.00		
		Sept. 18, 1914	13+	5.00		
		Sept. 2, 1915	18+	5.00		
		Sept. 11, 1916	17+	5.00		
		Sept. 17, 1917	16+	5.00		
		Sept. 4, 1918	19+	5.00		
		Sept. 2, 1919	33+	10.00		
		Sept. 2, 1920	24+	7.50		
		Sept. 2, 1921	24+	6.00		
		Nov. 22, 1922	37+	5.00		
		Nov. 6, 1923	49+	5.00		
		Nov. 19, 1924	37+	5.00		
		Nov. 24, 1925	64+	5.00		
						186.46
10566	Cahill, Joseph P	Oct. 2, 1920	10	122.71		122.71
7683	Callahan, Thos. S	Oct. 6, 1922	10	70.43		
		Oct. 19, 1921	5	89.89		
		Oct. 19, 1921	10	182.72		
		Sept. 13, 1922	5	62.02		
		Sept. 13, 1922	10	156.69		
		Sept. 19, 1923	10	184.47		
		Oct. 27, 1924	10	189.56		
		Sept. 25, 1925	10	166.51		
						1,102.29

Lunacy No.	Name of ward	Date	Commission		Attorney's fee	Total
			Rate	Amount		
			Per cent			
4073	Campbell, Daniel G	July 20, 1911	9	$93.78		
		July 19, 1912	10+	5.00		
		July 24, 1913	11+	5.00		
		July 8, 1914	11+	5.00		
		July 7, 1915	12+	5.00		
		July 10, 1916	12+	5.00		
		July 3, 1917	11+	6.00		
		July 5, 1918	21+	7.50		
		July 9, 1919	22+	10.00		
		Sept. 2, 1920	15+	7.50		
		Sept. 21, 1921	24+	6.00		
		Sept. 3, 1922	23+	6.00		
		Sept. 10, 1923	23+	6.00		
		Sept. 24, 1924	31+	6.00		
		Sept. 9, 1925	36+	6.00		
						$181.78
7782	Caroussos, Nicholas G	Aug. 31, 1920	10	168.57		
		Aug. 20, 1921	5	105.61		
		Aug. 20, 1921	10	156.45		
		Aug. 2, 1922	10	210.88		
		July 31, 1923	10	205.10		
		Aug. 16, 1924	9	210.49		
		Aug. 29, 1925	9−	200.00		
						1,257.10
7700	Carrera, Modesto	Dec. 27, 1919	10	79.43		
		Jan. 11, 1921	10	216.94		
		Jan. 7, 1922	5	56.71		
		Jan. 7, 1922	10	136.56		
		Dec. 20, 1923	10	171.63		
		Dec. 20, 1923	10	194.31		
		Dec. 30, 1924	10	190.71		
		Mar. 3, 1926	10	145.87		
						1,192.16
9285	Carrigg, Leonard, jr	May 23, 1925	9+	300.00		300.00
7743	Chase, John S	Feb. 19, 1920	10	106.37		
		Feb. 3, 1921	10	99.40		
		Jan. 26, 1922	5	110.14		
		Jan. 26, 1922	10	154.29		
		Feb. 19, 1923	8	172.24		
		Jan. 30, 1924	9+	200.00		
		Jan. 24, 1925	10	254.62		
		Aug. 29, 1925	10	104.66		
						1,201.72
7801	Barber, Edgar Wm	Aug. 21, 1920	10	140.46		
		Aug. 25, 1921	5	56.76		
		Aug. 25, 1921	10	191.72		
		Aug. 4, 1922	10	209.66		
		July 23, 1923	10	217.87		
		Aug. 16, 1924	10	225.10		
		Aug. 29, 1925	10	207.88		
						1,240.45
8400	Beazley, John A	June 17, 1921	8	416.40		
		May 27, 1922	10	216.81		
		June 12, 1923	9+	200.00		
		June 6, 1924	10	229.00		
		May 29, 1925	8½	200.00		
						1,262.21
7802	Becktell, Logan G	Feb. 14, 1920	10	224.39		
		Feb. 3, 1921	10	105.76		
		Jan. 26, 1922	10	138.44		
		Jan. 26, 1922	5	57.50		
		Jan. 26, 1922	5	42.68		
		Feb. 3, 1923	10	179.38		
		Jan. 24, 1924	10	181.35		
		Jan. 28, 1925	10	185.76		
		Mar. 10, 1926	10	138.40		
						1,253.75
7764	Bakart, Frank	Aug. 24, 1920	10	141.68		
		Aug. 11, 1921	5	83.38		
		Aug. 11, 1921	10	174.67		
		Aug. 2, 1922	10	211.52		
		July 30, 1923	9+	200.00		
		Aug. 14, 1924	9−	200.00		
		July 24, 1925	9+	200.00		
						1,211.25
7911	Berg, Philip	Oct. 25, 1920	10	227.20		
		Oct. 27, 1921	10	202.31		
		Oct. 24, 1922	10	137.10		
		Nov. 7, 1923	10	146.78		
		Dec. 3, 1924	10	144.94		
						858.33
7644	Bialkowski, Feliz	Mar. 20, 1920	10	118.63		
		Mar. 16, 1921	10	251.07		
		Mar. 30, 1922	10	174.04		
		Mar. 17, 1923	10	174.18		
		Mar. 14, 1924	10	183.33		
		Mar. 31, 1925	10	189.79		
						1,091.04
10675	Boone, William	Feb. 19, 1925	7+	150.00		150.00
7765	Boston, Okey M	June 24, 1920	9	207.69		
		June 29, 1921	10	109.12		
		June 16, 1922	5	44.42		
		June 16, 1922	10	115.87		
		June 23, 1923	10	145.93		
		July 5, 1924	10	150.01		
		July 24, 1925	10	155.08		
						928.12
2198	Bozi, Adam	July 10, 1907	10	50.91	$20.00	
		July 17, 1908	8	29.00		
		June 26, 1909	10	26.44		
		Jan. 12, 1911	10	54.06		
		Jan. 17, 1912	8	28.93		
		June 22, 1913	8	28.85		
		Feb. 12, 1914	10	36.05		
		Feb. 9, 1915	8	28.85		
		Feb. 21, 1916	8	28.88		

Lunacy No.	Name of ward	Date	Commission Rate	Commission Amount	Attorney's fee	Total
			Per cent			
2198	Bozi, Adam	Feb. 16, 1917	8	$29.92		
		Feb. 13, 1918	8	28.94		
		Feb. 18, 1919	10	36.06		
		Nov. 13, 1920	10	63.11		
		Dec. 12, 1921	10	37.43		
		Jan. 5, 1923	10	37.55		
		Nov. 17, 1923	10	40.42		
		Dec. 30, 1924	10	36.99		
		Feb. 19, 1926	10	39.68		
					$20.00	
					662.07	
						$682.07
7745	Bragge, James	Aug. 6, 1920	10	112.04		
		June 23, 1921	5	70.44		
		June 23, 1921	10	142.40		
		June 16, 1922	10	179.57		
		June 23, 1923	10	197.61		
		June 11, 1924	10	192.52		
		Aug. 29, 1925	10	199.17		
						1,093.75
7879	Chesko, Robert	Aug. 28, 1920	10	172.44		
		Aug. 26, 1921	5	95.99		
		Aug. 26, 1921	10	163.92		
		Aug. 1, 1922	10	212.96		
		July 30, 1923	9+	200.00		
		Aug. 19, 1924	9	212.21		
		July 24, 1925	9½	200.00		
						1,257.52
7658	Clifton, Sobers	Feb. 13, 1920	10	186.61		
		Feb. 3, 1921	10	259.05		
		Jan. 26, 1922	7	168.62		
		Feb. 3, 1923	10	160.97		
		Jan. 22, 1924	10	39.51		
		Jan. 28, 1925	10	32.17		
		Feb. 10, 1926	10	33.15		
						880.08
8769	Collins, Lena K	Feb. 20, 1922	9	90.00		
		Feb. 21, 1923	5	37.54		
		Feb. 21, 1923	10	.74		
		Feb. 16, 1924	5	39.43		
		Apr. 7, 1925	9+	75.00		
						242.71
10316	Cooke, Hannah Kate	Apr. 7, 1925	5	311.93		311.93
10431	Connor, Samuel	Sept. 25, 1925	9+	100.00		100.00
7873	Cruz, Luis	Aug. 28, 1920	10	109.23		
		Aug. 25, 1921	5	45.35		
		Aug. 25, 1921	10	86.39		
		Aug. 15, 1922	10	127.18		
		Sept. 10, 1923	10	160.51		
		Aug. 22, 1924	10	143.44		
		Aug. 29, 1925	10	149.22		
						821.32
7972	Dalamon, Ramon	Nov. 3, 1920	10	250.29		
		Nov. 7, 1921	10	180.73		
		Oct. 24, 1922	5	58.67		
		Oct. 24, 1922	10	161.98		
		Nov. 7, 1923	10	191.96		
		Nov. 14, 1924	10	193.44		
		Oct. 28, 1925	10	192.75		
						1,229.82
3628	Daly, Thomas	Feb. 4, 1911	8	234.40		
		Feb. 26, 1912	8	14.70		
		Mar. 18, 1913	10	13.67		
		Mar. 17, 1914	10	14.22		
		Mar. 16, 1915	10	14.27		
		Mar. 20, 1916	10	16.20		
		Mar. 6, 1917	10	9.38		
		Mar. 13, 1918	10	18.59		
		Apr. 24, 1919	10	19.04		
		June 21, 1920	10	19.41		
		July 5, 1921	10	27.33		
		July 6, 1922	10	15.92		
		June 27, 1923	10+	20.00		
		July 16, 1924	10	20.38		
		July 24, 1925	8−	120.00		
						577.51
7646	Day, Zelia	Feb. 19, 1920	10	101.02		
		Jan. 22, 1921	10	100.57		
		Feb. 17, 1922	5	128.25		
		Feb. 17, 1922	10	179.93		
		Feb. 17, 1923	9	196.70		
		Feb. 16, 1924	9+	200.00		
		Mar. 26, 1925	10	224.81		
		Oct. 26, 1925	10	154.76		
						1,286.04
1476	Dixon, Frederick	Mar. 25, 1905	10	93.72	35.00	
		Mar. 14, 1906	10	61.44		
		Oct. 4, 1907	10	95.99		
		Oct. 8, 1908	10	94.81		
		Sept. 20, 1909	10	89.62		
		Sept. 16, 1910	10	89.64		
		Sept. 18, 1911	10	90.63		
		Sept. 17, 1912	10	90.66		
		Sept. 27, 1913	10	90.76		
		Sept. 24, 1914	10	90.38		
		Sept. 23, 1915	10	90.05		
		Sept. 27, 1916	10	92.83		
		Sept. 27, 1917	10	93.43		
		Sept. 18, 1918	10	91.00		
		Sept. 24, 1919	10	92.66		
		Oct. 25, 1920	10	92.97		
		Oct. 29, 1921	10	92.94		
		Oct. 24, 1922	10	92.58		

Lunacy No.	Name of ward	Date	Commission Rate	Commission Amount	Attorney's fee	Total
			Per cent			
1476	Dixon, Frederick	Nov. 7, 1923	10	$94.13		
		Oct. 31, 1924	10	84.86		
		Oct. 28, 1925	10	84.98	$1,890.08	
						$1,925.08
7717	Erenbjerg, Nells P. J	June 1, 1920	10	152.52		
		July 20, 1921	10	118.30		
		July 17, 1922	5	148.65		
		July 17, 1922	8	150.99		
		June 23, 1923	22+	500.00		
		June 19, 1924	10	206.11		
		June 20, 1925	10	216.82		
						1,493.39
3790	Farrell, Clayton	Nov. 28, 1910	10	80.26		
		Nov. 10, 1911	10	38.70		
		Nov. 13, 1912	10	38.75		
		Nov. 17, 1913	10	39.71		
		Nov. 10, 1914	10	49.13		
		Nov. 22, 1915	10	63.52		
		Nov. 27, 1916	10	63.47		
		Nov. 15, 1917	10	63.57		
		Nov. 20, 1918	21+	135.00		
		Nov. 14, 1919	10	62.25		
		Nov. 3, 1920	10	60.54		
		Nov. 3, 1921	10	62.75		
		Dec. 28, 1922	10	67.38		
		Jan. 21, 1924	10	63.05		
		Apr. 1, 1925	10	79.15		
						967.23
4405	Fenn, Daniel Paul	May 17, 1913	10	103.26		
		May 8, 1914	12+	5.00		
		May 24, 1915	10+	5.00		
		May 5, 1916	19+	5.00		
		May 1, 1917	12+	6.00		
		May 8, 1918	24+	7.50		
		May 12, 1919	21+	7.50		
		Sept. 2, 1920	15	7.50		
		Sept. 26, 1921	18+	6.00		
		Sept. 11, 1922	24	6.00		
		Sept. 12, 1923	25+	6.00		
		Sept. 24, 1924	25+	6.00		
		Sept. 6, 1925	21+	6.00		
						176.76
7784	Fizel, Samuel	Sept. 10, 1920	10	147.87		
		Oct. 25, 1921	5	92.48		
		Oct. 25, 1921	8	147.92		
		Oct. 23, 1922	10	211.35		
		Nov. 7, 1923	9+	200.00		
		Nov. 13, 1924	9	203.05		
		Oct. 28, 1925	10	180.40		
						1,183.07
1320	Flavehan, John	Jan. 21, 1925	8+	25.00		
		Jan. 22, 1926	94+	5.00		
						30.00
10028	Fletcher, Florence H	Jan. 14, 1926	10	36.11		36.11
7785	Foley, Walter A	Aug. 9, 1920	10	146.71		
		Aug. 28, 1921	10	176.86		
		Aug. 7, 1922	10	146.73		
		Sept. 6, 1923	10	157.24		
		Aug. 18, 1924	10	159.48		
		Sept. 25, 1925	10	173.25		
						960.27
9143	Franklin, Willie	Dec. 20, 1922	5	92.19		
		Dec. 20, 1922	10	137.29		
		Dec. 20, 1923	10	138.18		
		Dec. 24, 1924	10	143.96		
		Feb. 19, 1926	10	91.59		
						603.21
7803	Freeman, Ned	Sept. 10, 1920	10	117.27		
		Aug. 26, 1921	10	114.07		
		Aug. 11, 1922	5	30.58		
		Aug. 11, 1922	5	109.06		
		Aug. 11, 1922	8	122.73		
		Sept. 10, 1923	9	219.91		
		Aug. 22, 1924	10	225.38		
		Aug. 29, 1925	9−	200.00		
						1,139.00
5153	Gallen, John	Aug. 27, 1914	14+	75.00		
		Aug. 6, 1915	10	48.11		
		Sept. 26, 1916	10	60.05		
		Sept. 27, 1917	10	53.07		
		Sept. 24, 1918	10	48.15		
		Sept. 24, 1919	10	48.12		
		Oct. 6, 1920	10	59.06		
		Oct. 25, 1921	10	72.30		
		Oct. 23, 1922	10	72.67		
		Nov. 7, 1923	10	79.40		
		Dec. 9, 1924	10	80.23		
		Nov. 12, 1925	10	56.17		
						752.33
7905	Garts, Geo. F	Sept. 9, 1920	10	135.70		
		Aug. 20, 1921	5	42.48		
		Aug. 20, 1921	10	153.54		
		Aug. 7, 1922	10	171.96		
		Sept. 10, 1923	10	192.08		
		Aug. 19, 1924	10	186.23		
		Sept. 10, 1925	10	196.08		
						1,078.07
8328	Gaskell, John W	Apr. 19, 1921	10	150.41		
		May 10, 1922	5	59.99		
		May 10, 1922	10	154.48		
		Apr. 27, 1923	8	136.14		
		May 8, 1924	10	179.79		
		May 14, 1925	10	188.38		
						869.19

Lunacy No.	Name of ward	Date	Commission		Attorney's fee	Total
			Rate	Amount		
			Per cent			
7608	Grabosky, Joe	Dec. 27, 1919	10	$67.36		
		Dec. 16, 1920	10	149.42		
		Jan. 6, 1922	5	31.57		
		Jan. 6, 1922	10	107.61		
		Jan. 5, 1924	7−	308.17		
		Jan. 5, 1924	9+	200.00		
		Dec. 29, 1924	9	207.87		
		Feb. 19, 1926	9	216.35		
						$1,288.35
4743	Grace, David	May 24, 1913	8	200.19		
		May 8, 1914	10	12.11		
		May 6, 1915	10	10.85		
		May 5, 1916	10	14.51		
		May 9, 1917	10	12.63		
		May 28, 1918	10	12.93		
		May 29, 1919	10	13.60		
		May 29, 1920	10	13.13		
		June 4, 1921	10	13.62		
		May 27, 1922	10	13.47		
		May 22, 1923	10	12.45		
		June 9, 1924	10	16.00		
		May 11, 1925	10	7.63		
						$353.12
6352	Grazer, Chas	Apr. 20, 1917	10	112.11		
		Apr. 30, 1918	10	65.34		
		Apr. 24, 1919	10	66.17		
		May 29, 1920	10	73.36		
		May 9, 1921	10	74.49		
		Apr. 24, 1922	10	74.48		
		Apr. 26, 1923	10	79.41		
		May 8, 1924	10	79.76		
		Apr. 22, 1925	10	79.74		
						704.86
8715	Green, Joseph	Mar. 3, 1923	10	122.87		
		Feb. 20, 1924	10	120.45		
		Mar. 18, 1925	10	120.57		
		Mar. 23, 1926	10	110.64		
						474.53
6756	Greene, Wilbur E	Apr. 20, 1918	10	76.73		
		Apr. 24, 1919	10	86.18		
		May 29, 1920	10	72.00		
		Apr. 11, 1921	10	71.23		
		May 18, 1922	10	83.05		
		May 11, 1923	10	90.26		
		May 17, 1924	10	86.55		
		May 14, 1925	10	83.02		
						555.02
4252	Griffin, Patrick	Feb. 13, 1913	7+	65.42		
		Feb. 18, 1914	12+	5.00		
		Feb. 11, 1915	12+	5.00		
		Feb. 2, 1916	12+	5.00		
		Feb. 2, 1917	11+	5.00		
		Feb. 11, 1918	17+	6.00		
		Feb. 5, 1919	22+	7.50		
		Feb. 16, 1920	16+	6.00		
		Jan. 24, 1921	18+	7.00		
		Jan. 16, 1922	15+	5.00		
		Jan. 19, 1923	25+	5.00		
		Jan. 21, 1924	50+	5.00		
		Jan. 21, 1925	31+	5.00		
		Jan. 22, 1926	32+	5.00		
						136.92
7659	Hall, Fred C	Mar. 4, 1920	10	130.06		
		Feb. 18, 1921	10	100.11		
		Feb. 13, 1922	10	303.04		
		Feb. 13, 1922	5	131.68		
		Feb. 21, 1923	10	216.71		
		Feb. 20, 1924	10	226.61		
		Mar. 26, 1925	10	231.86		
						1,340.07
5353	Hermann, Julius	Mar. 16, 1915	8	153.08		
		Mar. 22, 1916	9	76.17		
		Mar. 17, 1917	10	88.42		
		Mar. 16, 1918	10	93.25		
		Mar. 20, 1919	10	89.10		
		Mar. 10, 1920	10	97.21		
		Feb. 18, 1921	10	103.39		
		Feb. 11, 1922	10	107.96		
		Feb. 17, 1923	10	121.61		
		Jan. 25, 1924	10	152.13		
		Jan. 28, 1925	10	159.10		
		Mar. 4, 1926	10	166.45		
						1,407.87
3887	Higginson, Jas. A	Nov. 10, 1910	8	83.78		
		Mar. 11, 1912	39+	10.00		
		Mar. 18, 1913	12+	5.00		
		Mar. 17, 1914	16+	5.00		
		Mar. 22, 1915	13+	5.00		
		Mar. 9, 1916	16+	5.00		
		Mar. 2, 1917	13+	5.00		
		Mar. 11, 1918	17+	6.00		
		Mar. 10, 1919	26+	7.50		
		Mar. 17, 1920	32+	6.00		
		Apr. 25, 1921	16+	5.00		
		Apr. 13, 1922	35+	6.00		
		Apr. 27, 1923	19+	6.00		
		Apr. 21, 1924	46+	6.00		
		May 5, 1925	22+	6.00		
						167.28
8331	Hill, Leon	Apr. 27, 1921	10	287.74		
		Apr. 25, 1922	5	17.15		
		Apr. 25, 1922	10	84.32		
		Apr. 27, 1923	5	77.50		

Lunacy No.	Name of ward	Date	Commission		Attorney's fee	Total
			Rate	Amount		
			Per cent			
8331	Hill, Leon	Apr. 27, 1923	10	$119.95		
		Apr. 29, 1924	10	143.58		
		May 14, 1925	10	139.03		
						$869.27
9735	Hodges, Carl	Dec. 13, 1923	6	340.68		
		Dec. 9, 1924	11+	20.00		
		Jan 28, 1926	10	79.47		
						440.15
7747	Howard, Wm. H	Sept. 13, 1920	10	158.30		
		Aug. 26, 1921	5	94.13		
		Aug. 26, 1921	10	109.43		
		Aug. 16, 1922	10	203.41		
		Sept. 14, 1923	10	228.35		
		Aug. 22, 1924	10	212.18		
		Aug. 25, 1925	10	220.42		
						1,226.28
3503	Jawrosky, Felix F	Mar. 19, 1910	8	172.00		
		June 5, 1911	10	9.93		
		June 27, 1912	10	9.88		
		June 16, 1913	10	9.69		
		June 4, 1914	10	9.73		
		June 3, 1915	10	10.10		
		June 7, 1916	10	10.06		
		June 5, 1917	10	10.04		
		June 4, 1918	10	10.53		
		June 16, 1919	10+	10.00		
		June 28, 1920	10	12.80		
		July 11, 1921	12+	10.00		
		July 24, 1922	12+	10.00		
		June 19, 1923	15+	10.00		
		July 25, 1924	8+	10.00		
		July 20, 1925	16+	8.00		
						322.76
7831	Johanson, Gustaf	Sept. 13, 1920	10	136.38		
		Oct. 31, 1921	5	69.41		
		Oct. 31, 1921	7	149.23		
		Oct. 23, 1922	10	217.18		
		Nov. 7, 1923	10	227.22		
		Dec. 17, 1924	10	230.37		
		Nov. 16, 1925	10	210.58		
						1,240.37
6727	Johnson, James	June 5, 1918	10	133.58		
		June 13, 1919	10	93.66		
		Aug. 21, 1920	10	93.75		
		July 15, 1921	10	95.95		
		July 24, 1922	10	97.50		
		June 13, 1923	10	139.20		
		May 23, 1924	10	146.95		
		May 23, 1925	10	164.08		
						964.67
8256	Jones, Henry	Mar. 12, 1921	10	300.77		
		Feb. 20, 1922	5	111.98		
		Feb. 20, 1922	10	123.59		
		Feb. 21, 1923	10	182.47		
		Feb. 16, 1924	10	170.23		
		Mar. 26, 1925	10	223.37		
						1,112.41
5084	Joyce, William	Dec. 22, 1913	10	116.25		
		Dec. 11, 1914	8	68.96		
		Dec. 20, 1915	8	69.87		
		Dec. 19, 1916	10	90.33		
		Dec. 15, 1917	10	92.02		
		Dec. 10, 1918	10	94.92		
		Dec. 27, 1919	10	98.68		
		Dec. 17, 1920	10	104.10		
		Jan. 6, 1922	10	101.93		
		Dec. 22, 1922	10	113.41		
		Jan. 5, 1924	10	141.47		
		Dec. 24, 1924	10	136.65		
		Feb. 10, 1926	10	139.40		
						1,367.99
8057	Kass, Isadore J	Dec. 31, 1920	10	141.88		
		Jan. 7, 1922	10	98.31		
		Jan. 5, 1923	5	42.11		
		Jan. 5, 1923	5	15.65		
		Jan. 5, 1923	10	118.30		
		Jan. 25, 1924	10	14.30		
		Dec. 17, 1924	7	276.79		
		Feb. 19, 1926	10	217.93		
						925.27
7950	Kelly, Neil I	Jan. 20, 1921	10	150.93		
		Feb. 2, 1922	5	46.54		
		Feb. 2, 1922	10	126.57		
		Jan. 18, 1923	10	172.19		
		Jan. 21, 1924	10	170.14		
		Jan. 30, 1925	10	181.04		
		Feb. 24, 1926	10	127.27		
						974.68
3694	Kennedy, Wm. John	Apr. 28, 1911	10	109.40		
		May 27, 1912	12+	5.00		
		May 10, 1913	12+	5.00		
		May 11, 1914	10+	5.00		
		May 12, 1915	20+	5.00		
		May 5, 1916	15+	5.00		
		May 15, 1917	18+	6.00		
		May 14, 1918	22+	7.50		
		May 12, 1919	21+	7.50		
		May 27, 1920	30+	6.00		
		June 1, 1921	28+	6.00		
		May 22, 1922	25+	6.00		
		Apr. 25, 1923	26+	6.00		
		Apr. 21, 1924	25+	6.00		
		May 5, 1925	37+	6.00		
						191.40

Lunacy No.	Name of ward	Date	Commission		Attorney's fee	Total
			Rate	Amount		
			Per cent			
9309	Kennon, Genevieve G	May 21, 1923	10	$51.88		
		May 20, 1924	9−	300.00		
		May 29, 1925	10	122.33		
						$474.21
8312	Knight, Frank (or Francis).	Apr. 28, 1921	10	168.40		
		Apr. 18, 1922	17+	7.50		
		Apr. 27, 1923	15+	7.50		
		Apr. 23, 1924	8+	7.50		
		May 5, 1925	10+	7.50		
						198.40
2399	Koslick, Frank	Dec. 21, 1907	10	305.43		
		Dec. 30, 1908	8	53.26		
		Dec. 18, 1909	9	77.82		
		Jan. 4, 1911	9	90.44		
		Jan. 6, 1912	9	94.54		
		Jan. 10, 1913	9	99.74		
		Jan. 21, 1914	9	103.41		
		Jan. 18, 1915	9	102.94		
		Jan. 21, 1916	9	107.69		
		Jan. 18, 1917	10	125.79		
		Jan. 26, 1918	10	126.49		
		Jan. 20, 1919	10	130.68		
		Jan. 31, 1920	10	136.94		
		Jan. 11, 1921	10	139.40		
		Jan. 11, 1922	10	160.37		
		Jan. 5, 1923	10	144.64		
		Jan. 21, 1924	10	113.62		
		Dec. 30, 1924	10	185.89		
		Feb. 19, 1926	10	158.94		
						2,448.03
468	Krebs, John	Nov. 24, 1909	10	101.37		
		Nov. 26, 1910	8	68.06		
		Nov. 8, 1911	8	69.81		
		Nov. 14, 1912	8	72.83		
		Nov. 8, 1913	8	74.53		
		Nov. 10, 1914	8	75.40		
		Nov. 22, 1915	9	90.46		
		Nov. 27, 1916	10	103.73		
		Nov. 15, 1917	10	107.32		
		Nov. 15, 1918	10	110.41		
		Nov. 11, 1919	10	107.14		
		Nov. 19, 1920	10	120.49		
		Nov. 17, 1921	10	133.52		
		Dec. 6, 1922	10	132.38		
3468	Krebs, John	Nov. 16, 1923	10	150.43		
		Dec. 9, 1924	10	154.23		
		Nov. 25, 1925	10	160.76		
						1,832.87
7851	Kucis, Anton	July 27, 1920	10	144.79		
		Aug. 11, 1921	5	44.63		
			10	164.59		
		Aug. 15, 1922	10	167.21		
		Sept. 12, 1923	10	186.52		
		Aug. 18, 1924	10	181.22		
		Sept. 10, 1925	10	191.04		
						1,080.00
7666	Kuhn, Anna T	Oct. 12, 1923	6+	300.00		
		Sept. 30, 1924	13+	7.00		
		Sept. 28, 1925	13+	7.00		
						314.00
8780	Lee, Roley	Mar. 7, 1922	5	134.95		
			10	188.00		
		Feb. 23, 1923	10	204.22		
		Feb. 14, 1924	10	204.25		
		Mar. 17, 1925	10	210.81		
						942.23
4281	Lindell, Oscar	Feb. 17, 1913	8	86.51		
		Feb. 18, 1914	11+	5.00		
		Feb. 11, 1915	10	6.80		
		Feb. 2, 1916	10	6.59		
		Feb. 2, 1917	10	5.41		
		Feb. 7, 1918	12+	6.00		
		Feb. 10, 1919	16+	7.50		
		Feb. 25, 1920	15+	7.50		
		Feb. 1, 1921	12+	7.50		
		Feb. 3, 1922	13+	6.50		
		Jan. 22, 1923	12+	7.00		
		Jan. 21, 1924	9+	6.00		
		Jan. 21, 1925	22+	6.00		
		Jan. 22, 1926	12+	6.00		
						170.31
4345	Maias, Julius	Mar. 8, 1912	8	124.91		
		Mar. 14, 1913	10	5.31		
		Mar. 18, 1914	8+	290.43		
		Mar. 8, 1915	10	23.14		
		Mar. 25, 1916	10	26.66		
		Mar. 19, 1917	10	28.08		
		Mar. 13, 1918	10	29.73		
		Apr. 24, 1919	10	37.58		
		June 21, 1920	10	34.81		
		Aug. 20, 1921	10	34.50		
		Aug. 11, 1922	10	31.38		
		July 3, 1923	10	34.95		
		June 9, 1924	10	33.80		
		June 8, 1925	10	30.24		
						765.52
7811	McCarty, Francis X	July 21, 1920	10	114.94		
		July 19, 1921	10	149.69		
		July 1, 1922	5	100.63		
		July 1, 1922	8	160.61		
		June 25, 1923	9	200.00		
		June 9, 1924	10	208.24		
		May 29, 1925	9	215.73		
						1,149.84

Lunacy No.	Name of ward	Date	Commission		Attorney's fee	Total
			Rate	Amount		
			Per cent			
8021	McGuire, Edw. V	Nov. 19, 1920	10	$160.01		
		Dec. 2, 1921	5	39.90		
		Dec. 2, 1921	10	179.59		
		Dec. 6, 1922	10	173.65		
		Nov. 14, 1923	10	182.01		
		Nov. 24, 1924	10	181.18		
		Jan. 14, 1926	10	197.99		
						$1,014.33
10593	McNeff, James	Jan. 14, 1926	7	250.00		250.00
4366	McNeil, Wm. J	Jan. 20, 1913	17	82.03		
		Feb. 3, 1914	10	5.00		
		Feb. 10, 1915	10	5.00		
		Feb. 15, 1916	10	5.00		
		Feb. 12, 1917	10	5.22		
		Feb. 8, 1918	2+	6.00		
		Feb. 6, 1919	15+	7.50		
		Feb. 25, 1920	13+	7.50		
		Mar. 16, 1921	13+	7.50		
		Mar. 22, 1922	15+	7.00		
		Mar. 15, 1923	16+	7.00		
		Mar. 6, 1924	27−	6.00		
		Mar. 12, 1925	23+	6.00		
						156.75
7883	Mercado, Casiniro	Sept. 21, 1920	10	133.55		
		Oct. 5, 1921	5	109.83		
		Oct. 5, 1921	10	99.66		
		Sept. 15, 1922	10	161.05		
		Oct. 7, 1923	10	171.84		
		Oct. 17, 1924	10	174.71		
		Oct. 7, 1925	10	178.08		
						1,028.72
7832	Mientus, Stanley	July 23, 1920	10	174.90		
		July 19, 1921	10	162.48		
		July 17, 1922	10	131.39		
		June 25, 1923	10	145.38		
		June 11, 1924	10	193.96		
		July 24, 1925	10	215.10		
						973.21
7809	Milewski, Joe	July 21, 1920	9	194.87		
		July 19, 1921	5	54.52		
		July 19, 1921	10	173.14		
		July 6, 1922	10	166.22		
		June 27, 1923	10	194.15		
		June 24, 1924	10	180.09		
		July 24, 1925	10	179.15		
						1,142.14
7298	Motley, Wilfred R	Sept. 24, 1919	10	59.59		
		Oct. 6, 1920	8	244.79		
		Oct. 20, 1921	10	163.47		
		Sept. 29, 1922	10	182.74		
		Oct. 12, 1923	10	174.24		
		Oct. 17, 1924	10	184.87		
		Oct. 3, 1925	10	193.50		
						1,203.20
4711	Mutschal, Gus	Aug. 16, 1917	10	153.96		
		Aug. 26, 1919	8	160.73		
		Dec. 14, 1920	10	16.60		
		Jan. 10, 1922	10	22.55		
		Jan. 14, 1924	10	17.00		
		Dec. 17, 1924	10	17.47		
		Feb. 19, 1926	10	18.71		
						407.02
8402	Navarroso, Santiago	June 3, 1921	10	195.62		
		May 27, 1922	10	119.73		
		June 23, 1923	10	135.19		
		June 6, 1924	10	143.82		
		June 20, 1925	10	145.59		
						739.95
7805	Nicholetto, Castenzo	Sept. 21, 1920	10	218.98		
		Oct. 20, 1921	7+	289.42		
		Sept. 29, 1922	8	172.30		
		Oct. 12, 1923	9	200.99		
		Oct. 23, 1924	9	213.85		
		Oct. 7, 1925	8+	200.00		
						1,295.54
4207	O'Brien, John	Feb. 8, 1913	7	76.19		
		Feb. 10, 1914	10+	5.00		
		Feb. 17, 1915	10+	5.00		
		Feb. 9, 1916	11+	5.00		
		Feb. 2, 1917	10+	5.00		
		Feb. 8, 1918	13+	6.00		
		Feb. 6, 1919	15+	7.50		
		Feb. 25, 1920	19+	7.50		
		Mar. 18, 1921	14+	5.00		
		Mar. 10, 1922	18+	6.00		
		Mar. 16, 1923	21+	6.00		
		Mar. 6, 1924	28+	6.00		
		Mar. 17, 1925	17+	5.00		
						145.19
7759	Pach, Frank	Sept. 17, 1920	8	188.38		
		Oct. 19, 1921	10	115.12		
		Sept. 29, 1922	10	109.37		
		Oct. 4, 1923	5+	300.00		
		Oct. 31, 1924	9	208.43		
		Oct. 10, 1925	8+	200.00		
						1,121.30
7812	Perko, Frank	July 20, 1920	10	148.30		
		June 10, 1921	10	91.57		
		June 9, 1922	5	132.05		
		June 9, 1922	8	146.03		
		May 26, 1923	10	217.28		
		June 19, 1924	9	203.13		
		June 20, 1925	9−	200.00		
						1,138.36

said Frederick A. Fenning out of his wards' estates in lunacy

Lunacy No.	Name of ward	Date	Commission Rate	Commission Amount	Attorney's fee	Total
			Per cent			
7874	Petrovitch, Stephen	Oct. 6, 1920	10	$129.99		
		Oct. 29, 1921	10	194.76		
		Nov. 1, 1922	5	41.25		
		Nov. 1, 1922	10	207.54		
		Nov. 14, 1923	10	174.97		
		Nov. 14, 1924	10	140.30		
		Oct. 29, 1925	10	31.62		
						$920.43
7787	Pierce, Leighton B	July 27, 1920	10	163.94		
		June 30, 1921	5	99.28		
		June 30, 1921	10	158.94		
		June 14, 1922	10	201.33		
		June 14, 1923	10	207.31		
		June 9, 1924	9+	200.00		
		June 26, 1925	9+	200.00		
						1,230.80
8412	Powers, Thomas F	Nov. 11, 1925	5+	250.00		250.00
7957	Puesley, George	Oct. 6, 1920	10	119.21		
		Oct. 31, 1921	5	94.20		
		Oct. 31, 1921	8	156.03		
		Oct. 23, 1922	10	253.95		
		Nov. 14, 1923	9+	200.00		
		Nov. 13, 1924	9	232.69		
		Nov. 12, 1925	10	180.45		
						1,236.53
9973	Randall, William	June 24, 1924	5	71.26		
		June 24, 1924	10	76.72		
		June 8, 1925	10	86.44		
						234.42
7685	Richardson, Arthur T	May 6, 1920	10	133.98		
		May 17, 1921	10	101.41		
		Apr. 24, 1922	5	143.30		
		Apr. 24, 1922	10	164.58		
		Apr. 26, 1923	5	44.00		
		Apr. 26, 1923	8	172.46		
		May 17, 1924	9	204.28		
		May 14, 1925	8+	200.00		
						1,164.01
5810	Robertson, Daniel B	Feb. 4, 1916	10	66.78		
		Feb. 16, 1917	10	57.50		
		Feb. 20, 1918	10	54.69		
		Feb. 18, 1919	10	54.77		
		Apr. 9, 1920	10	63.47		
		May 5, 1921	8	50.70		
		May 10, 1922	10	62.56		
		Apr. 26, 1923	10	77.18		
		May 20, 1924	10	81.35		
		May 16, 1925	10	82.15		
						651.15
7718	Rocco, Femia	Jan. 1, 1920	10	209.73		
		June 11, 1921	10	168.61		
		May 18, 1922	10	137.02		
		June 12, 1923	10	140.05		
		May 21, 1924	10	147.42		
		June 20, 1925	10	134.33		
						937.16
7958	Rose, John H	Oct. 6, 1920	8	249.66		
		Oct. 5, 1921	10	169.06		
		Sept. 29, 1922	10	173.61		
		Oct. 12, 1923	10	182.33		
		Oct. 31, 1924	10	187.89		
		Oct. 10, 1925	10	195.42		
						1,157.97
8464	Rutledge, Patrick	Aug. 25, 1921	9	301.21		
		Aug. 12, 1922	10	155.13		
		Sept. 26, 1923	10	167.44		
		Aug. 22, 1924	10	162.64		
		Sept. 10, 1925	10	167.94		
						954.36
7814	Sefigas, Gust	July 20, 1920	10	148.99		
		June 23, 1921	10	124.55		
		June 19, 1922	10	131.03		
		June 23, 1923	10	144.74		
		July 18, 1924	10	142.83		
		July 24, 1925	10	147.56		
						839.70
7933	Selecman, Jos. S	Sept. 21, 1920	9	204.02		
		Oct. 5, 1921	10	131.56		
		Oct. 9, 1922	10	127.41		
		Oct. 16, 1923	10	134.60		
		Oct. 17, 1924	10	70.45		
		Oct. 23, 1925	10	144.02		
						812.06
10289	Shea, Wm. Patrick	Mar. 31, 1925	10	121.74		121.74
1155	Sinnott, James A	May 23, 1904	8+	100.00		
		Feb. 8, 1906	10	95.11		
		Jan. 29, 1907	8	56.51		
		Jan. 24, 1908	8	49.84		
		Feb. 18, 1909	8	48.45		
		Mar. 22, 1911	8	96.13		
		Mar. 22, 1912	6	45.06		
		Mar. 26, 1913	5	30.02		
		Apr. 6, 1914	5	30.07		
		Apr. 13, 1915	6	36.11		
		Apr. 29, 1916	7	42.17		
		Apr. 20, 1917	8	48.14		
		May 7, 1918	8	48.33		
		May 29, 1919	10	60.47		
		Aug. 9, 1920	10	75.56		
		July 9, 1921	10	60.00		
		July 24, 1922	10	60.06		
		Sept. 19, 1923	10	60.24		
		Aug. 18, 1924	7+	25.00		
		Sept. 25, 1925	10	75.40		
						1,142.66

Lunacy No.	Name of ward	Date	Commission Rate	Commission Amount	Attorney's fee	Total
			Per cent			
7633	Smith, Rodney M	Jan. 22, 1920	10	$106.28		
		Jan. 24, 1921	10	320.15		
		Feb. 2, 1922	10	219.21		
		Jan. 13, 1923	10	221.86		
		Jan. 25, 1924	9+	200.00		
		Jan. 28, 1925	10	207.91		
						$1,275.41
7723	Smith, Charles F	Oct. 6, 1920	10	146.05		
		Oct. 25, 1921	10	177.51		
		Oct. 23, 1922	5	66.17		
		Oct. 23, 1922	10	132.28		
		Nov. 9, 1923	10	187.74		
		Nov. 13, 1924	10	178.24		
		Oct. 28, 1925	10	164.12		
						1,052.11
8919	Smith, Evelina P	May 15, 1922	7	120.21		
		May 11, 1923	9−	150.00		
		June 9, 1924	10	173.97		
		June 20, 1925	10	162.14		
		Jan. 26, 1926	8+	75.00		
		Jan. 26, 1926	5	150.00		
						831.32
9573	Starkes, Thomas Nelson	Nov. 9, 1923	10	145.75		
		Nov. 4, 1924	10	121.79		
		Oct. 29, 1925	10	121.79		
						389.33
8030	Steele, Hugh A	Nov. 24, 1920	10	161.66		
		Dec. 1, 1921	5	76.98		
		Dec. 1, 1921	10	140.67		
		Dec. 15, 1922	10	204.81		
		Nov. 17, 1923	10	214.22		
		Nov. 24, 1924	10	220.96		
		Jan. 28, 1926	10	215.80		
						1,235.10
7744	Stehman, Cameron	Dec. 2, 1921	4+	164.48		
		Jan. 30, 1923	5	122.55		
		Jan. 30, 1924	5	122.19		
		May 16, 1925	4+	600.00		
						1,009.22
3545	Stone, William C	Sept. 13, 1909	4	39.90	[1] $150.00	
		Aug. 25, 1910	5	90.16		
		Aug. 25, 1911	4	72.77		
		Aug. 20, 1912	4½	52.39		
		Aug. 22, 1913	7	140.91		
		Aug. 8, 1914	7	120.63		
		Aug. 6, 1915	10	142.75		
		Aug. 22, 1916	10	135.78		
		Aug. 14, 1917	10	181.08		
		Aug. 13, 1918	10	181.17		
		Aug. 11, 1919	10	198.57		
		Sept. 9, 1920	10	200.56		
		Aug. 30, 1921	10	217.11		
		Sept. 13, 1922	10	218.87		
		Sept. 15, 1923	10	230.58		
		Aug. 19, 1924	10	233.62		
		Sept. 14, 1925	8	213.18		
				2,670.03	150.00	2,820.03
1591	Straub, Charles	June 6, 1905	7	346.26		
		July 19, 1906	9	49.88		
		July 22, 1907	9	53.70		
		1908	9	56.50		
		July 16, 1909	9	69.63		
		Aug. 22, 1910	10	83.03		
		Aug. 11, 1911	9	72.90		
		Aug. 8, 1912	9+	73.74		
		Aug. 23, 1913	10	87.85		
		Aug. 10, 1914	10	86.42		
		Aug. 6, 1915	10	92.53		
		Aug. 22, 1916	10	93.33		
		Aug. 14, 1917	10	92.60		
		Aug. 13, 1918	10	98.36		
		Aug. 26, 1919	10	99.20		
		Sept. 10, 1920	10	113.69		
		Oct. 19, 1921	10	118.35		
		Sept. 13, 1922	10	115.04		
		Sept. 15, 1923	10	115.90		
		Aug. 22, 1924	10	117.68		
		Aug. 25, 1925	10	114.93		
						2,151.52
8332	Sutton, William	June 7, 1921	10	178.76		
		May 25, 1922	5	100.33		
		May 25, 1922	10	153.61		
		May 26, 1923	9+	200.00		
		June 6, 1924	9−	200.00		
		June 30, 1925	10−	200.00		
						1,032.70
7748	Taylor, French	Aug. 27, 1920	10	138.10		
		Aug. 25, 1921	5	99.98		
		Aug. 25, 1921	10	147.28		
		Aug. 7, 1922	10	202.47		
		Sept. 19, 1923	9	204.15		
		Dec. 15, 1924	10	218.07		
		Aug. 29, 1925	9−	200.00		
						1,210.05
7959	Thomas, Sidor	Oct. 28, 1920	8	250.01		
		Oct. 25, 1921	10	172.02		
		Oct. 23, 1922	10	178.98		
		Nov. 9, 1923	10	187.98		
		Nov. 13, 1924	10	88.27		
		Nov. 12, 1925	(*)	100.00		977.26

[1] Rate and amount of commission for 1909, 1910, 1911, and 1912 represents one-half, as records show committee during said years.
* No net assets for basis.

Lunacy No.	Name of ward	Date	Commission		Attorney's fee	Total
			Rate	Amount		
			Per cent			
5225	Thompson, John W	Oct. 10, 1914	12+	$75.00		
		Oct. 22, 1915	10	63.71		
		Oct. 21, 1916	10	64.45		
		Oct. 25, 1917	10	65.11		
		Oct. 15, 1918	10	66.34		
		Oct. 14, 1919	10	66.96		
		Oct. 28, 1920	10	75.60		
		Oct. 27, 1921	10	74.16		
		Nov. 1, 1922	10	76.05		
		Nov. 17, 1923	10	84.21		
		Nov. 14, 1924	10	86.55		
		Nov. 12, 1925	10	84.14		
						$882.28
8101	Vazquez, Genaro	Dec. 16, 1920	10	178.73		
		Dec. 2, 1921	10	143.09		
		Dec. 15, 1922	5	53.37		
		Dec. 15, 1922	10	162.80		
		Nov. 17, 1923	10	177.41		
		Dec. 15, 1924	10	180.36		
		Jan. 28, 1926	10	186.93		
						1,082.69
4164	Watkins, Lee G	Nov. 10, 1911	8	292.80		
		Nov. 23, 1912	8	51.86		
		Nov. 10, 1913	10	16.32		
		Nov. 10, 1914	13+	17.74		
		Nov. 26, 1915	8	18.47		
		Nov. 24, 1916	10	22.67		
		Nov. 7, 1917	10	10.74		
		Nov. 15, 1918	10	21.00		
		Nov. 11, 1919	10+	17.13		
		Nov. 24, 1920	10	21.39		
		Nov. 17, 1921	10	20.86		
		Dec. 20, 1922	10	20.09		
		Dec. 5, 1923	10	19.39		
		Dec. 9, 1924	10	20.29		
		Jan. 24, 1926	10	20.34		
						531.09
3376	Weaver, Lewis	Sept. 7, 1909	8	167.78		
		Aug. 22, 1910	10	40.81		
		Aug. 25, 1911	10	47.75		
		Aug. 8, 1912	10	41.03		
		Aug. 23, 1913	10	47.43		
		Aug. 10, 1914	10	44.68		
		Aug. 16, 1915	10	46.75		
		Aug. 3, 1916	10	48.52		
		Aug. 14, 1917	10	46.72		
		Aug. 13, 1918	12+	60.00		
		Sept. 10, 1919	10	48.56		
		Aug. 28, 1920	10	48.46		
		Aug. 30, 1921	10	48.47		
		Sept. 13, 1922	10	48.96		
		Sept. 15, 1923	10	48.69		
		Oct. 14, 1924	10	43.31		
		Oct. 7, 1925	10	35.92		
						913.84
7806	Williams, Henry	Sept. 13, 1920	10	128.07		
		Aug. 20, 1921	10	108.61		
		Aug. 1, 1922	10	132.25		
		Sept. 14, 1923	10	140.38		
		Oct. 31, 1924	10	155.52		
		Oct. 10, 1925	10	117.79		
						881.62
8575	Winbush, Hayne	Oct. 20, 1921	5	64.09		
		Oct. 20, 1921	10	215.21		
		Oct. 4, 1922	10	199.10		
		Oct. 12, 1923	9+	200.00		
		Oct. 31, 1924	10	211.34		
		Oct. 7, 1925	10	230.20		
						1,119.94
8266	Wright, Richard	Apr. 28, 1921	5	250.55		
		Mar. 27, 1922	8	127.23		
		Mar. 6, 1923	10	174.45		
		Feb. 16, 1924	10	137.58		
		Mar. 18, 1925	10	61.23		
						760.04
	Total					109,070.25

HERBERT L. DAVIS,
Auditor Supreme Court, District of Columbia.

You will note that in the William C. Stone case Fenning received $2,820.03 fees for himself out of that boy's estate; in the Charles Straub case Fenning received $2,151.52 fees for himself; that in the Frank Koslick case Fenning received $2,448.03 fees for himself; that in the John Krebs case Fenning received $1,832.87 fees for himself; that in the Frederick Dixon case Fenning received $1,925.08 fees for himself; that in 52 other cases said Fenning received more than $1,000 fees for himself in each of said 52 cases, and that in 23 other cases said Fenning received more than $800 fees for himself in each of said 23 cases, and that his rates of commission in some of the cases ran as high as the amount stated in my said charges.

FENNING'S FEES IN SOME OLDER CASES

At my request Judge Walter L. McCoy, chief justice of the Supreme Court of the District of Columbia, had the clerk of said court certify the attorney fees and commissions allowed said Frederick A. Fenning out of his wards' estates in lunacy cases dating back to 1899, showing that said Fenning had received in such lunacy cases $8,412.05 attorney's fees, $46,129.60 commissions as committee for his wards, and $7,501.43 premiums on bonds:

CLERK'S OFFICE, SUPREME COURT
OF THE DISTRICT OF COLUMBIA,
Washington, D. C., May 4, 1926.

Hon. THOMAS L. BLANTON,
House of Representatives, Washington, D. C.

SIR: I inclose herewith, in response to your request, statement prepared by this office showing fees of Frederick A. Fenning, Esq., in certain lunacy cases filed in this court.

Respectfully,

FRANK E. CUNNINGHAM, *Clerk.*

Statement prepared by clerk's office, Supreme Court, District of Columbia, for Congressman Blanton as to fees received by Frederick A. Fenning in lunacy cases docketed in said court, March 7, 1899, to May 1, 1925

No.	Name	Amount of estate	Amount received as attorney	Amount received as committee	Allowance for bond
679	Bell	$677.70	$50.00		
730	Ross	3,051.45	30.00		
945	Thomas	131.10		$13.10	
1365	Bastin	2,053.42	15.00	172.83	$27.00
1376	McGahan	666.61	30.00	48.33	
1394	Thiemke	1,609.30	35.00	218.49	79.00
1411	Disaga	126.75		30.00	
1439	Wheeler	394.85		43.38	20.00
1574	Hughes	106.35			
1637	Corbett	475.59	20.00	58.04	
1652	Crowe	1,068.78		95.40	10.00
1683	Vivian	1,073.69	5.00	171.20	5.00
1694	Brunich	192.09	15.00	14.20	5.00
1713	Stock	159.39	20.00	10.93	5.00
1714	Stokoe	105.24	20.00	5.50	5.00
1735	Ochs	979.00	30.00	97.90	
1751	Briggs	665.25		67.22	5.00
1769	Oberchain	227.02		17.70	5.00
1770	Hooper	101.33	10.00		
1771	Knapp	716.65		71.66	
1792	Johnson	3,347.29		311.65	42.00
1802	Denny, John	357.31		28.58	10.00
1814	Toppin, Emily	48.00		4.80	
1818	Bishop, John B	881.75		74.41	22.00
1836	Gannon, Bradley	1,645.45		114.90	62.00
1864	Kopeso, Andrew	92.04		6.20	5.00
1865	Washington, John	399.09		23.94	11.00
1890	Richardson, Custis	158.59		15.85	5.00
1892	Giesalman, John	117.69		10.00	5.00
1900	Thomas, Philip	226.19		17.61	5.00
1901	Macrosky, Julian	957.91		67.15	55.00
1902	Nestler, Otto	384.24		30.74	12.00
1903	Norris, Thos. J	77.51		10.00	5.00
1904	West, Chauncey	1,085.69		112.00	55.00
1905	Wolschendorf, Adolph	920.00		69.21	5.00
1906	Wynch, Jacob	1,098.65	25.00	175.08	55.00
1913	Gaffney, James	110.60		16.06	
1931	Padell, Adolph	960.89	75.00	64.97	5.00
1939	Rafferty, James	236.57	20.00	21.29	
1940	Rice, James	730.80	50.00		
1949	Will, Frank	154.54		15.45	
1950	Brogan, Mildred	1,507.43		106.31	59.00
1961	Dooley, Martin	4,781.90		363.67	52.00
1962	Thompson, Jas. W	165.69		10.58	5.98
1972	Curtin, John	824.75		91.52	30.00
1973	Werthschutzky, Louis	1,212.02		85.00	59.00
1983	O'Neil, Charles	250.72		15.05	5.00
1984	Cummings, Dennis	1,154.54		87.86	97.00
1985	Lewis, Lee K	211.84		16.18	5.00
1996	Mungavin, Patrick	862.49		63.53	66.00
1997	Potter, John S	306.17		19.16	10.00
2007	Burke, William	543.94		50.25	30.00
2008	Croosen, William	1,062.80		63.44	18.20
2009	Farrell, William	675.62		48.47	10.00
2010	Hershman, Lorenzo	289.09		18.12	5.00
2011	Pallagi, Alexander	143.00		9.30	5.00
2020	Doctor, Joe	356.51		18.18	10.00
2036	Kelly, Thomas J	245.20		19.52	5.00
2037	Sheircliffe, Michael	261.41		21.14	5.00
2038	Young, Edward	172.87		12.28	5.00
2046	Frank, John	356.52		21.30	12.00
2047	Germann, James W	201.43		13.13	5.00
2048	Robertson, Robert	264.39		21.44	5.00
2049	Sears, William	1,391.94		176.30	106.50
2060	Dominick, Benjamin F	244.10		19.41	5.00
2096	O'Connell, Barth	339.40		20.94	13.00
2097	Price, Frederick J	866.91		117.80	71.60
2098	Winters, John	464.02		38.06	23.00
2124	Trasi, Saul G	343.41		22.34	12.00
2125	Powell, Sidney	523.89		37.61	25.80
2150	Baxter, John M	440.51		41.69	16.00
2151	Stern, Louis	779.01		82.52	33.00
2169	Simensen, Hans	856.66		105.30	76.20
2170	Tjernstrom, G	397.77		30.59	22.50
2199	Ivers, William J	196.26		14.62	5.00
2200	Moran, Charles	1,211.55		131.77	68.20
2209	Johnson, John A	171.59		12.15	5.00
2227	Fenhale, Humphrey	96.04		9.60	5.00
2237	Coffrey, John	351.63		30.95	15.00

Statement prepared by clerk's office, Supreme Court, etc.—Continued

Statement prepared by clerk's office, Supreme Court, etc.—Continued

Statement prepared by clerk's office, Supreme Court, etc.—Continued

No.	Name	Amount of estate	Amount received as attorney	Amount received as committee	Allowance for bond
2238	Williams, Richard	$160.53		$11.05	$5.00
2256	Clayburg, Elmer	157.38		10.73	5.00
2257	Smelski, Edward	222.39		17.23	5.00
2267	Mulcey, Jas. F	613.22		37.44	40.00
2274	Fehlemelcher, Fred J	141.41		14.14	5.00
2292	Dougherty, Patrick	228.28		17.83	5.00
2319	Compton, Absolom	978.98		70.24	27.40
2320	Scanlon, John J	220.78		17.00	5.00
2321	Makslahti, Abraham	766.05		97.44	55.00
2330	Bell, William	147.83		24.57	5.00
2331	Slater, Girard	674.27		67.42	30.00
2332	Condon, William	233.10		13.56	5.00
2355	Spence, Samuel	685.72		45.50	25.80
2372	Wessel, August	239.87		18.98	5.00
2382	Brown, John	680.81		49.08	19.00
2400	Rawlinson, William	443.69		53.48	20.00
2410	Hoffman, Lucas	422.74		40.94	20.00
2411	Kehler, Jacob	265.44		18.99	5.00
2479	Stickney, B		$30.00		
2490	Butler, John	226.98	20.00	12.69	10.00
2554	Snyder, George	173.50	15.00	12.35	5.00
2555	Lupken, John W	242.28		19.23	5.00
2571	Savary, Jos. E	2,998.27	20.00		52.50
2572	Morton, I	106.46	15.00	13.81	
2583	Wagner, William	132.26		8.22	5.00
2592	Newman, William H	130.52		8.05	5.00
2608	Brett, James	292.28		24.22	5.00
2618	Lindeberg, Evan F	4,433.31		400.92	34.00
2634	Nordstrom, John C	125.55		7.50	5.00
2727	O'Reilly, T. W	654.05		58.86	7.00
2728	Ambler, E. F	927.31	5.00		5.00
2777	Brown, John	1,283.42	25.00	115.51	5.00
2794	Madsen, Oluf	75.00		7.50	6.00
2795	McTighe, Patrick	1,590.51		178.20	67.00
2870	Kelly, Michael	4,769.60	25.00	437.95	27.00
2872	McGee, Terrence	1,901.41		190.14	
2829	Yates, John	721.69		60.90	23.00
2931	Scott, John	1,141.25		125.94	67.00
2798	Hentz, Joseph	186.42		13.64	5.00
3059	Kefes, Jakob	160.68		11.06	5.00
3101	Whelan, James	3,019.91		186.22	32.00
3178	Lane, Annie E		5.00		
3182	Randle, Sidney	1,250.65		100.05	
3183	Reiss, K. J	266.98		36.69	14.00
3227	Hagenmeister, Edward T	331.92		27.19	6.00
3226	Biscoe, W. T	272.52		22.95	5.00
3274	Phillips, C. Lester	1,618.50	35.00	25.00	
3360	Peterson, Carl	366.51	[1] 41.65		5.00
3410	Murphy, Jeremiah	645.72		77.58	46.00
3411	Connor, William	14,439.48		1,522.13	292.00
3413	McCradden, William J	38.01	[1] 14.96		5.00
3484	Wagner, John	716.08		42.97	8.75
3504	Lindgren, Gustave	950.41		123.70	70.01
3505	Bullo, Antonio	1,114.18		158.39	86.01
3511	Synan, John	897.75		89.77	10.00
3543	Anshultz, A	834.30		83.43	10.00
3544	Potash, Michael	1,110.23		111.02	10.00
3601	Wells, Geo. W	1,132.26		99.02	15.00
3610	Woodhull, Frank	4,541.66		378.45	12.00
3637	Savany, Lydia	1,233.06		73.98	
3638	Anderson, James	1,444.08		115.53	
3639	Jones, Philip	1,368.68		109.62	12.00
3649	Wallace, John	656.00		70.03	22.00
3654	Freeland, Edward B	1,041.10		106.83	60.14
3680	Pfiregen, William	1,580.77		215.00	27.82
3693	Wajciedowski, Richard	933.01		111.96	46.70
3732	Chain, Frederick	711.17		55.72	10.00
3749	Evans, Charles H	319.61		36.61	10.00
3756	Mason, Michael	1,374.60		99.97	10.00
3758	Clapp, Robert C	284.95		75.00	15.00
3763	Mansfield, Garett W	122.49		12.24	5.00
3779	Kline, Charles	1,119.87		152.60	74.17
3793	Evans, George	723.30		67.33	5.00
3826	Ajnelaus, Gustaf	502.49		61.63	20.00
3827	Foss, Andrew	695.14		97.63	49.82
3860	Carter, Ella D	802.68		70.26	10.00
3886	Glass, Alexander	722.73	200.00	14.77	10.00
3891	Garvey, Mary	370.21		34.40	10.00
3940	Isaac, William H	834.18		107.60	59.80
3941	Nelson, William	984.21		112.78	42.30
3951	Osborn, Arthur	504.07		43.99	24.67
3952	Lawrence, Sidney	507.24		82.78	20.00
3953	Seidel, Robt. H	1,510.91		191.90	52.08
3963	Casey, Dennis	120.47		15.00	
3997	Winkler, Charles A	988.63		105.28	
4035	Hoeft, A. P	794.50		10.00	15.00
4036	White, Charles J	297.39		29.73	5.00
4045	Robbins, B. E	964.79		100.28	21.28
4047	Hochheim, G	522.20	50.71	15.00	20.00
4048	Stark, F. C	1,137.48		144.76	60.00
4056	Schrager, F	543.70		36.10	5.00
4066	Hayden, J. T	2,568.73		274.46	50.00
4067	Woodson, H	2,281.01		150.83	20.00
4082	Fitts, H. B	1,290.84		103.26	
4083	Schwartz, L	658.65		15.00	11.67
4106	Cronin, P	330.12		42.45	20.00
4114	Lippman, S	1,438.13		130.22	
4139	O'Rourke, P	7,849.36		291.95	43.34
4154	Bradley, S	1,036.79		144.59	65.00
4155	Shinn, P. F	1,119.60		88.47	
4163	Radley, Ed	854.24		53.32	40.00
4173	Jonson, J	1,293.11		104.87	25.88
4214	Roy, John	155.25		12.61	5.00

[1] Attorney and commission.

Statement prepared by clerk's office, Supreme Court, etc.—Continued

No.	Name	Amount of estate	Amount received as attorney	Amount received as committee	Allowance for bond
4218	Smith, Samuel	$729.99		$65.80	$30.00
4253	Treadwell, Charles	191.58		35.00	50.00
4261	Jacob, Peter	445.24		62.77	37.50
4270	Sauter, Mary E	2,774.65	$40.00	182.93	80.00
4280	Turbett, E	356.24		35.62	
4282	Gill, William	1,002.68		103.94	50.00
4291	Tomaso, Andrew	2,371.82		207.64	64.70
4335	Fallon, Patrick	2,489.53		191.88	26.28
4354	Stephens, Alex. W		36.16		
4363	Jones, Arthur	212.76		28.06	10.00
4364	Lafayette, Logan	593.12		51.13	10.00
4365	McCorskin, John	840.43		50.43	5.00
4385	Burge, Robert	182.69		18.26	5.00
4386	Cooney, Robert J	647.16		45.30	5.00
4387	McGivin, Frank	309.53		40.44	9.17
4415	Gardon, Philip		10.00		
4450	Kendrick, John P	390.70		39.07	5.00
4451	O'Reilly, T. W	117.10		15.00	5.00
4476	Massey, A. W		93.00		
4492	Crouse, Henry C	646.35		75.89	30.00
4507	Jordan, Kate C		35.00		
4513	Pope, James A	6,436.05		587.52	100.0
4533	Best, Thomas	181.36		18.13	5.0
4553	Sokol, Anthony	250.97		29.85	5.00
4565	Schwan, Rudolph	1,083.33		116.37	50.00
4571	Barela, Arthur G	3,751.08	35.00		
4581	Olsen, Clement	173.37		25.00	5.00
4612	Blomquist, Haagen	637.82		94.41	50.00
4625	Bauker, Lawrence	637.92		61.00	20.00
4636	Davis, Susanna	720.59		72.04	15.00
4654	Ireland, Charles	1,615.22		129.22	
4662	Ward, William	533.60		79.54	30.00
4689	Gregory, Stephen	146.22		20.00	5.00
4733	Fulton, Elizabeth	118.40		20.00	5.00
4744	Walters, John N	3,637.17		363.84	10.00
4764	Anderson, Laureta	990.30		136.06	55.00
4802	Voelcker, Otto	845.52		122.64	50.00
4824	McCarthy, John F	1,478.18		138.18	15.00
4829	Fardon, A. P	24,111.28	75.00		
4858	Bodwin, J. J	1,396.24		139.62	6.25
4859	Meeteer, W. B	5,630.79		412.07	30.00
4876	Goodridge, C. E	3,121.49		249.72	24.00
4888	Hughes, Ellen	2,844.81		220.18	
4893	Fitzgerald, Annie	108.55		25.00	5.00
4919	Todd, Albert	724.86	25.00		
4937	Thorensen, Olaf	142.66		25.00	5.00
4946	Freeman, Joseph W	613.63		95.28	26.34
4984	Clancy, Mary	858.71		85.72	15.00
5000	Parsekian, Annie	281.83		28.28	5.00
5010	Osterman, Marcus	206.44		20.64	5.00
5021	Brady, James	1,803.27		198.09	30.00
5061	Ashwell, Frederick	67.50		15.00	5.00
5062	Ellis, Wesley R	2,706.97		217.91	33.33
5103	Kabayski, Riotaro	1,043.41		113.08	26.00
5121	Rexford, Caroline L		618.00		
5144	Leonard, Thos		[1] 41.50		
5146	Brown, William	299.03		29.90	5.00
5161	Miller, William G		75.00		
5172	Forster, Raymond	56.00		10.00	5.00
5182	Coleman, James H	132.40		30.00	5.00
5212	Fox, Harold H		25.00		
5259	Haines, Richard	274.72		31.89	15.00
5269	West, Mary J	119.89		25.00	5.00
5281	Moulthrop, Wm. L	255.23		29.96	10.00
5302	Bell, Henry A		90.00		
5332	Rogers, Samuel	679.88		167.29	15.00
5333	Michael, Walter	42.50	20.00		5.00
5367	Allen, George	1,419.75	150.00		10.00
5374	Fitton, Joseph		30.00		
5399	Young, Agnes G	2,313.93		131.39	34.00
5479	McCollough, Tarling C	1,235.20		123.88	10.00
5541	Works, A. P. R	228.56	30.00		
5560	Hoff, Edward F	1,693.89		187.64	20.00
5626	Coan, James	700.12		87.45	30.00
5627	Farwig, William	1,350.00	20.00		
5675	Bailey, Marshall	297.14	5.00		
5691	McGillian, William P	906.71		58.97	15.00
5717	Doyle, John W	600.00	50.00		
5735	Schaper, Chris. H	1,854.83		185.73	15.00
5788	Fletcher, Emma N	1,614.93	45.00		
5841	Schoemperle, Otto	469.98		47.00	15.00
5887	Ontes, Hubert J	258.51		25.85	5.00
6033	Williams, Arthur M	1,051.42	50.00		
6088	Odom, Frank	543.48		57.98	15.00
6121	Haapanen, John A	3,953.78		383.38	12.00
6273	Babcock, Campbell E	7,304.39		185.00	
6311	Guldager, Wm. L	186.45		20.00	5.00
6333	Smith, Gussie F	2,417.23		213.98	22.00
6365	Kirwin, Francis P	1,416.78		108.34	10.00
6404	Niemczak, Wladyslaw	361.65		36.65	15.00
6460	Major, Bertram	235.17	30.00		
6472	Wander, Frank	734.35		104.50	31.06
6482	White, John H	1,854.41		185.43	10.00
6491	Henley-Smith, M. R	112,187.12	2,500.00		
6544	Terry, Frances A. M	10,991.79	122.50		
6581	McCarthy, Nora	831.61		93.60	15.00
6658	Harrison, Lawrence	4,761.44		466.30	40.00
6698	Townsley, Walter	1,586.53		158.65	10.00
6708	Lynch, James	3,392.88		339.29	30.00
6740	Howard, Mary	75.00		15.00	5.00
6770	Denver, Cornelia	412.76		41.28	5.00
6784	Kane, Lawrence	1,176.22		137.24	60.57
6804	Robinson, Bert Dana	767.15		81.12	12.00

[1] Including costs.

the annual income of the estate as provided in section 1135 of the

Statement prepared by clerk's office, Supreme Court, etc.—Continued

No.	Name	Amount of estate	Amount received as attorney	Amount received as committee	Allowance for bond
6810	Crosby, Chapman	$678.02		$57.88	$10.00
6871	Stickel, Andrew	554.73		44.38	5.00
6881	Felberbaur, Stephen	966.09	[1] $60.97		15.00
7004	Carr, H. C	1,272.42		136.47	10.00
7035	Lambert, Frank	3,359.87		337.89	15.00
7112	Eagan, K. J	943.54	40.00		5.00
7201	Masarik, Stephen		235.00	537.60	
7297	Bruns, C. L	601.70	50.00		5.00
7371	Shipley, John	1,465.51		146.55	14.00
7528	Kimber, Arthur	1,740.16	100.00		16.00
7558	Maltes, W. J			148.52	15.00
7572	Draper, Leigh	1,407.10	50.00		10.00
7582	Rousseau, Nannie E	1,087.23	75.00		10.00
7635	Burriss, Ellen F	1,567.35		156.73	19.00
7636	Chahal, Frank	431.84		43.18	7.00
7645	Boyd, James E	3,483.15		315.91	20.00
7646	Day, Zelia	14,749.55		1,296.04	121.00
7657	Beidebach, J. J	529.67		52.92	7.00
7660	Palombi, Sam	710.59		63.95	7.00
7666	Kuhn, Anna T	3,669.41		314.00	37.34
7671	Blankenship, Tom	1,004.49		75.00	10.00
7684	Labrecque, E. E	4,876.10		434.94	29.00
7687	Fields, Jake	276.51		27.65	7.00
7701	Amos, William F	298.40		29.84	7.00
7702	Glover, William	1,582.38		158.24	19.00
7703	Reynolds, John F	319.95		22.00	7.00
7719	Schumaker, Thomas E	440.15		44.01	7.00
7720	Efford, R. A	1,914.88		131.12	22.00
7721	Hambell, George J	1,559.79		154.98	
7722	Lorenz, E. M	1,984.39		198.44	19.00
7740	McGovern, Thomas P	5,971.53		453.70	23.00
7741	Wirthman, Oswald	188.71		18.88	7.00
7743	Chase, John S	13,550.48		1,193.72	112.68
7746	Carpenter, Dallis	173.38		20.00	7.00
7766	Minick, Arthur D	377.44		60.00	10.00
7768	Bailie, David	99.36		15.00	30.00
7783	Chyick, Fred	495.26		49.53	7.00
7788	Ferrainolo, R	8,114.12		783.78	77.87
7804	Logano, Cesaro	343.69		34.37	7.00
7807	Aragon, G. O	1,213.94		121.39	7.00
7808	Dento, Phillip		75.00		
7813	Buralli, Theodore	2,040.78		204.01	21.34
7830	Fellows, Isaac T			504.97	41.67
7833	Wishon, J. W	274.10		27.41	7.00
7849	Clark, James J	417.09		41.71	7.00
7852	Purcell, D. J	234.60		23.46	7.00
7875	Rowtowski, Jos. M	1,633.08		162.30	17.00
7878	O'Neill, James E	3,951.36		390.13	28.74
7880	Cudzik, George V	2,741.46		165.99	19.00
7881	Summerlin, Benjamin F	11,754.58		1,030.76	109.49
7904	Dearborn, William D	10,930.37		832.59	61.52
7906	Jumbelic, Peter	991.81		99.18	7.00
7907	Marchbanks, John W	857.65		85.77	7.00
7909	Tedder, Herman	1,196.00		119.60	12.00
7912	Radka, Tony	782.12		78.21	7.00
7915	Bergin, Mary	478.34		47.82	7.00
7955	Clark, John W	3,393.45		364.54	35.00
7956	Piskati, Stanley J	3,038.40		280.68	11.75
7984	Barger, Albert A	10,502.02		846.48	73.63
8007	Bumby, E. T	300.41		30.04	7.00
8020	Counts, C. P	4,049.49		414.95	32.00
8032	McCorry, T. W	1,592.94		159.29	10.00
8038	Guember, Arthur R	6,135.52		519.76	23.00
8051	Kernes, Ralph	4,658.82		393.58	19.00
8074	Snyder, George		82.50		
8112	McCord, Wm. J	1,761.69		107.50	15.00
8113	McIntyre, E. E	3,223.42		321.29	12.00
8144	Zeremba, Walter	3,304.34		327.93	22.00
8178	Braughler, Jos. H	9,658.81		595.08	105.34
8228	Sweeney, Robert	1,761.64	65.00		10.00
8275	Cox, Hillard	2,177.47		217.75	22.00
8286	Fedor, John	8,472.48		795.18	97.36
8329	Regan, Chas. P	3,437.00		482.66	28.00
8330	Tarashafsky, Herman	1,798.19		179.82	22.00
8347	Mantlow, Leonard	5,276.27	75.00		
8348	James, Layton	4,619.63		461.95	22.00
8365	Lake, F. B	804.20		80.42	20.00
8380	Chuey, Mike	5,171.30		344.72	32.00
8382	Wilson, Claude W	1,030.43	65.00		
8401	McDonald, John E	3,294.43	125.00		
8403	Tomkel, Rostanti	8,345.57		686.05	49.34
8416	Singh, Narian	249.08		24.91	10.00
8418	Hamilton, W. B	5,349.74		534.97	34.00
8434	Bullock, C. E	5,119.02		381.78	30.60
8443	Gabriel, F	1,025.18		100.36	10.00
8514	Smith, J. A	1,263.50		126.35	6.00
8574	McGowan, J. P	2,139.55		213.95	22.00
8581	Wright, Barney	209.27		20.03	12.00
8600	Thompson, O. B	6,321.08	210.00		
8631	Chambers, Chas. F	7,371.97	62.50		
8644	Rogers, Charles A	970.50	80.00		
8710	Salazar, Manual	160.00		16.00	
8768	Thomson, Frank P	701.35	115.00		
8770	Eckhardt, Dorothea	272.31		25.00	5.00
8792	Roberson, Jack	6,271.77		479.25	44.00
8793	Hurley, Mary R	994.47		99.45	10.00
8878	Mason, C. F	7,724.19	125.00		
8913	Tandrop, Christian	621.41	40.00		
8919	Smith, Evelyn P	10,679.89		831.33	42.68
8922	Shea, James	95.83		15.00	
8924	Karsgor, S. C	1,010.66		101.07	10.00
8936	O'Neal, Pierce D	7,981.41		513.34	48.77
8966	Johnson, Carl F	4,587.11	90.00		
9076	Murch, James A	321.00		50.00	17.00
9102	Garrett, Silas	4,980.16		100.00	12.00
9103	Welch, Perry	$1,777.35		$177.50	$20.00
9115	Murray, W. A	1,172.26	$100.00		
9137	Donlon, Mary A	4,140.69	250.00		
9321	Gemmelli, Elizabeth	1,558.53	90.00		
9403	Jones, Bernard	1,420.93	50.00		
9428	Noye, Emma	136.87		13.69	5.00
9436	Speer, Albert	913.99		50.00	
9495	Hirst, Sarah A	247.62	50.00		
9578	Hussey, Ralph G	[2] 157.60	28.50		
9635	Cutts, Charles H	3,766.23		350.00	12.00
9783	Hazard, Minerva C		25.00		
10373	Flanagan, P. J	3,495.04	150.00		
10400	Martin, Susan P	9,665.22	[3] 400.00		
10566	Cahill, Joseph P	1,229.21	122.71		10.00
10585	Edwards, George	1,213.94	121.39		10.00
10713	Allan, W. G	1,350.80		135.08	10.00
	Total		8,412.05	46,129.60	7,501.43

[1] Attorney and commission.

FREDERICK A. FENNING RECEIVED $733,855.87 FROM VETERANS' BUREAU FOR CERTAIN WARDS

I produced the following certificate from Gen. Frank T. Hines, Director of the United States Veterans' Bureau, showing that for certain wards the bureau had paid for compensation and insurance to said Frederick A. Fenning the enormous sum of $733,855.87. Merely having this sum of money to deposit in his own bank was worth quite a great deal to Fenning.

UNITED STATES VETERANS' BUREAU,
OFFICE OF THE DIRECTOR,
Washington, April 2, 1926.

[Personal and confidential]

Hon. THOMAS L. BLANTON,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: Complying with your request, I am inclosing a statement showing the number of cases of bureau beneficiaries in which the Hon. Frederick A. Fenning has been appointed by the Supreme Court of the District of Columbia as legal guardian or committee. This statement gives the C-Numbers, home address, present address, total amount of compensation paid to the guardian or committee for the account of the beneficiary since appointment, the total amount of insurance paid the guardian or committee since appointment, and also the total amount of the last two items.

The names corresponding to the C-Numbers given have been furnished you previously, and it is thought advisable that the names should be omitted in the event of any publication of the list referred to.

Very truly yours,

FRANK T. HINES, *Director.*

C No.	Home address	Present address	Amount of compensation	Paid by insurance	Bureau total
146780	New York regional office.	United States Veterans' Hospital, No. 81, Bronx, N. Y.	$7,317.14	$5,405.00	$12,722.14
187528	Affton, Mo	St. Elizabeths Hospital, Washington, D. C.	8,333.23	2,645.00	10,978.23
159681	Algeri, Fla	do	8,022.58		8,022.58
184525	Portsmouth, Va	do	8,166.27	5,232.50	13,398.77
137767	Columbia, S. C	do	8,363.33		8,363.33
207946	Camden, N. J	703 North Seventh Street, Camden, N. J.	7,650.92	4,010.16	11,661.08
195660	Delwin, Tex	St. Elizabeths Hospital, Washington, D. C.	8,696.77	5,405.00	14,101.77
218055	Born, Poland; enlisted, Albany, N. Y.	do	7,305.81	5,175.00	12,480.81
167770	Born, Blountsville, Ind.; enlisted, Fort Sam Houston.	do	8,927.86	2,600.00	11,527.86
160369	Case folder, Baltimore, Md.	United States Veterans' Hospital, No. 42, Perry Point, Md.	7,327.10	2,760.00	10,087.10
190882	Akron, Ohio	St. Elizabeths Hospital, Washington, D. C.	9,441.93		9,441.93
218081	McWilliams, Ala	do	6,350.64	5,117.50	11,468.14
170469	Germany	do	9,341.94	2,525.00	11,866.94
218037	Born Paterno, Italy; enlisted Hudson, N. Y.	do	7,832.26	5,290.00	13,122.26
181670	New York	do	6,927.09	2,500.00	9,427.09
210766	New York City	do			
173338	Spain	do	8,546.67	3,526.00	11,072.67
481421	Vestal, N. Y.	do	3,490.32		3,490.32
200906	Mahanoy City, Pa.	do	7,655.00	5,347.50	13,002.50

pelled to live in Washington as war workers, sleeping temporarily on

Doctor SCHOENFELD. My wife did; yes, sir.

C No.	Home address	Present address	Amount of compensation	Paid by insurance	Bureau total
231666	Born Pendleton, Oreg.	St. Elizabeths Hospital, Washington, D. C.	$990.32	$441.45	$1,431.77
219538	Porto Rico	do	5,538.06	2,645.00	8,183.06
186502	Tebia, Antique, P. I.	do	9,064.52	2,475.00	11,539.52
204096	Folder in central office.	Unknown	8,574.19	5,577.50	14,151.69
212388	Milwaukee, Wis	Case in Milwaukee, Wis.	7,031.61	5,060.00	12,091.61
213797	Folder in N. Y. office.	United States Veterans' Hospital No. 81, Bronx, N. Y.	8,045.16	1,046.50	9,091.66
421366	Ocean Grove, N. J.	St. Elizabeths Hospital, Washington, D. C.	5,798.42	419.75	6,218.17
213841	Folder in Alabama regional office.	United States Veterans' Hospital, Tuskegee, Ala.	8,058.06	5,060.00	13,118.06
222254	Folder in Baltimore office.	United States Veterans' Hospital No. 42, Perry Point, Md.	7,526.45	2,587.50	10,113.95
313596	England	St. Elizabeths Hospital, Washington, D. C.	7,274.52	2,443.75	9,718.27
148901	Akron, Ohio	do	8,357.14	5,405.00	13,762.14
245491	Quantico, Va	do	4,650.00		4,650.00
166398	Florida	do	8,229.03	5,462.50	13,691.53
336962	Portsmouth, Va	Portsmouth, Va	6,998.39	2,600.00	9,598.39
264433	Folder in Baltimore.	United States Veterans' Hospital No. 42, Perry Point, Md.	875.35		875.35
163842	Born South Boston, Va.	St. Elizabeths Hospital, Washington, D. C.	7,574.84	5,290.00	12,864.84
223643	File in Boston	United States Veterans' Hospital, Northampton, Mass.	7,516.13	4,887.50	12,403.63
303211	Fayetteville, Md	St. Elizabeths Hospital, Washington, D. C.	8,883.23	2,653.22	11,536.45
167694	New York City	New York City	6,752.90	3,277.50	10,030.40
315080	Born in Delaware	St. Elizabeths Hospital, Washington, D. C.	7,140.40	2,070.00	9,210.40
220739	Chicago, Ill	do	8,016.13	2,350.00	10,366.13
67577	Washington, D. C	316 Maine Avenue SW., Washington, D. C.	1,759.50		1,759.50
246680	Grundy, Va	St. Elizabeths Hospital, Washington, D. C.	7,195.31	4,715.00	11,910.31
170331	Minneapolis, Minn.	do	1,334.80		1,334.80
220929	Lockport, N. Y	do	7,806.13	5,347.50	13,213.63
209546	Ireland	do	8,067.74	2,472.50	10,540.24
216128	Buffalo, N. Y	do	7,670.97		7,670.97
216132	Born Porto Rico	do	5,314.19	5,462.50	10,776.69
217935	Shenandoah, Pa	do	9,003.23	2,550.00	11,553.23
7660	Halifax, England	do	9,261.93	2,500.00	11,761.93
288104	Philippine Islands	do	9,462.90		7,462.90
216440	Venasco, Italy	do	8,378.57	5,290.00	13,668.57
109650	Washington, D. C	do	8,685.33	5,060.00	13,745.33
209559	Folder in Baltimore, Md.	United States Veterans' Hospital No. 42, Perry Point, Md.	7,958.06	5,347.50	13,305.56
196169	Brooklyn, N. Y	Unknown; eloped from St. Elizabeths, Dec. 3, 1921.	6,240.00	1,625.00	7,865.00
166502	Billings, Mont	St. Elizabeths Hospital, Washington, D. C.	7,635.48	3,162.52	10,798.00
386748	New York (Mount Perron).	do	4,834.71		4,834.71
222054	Palmetta, Ala	do	7,066.45	5,232.50	12,298.95
205755	Snick Hill, W. Va	do	8,872.68		8,872.68
222015	South Carolina	do	7,689.68	2,731.25	10,420.93
194388	Flint, Mich	do	7,566.67	5,232.50	12,799.17
306223	New York City	do	7,546.77	1,380.00	8,926.77
220506	Greece	do	7,616.13		7,616.13
193270	Case folder in California.	United States Veterans' Hospital, Palo Alto, Calif.	5,356.00	2,558.75	7,914.75
155538	Cincinnati, Ohio	St. Elizabeths Hospital, Washington, D. C.	7,747.14	2,475.00	10,222.14
182373	Washington, D. C	do	9,116.77		9,116.77
265751	do	do	4,017.82		4,017.82
286707	Lewistown, Pa	do	7,411.29	4,772.50	12,183.79
284864	Pennsylvania	do	1,700.00	1,524.68	3,224.68
364826	Monticello, Miss	do	6,172.90	4,657.50	10,830.40
194509	Rowland, N. C	do	8,126.67	5,290.00	13,416.67
221119	Cleveland, Ohio	do	5,189.68	2,555.70	7,745.38
220517	Porto Rico	do	8,012.90	2,530.00	10,542.90
206653	Alabama	do	7,810.64		7,810.64
333757	Mississippi	do	6,938.06	4,600.00	11,538.06
394843	Kentucky	do	8,373.33	2,700.00	11,073.33
	Total		523,792.14	210,063.73	733,855.87

And when sending me the above on March 19, 1926, Director Hines certified to the following:

Colonel Fenning has been allowed by the Supreme Court of the District in practically every case for which he is acting as guardian or committee 10 per cent of the principal of the personal estate and on the annual income of the estate, as provided in section 1135 of the Code of Law for the District of Columbia.

Very truly yours,

FRANK T. HINES, *Director.*

NEW BUREAU CERTIFICATE SHOWED FENNING RECEIVED $768,474.66

I introduced before the Judiciary Committee a certificate from the United States Veterans' Bureau, certified to by Director Frank T. Hines on May 24, 1926, as being true and correct, which covers pages 23, 24, 25, 26, and 27 of said hearings, which shows that concerning 76 World War veterans said Frederick A. Fenning had received from said bureau $768,474.66 as insurance and compensation due his said wards, and that said Fenning's own fees in said 76 cases amounted to $75,894.48, and that with the exception of $206.38 paid in 1918, $8,278.33 paid in 1919, and $2,399.25 paid on 1926 commissions, all of the balance of said $75,894.48 fees were paid to said Fenning during the six years of 1920, 1921, 1922, 1923, 1924, and 1925. To save space I do not reproduce said certificate here, but will quote from the hearings my statement then made to the committee:

Mr. BLANTON. Gentlemen, this statement embraces 76 World War veterans, gives their names, their "C" numbers, their home addresses, their present address—that is, where they are now incarcerated—and it shows that the following amounts have been paid to Mr. Frederick A. Fenning for them.

Insurance has been paid to Mr. Fenning to the amount of $228,417.80.

Compensation has been paid to Mr. Fenning of $540,056.86, making a total paid to Mr. Fenning for them of $768,474.66.

$119,306.72 ADDITIONAL PAID TO FENNING

I also introduced in evidence before said Judiciary Committee a certificate from said United States Veterans' Bureau, certified to as true and correct by Director Frank T. Hines on May 18, 1926, showing that with reference to 44 World War veterans for whom Fenning had formerly been guardian or committee, and who had died or otherwise been removed from his guardianship, the bureau had paid to said Frederick A. Fenning the sum of $119,306.72, and that said Fenning had been allowed fees and commissions for himself of $13,379.03 in said 44 cases, and such certificate covers pages 33, 34, and 35 of the hearings, and gives the names of the veterans, their case number, and the amounts and fees in each case.

WHILE IN UNIFORM FENNING STILL PRACTICED

I produced from the War Department the following document on file there, at which time Fenning held a swivel-chair commission:

WASHINGTON, D. C., *November 27, 1918.*

Hon. NEWTON D. BAKER,
Secretary of War.

MR. SECRETARY: Now when the acute stage of the war is gloriously passed to a very large part, owing to your own gigantic and infinitely wise exertions, I feel at liberty, and compelled by moral necessity, to make complaint against Frederick A. Fenning, 3317 Newark Street, District of Columbia, a lawyer and at present major, United States Army, in The Adjutant General's Office, for brutal treatment of, and ruffianly threats against my wife, Mrs. Schoenfeld, and my daughter, Miss Margaret H. Schoenfeld, A. B., at the time a censor clerk in the Department of State.

First of all, I beg to state that Mrs. Schoenfeld is the mother of three sons, all in the service of the United States: H. F. Arthur Schoenfeld, secretary of legation in Christiania, Norway, at the time of the outrage chargé d'affaires of the said legation, and officially commended twice for meritorious service by the honorable Secretary of State; R. E. Schoenfeld, vice counsel at Berne, Switzerland, who tried to resign several times to enter upon military service, but was ordered to remain at his post; and Herbert H. Schoenfeld, M. D., who passed all the examinations for the Navy Medical Corps, but was left on hospital duty so far.

Mrs. Schoenfeld is the owner of a house, 3448 Thirty-fourth Place, city, which she leased in September, 1917, at a nominal rent to a Mrs. John S. Hord, a society woman, not a war worker, until September 30, 1918, when her lease expired.

Realizing that it was perhaps difficult for her to find a new house, and her husband having begged grace of our attorney, Judge Latimer, of Clephane & Latimer, to stay for a few days longer, the request was readily granted.

However, my wife and daughter being homeless, I wrote a most respectful request to the tenant to grant my wife and daughter a room or two in the third floor of the very large house until she herself could find a home at her own convenience.

Upon the advice of Judge Latimer, my wife and daughter went to our house Saturday, October 5, after office hours—five days after the expiration of the lease—and requested respectfully the above-mentioned humble accommodations, as they were absolutely homeless and com-

pelled to live in Washington as war workers, sleeping temporarily on a sofa in a hallway, through the kindness of a lady.

The woman tenant treated the owners of the home—which she occupied without lease, and in which she was just renting a room or rooms to a soldier—after the expiration of the lease, never before, with insulting arrogance, and finally called Major Fenning, who entered our home in uniform, blustered, and threatened and shook his fist violently in the ladies' eyes, as only a ruffian or drunken man would do, and told them brutally, with constant fist shaking, "I give you 15 minutes to clear out."

The ladies repeated the advice of their counsel, that they were lawfully in their own house; but Major Fenning again threatened them with arrest, terrorized them, and finally took the woman Hord in his automobile—it was now late at night—alleged to swear out a warrant of arrest against the owners of the house. Meanwhile my wife and daughter were exhausted by the terrorism and fist shaking of the lawyer, who was disgracing the uniform of the United States Army, and they left their own house to return to the hallway to rest. Thereafter my wife was seriously ill for three weeks, and my daughter—being homeless and unnerved—resigned her position at the Department of State, very much against the will of her superiors, to nurse her sick mother at Wildwood, N. J. (Vide CONGRESSIONAL RECORD, pp. 12458–12459, of October 21, statements by Senators SMOOT, WILLIAMS, and OVERMAN.)

I beg to submit to you, Mr. Secretary, this case of brutality, almost thuggery, on the part of Major Fenning. Did the man have a right to enter our home in uniform to brutalise two helpless ladies, the owners, even if called and paid for by an unlawful tenant? Did he have a right to threaten and intimidate and shake his fists in the faces of two defenseless ladies, and finally take the woman in his automobile, alleged to swear out a warrant of arrest against a respectable woman, an American patriot, who has reared her children in a fanatical love for America, and against our daughter, an employee of the United States Government?

I have had the high honor of being presented to you personally in your office by Mr. Scofield; I was an instructor at Johns Hopkins when you took your degree there; I have been a United States consul at Riga, under the revered President Cleveland, and am now instructing officially S. A. T. Corps at George Washington University. The vulgar, brutal treatment of my wife and daughter by an Army officer of rank appears, therefore, so much the more heinous and criminal.

I beg to submit this case for the investigation of the Department of War and beg redress for the infamy.

Very respectfully,

HERMAN SCHOENFELD,
Temporary Address, Cosmos Club.

[SEAL: Official copy, War Department.]

SWORN TESTIMONY OF DR. HERMAN SCHOENFELD

Mr. BLANTON. Doctor, you are a professor in the George Washington University?

Doctor SCHOENFELD. Yes, sir.

Mr. BLANTON. And you have been for how many years?

Doctor SCHOENFELD. Thirty-six years. I was away for a few years as consul of the United States at Riga, Russia, under President Cleveland.

Mr. BLANTON. And you have a son now who is one of the United States diplomatic representatives?

Doctor SCHOENFELD. Two sons.

Mr. BLANTON. Two sons—what positions do they hold?

Doctor SCHOENFELD. One is counselor of the embassy in Mexico, and one is at present in charge of the Russian legation at La Paz, Bolivia.

Mr. BLANTON. During the war, while Mr. Frederick A. Fenning was an officer in uniform, did you see him appear at any time in court as a lawyer for anyone?

Doctor SCHOENFELD. Against me and my wife.

Mr. BLANTON. And a lawyer for somebody else?

Doctor SCHOENFELD. Yes.

Mr. BLANTON. How many times did you see him appear in court?

Doctor SCHOENFELD. Two.

Mr. BLANTON. Two times?

Doctor SCHOENFELD. Two times.

Mr. BLANTON. Was he in uniform when he appeared before the court?

Doctor SCHOENFELD. Yes, sir.

Mr. BLANTON. He was in uniform?

Doctor SCHOENFELD. Yes, sir.

Mr. BLANTON. Did you write that letter? Just look it over, Doctor [handing paper to witness]. That is the letter that you wrote to the Hon. Newton D. Baker, Secretary of War, complaining about the action of Officer Fenning?

Doctor SCHOENFELD. Yes, sir.

Mr. BLANTON. Yes. Now, doctor, in both of those cases that Mr. Fenning appeared in court as counsel for these parties against you, he did not prevail in either one of them, did he?

Doctor SCHOENFELD. No.

Mr. BLANTON. You won both of them against him?

Doctor SCHOENFELD. My wife did; yes, sir.

Mr. BLANTON. Your wife did; and you were with your wife at that time and your daughter.

Doctor SCHOENFELD. Yes, sir.

Mr. BLANTON. Is your wife here?

Doctor SCHOENFELD. Yes, sir.

Mr. BLANTON. And your daughter?

Doctor SCHOENFELD. My daughter is at the University of Pennsylvania. She is research instructor and doing work for the Government in the Wharton School of Industrial Research.

SWORN TESTIMONY OF MISS MARGARET SCHOENFELD

Mr. BLANTON. Miss Schoenfeld, you are the daughter of Doctor Schoenfeld?

Miss SCHOENFELD. Yes.

Mr. BLANTON. Who for years has been a professor in the George Washington University?

Miss SCHOENFELD. Yes.

Mr. BLANTON. During the war, while the war was in progress, your family had let your home for a few months?

Miss SCHOENFELD. For a year.

Mr. BLANTON. And had come back to it and resumed occupancy of it?

Miss SCHOENFELD. Yes.

Mr. BLANTON. That was during the war?

Miss SCHOENFELD. Yes.

Mr. BLANTON. You went to the house—and the lease had expired, had it not; the year's lease had expired?

Miss SCHOENFELD. Yes.

Mr. BLANTON. And you were doing some work for the Government at that time?

Miss SCHOENFELD. I was.

Mr. BLANTON. And under the law which protected parties who were doing Government work in reclaiming their home, where it had been let and where the lease had expired, you went to the house to regain possession of it one evening?

Miss SCHOENFELD. Yes.

Mr. BLANTON. Now, when you asked the lady to let you have the house back, did she or did she not call Mr. Fenning, Mr. Frederick A. Fenning?

Miss SCHOENFELD. She did call Mr. Fenning.

Mr. BLANTON. Is that Mr. Fenning right next to Mr. Hogan?

Miss SCHOENFELD. Yes.

Mr. BLANTON. And he is the one who came over?

Miss SCHOENFELD. Yes.

Mr. BLANTON. What did he say to you about if you did not do something in a certain length of time he would do something to you?

Miss SCHOENFELD. Mr. Fenning stated that if I did not leave in 10 minutes he would swear a warrant out for my arrest.

Mr. HOGAN. Then subsequently you and your mother instituted proceedings as to whether or not the house should be turned over to you?

Miss SCHOENFELD. Yes.

Mr. HOGAN. And after two proceedings the house was given to you?

COMMISSIONS ALLOWED GUARDIANS UNDER LAW

In the District of Columbia the court may allow any per cent up to 10 of income collected during preceding year. Pennsylvania allows 5 per cent of income. New York allows not to exceed 5 per cent. In Massachusetts it is usually from 2½ to 5 per cent. Georgia allows 2½ per cent on receipts and disbursements. Maine allows not exceeding 5 per cent. Texas allows none to guardian of person, but to guardian of estate 5 per cent on gross income, not embracing the estate taken over.

OUR COMMITTEE PASSED CORRECTIVE LAWS

Following our ascertainment that Frederick A. Fenning had secured his appointment as guardian or committee of several hundred wards, and had received commissions several times more than 10 per cent in certain cases, as hereinbefore conclusively shown by said auditor's certificate, our committee had prepared and passed by Congress: (1) A law providing that no guardian shall receive compensation exceeding "a commission of 5 per cent of amounts collected if and when disbursed," which is Public Law No. 598, Sixty-ninth Congress; (2) a law fixing the same compensation for a committee, and providing that nearest relative must be heard, and guardian ad litem must be appointed before committee is selected, which is Public Law No. 597, Sixty-ninth Congress; (3) a law providing that, except for their own children, no person shall be appointed guardian for more than five wards; and (4) a law providing that no person may be appointed committee for more than five non compos mentis persons, which last two laws have been signed by the President but not yet printed.

Inasmuch as my charges Nos. 4, 5, and 20 relate to the same transactions constituting violation of such laws, I will group them together:

Gen. Cary H. Fry	$1,488.02
Maj. Campbell Graham	1,831.66

deal of time on it, and am in position to cooperate with you; and will you be willing, in case the matter is turned over to you, to share the

CHARGE NO. 4

I charge that the said Frederick A. Fenning is guilty of what in every State of the Union is commonly known and denominated as the criminal offense of barratry, and what the common law applicable to the District of Columbia constitutes as barratry, in that he has excited, stirred up, and fomented claims against the Government, and many ex parte lunacy suits in the Supreme Court of the District of Columbia, and in that he has specially solicited individuals to employ him as their attorney to prosecute for them certain claims against various departments of the Government of the United States, and before the Congress of the United States, and before the courts of the United States; and in that he has solicited individuals to employ attorneys with whom he was associated or affiliated to prosecute claims and suits for them wherein he received a division of the fee, and that the said Frederick A. Fenning is and has been a common barrator.

CHARGE NO. 5

I charge that the said Frederick A. Fenning has committed the offense of champerty, and through direct solicitation has induced others to employ him as their attorney in many champertous agreements, wherein they were to be out no expense and not to pay any fee unless he recovered, in which event he was to be paid a part of the amount he recovered, and that the said Frederick A. Fenning is and has been a common champertor.

CHARGE NO. 20

I charge that the said Frederick A. Fenning, without having any acquaintance whatever with her, solicited Mrs. Eudora S. Kelly, of Sharon, Mass., to employ him as her attorney to prosecute a claim of $1,800 against the Government, which he agreed to do without any expense to her whatever, but that after the United States made payment to her he was to receive a portion of the amount paid her, and that when he learned that she had already employed Lyon & Lyon, attorneys, of Washington, D. C., to prosecute this claim for her, said Fenning solicited the help of one Henry P. Fellows and through him finally influenced the said Mrs. Eudora S. Kelly to break her contract and power of attorney with Lyon & Lyon and to discharge them and to employ said Fenning.

BOTH BARRATRY AND CHAMPERTY OFFENSES HERE

I showed the Committee on the Judiciary such laws in force and effect here:

Mr. BLANTON. I call attention, gentlemen, to the laws in force in the District of Columbia. I read from the Code of Law of the District of Columbia, page 2, chapter 1:

"LAWS REMAINING IN FORCE

"SECTION 1. The common law, all British statutes in force in Maryland on the 27th day of February, 1801, the principles of equity and admiralty, all general acts of Congress not locally inapplicable in the District of Columbia, and all acts of Congress by their terms applicable to the District of Columbia and to other places under the jurisdiction of the United States, in force at the date of the passage of this act shall remain in force except in so far as the same are inconsistent with, or are replaced by, some provision of this code."

That merely shows that the old Maryland statutes and the common law are still in force and effect in the District.

Mr. YATES. What are you reading from?

Mr. BLANTON. The Code of Law of the District of Columbia.

Mr. WELLER. What section?

Mr. BLANTON. Section 1, chapter 1, page 2.

Then I call your attention to section 841, which I charge, under a Supreme Court case, Mr. Fenning has violated in several particulars. I want to read this to get it before the committee:

"SEC. 841. Executors and other fiduciaries. Any executor, administrator, guardian, trustee, receiver, collector, or other officer into whose possession money, securities, or other property of the property of the estate of any other person may come by virtue of his office or employment, who shall fraudulently convert or appropriate the same to his own use, shall forfeit all right or claim to any commissions, costs, and charges thereon, and shall be deemed guilty of embezzlement of the entire amount or value of the money or other property so coming into his possession, and converted or appropriated to his own use, and shall be punished by a fine not exceeding $1,000, or by imprisonment not exceeding ten years, or both."

Gentlemen, as to the common law in force in the District of Columbia, I read you a definition of barratry from Bouvier's Law Dictionary, page 222.

"In criminal law. The offense of frequently exciting and stirring up quarrels and suits, either at law or otherwise.

"An indictment for this offense must charge the offender with being a common barrator; and the proof must show at least three instances of offending, etc."

Now, on page 305, Bouvier's Law Dictionary, I read what champerty is as defined in the law:

"Champerty. A bargain with a plaintiff or defendant in a suit, for a portion of the land or other matter sued for, in case of a successful termination of the suit which the champertor undertakes to carry on at his own expense. * * * The offense was indictable at common law."

SWORN TESTIMONY OF HENRY P. FELLOWS

Mr. DYER. What is your full name?

Mr. FELLOWS. Henry P. Fellows.

Mr. BLANTON. You are how old, Mr. Fellows?

Mr. FELLOWS. I am 77.

Mr. BLANTON. Are you an attorney?

Mr. FELLOWS. I am.

Mr. BLANTON. You live in Boston?

Mr. FELLOWS. Yes.

Mr. BLANTON. There is in evidence in this case a letter that Mr. Fenning wrote Mrs. Eudora S. Kelly, whose address was stated as Box 425, Sharon, Mass., on May 12, 1911, in which he says this:

LAW OFFICES OF FREDERICK A. FENNING,
Washington, D. C., May 12, 1911.

MRS. EUDORA S. KELLY,
Box 425, Sharon, Mass.

DEAR MADAM: In connection with a class of claims that I am successfully prosecuting, for balances of pay, more fully described in the inclosed circular, I find that approximately $1,800 appears to be due on account of the services of your husband, Capt. James R. Kelly. I feel confident that I can secure early action in this claim. Accordingly, if the matter is not in the hands of other counsel, I hope you will promptly sign and return the inclosed blank, so that the matter may proceed.

You will note that my fee is entirely contingent, no portion of it to be paid until payment is made to you by the United States.

Yours faithfully,

F. A. FENNING.

And there was sent with the letter this printed circular, showing a lot of cases he had collected.

LAW OFFICES OF FREDERICK A. FENNING,
Washington, D. C.

LONGEVITY PAY DUE ARMY OFFICERS ON ACCOUNT OF SERVICE AS ENLISTED MEN PRIOR TO JUNE 18, 1878

Section 7 of the act of June 18, 1878 (20 Stat. L. 150), provides:

"That on and after the passage of this act all officers of the Army of the United States who have served as officers in the volunteer forces during the War of the Rebellion, or as enlisted men in the armies of the United States, regular or volunteer, shall be, and are hereby, credited with the full time they may have served as such officers and as such enlisted men in computing their service for longevity pay and retirement."

Since June 18, 1878, Army officers who served at any time as enlisted men have been credited with the period of such enlistments in determining length of service as a basis for longevity pay. For service prior to June 18, 1878, either on the active list or the retired list, officers have not been credited with service under enlistments.

As the pay of Army officers increases for each five years of service (act of July 5, 1838, and act of June 15, 1870), the failure to count time of service as enlisted men resulted in substantial short payments to officers who rose from the ranks.

Similar short payments were made officers who had served as cadets at West Point by refusing to recognize cadet service in computing longevity pay, but within the past two years the way has been opened for the adjustment of such claims. I have collected many thousands of dollars for officers and their heirs in claims of this nature, a list of such claims being appended.

Active effort is now being made to secure adjustments for officers who served as enlisted men and their heirs. These efforts are meeting with success, and by proper presentation I believe all such claims will receive just recognition.

The Auditor for the War Department is not authorized by law to reopen a claim in which this question has been adjudicated, even though favorable decisions have been made since such adjudication. In 70 such cases I have been fortunate in securing references by the United States Senate to the Court of Claims.

I advise that the inclosed papers be signed and immediately returned to me.

FREDERICK A. FENNING.

Longevity claims in which I have secured an allowance

Col. Thomas L. Alexander	$2,285.74
Gen. Robert E. Clary	2,852.50
Gen. Sidney Burbank	2,260.75
Gen. Henry F. Clarke	1,878.86
Gen. Darius N. Couch	537.76
Gen. Albemarle Cady	2,219.79
Col. Samuel F. Claflin	1,616.71
Lieut. Paul Dahlgren	96.51
Capt. Davis S. Denison	1,002.13
Capt. Gustavus Dorr	146.20

Mr. BLANTON. And your letter is in evidence too, where you attempted to cancel their power of attorney. State whether or not

owing to the mass of proposed legislation which has precedence over it. It looks as though the matter would have to be taken up anew with the

Gen. Cary H. Fry	$1,488.02
Maj. Campbell Graham	1,831.66
Capt. Erskine Gittings	1,118.18
Gen. Kenner Garrard	1,223.49
Capt. John S. Hatheway	767.66
Capt. George W. Hazzard	1,059.20
Gen. William B. Hazen	963.86
Gen. Erasmus D. Keyes	1,723.64
Col. Richard S. C. Lord	950.00
Maj. Hamilton W. Merrill	1,095.70
Capt. Robert M. McLane	319.40
Capt. Thomas E. Miller	532.56
Col. Edwin W. Morgan	157.53
Gen. William H. Morris	262.08
Gen. Marsena R. Patrick	797.93
Capt. John M. Scott	841.36
Gen. Truman Seymour	1,316.67
Lieut. Edwin H. Sheldon	1,262.88
Capt. William S. Starring	1,402.36
Maj. Henry S. Turner	1,262.88
Lieut. George W. Rose	248.90
Col. Walter McFarland	1,132.82
Capt. Albert L. Magilton	639.00
Gen. Frederick Steele	1,434.29
Capt. George W. Ayers	292.20
Capt. William Eustis	669.20
Gen. John W. Turner	1,137.43
Capt. Arthur B. Lansing	648.80
Col. Thomas Hight	791.79
Col. Thomas J. Treadwell	1,232.71
Gen. Adam J. Slemmer	1,109.66
Lieut. Joseph McElvain	458.00
Gen. John K. Mizner	1,228.59
Gen. Washington L. Elliott	976.49
Gen. Robert Allen	1,914.03
Lieut. William Frazer	358.40
Col. John R. Smead	775.83
Gen. William S. Ketchum	1,840.05
Gen. David Hunter	1,604.06
Gen. Barton S. Alexander	1,951.53
Maj. Edmund A. Ogden	1,021.80
Col. James Duncan Graham	1,948.71

Mr. GORMAN. What do those amounts you read represent?

Mr. BLANTON. They represented so-called longevity pay. In my judgment, by sending out such solicitations for business he has gotten these parties to give him powers of attorney, and he has been able to collect that from the United States Government either through the Court of Claims or bills introduced in Congress.

Mr. GORMAN. Are they matters of litigation?

Mr. BLANTON. He says in this letter:

"I have collected many thousands of dollars for officers and their heirs in claims of this nature, a list of such collections being appended."

Then he says:

"In 70 such cases I have been fortunate in securing references by the United States Senate to the Court of Claims."

BOSTON, MASS., *May 15, 1911.*

FREDERICK A. FENNING, Esq.

DEAR SIR: Mrs. Eudora S. Kelly, of Sharon, Mass., had handed me your letter to her of the date of May 12, with inclosures, in regard to longevity pay due her late husband, Capt. James R. Kelly. I am general counsel for Mrs. Kelly and have presented in her behalf bills for her relief in Congress to this longevity pay for nine years past, and a bill is now pending at the present session, introduced by Mr. Ernest U. Roberts, Congressman from this district, on April 3. Now, the reason I mark my letter above as confidential and ask that it be so treated is this: Several months ago the firm of Lyon & Lyon, of Washington, presented such a blank power of attorney similar to your power to Mrs. Kelly, and, although I was not quite satisfied with their statement concerning the matter, she signed the power and forwarded the same to them. They stated that they could procure immediate payment of the claim without any congressional action, which did not seem to me possible, and I understand that they are now awaiting some decision by some court which will enable them to get the claim audited, but I have never been able to obtain from them any reference to the case or court. Under these circumstances I have advised Mrs. Kelly, who has just left my office, that I think she would be justified in canceling her power to Lyon & Lyon and retaining you if this can be done and you are willing to act in accordance with a suggestion I would make.

I have never met Shepherd & Campbell, of the Victor Building, Washington, but am in correspondence with them, and they know me in that way; and Congressman McCall knows me personally very well.

Very truly yours,

HENRY P. FELLOWS.

BOSTON, MASS., *May 16, 1911.*

FREDERICK A. FENNING, Esq.

DEAR SIR: Your favor of the 17th is duly received. Mrs. Kelly's claim is her longevity pay due her deceased husband. I think you are right about the procedure, and if the court decision should happen to come first I can see no reason why you could not make the adjustment with the auditor.

Now, I said in my other letter that I should like to make a suggestion if you should take the matter up, and it is this: I have had this matter in my office for a dozen or more years, and have spent a good deal of time on it, and am in position to cooperate with you; and will you be willing, in case the matter is turned over to you, to share the stipulated fee with me?

Then also, will it be necessary for me to send Lyon & Lyon a revocation of authority signed by Mrs. Kelly? Or will her signing the authority to you be sufficient—as your letter indicates? In the latter case it would be a matter of courtesy for me—would it not—to write Lyon & Lyon informing them that the authority is withdrawn?

Kindly advise me as to those two matters and I will at once have Mrs. Kelly see me, and I think she will do as I advise her.

Very truly yours,

H. P. FELLOWS.

LAW OFFICES OF FREDERICK A. FENNING AND BRAINARD W. PARKER,
Washington, D. C., May 19, 1911.

HENRY P. FELLOWS, Esq.,
Boston, Mass.

DEAR SIR: I am in receipt of your favor of the 18th instant. If the claim of Mrs. Kelly is placed in my hands as suggested in your letter, I shall be very glad to make the usual arrangement in such cases, viz, pay you one-third of the 20 per cent contingent fee as associate counsel. I shall be very glad to take up this matter immediately upon hearing from you.

Of course, you must arrange by correspondence, or otherwise, to withdraw the case from other counsel.

Yours faithfully,

F. A. FENNING.

LAW OFFICES OF FREDERICK A. FENNING AND BRAINARD W. PARKER,
Washington, D. C., May 22, 1911.

H. P. FELLOWS, Esq.,
Boston, Mass.

DEAR SIR: I have you letter of the 20th instant, and am willing, in view of the statements therein set forth, to agree to an equal division of the 20 per cent contingent fee in the Kelly case, if the same is placed in my hands through your office.

Thank you very much for your comment on the pamphlet I sent you. I have read your remarks with a great deal of interest.

Yours faithfully,

F. A. FENNING.

WASHINGTON, D. C., *May 24, 1911.*

HENRY P. FELLOWS, Esq.,
43 Tremont Street, Boston, Mass.

DEAR SIR: We are in receipt of your letter of the 23d instant, with inclosures, relative to the claim for longevity pay and allowances due on account of the services of James R. Kelly and, to say the least, we are very much surprised at its contents.

Out of the number of hundreds of cases we have, this is the only case that we can call to our mind in which the claimant desires to cancel authority given us, especially in view of the amount of work that has already been done in this case.

We deem it proper to inform you that from our experience it is very difficult for one who is to obtain a special act of Congress authorizing and directing the payment of longevity pay in any one or a special case, because any legislation had on the subject, if necessary, will be for the relief of all the claimants that we and other firms represented.

We do not believe that congressional action will be necessary, because if the test case now pending in the court is decided in favor of the claimants, it will enable us to obtain the favorable and early consideration of the Kelly and other like cases without obtaining a remedial act of Congress.

We hope that Mrs. Kelly will change her attitude toward us in this matter, and permit us to continue to give this case our prompt and careful attention.

Hoping to receive a favorable reply from you on this subject, we are,

Yours very truly,

LYON & LYON.

Mr. FELLOWS (examining papers). Yes, sir.

Mr. BLANTON. You received those in due course of mail?

Mr. FELLOWS. Yes.

Mr. BLANTON (reading):

(Letter Fenning wrote May 19, 1911)

That was dated May 19, 1911.

Now, there is a letter that is in evidence, addressed to Henry P. Fellows—yourself, by Lyon & Lyon, dated the 24th of May [handing paper to witness]?

Mr. FELLOWS (examining paper). Yes.

Mr. BLANTON. Showing that you had written them on the 23d?

Mr. FELLOWS. Yes.

Mrs. LEE. Yes; he was.

Mr. BLANTON. When Roley Lee entered the service and went to France, what was the condition of his health?

guardian of Roley Lee, as appears of record in the circuit court clerk's office, recorded in common law order book No. 6, page 128.

"Given under my hand this 3d day of July, 1923.

Mr. BLANTON. And your letter is in evidence too, where you attempted to cancel their power of attorney. State whether or not this letter caused you to do that—whether the letter I have just read caused you to cancel the power of attorney that Lyons & Lyons had [handing paper to witness].

Mr. FELLOWS (examining paper). I did arrange in that way, yes; so as to have Lyon & Lyon withdrawn.

Mr. BLANTON. Yes; he said in this letter of May 19, "Of course you must arrange by correspondence, or otherwise, to withdraw the case from other counsel," you then wrote the letter to Lyon & Lyon, withdrawing it from them?

Mr. FELLOWS. Yes.

Mr. BOWLING. Who had the power of attorney at this time that you mentioned?

Mr. BLANTON. Lyon & Lyon.

Mr. FELLOWS. Lyon & Lyon.

Mr. BLANTON. Attorneys here in Washington.

The correspondence which has been already introduced shows that you mailed to Mr. Fenning a power of attorney for Mrs. Kelly.

Mr. FELLOWS. Yes.

Mr. BLANTON. Authorizing him to act for her?

Mr. FELLOWS. Yes.

Mr. BLANTON. The last letter that has been introduced in evidence before the committee was this one dated April 11, 1924, addressed to you by Mr. Fenning, acknowledging receipt of yours of that same month to him. That is the last one that has been introduced in evidence [handing paper to witness].

Mr. FELLOWS (examining paper). Yes.

Mr. BLANTON. Now, after that, state whether or not you wrote other letters to Mr. Fenning, and whether or not you got a reply to them.

Mr. FELLOWS. I wrote two or three times to Mr. Fenning subsequently to that, and I did not receive any reply.

Mr. BLANTON. You did not receive any reply?

Mr. FELLOWS. No.

Mr. BLANTON. Has he ever made any final report to you?

Mr. FELLOWS. He has not.

Mr. BLANTON. Has he ever stated whether he has collected anything or not?

Mr. FELLOWS. He has not.

Mr. BLANTON. And up to this time do you know whether or not he has collected anything?

Mr. FELLOWS. I do not.

Mr. BLANTON. And then the matter is still pending?

Mr. FELLOWS. So far as I know; yes.

Mr. BLANTON. That is all—wait a minute. Up to the time that Mr. Fenning wrote these first letters in 1911 to you and Mrs. Kelly—up to that time had you or Mrs. Kelly ever met Mr. Fenning?

Mr. FELLOWS. No; we never had.

Mr. BLANTON. Did you know anything about him up to that time?

Mr. FELLOWS. No.

The following are a few of the many letters Fenning wrote in this case, showing that he was initiating and working up claims against the Government:

JUNE 9, 1911.

HENRY P. FELLOWS, Esq.,
43 Tremont Street, Boston, Mass.

DEAR SIR: I have received your two letters of the 8th instant and also the petition executed by Mrs. Kelly.

I am taking up this matter with the Committee on War Claims of the House of Representatives and hope to be able to give you definite information by the middle of next week.

Yours faithfully,

F. A. FENNING.

DECEMBER 7, 1911.

HENRY P. FELLOWS, Esq.,
43 Tremont Street, Boston, Mass.

DEAR SIR: I have your letter of December 4 in regard to Mrs. Kelly's claim for differences of longevity pay. By the rules adopted at the extra session of Congress it was impossible to have the claim referred to the Court of Claims, but I am taking the matter up and expect to have it referred at the present (regular) session.

I shall advise you of developments.

Yours faithfully,

F. A. FENNING.

FEBRUARY 23, 1915.

HENRY P. FELLOWS, Esq.,
43 Tremont Street, Boston, Mass.

DEAR MR. FELLOWS: Your letter of February 20, inquiring as to the status of longevity pay claims, was duly received. A bill providing for the payment of this class of claims is pending in the Senate, but I have almost given up hope of its passage at this session of Congress owing to the mass of proposed legislation which has precedence over it. It looks as though the matter would have to be taken up anew with the next Congress.

Yours very truly,

F. A. FENNING.

FEBRUARY 7, 1916.

HENRY P. FELLOWS, Esq.,
Barristers' Hall, Boston, Mass.

DEAR MR. FELLOWS: I have yours of the 5th instant, and it may be that a little later it will be desirable to call upon Senator Weeks, at which time I shall be glad to do it with the letter you have forwarded to me. Meanwhile, let me say that I have had a letter from Senator Weeks, in which he says he will keep this matter in mind, and I feel certain that we can be assured of his cooperation.

Yours very truly,

F. A. FENNING.

APRIL 11, 1924.

HENRY P. FELLOWS, Esq.,
40 Court Street, Boston, Mass.

DEAR MR. FELLOWS: I have just received your letter of April 10, 1924. H. R. 703, providing for the payment of longevity claims, was introduced in the House December 5, 1923, and favorably reported by the Committee on Judiciary January 18, 1924. Congress has been paying so much attention to other things that this meritorious bill has not yet received consideration. I am doing all that I can to secure its passage, and I am very hopeful that the way will be clear for the payment of these claims during the session of the present Congress.

With best wishes, I am, yours very truly,

F. A. FENNING.

FENNING AT FIRST DENIED

Before Frederick A. Fenning knew that I was in possession of the foregoing correspondence, just after he had made his defensive statement before our Gibson committee, I asked him about that circular he had been sending out showing how many claims he had collected, and the following occurred:

Mr. BLANTON. Did you write to Mrs. Kelly, of Massachusetts, and send her one of those circulars and ask her to employ you in her case?

Mr. FENNING. I presume that one of those circulars got to Mrs. Kelly.

Mr. BLANTON. Did you write a letter and send one to her?

Mr. FENNING. Did I write a letter and send one to her?

Mr. BLANTON. Did you send one to her and ask her to employ you?

Mr. FENNING. I don't know.

Mr. BLANTON. Will you say you did not?

Mr. FENNING. I answer, I don't know.

Mr. BLANTON. Isn't it a fact that you kept that up from the time you first wrote her until 1924?

Mr. FENNING. You ask me if I wrote her a letter?

Mr. BLANTON. Yes.

Mr. FENNING. Originally—I say I do not remember. I do say that she placed a case in my hands to be taken care of.

Mr. BLANTON. Look at this letterhead and this writing and this signature and say whether or not that is your letterhead and your signature [handing a paper to the witness]. Is it or is it not?

Mr. FENNING. I want to call your attention to that clause "if the matter is not in the hands of other counsel." The contention is made in charge 20 that I influenced her to break her contract and power of attorney with somebody else.

Mr. BLANTON. That is what I am going to show by your correspondence right now.

"I hope you will promptly sign and return the inclosed blank."

That was a power of attorney, wasn't it?

Mr. FENNING. I persume it was a power of attorney and a contingent fee agreement.

By inspecting the foregoing correspondence you will note that without knowing Mrs. Kelly or her Boston attorney, Mr. Fellows, Fenning wrote to her seeking employment, and when he found out that she already had Lyon & Lyon representing her case in Washington, he induced Fellows to discharge them and to hire him on a contingent fee, agreeing to share such fee with Fellows.

WITHOUT KNOWING MRS. LEE, INDUCED HER TO MAKE HIM GUARDIAN OF HER SON AND THEN EMPLOY HIS OFFICE PARTNER, ROGERS, IN RAILROAD CASE

Mrs. Eliza Lee, under oath, testified before the Judiciary Committee:

The witness was duly sworn by the chairman of the subcommittee.

Mr. BLANTON. What is your name?

Mrs. LEE. Eliza Lee.

Mr. BLANTON. Mrs. Lee, you are the mother of Roley Lee, who is now at St. Elisabeths Asylum?

Mrs. LEE. Yes, sir.

Mr. BLANTON. State whether or not Roley Lee was in France during the World War, in service.

Mr. BLANTON. State whether or not you took care of his clothes and mended them.

Mr. BLANTON. But he told you to come to his office and see Mr. Rogers the next morning?

Mrs. LEE. Yes; he was.

Mr. BLANTON. When Roley Lee entered the service and went to France, what was the condition of his health?

Mrs. LEE. He had good health.

Mr. BLANTON. Was he active, strong, and robust, or was he sick?

Mrs. LEE. He never was sick none.

Mr. BLANTON. When he came home, when you first saw him after he came home, what was his condition and where was he?

Mrs. LEE. I went to Camp Lee to see him, and he was shell shocked.

Mr. BLANTON. Was he injured in any other way?

Mrs. LEE. He was gassed.

Mr. BLANTON. With regard to having a shrapnel wound in his hip, state whether or not he did have such a wound.

Mrs. LEE. Yes, sir; a great big place on his left side.

Mr. BLANTON. Did you have any other boys in the war?

Mrs. LEE. I had two.

Mr. BLANTON. You had three boys altogether?

Mrs. LEE. I had three boys altogether.

Mr. BLANTON. Mrs. Lee, after you saw him over here where he could not get about, state whether or not he disappeared and you did not know where he was.

Mrs. LEE. He got a furlough to come from Camp Lee and stayed at home 30 days, and went around to see his neighbors and kinfolk. Then he went back to Camp Lee and stayed until he got his discharge. Then he came home and stayed about a month. Then he went to Baltimore to school. He wrote me letters often backward and forward, and maybe in about two months, as well as I remember, his letters stopped and I never heard from the boy for two years.

Mr. BLANTON. You did not know what had become of him?

Mrs. LEE. I did not know what had become of him.

Mr. BLANTON. Up to that time did you know Mr. Frederick A. Fenning?

Mrs. LEE. I did not.

Mr. BLANTON. Had you ever seen him?

Mrs. LEE. No, sir.

Mr. BLANTON. If any papers ever came to Grundy, Va., for you to sign, state what they were and whether or not you signed them.

Mrs. LEE. In 1922, as well as I remember, he sent some papers to Mr. Percy Lenden (?) for me to sign, for him to be my son's guardian.

Mr. BLANTON. For him to be your son's guardian?

Mrs. LEE. Yes, sir.

Mr. BLANTON. Up to that time had you asked him to act as guardian for your son?

Mrs. LEE. I had not.

Mr. BLANTON. Did you know him up to that time?

Mrs. LEE. No.

Mr. BLANTON. What representations, if any, were made with regard to your signing the paper, and your being allowed to see your boy and getting compensation, if you would sign the papers?

Mrs. LEE. Percy said Mr. Fenning said if I would sign the papers I would get $250 back money, and I wanted to come and see my son.

Mr. BLANTON. Did you want to see your son?

Mrs. LEE. Yes, sir.

Mr. BLANTON. Did you believe you could see your son if you would sign the papers?

Mrs. LEE. Yes, sir.

Mr. BLANTON. Did you sign the papers?

Mrs. LEE. Yes; I did.

Mr. BLANTON. Mrs. Lee, I show you the auditor's report that has been put in evidence that on March 7, 1922, Mr. Fenning was allowed $134.95, and also $188 commission on your son's estate; that on February 23, 1923, he was allowed a commission of $204.22; that on February 14, 1924, he was allowed commission of $204.25; that on March 17, 1925, he was allowed commission of $210.81. If you had known that he would be allowed those sums of money out of your son's estate, would you have signed that paper?

Mrs. LEE. No. If I had known what I knowed after I come here and seen him, I would not have signed it at all.

Mr. BLANTON. Here is a certificate of guardianship and committee issued to you. I will read it:

"CERTIFICATE OF GUARDIANSHIP AND COMMITTEE

"Virginia: At a circuit court held and continued for Buchanan County, at the courthouse thereof, on Monday, April 24, 1922:

"Present: Hon. William E. Burns, judge presiding.

"On motion, Eliza Lee was appointed guardian and committee for her son, Roley Lee, an insane person, and thereupon the said Eliza Lee entered into bond in the sum of $5,000 with J. H. Stinson and S. R. Hurley as her sureties.

"VIRGINIA, *Buchanan County, to wit:*

"I, Moscoe Belcher, deputy for S. R. Hurley, clerk of the circuit court of the county and State aforesaid, certify that the foregoing writing is a correct copy of an order of court appointing Eliza Lee guardian of Roley Lee, as appears of record in the circuit court clerk's office, recorded in common law order book No. 6, page 128.

"Given under my hand this 3d day of July, 1923.

"[NOTARIAL SEAL.] MOSCOE BELCHER,

"Deputy Clerk, Buchanan County, Va."

Mrs. LEE. That is right.

Mr. BLANTON. Here is a communication from S. R. Hurley, clerk of the circuit court of Buchanan County, Va. It is addressed to the Department of Interior, St. Elizabeths Hospital, Washington, D. C. This letter is dated July 4, 1923, and reads as follows:

"GENTLEMEN: Mrs. Eliza Lee, the mother of Rolly Lee, is very anxious to bring her son, Rolly Lee, home to Grundy, Va., and care for him here. We have three good physicians here in town, and the boy can get medical aid here and the care of his mother.

"If the department could let this boy come home with his mother, I believe that it would be of more benefit and do him more good to get back home in the mountains than all the medical aid that could be administered to him.

"Mrs. Eliza Lee has also qualified as guardian for this boy, and she is able to care for him if he could be released on a vacation or furlough.

"Respectfully yours,

"S. R. HURLEY,

"Clerk, Circuit Court, Buchanan County, Va."

Here is a letter dated August 31, 1922, from Mr. Fenning to Hon. C. B. Slemp, House of Representatives, Washington, D. C., reading as follows:

"DEAR MR. SLEMP: I have your letter of August 30, 1922, inclosing certificate from the deputy clerk of the circuit court of Buchanan County, Va., showing the appointment of Eliza Lee as committee of Riley Lee. I presume that this refers to my ward Roley Lee.

"Our court has held that it would not direct a committee appointed in this jurisdiction to turn over the estate of an incompetent to a committee appointed elsewhere unless the ward was removed to the jurisdiction in which the other fiduciary was appointed. Roley Lee still remains a patient under treatment at St. Elizabeths Hospital. If he should be removed to the State of Virginia, please let me know and I will take up the matter with our court without delay.

"Yours very truly,

"F. A. FENNING."

That letter shows that on August 31, 1922, Frederick Fenning had notice from Congressman Slemp and the Buchanan County court of Virginia that Mrs. Eliza Lee had duly qualified as guardian and committee of her shell-shocked, wounded, gassed son, and was frantic to get him back home with her, and was imploring Fenning to turn him loose. And Fenning knew when he wrote that letter to Slemp that he had control of the doctors in St. Elizabeths, and that Roley Lee would not be sent away from St. Elizabeths. And Fenning forced this poor mother to leave her home in Virginia and move to Washington on enormous expenses that had to be paid out of Roley's estate, so she could be near her son and care for him, and Fenning held on to him and exploited his estate from 1922 until May 8, 1926, when I went before the Supreme Court and got Chief Justice McCoy to issue an order directing Fenning to turn Roley Lee and his property back to his mother.

Mr. BLANTON. Did you want to take him home?

Mrs. LEE. Yes, indeed.

Mr. BLANTON. How long have you been living in Washington?

Mrs. LEE. Ever since 1924. But listen. I visited up here in 1922 and 1923.

Mr. BLANTON. And he paid the expenses?

Mrs. LEE. Yes, sir.

Mr. BLANTON. Mr. Fenning did?

Mrs. LEE. Yes, sir.

Mr. BLANTON. That came out of your son's estate?

Mrs. LEE. Yes, sir.

Mr. BLANTON. You came here in 1924 and stayed to look after your boy, did you?

Mrs. LEE. My boy was pretty near dead when I came here.

Mr. BLANTON. State what you did for him.

Mrs. LEE. I done so much I don't believe I could tell it all.

Mr. BLANTON. Have they ever since 1924 let you take him out?

Mrs. LEE. Yes, sir. Last summer I taken him out all summer and all winter, up to my room.

Mr. BLANTON. What time would you leave with him in the morning?

Mrs. LEE. Sometimes about 9 o'clock.

Mr. BLANTON. What time would you take him back?

Mrs. LEE. About 20 minutes before 7.

Mr. BLANTON. From 9 o'clock in the morning until 20 minutes before 7 in the evening you would keep him?

Mrs. LEE. Yes, sir; I would keep him all day long.

Mr. BLANTON. State whether or not you cooked for him.

Mrs. LEE. I would give him his meals.

Mr. BLANTON. State whether or not you took care of his clothes and mended them.

Mrs. LEE. I washed his clothes and had them pressed and done all that was done for him, except his breakfast and bed.

Mr. BLANTON. State whether or not you entertained him and showed him around.

Mrs. LEE. I have taken him out street-car riding, and down to Mr. Fenning's office about twice or three times, but I never seen Mr. Fenning.

Mr. BLANTON. Whom would you see in the office?

Mrs. LEE. The stenographer in the office.

Mr. BLANTON. State whether or not you brought him to my office many times.

Mrs. LEE. I brought him to your office, I think, about three or four times, as well as I can remember.

Mr. BLANTON. Have you not brought him more than that?

Mrs. LEE. I expect I have, but after I brought him down there they would not let me take him outside any more.

Mr. BLANTON. Before they knew you were bringing him, did you bring him there a good many times?

Mrs. LEE. Yes, sir.

Mr. BLANTON. State whether or not Roley Lee minds everything you tell him.

Mrs. LEE. He minds me just like a baby.

Mr. BLANTON. To give the committee an idea, and an incident, I want to ask you this: State whether or not you brought him to my office one morning, and when he saw a lot of people there he would not come in, and you told him to stand at the window on the third floor of this hallway, and you came in and stayed quite a long time, and when you went out, state whether or not he was standing by the window where you left him.

Mrs. LEE. I told him to stand there until I got the papers fixed up to take him out. I said, "Son, stay right there until I come out."

Mr. BLANTON. Did he stay there?

Mrs. LEE. He stayed right there. He never moved.

Mr. BLANTON. About how long were you in that office fixing up those papers?

Mrs. LEE. I expect I was in there about an hour and a half.

Mr. BLANTON. And when you came out he was still standing right where you left him, at that window on the third floor of this building?

Mrs. LEE. Yes, sir.

Mr. BLANTON. Right outside my office?

Mrs. LEE. Yes, sir.

Mr. BLANTON. Can you manage him and handle him?

Mrs. LEE. Yes; indeed. He minds me good.

Mr. BLANTON. Is it expensive or not for you to stay here in Washington?

Mrs. LEE. Of course it is.

Mr. BLANTON. Has it been expensive for you to stay here since 1924 to look after him?

Mrs. LEE. Yes, sir.

Mr. BLANTON. State whether or not you own your own home in Grundy.

Mrs. LEE. I own a home in Grundy, Va.

Mr. BLANTON. If you had him at your home in Grundy, state whether or not you could save the expense of living here and looking after him.

Mrs. LEE. Yes, sir.

Mr. BLANTON. State whether or not these funds that Mr. Fenning has drawn since 1922, up to the time you became guardian yourself, of $134.95, $188, $204.22, $204.25, and $210.81, had been paid to you instead of Mr. Fenning it would have meant much to you.

Mrs. LEE. Yes, sir.

Mr. BLANTON. Would it or not have meant much to you?

Mrs. LEE. It would have meant lots to me.

Mr. BLANTON. I think this is very pertinent testimony.

Mr. HOGAN. I am making no objection.

BUSINESS FOR FENNING & ROGERS, ATTORNEYS

Mr. BLANTON. I want to ask you one or two further questions. Mrs. Lee, did you ever get hurt on a street car?

Mrs. LEE. On the 16th of January I got hurt.

Mr. BLANTON. State whether or not you ever mentioned that to Mr. Fenning. Just tell all about it.

Mrs. LEE. Mr. Fenning come to the ward in St. Elizabeths and he spoke to me and says, "Roley looks fine." I said, "Yes." I spoke to Mr. Fenning and told him I got hurt on the street car. I said one or two words, and he said, "You come to my office to-morrow and I will tell Mr. Rogers."

Mr. BLANTON. Had you up to that time said anything about seeing a lawyer?

Mrs. LEE. No, sir.

Mr. BLANTON. He told you to come to his office and see Mr. Rogers?

Mrs. LEE. Yes, sir. I didn't think of getting anything out of it.

Mr. BLANTON. You didn't think of getting anything out of it?

Mrs. LEE. No, sir.

Mr. BLANTON. But he told you to come to his office and see Mr. Rogers the next morning?

Mrs. LEE. Yes, sir.

Mr. BLANTON. Did you go down there?

Mrs. LEE. Yes, sir.

Mr. BLANTON. Whom did you see?

Mrs. LEE. I saw a stenographer, and I saw Mr. Rogers.

Mr. BLANTON. You can step right from where the stenographer is into Mr. Rogers's room?

Mrs. LEE. Yes, sir.

Mr. BLANTON. Did you go to see Mr. Rogers?

Mrs. LEE. Yes, sir.

Mr. BLANTON. Tell what you told Mr. Rogers with regard to your agreeing to pay him anything and about what had happened.

Mrs. LEE. I told Mr. Rogers if he didn't win anything I couldn't pay him.

Mr. BLANTON. If he didn't win something for you, you could not pay him?

Mrs. LEE. Yes, sir.

Mr. BLANTON. That he would have to recover before you could pay him anything?

Mrs. LEE. Yes, sir.

Mr. BLANTON. Now, Mrs. Lee, after this investigation began state whether or not you received this letter in April from Mr. Rogers.

Mrs. LEE. Yes, sir; I received that letter. I received that letter the 17th of April.

Mr. BLANTON. It is addressed to Mrs. Eliza Lee, 2739 Nichols Avenue SE., Washington, D. C.

Mrs. LEE. Yes, sir.

Mr. BLANTON. The letterhead is "Law Office, Paul V. Rogers, Evans Building, Washington, D. C." It is dated April 17, 1926, and reads as follows:

"DEAR MR. LEE: I have been advised that you have made certain statements to Mr. BLANTON relative to the claim which I am handling for you against the Washington Railway & Electric Co., which are prejudicial not only to me but to Mr. Fenning. I had received from the railway company a proposition of settlement, but in view of your actions I do not care to represent you further in the matter. You advised me the other day that in your opinion you were entitled to $1,000, and I doubt that the company will consider paying this amount, unless predicated upon a judgment. Under the circumstances my suggestion is that you employ other counsel in the matter.

"Yours truly,

"PAUL V. ROGERS."

Mrs. Lee, after you received that letter state whether or not I went with you to see the railway company.

Mrs. LEE. You did.

Mr. BLANTON. State whether or not they settled the case with you without any lawyer and paid you——

Mr. HOGAN (interposing). I would like to know what this has to do with Mr. Fenning. If Mr. BLANTON wants the record to show that out of the goodness of his heart he helped this lady, that is another thing.

Mr. BLANTON. I have.

Mr. HOGAN. If he wants to do that, I think he should get on the floor of the House and state it. I would not suggest that Mr. BLANTON was practicing law.

Mr. BLANTON. Yes. But I did it as your friend, did I not, Mrs. Lee?

Mrs. LEE. Yes, sir.

Mr. HOGAN. I submit that these nice things Mr. BLANTON does might be very interesting to his constituents, but what has it to do with the Fenning case?

WHAT IT HAD TO DO WITH FENNING

It had just this connection with Fenning: When he learned that a street car had run against and knocked Mrs. Lee down and injured her he sent her to his office and had her employ his office man, Rogers, with their 50-50 arrangement on fees concerning business Fenning brought him; but when Fenning found out that I was charging him with barratry and champerty he had Rogers turn her case back to her, indicating to her that she would lose everything now. I took this poor woman to the railroad officials and got them to settle her case, and give her a check for her damages, without it costing her one penny. And I have thus helped other poor widows here.

Mr. BLANTON. I think it will be interesting, but I will not pursue it any further.

Mrs. Lee, did you sign a petition last Saturday a week ago to Judge McCoy asking him to release your boy from St. Elizabeths and from Mr. Fenning?

Mrs. LEE. Yes, sir.

Mr. BLANTON. And he did release him?

Mrs. LEE. Yes, sir.

Mr. HOGAN. If Mr. BLANTON is going to testify, why should he not be sworn and I given opportunity to cross-examine him?

Mr. DYER. He is asking a question.

Mr. BLANTON. I will read the following order from the chief justice of the Supreme Court of the District of Columbia:

"In the Supreme Court of the District of Columbia, holding an equity court. In re Roly Lee, lunatic. Lunacy No. 8780.

"The petition of Eliza Lee, joined by the petition of the Director of the United States Veterans' Bureau, disclosing to the court that said Roly Lee is a legal resident of Buchanan County, State of Virginia; that his mother, Mrs. Eliza Lee, has duly qualified in the probate court of said county and State as his legal guardian and committee and is entitled to his custody; that said Roly Lee is a World War veteran and under the care of the United States Veterans' Bureau, which caused him to be placed in St. Elizabeths Hospital, and that it is the desire of said bureau that said ward be turned over to his mother and legal guardian and committee, and the consent of the present committee having been given and filed, it is therefore

"*Ordered*, That the superintendent of St. Elizabeths Hospital be, and he is hereby, directed to turn over and deliver the said Roly Lee into the care and custody of his said mother, Mrs. Eliza Lee, who, under the direction of said Director of the United States Veterans' Bureau, is authorized to remove him from the jurisdiction of this court.

"2. That the circuit court of Buchanan County, Va., be notified of this transfer to its jurisdiction and of the responsibility of Mrs. Eliza Lee's bond to it attaching, and to which court she will hereafter make due accounting; that Frederick A. Fenning, committee of said Roly Lee under this court, be, and he is hereby, directed forthwith to file his final account and, upon approval thereof, to turn over to said Mrs. Eliza Lee, and accept her receipt for same, all of the estate of said Roly Lee in his hands and for which he is lawfully responsible; that hereafter the United States Veterans' Bureau is authorized and directed to pay all amounts due under this case to the said Mrs. Eliza Lee, as guardian and committee of the said Roly Lee under the jurisdiction and control of said circuit court of Buchanan County, Va."

This is executed May 8, 1926, by Walter I. McCoy, chief justice, Supreme Court, District of Columbia, and there is a certification here by the clerk of the court that this is a true and correct copy of the order on file in that court.

Now, Mrs. Lee, since this court here has ordered your son turned over to you on May 8, 1926, why are you still here in Washington?

Mr. HERSEY. That was the 26th of May.

Mr. BLANTON. That is May 8, 1926, and this is the 27th.

Mr. DYER. There is no dispute but what the order was made and there is no dispute but what the property has not been turned over to the witness; is that true?

Mr. BLANTON. If this account had been settled, Mrs. Lee——

Mr. HOGAN. Did you ask me a question, Mr. Chairman?

Mr. DYER. No; I made this statement for the record—I thought it might shorten it. I do not want to interfere with counsel, of course, or with Mr. BLANTON'S method; but I took it from the copy of the order which Mr. BLANTON read and from the answer the witness had made, that the court had ordered the property of her son turned over to her and that it had not been turned over.

Mr. BLANTON. And the gentleman here knows it has not and if she could get the property this evening, she could leave to-night.

Mr. HOGAN. No; it has not.

Mr. DYER. That is why I asked the question, to shorten the inquiry. The committee can draw the proper inference.

Mr. BLANTON. Mrs. Lee, is there anything that keeps you here in Washington to-day, other than the fact you have not gotten the estate that belongs to your son?

Mrs. LEE. That is what I am waiting for.

And it was July 14, 1926, before Fenning made settlement with Mrs. Lee and turned over to her the $5,261.71 he had left of her son's money. And he paid back to her the $29.67 commissions he had unlawfully taken out of Roly Lee's estate on bond premiums. And now for nearly a year Roly Lee has been at home with his mother in the mountains of Virginia in Grundy, and is happy and slowly regaining his health. He would have died had Fenning been allowed to keep him locked up in St. Elizabeths Insane Asylum.

CHARGES NOS. 6, 7, AND 8 GROUPED

As charges 6, 7, and 8 are interrelated, I will group them.

CHARGE NO. 6

I charge that continuously during the past 23 years the said Frederick A. Fenning has wrongfully conspired and confederated with Dr. William A. White, superintendent of St. Elizabeths Hospital, an institution of the United States Government, in an improper agreement and practice whereby the said Frederick A. Fenning was given an improper, selfish, monopolistic inside concession not allowed to other attorneys, wherein he was permitted to personally examine all records, correspondence, and papers relating to inmates of such institution, and thereby ascertain which of said wards of this Government had money, property, or compensation or pension claims against the Government of the United States, a privilege denied to other attorneys; and whereby the said Frederick A. Fenning would act as attorney for the said Doctor White or would have his law partner act as such attorney for said Doctor White in filing in the Supreme Court of the District of Columbia said Doctor White's petition praying that a certain inmate, found to possess money or property or to have a claim against the Government, be adjudged of unsound mind, and praying that a committee be appointed by the court to take charge of such estate and prosecute such claim against the Government, and in which petition said Fenning would have the said Doctor White recommend the said Frederick A. Fenning as the committee to be appointed, and I charge that in pursuance of said wrongful conspiracy and improper practice the said Frederick A. Fenning induced the said Doctor White to execute over 200 such petitions which said Fenning filed in the said Supreme Court of the District of Columbia, wherein said Fenning was recommended for committee, and in which cases the court appointed said Fenning as committee or guardian, and as such said Fenning came into possession of the money and property and income of his said ward and prosecuted said ward's claims against the Government of the United States, and out of which estate and annual income the said Frederick A. Fenning has received annually a large per cent.

CHARGE NO. 7

I charge that the said Frederick A. Fenning, about 23 years ago, wrongfully and improperly solicited the Justice of the Supreme Court of the District of Columbia then having charge of lunacy cases, to appoint him guardian or committee in all lunacy cases, and that said Fenning was then told by said justice that he would not appoint as committee or guardian any person except the one recommended in the petition, and that then and continuously since then the said Frederick A. Fenning has wrongfully and improperly solicited all persons who might file such petitions to name him therein as committee or guardian, and he has written many persons whom he had never seen or known, urging that they grant him permission to file such petitions for them, with himself named therein as the one recommended for appointment as guardian or committee.

CHARGE NO. 8

I charge that the said Frederick A. Fenning has admitted under oath that about 23 years ago he caused to be originated the unlawful and improper practice of paying out of the estate of the person adjudged to be of unsound mind a fee of $10 to each doctor employed in St. Elizabeths Hospital who signed one of the two required affidavits certifying that he deemed such person of unsound mind, notwithstanding the fact that the law requires all of said doctors employed in St. Elizabeths Hospital to give all of their time to St. Elizabeths Hospital, and said Fenning testified under oath that when about 23 years ago he asked the presiding justice to allow such fees to said doctors, that the said justice of the court asked him to look up whether there was any law allowing it, and that after two weeks' search he could find none, whereupon, although there was no authority for same, the court entered an order allowing it, and that such a fee has been unlawfully and wrongfully paid to said doctors ever since, and I charge that said Frederick A. Fenning thus caused a wrongful and unlawful system to be inaugurated and followed continuously for 23 years, which squanders in unwarranted costs the estates of his wards, and I charge that said Frederick A. Fenning thus used his ward's money to buy favors from and to ingratiate himself into the good graces of all the doctors in St. Elizabeths Hospital, whom he expected to use in his business, and I charge that continuously for the past 23 years the said Frederick A. Fenning has thus paid a fee of $10 wrongfully to a doctor in St. Elizabeths Hospital, and has also paid a second fee of $10, wrongfully, either to his brother-in-law, Dr. J. Ramsay Nevitt, who during all such time has been coroner of said District, or to some other friendly doctor in the District of Columbia, and this, too, when the said Fenning knew that under the law and practice in the Supreme Court of the District of Columbia he was entitled to have doctors give their testimony in insanity cases for $1.25 per day.

FENNING'S SWORN TESTIMONY, 20 YEARS AGO

When Doctor White was being investigated in 1906, 20 years ago, Frederick A. Fenning then testified under oath. From these old printed hearings of 1906, dug up out of the basement of the Capitol, I quote:

Mr. FENNING. When I was at the United States pension agency, in the Government service, I had charge for a good many years of the payments of pensions to fiduciaries. All of the payments to guardians, committees, or conservators have been through me.

It seemed to me there was a field here for a man to act as what might be called a quasi public guardian.

Within two months after I resigned from the Government service and took that up, business of that nature began to come in; and I have been appointed and I am now committee of, I think, about 65 lunatics and 1 habitual drunkard and guardian of about 7 minor children.

When I took that matter up with some of the judges of the courts, as I did in the first instance, and told them what I was ready to do,

Mr. Justice Barnard, who was then holding probate court and also hearing lunacy cases, remarked that he would be glad to appoint me in such cases, but he was practically in every case guided by the recommendation of the petition; that if a petition came to him suggesting some one else, and that person was a proper person, he should feel that he ought to appoint that person. Then it was up to me to see that I was the person suggested in the petition, because the judge had made it rather plain to me that he did not care, unless there was an unusual reason for it, to neglect the suggestion shown in the petition.

With particular reference to what physicians and how many physicians should testify in lunacy cases, Justice Barnard agreed with me that in accordance with the old Maryland law there ought to be the testimony of at least two medical men. The conclusion was reached that the ideal arrangement would be to have one physician from the hospital and one physician from the city.

I have had Doctor Nevitt, who used to be the police surgeon here, and who has testified on the stand that while he was police surgeon he testified in from 600 to 800 cases.

The question came up years ago as to whether a physician on the pay roll at the Government Hospital for the Insane could properly receive a fee in those cases. So I submitted to the justice in November, 1904, bills for $10 each that I had received from Doctor Hummer, of the hospital, and from Doctor Nevitt, of the city. He asked me if I could find any law on the subject which would operate to prevent a physician at the hospital receiving a fee, and my recollection is that the only law I could find and cite was the statute which provides that an employee of the United States testifying in a case in which the United States is a party shall receive nothing in addition to his actual expenses. He signed this order:

"In re John Crowe, lunatic, lunacy No. 1652.

"The committee in the above-entitled cause having appeared in court and informed the court that he has received bills for $10 each from Dr. Harry R. Hummer, Government Hospital for the Insane, and Dr. J. Ramsay Nevitt, Washington, D. C., for their services as expert witnesses at the lunacy proceeding held in this cause June 29, 1904, it is by the court this 14th day of November, 1904,

"*Ordered*, That the committee be, and is hereby, authorized and directed to pay the said bills from the funds of said lunatic.

"THOMAS H. ANDERSON, *Justice*."

Mr. HAY. As I understand it, you went into this business on your own account. You saw that there was a field here, as you say, and you thought that it would be a good field, and you have continued in that line——

Mr. FENNING. Yes, sir.

Mr. HAY. And you have continued not only to solicit these cases from the Government Hospital for the Insane but from others.

Mr. FENNING. From every institution and from all the attorneys I could reach; from anybody who was connected in any way with a case requiring the services of a fiduciary.

Mr. HAY. Some intimation has been made that perhaps you were, to use a vulgar term, in cahoots with somebody out at that institution, and that they get a part of your fees, or that you compensate them in consideration of the fact that you are employed in a case, is there anything in that?

Mr. FENNING. No; there is absolutely nothing in that.

I am going on this record here as saying that I am willing to do business by wholesale whenever I can get it.

* * * * * * *

Mr. FENNING. No, sir; I do not. I have been criticized by one or two members of the Medico-Legal Society in this proceeding, and it has been said that I have appeared in court and have endeavored to oppose habeas corpus proceedings and have thrown obstacles in the way of persons getting out of the hospital. I am frank to admit that in the Corbett case—I am the committee of Mrs. Corbett—I went into the court when the habeas corpus proceeding was about to be heard and told the judge that as committee of Mrs. Corbett I had looked carefully into the case since she had filed her petition for a writ of habeas corpus, and my opinion was that the best interests of Mrs. Corbett demanded that she remain where she was, and that that being the case I was going to appear with the district attorney in opposition to the issuance of the writ.

THAT WAS A MOST DAMNING ADMISSION

For these two Corbett ladies, mother and daughter, established their sanity in court before a jury of their peers, and Miss Corbett has been an honored, respected, efficient employee here ever since; but she says that Fenning's cruel treatment of her mother hastened her death. And Fenning has thrown every obstacle in the way of all of his other numerous wards who have tried to free themselves from his clutches.

HOW FENNING THEN KEPT ST. ELIZABETHS DOCTORS IN GOOD WORKING ORDER

Mr. HAY. How many of these cases have you appeared in?

Doctor HUMMER. Why, I never stopped to calculate it. I suppose 40 or 50, and possibly more.

The CHAIRMAN. Did you get paid for your services in the Bastin case?

Doctor HUMMER. Yes; I got a fee of $25 for examining that man.

The CHAIRMAN. Who paid you that?

Doctor HUMMER. Mr. Fenning paid me.

The CHAIRMAN. Who was the other physician?

Doctor HUMMER. The other physician was Doctor Nevitt—Coroner Nevitt. He is now coroner for the District. As near as I remember, the judge said, "What do you expect to pay these men for their services?" "Well," he says, "a reasonable amount." The judge says, "What do you suppose is a reasonable amount?" He said, "I think a fee of $25"; and I am informed that the judge signed an order authorizing him to pay two physicians a fee of $25.

The CHAIRMAN. What is the usual compensation given to these cases?

Doctor HUMMER. Usually the compensation is $10, sir.

Mr. HAY. Did you make any charge yourself, or just leave it to Mr. Fenning?

Doctor HUMMER. Mr. Fenning called me up and said, "I think you are entitled to a fee for your services here"; and I said, "All right; I will accept a fee."

Mr. HAY. You did not fix the fee?

Doctor HUMMER. No; I don't believe I said a word about a fee.

CONCERNING APPOINTMENT OF GUARDIANS

Mr. HAY. Does the court act upon your petition?

Doctor WHITE. Yes, sir; usually upon my petition.

Mr. HAY. As to who the guardian shall be?

Doctor WHITE. Yes, sir; in many instances.

The CHAIRMAN. Doctor, when this petition is prepared is there a nomination of some particular person for guardian?

Doctor WHITE. In the petition?

The CHAIRMAN. Yes.

Doctor WHITE. Yes, sir; Mr. Fenning has usually been mentioned in the petition.

Mr. WALLACE. Who first introduced Mr. Frederick A. Fenning to you and suggested the arrangement you made with him, whereby you executed so many petitions for his appointment as committee over the persons and properties of your ex-soldier patients?

Doctor WHITE. He may have introduced himself. I don't recall.

Mr. WALLACE. Did you have any knowledge of the fact that Doctor Nichols, Doctor Toner, Doctor Hummer, and others of your official staff were getting fees of $10 or more out of these ex-soldiers' pensions for testifying in these Fenning cases?

Doctor WHITE. I had knowledge they were getting a fee of $10.

Mr. WALLACE. For the purpose of preparing these petitions in lunacy, does Mr. Fenning have free access to the hospital records of these cases and their Army records?

Doctor WHITE. I think so.

EMPLOYED IN ST. ELIZABETHS 40 YEARS

Remember that Frank M. Finotti, who was chief clerk in St. Elizabeths for 40 years, swore on April 3, 1926, that Doctor White allowed Frederick Fenning free access to all the records and correspondence, and that he had seen several hundred petitions wherein Doctor White had recommended to the court that Fenning be appointed guardian or committee. And remember that Mrs. Ellen H. Finotti, who was record and file clerk there, swore on April 3, 1926, that Doctor White notified her to allow Fenning free access to such records, and that no other attorney in Washington had that privilege.

SWORN TESTIMONY OF WILLIAM H. HAYDEN

Mr. BLANTON. You are how old?

Mr. HAYDEN. Sixty-four and a fraction.

Mr. BLANTON. You have worked at St. Elizabeths Hospital how long?

Mr. HAYDEN. About 31 years, nearly 32 years.

Mr. BLANTON. Continuously?

Mr. HAYDEN. Yes, sir.

Mr. BLANTON. Where are you working now?

Mr. HAYDEN. At the same place.

Mr. BLANTON. You are still working there?

Mr. HAYDEN. In the same office.

Mr. BLANTON. In the same office, and have been for 32 years continuously?

Mr. HAYDEN. Practically; yes, sir.

Mr. BLANTON. The same office that Mr. Finotti occupied?

Mr. HAYDEN. Yes, sir.

Mr. BLANTON. Have you ever seen Frederick A. Fenning looking through the records in that office?

Mr. HAYDEN. Yes, sir; quite often.

Mr. BLANTON. Have you ever seen anyone else looking through the records for him?

Mr. HAYDEN. No one that I know of.

Mr. BLANTON. Have you ever seen any attorney other than Mr. Fenning, who had free access to those records?

Mr. HAYDEN. I could not distinguish whether he was an attorney or not, but I have never seen any one but Mr. Fenning.

Mr. BLANTON. Mr. Fenning was the only one that had free access, that you know of?

Mr. HAYDEN. Yes, sir.

Mr. BLANTON. For 32 years?

Mr. HAYDEN. Yes, sir.

Mr. BLANTON. Did you ever see Mr. Fenning delivering any checks to Mr. Finotti?

Mr. HAYDEN. Yes, sir; quite frequently. I didn't know what they were for. I have quite frequently seen him lay checks on the desk.

Mr. DYER. Did you understand the question?

Mr. HAYDEN. I saw the checks laid on Mr. Finotti's desk.

Mr. BLANTON. If you ever heard Mr. Finotti make any statement at the time checks were delivered to him, tell what such statement was.

Mr. HAYDEN. I heard him say, jokingly, "You are just in the nick of time. I have overdrawn my bank account." I don't know what that meant.

Mr. BLANTON. Has anyone ever attempted to break open your file case when you were not there? Do you know of anyone?

Mr. HOGAN. What has that got to do with Mr. Fenning? I object to that.

Mr. DYER. We will allow the witness to answer.

Mr. BLANTON. Answer, Mr. Hayden.

Mr. HAYDEN. I say the files were broken open.

EXCERPTS OF DOCTOR WHITE'S TESTIMONY BEFORE GIBSON COMMITTEE

Mr. BLANTON. Have you any interest in the Laurel Sanitarium?

Doctor WHITE. No.

Mr. BLANTON. There is a doctor in charge of the Laurel Sanitarium who used to be in St. Elizabeths under you?

Doctor WHITE. Doctor De Weese.

Mr. BLANTON. When did he leave you, Doctor?

Doctor WHITE. Oh, I should say it must be 20 years ago.

Mr. BLANTON. Do you know who set him up in business out there?

Doctor WHITE. No; I think I did know at the time, because my recollection is it was some relative of his.

Mr. BLANTON. Do you know that Frederick A. Fenning is interested in that business—is he?

Doctor WHITE. He is attorney for the sanitarium.

Mr. BLANTON. I mean more than an attorney.

Doctor WHITE. I do not think so; I think he may have one share of stock, such as he has to have.

Mr. BLANTON. He has told you about that? Having to have one share of stock in it?

Doctor WHITE. I think he has.

Mr. BLANTON. Doctor, you have had a good many financial transactions with Frederick Fenning, have you not?

Doctor WHITE. Just these I have indicated.

Mr. BLANTON. Well, how many?

Doctor WHITE. I have not any idea.

Mr. BLANTON. You bought a number of pieces of property together, did you not?

Doctor WHITE. Together.

Mr. BLANTON. In this way you have bought notes, and you have had to take some property once or twice?

Doctor WHITE. I think only once.

Mr. BLANTON. How many times, would you say?

Doctor WHITE. Once is the best of my recollection.

Mr. BLANTON. Which piece of property was that?

Doctor WHITE. I could not tell you.

Mr. BLANTON. What did you do with it?

Doctor WHITE. Sold it.

Mr. BLANTON. You first ran a joint account in the Washington Loan & Trust Co., did you not?

Doctor WHITE. Yes.

Mr. BLANTON. You and Fenning?

Doctor WHITE. Yes.

Mr. BLANTON. And Fenning was a director of that institution at that time, was he not?

Doctor WHITE. Well, he at one time was director of the Washington Loan & Trust Co.; whether he was when we started that or not, I can not tell you.

Mr. BLANTON. Do you not know that just as soon as he ceased to be a director you switched your account over to the National Savings & Trust Co.?

Doctor WHITE. Yes; that is true.

Mr. BLANTON. And Fenning was director of the National Savings & Trust Co., and is now, is he not?

Doctor WHITE. Yes.

Mr. BLANTON. And the reason you switched is that he ceased to be a director of the Washington Loan & Trust Co. and became a director of the National Savings & Trust Co.?

Doctor WHITE. He preferred to have the account there; it didn't make any difference to me.

Mr. BLANTON. And the reason you switched the account was that he was a director in the one institution?

Doctor WHITE. I take it he preferred to have the account there; it didn't make a particle of difference to me.

Mr. BLANTON. You didn't care?

Doctor WHITE. No; I didn't care. It didn't make any difference to me.

Mr. BLANTON. Doctor, when you came to Washington to take charge of this sanitarium you were a young man, unmarried?

Doctor WHITE. Yes, sir.

Mr. BLANTON. You were a poor man?

Doctor WHITE. Yes, sir.

Mr. BLANTON. Doctor, I want you to tell me the name of one ward that you have ever asked Mr. Fenning to be guardian for who did not have property and income.

Doctor WHITE. I can not do it, sir.

Mr. BLANTON. You can not do that, can you, Doctor?

Doctor WHITE. No; I can not.

Mr. GIBSON. You have in answer to a question said that your inmates are partly Federal?

Doctor WHITE. Yes, sir.

Mr. GIBSON. And by "Federal patients," to what class do you refer?

Doctor WHITE. I refer in the main to the patients that come from the Military Establishment—from the Army, the Navy, and the Marine Corps.

Mr. GIBSON. Are any of the veterans of the World War?

Doctor WHITE. Yes, indeed; and from the Soldiers' Home—yes, indeed.

Mr. GIBSON. These soldiers of the World War, how are they committed to St. Elizabeths?

Doctor WHITE. They come—there is an act authorizing the Director of the Veterans' Bureau to send patients.

Mr. GIBSON. They are sent there by the Director of the Veterans' Bureau?

Doctor WHITE. Yes, indeed.

Mr. GIBSON. And received at the institution?

Doctor WHITE. Yes, indeed.

Mr. GIBSON. And after they are received there at the institution, how are they committed?

Doctor WHITE. They are committed by the director, practically.

Mr. GIBSON. Have you any of the commitment forms that are used?

Doctor WHITE. No, sir. Ordinarily all the patients that come from Federal sources come on an order; for instance, these that come from the War Department come on an order from the Secretary of War, these that come from the Navy Department come on an order by the Secretary of the Navy, etc.

Mr. GIBSON. All those are men in the active service?

Doctor WHITE. Those that come from the Soldiers' Home come on order from the governor of the Soldiers' Home.

Mr. GIBSON. How many veterans have you at St. Elizabeths?

Doctor WHITE. World War veterans?

Mr. GIBSON. Yes.

Doctor WHITE. We have appr[illegible]

Mr. GIBSON. Are those from n[illegible] or scattered all over?

Doctor WHITE. All over.

Mr. GILBERT. You testified, I believe, that quite a number—over 2,000—are sent there by different departments under law without any adjudication whatever?

Doctor WHITE. Without adjudication.

Mr. GILBERT. For instance, at the old Soldiers' Home, if the authorities there think a man is insane or otherwise, in order to get rid of him they have the authority to say that he is insane and direct him to be received at your hospital?

Doctor WHITE. They have; and we have nothing to do but receive him.

Mr. GIBSON. Can you tell us, Doctor, if you have the record, or if you do not have it can you supply it, the number of cases where you have recommended Mr. Fenning as guardian?

Doctor WHITE. No; I can not tell you that, sir; I can not tell you that.

Mr. GIBSON. Do you now have recollection of recommending any other person to be guardian, other than Mr. Fenning?

Doctor WHITE. I have no distinct recollection.

Mr. GIBSON. But, going over that period of 20 years or more that you have been at St. Elizabeths, do you now remember of having ever asked for the appointment of any person other than Fenning as guardian?

Doctor WHITE. I have no specific recollection on that subject.

Mr. GIBSON. Yes; but during the time he was recommended by you as guardian he was your partner in business?

Doctor WHITE. Oh, yes.

Mr. GIBSON. May I ask you, Doctor, how the number of cases that Mr. Fenning has acted as guardian in since 1919 compares with the number of cases in which he acted prior to 1919?

Doctor WHITE. I do not know, except that I can say the number of cases that he has acted for at the request of the hospital have been growing less.

Mr. GIBSON. That is, prior to 1919 you made request for his appointment more frequently?

Doctor WHITE. Yes; I think so; that is my best recollection.

Mr. GIBSON. So that the cases prior to 1919 would run into the hundreds?

Doctor WHITE. Mr. BLANTON mentioned a figure of something like 300.

Mr. BLANTON. But that does not cover them all.

Doctor WHITE. That is as much information as I have about it.

Mr. GIBSON. And in all those cases did you personally make application for his appointment?

Doctor WHITE. That was the statement of Mr. BLANTON.

EXCERPTS FROM FREDERICK FENNING'S SWORN TESTIMONY BEFORE GIBSON COMMITTEE

Mr. BLANTON. Frank Finotti, who was 42 years an honored employee there, says that he has seen several hundred petitions that Doctor White has named you committee in. Is that so or not?

Mr. FENNING. The record of the court will show the number of petitions filed.

Mr. BLANTON. Will you say that that is not so?

Mr. FENNING. What is not so?

Mr. BLANTON. That Finotti has seen several hundred petitions that you——

Mr. FENNING. I don't know exactly how many petitions Doctor White has executed.

Mr. BLANTON. Do you say that Frank Finotti's statement is incorrect or not?

Mr. FENNING. I don't know, unless he has looked it up.

Mr. BLANTON. If he stated falsely, he could be indicted under the law as it is here for false swearing, couldn't he?

Mr. FENNING. Wasn't there something said here this afternoon about Doctor White having executed 200 petitions? Didn't that come out somewhere?

Mr. BLANTON. Mr. Frank Finotti swore——

Mr. FENNING. I am talking about Doctor White.

Mr. BLANTON. I am talking about Frank Finotti. He swore that he saw several hundred of them. What do you say about that? Is that true or not?

Mr. FENNING. I have no way of telling.

Mr. BLANTON. You won't deny it?

Mr. FENNING. I haven't any way of denying or confirming it.

Mr. BLANTON. Then you won't deny it?

Mr. FENNING. I will neither deny it nor affirm it.

Mr. BLANTON. We have got that far, anyway.

Mr. FENNING. And you got that straight, too.

Mr. BLANTON. You were a director of the Washington Loan & Trust Co. up until February 8, 1922, weren't you?

Mr. FENNING. Well——

Mr. BLANTON. That is the institution that Mr. John B. Larner is connected with?

Mr. FENNING. Yes; that is right.

Mr. BLANTON. Up to that time when you ceased to be a director, you and Doctor White carried a joint account there, didn't you, and operated in real-estate notes and mortgages?

Mr. FENNING. I carried a number of accounts there.

Mr. BLANTON. But you carried an account with Doctor White there?

Mr. FENNING. Yes.

Mr. BLANTON. Where you and Doctor White operated in real-estate notes and mortgages?

Mr. FENNING. Yes.

Mr. BLANTON. As soon as you ceased to be director there you became director of the National Savings & Trust Co.?

Mr. FENNING. Approximately the same time.

Mr. BLANTON. Yes; and you and Doctor White immediately transferred your account to that bank, didn't you?

Mr. FENNING. We opened an account in the National Savings & Trust Co.

Mr. BLANTON. You took your account out of the other bank and transferred it to this one, didn't you?

Mr. FENNING. No. My impression is that we left the notes that were in there. We left some of the notes that we had in the Washington Loan & Trust Co.

Mr. BLANTON. Doctor White testified that he did it at your suggestion; he didn't care. He said you asked it to be done.

Mr. FENNING. I think there was a small amount of notes left in the Washington Loan & Trust Co., and I think we have a small balance there. I know we opened an account with the National Savings & Trust Co. at my suggestion; certainly.

Mr. BLANTON. Mr. Commissioner, don't you know as a business man and as a director of a big trust company that by your putting over $733,000 in one trust company it helped that business?

Mr. FENNING. I suppose it would, but——

Mr. BLANTON. Why, don't you know that it would help a business?

CHARGE NO. 9

I charge that the said Frederick A. Fenning, by inaugurating the wrongful and unlawful practice of paying $10 in each case to some doctor in St. Elizabeths Hospital for testifying in a lunacy case, has incited the said Doctor White to wrongfully and unlawfully sell his testimony to criminals, as he did when he testified for Clarence Darrow in the Leopold and Loeb case in Chicago, and received therefor $250 per day for 14 days.

EXCERPTS FROM DOCTOR WHITE'S TESTIMONY BEFORE GIBSON COMMITTEE

Mr. BLANTON. You get your living, do you not, because you are supposed to give all your time to the Government?

Doctor WHITE. Yes.

Mr. BLANTON. You get your heat, light, laundry, and medical attention all free?

Doctor WHITE. Yes.

Mr. BLANTON. And you get your automobile, your carriages, and horses free?

Doctor WHITE. Yes, sir.

Mr. BLANTON. I wrote you a letter, Doctor, some time ago, and I asked you to please advise me whether or not you had received fees in cases other than the Leopold and Loeb, did I not?

Doctor WHITE. Some such letter; yes, sir.

Mr. BLANTON. What excuse did you have for not telling me how many cases you testified in for fees?

Doctor WHITE. I told you I did not keep a record of those cases.

Mr. BLANTON. How many cases that you can recall have you testified in where you received fees?

Doctor WHITE. I can not tell you that; I told you I could not in that letter. I have not any way of telling.

Mr. BLANTON. Which one did you testify in since then?

Doctor WHITE. I testified in a case in Baltimore since then.

Mr. BLANTON. What case was that?

Doctor WHITE. Well, I do not know that I can give the title of it; it was a murder case.

Mr. BLANTON. A murder case?

Doctor WHITE. Yes.

Mr. BLANTON. When was that, Doctor?

Doctor WHITE. It was last summer some time.

Mr. BLANTON. Last summer some time. How much did you receive in that case?

Doctor WHITE. Well, here is some more personal matter.

Mr. BLANTON. No; that is a public matter. You are a public officer, with all your time due the United States Government; and that is the reason I have a right to ask you this.

Doctor WHITE. I question very much whether you have a right to ask me such things. That has nothing to do with the subject before the committee.

Mr. BLANTON. Oh, yes; it has a lot to do with it.

Mr. BOWMAN. Why not let the matter go over?

Mr. BLANTON. If you are going to have a hearing, let us not have any monkey business. How much, Doctor, did you receive in that case?

Doctor WHITE. I charged the same rates as in other cases.

Mr. BLANTON. $250 a day, did you not?

Doctor WHITE. Yes.

Mr. BLANTON. How much did you get there, Doctor?

Doctor WHITE. I don't remember.

Mr. BLANTON. Doctor, you have testified in New York City, haven't you?

Doctor WHITE. Yes, sir; a good many years ago.

Mr. BLANTON. For money?

Doctor WHITE. Yes.

Mr. BLANTON. And big money?

Doctor WHITE. I don't know what you call "big money."

Mr. BLANTON. I call $50 a day and $100 a day, or $200 and $250 a day big money for anybody.

Doctor WHITE. Well, it is for a doctor; it is not for a lawyer.

Mr. BLANTON. It is big money for a doctor and lawyer, too. You have testified for big fees like that, haven't you, in New York City?

Doctor WHITE. I have testified in New York; I don't remember the fees.

Mr. BLANTON. And you have testified in Philadelphia, have you, Doctor?

Doctor WHITE. I do not think I ever have.

Mr. BLANTON. Will you say that you have not?

Doctor WHITE. I have no recollection of ever testifying in Philadelphia.

Mr. BLANTON. You have testified in Virginia, have you, Doctor?

Doctor WHITE. Yes.

Mr. BLANTON (referring to volume of printed hearings.) Mr. Smyser, on page 871, asked you this question: "Are you called to Philadelphia, Baltimore, and New York as a witness at different times?" And then in 1906 you testified: "Yes, once in awhile." That was true, was it not?

Doctor WHITE. I think it was. I do not recall ever having testified in Philadelphia; that is all; I don't know whether I have or not; I have no recollection of it.

Mr. BLANTON. Doctor, we were talking about the fees you had received for testifying in criminal cases and you could not remember the names of the cases. I wanted to help you. Over here in Virginia you testified in the case of Col. W. C. Shelley, did you not?

Doctor WHITE. I do not recall the name—Shelley; that is Colonel Shelley.

Mr. BLANTON. He paid you $500 for it; don't you remember it?

Doctor WHITE. I do not.

Mr. BLANTON. I will get you so you will remember it, Doctor.

Doctor WHITE. All right; go ahead.

Mr. BLANTON. Colonel Shelley was trying to have his wife adjudged insane—Col. W. C. Shelley, over at Arlington. Mr. Norton was his attorney. Do you remember that?

Doctor WHITE. When was this?

Mr. BLANTON. And a man named Thornton was Mr. Shelley's attorney, and Norton afterwards became a judge. Don't you remember this?

Doctor WHITE. When was this?

Mr. BLANTON. A few years ago.

Doctor WHITE. When?

Mr. BLANTON. I am testing you.

Doctor WHITE. And I don't remember.

Mr. BLANTON. You don't remember?

Doctor WHITE. No; I do not.

Mr. BLANTON. I will try to refresh your memory a little later. You testified in that case, as the records show, that Mrs. Shelley was insane?

Doctor WHITE. Oh, Shelley, Shelley, Shelley.

Mr. BLANTON. Yes; Shelley—S-h-e-l-l-e-y—Shelley.

Doctor WHITE. Yes; I think so.

Mr. BLANTON. You think you do? You testified she was insane, and the jury found she was sane; and the court turned her loose by judgment of the court, and you got $500 in that case?

Doctor WHITE. Well, I don't remember.

Mr. BLANTON. When I pinned you down last night you did remember the case in Baltimore, and you testified to having received $500 fee.

Doctor WHITE. You don't have to pin me down.

Mr. BLANTON. If I had not pinned you down, I would never have known that.

Doctor WHITE. I am not running around telling you all my affairs. I would like to say, incidentally, about the Loeb and Leopold case that I offered my testimony in that case for nothing.

Mr. BLANTON. You offered your testimony, as a Government official, for nothing, to save the necks of two educated thugs and murderers, did you not, Doctor?

Doctor WHITE. No, sir.

Mr. BLANTON. Well, that is what they were—educated thugs and murderers, whose necks had the noose almost around them, until you helped to remove it; and yet you offered your testimony free, did you not, Doctor?

Doctor WHITE. I offered my testimony free, not as an officer of the Government.

Mr. BLANTON. But you did offer it free, did you not, Doctor, and you were paid $250 a day for 14 days, were you not, Doctor?

Doctor WHITE. Yes.

Mr. BLANTON. You accepted the money, too, did you not?

Doctor WHITE. Yes.

JUDGE CRANDALL MACKEY GAVE US THE FACTS

Mr. BLANTON. Judge Mackey, do you know anything about the case that was tried in Virginia where a man named Col. George E. Shelley——

Mr. MACKEY. William C. Shelley.

Mr. BLANTON. William C. Shelley was attempting to have his wife declared insane?

Mr. MACKEY. I do; yes, sir.

Mr. BLANTON. And in which Doctor White testified?

Mr. MACKEY. Doctor White gave an opinion and subsequently testified.

Mr. BLANTON. Yes; which was as to whether she was sane or insane.

Mr. MACKEY. That she was of unsound mind; that she was paranoiac.

Mr. BLANTON. And what was it the court and jury found?

Mr. MACKEY. The court found that she was of sound mind and not paranoiac.

Mr. BLANTON. Do you happen to remember who Mrs. Shelley's attorney was?

Mr. MACKEY. Her attorney was Judge J. B. T. Thornton, of Manassas. At that time he was attorney for the Commonwealth, of Prince William County.

Mr. BLANTON. Do you remember who the attorney for William C. Shelley was—was it Norton?

Mr. MACKEY. Judge Norton, of Alexandria.

Mr. BLANTON. That was the case in which Doctor White received $500?

Mr. MACKEY. Shelley read me Doctor White's opinion and said he had paid Doctor White $500 for the opinion.

Mr. BLANTON. You also had some connection with that case later?

Mr. MACKEY. The opinion was read to me that Mrs. Shelley was insane—quite a lengthy opinion—and I was requested to go with Luther Walter, a prominent attorney, and talk with Mrs. Shelley and give my opinion, and Mr. Walter was to give his opinion as to whether she was insane. We went there and talked to her at great length, after being prepared by having this opinion read to her—of Doctor White read to us—that she was insane and paranoiac.

We came back and reported that she was of sound mind and was not insane.

Mr. BLANTON. You differed with Doctor White's opinion?

Mr. MACKEY. Yes.

Mr. BLANTON. State whether or not this Judge Thornton went on the bench afterwards.

Mr. MACKEY. Judge Thornton became judge of the sixteenth judicial circuit, which was my circuit there; and several years thereafter he was trying a will case in Alexandria and Doctor White said that the testator was insane.

Mr. BLANTON. I wish you would tell what happened between Judge Thornton and Doctor White while he was on the witness stand.

Mr. MACKEY. Judge Thornton said, "Are you not the Doctor White who has testified Mrs. Shelley was insane?" And he said, "I am." Judge Thornton said, "Was she insane?" And Doctor White said, "No; I was mistaken in that case." Then Judge Thornton said, "How do I know, Doctor White, that you are not mistaken in this case?" And then he said, "Doctor White, I would not give any credence to what you say in this case."

Doctor WHITE. Let me ask the judge——

Mr. GIBSON. You can ask him any question you desire.

Doctor WHITE. With your permission, if you please. Mr. BLANTON stated that I testified in the Shelley case. I did not testify in the Shelley case. Did you not just say that I presented a written opinion?

Mr. MACKEY. You gave a written opinion to Colonel Shelley, I thought, and you also testified.

Doctor WHITE. I did not take the stand in the case. My recollection is I did not; I won't say I did not.

Mr. BLANTON. Do you recall giving the opinion now, Doctor?

Doctor WHITE. No; I do not. But I recollect something about the Shelley case.

Mr. BLANTON. You do recollect the case now all of a sudden, don't you, Doctor?

Doctor, I have Texas boys from my district, whom I voted to put in the World War myself, and they went to France, and you now have them in your hospital, haven't you?

Doctor WHITE. I think so.

Mr. BLANTON. And as a Member of Congress I have an interest in them.

Doctor WHITE. I hope you have.

Mr. BLANTON. Because I helped to vote every dollar you spend out there.

Doctor WHITE. I presume so.

Mr. BLANTON. On Saturday, April 3, I talked with you over the phone and begged you to let me come to your conference, did I not?

Doctor WHITE. You asked me to come to the conference.

Mr. BLANTON. And then I urged you to let me come to your conference, did I not?

Doctor WHITE. Yes.

Mr. BLANTON. And you refused me, did you not?

Doctor WHITE. Yes.

Mr. BLANTON. The acting minority member of this committee that has charge of District business, and when I had my own constituents in there, you refused, did you not?

Doctor WHITE. Yes, sir.

Mr. BLANTON. The conferences are the times and the places when inmates have the right to come before your board there and show that they are entitled to discharge, are they not?

Doctor WHITE. Those are not the only questions that come up.

Mr. BLANTON. I know; but they do occur at conferences, do they not, Doctor?

Doctor WHITE. Questions of discharge?

Mr. BLANTON. Yes; questions of discharge and questions of sanity and questions of improper incarceration are decided in conference, are they not?

Doctor WHITE. I do not know anything about any questions of improper incarceration.

Mr. BLANTON. If a person is sane and he is held there, it is improper carceration, is it not?

Doctor WHITE. Probably.

Mr. BLANTON. Then it does involve questions of improper incarceration, does it not?

Doctor WHITE. Well, I do not think those questions ever arise; I never remember any such questions.

Mr. BLANTON. They are going to arise frequently in the future, Doctor; I promise you that.

CHARGE NO. 15

I charge that the said Frederick A. Fenning in making loans of his wards' money, as the law requires him to do, he has received discounts, or commissions, or brokerage fees, additional to the interest carried in the notes or obligations, and that when making for said Fenning a loan of $15,000, said National Savings & Trust Co. received a commission, which benefited said Fenning either directly or indirectly.

FROM TESTIMONY OF WILLIAM L. BROWNING

Mr. BLANTON. But you made a loan—to get right down to the facts, you did make a loan from the National Savings & Trust Co. about three years ago for $12,500, wherein you agreed to pay 6 per cent interest?

Mr. BROWNING. Yes, sir.

Mr. BLANTON. Mr. Fenning became the holder of the notes and notified you about the taxes later?

Mr. BROWNING. I assume that.

Mr. DYER. But what did the letter state?

Mr. BROWNING. That the taxes on such a piece of property had not been paid, and to kindly pay them.

Mr. BLANTON. How much commission did you pay the National Savings & Trust Co. on this loan in addition to the 6 per cent interest?

Mr. BROWNING. I agreed with Mr. Hoover, the president of the National Savings & Trust Co., to pay the company one-half of 1 per cent on the amount loaned.

Mr. BLANTON. And you did pay this one-half of 1 per cent?

Mr. BROWNING. It was deducted from the proceeds of the loan by the title company.

Mr. BLANTON. That one-half of 1 per cent on the $12,500 loan was deducted at the time you made it, before you received the money, was it not?

Mr. BROWNING. Yes, sir.

CHARGE NO. 16

I charge that the said Frederick A. Fenning has deceived the Supreme Court of the District of Columbia by having different justices thereof to allow him to deduct from the annual income of his wards the annual premium paid to the bonding company for his fiduciary bond, and not disclosing to such court that he is the solicitor for such bonding company, and as such receives from said bonding company a commission of from 15 to 20 per cent on such annual premiums, and I charge that said Frederick A. Fenning now holds a solicitor's license issued by the department of insurance for the District of Columbia in the following companies, to wit, the Massachusetts Bonding & Insurance Co., of Boston, Mass.; the United States Fidelity & Guaranty Co., of Baltimore, Md.; and the Great American Insurance Co., of New York, which expire May 1, 1926, and are renewed annually, and as such solicitor he is authorized to receive commissions, rebates, and compensation on business he causes to be given to such companies. And I charge that he is guilty of moral turpitude in being solicitor for said companies, as such interest conflicts with his duties as Commissioner of the District of Columbia, and has influenced his action in adversely passing on an important insurance bill of about 100 pages which his said companies have been opposing in many respects.

FROM FENNING'S TESTIMONY BEFORE GIBSON COMMITTEE

Mr. FENNING. For many years the United States Fidelty & Guaranty Co. of Baltimore had been surety on my bonds.

The said company, I understand, took out a license for me as solicitor, so that it might pay for the services thus rendered by an employee of my office the usual commission of 25 per cent on the amount of premiums.

With respect to other insurance which my office has placed for many years for clients of my office, the Great American Insurance Co. of New York, the Massachusetts Bonding & Insurance Co. of Boston, and the National Union Fire Insurance of Washington, D. C., have for many years taken out license for me as solicitor and paid to me for insurance so placed the usual commission.

Mr. GILBERT. At $20 a hundred, and that would be $2,000 bonding fee.

Mr. FENNING. It would be more than $2,000, would it not? What do you mean, the premiums?

Mr. GILBERT. Yes.

Mr. FENNING. It would be more than $2,000, the premiums.

Mr. GILBERT. What would it be?

Mr. FENNING. You said a hundred cases.

Mr. GILBERT. I am figuring on the whole hundred.

Mr. FENNING. Well, $2,000; that is right.

Mr. GILBERT. And one-fourth of that would be $500?

Mr. FENNING. Yes.

Mr. GILBERT. Then you received $500 in profits out of this that no settlement of yours shows?

Mr. BLANTON. Mr. Commissioner, when you became commissioner Judge McCoy swore you in, and you took the oath prescribed by law to become commissioner of the District, and you gave a $50,000 bond to the United States Government that you would well and faithfully perform the duties on June 5, 1925. Who wrote that $50,000 bond for you?

Mr. FENNING. The United States Fidelity & Guaranty Co.

Mr. BLANTON. That is your company?

Mr. FENNING. That is the company with which I have had connection; yes, sir.

Mr. BLANTON. What is the premium on a $50,000 bond?

Mr. FENNING. I think on such a bond it is $50, or maybe $100; I am uncertain.

Mr. BLANTON. Is it not $100?

Mr. FENNING. I do not know.

Mr. BLANTON. A solicitor for four companies and do not know the rates?

Mr. FENNING. No.

Mr. BLANTON. Is not that the first $50,000 bond you ever gave?

Mr. FENNING. Maybe.

Mr. BLANTON. Is it not the first $50,000 bond you ever wrote in your companies?

Mr. FENNING. Maybe.

Mr. BLANTON. Do you say you do not remember what the premium is?

Mr. FENNING. I do not.

FREDERICK FENNING'S TESTIMONY BEFORE AUDITOR HERBERT L. DAVIS, SUPREME COURT, MAY 8, 1926

AUDITOR. So you received part of the premium?

Mr. FENNING. Yes, sir; for services rendered by my office to the bonding company.

AUDITOR. And the proportion you received was 25 per cent of the gross premium charged?

Mr. FENNING. I am quite clear that is the amount all the way through.

On May 13, 1926, Hon. Herbert L. Davis, auditor of the Supreme Court of the District of Columbia, rendered his decision certifying that in all of his fiduciary cases Frederick Fenning had concealed from him the fact that he was receiving 25 per cent commission on bond premiums:

Thus it appears that after having been appointed by this court as committee in a number of cases, in which cases, as committee, Mr. Fenning would be bonded to secure the faithful and efficient performance of his duties and trust to his wards, he (Fenning) was appointed an agent and took out a solicitor's license for the purpose of writing such bonds. It is strongly persuasive to your auditor that "he (Fenning) placed himself in a position in which his personal interests were, or might be, antagonistic to those of his trust." (See Jackson, Receiver, *v.* Smith, 254 U. S. 586, and Michoud *v.* Girod, 4 How. 503.)

With respect to commissions on bond premiums received and retained by Mr. Fenning, in cases wherein he is, or was, the principal, it is not unfair to him to say that such transactions were not disclosed to the auditor, prior to May 8, 1926, as shown by the accompanying transcript of testimony. At this point the auditor finds that the case of Magruder *v.* Drury, supra, applies with equal force and effect to the retention by Mr. Fenning of the commissions paid to him by the bonding company or companies, in any and all cases wherein he (Fenning) appeared, or appears, as a fiduciary appointed by this court, or serving under its supervision. No matter by what name it may be called, a gratuity, double commission, or bonus, received and retained by a fiduciary, in addition to compensation or commissions allowed him by the court, or approved by it, is wholly repugnant to the letter and spirit of the decisions of the Supreme Court of the United States, and reflected in actions by the courts of jurisdiction too numerous to mention or discuss.

It is settled law that a fiduciary must act in the most scrupulous good faith for the benefit of the beneficiaries, uninfluenced by other considerations. (Pyle *v.* Pyle, 137 App. Div. 568; Carrier *v.* Carrier, 226 N. Y. 114.) A fiduciary can not take any steps which will or may result in his own enrichment, or the advancement of his own interest. The object of the rule is to prevent secret frauds by removing all inducements to attempt them. (See Fulton *v.* Whitney, 66 N. Y. 549; Munson *v.* R. R. Co., 103 N. Y. 58.)

In said case cited of Magruder *v.* Drury, the court held:

It is a well-settled rule that a trustee can make no profit out of his trust. The rule in such cases springs from his duty to protect the interests of the estate, and not to permit his personal interest to conflict in any wise with his duty in that respect. The intention is to provide against any possible selfish interest exercising an influence which can interfere with the faithful discharge of the duty which is owing in a fiduciary capacity. * * *

It makes no difference that the estate was not a loser in the transaction or that the commission was no more than the services were rea-

sonably worth. It is the relation of the trustee to the estate which prevents his dealing in such way as to make a personal profit for himself.

And because said supreme court auditor thus forced Frederick Fenning to make restitution to his wards by returning to them the funds he had wrongfully taken out of their estates, he filed a request asking the court to sumbit all of his cases to special masters, from which I quote:

LAW OFFICES OF FREDERICK A. FENNING,
RUST BUILDING, 1001 FIFTEENTH STREET NW.,
Washington, D. C., August 14, 1926.

The Chief Justice and the Associate Justices, Supreme Court of the District of Columbina.

GENTLEMEN: I respectfully and earnestly protest against the reference to the present auditor of the court of any cases in which I am fiduciary or counsel.

This letter is sent in order that the members of the court may know that my own opinion of the auditor and my own relations with him are such as to prompt me to believe that in fairness to myself I should respectfully urge that cases in which I am fiduciary or counsel be referred to a special auditor or special master. I hope that the court will take such action.

Yours very truly,

F. A. FENNING.

And Chief Justice McCoy has certified to me that, based on such request, the court referred 114 of Frederick Fenning's cases to special auditors to pass on his accounts, make allowances to him, and recommend commissions to be allowed, namely:

Cases referred to—

John E. Laskey, special auditor	4
George Francis Williams, special auditor	32
George C. Gertman, special auditor	23
Bynum E. Hinton, special auditor	6
Louis Ottenberg, special auditor	7
Enoch A. Chase, special auditor	7
Louis H. Denit, special auditor	17
Julian W. Whiting, special auditor	10
Lucian H. Vandoren, special auditor	6
Dale D. Drain, special auditor	2

NO VALUE TO FENNING

Putting the court to all that trouble, and his wards to all that extra expense, did not avail Fenning anything, because we passed the law prohibiting him from receiving more than 5 per cent.

AUDITOR HERBERT L. DAVIS'S POSITION

WASHINGTON, D. C., *August 21, 1927.*

To the honorable Chief Justice and Associate Justices, Supreme Court of the District of Columbia:

Through the kindly consideration of this court, its auditor was permitted to make the attached copy of a communication addressed to the court under date of August 14, 1926, by Frederick A. Fenning, Esq., no copy of his charges having been furnished by him to the auditor.

While Mr. Fenning has unfairly attacked me, there is absolutely no personal feeling on my part respecting the matters and things set forth by him. The report in re Roly Lee, lunatic, lunacy, No. 8780, filed June 29, 1926, might very properly be cited as the guiding precedent wherein all of the commissions or profits received and retained by Mr. Fenning incident to all of the bond premiums paid in the last-mentioned cause were surcharged against the committee and credited to the estate of the ward therein.

It should be known that when my views were solicited by counsel for Mr. Fenning it was made clear that Mr. Fenning should voluntarily account for all of the commissions or profits, as was finally done in the Roly Lee case, but in lieu thereof your auditor was importuned in his office, at his home, and elsewhere, to set forth in his report in the Adler case that Mr. Fenning's bonding transactions were done in good faith. To have complied with these numerous and insistent requests would have meant a flagrant violation of the auditor's oath of office, the stultifying of himself, and the ending of his usefulness to the court and to all honest-minded men, particularly in view of what hereinafter follows.

The science or art of exact reasoning as applied by the auditor may be faulty, but, as time goes on, he may not be able to escape the conclusion that, while Mr. Fenning made known to the auditor the bonus transaction in the Hoff case, and met with rejection by the court, Mr. Fenning concluded that he would not voluntarily disclose to the auditor the profits derived from bonding transactions in trust estates, in view of said rejection of bonus.

16. Very severe criticism is beating upon this whole question of fees and allowances from estates of World War veterans. These are serious criticisms which must be met fairly and squarely, and in the ultimate analysis Mr. Fenning is finding fault because your auditor will recommend, when directed so to do by the court, only what your auditor considers to be reasonable and proper allowances, in view of all concomitant facts and circumstances, and he does not propose to call down upon his head the pillars of the temple of justice due to Mr. Fenning's avariciousness, which is a state of mind, not a crime interdicted by sections 841 of the District of Columbia Code, or any other provision thereof, otherwise appropriate citations would have been made by your auditor in the numerous cases reported upon.

While Mr. Fenning has misrepresented matters and things to the court with respect to the auditor, he feels constrained to say that:

"True conscious honor is to feel no sin;
He's armed without that's innocent within."

The auditor will continue to impartially weigh and check every statement presented by Mr. Fenning, with strict fidelity on the part of the auditor toward the court.

Should the court, in its wisdom and discretion, conclude to refer Mr. Fenning's cases to a special auditor, or a special master, assuredly the auditor would interpose no objection thereto.

The present auditor may be depended upon not to be recreant to a solemn trust, or knowingly butt his head against a stone wall, having in mind the definitely expressed attitude of the Congress respecting fees and allowances in the cases under discussion, although such views of the Congress have not been embodied in formal acts.

Respectfully submitted.

HERBERT L. DAVIS,
Auditor, Supreme Court of the District of Columbia.

It is my opinion that Members of Congress have far more respect for the above brave auditor who dared to do his duty, even though it affected the "mighty Fenning," than they have for the court that took 114 of Fenning's cases away from the court's own auditor and referred them to special masters, especially in view of the fact that when referring such cases the court said:

Nothing in the foregoing shall be construed as a determination by the court that the auditor is prejudiced against the committee, as stated by the latter in his said letter.

F. L. SIDDONS, *Justice.*

A true copy.
Test:

FRANK E. CUNNINGHAM, *Clerk.*
By CHAS. B. COFLIN, *Assistant Clerk.*

THOMAS M. BALDWIN, JR., TESTIFIED

Mr. BLANTON. Mr. Baldwin, you are superintendent of insurance of the department of insurance of the District of Columbia?

Mr. BALDWIN. I am.

Mr. BLANTON. You have been superintendent how long?

Mr. BALDWIN. Acting since March 29, 1924, and confirmed as superintendent as of September 15, 1924.

Mr. BLANTON. As superintendent you have in your custody and control the records and the files of the various insurance business of the District of Columbia?

Mr. BALDWIN. Yes, sir.

Mr. BLANTON. That is, for years prior to this coming year, beginning May 1, 1926, and running to April 1, 1927, what companies had taken out licenses for Mr. Fenning?

Mr. BALDWIN. The United States Fidelity & Guaranty Co., the Massachusetts Bonding & Accident Co., and the Great American.

Mr. BLANTON. What kind of license have these companies up to May 1, 1926, been taking out for Mr. Fenning?

Mr. BALDWIN. An ordinary solicitor's license.

Mr. BLANTON. Mr. Baldwin, Mr. Fenning, it is admitted, took the oath of office and became Commissioner of the District of Columbia on June 5, 1925. Now, there has since that date and up to the present time been pending an insurance measure—that is, a bill that has not been passed by Congress, that you and I had something to do with—has there not?

Mr. BALDWIN. Yes, sir.

Mr. BLANTON. With regard to that bill, without putting the one hundred-odd pages into the record, will you state whether or not its general purpose is to protect the people with regard to improper practices by insurance companies?

Mr. BALDWIN. Absolutely—first.

Mr. BLANTON. That is the prime purpose of it?

Mr. BALDWIN. Yes, sir.

Mr. BLANTON. Now, state whether or not Commissioner Fenning has retarded the passage of that bill?

Mr. BALDWIN. It appears that a gentleman from New York by the name of Doyle, representing the National Board of Fire Underwriters, raised considerable objection, not only to this section but to the bill as a whole, and he got what is known as the Insurance Club lined up against the bill. His committee appeared before Colonel Fenning and objected to the action that I was taking in urging its passage, and I was instructed by Colonel Fenning to no longer appear before the Senate District Committee.

Mr. DYER. What did he say, to the best of your recollection?

Mr. BALDWIN. The colonel told me that I had better not appear before the Senate District Committee until some differences could be ironed out in this bill. Of course, I obeyed orders.

Mr. BLANTON. Has that bill ever been passed?

Mr. BALDWIN. Not to my knowledge.

Mr. BLANTON. Has Mr. Fenning ever withdrawn his instructions to you?

Mr. BALDWIN. No, sir.

CHARGE NO. 17

I charge that the said Frederick A. Fenning is attorney for the Medical Society of the District of Columbia, and is paid an annual fee by them, and that such employment has interfered with his duties as commissioner and has adversely influenced his official action, in that he has opposed and refused to favorably report a bill sought to be passed by the chiropractors, and which bill his clients are opposing.

ADMISSION

On page 239, Gibson hearings, Frederick Fenning testified:

I am the attorney of the Medical Society of the District of Columbia. For some years past I have been paid $200 per annum.

DR. HUBERT N. ROBERTS TESTIFIED

Mr. BLANTON. You have held the position of president of the Chiropractors' Association here in Washington, have you not?

Doctor ROBERTS. No; I am chairman of the legislative committee.

Mr. BLANTON. There has been a bill favorably reported by the House District Committee and passed by the House of Representatives, known as the chiropractors licensing bill, which is designed to protect the public against fake and unqualified so-called chiropractors?

Doctor ROBERTS. Yes, sir.

Mr. BLANTON. You are familiar with that bill?

Doctor ROBERTS. Yes, sir.

Mr. BLANTON. That is in behalf of the public as against fakes, is it not?

Doctor ROBERTS. Yes, sir.

Mr. BLANTON. After that bill was submitted to the Commissioners of the District of Columbia, before the House committee approved it, after it had been submitted to the Commissioners of the District of Columbia for their report on it, state whether or not you appeared before Commissioner Fenning down there in behalf of that bill.

Doctor ROBERTS. Yes; I went to see Mr. Fenning two or three days.

Mr. BLANTON. Now state whether or not there was a hearing called for you and your representatives of the chiropractors before Mr. Fenning.

Doctor ROBERTS. There was a hearing called.

Mr. BLANTON. Did you appear at that hearing?

Doctor ROBERTS. I did.

Mr. BLANTON. Now, you remember when you and your representatives appeared before the District subcommittee on that bill?

Doctor ROBERTS. Yes, sir.

Mr. BLANTON. Now, up to that time had the commissioners ever made any report on that bill?

Doctor ROBERTS. I was informed they had not.

Mr. BLANTON. Do you not know it developed at that hearing they had not?

Doctor ROBERTS. It did.

Mr. BLANTON. Now, Doctor, state whether or not at that very meeting the committee agreed and took a vote to report your bill.

Doctor ROBERTS. They did.

Mr. BLANTON. And it was a unanimous agreement of the committee?

Doctor ROBERTS. It was.

Mr. BLANTON. Well, did not you go to see Mr. Fenning about it—did not you go to see him about his not giving you a chance to be heard?

Doctor ROBERTS. I talked to Mr. Fenning over the telephone about it.

Mr. BLANTON. State what you said to him over the telephone.

Doctor ROBERTS. I asked him if there was to be a hearing given to the M. D.'s, when we were not to be allowed there. He said we had had ample opportunity to state our wishes and he thought the other side should have the same chance, and I was not invited to be there.

CHARGE NO. 18

I charge that the said Frederick A. Fenning, as attorney for the said Medical Society of the District of Columbia, in disregard of his duties as said commissioner, has incited, aided, and abetted the doctors employed in St. Elizabeths Hospital, who by law are required to devote all of their time to such institution, to engage in private practice here in the District of Columbia; that as attorney for said medical society he has incited, aided, and abetted certain of the doctors employed in the United States Veterans' Bureau, and who are by law required to give all of their time to said bureau, to engage in private practice here in the District of Columbia, such doctors using the equipment of the Government in their said private practice; and that the said Frederick A. Fenning has knowingly permitted the District alienist, Dr. Percy Hickling, who receives a salary of $3,300 for all of his time, to sell his testimony at the rate of $50 per day and more to lawyers both in the District and outside of it.

ST. ELIZABETHS DOCTORS MAKING MONEY

Mr. GILBERT. Doctor, do you think it is right and proper for a physician who is drawing a salary and supposed to give his whole time to that institution to have offices outside and practice, even outside of hours?

Doctor WHITE. They lived outside the institution, and the institution can not control them after they have left the grounds. They are on call of the institution at any time, and, indeed, I would not hesitate to call on them. But when they go home I can not control what they do down town.

Mr. GILBERT. Are they not under your supervision?

Doctor WHITE. We can call on them at any time.

Mr. GILBERT. Haven't you got the right to tell them that by reason of the fact that if they attend to their private practice that they can not give your institution their best service, and that if they are going to continue their positions out there they must not be practicing on the outside?

Doctor WHITE. I do not know whether I have any such rights as that or not.

Mr. GILBERT. That is what I am asking you.

Doctor WHITE. I doubt if I have.

Mr. GILBERT. Haven't you?

Doctor WHITE. I do not know.

Mr. GILBERT. How many physicians have you out there under you?

Doctor WHITE. About 40.

Mr. GILBERT. And you do not know whether they are engaged in private practice or not?

Doctor WHITE. When they are away from the hospital on their own time I have no control over them.

JUDGE CRANDALL MACKEY TESTIFIED

Mr. MACKEY. That is often done and allowed; yes, sir, in this way: For example, I had a will case in which I had the testator examined several years before his death, because one of his daughters was telling people he was insane; and to protect him I had him examined by Doctor Hickling and Doctor Gannon. In that case the court permitted a fee of $50 for Doctor Hickling and $25 for Doctor Gannon. That was a civil, private case, in which the laws of the land have nothing to do, except to furnish a court and jury to try the case.

Mr. BLANTON. Doctor Hickling is the District alienist?

Mr. MACKEY. Doctor Hickling is the District alienist.

Mr. BLANTON. And he gets $3,300 a year under classification.

Mr. MACKEY. That is what he gets.

Mr. BLANTON. And he got $1,500 in 1916?

Mr. MACKEY. In 1916 or 1918 he got $1,500. In 1914 he got $1,000. Congress fixed the salary of the District alienist in the District appropriation bill of 1912 at $1,000 a year, and Doctor Hickling was appointed prior to that time. Doctor Hickling only gets $1.25 for each patient that he testifies is of sound or unsound mind.

FREDERICK FENNING STARTED IT

I have already quoted the sworn testimony of Fenning that 23 years ago he started the practice by getting the court to allow a fee of $10 to St. Elizabeths doctors who made affidavits that persons were insane. Thus he incited these doctors to make money on the outside, when the law requires them to give all their time to the Government. Doctor White has now stopped the practice. And we are compelling him to stop these doctors from doing private medical practice on the outside.

CHARGE NO. 19

I charge on reliable information that Frederick A. Fenning is attorney for and is financially interested in the undertaking establishment of Joseph Gawler's Sons (Inc.), and that during the past 23 years has caused many bodies from St. Elizabeths Hospital to be turned over to said undertaker for burial, a number of them being wards of said Fenning, and that in the lunacy case of Walter Garland Allan, No. 10713, the said Frederick A. Fenning on March 24, 1926, paid to said undertaker the sum of $107.81 for burial expenses, which amount was the total residue of his ward's estate, after taking from same his own fees and commissions, and at such time said Fenning knew that for a charge of only $52 Undertaker Tabler furnishes everything necessary and conducts decent funerals for wards of the United States Veterans' Bureau, and I charge further that through confederation with his said brother-in-law, Coroner J. Ramsey Nevitt, and his employee, Bill Franklin, said Fenning wrongfully caused the body of one drowned in the basin, which body was demanded by the Veterans' Bureau and should have been turned over to it, to be wrongfully turned over to Undertaker Tullavull, who made the Government pay $108.50 for same, but which would have cost the Government only $52 for identically the same kind of funeral had said body been turned over to the Veterans' Bureau and the funeral conducted by the bureau's undertaker, Tabler.

SWORN TESTIMONY BEFORE JUDICIARY COMMITTEE

Mr. BLANTON. Your name is Alfred B. Gawler?

Mr. GAWLER. Yes, sir.

Mr. BLANTON. You are the president of the Gawler undertaking establishment?

Mr. GAWLER. Yes, sir.

Mr. BLANTON. You were a member of the business firm in 1906, and have been for years?

Mr. GAWLER. Yes, sir.

Mr. BLANTON. Mr. Fenning, Mr. Frederick A. Fenning, has been attorney for your firm for a number of years?

Mr. GAWLER. He has.

Mr. BLANTON. He is a director of your concern, is he not?

Mr. GAWLER. Yes.

Mr. BLANTON. And he has been for a number of years?

Mr. GAWLER. A few years; yes.

Mr. BLANTON. Well, he was attorney back in 1906, when your brother, Charles Gawler, was connected with it.

Mr. GAWLER. Yes.

Mr. BLANTON. Now, Mr. Gawler, in 1906, about that time, your establishment was receiving from St. Elizabeths Hospital from 45 to 50 bodies a year, was it not, for burial?

Mr. GAWLER. Mr. BLANTON, I can not testify to that. I have the record here.

Mr. BLANTON. Your brother says:

"Mr. WALLACE. How many do you get over there a year?

"Mr. GAWLER. We get, I should say, about 45 or 50."

That was true, was it not?

Mr. DYER. He does not know; but, of course——

Mr. BLANTON. You will state that that was about correct—your brother's testimony?

Mr. GAWLER. I should judge so. He would not have sworn to it if it was not.

Mr. BLANTON. Now, Mr. Gawler, is it not a fact that a few years ago there was a complaint made here by some of the undertakers that your company was having a monopoly out there in receiving bodies?

Mr. GAWLER. I know of no complaint, definitely.

Mr. BLANTON. You have filed in the supreme court, on the probate side, as petitioner, with Mr. Fenning as attorney, a petition to have him appointed administrator in cases, have you not?

Mr. GAWLER. Yes.

Mr. BLANTON. For instance, you let him file a petition in the supreme court for you in the Philip Berg case, where you were a petitioner asking that he be appointed administrator to settle up that estate. Is not that a fact?

Mr. GAWLER. I signed such. I can not say that I let him.

Mr. BLANTON. In the Garland Allen case, Mr. Gawler, there has been introduced in evidence a receipt that you signed in February this year where you acknowledged receipt from Mr. Fenning of $107.60 for burying Garland Allen. You know, do you not, Mr. Gawler, that the Government has a contract with Mr. Tabler to bury wards of the Government at $56, under specifications?

Mr. GAWLER. I think it is $66, is it not?

Mr. BLANTON. It is $56 without a shroud and $66 with a shroud—you knew that, did you not?

Mr. GAWLER. Not until recently, when the matter came out.

CONGRESSMAN LUCE, OF MASSACHUSETTS

I had convinced the distinguished chairman of the Committee on the Judiciary, Mr. GRAHAM, that my charges had merit, and on May 6, 1926, he brought the resolution before the House authorizing his committee to compel the attendance of witnesses. Mr. LUCE was granted time to speak. He refused to yield:

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. LUCE. I have not the time to yield.

Mr. RANKIN. Mr. Speaker, the gentleman has taken all of the time so far to put the other members of the committee in a wrong light, and he ought to yield in order that we can get the facts of the matter before the House.

Mr. LUCE. * * * I rise to inform those unhappy men who are confined in our hospitals, to inform their parents, relatives, and friends; aye, to inform more than 4,000,000 men who served in the late war, that the facts laid before our committee, which has concerned itself only with the aspects of the case that relate to veterans, do not as yet warrant any judgment condemning this man. He has violated no law. Every act that the law has required him to perform has been approved by the Supreme Court of the District of Columbia.

Mr. SCHAFER. Mr. Speaker, will the gentleman yield?

Mr. LUCE. I can not yield. The chief justice of the court has been quoted within a few days as accepting the responsibility. Mark you what I say now and spread it abroad, if you will. Not one veteran has lost one penny through the conduct of this man.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. LUCE. I decline to yield.

Mr. RANKIN. There is no evidence to back up the statement of the gentleman from Massachusetts.

Mr. LUCE. * * * A few days later the gentleman from Texas rose on the floor of this House and said:

"Mr. BLANTON. I wonder if the gentleman from South Dakota [Mr. JOHNSON] knows, and do you know, that when a veteran dies in St. Elizabeths Hospital the doctors there cut him up? One died some time ago, the case I have in mind, where they split his head wide open, and the undertaker refused to accept him for embalming—said he could not embalm a body like that."

Now, see how the vile odor of scandal spreads. In the report of a meeting of an American Legion post printed in the Washington Post yesterday morning was this paragraph:

"Bodies of shell-shocked veterans who died at St. Elizabeths Hospital have been sold to Howard University for scientific experiment, the Texan charged, and he pledged himself to put a stop to the practice"——

Mr. BLANTON. Mr. Chairman——

Mr. LUCE. I am going to exonerate the gentleman—

"And he pledged himself to put a stop to the practice."

Mr. BLANTON. Will the gentleman yield?

Mr. LUCE. No, sir; I yield no further. I want to tell the story.

A credulous clerk believed an autopsy had been performed on the body of a veteran. Somewhere between the shop of the undertaker and the floor of the House, passing through the office of the gentleman from Texas, the story was elaborated into one of dreadful mutilation that would outrage the sensibilities of any right-minded man. Other Members of the House began to use the word "horrible." Next the gentleman from Texas makes a speech containing something that a reporter misunderstands, which he distorts into a diabolically ingenious implication, meant to plant in the mind the impression that the bodies of white veterans are sold for the purposes of dissection by colored medical students.

CONGRESSMAN APPLEBY REBUKED LUCE

Mr. APPLEBY. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. APPLEBY. There has been a misstatement made on the floor of the House by the gentleman from Massachusetts. I heard the gentleman from Texas state his proposition about Howard University, and it had nothing whatever to do with the cutting up of bodies or the mutilating of bodies.

Mr. BLANTON. Or the selling of bodies.

Mr. APPLEBY. Or the selling of bodies.

Mr. BLANTON. I thank my colleague from California. I had forgotten that he was at the American Legion Tuesday night.

THEN I SECURED THE FLOOR

Mr. BLANTON. Mr. Speaker and gentleman of the House, now that you have heard Mr. Fenning's defense, it is but fair that I should present the other side, for there are two sides to this question. I present the side of the shell-shocked, helpless, afflicted veterans of our wars who for 25 years have been exploited by Frederick A. Fenning.

My colleague from Ohio [Mr. MCSWEENEY] was present and heard my whole speech. Here is his statement as to what occurred:

"I was present at the meeting of Washington Post, No. 1, American Legion, on the night of May 4, 1926, and heard Congressman BLANTON's speech. He made no statement whatever about bodies of veterans being mutilated before or sold to Howard University. He said that an employee of the Veterans' Bureau had testified that he had seen two bodies that had been cut upon, and that he had been reliably informed that St. Elizabeths Hospital had allowed its afflicted patients to be exhibited before classes in universities here for scientific purposes, and that some had been exhibited before a class of Howard University, and that if such were the case it ought to be stopped, as these poor, unfortunate patients should not thus be exhibited in public. He said nothing whatever about bodies being sold to Howard University.

"JOHN MCSWEENEY,
"Member of Congress, Sixteenth District of Ohio."

WERE BODIES CUT UP IN ST. ELIZABETHS?

On April 30, 1926, there appeared before our committee hearing Mr. Alva W. Collins, who is the assistant auditor for the United States Veterans' Bureau, having been with it since August, 1921, and whose duty it is to look after paying the funeral expenses of all veterans by auditing the vouchers for same. He was duly sworn, and upon oath testified as follows:

"Mr. BLANTON. Now, Mr. Collins, with respect to a body in May or June of last year that you saw, where the head had had an operation on it. Do you remember that body?

"Mr. COLLINS. I remember seeing the body lying in the undertaker's morgue.

"Mr. BLANTON. What had been done to the head?

"Mr. COLLINS. I think the scalp had been cut up here [indicating]——

"Mr. BLANTON. At the frontal bone?

"Mr. COLLINS. The frontal bone had been cut and the brain, I suppose, removed. I don't know about that. I didn't see that.

"Mr. BLANTON. That was a World War veteran?

"Mr. COLLINS. Yes.

"Mr. BLANTON. Now, in July you saw another body that had been cut up, didn't you?

"Mr. COLLINS. I happened in there on an errand taking some transportation for another body that was to be shipped, and I stepped over there after 4.30.

"Mr. BLANTON. What did you see about that body with your own eyes?

"Mr. COLLINS. That body was cut open from the throat all the way down.

"Mr. BLANTON. All the way down?

"Mr. COLLINS. Yes.

"Mr. BLANTON. What about the backbone? Did you find out anything about the backbone of the deceased?

"Mr. COLLINS. Well, I was told that the backbone had been taken out. I couldn't see it. I did not want to get close enough to it.

"Mr. BLANTON. Did it have a bad effect on you?

"Mr. COLLINS. It had a nauseating effect on me."

CORROBORATING EVIDENCE

But I had the sworn evidence from another bureau official corroborating the testimony of Auditor Collins. Mr. Clarkson E. Grier has been an honored and respected investigator for the United States Veterans' Bureau for over three years and did much work for the bureau in St. Elizabeths. He was duly sworn, and under oath testified before our committee as follows:

"Mr. BLANTON. Do you know Mr. Collins, who has charge of looking after these bodies, and so on, for the Veterans' Bureau?

"Mr. GRIER. Yes, sir; I know him very well.

"Mr. BLANTON. State whether or not Mr. Collins ever told you about one of the patients over there at St. Elizabeths where the doctors cut all the front part of his head off.

"Mr. GRIER. Yes, sir. I believe he did tell me something about that.

"Mr. BLANTON. Did Mr. Collins ever tell you about another body that they cut all to pieces

"Mr. GRIER. Yes, sir; he did.

"Mr. BLANTON. What did he say about the other one that they cut up so bad that Mr. Tabler said something about it? Tell the committee what he said.

"Mr. GRIER. I think it was July of last year—it was July—one of our claimants had died in St. Elizabeths, and they had an autopsy and the body was turned over to Mr. Tabler, our contract undertaker. Mr. Collins happened to be at Mr. Tabler's undertaking establishment when the body got there. That is the way I was told, or I believe that is the way.

"Mr. BLANTON. Tell us what he told you.

"Mr. GRIER. He said he saw a body that had been cut up pretty badly from St. Elizabeths, and that his stomach had been cut open down the front.

"Mr. BLANTON. What did he say about the backbone being cut out?

"Mr. GRIER. He said he was told that the backbone had been cut out. He didn't tell me that he saw the backbone.

"Mr. BLANTON. What did he say about Tabler with regard to the embalming?

"Mr. GRIER. He said that Mr. Tabler didn't want to handle a body like that; that he kind of intimated or something like that—I don't know exactly—but it was some remark that Mr. Tabler was not at all satisfied, was reluctant to receive a body in that condition.

"Mr. BLANTON. Didn't he tell you that he said the body was cut up so badly that Tabler said he didn't want to embalm it?

"Mr. GRIER. He didn't refuse to embalm it; he said he didn't want to.

"Mr. BLANTON. He didn't feel that he ought to be given a body in that condition?

"Mr. GRIER. I think that is what he said."

And then I presented a mountain of evidence showing improper exploitation of veterans by Fenning for 25 years.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. RANKIN. Mr. Speaker, I ask for the yeas and nays.

Mr. BLANTON. I hope the gentleman will not ask that. It was a unanimous vote.

Mr. RANKIN. I understand, but some have been applauding vociferously in behalf of Mr. Fenning, and I want to know whether they are going to vote like they applaud.

Mr. BLANTON. It was a unanimous vote, and I hope the gentleman will not ask for the yeas and nays.

BEFORE JUDICIARY COMMITTEE ALVA W. COLLINS TESTIFIED

Mr. COLLINS. I am assistant auditor for the Washington regional office.

Mr. BLANTON. Of the United States Veterans' Bureau?

Mr. COLLINS. Yes, sir.

Mr. BLANTON. Under General Hines?

Mr. COLLINS. Yes, sir.

Mr. BLANTON. You have charge of looking after the accounts with respect to the burial of Veterans' Bureau wards?

Mr. COLLINS. Yes, sir; all accounts.

Mr. BLANTON. It is a fact, is it not, that for some time the bureau has had a contract, which I will have you show in a moment, with an undertaker here named Tabler to bury the veterans with a certain standard funeral, standard coffin, and standard other things, at a certain price?

Mr. COLLINS. Yes sir; where it was not—where the family did not desire——

Mr. BLANTON. Where the family did not claim the body?

Mr. COLLINS. Yes, sir.

Mr. BLANTON. What is that contract price now, Mr. Collins?

Mr. COLLINS. If there is not a shroud furnished, it is $56.

Mr. BLANTON. If there is not a shroud furnished, it is $56?

Mr. COLLINS. Yes, sir. Then if a shroud or suit is furnished it is $66.

Mr. BLANTON. Have you the standard specifications as to what shall be furnished?

Mr. COLLINS. Yes, sir.

Mr. BLANTON. Read them, please.

Mr. COLLINS (reading):

"Embalming of the body (arterially and its cavities) to be done with a good standard disinfectant embalming fluid. All openings to be packed with cotton soaked in bichloride solution, and the body to be washed with a bichloride solution, as required by the regulations governing the transportation of bodies. Embalming shall also include the shaving, washing, and dressing the body, trimming of hair of head, neck, and face, as well as shaving the face, washing the body in bichloride solution, and dressing the body in clothes provided, if any, and the shroud or suit.

"Shroud: Robe of black broadcloth, blue serge, or gray suiting, and to include suitable underwear and hose.

"Suit: Tailored suit of black broadcloth, blue serge, or gray suiting, with linen dickey, collar and cuffs, bow or four-in-hand tie, and to include suitable underwear and hose.

"Casket: Casket shell to be made of chestnut, cypress, redwood, western cedar, or equally good wood standard to the industry in the locality in which furnished. Style of casket to be swell corner, octagon end, three-panel top, scroll center panel: face and foot caps to be oval or built to a height of at least 1½ inches; frame of top to be shaped from at least five-quarter stock. Body of casket to be made of 1-inch stock with base and ledge shaped from a total thickness of at least 2¼ inches and 1½ inches, respectively. It shall be optional to furnish a plain cut top of above specifications instead of three-panel top. Casket to be covered with black or gray broadcloth.

"Upholstering: Body of casket to be upholstered with wood, wool, and cotton covered with muslin, lining of three momie Jap silk or equally good material with flannel background. Pillow of same material. Face cap and frame around face cap lined with same material. Foot panel lined with cambric or muslin.

"Hardware: Six nontarnish finish steel-braced cast handles, with arm and tip cast separately, ⅞-inch bar and ears at least 2⅞ by 2⅜ inches, or equivalent, to be screwed to casket body, three on each side.

"Name plate: One silver-plated Butler-finish name plate, with suitable inscription thereon."

Then it says "Hermetically seal any casket when required." There is no specifications on that. [Reading:]

"Outside case: Case to be of 1-inch stock of dry, sound white pine, cypress, redwood, spruce, fir, or equally good wood, free from loose knots, S2S, oak or mahogany stained or painted gray. Sides to be set outside ends and nailed to them with 8-penny cement-coated nails. Top to be made in sections, tongued and grooved, run crosswise of box and set flush with outside edges of box. Top to be fastened to the box with 1¾-inch steel screws. Cleats 4½ inches wide with chamfered edges to be fastened on box top, one on each side, and to extend the length of the box inside. Size of box shall be such as to allow at least 1 inch clearance between outside of casket and inside of box.

"Hardware (handles): Six wrought-steel, copper-finished chest handles; size of plate at least 5½ by 2⅞ inches, to be bolted two on each side and one on each end."

Mr. BLANTON. You won't audit an account until there has been an inspection report on each one of them?

Mr. COLLINS. No, sir.

Mr. BLANTON. And if one of those handles were not secure and the inspection report showed that, you would refuse to pay the account?

Mr. COLLINS. Yes, sir.

Mr. BLANTON. Now, Mr. Collins, from your experience in handling these matters, what would that kind of a funeral, including the embalming and all of the things that are furnished, what would that usually cost from an undertaker?

Mr. COLLINS. My opinion would be that funeral would be worth anywhere from $100 to $125 in ordinary business. I do not know what the undertakers charge—their rate.

Mr. BLANTON. Now, in regard to the body that was found in the basin down here, Murdy—you know about Mr. Murdy's body being found in the basin?

Mr. COLLINS. Yes.

Mr. BLANTON. Now that body—it would have been impossible to embalm that body, would it not?

Mr. COLLINS. I believe it would. That is what they said; I did not see that.

Mr. BLANTON. That body, what would that cost through this Tabler Undertaking Co., if that had been turned over to Tabler?

Mr. COLLINS. Without a shroud, $49.

Mr. BLANTON. In that connection I will read just one matter, because it comes in pertinently at this time, from the original court papers in lunacy No. 10713 in re Walter Garland Allen, lunatic, for whom Mr. Fenning is the committee. I read the following receipt. Printed on it is "Law offices Frederick A. Fenning, Evans Building, 1420 New York Avenue, Washington, D. C."

"Washington, D. C., 3-24-26—"

That is March 24, 1926—

"Received of F. A. Fenning, committee of Walter Garland Allen, $107.81, balance held to the credit of the deceased by committee. Accepted in full for our bill of $110 for services in connection with burial as per order of court."

That is signed "Joseph Gawler Sons (Inc.), per Alfred B. Gawler, president."

This was to show that in March of this year Mr. Fenning paid out to Gawler $107.81 for a funeral that, had the body been turned over to Mr. Tabler, would have been conducted and the things furnished under those specifications at not more than $66, anyway, even if there had been a shroud furnished.

BEFORE JUDICIARY COMMITTEE CLARKSON E. GREER FURTHER TESTIFIED

Mr. BLANTON. You are an inspector for the United States Veterans' Bureau?

Mr. GREER. Yes, sir.

Mr. BLANTON. Mr. Greer, with regard to the body of a man who was later identified as a veteran of the World War, who was drowned in the basin here. I wish you would tell what you had to do on behalf of the United States Veterans' Bureau with regard to that body.

Mr. GREER. Bernard Murdie. I think that was on March 24; I am not positive about the exact date.

Mr. DYER. What year?

Mr. GREER. I think this year.

Mr. DYER. Proceed to answer his questions.

Mr. GREER. It is my official duty to reclaim bodies, and to help to identify them as ex-service men, when they are found dead in the basin, or any place in the river, or such things like that——

Mr. BLANTON (interposing). Now, first, with regard to the burial of bodies of World War veterans that the Veterans' Bureau takes cognizance of, state whether or not the bureau has a contract with any undertaker here to bury those bodies?

Mr. GREER. Why, yes.

Mr. BLANTON. Who is the undertaker?

Mr. GREER. I think his name is Norville Tabler. I was notified; a slip of paper was put on my desk that a man had been found drowned in the basin; and I immediately communicated with the morgue, the superintendent of the morgue. And we had identified this man as a claimant of the Veterans' Bureau; that is, a disabled man who had a compensable status. I asked the superintendent to notify me. I requested that he inform me when the coroner was through with the inquest, so that the Veterans' Bureau could claim the body for burial. I was not notified in two days; and I called again, and the superintendent of the morgue informed me * * * that Mr. Franklin had the body.

Mr. BLANTON. What Franklin?

Mr. GREER. Bill Franklin.

Mr. BLANTON. Do you know where Bill Franklin works?

Mr. GREER. I do at this time.

Mr. BLANTON. Where?

Mr. GREER. He works for the District of Columbia. I think it is in the water department.

Mr. BLANTON. For the District of Columbia?

Mr. GREER. Yes.

Mr. BLANTON. In what building?

Mr. GREER. The Municipal Building, I think.

Mr. BLANTON. The Municipal District Building down here?

Mr. GREER. Yes.

Mr. BLANTON. And you had been told that the body had been turned over to him—to Bill Franklin?

Mr. GREER. Yes.

Mr. BLANTON. Mr. Greer, do you know whether or not Undertaker Tabler buried Murdie?

Mr. GREER. I know that he did not.

Mr. BLANTON. You know that he did not?

Mr. GREER. No, sir.

Mr. BLANTON. Do you know what the undertaker who did bury him charged the Government?

Mr. GREER. Yes, sir; I know that he submitted a voucher for $180.50.

Mr. BLANTON. $180.50?

Mr. GREER. Yes, sir.

Mr. BLANTON. Now, Mr. Greer, a short time ago did you accompany a number of patients from St. Elizabeths on the train down to Augusta, Ga.?

Mr. GREER. Yes, sir.

Mr. BLANTON. How many?

Mr. GREER. Twenty-one. They were southerners.

Mr. BLANTON. There was one Fred Hall in that bunch from Florida, was there not?

Mr. GREER. Yes, sir.

Mr. BLANTON. Did you ever know of such a wholesale transference of patients from the Veterans' Bureau at any time before since your connection with the Veterans' Bureau?

Mr. GREER. Personally, I have never conducted any.

Mr. BLANTON. That is the only one you had personal knowledge of?

Mr. GREER. Yes, sir.

Mr. BLANTON. Had you ever been with any patients before?

Mr. GREER. No, sir.

Mr. BLANTON. Had the bureau ever called upon you to transfer patients from here before that?

Mr. GREER. No, sir.

Mr. BLANTON. You did not have any trouble with those patients, did you?

Mr. DYER. I do not see how that is material.

Mr. STOBBS. What bearing on this case has that?

Mr. BLANTON. My real purpose is to show that for years various parties had been trying to get their relatives who were not insane away from this institution here, without avail; and as soon as a congressional investigation started to bring out all of these facts all of a sudden 21 of them were sent down at one time and distributed in Georgia, Alabama, and Florida, showing that there was some reason for the investigation, and showing that the Veterans' Bureau and the hospital and the guardian realized the necessity to get them away from here.

FOUR HUNDRED AND EIGHTEEN SHELL-SHOCKED WORLD WAR VETERANS TRANSFERRED FROM ST. ELIZABETHS INSANE ASYLUM

I have the certificate of Gen. Frank T. Hines, Director of the United States Veterans' Bureau, certifying that from that date, May 26, 1926, to December 11, 1926, he transferred from St. Elizabeths to hospitals nearest their families the following 418 World War veterans:

Ellis L. Baxter, Joseph G. Clarke, Buford A. Creamer, Dr. Franklin Haynes, Edward McBride, Fred A. Martin, Lawrence O'Neill, John B. Queener, William T. Radcliff, Oliver B. Radford, George Spinopoulis, Adlai Thrasher, George P. Stovall, George V. Walker, Rufus Willyard, Benjamin F. Wood, Walter Yarborough, Virgie Hill, William J. Wilson, Allen Crawford, Henry Jones, Alcon Luttrell, George Pugsley, John A. Boardman, David M. Claghorn, William Keill, Daniel Scanlon, William N. Brigham, Vern Smith, William A. Yeagel, Samuel Robinson, Laura Curtis, Peter Mahsowr, Floyd R. Rhodes, Denis A. Denneby, Charles J. Ryslop, Fred W. Helmer, Charles L. Hester, John Fogleman, John Rose, Lee Allen, James L. Patterson, Warren C. Voiers, Bernard Sheehan, Felix Bohenko, Martin J. Connolly, John W. Bowman, Henry Castleberry, Hunter Galloway, Otto L. Hallquest, Joseph C. Holt, Arthur Horton, Brill Hutcherson, James B. Murphy, Cayce Phillips, Gilbert Johnson, Ernest Mittag, Gilbert Vallett, John W. Darnell, William H. (John Bowen) Walling, Clarence Madison, John Fordham, Walter Woodruff, Page Delahoussaye, James Myring, William Lucas, Oliver Crawford, Alphonso Price, George Urbesco, Grocer Eddleman, Calvert Faires, John Uzzel, Thomas Coppinger, Usuary Hayes, Robert Wilson, William L. Moore, Jake Rasskind, Jeff James, Ben Gage, William Mullen, James Murray, Richard McClain, John Munson, Roy A. Smith, John W. Kenealy, Charles Little, James Beida, Walter McIntyre, Oscar Oppendahl, Thomas Acoff, Lawrence Burnett, Arthur N. James, Waddell Farrah, Bert Branch, Fred Dugger, Nelson Armistead, James L. Smith, Earl Adams, James Dennis, Willie Williamson, John W. Holliday, Louis E. Hawkins, Robert C. Grovey, Christopher Waples, John Adams, Wesley Scott, William J. Delaney, Leonard Beasley, Charles Vaughn, George Brundy, Lawrence Walker, Louis Damia, Adam Saucinnas, Louis Getz, Michael Hart, Walter Ott, Earle W. Robinson, Frank Soleski, Augustus Strine, Vincent Zilinski, Neil Dever, William Roseler, Arthur Hatch, F. Santero, L. DeFrancesco, Meyer Feldscher, Edward Haldeman, Clemens Hildebrand, August Meier, William Pechulis, Stanley Sinkevitz, William Spangler, K. Wismaske, Edward Galvin, Ernest Miller, Esmond Brissette, Miley Farris, Thomas McCabe, Humphery Murphy, Fred V. Currano, Fred Huxter, Walter Burden, William Angerer, Michael Fritch, Charles McCabe, Martin Flaherty, Moe Barbalot, Walter Shelland, Charles Herbert, N. Collepardi, John Relihan, Frank Dzideic, Guil Abate, Maxwell Reeser, Frisby Anderson, Harry

Johnson, Charles Ritchie, Lucius Collier, Clarence Moore, Joseph Proctor, William L. Fennell, Charles Cronin, William Myers, Clayton Taylor, Arthur Solle, Albert M. Kelly, Marion Cochran, Ray B. Dixon, Sam Middlebrooks, Clavin Reeves, Arthur Andrus, Charles F. Donahoe, Stephen F. Aby, Michael Philbin, John Kuppi, Michael Powers, Warchol Vaclow, Frank L. Travis, Thomas Mack, Anton J. Pikra, Ernest Johnson, Algred Bogstad, James Belson, Walter J. Dickerhoff, Fred Gruner, Joe Bragiel, Frank A. Feldman, Anton Kucis, Michael O'Donnell, Albert Smith, William B. Parks, John W. White, Placido Abaya, Aurelio Emano, Gregorio Piada, Juan Ambay, Cirilo Jarvier, Mercario Zamora, E. Bernales, Henry Franco, Otto Barth, William C. Klein, Garrett Brennan, Herman Benken, Joseph J. Flaherty, Charles Koppe, Demetrious Davanos, Robert Reid, Albert Hartman, Michael Daly, Edward Caler, Bernard Doherty, B. Normantowicz, Eugene Zattoni, Maxie J. Eaton, Modesto Correra, Emmanuel Anderson, Thomas S. Callahan, Leonard J. Carrigg, Willie Franklin, Francis McCarty, Edward McQuire, Stanley Mientus, Patrick Rutledge, Lawrence Joyce, Milton Leonhardt, Frank Patterson, James Craig, Leo Murawski, Robert Norment, George Davis, John Hawthorne, Horace Epps, S. Lindstrom, William K. Hatter, Edward Quala, Wilfred Motley, Charles Smith, Camaron Sterman, Hugh Steele, John Brintia, G. Bruno, N. C. Carousos, Gust Seligas, Famia Rocco, Jacob Perenic, Dennis Pearson, Martin Gretchey, George H. Banks, Joseph Boldenbenner, Lonzo G. Bays, Elijah Hammond, Henry Hiller, James E. McDermott, Herman Smith, Luther B. Gentry, Elijah Thomas, Henry A. Kimble, Logan G. Bicktell, Virgil Earles, Zorn Hall, Joseph Russ, Arthur W. Oliver, Robert Flood, John W. Curran, John Pelow, Charles A. Gadbury, Waclaw Karwoski, John Essling, Willis D. Lauver, Edward Czarnecky, Warren Reider, Davis Parks, Lyle Forbes, John A. Munter, John Durkin, Joseph Vaselenak, William J. Yeager, Henry Firbaugh, Otto Baughman, Jake Tercek, William Evans, Fred Fleight, Richard Nichols, Holly Eggleston, Steve Petranshik, Peter Yavich, John Magann, Charles Morris, Turner Rhodes, Neil Kelly, Santiago Navarasso, Charles Eyler, Nestor Garin, Albert Steward, James Talbott, Angelo Vendette, Jacob Trauger, Henry Dearnley, Layton Boyce, John Brinko, Argentino Dinardo, Stephen Guman, Edward Halloran, Morris Sterman, Joseph Strosatz, John Trimbole, Richard Vielmo, Joshn Zelvis, Stanley Korimski, Thomas Herndon, Samuel Jordan, Robert Morris, William Hoffman, Joseph Devine, Frank Bekart, Ramon Dalamon, Joe Grabosky, Joseph Milewski, Hedwig Werdelin, John Adams, Widler P. Baker, Thomas J. Clinnin, Frank Mylnarick, Arthur Richardson, Sidor Thomas, Cleo Thompson, Lester Cornett, James W. Butcher, John A. Beasley, Thomas C. Brady, Charles Quedry, Dr. P. Harrison, Douglas E. Bradford, Robert J. Colvin, Houston Harrington, Alphons Kinder, Dixon J. Bennett, Fred Buzzard, Orval Davisson, Fay F. Baker, Arthur D. Myers, Ikey Boston, Willis Sutton, Fresch Taylor, Thomas C. Williams, Luis Cruz, Casiniro Mercado, Cenaro Vasquez, Earl Rea, Daniel O'Connor, Lewis Brownell, Achim Mallath, Thomas Burne, Thomas Coolignn, George Lucak, Henry J. Ahlmeier, C. Nicholetto, Theodore Custer, Leighton Pierce, Albert W. Crowley, Henry L. Tims, William Benjamin Greene, Kusti Sears, Hans Wobeck, Barooch Marsh, Christ Mihelia, Robert Cummings, Edward H. Vander, Thorlief Nilson, Victor S. Branez, Lui Halas, Frank Gildutis, Albert Kluge, Gustave Koobas, John Laskie, Teofil Stosicak, Philip Neis, Stephen Simko, Demetri Kudhoff, William E. Johnson, John Ziekowski, Eli Moran, Francis J. Kennelly, Thomas P. McAleer, Enrico Olivieri, Charles Ravis, Albert Wachowiak, Anthony Curcio, John Joseph Murphy, Tony Paparo, Fred C. Vanmeurs, Mel Ksahalan, Calvin Alder, George P. Bard, Frank E. Baer, Besthula F. Beal, Amato Bellucci, Walton D. Bolton, Dorsey Deane, John Ferry, William E. Gaus, Gustavus Gehringer, Harry J. Harley, Elmer Hoagland, Wilma O. James, Samuel Mackarus, Fred W. Moore, Frank Parlo, Joseph Pauer, William Pollow, Walter Rotkewech, Francis Schmidt, Howard E. Shae, Joseph J. Thompson, William F. O. Wacker, Fred Weber, Edward Woodrow; total, 418.

ONE HUNDRED AND FORTY-ONE PATIENTS DIED IN ST. ELIZABETHS FROM JANUARY 1, 1926, TO JULY 7, 1926

Dr. W. W. Eldridge testified under oath that during 1925, 269 patients died in St. Elizabeths, and that from January 1, 1926, to the date he testified, May 13, 1926, 141 patients had died in St. Elizabeths. They died there mighty fast. And we know that if these 418 World War veterans had not been transferred from there, many would have died. So that the information may be available for their relatives, the following are the 141 patients who died in St. Elizabeths from January 1 to May 13, 1926:

Henry Page, Harry B. Settlemeyer, Evelyn T. Smith, Laura Bronson, Jane Holt, Charles Speaks, Margaret A. Norris, Carolina R. Ayers, Cordelia Mickle, John Kemp, Edward Cahill, Perlie Granger, James Miller, Francis Dent, Thomas Parker, Herbert McKinney, George Banks, Beatrice Burch, John Allen, Edward H. Brunner, Joseph R. Cooper, George C. Davis, Hayes Mathez, Samuel Johnson, Elise D. Pennell, Julia Odoms, Frank Barbour, Walter S. Burks, Carl Miller, Gotlieb Ashwander, Florence Carpenter, Marie Vatli, Meta E. Wolfsteiner, Thomas Daly, Mack Van, James H. Offutt, Elizabeth Edmonds, Julia Conway, William H. McKinney, Andrew Wargarnin, Isaac Mahoney, Wencelas Sedlak, William Radcliffe, William A. Forrest, Molly Williams, John Smith, Emma B. Davis, Mary Branson, Sarah Smith, Happy Jarrett, Letha Powell, Wong Wo, Norris C. Lloyd, Sarah Short, Frank P. Locraft, Jennie Hammill, Wilder H. Cookson, Charles W. A. Vedits, Daniel Howell, Ethel Talley, Minnie F. Voute, Susan Williams, John Jones, William Sears, Sarah Miller, Samuel Connor, Ellen Brereton, Mary Purdy, Julia Taft, Margaret Holmes, Barbara Hunter, Annie Stibor, Cannie C. Carpenter, Eleanor Bully, Elizabeth Godfrey, Annie Mintz, Hattie Gray, Philip Palerano, William J. Miller, John Colbert, Shedrick Gill, Eliza Stone, Margaret Dexter, Ida Robinson, Ellen G. Lander, Pearl Sparrow, Dorothy Carneal, Mollie Jones, Enos H. Hurlburt, Walter McGowan, Rachel Wright, Charlotte Burnette, Buren Brown, Margaret Conway, Thomas Nichols, Mary Jones, Joe McManus, Frederick H. Fletcher, Edward Dick, Gouveneur T. Greenlaw, Mabel Berry, Elizabeth McVey, Joseph Flemming, George W. Brooks, Nathan Alexander, Paul Depp, Harrison Delyons, Buelah Goings, Dewey Bryant, Diamandies Papahopoulios, Charles A. Van Horn, Ira Morris, David Kelly, Olive Gardner, Gus Gobbertin, Peter Weber, Ruben Jackson, Hugh Donnelly, John A. Curran, George Amey, Albert Culley, Joseph Abribet, William H. Carter, Amelia Turner, Joseph A. Blinkhorn, Mike Paulelik, Arthur Welch, Martha Johnson, Emil R. Reipschneider, Joseph Locher, Adelaide Bowie, Hannah Barber, Christine Garead, Clara Lavine, Lucy Washington, Robert E. Ledbetter, Caroline Dillon, Catherine Fishback, Amy Henry, Alexander Brailowsky, and August J. Sunden.

OVER 400 WORLD WAR VETERANS THERE YET

There are still over 400 World War veterans in St. Elizabeths, and they must be transferred. I do not intend to quit until every one of them is removed, and until every one of the 2,200 patients there who have never yet had a hearing, are given a hearing, and are either discharged or committed there lawfully.

I have now quoted evidence sufficient to show that I proved the truth of my charges Nos. 1 to 24, and this leads me up to my

CHARGE NO. 25

I charge that the said Frederick A. Fenning, while Commissioner of the District of Columbia, during the four months from December 1, 1925, to March 31, 1926, permitted the corporation counsel of said District, in the name of the Commissioners of said District of Columbia, as petitioners, to file in the Supreme Court of the District of Columbia 150 cases of lunacy and caused 150 human beings, and residents of said District, to be incarcerated in insane asylums, charged with being of unsound mind, when many of said persons are sane and should not be deprived of their liberty.

SWORN TESTIMONY OF ELIZABETH MEIGS

Mr. BLANTON. Miss Meigs, your name is what?

Miss MEIGS. Elizabeth Meigs.

Mr. BLANTON. You are the clerk in charge of the lunacy branch of the Supreme Court of the District of Columbia?

Miss MEIGS. Yes.

Mr. BLANTON. And you have been in charge of that how long—for how many years?

Miss MEIGS. Since January 1, 1900.

Mr. BLANTON. Twenty-six years in all?

Miss MEIGS. Yes.

Mr. BLANTON. Now, to save time, Miss Meigs made an affidavit here that from December 1 to March 31 the records show 150 lunacy cases that were filed there in the name of the commissioners by Frank H. Stephens, corporation counsel. I can get that admission without putting that all in?

Mr. HOGAN. If Miss Meigs says that is a fact?

Miss MEIGS. That is a fact.

Mr. HOGAN. Let it go in, subject to the question of relevancy.

Mr. BLANTON. At my instance she examined the records and counted up the number of lunacy cases filed in the names of the commissioners by Frank H. Stephens.

Mr. HOGAN. Well, a copy of one petition will show how they are filed.

Mr. BLANTON. They are filed in the name of the commissioners.

SUPREME COURT OF THE DISTRICT OF COLUMBIA,
Washington, D. C., April 2, 1926.

Hon. THOMAS L. BLANTON,
House of Representatives, Washington, D. C.

DEAR SIR: In compliance with your request of this date, I have the honor to report that there were 150 lunacy cases filed by Francis H. Stephens, corporation counsel, between December 1, 1925, to March 31, 1926, inclusive.

Respectfully,

E. M. MEIGS,
Assistant Clerk of the Supreme Court of the District of Columbia, in Charge of Lunacy.

CHARGE NO. 26

I charge that the said Frederick A. Fenning continuously for the past 23 years has conspired and confederated with the said Dr. Wil-

liam A. White to block and prevent sane patients wrongfully incarcerated in St. Elizabeths Hospital from securing their liberty through habeas corpus proceedings, and I charge that Frederick A. Fenning admitted under oath that he went to the court and caused the court not to discharge Miss Cornelia L. Corbett and her mother, and he thus wrongfully kept them in St. Elizabeths for two years and four months, during all of which time they were sane, and while there he squandered their property, and that when finally an able lawyer in the District, through habeas corpus proceedings, forced a trial for them before the court they were adjudged of sound mind and released, and that the said Miss Cornelia L. Corbett, in cause No. 49104, law, sued said Frederick A. Fenning in the Supreme Court of the District of Columbia and recovered a judgment against him, and made him pay back to her a part of the value of her property which he had squandered, and that said wrongful acts of said Fenning caused the premature death of Mrs. Corbett.

TESTIMONY IN FIRST HEARING

FREDERICK FENNING TESTIFIED

I am frank to admit that in the Corbett case—I am the committee of Mrs. Corbett—I went into the court when the habeas corpus proceeding was about to be heard and told the judge that as committee of Mrs. Corbett I had looked carefully into the case since she had filed her petition for a writ of habeas corpus, and my opinion was that the best interests of Mrs. Corbett demanded that she remain where she was, and that that being the case I was going to appear with the district attorney in opposition to the issuance of the writ.

MISS CORNELIA L. CORBETT TESTIFIED IN 1906

Miss CORBETT. The day we were taken there they came in without any warning whatever. We had not the least idea that any such thing was premeditated. We were taken right out of the house. They had a patrol wagon in front of the house. They had a large Irish policeman and a private detective, a woman, I do not know who she was, a lady physician, and a large black policeman, and they put us in a patrol wagon, and there were two men on the front seat of this wagon. We were taken right over to St. Elizabeths without any warning whatever. They came right in our house.

Of course, we were thrown in the insane asylum without any justice, and while we were in there everything we had was disposed of.

Mr. HAY. You do not know who sold them?

Miss CORBETT. Mr. Fenning, Lawyer Fenning, was given authority—what they call the committee in charge of our affairs—and he sold them. He was the one who sold them.

MISS CORBETT AGAIN TESTIFIED APRIL 6, 1928

In our first application for habeas corpus Mr. Frederick A. Fenning prevented our having any witnesses, and he caused the court not to release us, but to remand us back to St. Elizabeths without a proper hearing, and he did everything within his power to obstruct our efforts to get out, and to keep us there; the cruel shock and humiliation nearly killed my mother; no one will ever know just how much we both suffered there.

Hon. Robert H. McNeill, an attorney, of Washington, had granted a writ of habeas corpus, and through trial in court had us both declared sane and of sound mind, and by order of court discharged from St. Elizabeths, where for two years and four months Mr. Frederick A. Fenning had kept us incarcerated behind bars; I then brought suit against Mr. Fenning for my part of the effects he had sold, and the bill of particulars attached to my declaration is cause No. 49104, law, will show just what he had squandered of my property.

MISS CORBETT'S TESTIMONY BEFORE JUDICIARY COMMITTEE

Mr. BLANTON. You are Miss Cornelia L. Corbett?

Miss CORBETT. I am.

Mr. BLANTON. You are employed by the Board of Charities, which is not under the Commissioners of the District of Columbia?

Miss CORBETT. I am employed by the Associated Charities.

Mr. BLANTON. But for 15 years you have been employed by them continuously?

Miss CORBETT. For 15 years or longer.

Mr. BLANTON. Miss Corbett, when there was a hearing before Congress in 1906, you appeared before the committee and testified, did you not?

Miss CORBETT. I did.

Mr. BLANTON. And the committee had you brought from St. Elizabeths before them, did they not?

Miss CORBETT. They did.

Mr. BLANTON. At that time you were incarcerated with your mother in St. Elizabeths?

Miss CORBETT. I was.

Mr. BLANTON. And you had been there at that time how long, approximately? When were you and your mother put in St. Elizabeths?

Miss CORBETT. We were kidnaped and taken over there on Saturday evening, June 11, 1904.

Mr. BLANTON. 1906 was when the hearing was had, when she testified, and she was put in there in 1904, so that she had been there approximately two years.

Four months after that hearing you and your mother were released by order of the court, were you not?

Miss CORBETT. I was.

Mr. BLANTON. And, altogether, you and your mother were kept in St. Elizabeths two years and four months, were you not?

Miss CORBETT. Two years and four months.

Mr. BLANTON. Were you insane at any time during that two years and four months you were in St. Elizabeths?

Miss CORBETT. No, sir.

Mr. BLANTON. You knew what you were doing all the time?

Miss CORBETT. I attended to everything myself.

Mr. BLANTON. You took care of your poor sick mother, who got sick from the shock of taking her out there?

Miss CORBETT. She had a stroke the next morning when she got a letter from Doctor Hamlin speaking as though she was in a summer resort.

Mr. BLANTON. And you waited on her and cared for her?

Miss CORBETT. I took almost entire charge of her.

Mr. BLANTON. Now, is it not a fact, Miss Corbett, that before they had that congressional investigation you applied for a writ of habeas corpus before the court down there and that Mr. Fenning appeared there and kept you and your mother from putting on witnesses and having a hearing, is not that a fact?

Miss CORBETT. Yes.

Mr. BLANTON. When they did not allow you to put witnesses on. I am not talking about the time the court discharged you; I am talking about the first time, before they had the congressional hearing.

Miss CORBETT. The very first time we had no one to represent us.

Mr. BLANTON. Is it not a fact that you did not have any lawyer then?

Miss CORBETT. No.

THESE TWO LADIES REALLY HAD BEEN KIDNAPED

Mr. BLANTON. Just tell what happened that evening. Did you and your mother know you were going to be put in St. Elizabeths?

Miss CORBETT. Why, we never had the faintest idea of such a thing.

Mr. BLANTON. You had no notice or warning of it?

Miss CORBETT. None whatever.

Mr. BLANTON. Where were you and your mother when the patrol wagon drove up to the door?

Miss CORBETT. I was lying down in one room and my mother was lying down in another.

Mr. BLANTON. When the wagon came, what did they do; just tell exactly what they did?

Miss CORBETT. Some one rang the bell. I went to the door and there was a tall woman standing at the door and she stared me right in the face and wanted to know if any one was sick in the house. I said no, there was no one sick in the house. She said, "Have you had a nurse?" I said, "What would we have a nurse for?" Then she pushed herself right in and before I knew it, there were several private detectives and Doctor Burette, also a member of the Church of the Covenant, a homeopathic physician, and she came in and said we were to be taken over to St. Elizabeths. I could not understand it. I said, "I would like to telegraph to my uncle," who was in Philadelphia, "General Hood"; also I would like to speak to the neighbor next door, and also to Mr. Linton, on the square above. They would not let me speak to anybody; they would not even allow me to change my clothes or to dress. My mother did change hers, and she did pick up her watch and chain. And this woman just treated me as if I was a convict. She stayed right by me all the time.

Mr. BLANTON. Was there a colored policeman in the patrol wagon?

Miss CORBETT. Oh, yes; there was a big colored policeman sitting beside us.

Mr. BLANTON. He sat beside you when they put you in the patrol wagon?

Miss CORBETT. Yes; and this other woman was on the end and the colored policeman was in the center of the patrol.

Mr. BLANTON. They would not even let you confer with anybody?

Miss CORBETT. They would not let us confer with no one.

Mr. BLANTON. But they took you out and made you leave all of your things there just like they were when they came?

Miss CORBETT. Yes.

Mr. BLANTON. That was in Eckington, was it not?

Miss CORBETT. Yes.

Mr. BLANTON. You and your mother had formerly had a home up near Dupont Circle, had you not?

Miss CORBETT. No; on M Street.

Mr. BLANTON. State whether or not your father had died a few years preceding that over in Virginia.

Miss CORBETT. He had.

Mr. BLANTON. And he had left an estate of about $75,000?

Miss CORBETT. Yes.

Mr. BLANTON. And the executor was the one who sold your home on M Street?

Miss CORBETT. Yes.

Mr. BLANTON. Then you and your mother were forced to go and live in Eckington?

Miss CORBETT. We were.

Mr. BLANTON. Now, who sold all of those things you and your mother had in that house in Eckington?

Miss CORBETT. Mr. Fenning.

Mr. BLANTON. Among those things were a lot of your personal belongings?

Miss CORBETT. There were.

Mr. BLANTON. Belonging to you?

Miss CORBETT. Yes.

Mr. BLANTON. There was a valuable painting you had there worth how much?

Miss CORBETT. There were a great many valuable paintings, but there was one that was a marine painting and was worth $1,500.

Mr. BLANTON. Many of the things you had in there were heirlooms in your family of yours and your mother's?

Miss CORBETT. Yes. This was a very small house, and it was crowded with heavy things that were not appropriate to the house, but we kept them.

Mr. BLANTON. Your family had been a well-to-do family over in Virginia until your father's death?

Miss CORBETT. Oh, yes.

Mr. BLANTON. Now, how much were all those things sold for by Mr. Fenning—yours and your mother's, too?

Miss CORBETT. Well, one newspaper notice said about $600, another one about $400.

Mr. DYER. Have you the records in the case?

Mr. BLANTON. It was around $500.

That is true and correct, is it; everything you state there you had in that house?

Miss CORBETT. Yes.

List of personal property belonging to Miss Cornelia Corbett

[From court records]

Music cabinet	$32.00
Music chair and cushion	12.00
Violin	45.00
Estey organ	450.00
Music books	10.00
Old mahogany chest of drawers	30.00
Little sewing chair	7.00
Small oak table	1.50
Office table	4.75
Hand-carved bracket	3.00
Brackets (hand carved), heads of Grant and Colfax	10.00
Library table, solid cherry	33.00
Satinwood writing desk and contents	13.00
Walnut bedroom set	100.00
Mattresses	14.00
4 pairs feather pillows, 2 bolsters	11.00
Lamp with bisque shade	18.00
Bookcase	50.00
Bookcase made from wood on Grandfather C.'s farm	15.00
Books	500.00
Portrait of Grandfather Hood	150.00
Portrait of Grandmother Corbett	100.00
Portrait of Maie Van Slyke	25.00
Oil painting, "Indian Vespers"	200.00
Oil painting by R. Turner, "Four-mile Run"	10.00
Oil painting by R. Turner, "Marine—Venetian scene"	1,500.00
Water color by R. Turner, "Cloisters Court"	75.00
Small oil painting of mine	
Placques, panels, etc., and screen	75.00
Framed photo of Napoleon	1.50
Crayon head—Kismet	2.00
Steel engravings—5 in all—4 at $60 apiece and 1 at $50	290.00
Bronzes, "Mercury and Iris"	87.00
Bric-a-brac	100.00
Sardine dish—silver plated	2.00
Silver tea set	75.00
Silver ice set	30.00
Brass candlesticks, snuffers, and tray	7.00
Brass and irons, shovels, and tongs	10.00
China and glass pieces	
Chests containing art materials	
2 woven coverlets	40.00
2 silk quilts, unfinished	10.00
Large sofa pillow	5.00
Britannia ware communion set and plates	15.00
Brass comb, tray, and brush	3.00
Old carved chair and sofa—rare	100.00
Old stone jar	25.00
Mink muff and stole with tails	20.00
Silver beaver muff	8.00
Felt hat	3.00
Several cloth skirts	7.00
2 crocheted afghans	6.00
Plaid shawl—new	6.00

Remember that Fenning sold all of the above and all of her mother's household effects for only $500.

Mr. DYER. Afterwards, you instituted a suit at law against Mr. Fenning for damages on account of the loss which you claim you sustained from his action in disposing of certain property belonging to you or your mother; is that true?

Miss CORBETT. To myself.

Mr. DYER. And secured judgment against him for some amount?

Miss CORBETT. A very small amount.

Mr. BLANTON. About four hundred dollars and something?

Miss CORBETT. Yes.

Mr. BLANTON. So that when you were taken out of it you left everything you possessed in that house?

Miss CORBETT. Everything.

Mr. BLANTON. And you say Mr. Fenning took charge of it and he sold it?

Miss CORBETT. Everything.

Mr. BLANTON. And after the hearing before the congressional committee in 1906, shortly thereafter, Judge McNeil, without your having employed him at that time, took it upon himself to get you out, did he not?

Miss CORBETT. Yes.

Mr. BLANTON. Just from his knowledge of what occurred in that hearing?

Miss CORBETT. Yes.

Mr. BLANTON. And he filed an application for a writ of habeas corpus before the court and you and your mother were brought before the court?

Miss CORBETT. Yes.

Mr. BLANTON. And you were released?

Miss CORBETT. Yes.

Mr. BLANTON. With regard to your mother's mind, was she any more insane when she was placed in that asylum than she was when she was turned loose?

Miss CORBETT. She was not; she had a remarkable mind.

Mr. BLANTON. She had a remarkable mind?

Miss CORBETT. A wonderful mind.

Mr. BLANTON. And when you and your mother were taken out to St. Elizabeths that evening, without notice, she was just as sane then as she was when she was discharged by the court?

Miss CORBETT. Yes, sir; exactly.

Mr. BLANTON. And all the time she was there, even when you say she was paralyzed from the shock of being taken out there, state whether or not she was sane during all of her stay in St. Elizabeths.

Miss CORBETT. She was.

Mr. BLANTON. Perfectly sane; she knew everything she was doing, and so on?

Miss CORBETT. She did.

Mr. BLANTON. What effect did that have on your mother, taking her to St. Elizabeths at that time, in June, 1904?

Miss CORBETT. Well, it materially shortened her life.

LOGUE ADJUDGED SANE AFTER SIX YEARS' IMPRISONMENT

In the first hearing Judge Thomas testified:

In the Logue case Mr. Fenning's attitude has not been one such as an ordinary committeeman would show. He placed every obstacle and delay he could to investigating the man's sanity. When Mr. Logue was brought into court Mr. Fenning opposed it and wanted a continuance. He got a continuance, and then still another continuance. Then when he was finally discharged I demanded final account of Mr. Fenning, so that Mr. Logue could have his money. Mr. Fenning demurred and said that he should have 30 days. But I said, "This man has no money; in 30 days he will starve." So the matter went over, and in several weeks we got it up. Judge Stafford said to Mr. Fenning, "This money belongs to this man; he is entitled to it; and I order you to pay down $200 cash now to him, and then you can determine the rest." As to the rest of that money, six months have gone by and delays have been put in the way. We have brought proceedings to recover the money, and Mr. Fenning has questioned the law, and the man has not got his money yet, and I do not know that he will ever get it.

CHARGE NO. 27

I charge that said Frederick A. Fenning is now holding in St. Elizabeths Hospital Lieut. F. D. Allen, who is sane, and that said Fenning is squandering his property.

I have already called attention to Fenning's letter:

MRS. FLORENCE PICKRELL,

817 Twenty-fifth Street, Newport News, Va.

DEAR MRS. PICKRELL: The case of your brother, Francis D. Allen, came on for hearing yesterday morning. Every effort was made to convince the court that he was of unsound mind, but without avail, and the matter went over for two weeks. When the case is heard Friday, November 6, 1925, I will further advise you in the premises.

Yours very truly,

F. A. FENNING.

It took him nearly a month to convince the court that Allen was insane, when Allen had no one to represent him. And you will remember Allen's testimony before our committee, and that after this hearing he secured a writ of habeas corpus and was discharged by the court as having nothing the matter with him.

And I have already quoted the evidence showing how Fenning squandered his property.

CHARGE NO. 28

I charge that in each of his cases said Frederick A. Fenning charges against his ward's estate a notary fee, in each and all of the many papers he must file under oath, when such notary is an employee of his law office and such fees are allowed by the court when they are not proper fees.

MISS HELEN A. LA SANO TESTIFIED

Mr. BLANTON. You have been in Mr. Fenning's employ for how long?

Miss LA SANO. Over six years.

Mr. BLANTON. Now, I notice from inspecting numerous papers in the court, numerous lunacy papers, and several probate papers in the register of wills' office and some other law papers, that you take a great many acknowledgments in Mr. Fenning's office—that is a fact?

Miss LA SANO. Yes.

Mr. BLANTON. And I notice notarial fee vouchers to you in many cases, a good many of them. You are the same Helen A. La Sano to whom those vouchers were issued?

Miss LA SANO. I know of no other.

Mr. BLANTON. Miss La Sano, what salary does Mr. Fenning pay you now?

Miss LA SANO. $1,440 a year.

Mr. BLANTON. What did you start in on six years ago?

Miss LA SANO. $1,340.

Mr. BLANTON. When did you get the $100 raise?

Miss LA SANO. After I had been there a year.

Mr. BLANTON. Then, for the last five years you have received $1,440 a year?

Miss LA SANO. Yes.

Mr. BLANTON. Now, in addition to that, are you allowed all the notary fees you make?

Miss LA SANO. I most assuredly am.

Mr. BLANTON. Then you get all the notary fees you make?

Miss LA SANO. Exactly.

MISS LA SANO COULD COMMAND $3,000 SALARY

Miss La Sano is an able, efficient, valuable legal secretary and law stenographer assistant. She does all of Fenning's stenographic work. She prepares all of his legal papers. She attends to having all legal notices advertised. She is an expert. She does his work, which brings in to Fenning from $15,000 to $25,000 per year fees additional to the salary of $7,500 he drew as commissioner. She could easily command $3,000 salary. There are many such secretaries in Washington less efficient who receive $3,000. Yet, Frederick Fenning paid her only $1,440 and gave her his notary fees, all of which came out of the estates of his several hundred helpless wards.

I introduced in evidence the original court papers in scores of cases showing that when filing his annual account in each case Fenning would charge against his ward notarial fees for the numerous papers he would each year swear to before his own office stenographer, in each case, and he would have the court allow him such sums out of his wards' estates, and then he would pay same to Miss La Sano, thus making his helpless wards pay a good part of his secretary's salary.

CHARGE NO. 29

29. I charge that said Frederick A. Fenning uses his said office of Commissioner of the District of Columbia for his own selfish benefit and advantages, and that he exercises his power in an arbitrary and tyrannical manner, evidenced by his wrongful demotion of Inspector Albert J. Headley and punishing Officer Gore for doing his duty.

POLICEMAN GORE TESTIFIED

Mr. BLANTON. Officer, state your name.

Mr. GORE. Marshall R. Gore.

Mr. BLANTON. Talk out distinctly. You are a member of the Metropolitan police force?

Mr. GORE. Yes, sir.

Mr. BLANTON. In June, 1925, what department of the Metropolitan police force were you in?

Mr. GORE. Traffic Bureau.

Mr. BLANTON. You were a traffic officer?

Mr. GORE. Yes, sir.

Mr. BLANTON. On June 5, 1925, it is admitted that Mr. Fenning became a Commissioner of the District and was in charge of the police department. On June 12—after that, June 12, 1925, between 8 and 9 o'clock in the morning, where was your beat?

Mr. GORE. New York Avenue between Fourteenth and Fifteenth Streets.

Mr. BLANTON. On New York Avenue between Fourteenth and Fifteenth. Is the Evans Building situated there?

Mr. GORE. About in the middle of the block, on the south side.

Mr. BLANTON. That is where Mr. Fenning has his law office?

Mr. GORE. Yes, sir.

Mr. BLANTON. On that date, June 12, 1925, was there a law that prevented parking between Fourteenth and Fifteenth Streets on New York Avenue in force and effect?

Mr. GORE. Yes, sir.

Mr. BLANTON. What were your duties, officer, with respect to cars you might find parked between 8 and 9 o'clock—8 and 9.15 in the morning?

Mr. GORE. It was to cite them before the judge at the police court.

Mr. BLANTON. State whether or not you saw a Cadillac car that morning with license No. 2 on it?

Mr. GORE. Yes, sir.

Mr. BLANTON. Between 8 and 9 o'clock?

Mr. GORE. Yes, sir.

Mr. BLANTON. What time did you see it?

Mr. GORE. About 8.25.

Mr. BLANTON. About 8.25?

Mr. GORE. Yes, sir.

Mr. BLANTON. Where was the car?

Mr. GORE. In front of the Evans Building.

Mr. BLANTON. Who was driving it?

Mr. GORE. A colored chauffeur.

Mr. BLANTON. Was there anybody else in the car?

Mr. GORE. A lady in the rear seat.

Mr. BLANTON. When you saw that car there, state whether or not any newspaper reporters made any complaint to you about it?

Mr. GORE. Well, the city editor of the Baltimore Sun in an office close by, and several business men on the block, said to me——

Mr. DYER. Now, officer, we do not care to hear what somebody else said to you, but did somebody make a complaint or was your attention directed to the car?

Mr. GORE. Yes, sir.

Mr. BLANTON. And what did you do?

Mr. GORE. I approached the chauffeur and said, "Buddy, there is no parking here; you will have to move around the block."

Mr. BLANTON. Tell exactly what he said.

Mr. GORE. He said, "No, indeed; I don't have to move anywhere." He said it was Commissioner Fenning's car and he had been ordered by the commissioner to stay there until he came out.

Mr. BLANTON. And he told you he was not going to move?

Mr. GORE. Yes, sir.

Mr. BLANTON. Were you ordered down there before Inspector Headley that day?

Mr. GORE. Yes, sir.

Mr. BLANTON. What time that day?

Mr. GORE. About 1 o'clock.

Mr. BLANTON. What did Inspector Headley do when you went down there?

Mr. GORE. He says, "What trouble have you and the commissioner been into?" and I told him, and he says, "Well, I have been ordered by the commissioner, through the major, the then acting major and superintendent, to severely reprimand you," and he said, "You consider yourself severely reprimanded."

Mr. BLANTON. And you were; you did consider yourself severely reprimanded?

Mr. GORE. Yes, sir.

POLICE CAPT. ALBERT J. HEADLEY TESTIFIED

Mr. BLANTON. Your name is Albert J. Headley?

Mr. HEADLEY. Yes, sir.

Mr. BLANTON. Until June 19, 1925, you were an inspector in the Metropolitan police department?

Mr. HEADLEY. Yes, sir.

Mr. BLANTON. And on that day you were demoted to a captaincy and sent to the Fourth precinct?

Mr. HEADLEY. Yes, sir.

Mr. BLANTON. Inspector, the evidence shows that Mr. Frederick A. Fenning became commissioner on June 7, 1925. On June 12, 1925, about a week after he became commissioner, were you ordered to do anything with regard to an officer named Gore?

Mr. HEADLEY. To reprimand Officer Gore.

Mr. DYER. What did the inspector say to you?

Mr. HEADLEY. He said, "Inspector, Commissioner Fenning has complained about the action of Officer Gore on New York Avenue for a conversation he had with Commissioner Fenning's driver.

Mr. BLANTON. And you were ordered to reprimand Officer Gore?

Mr. HEADLEY. Yes, sir.

Mr. BLANTON. State whether or not you did reprimand him.

Mr. HEADLEY. I did.

Mr. BLANTON. What happened to you a week later, Inspector, on June 19, 1925?

Mr. HEADLEY. I was demoted from inspector of traffic to a captaincy.

Mr. BLANTON. Why?

Mr. HEADLEY. I do not know.

Mr. BLANTON. Was any reason given?

Mr. HEADLEY. No, sir.

Mr. BLANTON. Did you ever hear of an inspector having been demoted to a captaincy in the Metropolitan police department?

Mr. HEADLEY. Not in 30 years.

Mr. BLANTON. You have been on the force how long?

Mr. HEADLEY. If I stay there until the 1st of July, it will be 31 years.

Mr. BLANTON. Has any reason ever been given by Mr. Fenning or anybody else for demoting you?

Mr. HEADLEY. No, sir.

Mr. BLANTON. Do you know why you were demoted?

Mr. HEADLEY. No, sir.

Mr. PERLMAN. Were any charges preferred against you?

Mr. HEADLEY. No, sir.

Mr. PERLMAN. Were you told that you were under charges?

Mr. HEADLEY. No, sir.

Mr. PERLMAN. Have you ever made inquiry why you were demoted?

Mr. HEADLEY. No, sir.

Mr. PERLMAN. Could you find out why?

Mr. HEADLEY. I did not attempt. I got orders and obeyed them.

Mr. BLANTON. Inspector, you lost how much by being demoted?

Mr. HEADLEY. $250 a year salary.

Mr. BLANTON. And how much allowance?

Mr. HEADLEY. There was $480 allowed for an automobile.

Mr. BLANTON. Then all together it is $710?

Mr. HEADLEY. $730.

Mr. BLANTON. I mean it is $730 a year lost to you in salary and allowance?

Mr. HEADLEY. Yes, sir.

Mr. BLANTON. You say you have been there 30 years?

Mr. HEADLEY. Yes, sir.

Mr. BLANTON. You will soon be eligible for retirement?

Mr. HEADLEY. When I become incapacitated.

Mr. BLANTON. So far as your age or physical ability is concerned, what is your physical situation now? Are you in good physical shape or not?

Mr. HEADLEY. Two months ago I was examined by the board of surgeons, and they said I was physically perfect.

Mr. BLANTON. Physically perfect. You are now in charge of a precinct here as captain?

Mr. HEADLEY. Yes, sir.

Mr. BLANTON. How many men are under you?

Mr. HEADLEY. Ninety-one.

And then I proved by Commissioners Bell and Rudolph that it was Commissioner Fenning who had Headley demoted from an inspector to a captain.

WHAT COMMISSIONER RUDOLPH TOLD CHAIRMAN RAYNER

Mr. RAYNER. Mr. Rudolph told me that the demotion of Mr. Headley was all wrong and never should have been done, and that if the President of the United States asked him the same question his answer would be the same.

HEADLEY RESTORED

Albert J. Headley had been a splendid, faithful officer for 30 years, with a spotless record. I demanded of Fenning that he right this wrong. He refused. But after I forced Fenning to resign I have succeeded in persuading the present commissioners to restore, and he is now an inspector again. Concerning same Mr. A. H. Cannon wrote me:

MY DEAR MR. BLANTON: In securing the reinstatement of Inspector Headley I believe you have accomplished something that will add to your already long list of accomplishments for the public good.

Similar letters have been received from several hundred people, among whom are the following:

J. B. Ullman, 407 Seventh Street NW.; Philip Milstone, 825 Thirteenth Street NW.; Mrs. T. S. Boyd, 639 F Street SW.; John H. Paynter, 717 Florida Avenue NW.; Earl I. Klein, 1140 Twenty-first Street NW.; Morris Hahn, R. T. Cab Co.; Kenneth M. Livingstone, American Building; F. W. Niles, Royal Blue Motor Co.; John T. Maginnis, 1307 D Street NE.; Emil Spahn, 1023 Sixth Street SW.; D. L. Selke, Mills Building; Lawrence Gassenheimer, The Green Line; Attorney John C. Foster; Fred J. White, Iron Works; Milton S. Kronheim; George W. Harvel, 2109 Half Street SW.; Abe M. Hanline, 508 West Fayette Street, Baltimore; M. Perot, president Southern Dairies; James Trimble, vice president, National Bank of Washington; Fred A. Maltby, Black & White Express; B. E. McCann, Hyattsville; Mary W. Shankle, 316 Fourteenth Place NE.; George E. Harding, Neumeyer Motor Co.; J. Miller Kenyon, Evans Building; S. H. Thompson, 1319 F Street NW.; Attorney Timothy J. Hart; Rev. John E. Briggs; D. J. Gibson, 100 First Street SW.; Madison Carroll, manager the Mode; Jos. F. Randall, Albee Building; Henry Braxton, secretary citizens' association; G. B. Casassa, 1400 Pennsylvania Avenue NW.; W. L. Peak, commander President's Own Garrison, No. 104, Army and Navy Union; J. P. Story, jr., 812 Seventeenth Street NW.; Elizabeth J. Riley, 221 Eighth Street SW.; Jas. R. Ryan, United States Customs Court, New York.

I have mentioned just enough of these writers and their addresses to show that they are representative citizens, and that Fenning's cruel act was deemed a wrong against the public.

CHARGE NO. 30

I charge that on February 12, 1926, said Frederick A. Fenning wrongfully and without cause, but for the selfish purpose of giving a $2,100 position to his prospective son-in-law, Dr. Floyd McJ. Allen, forced out of office Dr. C. J. Murphy, and put in his place the said Allen, as a police and fire surgeon of the District.

Dr. C. J. Murphy testified in person before the Judiciary, but, to save space, I quote his affidavit:

I, Dr. C. J. Murphy, being duly sworn, upon my oath state: For over four years I have been a member of the board of police and fire surgeons of the District of Columbia; about six months before Commissioner Fenning entered office the board had caused Dr. Floyd McJ. Allen to discontinue services he was rendering at clinics because of his inattention, and we secured Dr. R. L. De Saussure, a nose and throat specialist, at $1 per year, to attend clinics and do the work Doctor Allen had been doing, with the understanding that pay work should go to him, which amounted to several hundred dollars a year; shortly after Commissioner Fenning went into office our board received notice that all pay work should be sent to Doctor Allen; when some of such pay work continued on to Doctor De Saussure a second notice came from the District Building to our board that all pay work must go to Doctor Allen; it was common knowledge that Doctor Allen was waiting on a daughter of Commissioner Fenning as her suitor; about February 5, 1926, Doctor Allen advised me that he was going to get appointed on our board, and he asked me if I knew which one of us was to be left out; on February 11, 1926, I was called by Commissioner Fenning to his office and he advised me that it was necessary to have a nose and throat man on the board; I told him that we had the services already of Doctor De Saussure at $1 per year and that he was costing the police and firemen only about $300, and it seemed useless to put a $2,100 man on the board; I knew by his manner that he had called me there to fire me; I said: "You can't ask for my resignation because I am going to hand it to you first." He said, "Can you have it here by to-morrow morning?" I said yes, and asked him if there was any charges against me and he said none whatever. I took him my resignation the next morning and found that he had prepared already the appointment of Doctor Allen in my place, and that evening the press reported that I had resigned and that Doctor Allen had been appointed in my place.

C. J. MURPHY, M. D.

Sworn to and subscribed before me on this the 19th day of April, A. D. 1926. Given under my hand and seal of office.

[SEAL.] JOHN ANDREWS,

Notary Public in and for the District of Columbia.

CHARGE NO. 31

I charge that in February, 1926, said Frederick A. Fenning, in order to promote one of his friends, wrongfully retired on pay of $100 per month for life Sergt. Robert E. Lee, a physical giant, 6 feet 2 inches tall, 55 years old, weighing 225 pounds, who for four years had not missed a day for sickness, and concerning whom all of his brother officers testified there was no better man on the force, and that said Fenning arbitrarily refused to grant a proper hearing on the matter, requested by a Member of Congress.

SERGT. ROBERT E. LEE TESTIFIED

Mr. BLANTON. You are how old?

Mr. LEE. Fifty-five.

Mr. BLANTON. You weigh how much?

Mr. LEE. Two hundred and twenty-five.

Mr. BLANTON. You are how tall?

Mr. LEE. Six feet two and a half.

Mr. BLANTON. You have been in the Metropolitan police how long?

Mr. LEE. About 32 years.

Mr. BLANTON. You were retired when?

Mr. LEE. The 1st of March.

Mr. BLANTON. Now, when you were ordered retired and ordered to keep off of your beat, how many years had it been since you had been absent on sick leave?

Mr. LEE. Nearly four years.

Mr. BLANTON. You had not been absent on sick leave for nearly four years up to that time?

Mr. LEE. Approximately four years.

Mr. BLANTON. Are you able to perform the duties of your office?

Mr. LEE. Absolutely.

Mr. BLANTON. Physically and mentally?

Mr. LEE. Absolutely.

Mr. BLANTON. Were you retired with your consent or against your consent?

Mr. LEE. Against my consent.

Mr. BLANTON. How much loss does it cost you a month in salary to be retired?

Mr. LEE. One hundred dollars.

Mr. BLANTON. One hundred dollars a month?

Mr. LEE. Yes, sir.

Mr. BLANTON. At the time you were retired, Sergeant, did you have a son in the university trying to get an education?

Mr. LEE. I had a boy in Georgetown University and I had a girl in high school. I had a house I had not paid for, and requested them to let me stay a little while.

Mr. BLANTON. You wanted to allow your son to finish his education?

Mr. LEE. He was three years there in Georgetown.

Mr. BLANTON. Yes. Now I want to read from the testimony in this case.

Then I read the testimony, showing that before the retiring board Assistant Superintendent Evans, Capt. Ira Sheetz, Capt. C. E. Flather, Lieut. M. L. Ready, and Inspector E. W. Brown all testified that Lee was one of the best, most reliable, and efficient officers on the force, and that he was in every way, physically and mentally, able to perform his duties.

Yet Fenning had him retired, and refused to give a rehearing, and the following are some of the ridiculous questions that were asked Lee:

Q. Are you married?—A. Oh, yes.

Q. Is your wife living?—A. Yes, sir.

Q. What was your wife's maiden name?—A. Emma V. Slater.

Q. What does the V. stand for?—A. Vera.

Q. Where was she born?—A. Washington.

Q. Do you know the date?—A. No, sir.

Q. How old is she?—A. She is about a couple of years younger than I am.

Q. When were you married?—A. I couldn't tell you the year.

Q. How long have you been married?—A. Twenty-six or twenty-seven years.

Q. Where were you married?—A. Baltimore.

Q. Do you remember the name of the minister?—A. Yes, sir.

Q. What was it?—A. Freas, I think.

Q. What is the denomination?—A. I don't remember.

CHARGE NO. 32

I charge that on March 3, 1926, said Frederick A. Fenning wrongfully removed from office Dr. Edward Comstock Wilson, the hero of Knickerbocker Theater, as medical inspector of schools, for the selfish and wrongful purpose of putting in his place an old friend of Dr. William A. White, who is 73 years of age, simply because when said White and Fenning were under fire in a congressional investigation in 1906 this now 73-year old doctor then sympathized with them.

DR. EDWARD COMSTOCK WILSON TESTIFIED

Mr. BLANTON. You have been a physician how long, doctor?

Doctor WILSON. Seventeen years.

Mr. BLANTON. You are a graduate of what institution?

Doctor WILSON. George Washington University.

Mr. BLANTON. When Mr. Fenning became commissioner on June 5, 1925, how long had you been school physician then?

Doctor WILSON. Going on seven years; something like that. I do not know the exact date of the appointment.

Mr. BLANTON. Are you the same Dr. Edward C. Wilson who officiated at the Knickerbocker Theater disaster?

Doctor WILSON. Yes, sir.

Mr. BLANTON. You worked there all of that night and most of the next day saving people who were hurt there, did you not, Doctor?

Doctor WILSON. All through the night.

Mr. BLANTON. You worked there all that night in the freezing weather and snow, did you not?

Doctor WILSON. Yes, sir.

Mr. BLANTON. You amputated a man's arm, did you not, Doctor, that night?

Doctor WILSON. Yes, sir.

Mr. BLANTON. And you were there all the next day until 3 o'clock?

Doctor WILSON. Yes, sir.

Mr. BLANTON. And you never got a cent of money for it?

Doctor WILSON. No, sir.

Mr. BLANTON. Now, Doctor, at any time this year did Mr. Frederick A. Fenning give any notice to you about asking for your resignation?

Doctor WILSON. Yes, sir.

Mr. BLANTON. When was it?

Doctor WILSON. I think the date was February 28. It was on a Thursday.

Mr. BLANTON. What did he say to you?

Doctor WILSON. Well, I got word about 1 o'clock to be at his office in the District Building between 2 and 3 and I got there about 2.30. I was ushered into the office; Mr. Fenning spoke to me and stated that he had sent for me to come down. He said that he wanted me to feel there was nothing personal in what he was going to say to me and that there were no charges against me; but that he had worked out a plan of reorganization of the medical inspection service, which he had been working on, I think he said, for about two months, and he would have to insist on my resignation the next morning, to be in his hands by 10 o'clock. * * * "I want to have it here by 10 o'clock tomorrow, and you can state that owing to the increase of your private practice you find you are unable to take care of the medical school work." I told him that I could not make a statement of that kind, because it would not be true. I think I used the words, "If I made a statement of that kind, it would be a lie."

Mr. BLANTON. Did you tell him you would resign?

Doctor WILSON. No, sir.

Mr. BLANTON. Did you resign?

Doctor WILSON. No, sir.

Mr. BLANTON. What did he do about it?

Doctor WILSON. He removed me.

Mr. DYER. Did it give any reasons? You need not state what was in it, but did it give any reasons?

Doctor WILSON. No; there were no reasons in it; just "Edward C. Wilson, removed," for some term used in the law; I do not know what.

Mr. DYER. Were any charges preferred against you, either in writing or orally?

Doctor WILSON. No, sir.

Mr. BLANTON. Do you know whom he appointed in your place?

Doctor WILSON. Yes, sir.

Mr. BLANTON. Who was it?

Doctor WILSON. Dr. Samuel S. Adams.

Mr. BLANTON. This is the report of the anniversary dinner given to this Dr. Samuel Shugart Adams, which says that Mr. Frederick A. Fenning was there as one of the guests and that Samuel Shugart Adams was there and Dr. William A. White was there, and I am going to quote an excerpt from a speech that Dr. William A. White made that night.

And I presented to the committee Doctor White's speech, in which he said that when he and Fenning were under fire during the investigation in 1906 Dr. Samuel S. Adams gave them comfort and friendship.

Mr. BLANTON. Now, you do know, Doctor, that since this investigation has taken place it has been held that Doctor Adams, because he is 73 years old, was unqualified to take the position and has been removed; do not you know that?

Mr. HOGAN. Are you asking now for something he read in the newspapers?

Mr. DYER. Do you know this doctor referred to by Judge BLANTON Doctor Adams, who took your place?

Doctor WILSON. Yes, sir.

Mr. DYER. Do you know about how old a man he is?

Doctor WILSON. I think he is going on 74; I think he is 73. I think he was born in 1852.

Mr. BLANTON. Do you know whether or not he has been removed since Mr. Fenning had him appointed because of his age?

Doctor WILSON. Yes, sir.

Mr. HOGAN. He is a very old man, but a man of the finest reputation, is he not?

Mr. WILSON. Yes.

Mr. BLANTON. Just as good as any 73-year-old doctor could be. [Laughter.]

CHARGE NO. 33

I charge that the said Frederick A. Fenning and Dr. William A. White are jointly interested in certain financial investments together, and in February, 1920, carried a partnership account in the Washington Loan & Trust Co., and that their relation is such that neither can render to the public that quality of service to which the public is entitled.

I have already quoted from the sworn testimony of both Dr. William A. White and Frederick A. Fenning showing they admitted that for years they had carried on partnership transactions in financial matters, that they had carried joint bank accounts, and were still partners. Hence I will not repeat such evidence here.

CHARGE NO. 34

I charge that the said Frederick A. Fenning has made a deliberate attempt to deceive Congress when in said prepared statement he denied the report which the Veterans' Bureau inspector, Dr. Henry Ladd Stickney, filed with the bureau on April 26, 1924, wherein Doctor Stickney charged that said Fenning "constantly opposes the transfer of his wards from St. Elizabeths Hospital," and I charge that for over three years said Fenning has refused to turn over to Mrs. Eliza Lee, the legal guardian of the person and estate of her son, Roley Lee, her said son, but withholds him from her, and that said Fenning has already received in his fees and commissions the sum of $1,155.27 from the estate of said Roley Lee, who was shell shocked in France and is a World War veteran.

When in his unsworn, specially prepared statement that he sent to Chairman MADDEN to have printed in the RECORD as his defense said Frederick A. Fenning denied the Stickney report,

he did not realize that I would be prepared to produce before the committee said original report and authenticate same by Doctor Stickney himself.

Mr. BLANTON. Your name is Dr. Henry Ladd Stickney?

Doctor STICKNEY. Yes, sir.

Mr. BLANTON. You are a physician employed by the United States Veterans' Bureau?

Doctor STICKNEY. Yes, sir,

Mr. BLANTON. You are now in charge of a hospital in Massachusetts?

Doctor STICKNEY. Rutland Heights, Mass.

Mr. BLANTON. In April, 1924, you were control officer and doing certain investigating work for the United States Veterans' Bureau?

Doctor STICKNEY. For the central office.

Mr. BLANTON. For the central office of the United States Veterans' Bureau?

Doctor STICKNEY. Yes, sir.

Mr. BLANTON. And in that month, as control officer, you were sent to St. Elizabeths Hospital to investigate conditions of bureau patients in that hospital?

Doctor STICKNEY. In March, sir.

Mr. BLANTON. And on April 24, 1924, you filed your report with the Veterans' Bureau?

Doctor STICKNEY. Yes, sir.

Mr. BLANTON. You reported conditions that you found in St. Elizabeths Hospital?

Doctor STICKNEY. I did.

Mr. BLANTON. Doctor, did you report those conditions truly, as you found them?

Doctor STICKNEY. As I saw them; yes, sir.

Mr. BLANTON. In one paragraph of your report, to which I have called your attention, you state:

"The control officer learned that Frederick A. Fenning, Esq., an attorney with offices in the Evans Building, this city, appears to have certain privileges and concessions shown him in contacting claimants of the bureau in the hospital, and at the present time is guardian in over 100 cases. No criticism has been made concerning his guardianship, except that he does constantly oppose the transfer of his wards from St. Elizabeths Hospital to any other hospital outside of his jurisdiction."

Did you investigate that matter before you made this report?

Doctor STICKNEY. Yes, sir.

Mr. BLANTON. What did you find about Mr. Fenning having 100 bureau wards over there?

Doctor STICKNEY. I found that from the record.

Mr. BLANTON. What did you find about his enjoying certain privileges and concessions shown him in contacting claimants of the bureau?

Doctor STICKNEY. That was information given me from confidential sources.

Mr. BLANTON. Confidential sources at the hospital?

Doctor STICKNEY. Yes, sir.

Mr. BLANTON. And nowhere else?

Doctor STICKNEY. No, sir.

Mr. BLANTON. All the confidential sources you based your opinion upon were at the hospital?

Doctor STICKNEY. Yes, sir.

Mr. BLANTON. Will you state whether or not this statement that you made here is true, based upon the confidential information you obtained?

Doctor STICKNEY. From all the information given to me I embodied it in the report.

Mr. BLANTON. As a true statement of the conditions?

Doctor STICKNEY. What I believed to be a true report.

AUDITOR'S CERTIFICATE

The certificate from the auditor of the Supreme Court already quoted showed that in the case of Rolly Lee the following commissions were paid to Frederick A. Fenning: $322.95 on March 7, 1922; $204.22 on February 23, 1923; $204.25 on February 14, 1924; and $210.81 on March 17, 1925, totaling $942.23.

EXCERPT FROM HEARINGS

Mr. BLANTON. Now, Mrs. Lee, in addition to the amounts that had been paid Mr. Fenning in your son's case, I have the last account that he has filed this year, so far, which was audited April 2, 1926.

And this one shows notarial fees of 50 cents; bond premium allowed to the committee, $42.66; commission to committee in accordance with the order of court of March 2, 1926, $213.04—making a total allowance to the committee of $255.70. That is in addition to the amounts that were put in evidence in connection with your direct testimony the other day.

The $942.23 and the $255.70 totals $1,197.93 commissions that Fenning received from Rolly Lee's estate before he filed his final account, at which time he was allowed an additional $40, which makes a total of $1,237.93 commissions he received since 1922 on this poor shell-shocked soldier's estate.

DID MORE THAN MY DUTY

No burden rested upon my shoulders greater than that which equally rested upon the shoulders of each of the 434 other Congressmen and 96 Senators, and that was to ascertain and prevent such awful conditions from existing. In preferring the charges it was my duty merely to indicate to the Judiciary Committee what were the facts, and then let them develop them. But I realized that if I did not develop the facts myself they would not be developed, for early in the proceedings I saw politics influencing procedure in all three committees, the World War Veterans' Committee, the Committee on the District of Columbia, and the Judiciary Committee. It was a prominent, influential, rich Republican who was being tried. And certain influential Republicans sought to save him. And I reached the conclusion that regardless of the nature and quantity of evidence I produced there was a bare majority of the committee that would refuse to oust Fenning. I therefore knew that to force him out I would have to pile up the evidence so strong that public sentiment would take a hand. And this I did. Up to this time I have quoted just sufficient evidence under each charge to convince any fair-minded, unprejudiced, unbiased reader of the RECORD that I proved each and every one of the 34 charges against Fenning by overwhelming evidence. But I have quoted only a small part of it. Our hearings before the Gibson committee embraced 1,394 printed pages. Our hearings before the Judiciary Committee embrace 1,098 printed pages. I had no trouble in holding my own with Levi Cooke, Thomas B. Littlepage, and Frank J. Hogan, the three distinguished lawyers who defended Fenning. From the beginning to the ending of the hearings I was continually hamstrung and harassed and blocked by the gentleman from Maine [Mr. HERSEY] and the gentleman from Illinois [Mr. GORMAN]. Many times they objected to evidence which Fenning's counsel did not attempt to obstruct. Mr. HERSEY was not even a member of the hearings committee, yet he was the only member of the Judiciary Committee who attended every session. Besides being brother Republicans, Fenning owned and maintained a summer home up in Maine, and this linked them closer together. It is strange how the mills of the gods do grind. In the elections that followed adjournment, Mr. GORMAN, who helped block me on the Judiciary Committee, and Mr. FAIRCHILD, of New York, who helped to block me in the House, and Mr. MONTGOMERY, of Oklahoma, who helped block things before the Veterans' Committee, were all repudiated by their constituents, and kept at home.

* * * * * * *

HERSEY'S UNFAIR ATTEMPT TO WHITEWASH FENNING

On July 2, 1926, Mr. HERSEY obtained leave to extend his remarks, but he waited until Congress adjourned to do it. Then he printed in the RECORD the most ridiculous defense of Fenning that legal skill, shrewdness, and Yankee ingenuity could devise. He eulogized Fenning to the skies. He likened him to Christ by quoting what Pilate said:

Behold, I having examined him before you, have found no fault in this man, touching those things whereof ye accuse him.

And he likened himself to Pilate by declaring:

I find no fault in him.

He said that—

the evidence will stand forever as a complete vindication for Colonel Fenning.

And he further said:

A majority of the committee found that none of the 34 charges of impeachment were proven.

He knew that Congress had adjourned without kicking Fenning out of office. But he did not tell the public that the House of Representatives would have voted to kick him out if politics had not prevented Members from having the chance to vote. He knew there would be five months' recess, and he did not believe Fenning would be in danger until then, and he was trying to create public sentiment for him. He had his speech printed and permitted Fenning to broadcast it through the mails under his frank. He quoted the unfair, baseless, misrepresentations which Mr. LUCE had made of me, which I have already mentioned, and also said that I had—

Secured the attendance of two mentally ill men before a committee and exposed them to humiliation.

But he did not tell that one of these men was Frank D. Allen, whose sanity I thus established; and he did not tell that the other was Capt. William West, 61 years old, sent to St. Elizabeths from the New Orleans Marine Hospital without trial or hearing, and whose sanity I thus established; and he did not tell that afterwards both of these men, Allen and West,

were adjudged absolutely sane and discharged from St. Elizabeths by judgment of the Supreme Court of the District of Columbia. I wish every person in the United States could read the testimony of Capt. William West before our Gibson committee on pages 883 to 889 of the printed hearings, and learn just what horrible treatment is accorded sane men in St. Elizabeths. And to show how they punish men for testifying, Captain West was recalled before the committee and from his testimony on page 1145 of the hearings, I quote:

Mr. BLANTON. Capt. William West, you are the same man who testified here a few days ago?

Captain WEST. A week ago Thursday.

Mr. BLANTON. On Thursday?

Captain WEST. On the 6th.

Mr. BLANTON. After you testified here on the 6th, tell what happened to you out there at St. Elizabeths.

Captain WEST. I was locked up at 10.45 in the morning, sir.

Mr. BLANTON. How long were you kept there?

Captain WEST. Up until last Friday.

Mr. BLANTON. Until you heard that we had called the committee's attention to the fact that you were kept locked up?

Captain WEST. Up until last Friday.

Mr. BLANTON. That was how many days?

Captain WEST. Seven days.

But they can not lock him up any more now, for he has gained his freedom. For 37 years this man sailed the high seas, and because some superior officer did not like him he was rammed into St. Elizabeths. And LUCE and HERSEY condemn me because I did not let this sane man rot there.

Because the facts have been thus misrepresented, I have performed the labor of briefing this case, so that Mr. HERSEY's declarations may not go unchallenged. And I intend to pay the Public Printer $1,000 for reprints of this brief, and send them where Mr. HERSEY has sent his, so that Americans may read his without proof, and mine with proof, and form their own conclusions as to the facts.

HERSEY'S SLANT NOT THAT OF OTHERS

While thereby hoping to save his brother Republican, Mr. HERSEY has criticized my efforts. I have recently received from Dr. Millard A. Jenkins the following letter which my colleague from Georgia, Congressman UPSHAW, voluntarily wrote him:

HOUSE OF REPRESENTATIVES, UNITED STATES,
Washington, D. C., June 3, 1926.

Rev. MILLARD A. JENKINS,
Pastor First Baptist Church, Abilene, Tex.

MY DEAR JENKINS: Knowing your natural admiration for spunky loyalty to the things that are highest and best, I feel like I must congratulate you in particular, and the people of your congressional district in general, on the superb and heroic work which has been done, and is now being done, by your hard-working, plucky, and able Congressman, Judge THOMAS L. BLANTON.

You will remember that when I spoke several times in Abilene and the surrounding country I paid frequent tribute to BLANTON, declaring frankly that while I had not always agreed with him on everything that I must hand it to him as one of the most vigilant and useful Members of the House. But since then BLANTON has grown marvelously. His poise, his amazing industry, and his utter abandon to his concept of public duty have become more and more the inspiration of every Member of Congress who believes in the triumph of personal and national honesty.

BLANTON'S revelations in the case of Commissioner Fenning have caused a succession of sensations in the Nation's Capital, and in them he has practically stopped the method of his enemies and positively commanded the respect and admiration of the entire House.

He has done a work lasting through many weary days and weeks and months, for which some lawyers would have been paid anywhere from $10,000 to $50,000, if it had been handled from that standpoint. But with unselfish devotion to the cause of truth and humanity he has exposed fraud and championed the cause of unfortunate veterans in a way not only to force remedial legislation in Washington, but to act as a wholesome deterrent against evil officials all over America. And your city and district, and indeed the whole State of Texas, ought to be proud of THOMAS L. BLANTON.

With warmest greetings to all of my Abilene friends, and praying God to make you and your great church an increasing blessing to Abilene, to Texas, and the world, I am,

Cordially yours,

WM. D. UPSHAW,
Representative, Fifth District, Georgia.

ATTEND ALL SESSIONS OF HOUSE

My colleagues know that I am on the House floor at all times. I do all of my research work and investigation in the mornings before the House meets at noon, then at night, and during recesses and vacation. It does not conflict in any way with my active duties concerning all legislation on the floor. During this session, which adjourns, March 4, 1927, I have not missed a roll call. And Mr. Page said:

I hereby certify that the original official tally sheets used in recording yea-and-nay votes and on calls of the House during the third and fourth sessions of the Sixty-seventh Congress, November 20, 1922, to March 3, 1923, show that Hon. THOMAS L. BLANTON and Hon. Edwin D. Ricketts are recorded as present and voting on each and every call, being the only Members of the House who are so recorded.

WM. TYLER PAGE,
Clerk of the House of Representatives.

CASES THAT SHOULD SHOCK CONSCIENCES

I must show the facts in just a few of the many shocking cases where Fenning exploited his victims, which I quote from the hearings:

EXPLOITED PHILIP BERG BEFORE AND AFTER DEATH

Mr. BLANTON (continuing). Now I want to call the committee's attention to the case of Philip Berg, which I believe is one of the most remarkable in the United States. There are two sides in this case; first the lunacy side and then the probate of wills side. I offer the petition which was filed August 25, 1919. This is a World War veteran. It is on the paper of Fenning & Gordon, attorneys and counsellors at law, Frederick A. Fenning and Spencer Gordon, Century Building, Washington, D. C.

This recites:

"That Philip Berg is now, and has been for some time past, a patient under treatment for mental disease at St. Elizabeths Hospital, etc.

"That said Philip Berg is entitled to compensation under the act of October 6, 1917, and to final pay and bonus on account of his service as a seaman, United States Navy.

"That said Philip Berg is unmarried, and that his nearest relatives are Annie E. Post, sister, residing at Clinton, Conn., Albert Berg, and Albin Berg.

"That your petitioner is advised that in order that the estate of the above named may be properly conserved it is necessary that a committee be appointed by this court."

Then the petitioner prays "That Frederick A. Fenning be appointed committee of the person and estate of the above named," and it is signed, "Annie E. Post," and sworn to before a notary public.

Mr. HERSEY. What relation was the petitioner to the ward?

Mr. BLANTON. The petitioner sets forth in that petition that she is the sister; but as a matter of fact it will be developed before the committee later on by the evidence of witnesses that she was not a sister, but merely a cousin.

Then there is the affidavit of the physicians—and this one matter is important—that Daniel C. Main, one of the St. Elizabeths doctors, signs this, that he is familiar with the mental condition of this patient, and that, in his opinion, he is of unsound mind. This is sworn to before Frank M. Finotti, notary public, on the 22d day of August, 1919.

Then there is the verdict of the jury: "Now comes here as well the petitioner, by her attorney, Frederick A. Fenning, as the alleged lunatic in person," etc., and that is the finding of the jury that he is of unsound mind.

Then there is the order appointing Mr. Fenning committee, filed August 29, 1919.

Now, this is the main document in this case that I want you gentlemen to give careful attention to. This is the petition to let this lunatic make a will. I want to read certain parts of it: "That said Philip Berg is the son of one Gustaf W. Berg and Christine Berg. That said Gustaf W. Berg, his father, died on or about August 2, 1917," and so on.

And this is the first time after five years—this case was pending from 1919 to 1924—this is the first time there is any evidence that he had a mother.

Mr. HERSEY. Let me understand; this is a petition filed after he had been adjudicated of unsound mind.

Mr. BLANTON. Yes, sir; a petition——

Mr. HERSEY. And had a guardian?

Mr. BLANTON. Yes; a committee. After he had been in there for five years this petition is filed.

Mr. HERSEY. A petition is filed?

Mr. BLANTON. Yes; a petition is filed, and for the first time discloses he has a mother.

This is filed December 15, 1924. [Reading:]

"* * * And said Christine Berg, his mother, is living, as your petitioner is informed and believes, in the town of Groton, State of Connecticut.

"That the said Philip Berg has had the following brothers and sisters, viz, Annie Berg, now Mrs. Marcus Post, the petitioner; Hjalmar Berg, Albert Berg, Gustaf Berg, Albin Berg, and Ellen Berg Ross. That said Albin Berg and said Ellen Berg Ross have recently deceased, leaving no descendants.

"That under the laws of intestacy, both of the State of Connecticut, in which the said Philip Berg had a legal residence, and under the

laws of the District of Columbia, in which District the said Philip Berg now resides, his mother, Christine Berg, is his sole heir at law, and the distributee of his property.

"5. That said Philip Berg has been adjudged an incompetent and Frederick A. Fenning, of the bar of the District of Columbia, has been duly appointed committee of his person and estate.

"That during the period that said Philip Berg and his brothers and sisters were small children his said mother, Christine Berg, willfully deserted and abandoned her family and left them to be cared for by her eldest daughter, your petitioner. That said Christine Berg thereafter totally ignored all members of her family, including said Philip Berg, and lived, so your petitioner is informed and believes, in adultery with a man not her husband and has continued said manner of living up to the time of the death of her husband and has continued and still continues to live out of wedlock with the man with whom she lived in adultery during the lifetime of her husband and has had several children by said person."

Now, if it is not out of place, I expect to ask the committee to bring witnesses here to show that is untrue.

Mr. HERSEY. Read on; what is the prayer?

Mr. BLANTON (reading):

"That said Philip Berg is the owner of property and estate valued at several thousand dollars"—

And so on. [Continuing:]

"That your petitioner has been informed that on sundry occasions said Philip Berg has expressed the earnest desire that his property be divided, upon his death, among certain of his brothers and sister, and that his mother should receive no portion whatsoever of his estate.

"That your petitioner avers and believes that it is the earnest desire of said Philip Berg to make a will devising and bequeathing his estate as he wishes.

"Wherefore, the premises considered, your petitioner asks:

"1. That the court pass an order authorizing and directing Frederick A. Fenning, as committee aforesaid, to permit said Philip Berg to make a will devising and bequeathing his said property as he shall desire, provided that two reputable physicians will sign said will as witnesses and provided that the superintendent of said hospital will have no objection thereto."

Mr. BLANTON (reading):

"*Ordered*, That said Frederick A. Fenning, as committee aforesaid, be, and is hereby, authorized and directed to permit Philip Berg to make a last will and testament as the said Philip Berg may desire, provided that two reputable physicians sign the said will as witnesses and provided further that the superintendent of St. Elizabeths Hospital does not object to the ward making such last will and testament."

Mr. HERSEY. Who signs the order?

Mr. BLANTON. Judge Hitz, as justice.

Mr. MONTAGUE. What court?

Mr. BLANTON. The Supreme Court of the District of Columbia.

Mr. GORMAN. Mr. BLANTON, this man you are talking about, was he adjudicated insane?

Mr. BLANTON. Five years before; yes.

Mr. GORMAN. Was there any later adjudication declaring him sane?

Mr. BLANTON. No.

Mr. HERSEY. Before the court permitted him to make a will the court ordered that he should be examined, did it not?

Mr. BLANTON. Oh, yes; and when he made this will he was in St. Elizabeths Hospital, and he died in St. Elizabeths Hospital three months later.

Mr. BOWLING. Do you claim, Mr. BLANTON, that there was no order of adjudication regarding this man's sanity?

Mr. BLANTON. None in the world; nothing but this petition and this order, and then he made a will and died three months later. And then here is a petition for administration by Mr. Fenning. Here is the will: "This is my last will and testament"——

Mr. HERSEY. You are going to put all the papers in the record?

Mr. BLANTON. Yes; all of them.

Mr. HERSEY. Then why should we have a reading of that will?

Mr. BLANTON. Well, it is very short. There is one particular thing I wanted you to remember, that the same doctor who declared him of unsound mind, Doctor Main, came in and signed this will.

Mr. HERSEY. Go ahead.

Mr. BLANTON. And another thing about it—this is the main thing about it—is, "Witness my hand," not at St. Elizabeths Hospital but "At Congress Heights, D. C., December 20, 1924."

"This is my last will and testament. I revoke any and all former wills. All of my estate, real and personal, I give, devise, and bequeath to my brothers and sisters in equal shares.

"Witness my hand at Congress Heights, D. C., December 20, 1924.

"PHILIP BERG.

"Signed and declared by Philip Berg as his last will and testament in our presence, and we in his presence and the presence of each other have at his request signed our names as witnesses.

"D. C. MAIN, M. D.

"W. M. KENNA, M. D."

Now, counsel will admit that here in the District of Columbia if this will had not been made this Philip Berg's mother would have inherited all of his estate; that is the fact?

Mr. HOGAN. If it is not a valid will and testament, the father being dead, the mother would inherit the estate; if it is a valid will and testament, the mother would not. That is a question which is now pending.

Mr. BLANTON. You will remember Mr. Fenning admitted he was the attorney and directer in Gawlers'; attorney for and director in the Gawler undertaking establishments here. Here is a petition in the Supreme Court of the District of Columbia holding probate court——

Mr. MONTAGUE. What is the date of that?

Mr. BLANTON. This is dated June 12, 1925:

"The petition of Alfred B. Gawler respectfully shows to the court"—and this is on Mr. Fenning's paper, and it shows on the back that it is prepared in the office of Mr. Fenning—

"The petition of Alfred B. Gawler respectfully shows the court:

"1. That your petitioner is a citizen of the United States and president of Joseph Gawler's Sons (Inc.), a corporation doing business as morticians in the District of Columbia.

"2. That Philip Berg died in the District of Columbia March 22, 1925, and your petitioner is advised that the said Philip Berg left a last will and testament dated December 20, 1924, which has been filed for record and probate but that no petition for the probate of said will, nor for the granting of letters of administration with the will annexed has been filed.

"That your petitioner is advised that said Philip Berg owned no real estate and that his personal estate consisted of cash and securities held by his committee in lunacy, amounting, so your petitioner is advised, to approximately $7,200.

"That your petitioner knows of no debts of the said Philip Berg, except the indebtedness of his estate to Joseph Gawler's Sons (Inc.) of $245.58, for services and supplies in connection with the funeral of said deceased, etc.

"Wherefore, the premises considered, your petitioner asks"—

Here is the part that is material—

"that letters testamentary, with the will annexed be issued unto Frederick A. Fenning, a member of the bar of the Supreme Court of the District of Columbia.

"And for such other and further relief as to the court may seem meet."

That is sworn to by Mr. Alfred B. Gawler, before Helen A. Losano.

Mr. BLANTON. Here is the citation for probate:

"The President of the United States to Annie Berg Post, Clinton, Conn., Hjalmar Berg, Albert Berg, Gustaf R. Berg, addresses not given, Mrs. Mary Berg, New London, Conn., and the unknown heirs at law and next of kin of Philip Berg, deceased—

"Greeting: If you have any cause to show why the paper writing, dated the 20th day of December, 1924, purporting to be the last will and testament of Philip Berg, late of the District of Columbia, deceased, should not be admitted to probate and record, and why letters of administration c. t. a. should not be granted to Frederick A. Fenning, you will appear and make such cause known before the Supreme Court of the District of Columbia, holding probate court, in and for said District, on Wednesday, the 24th day of June, A. D. 1925, at 10 o'clock a. m."

Mr. BLANTON. And these notices to appear go in. I will not take the time to read them.

Mr. HERSEY. State what the notices are.

Mr. BLANTON. Certain notices about publication in the Star and Law Reporter here. Then there is the affidavit by Mr. Fenning as to what he did about notifying.

Mr. HERSEY. The will has not been probated?

Mr. BLANTON. No, sir. The contest is on here between Crandall Mackey and some others. I spoke to the committee about my securing some help in this case. I think the committee ought to go to Congress to get it, because I can not carry the burden of this whole matter; I can not take the burden of going up against this array of distinguished counsel.

Mr. HERSEY. You are assuming the committee is going to be deceived by a counsel.

Mr. BLANTON. No; I do not think they are going to deceive the gentleman from Maine. [Laughter.]

Now here is a letter that will clear up counsel's statement somewhat, signed by Frederick A. Fenning:

"LAW OFFICES OF FREDERICK A. FENNING,
"*Washington, D. C., July 6, 1925.*

"REGISTER OF WILLS,
"*Washington, D. C.*

"DEAR SIR: Under date of June 24, 1925, I wrote you asking that publication be issued in the case of Philip Berg, administration No. 33234. It has just come to my attention that in the publication as now running in the Washington Law Reporter, the name of Mary Berg, mother of Philip Berg, does not appear. I assume that the name of Mary Berg should also appear in said publication, and if this is correct, will you please immediately make the necessary correction,

sending the proper copies to the Evening Star and the Washington Law Reporter?"

Mr. BLANTON. I ask that this notice from Mrs. Berg's attorney appear in the record, showing her attitude:

"HULL, MCGUIRE & HULL, COUNSELORS AT LAW,
"*New London, Conn., May 18, 1925.*

"REGISTER OF WILLS,
"*Washington, D. C.*

"DEAR SIR: Mrs. Mary Berg of Groton, Conn., who is the mother of the late Philip Berg, who died recently at the St. Elizabeths Hospital, Washington, D. C., where he was at the time undergoing treatment, has consulted us regarding a will which was drawn by Mr. Frederick A. Fenning, of Washington, for Mr. Berg a short time before his death. Mr. Berg was being treated for mental trouble and in view of the distressing circumstances of his mother, Mrs. Mary Berg, we believe that he would not have made his will in such a way as to cut his mother off entirely unless his mind was affected or he was subjected to undue influences by a woman named Annie Post, who claims to be his sister, but who is in fact a cousin, she being the daughter of a brother of Philip Berg's father, the husband of Mary Berg.

"There is a very serious question in our mind as to whether the probate court in Washington has jurisdiction over the estate of the late Philip Berg. His domicile was undoubtedly in Connecticut. Up to the time of his entering the United States Navy about eight years ago he lived with his mother in Connecticut, and since his discharge from the Navy he has been confined to Government hospitals for treatment because of his impaired mental condition.

"While he died at St. Elizabeths Hospital in Washington, we presume that the primary jurisdiction is at the place of his domicile, which was Connecticut.

"Mrs. Berg is a very poor woman who is earning her living by doing housework as much as her health will permit. We are, however, interested in seeing that her interests are protected.

"Will you kindly see that notice of any application for the admission of this will to probate is sent to Mrs. Berg or to us as her attorneys, so that her rights may be fully protected?"

Now, when we meet again I have some accounts here in this Berg case I would like to show.

* * * * * * *

Mr. BLANTON. I offer the following excerpts from the auditor's report in the case of Philip Berg:

Filed October 25, 1920, showing the premium on bonds of committee, $19 allowed; commission of committee, 10 per cent, $227.20; notarial fees, $2.50.

From the auditor's report of October 27, 1921, notarial fees allowed, $1.25; premium on bond of committee, $18.67; commission of committee, 10 per cent, $202.31.

From the auditor's report of October 24, 1922, notarial fees, $0.50; bond premium, $18.67; commission, 10 per cent, $137.10.

From the auditor's report of November 7, 1923, bond premium, $18.67; commission of committee, 10 per cent on $1,467.84, $146.78; and from the auditor's report of December 3, 1924, commission to committee, 10 per cent of income, $1,449.43, $144.94.

ORIGINAL COURT PAPERS INTRODUCED

To introduce same in the hearings, I had secured from Chief Justice McCoy a special order granting me the custody of original case papers in the Supreme Court, and the court papers introduced by me in this Berg case, and in all others, before said hearings were original court papers from the Supreme Court.

Remember that the petition which Fenning filed on August 25, 1919, to have himself appointed committee stated that the petitioner, Annie E. Post, was Philip Berg's sister, when it will now be shown that she lied, and it attempted to give Berg's nearest relatives and did not disclose that his mother was living; but after Fenning had drawn all of the fees mentioned above from Philip Berg's estate, then when he filed the petition on December 15, 1924, asking that Fenning be permitted to let his insane ward make a will to disinherit, it was to disinherit his own mother, and that was the first time Fenning disclosed to the court that his ward's mother was living. And the worst of it was that such petition attempted to destroy the good name of his insane ward's own mother, when I will now show that she was a poor, hard-working widow woman of splendid character, who had to take in washing for a living, while Fenning robbed her shell-shocked son.

SWORN TESTIMONY OF MRS. MARY BERG

Mr. BLANTON. How old are you, Mrs. Berg?
Mrs. BERG. I am 64; will be that October 28.
Mr. BLANTON. Were you born in this country?
Mrs. BERG. No; I was born in Sweden.
Mr. BLANTON. Are you the mother of Philip Berg?
Mrs. BERG. I am the mother of Philip Berg; yes, sir.
Mr. BLANTON. At one time Philip Berg was in the St. Elizabeths Asylum?
Mrs. BERG. He was. I was there and took the body home, yes, sir; that is my good boy.
Mr. BLANTON. Mrs. Berg, do you know Mrs. Annie Post?
Mrs. BERG. Yes; I do not like her. I brought that girl up since she was 7 months old.
Mr. BLANTON. Is she your daughter?
Mrs. BERG. No; she is my husband's brother's girl.
Mr. BLANTON. Is she the sister of Philip Berg, your son?
Mrs. BERG. No.
Mr. BLANTON. She is not?
Mrs. BERG. No; I had only one daughter.
Mr. BLANTON. And Annie E. Post is only a cousin of Philip Berg?
Mrs. BERG. Yes; that is what she is.
Mr. BLANTON. On August 25, 1919, Mrs. Annie E. Post filed a petition here in court and swore she was a sister of Philip Berg?
Mrs. BERG. That was not right.
Mr. BLANTON. That was not true?
Mrs. BERG. No; that was not true.
Mr. BLANTON. And she asked that Mr. Fenning here be made his guardian. Did you know about this petition at that time?
Mrs. BERG. No; I did not.
Mr. BLANTON. You did not know that Mr. Fenning was made guardian of your son at that time, six years ago?
Mrs. BERG. No.
Mr. BLANTON. You did not?
Mrs. BERG. No.
Mr. BLANTON. Now, five years after that, approximately, Mrs. Annie Post filed a petition here and stated that you were a bad woman?
Mrs. BERG. Yes.
Mr. BLANTON. Did you know anything about that?
Mrs. BERG. I did not know it only a little while ago.
Mr. BLANTON. Just a little while ago?
Mrs. BERG. Mr. HULL told me; that is the first time I knew it.
Mr. BLANTON. And she asked permission of the court for your boy to make a will and disinherit you?
Mrs. BERG. Tchick-tchick-tchick.
Mr. BLANTON. Do you know why Mrs. Annie E. Post does not like you?
Mrs. BERG. I know it, and I can tell you.
Mr. HOGAN. Are we interested in that family affair? Just a moment. I do not like to object, but——
Mr. DYER (interposing). Is it material?
Mr. BLANTON. My God. When a woman comes in here, after having a woman's son in St. Elizabeths Hospital for five years, and says that the mother of that boy is a notorious bad woman and asks for a will to be made under order of court for a lunatic to disinherit his mother, ought she not to be able to tell the facts about it?
Mr. DYER. Well, the committee does not assume or believe that the witness is a bad woman.
Mr. BLANTON. Well, that is what the will was predicated upon. There was no other reason for letting the lunatic make a will, except that they said his mother was a bad woman and the lunatic wanted to disinherit his own mother; that is the only reason on God's earth given in that petition. Mrs. Berg will testify that this Mrs. Annie E. Post was herself a bad girl and was put into a reformatory for girls when she was young.
Mr. DYER. I do not think we ought to go into that.
Mr. BLANTON. And that she always imagined that Mrs. Berg had something to do with her and she disliked her for that.
Mr. DYER. We are not going to take up, of course, collateral matters and go into all of those things, Mr. BLANTON. But the affidavits that have been filed against this woman I do not think will receive any credence at all from the committee. We assume that her reputation is good.
Mr. BLANTON. That is all I want.
Mrs. Berg, in 1919, when this petition was filed, did Philip have any other brothers living besides Albert and Albin?
Mrs. BERG. No.
Mr. BLANTON. They were the only two brothers he had living?
Mrs. BERG. Yes; because the other ones died before.
Mr. BLANTON. His father was dead?
Mrs. BERG. Yes.
Mr. BLANTON. You were the nearest relative he had living?
Mrs. BERG. Yes.
Before she got married she was named Annie Berg, because her father was a brother of my husband.
Mr. BLANTON. Her father was a brother of your husband?
Mrs. BERG. Yes.
Mr. HERSEY. Where did she live at that time?
Mr. BLANTON. Where did Mrs. Annie Post live at that time?
Mrs. BERG. She lived at Deep River.
Mr. BLANTON. Where did you live in 1919?
Mrs. BERG. I lived at Deep River. That was the time she was in school.

Mr. BLANTON. That is the time she went to the school?
Mrs. BERG. And I kept her until she was 13 years old.
Mr. BLANTON. And then she went to some industrial school?
Mrs. BERG. Yes.
Mr. BLANTON. Then her uncle took her up?
Mrs. BERG. He took her; I knew nothing about it.
Mr. BLANTON. Was it a girls' industrial school?
Mrs. BERG. What is called a reformatory school at Middletown; you know that, probably—Middletown—that is big school; that is all for girls.
Mr. BLANTON. Now, about Annie Post. Her husband is named Marcus C. Post, is he not?
Mrs. BERG. Yes.
Mr. BLANTON. He filed an affidavit in December, 1924; he says he is a resident of the town of Clinton, and he is the husband of Annie Berg Post, who was the daughter of Gustaf W. Berg and Christine Berg.
Mrs. BERG. Christine Berg; that is my name—Mary Christine Berg.
Mr. BLANTON. Was your husband named Gustaf W. Berg?
Mrs. BERG. Yes, sir; Gustaf W. Berg.
Mr. DYER. We are not going to find that Mrs. Berg is not a woman of good reputation. I do not see any issue in the case about that.
Mr. BLANTON. Well, I have a very prominent lawyer here from New London, Conn., who will establish her good standing as a hard working, industrious woman.
Mr. HERSEY. At the same time, is she not presumed to be a hard-working, industrious woman?
Mr. BLANTON. Well, the committee having decided that, I will not go into that.
Mr. HERSEY. At least it appears to me that she is.
Mr. BLANTON. Mrs. Berg, was there ever any trouble between you and your son, Philip Berg?
Mrs. BERG. Never. He was my baby.
Mr. BLANTON. Never at all?
Mrs. BERG. No.
Mr. BLANTON. Up to the time that he went into the Navy, during the war, had he ever lived with you?
Mrs. BERG. Yes; and when he came home and had his furlough——
Mr. BLANTON (interposing). When he had his furlough he came home to see you?
Mrs. BERG. Yes.
Mr. BLANTON. When he got back he was in bad shape and sent to St. Elizabeths Hospital. Did you know anything about that at that time?
Mrs. BERG. I did not know it at the time. I did not know the address, and I asked Annie's husband whether she had the address.
Mr. BLANTON. You asked the husband of Annie Post to let you have your son's address?
Mrs. BERG. Yes.
Mr. BLANTON. Did he give it to you?
Mrs. BERG. No; he told me he was pretty near him.
Mr. BLANTON. He told you he was pretty near him?
Mrs. BERG. Yes.
Mr. BLANTON. Did he tell you where he was?
Mrs. BERG. No.
Mr. BLANTON. Up to the time he went into the Navy to serve his country during the war, and was afterwards sent here when he was mentally sick in St. Elizabeths Hospital, did your son ever live in Washington?
Mrs. BERG. No; only when he came to Roxbury and they took him to the hospital.
Mr. BLANTON. Only when they brought him to the hospital?
Mrs. BERG. Yes.
Mr. BLANTON. He lived in Connecticut?
Mrs. BERG. Yes.
Mr. BLANTON. He did not live in the District of Columbia?
Mrs. BERG. No.
Mr. BLANTON. Did any of his people ever live in Washington?
Mrs. BERG. No.
Mr. BLANTON. Did you ever take the Washington Evening Star up there?
Mrs. BERG. No; I did not.
Mr. BLANTON. Mrs. Berg, did Mr. Fenning ever mail you a copy of this notice that he was trying to probate the will of your son?
Mrs. BERG. No.
Mr. BLANTON. Did you ever get notice from Mr. Fenning or from anybody, Mrs. Berg, except your attorneys, about a will having been filed?
Mrs. BERG. No; I did not.
Mr. HOGAN. Mr. Chairman, in respect of the statements just made, documentary evidence in the record of this case read a few days ago by Mr. BLANTON himself showed that in the first publication the deputy register of wills or a clerk in the office had made an error and left out the name of Mary Albert Berg, the name given as the mother; and that a formal communication from Mr. Fenning's office to the court calls their attention to the inadvertence and directed them to see that Mrs. Berg's name was included in the publication and the notice given.
Mr. BLANTON. And the publication was given in the Washington Evening Star and the Law Reporter—and the poor, ignorant woman lived in Connecticut and they knew she would probably never see it. And I claim the facts in the case show that he did know that.
Mr. HERSEY. Well, put those facts in evidence.
Mr. HOGAN. We agree to that. At the time Philip Berg died, Mr. Fenning knew of this lady's existence. He knew of her address.
Mr. BLANTON. You took your son's body home?
Mrs. BERG. Yes.
Mr. BLANTON. That was after you got home that you employed Hull, McGuire & Hull?
Mrs. BERG. Yes.
Mr. BLANTON. After your son had been buried?
Mrs. BERG. Yes.
Mr. BLANTON. How long afterwards before you employed Hull, McGuire & Hull?
Mrs. BERG. A couple of days.
Mr. HOGAN. Let us see if this was not the telegram, if you remember:

MARCH 23, 1925.

Mrs. MARY A. BERG,
Care American Red Cross,
250 Main Street, New London, Conn.:

Philip Berg died yesterday. He is entitled to military burial at Arlington National Cemetery, this city, and I will so arrange if relatives desire. Wire me your address at once. Are you coming to funeral?

FREDERICK A. FENNING, *Evans Building.*

Do you remember the Red Cross lady reading that to you?
Mrs. BERG. No; she did not read that to me, because we got the telephone on Monday, and I started over to come here to see him. I did not expect to find him alive. And I came here; and Mr. Fenning finally said to me, "Why did you not come here before?"
I was sick and I did not have the money to go with.
Mr. BLANTON. You did not have the money to go with?
Mrs. BERG. No; I had to work for my money.
Mr. BLANTON. What kind of work do you do?
Mrs. BERG. I wash.
Mr. BLANTON. Wash?
Mrs. BERG. Yes.
Mr. BLANTON. You take in washing for other people?
Mrs. BERG. Yes.
Mr. BLANTON. How many sons besides Philip did you have in the last war serving the United States?
Mrs. BERG. Only two.
Mr. BLANTON. Two besides Philip?
Mrs. BERG. Yes.
Mr. BLANTON. You had three boys in the war?
Mrs. BERG. Yes.
Mr. BLANTON. Serving the United States Government?
Mrs. BERG. Yes.

BUT FENNING DIDN'T PROBATE HIS WILL

Since said hearings were concluded the court has determined that said will which Fenning had executed by his insane ward, Philip Berg, disinheriting his mother is an invalid will, and it was not probated; so, after all, this good mother, Mrs. Mary Berg, got her dead son's property and Fenning did not get to administer it.

AVARICIOUS FENNING SLIPPED ON $200,000 BENNETT ESTATE

Hon. Wilton J. Lambert is one of the most prominent, able attorneys in Washington. I now quote from his testimony:

Mr. BLANTON. You have been practicing here how long, Mr. Lambert?
Mr. LAMBERT. Since 1895.
Mr. BLANTON. Continuously?
Mr. LAMBERT. Yes, sir.
Mr. BLANTON. I want to ask you about the Bennett case. Mr. Lambert, there is on the legal paper of Frederick A. Fenning, Evans Building, 1420 New York Avenue NW., Washington, D. C., a petition to declare Henry B. Bennett a non compos, filed in the Supreme Court of the District of Columbia on May 22, 1923, and it sets forth this allegation:

"That said Henry B. Bennett, by reason of his advanced age and infirmities, and by reason of the fact he is suffering from senile dementia, is unable to care for his personal estate, as will more fully appear, etc."

And on that date there is a rule to show cause, issued May 22, 1923, and not served; and then on May 25, 1923, there is an order for the issuance of an alias writ to show cause why he should not be adjudged of unsound mind, and then there is such an alias writ as follows—there is another alias writ somewhere which was served, but I can not find it right here. Then there is an answer here, filed on your letter-

head, on June 12, 1923, for Henry B. Bennett, in which he sets up this fact:

"6. He denies it is necessary to have anyone appointed to take care of his estate and says, on the contrary, his entire estate is, and has been for many years, held in trust by a trustee in Fall River, Mass., who delivers to him sufficient income to enable him to live comfortably, and all income which is derived in excess of what he needs is reinvested by the trustee and creates an increment to his estate; that his estate is now worth something over $200,000, and he avers that the real object of his said nephew in taking the proceedings aforesaid and in an endeavor of having himself appointed trustee and committee of the person and estate of the defendant was entirely an avaricious and selfish one for the purpose of acquiring control over his property and preventing him from enjoying what he owns."

And he denied that he was suffering from senile dementia. You were the attorney who prepared that answer for him?

Mr. LAMBERT. I was.

Mr. BLANTON. And Mr. Fenning was the attorney for his nephew trying to get him declared of unsound mind?

Mr. LAMBERT. That is true.

Mr. BLANTON. Now, when you filed this answer—first I will ask you if you know why that first writ was not served on him?

Mr. LAMBERT. I think I know; I know by hearsay.

Mr. BLANTON. But you were looking after him before they got service on him?

Mr. LAMBERT. That is right.

Mr. BLANTON. Do you know, as a matter of fact, whether he had to leave his own home to prevent service until he got prepared for the matter?

Mr. LAMBERT. I know he did leave home.

Mr. BLANTON. And avoided service in that way?

Mr. LAMBERT. I know he left his own home and they were not able to serve him at his home.

Mr. BLANTON. Now, after you came into court and filed this answer, what action was taken by Mr. Fenning?

Mr. HOGAN. You have the record, have you not, Mr. Lambert?

Mr. LAMBERT. I might say that a day or two before that hearing was had I had a call from Mr. Fenning, and he wanted to know——

Mr. BLANTON. Was that after you filed this answer?

Mr. LAMBERT. No; before I filed this answer.

Mr. BLANTON. Before you filed this answer?

Mr. LAMBERT. Yes; Mr. Bennett had gone from his own home to the home of a friend. At that time I was engaged in the defense of Charles W. Morse, down in the District Supreme Court before Justice Stafford, and I received a call from Mr. Fenning, in which he wanted to know what I was going to do about Mr. Bennett. These writs had not been served, and I told him I would have him in court whenever they wanted him, and if they wanted to serve him I would see he was served, but I would retain custody of him until he was brought into court. Mr. Fenning then, as I recall it, made some arrangements about serving him and fixing a time to have him brought into court. As I recall it, we agreed on coming into Judge Bailey's court, which was right on the opposite side of the corridor from Criminal Court No. 1, in which the Morse trial was going on, which was designated as Criminal Court No. 2. We made arrangements I would have Bennett down there at a certain time on Tuesday, June 12.

Mr. DYER. What year, Mr. Lambert?

Mr. LAMBERT. 1923. And on the 12th of June I had Mr. Bennett there, and Mrs. Rogers, and Mr. Henry Willard, who has just died, who was helping Mr. Bennett.

Mr. BLANTON. And Mrs. Harlan?

Mr. LAMBERT. If that is her name; I thought it was Mrs. Hartnett.

Mr. BLANTON. Who was a relative?

Mr. LAMBERT. I do not know whether she was or not; but it was at her house Mr. Bennett had gone. And we had several people from Fall River—Mr. Bennett's doctor from Fall River; Mr. Bennett's trustee, Mr. Earle, from Fall River; and Mr. Dove—Maury Dove. I do not know—we had 10 or 15 witnesses there to support Mr. Bennett.

Mr. BLANTON. And you were prepared to support the allegations in your answer?

Mr. LAMBERT. I had told Mr. Fenning I was going to fight the case, and the case was called, and I have here just what took place in the court room on that day.

Mr. BLANTON. I wish you would just state what took place.

Mr. LAMBERT (reading):

"In the Supreme Court of the District of Columbia, holding a criminal term. Henry B. Bennett. Lunacy No. 9953

"WASHINGTON, D. C., *Tuesday, June 12, 1923.*

"The above-entitled cause came on for hearing before Mr. Justice Bailey in Criminal Court No. 2 at 10 o'clock a. m.

"Appearances: Wilton J. Lambert, Esq., on behalf of Henry B. Bennett. Frederick A. Fenning, Esq., on behalf of the petitioner, William A. Slade."

Mr. Fenning started the proceedings.

"Mr. FENNING. If your honor please, the lunacy case of Henry B. Bennett was set for this morning. In that matter Mr. Lambert has filed an answer, in which he raises the question as to the jurisdiction of the court. I have written a tentative form of motion—which, if it is agreeable to counsel and your honor, will be reduced to more permanent form and substituted—in which I say that the question having been raised as to the jurisdiction of the court the petitioner agrees that there is a question as to that, and therefore he moves the court for leave to discontinue the proceedings.

"Mr. LAMBERT. If your honor please, we do not raise the question as an issue. We merely suggest in our answer that he has always claimed a voting residence in Fall River, Mass., although he has been an actual resident of Washington for the last 50 years. Inasmuch as that is the case and the property is here, some of it, and he lives here, I do not think there is anything in that point, and I am satisfied that it is a matter which this court would have to determine.

"We do not want a dismissal of this action for this reason. An application has been filed for a determination of lunacy. It is supported by the affidavits of two physicians certifying that this respondent is non compos mentis at the present time and incapable of attending to his property. A withdrawal of this case will not determine the truth of those affidavits; they still stand in the records of this court and present a condition very disagreeable to Mr. Bennett.

"We think that the application by the nephew was unfortunate when he asked that he be appointed a committee to take charge of his uncle's estate. Mr. Bennett is very desirous of clearing his record, and he wants a hearing. We have here to-day his physician from Fall River, Mass., who has been in attendance on him for some years, a man of large practice there, who is here to attend this case, who examined him yesterday and examined him last night and is with him this morning. We have a number of other physicians available. We have a trustee of part of his estate in Fall River, Mr. Earle. This gentleman has an estate [meaning Mr. Bennett] of something like $200,000 or more. We think when he is haled into court in a situation of this kind, with affidavits of two local physicians—one of whom never saw him but for a few minutes, when he called at his house and did not know what he was calling there for—that we are entitled to some disposition of the case. Otherwise the condition that is existing here may continue to plague this man as long as he lives, and possibly after he dies.

"The COURT. It seems to me, Mr. Lambert, that the petitioner has a right to move to dismiss the petition, and that I must grant the motion.

"Mr. FENNING. Mr. Lambert, if the court will grant permission in the order of discontinuance for the withdrawal of the affidavits, I am perfectly willing to do that.

"Mr. LAMBERT. Will your honor permit that to be done?

"The COURT. Let it be shown that those affidavits are withdrawn by consent of both parties.

"Mr. FENNING. That can be incorporated in the order.

"Mr. LAMBERT. Very well.

"Mr. FENNING. Your honor, may Mr. Lambert and I agree upon a form of order?

"The COURT. Yes."

Mr. BLANTON. And this is the order that is signed by you and Mr. Fenning [exhibiting]?

Mr. LAMBERT. Yes.

Mr. BLANTON (reading):

"In the Supreme Court of the District of Columbia, holding an Equity Court. In re Henry B. Bennett, alleged lunatic. Lunacy No. 9953

"This cause coming on for hearing upon the petition and answer, and petitioner requesting leave to withdraw his petition, it is by the court this 13th day of June, A. D. 1923,

"Ordered, that he be permitted to withdraw same and counsel for the respective parties consenting, permission is granted to withdraw from the files the exhibits to the petition consisting of the affidavits of Drs. D. Percy Hickling and G. C. Birdsall.

"By the court.

"JENNINGS BAILEY, *Justice.*"

That is signed by Mr. Fenning as counsel for petitioner and by you for the defendant?

Mr. LAMBERT. Yes, sir.

Mr. BLANTON. And thus the defendant went hence without day?

Mr. LAMBERT. He did, and lived until January, 1926.

Mr. BLANTON. Until January, 1926?

Mr. HOGAN. That is when he died?

Mr. LAMBERT. That is when he died.

Mr. BLANTON. And he died sane?

Mr. LAMBERT. In my opinion; yes.

Mr. HOGAN. We contend that.

Mr. LAMBERT. Mr. Hogan and I do.

Mr. BLANTON. And you saved his $200,000 estate?

Mr. LAMBERT. It is $400,000 now; $200,000 was a little bit low estimate.

Thus it was Wilton J. Lambert who saved Henry B. Bennett and his $400,000 from the clutches of Fenning. When Fenning realized that the man he was trying to put in an insane asylum was represented by an able lawyer who knew how to protect him, Fenning "turned tail" and gave up and dismissed his case, and Bennett was saved.

HOW FENNING USED HIS LAUREL SANITARIUM AND TRUST COMPANY

It has already been shown that Fenning was a stockholder, attorney, and director for the Laurel Sanitarium:

Mr. BLANTON. Now I offer the petition in the matter of the insanity of Caroline L. Rixford, filed August 8, 1913, in the Supreme Court of the District of Columbia.

Mr. HOGAN. By whom is that executed?

Mr. BLANTON. By the Commissioners of the District of Columbia.

Mr. HOGAN. Assistant corporation counsel and by Commissioner Newman.

Mr. BLANTON (continuing). As solicitor for petitioners.

I offer the rule to show cause, issued August 8, 1913, served on the alleged lunatic.

Mr. DYER. Is this in connection with the testimony of Mr. Lambert?

Mr. BLANTON. I am going to ask some questions of Mr. Lambert in just a moment, but I want to get these papers before him and in the record. I offer the verdict of the jury in the same case.

Mr. HERSEY. What was the verdict?

Mr. BLANTON. That they find Caroline L. Rixford to be of unsound mind, suffering from senile dementia, and that she has not sufficient capacity for the government of herself, and that the following lands, tenements, and so on.

Mr. LAMBERT. There is no date fixed there, is there?

Mr. BLANTON. That is filed August 14, 1913.

Then I offer the petition. It is filed on the letterhead of F. A. Fenning, and it has somebody's name scratched out under his name, as attorneys and counselors at law, Century Building, Washington, D. C., and it prays as follows:

"That the said Caroline L. Rixford be found to be of unsound mind by this honorable court and the court appoint as committee of her estate the Washington Loan & Trust Co., and as committee of her person your petitioner suggests the appointment of Brainerd W. Parker, a member of the bar of this court."

At that time Brainerd W. Parker was in the office of Mr. Fenning and had his name on his letterheads, did he not?

Mr. LAMBERT. That is my recollection.

Mr. BLANTON. To have the Washington Loan & Trust Co. made committee of the estate and Brainerd W. Parker committee of the person.

Remember that Fenning admitted that formerly he was a director of the Washington Loan & Trust Co. before he changed to another.

Then I introduced the order of the court filed August 8, 1913, appointing the Washington Loan & Trust Co. as committee of the estate and Brainerd W. Parker as committee of the person.

I offer the following petition filed September 30, 1913. This is on the letterhead, which shows plainly "F. A. Fenning & B. W. Parker, attorneys and counselors at law, Century Building, Washington, D. C.," but there is a pen scratched through "B. W. Parker."

Hr. HOGAN. It came from Mr. Fenning's office.

Mr. HERSEY. That is the printed name of a firm of lawyers you have on that.

Mr. CHRISTOPHERSON. They admit that.

Mr. HOGAN. It is a fact.

Mr. BLANTON. And B. W. Parker's name is scratched out.

I will read and introduce an order filed October 7, 1913, authorizing the following:

"Ordered that the Washington Loan & Trust Co., committee of the estate herein, be and is hereby authorized to pay for board, medical treatment, and special attendant at the Laurel Sanitarium a sum not to exceed $100 per month, to pay Woodward & Lothrop (Inc.) for necessary clothing furnished to the ward $22.43, and to reimburse Brainerd W. Parker, committee of the person, in the sum of $3.91, etc."

This is a petition of the Washington Loan & Trust Co., reporting assets in its hands showing—

Notes secured by real estate	$36,100.00
Cash found in trunk	31.30
Cash from Union Savings Bank	1,275.94

And various other sums and various other property and duly sworn to.

I offer the petition of the committee for instructions, filed March 23, 1914, asking leave to pay certain amounts, including a bill of $100 for Doctor Hickling.

Then there is the petition of Brainerd W. Parker, committee of the person, asking the court to fix the fee. I will read the prayer:

"That the court pass an order authorizing and directing the Washington Loan & Trust Co., as committee of the estate, to pay such sum to the committee of the person for the services rendered as the court may deem proper."

And here is an order authorizing the Washington Loan & Trust Co. to pay Brainerd W. Parker the sum of $500.

Then here is a petition. It is "Fenning & Gordon" on the back. That is put on with a rubber stamp and under it is "F. A. Fenning and B. W. Parker, attorneys at law," scratched out. This asks for certain authority, which I will not read; it speaks for itself.

Then I offer the petition for instructions, filed November 2, 1914. It is on F. A. Fenning's letterhead, with "B. W. Parker" stricken out, and this asks for certain authority. And I introduce the order issued on November 2, 1914, authorizing the sale of certain property.

Mr. HERSEY. But the trust company?

Mr. BLANTON. Yes. Then I offer the petition on the cover of F. A. Fenning with "B. W. Parker" stricken out—

"That the court pass an order authorizing and directing it to send F. A. Fenning, attorney of record in said cause, to Bay Minette, Ala., to be present at the taking of said testimony; to pay out of the estate of Caroline L. Rixford such funds as are necessary for the expense of such trip."

Mr. HERSEY. It was granted, was it?

Mr. BLANTON. Yes, it was granted; and he did go and it will be shown the money was paid later.

Then here is the first and final account of the committee. I introduce it all, but it shows an estate of $41,676.51 and shows the following amounts paid:

"Dr. Lewis H. Taylor, $25; also to Doctor Taylor, $70; to Dr. Cornelius DeWees, $20; Dr. Charles Wheatley, $20; Dr. Adam Kemble, $70; Dr. D. P. Hickling, $100; Laurel Sanitarium, $1,836.38, also $25; to W. J. Lambert, attorney, fee, $250; B. W. Parker, allowance as per order of court, $500; B. W. Parker, services rendered as committee of person, $418.01; B. W. Parker, car fare to Laurel and return, $3.91; F. A. Fenning, retainer as per order of court, and court costs, $118; F. A. Fenning, counsel fee, $500; F. A. Fenning, expenses to Bay Minette, Ala., re testimony, $74.83; Spencer Gordon, receiver, $50; Law Reporter, printing briefs, $31; F. A. Fenning, costs, v. Keane et al., $42; commission, 5 per cent, $2,101.85.

FEES ON FINAL SETTLEMENT

Mr. BLANTON. Mr. Lambert, you testified before the auditor in that matter?

Mr. LAMBERT. Yes.

Mr. BLANTON. Now, Mr. Fenning was asking a fee of $1,625 as shown by his testimony, which I will read, as follows:

"I think it is unfair on the part of Mr. Lambert to suggest a wasting of time in sitting around in court, in one particular instance that he cites; that is, with reference to the pro confesso. I do not think that comes from one member of the bar toward another, and I deny in this argument the allegation or insinuation that the time was expressly expended in the court room, or in the courthouse, for the purpose of showing a greater amount of time rendered than the services in this case."

Then I will also read this:

"Now, we have, then, Mr. Lambert saying he thinks I ought to get $1,000. I say I ought to have gotten the amount which I did receive, with approval, in the former accounting, of $1,625."

Now, in that case you testified, Mr. Lambert?

This is before the auditor. You testified in part as follows, Mr. Lambert:

"I urged Mr. Fenning to take a consent order, which would have eliminated any expenditure of time, setting aside the pro confesso. She authorized me to represent her and comply with the ordinary rules of payment of such costs as had been incidental to the pro confesso. He refused to do that and refused to agree to anything and insisted upon sitting around the court waiting to discuss the matter with Justice McCoy."

Then you also testified—the question was asked you:

"Q. Now, knowing the services, as you do, and having heard Mr. Fenning's testimony—you heard Mr. Fenning's testimony, did you not?—A. I heard Mr. Fenning's testimony. Of course, I knew this case in detail from the very start of it.

"Q. What would you say was a reasonable charge for him to make?—A. I think Mr. Fenning ought to have $1,000.

"Q. That is for everything?—A. Yes."

Now, the report of the auditor shows that there was an allowance to the solicitor, who was Mr. Fenning, of $1,625; and to the committee of the person, who was Mr. B. W. Parker, $921.92; and commissions to committee of $2,101.85.

WELL, WHAT HAS THIS TO DO WITH FENNING?

Mr. HERSEY. Well, what has all this——

Mr. BLANTON. Here is the Washington Loan & Trust Co., of which he is a director, committee of the estate; here is Brainerd W. Parker, who is associated with him in law, committee of the person; and here he is the solicitor and the trust company is getting $2,100, and he is getting $1,625. B. W. Parker is getting $900 and some odd in one rattle of the box out of the lunatic's estate before they get into the probate case under the will, when I am going to show one of them was appointed collector, another administrator, and so on.

Mr. HERSEY. Mr. Chairman, I think it is easier to go ahead and let him put it in than it is to discuss the matter.

Mr. BLANTON. I expect that kind of a remark from the gentleman from Maine, because he has treated me that way ever since we began.

Mr. HERSEY. Oh, yes; that is all right.

Mr. BLANTON. I expect it.

$1,400 TO LAUREL SANITARIUM FOR 14 WEEKS

I offer the account of the Law Reporter Printing Co.; I offer the following vouchers, showing each one of them is issued to "Mr. Brainerd W. Parker, to the Laurel Sanitarium, Dr.," and I want the committee to remember that I proved by Doctor White this evening that Mr. Fenning was attorney for and director in and held one share of stock in the Laurel Sanitarium. I offer 14 bills, issued to Mr. Brainerd W. Parker by the Laurel Sanitarium, each for one month's care and medical attendance to Mrs. C. L. Rixford.

Mr. BLANTON. Now, Mr. Lambert, after the death of this woman there were two wills, were there not; one, the old will, had made the Washington Loan & Trust Co. her executor, had it not?

Mr. LAMBERT. Executor and trustee, as I recall it.

Mr. BLANTON. The later will, which you represent, did not make the Washington Loan & Trust Co. trustee?

Mr. LAMBERT. That is correct.

Mr. BLANTON. And you and who else represented the opposing interests to Mr. Fenning and the Washington Loan & Trust Co.?

Mr. LAMBERT. Mr. Fenning had Mr. James S. Easby-Smith, and I think Mr. Fleharty; and Mr. Hogan and myself represented the caveator.

Mr. BLANTON. I offer these wills in evidence.

Mr. HERSEY. Was there only one probated?

Mr. HOGAN. Yes, sir.

Mr. LAMBERT. The last one.

Mr. BLANTON. The will you represent was probated?

Mr. LAMBERT. That is right.

Mr. BLANTON. And the will which made the Washington Loan & Trust Co. trustee and executor was not probated?

Mr. LAMBERT. That is correct.

Mr. BLANTON. I offer the letters appointing as a collector Brainerd W. Parker; you remember that he was collector?

Mr. LAMBERT. Yes.

Mr. BLANTON. Now, he is the same Brainerd W. Parker who had formerly been with Mr. Fenning?

Mr. LAMBERT. The same man.

Mr. BLANTON. And the same Brainerd W. Parker who was committee of the person of Mrs. Rixford?

Mr. LAMBERT. The same man.

Mr. BLANTON. If the deceased had been a lunatic, the collector comes in and takes charge of the estate from the committee?

Mr. LAMBERT. That is right.

Mr. BLANTON. And he holds it until there is an administrator or executor appointed?

Mr. LAMBERT. That is right.

Mr. BLANTON. I offer the order admitting the will to probate and granting letters testamentary; I offer the motion filed by Mr. Frederick A. Fenning, signed by Frederick A. Fenning. That is the motion for a new trial. Then the order overruling the motion for a new trial.

Mr. GORMAN. Is this the case in which there was an item of $1,400 for treatment at the Laurel Sanitarium?

Mr. HOGAN. Yes, sir. Now, she was removed out to the Laurel Sanitarium, and was there for quite some time and died out there a year or so afterwards.

And while Fenning thus succeeded in securing enormous fees for his Washington Loan & Trust Co., of which he was a director, and for his law partner, Brainerd W. Parker, and for himself, and $1,400 for his Laurel Sanitarium, he did not succeed in getting the court to probate the will that made his trust company executor and trustee, because he then had Lambert and Hogan against him representing a later will.

FENNING PUTS LUNATIC WARD ON VAUDEVILLE

Mr. BLANTON. Now, in the case of Carl Hodges, lunacy No. 9735, I offer the petition which prays that Frederick A. Fenning be appointed committee of the person and estate of Carl Hodges.

Mr. HERSEY. Who signs the petition?

Mr. BLANTON. It looks like F. Regis Noel.

Mr. HERSEY. What relation is the petitioner to the ward?

Mr. BLANTON. He is a next friend.

Here is the report of Mr. Fenning, as ancillary committee, which shows he has received from the Southern Trust Co., of Little Rock, Ark., guardian in Arkansas, $5,572.34, belonging to the ward which had been deposited in the National Saving & Trust Co., Washington, D. C., to the credit of "Frederick A. Fenning, ancillary committee of Carl Hodges," and so on.

That is sworn to before Helen A. Losano.

Here is a petition filed March 15, 1923, by Mr. Fenning as committee, which is as follows. I want the gentleman from Maine to listen to this.

Mr. HERSEY. I have followed you very carefully.

Mr. BLANTON (reading):

"The petition of Frederick A. Fenning, committee in this cause, respectfully shows the court:

"1. That the committee has received numerous visits from the ward with reference to the ward's desire to equip himself for entertainment on the vaudeville stage.

"2. That the ward states that for many years he did acrobatic work in a circus, and he believes that he can occupy himself profitably if he is equipped to perform vaudeville stunts.

"3. That the ward states that he needs a 'combination spirit collar, handcuffs, and leg irons,' clog shoes, puffed trunks, two suits of pink tights, canvas gaiters, and a full-dress suit, together with a business suit, all of which is estimated can be procured at an expenditure of not exceeding $90."

And so on. And he prays the court to pass an order. That is signed by Mr. Fenning and sworn to before Helen A. Losano.

Mr. HERSEY. Then you have the order of court, have you not?

Mr. BLANTON. Then, on the same day that petition was filed, March 15, 1923, the court issues this order:

"Upon consideration of the petition of Frederick A. Fenning, committee herein, it is by the court this 15th day of March, 1923,

"*Ordered*, That the committee is authorized to expend not exceeding $90 of the ward's funds for the purposes as set out in the said petition."

That is, to get a vaudeville outfit.

Then, from the report of the auditor, filed December 13, 1923, I read the following extracts:

"Trunk for ward, $10; vaudeville outfit for ward, $47.50; maintenance and clothing for ward, $735.23; attorney's fee, F. R. Noel, Esq., $75; commission to ancillary committee, 6 per cent, $340.68; auditor's fee, $10; balance on hand, $4,126.46."

That is approved by Herbert L. Davis, auditor. Then the account filed on December 9, 1924, shows the following:

"Georgetown University Hospital, accommodation from December 5, 1923, to April 12, 1924, $240; personal funds, $100; Dr. J. Ramsey Nevitt, professional services, $7; * * * care of ward's horse, $36; loss on sale of $500 Federal land-bank bond, $9.37; bond premiums, $15.31; allowance to committee in lieu of commission, $20."

In the auditor's account, filed January 28, 1926, I read the following excerpts:

"Personal use of ward, $320; cigars, $4.08; pint of olive oil for ward, $0.65; clothing, $90.76; commission to committee, 10 per cent on income collections, $79.47; bond premium, $13.34."

This was an Arkansas boy. Note that all F. Regis Noel, a Washington lawyer, did was to let Fenning use his name as "the next friend"—which sometimes in law means just the opposite—in filing a petition for the court to appoint Fenning committee. And out of this Arkansas boy's estate Fenning paid F. Regis Noel $75 and took unto himself commissions of $340.68, $20, and $79.47, and bond allowances of $15.31 and $13.34, and $7 to his brother-in-law, Dr. J. Ramsey Nevitt.

EASY TRIP FOR SELF AND WIFE TO EUROPE

Mr. BLANTON. I call your attention, gentlemen, to the case of Neils P. J. Erenbjerg.

The petition of William A. White respectfully shows to the court:

That he is a citizen of the United States and is the superintendent of St. Elizabeths Hospital and that he files this petition as the next friend of Neils P. J. Erenbjerg.

"That said Neils P. J. Erenbjerg was admitted to St. Elizabeths Hospital by order of the Secretary of War on the ——— day of ——— and has been continuously since that time and is now a patient under treatment in said hospital.

"That said Neils P. J. Erenbjerg is unmarried, and that, so far as your petitioner is aware, has no relatives."

Wherefore he prays that he be declared a lunatic and "that Frederick A. Fenning act as committee." It is signed and sworn to by Doctor White.

This is the rule to show cause served on the lunatic; the affidavit of the two physicians, Silk and another one from the medical staff of the hospital. Then the verdict of the jury, which recites: "Now comes the petitioner by his attorney, Frederick A. Fenning," and so on.

Mr. HOGAN. On what date was that verdict rendered?

Mr. BLANTON. That verdict was rendered June 6, 1919.

Then there is the order appointing Mr. Fenning committee and the report of Mr. Fenning, the first report, showing that he has received property amounting to $6,518.30, and that $1,841.77 in cash is deposited in the National Savings & Trust Co. That is the bank of which he is a stockholder and director. Then there is the petition for allowance, which sets forth that the mother of this ward—that she is the mother of the ward and a widow living with her daughter, who is a schoolteacher; that she has not enough property to yield sufficient income for her support; that she is advanced in years, and so so, and she asks for an allowance of $10 a month for her support, and states that she

lives in the Kingdom of Denmark. Then here is the order authorizing the allowance.

Then here is a petition filed by Mr. Fenning, "Law Offices of Frederick A. Fenning, Evans Building, Washington, D. C.," reading as follows:

"The petition of Frederick A. Fenning, committee in this cause, respectfully shows to the court.

I will introduce it all but, in effect, it asks that he be allowed to transfer the ward to Denmark.

Mr. HOGAN. That his mother and sister desired him to come there.

Mr. BLANTON. And that the committee believes that the actual expense involved will be approximately $1,600.

Mr. HOGAN. Let me see that paper. That is 1922 that this was filed, was it not? [After examining paper.] Yes.

Mr. BLANTON. That was filed in October, 1922.

And the order was issued on the same day authorizing him to take him to Denmark. Now, I just want to read an excerpt from the auditor's report—a part of the auditor's report. The auditor's report, filed in June, 1920, shows that Mr. Fenning was allowed premium on bond, $7; notary fees, $1.75; and commission to himself, $152.52.

The auditor's report for July 20, 1921, shows that Mr. Fenning was allowed notarial fees of 75 cents; bond premium, $22; and commission of 10 per cent to himself, $118.30.

The auditor's report for July, 1922, shows that Mr. Fenning was allowed notarial fees of $1; bond premium, $24; and a commission of 5 per cent on $2,972.98, $148.65; and 8 per cent commission on $1,887.25, amounting to $150.99; making a total allowance to the committee, Mr. Fenning, of $323.64.

Now, the report for June 23, 1923, of the auditor, shows that Mr. Fenning was allowed notarial fees of $1.25; he was allowed the cost of returning his ward to Denmark, $1,577.21; and for amount paid the Minister of Denmark, $25.94; for bond premium, $24; and for compensation to himself, $500.

And I will state in connection with this case, so that the committee may keep it in mind, that on that trip for which he was allowed $1,577, there was a man from St. Elizabeths Hospital, an attendant, Toner, 66 years of age, went with him and that he stayed with this lunatic every night himself; that on no night did he call upon Mr. Fenning on the trip, and that Mr. Fenning's wife also accompanied him on this trip.

Now, the last report since he has been in Denmark, was filed June 20, 1925, which shows that the court allowed Mr. Fenning—this is the second allowance since the man has been in Denmark—it allows Mr. Fenning——

Mr. HERSEY. What is the date of that report?

Mr. BLANTON. That is June 20, 1925—bond premium, $30.67; commission to committee, Mr. Fenning, 10 per cent of income of $2,168.22—$216.82, making a total allowance to Mr. Fenning, including commission and bond premium, of $247.49.

Mr. TUCKER. Are these bonds required every year?

Mr. BLANTON. Every year; it is an annual premium.

JAMES B. TONER TESTIFIED BEFORE GIBSON COMMITTEE

Mr. BLANTON. You are a supervisor in St. Elizabeths?

Mr. TONER. Yes, sir.

Mr. BLANTON. How long have you been a supervisor there?

Mr. TONER. About 40 years.

Mr. BLANTON. You are the man who went to Denmark, aren't you?

Mr. TONER. Yes, sir.

Mr. BLANTON. With Frederick A. Fenning?

Mr. TONER. Yes, sir.

Mr. BLANTON. And you got to New York the next morning?

Mr. TONER. Yes, sir.

Mr. BLANTON. When did you take the boat?

Mr. TONER. We took the boat at 12 o'clock that day.

Mr. BLANTON. Destined where?

Mr. TONER. To Copenhagen.

Mr. BLANTON. And you were on the high seas how long?

Mr. TONER. I think about 12 days.

Mr. BLANTON. It took you 12 days to go from New York to Copenhagen?

Mr. TONER. No; from Washington to Copenhagen. We went from Copenhagen to the insane asylum.

Mr. BLANTON. On the boat you and the patient had one stateroom, didn't you?

Mr. TONER. Yes, sir.

Mr. BLANTON. And Mr. Fenning and Mrs. Fenning had another stateroom?

Mr. TONER. Yes, sir.

Mr. BLANTON. Did you have first-class passage?

Mr. TONER. First-class passage; yes.

Mr. BLANTON. You knew Frederick A. Fenning before you knew Doctor White, didn't you?

Mr. TONER. I knew Frederick A. Fenning when he was a small boy up in the Pension Office, the Pension Agency. I used to take patients up there to draw their pensions and Mr. Fenning was a clerk.

Mr. BLANTON. He was a small boy clerk?

Mr. TONER. He was so small that he had to have a box to stand on to get up to the desk.

Mr. BLANTON. It is a long time ago since he was that small; he is pretty big now.

Mr. TONER. I don't know about that.

Mr. BLANTON. Well, he is big enough to give you orders on that boat, wasn't he?

Mr. TONER. Oh, yes.

Mr. BLANTON. You never called on him a single time on that trip at night, did you?

Mr. TONER. No, sir; not at night.

Mr. BLANTON. You handled that patient every night?

Mr. TONER. Yes.

Mr. BLANTON. He let you turn that fellow loose at the dining table, didn't he?

Mr. TONER. Turn him loose?

Mr. BLANTON. You went into mess with him?

Mr. TONER. Yes; I did.

Mr. BLANTON. You turned him over to an insane asylum in Denmark, didn't you?

Mr. TONER. Yes. The next day we took a boat from Copenhagen to London.

Mr. BLANTON. To London?

Mr. TONER. Yes.

Mr. BLANTON. How long did you spend in London?

Mr. TONER. Two days.

Mr. BLANTON. Sight-seeing?

Mr. TONER. Sight-seeing; yes, sir.

Mr. BLANTON. Having a bully good time?

Mr. TONER. Well, certainly.

Mr. BLANTON. Mr. Fenning said he was gone exactly a month.

Mr. GIBSON. Less four days.

Mr. BLANTON. Have you ever taken any other patients away from the asylum?

Mr. TONER. Yes.

Mr. BLANTON. Where?

Mr. TONER. I have taken them to Seattle; I have taken them to pretty much every city around. I have carried patients.

Mr. BLANTON. Then you have had a lot of junkets?

Mr. TONER. Yes, sir.

Mr. BLANTON. You have gotten your salary regularly all that time?

Mr. TONER. Yes, sir.

Mr. BLANTON. Forty years?

Mr. TONER. Yes.

Mr. BLANTON. Did you ever buy anything for any of those patients down there at these stores?

Mr. TONER. Yes, sir.

Mr. BLANTON. Did you ever buy any at Eiseman's?

Mr. TONER. Yes.

Mr. BLANTON. Did you ever buy anything at Saks's?

Mr. TONER. Yes.

Mr. BLANTON. And you got 10 per cent discount?

Mr. TONER. The patient gets it; I don't get it.

Mr. BLANTON. How does the patient know, the poor patient that doesn't know what goes on day and night? How does he know if he gets that 10 per cent?

Mr. TONER. He doesn't know; but his guardian pays the bill, and he knows.

Mr. BLANTON. If his guardian takes 25 per cent of his estate out for his bond without telling him anything about it, he could do something else, couldn't he?

Mr. TONER. I don't know about that, Chief.

Mr. BLANTON. You have bought lots of clothes out there?

Mr. TONER. Yes, sir.

Mr. BOWMAN. Did Mr. Fenning mention anything about this trip to you?

Mr. TONER. Two days before the trip was made Mr. Fenning came over there and he asked me if I would go. I told Mr. Fenning, "I don't care much about going, but none of these other boys want to go, and if they don't go, I will go." He says, "All right. I would be glad to have you."

Mr. BOWMAN. Mr. Fenning did ask you?

Mr. TONER. Yes, sir.

Mr. BOWMAN. Did Doctor White say anything to you about going?

Mr. TONER. He never said a word; no, sir.

Mr. BOWMAN. Do you mean to tell this committee that none of the officers of the St. Elizabeths Hospital mentioned this fact to you, but that you left the hospital with this ward at the solicitation and the suggestion of Mr. Fenning?

Mr. TONER. Yes, sir.

Mr. BOWMAN. Not an official of the St. Elizabeths Hospital directed or instructed you to take this man?

Mr. TONER. No, sir. Mr. Fenning.

Mr. BLANTON. Sit down a minute, Mr. Toner. You are 66 years old, aren't you?

Mr. TONER. Yes, sir.

Mr. BLANTON. And how much more?

Mr. TONER. Sixty-six. I am 66 years of age.

Mr. BLANTON. Exactly?

Mr. TONER. Yes.

Mr. BLANTON. How did I guess it? Nobody ever told me at all.

Mr. TONER. I don't know.

Mr. BLANTON. You are an old man, aren't you?

Mr. TONER. Yes.

Mr. BLANTON. They sent an old man 66 years of age across the water to Denmark with a lunatic?

Mr. TONER. Yes, sir.

FENNING DECEIVED MOTHER OF WORLD WAR VETERAN

(The witness was duly sworn by Mr. DYER.)

Mr. BLANTON. What is your name?

Mrs. BUMBREY. Mary Virginia Bumbrey.

Mr. BLANTON. And you live in Osso, Va.?

Mrs. BUMBREY. Yes; King George County. Osso is the post office.

Mr. BLANTON. Osso is the post office. You are the mother of Everett Taylor Bumbrey?

Mrs. BUMBREY. Yes, sir.

Mr. BLANTON. Who is now dead?

Mrs. BUMBREY. Yes, sir.

Mr. BLANTON. He was a World War veteran?

Mrs. BUMBREY. Yes, sir.

Mr. BLANTON. He served the Government during the war in the United States Navy?

Mrs. BUMBREY. Yes, sir.

Mr. BLANTON. In 1919, did you go to Mr. Frederick A. Fenning here for any purpose? Answer yes or no, and then state what you went to him for.

Mrs. BUMBREY. Yes.

Mr. BLANTON. Then what did you go to him for and what did you say to him?

Mrs. BUMBREY. I asked him would he make me the beneficiary of my child's money; make me guardian.

Mr. BLANTON. Make you guardian?

Mrs. BUMBREY. Make me guardian of my boy.

Mr. BLANTON. You went to him as a lawyer?

Mrs. BUMBREY. Yes, sir.

Mr. BLANTON. And to have you made guardian of your boy?

Mrs. BUMBREY. Yes, sir.

Mr. BLANTON. What did he say to you?

Mrs. BUMBREY. He said he would. He said I would enjoy the money after having a guardian appointed. And Mr. Smoot (?)——

Mr. BLANTON (interposing). Now, did you give him any information about your boy, and about his relatives, and so on?

Mrs. BUMBREY. Yes, sir; he asked me the names of my daughters, and if he did not have any brothers. I did not have any more sons.

Mr. BLANTON. And he asked you a whole lot of questions to get information?

Mrs. BUMBREY. Yes, sir.

Mr. BLANTON. And then did he present a paper for you to sign?

Mrs. BUMBREY. Yes, sir.

Mr. BLANTON. You signed your name to it?

Mrs. BUMBREY. Yes, sir.

Mr. BLANTON. And you left?

Mrs. BUMBREY. Yes, sir.

Mr. BLANTON. And you understood that he was to make you guardian of your son?

Mrs. BUMBREY. Yes; I surely did.

Mr. BLANTON. Now, I find this petition filed in court on April 6, 1919. It reads as follows:

"In the Supreme Court of the District of Columbia, holding on equity court. In re Everett Taylor Bumbrey. Lunacy No. 8007

"The petition of Mary V. Bumbrey respectfully shows to the court:

"That she is a citizen of the United States and a resident of the District of Columbia.

"That Everett Taylor Bumbrey is now, and has been for some time past, a patient under treatment for mental disease at St. Elizabeths Hospital, to which institution he was admitted in accordance with an act of Congress.

"Said Everett Taylor Bumbrey is entitled to Navy pay as a seaman of the United States Navy at the rate of approximately $35 per month.

"That said Everett Taylor Bumbrey is unmarried, and that his nearest relatives are your petitioner, Mary V. Bumbrey, residing at 2204 P street NW., Washington, D. C., mother.

"That your petitioner is advised, in order that the estate of the above-named Everett Taylor Bumbrey may be properly conserved, it is necessary that a committee be appointed by the court.

"Wherefore, the premises considered, your petitioner asks—

"That Frederick A. Fenning be appointed committee of the person of the estate of the said above-named Everett Taylor Bumbrey, and for such other and further reasons as to the court may seem fit."

And it has what is supposed to be your name signed to it [handing paper to witness]. Did you ever know that you were filing a petition asking that Frederick A. Fenning be appionted guardian of your boy?

Mrs. BUMBREY. No; I did not.

Mr. BLANTON. You thought you were to be appointed?

Mrs. BUMBREY. Yes; and that is why I signed my name.

Mr. BLANTON. Did you ever sign more than one paper before Mr. Fenning?

Mrs. BUMBREY. No; only one.

Mr. BLANTON. And this is the paper that you signed?

Mrs. BUMBREY. Yes; this is the paper I signed.

Mr. BLANTON. And you did not know at the time you signed it that he was to be appointed guardian or committee?

Mrs. BUMBREY. No, sir.

Mr. BLANTON. You thought you were to be?

Mrs. BUMBREY. Yes, sir.

Mr. BLANTON. And that is what you thought you were getting him to do for you?

Mrs. BUMBREY. Yes, sir.

Mr. BLANTON. And it says down at the bottom, "F. A. Fenning, attorney for petitioner," and you are supposed to have sworn to that before a notary. When you signed this, did you swear to it before a notary?

Mrs. BUMBREY. No one was there but himself and his stenographer.

Mr. BLANTON. Just you three?

Mrs. BUMBREY. That is all.

Mr. BLANTON. Did any notary, so far as you know, ask you to hold up your hand and swear to this?

Mrs. BUMBREY. No; not to hold up my hand.

Mr. BLANTON. Nobody that you remember?

Mrs. BUMBREY. No, sir.

Mr. BLANTON. Now, this is on the office folder of Mr. Fenning, with his name printed on it.

Then I will introduce in connection with that the affidavit of physicians at St. Elizabeths, which says:

"We, the undersigned, do solemnly swear that we are members of the medical staff of St. Elizabeths Hospital, and we are familiar with the mental condition of the above named, who is a patient under treatment in said hospital, and that in our opinion he is of unsound mind."

That is signed by John E. Lane and Edward W. Leslie and sworn to before F. M. Finotti.

Then there is the verdict of the jury, which recites:

"Now comes here, as well the petitioner, by her attorney, Frederick A. Fenning, as the alleged lunatic."

Did you ever appear in court when Mr. Fenning had your boy adjudged insane?

Mrs. BUMBREY. No, indeed; it was unbeknown to me.

Mr. BLANTON. It was without your knowledge?

Mrs. BUMBREY. It was without my knowledge.

Mr. BLANTON. I asked her, Did you appear there?

Mrs. BUMBREY. I never appeared there.

Mr. BLANTON. You never did?

Mrs. BUMBREY. No, sir.

Mr. BLANTON. You did not know anything about it?

Mrs. BUMBREY. No, sir.

Mr. BLANTON. And this shows that your boy was adjudged to be of unsound mind?

Mrs. BUMBREY. Yes, sir.

Mr. BLANTON. Then there is an order based on that petition, appointing Mr. Frederick A. Fenning as committee, which means guardian of the person and estate of your son; and then there is a report of the committee, showing that since his appointment he "has collected Navy pay of the ward, as mess attendant, to September 30, 1919, in the sum of $86; and it says it is expected that further payments will be received from the same source."

That is sworn to. And then there is the first and final account of Frederick A. Fenning.

When did your son die?

Mrs. BUMBREY. He died on May 9, 1920.

Mr. BLANTON. This was filed October 20, 1920. It shows that Mr. Fenning had received Navy pay from May 31, 1920, $298.34; interest from trust company, $2.07; making $300.41.

And he claims credit for notary fees, $1.25; bond premiums, $7; court costs, $15; United States marshal's fee, $1; personal use of the ward, $25; commission to committee for all services, $20.04. And he shows that he has cash in the National Savings & Trust Co., balance, $221.12.

Mr. BLANTON. When was the first time you knew that Mr. Fenning had made himself guardian of your son?

Mrs. BUMBREY. Soon after my boy was sent out there.

Mr. BLANTON. Soon after your boy was sent out there you learned that?

Mrs. BUMBREY. Yes, sir. I went over to the hospital to see him; and Mr. Dootey—I said to him, "How is my boy to-day?" He said, "He is right smart to-day. He ought to be," he said, "Mr. Fenning has taken him down to court to-day."

Mr. BLANTON. He said Mr. Fenning had taken him to court to-day?

Mrs. BUMBREY. He said, "Did you not know that?" I said, "I did not know anything about it." He said, "You should have known." And I said, "I did not know a word about it."

Mr. BLANTON. Did you ask him to settle with you after you were appointed administratrix?

Mrs. BUMBREY. Yes, sir.

Mr. BLANTON. Did he agree to do it?

Mrs. BUMBREY. No; he would not do it.

Mr. BLANTON. He would not do it?

Mrs. BUMBREY. No.

Mr. BLANTON. What did he tell you?

Mrs. BUMBREY. He told me to write some officer down there and send the names, and he would settle with them; somebody over in Virginia.

Mr. BLANTON. Did he tell you you would have to be appointed administratrix?

Mrs. BUMBREY. Yes, sir.

Mr. BLANTON. And you did employ a lawyer?

Mrs. BUMBREY. I employed Mr. James Taylor, in Washington, D. C.

Mr. BLANTON. And paid him a fee?

Mrs. BUMBREY. Paid him $25 fee, besides $30 to the court.

Mr. BLANTON. You paid him all together $55?

Mrs. BUMBREY. Yes, sir.

Mr. BLANTON. You had to pay that out of this $221.12?

Mrs. BUMBREY. Yes, sir.

FENNING FRAUDULENTLY CONSPIRED WITH HIS CLIENT MRS. WHISPELL

Mr. BLANTON. Now, I want to call the committee's attention to the case of Isaac T. Fellows. I want the committee to please note the manner in which that petition is drawn [exhibiting petition to committee]. It is drawn up and places left blank to be filled out.

This is on the paper of Fenning & Gordon, attorneys and counselors at law, Washington, D. C., lunacy No. 7830, in re Isaac T. Fellows. The way the petition was drawn it says: "The petition of ——— Whispell," and, in ink, it is filled in up at the top, "Antoinette Whispell," and then it is filled in, in ink, that she is a stepmother of Isaac T. Fellows, and it is filled in, in ink: "There are no other relations."

And then section 3: "That said Isaac T. Fellows has no real estate and no property of value other than his claim for compensation under the act of October 6, 1917, and a claim for final Army pay and bonus," and then there is added, in ink, "and $50 Liberty bond." Then it recites:

"Wherefore, the premises considered, your petitioner asks: * * *

"That the court appoint Frederick A. Fenning, a member of the bar of the Supreme Court of the District of Columbia, as committee of the person and estate of the said Isaac T. Fellows."

Then there is the affidavit of the two physicians from St. Elizabeths Hospital, which was filed July 12, 1919. The rule to show cause was served on the lunatic July 14, 1919, the verdict of the jury shows that the petitioner appeared by Frederick A. Fenning as attorney, and the order appointing Mr. Fenning committee was filed July 18, 1919.

The order of the court authorized Mr. Fenning to keep the money on deposit in the National Savings & Trust Co., of which he is director and stockholder. Then here is an order dated March 26, 1920, authorizing Mr. Frederick A. Fenning to pay to the stepmother, Antoinette Whispell, $40 for a trip for coming to see the ward here, and a report of Mr. Fenning showing the amount of money that he has put on deposit in the National Savings & Trust Co., filed April 1, 1921.

Then I offer the following two expense bills, Mr. Chairman, for the inspection of the committee, showing how they are rendered by the bonding company, for the bond.

Mr. DYER. Let them go in the record.

Mr. BLANTON. Yes. They are regular accounts rendered to Mr. Fenning, which do not disclose that he has any agency commission, just as if he had paid the money to the bonding companies.

Mr. HERSEY. The only thing you complain of in the case now before us, Mr. BLANTON, is that he charged an illegal fee, to wit, the bonding fee.

Mr. BLANTON. No; there are some other matters.

Mr. HERSEY. I wish you would point the thing out.

Mr. BLANTON. I am going to. Here is one bill, a voucher, November 13, 1919: "Mr. Frederick A. Fenning, committee, 10 night robes at $2—$20."

Here is one of April 19, 1920: "12 night shirts at $1.50—$18."

Another one of November 11, 1920: "12 night shirts, $2.50, $30, less 10 per cent discount, $3—$27."

Another one of May 11, 1921: "12 night shirts, $24, less 10 per cent discount, $2.40—$21.60."

Note that Fenning had the court to allow him $68.60 for night shirts furnished his ward from November 13, 1919, to May 11, 1921, less than 18 months time. But who cared? It came out of the ward's estate.

Then I want to introduce the following accounts of allowances to the stepmother to come to Washington from New York. I am doing this for this purpose, gentlemen. This was a boy who lived at New York. He could have been sent to New York, close to his relative, the only one he had; but he was kept here and $40 every two months was allowed the stepmother to come to Washington.

Here is the receipt of January 31, 1920: Received of Frederick A. Fenning, committee of Isaac T. Fellows, $20, signed "Antoinette Whispell," for "part payment of expenses for trip from New York City to Washington, D. C., and return."

Here is another one, February 9, 1920, $20.
Here is another one, March 26, 1920, $20.
Here is another one, March 31, 1920, $20.
Here is another one, May 25, 1920, $20.
Here is another one, May 29, 1920, $20.
Here is another one, July 23, 1920, $20.
Here is another one, July 29, 1920, $20.
Here is another one, September 22, 1920, $20.
Here is another one, September 25, 1920, $20.
Here is another one, November 18, 1920, $20.
Here is another one, November 22, 1920, $20.
Here is another one, January 22, 1921, $20.
Here is another one, January 27, 1921, $20.
Here is another one, March 21, 1921, $20.
Here is another one, March 24, 1921, $20.
Here is another one, May 20, 1921, $20.
Here is another one, May 24, 1921, $20.

Now they are all for trips back and forth from New York to Washington.

Mr. HOGAN. Do you mean for the mother of the ward?

Mr. BLANTON. For the stepmother of the ward.

My contention is that all of that money was paid out, and if he had sent that ward home and had that stepmother be the guardian for him herself and be close there by him, it would have saved all this expense, and this commission he received every year would have been paid to the boy's mother instead of to some outsider.

Mr. YATES. Very well; I see your purpose there.

Mr. BLANTON. The auditor's report for June 21, 1920, shows an allowance of $120 to Mrs. Whispell, for visiting the ward; bond premium, $7; and commission to Mr. Fenning, himself, as committee, of $259.85.

The report for June 27, 1921, shows notarial fees, $1; expenses of Antoinette Whispell, foster mother of ward, $240, for visiting the ward, and recommended allowances to Mr. Fenning as follows, which was paid: Commission, $200.37; premiums on bond, $16.

Now, gentlemen, I have introduced the papers in the case of Isaac Fellows up to the time of his death. Now I introduce a petition on the law paper of "Frederick A. Fenning, Evans Building, 1420 New York Avenue NW.," filed July 18, 1921, in the Supreme Court of the District of Columbia, holding a probate court, administration No. 28337:

"The petition of Walter B. Cooke respectfully shows the court:

"1. That he is a citizen of the United States and a resident of the State of New York.

"2. That Isaac T. Fellows, late of the District of Columbia, and a citizen of the United States, died intestate in the District of Columbia July 3, 1921, leaving a personal estate consisting of approximately $4,400 in funds and Liberty loan bonds in the hands of his committee in lunacy, and no real estate so far as your petitioner is aware.

"3. That no relatives of said Isaac T. Fellows can be found, other than his stepmother, Mrs. Antoinette Whispell of New York City.

"4. That Walter B. Cooke has a claim against the estate of the said Isaac T. Fellows for $359.10 for burial of said Isaac T. Fellows, and knows of no other debts of said intestate."

Then he goes on and prays that citation may issue and that, unless cause be shown to the contrary, letters of administration upon the estate of said Isaac T. Fellows be issued to Frederick A. Fenning, and so on.

Now, this is an undertaker in New York, the petitioner, and it is filed in court here on the paper of and by Mr. Frederick A. Fenning.

Then I offer the expense account of this undertaker:

Hearse to move body from railroad station	$20.00
Reembalming and care of remains	25.00
Solid oak outside box with copper handles	55.00
Auto to deliver box to cemetery	5.00
Use of funeral chapel	25.00
Minister's fee	15.00
6 men to carry casket at $4 each	24.00
Auto hearse to Woodlawn Cemetery	24.00
8 limousines to cemetery at $13 each	104.00
New adult grave at Woodlawn	77.00
Personal attendance and services	50.00
3 telegrams to Washington, D. C.	4.65
1 telephone call to Washington, D. C.	2.65
4 telephone calls to Jersey City	.80
Car for pallbearers	13.00
One extra car for flowers	13.00
Total	359.10

Then I introduced the summons reciting "F. A. Fenning, attorney"; the summons in this administration case, with Mr. Fenning's name attached as attorney.

Then the order of publication which shows F. A. Fenning and Paul V. Rogers, attorneys.

Then the letters of administration to Mr. Frederick A. Fenning.

Then the inventory showing an estate of $5,442.47, sworn to by Mr. Fenning before Helen A. Losano.

Then the order authorizing the erection of a monument at a cost of $575.

Then this notice:

OFFICE OF REGISTER OF WILLS,
Washington, D. C., September 21, 1922.

FREDERICK A. FENNING, Esq.,
Evans Building, City.

SIR: The records of this office show that the year allotted you by law in which to settle the estate of Isaac T. Fellows, deceased, No. 28337, has expired, and that you have not rendered an account of your trust, as required by law.

Your attention is invited to the instructions printed for your guidance on the back of the inclosed blank. After stating your account, you should forward it to the register of wills, Washington, D. C.

A prompt compliance with the above instructions will be appreciated.

Very respectfully,

THEODORE COGSWELL,
Deputy Register of Wills.

Then there is this indorsement on it:

"I have not yet located heirs at law or next of kin, but am in active correspondence in the hope of locating such persons and ask that time for accounting be extended six months.

9/26/22 F. A. FENNING."

Then here is a petition filed October 11, 1922, by Mr. Frederick A. Fenning and sworn to before Helen A. Losano, notary, which says that the administrator has for distribution something in excess of $3,500.

It says:

"That it appears that the intestate lived, for many years, in New York City and the administrator deems it advisable to make personal inquiry in that city and vicinity, in the hope of locating persons entitled to distribution.

"That the administrator estimates that the expense involved in making such inquiry will not exceed $40."

Then he asks that the court pass an order authorizing the administrator to make such personal inquiry. That was filed October 11, 1922.

Then there is the order of court allowing him to make that personal inquiry at an expense of $40, filed October 13, 1922.

Then on December 19, 1922, Mr. Fenning filed this petition for instructions:

"The petition of Frederick A. Fenning, administrator in this cause, respectfully shows the court—

"That pursuant to the order of this court of October 13, 1922, authorizing the administrator to proceed to New York City. * * *"

Well it just goes on to state that he went there and then says:

"That, as a result of the inquiry conducted by the administrator, he was unable to find record of any living person who is the next of kin or heir at law of the intestate.

"That since the said inquiry was made the administrator has received from Messrs. Conklin & Montross, 59 Wall Street, New York City, a proof of claim made by the said Antoinette Whispell against the estate of the said Isaac T. Fellows, containing a statement of account in which there is claimed from the estate of the intestate $3,265 with interest.

"That the said proof of claim is herewith submitted to the court for such action as the court may deem proper, the administrator hereby indicating his willingness to promptly comply with any order that the court may make in the premises."

FENNING CAUSED THIS FRAUDULENT CLAIM FILED

Mrs. Whispell was not entitled to this estate. Her claims were fraudulent. When Judge Wilkes investigated her in New York, she immediately withdrew her claims. And I will quote from testimony of Fenning before Gibson committee showing that it was Fenning's $40 trip to New York that incited Lawyer Montross to file such claim for Mrs. Whispell:

Mr. BLANTON (resuming reading): "and after considerable correspondence is unable to locate heirs at law or next of kin.

"2. That it appears that the intestate lived for many years in New York City, and the administrator deems it advisable to make personal inquiry in that city and vicinity in the hope of locating persons entitled to distribution."

You wanted to take a trip to New York, Mr. Commissioner?

Mr. FENNING. That petition speaks for itself.

Mr. BLANTON. And you got an order for $40 to make it personally. Why didn't you put a notice in the New York Times?

Mr. FENNING. Did you see the order the court signed?

Mr. BLANTON. Yes.

Mr. FENNING. That is the answer; because I complied with the order of the court.

Mr. GIBSON. How much more of that is there?

Mr. BLANTON. Mr. Chairman, this is the most important matter that has been before Congress since I have been here; it is something that affects the liberty of every ex-service man in the United States, and we ought to take time.

[Resumes reading:]

"Ordered, that said administrator be, and is hereby, authorized to make personal inquiry in New York City and vicinity, with a view to locating heirs at law or next of kin of the intestate, the expenses incident to such inquiry not to exceed $40 and to be paid from this estate."

Mr. FENNING. Who signed that?

Mr. BLANTON. That was Walter I. McCoy, the man who swore you in, and he signed many of yours.

Mr. FENNING. Yes.

Mr. BLANTON. And his petition for the erection of a $575 monument. [Reading:]

"Petition of Antoinette Whispell"——

That was your client?

Mr. FENNING. Oh, she was my client in the lunacy proceedings.

Mr. BLANTON. Why don't you admit it? She was his client.

Mr. FENNING. In the lunacy proceedings. I said she was my client in the lunacy proceedings.

Mr. BLANTON. Why she was his client and he was attorney of record. When she filed her account it was Mr. Wilkes who went up there and got a statement that stopped you, did it not, Mr. Fenning?

Mr. FENNING. Did she file a claim in court?

Mr. BLANTON. Yes.

Mr. FENNING. Have you got that there?

Mr. BLANTON. Yes.

Mr. FENNING. Who were her attorneys?

Mr. BLANTON. I will show you who they were. When you took this trip to New York at Fellows's expense, didn't you go to see the attorney that represented this woman?

Mr. FENNING. Yes.

Mr. GIBSON. Who was it?

Mr. BLANTON. Who was it, Mr. Fenning?

Mr. FENNING. It was a firm on Wall Street, and the one I saw was Mr. Montross.

Mr. BLANTON. And didn't you tell Mr. Montross about this transaction, and wasn't it the first time he had ever known?

Mr. FENNING. I saw Mrs. Whispell there at Montross's office.

Mr. BLANTON. Didn't Mr. Montross get his first intimation of this estate from you?

Mr. FENNING. I may have recommended Mr. Montross's firm to her.

Mr. BLANTON. Oh, yes; that is what you may have done.

Mr. FENNING. Yes.

Mr. BLANTON. And you had them file that claim for her?

I promise the committee that I will show that later. I want to ask if James Wilkes, who is at present assistant corporation counsel of the District of Columbia, did not go to New York and get a statement from that woman that caused her account to be withdrawn?

Mr. FENNING. He went up there and got some kind of a statement that caused her attorneys to withdraw; yes.

Mr. BLANTON. And he made you pay every dollar of that estate, after you paid your commissions, to the District of Columbia; did he not?

Mr. FENNING. There was no contention to the contrary on my part. I submitted the matter to the court. The District of Columbia would have been entitled to the money if he died without relatives up to the fifth degree. I sent notice to corporation counsel, and the assistant corporation counsel went up to New York City and made an investigation, as a result of which he concluded she was not entitled to it, and her attorneys wrote a letter down here withdrawing the claim.

If Judge Wilkes had not gone to New York and investigated Mrs. Whispell, and scared her into withdrawing her fraudulent claim, Fenning would have had this entire estate paid over to her and there would have been a division of fees between him and Montross. But such estate is now held by the District of Columbia, and whenever the rightful heirs of Isaac T. Fellows are found they will get it.

And besides his own fees and commissions allowed him by the court, both as committee while Fellows was alive and as administrator after Fellows died, I showed that the court allowed Fenning for three bond premiums and six notary accounts for his Miss Helen A. Lasano, and $12.90 for his Washington Law Reporter. Here is why Fenning became director of and attorney for it:

RULE OF COURT

RULE 24, SEC. 3. Hereafter all notices which relate to proceedings in the Supreme Court of the District of Columbia, the publication of which is required by law or by rules of court or by any order of court, shall be published in the Washington Law Reporter, during the time required by law, in addition to any other papers, which may be specially ordered or which may be selected by the parties.

FREDERICK FENNING WROTE ANOTHER WILL FOR INSANE WARD.

Mr. BLANTON. In lunacy case No. 4270 of Mary Ellen Sauter, non compos in the Supreme Court of the District of Columbia, I read the following excerpts from the petition.

Mr. HERSEY. What is the date of the petition?

Mr. BLANTON. It was filed on July 18, 1911. [Reading:]

"That Mary E. Sauter is likewise a citizen of the United States and a resident of the District of Columbia and is of the age of 73 years.

"That the said Mary Ellen Sauter is the owner of real estate in the city of Washington, District of Columbia, of the value of about $3,500, from which real estate there is a monthly income of $28 derived from the rental thereof. That in addition thereto the said Mary Ellen Sauter has personal property consisting of moneys in bank to the extent of about $1,200 and is likewise the recipient of a pension of $12 a month from the United States Government.

"That the said Mary Ellen Sauter has for the past 18 months or 2 years been in a mental condition which has wholly unfitted her to execute a valid deed or contract or to transact ordinary business matters involving the preservation of her estate and that the only income which she has is derived from her pension and the estate hereinbefore mentioned. That your petitioners are advised and believe that the said Mary Ellen Sauter is suffering from senile dementia and that she is wholly unfitted to care for her estate and that if she be permitted to retain possession of her property that she will dissipate same and alienate her interest in the real estate and will be subjected to the machinations of unscrupulous and designing persons."

Mr. BLANTON. This is an affidavit by James P. Way, stating he treated her in Chicago for senile debility. It is dated June 21, 1911, and reads:

"This is to certify that I treated Mrs. Mary E. Sauter during her stay in Chicago for senile debility, both mental and physical."

And then here is an affidavit of Dr. James P. Way stating the same thing, that in 1908 he was called to treat her, and so on. I will not read it all, but it shows he treated her for it in 1908.

Then here are two affidavits from Emil Suehlsen and Mrs. Martha Suehlsen, who are proprietors of a grocery store in Chicago, and they say that in their estimation Mrs. Sauter is not capable of taking care of any property she may possess and is in need of a guardian, and that is sworn to on the 9th day of July, 1911, and they found that condition in March, 1911.

Then there is the affidavit of William Schultz, who testifies practically to the same thing.

Then Curtis Petzel, who by occupation is a butcher in Chicago, gives an affidavit that he has been acquainted with Mrs. Mary Ellen Sauter since the spring of 1908 and has frequently waited on her when she made purchases at the store where he was employed, that she was very eccentric and a hard customer to wait upon and this was attributed to the fact that she was of advanced age and therefore childish. He noticed her condition getting worse just before her leaving Chicago for Texas in 1910, and in his estimation Mrs. Sauter is not able to transact any legal business or to manage property and that she should have some reputable person to attend to her matters for her.

Mrs. Dora Ogden testifies that she lives in El Paso, Tex., and that she was very much shocked to see how much this Mrs. Sauter had failed and how childish she had become and was distressed to note how she was becoming worse during the latter part of her visit.

And here is another one by L. W. Smith much to the same effect.

"Dr. B. R. Logie, being first duly sworn, deposes and says: That he is a physician practicing medicine in the District of Columbia and personally knows Mary Ellen Sauter. That he has examined the said Mary Ellen Sauter within the last 24 hours and confidently believes her of unsound mind and incapable of managing her property or properly protecting herself."

That is signed by B. R. Logie and sworn to on the 19th day of July, 1911, before Theodore Block.

Then the verdict of the jury finds her to be of unsound mind.

Then the order appointing the committee reads in part:

"And it is further adjudged, ordered, and decreed that Frederick A. Fenning and George W. Baumann be, and are hereby appointed committee of the person and estate of said Mary Ellen Sauter, upon their giving bond in the sum of $2,000, conditioned for the faithful performance of the trust in them reposed."

Mr. HERSEY. The jury found her of unsound mind?

Mr. BLANTON. Yes, sir.

Now I want to read a will that was made. Here is the will. Can you gentlemen agree that this will was prepared by Mr. Fenning [handing document to Mr. Hogan]?

Mr. HOGAN. I know there was a will prepared by Mr. Fenning.

Mr. BLANTON. That is the one. It will save some time.

Mr. HOGAN. Yes; on the 30th day of June, 1911.

Mr. BLANTON. This is a will that it is admited Mr. Fenning prepared, that was signed by Mrs. Sauter.

Mr. HOGAN. He prepared it as attorney for the lady. He was the draftsman of it.

Mr. BLANTON. Yes; and it was executed on the 30th day of June, 1911, and this petition, you understand—if you will keep this point in mind—filed July 18, 1911, the same year, just about a month afterwards, recites that Mary Ellen Sauter has for the past 18 months or two years been in a mental condition which wholly unfitted her to execute a valid deed or contract.

Mr. BLANTON. Without reading it, I will introduce the will that she made on December 5, 1901.

Mr. HERSEY. That is the last will?

Mr. BLANTON. That is the first will. The last will was the one Fenning drew about a month before she was committed.

Then the first account of the committee shows that they have received total receipts of $1,608.20; that they have paid W. E. Ambrose for attorney's fee and cost $41; to F. A. Fenning, attorney's fee, $25; to Dr. B. R. Logie, examination and testimony, $25; board of ward to April 15, 1912, $222.84.

That was signed and sworn to by Mr. Fenning and Mr. Baumann.

The report of the auditor shows that the physician's fee of $25 was paid to Doctor Logie; that notarial fees of $3 were paid; that the board of ward to April 15, 1912, was $224.84; that the bond of the trustee was $10; that the solicitor's fee to F. A. Fenning, Esq., was $15; that the commissions of committee were $80.41; and that the auditor's fee was $15.

Now, the second account of Mr. Frederick A. Fenning and George W. Baumann, made under oath, shows disbursements as follows: To Dr. B. R. Logie, $10; to Dr. A. J. Hall, $10; to Dr. R. A. Pyles, $8; bonds, $10; notarial fees, $2.25; Dr. E. F. Pickford, $2.

For all services rendered in filing this account the committee suggest that a commission of 8 per cent will be a reasonable compensation.

Now, that brings us up to the death of this woman, and I read the following:

The petition of Frederick A. Fenning respectfully shows the court "that he is a citizen of the United States and a resident of the District of Columbia; that Mary Ellen Sauter, late of the District of Columbia, died in the District of Columbia; that your petitioner is named in the said last will and testament as executor and trustee, and is advised that in order that this estate may be administered in the manner provided by law it is necessary that the said last will and testament be admitted to probate and record as a will of real and personal property and letters testamentary be issued thereunder."

Mr. HERSEY. He is now petitioning to be appointed by the court executor under the law?

Mr. BLANTON. Of the will that he himself prepared.

Mr. HERSEY. I do not suppose that makes any difference.

Mr. BLANTON. Now, here is a petition for caveat. It sets up that petitioner "is informed and believes and therefore avers that a certain paper writing, dated June 30, 1911, has been filed, and application made for the probate thereof as the last will and testament of the said Mary Ellen Sauter, deceased.

"That said deceased was not, at the time of the making and subscribing, or the acknowledging by her of the said paper writing, dated June 30, 1911, of sound mind and memory, or in any respect capable of making or executing a will.

"That the said deceased did not, at the time of making the subscription at the end of the said paper writing, dated June 30, 1911, or at the time of acknowledging the subscription to have been made by her to the attesting witnesses to the said paper writing, declare the said paper writing to be the last will and testament of the said Mary Ellen Sauter.

"That the attesting witnesses to said paper writing, dated June 30, 1911, did not, nor did any of them, sign his name as a witness to the said paper writing at the request of or in the presence of the said Mary Ellen Sauter.

"That the said paper writing, purporting to be such last will and testament, was obtained and the execution thereof procured, by fraud and coercion practiced upon her by James Goddard, Myla S. Goddard, and by the executor named in said paper writing, or by all of them, or by some other person or persons unknown to the petitioner.

"That the said paper writing, dated June 30, 1911, was not freely and voluntarily executed or made or known as the decedent's last will and testament by said deceased, but that the subscription thereto and the publication thereof, if at all, by her, was procured by fraud and coercion exercised upon her by James Goddard, Myla S. Goddard, or the executor named in said paper writing, or all of them, or by some other person or persons unknown to the petitioner."

Note that they claimed that Frederick Fenning committed fraud in preparing said purported will, when Mrs. Sauter was insane, and having himself named as the executor therein.

Mr. BLANTON. Now, on this legal document which is a petition for letters ad colligentum, "The petition of Frederick A. Fenning respectfully shows to this honorable court:

"That he is the same person who filed a petition asking that the will of Mary Ellen Sauter, deceased, dated June 30, 1911, be admitted to probate and that letters testamentary issue to him in accordance with the terms of said will.

"2. That a caveat has been filed by one Frederick V. Sauter, one of the heirs of the said Mary Ellen Sauter, and a beneficiary named in said will, dated June 30, 1911, denying the validity of said will and praying that the court refuse to admit said will to probate.

"That in view of the condition as set forth above, it would be for the advantage of the creditors and all persons interested in said estate for a collector to be appointed."

Mr. HERSEY. Does the statute of the District of Columbia authorize such an appointment?

Mr. HOGAN. The answer is yes.

Mr. BLANTON. That is the counsel's answer.

Mr. HOGAN. He asked if the statute of the District of Columbia authorized such an appointment, and the answer is yes.

Mr. BLANTON. That is the counsel's answer, but here is the other party in his answer. The court may appoint a collector, but, as counsel says, it may be contended that it was not necessary [reading]:

"That the respondent believes and therefore avers that the only property belonging to the estate consists of $750 in cash and a trust note, and certain real estate known as premises No. 1518 Tenth Street NW., Washington, D. C., which premises are rented for the sum of $20.50 per month, and which rent is being collected by Benjamin F. Saul Co., real-estate agents, of 934 New York Avenue NW.

"That all of said property is in the custody of a committee, consisting of Frederick A. Fenning and George W. Baumann, appointed by this honorable court in lunacy proceedings No. 4270 (which I hereby refer to and prayed to be read as a part hereof), whose bond was duly approved and filed in this court; and that, pursuant to an order, passed in said cause, the Washington Loan & Trust Co. was designated as a depository for all funds belonging to the estate.

"That the appointment of a collector will entail additional and unnecessary expense chargeable against the small balance now remaining for distribution, there is no pressing necessity for the appointment of a collector so far as the preservation and security of the assets are concerned, and that there are no intricate or urgent duties to be performed by a collector pending the disposition of the caveat herein above referred to."

Mr. HERSEY. Who is that signed by?

Mr. BLANTON. By one of the heirs, Frederick V. Sauter. Here is an order I wish to read to the committee:

"On consideration of the petition of Frederick A. Fenning, etc.

"Adjudged, ordered, and decreed that Frederick A. Fenning be and he is hereby granted letters ad colligendum on said estate," etc.

This is a motion to vacate and set aside the order appointing a collector:

"Now comes Frederick V. Sauter, by his attorneys, Loving & Hamner, and moves the court to vacate and set aside the order. It was stated by this honorable court that there appeared to be no urgent necessity for the appointment of a collector, and the court, being desirous of conserving the assets of this estate, refused to appoint a collector in compliance with the petition presented therefor.

"That notwithstanding the fact that the court refused, etc., it appears that an order was presented to this honorable court by Frederick A. Fenning, etc., without the knowledge or consent of or notice to the said Frederick V. Sauter, or his attorneys of record, and without any suggestion or intimation to the said attorneys that an order would be presented to the court for signature, and without an opportunity to be heard further with regard to the appointment of a collector.

"In consideration of the foregoing recitation of facts the said Frederick V. Sauter moves the court to vacate and set aside the order."

Mr. HOGAN. Have you the order of the court on that?

Mr. BLANTON. I do not find any order.

Mr. HERSEY. Letters to the executor?

Mr. BLANTON. To the collector, showing the court must have overruled it. I have not the order here. There may be one, but I have not seen it. These letters to the collector were given the next day.

Mr. HOGAN. To Mr. Fenning?

Mr. BLANTON. Yes. It appoints Frederick A. Fenning, of the District of Columbia. Here is the order of court framing the issues for trial.

Mr. HERSEY. Issues in what?

Mr. BLANTON. In the will contest.

Mr. HOGAN. In the ordinary form of law.

Mr. BLANTON (reading). "Upon consideration of the caveat of Frederick V. Sauter, filed herein, against a certain paper writing, dated the 30th day of June, 1911, which paper writing, purporting to be the last will and testament of Mary Ellen Sauter, deceased, was filed herein on the 26th day of December, 1916, and no answer thereto having been filed other than by the guardian ad litem of L. I. Sauter, it is, this 20th day of April, 1917—

'Ordered that the following issues be, and they hereby are, framed to be tried before a jury:'

"1. Was the paper writing, filed in this court, bearing date the 30th day of June, 1911, the last will and testament of Mary Ellen Sauter, deceased?

"2. Was the said Mary Ellen Sauter, at the time of making and subscribing, or of the acknowledging by her of said paper writing, of sound and disposing mind and capable of executing a valid deed or contract?

"3. Was the said paper writing, dated June 30, 1911, purporting to be the last will and testament of Mary Ellen Sauter, deceased, executed and attested as required by law?

"4. Was the said paper writing, dated the 30th day of June, 1911, obtained, or the execution thereof procured from the said Mary Ellen Sauter, deceased, by undue influence of James Goddard, Myla S. Goddard—

And it was originally written in here in type "Frederick A. Fenning, the executor," and "Frederick A. Fenning" has been scratched out and is omitted, so that it reads: "The executor named in said paper writing, or any of them, or any other person or persons?"

Mr. HERSEY. You do not claim it was changed after it was filed in court?

Mr. BLANTON. I claim the way it was first drawn it gave the name of the executor, and before the matter was submitted the name was stricken out and it just left "the executor" without the name.

Mr. BLANTON (reading):

"5. Was the said paper writing, dated the 30th day of June, 1911, obtained, or the execution thereof, or the subscription thereto procured from the said Mary Ellen Sauter, deceased, by coercion, fraud, or duress practiced upon the said Mary Ellen Sauter, deceased, by James Goddard, Myla S. Goddard, or "—

And here it is again, originally written in the name "Frederick A. Fenning," and then scratched out "the executor named in said paper writing, or any of them, or any other person or persons."

Now, here is the order. I want to read this. It is not very long.

"Again come here the parties aforesaid in manner aforesaid and the same jury that was respited yesterday; whereupon, upon motion of the caveatee, by his attorney, Frederick A. Fenning, Esq., a juror is withdrawn and the case is passed."

Will counsel agree that this court withdrew a juror at the instance of Mr. Fenning?

Mr. HOGAN. No. I will agree to the fact. I will agree that, in spite of the charge given by the court, counsel representing the contestants deliberately put before the jury a thing which was prejudicial, and the judge promptly, upon motion, withdrew a juror and continued the case.

Mr. BLANTON. At the request of Mr. Fenning?

Mr. HOGAN. Upon the very proper and lawyerlike motion of Mr. Fenning.

Mr. BLANTON. I will agree to that statement, because it shows it was Mr. Fenning who had the juror withdrawn.

Mr. HOGAN. Certainly.

Mr. BLANTON. That ends that. Now, will counsel agree, to save the trouble of bringing a lot of other witnesses here, that before there could be another trial the party in that case died?

Mr. HOGAN. I do not know that to be the fact. My information is that he was sick.

Mr. BLANTON. You will admit there was no jury trial?

Mr. HOGAN. I will admit any fact I know.

Mr. BLANTON. There was no other jury trial?

Mr. HOGAN. There was no other jury trial.

Mr. BLANTON. Here is the order admitting the will to probate and issuing letters testamentary to "Frederick A. Fenning, the executor named in the will, upon his giving bond in the sum of $2,000."

Mr. DYER. Mr. BLANTON, are not those papers to be filed with the committee?

Mr. BLANTON. I would like for the committee to do this. I would like for the committee to get an order from Justice McCoy, chief justice of the Supreme Court of the District of Columbia, permitting me to turn all these papers over to the committee until this case is ended, so that my personal responsibility will end. If the chairman will get Justice McCoy to give that order, I know he will be very glad to do it. He has been very nice to me, and all the courts here have been very nice, in granting every request I have made for the production of papers.

Mr. DYER. Very well.

Mr. HOGAN. Then, if the papers get lost, Mr. DYER will be held in contempt, and not Mr. BLANTON?

Mr. BLANTON. Here is the account of Frederick A. Fenning.

Mr. HERSEY. As executor?

Mr. BLANTON. As executor. It shows that he received from the collector $1,369.94, that he received from E. J. Hillyard, $200, deposit on purchase of 1418 Tenth Street NW.; that he received from George W. Bauman, gold, $20; rents 1418 Tenth Street NW., $196.80; interest Trust Co., $9.39; making a total of $1,796.13.

It shows the following disbursements:

"Notarial fees, $1; Law Reporter, publishing notice, $5; Evening Star, publishing notice, $6.30; Frank Geier's Sons, undertakers, $150.07; fire insurance premium, $4.50; personal tax, 1921, $4.11; refund to Hillyard of deposit on purchase of real estate, $200; bond premium, $20; auction sale, advertisement, and auctioneer, $83.48; allowance to executor to cover all services, including professional services in will contest, $300."

"Murry Nelson, conducting examination in Chicago, will contest, $25; Dr. Frederick O. Roman, testimony in will contest, $10; Dr. James H. Stone, same, $10; Law Reporter Co., publishing order, $8.89; Evening Star, publishing notice, $9.60; James Sherier, reimbursement of expenditures in summoning witnesses in support of will, $3.50; reserve for payment of 1922 personal tax, $4.22; register of wills, costs this account, $27; making a total of $872.67."

Here is the account of Frederick A. Fenning as collector in that case. He shows that he received the rents from the real estate property mentioned, collected to May 16, 1920, $712.10. He received cash from the committee in lunacy, $254. Then there was principal and interest to August 21, 1917, on a $500 note, $515.80. Interest on bank deposit to January 1, 1920, $53.14.

He claims credit and allowance for the following disbursements: Notarial fees, 75 cents; expense of minor's trip to accept service, $14; premium on bond, four years, $20.

Mr. HERSEY. Outside of the bond, do you claim there was anything that was not all right?

Mr. BLANTON. There are a whole lot of expenses that, if the committee should agree with the contestants, might have been saved. They fought that appointment as collector and claimed it was done without their knowledge, and the court once said he would not appoint the collector. I claim that all of these expenses could have been saved. For instance, the marshal's fee of $1; register of wills, $15; publication of notice, $11.80; register of wills, cost this account, $15.05.

Mr. HERSEY. We will never get home.

Mr. BLANTON. I am in almost as big a hurry to get to Texas as the gentleman is to get to Maine. I ought to be in Texas right now.

You will note that in this Sauter case Frederick Fenning was first appointed committee or guardian of insane Mrs. Sauter; that he had less than a month before drawn her will while she was insane, designating himself as executor; that when she died he got himself appointed collector for the estate; that when the court submitted the issues of his fraud to the jury in the contest filed by Mrs. Sauter's heir, Fenning had a juror withdrawn, which caused a mistrial, and that before another jury trial could be had this heir died, and Fenning had himself appointed executor.

HERSEY SHALL NOT WHITEWASH FENNING AND DOCTOR WHITE

The committee investigating White and Fenning in 1906 consisted of five. Two condemned them. Three tried to whitewash them. Congress adjourned without voting or knowing the facts. No one went to the trouble of briefing the evidence. Thus Fenning and White escaped. And for 20 years they have enlarged their exploitation. And White will escape again unless some one makes known the evidence. Therefore I have performed the arduous, thankless labor in briefing this case for publication in the RECORD, so that the 435 Congressmen and 96 Senators may know just what Doctor White and Frederick Fenning have been doing for 23 years in partnership together.

These hearings were concluded just about the time Congress was adjourning. No vote was permitted on Fenning. I knew all along that politics would cause a bare majority of the committee to attempt to save him. My letter to Chairman DYER, which he published on page 1015 of the hearings, shows this:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 4, 1926.

MY DEAR FRIEND DYER: The undisguised and clearly apparent attitude of defense for and friendliness to Fenning, zealously manifested throughout the entire hearings by both my colleagues, HERSEY and GORMAN, the only two attending all meetings, has convinced me that it would be utterly futile and an absolute waste of time and effort for me to file a brief or to make an argument.

It is very evident to me that if shell-shocked veterans are to get out of Fenning's clutches their case must be appealed to the people of the United States, and as soon as I can get some needed rest I shall devote all my time and what little means I have toward that end.

Brothers HERSEY and GORMAN have harassed and hampered me, their helper, at every turn. The latter, uninformed, eulogized the D. C. as the most honest government of all, when the well-posted Gibson committee has concluded that it is one of the rottenest.

They knew I couldn't assist longer than 10 to-night, yet without asking him a question they permitted Fenning to waste hours reading wholly irrelevant correspondence from officials of the Veterans' Bureau, which his evidence in 1906 and before the Gibson committee shows conclusively he, himself, incited by direct solicitation all such business.

And without a question they silently permitted Fenning to read a stack of wholly irrelevant correspondence with Percy W. Dennis, when the only pertinent issue was "whether Dennis first wrote Fenning or Fenning first wrote Dennis"; and the initial letter from Dennis started out by acknowledging the receipt of Fenning's letter on the 20th, and not one question did they ask Fenning about his ridiculous claim that he could not find his file copy of his letter of the 20th to Dennis. That proved conclusively the truth of Mrs. Lee's statement that Fenning first wrote Percy Dennis.

Fenning's file which I gave into your keeping showed 11 different letters he wrote to the Bureau of Supplies and Accounts in the Navy Department about the Frank Allen case, yet they did not examine same, did not ask him a question about it, and did not put such letters in the record, knowing that I would not be there to do it; and the files of the Navy Department show that eight of such letters are not there now.

Paul Rogers testified emphatically that he has been interested in no case with Fenning during 1926 and was interested in only two cases in 1925, the Norris case, in which they received a joint fee of $75, and the Cunningham case, in which they received a joint fee of $150. Yet when Fenning made the ridiculous claim that "Rogers had done all the appearing in court since June 5, 1925, when he became commissioner," neither HERSEY nor GORMAN asked him a question, when, if such had been true, Rogers, in law, would merely have been his agent, and he as principal would be charged with such appearances just as much as if he had gone in person.

The Mary V. Bumbrey case seemed to be taken as a joke. She testified unequivocally that she employed Fenning to qualify her as guardian; that he perpetrated a fraud upon her by making himself committee.

I have worked 18 hours per day for the past two months and have impaired my health and must take a rest. I want to thank you, DYER, for your personal courtesy to me, for you have tried to be fair and have seemed to appreciate the hard work I have done for your committee. I shall not forget you. Fenning was whitewashed in 1906. There has been a World War since then. Sons from every section participated. They watch now.

Sincerely yours,

(Signed) THOMAS L. BLANTON.

And by a mere gesture of his hand Mr. HERSEY can not wave aside all of the evidence and give Fenning a clean bill of health by publishing generalities attacking me and asserting "I find no fault in Fenning." In his tirade Mr. HERSEY said that I tried to put in the hearings as evidence an affidavit from a party living in Texas, and I quote from page 12847 of the RECORD his further comment. Mr. HERSEY said:

Our committee examined the affidavit and found that it contained nothing admissible in evidence and could prove anything possible in the case, and having told Mr. BLANTON this he next insisted that the witness should come into the District, if he had to pay the witness's fees out of his own pocket, and the witness was sent for, and when he arrived he did not even understand the affidavit and knew nothing about the case, and this was at an expense of about $200.

Mr. HERSEY's above statement was just about as fair as was his every other act in this Fenning case. I never heard of Robbins until he wrote me and mailed me his affidavit. And this is the affidavit he sent me from San Antonio, Tex., which Mr. HERSEY refused to admit in evidence and thereby forced me to bring Robbins from Texas:

STATE OF TEXAS,
County of Bexar, ss:

I, N. H. Robbins, being duly sworn, make the following statement with reference to the pending inquiry into the guardianship practice of Commissioner Frederick A. Fenning, of the District of Columbia:

I was a resident of Washington, D. C., for 50 years or more and up to March, 1923. I became acquainted with Frederick A. Fenning about the year 1889 or 1890, when he was a lad of about 15 years of age and was employed as a messenger or in some similar capacity in the office of Col. Sidney L. Willson, United States pension agent at Washington, corner of Fourth and F Streets NW. I was instrumental about that time in getting him a small job of work to be done after office hours, and thereafter I maintained friendly relations with him for three or four years. Following his graduation from law school he formed a copartnership with Fred G. Coldren, whose business at that time was chiefly the prosecution of pension claims. From this time I was not in touch with him until the incident I am about to relate, but was aware of his specialty in acting as fiduciary in insane cases at the Government Hospital for the Insane.

About December, 1913, possibly 1912, a near relative of mine, who was an inmate of the Methodist Home for Old Ladies at Sixth and M Streets NW., was, without notice to me or my brother, sent to the

Government Hospital for the Insane; I knew nothing of the circumstances under which the commitment was made, although my address must have been known to the authorities.

The first knowledge of the fact that she had been committed was derived from Mr. Fenning, who called me on the telephone two or three months later to inquire whether I was related to the patient, and upon learning that I was, he asked whether I would have any objection to his appointment as committee. In view of our past friendly relations and knowing that he was thoroughly experienced in such matters, I consented, but on the condition that my brother also give his consent. He obtained my brother's consent and took over approximately $1,000 in cash, which the patient had on deposit at the bank, and arranged to receive her pension checks in the amount of $17 per month. The pension was, of course, paid quarterly, and he received the same during the entire period of his guardianship, which lasted possibly three years, but no longer. The patient died about three years after her commitment, and upon interviewing the finance officer in charge of the institution, I found that Mr. Fenning had been released from the guardianship a short time before and had turned in as balance on hand between $80 and $90. It would appear that altogether Mr. Fenning handled and disposed of something like $1,600 during the period of his committeeship, and all of this sum was consumed with the exception of the small balance above mentioned. I was told by a nurse in attendance in the building of which the patient was an inmate that she had broken her hip within a few weeks after arrival at the institution and never left the bed thereafter; I was further told that the maintenance cost of patient under the circumstances of her commitment was $23 per month. It would seem therefore that her cash funds should have been drawn upon only to the extent of $6 per month, which added to her pension would have paid for her maintenance. She, of course, required no clothing, and it is not conceivable that there could have been any other substantial cause for expense; consequently I have always felt that her funds were not judiciously cared for; besides I felt there was a failure to discharge the full duty of committee, and that a real lack of consideration for me had been shown by Mr. Fenning when he proceeded to secure the discharge by the court without conference with me; I made no comments, however, and no investigation at the time for the reason that I was then in rather precarious health and had other matters to occupy my time and thoughts.

My address is post office box 1316, San Antonio, Tex.

N. H. ROBBINS.

Sworn to and subscribed by the above-named affiant before me, the undersigned authority, on this the 19th day of May, A. D. 1926, in Bexar County, Tex. Given under my hand and seal of office.

[SEAL.] GERTRUDE L. BEECHING,
Notary Public in and for Bexar County, State of Texas.

Now Mr. HERSEY contends that this affidavit contains no charge affecting Fenning. I will let you who read this decide for yourself. And Mr. HERSEY says that after I had Robbins come here "he did not even understand the affidavit, and knew nothing about the case." Reader, please decide this also. Robbins testified:

TESTIMONY OF NATHAN H. ROBINS, SAN ANTONIO, TEX.

The witness was duly sworn by Mr. DYER.

Mr. BLANTON. In connection with Mr. Robin's testimony, gentlemen, I offer the following papers:

Petition by the Commissioners of the District of Columbia to declare Mrs. Barbara E. Robins of unsound mind, filed December 19, 1910, in the supreme court, in which I want to call attention to the following two allegations——

Mr. HOGAN (interposing). What is the case?

Mr. BLANTON. Barbara E. Robins, Lunacy No. 4045:

"That she is believed to be insane or of unsound mind, and has been apprehended, and is now being detained at the Government Hospital for the Insane, etc.

"That the said Barbara E. Robins is represented to your petitioners, and is believed by them to be an indigent insane person, or person of unsound mind."

Then the rule to show cause, served on Barbara E. Robins. And the verdict of the jury, showing that she is of unsound mind. That was filed December 22, 1910.

Then of February 8, 1911, on the official folder of F. A. Fenning and B. W. Parker, attorneys at law, Washington, D. C., I read the following petition for appointment of committee:

"And this petition sets forth that she has certain money coming to her, and I will not read it all. It just shows the necessity for the appointment of a committee, and asks the court to appoint one."

Mr. HERSEY. Does it name the committee in there?

Mr. BLANTON. No; but it was filed on Mr. Fenning's official folder.

Then I introduce the order appointing Mr. Frederick A. Fenning, committee, filed the same day, February 8, 1911.

Mr. HERSEY. By the judge of the court?

Mr. BLANTON. Yes; by the judge of the court.

Then I introduce, on Mr. Fenning's legal cover, a petition by him as committee, wherein he asks for authority to dispose of certain securities belonging to her. That was filed February 14, 1911. And on the same day is the order of court authorizing the sale of those securities.

Then the report of Frederick A. Fenning, committee, shows that there has been paid to him, as the net amount due from the $500 deed-of-trust note, after deducting the indebtedness to him of the ward, in the sum of $285.75, and so on, which he has deposited with the Washington Loan & Trust Co. At that time you will remember that he was a director of that company. And it also shows that there has also been delivered $500 deed-of-trust note, due May 10, 1911, etc.

Then here is the first account of Mr. Fenning—certain excerpts of it—filed November 3, 1911, wherein he shows that he has collected $285.78 from A. F. Fox & Co., and he has a $500 deed-of-trust note, and he has received $1.57 interest, and he asks to reimburse the District of Columbia $22.04, court costs and board; notarial fees, 50 cents; and he asks to be allowed 10 per cent of the estate to cover—now, I want to read one very important paragraph in here, gentlemen, because it bears on another question I have raised:

"For all services rendered, including the preparation of papers incident to the appointment of committee, the committee suggests that he be allowed a commission of 10 per cent, which is to cover costs of fiduciary bond."

He does not ask for the bond separately; this is to cover costs of fiduciary bond.

Mr. YATES. Is that something different from the usual allegations?

Mr. BLANTON. Yes, sir. In all the recent cases, you will find that he is allowed his commission, and also the whole bond premium in addition.

Then I will read the report of the auditor on that first account—certain excerpts from it. It shows that he is allowed 50 cents notarial fees, and the allowance to the committee $80.28.

Now, you will notice that there is no separate allowance for a bond premium there at all. That was the full 10 per cent on the whole estate—notes and all, without any additional allowance for a bond premium.

Now, the second account of Mr. Fenning shows the only income from the estate was interest on note, $16.50; interest from trust company, $6.82, making a total of $23.32; the only income was $23.32; and he was allowed upon bond for this year $7.36; notarial fee, 25 cents; and commission to committee, $5.

Mr. HOGAN. Whereas the year before, when he paid the bond itself, and it was $80.

Mr. BLANTON. Now, the third account shows an income of $20.98; and for that year he received bond premium, $6.28; notarial fee, 25 cents; and allowance to committee, $5.

The fourth account, filed November 10, 1914, shows an income of $4.32, and he was allowed a bond premium of $5; notarial fees, 75 cents; and allowance to committee $5, when the total income was only $4.32.

The fifth and final account was filed January 12, 1915. It shows the following as income:

Interest, $3.16; and then it shows refund of erroneous collection, District of Columbia, $110.07. That is, the District of Columbia paid back or refunded $110.07 that was improper. And on that he received, notary fees, 50 cents; bond premium, $5; allowance to committee, $5.

Mr. Robins, your name is N. H. Robins?

Mr. ROBINS. Yes, sir.

Mr. BLANTON. How old are you?

Mr. ROBINS. I am 62 years of age next December.

Mr. BLANTON. You lived in the District of Columbia, here in Washington?

Mr. ROBINS. Well, all my life, until about four years ago.

Mr. BLANTON. Well, you have lived here then nearly 60 years all told?

Mr. ROBINS. Yes, sir; 58 years.

Mr. BLANTON. When did you first become acquainted with Frederick A. Fenning?

Mr. ROBINS. Well, I am a little bit uncertain as to the date; but it was some time between 1889 and 1893.

Mr. BLANTON. Well, to refresh your memory, you knew him when he was a messenger boy in the Pension Office?

Mr. ROBINS. He was in the Pension Agency.

Mr. BLANTON. He was in the Pension Agency, and a messenger boy at that time?

Mr. ROBINS. He was either a messenger, or a sort of handy young fellow around there, a boy, you know.

Mr. BLANTON. Now, what did you do toward helping him get extra work outside of the Pension Agency hours?

Mr. ROBINS. Well, there was only one incident of that kind. The man with whom I was associated at one time wanted some work done that could only be done at the agency, and he secured the consent of the Commissioner of Pensions to have this work done, provided it was done after office hours.

Mr. BLANTON. After office hours?
Mr. ROBINS. And in that way——
Mr. BLANTON (interposing). You had Mr. Fenning do it?
Mr. ROBINS. He did it; yes, sir.
Mr. BLANTON. And you did do that for him?
Mr. ROBINS. Yes; I was instrumental in it.
Mr. BLANTON. And because of that, state whether or not any friendship grew up between you and Mr. Fenning.
Mr. ROBINS. I felt friendly to him, and I believe he felt friendly to me.
Mr. BLANTON. Now, later on, in later years, in 1910, your mother was in an old lady's home here, a Methodist home?
Mr. ROBINS. That is right.
Mr. BLANTON. In Washington?
Mr. ROBINS. Yes, sir.
Mr. BLANTON. An old lady?
Mr. ROBINS. Yes, sir.
Mr. BLANTON. If Mr. Fenning at that time had a conversation with you concerning your mother, state what it was.
Mr. ROBINS. Well, I had no conversation with Mr. Fenning. I had not had any communication with him for a number of years. But somewhere along January or February of 1911, I had a call on the telephone, that was my recollection of it, that he called me on the telephone, and asked me if I knew Barbara E. Robins; whether she was related to me; and of course I stated she was my mother; and he said that she had been committed to the Government Hospital for the Insane; and that was the first I knew of it. I had no knowledge at all that she was in that condition even. And he wanted to know whether I would approve of him as being committee. That is my recollection of it. He asked whether I would consent to his employment as committee.
Mr. BLANTON. His being appointed as committee by the court?
Mr. ROBINS. Yes, sir. And I told him that I had no objection then. I know of his experience in matters of that kind. But there was another party who would have to be consulted—my brother. It was necessary to confer with him, and I suggested that he get in touch with my brother, and if he consented, there would be no objection on my part.
Mr. BLANTON. Did he say anything about either one of you being appointed guardian?
Mr. ROBINS. No, sir.
Mr. BLANTON. At the time that that order was made appointing him committee, were you present in court?
Mr. ROBINS. No, sir.
Mr. BLANTON. Did you have any notice from him that it was going to come up?
Mr. ROBINS. None whatever that I can recall now. I had no written notice, I am sure.
Mr. BLANTON. Well, did you have any knowledge about it?
Mr. ROBINS. No, sir; I did not know a thing about it.
Mr. BLANTON. Now, did you have any report from him afterwards about it?
Mr. ROBINS. No, sir.
Mr. BLANTON. Did you have any report from him about your mother?
Mr. ROBINS. None whatever.
Mr. BLANTON. He made no report to you at all?
Mr. ROBINS. None at all.
Mr. BLANTON. Now, with regard to her funds and her property, did you later on make any investigation or check up concerning it?
Mr. ROBINS. No, sir; I did not. I was not in a condition at that time——
Mr. BLANTON (interposing). You were in bad health yourself?
Mr. ROBINS. Yes, sir.
Mr. BLANTON (interposing). You knew that your mother was drawing a pension when she was in the old ladies' home?
Mr. ROBINS. Oh, yes.
Mr. BLANTON. And you knew that she had some money in the bank and some notes?
Mr. ROBINS. Yes, sir. I was satisfied that she had enough to defray the expenses of her maintenance over there for a reasonable time.
Mr. BLANTON. Now, the final account of Mr. Fenning—the first account showed that the estate was worth something over $800. Now, the final account shows that there is a balance on hand, of $79.40.
Mr. ROBINS. I think it was just about that amount; yes, sir.
Mr. BLANTON. And the estate dwindled from $800 down to $79.40?
Mr. ROBINS. Yes, sir.
Mr. BLANTON. Here is what the committee sets forth in here as a reason for filing a final account:

"In view of the small balance on hand, the committee recommends that he be authorized to pay such balance, first, to adjusting court costs; to the Government Hospital for the Insane; for the personal use of the ward; and for her burial expenses should she die while a patient at the institution; and that on making such payment the committee be discharged."

Mr. YATES. Well, when did she die?
Mr. ROBINS. In March, 1916.
Mr. YATES. And what was her age?
Mr. ROBINS. I think 76.

"In the Supreme Court of the District of Columbia, holding an equity court

"On the 12th day of January, A. D. 1926, the foregoing account being now presented for approval, the same is, after examination by the court, approved, and on paying the balance to the Government Hospital for the Insane, and filing a receipt, the committee is discharged.

"THOMAS H. ANDERSON, *Justice.*"

Mr. BLANTON. She died within two months of the filing of this final account? The pertinency of this, I will advise my colleagues, is that when this estate got down to this small amount, the committee was willing to relinquish the guardianship——
Mr. HERSEY (interposing). Is that what you brought this witness here from Texas for?
Mr. BLANTON. The facts which he has already stated.
Mr. GORMAN. The facts which he has already stated?
Mr. BLANTON. Yes. But was there any reasons why Mr. Fenning could not have suggested to you that you be made guardian?
Mr. ROBINS. Not that I know of.
Mr. BLANTON (interposing). Well, you sent an affidavit, did you not?
Mr. ROBINS. I did.
Mr. BLANTON. That you prepared yourself in San Antonio?
Mr. ROBINS. Yes; I prepared it myself.
Mr. BLANTON. And you went before a notary and signed it?
Mr. ROBINS. Yes, sir.
Mr. BLANTON. And sent it here?
Mr. HERSEY. What are you trying to show? Are you trying to contradict his testimony by that affidavit?
Mr. BLANTON. I requested the committee to receive his affidavit as showing why I wanted him here; and the committee, after seeing the affidavit, thought it necessary to bring him on.
Mr. GORMAN. No; you brought an affidavit that you wanted introduced in the place of oral testimony. And then it appeared that the witness was alive, and if what he had to say was material, he should testify himself.
Mr. HERSEY. Is not this the affidavit that you wanted to read a portion of, and not the whole of it?
Mr. BLANTON. No. This is the affidavit that I brought here; and after that I think I asked the committee to bring this witness here; and I thought that affidavit of such force that, if the committee did not want to put the Government to the expense of bringing him here, I was willing to pay his expenses out of my own pocket.

CONGRESS MUST STOP DEPARTMENTS FROM SENDING SANE MEN TO INSANE ASYLUMS BY LETTER

Mr. GIBSON. Is it true, Doctor, you are holding patients under letters from the Secretary of the Treasury?
Doctor WHITE. Yes; that is, under United States statutes.
Mr. GIBSON. How many are you holding under that authority?
Doctor WHITE. I can not tell you. About half of our patients come through the various departments one way or another—the Army, the Navy, the Public Health Service, the Department of Justice, and Veterans' Bureau.
Mr. BLANTON. There is one more he has not mentioned in that connection: The superintendents of the various soldiers' homes can commit a man by a letter here to Dr. White's St. Elizabeths Hotel, and he receives them. [Laughter.]
Mr. GIBSON. You say one-half of the patients you are holding. Do you mean one-half of 4,400?
Doctor WHITE. Yes indeed.
Mr. GIBSON. That would be something like 2,000.
Mr. BLANTON. Two thousand two hundred.

OUR GIBSON COMMITTEE UNANIMOUSLY CONDEMNED FENNING

All five members of our Gibson committee filed the following unanimous report against Fenning:

GIBSON COMMITTEE REPORT

St. Elizabeths Hospital is a Government institution for the insane. Patients from all sections of the country are sent to it for treatment by various Government departments. Nine hundred and forty-three veterans of the World War are inmates. Nearly all are entitled to and receive compensation through the Veterans' Bureau. We find that Mr. Fenning, at the time the report was made to us, was serving as a committee for 93 inmates; that he has also served in that capacity for 44, from which he had been discharged by reason of the death of the ward or appointment of others as committee. Aside from these cases he is acting for several other dependents of the bureau. From 1919 to 1925, inclusive, he received as fees from the 75 and the 44 cases

herein referred to the sum of $88,001.29. In addition he was receiving an income of several thousand dollars annually as fees in other cases in which he was acting. Mr. Fenning was appointed a Commissioner of the District of Columbia June 5, 1925.

A bond is required of the committee by the court in each and every case. Mr. Fenning had himself appointed as agent of certain bonding companies and bonded himself as a committee in said companies, paying out of the funds of his ward an annual premium, of which he received 25 per cent as a commission as agent of said companies.

Mr. Fenning, as committee, visited St. Elizabeths about once in two weeks and saw some of his wards. These wards were of a class who needed the kind and considerate cooperation and sympathy of their committee. They are wrecks of the storm of war. An unmistakable duty rests upon everyone charged with their care to give their every need sympathetic attention. The duty requires personal service to the ward, not service that means financial return to the committee. The actuating motive of the committee should be to render that service for the sake of helping the unfortunate, not for the purpose of gain.

It is apparent that Mr. Fenning was not actuated by such motives, but sought this class of cases, and he built up a lucrative business therein.

In 60 of the cases of veterans arising since the World War Doctor White petitioned the court to name Frederick A. Fenning as the committee, and named Mr. Fenning in all but one petition preferred by him. The petitions in nearly all these cases were made upon blanks from the office of Mr. Fenning, and were prepared by him. Testimony was introduced tending to show that Mr. Fenning was notified from St. Elizabeths when a veteran was received there who possessed property. During the period covered by these applications Doctor White and Mr. Fenning were in partnership in the business of buying and collecting second-mortgage notes.

The manner in which Mr. Fenning secured his business, the gross amount of fees he charged and received out of estates of insane veterans under his care, his continuance in the practice of the law, and in the handling of estates of more than a hundred wards since he became commissioner, his method of writing his own bonds and receiving a portion of the premium and still charging the same to the estate of his wards, his attitude toward the enforcement of laws passed by Congress relative to the District of Columbia, and the consequent loss of confidence in him on the part of the public, makes his continuance in office incompatible with the best interests of the District.

E. W. GIBSON, *Chairman.*
FRANK L. BOWMAN.
ROBERT G. HOUSTON.
THOMAS L. BLANTON.
RALPH GILBERT.

POLITICS DID NOT STOP GIBSON

The three first named above are rock-ribbed, orthodox Republicans. Two of them are New England Yankees. Yet they agreed on a unanimous report against Fenning. To that brave, fearless, reliable, dependable, able chairman, Judge GIBSON, of Vermont, and to that indispensable, efficient helper of the committee, Judge GILBERT, of Kentucky, I take off my hat. No men ever performed public service more valuable to the Nation than did they, at all times and under all emergencies.

BRAVE JOHN E. RANKIN, OF MISSISSIPPI

And the same may be said about him. JOHN E. RANKIN, of Mississippi, is a man who stands hitched; he is absolutely fearless; he is able, efficient, energetic, and tireless in his service; the men who sacrificed all to save the civilization of the world have no better friend; his work before the Veterans' Committee, on the floor of the House, and before the Judiciary Committee deserves the thanks of every man, woman, and child in the United States, for this is a menace that might affect any home within our Republic.

EVEN HERSEY'S MAJORITY REPORT CONDEMNED FENNING

The report filed by a majority of the Judiciary Committee, agreed to by Mr. HERSEY, held that Fenning was not such a Federal officer as could be impeached, and while it attempted to whitewash Fenning in assertions that charges were not proved, it stated:

Having determined that Frederick A. Fenning is not a Federal officer and therefore not subject to impeachment, and having made specific findings of fact upon the charges preferred, under the evidence adduced, we feel it our duty to express our views upon certain conditions as disclosed by the evidence.

The practice which Mr. Fenning followed of acting as agent for a bonding and surety company, writing his own bond as committee and charging the estate of his ward for the premium and receiving from the bonding company a commission upon his bond or surety is illegal and contrary to law. * * * by reason of the great number of his wards his guardianship became impersonal and he could not and did not give to his wards that personal care and supervision which, after all, is the more important function of a guardian or committee, and which service was doubtless considered by the court as an element in allowing his compensation. We believe legislation should be promptly enacted which would in the future preclude any one person or corporation from acting as committee for more than a limited number of patients, in order that the committee may give to the ward that personal supervision so essential to his welfare. We further believe that in the first instance a near relative should be selected for this service, if a suitable person can be found, but if not, then provision should be made for a committee to be selected by the court. * * * the business relation of Mr. Fenning with these officials were of such a close nature and extended over so many years as to suggest that Mr. Fenning was given the preference in seeking clientage among the patients confined in that institution. The practice which seems to have grown up in this District, extending over a period of some 23 years, whereby Mr. Fenning was able to become the committee of hundreds of insane patients, many of them veterans of wars to whom the Government was making liberal allowances, and from which allowances Mr. Fenning was enabled to collect commissions, which commissions during the high tide of his committeeship amounted to approximately $20,000 per year, is a practice which can not be too severely criticized and condemned, and Congress should forthwith and without delay enact legislation which will forever correct this evil, and prevent anyone in the future from profiting from the misfortunes of others who in times of distress sacrificed in behalf of our country.

There was evidence submitted upon the question of Mr. Fenning's connection with a certain banking institution and with a certain undertaking establishment but taken in connection with the practice Mr. Fenning pursued in becoming committee for a large number of patients, the large amount of money coming into his hands because of such activities, points to the building up of a system through which all the profits accruing might go to Mr. Fenning or to some corporation, and is a further argument against one person acting as committee for so many unfortunates.

Where insane ex-soldiers, sailors, and marines are concerned the United States Government should have officials designated to look after, without charge, the estates of such persons, and that no part of said estates should be expended in commissions or fees; but that the whole of the estates should be for the sole benefit of the veterans and their dependents.

The committee should not accept pay, directly or indirectly, while occupying a fiduciary relation, other than by direct allowance by the court, and even then we think that in no case should the allowance exceed 10 per cent of the estate of the ward.

It appears from the evidence that officials of the District of Columbia transact business with the District through corporations in which they are directly or indirectly interested. This is a practice which is subject to severe criticism and condemnation, and if continued necessarily leads to favoritism, and officials who follow this practice can not give impartial service to the District of Columbia. The practice should not be allowed.

It is our recommendation that the proper committees of Congress should give early consideration to the facts that have been brought out in this investigation and recommend remedial legislation.

The above is Mr. HERSEY'S majority report. Yet he "finds no fault in Fenning." In other words, "we will excuse our Republican Brother Fenning, but if anybody else does what Fenning has been doing, it would be wrong, and Congress ought to pass laws to stop it."

UNPRECEDENTED MINORITY REPORTS

And never before in the history of Congress have the members of any other committee filed so many minority reports. Let me quote excerpts:

In conclusion I wish to say that I feel convinced that the usefulness of this commissioner in the District is at an end and that the interests of this Government and of the District can be best subserved by his immediate removal by the only authority that can remove him—the power that created him—the President of the United States.

SAM C. MAJOR.

* * * * * * *

It is clear that the present commissioner holds office not only subject to the appointment and removal by the President, but subject to all the rights and privileges of Federal officers. To say that an office created by Congress, whose source of jurisdiction resides in the provisions of the Constitution, can not be impeached for misconduct strikes at the heart of the very provision of the Constitution itself. In passing we should note that the Constitution does not provide that commissioners should hold office only during good behavior. The fact that a commissioner acts for and in behalf of the United States in administering the affairs of the municipal corporation imports that he is the direct representative of the sovereign of the United States.

ROYAL H. WELLER.

* * * * * * *

1. The evidence discloses that the respondent became the committee of an astounding number of insane patients in the St. Elizabeths

Hospital, and that he in the main secured these fiduciary positions through improper and reprehensible methods which he has employed with a diligence and ingenuity worthy of a better cause.

2. That respondent was energetic and resourceful in securing improper commissions, premiums, and compensations out of his wards, estates or by reason of his relations and associations growing out of or connected directly or indirectly with these fiduciary trusts.

3. That his monopoly of these trusts, and his methods of charging them with all the law allowed, and in some instances with more than the law allowed—for example, his unlawful collections of premiums on fiduciary bonds issued by a corporation of which he was agent—evince a sordid sense of duty, resulting in unjustifiable practices.

4. That in consideration of the foregoing reasons and facts, together with the general standard of fiduciary conduct of the respondent, as shown by the evidence, I am compelled to conclude that he is unfit for any official position of high trust and responsibility.

A. J. MONTAGUE.

* * * * * * *

On a review of the whole evidence in this case we feel that the practice which has existed in the District of Columbia by which one man had secured practically a monopoly of the business involving the guardianship of unfortunates, among whom are very many veterans of the late war, is to be strongly condemned. Commissioner Fenning's organization seemed to lack no element of completeness. When he determined to enter upon this line of practice, he notified the judges of the District, his fellow members of the bar, of his intention. But where were his clients to come from? He naturally casts a longing eye toward St. Elizabeths Hospital, with its spacious buildings and hundreds of inmates that might amply satisfy his ambitions; and so a friendship speedily arose between the superintendent, Doctor White, and himself, during which they became partners in a real-estate concern, and St. Elizabeths soon was sending forth her insane veterans to his door, whose estates, if not their personal care, were to rest securely in the hands of Mr. Fenning. The coming of groups of shell-shocked veterans to the hospital was fittingly celebrated always by Mr. Fenning's presence, and his entrée to the papers of these unfortunates was recognized practically as his exclusive privilege.

Feeling that the tide of business that was flowing from St. Elizabeths might not be sufficient to fill the full measure of his ambition, the Veterans' Bureau arose on the horizon as a fitting adjunct to St. Elizabeths in supplying his needs and from this source soon flowed a stream of World War veterans to complete his success.

But should these two sources of clientage be exhausted, as they might be, he was not unmindful of the Laurel Sanitarium, near by, in the State of Maryland, which offered ample fields to add to those who might be under his tutelage and care, and so he became a director in that institution.

But even these did not seem to satisfy his ambition; for finding that the undertakers who bury the dead soldiers often had to go into court for the appointment of an administrator that they might secure from the estate of the deceased their burial fees, it was soon found that he had become a stockholder in the Joseph Gawler's Sons (Inc.), an undertaker's establishment, and a director in the same concern and also counsel, and the evidence discloses that a number of bodies of these unfortunates were sent to this establishment for burial at a cost largely in excess of that provided by the Government.

The result of this compact and orderly organization for the practice of the law could have but one result, and that is, that as his income increased by the number of cases that came to him, by just that much was his care of these unfortunates under his charge diminished, for as the number increased his capacity for attention to them was thereby diminished. The greater his success attained by and through their estates, the greater necessarily was their neglect. His rise was their downfall. From the lofty peaks of his financial success, brought to him by his wards, he was forced to see in the depths below him, day by day, the halting, faltering footsteps of men bereft of reason, whose "martial drumbeat encircling the earth," in serried ranks had wrested liberty for the world from the greatest military autocrat of the ages. The dire results to the veterans as thus seen naturally followed from the character of his business.

His fees and commissions in a few years amounted to $100,000, in round figures, without his wards receiving that attention which was their rightful due. We unqualifiedly condemn this practice, and recommend that in all cases a relative should be secured as committee for these unfortunates, if it is possible to find one, and if not, that a public guardian be established by law, whose duty it shall be to care for the welfare, health, and advancement of their condition.

We heartily condemn the practice which has been carried on by Mr. Fenning for years in which, as agent for a bonding company, he wrote his own bonds, charging the expense of it to his ward's estate and receiving for himself one-fourth of his commission on each bond instead of giving it to his ward's estate.

Reviewing the whole evidence in this case in its many ramifications, and especially in relation to the welfare of the people of the District of Columbia, we are brought to the reluctant conclusion that Commissioner Fenning's usefulness as an officer of the District is at an end. Holding these views, we recommend that a copy of the evidence in these proceedings be sent with our report, if adopted by the House, to the Attorney General of the United States, that that high officer, in fulfillment of his constitutional obligations, may take such measures as will meet the requirements of the case.

H. ST. GEORGE TUCKER.

* * * * * * *

I concur in the majority report of the committee holding that Frederick A. Fenning is an officer of a municipal corporation, to wit, the District of Columbia, and as such is not a civil officer of the United States and subject to the impeachment under the Constitution. I do not join in the remainder of the report.

EARL C. MICHENER.

* * * * * * *

Owing to the fact that the Judiciary Committee remained in session until 5 o'clock this afternoon before reaching any decision in this case, and then allowed the minority only until 12 o'clock to-night in which to prepare and file its minority report, we are unable to go into all the testimony touching the charges against Frederick A. Fenning.

We can not concur in the findings of fact as set out in the majority report, nor in the conclusions reached therein.

We feel that the facts in this case, instead of calling for some mild rebuke and very general recommendations, demand some action by Congress looking to the removal of Mr. Fenning from office as a Commissioner of the District of Columbia, either by impeachment or otherwise, and for the relief of the unfortunate World War veterans whose estates he has been handling.

It is shown that he received more as fees and commissions from each one of these cases than he allowed the ward for clothes and spending money. He is shown to be a stockholder and director in an undertaker's establishment through which these boys were buried when they died.

He was his own bonding agent and collected and appropriated to his own use out of his wards' estate 25 per cent commissions on the premiums on said bonds, in violation of law.

It can not be disputed from the facts developed in this record that there is an unholy collusion between White and Fenning to exploit the insane wards of St. Elizabeths for pecuniary profit.

Upon all the facts in this case, as developed by this record, we think that positive action by the House is imperative, and we therefore recommend his impeachment and removal from office, and that proceedings be instituted at once by the proper authorities to remove him from his present position as guardian for these unfortunate wards and have all their estates audited; also to recover back to them the funds which he has wrongfully collected from them, and that the Department of Justice be directed to institute proper proceedings to punish him for his unlawful misconduct.

Respectfully submitted.

FRED H. DOMINICK.
ZEBULON WEAVER.

We regret to find ourselves unable to agree with the majority of the Committee on the Judiciary, first, as to its conclusion that a Commissioner of the District of Columbia is not subject to impeachment.

We are not in agreement with the finding of the majority of the Judiciary Committee that none of the counts which have been under investigation, have been established by testimony. In our view, as a central fact it has been clearly established that Mr. Fenning, having determined that he would become a professional committee or guardian for insane persons as a matter of revenue to himself, set about procuring himself to be designated as such committee. That he established such contract with St. Elizabeths Hospital for the Insane. That he received preferential opportunities for appointment as committee. That he was instrumental in procuring judgments of commitment in many cases in which he was appointed. That he charged against the estates of his wards, over and above the amount paid by him, the agent's commission, when as a matter of fact he held the agency himself. And in specific instances, as developed during the hearings, was guilty of conduct toward his wards utterly at variance with the obligations resting upon him as a guardian of this class of unfortunates.

In our view, the selection of this means of making money and the methods resorted to as disclosed by the records of the hearing before the Judiciary Committee of the House, show that Mr. Fenning is a person unfit to hold the office of Commissioner of the District of Columbia.

HATTON W. SUMNERS.
W. B. BOWLING.

YET HERSEY FINDS NO FAULT IN FENNING

Anyone reading Mr. HERSEY's whitewash speech, would conclude that the Judiciary Committee had found Fenning spotless.

FROM RANKIN'S SPLENDID BRIEF

In the case of United States *v.* Fields (27 App. D. C. 434), the defendant, who was a lawyer, was indicted under section 841 of the code for embezzlement of funds coming into his hands as a fiduciary, appointed, like Fenning, by the court. He was defended by Mr. Frank

J. Hogan, and was convicted and sentenced to five years in the penitentiary.

There can be no question in the mind of a reasonable man who has heard or read the testimony in these various investigations but that there is a collusive arrangement amounting to a conspiracy between Commissioner Fenning and Dr. William A. White, superintendent of St. Elizabeths Hospital, relative to these guardianship matters, and that that arrangement has existed for many years.

I submit that Commissioner Fenning is subject to impeachment by Congress, or to removal by the President, and that he is further subject to criminal prosecution under the facts and the authorities herein cited for embezzlement, for violation of section 5498 of the Revised Statutes and for participation with Commissioner Rudolph in the violation of section 41 of the United States Penal Code, as well as for a violation of the World War veterans' act regulating the practice of attorneys and the fees to be charged in collecting compensations, etc., from the veterans of the World War under which a former Congressman was convicted in Ohio for a less offense than many of those shown to have been committed by Commissioner Fenning.

Those Members of Congress, who have diligently attempted to block at every turn this investigation and protect Mr. Fenning in these practices have shown that they are more in sympathy with him than they are with our disabled veterans, and will doubtless continue to rise in his defense in the House and elsewhere; but I submit that if the American people knew all the facts they would sweep from public life every man in an official position who attempts to stand in the way of a thorough investigation or apologizes for the heartless acts of Frederick A. Fenning as set out and as shown by the testimony taken by three committees of the House.

Respectfully submitted.

JOHN E. RANKIN, M. C.

And in his speech replying to the brief of Frank J. Hogan, on page 11374 of the RECORD for June 16, 1926, Mr. RANKIN says:

Mr. Hogan suggests that Mr. Blanton should be punished by the House.

Punished for what? For unmasking the plunder bund of Washington? This is one service for which, instead of being punished, he deserves the thanks of Congress and the gratitude not only of the people of the District of Columbia but of the ex-service men throughout the country, and of every other red-blooded American whose heart goes out in sympathy to our unfortunate insane veterans who are shown by this record to be the victims of this iniquitous cabal."

In his speech on page 12820 of the RECORD Congressman SCHAFER said:

The testimony developed before the Judiciary Committee clearly shows that Frederick A. Fenning is absolutely unfit, and his removal at the earliest date is imperative. The millions of veterans who have served the Nation in times of war will not permit the exploitation of their unfortunate, incompetent comrades to go unchallenged. They will show the same determination and indomitable spirit at the battles of the ballot box as they showed on the battle field of war.

REMUNERATION

My recompense comes from a clear conscience, a knowledge of duty faithfully performed, and the many letters I have received, such as the following from our distinguished colleague, who before he became a Congressman was the renowned parliamentarian for Champ Clark, when he was Speaker:

Hon. THOMAS L. BLANTON,

House of Representatives, Washington, D. C.

MY DEAR MR. BLANTON: I take this opportunity to express the appreciation of your service to the country, which I am certain is felt on both sides of the aisle. I hope you will not charge me with fulsomeness when I say that you are one of the most valuable Members of the House, if not the most valuable.

With kind regards and best wishes,

Your friend,

CLARENCE CANNON.

EXHAUSTIVE INVESTIGATION BY COMPTROLLER GENERAL M'CARL

Before adjournment I introduced the following resolution:

Resolved, etc., That pursuant to the provisions of the act of June 10, 1921 (42 Stat. p. 23), the Comptroller General of the United States be, and he is hereby, ordered, directed, and empowered to investigate the administration of St. Elizabeths Hospital since July 1, 1916, including the administration of the personnel of the hospital, all receipts and expenditures, uses of appropriations, the extent and manner in which the officials thereof have performed their duties, the commitment, treatment, release, and discharge of patients, and the receiving, safeguarding, and disposition of funds and property of patients, and make report of such investigation to the House of Representatives on or before the beginning of the next regular session of the Congress, and the agents of the Comptroller General in acting hereunder are hereby empowered to subpœna witnesses and, in the examination of witnesses, to administer oaths.

The Judiciary Committee unanimously reported it, and it was passed by both the House and the Senate; and as instructed by such resolution, between July 1 and December 1, 1926, Hon. J. R. McCarl, Comptroller General of the United States, made an exhaustive investigation of St. Elizabeths, and his report thereon to Congress embraces 175 printed pages and substantially corroborates the facts elicited by me in the congressional hearings. General McCarl certified that during 1926 there were 794 patients who either died or were discharged, and that the number of patients in the hospital on June 30, 1926, were 4,340, and concerning them he states:

These patients come from all walks of life and represent most every vocation and profession. There are patients who were lawyers, doctors, business men, machinists, common and skilled laborers; teachers, nurses, musicians, artists, authors, and writers; officers and men committed from the United States Army and Navy and Marine Corps; retired officers and men of the United States Army and Marine Corps; veterans of the Civil, Spanish, and the World Wars; women who come from the various social strata, mothers, wives, and unmarried girls. There are also insane criminals and the criminally insane committed from Federal prisons and by the Supreme Court of the District of Columbia.

General McCarl certifies that St. Elizabeths receives patients upon the order or request of the following heads of departments: (1) From the Secretary of War—persons belonging to the Army, civilian employees in the Quartermaster Corps, interned persons, and prisoners of war; (2) From the Secretary of the Navy—insane persons belonging to the Navy and Marine Corps, naval interned persons, and prisoners of war; (3) from the Secretary of the Treasury—insane persons belonging to the Coast Guard, insane patients of the Public Health Service, merchant seamen, officers and crew of the several vessels belonging to the Bureau of Fisheries, ex-service men hospitalized by virtue of the war risk insurance act, commissioned officers of the Public Health Service, commissioned officers and enlisted men of the Coast and Geodetic Survey, discharged Army and Navy nurses, seamen on boats of Mississippi River Commission, employees in Lighthouse Service, civilian employees on Army transports, and civilian employees entitled to treatment under the United States employees' compensation act; (4) from the Secretary of the Interior—insane American citizens in the Canal Zone, persons charged with Federal offenses, persons convicted of Federal offenses; (5) from the Director of the United States Veterans' Bureau—all ex-service men, veterans of the World War who come under his jurisdiction; (6) from the president of the Board of Commissioners of Soldiers Home—inmates of the Soldiers' Home; (7) From the president of the Board of Managers of the National Home for Disabled Volunteer Soldiers—inmates of the national home; (8) from the Commissioners of the District of Columbia—indigent patients and alleged insane persons of homicidal or otherwise dangerous tendencies pending formal commitment.

THIS OUTRAGEOUS PRACTICE MUST BE STOPPED

Doctor White testified and our Gibson committee unanimously found that there are 2,200 patients in St. Elizabeths who have never been adjudged insane and who have never been given a trial to establish their sanity. The heads of the departments mentioned above decide the matter, and without seeing the individual or knowing anything about his case except what some subordinate recommends by a mere letter condemns Americans to confinement for life in insane asylums. This menaces practically every home in the United States. Realizing that it is a herculean task to get such laws changed, with influential Cabinet officers protesting against such change, I have spent several thousand dollars in investigating and assembling this evidence and have performed the arduous work in compiling it, knowing that by getting these facts before Congressmen and Senators and before the American people we will have some chance in the next Congress of passing laws to take this power away from the heads of executive departments.

PUBLIC SENTIMENT FORCED FENNING'S RESIGNATION

After Congress adjourned Commissioner Fenning refused to resign, although the President requested it. He should have been kicked out. Then public sentiment began to express itself.

THE WASHINGTON POST FLOPPED

You will remember that when I first introduced my resolution to investigate Fenning the Washington Post said editorially that my resolution, my proposed investigation, and myself ought to be thrown in the waste basket for attacking Washington's honored commissioner. Then I introduced my evidence. Then the Post changed. Note this editorial in the Post Sunday, June 13, 1926:

FREDERICK A. FENNING

The protracted inquiry into the affairs of District Commissioner Frederick A. Fenning has resulted in a report by the House subcommittee on the District of Columbia severely criticizing that official and stating that his continuance in office is incompatible with the best interests of the District.

The people of Washington have noted with chagrin the revelation of one fact after another which, when assembled, have destroyed their confidence in Mr. Fenning and convinced them that his usefulness as a commissioner is at an end. They have reached this conclusion with reluctance, and after giving Mr. Fenning the benefit of every doubt.

Mr. Fenning has fallen short of the requirements of his high office. His retirement is desirable and necessary.

But still Frederick Fenning held on. The people throughout Washington became incensed and sought to devise plans to force him out. On Wednesday, July 7, 1926, the Washington Times carried the following editorial with the heading "Get Out" printed in black-faced type, the letters being an inch in size:

GET OUT

To Commissioner Frederick A. Fenning:

Get out!

Resign!

As a member of the Board of District Commissioners you are an embarrassment to the President of the United States, who appointed you to office.

You are an embarrassment to the other members of the board, who are forced to serve with you.

You are a thorn in the side of the Republican Party, whose legislators approved you.

You are a disappointment to the District politicians who suggested you for office.

You are an official eyesore to America's sons who served in the war; and

The people of the District of Columbia don't want you as commissioner!

Your practices are condemned by even your political supporters.

Last-minute trickery saved you from congressional action demanding your removal from office.

You are a hard fighter. You proved your courage and your astuteness in your battle to save your job.

But the battle is over and you have lost.

If the voteless people of Washington had the right to choose their officials you would probably never have been made commissioner.

If Washingtonians had the right of recall you would have been ousted when you arbitrarily "broke" a respected police officer without giving him a hearing in his own defense.

You made a mistake when you accepted office.

You made another mistake when you continued your private practice while acting as a public official.

You make another mistake if you fail to realize that the people of Washington want you to resign. Apparently the only person who wants you to continue in office is Frederick A. Fenning.

The vote is more than 500,000 to 1 against you, Mr. Fenning.

In behalf of the residents of the District of Columbia, the Washington Times demands that you

Get out!

This same editorial, in box-car letters, appeared again in the Washington Herald the next morning, July 8, 1926.

And then Frederick Fenning got out.

Fenning resigned. And my long-fought battle was won. This illustrates the power and efficacy of public sentiment.

WHY COMMISSIONER CUNO H. RUDOLPH ALSO RESIGNED

(Evidence before Gibson committee)

Mr. BLANTON. Your name is what?

Mr. HIZER. M. P. Hizer.

Mr. BLANTON. Did you ever join the fire fighters of the District of Columbia?

Mr. HIZER. Yes, sir.

Mr. BLANTON. That is, as a member of the Fire Department?

Mr. HIZER. Yes.

Mr. BLANTON. You had to stand a civil-service examination, did you not?

Mr. HIZER. Yes.

Mr. BLANTON. As a fire fighter?

Mr. HIZER. Yes, sir.

Mr. BLANTON. You get $2,100 a year?

Mr. HIZER. Yes, sir.

Mr. BLANTON. Have you been fighting fires for the last seven years?

Mr. HIZER. No, sir.

Mr. BLANTON. What have you been doing?

Mr. HIZER. I have been detailed as chauffeur for Commissioner Rudolph.

Mr. BLANTON. You have not fought any fires for seven years?

Mr. HIZER. No, sir.

Mr. BLANTON. You drive car 1, do you not?

Mr. HIZER. No. 1; yes, sir.

Mr. BLANTON. The license numbers begin with 1 and on up to probably 140,000, maybe?

Mr. HIZER. Yes, sir.

Mr. BLANTON. Do not the commissioners' cars have a letter "A," "B," and "C" on the three cars?

Mr. HIZER. Commissioner Rudolph's personal car does not.

Mr. BLANTON. He took the "A" off of his, did he not?

Mr. HIZER. Yes, sir.

Mr. BLANTON. Has that car got on it "District of Columbia. For official business only"?

Mr. HIZER. No, sir.

Mr. BLANTON. And it hasn't had that on it since you have been driving it, has it?

Mr. HIZER. No, sir.

Mr. BLANTON. The cars outside of the District Commissioners' cars, for the other chiefs of departments and for the business of the District of Columbia, you have seen that on them, have you not?

Mr. HIZER. On several of them; yes, sir.

Mr. BLANTON. "District of Columbia. For official business only"?

Mr. HIZER. Yes, sir.

Mr. BLANTON. Do you know why that was put on them?

Mr. HIZER. For official business.

Mr. BLANTON. Because the law demands it?

Mr. HIZER. Yes, sir.

Mr. BLANTON. And it is to prevent those cars from being used for private purposes. Have you ever used that car No. 1 to bring Mrs. Rudolph down to Lansburgh's?

Mr. HIZER. Yes, sir.

Mr. BLANTON. And while she was in Lansburgh's shopping you have sat outside?

Mr. HIZER. Yes, sir.

Mr. BLANTON. A $2,100 man waiting for her?

Mr. HIZER. Yes, sir.

Mr. BLANTON. The people have been paying for that. Have you ever brought Mrs. Rudolph to Kann's?

Mr. HIZER. Yes, sir.

Mr. BLANTON. And while she was in there shopping you sat out in front?

Mr. HIZER. Yes, sir.

Mr. BLANTON. Have you ever brought her to Woodward & Lothrop's?

Mr. HIZER. Yes, sir.

Mr. BLANTON. And while she was there shopping you sat out in front?

Mr. HIZER. Yes, sir.

Mr. BLANTON. Did you ever take her to Chevy Chase?

Mr. HIZER. Yes, sir.

Mr. BLANTON. That is all.

Mr. GIBSON. Just a moment—what does this "A" stand for?

Mr. BLANTON. Originally it was to get around putting on there "For official business only," like the other cars have. The commissioners put "A," "B," and "C" on their cars. The president of the board had "A" on it, the next commissioner in line had "B" on it, and the third commissioner in line had "C" on it. It was just letters to distinguish them.

Mr. GIBSON. Is that the way you understand it?

Mr. HIZER. Yes, sir.

Mr. BLANTON. Do you like to be a chauffeur for somebody?

Mr. HIZER. Well, it is not that—I was simply detailed.

Mr. BLANTON. You have to obey orders, do you not?

Mr. HIZER. Yes, sir.

Mr. BLANTON. Do not fire fighters take a pride in being fire fighters?

Mr. HIZER. Well, that may be so, but I obey orders. I have to obey orders.

COMMISSIONER RUDOLPH, DULY SWORN, TESTIFIED:

Mr. BLANTON. Mr. Commissioner, holding a third of the stock of Rudolph & West Co., and it being capitalized at $150,000, that would make you own approximately $50,000 of stock?

Mr. RUDOLPH. I said "approximately," Mr. BLANTON, because I don't know the number of shares that I do hold.

Mr. BLANTON. And it paying 20 per cent dividends, that would bring you in by computation approximately $10,000 a year dividends from Rudolph & West Co.?

Mr. RUDOLPH. Yes.

Mr. BLANTON. If their business were more lucrative than it is, your dividends would be more lucrative?

Mr. RUDOLPH. Certainly.

Mr. BLANTON. And if the profits were less, naturally your profits would be less?

Mr. RUDOLPH. Yes, sir.

Mr. BLANTON. You realize as a business man and as a commissioner that if there were a suit pending in the Supreme Court of the District

where Rudolph & West Co. was a party, either plaintiff or defendant, you would be disqualified to sit as a juror in that case, don't you, by reason of your interest? You realize that?

Mr. RUDOLPH. Oh, yes.

Mr. BLANTON. How much stock do you own in the Second National Bank, approximately?

Mr. RUDOLPH. Something over 300 shares.

Mr. BLANTON. Approximately amounting to how much?

Mr. RUDOLPH. It is very high now. I haven't seen the recent quotations.

Mr. BLANTON. Isn't that stock unusually high?

Mr. RUDOLPH. All bank stocks are high.

Mr. BLANTON. You can hardly buy that on the market?

Mr. RUDOLPH. No. It is held very close.

Mr. BLANTON. Your 300 shares at the present market value are worth approximately how much?

Mr. RUDOLPH. Something around $75,000.

Mr. BLANTON. What dividends does the Second National Bank pay?

Mr. RUDOLPH. Eight per cent on par.

Mr. BLANTON. Mr. Colladay tops the list of your board of directors of the Second National Bank, doesn't he?

Mr. RUDOLPH. I imagine so. I don't know whether there is anybody ahead of him or not.

Mr. BLANTON. On the little folder that your bank gets out his name tops the list; it heads them all?

Mr. RUDOLPH. I imagine it would.

Mr. BLANTON. Are you acquainted with the manager of the Willard Hotel?

Mr. RUDOLPH. Mr. Hight?

Mr. BLANTON. Yes.

Mr. RUDOLPH. Very well.

Mr. BLANTON. He is down under Mr. Colladay's name, a little further down on this list.

Mr. RUDOLPH. I imagine it would come very close to Mr. Colladay's.

Mr. BLANTON. You know these directors of the Second National Bank?

Mr. RUDOLPH. Yes, sir.

Mr. BLANTON. And Mr. Hight's business is the hotel business?

Mr. RUDOLPH. Yes, sir.

Mr. BLANTON. And the bank business?

Mr. RUDOLPH. I don't know how much time he gives to the bank.

Mr. BLANTON. But his business is hotel and bank?

Mr. RUDOLPH. Yes.

Mr. BLANTON. What other hotels are owned by Second National Bank directors besides his?

Mr. RUDOLPH. Some of the directors have an interest in the Continental Hotel.

Mr. BLANTON. But it is owned by directors in the Second National Bank?

Mr. RUDOLPH. Yes; they have stockholdings in it, but there are others not connected with the Second National Bank also that have stock in it.

Mr. BLANTON. Mr. Commissioner, do you know that a Mr. Fowler, who is an attorney for 70 independent taxicab companies, claimed under oath, testifying before a Senate committee in the Capital not long ago, that the record in your court of appeals here in the District showed that the Willard Hotel received $80,000 a year as its part of the taxicab and sight-seeing bus receipts? Did you know that?

Mr. RUDOLPH. No, sir.

Mr. BLANTON. But he testified that. I have a statement from a reliable attorney here in the District that the Willard Hotel has a contract this year with a taxicab company whereby it is to receive as much as $15,000 for the taxicab privilege of using the sidewalk and out in the street in front of the hotel, which really belongs to the Government, doesn't it?

Mr. RUDOLPH. Yes.

Mr. BLANTON. As a commissioner you know that all the streets and all the sidewalks belong to the Government, don't you?

Mr. RUDOLPH. Yes.

Mr. BLANTON. And the Government has that property for the use of its people, hasn't it?

Mr. RUDOLPH. Yes.

Mr. BLANTON. All of its people, not just hotel people?

Mr. RUDOLPH. Yes.

Mr. BLANTON. Then I am informed also that the Continental Hotel, which is owned by directors of the Second National Bank Building, has entered into a contract with a certain taxicab company whereby it is to receive as much as $3,500 this year for taxicab privileges.

Mr. RUDOLPH. Yes.

Mr. BLANTON. Do you think that is fair to the people of the District of Columbia if that exists?

Mr. RUDOLPH. I don't see that it is unfair.

Mr. BLANTON. Let us see about that. The Willard Hotel, in which one of your Second National Bank directors is manager, Mr. Hight, runs all the way down Fourteenth Street from F Street to Pennsylvania Avenue, which is what we call in Washington a double block. In front of the Willard Hotel there is space for 14 taxicabs?

Mr. RUDOLPH. I don't know. That is a traffic matter and I am not familiar with that.

Mr. BLANTON. I want to get you familiar with some traffic matters.

Mr. RUDOLPH. I would rather not be familiar with them, but if you want to——

Mr. BLANTON. As one Member of Congress I would prefer that all of you commissioners should know something about some of the business of Washington.

Mr. RUDOLPH. It is our duty to know something about it.

Mr. BLANTON. About the traffic business. The Willard Hotel reserves that whole block for its taxicabs and its sightseeing busses. Why haven't I, as representative of 350,000 people in my district, a right to park my own car there just as much as the Willard Hotel has a right to park 14? Can you answer me that?

Mr. RUDOLPH. Not very well.

Mr. BLANTON. Well, why hasn't some Government clerk here, who works here in the departments for 30 years, why hasn't he a right to take his little Ford down there and park it along in front of the Willard Hotel if there is a vacant space there? Shouldn't he have that right?

Mr. RUDOLPH. I imagine he should. At the same time he should not shut out the patrons of a hotel who want to go in and out and have prompt service.

Mr. BLANTON. The patrons of that hotel have no more rights than anybody else.

Mr. RUDOLPH. I don't agree with you there, because——

Mr. BLANTON. Do you know Judge McMahon?

Mr. RUDOLPH. Oh, yes.

Mr. BLANTON. Did you hear about a decision that he rendered the other day wherein he said that they had no right to reserve that space?

Mr. RUDOLPH. Yes.

Mr. BLANTON. Have the commissioners ever made an attempt to enforce that law?

Mr. RUDOLPH. I don't know whether the traffic director has done anything in that connection or not.

Mr. BLANTON. The traffic director is one of your employees, isn't he?

Mr. RUDOLPH. Yes.

Mr. BLANTON. You could put him out to-morrow, couldn't you?

Mr. RUDOLPH. Yes.

Mr. BLANTON. But he couldn't put you out, Mr. Commissioner?

Mr. RUDOLPH. Not very well.

Mr. GILBERT. I find upon examination of the evidence that you were asked this question and that you testified as follows:

"Do you feel that the bids of the other companies would have the same opportunity to get a contract as that of Rudolph & West Co. when you are one of the commissioners and such a large stockholder?"

You are reported by the stenographer as having made this answer:

"It would not make a particle of difference. I don't know what proportion of the hardware business the other concerns are getting, but I imagine they get their fair share of it."

And then you were asked this question, speaking of your firm:

"They get more contracts with the city than any other company, Mr. Rudolph?

"Mr. RUDOLPH. I couldn't say. I imagine Barber & Ross get equally as much as they do and perhaps some other large dealers."

Now, for the last fiscal year the auditor reports that the business done by the District with your company totals seventy-one thousand and some odd dollars, while Barber & Ross was thirteen thousand and some odd dollars. There was no competitor that had gotten more than fourteen thousand, while, as I say, your firm had $71,000.

Mr. BLANTON. Mr. Commissioner, do you know how much Congress turned over to you and your co-commissioners for this fiscal year, to spend—how many millions?

Mr. RUDOLPH. Something around thirty-two millions.

Mr. BLANTON. And it is up to you to see to it that each $72,000 of that $32,000,000 is spent according to law, isn't it?

Mr. RUDOLPH. It is my duty to see that everything, not only that $72,000, but any other amount, is disbursed according to law.

Mr. GIBSON. Do you know of the forms of punishment used down at the workhouse?

Mr. RUDOLPH. Yes. I am somewhat familiar with them.

Mr. GIBSON. And the fact that they use chains?

Mr. RUDOLPH. Yes.

Mr. GIBSON. That in some instances iron bands are riveted to their ankles?

Mr. RUDOLPH. Yes. There are some cases where they have had to resort to that in order to get the prisoners to behave themselves.

Mr. GIBSON. These particular men are confined in walls.

Mr. RUDOLPH. Well, I don't know whether it is unusual. I don't approve of it, but it seems to have been the only effective way to get these men to obey the rules.

Mr. GIBSON. Do you know that some of those prisoners have worn those chains for in some cases over 200 days?

Mr. RUDOLPH. No, sir. The old rule was that they were confined in a cell until they promised to reform and obey the rules and then they were let out.

Mr. GIBSON. We found some veterans of the World War there that had been chained for nearly a hundred days.

Mr. BLANTON. Now, Mr. Commissioner, you don't approve, whether they have run away or not, of putting a great big iron band that is riveted on in a blacksmith shop around a World War veteran's ankles and keeping it there for 68 days, like one we saw down there, do you, Commissioner, because he ran away?

Mr. RUDOLPH. I do not approve of it.

Mr. BLANTON. Now, Mr. Commissioner, there is in your jail here right now, unless they have removed it in the last day or so—and I hope they have—a great big post that is over a foot in diameter at the bottom.

Mr. RUDOLPH. Yes, sir.

Mr. BLANTON. About which they have in that jail chained in one instance a colored girl 18 years of age with her arms chained behind her around that post. Do you approve of that?

Mr. RUDOLPH. It depends on how long they kept her chained.

Mr. BLANTON. I don't care whether they didn't keep her there more than one minute. Do you approve of it?

Mr. RUDOLPH. I am not a penologist.

Mr. BLANTON. You don't approve of that, do you?

Mr. RUDOLPH. I would try to adopt some other means.

Mr. BLANTON. The sworn statement of a witness was that they kept this colored girl, 18 years old, chained to that post until she dropped from exhaustion.

Mr. RUDOLPH. That is inhuman.

Mr. BLANTON. That is inhuman and it ought to be stopped.

Mr. Commissioner, who is the president of the Board of Children's Guardians?

Mr. RUDOLPH. W. W. Millan.

Mr. BLANTON. Is that the same W. W. Millan who has appeared over here before the auditor in the defense of Mr. Fenning in trying to get fees allowed Mr. Fenning that the auditor claimed were not due? Is that the same one?

Mr. RUDOLPH. I saw in the paper where he was entered as counsel.

Mr. BLANTON. But he is the same Millan who is defending Mr. Fenning against the auditor's contention?

Mr. RUDOLPH. Yes, sir.

BE SURE YOUR SINS WILL FIND YOU OUT

Commissioner Rudolph could not stand the pressure. We had found him out. His use of his office to further his own business was disclosed. And he resigned, to take effect the day before Congress met.

And my good friend from Maine [Mr. HERSEY] asserted that I did all this to get press notoriety in my district. No press reporter has mentioned my work to Texas papers. Texas papers are fair and just and would print notices if they got any. Because I have prevented Washingtonians from paying their civic expenses out of the United States Treasury and have forced their local tax rate here from 90 cents to $1.80 on the $100, making them pay for their own conveniences like people in the 48 States have to pay, the press boys here most of whom own property in Washington, punish me by never mentioning my work in their reports to Texas papers. The paper closest to my district that received reports and gave me credit is the St. Louis Post Dispatch. In its issue of August 1, 1926, it said that some years ago it pronounced me a useful Member of the House, and then said:

That opinion has now been vindicated by the success of BLANTON'S fight to get rid of Frederick A. Fenning as a Commissioner of the District of Columbia. BLANTON went into the fray single-handed and with heavy odds against him. Fenning, a power in the political and commercial life of the District, seemed impregnably intrenched.

BLANTON hung on like the bulldog he is. Finally, by the sheer weight of the evidence that he brought to bear against Fenning before three committees of the House, he compelled Congress and the President to take notice.

The upshot of the several investigations was the resignation of Fenning at the demand of the President.

If it had not been for BLANTON'S persistence, the commissioner would still be in office. To the gentleman from Texas a large debt of gratitude is due from the public in general and the veterans of the World War in particular. Through his efforts a peculiarly unfortunate group of the Government's wards has been saved from a peculiar form of exploitation.

Like WALSH in the oil case and REED in the slush-fund investigation, BLANTON has shown what one man of ability and fighting caliber, armed with a good cause, can do in Congress.

DOCTOR WORK PROTECTS DOCTOR WHITE

In July, after Congress adjourned, Doctor Work, Secretary of the Interior, without any authority of law whatever therefor, hand picked a board of five fellow psychiatrists to investigate his friend and their friend, Dr. William A. White, agreeing to pay them all their expenses and so much per day. He knew that three different congressional committees had already investigated Doctor White. He knew that Congress had just passed a resolution directing Comptroller General McCarl to spend the next five months investigating St. Elizabeths. I predicted to the Gibson committee that the report of these five psychiatrists would be a specially prepared whitewash of Doctor White and an attempt to save him from the force and effect of these congressional investigations. I knew that even if they wanted to do so they could not learn the actual conditions that ordinarily existed. Doctor White would know of every visit they would make. He would be expecting them. He would have everything in apple-pie order. He would see that they were conducted only where appearances would be favorable. Every employee would be specially warned and directed as to their conduct, just as was done when they were expecting our Gibson committee. And their report was a whitewash. And when Secretary Work attempted to pay them out of the public Treasury Comptroller General McCarl stopped it, and told Secretary Work that his whole action was without authority of law and that he would not allow such payment, as same would be unlawful. And Secretary Work was forced to pay these five psychiatrists out of his own pocket. And Congress has refused to reimburse him. And when he tried to have their unauthorized report printed in the RECORD I stopped it. And when he tried to have their unauthorized report printed as a public document the Committee on Printing, by unanimous vote, turned him down and would not permit it.

ST. ELIZABETHS PUNISHES ALL BUT PSYCHIATRISTS

Doctor White's main psychiatrist who passes on the sanity of patients, is Dr. Knutt Houck. On the morning of December 15, 1926, he and his wife were missing. They had disappeared overnight. Dr. Knutt Houck turned up in a town in New York State out on the street in front of the hotel in his night clothes, apparently insane. The press reported that he had murdered his wife and disposed of her body. He was brought back to Washington but not confined in St. Elizabeths. Doctor White realized that St. Elizabeths was too great a punishment for a brother psychiatrist, even though he was charged with murdering his wife. He was given special care and attention in Gallinger Hospital. After investigation the Washington Times reported: "Doctor Houck attacked his wife and tore her clothing to shreds." But to this good day her body has never yet been found. On January 4 the Times reported that Doctor Houck was being removed to Walter Reed Hospital to afford better surroundings. Then this psychiatrist was moved over to Johns Hopkins Hospital at Baltimore, and from there he was released so that he could go to his home State. But never has he gone into St. Elizabeths. He would rather be in hell, and I don't blame him.

SANE MEN CAN GET JUSTICE ONLY IN COURTS

Where the head of any one of the eight departments of Government that has authority to place men in insane asylums by letter, makes a mistake and sends a sane person to such an insane asylum without trial there is no place other than a court where such persons may obtain justice. And it is an awfully hard matter for them to get before a court. It is a difficult matter for them to get a hearing even before the department that ordered them there. One without congressional influence gets no hearing. And such hearings when had are farces. The department always feels that it must sustain its action. The subordinate who through jealousy or spite induced the department to order the person incarcerated is always able to produce apparently cogent facts against him. The board appointed to conduct the hearing is usually a bunch of cymlin-headed employees, big with their own importance and officiousness, who know nothing whatever about the law or the legal rules of evidence, and very little about anything else.

NAVY DEPARTMENT HEARINGS ARE FARCICAL

I want to illustrate their modus operandi. On December 14, 1926, the same date that St. Elizabeths famous psychiatrist, Dr. Knutt Houck, attacked his wife, a little heart-broken women told me about how the Navy was punishing her sane husband in St. Elizabeths. I went out there immediately and made an exhaustive investigation, and found her husband, Lieut. Commander Harry T. Sandlin, perfectly normal and sane. I had his wife go before a notary public and swear to her testimony:

AFFIDAVIT OF MRS. BETTY SANDLIN

THE DISTRICT OF COLUMBIA:

I, Mrs. Betty Sandlin, being sworn, upon oath state: I am the wife of Lieut. Commander Harry Till Sandlin, who for 20 years has been in the United States Navy; I am 22 years of age, and married Commander Sandlin in Constantinople on the 1st day of August, 1922, and have lived with him continually since then as his wife; Commander Sandlin separated from his first wife about 14 years ago, and each year until 1924 paid her a certain portion of his salary, and since he stopped paying her in 1924 she has been trying to give him all the trouble she could, and has caused friction between him and the Navy. In February, 1925, in Key West, Doctor Dockery (?), of the Navy, told me that they intended to retire my husband, and in 1925 they had him brought before a retiring board, at which hearing I testified and told what Doctor Dockery had said to me, and they could not retire him as they were not able to prove any reasons therefor, and my husband then defended himself against such proposal; but they sent my husband to the naval hospital in Washington for observation, and threatened to send him to St. Elizabeths. They could find nothing wrong with my husband and finally sent him back to duty in Philadelphia, and his commanding officer reported that his work was first class; because my husband insisted on having an investigation, they sent him to St. Elizabeths Hospital, which is an insane asylum, on November 8, 1926, where he now is, and where they have kept him ever since; he has been given to understand that if he will agree to being retired they will release him from the hospital; there is nothing whatever wrong with my husband; his mind is clear and he is perfectly sane, and he is in no way mentally afflicted; he is not a graduate of Annapolis; my husband's sister, Mrs. W. A. Mattice, of 1307 Chamberlain Avenue, Chattanooga, Tenn., with the approval of myself and husband, requested the Navy Department to send her a "comprehensive and detailed report of his present condition and circumstances leading up to his present status and copies of reports of all investigating boards," and on November 18, 1926, the Secretary of the Navy refused, claiming that same were confidential, after which my husband, in writing, requested that such be sent his sister, but they have not been furnished her. I feel that my husband is being unjustly and unmercifully persecuted, and I appeal to the Congress of the United States to see that we get justice.

BETTY SANDLIN.

Sworn to and subscribed by the said Mrs. Betty Sandlin before me this the 14th day of December, A. D. 1926. Given under my hand and seal of office in the District of Columbia.

[SEAL.] W. G. LADD,
Notary Public in and for the District of Columbia.

I found that Dr. S. F. Acree, an eminent scientist, whom I have known for 30 years, and his wife, were close neighbors and friends of the Sandlins, and I had them go before a notary public and swear to what they knew:

AFFIDAVIT OF DR. S. F. ACREE

THE DISTRICT OF COLUMBIA:

I, Dr. S. F. Acree, being sworn, upon oath state: I am a native of the State of Texas, entered the University of Texas in 1892, and am a graduate of that institution, and am also a graduate of the University of Chicago, and am now engaged in scientific work and live at 1756 Q Street NW., Washington, D. C. During 1925 I lived at 1704 Q Street and we took our meals at 1754 Q Street NW., Washington, D. C., and for over three months we, my wife and I, were thrown in daily communication with Commander Harry Till Sandlin, of the United States Navy, and his wife, Mrs. Betty Sandlin, and we saw each other at least twice each day, and sometimes many times each day, and frequently had our meals together; and this relationship existed during all of the time that Commander Sandlin was under observation by the naval hospital here in Washington; on account of such treatment accorded him, I specially and closely observed Commander Sandlin, with the view of forming my own conclusion of whether he was mentally afflicted, and I reached the conclusion that there was nothing whatever wrong with his mind and that he was in no way afflicted mentally; his mind was clear at all times and I considered him a brilliant man and unusually well poised; and since he was placed in St. Elizabeths Hospital on November 8, 1926, I have been to see him many times and have talked with him on many subjects, and have closely observed him, and there is no change whatever in his mental condition; and in my judgment there is now nothing whatever wrong with his mind and he is in no way mentally afflicted. During one of my visits to St. Elizabeths Hospital to see Commander Sandlin I met Doctor Ziegler, who is in charge of the naval hospital here in Washington, and Doctor Ziegler in substance gave me to understand that if Commander Sandlin would agree to the Navy retiring him that he would be released shortly from St. Elizabeths; in my judgment Commander Sandlin is in every way, physically and mentally, able to perform his duties. I am in no way related to Commander Sandlin, but am interested in seeing that he is not treated unjustly.

DR. S. F. ACREE.

Sworn to and subscribed before me by Dr. S. F. Acree, on this 14th day of December, A. D. 1926. Given under my hand and seal of office in Washington, D. C.

[SEAL.] W. G. LADD,
Notary Public in and for the District of Columbia.

AFFIDAVIT OF MRS. RUBY J. ACREE

THE DISTRICT OF COLUMBIA:

I, Mrs. Ruby J. Acree, being duly sworn, upon oath state: I am a native of Virginia and am the wife of Dr. S. F. Acree; I have read the affidavit made by him regarding the condition and treatment of Commander Harry Till Sandlin, and I know that same is true and correct; I have never observed anything wrong with Commander Sandlin and believe that he is mentally sound and is in no way mentally afflicted; I consider him unusually well poised; I am in no way related to them, but feel sorry for Mrs. Betty Sandlin, who is a young girl 22 years of age.

RUBY J. ACREE.

Sworn to and subscribed by the said Mrs. Ruby J. Acree before me this the 14th day of December, A. D. 1926. Given under my hand and seal of office in Washington, D. C.

[SEAL.] W. G. LADD,
Notary Public in and for the District of Columbia.

NAVY DENIED SANDLIN'S SISTER REQUESTED INFORMATION

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, November 18, 1926.

Mrs. W. A. MATTICE,
1307 Chamberlain Avenue, Chattanooga, Tenn.

DEAR MADAM: Receipt is acknowledged of your letter of November 11, in which you desire a comprehensive and detailed report regarding the present condition of your brother, Lieut. Commander H. T. Sandlin (S. C.), United States Navy, a complete review and report of all the circumstances leading up to his present status, copies of the reports of investigating boards handling your brother's case, and information as to whether or not he has had a regular hearing or investigation in accordance with Navy Regulations, and the result of such reports.

Your brother has been accorded all his rights in connection with his present status as required by Navy Regulations. The department regrets, however, that it is unable to furnish the information you request, inasmuch as such information forms part of the official record of Mr. Sandlin and is therefore confidential. It is for official use of the department only and can not be given to any other except by order of the officer himself or by order of a court in case such information should be necessary and material in a case on trial before it.

It is true that your brother was recently placed in St. Elizabeths Hospital. If you address a letter to the superintendent of that institution, you will no doubt be able to ascertain the present condition of his health.

Very respectfully,

CURTIS D. WILBUR.

Mrs. Ed. Morgan, of Americus, Ga., is another sister of Commander Sandlin. Mrs. O. B. Bishop, of Adairsville, Ga., is also his sister. I immediately ordered from the Navy Department Commander Sandlin's complete record, which it had refused to give his sister, and Secretary Wilbur assured me it would be prepared immediately.

SERVE NOTICE ON NAVY DEPARTMENT

From the floor of the House the next day, December 15, 1926, I discussed the outrageous treatment which had been accorded Commander Sandlin by the Navy and I then publicly notified the department that he was going to have a square deal. In about a week he was released from St. Elizabeths and allowed to go to his home here, where with his wife and two little children he went where he pleased and did what he pleased thereafter, except the Navy required him to ring up St. Elizabeths on the telephone once a week. I gave the naval officers in charge of his case to understand that if he was in somebody's way and they were determined to get rid of him that I would agree to his being retired on the grounds of being incapacitated for active duty, or upon any other ground that did not reflect upon his character or mentality, but I was determined that they should not retire him as of paranoid state, as that would confine this sane man in an insane asylum for the rest of his life. I was assured that when Commander Sandlin was tried before a naval retiring board I would be given due notice thereof, that his wife should be present, that he should be allowed counsel and the right to produce witnesses in his behalf. I will first let Commander Sandlin and his wife detail what happened:

AFFIDAVIT OF MRS. BETTY SANDLIN

WASHINGTON, D. C.:

I, Mrs. Betty Sandlin, being duly sworn, upon oath, state: I am the wife of Lieut. Commander Harry Till Sandlin, who is now perfectly sane, and never during our married life has had one single thing the matter with his mind; he is unusually bright and well poised; the Navy is punishing him simply because he took up the study of Christian Science, and appealed direct to Secretary Wilbur for fair treatment, when he should have sent his letter through channels; wholly without warrant or trial the Navy had my husband locked up in St. Elizabeths Insane Asylum on November 8, 1926, and until Congressman BLANTON visited him there on December 14, 1926, he was shown no consideration whatever, but after Congressman BLANTON obtained my husband's record, and in the House of Representatives on December 15, 1926, condemned the Navy for its unwarrantable action, he was allowed to leave St. Elizabeths, and spent Christmas week at home with me and our two little children, and since December 31, 1926, has been allowed to stay at home and do what he pleased, except they had him report one night and require him to telephone St. Elizabeths about once a week; under orders from the Navy my husband appeared before the Naval Retiring Board January 3, 1927; they refused his request that I be allowed to act as his counsel, as I wanted to attend; the board consisted of five captains; the two medical members took my husband into a closed room for examination; on their return, Captain Carpenter, chairman, announced that he found my husband to be "paranoid state, condition permanent"; the other medical member concurred; the board approved, and announced that my husband did not have mental capacity to select his own counsel, and they would have had Secretary Wilbur appoint one, and adjourned until next morning; we went immediately to the Capitol, called Congressman BLANTON out of the House, and urged him to save us, and to see that we got justice, as we were not financially able to employ counsel; our friends also urged him, and he secured permission from Secretary Wilbur to conduct our defense at such hearing; he promptly appeared at said trial on the morning of January 4, 1927, but had said board to understand distinctly that in conducting my husband's defense, he did not appear as his attorney, but in his representative capacity, to see that an American got a square deal, and also to learn just how the Navy conducted such trials, where men without court trial could be consigned to insane asylums for life simply upon Navy orders; the hearings were held in the forenoon, so Congressman BLANTON could attend House sessions at noon; he conducted my husband's defense four days, and by competent evidence not only established my husband's sanity, but proved that the Navy was persecuting him; the chairman, Captain Carpenter, and his counsel, saw that they must get rid of Congressman BLANTON; at the close of the hearing on January 7, 1927, Chairman Carpenter ruled that if Congressman BLANTON appeared any further he must do so as my husband's attorney and not in his representative capacity, knowing at the time he would not do so, hence Congressman BLANTON refused to appear further; Congressman BLANTON had made Captain Carpenter admit that he had prejudged my husband's case, basing his decision that he was of paranoid state simply because he had communicated direct with Secretary Wilbur, and because an officer at Key West once reported that my husband refused to give up his duty there; such officer so reporting had himself been under mental observation for a year, and I personally know that his report was false, because I was then with my husband when he turned over his office strictly in accord with the naval order and regulations; and in deciding the case Chairman Carpenter still held that my husband was of paranoid state, despite the fact that the other four members of the board changed their preliminary decision and held that he was not; I believe that if it had not been for Congressman BLANTON protecting us that naval board would have condemned my husband to St. Elizabeths Insane Asylum for life, when he is absolutely sane.

BETTY SANDLIN.

Sworn to and subscribed before me this 7th of ———, 1927.

[SEAL.] WALTER C. NEILSON,

Notary Public in and for the District of Columbia.

AFFIDAVIT OF H. T. SANDLIN

WASHINGTON, D. C.:

I, Harry Till Sandlin, being duly sworn, upon oath state: I am a lieutenant commander in the United States Navy; not until I took up the study of Christian Science did the Navy attempt to punish me; when stationed at Key West the commanding officer there, who himself had been under mental observation, sent to Washington a report that I had refused to obey orders to turn over my office; I did not so refuse, but complied with such order strictly according to naval regulations; this officer, C. D. Stearns, got mad because I asked him to give me a hearing on the reports he had sent against me, and I had two officers witness my request, but he denied it; without giving me any warning, or hearing, or trial, I was locked up in St. Elizabeths Insane Asylum, where there were shrieking maniacs close enough to be heard, on November 8, 1926, and was shown no consideration until Congressman BLANTON visited me and investigated my case on December 14, 1926, after which I was allowed to go home, and I spent Christmas week with my family, and after December 31, 1926, I have been allowed to stay at home and go where I pleased and do what I pleased, except I have reported one night to St. Elizabeths, and am required to ring them up about once each week; Secretary Wilbur had assured my friends that when I was called before the Naval Retiring Board, I would be given a fair trial, and could have counsel, and have my witnesses testify; I was ordered to appear before such board on January 3, 1927, and the board was proceeding with the trial without giving me counsel; to insure having my wife present I requested that she be designated as my counsel, which was refused; the medical members of the board, Captain Carpenter, and Captain Thompson, took me off in a room separated from said board and examined me, and then went back before the board and reported that I was of "paranoid state; condition permanent," and that I did not have sufficient mental capacity to choose counsel, and that they would ask the Secretary of the Navy to provide same. The board thus approved such decision. I was thus decreed to be of unsound mind, without a hearing and without trial, and any rights that I might assert thereafter were to be determined by a board which had already prejudged me of unsound mind and that would mean my incarceration in St. Elizabeths for life; the board adjourned until the next morning; we went immediately to the Capitol and called Congressman BLANTON, and urged him to protect me and see that I had a fair trial; I was not able financially to employ competent counsel; Congressman BLANTON appeared next morning, had it understood that he was not appearing as an attorney, but had permission from the Secretary of the Navy to appear in his Representative capacity, and defend my rights, and see that I got a fair trial, and also to observe just how such trials before naval boards were conducted; he objected to the entire board on the ground that it had already made up its mind, and had prejudged my case; his objection was overruled; he demanded that the proceedings of the previous day be stricken from the record as I had no counsel; this was refused; he defended my rights for four days, and then to get rid of him, Chairman Carpenter ruled that Congressman BLANTON could appear no longer in his Representative capacity, but would have to appear as my attorney, and he thus forced him to appear no longer; Chairman Carpenter did not change his opinion, but after the other four members filed their report, finding that I was not of paranoid state, he still persisted, and filed a minority report, still holding that I was of paranoid state.

H. T. SANDLIN.

Sworn to and subscribed this 7th of ———, A. D. 1927.

[SEAL.] WALTER C. NEILSON,

Notary Public in and for the District of Columbia.

HAVE ALWAYS HELPED THOSE WHOSE RIGHTS WERE DENIED THEM

When on January 3, 1927, Commander and Mrs. Sandlin called me out of the House and urged me to help them, saying they were not able to employ an attorney, I agreed to protect them at the second meeting of the trial board next morning. I secured from Secretary Wilbur permission to appear in my representative capacity and conduct Sandlin's defense before the board.

I appeared before the board promptly the next morning, January 4, 1927. It consisted of Capt. Dudley N. Carpenter, chairman; and Capt. Edgar Thompson, both medical officers; and three other captains named Seibels, Ellis, and Metcalf.

I ascertained that on the preceding day the board had denied the request of Commander Sandlin that his wife be present, that Commander Sandlin had protested against being tried before said officers, and that without having anyone there to represent him the two medical members of the board, Captain Carpenter and Captain Thompson, ordered Commander Sandlin to go with them into another room, where in the absence of the other three members of the board they put Commander Sandlin through what they termed an examination, but which in common parlance is known as the third degree; that they then brought him back before the board and announced (quoted from record):

Capt. Dudley N. Carpenter, Medical Corps, United States Navy, the senior medical member of the board, reported that, in his opinion, Lieut. Commander Harry T. Sandlin, Supply Corps, United States Navy, is suffering from paranoid state, which opinion is, based on the medical members' examination of this date, including the official medical records, and expert opinions of the duly authorized representatives of the naval medical department; that this condition is permanent, by reason of which he is incapacitated for active service in the Navy, and that his incapacity is the result of an incident of the service.

Capt. Edgar Thompson, Medcal Corps, United States Navy, a member, reported that he concurred in the opinion expressed by Captain Carpenter, Medical Corps.

And perfunctorily the other three "yes men" on the board approved, and thus without trial or benefit of clergy the board had condemned him as being insane.

I now quote from their record my statement made when I first appeared:

Mr. BLANTON. I have made a study of conditions in our Army and Navy with respect to men being charged with being of unsound mind for some time with a view to rectifying by law, if needed, the present situation. Because of that fact I have been out to St. Elizabeths a number of times and to other hospitals and I have been importuned by friends of Commander Sandlin to appear and see just the situation in his case, not as his attorney, because I represent no man as attorney while I am a Congressman, and there is no question of remuneration in it, but simply a question of appearing to see that this man gets a fair and just trial, and I ask permission to so appear, and if I am permitted by you gentlemen I will appreciate it.

And the board read a letter from Secretary Wilbur to it authorizing me thus to appear, and for four days without question the board permitted me so to appear.

I immediately requested the board to set aside its finding made the previous day prejudging Commander Sandlin to be insane without trial. And when I demonstrated to the board how ridiculous it would be for Commander Sandlin to proceed when the two medical members of the board had already in writing condemned him as insane, their conclusion being adopted by the board, they were in a quandary:

The BOARD (meaning Chairman Carpenter). Do you understand that the medical records have been introduced as official documents:

Mr. BLANTON. There has been nothing introduced yet. I shall expect counsel for this board to begin at the beginning and introduce what he offers to introduce.

The BOARD. You wish to have them introduced again?

Mr. BLANTON. I want something introduced against Lieutenant Commander Sandlin who now appears before the board for hearing. It must be reintroduced—such evidence as the board wants to consider against him. In other words, some case must be made out against him now.

The BOARD. I would like to call on the assistant from the Judge Advocate General's Office as to reintroducing evidence that has already appeared before the board.

Then the Assistant Judge Advocate in a long-winded speech explained that the Navy had its own way of conducting hearings, wholly distinct from legal rules of procedure, and that it did not have to reintroduce its evidence against Commander Sandlin but that it was up to Commander Sandlin to proceed with his defense. He argued that because the Navy regulation provides that the one being tried "has the right to offer witnesses" that the first and only thing that could be done was for Commander Sandlin to proceed in offering witnesses:

Mr. BLANTON. This man appears here under charges. Now, I want you to proceed from this time on with a trial. I want to hear the evidence that is against him. I want to see how it is reached. He is being tried without giving him a hearing, and I am sure you want to give this man a proper hearing. I want to be frank with you. I am going to contend that it is improper that there should be regulations in the Navy to send a man to an asylum. Counsel has failed to grasp the significance of this regulation. The regulation provides that he has a right to offer witnesses. It does not take away from the Navy the necessity to produce evidence against him. Here is his medical record. In January, 1913, he was examined, with no physical defects; January, 1915, no physical defects; January, 1918, no physical defects; January, 1920, no physical defects; January, 1921, no physical defects; January, 1922, he was found physically qualified to perform his duties; January, 1923, he was found to have no physical defects; January, 1924, and January, 1925, he was examined and found fit to perform his duties. Now, there is his medical history and his history as a naval officer down to January, 1925.

I want to insist that this board should offer evidence against him. Put his medical record in evidence. It should be offered in evidence against him. This is the time to make a record against him. Surely, counsel would not want this board to determine this case on something that was done yesterday, when he was not represented by counsel. Is there any contention made here that this man did not clamor for counsel yesterday? He was demanding that his wife be present and he was denied that right.

Captain ELLIS. He was not denied counsel.

Mr. BLANTON. I object to this member of the board [indicating Captain Ellis]. I think you are prejudiced against Lieutenant Commander Sandlin.

Captain ELLIS. No; I am not.

Mr. BLANTON. I think you are.

And the attitude of the entire board being one of antagonism toward Commander Sandlin and it having agreed that its action taken the day before should stand and not be set aside notwithstanding the board had clearly stated that such finding should merely be deemed charges against Sandlin upon which he was to stand trial, the same as an indictment in a criminal court, and the board having agreed that it would reintroduce nothing but would force Commander Sandlin to put on any defense evidence he had, I challenged the board for prejudice and protested against their sitting in the trial. The board promptly overruled my challenge. I then and there renewed the challenge in writing to Secretary Wilbur, asking that he appoint a new board which he refused.

To show how the Navy Department resents any interference with its business I relate the following incident: I had parked my car in front of the Navy Building in the identical place where I had parked it at least fifty times before. As I went into the building I asked Captain Joyce "the door man" who knew me if he would look after my car while there, which he agreed to do. At the conclusion of the hearing at noon, when I left the building to my great surprise I found a bevy of five newspaper photographers with their cameras set on tripods focused on my car and a bevy of newspaper reporters with their books and pencils in hand.

Captain Parsons accosted me about parking my car there. I showed him my congressional tag on it, which permits my car to be parked in front of any public building in Washington at any time. He agreed that I had such right. In the afternoon papers appeared a picture of my car, with the statement that when I first stopped there the doorman had told me that I could not park there and that I had replied "The hell I can't." To show how ridiculous such report was, I quote the following affidavit from Captain Joyce, the doorman:

WASHINGTON, D. C., *January 5, 1926.*

I, J. F. Joyce, state: I am the guard stationed at the main entrance to the Navy Department Building. I was on duty there yesterday morning when Congressman BLANTON, of Texas, drove up there in his car; he parked his car in front of said entrance and came to me and stated that he had official business in said building, and for me to please see that his car was not molested. This I agreed to do. That is all that passed between us. It is not true that I told him, as alleged in newspapers, "that he couldn't park there," and it is not true, as alleged in newspapers, that he replied, "The hell I can't." Such did not occur. On prior occasions when he has had business before said Navy Department said Representative BLANTON has parked his car in the identical place where he parked it yesterday, and he has always come to me and told me that it was his car and he was on official business, and I have never interfered, because he had on his car a "congressional tag," issued by the traffic department, which authorized him to park in front of Government buildings when attending to official business. Congressman BLANTON has always been extremely courteous to me.

J. F. JOYCE.

BURDEN UPON COMMANDER SANDLIN TO PROVE HIMSELF SANE

Realizing that Commander Sandlin was simply up against it and was required to prove himself sane, I proceeded to do so. After noting that all of his examinations up to January, 1925, made in many parts of the world showed him to be in splendid condition and fit to perform active service, I again read into the RECORD his medical report from Key West, Fla., showing that on January 5, 1925, he was there examined with this report: "Fit to perform all duties of his grade." And then I read another report from Key West, Fla., dated January 31, 1925, from which I quote:

Patient's condition in my opinion became noticeably changed about one month ago. Officers on this station appeared to feel he was peculiar and did not associate with him freely. He wrote several letters, which appears as if he was impressed with an idea of a mission to perform.

You will note from the affidavit of Commander and Mrs. Sandlin that this commanding officer at Key West, Captain Stearns, who was filing these reports against him, had himself theretofore been under mental observation. And by "mission to perform" Captain Stearns was referring to Commander Sandlin's study of Christian Science. You will remember further that at this time Captain Stearns had placed Commander Sandlin under mental observation, which action to a man of Commander Sandlin's attainment must have been annoying and aggravating to the extreme. And from his medical record I read the further notation:

Since admission this officer feels that he is being persecuted by the commandant and medical officers; he feels that placing him under medical care is to thwart the performance of his mission and his endeavor to realize his ideal. His failure to comply with his detachment orders and his present delusions of persecution tend to show that in this specific case his judgment is poor, there is otherwise an absence of intellectual impairment.

Then, on February 3, 1925, he was transferred to the Naval Hospital, Washington, D. C.

I now quote from the official record of Sandlin's trial the excerpts from his medical record showing his first report from the Naval Hospital at Washington that I then read in evidence to-wit:—

Mr. BLANTON. I read this excerpt from said hospital: "On admission this patient was correctly oriented in all spheres; closely in touch with his environment; extremely neat and well groomed in his personal appearance and very gracious and cooperative in his bearing and manner. During the first interview, however, the patient appeared under some tension." And then I skip and read the following excerpt: "* * * at no time was there any indication of true flight of ideas and his restless attitude did not suggest any great amount of pressure of activity." Then I read the following: "He constantly interspersed in his conversation, apparently in order to prove his arguments, considerable Christian Science phraseology." Then I read from page 6 the following excerpt, under date of February 11, 1925; "Physical examination: General physical and neurological examination of this patient revealed no essential defects." Then: "There is no history of nervous or mental trouble in any branch of the family. The patient was the third of seven children. Early childhood spent on farm. His mother was hyper-religious and very insistent on her children receiving thorough religious training. Mother belonged to the Baptist faith. His father was rather indifferent to religion. Under these influences the patient at an early age took considerable interest in religious matters. He started to school at age of 6 years to country school. Later went to school at town and then to high school which he completed at 16 years of age. Joined the Baptist church at 15 years of age and was baptized by immersion. The patient's mother died when he was 11 years old.

"The patient admits that he has always been strongly religious and was reared a devout Baptist." Then on page 9: "In 1920 he went to Boston for duty and took up the study of psychology both normal and abnormal"—then "* * * finally came across some Christian Science publications and studies and discovered that this philosophy was just what he wanted, says, 'this seemed to be the key to the situation.' He delved deeply into Christian Science and states that he healed himself of all his physical ailments. Since that time he has spent considerable time studying and thoroughly imbuing himself with Christian Science principles. In regard to Christian Science activities the patient admits that possibly he is more enthusiastic and aggressive in his attitude regarding this subject than the average believer but he explains this by saying 'that is my nature. I am active and aggressive in anything I undertake. If I thoroughly believe in the efficacy of Christian Science why am I not free to express my opinions and endeavor to do good to all.'"

On page 10 I read the following excerpt: "In addition to his marital difficulty and the payment of a settlement by allotments the patient has attempted to aid members of his present wife's family, his own family and also has contributed liberally to relief work while in Constantinople."

On page 11 I read the following excerpt: "Also there are some trends in evidence indicating his feeling that he has been considerably misunderstood and perhaps almost persecuted at times because of his ideas."

Under date of August 5, 1925, from the report of the Board of Medical Survey, I read the following excerpt: "Physical examination reveals no defects."

From the report of the Naval Retiring Board, Navy Department, Washington, D. C., under date of October 5, 1925, which begins on page 14 of my transcript furnished by the Navy Department, I am reading from the top of page 15, the following: "The board therefore recommends that Lieut. Com. Harry T. Sandlin, supply corps, United States Navy, be assigned to duty in the Bureau of Supplies and Accounts, where he will be in close association with the officers of his corps and under observation by them.

The board further recommends that Lieutenant Commander Sandlin be advised to demonstrate his mental self-control by devoting himself strictly to his professional work in the manner prescribed by Navy Regulations and customs, by refraining from mixing in civic affairs and also be refraining from giving advice." * * * I suppose that should be "by," just a typographical error in copying; that's what it is on my copy * * * "* * * by refraining from giving advice or making recommendations except in his immediate family, unless specifically called upon to do so."

On page 17 I read the following.

UNITED STATES NAVAL HOSPITAL,
Washington, D. C., December 11, 1925.

From: Commanding Officer.
To: The Secretary of the Navy.
Via: Commandant, Bureau of Medicine and Surgery, Bureau of Navigation.
Subject: Disposition of Lieut. Commander Harry T. Sandlin, (SC), U. S. N.

1. In order to further observe this officer and get a change of environment which is considered advisable in his case, it is recommended that he be ordered to duty where he can be under observation for possible further development in his case.

And the first endorsement by the Bureau of Medicine and Surgery, dated December 12, 1925, "Forwarded, recommending approval as this bureau is of the opinion that this recommendation is for the best interest of the service."

Then the entry: "Naval Hospital, Washington, D. C., December 24, 1925. This patient has received orders to duty at the Philadelphia Navy Yard. He is therefore discharged to duty this date."

Mr. BLANTON. The first time you ever saw Commander Sandlin was day before yesterday, January 3, 1927, approximately around 10 o'clock?

Captain CARPENTER. It was.

Mr. BLANTON. Had you prior to that time familiarized yourself with what is commonly designated as the record of Commander Sandlin in the Navy Department prior to that time?

Captain CARPENTER. Upon receipt of my orders as president of this board and medical member I had sent to the board the official records which have been placed in evidence, open for my inspection, and tried to familiarize myself with it.

Mr. BLANTON. Had you prior to 10 o'clock Monday morning last familiarized yourself with that record?

Captain CARPENTER. I had received my orders with these records prior to the meeting of this board and at that time had utilized these official documents; prior to that time I had not seen or heard of any record in his case.

Mr. BLANTON. Then, until 10 o'clock last Monday morning you were unfamiliar with his record?

Captain CARPENTER. I have not so stated. It was several days before that time that his record was received.

Mr. BLANTON. Then, several days before last Monday you did have access to his record?

Captain CARPENTER. Officially transmitted to me.

Mr. BLANTON. And you did read it?

Captain CARPENTER. I did so.

Mr. BLANTON. Did you reach a conclusion on reading it?

Captain CARPENTER. I presume my medical mind naturally did have an opinion after reading it.

Mr. BLANTON. After reading that record, which, so far as Commander Sandlin is concerned, is ex parte, you did form a conclusion as to his mental condition?

Captain CARPENTER. A tentative conclusion or opinion.

Mr. BLANTON. You formed a tentative opinion that you reserved in your mind, the right to change or eliminate it if Commander Sandlin produced sufficient evidence to justify it?

Captain CARPENTER. That is true.

Mr. BLANTON. That was before you had ever seen the man?

Captain CARPENTER. It was.

Mr. BLANTON. Then when the board met around 10 o'clock last Monday morning there appeared Commander Sandlin and his wife; is that true?

Captain CARPENTER. Commander Sandlin was the only one who appeared before the board while the board was being formed.

Mr. BLANTON. Then there was present only Commander Sandlin so far as he was concerned?

Captain CARPENTER. That is so.

Mr. BLANTON. You knew his wife was in the next room?

Captain CARPENTER. I did.

Mr. BLANTON. Not in this board room?

Captain CARPENTER. She was not in this board room.

Mr. BLANTON. And the record will show and you have admitted that Commander Sandlin did protest to the entire board; he filed a protest as to the right of the board to proceed on a retiring feature.

Captain CARPENTER. He protested, as the record shows, to all members of the board and the entire proceedings.

Mr. BLANTON. Now, at what state of the proceeding did Commander Sandlin ask that his wife be allowed to represent him?

Captain CARPENTER. As I recall it, it was just before the medical members were to make the examination, and I, acting as president of the board, informed him that at the proper time, after this examination, that he would be allowed to call any witness he pleased, to be represented by counsel and to have anyone he pleased.

Mr. BLANTON. But you did inform him that until that medical examination was held it would be impossible for his wife to be present?

Captain CARPENTER. That would be what I intended for him to understand.

Mr. BLANTON. That precluded his wife being present?

Captain CARPENTER. Until this medical opinion had been reported to the board by the medical member.

Mr. BLANTON. You and Doctor Thompson proceeded into another room and had Commander Sandlin come before you and made an examination of him?

Captain CARPENTER. We did; and may I say this is in accordance with the written order to the president of the board which so directed us to do and also instructed us to pay especial attention to the officer's official record.

Mr. BLANTON. And you did make an examination?

Captain CARPENTER. We did.

Mr. BLANTON. You examined him physically and orally?

Captain CARPENTER. We examined him orally and physically.

Mr. BLANTON. Did you find any physical defects?

Captain CARPENTER. We found no physical defects; he is physically sound.

Mr. BLANTON. So far as you could determine, and there has been nothing brought out in his record to indicate any physical defect?

Captain CARPENTER. We could find nothing in the record, nor did we find it on our examination.

Mr. BLANTON. You had in mind this medical record which you had read and studied all the time you were making this examination?

Captain CARPENTER. I had in mind his last year's duty; I had in mind just how he had been able to carry on as an officer under observation after the finding of the last retiring board.

Mr. BLANTON. And you did not free your mind of that record?

Captain CARPENTER. I certainly did not.

Mr. BLANTON. Did Commander Sandlin have anyone representing him there?

Captain CARPENTER. He had no one in the room; his wife was in the adjoining room.

Mr. BLANTON. She was not present?

Captain CARPENTER. She was not.

Mr. BLANTON. There was present you, Doctor Carpenter, and your medical colleague, Doctor Thompson, and Commander Sandlin, just the three of you?

Captain CARPENTER. Correct.

Mr. BLANTON. How long did this examination last?

Captain CARPENTER. I judge about one hour.

Mr. BLANTON. Did you put him through a categorical line of questioning as to the history of his family life from the time of his boyhood on up?

Captain CARPENTER. I did not. I simply wished to determine from his present condition any evidence of mental impairment, which I believe I have found and so reported, and which I will be willing to give you any reasons for.

Mr. BLANTON. Please state in detail: Was there a record made of that examination in writing; was there a stenographer there?

Captain CARPENTER. No stenographer. Doctor Thompson made a record which consisted of certain entries of his medical record, in line of duty, not in line, etc., which seemed to bear on his case, and we came to a written conclusion.

Mr. BLANTON. Since there is no written record of the questions propounded by you and his answers so that we may have the benefit of them, just which questions and answers you based your conclusion on later, will you kindly state just what questions you asked Commander Sandlin to answer, consecutively if possible, and what answers he made that impressed you?

Captain CARPENTER. The answer that I considered most important as bearing on his mental condition was his reply to my question, which was asked for the purpose of determining his judgment, "May I ask you why you object to appearing before a naval retiring board?"

Mr. BLANTON. And his answer?

Captain CARPENTER. Having in mind that an officer who had been 12 years in the service, familiar with the regulations, also 20 years in the service, 4 of which was as a chief pharmacist mate in the Medical Department, and therefore familiar with the regulations and instructions which require action when a board of medical survey recommends, as was done in his case, that he appear before a retiring board, I was anxious to have his answer which was in effect as follows: "I consider that the head of any department that would order me before a retiring board is doing a criminal act; it is a criminal procedure." I said "That is very strong language, Mr. Sandlin, to use regarding the Secretary of the Navy because he has ordered this retiring board that you are now before." He said "I am not especially referring to the Secretary of the Navy; I am referring to the head of any department." The impression that this made on my mind was that if he was making these comments when he was before the board undergoing an official examination, making such a statement which would, under the regulations for the military service, if he is mentally competent, bring him before a general court-martial, and if not, such a statement would indicate that he had no insight into the condition and that it was a marked defect. That answers that particular question.

Mr. BLANTON. Outside of this matter which convinced you, what did his other answers indicate to you?

Captain CARPENTER. I would say that his answer to the question concerning his going to Philadelphia, asking about his duty in Boston and why he was there, from my limited experience as a medical man not being an expert on mental conditions, I would say that he showed the average intelligence, that he was well oriented as to time and place, that his memory seemed to be good, and that he simply showed——

Mr. BLANTON. A remarkable ability of mind?

Captain CARPENTER. I would not say remarkable, but he certainly manifested no marked defect of intelligence; it simply had to do with this fixed idea and to his showing either judgment or insight.

Mr. BLANTON. Now, following what occurred, as you have related, feeling that you had been convinced, you and your colleague, Doctor Thompson, filed a written medical report, duly, through official channels, transmitted to the Secretary of the Navy, giving your conclusion that the one under observation before you was suffering from paranoid state?

Captain CARPENTER. The question as put is not quite correct. We reported our medical opinion to the board, in accordance with the procedure, and that became a part of the official record.

Mr. BLANTON. And you did report that he was suffering with paranoid state?

Captain CARPENTER. It did report that in our opinion the candidate is suffering with paranoid state.

Mr. BLANTON. That opinion stated that he was suffering from paranoid state?

Captain CARPENTER. That was our medical opinion.

I found that the medical record before the board did not contain the report made by Commander Sandlin's superior officer at Philadelphia, where he was last stationed, and I required the Navy Department to produce it, and I read it to Carpenter.

Mr. BLANTON. I would like to read this report now. It is headed "Fourth Naval District," and reads as follows:

FOURTH NAVAL DISTRICT, DISTRICT STAFF HEADQUARTERS,
Building No. 1, Navy Yard, Philadelphia, Pa., March 31, 1926.

Memorandum to supply officer, Fourth Naval District

Subject: Lieut. Commander H. T. Sandlin, United States Navy, fitness report for the period December 28, 1925, to March 31, 1926.

The following information is submitted in compliance with the request of supply officer, fourth naval district, made this date:

Lieut. Commander H. T. Sandlin has been employed in district headquarters, under the supervision of the assistant commandant, during the above-mentioned period. He has been engaged chiefly in the preparation of district war plans, but he has been assigned various other duties from time to time, when his services were otherwise required.

He has impressed the assistant commandant as a very bright and capable officer; he is earnest and conscientious in the performance of his duties and at all times cheerful, willing, and subordinate.

He is extremely courteous; his bearing is military; and he has displayed cooperative qualities, adaptability, tact, and judgment in the performance of his duties. His manner has been officerlike and his conduct entirely above reproach.

The assistant commandant considers this officer well qualified to perform duties of his grade and corps in the fleet or on shore, and he would be glad to have him serve as supply officer or disbursing officer under his own command at any time.

W. K. FIDDLE,
Captain, United States Navy, Assistant Commandant.

Now, had there been counsel present to call your attention to all of these things, and that all through these transactions when he was under mental observation, impressing his wife, with whom he was living every day, and his associates, who are eminent citizens of the United States, with his clearness of mind and soundness of mind and with his knowledge of even after all of his observations his officer in direct command should send such a splendid report of his work, would not that have been an explanation to you, Doctor Carpenter, as to why he felt it was criminal to order him before a retiring board and not to give him a proper hearing on these and other facts? Would that have been a proper explanation to you?

Captain CARPENTER. It would not. I did not consider his marital relations, nor did I take into consideration his religious principles. The record that influenced me first was that when he was at Key West, he was relieved from duty and he refused to give up his duty. That was the first thing that made me feel that he was not normal in his mentality.

Mr. BLANTON. Did you find out whether that report from Key West was true?

Captain CARPENTER. I did not; it was part of the official record.

Mr. BLANTON. I will show that it was not true. He never failed to give up his duty. That is an error on the part of the officer who reported it. I will present Commander Sandlin's side of the case a little later.

Captain CARPENTER. I can only give you what was from my own opinion—what influenced me so far as the record was concerned. I excluded marital relations. This was an officer who should have been familiar with the rules and regulations after 20 years' service. That was the first time where it seems to me that he deviated from the normal.

Mr. BLANTON. If he had been permitted to take these different reports up seriatim and consecutively and his version of his rights under them, don't you think that it would have been proper procedure by you in letting him do that before reaching a conclusion on this report?

Captain CARPENTER. I realized that he had an opportunity to do so.

Mr. BLANTON. He had an opportunity after you filed your conclusions. You did file your official opinion?

Captain CARPENTER. That is true.

Dr. S. F. Acree, being duly sworn, testified as follows (questions and answers being reduced to narrative form):

My name is S. F. Acree, am 51 years old, entered State University of Texas in 1892, graduated there with degree of Bachelor of Science, then went to University of Chicago, where I received a Ph. D. in 1902, then spent 1903–4 in University of Berlin; I have been abroad five times, besides university work and chemical researches; I have been a teacher in Johns Hopkins University, and Wisconsin and Syracuse Universities. I have published over 100 articles in various lines of chemistry in which I have been interested. I have been invited to give numerous addresses, and I was invited to make an address before the Faraday Society of Great Britain. I have appeared in a number of lectures involving chemistry and I have been connected with the direction of two plants for the commercial development of some of my processes; I was acquainted with Commander Sandlin while he was under observation in the Naval Hospital here in Washington; from August to October, 1925, we were at the same boarding house; I have talked to Commander Sandlin a great deal on subjects of current interest; I have been interested in naval subjects; we were a great deal together socially, and we were better acquainted with them than with any other family here, and that intimacy still exists; I have had occasion to note the conduct of Commander Sandlin with regard to the condition of his mind, and my opinion is based on continual contact with the medical men of Johns Hopkins University, with whom I ate daily, taught medical students myself, having been on the staff of the Highland Hospital in Rochester, N. Y., having been friends of people interested in psychiatry in general; I did not even know at first, when I met Commander Sandlin, or for some time afterward that he was under observation in the Naval Hospital, and never suspected any such thing from any talk with him. I learned it after three months acquaintance with him, and I have carefully watched his talk. I did not observe anything abnormal about him. He was to my mind an unusually fine man. He never tried to force on us Christian Science, or any such ideas. He was very fair, indeed. When I learned that Commander Sandlin was in St. Elizabeths I went over there. To my astonishment I found that he was the same well-poised, fair-minded man I had known before; I believe that Commander Sandlin is of sound mind; I do not believe that he is potentially dangerous to society—not in the slightest; since he has been let out of St. Elizabeths he has been a free agent, going where he pleased, and doing what he pleased; I have been attracted to him; I do not believe there is anything in the world the matter with his mind; a psychiatrist, whom I know, says he believes every person is a paranoid; with regard to the suggestion that Commander Sandlin made to the Navy, there is not anything that would indicate an unsoundness of mind; I called on Congressman BLANTON, my old schoolmate, to see that my friend got justice; I feel that Commander Sandlin has been misunderstood because he expressed himself in an unusually brilliant way.

TESTIMONY OF MRS. RUBY J. ACREE

Without taking up more space will state that Mrs. Acree testified substantially to the same facts and conclusions as did her husband.

One of the leading professors in George Washington University on this subject testified before the hearing that for several weeks he had carefully observed Commander Sandlin with the purpose in view of determining whether he was of sound mind. That he had subjected him to every test known to psychiatrists and that he was convinced that Commander Sandlin is absolutely sane.

SWORN TESTIMONY OF DR. F. A. MOSS, HEAD OF THE DEPARTMENT OF PSYCHOLOGY, GEORGE WASHINGTON UNIVERSITY

I have studied Lieut. Commander Harry T. Sandlin almost daily for the last two weeks, during which time I have spent more than 50 hours going into all phases of his case. In addition to making a careful study of his history and giving him the usual subjective examination made by psychiatrists, I gave him a number of objective standardized tests with the hope of putting his case, in part at least, on a fact rather than an opinion basis.

In all the objective tests Mr. Sandlin's showing was that of a person with a normal mind. On the Army alpha test he made a score of 151, which is above the average for the officers in the Army and is 10 points above the average for university students. On the will temperament test his reactions were all within the normal limits. In his test for judgment in abstract relationships he shows a superior performance. His poorest showing was on the test calling for judgment in dealing with other people, and this defect, in my opinion, accounts in no small part for his present difficulty; for it is this shortcoming which often causes him to evaluate improperly the way others will interpret his acts. This, however, is not an indication of insanity, for some of our most intelligent people do not get along very well with others.

With the hope of discovering some objective evidence of his so-called "complexes," I gave him the association test devised for this purpose and described by Dr. William A. White on page 352 of his Outlines of Psychiatry. This test gave absolutely no indication either of an inferiority complex or of an abnormal attachment to his mother.

His neurological examination was negative. His family history showed no taint of insanity, and is what I would term a fairly normal family history. His previous personal history shows little of value in explaining the present difficulty, which really began with his first marriage and culminated in the recent court action in Boston.

At first I found it considerably difficult to reconcile some of his letters and telegrams with my other findings, but it is my opinion that the explanation of his present difficulty can be traced to his unfortunate marriage with the first Mrs. Sandlin. From the history it would seem that she is more or less of an adventuress, and that when they had separated she deliberately set about to cause him all the embarrassment possible. After several years of prolonged worry and uncertainty he finally succeeded in settling with her by paying her the lump sum of $6,400. But one and a half years after the final payment he found himself suddenly ordered to Boston to face a new action brought by her. At this time he had married again, and had two young children to support. His judgment in sending the letters and telegrams to Secretary Wilbur was admittedly poor, but I believe that these can be attributed in no small part to the excessive annoyance to which he was subjected by the tantalizing tactics of the first Mrs. Sandlin, who was aided by certain unsuspecting naval officers.

In spite of all the harassing that he has gone through he manifests at present no clear-cut symptoms of paranoia or of a paranoid state. He has no hallucinations, either visual or auditory. He neither has at present, nor has he had any "hypochondriacal ideas." No period of "marked emotional depression," no clear-cut "ideas of reference," no "delusions of explanation," and no greatly exaggerated feelings either of "self importance" or of "inferiority" can be found in the case. I was unable to find any "retrospective falsifications of memory," and I am positive that he has no mental deterioration. Yet all these, according to White's Outlines of Psychiatry, pages 109–113, are the signs by which one may recognize paranoia and paranoid states. His natural resentment at being thrown into an asylum for the insane might be termed an indication of a delusion of persecution, but his explanation of this feeling is too clear cut to permit one to believe that he has a definite, systematized delusional system, for he manifests no resentment at any particular individual, and only attributes his misfortune to the system under which he is working. Such being his attitude, I see nothing to make me suspect that he may do violence to any one, nor can I find any other reason for his being locked up in an asylum for the insane.

F. A. MOSS,
Head Department of Psychology,
George Washington University.

Subscribed and sworn to before me this 21st day of January, 1927.
[SEAL.] JAMES M. WOODWARD,
Notary Public, District of Columbia.

After I had appeared before the board four days, the counsel for the board raised the objection that I could no longer appear before said board in my representative capacity, and that if I appeared longer I would have to appear as attorney for Commander Sandlin. At the time he raised this objection he and the board had clearly explained to them that that would necessitate my not appearing longer, and the board knowing this sustained such exception and I appeared no farther.

And the board made the following entry in the record of the proceedings: "Counsel to the candidate thereupon abandoned his client."

The board knew that was a lie. In the first place Commander Sandlin was not my client, and in the second place I did not abandon him. And when this record went to the Judge Advocate General of the Navy he reprimanded the board severely for placing this unwarranted notation in the record.

And the board gave out to the press that it had banned my appearing before them. Not until the case was all over did the board furnish me any copy of the record for correction or otherwise, and on obtaining and inspecting a copy of it I find that the board put into it just what it wanted in, and left out of it just what it wanted left out. All that part where objection was made to my continuing except in the capacity of an attor-

ney was left out of the record. Four members of the board filed a report refusing to find Commander Sandlin of paranoid state, and recommending retirement in just the manner that I have requested them to report. But the chairman of the board, Captain Carpenter, "was of the same opinion still," and filed the following ridiculous—

MINORITY REPORT

I believe that Lieut. Commander Harry T. Sandlin, Supply Corps, United States Navy, is incapacitated for active service by reason of paranoid state; that his incapacity is permanent and is the result of an incident of the service.

DUDLEY N. CARPENTER,
Captain, Medical Corps, United States Navy, President.

And thus Commander Sandlin has been freed from St. Elizabeths, with no record left reflecting upon his sanity. In conclusion let me state that Congress should take immediate steps in the next session to take away from the heads of departments the power to send men to insane asylums by letter.

DEATH OF REPRESENTATIVE A. E. B. STEPHENS

The SPEAKER. In view of the fact that several gentlemen are going to be unable to attend the funeral of our late colleague, Mr. STEPHENS, the Chair will appoint Mr. CANFIELD a member of the committee.

ADJOURNMENT

Mr. HAUGEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 26 minutes p. m.) the House adjourned until to-morrow, Tuesday, February 15, 1927, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Tuesday, February 15, 1927, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON APPROPRIATIONS

(10.30 a. m.)

Second deficiency bill.

COMMITTEE ON BANKING AND CURRENCY

(10.30 a. m.)

To amend the Federal farm loan act (H. R. 15540).

COMMITTEE ON DISTRICT OF COLUMBIA

(10 a. m.)

To modify and amend the act creating the Public Utilities Commission of the District of Columbia (S. 3102).

COMMITTEE ON INSULAR AFFAIRS—JOINT MEETING WITH THE SENATE COMMITTEE ON TERRITORIES

(10.30 a. m.)

To create the Philippine leprosy commission and to provide facilities in the Philippine Islands for the care and treatment of persons afflicted with leprosy (H. R. 16618).

COMMITTEE ON VETERANS' LEGISLATION

(11 a. m.)

To authorize an appropriation to provide additional hospital and out-patient dispensary facilities for persons entitled to hospitalization under the World War veterans' act, 1924, as amended (H. R. 15663).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

968. A letter from the Secretary of the Treasury and the Postmaster General, transmitting report of the Secretary of the Treasury and Postmaster General containing a statement of the allocation of all public buildings deemed necessary to be constructed under the provisions of the public buildings act approved May 25, 1926, within the limits of said act (H. Doc. No. 710); to the Committee on Public Buildings and Grounds and ordered to be printed.

969. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the legislative establishment, United States Senate, for the fiscal year 1927, in the sum of $10,000 (H. Doc. No. 711); to the Committee on Appropriations and ordered to be printed.

970. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the legislative establishment under the Architect of the Capitol, for the fiscal year 1927, in the sum of $6,000 (H. Doc. No. 712); to the Committee on Appropriations and ordered to be printed.

971. A communication from the President of the United States, transmitting deficiency estimate of appropriation from the Post Office Department for the fiscal year ended June 30, 1926, $30,000, a supplemental estimate of appropriation for the fiscal year ending June 30, 1927, $23,000, in all, $53,000; also proposed legislation affecting the use of an existing appropriation (H. Doc. No. 713); to the Committee on Appropriations and ordered to be printed.

972. A communication from the President of the United States, transmitting supplemental estimate of appropriations for the Treasury Department for the fiscal year ending June 30, 1927, $22,500, and for the fiscal year ending June 30, 1928, $25,000; in all, $47,500 (H. Doc. No. 714); to the Committee on Appropriations and ordered to be printed.

973. A communication from the President of the United States, transmitting supplemental estimate of appropriations for the fiscal year ending June 30, 1927, to remain available until June 30, 1928, for the Department of the Interior, Bureau of Reclamation, amounting to $135,000 (H. Doc. No. 715); to the Committee on Appropriations and ordered to be printed.

974. A letter from the Secretary of the Navy, transmitting proposed draft of a bill for the relief of Miguel Pascual, a Spanish subject and resident of San Pedri do Macoris, Santo Domingo; to the Committee on Claims.

975. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the legislative establishment, United States Botanic Garden, in the sum of $876,398 (H. Doc. No. 673, pt. 2); to the Committee on Appropriations and ordered to be printed.

976. A communication from the President of the United States, transmitting deficiency estimate of appropriation for the Department of Justice for the fiscal year 1925 and prior years, amounting to $30,865.05, and supplemental estimates of appropriations for the fiscal year ending June 30, 1927, amounting to $2,182,833.20; in all, $2,213,698.25; also drafts of proposed legislation affecting existing appropriations (H. Doc. No. 716); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. SNELL: Committee on Rules. H. Res. 419. A resolution providing for the consideration of S. 1640, an act authorizing the Secretary of Agriculture to establish a national arboretum, and for other purposes; without amendment (Rept. No. 2068). Referred to the House Calendar.

Mr. VINSON of Kentucky: Committee on Military Affairs. S. J. Res. 156. A joint resolution authorizing the Secretary of War to lend tents and camp equipment for the use of the reunion of the United Confederate Veterans, to be held at Tampa, Fla., in April, 1927; without amendment (Rept. No. 2071). Referred to the House Calendar.

Mr. SNELL: Committee on Rules. H. Res. 421. A resolution providing for the consideration of S. 4808, an act to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities; without amendment (Rept. No. 2072). Referred to the House Calendar.

Mr. McCLINTIC: Committee on Naval Affairs. H. R. 16874. A bill relating to the admission of candidates to the Naval Academy; without amendment (Rept. No. 2073). Referred to the House Calendar.

Mr. DARROW: Committee on Naval Affairs. H. R. 9464. A bill to equalize the pay of certain officers of the Marine Corps with that of officers with corresponding service in the Navy; without amendment (Rept. No. 2075). Referred to the Committee of the Whole House on the state of the Union.

Mr. WAINWRIGHT: Committee on Military Affairs. S. 3614. An act authorizing an appropriation for the construction of a hard-surfaced road across Fort Sill (Okla.) Military Reservation; without amendment (Rept. No. 2076). Referred to the Committee of the Whole House on the state of the Union.

Mr. McSWAIN: Committee on Military Affairs. S. 4305. An act to authorize the sale, under provisions of the act of March 12, 1926 (Public, No. 45), of surplus War Department real property; with amendment (Rept. No. 2077). Referred to the Committee of the Whole House on the state of the Union.

Mr. JAMES: Committee on Military Affairs. H. R. 15529. A bill to transfer a portion of the lands of the military reservation of the Presidio of San Francisco to the Department of the Treasury; without amendment (Rept. No. 2078). Referred to the House Calendar.

Mr. WURZBACH: Committee on Military Affairs. S. 1483. An act to amend section 50½ and section 70 of the Articles of War; without amendment (Rept. No. 2081). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. VINCENT of Michigan: Committee on Claims. H. R. 16027. A bill authorizing the Court of Claims to hear and determine questions of law involved in the alleged erroneous collection of tonnage taxes in 1920 and 1921 on three vessels operated by the Standard Oil Co. of New Jersey under bareboat charter from a Danzig corporation; with amendment (Rept. No. 2069). Referred to the Committee of the Whole House.

Mr. SPEAKS: Committee on Military Affairs. H. R. 17014. A bill to correct the records of the War Department to show that Guy Carlton Baker and Calton C. Baker or Carlton C. Baker is one and the same person; without amendment (Rept. No. 2070). Referred to the Committee of the Whole House.

Mr. DREWRY: Committee on Naval Affairs. S. 4683. An act granting permission to Commander Jules James, United States Navy, to accept the decoration of the legion of honor tendered him by the Republic of France; without amendment (Rept. No. 2074). Referred to the Committee of the Whole House.

Mr. MORIN: Committee on Military Affairs. H. J. Res. 295. A joint resolution to waive age of Paul R. Sutherland, United States Army; with amendment (Rept. No. 2079). Referred to the Committee of the Whole House.

Mr. REECE: Committee on Military Affairs. H. R. 15633. A bill to correct military record of John W. Cleavenger, deceased; without amendment (Rept. No. 2080). Referred to the Committee of the Whole House.

Mr. REECE: Committee on Military Affairs. H. R. 9855. A bill for the relief of Kennedy F. Foster; without amendment (Rept. No. 2082). Referred to the Committee of the Whole House.

Mr. REECE: Committee on Military Affairs. H. R. 15178. A bill for the relief of Charlie R. Pate; with amendment (Rept. No. 2083). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 16979) granting an increase of pension to Mae E. Garrison; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 16932) granting an increase of pension to Charles Mitchell; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WOOD: A bill (H. R. 17128) granting the consent of Congress to the State of Indiana, its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River, and permitting the State of Kentucky to act jointly with the State of Indiana in the construction, maintenance, and operation of said bridge; to the Committee on Interstate and Foreign Commerce.

By Mr. BRAND of Ohio: A bill (H. R. 17129) to amend the tariff act of 1922 by transferring rag pulp from the free list to the dutiable list; to the Committee on Ways and Means.

By Mr. HAWLEY: A bill (H. R. 17130) to conserve the revenues from medicinal spirits and provide for the effective Government control of such spirits, to prevent the evasion of taxes, and for other purposes; to the Committee on Ways and Means.

By Mr. SWEET: A bill (H. R. 17131) authorizing the construction of a bridge across the St. Lawrence River near Alexandria Bay, N. Y.; to the Committee on Interstate and Foreign Commerce.

By Mr. ZIHLMAN (at the request of the Commissioners of the District of Columbia): A bill (H. R. 17132) authorizing the use of land owned by the United States in the District of Columbia for highway purposes; to the Committee on the District of Columbia.

By Mr. DEAL: A bill (H. R. 17133) granting the consent of Congress to the James River Bridge Corporation, and its successors and assigns, to construct, maintain, and operate bridges across the James River, Chuckatuck Creek, and Nansemond River; to the Committee on Interstate and Foreign Commerce.

By Mr. RANKIN: A bill (H. R. 17134) authorizing an appropriation of $100,000 for the purchase of feed and seed to be supplied to farmers in the flood-stricken areas of the Tombigbee River Valley in Mississippi and Alabama; to the Committee on Agriculture.

By Mr. EVANS: A bill (H. R. 17135) providing that funds appropriated for the care and relief of Indians of Montana under the direction of the Secretary of the Interior shall be expended through certain public agencies of the State of Montana; to the Committee on Indian Affairs.

By Mr. KEMP: A bill (H. R. 17136) granting the consent of Congress to the Baton Rouge-Mississippi River Co., its successors and assigns, to construct, maintain, and operate a toll bridge across the Mississippi River at Baton Rouge, La.; to the Committee on Interstate and Foreign Commerce.

By Mr. ZIHLMAN: A bill (H. R. 17137) to regulate the commitment to and discharge from St. Elizabeths Hospital of persons certified by heads of departments and establishments; to the Committee on the Judiciary.

By Mr. FULMER: A bill (H. R. 17138) authorizing an appropriation to enable the Secretary of Agriculture to cooperate with the South Carolina agricultural experiment station; to the Committee on Agriculture.

By Mr. GIBSON: A bill (H. R. 17139) to remove residence restrictions in respect of District of Columbia officials appointed by the President; to the Committee on the District of Columbia.

By Mr. JOHNSON of South Dakota: A bill (H. R. 17140) to authorize the transfer of the National Homes for Disabled Volunteer Soldiers to the United States Veterans' Bureau; to the Committee on Military Affairs.

Also, a bill (H. R. 17141) to amend the World War veterans' act, 1924; to the Committee on World War Veterans' Legislation.

By Mr. KIESS: A bill (H. R. 17142) to amend section 4 of the act entitled "An act to provide a temporary government for the Virgin Islands, and for other purposes," approved March 3, 1917; to the Committee on Insular Affairs.

By Mr. MADDEN: Joint resolution (H. J. Res. 359) making an appropriation for the eradication or control of the European corn borer; to the Committee on Appropriations.

By Mr. WOOD: Joint resolution (H. J. Res. 360) authorizing the Comptroller General of the United States to consider, adjust, and settle the claim of the Indiana State Militia for military service on the Mexican border; to the Committee on War Claims.

By Mr. KELLY: Concurrent resolution (H. Con. Res. 52) providing for the celebration of the one hundred and fiftieth anniversary of the adoption of the American flag; to the Committee on the Judiciary.

By Mr. SNELL: Resolution (H. Res. 419) providing for the consideration of S. 1640, an act authorizing the Secretary of Agriculture to establish a national arboretum, and for other purposes; to the Committee on Rules.

By Mr. MOORE of Ohio: Resolution (H. Res. 420) granting additional compensation to all employees of the House folding room; to the Committee on Accounts.

By Mr. GRAHAM: Resolution (H. Res. 422) providing for the consideration of certain bills providing for the appointment of certain additional judges; to the Committee on Rules.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the Legislature of the State of Oregon, urging the enactment of legislation creating a farmer's export corporation to dispose of normal surplus of basic farm commodities at the expense of all producers of such crops; to the Committee on Agriculture.

Memorial of the Legislature of the State of Utah, urging the passage of Senate bill 5454; to the Committee on Agriculture.

Memorial of the Legislature of the State of New York, requesting passage of House bill 6238 amended so that the wives and unmarried children under the age of 18 years of resident aliens who have declared their intention to become citizens of the United States may be admitted as nonquota immigrants; to the Committee on Immigration and Naturalization.

Memorial of the Legislature of the State of Illinois, requesting enactment of legislation for the disabled emergency Army officers; to the Committee on World War Veterans' Legislation.

By Mr. ALDRICH: Memorial of the Legislature of the State of Rhode Island, recommending a readjustment of the immigration act; to the Committee on Immigration and Naturalization.

By Mr. SINNOTT: Memorial of the Legislature of the State of Oregon, with reference to public development of the water power of the Columbia River; to the Committee on Rivers and Harbors.

By Mr. LEATHERWOOD: Memorial of the Legislature of the State of Utah, recommending the passage of Senate bill 5454; to the Committee on Agriculture.

By Mr. IRWIN: Memorial of the Legislature of the State of Illinois, memorializing Congress to enact legislation to provide for the retirement of disabled emergency Army officers of the World War; to the Committee on World War Veterans' Legislation.

By Mr. ALLEN: Memorial of the Legislature of the State of Illinois, memorializing Congress to enact legislation to provide for the retirement of disabled emergency Army officers of the World War; to the Committee on World War Veterans' Legislation.

By Mr. O'CONNELL of New York: Memorial of the Legislature of the State of New York, favoring the Wadsworth amendment to H. R. 6238; to the Committee on Immigration and Naturalization.

By Mr. O'CONNOR of New York: Memorial of the Legislature of the State of New York, favoring passage of H. R. 6238, to amend the immigration act of 1924; to the Committee on Immigration and Naturalization.

By Mr. CULLEN: Memorial of the Legislature of the State of New York, urging amendment to immigration act of 1924 so that the wives and unmarried children under the age of 19 years of resident aliens who have declared their intention to become citizens of the United States may be admitted as nonquota immigrants; to the Committee on Immigration and Naturalization.

By Mr. JOHNSON of Indiana: Memorial of the Legislature of the State of Indiana, requesting the repeal of the Federal estate inheritance tax; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON: A bill (H. R. 17143) granting a pension to Annie E. Gargus; to the Committee on Invalid Pensions.

By Mr. CROWTHER: A bill (H. R. 17144) granting a pension to Mary A. Kennedy; to the Committee on Invalid Pensions.

By Mr. FULMER: A bill (H. R. 17145) for the relief of James Earl Briggman; to the Committee on Military Affairs.

By Mr. GREEN of Florida: A bill (H. R. 17146) for the relief of T. J. Taylor; to the Committee on World War Veterans' Legislation.

By Mr. JOHNSON of Indiana: A bill (H. R. 17147) granting an increase of pension to John Stringer; to the Committee on Pensions.

By Mr. LINTHICUM: A bill (H. R. 17148) for the relief of the Fidelity & Deposit Co. of Maryland; to the Committee on Claims.

By Mr. MILLIGAN: A bill (H. R. 17149) for the purchase of land as a rifle range in Clay County, Mo.; to the Committee on Military Affairs.

By Mr. PARKS: A bill (H. R. 17150) providing for the examination, survey, widening, and deepening of the channel of the Ouachita River from Camden, Ark., to a point north of Arkadelphia, Ark.; to the Committee on Rivers and Harbors.

By Mr. SWEET: A bill (H. R. 17151) for the relief of Isaac Fink; to the Committee on Claims.

By Mr. TABER: A bill (H. R. 17152) granting a pension to Abram J. Vandebrook; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6659. By Mr. AYRES: Petition of citizens of Wichita, Kans., that the science of chiropractic be made available to disabled veterans; to the Committee on World War Veterans' Legislation.

6660. Also, petition of citizens of Wellington, Kans., in behalf of pension legislation for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6661. By Mr. BARBOUR: Petition of residents of Stanislaus County, Calif., protesting against House bill 10311, known as the Sunday rest bill; to the Committee on the District of Columbia.

6662. By Mr. BLOOM: Petition of New York State Federation of Labor, requesting enactment of longshoremen's compensation bill into law, and protesting against any amendment to the bill seeking to fix a definite maximum amount of death or permanent total disability benefits; to the Committee on the Judiciary.

6663. Also, petition of board of aldermen, city of New York, requesting passage of bill helping veterans to get loans on soldiers' bonus certificates; to the Committee on World War Veterans' Legislation.

6664. By Mr. BOWLES: Petition signed by residents of Easthampton, Mass., urging that immediate action be taken to increase the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6665. By Mr. BURTON: Memorial of Ladies Social Union, Archwood Congregational Church, Cleveland, Ohio, asking the Congress to use best efforts for pacific settlement of the difficulties which have arisen between our Government and the Government of Nicaragua, and favoring settlement between Mexico and our Government by conference and arbitration; to the Committee on Foreign Affairs.

6666. By Mr. CULLEN: Resolution of the Chamber of Commerce of Amsterdam, N. Y., favoring all-American route and protesting against the construction of the St. Lawrence waterway; to the Committee on Rivers and Harbors.

6667. Also, resolution adopted by the Veterans Association of Federal Employees on February 8, 1927, Brooklyn, N. Y., relative to matter of securing the necessary work that will permit steady employment of the navy yard force; to the Committee on Naval Affairs.

6668. By Mr. CROWTHER: Petition of citizens of Northampton, N. Y.; to the Committee on Invalid Pensions.

6669. By Mr. DICKINSON of Missouri: Petition by 30 citizens of the sixth district of Missouri, urging the immediate passage of a bill to increase the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6670. By Mr. DRIVER: Petition signed by citizens of Caraway, Ark., urging passage of legislation for the relief of the Civil War veterans, their widows, and dependents; to the Committee on Invalid Pensions.

6671. By Mr. FENN: Resolutions adopted by the American Legion, Department of Connecticut, at its eighth annual convention, held in New Haven, Conn., indorsing House bill 4548, a bill making eligible for retirement under certain conditions officers and former officers of the World War, other than officers of the Regular Army, who incurred physical disability in the line of duty while in the service of the United States during the World War; to the Committee on Military Affairs.

6672. Also, petitions of 30 citizens of New Britain, Conn.; 54 citizens of Southington, Conn.; 39 citizens of Manchester, Conn.; 16 citizens of Hartford, Conn.; 5 citizens of Glastonbury, Conn.; all favoring the increase of pensions for veterans of the Civil War, their widows, and orphans; to the Committee on Invalid Pensions.

6673. By Mr. ROY G. FITZGERALD: Petition of Oakland (Calif.) Chamber of Commerce, urging allowance of rule to permit vote on House bill 4548, for retirement of disabled emergency officers of World War; to the Committee on Rules.

6674. Also, petition of Lions Club of Santa Monica, Calif., urging the immediate vote on House bill 4548, to correct unjust discrimination against disabled emergency Army officers; to the Committee on Rules.

6675. Also, petition of Venice branch, Los Angeles Chamber of Commerce, unanimously indorsing House bill 4548 and urging the House of Representatives to have an immediate vote on this bill to correct unjust discrimination against disabled emergency Army officers; to the Committee on Rules.

6676. By Mr. GALLIVAN: Petition of Frank R. Shepard, vice president, General Baking Co., 62 Bunker Hill Street, Charlestown, Mass., protesting against the McNary-Haugen bill as being economically unsound and impractical; to the Committee on Agriculture.

6677. Also, petition of Harry W. Lappin, Thomas J. Murphy, Peter J. Connolly, Joseph F. Roach, Peter V. Belloth, George H. Canniff, Leon L. Lothrop, James Pontreso, Solomon Sochmin, John Leahy, Joseph P. Sella, Timothy F. Riley, John J. Sullivan, John F. Sullivan, Martin F. Dillon, Frank E. Larkin, Joseph E. O'Neil, Joseph A. DeFreitas, John F. Blake, all of the twelfth Massachusetts congressional district, urging favorable consideration of legislation to rescind clause in World War veterans' act reducing compensation from $80 to $40 per month to those veterans, without dependents, who are being maintained in United States Veterans' Hospitals; also urging favorable consideration of the Rogers bill providing dependency allowance for those veterans who are totally and permanently

disabled; also favorable consideration of the Tyson-Fitzgerald bill, providing for the retirement of emergency Army officers; to the Committee on World War Veterans' Legislation.

6678. By Mr. GARBER: Petition of M. D. Green, general attorney for Oklahoma, Missouri-Kansas-Texas Railroad Co., urging opposition to the Kelly bill (H. R. 4475), providing for railway post-office cars of steel construction; to the Committee on the Post Offices and Post Roads.

6679. Also, letters from Roy Crane, Alva, Okla.; John F. Parr, Byron, Okla.; H. J. Bowman, Ames, Okla.; and A. T. Whitworth, Carmen, Okla., expressing approval of the Haugen bill (H. R. 15474); to the Committee on Agriculture.

6680. Also, petition of the directors of the American Cotton Shippers' Association, expressing opposition to the passage of the McNary-Haugen bill (H. R. 15474); to the Committee on Agriculture.

6681. By Mr. HALL of Indiana: Petition of Louis Nelp, James Middleton, and nine other citizens of Peru, Ind., urging a Civil War pension bill to care for the veterans and widows; to the Committee on Invalid Pensions.

6682. By Mr. HAWLEY: Petition of citizens of Newberg, Oreg., and Ashland, Oreg., to Congress to bring to a vote the Civil War pension bill; to the Committee on Invalid Pensions.

6683. Also, petitions of residents of Yamhill and Washington Counties, Oreg., and of Ashland, Oreg., to Congress to bring to a vote legislation granting further relief to veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6684. Also, petition of residents of Amity, Oreg., to Congress to bring to a vote legislation granting further relief to widows and veterans of the Civil War; to the Committee on Invalid Pensions.

6685. By Mr. HERSEY: Petition of Mrs. Minnie B. Russell and 81 other residents of Dexter, Me., urging passage of Civil War pension bill to aid the veterans and widows of veterans; to the Committee on Invalid Pensions.

6686. By Mr. HOGG: Petition of D. C. Ransburg and 40 other Civil War veterans, widows, and citizens of Pleasant Lake, and Steuben County, Ind., asking that immediate steps be taken toward the liberalization of the pension laws; to the Committee on Invalid Pensions.

6687. Also, petition of Mrs. Candace J. Carr and 135 other Civil War veterans, widows, and citizens of Ashley, and Steuben and De Kalb Counties, Ind., asking that immediate steps be taken toward the liberalization of the pension laws; to the Committee on Invalid Pensions.

6688. By Mr. HOOPER: Petition of M. Diehl and 32 other residents of Vermontville, Mich., in favor of pending legislation to increase the present rates of pension of Civil War veterans, widows of veterans, and dependents; to the Committee on Invalid Pensions.

6689. Also, petition of Mrs. Mary Milbourn and 34 other residents of Potterville, Mich., in favor of pending legislation to increase the present rates of pension of Civil War veterans, widows of veterans, and dependents; to the Committee on Invalid Pensions.

6690. By Mr. WILLIAM E. HULL: Petition of Mr. B. C. Colborn and other citizens of Peoria, Ill., urging immediate and favorable consideration of the Elliott pension bill for the relief of Civil War veterans and their dependents; to the Committee on Invalid Pensions.

6691. Also, petition of Miss Rosina Goebel and other citizens of Peoria, Ill., urging immediate and favorable consideration of the Elliott pension bill for the relief of Civil War veterans and their dependents; to the Committee on Invalid Pensions.

6692. Also, petition of Mrs. Norma Klocbenger and other citizens of Pekin, Ill., urging immediate and favorable consideration of the Elliott pension bill for the relief of Civil War veterans and their dependents; to the Committee on Invalid Pensions.

6693. Also, petition of Mr. Otto P. Boers and other citizens of Lacon, Ill., urging immediate and favorable consideration of the Elliott pension bill for the relief of Civil War veterans and their dependents; to the Committee on Invalid Pensions.

6694. By Mr. IRWIN: Petition of J. M. Wylie and 42 other residents of Washington County, Ill., praying that Congress propose an amendment to the Federal Constitution that shall suitably acknowledge Almighty God as the source of all authority and power in civil government; to the Committee on the Judiciary.

6695. By Mr. JOHNSON of Indiana: Petition of numerous citizens of Vigo County, Ind., for increase of Civil War pensions; to the Committee on Invalid Pensions.

6696. By Mr. KIESS: Petition from citizens of Mansfield, Pa., favoring the passage of the Elliott pension bill; to the Committee on Invalid Pensions.

6697. By Mr. KINDRED: Resolution of the Veterans' Association of Federal Employees (Inc.) petitioning the Secretary of the Navy, each Member of Congress, and the Senators from New York State, the county leaders, and the Republican State chairman to use their utmost endeavors to secure the necessary work that will permit of the steady employment of the navy-yard force and the maintaining of that efficiency which has so highly characterized the Brooklyn Navy Yard in the past; to the Committee on Naval Affairs.

6698. By Mr. LETTS: Petition of O. A. Mitchell and nine other citizens of Iowa City, Iowa, urging immediate steps be taken to bring to a vote the Civil War pension bill; to the Committee on Invalid Pensions.

6699. By Mr. LINTHICUM: Petition of Schley Unit, No. 37, Steuben Society of America, Baltimore, requesting favorable action on Senate Joint Resolution 153; to the Committee on Immigration and Naturalization.

6700. Also, petition of Hessberg, Morris & Gunst, of Baltimore, requesting support of the Swing-Johnson bill; to the Committee on Irrigation and Reclamation.

6701. Also, petitions of John S. Bridges & Co., the Horn-Shafter Co., the Whitaker Paper Co., the Baltimore, Maryland, Engraving Co., Hess Printing Co., the Baxter Paper Co., the Wm. F. Jones Co., J. E. Gerding Co., and Summers Printing Co., all of Baltimore, Md., re House bill 13446; also Varsity Underwear Co., Baltimore, Md., regarding Cuban parcel post bill; to the Committee on the Post Office and Post Roads.

6702. By Mr. LOZIER: Petition of numerous citizens of Brookfield, Mo., urging the enactment of certain pension legislation for veterans of the Civil War and their dependents; to the Committee on Invalid Pensions.

6703. Also, petition of numerous citizens of Monroe County, Mo., urging the enactment of certain pension legislation for veterans of the Civil War and their dependents; to the Committee on Invalid Pensions.

6704. By Mr. LUCE: Resolutions of citizens of Franklin, Mass., regarding the Mexican situation; to the Committee on Foreign Affairs.

6705. Also, petition of citizens of Waltham, Mass., urging passage of a bill to increase pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6706. By Mr. McCLINTIC: Petition of 32 voters of Ellic County, praying for the passage of a bill to increase the pensions of Civil War veterans, their widows, and dependents; to the Committee on Invalid Pensions.

6707. By Mr. McLAUGHLIN of Michigan: Petitions of Myrtle Golland and 47 residents of Hart, Mich., and Mrs. Orpha Conklin and 111 residents of Frankfort, Mich., urging that immediate steps be taken to bring to a vote the Civil War pension bill; to the Committee on Invalid Pensions.

6708. By Mr. McREYNOLDS: Petition of the voters of Hamilton County, Tenn., requesting immediate consideration of the bill for the relief of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6709. Also, petition of the voters of Monroe County, Tenn., requesting immediate consideration of the bill for the relief of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6710. Also, petition of the voters of Hixson, Hamilton County, Tenn., requesting immediate consideration of the bill for the relief of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6711. By Mr. McSWEENEY: Petition of the citizens of Limaville, Ohio, requesting immediate action on proposed legislation for the further relief of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6712. Also, petition of the citizens of Alliance, Ohio, requesting immediate action on proposed legislation for the relief of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6713. By Mr. MAJOR: Petition of citizens of Pleasant Hope, Mo., urging passage of Civil War pension bill providing increases of pension for needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

6714. Also, petition of citizens of Springfield, Mo., urging passage of Civil War pension bill providing increases of pension for needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

6715. By Mr. MANLOVE: Petition of Mrs. Mary A. Buzzard, Mr. and Mrs. T. G. Watson, and 12 other residents of Newton County, Mo., urging the passage of a Civil War pension bill which will bring relief to veterans and widows of veterans; to the Committee on Invalid Pensions.

6716. By Mr. MAPES: Petition of 14 residents of Grand Rapids, Mich., and vicinity, recommending the enactment by Congress of additional legislation for the benefit of veterans of

the Civil War and their dependents; to the Committee on Invalid Pensions.

6717. By Mr. MONTAGUE: Petition of citizens of Virginia, favoring an increase in Civil War pensions; to the Committee on Invalid Pensions.

6718. By Mr. MOONEY: Petition from the Ladies Social Union, Archwood Congregational Church, Cleveland, Ohio, urging peaceful settlement of the differences between the Government of the United States and the Government of Mexico and Nicaragua; to the Committee on Foreign Affairs.

6719. By Mr. MOORE of Ohio: Petition favoring the passage of House bill 10311, known as the Sunday rest bill for the District of Columbia; to the Committee on the District of Columbia.

6720. Also, petition favoring legislation for the further relief of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6721. By Mr. O'CONNELL of New York: Petition of the New York State Federation of Labor, favoring the passage of Senate bill 3170, longshoremen compensation bill; to the Committee on the Judiciary.

6722. Also, petition of George C. Diekman, president, New York State Pharmaceutical Association, protesting against legislation requiring label to show distillers' price to retail pharmacists and restricting manufacture of new whisky to six distillers; to the Committee on Ways and Means.

6723. Also, petition of veterans of the United States Veterans' Hospital, Livermore, Calif., favoring the passage of House bill 16019; to the Committee on World War Veterans' Legislation.

6724. Also, petition of the Board of Trade of Kansas City, Mo., opposing the passage of the McNary-Haugen bill; to the Committee on Agriculture.

6725. Also, petition of the United Mine Workers of America, in convention assembled, favoring the investigation thoroughly of the relation of freight-rate discrimination to the extreme depression of the coal industry in Indiana, Ohio, Pennsylvania, and Illinois and the adequacy of existing law to afford relief; to the Committee on Ways and Means.

6726. By Mr. PATTERSON: Memorial of the Private Soldiers and Sailors' Legion of the United States, protesting against the passage of House bill 4548 and Senate bill 3027, providing for the retirement of disabled emergency officers; to the Committee on World War Veterans' Legislation.

6727. Also, memorial of the New Jersey Branch of the Catholic Central Verein of America, petitioning for repeal of paragraph 11 of the immigration act of July 1, 1924; to the Committee on Immigration and Naturalization.

6728. By Mr. REID of Illinois: Petition of citizens of Elgin, Ill., urging passage of Civil War pension legislation; to the Committee on Invalid Pensions.

6729. By Mr. SNELL: Petition of chamber of commerce, Amsterdam, N. Y., against proposed St. Lawrence waterway; to the Committee on Rivers and Harbors.

6730. By Mr. STRONG of Pennsylvania: Petition of citizens of Indiana, Pa., also of Jefferson County, Pa., urging immediate action on the pending bill to provide an increase of pension for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6731. Also, petition of citizens of Indiana, Pa., against compulsory Sunday observance; to the Committee on the District of Columbia.

6732. By Mr. SWARTZ: Petition of W. J. L. Haines and others, of Mechanicsburg, Pa., favoring early consideration of pension legislation for the further relief of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6733. Also, petition of citizens of Harrisburg, Pa., favoring consideration of further pension legislation for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6734. By Mr. SWING: Petition of certain residents of San Diego, Calif., urging the passage by Congress of a bill granting increased pensions to Civil War veterans and the widows of Civil War veterans; to the Committee on Invalid Pensions.

6735. Also, petition of certain residents of California, urging the passage by Congress of a bill granting increased pensions to Civil War veterans and the widows of Civil War veterans; to the Committee on Invalid Pensions.

6736. By Mr. TEMPLE: Petition of a number of residents of Greene County, Pa., in support of legislation increasing rate of pension to veterans of the Civil War and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

6737. Also, testimony in support of House bill 17107, granting a pension to Margaret Crawford; to the Committee on Invalid Pensions.

6738. By Mr. THATCHER: Petitions of citizens of Louisville, Ky., urging passage of Civil War pension bill for relief of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6739. By Mr. TINKHAM: Petition of National Lincoln-Douglass Colored American Conference, protesting against being denied civil and political rights in violation of section 1, article 14, of the amendments to the Federal Constitution; to the Committee on the Judiciary.

6740. By Mr. TOLLEY: Petition of 54 citizens of Fish Eddy, Delaware County, N. Y., for an immediate liberalization of Civil War pension laws; to the Committee on Invalid Pensions.

6741. By Mr. VOIGT: Petition of 123 citizens of Portage, Wis., urging Civil War pension legislation; to the Committee on Invalid Pensions.

6742. By Mr. WELSH of Pennsylvania: Petition of the employees of the United States post office and courthouse at Philadelphia, Pa., in support of House bill 359 and Senate bill 1077, to abolish the personnel classification board and transfer its duties to the Civil Service Commission; to the Committee on the Civil Service.

6743. By Mr. WILLIAMSON: Petition of Dora F. Rathburn, Sarah M. Johnson, Mrs. Flora Williams, and sundry other persons, praying for an increase of pension for soldiers and widows of soldiers who served in the Civil War; to the Committee on Invalid Pensions.

6744. By Mr. ZIHLMAN: Petition of citizens of Frederick, Md., urging immediate action and support of the Civil War pension bill to provide relief for needy veterans and widows of veterans; to the Committee on Invalid Pensions.

SENATE

TUESDAY, *February 15, 1927*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Gracious God, Thou hast made us for Thyself, and Thou hast given unto us a soul which craves after Thee. We humbly beseech Thee this morning that whatever may be the uncertainties of life we may each day realize the necessity of earnestness of purpose and fulfill each one in his capacity the great essentials of high endeavor. Lord, our God, be with us. Enable us to understand the times and know what the people need. We ask in Jesus Christ's name. Amen.

The Chief Clerk proceeded to read the Journal of yesterday's proceedings when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed without amendment the bill (S. 5259) granting permission to Maj. Charles Beatty Moore, United States Army, to accept the following decorations, namely: The Legion of Honor tendered him by the Republic of France and the officers' cross of the order Polonia Restituta, tendered him by the Republic of Poland.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were thereupon signed by the Vice President:

H. R. 1231. An act for the relief of Mary Moore;

H. R. 3432. An act for the relief of Joel C. Clore; and

H. R. 9319. An act to authorize certain officers of the United States Navy to accept from the Republic of Chile the Order of Merit, first class, and the Order of Merit, second class.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on the Judiciary:

FORTY-SEVENTH SESSION CALIFORNIA LEGISLATURE,
Assembly Chamber, Sacramento.

Assembly Joint Resolution 2, relating to the time when Members elected to Congress shall take their seats—adopted by the Legislature of the State of California, January 21, 1927

Whereas under the existing conditions, newly elected Members of Congress do not take their seats in Congress, unless at a special session, until the elapse of more than a year after their election; and

Whereas Members of Congress who are not reelected continue to serve and vote for their constituents for the duration of the short session of Congress although their successors have been elected; and

Whereas such conditions are not productive of the best interests of the people of the United States: Therefore be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California earnestly peti-

tions Congress to submit a constitutional amendment to the several States which would provide that Members of Congress should take their seats within a short time after their election; and be it further

Resolved, That the chief clerk of the assembly is hereby directed to send copies of this resolution to the President and Vice President of the United States, to each Member of the Senate and House of Representatives of the United States and to the governors of each of the several States.

EDGAR C. LEVEY, *Speaker.*

Attest:

ARTHUR A. OHNIMUS, *Chief Clerk.*

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Montana, which was referred to the Committee on the Judiciary:

STATE OF MONTANA,
OFFICE OF THE GOVERNOR,
Helena, February 11, 1927.

The honorable the VICE PRESIDENT,
Senate Chamber, Washington, D. C.

SIR: I have the honor to transmit herewith certified copy of House Joint Resolution No. 2, passed by the twentieth Legislative Assembly of the State of Montana, ratifying an amendment to the Constitution of the United States, granting to the Congress of the United States the power to limit, regulate, and prohibit the labor of persons under 18 years of age.

I have the honor to be, sir,

Yours very truly, J. E. ERICKSON, *Governor.*

UNITED STATES OF AMERICA,
State of Montana, ss:

I, C. T. Stewart, secretary of state of the State of Montana, do hereby certify that the following is a true and correct copy of an act entitled "A resolution ratifying an amendment to the Constitution of the United States, granting to the Congress of the United States the power to limit, regulate, and prohibit the labor of persons under 18 years of age," enacted by the twentieth session of the Legislative Assembly of the State of Montana and approved by J. E. Erickson, governor of said State, on the 11th day of February, 1927.

In testimony whereof I have hereunto set my hand and affixed the great seal of said State.

Done at the city of Helena, the capital of said State, this 11th day of February, A. D. 1927.

[SEAL.] C. T. STEWART,
Secretary of State.
By CLIFFORD L. WALKER,
Deputy.

House Joint Resolution 2, introduced by Curran, ratifying an amendment to the Constitution of the United States, granting to the Congress of the United States the power to limit, regulate, and prohibit the labor of persons under 18 years of age

To the honorable Senate and House of Representatives of the United States in Congress assembled:

Whereas it has been resolved by the Senate and House of Representatives of the Sixty-eighth Congress of the United States in Congress assembled (two-thirds of each House concurring therein) that the following article be proposed to the legislatures of the several States as an amendment to the Constitution of the United States, which when ratified by three-fourths of the said legislatures shall be valid as part of said Constitution, namely:

"ARTICLE —

"SECTION 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

"SEC. 2. The power of the several States is unimpaired by this article except that the operation of State laws shall be suspended to the extent necessary to give effect to legislation enacted by the Congress": Therefore be it

Resolved by the Senate and House of Representatives of the State of Montana, That the said proposed amendment to the Constitution of the United States of America be, and the same is hereby, ratified by the Legislature of the State of Montana; and further be it

Resolved, That certified copies of this resolution be forwarded by the governor of this State to the Secretary of State at Washington, D. C., and to the presiding officers of each House of the National Congress.

G. T. DAVIS,
Speaker of the House.
W. S. MCCORMACK,
President of the Senate.

Approved February 11, 1927.

J. E. ERICKSON, *Governor.*

Filed February 11, 1927, at 11.05 o'clock a. m.

C. T. STEWART,
Secretary of State.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Nevada, which was referred to the Committee on Public Lands and Surveys:

STATE OF NEVADA, DEPARTMENT OF STATE,
Carson City, Nev., February 10, 1927.

PRESIDENT OF THE SENATE,
Washington, D. C.

DEAR MR. PRESIDENT: In accordance with the instructions of the Legislature of the State of Nevada, I herewith inclose certified copy of Senate Joint Resolution No. 4.

Yours truly,

W. G. GREATHOUSE,
Secretary of State.

Senate joint resolution memorializing the Congress of the United States in opposition to the passage of H. R. 16168, a bill to authorize the issuance of patent for lands containing deposits of copper and associated minerals, and for other purposes

Whereas there is now pending before the Congress of the United States a certain bill or act known as H. R. 16168, authorizing the issuance of patent for lands containing deposits of copper and associated minerals, and for other purposes; and

Whereas it appears from the terms of said bill that the benefits intended to be conferred upon bona fide prospectors, miners, and mining companies engaged in the development of that industry might easily be usurped by designing land grabbers seeking to exploit the resources of our State to the detriment of those justly entitled thereto; and

Whereas we fear that the passage of this bill will be inimical to the mining industry of the United States: Be it

Resolved by the Senate and Assembly of the State of Nevada, That we respectfully memorialize and petition the Congress of the United States to oppose and defeat the passage of said H. R. 16168; and be it further

Resolved, That copies of this resolution, duly authenticated, be transmitted forthwith by the secretary of state of the State of Nevada to the President of the United States Senate and to the Speaker of the House of Representatives and to each of our Senators and to our Representative in Congress.

MORLEY GRISWOLD,
President of the Senate.
V. R. MERIALDO,
Secretary of the Senate.
DOUG. H. TANDY,
Speaker of the Assembly.
JOHN W. WRIGHT,
Chief Clerk of the Assembly.

STATE OF NEVADA,
Department of State, ss:

I, W. G. Greathouse, the duly elected, qualified, and acting secretary of state of the State of Nevada, do hereby certify that the foregoing is a true, full, and correct copy of the original Senate Joint Resolution 4 now on file and of record in this office.

In witness whereof, I have hereunto set my hand and affixed the great seal of state, at my office, in Carson City, Nev., this 10th day of February, A. D. 1927.

[SEAL.] W. G. GREATHOUSE,
Secretary of State.

Mr. GILLETT presented the petition of the National Lincoln-Douglass Colored American Conference, which was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

Lincoln-Douglass petition to the Senate of the United States Congress by the National Lincoln-Douglass Colored American Conference, February 14, 1927

The honorable Members of the Senate:

For a long time colored American citizens of the United States have been especially denied civil and political rights, in violation of section 1, Article XIV, of the amendments to the Federal Constitution, which states that no State shall "deny to any person within its jurisdiction the equal protection of the laws."

These civil and political disabilities imposed upon our people have increased as we have receded from the Civil War, a war brought to the happy consummation of freedom and civil equality by President Lincoln, the Emancipator, and Frederick Douglass, the colored abolitionist—they have increased, although we have made great progress in many directions.

Chief among these disabilities is the wholesale disfranchisement of millions of our people who are without voice or vote in the selection of their representatives to the Federal and State legislatures, which they are taxed to support.

Deprived of the ballot and unable to register their will at the ballot box, they have become the prey of lawless men and communities, and frequently the victim of mob murder.

Our people live in a state of uncertainty and of dread in many communities, due to the fact that the corrective power of Congress to enact remedial legislation has thus far failed to materialize.

If the Government of the United States was one-sided at and after its creation in 1789, in so far as it related to people of color, most of whom were held as slaves at the time, by the enactment of the thirteenth, fourteenth, and fifteenth amendments to the Federal Constitution, its one-sidedness was corrected and national practices for a time squared with national professions and pretensions.

The Union had been defended by many brigades of colored soldiers, enlisted by President Lincoln, recruited by Frederick Douglass, saviors of the Republic, and the great political leaders of the period rounded out the Federal Constitution in such manner as to make it conform to the principles set forth in the Declaration of Independence, which they with Lincoln and Frederick Douglass thus retrieved. They established the rights of all men and fixed the power to enforce them.

It is to this power that we appeal.

As we have grown and strengthened our material interests and become a substantial element of the taxpayers, as we have fought and practically destroyed the ignorance and illiteracy forced upon us by slavery, as we have become more valuable to the industrial activities of the Nation, we find our civil and political rights ruthlessly invaded, and instead of being citizens with rights, equal to those enjoyed by all other citizens, we are treated as colonial subjects of an arrogant autocracy. Segregation of colored employees within the Federal civil service at Washington is an illustration of this point.

The laws enacted by several of the States, providing for separate accommodation for colored Americans upon common carriers, were enacted many years ago, and no amount of judicial juggling with this measure will convince any fair-minded person that it does not abridge the priviieges and immunities of colored men and women, and that they were not designed to humiliate, embarrass, insult, and degrade those among us who must travel either upon business or pleasure. Our voteless condition in many communities has resulted in inadequate appropriations for public-school education and a great disparity in these appropriations between the white and colored people, very greatly to the advantage of the former. We do not begrudge a single dollar appropriated for the education of white youth. Were it in our power, we would greatly increase these outlays; but recent investigations of the systems of public-school education in several of the States have resulted in disclosing the fact that a disfranchised people can not protect their rights.

Municipal betterments and sanitary precautions, which to-day are regarded as imperative to the health and progress of modern communities, have a strange way of avoiding the residential sections in which large numbers of colored people dwell, own property, and pay taxes thereupon for the benefit of all. This also is due to our weakened political position following general disfranchisement and our exclusion from the authorized forums of legislative debate. Virtual slavery for colored Americans—slavery of a most brutal kind—actually disgraces our country to-day in the form of peonage and forced labor, as another result of this weakened position of a voteless element. Whole families are actually sold into slavery in the pretense of debt.

Our people have been lynched without trial—lynched after trial and acquittal—so long that lynching has here become a chronic social disease, casting a stain upon the Nation throughout the world. The perpetrators of these crimes almost universally go unwhipped of justice—another illustration of the lawlessness which is easily maintained against a voteless people.

Our inability in many communities of the country to enjoy the common recreational facilities freely accorded to all other people is not democracy, nor do these practices square with the amended spirit of the Federal Constitution, which aims at equality and which is buttressed by the words "rights, privileges, or immunities."

We make no partisan appeal to any political party in Congress. Among the signers of this petition are men allied with all political parties, and to all political parties we appeal to give this petition a respectful hearing, to the end that Congress will carry out its duty to provide republican forms of government in every State of the Union and forbidding civil denials or distinctions for race or color in Federal domains or under Federal jurisdiction.

To these ends, and in honor to the memories of Abraham Lincoln and Frederick Douglass at the natal anniversaries of these noble servants of the Republic, we do petition Congress for legislation—

(a) To reduce State representation in the Federal House in proportion to adult disfranchisement;

(b) To forbid denial of accommodation or segregation, by or for race or color, in interstate carriers and in all public places and facilities in Federal property or in other Federal domains;

(c) To more quickly detect and more adequately punish the crime of peonage;

(d) To make mob murder and lynchings a Federal crime; and, finally

(e) To refuse to seat those elected under conditions of disfranchisement because of race and color.

The passions of the Civil War have long since been outlived. A new generation of white and colored men are now working for the upbuilding of the country, and this work will be greatly aided by establishing in every community the law of even-handed justice and by abolishing the evils and injustices which our people suffer and which we have herein set forth.

Respectfully submitted.

W. H. JERNAGIN,
President National Race Congress.
GEORGE A. LARKIN,
Executive Secretary National Race Congress.
H. B. TAYLOR.
J. L. S. HOLLOMAN.
H. T. MEDFORD.
M. R. POWELL.
(Miss) NELLIE QUANDER.
S. A. YOUNG.

Mr. BRUCE presented petitions of sundry citizens of Baltimore, Md., praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

Mr. WILLIS presented a petition of sundry citizens of Cleveland, Lakewood, and vicinity, in the State of Ohio, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which was referred to the Committee on Pensions.

He also presented a memorial of sundry citizens of Mansfield, Galion, Lexington, and vicinity, all in the State of Ohio, remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, or any other legislation religious in character, which was referred to the Committee on the District of Columbia.

Mr. COPELAND presented resolutions adopted by the board of directors of the Maritime Association of the Port of New York, favoring the passage of Senate bill 3170, the so-called maritime workers compensation bill, with a limitation of $7,500 as a maximum amount to be paid on any claim for compensation, etc., which were referred to the Committee on the Judiciary.

He also presented letters in the nature of petitions from sundry disabled ex-service men hospitalized at the United States Veterans' Hospital No. 89, Rutland Heights, Mass., praying for the passage of legislation for the benefit of disabled ex-service men, etc., which were referred to the Committee on Finance.

Mr. McLEAN presented a communication in the nature of a petition from the Fairfield County Farm Bureau, of Danbury, Conn., praying for the acceptance of the proposal of the American Cyanamid Co. for the operation of Muscle Shoals, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted by the Connecticut Botanical Society (Inc.), of New Haven, Conn., favoring the passage of the so-called McNary-Woodruff bill (S. 718), authorizing an appropriation for the purchase of land in Mad River Notch, situated in the town of Waterville, N. H., which was referred to the Committee on Agriculture and Forestry.

He also presented petitions of employees of the Naugatuck Chemical Co., of Naugatuck, and sundry citizens of Waterbury, Ansonia, and Hartford, all in the State of Connecticut, praying for the prompt passage of legislation providing for the control of radio communications, which were ordered to lie on the table.

He also presented a communication in the nature of a petition of the Connecticut Chamber of Commerce (Inc.), of Hartford, Conn., favoring the passage of House bill 8997, permitting the importation of Cuban cigars into the United States in lots of less than 3,000, etc., which was referred to the Committee on Post Offices and Post Roads.

He also presented a letter in the nature of a petition from the Connecticut League of Women Voters (Inc.), of Hartford, Conn., praying for the passage of legislation creating a bureau of customs and a bureau of prohibition in the Treasury Department and placing employees of the Prohibition Unit under the classified civil service, which was ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. SMOOT, from the Committee on Finance, to which was referred the bill (H. R. 16886) to authorize the Director of the United States Veterans' Bureau to make loans to veterans upon the security of adjusted-service certificates, reported it without amendment and submitted a report (No. 1486) thereon.

Mr. McNARY, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 5454) authorizing the establishment of a migratory bird refuge at Bear River Bay, Great Salt Lake, Utah, reported it without amendment and submitted a report (No. 1487) thereon.

Mr. WHEELER, from the Committee on Indian Affairs, to which was referred the bill (S. 5509) to amend section 1 of

the act approved May 26, 1926, entitled "An act to amend sections 1, 5, 6, 8, and 18 of an act approved June 4, 1920, entitled 'An act to provide for the allotment of lands of the Crow Tribe, for the distribution of tribal funds, and for other purposes,'" reported it with an amendment and submitted a report (No. 1488) thereon.

Mr. WALSH of Montana, from the Committee on the Judiciary, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 4328) to authorize the appointment of an additional judge for the district court of the United States for the northern district of California (Rept. No. 1489); and

A bill (S. 5352) to provide for one additional district judge for the eastern district of Michigan (Rept. No. 1490).

Mr. WILLIS, from the Committee on Territories and Insular Possessions, to which was referred the bill (S. 5006) to repeal the last proviso of section 7 of an act to establish the Mount McKinley National Park, in the Territory of Alaska, approved February 26, 1917, reported it without amendment and submitted a report (No. 1491) thereon.

Mr. ODDIE, from the Committee on Naval Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 5249) to authorize the Secretary of the Navy to develop an ammunition depot at Hawthorne, Nev., and for other purposes (Rept. No. 1492); and

A bill (S. 5511) authorizing the President to appoint Capt. Reginald Rowan Belknap, United States Navy, retired, a rear admiral on the retired list of the Navy (Rept. No. 1493).

ENLARGING AND RELOCATING THE BOTANIC GARDEN (S. DOC. NO. 208)

Mr. FESS, from the Joint Committee on the Library, submitted, pursuant to law, a report relative to the enlargement and relocation of the United States Botanic Garden, which was referred to the Committee on the Library and ordered to be printed.

PENSIONS TO VETERANS OF THE SPANISH WAR, ETC.

Mr. FLETCHER. I introduce a bill and ask its reference to the Committee on Pensions. I ask that the accompanying papers be printed in the RECORD, in order that the bill may be understood.

The bill (S. 5712) to amend an act granting pensions and increase of pensions to certain soldiers and sailors of the war with Spain, the Philippine insurrection, or the China relief expedition, to certain maimed soldiers, to certain widows, minor children, and helpless children of such soldiers and sailors, and for other purposes, approved May 1, 1926, was read twice by its title and referred to the Committee on Pensions.

The VICE PRESIDENT. Without objection, the accompanying papers will be printed in the RECORD.

The accompanying papers were referred to the Committee on Pensions and ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, February 12, 1927.

The Hon. DUNCAN U. FLETCHER,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Replying further to your letter of December 13, 1926, relative to amending the law so as to include for purposes of a pension men who enlisted in the Navy in the war with Spain to serve for a period of 90 days or longer, but who were discharged before the expiration of 90 days, and requesting my views, I have the honor to advise you as follows:

The Navy Department considers that the act of June 5, 1920 (41 Stat. 982), and the other amendatory acts since then on the same subject, are, when compared with the Army, an injustice to the men who volunteered and served in the United States Navy during the war with Spain and who did not have an opportunity to serve the required 90 days.

As shown by General Order No. 130, a copy of which is attached, the Army granted furloughs to all men who served in the War with Spain before they were mustered out of service. Those who served beyond the limits of the United States were granted 60 days' furlough and those who never served beyond the limits of the United States were granted 30 days' furlough. By section 5 of the act of September 1, 1922 (42 Stat. 835), this order gives the Army personnel 60 and 30 days' service which may be added to their active service in computing the 90 days' service required by the law for a pension.

The men who volunteered and served in the United States Navy during the war with Spain were discharged immediately after hostilities ceased and the protocol was negotiated and signed by Spain and consequently, as they were not granted leaves of absence or furloughs of 60 or 90 days similar to the Army, they lost the 60 and 30 days' service that was allowed the Army personnel.

Many requests for pensions have been received by the Navy Department from men who volunteered and served in the Navy during the war with Spain and who, because of discharge before the expiration of 90 days, have had their claims disallowed.

There have been also requests for pensions from men who were members of the crews of the ships operated by private navigation companies that were taken over by the Navy Department during the war with Spain. Two of these—the steamship *New York*, renamed the U. S. S. *Harvard*, and the steamship *Paris*, renamed the U. S. S. *Yale*—operated under the Navy Department from April 26, 1898, until September 2, 1898. These vessels sailed from the port of New York on April 28, 1898, for Cuban waters and remained in that vicinity until June, 1898. The men who had signed as members of the crew of the steamship *New York* and the steamship *Paris* did not execute enlistment papers in the United States Navy until their return to Hampton Roads on or about June 22, 1898. They were discharged September 3, 1898, and were allowed credit for naval service only from the date they signed the enlistment papers.

If any legislation is introduced to place those sailors and marines who were not permitted to serve 90 days in the war with Spain on account of their early discharge, on a parity with former soldiers who performed the same amount of actual service, the Navy Department before making recommendation thereon would have to submit it to the Bureau of the Budget in order to ascertain whether such legislation would come within the financial program of the President.

Sincerely yours,

CURTIS D. WILBUR,
Secretary of the Navy.

[General Orders, No. 130]

WAR DEPARTMENT,
ADJUTANT GENERAL'S OFFICE,
Washington, August 29, 1898.

The following additional instructions amendatory of those contained in General Orders, No. 124, August 20, 1898, from this office, are published for the information and guidance of all concerned:

1. Except the officers and men required by paragraph 5 for the necessary guard detail, etc., leaves of absence for 60 days and furloughs for the same period will be granted all officers and enlisted men of organizations which have served beyond the limits of the United States, and 30 days to officers and men of organizations which have not served beyond the limits of the United States when such organizations are ordered to be mustered out of service.

2. Such leaves of absence and furloughs will be granted by the commanding officers after organizations have arrived at State rendezvous, all to take effect on one date for 30 days or 60 days, as the case may be, and all officers and men must without fail report at the rendezvous on the thirtieth or sixtieth day thereafter. Any officer or man failing to so report will be considered and reported as a deserter, unless prevented from doing so by sickness,' which must be satisfactorily explained by the certificate of a reputable physician and the fact noted on the rolls.

3. Before organizations are granted furloughs, the preparation for muster out, as required by General Orders, No. 124, August 20, 1898, from this office, will, in view of the foregoing, be carried out only so far as relates to the inspection and correction of records; inspection and transfer of such public property as may no longer be required; the preparation and comparison of property returns; the steps necessary to secure certificates of nonindebtedness, and for the return of all absentees, etc.

4. When possible all returns and papers relating to the muster out of organizations will be prepared during the period of furlough.

5. Each commanding officer, prior to the departure of his officers and men, will make arrangements necessary to verify and protect all public property pertaining to his command during the period of absence, and place the same under proper guard detailed from his command for the purpose. He will notify The Adjutant General of the Army of his arrival at rendezvous, and at the earliest possible moment the date on which leaves and furloughs expire.

6. In preparing muster-out rolls, the number of days while on furlough will be stated under the heading on the roll "Subsistence, number of days," and the paymaster in the "pay account" on the roll will change the heading "For horses and equipments" to "Commutations for furlough rations," and credit each man at the rate of 25 cents per day for the number of days due and pay the same. The amount so paid for commutation of rations by the pay department will be refunded from the appropriation made for the subsistence department.

7. Mustering officers are empowered to administer oaths in all matters pertaining to the muster out of volunteers.

8. As soon as practicable the usual monthly pay rolls will be made out for the month preceding departure on furlough, and sent to the chief paymaster of the military department in which the organiza-

tion's rendezvous is situated. Upon these rolls alone can the officers and enlisted men be paid prior to departure on leave or furlough.

By order of the Secretary of War:

H. C. CORBIN,
Adjutant General.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NEELY:

A bill (S. 5713) granting the authority of Congress to the Kanawha Falls Bridge Co. (Inc.) to construct a bridge across the Kanawha River at Kanawha Falls, Fayette County, W. Va.; to the Committee on Commerce.

By Mr. OVERMAN:

A bill (S. 5714) for the relief of the Charlotte Chamber of Commerce and Capt. Charles G. Dobbins, Army disbursing officer; to the Committee on Claims.

By Mr. BAYARD:

A bill (S. 5715) for the relief of James J. Welsh, Edward C. F. Webb, Francis A. Meyer, Mary S. Bennett, William McMullin, jr., Margaret McMullin, R. B. Carpenter, McCoy Yearsley, Edward Yearsley, George H. Bennett, jr., Stewart L. Beck, William P. McConnell, Emily McI. Higgins, Elizabeth J. Morrow, William B. Jester, Josephine A. Hagan, James H. S. Gam, Herbert Nicoll, Shallcross Bros., E. C. Buckson, Wilbert Rawley, R. Richards Dredging Co.; to the Committee on Claims.

By Mr. WALSH of Massachusetts:

A bill (S. 5716) to amend the World War adjusted compensation act; to the Committee on Finance.

By Mr. MOSES:

A bill (S. 5717) authorizing appropriation of funds for construction of a highway from Red Lodge, Mont., to the boundary of the Yellowstone National Park, near Cooke City, Mont.; to the Committee on Post Offices and Post Roads.

By Mr. CAPPER:

A bill (S. 5718) granting an increase of pension to Emily K. Glunt (with accompanying papers); to the Committee on Pensions.

A bill (S. 5719) authorizing the acquisition of a site for and the construction of a new building for the recorder of deeds, the municipal court, the juvenile court, and for other purposes; to the Committee on the District of Columbia.

By Mr. WATSON:

A bill (S. 5720) granting the consent of Congress to the State of Indiana, its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River, and permitting the State of Kentucky to act jointly with the State of Indiana in the construction, maintenance, and operation of said bridge; to the Committee on Commerce.

By Mr. STEWART:

A bill (S. 5721) granting an increase of pension to Chloe A. Twombly; to the Committee on Pensions.

By Mr. FESS:

A bill (S. 5722) to authorize the construction of new conservatories and other necessary buildings for the United States Botanic Garden; to the Committee on the Library.

By Mr. COPELAND:

A bill (S. 5723) for the relief of Charles F. Bond, receiver of the partnership of Thorp & Bond on a contract for construction work; to the Committee on Claims.

By Mr. HAWES:

A bill (S. 5724) for the purchase of land as a rifle range in Clay County, Mo.; to the Committee on Military Affairs.

By Mr. WADSWORTH:

A bill (S. 5725) to authorize an appropriation to rehabilitate the Picatinny Arsenal in New Jersey; to the Committee on Military Affairs.

By Mr. SWANSON:

A bill (S. 5726) granting the consent of Congress to the James River Bridge Corporation, its successors and assigns, to construct, maintain, and operate bridges across the James River, Chuckatuck Creek, and Nansemond River; to the Committee on Commerce.

By Mr. BROUSSARD:

A bill (S. 5727) to authorize and direct the Secretary of War to accept an act of sale and a C. S. B. dedication of certain property in the city of New Orleans, La., from the board of commissioners of the port of New Orleans, and for other purposes; to the Committee on Military Affairs.

By Mr. WALSH of Montana:

A bill (S. 5728) granting a pension to William Lentz; and

A bill (S. 5729) granting a pension to Almon S. Hortop (with accompanying papers); to the Committee on Pensions.

By Mr. SHIPSTEAD:

A joint resolution (S. J. Res. 161) authorizing the President to invite the Governments of the five Republics of Central America to send plenipotentiaries to a conference to consider plans for the confederation of Central America; to the Committee on Foreign Relations.

By Mr. McNARY:

A joint resolution (S. J. Res. 162) to create a joint congressional commission to study the Muscle Shoals project; to the Committee on Agriculture and Forestry.

CLAIMS COMMISSION BETWEEN THE UNITED STATES AND MEXICO

Mr. BORAH. Mr. President, I offer a resolution which I ask may be read and referred to the Committee on Foreign Relations.

The resolution (S. Res. 352) was read and referred to the Committee on Foreign Relations as follows:

Whereas it is provided by Article VI of the general claims convention, concluded between the United States and Mexico on September 8, 1923, that the commission created pursuant thereto to pass on claims to which the convention relates shall hear, examine, and decide within three years from the date of its first meeting all claims filed with it which arose prior to the signing of the convention, which period of time will expire on August 30, 1927; and

Whereas Article VIII of the convention provides that all such claims filed with the commission shall be considered and treated as fully settled, barred, and thenceforth inadmissible provided they have been heard and decided by the commission; and

Whereas it has been brought to the knowledge of the Senate that it will not be possible for the commission to hear, examine, and decide in the manner contemplated by the convention within the time specified by Article VI of the convention all the claims which have been filed with said commission in accordance with the terms of the convention; and

Whereas it is in the interest of both Governments fully to hear, judicially determine, and settle all such claims: Therefore be it

Resolved, That the President be, and is hereby, requested, in his discretion, to negotiate and conclude with the Mexican Government such agreement as may be necessary and appropriate for the extension of the life of the General Claims Commission between the United States and Mexico in order to permit of the hearing, examination, and the decision of all claims coming within the jurisdiction of the said commission under the terms of the said convention of September 8, 1923, and to make such further arrangement as in his judgment may be deemed appropriate for the expeditious adjudication of said claims.

DECLINE OF AMERICAN COMMUNIST MOVEMENT

Mr. BORAH. Mr. President, I desire to call attention to a statement appearing in the New York Times of yesterday which, it seems to me, may be of some interest in view of the persistent discussion of the subject of the American communist movement:

The American communist movement, which was at its height in 1919, when it had a membership of 35,000, is at its lowest ebb to-day, with between 5,000 and 7,000 members, according to a survey of American communism made by James Oneal, labor historian and editor and issued yesterday by the Rand School of Social Science, 7 East Fifteenth Street.

THE ABOLITION OF THE SECRECY OF PARTY FUNDS

Mr. WALSH of Massachusetts submitted the following resolution (S. Res. 353), which was referred to the Committee on Printing:

Resolved, That a revised edition of Senate Document No. 495, Sixty-second Congress, second session, entitled "The Abolition of the Secrecy of Party Funds," be printed with corrections and additions up to and including the Sixty-ninth Congress.

STABILIZATION OF EMPLOYMENT AND INDUSTRY

Mr. PEPPER submitted the following resolution (S. Res. 354), which was referred to the Committee on Commerce:

Resolved, That a select committee to consist of five Members of the Senate, to be appointed by the President of the Senate, is authorized (1) to investigate the problem of the cyclical recurrence of periods of business depression and unemployment, with a view to determining the relation of the construction of public works to the stabilization of employment and industry, and (2) to report, by bill or otherwise, upon methods of stabilizing employment and industry through the advance planning of public-roads projects, rivers and harbors projects, and public-buildings projects, and the expansion of such works during such periods of business depression and unemployment. The committee shall elect a chairman from among its members. For the purposes of this resolution the committee is authorized to hold hearings and to sit and act at such times and places; to employ such experts and clerical, stenographic, and other assistants; to require by subpœna or otherwise the attendance of such witnesses and the production of such books, papers, and

documents; to administer such oaths and take such testimony; and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of such committee, which shall not exceed the sum of $25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman. The committee shall make a final report to the Congress as to its findings before the close of the first regular session of the Seventieth Congress.

PRESIDENTIAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on February 14, 1927, the President approved and signed the following acts:

S. 5197. An act to authorize an appropriation for reconnaissance work in conjunction with the Middle Rio Grande conservancy district to determine whether certain lands of the Cochiti, Santo Domingo, San Felipe, Santa Ana, Sandia, and Isleta Indians are susceptible of reclamation, drainage, and irrigation; and

S. 5499. An act authorizing a survey of the Caloosahatchee River drainage area in Florida, and of Lake Okeechobee and certain territory bordering its shores in Florida.

REVISION OF THE RULES

The VICE PRESIDENT. The Chair lays before the Senate the resolution (S. Res. 350) for the appointment of a committee to revise the Standing Rules of the Senate, coming over from yesterday.

Mr. BLEASE. Mr. President, I have had a talk with the Senator from Kansas [Mr. CURTIS], the chairman of the Committee on Rules, with reference to the resolution, and I ask that it be referred to that committee. I think if we can get together on it it will be all right.

The VICE PRESIDENT. Without objection, the resolution will be referred to the Committee on Rules.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House further insisted on its disagreement to the amendments of the Senate Nos. 8, 9, and 10 to the bill (H. R. 16462) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1927, and prior fiscal years, and to provide urgent supplemental appropriations for the fiscal year ending June 30, 1927, and for other purposes; agreed to the further conference requested by the Senate, and that Mr. WOOD, Mr. CRAMTON, and Mr. BYRNS were appointed managers on the part of the House at the further conference.

ORDER OF BUSINESS

Mr. HOWELL obtained the floor.

Mr. LENROOT. Mr. President, may I ask what is the order of business?

Mr. HOWELL. I understand that morning business is closed.

Mr. LENROOT. May I ask if the Senator intends to occupy very much time?

Mr. HOWELL. I do intend to do so.

Mr. LENROOT. I am very anxious to have the Chair lay before the Senate the amendments of the House to the public buildings bill. It is a matter of the greatest importance, because the deficiency appropriation bill will soon be here, and I would very much appreciate it if the Senator would give way until we can dispose of that matter.

Mr. HOWELL. I have no objection to the proposal except that I understand we are to vote on cloture at 1 o'clock.

Mr. LENROOT. Does the Senator wish to discuss the unfinished business before 1 o'clock?

Mr. HOWELL. I do.

Mr. LENROOT. Will the Senator yield to me in order that the public buildings matter may be laid before the Senate? If it leads to debate, I shall not press it.

Mr. KING. I think it will lead to some debate.

Mr. LENROOT. Very well; I withdraw my request.

Mr. McLEAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Connecticut?

Mr. HOWELL. I yield.

Mr. McLEAN. Has the unfinished business been laid before the Senate?

The VICE PRESIDENT. It has not. It is not in order at this time.

Mr. McLEAN. The regular order would be the calendar under Rule VIII, would it not?

The VICE PRESIDENT. It would.

Mr. PHIPPS. Mr. President, will the Senator from Nebraska yield to me?

Mr. HOWELL. I yield.

Mr. PHIPPS. I wonder if the Senator would be willing to defer his remarks until after the hour of 1 o'clock, when he would have an opportunity to speak, my purpose being to ask for present action on the District of Columbia appropriation bill.

Mr. HOWELL. I would be pleased to do so if we could make an arrangement or have a unanimous-consent agreement for the vote on cloture to go over until to-morrow at 1 o'clock.

Mr. PHIPPS. Of course that would be impossible.

Mr. HOWELL. Otherwise I must insist on occupying the floor at this time.

Mr. LENROOT. Mr. President, may I ask what is before the Senate?

The VICE PRESIDENT. The calendar under Rule VIII is in order.

Mr. ASHURST. Regular order!

PUBLIC BUILDINGS IN THE DISTRICT OF COLUMBIA

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 4663) authorizing the Secretary of the Treasury to acquire certain lands within the District of Columbia to be used as sites for public buildings, which were, on page 1, line 10, after "1926," to insert: "as amended,"; on page 2, line 11, after "1926," to insert: "as amended,"; on page 2, line 12, after "act," to insert: "as amended,"; on page 2, after line 14, to insert the following:

SEC. 3. (a) The first paragraph of section 5 of the act entitled "An act to provide for the construction of certain public buildings, and for other purposes," approved May 25, 1926, is amended to read as follows:

"SEC. 5. For the purpose of carrying out the provisions of this act the sum of $250,000,000, in addition to the amount authorized in section 3 hereof, is hereby authorized to be appropriated, but under this authorization, and from appropriations (exclusive of appropriations made for 'remodeling and enlarging public buildings'), heretofore made for the acquisition of sites for, or the construction, enlarging, remodeling, or extension of public buildings under the control of the Treasury Department, not more than $35,000,000, in the aggregate shall be expended annually (except that any part of the balance of such sum of $35,000,000 remaining unexpended at the end of any year may be expended in any subsequent year without reference to this limitation): *Provided*, That such amount as is necessary, not to exceed $50,000,000 of the total amount authorized to be expended under the provisions of this act shall be available for projects in the District of Columbia, and not more than $10,000,000 thereof shall be expended annually (except that any part of the balance of such sum of $10,000,000 remaining unexpended at the end of any year may be expended in any subsequent year without reference to this limitation): *Provided*, That at least one-fifth of the expenditures outside of the District of Columbia during the fiscal year 1927 shall be for the buildings heretofore authorized and at least one-fifth of the expenditures for the fiscal year 1928, and at least one-fifth of the expenditures for the fiscal year 1929, shall be for a like purpose unless a less amount shall be necessary to complete all of such buildings: *Provided further*, That expenditures outside the District of Columbia under the provisions of this section shall not exceed the sum of $5,000,000 annually in any one of the States, Territories, or possessions of the United States."

(b) The last paragraph of such section 5 is amended by striking out "$150,000,000" and inserting in lieu thereof "$250,000,000."

And to amend the title so as to read: "Authorizing the Secretary of the Treasury to acquire certain lands within the District of Columbia to be used as sites for public buildings, and for other purposes."

Mr. KING. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KING. The action of the House on the bill is subject to debate, is it not, and general discussion may take place in connection with it?

The VICE PRESIDENT. That is correct.

Mr. LENROOT. Mr. President——

The VICE PRESIDENT. The Senator from Nebraska has the floor. Does he yield to the Senator from Wisconsin?

Mr. HOWELL. I yield.

Mr. LENROOT. I simply desire to make a motion and then the matter will be open to debate. By direction of the Committee on Public Buildings and Grounds I move that the House amendments be concurred in.

Mr. BRUCE. Mr. President, may I ask the Senator a question? Some weeks ago I introduced a bill in the Senate providing for the acquisition by the Government of the block between the Capitol Grounds and Third Street on the north side of Pennsylvania Avenue.

Mr. LENROOT. This is that bill with House amendments.

Mr. BRUCE. Is that feature amended?

Mr. LENROOT. It is not.

Mr. ROBINSON of Arkansas. Mr. President, I understand it is not expected that a vote will be taken to-day on the motion.

Mr. LENROOT. No; the Senator from Nebraska has stated that he wishes to occupy considerable time, so I do not expect a vote. I desire to have the motion pending, however.

NATIONAL BANK BRANCHES

The Senate resumed the consideration of Mr. PEPPER's motion to recede from certain amendments of the Senate to House bill 2, and that the Senate concur in the House amendments to certain Senate amendments to that bill.

Mr. HOWELL. Mr. President, for years branch banking has been quietly, subtly advancing in this country, already having peacefully penetrated 20 States, although in a large majority thereof it has not as yet consolidated its positions.

The pending bill is branch banking's latest offensive, and if enacted into law will mark the beginning of disintegration in the ranks of opposing bankers; and from thence on, in my opinion, the ultimate triumph of branch banking will be as certain as if decreed by Congress to-day.

I realize that this declaration will be pooh-poohed as excessive, even by some independent bankers secure in their confidence and a feeling that they have not really begun to fight yet. However, history is not wanting in examples of superior armies being maneuvered out of position and beaten without a battle.

Again, this pending bill, heralded at the beginning as a mere proposal for justice to national banks, has been ingeniously seized upon to serve a purpose of such moment that justice to national banks becomes merely an incident in connection with the measure. By a mere rider, never contemplated by the House of Representatives in which this bill originated, it is proposed to accomplish so tremendous a thing as to anticipate by some eight years the expiration of the charter of the Federal reserve banks and afford them a perpetual charter in the form of an indeterminate grant. And, mind you, this momentous proposal appears in this bill, apparently, as an afterthought.

Further, this measure, instead of limiting the tremendous powers granted the Federal reserve banks and their members during the Great War, amplifies and extends such powers in a manner which challenges prudence; in fact, to such an extent that an alarm has been sounded from sources whose views and conclusions are regarded with the highest respect by economists and bankers throughout the country.

It is with no little diffidence that I have undertaken to address the Senate in connection with these matters involving as they do the technique of banking. However, the more I have delved into this proposed legislation and the comments thereon from authoritative sources, the more I have felt that the Members of the Senate are inclined to accept this measure without proper consideration. Only on Saturday, two weeks ago, the Commercial and Financial Chronicle of New York, one of the oldest, most outstanding, and conservative banking publications issued in the country, carried the following editorial, which I herewith quote, as its import should be considered seriously by every Senator before finally passing upon this bill:

[From the Commercial and Financial Chronicle, Saturday, January 29, 1927]

The action of the House of Representatives at Washington on Monday in passing the McFadden branch banking bill with the Senate rider attached to it for extending in perpetuity the charters of the Federal reserve banks, and minus the so-called Hull amendment, can not be viewed otherwise than matter for the deepest regret, viewed in the light of what the action implies. The statement is true both as regards the Federal reserve rider and the Hull amendment. As far as extending the charters of the Federal reserve banks is concerned, the step denotes very hasty action with reference to a subject of vital importance, bearing upon the future of the country's banking system, and which therefore should have careful and very deliberate consideration. The present term of these charters is for a period of 20 years, and only a little over 12 years out of the 20-year period has yet elapsed, leaving therefore nearly 8 years more before the charters actually expire. There was and is hence not the slightest occasion for rushing the matter along, and least of all was there justification for effecting the purpose sought by means of a rider to a measure dealing with a variety of other things, some of them highly controversial in character, such as the subject of branch banking.

The Federal reserve act is not to-day in the shape in which it was originally put upon the statute book. It was radically amended and fundamentally changed by the amendments grafted upon it in 1917, when the United States became a participant in the World War. The gigantic struggle in which the Nation then became involved made it essential that the financial resources of the whole country should be mobilized in the most effective manner for the successful prosecution of the great struggle, in which the whole of mankind had so much at stake. To bring about the financial mobilization referred to extraordinary and inordinate powers had to be conferred upon the Federal reserve banks and their managers, powers so extreme that no sanction for them can be found except in times of war. As a prerequisite to the extension of the charters, there should accordingly be elimination and repeal of these war amendments and restoration and return of the Federal reserve system to its original scope and purpose. In a word, there should be financial demobilization, just as there has long since been demobilization of the Army and the Navy and of all the other activities of the Nation. War powers are dangerous and a menace in peace times, more so when they concern the financial and banking mechanism of the country than when they involve anything else.

Under one of the war amendments the Federal reserve banks are given authority to acquire every dollar of gold in the country and then to make this gold the basis for the issue of Federal reserve notes to two and one-half times the amount of the gold thus acquired. As the total gold coin and bullion in the country January 1, 1927, was $4,502,429,488, this means that over $11,250,000,000 of reserve notes could be ultimately issued and put in circulation if the Federal reserve officials saw fit. This is too vast a power to confer upon any body of men, even if they were endowed with wisdom from on high. It is no answer to say that there is no present likelihood of any such vast volume of reserve notes being put out. Some of the reserve officials in public addresses hardly more than two years ago were harping upon the alleged superiority of the reserve note over the gold certificate, since the gold certificate when in circulation can never be expanded beyond 100 cents on the dollar, while in the hands of the reserve banks the certificate can be represented by $2.50 in reserve notes, and these officials made it equally clear that they are at all times ready to avail of the power of expansion thus possessed. Then look upon the growth of brokers' loans upon the Stock Exchange. Only a few years ago brokers' loans upon the Stock Exchange aggregating $1,000,000,000 to $1,200,000,000 were looked upon as affording occasion for concern. Now brokers' loans aggregating $3,000,000,000 are viewed with complacency.

By another one of the war amendments the member banks are required to keep the whole of their reserves with the Federal reserve banks instead of only a part of such reserves. This amendment should also be repealed. The member banks should be obliged to hold at least a portion of their reserves in actual gold in their own vaults, and the reason is the same as in the other case, namely, that the Federal reserve banks should not be given the vast powers involved in intrusting them with the whole of the legal reserves of the member banks, with view to lending these reserves back again to the member banks, for in the last analysis that is what borrowing by a member bank at the Federal reserve bank means. Inasmuch as the deposits of the Federal reserve banks consist of nothing except the reserves of the member banks (barring the relatively small amount of United States Government deposits held), when these deposits are made the basis of loans to the member banks, either on the security of commercial bills or United States Government obligations, the operation or process represents nothing more or less than the borrowing back by the member banks of their own reserves. The whole of the member bank reserves should never be turned over to the reserve banks for any such purpose, and strict limitations should be put upon the use of such portion as it is deemed proper to place in their custody and control. Legal reserves, after all, are merely minimums, and they should never be trenched upon more than absolutely necessary.

Other war amendments, removing previous restrictions and limitations, should also be repealed, and previous safeguards on prudent and conservative action and policy restored. For instance, issuance of reserve notes should be permitted only against the security of commercial paper and not in any other way, so that it would always be possible by a mere glance at the weekly returns of the reserve banks to see what portion of their resources was being employed—that is, was being loaned back to the member banks.

Repeal of these war powers, as we have often indicated, should precede, or be concurrent with, the extension of the charters of the Federal reserve banks. Not only that, but there should be a very careful and a broad and statesmanlike consideration of the operation of the Federal reserve system, during the period of its existence, with a view to seeing whether any other changes are necessary in the interest of safe and sound administration. Merely extending the life of the system—and this only by a rider to another bill—is dealing lightly and superficially with a grave and pressing problem, or showing lack of appreciation of its gravity. The Federal reserve authorities, being human, do not like to be shorn of any of the excessive and extreme powers now lodged in their keeping, and there has been very active propaganda in favor of the rider to the branch banking bill ever since the adjournment of the long session of Congress on July 10 last, when the conference committees of the two Houses of Congress became deadlocked on the Hull amendment. Business men and

bankers have been flooded with literature telling them what dire things were going to happen if the Federal reserve bank charters were not immediately extended, eight years in advance of their expiration. Nothing was said of the still graver dangers that menace the country if the present absence of restrictions on reserve note issues and the unlimited grant of powers should end in financial debauch, as it must eventually do, unless the reserve act is amended in the particulars mentioned.

All this had its intended effect, inducing the House to reverse its action of last spring with reference to the Hull amendment, and to swallow the bill in virtually the shape it was formulated by the Senate, hook, line, and sinker—that is, not only without the Hull amendment but accepting all the other changes made by the Senate except two or three very minor ones. But what a woeful lack of confidence in the intrinsic merits of the Federal reserve system the whole proceeding bestrays. The long and short of the matter is that those engaged in rushing the thing through are afraid that if they allowed the present opportunity to give indefinite limit to the life of the reserve banks to pass and left the proposal for consideration at some future Congress, along with the question of repealing the war time amendments, discussion of the shortcomings of the system would develop and lead to so much opposition as to defeat all efforts at renewal of the lease of life, thereby repeating what happened to the first United States bank and the second United States bank. Candor compels the assertion that those who are opposed to considering extension of the Federal reserve charters as part of the proposition to revise the Federal reserve act itself are afraid of the light of day. It is a sorry situation when things come to such a pass as this.

Of course, failure to revise the reserve act now does not prevent future revision. But such future revision will be much more difficult than would revision while the life of the institutions is at stake. The Federal reserve authorities will resist to the utmost efforts to deprive them of any of their excessive and inordinate powers, and it will be easy to keep constantly deferring action on the repeal of the war amendments and rest contented without doing anything meanwhile. And not only that, but we may suppose that the same tinkering that has been uninterruptedly in progress since the reserve act was passed will continue in the future, and there will be piecemeal additions and changes, not always desirable or meritorious, since no one will give much attention to what is going on where no major operation is involved. If the reserve act were now, once and for all, revised in a broad and statesmanlike way it would have true elements of endurance and future tinkering might be largely avoided.

Notwithstanding that the charters have been (or are to be by Senate action) extended, Congress will retain full control over the institutions and can decree their dissolution at any time. But that is a different thing from letting the life of the institution expire by limitation. With the charters extended in perpetuity the reserve banks do not have to come before Congress at a definite date and ask judgment upon their acts. That is an advantage of the greatest moment, but, as shown, will tend to the perpetuation of evils and abuses. It is for that reason that complete revision of the reserve act should have been made an inseparable part of the proposition to extend their life.

As for the branch banking bill itself, it is an omnibus measure, as we have often pointed out in these columns, and the branch banking feature constitutes simply one of many different provisions. Some of these provisions are good and others are open to grave objection. The general purpose of the bill is meritorious. This purpose can be stated in a single sentence. It is to place the national banks on a plane of equality with the State banks. That is true of the branch banking provision, no less than of most of the other provisions. At present nearly half the States of the Union (22 States out of 48, to be exact) have granted the right to open branches.

The national banks now have no such rights, though the law in that respect has been more or less evaded and the Comptroller of the Currency has sanctioned the establishment of so-called tellers' windows, which are virtual branches. The bill undertakes to give the national banks the unqualified right to establish branches under certain restrictions and limitations. The bill, as accepted by the House, permits national banks to operate branches within the limits of the city where the bank is located, but the city must have a population of at least 25,000; only one branch may be established in cities of less than 50,000 and only two in cities of not more than 100,000 population. In cities over 100,000 branches may be established in the discretion of the comptroller, and he may, of course, be depended upon to see to it that the national banks suffer no disadvantage in that respect in comparison with State institutions. The Hull amendment relating to branch banking, which had deadlocked the conferees since last spring and which is now to be eliminated—the House having completely reversed its position of last year (June 24) when it instructed the conferees to insist on that amendment by a vote of 197 to 118, having now voted the amendment out of the bill by 228 against 166—aimed to prevent branch banking from creeping into the 26 States which now do not authorize branch banking, by denying to national banks authority to open any branches at all in those States, even if any of such States should hereafter enact legislation permitting their own banks to establish branches.

By the elimination of that amendment the national banks are ipse facto given the right to open branches in any of those States the moment any such State authorizes its own banks to open up branches. We were not at first inclined to favor this amendment, but the lengthy discussions of it at the annual convention of the American Bankers' Association at Los Angeles last October convinced us that if branch banking is to be limited, and confined to the States where it has found lodgment, the Hull amendment should form part of the measure. Without that amendment national banks are given the right in advance to engage in branch banking, and the bill instead of being a bill for the limitation and restriction of branch banking, as is its aim and purport, becomes actually a measure for its extension. To give national banks the right in advance to engage in branch banking in the States referred to, is to extend an invitation to the national banks to get a State law passed for that purpose in order that they themselves may engage in the practice and it requires no stretch of the imagination to see that in some of the States at least that it what actually may happen.

The Senate was adamant in its opposition to the Hull amendment and it was urged that it was a discrimination against the nonbranch States. As a matter of fact, it is nothing of the kind. The States are left free to do as they like with their own institutions and, as far as the national banks are concerned in the same States, it would be an easy matter for these banks to go to Congress after the State had acted and ask the same privilege for themselves. We say that without the Hull amendment the branch-banking provision of the bill becomes a provision for the extension of branch banking, rather than a provision for its limitation. That follows from the fact that the national banks are given the privilege immediately to engage in branch banking in the State where branch banking now exists, a privilege which is now denied to them, and in that particular the bill is unquestionably a measure for the extension of branch banking. Keeping it out of the States where it does not at present exist would have afforded a definite limitation, but with that provision also eliminated the broadest right of branch banking is given not only for the present but for the future within the limits as to population already mentioned.

Even state-wide branch banking would seem to be authorized to the extent that it now exists, though not as respects any future additions which are distinctly ruled out. Here is the section of the bill dealing with that particular phase of the subject:

"Any bank incorporated by special laws of any State, or organized under the general laws of any State or of the United States, desiring to become a member of the Federal reserve system, may make application to the Federal Reserve Board, under such rules and regulations as it may prescribe, for the right to subscribe to the stock of the Federal reserve bank organized within the district in which the applying bank is located. Such application shall be for the same amount of stock that the applying bank would be required to subscribe to as a national bank.

"The Federal Reserve Board, subject to the provisions of this act and to such conditions as it may prescribe pursuant thereto, may permit the applying bank to become a stockholder of such Federal reserve bank.

"Any such State bank which, at the date of the approval of this act, has established and is operating a branch or branches in conformity with the State law may retain and operate the same while remaining or upon becoming a stockholder of such Federal reserve bank; but no such State bank may retain or acquire stock in a Federal reserve bank except upon relinquishment of any branch or branches established after the date of the approval of this act beyond the limits of the city, town, or village in which the parent bank is situated."

This would seem to protect absolutely the big California banks with their branches scattered all over the State, except that it would not permit them to carry the process of acquiring or establishing further branches beyond what they may have on the day when the bill receives the approval of the President. It will be observed that the language is very broad and unqualified in that respect, saying: "Any such State bank which, at the date of the approval of this act, has established and is operating a branch or branches in conformity with the State law, may retain and operate the same while remaining or upon becoming a stockholder of such Federal reserve bank; but no such State bank may retain or acquire stock in a Federal reserve bank except upon relinquishment of any branch or branches established after the date of the approval of this act beyond the limits of the city, town, or village in which the parent bank is situated." The closing words of this clause deserve close scrutiny. In saying that after-acquired branches may not be retained "beyond the limits of the city, town, or village in which the parent bank is situated," is it not to be inferred that the prohibition does not extend to after-acquired branches within "the limits of the city, town, or village in which the parent bank is situated"?

As for the rest of the measure the bill, as already stated, is an omnibus proposition and covers so many different things that space does not permit their enumeration. Suffice it, therefore, to say that among other things it extends from one year to five years the time limit on loans on real estate, a very questionable privilege, with nothing to recommend it.

National banks should have only liquid assets, and there is certainly nothing liquid in a real estate mortgage having five years to run.

Mr. SHIPSTEAD. Mr. President——

Mr. HOWELL. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. The Senator is aware that there has been a great inflation in building during the last few years. That paper is hard to get rid of now. If the banks can be allowed to take it, it will give great relief to that industry, and steel can continue to be sold at inflated prices, and lumber and building material. It may cause frozen assets, and it may cause a condition in banks such as has been experienced by reason of frozen assets in agricultural communities after the deflation was brought on by the Federal reserve banks. That contingency, of course, can arise in the future if they keep piling up these loans against the assets of banks, tying them up for four or five years, having no liquid assets or very little of liquid assets in case of a crisis, and we may have the same kind of a situation in industrial centers in the large cities that we have had in agricultural communities. Does not the Senator think so, with this kind of loans?

Mr. HOWELL. If this provision had been in effect during the war period every national bank throughout the great West would have been loaded down with real-estate paper.

Mr. SHIPSTEAD. They are loaded down now.

Mr. HOWELL. They are loaded down now because they have the notes of those who bought real estate; but under this bill the banks would have been the direct loaners upon many of the purchased properties.

Moreover, real estate in some sections of the country, where there has been serious inflation of real-estate values, is liable to undergo sharp depreciation, where that has not already occurred. A very praiseworthy provision is that which removes the present 99-year limitation upon national-bank charters and authorizes the national banks to continue their operations indefinitely, subject simply to forfeiture for violation of law or termination by Congress. This provision is commendable from every standpoint and will also enable national banks to administer long-term and perpetual trusts. The bill also authorizes the Federal Reserve Board to discontinue branches of the Federal reserve banks and likewise permits national banks to divide their stock into shares of less than $100 par value. As to the remaining changes and amendments, the following is the closing portion of an editorial on the subject which appeared in the Journal of Commerce of this city, of which H. Parker Willis, who drafted the Federal reserve act, is editor, on Wednesday morning, January 26:

"The significance of the McFadden bill, should it become law, will be found entirely in its relaxation of the loan restrictions upon national banks, its alteration of the form of their investments, its broadening of the power to lend on collateral security, its doubtful changes in the criminal provisions of the law, and the increasing danger of bank failures, which will increase as a result of it. Some of these things have already been taken cognizance of by the Federal Reserve Board, which has strongly urged Congress to consider with much greater care the problem of revising section 5200, Revised Statutes. Congress has turned a deaf ear to these pleas, and the community will, if the measure goes to the statute books, as many assert that it will without further delay, have to make its study of the legislation after instead of before passage. This has been our practice for the past 10 or 12 years. It is a conservative statement amply able of defense that none of the numerous banking measures, major amendments to the Federal reserve act and others, that have gone through during the 12 years past have received any real consideration on the floor."

Mr. President, the quotation from the Journal of Commerce contained in this editorial should certainly challenge attention.

Dr. Henry Parker Willis, the editor of that publication, is an undoubted authority on banking. After receiving his degrees of bachelor of arts and doctor of philosophy at the University of Chicago he spent several semesters at the Universities of Leipzig and Vienna, later serving as professor of finance at George Washington University, later as dean of the college of political science of the same institution, and as lecturer at Columbia University on economic subjects.

Doctor Willis also acted as expert to the committee which presented the Federal reserve act, was later chairman of the technical-organization committee which planned the organization of the new banks, and upon formation of the Federal Reserve Board was selected to act as secretary. In 1916 he became president of the newly organized Philippine National Bank, organizing both the parent office and its New York agency. Doctor Willis also acted as expert for the Monetary Commission of 1897, the United States Immigration Commission, and the Joint Committee on Rural Credits. In addition, he is the author of a number of standard works.

Later I shall have occasion to refer to the testimony of Doctor Willis before the Banking and Currency Committee of the Senate.

BRANCH BANKING

For a number of years bankers in certain States of the Union have been developing branch banking. However, with the exception of California, practically nowhere has threatened the baneful effects of the monopolization of credit that ultimately attends branch banking as developed in some other sections of the world. In short, branch banking by State institutions has, generally speaking, been really limited in character.

So far as national banks are concerned, the original act, by implication, prohibited branch banking as ruled by Attorney General Wickersham in 1911, and also some two or three years ago by the United States Supreme Court in the case of the First National Bank of St. Louis.

However, an amendment to the national banking act became effective in 1865 authorizing State banks converting to national banks to retain their branches wherever they might be located. As a consequence up to 1918 national banks were maintaining 33 branches under the provisions of this act. Prior to this time, 1918, pressure had been brought upon Congress for a further amendment of the national banking act contemplating the admission of additional branches to the system, and in November of that year an amendment was adopted providing that in the case of a State bank having branches consolidating with a national bank it might continue to operate such branches of the absorbed bank as were within the county in which the national bank was located. As a consequence of this amendment there have been branches of national banks added to the number of 120, which, together with the branches in existence as a result of the amendment of 1865, makes a total number of branches of these two characters of 166.

The pressure by national banks for additional branches was constantly becoming more acute, and as a consequence Mr. Crissinger, the new Comptroller of the Currency, appointed by President Harding, deviated from the precedent of his predecessors by actually allowing the establishment of branches in branch-banking States within the cities of the parent banks, calling them "teller's windows." Because of criticism of such action Mr. Crissinger's successor, Henry M. Dawes, applied to Attorney General Harry M. Daugherty for an opinion as to the legality of Mr. Crissinger's course. The resulting opinion of Attorney General Daugherty was contrary to that of Attorney General Wickersham of 11 years before and in favor of such branches. As a consequence, Mr. Dawes continued the practice of Mr. Crissinger in allowing the establishment of such so-called "teller's windows," and from that time until last October 298 of such branches were established in branch-banking States. In addition, the Comptroller of the Currency has allowed to be maintained eight branches within nonbranch banking States, to wit, six in Minneapolis and two in my home city of Omaha.

That there is, in fact, no authority for such branch-bank extensions, as in the case of the last branches referred to, is evidenced by an expression of the United States Supreme Court. In the First National Bank in St. Louis *v.* State of Missouri (decided January 29, 1924, 263 U. S. 640–668), after referring to Attorney General Wickersham's opinion of 1911, the court included the following remarks in a footnote:

Our attention is directed to a later opinion of the Attorney General [Harry M. Daugherty] dated October 23, 1923, which, although in terms affirming the earlier opinion, announces a limited rule which does not seem to be in precise agreement with it. To the extent of the disagreement, however, we accept the view of the earlier opinion.

Thus it is evident that it was the view of the United States Supreme Court that the action of Mr. Crissinger, subsequently followed by Mr. Dawes and the present comptroller, in authorizing the establishment of national bank branches, even though designated "teller's windows," was in contravention of the national banking act.

From the above facts it is possible in a measure to trace the recent development of sentiment for branch banking. From 1865 to 1918 but 33 branches entered our national banking system. During the following eight years, however, 439 branches have been added.

Mr. SHIPSTEAD. No national bank could do anything not specifically permitted in the national banking act. It is, therefore, quite clear that this system of branch banking has been permitted to be foisted upon various communities by the lack of enforcement of the banking act by the Comptroller of the Currency and other officials who have the duty of enforcing all laws, including the national banking act. Is not that true?

Mr. HOWELL. It is a fact that in contravention to our national banking act, as interpreted by the Supreme Court, 304 national bank branches, called "tellers windows," have been added to our system since about 1922.

Mr. SHIPSTEAD. Is it not true that in view of the decisions of the Supreme Court they have been operating unlawfully?

Mr. HOWELL. That would be my conclusion.

Mr. SHORTRIDGE. Mr. President, did the Senator say State branch banks or national branch banks?

Mr. HOWELL. I am talking about merely national banks now.

Mr. McLEAN. Mr. President, does the Senator know how many of those branches came in under section 5155, under the old 1865 act?

Mr. HOWELL. Yes; 33 came in under that act.

In this connection the pressure for the extension of branch banking is peculiarly illustrated in the case of the First National Bank, of St. Louis. For a narration of this bit of national bank history, I shall quote, in part, C. W. Collins in his "The branch banking question":

The First National Bank in St. Louis, acting upon the advice of its own counsel, and without seeking the formal approval of the Comptroller of the Currency, proceeded to establish—as the record shows—a branch bank on June 15, 1922, within the city of St. Louis and announced its attention of establishing in the near future several additional banks (p. 59, The Branch Banking Question, by Collins).

In view of the facts it would seem that Mr. Collins was not fully informed in the premises at the time he penned this statement, as it does not seem possible that the First National Bank in St. Louis would have gone to the expense of establishing one branch, of equipping a second and a third branch, and making leases for additional branch locations without some understanding with the Comptroller of the Currency as to what his attitude would be.

There were no State banks in that city with branches in operation, and there was upon the statute books of the State of Missouri a law which provided that no bank should maintain a branch bank or receive deposits or pay checks except in its own banking house.

The State of Missouri thereupon, on June 27, 1922, through its attorney general, brought original proceedings in the nature of quo warranto in the State supreme court against the bank to determine its authority to establish and conduct a branch bank in the city of St. Louis. The State alleged that the First National Bank was engaged at this branch bank in the business of banking by discounting bills, notes, and other evidences of debt, receiving deposits and paying checks, buying and selling bills of exchange, and lending money. In other words, that a general banking business was being conducted at the branch. This, it was contended, was in violation of the laws of the State which prohibited the establishment of branch banks; that the prohibition in this law was applicable to the First National Bank, because the national banking laws did not permit a national bank to establish a branch bank. The attorney general prayed that the bank be ousted from the privilege of operating this branch bank or any other branch bank.

The bank filed a demurrer which presented two questions of law; first, that the State of Missouri was without authority to institute proceedings of this character against a national bank, and second, that the First National Bank was within its charter powers in establishing the branch bank in question.

Upon this issue of law the case was submitted. The record discloses no issue of fact, the bank having entered no denial of the allegations of fact set up in the information filed by the attorney general of the State.

The Supreme Court of Missouri held that the prohibition in the Missouri statute against the maintenance of branch banks applied to national banks, and the contention of the State was upheld, judgment being rendered ousting the First National Bank from the location occupied by the branch.

The case was thereupon brought to the Supreme Court of the United States upon writ of error upon the same issue of law which was before the Supreme Court of Missouri.

This case, coming on as it did at a time when the branch-banking question was being hotly discussed in a number of States, attracted a great deal of attention. There was an imposing array of counsel on each side, numbering in all 30. On the brief of the attorney general for the State of Missouri there were also the attorneys general for the States of Illinois, Connecticut, North Dakota, Washington, Wisconsin, Iowa, Arkansas, Minnesota, Indiana, and Kansas. The Association Opposed to Branch Banking was also represented by counsel, and a number of briefs were filed with leave of the court as amici curiæ. Among these was the brief of Solicitor General Beck, who appeared on behalf of the Government of the United States.

The case was argued before the Supreme Court on May 7, 1923, and was restored to the docket for reargument May 21, 1923, and was reargued November 21 and 22, 1923.

The Solicitor General took the position that the State of Missouri was without jurisdiction in attempting by quo warranto to inquire into the charter powers of a corporation created and supervised by the Federal Government. That to uphold the State of Missouri would involve an infringement upon the sovereignty of the United States, whose jurisdiction over the charter powers of national banks was complete and all embracing. In discussing the merits of the case he agreed with counsel for the State that a national bank was without charter power to establish a branch bank for the conduct of a general banking business, but that this lack of power was not inconsistent with the maintenance of city agencies of the banking house for the conduct of certain routine business found to be necessary under present conditions in order properly to carry on a banking business in certain cities. The question, however, of the authority to establish such agencies was not before the court in this case and formed no part of the opinion.

Mr. Justice Sutherland delivered the opinion of the court, in which the contention of the State was upheld and the judgment of the Supreme Court of Missouri confirmed. Mr. Justice Van Devanter, Mr. Justice Butler, and Mr. Chief Justice Taft dissented from the majority opinion on the question of the jurisdiction of the State of Missouri to maintain this action.

In reaching this conclusion the Supreme Court held that a national bank has no charter power, express or implied, under the national banking laws to establish and maintain a branch bank, and therefore when the First National Bank in St. Louis established a branch bank it was a clear violation of the Missouri statute. That the enforcement of the State law against a national bank did not in any way conflict with the laws of the United States because the prohibition therein was directed against acts which the Federal laws did not permit. The State was permitted to determine for itself whether the Federal statutes permitted a national bank to establish a branch bank, and having determined that the power sought to be exercised by the bank had no justification in any law or authority of the United States, the way was open for the enforcement of the State statute by the State authorities.

In the light of this opinion, how may a branch bank then be defined? The court followed Attorney General Wickersham's opinion of May 11, 1911, which in turn was confirmatory of the long-established position of the Comptroller of the Currency.

Mr. SHORTRIDGE. Will the Senator from Nebraska have the goodness to make the statement again in regard to the number of branch banks and in what States there were branches of nationally chartered banks? Were they in States where State-chartered banks were permissible or not?

Mr. HOWELL. They were all, except in the case of eight branches, six in Minneapolis, though the State of Minnesota does not allow branch banking, and two in Nebraska, where also branch banking is not allowed.

Mr. SHORTRIDGE. All the others were in States where State-chartered banks are permitted to have branches?

Mr. HOWELL. That is correct.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. HOWELL. I yield.

Mr. SHIPSTEAD. They were started with the sanction and permission of the Comptroller of the Currency?

Mr. HOWELL. The last eight to which I have referred, or does the Senator mean the 304?

Mr. SHIPSTEAD. The 304.

Mr. HOWELL. Undoubtedly. The Comptroller of the Currency could stop them now if he saw fit to do so. He has the power under the law.

Mr. SHIPSTEAD. But Congress had given them no right?

Mr. HOWELL. It had given them no right.

Mr. SHIPSTEAD. So here we have an illustration of bureaucracy legislating instead of Congress legislating?

Mr. HOWELL. Attorney General Wickersham in 1911 filed an opinion to the effect that a national bank could not have branches. In 1922 or 1923, as I remember, Mr. Dawes appealed to Mr. Daugherty.

The VICE PRESIDENT. The hour of 1 o'clock having arrived, the Chair lays before the Senate the motion of the Senator from Pennsylvania [Mr. PEPPER] that the Senate proceed under Rule XXII to the consideration of his motion with reference to House bill No. 2, which motion the clerk will read.

The Chief Clerk read as follows:

[H. R. 2]

Motion to close debate under Rule XXII on the motion proposed by Senator PEPPER to recede from certain Senate amendments to H. R. 2 and to concur in certain House amendments to Senate amendments to the same measure.

CLOTURE MOTION ON BANKING BILL

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, move that debate be brought to a close upon the motion of the Senator from Pennsylvania [Mr. PEPPER] that the Senate recede from its amendments Nos. 1, 13, 14, 15, 16, and 35 to the bill (H. R. 2) to amend an act entitled

"An act to provide for the consolidation of national banking associations," approved November 7, 1918; to amend section 5136 as amended, section 5137, section 5138 as amended, section 5142, section 5150, section 5155, section 5190, section 5200 as amended, section 5202 as amended, section 5208 as amended, section 5211 as amended, of the Revised Statutes of the United States; and to amend section 9, section 13, section 22, and section 24 of the Federal reserve act, and for other purposes; and that the Senate agree to the amendments of the House of Representatives to the amendments of the Senate Nos. 11, 26, 30, 36, 37, 38, and 39, and to the amendment of the Senate to the title of said bill.

(Signed by 58 Senators.)

The VICE PRESIDENT. The clerk will call the roll to determine whether a quorum is present.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	George	McKellar	Schall
Bayard	Gillett	McLean	Sheppard
Bingham	Glass	McMaster	Shipstead
Blease	Goff	McNary	Shortridge
Borah	Gooding	Mayfield	Simmons
Bratton	Gould	Metcalf	Smith
Bruce	Greene	Moses	Smoot
Cameron	Hale	Neely	Stanfield
Capper	Harreld	Norris	Steck
Caraway	Harris	Nye	Stephens
Copeland	Harrison	Oddie	Stewart
Couzens	Hawes	Overman	Swanson
Curtis	Heflin	Pepper	Trammell
Dale	Howell	Phipps	Tyson
Deneen	Johnson	Pine	Underwood
Dill	Jones, Wash.	Pittman	Walsh, Mont.
Edge	Kendrick	Ransdell	Warren
Edwards	Keyes	Reed, Pa.	Watson
Ferris	King	Robinson, Ark.	Weller
Fletcher	La Follette	Robinson, Ind.	Wheeler
Frazier	Lenroot	Sackett	Willis

The VICE PRESIDENT. Eighty-four Senators having answered to their names, a quorum is present. The question is, Is it the sense of the Senate that debate shall be brought to a close? The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. CURTIS (when Mr. BROUSSARD's name was called). I was requested to announce the unavoidable absence of the Senator from Louisiana [Mr. BROUSSARD]. On this question he is paired with the Senator from New York [Mr. WADSWORTH] and the Senator from Colorado [Mr. MEANS]. Were these Senators present, the Senator from Louisiana would vote "nay" and the Senator from New York and the Senator from Colorado would vote "yea."

Mr. SACKETT (when Mr. ERNST's name was called). My colleague the senior Senator from Kentucky [Mr. ERNST] and the senior Senator from Delaware [Mr. DU PONT] are paired on this vote with the Senator from Missouri [Mr. REED]. If present, the Senator from Kentucky and the Senator from Delaware would vote "yea" and the Senator from Missouri would vote "nay."

Mr. JOHNSON (when his name was called). Upon this vote I am paired with the senior Senator from South Dakota [Mr. NORBECK], who is confined in the hospital as the result of an accident, and the senior Senator from New Mexico [Mr. JONES], who is confined to his home by illness. The Senator from South Dakota and the Senator from New Mexico would vote "yea" if they were here. If I were permitted to vote, I would vote "nay."

The roll call was concluded.

Mr. WILLIS. My colleague the junior Senator from Ohio [Mr. FESS] is unavoidably absent from the Chamber and it has not been found possible to arrange for him a pair on this vote. If my colleague were present, I am assured that he would vote "yea."

The result was announced—yeas 65, nays 18, as follows:

YEAS—65

Ashurst	Goff	Metcalf	Simmons
Bayard	Gooding	Moses	Smith
Bingham	Gould	Neely	Smoot
Bratton	Greene	Oddie	Stanfield
Bruce	Hale	Overman	Steck
Cameron	Harreld	Pepper	Stephens
Capper	Harris	Phipps	Stewart
Caraway	Harrison	Pine	Swanson
Copeland	Hawes	Pittman	Tyson
Couzens	Howell	Ransdell	Underwood
Curtis	Jones, Wash.	Reed, Pa.	Warren
Edge	Kendrick	Robinson, Ark.	Watson
Edwards	Keyes	Robinson, Ind.	Weller
Ferris	McKellar	Sackett	Willis
Fletcher	McLean	Schall	
Gillett	McNary	Sheppard	
Glass	Mayfield	Shortridge	

NAYS—18

Blease	Frazier	Lenroot	Trammell
Borah	George	McMaster	Walsh, Mont.
Dale	Heflin	Norris	Wheeler
Deneen	King	Nye	
Dill	La Follette	Shipstead	

NOT VOTING—12

Broussard	Fess	Jones, N. Mex.	Reed, Mo.
du Pont	Gerry	Means	Wadsworth
Ernst	Johnson	Norbeck	Walsh, Mass.

The VICE PRESIDENT. Two-thirds of the Senators present having voted in the affirmative, the motion is agreed to. The Senate will proceed under Rule XXII.

Mr. HOWELL. Mr. President, the action taken by Attorney General Daugherty in authorizing the Solicitor General to appear in this St. Louis case in support of national-branch banking is a further indication of the pressure that has long been developing for such privileges.

In addition to the evidence of such pressure, already cited, we now have the pending bill, which proposes to grant national banks in cities of 25,000 or more the privilege of operating city-wide branches wherever State banks are permitted by State law to engage in branch banking.

It must be evident that the granting of such authority—that is, the authority to engage in branch banking—is a direct invitation to national and State bankers desiring branch bank privileges to unite in the promotion of legislation favorable to branch banking in nonbranch banking States. Thus influential bankers located in the 26 States which to-day prohibit branch banking, desirous of engaging therein, could appeal to national bankers for assistance in changing State laws so as to permit branch banking by State banks, whereupon branches would automatically be permitted to national banks. That such combinations are by no means unlikely is evidenced by the fact that recently in New Jersey a concrete example occurred illustrating how State and national bankers may combine to the end of altering State banking laws. New Jersey's law prohibiting branch banking was changed by the legislature, but in making such change the national banks of the State insisted upon a provision making the granting of State branches contingent upon branch bank privileges being granted by Congress to national banks.

There can be no question but the majority of the banking fraternity of this country are opposed to branch banking. They have resolved against it time and again in their conventions. True, the American Bankers Association last year in Los Angeles reversed itself so far as this present bill is concerned. However, it is a fact that this reversal occurred at a special meeting and the majority for this bill without the Hull amendments is easily accounted for by the number of proponents of branch banking who were present for the very good reason that California has been a hotbed of branch banking, there being within the State between 400 and 500 branch banks. If but half of those branches were represented at this convention, the majority for this bill without the Hull amendments is accounted for.

In view of these facts, how are we to account for the almost nation-wide impetus of the idea resulting in the pressure now being exerted in behalf of branch banking? A review of the developments in banking in this country during the past 20 years unmistakably indicates the reason therefor. Branch banking offers tremendous rewards in the way of profits and power for a comparatively few enterprising men. In short, the power and profits are only limited by the extent of the monopoly that thus can be developed. The example of the Bank of Italy, of San Francisco, Calif., has undoubtedly not only appealed to the imaginations but dazzled some of our great bankers, and though they may have been opposed to branch banking in the past, yet in this California development they discern what some of them conceive to be the inevitable, and therefore their attitude to-day is—

Branch banking is on the way, why not get in now?

In 1870, Mr. A. P. Giannini was born in California, of Italian parents. At 12 he entered the employ of a commission firm; at 19 he was a partner; at 32 he retired a millionaire. Before the end of two years, however, he became restless and decided to enter the banking business, and in 1904 he established in San Francisco the Bank of Italy. Its success was instantaneous, several branches were opened in the city and, subsequently, outside branches were added, that State having authorized branch banking. He also organized the Bancitaly Corporation, a holding company, with a capital of $5,000,000. Later its outstanding capital stock was increased to $50,000,000, and on December 7, last, it was again increased to $100,000,000.

In addition to the banks directly owned and controlled—

By this corporation—

its holdings consist primarily—

According to Russell, Colvin Co. of San Francisco—

of blocks of stock of the foremost banks throughout the world. It also has large holdings of listed and unlisted securities of both foreign

and domestic industrials, insurance stocks, etc. The corporation has consistently carried out its plan of acquisition, and its holdings of property and investment securities, selected to produce a high degree of safety compatible with a fair amount of return, are highly diversified.

The following is a list of the Bancitaly Corporation's subsidiaries:

First. The Bank of Italy with its 98 branches; capital and surplus, $52,000,000 (approximately); resources, $425,000,000.

Second. The Capital Co., a real estate corporation, with large holdings of business property in San Francisco and Los Angeles; capital and surplus, $1,000,000.

Third. Commercial Exchange Bank of New York with its two branches; capital, surplus, and undivided profits, $1,750,000 (approximately); resources, $16,000,000.

Fourth. Bowery & East River National Bank of New York with its 14 branches; capital, surplus, and undivided profits, $6,390,000 (approximately); resources, $80,000,000.

Fifth. Banca d'America e d'Italia of Rome, Italy, with its 18 branches; capital, surplus, and undivided profits, $10,000,000; resources, $40,000,000.

Sixth. Stockholders' Auxiliary Corporation, an organization dealing in real estate and securities; also a bank stock holding corporation, owning, among others, 37,270 shares of the stock of the Bank of Italy; capital, surplus, and undivided profits, $22,000,000 (approximately).

Seventh. Liberty Bank, with its 30 branches throughout northern California; capital, surplus, and undivided profits, $3,500,000 (approximately); resources, $43,000,000.

Eighth. Commercial National and Savings Bank of Los Angeles, with its 18 branches: Capital, surplus, and undivided profits, $4,000,000 (approximately); resources, $25,000,000.

Ninth. Bank of America, Los Angeles, with its 21 branches: Capital, surplus, and undivided profits, $3,800,000 (approximately); resources, $27,500,000.

The Bancitaly Corporation owns stocks of 93 banks in 25 principal cities of the United States. It also owns stocks of 73 banks in 18 foreign countries. Again—

banks directly controlled in New York and vicinity have 16 branches; in Italy, 18 branches; in California, 167 branches, which, together with the main banking offices, makes a system of 208 banking locations in all.

Banks directly controlled in New York have total resources of $96,000,000; in Italy, $40,000,000; in California, $520,000,000—an approximate total of over $650,000,000.

Mr. McLEAN. Mr. President, I do not want to interrupt the Senator unless he is willing to be interrupted.

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Connecticut?

Mr. HOWELL. I yield.

Mr. McLEAN. Before the Senator leaves the subject of the Bank of Italy, which, I understand, is probably as glaring an illustration of branch banking as we have in this country, I should like to ask him what he thinks that bank would do—it being now, as I understand, a member of the Federal reserve system—if the Hull amendments, which I understand the Senator favors, should be adopted? In that event the Bank of Italy would have to divest itself of its branches outside of its home office. I should like to ask the Senator what he thinks that bank, which has been so successful, would do?

Mr. HOWELL. Mr. President, I propose to offer one of the Hull amendments, and if that Hull amendment should be adopted, it would not in any way affect the Bank of Italy.

Mr. McLEAN. The Senator has not answered my question. It seems to me that the Bank of Italy would at once retire from the Federal reserve system, and it would have to do so in order to save its life.

Mr. HOWELL. Not necessarily; but it could not increase the number of its branches.

Mr. McLEAN. But if the Hull amendments were adopted, I repeat, it would have to divest itself of its branches outside of its home office.

Mr. HOWELL. I am interested at this time in but one Hull amendment; however, as I understand another Hull amendment, to which the Senator refers, a State banking institution may remain in the Federal reserve system and retain all of the branches it may have at the time of the passage of this act.

Mr. McLEAN. That is one of them.

Mr. HOWELL. That is one; yes. What amendment has the Senator in mind that would compel the Bank of Italy to leave the Federal reserve system?

Mr. McLEAN. If it is reorganized and tries to become a national bank, it would have to divest itself of all of its branches outside of the home city.

Mr. HOWELL. Yes; but who suggests that it proposes to convert. It certainly does not intend to do so now.

Mr. McLEAN. And if this bill passes, after it passes it can have additional banks only in the home city; so, to that degree, the present bill is restrictive.

Mr. HOWELL. To that degree it is restrictive; but they have the Bancitaly Corporation, which may continue to acquire banks with branches.

Mr. McLEAN. It could not after this bill passes.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER (Mr. BINGHAM in the chair). To whom does the Senator from Nebraska yield?

Mr. McLEAN. It could not have branches outside of the home city.

Mr. HOWELL. I am talking about the Bancitaly Corporation and not the Bank of Italy. They are two distinct institutions. The Bancitaly Corporation is Mr. Giannini's holding company.

Mr. McLEAN. There is nothing that the Federal Government can do to stay the progress of that bank.

Mr. HOWELL. No; but, Mr. President, the example of this remarkable result in California is appealing to the enterprising ambitious bankers of this country, and unless we take a decided stand to stop the advance of branch banking, branch banking is inevitable; it will move forward gradually, wiping out independent banking like a relentless glacier.

Mr. McLEAN. Mr. President, the Senator says branch banking is inevitable. The Senator who addressed the Senate yesterday [Mr. WHEELER] insisted that this was an opening wedge. Apparently, if the Senator from Nebraska is right, the log is already split wide open into two pieces, and there is nothing that the Federal Government can do to prevent the 20,000 State banks from doing anything they please with regard to the extension of branch banks.

Mr. HOWELL. Mr. President, I have not suggested that branch banking is inevitable, except if we do nothing to stem it. It is probably inevitable if we pass this bill. This measure is another step in that direction. The Cleveland Trust Co., for instance, a few years ago opened some 48 branches in Cleveland, and in four years its deposits went from $100,000,000 to $200,000,000. That is what is appealing to enterprising bankers throughout this country. They say, "Branch banking is here. We might as well get in; and, therefore, why not start the national-banking system on the road?" Moreover, they probably have been energized more by the example of Mr. Giannini's success in California than from any other source.

Mr. President, the achievements of Mr. Giannini in the field of branch banking have fascinated, if not almost hypnotized, some of our leading bankers. As a consequence the foundations of independent banking in this country have been positively shaken, and this bill without at least one of the Hull amendments, which I propose to offer, will constitute a serious breach in the walls of its citadel. Therefore, in dealing with this measure, we should fully realize that if we are proponents of branch banking, it will prove an aid to its progress. On the other hand, if we are opposed to this form of banking, its enactment will constitute a thrust at the vitals of independent banking.

What will branch banking mean for the United States? Mr. President, the remarks I have made to-day have been largely a compilation of some of the best thought respecting the subject matter dealt with, and I ask unanimous consent now that such portions of my address as I have read shall be printed in 8-point type.

The PRESIDING OFFICER. The Senator from Nebraska asks unanimous consent that certain portions of documents from which he has read be printed in 8-point type.

Mr. OVERMAN. These documents are to be printed in the Senator's address, are they?

Mr. HOWELL. Yes; those that I have read.

The PRESIDING OFFICER. Is there objection?

Mr. FLETCHER. I think there is some rule——

The PRESIDING OFFICER. The Chair is informed that the request is contrary to law and is not governed by the rules of the Senate.

Mr. McLEAN. I think that is so.

Mr. HOWELL. Mr. President, permission has been granted heretofore.

Mr. McLEAN. I do not think so, recently.

Mr. HOWELL. It is not contrary to law.

Mr. FLETCHER. I think the Joint Committee on Printing adopted a rule on the subject about a year ago or something like that.

Mr. HOWELL. They did; but I have asked unanimous consent that the portions only that I have read shall be printed in 8-point type.

Mr. FLETCHER. Personally, I have no objection at all; but I believe it is contrary to the rules.

Mr. HOWELL. But it has been done before, Mr. President.

Mr. McLEAN. I think the Senator from New Hampshire [Mr. MOSES] has recently objected, on the ground that if it is fair to one it is fair to everybody; and the Senator realizes what it would lead to.

Mr. HOWELL. I trust the Senator from Connecticut will not object.

Mr. McLEAN. I have no objection.

The PRESIDING OFFICER. The Chair asks for information from the Senator from Nebraska, whether his request covers something of his own which is read or something which he is reading from some one else?

Mr. HOWELL. No; I have asked that what I have read myself shall be printed in 8-point type. Certain parts that I have asked to have included in my address I do not ask to have printed in 8-point type, but merely that which I have read here on the floor.

Mr. McLEAN. Yes; but the Senator has read quotations. The Senator refers to quotations which he has read.

Mr. HOWELL. Yes.

Mr. McLEAN. Personally, I think that comes under the prohibition of the rule.

Mr. HOWELL. But it has been granted heretofore; and I trust the Chair——

The PRESIDING OFFICER. Is there objection? The Chair hears no objection; and, with the understanding that the Government Printing Office will follow the law in the case, in view of the fact that there is no objection, the Senator's request will be forwarded to the Government Printing Office.

Mr. HOWELL. I have inquired about the matter, and am surprised that the Chair should make such a distinction.

The PRESIDING OFFICER. The Chair is following the advice of the parliamentary clerk.

Mr. FESS. Mr. President, will the Senator yield?

Mr. HOWELL. If the Senator will pardon me, I have just a little time.

Mr. FESS. I wanted to make a statement of what the rule is which is in favor of the Senator's position.

Mr. HOWELL. Very well; I yield.

Mr. FESS. If the Senator has submitted something that he wants to have printed without being read, it would have to be in small type, but if he reads it, though it be in somebody else's speech, it will be printed in 8-point type.

Mr. HOWELL. That is all I have asked—that what I have read should be in 8-point type.

The PRESIDING OFFICER. Without objection, the matter will be printed in 8-point type.

Mr. HOWELL. Mr. President, as to the threat of branch banking and its disadvantages, I will quote from the statements of Mr. Henry M. Dawes, former Comptroller of the Currency, in his annual report of 1923:

> The danger which confronts our present banking system lies in an insidious and gradual undermining influence * * * which is the result of the desire to secure temporary benefits for particular individuals and banking institutions, without consideration being given as to the ultimate effects on the highly complicated and efficient machinery of American finance and exchange. It is peculiarly a time when these indefinite tendencies should be precipitated into their essential elements.
>
> The above observations apply to the general subject of branch banking. * * *
>
> In support of the general contention that the principle of branch banking has been carried to such an extent as to constitute a definite trend in certain localities the following facts are submitted:
>
> Branch banking is permitted with various modifications in the following 17 States: Arizona, California, Delaware, Georgia, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, New York, North Carolina, Ohio, Rhode Island, South Carolina, Tennessee, and Virginia.
>
> The laws of some of these States restrict the establishment of branches to the city or county of the location of the parent bank, while others permit branches to be established in any part of the State. In California, for example, 82 of the State banks are operating a total of about 475 branches. In that State one bank operates 28 branches, one bank 19 branches, another about 71 branches in 48 different cities, another about 72 branches. Four banks in California operate a total of 190 out of the 475 branch banks in the State. In the State of Michigan upward of 300 branches of State banks are in operation. In the city of Detroit 14 banks are operating about 200 branches, and there are in Detroit only 3 national banks left in operation. In the State of New York about 251 State banks are operating branches. In the United States to-day it is reported that 517 State banking institutions have in operation 1,675 branches.
>
> The figures used above are not intended to be authoritative or complete, and are used only for the purpose of illustration. They are, however, sufficient to indicate that this form of banking must now be dealt with as a practical condition to be met and not as a theory.
>
> The examination of an institution with branches and subsidiaries is a very difficult one. The interdepartmental relationships vastly complicated. It is more difficult to examine 10 institutions of a given size which are associated in a branch-banking system than it would be to examine 10 independent institutions, as all of the transactions between the different branches have to be investigated, and eliminations and adjustments made to produce a composite picture and prevent the improper manipulation or shifting of assets. This can not be done satisfactorily without a simultaneous examination of the parent bank and all of the branches. Bank examination involves very much more than a mere scrutiny of figures. Questions of moral character, of local reputation, of valuations of securities, of conformity to laws and rulings—these and many other elements enter into a proper examination. In the case of a large bank, with 75 to 100 branches, it would be impossible to mobilize a force of examiners of the ability to make an intelligent analysis of the situation in each individual community, even if it is to be assumed that the character of the banker is not a factor in the condition of the institution.
>
> BRANCH BANKING ESSENTIALLY MONOPOLISTIC
>
> As to the question of whether or not it is possible for independent unit banking systems to exist and operate in conjunction with a branch-banking system, very definite conclusions may be drawn from the results of the operations of branch-banking systems in other countries.
>
> Branch banking is in vogue in England, Scotland, Ireland, Canada, Australia, New Zealand, France, and other parts of continental Europe. It is understood that it is also in operation in the Latin American countries. According to figures published in the Bulletin of the American Institute of Banking for July, 1923, in 1842 there were in England 429 banks and in 1922 only 20 banks with about 7,900 branches. Of these 20 banks, 5 controlled practically all of the banking of the nation. In Scotland there are only about 9 banks with about 1,400 branches, and in Ireland about 9 banks with about 800 branches.
>
> In 1885 in Canada there were 41 independent banks. Under the operation of branch banking the number was reduced to 35 by the year 1905. According to recent information there are in Canada to-day only 14 banks operating about 5,000 branches. There are no independent unit banks in western Canada; in fact, none west of Winnipeg. Banking control through the branch system is concentrated in the cities of Montreal and Toronto.
>
> Experience in other countries definitely indicates that independent unit banks do not exist parallel with branch banks. As indicating that this is not necessarily due to conditions which exist abroad, but might not exist in the United States, the following points are adduced, which clearly indicate that there are such inherent antagonisms between the two systems that they could not under any circumstances long operate together in the same country.
>
> Branch banking is, in its essence, monopolistic. The financial resources of a number of communities are put under the control of a single group of individuals. Funds liquidated in one community may be used to develop other communities at the discretion of the officers of the central bank. The economic development, therefore, of a given territory under the control of a branch would depend upon the policy of the bank. The bank would have the power to retard or to encourage the development of a given community or individual enterprise. In this connection it has been well said that if the sudden creation of great branch-banking systems resulted in withdrawing funds from the support of rural communities in order that they may be invested in self-liquidating commercial paper originating elsewhere, then it will be true that sound, abstract banking principles will have been applied, but at a cost to the future development of the rural communities that will far outweigh any advantages that may be gained.
>
> SERVICE OF THE UNIT BANKS
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> In a system of independent unit banks, the bank which best serves the community is the bank which is most certain to live the longest and be the most profitable to its stockholders. Since the type of man who starts a bank in a small community is essentially constructive, his natural associations and sympathies are with men of constructive type, and he extends the facilities of the bank most liberally to them. His loans take into account, as a first consideration, character and moral responsibility. He is naturally inclined to encourage young, aggressive, and enterprising individuals who will, in the course of time, bring business to the institution as he succeeds, and will develop commercial and industrial enterprises and be a factor in the creation of corporate and private undertakings, all of which will be feeders to the bank. As this type of individual is usually not the possessor of high-class collateral at the beginning of his career, the banker is dependent in a large measure upon character, of which he can only be sure by personal contact and acquaintance.
>
> The distinctive accomplishment of the banking system of the United States is its contribution to enterprise and its stimulation of growth; its criterion is service.
>
> It can well be said that the rapid economic development of America has been largely due to the policy of the pioneering unit banks which

recognized this principle of service. It is inconceivable that the representative of a nonresident board of directors should be granted the authority and the discretion to make a type of loan which is based on character, knowledge of local conditions, and ultimate benefits to be realized by the community and by the banks. While it requires a high order of ability to make this class of loan, the banking history of the United States would show, in the main, a surprisingly small mortality. These loans, however, on account of their small size in individual cases and difficulty of ascertaining their intrinsic value do not afford a basis for discount with other banks in case of stress, and no bank could exist if it were dependent entirely upon them. If across the street from the unit bank making this sort of loan were the agent of a great branch-banking institution, this agent would very quickly acquire the larger and, from the narrow banking standpoint, the desirable business of the town. This he could do by offering lower rates of interest on loans and higher rates on deposits than local conditions would ordinarily justify, which, in the nature of the case, would probably be withdrawn as soon as the independent unit banks of the town were finally eliminated. This is a process which has been pursued in the evolution of our great industrial enterprises, which have had to be curbed by the action of the Sherman antitrust law and other governmental action.

The opportunities for coercion on the part of large institutions scattered over a whole State are very great. This coercion might take any one of a number of forms. The connection of the branch banks with out-of-town customers of the institutions of a community permits of pressure being readily brought.

* * * * * * *

The expression has been used as applied to one State where branch banking exists on a large scale that the branch banks skim the cream and the unit banks are left with the skimmed milk, the result that the unit banks have gone out of existence, and the borrower who is a good moral risk, but can not produce a certain form of collateral, is left to depend upon the good graces of a representative of the branch banks who is frequently the possessor of all the discretionary powers of the local railroad agents and no more.

One of the monopolistic influences exerted by the branch banker is the ability to secure, by the payment of higher salaries, the transfer to other points of the efficient employees of the unit banks. A general procedure in the creation of branch-banking systems in one of our American States has been the absorption of local unit institutions. During the first few years the operations of these local unit institutions have, in many cases, been successful because the enterprising and pioneering talent that created the bank is still retained in official capacity, but men of this type will not long consent to hold positions which are, in their essence, merely advisory, and there is soon substituted therefor the type of employee who must be bound by rigid instructions and is capable of interpreting them only in a mechanical way. In case of an acute financial disturbance demanding immediate action, it is necessary for the representative of the branch bank to refer back to the head office for instructions as to his course of action, and a delay is occasioned by red tape which frequently makes it impossible for them to help in an emergency, even when they have the desire.

Mr. President, in 1925 I visited South Africa, and I found that there the branch-bank system was in effect. American business men whom I met expressed the hope that American business men would never be subjected at home to the delays—yes, even the humiliation—to which they were sometimes subjected in South Africa. The statement was made that the manager of a branch bank was limited in the amount he could loan—as I remember, it was only two or three hundred dollars—and in connection with all other loans it was necessary to await communication with the head office, and it often took a week before a man would know whether he was to receive an accommodation or not, and in the smaller towns if the bank would not accommodate him he had no other place to go.

To obviate the possibility of transforming national banks in nonbranch-banking States from their present attitude of enemies to that of allies in favor of branch banking I have prepared an amendment which I propose to offer. In subsection C of the House amendment of the Senate amendment of section 5155, following the word "time," I propose the insertion of the words "of the approval of this act," thus causing that subsection to read as follows:

A national banking association may, after the time of the approval of this act, establish and operate new branches within the limits of the city, town, or village in which said association is situated, if such establishment and operation are at the time of the approval of this act permitted to State banks by the law of the State in question.

The effect of this amendment is to limit the operation of branches of national banks to those 22 States where "at the time of the approval of this act" branch banking is permitted by State law.

With this amendment added to the pending bill, State banks will find it almost impossible to enlist the cooperation of national banks in securing permissive branch-bank State legislation, because national banks could not, under this amendment, ordinarily open branches the moment the State law was changed.

If the pending bill, with this amendment, had been enacted by the Sixty-eighth Congress in 1924, the national bankers of New Jersey, instead of helping to change the State law to favor branch banking would have been very active in defeating the attempt. Clearly, this amendment is fair. It does not affect the 22 States where branch banking is now permitted under State law. It does not interfere with the provisions of the pending bill granting national banks the right to have branches in the States where State banks to-day have branches. It does not interfere with the provisions of the bill granting to national banks throughout the entire country other privileges enjoyed by State banks.

If the motive or incentive to change the antibranch bank law of any State is removed, it logically follows such laws will not be changed. Consequently, the national banks located in the State of Missouri, for instance, or any other State whose laws do not permit branch banking, will not be unfairly treated. The fact that the only effect of this amendment is to keep branch banking out of nonbranch-banking territory lends significance to the efforts that have heretofore been made to keep it out of this bill.

As was stated on the floor of the House of Representatives, "no solution of the branch-banking problem can be permanent unless it is a fair solution, and the two essentials of a fair solution are, justice to the national banks suffering from the competition of State-bank branches in the States in which such branches are permitted and at the same time future protection from branch banking for both National and State banks in those States where it is now prohibited."

The pending bill authorizes branches for national banks in the States where branch banking is permitted. The amendment which I propose practically guarantees that branch banking will not spread into the 26 non-branch-banking States. It is our view that this proposed amendment is necessary if the danger of branch banking is to be prevented from threatening the nonbranch-banking States. Without the amendment, it is apparent that a small group of influential State bankers might combine with national bankers of the State and, if favored by fortune, these allies might force branch banking upon an unwilling State. Those who wish to encourage the spread of branch banking claim that this proposed amendment is desired only by State bankers. The obvious answer to this charge is the resolution of the 1924 convention of the American Bankers' Association, made up of both National and State bank representatives, unanimously indorsing the Hull amendments to this bill that were offered in the House, of the first of which this proposed amendment was the heart.

Mr. President, I now offer the amendment in the form of the following substitute for the motion of the Senator from Pennsylvania:

Resolved, That the Senate recede from its amendments Nos. 1, 13, 14, 15, 16, and 35 to the bill H. R. 2.

That the Senate agree to the amendments of the House to the amendments of the Senate Nos. 11, 30, 36, 37, 38, and 39 and the amendment to the title:

That the Senate agree to the amendment of the House to the amendment of the Senate No. 26 with a further amendment as follows:

In subdivision (c) thereof, after the word "time," insert the words "of the approval of this act."

The PRESIDING OFFICER. The Chair would call the attention of the Senator from Nebraska to the fact that under the rule, except by unanimous consent, no amendment shall be in order. Therefore, it is necessary for the Chair to ask whether there is objection to the offering of the amendment.

Mr. McLEAN. Mr. President, I would call the attention of the Chair to the last paragraph of Rule XXII, which reads as follows:

Thereafter no Senator shall be entitled to speak in all more than one hour on the pending measure, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time.

Mr. HOWELL. There was a gentlemen's agreement about this matter. The gentlemen's agreement provided, as I understood, that there was to be ample time to debate the bill before it should be brought to a vote. There has not been ample time. I suggested that the vote on cloture be put over until to-morrow, and now it seems that in the unanimous-consent agreement there is a provision that, although the bill is subject to amendment, no amendment can be offered. I insist that this is not in

accord with the understanding which I had in reference to the bill.

Mr. McLEAN. It is a rule of the Senate we are talking about. It is not a unanimous-consent agreement in relation to the bill. It is a rule of the Senate.

Mr. HOWELL. I beg the Senator's pardon.

Mr. McLEAN. I have read the rule to the Senator. The Senator should have offered his amendment prior to 1 o'clock.

The PRESIDING OFFICER. Is there objection to the offering of the amendment?

Mr. McLEAN. I object.

Mr. HOWELL. Does the Senator object?

Mr. McLEAN. I do.

Mr. HOWELL. Mr. President, may I ask how much time have I remaining?

The PRESIDING OFFICER. The Chair is informed that the Senator has 14 minutes left.

Mr. HOWELL. I will acknowledge that I was not aware of the provisions of the rule. I understood I would have an opportunity to offer the amendment. I endeavored to secure the floor yesterday afternoon so that I might offer it. Subsequently I had the floor and gave way in order that there might be an executive session. Now it seems that I am to be denied the opportunity of offering the amendment.

Mr. WHEELER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Nebraska yield the floor?

Mr. HOWELL. I yield the floor.

The PRESIDING OFFICER. The absence of a quorum being suggested, the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Bayard	Fess	King	Sackett
Bingham	Fletcher	La Follette	Schall
Blease	Frazier	Lenroot	Sheppard
Borah	Gerry	McKellar	Shortridge
Bratton	Gillett	McLean	Simmons
Broussard	Glass	McMaster	Smith
Bruce	Goff	McNary	Smoot
Cameron	Gooding	Mayfield	Steck
Capper	Gould	Metcalf	Stewart
Caraway	Hale	Moses	Swanson
Copeland	Harreld	Neely	Trammell
Couzens	Harris	Norris	Wadsworth
Curtis	Harrison	Nye	Warren
Dale	Hawes	Oddie	Watson
Deneen	Heflin	Overman	Wheeler
Dill	Howell	Phipps	Willis
Edge	Jones, Wash.	Pine	
Edwards	Kendrick	Reed, Pa.	
Ferris	Keyes	Robinson, Ind.	

The VICE PRESIDENT. Seventy-three Senators having answered to their names, a quorum is present. The question is on the motion of the Senator from Pennsylvania [Mr. PEPPER].

Mr. FESS. Mr. President, before voting on the measure I want to make just a very brief statement. I shall detain the Senate but a short time.

I have regarded this legislation as extremely important. It is not a matter of sudden conviction with me, but a matter of long-standing investigation and observation. When the Federal reserve act was originally passed in 1913 it created very wide interest throughout the country, and was discussed as few questions are discussed, at least in my experience. It appears to me that the years since that time have demonstrated that it has been a very remarkable piece of legislation. Prior to that time, under the old banking system, which served a great purpose during its existence, we had periodic crises about every 20 years. They seemed to come with surprising regularity in those periods.

We have not had anything of that sort since the operation of the new plan began, and I am of the opinion that it has been one of the great agencies to prevent that condition recurring, and ought to prevent its recurrence in the future. For that reason I am pleased to have the provision in the bill that will extend the charter, and to have the action taken thus early, although it is several years before the charter terminates. I should dislike to see a campaign worked up in this country that would bring the Federal reserve act into politics, for reasons too apparent for comment.

Then it strikes me that there is a great deal in the fear that if this legislation shall not be passed the effectiveness of the Federal reserve system will be greatly lessened by the withdrawal from it of the national banks which under the law were forced into it. While the national banks had no choice in staying out of the system originally, they can now very easily withdraw by taking State charters, and the experience of the last few years, especially in Ohio, indicates that that is the trend; it seems to me it is inevitable. For that reason I am very anxious to see this bill enacted into law.

When the Federal reserve legislation was originally brought up in the other House I was a Member of that body and collaborated with the House author of the bill in trying to work it into shape, and I have been interested in it from that day until the present. I do not recall any piece of legislation that seems to have been buffeted as much as the one now pending. Although it has now reached the position where all that is needed is a single vote here in the Senate, there has been delay and debate on the measure to a point where there is more or less uneasiness in the country.

I was temporarily detained from the Senate a while ago when the vote was taken on the cloture rule. Having signed the motion for cloture, of course, I was anxious to have the motion adopted by the Senate and should have voted for it had I not been detained from the Chamber at the time the vote was taken. I make this statement so that I shall not be misunderstood as to the position that I occupy as to the great value of this piece of proposed legislation.

Mr. DILL. Mr. President, I desire to take but a very few moments in order to express my attitude regarding the pending bill. I am opposed to the bill, particularly because of the fact that if it shall become a law it will open the door to the enlargement of branch banking in this country. I believe that the provisions of the bill when they go into effect will result in starting in the various States where there is no branch banking a campaign to induce the legislatures to pass laws permitting branch banking, and the result will be that within a few years the branch-banking system will be extended all over the United States.

In my own State we have forbidden branch banking, but even with the prospect of the passage of this bill already there is a campaign under way to bring about such legislation, and with the passage of the bill I have no doubt at all that that campaign will gain impetus and within a very short time branch-banking legislation will be enacted in my State and in other States which now forbid branch banking.

The statement of the Senator from Nebraska [Mr. HOWELL] as to the ramifications of the Bank of Italy and its branch-banking system, it seems to me, should be conclusive to anyone as against this Government permitting the growth of such a policy. I can not for that reason support the bill.

The second reason why I oppose the bill is because of the provision for an indeterminate charter for the Federal reserve system. I do not believe that is a wise policy to adopt at any time, and especially not seven or eight years before the expiration of the present charter. It will simply mean that it will take a two-thirds vote of the House and Senate ever to revoke the charter of the Federal reserve system, because I believe that those favoring the system will probably always be able to cause the President to veto any measure designed to bring about a revocation, and that would mean that a two-thirds majority would be necessary to pass legislation repealing the charter. I am not going to take more time or delay the Senate further, but I wished to express my views to the extent I have done.

SEVERAL SENATORS. Question!

The VICE PRESIDENT. The question is on the motion of the Senator from Pennsylvania [Mr. PEPPER].

Mr. HEFLIN. What is that motion?

The VICE PRESIDENT. The clerk will read the motion.

The LEGISLATIVE CLERK. The Senator from Pennsylvania [Mr. PEPPER] moves that the Senate recede from its amendments Nos. 1, 13, 14, 15, 16, and 35, and that the Senate agree to the amendments of the House of Representatives to the amendments of the Senate Nos. 11, 26, 30, 36, 37, 38, and 39, and to the amendment to the title to the bill (H. R. 2) to amend an act entitled "An act to provide for the consolidation of national banking associations," approved November 7, 1918; to amend section 5136 as amended, section 5137, section 5138 as amended, section 5142, section 5150, section 5155, section 5190, section 5200 as amended, section 5202 as amended, section 5208 as amended, section 5211 as amended, of the Revised Statutes of the United States; and to amend section 9, section 13, section 22, and section 24 of the Federal reserve act, and for other purposes.

Mr. WHEELER. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the name of Mr. ASHURST.

Mr. McLEAN. Mr. President, I do not think any business has intervened between the present time and the time when the last roll call was had only a few moments ago.

Mr. HEFLIN. There certainly has.

Mr. NEELY. The Senator from Washington [Mr. DILL] has addressed the Senate on the pending subject since that time.

Mr. HEFLIN. And the motion of the Senator from Pennsylvania [Mr. PEPPER] has been stated.

The VICE PRESIDENT. Debate is not business. The Chair holds that no business has intervened since the last roll call.

Mr. LENROOT. Mr. President, I will take just a few moments in giving my reasons for the vote which I shall cast when the question on the pending motion is finally put.

I am opposed to branch banking. When the bill was before us at the last session and that matter was really the issue I did what I could upon this floor to secure the incorporation of what are known as the Hull amendments. The fact is, however, that as the bill now stands, except in a very incidental way, they are not involved, for both Houses have now agreed upon the elimination of the Hull amendments. There is no opportunity now to vote either for or against this bill. The only question before the Senate is whether the Senate shall recede from certain of its amendments and concur in certain amendments made by the House to amendments of the Senate.

Mr. President, if the proposed action would in any way tend to encourage branch banking I should oppose the motion of the Senator from Pennsylvania, but the fact is that the action which the Senate is now asked to take will tend more to discourage the extension of branch banking than to encourage the extension of it.

The first Senate amendment is found on page 2, where it was provided—

That any bank incorporated under the laws of any State, or any bank incorporated in the District of Columbia, may be consolidated with a national banking association located in the same State.

The word "State" was a Senate amendment, and if that language were to remain in the bill, any bank anywhere in a State might consolidate with another national banking association anywhere within the same State. It is proposed now that the Senate shall recede from that amendment so that the House language will stand permitting consolidation only of banks in the same county, city, town, or village.

Then, Senate amendment No. 11 reads as follows:

Nor shall any such State bank or banks entering into such consolidation be located at a greater distance from such national banking association than is authorized by the laws of the State in case of the consolidation or merger of two or more State banks.

That provision, together with the first amendment, would have permitted such a case as this. To illustrate: The Bank of Italy, which has been referred to many times here, could through its officers or stockholders organize a State bank in some town in California where it now has no branch. Under the Senate amendments, after the State bank was organized, it might be taken over by the parent national Bank of Italy, assuming it was nationalized, and it would be a lawful State branch. However, there is an amendment made by the House which clearly prevents that. It is found on page 13 and reads as follows:

If a State bank is hereafter converted into or consolidated with a national banking association, or if two or more national banking associations are consolidated, such converted or consolidated association may, with respect to any of such banks, retain and operate any of their branches which may have been in lawful operation by any bank at the date of the approval of the act.

So with that language in which the Senate is now asked to concur it would not be possible for the Bank of Italy to use the illustration which I gave a moment ago, to go through the operation which I have described and secure a lawful State branch.

That being so, Mr. President, what would be the effect of rejecting the motion of the Senator from Pennsylvania? It would mean that, so far as the Senate is concerned, it would stand for provisions that would allow a wider branch-banking privilege than will be allowed if the motion be adopted. Rejecting the motion would not kill the bill. The bill would go back to the House, and if the House then concurred in the Senate amendments, from the standpoint of those who are opposed to branch banking, we would have a worse bill than the bill will be if the motion of the Senator from Pennsylvania shall be agreed to. For that reason I shall vote for the motion.

The VICE PRESIDENT. The question is on the motion of the Senator from Pennsylvania [Mr. PEPPER].

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

Mr. McLEAN. Mr. President, I make the point that the Senator is out of order. No business has intervened since the roll was last called.

The VICE PRESIDENT. The Senator from Alabama is out of order, no business having intervened since the roll was last called.

Mr. HEFLIN. Mr. President, after the last call had been had a United States Senator from the State of Washington addressed the Senate; the Senator from Connecticut called for the submission of the question for a final vote; I rose and asked what the question was; the Chair stated the question to the Senate. I submit to the Chair and to the Senate that that is a transaction of business. We are now to vote upon one of the most important measures that have been submitted to this body since I have been in Congress. Since the last roll call two Senators have addressed the Senate upon the subject and two points of no quorum have been made, and yet no call of the roll has been ordered for a quorum. That is manifestly in violation of Rule No. V, which reads:

1. No Senator shall absent himself from the service of the Senate without leave.

2. If, at any time during the daily sessions of the Senate, a question shall be raised by any Senator as to the presence of a quorum, the Presiding Officer shall forthwith direct the Secretary to call the roll and shall announce the result, and these proceedings shall be without debate.

Mr. McLEAN. Mr. President, I rise to a point of order.

The VICE PRESIDENT. The Senator will state his point of order.

Mr. McLEAN. The point raised by the Senator from Alabama is not debatable.

Mr. HEFLIN. I am discussing a point of order.

Mr. McLEAN. But it is not debatable.

The VICE PRESIDENT. The Senator from Alabama has a right to address the Senate.

Mr. HEFLIN. Certainly I have, on a point of order. If the Senator from Connecticut wants to resort to such tactics, I will speak the balance of the day on it.

Mr. McLEAN. Not under the rule.

Mr. HEFLIN. On the face of the rule it is plain that the Senator who represents a sovereign State has a right to ask for a quorum. There are not 25 Senators on this floor. Ninety-six Senators should be here; 48 States are entitled to their representation. Look around. There are only five or six Senators on this side and seven or eight Senators on the other side, and we are denied the right to have a quorum called.

Mr. BINGHAM. Mr. President, I rise to a point of order.

The VICE PRESIDENT. The Senator will state his point of order.

Mr. BINGHAM. The Senator from Alabama is not proceeding in order. Under Rule XXII a point of order is not debatable.

The VICE PRESIDENT. The Chair has already sustained the point of order made by the Senator from Connecticut.

Mr. HEFLIN. Does the Chair hold that we can not call for a quorum?

The VICE PRESIDENT. The Chair holds that a quorum can not be called for at this time, no new business having intervened and the Senate having taken no action since the roll was last called.

Mr. McLEAN. Mr. President, under this rule no business can intervene. The rule says:

Said measure shall be the unfinished business to the exclusion of all other business until disposed of.

Mr. WHEELER. I move to adjourn, Mr. President. I think that motion is in order. I move to adjourn at this time.

Mr. NEELY. A motion to adjourn is always in order.

The VICE PRESIDENT. The question is on the motion of the Senator from Montana that the Senate adjourn.

Mr. HEFLIN. I call for the yeas and nays.

Mr. WHEELER. I suggest the absence of a quorum.

Mr. FESS. I call for the yeas and nays.

Mr. McLEAN. The yeas and nays on the bill?

Mr. HEFLIN. No; the yeas and nays on the motion to adjourn.

The yeas and nays were ordered.

The VICE PRESIDENT. The Secretary will call the roll on the motion of the Senator from Montana that the Senate adjourn.

The Chief Clerk called the roll.

Mr. GERRY. I desire to announce that the Senator from Arkansas [Mr. ROBINSON] is necessarily detained on official business. If present, he would vote "nay."

Mr. BAYARD. I have been requested to announce that the Senator from Arizona [Mr. ASHURST], the Senator from Tennessee [Mr. TYSON], and the Senator from Massachusetts [Mr. WALSH] are necessarily absent.

The result was announced—yeas 5, nays 64, as follows:

YEAS—5

Heflin	Neely	Nye	Wheeler
La Follette			

NAYS—64

Bayard	Edge	Jones, Wash.	Robinson, Ind.
Bingham	Edwards	Kendrick	Sackett
Blease	Ferris	Keyes	Schall
Borah	Fess	Lenroot	Sheppard
Bratton	Fletcher	McLean	Shortridge
Broussard	Gerry	McMaster	Simmons
Bruce	Gillett	McNary	Smith
Cameron	Glass	Mayfield	Smoot
Capper	Goff	Metcalf	Steck
Caraway	Gooding	Moses	Stewart
Copeland	Gould	Norris	Swanson
Couzens	Hale	Oddie	Trammell
Curtis	Harreld	Overman	Wadsworth
Dale	Harris	Phipps	Warren
Deneen	Harrison	Pine	Watson
Dill	Hawes	Reed, Pa.	Willis

NOT VOTING—26

Ashurst	Johnson	Pittman	Tyson
du Pont	Jones, N. Mex.	Ransdell	Underwood
Ernst	King	Reed, Mo.	Walsh, Mass.
Frazier	McKellar	Robinson, Ark.	Walsh, Mont.
George	Means	Shipstead	Weller
Greene	Norbeck	Stanfield	
Howell	Pepper	Stephens	

So the Senate refused to adjourn.

Mr. NYE. Mr. President, it is not at all surprising to me that there should be desire to limit debate upon this bank bill. It is surprising, however, that there should be a sufficient number in the Senate to make the limitation possible. But, unless I am badly mistaken, there will come a time when men will regret having been hasty in this action, just as many regretted the hasty action in January of last year, when, under gag rule, this body voted the United States onto the front porch of the World Court. Europe itself seemingly has saved us embarrassment as a result of that year-old action; but the international banker is not apt to deal with us in the case of this bank bill in a way that will save the invited embarrassment certain to follow its passage.

The limitation of debate is merely a serving of notice that the interests of the masses of people, whose economic health is dependent first and last upon the good or ill administration of our money and credit structure, are not to be considered and that the views, wishes, and interests of commercial bankers engaged in a purely legitimate banking business are not to be considered so long as those interests and wishes are in conflict with the selfish and destructive wishes of that mere handful of bankers who look to the eventual control by them of the money and credit system throughout the world.

Mr. President, I resent the false information which has been broadcast of late days alleging that the friends of honest farm legislation entered into an understanding or a deal with the banking interests to the end that both the farm measure and this bank bill might be given preferred places for consideration by the Senate. I resent it because I had no hand in any such inconsistent deal. As one who believes it to be the intent of the international banker to crush and pauperize the American farmer and the farmers of the world, I could not have brought myself under any circumstances to help in such a deal. Frankly, I should prefer to see the farm bill, the McNary-Haugen bill, defeated than to see this banking bill enacted into law. Every advantage gained under the McNary-Haugen bill in law will be offset many times by the success in Congress of this McFadden banking bill, which extends the privileges of the Federal reserve banking system and condones its damnable activities of 1920 and 1921. Where there ought now to be written certain restrictions governing the administration of the system, we find Congress instead, to-day, extending an invitation to the system to engage in another murderous program at their will, with the assurance that they will not be seriously molested for 60 years.

I regret having to confess my knowledge of banking, money, and credit to be extremely limited. It is not going to be so limited for long, however. Heaven permitting, I am going to strive to possess myself of such knowledge as will in the future enable me to discuss such matters as we have before us now with perhaps not great ability, but greater ability, at least. But though my knowledge is limited, as confessed, I can not disobey that surge within me which prompts rebellion against the banking bill now before us, a bill to recharter an institution seven or eight years before the expiration of the charter under which it now operates, as this bill does in behalf of the selfishly administered Federal reserve bank system. That surge within me grows out of my observation of the part already played by the reserve bank system in bringing the American farmer and people generally to their knees, and, in thousands and thousands of cases, driving them to the wall. It grows, too, out of knowledge of the part played by the system in the recording of the blackest page ever written in American history.

The so-called McFadden bank bill, now before us, in addition to declining to discourage branch banking or to halt a further monopoly in banking by declining to receive the Hull amendments into the bill, grants a recharter to the Federal reserve banks for 50 years from the time of the expiration of their present charters. The charters under which they are now legalized do not expire until 1933, six years away. Why all the rush? Did the institution and its administrators need this sort of a guarantee before it and they undertook to do again what they did in 1920 and 1921? The possible reason is interesting, at least. In any event, this is called the branch-banking bill for the purpose of hiding its real purpose, namely, that of extending the life of the Federal reserve system for 50 years, and do it six years in advance of the expiration of the charter under which it operates now.

It was the Federal reserve system which helped to make credit so easy for the American farmer and others during the war. It was the credit offered through this institution which made it possible for the patriotic farmer to enlarge his farming operations during the war, to possess himself of more land, more farm machinery, and to pay for the additional high-priced help needed during that period to produce that great abundance of food for which our Government and our flag pleaded during the period of that terrible conflict in which virtually all the world engaged. It was Federal reserve credit which made it possible for the farmer and others to borrow money in order that they might buy freely, and until it hurt, of Liberty loan bonds, bonds which, in the $100 denomination, were sold on the strength of the general belief and confidence in the Government, and on the strength of the claim that they were just as valuable and safe as a hundred-dollar bill—more valuable, indeed, because the bond drew interest and the cash did not. The farmer bought freely of these Government securities. More often than not he paid interest upon the money he needed to borrow from his bank to buy the bonds.

This Government encouraged the farmer and others to use freely of the credit made available through credit expansion by the Federal reserve system, so long as that credit was used to help win the war.

Then came the end of the war and the willful, vicious, and wicked deflation program with its resultant wreck. This program caused the farmer to dump his production upon a market wrecked by the deflation program and further wrecked by the dumping necessity. Through the desire on the part of the farmer to meet the deflation demands—namely, to liquidate the indebtedness he had been encouraged to shoulder during the war—he helped dig his own grave in so far as the destruction of the market for his products were concerned.

The farmer's visible supply of agricultural products sold on a ruined market was not sufficient to meet the demands of the deflationists. Then, to help pay his debt, he sacrificed equities in lands he had bought to help his country in time of need, and as a general thing he found that deflation had destroyed the whole value of his equity. Land values were destroyed by deflation. Then there were sacrificed the equities he held in lands bought before the war. Then went, as was true in many cases, the homestead equity or title—all this to satisfy the demand for liquidation of war-time debts, the demands of a willful few who were in control of the machinery of money and credit in America.

But, as if this were not enough punishment for his loyalty, the farmer, like others, was called upon for still more sacrifice, still more blood. To pay off his indebtedness he had to dispose of his Liberty loan bonds, those bonds which he had been encouraged by his Government to buy and which the Federal reserve system, by extending credit, had made it easy for him to buy with borrowed money. He sold his bonds, or whatever equity he had in them, in order to pay the debt as demanded by the deflationists.

And what did he receive for them? What did he receive for these Government securities "worth 100 cents on the dollar any day," as was once claimed for them? Did he receive 100 cents on the dollar for them? Indeed not! Instead he had to be content with 80, 83, and 85 cents on the dollar because the handful of deflationists would not pay more than that for them.

Mr. President, the story of that deflation program, and more particularly that Liberty loan bond steal, is the most shameful tale in all American history. Never has there been quite so brazen, quite so wicked, quite so vicious, quite so hellish, quite so shameful an attack upon an unsuspecting people and upon their confidence in their Government.

Who was responsible for this deflation program? Oh, some respond, it was the international banker! And this is largely true. But, Mr. President, the international banker could not have accomplished what he did as a result of that program without the aid of the Federal reserve bank which the people thought was an institution authorized by Congress as a part of their Government, authorized in their interests and in de-

fense of their economic interests. In this deflation program and wholesale steal the Federal reserve system responded and did the unclean work for those who gained as a result of that program.

I know it is denied that there was a secret meeting of the Federal Reserve Board, at which this deflation program was planned, but I have not heard it denied that the Federal reserve system was instrumental in fostering the program and following it through to its ungodly conclusion with the suffering which accompanied it and which still follows.

I have always maintained that the deflation program, permitted and assisted by the Federal reserve system over which the Government of the United States is presumed to have supervision, was more responsible for the present plight of American agriculture than any other contributory factor. But now, instead of making secure against a repeat performance of that program of 1920 and 1921, instead of seeking to remedy the Federal reserve act and make secure against further ill and wicked administration, we are here now prolonging the life of the institution and inviting it to come on and do to us again what it did only six years ago; and I maintain that there can be no secure and healthy prosperity until a repetition of the deflation program of 1920 and 1921 is made impossible and values not kept subject to the will of a mere handful of men.

My greatest purpose as a public official is to help win and hold such legislation and encourage such administration of that legislation as will cause people to have confidence in their Government. To my mind, the greatest need to-day is the restoration of confidence in Government. But, Mr. President and gentlemen of the Senate, we are only inviting added lack of confidence when we decline to punish the infringement of rights and the robbery of property, and, instead, countenance such acts by relicensing those who infringed and that institution which has helped in the wholesale robbery I have here related. An act here and now to remedy the condition which permitted that terrible experience of 1920 and 1921, with which we are not yet through, would do more to restore confidence in Government, save us from radicalism and Bolshevism, than anything else which might be done.

There is fear lest there might be a political attack upon the Federal reserve banks when the time comes for removal of its charters. There are guilty consciences. Is that why we must recharter now—before there is time for attack? Is that why we must, under gag rule, vote a renewal of those charters now, six years before the old charters expire? It would appear so.

Secretary Mellon, in the Nation's Business for May, 1926, is reported as saying:

> A political attack against the Federal reserve system must be expected when the time comes for renewal of its charters. Its effectiveness will largely depend upon the particular phase of the business cycle which happens to prevail at the time. If the country is then in the midst of a wave of prosperity, the opposition will be slight.

Apart from Mr. Mellon's relation to the Federal reserve system by virtue of his position as Secretary of the United States Treasury, his relation to the banking world might account for the interest in the renewal of the charters of the banks in the Federal reserve system, shown by the statement which I have quoted. A special technique has been employed to inspire a popular belief that the Nation has never in its history been so blessed with prosperity, so flooded with wealth, as during the period from the early summer of 1924 to the present time. This campaign of propaganda has been reinforced by discount rates averaging for the period much below a normal rate for longer periods and again by the development of a system of installment selling to members of the employed group, in order to move inventories for which there was enormous demand, but no money with which to buy, and that otherwise could not be moved except at receivers' bankrupt sales, all to the end of keeping up the illusion of prosperity. The ominous strain of unbalanced economic conditions, evidenced by the flighty and spasmodic price fluctuations of industrial and public utility stocks as contrasted with a steady appreciation of underlying securities during recent months, demonstrates the true and perilous condition of American industry and business.

Is it not a natural inference that, considering the complexion of the incoming Congress as compared with the moribund Congress of this short session, and considering the inevitable and not distant demonstration of the Federal reserve system's inability to set aside the operations of natural economic laws by maintaining a spurious and artificial "phase" of the business cycle—"a wave of prosperity"—the present hour has been selected as opportune to apply for the renewal of the system? Next year, or the next year, or any one of the next six years, might not afford the proper atmosphere.

The McFadden bill proposes to grant indeterminate charters, virtually equivalent to perpetual charters. It enlarges the powers of the system banks beyond those proposed by the so-called Aldrich-Vreeland bill of a dozen years ago—the asset currency bill that was intended to valorize the securities of every railroad and tariff developed industry in the United States. This bill, if you please, proposes to valorize in the same way the securities of every bankrupt and experimental government of Europe, by authorizing these banks to "deal in investment securities." It is worth noting at this point that there is now being urged before the Legislature of the State of New York an amendment of the law regulating the power of the stock exchange of the State. It is proposed to enlarge their power by authorizing listing and trading in the stocks, bonds, debentures, and, in general, the securities issued by foreign governments and industries—another step in behalf of the international banker. If the McFadden bill becomes a law, every wildcat government on earth can be given a certificate of financial character and have its obligations valorized by American credit brokers. This at least implies the danger that the currency and credit of American industry will, in some part at least, be based upon the uncollectible debts of foreign States instead of American wealth.

There was never gathered in the city of Washington or in the corridors and galleries of the House and Senate, I am told, as lustful, as adroit, as importunate a lobby as is now assembled in this Capitol—the president of the American Bankers' Association, with scores of the system's bankers, from all parts of the Union. Many of them admit, and Mr. McFADDEN states in effect, "that unless this bill becomes a law the Federal reserve system must perish." They claim they can not compete with the State banks. Of course they can not rake in 100 per cent profit in competition with banks that are satisfied with from 10 to 15 per cent. National banks that have resources enabling them to organize trust companies can compete through their trust companies with State banks; but those national banks that can not must either become State banks—as many hundreds of them have done—or go out of business.

The system itself is at stake. The system now asking for what is virtually a perpetual charter is a party of the alleged conspiracy among the world's financial overlords to control the political and economic future of mankind. There is little doubt that there now is power in the hands of financiers that, if not soon regulated and controlled, will enable them at their own time and choice effectively to control the world; and even now finance has more than half enslaved the world.

As an indication of the development of this policy, it may be noted that the report of the British Royal Commission on Indian Currency and Finance discloses the adoption for India of the American Federal reserve system almost to the letter. It proposes the retirement and decoinage of an amount of silver rupees equal to more than three years' production of all the silver mines in the world and the substitution therefor of Federal reserve bank notes that will draw interest. Apply this program to the European states now under tutelage of Anglo-Saxon high finance, with power to discriminate between states, to impose social, political, and economic demands after the fashion applied to a section's classes and industries in our own countries by our Federal Reserve Board.

It is pertinent to contrast the claims, promises, and virtues of the system, made for it by its proponents in 1913, when the Federal reserve act was originally enacted, with the record it has made. Aside from lodging automatic and irresponsible power in the hands of men who had established a Money Trust, aside from legalizing operations for which these men had been officially condemned, aside from the fact that these same men had undertaken to secure the enactment of the Aldrich-Vreeland "asset currency" bill, the violation of every pledge of virtuous purpose made by the sponsors of the system should call for the abolition of the system, rather than for its extension as the perpetual emperor of American industry.

There have been claims made here in the Chamber in the last few days relative to the nature and standing in public life of men who back in 1913 gave their aid and gave their support to the proposed Federal reserve system. It should be noted also that without the personal aid of W. J. Bryan, then Secretary of State, the Federal reserve law could never have been enacted. He lived long enough, however, to publish his regrets for what he had mistakenly done. Mr. Bryan supported the measure editorially; he interviewed Members of the House and Senate to impress his convictions that the sponsors of the measure were sincere in their professions of public-service motives. President Wilson was earnestly favorable to currency and credit reform, and he believed these were provided for and safeguarded in the proposed bill. Others favored it, but this

was all prior to the statement by the man who, perhaps more than any other, was responsible for the form of the Aldrich-Vreeland bill as well as the Glass-Owen bill, that while the earlier bill was superior to the latter, the defects in the latter "could be corrected through administrative processes."

It is enough to say that every promise made, every pledge offered to secure the enactment of the Federal reserve law has been violated, ignored, and rejected. A Government institution? Governor Strong, of the Federal Reserve Bank of New York, stated before the Agricultural Commission that these banks are private institutions and, notwithstanding the letter of the law, the officials of these banks have diverted funds that are properly the property of the Government, to increase their personal salaries and those of their employees, to build great temples of Mammon in their banking houses in several cities, to debauch legislation, and for speculative purposes. A flexible currency? Yes; flexible as a catapult. Never has the first practice of the world's moneyed class been more faithfully observed—that is, the creation of alternate periods of high and low prices; buying when the things were low, only to sell when things were high, only to repeat the process at their own good pleasure, raising and lowering discounts at their arbitrary, irresponsible discretion, as stated by Adolph Miller, a member of the board since its original creation, in the hearings of the Banking and Currency Committee of the House on the Strong bill. The particular vice of the system lies in this arbitrary discretion to raise and lower discounts. It is an obsolescent and altogether unnecessary factor in a modern monetary system. No system preserving this factor can function in the requirement of modern finance.

How long are we to continue living in a fool's paradise? Does history mean nothing to us? This is not a new problem. It has been an open sore for every state and nation in history of the past. The farm population in every period, under every form of government, has been the first to suffer and the last to recover, when it has recovered at all, from the vices and impositions of the banking class. It angers me to hear men profess solicitude and yearning hearts for the woes of agriculture while they countenance such legislation as is now before us. No program of agricultural relief can bring relief that does not abolish the processes and agencies through which the exploitation of American farmers is carried on.

Some one wrote me recently, saying that:

> While the chief function of politics is the distribution of wealth, it never created as much wealth as a single grain of mustard seed; wealth can not be created by law any more than a people can be made moral by statute. If wealth could be created by law, we should all be Midases; but we are told by ancient wisdom that no man can by taking thought add to his stature.

To now, after our experience with this Federal reserve system, prolong its life indefinitely, to now extend not only its life but to lengthen and strengthen the arms of this monopoly that constitutes this sum of all monopolies, would be to shame the American Congress for all time. What is monopoly? Monopoly is the creation of law and consists only in the power to use a public right for private profit.

The Federal Reserve Board by the act of 1913 acquired the monopoly to issue the money of the people, also to dominate the credit market. The value of this monopoly to its possessors is to be estimated not only by their annual profits but by the long, fierce fight they have made to secure it and to enlarge it. Consider the one important asset of agriculture—the land on which it labors. While I can not pretend to any thing approximating expert knowledge or understanding of the problems of high finance, still certain developing conditions have pressed upon my mind and I want to know what is to be the result. How will it affect the holders of life, fire, and accident insurance policies when the reserves of these great companies, the farm lands of these States, become frozen assets, because they would not sell for the amount of the mortgages upon them? So far as the farmer himself is concerned, he is out of the picture. He has been deflated into a hopeless tenant, a hod carrier or shovelman in some colossal city industry; but the owner of a city home, insured for less than it is worth, must await the turn of the market for his protection.

I am puzzled when I hear criticisms of European finance, with its multiplicity of currencies. When I scan the reports of American exploits in finance I observe a yearly exchange amounting to more than $600,000,000,000, every dollar of which is supposed to be anchored to a mass of gold, while the reports of the Treasury show that there is rarely more than twenty millions of gold that is free and can be applied to any purpose. I do not quite understand it all. Again, I am puzzled when I observe that the farmer or individual who by some miracle of chance is possessed of a single dollar that he can loan finds the best he can do with it is to get 6 cents for a year's use of his money by a borrower, while under the devices of the Federal reserve bank system the banker who loans a dollar can obtain $40 for a year's use of his money by a borrower.

I want at this point to substantiate my claim as to how the banker would enlarge a dollar given through the present banking system. I want to read from the Monthly Review, by the Federal reserve agent, the Federal reserve bank organ published in New York at the New York Federal reserve bank back in 1923, I believe it was.

FEDERAL RESERVE SYSTEM—THE MECHANISM OF BANKING EXPANSION UNDER THE FEDERAL RESERVE SYSTEM

Under the old national-banking system in effect before the Federal reserve act, the gold and lawful money which the national banks held as reserves was in the proportion on the average of about $1 of reserves to $8 of loans and deposits. This power of expansion was in part the result of the ability of banks in the smaller cities and villages to keep a portion of their reserves with the city banks, where they were used as the basis for further expansion. Country banks were obliged to keep 15 per cent of their net deposits in reserve, of which three-fifths could be kept on deposit in reserve or central reserve cities. Reserve city banks were required to keep a 25 per cent reserve, of which half could be on deposit in central reserve cities, and banks in central reserve cities were required to keep a 25 per cent reserve, all of which was kept in their own vaults. Thus the same dollar of gold or lawful money might be used as reserve in three different banks, permitting an expansion greater than that implied in the average reserve requirements of the several individual banks.

In times of financial ease, when expansion was least needed, there was normally a tendency for this method of depositing and redepositing reserves to be carried to its limit. But as soon as financial stress was foreseen, when expansion was most needed, there was a tendency for the banks to draw their reserves on deposit into their own vaults, thereby reducing the power of expansion inherent in the pyramiding of reserves.

Under the Federal reserve act, which became effective on November 16, 1914, and the amendment to it of June 21, 1917, the unsound method of depositing and redepositing reserves in commercial banks came to an end. The entire reserves of all member banks were to be kept at the Federal reserve banks. This pooling of reserves at once made for greater safety and permitted somewhat smaller reserve requirements. Required reserves of country banks against net demand deposits were reduced to 7 per cent, of reserve city banks to 10 per cent, and of central reserve city banks to 13 per cent. The uniform reserve requirement on time deposits was reduced to 3 per cent. Whatever cash a member bank might find it necessary to keep in its vault for use as till money, amounting now to about 3 per cent, was not to count as reserve at all. This was a most important change in the law, because it had the effect of transferring to the reserve banks, where it might serve when necessary as the basis for credit expansion, practically all of the gold formerly held in the vaults of member banks.

The power of expansion implied in these reserve requirements should be considered in connection with the reserve requirements within the Federal reserve banks themselves. A Federal reserve bank is required to keep a minimum of 40 per cent of gold as reserve against Federal reserve notes, and a minimum of 35 per cent of gold or lawful money against deposits.

Gold, as far as the member banks are concerned has no power of expansion until it is on deposit with a Federal reserve bank. Thus a deposit of $100,000 of gold in a member bank merely counts as a deposit and is not susceptible of expansion until it is deposited in a Federal reserve bank, when, on the average, it will permit an increase of about $1,150,000 in the loans and deposits of a member bank. The expansion would be very much greater than that, if it were not for the fact that a large part of the deposits created at a Federal reserve bank are drawn out again in the form of Federal reserve notes. While the statements of individual Federal reserve banks show considerable variation, the proportion of Federal reserve notes outstanding as compared with the deposited reserves of member banks is at present in the ratio of about three to two, which coincides with the average estimated by Prof. W. M. Persons, of Harvard. On the assumption, then, that $3 out of every $5 deposited with the Federal reserve bank is withdrawn in notes, $100,000 of gold deposited in the Federal reserve bank would permit an average increase in the loans and deposits of member banks as follows—

This is the point I am trying to make:

For banks in central reserve cities	$1,030,000
For banks in reserve cities	1,294,000
For country banks	1,786,000

The different degrees of expansion in the three classes of banks are explained in their varying reserve requirements.

Do not lose sight of the fact that the language which I am quoting and the figures which I am quoting are those of the

Federal Reserve Agent, a mouthpiece of the Federal reserve bank system, published in New York.

The following example assumes that a country bank is expanding to the maximum on $100,000 of gold deposited in a Federal reserve bank:

For every $5 of gold deposited by a member with a Federal reserve bank $3 is likely to be withdrawn in Federal reserve notes, and $2 is likely to be used as reserve against the deposits of the member bank. The $3 of gold will act as reserve against Federal reserve notes, amounting to (Because its 40 per cent reserve requirements permits an expansion of 2.5 times.)	$7.50
The $2 of gold will act as reserve against the reserve deposits of member banks, amounting to (Because its 35 per cent reserve requirement permits an expansion of 2.86 times.)	5.72
And that $5.72 will act as reserve against deposits in a country member bank, amounting to (Because its 7 per cent reserve requirement permits an expansion of 14.3 times.)	81.80
Making a total of	89.30

Which, multiplied by 20,000 (the number of times $5 is contained in $100,000) gives $1,786,000.

It will be observed that the figures given above do not take into consideration the vault cash which a member bank may find it desirable to keep. Making allowance for that requirement, and averaging all banks in the country, the expansion works out to about 11.5 times.

In order for a member bank to enlarge its reserves at the reserve bank it is not necessary for it to make a deposit of gold or lawful money, because a loan by a reserve bank to a member bank adds to the reserves of the latter in exactly the same way as though gold had been imported and deposited by that member bank, and it may use it as reserve against its own deposits or withdraw notes against it in just the same way. The determining factor as to how long such loans may go on is the stock of gold which the reserve bank has and which it uses as the basis for its own expansion.

The extent to which the reserve system's power of expansion is availed of varies, of course, with the credit needs and conditions of the country, growing when demands are great and diminishing when demands subside. Expansion and contraction of reserve credits are therefore the result of the increasing or decreasing demands of member banks rather than a cause of the increase or decrease in the amount of loans made by member banks to their customers.

Mr. President, it was promised by the sponsors of the Federal reserve bank act, before it became a law, that the system would provide such ample funds of an elastic currency that there could never be scarcity of money for legitimate needs. Farmers of my State and in other States, owners of thousands of acres of fruitful land, with flocks and herds, free from debt—wealthy, indeed, as usually understood for their place and time—could not find money to buy necessaries, could not pay their help, and then awoke soon after the 18th day of May, 1920, to discover that their lands, their flocks and herds, in which all their wealth consisted, had been smitten as with some plague that reduced their value to a mere fraction of what it was before that day. The farmer learned after it was too late the probable fact that this plague had its origin in a secret mandate by the Federal Reserve Bank Board, issued from the city of Washington. And we are now asked to perpetuate the system that did that thing—to give it longer life, more powerful arms! Shall we by our action ratify, condone, justify the system and the institution that did that thing and continue its power to repeat whenever, in the discretion of a board of bankers, it may suit its purpose?

Much has been said about the Constitution and the constitutionality of bills considered in this Chamber. I have been trained to believe the Constitution to be the supreme law of the land. I have read the Constitution, I have read the construction given to it by the decisions of the Supreme Court. I have also read the construction given to it by learned lawyers of the Senate in their arguments and their votes upon this floor. I have noted that the widest differences of opinion as to its meaning have been between Senators who, in public estimation, are best qualified to define and to construe it. I find it hard to reconcile these differing and strongly held opinions and am often compelled to determine the meaning of the Constitution for myself from a plain reading of its words taken in their usual and probable common meaning at the time they were used to embody and express the thought of the men who framed that great instrument. I have read as a part of the Constitution that private property shall not be taken for public use without just compensation. It must be, therefore, that, because the taking of private property for private use without compensation is not expressly prohibited by the Constitution, we have created a system of monopolies that have transferred 75 per cent of all the property of all the people into the possession of 6 per cent of the people.

And by the same token, if it is constitutional to bestow the taxing authority of the Republic upon private interests for the sole purpose of private enrichment, then this bank bill is, without the shadow of a doubt, perfectly constitutional. If it has been in conformity with the principles of the Constitution that we have built up a system of interlocking monopolies to levy unearned and uncompensated private taxes upon the industrial masses, then this measure is constitutional, because this measure consolidates, increases, extends, and perpetuates the power of the monopoly of all monopolies in the economic life of the Nation. No man will deny that the great basic industries of the Republic are even now the feudal serfs of the overlords of our high finance, interests that were responsible for the creation of the Federal reserve bank system and which now seek hasty renewal of the special privileges and the monopolies controlled by the system, together with an extension of these powers and enlargement of their functions. But the same interests that marshaled the forces in opposition to the McNary-Haugen bill, on the ground that it was unconstitutional and uneconomic, are using all their power to force the enactment of this measure, which I regard as the most vicious piece of legislation proposed in this body since the beginning of our Government.

There is another feature of this problem deserving attention. That is the far-reaching possibilities of the Federal reserve bank system, as its powers and future life are extended by this proposed bill, in the creation of a world reserve bank system. My attention has been called to the report of the British Royal Commission on Indian Currency and Finance, issued last July, disclosing the purposes of the British Government to adopt for India, without substantial change, the Federal reserve system now in operation with us. To do this, and in order to put it in force, they propose to decoin, to demonetize more silver, in the form of rupees, than all the silver mines on earth have produced in any three-year period, this to be replaced by Indian federal reserve notes as a circulating medium, which, as with us, will bear interest. It is estimated that 10 years will be needed to do this.

It is impossible to realize the power over the lives of men that this system will be able to wield, once it is established. It has demonstrated its power to discriminate between sections, classes, and industries, in a relatively small way, as compared with the possibilities of a cooperative international system. The economic, industrial, social, cultural, and political development of states and peoples will be determined by a supersenate recording the decree of the "bankers' alliance." Suppose some state objects to a plan upon which to base its credits or issue its currency on the debts of some other state instead of its own material wealth. Or let us presume the nation or state proposes to raise its public revenue and develop its natural resources by a tax upon imports. Or, what if a nation forms, or seeks to form, reciprocity arrangements with other states for mutual economic advantage, contrary to the interests and wishes of the bankers' alliance? Or suppose America or any other nation should want to throw off the mythical gold standard against the wishes of the credit monopoly. Why, its credit is cut off, markets are closed, a bankers' alliance is set up, and, so far as organized bankers can accomplish it, the naughty state or nation is disciplined. We do not need to cross the seas to find instances that illustrate this principle. Mexico and Nicaragua might find much of their trouble with our big Republic vanishing once they came into the gold standard camp. "But this discipline is impossible," some one says. All of these things were done, and more also, to the people of my own State, done by the men who have crowded the lobbies and the galleries of this Capitol with their agents and emissaries to force through the passage of this bill. In North Dakota we know what organized credit dispensers can do and do do when they are not pleased. This bill is a complete demonstration that the prime, if not the sole, function of politics is the distribution of wealth under the prevailing order.

The point of difference between the two branches of Congress regarding the termination of the chartered life of the system is utterly immaterial and meaningless. It is reasonably certain that no Member of the present Congress, in either branch, will live to see the New Year's Day of 1984. I therefore confine my suggestions on this feature to the possibility of Congress dissolving the charters of these banks prior to that time as, it is claimed, is easily possible in case of good cause. It is quite safe to believe that any action by the Congress formally dissolving the charters of these banks would be contested in the courts.

We have had some experience with the facility with which our highest courts have expressed judicial solicitude for the protection of property and property rights. We have seen our Supreme Court convert a political privilege into a property

right. We have seen the same court reverse its numerous decrees in cases growing out of the antitrust laws, and plaintively inquire as to what "will become of foreign trade that has developed and exists." We have seen that court legislate by the exercise of a veto power to defy the will of Congress and the people.

It is vain to prophecy as to the time when a long-suffering people may combine their political power to throw off the burdens imposed by this monopoly of all monopolies or even to estimate the probable capital value of the powers that are granted by this bill; but, Mr. President, it needs no prophet to foresee such a revulsion of public opinion as will force the Congress to dissolve the charters of these banks. The next scene in the drama then will be enacted in some court room unless there be another Jackson in the White House. Never in the history of all the courts of the world was there ever tried a case involving issues of such inestimable money value as those that will depend upon the outcome of the inevitable trial of the power of Congress to forfeit or dissolve these charters. With present tendencies toward exaltation of the power of wealth in public affairs continuing at the rate now in action, there can be no reasonable expectation that this expression by Congress will have any force. If Congress intends to reserve its powers, it had better refuse to delegate them.

There is a little sugar in this bank bill for the people. It provides for the appointment of a joint special committee to inquire into the prices of commodities in the United States since 1914. The way the consideration of this bill has been forced has precluded a presentation in fair debate of a full and complete analysis of all the facts relating to the matter which ought to be inquired into before this bill is passed, just as has been suggested by a distinguished scientific economist who has made a special and elaborate study of the subject. Prof. John R. Commons, of the University of Wisconsin, made a statement on February 4 before the Banking and Currency Committee of the House of Representatives, showing conclusively the influence upon commodity prices in the United States of the activities of the Federal Reserve Board, and demonstrated the necessity of withdrawing from the board its discretionary power over discounts. I venture the assertion that no Senator can claim to be fully advised as to the merits of this bill unless he is familiar with Doctor Commons's statement, and I ask unanimous consent that the record of that hearing, as contained in the pages of the United States Daily, may be printed at the conclusion of my remarks as a part thereof.

The PRESIDING OFFICER (Mr. BINGHAM in the chair). Is there objection? Without objection, the matter referred to will be printed as a part of the remarks of the Senator from North Dakota.

[See Exhibit A.]

Mr. NYE. Mr. President, the agonies, the suffering, of thousands of my constituents are too recent. The outcry of their resentment still rings in my ears. I should be unfair to myself and unfaithful to my people if I allow this bill to be considered in this Chamber without raising my voice in protest.

You ask me for suggestions looking toward a solution of this problem. While in no way regarding myself as an expert in high finance, I have in my own thought applied to this problem exactly the same principles that I apply to all other forms or types of monopoly. It is my conviction that in every instance when there is a profit, a material advantage, to be derived from the operation of any function of government such profit belongs in equity and fairness, in all good conscience and in economic truth, to the government whose right is so exercised. We have classic authority for the declaration that the holders and operators of government rights were complained of as having "converted the public revenue into private property and thereby ruined the State." Until we can secure to the people the public or government functions of money and credit, until the public resumes control of these functions from those to whom it delegated these powers, we shall continue to suffer the abuses that mark the course of our history as a Nation.

Mr. President, every Senator who on last Friday gave his vote in support of the interests of the farm people of America should, as I see it, be found voting against this vicious bill granting monopoly to our money and credit machinery. There were 47 votes in the interests of agriculture and our national interests then. There ought, in the name of consistency, to be 47 or more votes recorded against this banking bill. I predict that the time will come, and come soon, when the people of America will go gunning with bullets of ballots for every elective individual who lends a hand in the passage of this bank bill.

Limitation of debate on this subject is most unfortunate, but, as I have previously remarked, not at all surprising. Healthy institutions or lives do not shy away from the light of day as the Federal reserve banking system seeks to shield its history from light, at least until its life is insured and secured for another 60 years.

In conclusion I am merely going to request that an article appearing in the January 19 edition of the North Dakota Non-Partisan under the heading "Reserve bank broke farmers, says Harding" may be printed at the end of my remarks.

The PRESIDING OFFICER. Is there objection? Without objection, the article will be printed in the RECORD.

[See Exhibit B.]

Mr. NYE. Mr. President, but a few years ago my very illustrious predecessor, Senator Ladd, had interested himself in this question of the Federal reserve bank money and credit system in a way that made him an authority in the United States. Some one wrote him a letter and asked him four or five or six specific questions relative to the Federal reserve banking system. The Senator responded in a most able manner, and I ask to have those questions and answers of Senator Ladd printed at the conclusion of my remarks.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and without objection the matter referred to will be printed in the RECORD.

[See Exhibit C.]

EXHIBIT A

RESERVE BANKS DECLARED ABLE TO GUIDE PRICES—ALSO IN POSITION TO GOVERN MONEY MARKETS, SAYS DOCTOR COMMONS AT HEARING ON STRONG BILL—FLUCTUATIONS CALLED DETRIMENT TO LABOR—WITNESS SAYS POWER TO DEFLATE OR INFLATE IS GAINED BY DEALING IN SECURITIES IN OPEN MARKET

The Federal reserve banks, under certain conditions, through their open-market operations in buying and selling Government securities, can control the money market and thereby affect the business structure of the country, Dr. John R. Commons, of the University of Wisconsin, told the Banking and Currency Committee of the House at a hearing on February 4. (Publication of the stenographic transcript of Doctor Commons's testimony is begun on page 9.)

Doctor Commons testified with regard to the bill (House bill No. 7895) proposing to amend the Federal reserve act so as to direct the Federal reserve system to so use their powers to fix such rates of discount as will accommodate and stabilize commerce, business, and agriculture. It is proposed that all of the powers of the Federal reserve system shall be used for promoting stability in the price levels of commodities.

"The Federal Reserve Board in controlling the demand, supply, and price of credit," Doctor Commons stated, "is in a position to deflate or inflate commodity wholesale prices in accordance with what they consider the best public policy."

Asked if the board, by adopting certain policies, could inflate or deflate the price of corn or wheat, Doctor Commons replied, "Only as it affects the general average of all commodities. It has power to control the total volume of credit but not the distribution to the separate commodities."

The stabilization bill was introduced by Representative STRONG (Republican), of Blue Rapids, Kans. He announced at the beginning of the hearing that he had sent two drafts of the bill to economists and financiers, and that following their suggestions he had redrafted the bill. He introduced into the record his third revision of the measure.

Doctor Commons stated that he was interested in the problem of the stabilization of prices from the standpoint of labor. "From the labor standpoint," he said, "the fluctuations of prices are the greatest evils affecting labor."

"Inflation," he said, "brings demoralization, and the consequent deflation brings pauperization."

No legislative guide has been set down, Doctor Commons said, by which the Federal Reserve Board shall use its powers. He asserted that the proposed measure would supply the guide by which discount and interest rates would be fixed so as to stabilize the general level of prices of commodities.

FLUCTUATIONS OF PRICES CALLED EVIL TO LABOR

Since 1919, it was explained by the witness, there have been three periods of inflation and deflation of prices. The first he attributed to the consequent deflation following inflation during the war period. Over that period, Doctor Commons stated, the Federal Reserve Board had no control. He asserted, however, that later the board, through its operations of buying and selling Government securities, did knowingly control wholesale prices.

Doctor COMMONS explained that so long as the gold reserve of the Federal reserve banks nears the 40 per cent legal limit, as was the situation in 1919 and 1920, the Federal Reserve Board is compelled to adopt a policy which will bring deflation.

Otherwise, he said, they are unhampered as to whether they will adopt policies bringing either deflation or inflation. He declared the

board could have stopped the deflation in 1919–20 before it reached the low level.

The members of the Federal Reserve Board, Doctor Commons said, did not know of its economic power, exerted through the open-market operations with Government securities, before 1922 and 1923. Following the experience gained at that time, he said, the board realizes it can control market conditions.

About that time, he explained, the 12 Federal reserve banks bought, independently in the open market, a considerable volume of Government short-time securities. That operation, he contended, reduced the earnings and the rediscounts of the member banks of the Federal reserve system. After these Government securities were sold by the 12 head banks, he pointed out, the rediscounts of the member banks increased and their total assets remained practically the same. Following another purchase of Government securities, he indicated on a chart, the rediscounts again fell off in volume.

EXPERIENCE SAID TO SHOW BOARD CAN CONTROL MARKET

The 12 Federal reserve banks purchased the Government securities in the open market from brokers, Doctor Commons explained. The bonds were paid for by checks on themselves. The broker would then deposit the checks in some Federal reserve member bank, it was stated, and thus the member bank could augment its reserve with the head banks.

Every dollar of credit, Doctor Commons said, which the member bank obtained from 1 of the 12 head banks, through the increase of the reserve of the member bank with the head bank, enabled the member bank to increase its lending ability to the public about eightfold.

Doctor Commons's contention is that by the purchase of Government securities by the Federal reserve banks, the reserves of the member banks were augmented and the volume of money was materially increased. Referring to the purchase of securities in 1922, the purchases "caused the member banks to get out of debt. They were then more free to loan."

While this operation was going on, he said, the interest and rediscount rate was declining a total of 20 per cent. "The banks have more money to loan," Doctor Commons said, "and they can do so at less interest."

FIXING OF REDISCOUNT RATE IS EXPLAINED

Speaking of the rediscount rates fixed by the Federal Reserve Board, Doctor Commons said it is contended the fixing of the rediscount rate follows the market. While this is ostensibly the situation, he said "the Federal reserve system first prepares the market through its operations and then creates the rate. It first prepares the market and then follows it."

The open-market buying of Government securities is a potent influence in fixing the rediscount rate, Doctor Commons said, in reply to a question, so long as the gold reserves of the banks is not down to the 40 per cent legal limit.

When the Federal Reserve Board found out in 1923 its economic power through this operation, Doctor Commons asserted, it adopted a rule that sales and purchases of Government securities should be made in consideration of the effect of the general credit situation. The bill proposes that they shall be made with regard to the effect on the wholesale prices of commodities.

Besides the open-market operations of the 12 Federal reserve banks in purchasing and selling Government securities, Doctor Commons stated that other factors which could be used to control the demand for credit are the rediscount rates, publicity of conditions, private advice by member banks to customers, and the working rule that member banks do not loan from the Federal reserve banks in excess of their credit reserves.

PUBLICITY URGED AS FACTOR FOR CONTROL OF CREDIT

Doctor Commons discussed the objections which had been raised to his contentions. He said these objections included, first, that business psychology determine the demand for credit; second, that the rate of discount is only a small item in the cost of production, and so has no effect on the price level; and, third, that as a result of these factors the Federal reserve system follows the market in fixing discount rates.

The stenographic transcript of Doctor Commons's statement and answers to questions follow:

"Doctor COMMONS. Mr. Chairman and gentlemen, I am not an expert in banking. My interest is mainly in labor. I became acquainted with the evils of the fluctuation of prices in 1919, and have been following it up since that time, making such acquaintance as I could with bankers, especially with people at the Federal reserve bank in New York and at the Federal Reserve Board, and interviewing bankers in different parts of the country:

"Now, the interest that affected me with reference to labor was shown by one or two incidents that I came across.

"In the summer of 1919 I was studying the labor market in New York, especially in the clothing industry; and I got together representatives of employers and the employees, the trade-union, to verify the facts regarding wages. To give you one illustration: I found that one presser, who does finishing work on a coat, was being paid $125 a week in 1919. The union scale was $50 a week. The union had adopted a rule that no member could accept more than $50.

EMPLOYERS SAID TO HAVE HIDDEN WORKERS

"The employers were in such keen competition with each other that they not only boosted the wages away above the union scale, but they adopted all kinds of methods to prevent the union from enforcing its rule. The union had a committee to arrest its members and penalize them by taking over to the union all that they might get in wages in excess of the union scale of $50. The employers secreted these laborers so that when the union committee came they could not find them. In other words, here was a mechanic who, prior to the organization of the union, was working for $25 a week. By union agreement with the employers he was working for $50 a week, yet, owing to this tremendous inflation, the employers were pulling against each other and were pulling against the union, and put the wages up to $125 a week. Within a year after that time that laborer was on the street unemployed, without any wages.

"Now, another illustration: In Cleveland, Ohio, I found this fact, that in the summer of 1919 I had three instances given to me by Colonel Ayres, at that time of the Cleveland Trust Co., three instances where truck drivers upon the streets of Cleveland having accidents—an axle broken or something like that, a tire injured on the streets—they didn't stop to get any repairs done; they simply deserted their trucks on the street and went and got a job with some competing firm, immediately got a job; there was such a demand for them. Within a year these truck drivers were idle due to the unemployment.

"So, this fluctuation of prices, from the labor standpoint, I consider the most serious of the evils that affect labor in this country. It, first, by this inflation of prices, demoralizes labor; they lose all sense of responsibility for their jobs.

"Then in the deflation it pauperizes them. So, we have an alternation of demoralization and pauperism which affects our labor class owing only to this fluctuation of prices.

"Now, another thing I would like to remind you of, that you doubtless are familiar with, and that is that in the first draft of the Federal reserve act the bill, as it came from the Senate, contained certain instructions to the Federal Reserve Board as to how it should use its powers. There were two instructions. It was to use its powers, all its powers which were granted by Congress, to accommodate business and commerce; and there was another clause, 'to stabilize the general price level.' That was the form in which the bill came from the Senate.

INSTRUCTION DECLARED ELIMINATED IN CONFERENCE

"The first instruction, to accommodate commerce and business, was in the House bill; but it didn't contain the other instruction, to stabilize the general price level. In the conference between the two Houses the instruction to stabilize the price level was stricken out, so that the bill as it came from Congress gave only this instruction as a guide to the Federal Reserve Board, which it was giving to the Federal reserve system. I prefer to say, instruction to the Federal reserve system—the only guide or legislative rule laid down to guide the conduct of the Federal reserve system—was 'to accommodate commerce and business.'

"Now, I submit that there is no administrative body created to carry out the instructions of Congress that has been given such unlimited, unspecified instructions, simply 'to accommodate commerce and business.' Take any of the administrative regulations which this Congress has placed upon administrative officials. Take the tariff, for example. The President is given authority to change the tariff under certain circumstances, but he is given a very definite rule. He must take a finding of fact, namely, that a foreign country is practicing a dumping process; and when he finds that a foreign country is practicing a dumping process, which must be based upon his investigation and an ascertained statement of fact, then he has the authority to change the tariff to meet that dumping practice. Then you take all your commissions, administrative bodies, which you have created. I think you will find that Congress has laid down some standard—the Interstate Commerce Commission, the Federal Trade Commission—there have been some standards of reasonableness and right administrative authority that they are expected to adhere to. But here is a system and a board to whom you have given no standards at all.

PROVISIONS OF BILL EXPLAINED BY WITNESS

"Now, to give you a practical application of the results of that I refer to this bill. There are two sections. The Federal Reserve Board and the Federal reserve banks, by which I mean the Federal reserve system, which will include the member banks, they are instructed to stabilize so far as may be the purchasing power of the dollar in terms of commodities in general. Then it goes on and says that whenever any decision affecting or tending to affect this power that is given, when any decision is made by a Federal reserve bank or any of the

authorities that has an effect on this price level 'such decision and the reasons therefor shall be published immediately and minority opinions of those dissenting from such decision or reasons shall be published simultaneously.' Then there is provided that in case that the public shall be injured—I suppose it refers to a state of war—the Government may withhold publication.

"Mr. STRONG. Doctor, I might call your attention to the fact that that is an alternative suggestion of an amendment.

"Doctor COMMONS. I am going to illustrate it by a case of what might have happened in 1919 and 1920.

"Representative MCFADDEN (Republican), Canton, Pa., chairman. Before you do that let me get it perfectly clear that you are now discussing the Strong bill, House bill 7895.

"Doctor COMMONS. Yes. That ought to go in the record. I have been reading from the third revision of January 30, 1927, of House bill 7895, Sixty-ninth Congress, first session.

SAYS MEMBERS OF BOARD FORESAW DEPRESSION

"Supposing that prior to 1919 we had had these two provisions in the Federal act, first, to stabilize the price level, and second, to give your reasons for it and the minority reasons. What I wish to say to you is given to me in confidence by a member of the Federal reserve. I, of course, will not give his name. He and another member of the Federal Reserve Board in 1919 and 1920 understood what they were doing: they were inflating prices and were going to bring about a terrific depression. They knew it. They were economists enough to know what they were doing.

"They protested in the Federal Reserve Board against what was being done by the Federal Reserve Board at that time, knowing the consequences that would follow. They considered for a time whether it would not be better for them to offer their resignations and then give their reasons to the public for resigning at that time. They finally agreed to go along with the system, the majority, and simply to file their reasons in the records of the commission, so that in case the question was raised after their death their record would be clear. That is what they did, I understand.

"Now, there may be another authority, the Overman Act. I don't know whether that had expired or not at that time. At any rate, the inflation went on; and as you will see by my chart there, on which I have indicated the wholesale price level—I have some reproductions of that chart that I would like the members of the committee to have——

"The CHAIRMAN. I think, inasmuch as you are referring to the chart which appears on the wall, I am going to suggest that the chart be placed in the record at this point.

"Doctor COMMONS. Will it be satisfactory if I place this reproduction of it in the record?

"The CHAIRMAN. Yes.

"(The chart referred to will be printed in the issue of February 7.)

"Doctor COMMONS. May I have this marked as an exhibit?

"The CHAIRMAN. It will be marked as 'Exhibit 1' in the record.

"Doctor COMMONS. I should like to direct your attention to the curve marked 'Wholesale prices.' I shall have a good deal to say about that, if you will allow me, a little later, as to how that is constructed; but in general that is the price index of the Department of Labor, containing some 404 commodities. It is an average, using the year 1913 as a base, calling the prices of 1913 '100' so that when the general average of all prices moves up and down, it will be indicated as a percentage of 100, '100' referring back to the year 1913.

"In July, 1920, prices rose to 247. That was 147 per cent higher than they were in 1913. Then there was a deflation which started in 1920. I have put the figures in pencil on my chart on the wall. I wish I could give you the figures. At the end of 1921 the price level had reached 138. That was 38 per cent above the pre-war level, whereas in June it was 147 per cent above the pre-war level. It moved up rapidly in 1922 from 138 to about—may I get that from the chart? At the end of 1921 the price level was 138, which means 38 per cent above the level of 1913.

"The CHAIRMAN. Speaking now of the wholesale prices?

"Doctor COMMONS. The wholesale-price level of the Department of Labor, 404 commodities rated according to their relative importance.

"You notice a very rapid inflation started at the beginning of 1922, and by May, 1922, had reached 155—had gone up from 138 to 155. That was 17 points, possibly an inflation of 15 per cent. You will notice that it stopped at that point, but continued until March, 1923, when it stood at 158 per cent.

"At that time deflation occurred, and that continued until July, 1924—June and July—until it had reached 145, or 45 per cent above the pre-war level. Then another inflation started. From 145 it reached in February or March, 1925, 161, a change from 45 to 61, which would be 16 points, or 10 per cent of the whole, about an average of 10 per cent. These are the Department of Labor figures."

(To be continued in the issue of February 7)

[From the United States Daily, Monday, February 7, 1927]

FLUCTUATIONS IN WHOLESALE PRICES ATTRIBUTED TO OPERATIONS OF FEDERAL RESERVE SYSTEM—TRADE IN SECURITIES SAID TO CONTROL CREDIT—EXPLANATION OF INFLATION AND DEFLATION MADE AT HEARING ON STRONG BILL—DOCTOR COMMONS HEARD BY HOUSE COMMITTEE—SAYS BOARD CAN INFLUENCE AVERAGE PRICES, BUT NOT THOSE FOR SPECIFIC COMMODITIES

The stenographic transcript of the testimony given on February 4 by Dr. John R. Commons, of the University of Wisconsin, before the House Committee on Banking and Currency, at a hearing on the Strong bill (House bill No. 7895), to amend the Federal reserve act, is continued below. Publication of the transcript was begun in the issue of February 5. In that section, Doctor Commons said the Federal reserve board, through control of credits, is able to exercise control over wholesale prices of commodities. He also said fluctuations in prices in recent years were traceable to inflation and deflation caused by trading in Government securities in the open market by the Federal reserve banks. The transcript continues:

"A deflation started in February, 1925, and moved down until—if my last figures are correct—it got from 161 to 150.

"Mr. CANFIELD (Democrat), of Batesville, Ind. When did it get to $150?

"Doctor COMMONS. In November or September of 1926. The Department of Labor figures came out about two months later. If my chart is right, that was when it was.

"Now, you will notice three inflations and deflations which the Federal reserve system has conducted. It conducted an inflation here and a deflation——

"The CHAIRMAN. That is to say, in 1919 and 1920?

"Doctor COMMONS. In 1919 and 1920 it conducted an inflation, going up to 247. In 1920 and the end of 1921 it conducted a deflation from 247 down to 138. In 1922 up to May, 1923, they conducted an inflation from 138 to 158. From May, 1923, to July, 1924, they conducted a deflation from 158 to 145. From June and July, 1924, to February or March, 1925, they conducted an inflation——

"The CHAIRMAN. Won't you explain to the committee, Doctor, how they conducted that campaign?

"Doctor COMMONS. That is my whole proposition—to explain how that occurred.

"Mr. STEAGALL (Democrat), Ozark, Ala. Let me interrupt you for half a minute. I didn't get all you have said. You are speaking of 'they.' Who do you mean by 'they'?

"Doctor COMMONS. The Federal reserve system, this new Federal Reserve Board and the Federal reserve banks, the 10,000 banks.

"Mr. STEAGALL. I didn't mean to interrupt you.

EXPLANATION PROPOSED OF CAUSE OF FLUCTUATIONS

"Doctor COMMONS. I am laying out the program, and then I propose to show how each of these inflations and deflations was conducted, to show the instruments which they used in their operations.

"To complete that statement: The deflation has been from the early part of 1925 down to the present time.

"I want also to say that this showing depends altogether on the way in which that index number is composed. If I had added to wholesale prices such things as wages, rents, retail prices, if they had been included, they would make a different curve. I shall explain that a little later. But I consider this a key to the whole situation—the wholesale prices.

"Now, first I will begin at this point, 1922, with this inflation. This preceding inflation and deflation had so many consequences and were effected so by the war policy and the policy of the Treasury that it is not proper to say that the Federal reserve system as such was at liberty to regulate the price level as it shows. I will say that not until this period in here, 1921, was the Federal reserve system liberated from control by the Treasury Department so that from beginning here they were perfectly free of the influence of the Treasury Department.

"The CHAIRMAN. I hope, Doctor, that when you make your explanations you will show how the influence of the Treasury was exerted.

"Mr. STEVENSON (Democrat), Cheraw, S. C. That brings up this question right here, which I would like to ask: Did the Treasury Department dominate the course in 1920, when that tremendous deflation occurred?

DEFLATION ATTRIBUTED TO TREASURY ACTION

"Doctor COMMONS. Yes. In order to sell Victory bonds at a low rate of interest they caused the inflation.

"Mr. STEVENSON. I wasn't speaking about deflation. I was speaking about the deflation that occurred in the latter part of 1920 and 1921.

"Doctor COMMONS. I consider that the deflation was inevitable after the inflation.

"Mr. STEVENSON. You think that was just a collapse from inflation?

FLUCTUATIONS LINKED WITH CREDIT CONTROL

"Doctor COMMONS. If you have one of these inflations, it follows mechanically and necessarily that you must have a deflation, and the

sole argument of stabilizing the price level is to prevent inflation in order to head off deflation.

"Mr. STEAGALL. Well, your former statement indicates that that rule does not work both ways. If deflation inevitably follows inflation, then what we want is simply to prevent inflation? Is that your view?

"Doctor COMMONS. My contention is this: If I can show you gentlemen that the Federal reserve system controls the demand for credit and the supply of credit and the price of credit, that they can, controlling those three elements which make up all that goes to constitute the price level, they are in a position by their action to inflate or deflate at any point which public policy may decide is a good place to stop at.

"Mr. STEAGALL. I am in hearty accord, so far as I know, with your statement in that respect, but a moment ago you said that you would get away from the 1920 and 1921 variations in the price level because of the fact that the Treasury controlled the Federal reserve system in conducting the finances of the war, and that that brought about the inflation.

"Doctor COMMONS. Yes.

"Mr. STEAGALL. And that the deflation of 1920 and 1921 inevitably followed the inflation?

DEFLATION DECLARED INEVITABLE RESULT

"Doctor COMMONS. Yes.

"Mr. STEAGALL. Now, what I am asking you is this, if it is true that the rule works both ways? If deflation invariably follows inflation, then you remedy the whole situation if you prevent inflation, don't you? But I understand you to say now that the Federal reserve system has the power, or those controlling the Federal reserve system, to bring inflation from deflation. Is that right?

"Doctor COMMONS. Perhaps my terms are inconsistent. This inflation here has reduced the reserve ratio of gold down to the legal limit, practically 40 per cent, so that they had no discretion and must start a deflation in order to maintain the legal gold reserve ratio of 80 per cent.

"Mr. STEAGALL. That had not gone beyond the legal limit?

"Doctor COMMONS. No.

"Mr. STEAGALL. Couldn't that have stood there as well as go down?

"Doctor COMMONS. I will say this: That if they had known as much in 1920 as they learned in 1922 and 1923, they could have kept the price level at pretty near where it stood in 1920. They have learned by experience—and that is what I propose now to show—they got their experience—they learned by experience to know the power which they had, which they didn't know then.

"Representative BRAND (Democrat), of Athens, Ga. May I ask a question without interrupting you very much?

"Doctor COMMONS. Yes.

"Mr. BRAND. Isn't it true that they have the power by the adoption of a certain policy to inflate or deflate prices of any of these products?

HOLDS BOARD CAN CONTROL AVERAGE OF PRICES

"Doctor COMMONS. The average of all products. I don't think they can affect any particular prices. Just the average.

"Mr. BRAND. Can they by adopting a certain policy, for instance, inflate or deflate the prices of corn, cotton, and wheat?

"Doctor COMMONS. Only as it contributes to the general average of the 400 commodities.

"Mr. BRAND. Well, the Secretary of Agriculture, testifying before this committee, at one time answered that question in the affirmative. He said they could. Governor Strong (of the New York Federal Reserve Bank) was present at the time, and he vehemently denied it. Now, what is your judgment?

"Doctor COMMONS. I shall take that matter up a little later, if you will allow me, under this question. They have power to control the total volume of credit, but they don't have power to control its distribution amongst the different commodities.

"Mr. BRAND. I am not talking about that; I am talking about increasing or deflating the prices of farmers' products. That is what I had in mind. I want your judgment on that.

"Doctor COMMONS. I will answer that fully and completely.

"Mr. STEAGALL. Before you leave that, I have just one other word. You would not say that the deflation in 1920 and 1921 was not in any measure traceable to the policies of those controlling the Federal reserve system?

"Doctor COMMONS. It necessarily depends upon their action.

"Mr. STEAGALL. That is just what I am getting at. You said a minute ago that it inevitably followed inflation.

"Doctor COMMONS. My point is——

ADOPTION OF POLICY DECLARED NECESSARY

"Mr. STEAGALL. I am wondering if you didn't express yourself just a little bit unhappily in that respect and differently from what you really feel about it.

"Doctor COMMONS. Put it this way: How does this suit you? When the gold reserve was down to 40 they had no discretion as to the policy that they would follow. So, when I say that deflation inevitably follows, I meant that they were compelled to adopt a policy——

"Mr. STEAGALL. Would this be——

"Representative FENN (Republican), Wethersfield, Conn. Let him answer.

"Mr. STEAGALL. When they reached the limit of the gold reserve they simply could have permitted it to have remained right there; they could have stopped right there if they saw fit?

"Doctor COMMONS. They could have.

"Mr. STEAGALL. But what they did was to turn around and deflate?

"Doctor COMMONS. Yes.

"Mr. STEVENSON. The interest rate which was imposed by the Federal Reserve Board would certainly have tended to bring some deflation?

"Doctor COMMONS. Yes.

"Mr. STRONG. Let him finish his answer.

"Doctor COMMONS. I think—put it this way: If they had known what they learned in 1922 and 1923, they could have stopped that deflation before it got down to 138. They could have stopped it.

"Mr. STEAGALL. I don't agree with you that the deflation of 1920 inevitably followed the inflation. I think in my mind that the tightening up processes turned on by the Federal reserve system had its part in the deflation that followed. I am going back to the facts; I am not finding fault with anybody. I think the trouble with them was that they didn't know as much then as they did afterwards. We were dealing with unusual conditions. We didn't have the experience that we have got now. But I have always been sure in my own mind that some of that deflation came from the policies——

"The CHAIRMAN. Might I suggest: This is all very interesting, but Doctor Commons's time is limited and the time of the committee is limited. You are making a very interesting statement; but I would suggest that we all make notes and ask our questions after Doctor Commons finishes his statement. If it is agreeable to the committee, I think we will get a better statement from Doctor Commons and won't take up so much of his time with questions.

"Mr. STEAGALL. That will be all right.

EXPLANATION OFFERED OF 1922–23 OPERATIONS

"Doctor COMMONS. Coming back, now: I propose now, gentlemen, to explain the operations of 1922 and 1923 whereby they learned their economic power to control. You will notice here this line which indicates the securities held by the reserve system had not changed very much during the preceding years, but that beginning in the year 1921 up to May, 1922, they increased their purchases of Government securities $400,000,000. Now, that was done in actual ignorance of the economic effect of what they were doing. I think nobody upon the reserve system—and I have been advised by those people—nobody knew what would be the effect of that purchase of securities. In the first place, the purchase was made independently by the 12 reserve banks. They did it for this reason: That their earning assets were falling off. This line shows the rediscounts or the discounts by member banks; and that had fallen off tremendously; and that, of course, reduced their earning assets, so they had a reserve of 80 per cent gold.

SAYS EARNING ASSETS WERE DIMINISHED

"It would naturally occur to them, how can we make that gold reserve bring an income to us? So, without any concerted action at all, they individually, as 12 banks, went out and invested their what you might call gold in the form of buying Government securities so that it would be earning assets.

"Now, what was the effect of that? Instead of increasing their earning assets they actually reduced their earning assets by doing that. This line here is what I call the total earning assets. You will notice that although they purchased $400,000,000 of Government securities——

"The CHAIRMAN. In 1922?

"Doctor COMMONS. In 1921 up to May, 1922, that the member banks reduced their borrowing by an amount greater than the increase in the purchases of Government securities, so that the total earning assets of the reserve banks actually declined. They could not earn money; they could not earn profits by buying Government securities. Their earning assets diminished.

"That is the key to the whole thing. Why should the member banks reduce their borrowings when the banks started out to buy securities? Now, you will notice, following that line through, that that has proven to be a rule every time. When they sell securities, as you will see by this line, the banks begin borrowing.

"The CHAIRMAN. You mean the 12 Federal reserve banks?

"Doctor COMMONS. I mean the 12 Federal reserve banks buying Government securities. When they sell them—here they sold four hundred millions of securities——

"Mr. STRONG. Doctor, in order that the record may be kept straight, when you say 'here' and point to something, will you describe what you are pointing at?

"Doctor COMMONS. All right.

"Beginning in May, 1922, up to July, 1923, they sold four hundred millions of Government securities. Now, for some reason that forced

the member banks to come and rediscount; and during that same period the member banks increased their borrowings $500,000,000. So their earning assets remained about the same, but their composition changed enormously.

"Mr. STEAGALL. May I interrupt you for one question there?

"Doctor COMMONS. Yes.

"Mr. STEAGALL. Are you sure which one of those——

"Doctor COMMONS. Was cause and effect?

CAUSE AND EFFECT OF CHANGE NOTED

"Mr. STEAGALL. Was cause and effect? You have stated it better than I could have done. Which one was cause and which one was effect? Are you sure of that?

"Doctor COMMONS. I am sure that this was cause and this was effect [indicating].

"Mr. STEVENSON. It is perfectly patent that when the Federal reserve bank is buying a lot of these securities the money that is going for most of the bonds will be deposited in the member banks, and that increases the capacity of the member banks. On the other hand, when the Federal reserve banks begin selling the securities and the member banks begin buying, they are drawing money out of the member banks, and that causes them to rediscount. Isn't that the reason?

"Doctor COMMONS. That is a summary of it. I was going into the details.

"The CHAIRMAN. I want to call your attention to the fact that the second line from the bottom is not clearly defined here.

"Doctor COMMONS. That is the rediscount line.

"The CHAIRMAN. I understand that that is the rediscounts of the member banks?

"Doctor COMMONS. Yes, sir.

"The CHAIRMAN. What is this third line?

"Doctor COMMONS. That third line is the market rediscounts. You should follow the curve of that line. That will give the borrowings of member banks at the Federal reserve bank. Notice these two together. They start in 1923 and buy Government securities during that period up until October, 1924, when they had bought $440,000,000 of Government securities. During that same period the member banks paid off their indebtedness to the Federal reserve system, and they reduced their indebtedness $100,000,000. I should say that the difference is explained largely by the imports of gold. Taking the imports of gold and the increase of securities, they reduced their indebtedness to the reserve bank, the member banks—the 10,000 member banks—reduced their indebtedness to the reserve banks by $800,000,000.

"The CHAIRMAN. When you refer to the purchase of Government securities, what class of securities do you mean?

"Doctor COMMONS. Usually short-term securities is what they have invested in mostly. I think they are two-year securities.

"The CHAIRMAN. Temporary certificates?

"Doctor COMMONS. Temporary certificates.

"Now, beginning in October, 1924, they began selling securities. Notice that they stopped purchasing and began selling them; and notice that the rediscount rose a few figures at that point. I should say that these figures are taken from Governor Strong's testimony before this committee, which I have gone very carefully through and reproduced them in this chart.

"Representative LUCE (Rep.), of Waltham, Mass. But there is no such coordination since November, 1924, as there was in that period from 1922?

"Doctor COMMONS. No.

"Mr. LUCE. How do you explain that?

"Doctor COMMONS. I can't explain that. I can't explain it at all.

"Now, let us notice the effects here. I will turn to the point made by the gentleman. What causes them to reduce their borrowings; what causes the member banks to reduce their borrowings when the Federal reserve bank buys securities? Notice how it was accomplished. The Federal reserve banks have, we will say, large gold reserves. They want to buy upon the open market 400,000,000 of Government securities from the broker. They purchase 400,000,000 of securities by simply drawing checks practically upon themselves, upon the member banks, and pay that check over to the broker. If they buy $1,000,000 in securities from a broker, that means that they have paid that broker a check drawn upon themselves for $1,000,000.

DEMAND LIABILITIES INCREASED BY CREDIT

"Now, what does the broker do with it? The broker deposits that check at once in a member bank. That augments the reserve of that member bank at the Federal reserve bank by $1,000,000. Now, in general, it turns out that on the average, as near as I can make it out, every dollar of reserve that a member bank has in the form of a gold reserve, not a gold reserve but a credit reserve, at the Federal reserve bank enables that bank to increase its demand liabilities $8, $8 or $9. This is shown by this figure here.

"The CHAIRMAN. The demand deposits?

"Doctor COMMONS. The demand deposits.

"Mr. STEAGALL. The line of demand deposits?

"Doctor COMMONS. The line of demand deposits. Here we have a study of what that means. I will tell you how that is accomplished.

"The CHAIRMAN. Doctor, before you finish, won't you tell us where the broker gets the securities which he sells?

"Doctor COMMONS. Well, it is from the general public or the open market. The brokers have them from customers who have Government securities and are willing to sell them.

"The CHAIRMAN. The point I am trying to get at is, it might be the member banks?

"Doctor COMMONS. It might be the member banks? Yes. I haven't thought about that—how much that will affect it. My idea is that it is an open-market operation. They go out and buy them. It may be from the member banks. In other words, when the member bank holds a million dollars of Government securities in its vaults, that is not a reserve on which it can lend anything; but if it can turn a million dollars over to the Federal reserve system, then it has augmented its reserve at the Federal reserve system a million dollars, and consequently it can increase its lending ability to the public eight times as much, or $8,000,000.

"Mr. STEVENSON. Well, I don't understand, Professor, the difference between the Federal reserve buying Government securities and buying in open markets. I don't understand.

EFFECT DECLARED TO BE THE SAME

"Doctor COMMONS. It would have the same effect; but they are not doing that on their own initiative. They did for a while, but I believe they are not doing much of that on their own initiative. They fix a rate, and then leave it to the public to rediscount at that rate.

"Mr. STEVENSON. But the rule would be the same?

"Doctor COMMONS. But in the case of the securities, they recently adopted a policy of buying and selling on their own initiative and not waiting for member banks to rediscount.

"Mr. STEVENSON. Don't the Federal reserve banks, especially in New York and other great centers like that, show in their statements every week that they own so much, that they have bought so much of these acceptances that they are allowed to buy in the open market?

"Doctor COMMONS. The reserve banks?

"Mr. STEVENSON. The Federal reserve banks.

"Doctor COMMONS. Yes.

"Mr. STEVENSON. When they do that they turn the money loose and it comes into each one of the member banks, just the same as if they had bought Government bonds?

"Doctor COMMONS. I think the way I have drawn my figures this will appear as rediscount acceptances here. I have endeavored to separate on this chart this line of securities, which depends solely upon the initiative of the Federal reserve bank, from this line of indebtedness, which depends upon the initiative of the member banks.

"The CHAIRMAN. This line here, marked 'Securities,' shows the investments held by the 12 Federal reserve banks?

"Doctor COMMONS. Yes.

"The CHAIRMAN. And this line above, 'Rediscounts,' shows rediscounts of the member banks with the Federal reserve banks?

LINES ON CHART EXPLAINED BY WITNESS

"Doctor COMMONS. Both of them show the earning assets of the Federal reserve banks, their earnings, the member banks paying them the rediscount rate on that, the Government paying them the interest on it. The two make up the total of their earning assets.

"The CHAIRMAN. Yes.

"Doctor COMMONS. Well, now, let us see what happens here. I have a light line here which is the total of the member bank reserves. Not the assets now; I am turning now to what is the effect on the member banks. I have a pencil line which does not show on any of these reproductions, but I will give you the figures.

"Owing to these operations of the member banks, the total member bank reserves at the Federal reserve banks increased $200,000,000 during this period from 1922, the beginning of 1922, to the end of 1922. The member bank reserves at the Federal reserve bank, upon which they can lend to the public if they wish, increased $200,000,000. About this time the demand deposits of the member banks, which represent their loans to the public, increased from a little over $13,000,000,000 to a point up here, that I have figured out; they have increased $1,800,000,000. In other words, by augmenting the member banks' reserves $200,000,000 the volume of money in the country was increased $1,800,000,000, eight or nine times as much. I have got that figured out. It is not always the same, but it is about that.

"Now, let me call your attention to an important matter which is overlooked. In the construction of this demand-deposits line I have eliminated time deposits. Notice that I have eliminated time deposits. I have done that because time deposits, which have increased enormously, but time deposits I look upon not as money. That goes into investments, goes into stock, goes into investments—time deposits. Demand deposits are the only money which we have. That is the curve which really determines our money supply, so that it is very important, as I figure, to have your curve show the demand deposits."

(To be continued in the issue of February 8)

[From the United States Daily, Tuesday, February 8, 1927]

FEDERAL RESERVE SYSTEM DECLARED TO AFFECT GENERAL PRICE LEVELS—DR. JOHN R. COMMONS, BEFORE HOUSE COMMITTEE, DISCUSSES EFFECT ON MARKETS OF PRESENT METHOD OF HANDLING GOLD

The stenographic transcript of the testimony given on February 4 by Dr. John R. Commons, of the University of Wisconsin, before the House Committee on Banking and Currency, at a hearing on the Strong bill (House bill No. 7895), to amend the Federal reserve act, is continued below. Publication of the transcript was begun in the issue of February 5. In the testimony already published Doctor Commons said the Federal Reserve Board, through control of credits, is able to exercise control over wholesale prices of commodities. He also said fluctuations in prices in recent years were traceable to inflation and deflation caused by trading in Government securities in the open market by the Federal reserve banks. He explained this influence affects average prices only, but not prices of specific commodities. The chart used by Doctor Commons to illustrate his contention was reproduced in the issue of February 7. The transcript continues:

"Doctor COMMONS. Now, I did have another curve in there, which I am not bothering you with now. I did have the velocity curve there of these demand deposits, because while there are from 13,000,000,000 to 18,000,000,000 outstanding those are created every few days and destroyed every few days.

"The CHAIRMAN. You are speaking now of the period from 1922 to the end of 1926?

"Doctor COMMONS. Yes.

"The CHAIRMAN. From 13,000,000,000 to the 19,000,000,000?

"Doctor COMMONS. Yes; the velocity. That is not a constant quantity of money outstanding; that is a new quantity of notes and demands creating a new quantity of demand deposits; and the average seems to run this way: In the course of 52 weeks that will turn over on the average every 10 or 12 days. So that the total amount of money which is used and created by the banks during the year would be—suppose you take 17,000,000,000 and multiply it by 26. That would be something like 450,000,000,000 of money, newly created and newly destroyed, canceled each week. Now, that is what we call 'velocity.'

"Now, I wish I had the velocity in here (the chart) to get the full effect of this, but I haven't figured that out, and I don't know how that would come up. But there is a changing velocity. Usually in a time of rising prices the velocity increases; there is more money created and destroyed more rapidly because the prices rise and the volume of production rises and velocity increases. So, if I had the velocity curve there I might possibly have this running up more than that point which is shown there. That is another important point that counts.

"Now, let us see the next effect. I have shown that the purchase of these securities causes the banks to get out of debt. Now, when they get out of debt, what do they do? They then are more free to lend money. Of course, their loans to the public would create these demand liabilities against themselves; but notice the effect of the commercial rate to business men. During that period while they were buying securities of $440,000,000 the rate of interest on commercial paper—I am taking it at the New York market—declined from a little over 5 per cent down to a little over 4 per cent. In other words, the rate to the general public declined 1 per cent, or 1 cent, which is 20 per cent decline in the interest rate, from 5 to 4 per cent. That is the 20 per cent decline in the interest rate. They have got more money to lend; they have got more reserves; and so they are lending at lower rates of interest.

SAYS REDISCOUNT RATE FOLLOWS MARKET

"Now, notice the next point—and this is quite important with reference to many of the arguments which I hear which go to indicate that the reserve system has no power over the money market. It is said that the reserve system can not by the use of its Federal reserve, by changing its discount rate, can not precede the market; it must follow the market; that it is these demands which create the rate of interest and the discount rate. Now, notice what happens. It is true—here is the rediscount rates—it is quite true that the Federal reserve system follows the market rate, the commercial rate. Notice that in all cases the Federal reserve rediscount rate has followed the market.

"The CHAIRMAN. You are speaking now of the commercial-paper rate?

"Doctor COMMONS. Yes. The explanation was brought out very fairly by Governor Strong in his testimony. He said this: 'We first prepare the market by open-market operations; we bring down the market; we prepare the market, and then we follow the market. We follow the market by keeping under the market rate. We prepare it by our open-market operations.'

"Now, notice the illusion which right here is created in the public mind by those who contend that the Federal reserve system has no positive influence. They say it can only follow the market. Well, that is true; it follows the market. But it has previously prepared the market and then followed it. It has shown its positive effect by this purchase of securities. It has increased the volume of money, it has reduced the market—the commercial rate to the business man—and then it has followed it.

"Mr. LUCE. But I think it follows it in the purchase of securities.

"Doctor COMMONS. I will give you my evidence of that. Now, I will take up the next point. I will show you what happened in May, 1922.

"The CHAIRMAN. I understood you to clearly state that the Federal reserve system uses the open-market transactions to prepare the market.

"Doctor COMMONS. Yes.

"The CHAIRMAN. And afterwards they follow it?

"Doctor COMMONS. With the rediscount rate, keeping the rediscount rate below the market. You will find that well brought out in Governor Strong's testimony. I am quite ready to assume that you are familiar with that; but I shall simply draw a conclusion from it which Governor Strong did not draw, namely, that the Federal reserve system has the power to control the money rate. He gave the data and the figures and showed how it was done and did it in a very masterly way.

FREE VERSUS MANAGED GOLD SYSTEM

"The CHAIRMAN. Is it fair to assume that the open-market transactions are the most patent of the influences that the Federal reserve system is using to raise the rates?

"Doctor COMMONS. They are, as long as we are on what I call a managed gold system instead of a free gold system. If we should get back to the 40 per cent limit, understand, as we were up here of the gold reserve.

"The CHAIRMAN. As we were in 1919?

"Doctor COMMONS. Then that wouldn't be patent, but as long as we have an 80 per cent gold reserve there is no danger, no immediate apprehension of running against the legal limit of 40 per cent. Then they have complete control.

"I want to distinguish between what I call a free gold system and a managed gold system. A free gold system—I might as well bring that in now—I would call a free gold system where we have completely free movement of gold to all parts of the world, a system in which the lending banks could lend up to their legal limit of gold reserves. Previous to the Federal reserve system we had the free gold system. All of the banks kept their gold in their own reserves, separate reserves. Under the Federal reserve system all of their gold was pooled, and consequently no bank can have as its reserve any amount of gold; the gold is not in reserve. It has a credit at the Federal reserve bank. There are no gold reserves any more.

"The CHAIRMAN. You are speaking of the reserves of the member banks?

"Doctor COMMONS. Of the member banks. The gold that is in the vaults of the member banks does not count in its reserve.

"The CHAIRMAN. That was brought about by the so-called war amendment during 1916 and 1917?

"Doctor COMMONS. Yes. Now, if that gold were as it was before the Federal reserve system started in the various banks, and each bank would then lend up to the limit of its gold reserves, we would have a free gold system. We have created a managed gold system, because we have impounded the gold in the Federal reserve banks, and the member banks can not get it out since these rules were adopted. Furthermore, the reserve system has made agreements with nine countries——

"The CHAIRMAN. Doctor, before you leave here: You said, 'since these rules were adopted.' What rules do you mean?

"Doctor COMMONS. I am going to explain what those rules were. I anticipated my story because of your question. It might be better if I had gone along.

"The CHAIRMAN. All right, sir; I won't bother you any more.

"Doctor COMMONS. I will just go ahead the way I started. I got into this story myself in February, 1923. I happened to attend a luncheon in New York—about 20 forecasters of business, the leading forecasters of it—Colonel Ayres, of the Cleveland Trust Co.; Carl Snyder; representatives of the great corporations and great banks—about 20 of them—and they included 75 per cent of all who are now recognized as the best expert forecasters of business in the country. There were some who represented branch houses in London, so that they had knowledge of the whole world's situation before them.

FORECAST MADE BY SCORE OF EXPERTS

"Some one proposed, going around the table, that each one of those persons present make a guess as to how high the wholesale price level would reach. This, you remember, was right at this point right here, February, 1923, beginning. Now, they are going to guess at that time how high that price level is going to go; but they are also to guess the date when it will reach that high level. Now, I notice that the forecasting that is going on nowadays usually the forecaster says: 'We can not be sure of our forecast, because we do not know what the Federal reserve system is going to do.' That is always a caution now—'We don't know what the Federal reserve system is going to do.' So they caution that in their forecast. They now recognize its power.

"At that time none of those 25 men knew, had any idea, that the Federal reserve system was going to have any influence in the matter.

This is what they guessed: The average of their guesses was 172, which would be up here, as against what it actually was. They guessed at 172. The average of the dates when it would occur was between December, 1923, and March, 1924, which would bring it about February, 1924. So that was the average of their guesses. My guess was away off. I guessed 180, away up here. Two or three others guessed up there.

"On what basis were we making these guesses? We were making our guesses on the basis of our knowledge of what happened right here. We had not seen that in the beginning of 1922 prices had moved up at the rate of 3 per cent a month. There was an inflation of prices more rapid than the inflation in 1919. At no time in 1919 or at any other time had the prices been moving up at the rate of 3 per cent a month. They had no iden, none of them, what was happening down here about these reserve banks buying.

"Notice that they guessed a straight line up to 172; those men guessed a straight line. There was where prices were going to be. They considered that we were in for a big inflation, and they were scared to death. When I present this matter to these same fellows again I remind them that they were in that game at that time—that is where they were guessing—and so they are now very cautious, I notice. Whereas now when they are guessing they say, 'We don't know what the Federal reserve system is going to do.' Then they didn't know what was going on."

(To be continued in the issue of February 9.)

[From the United States Daily, Wednesday, February 9, 1927]

PUBLICITY DECLARED PART OF PLAN TO PREVENT ANY FURTHER INFLATION OF THE CURRENCY—CAUSE IS OUTLINED BY DOCTOR COMMONS—SAYS SECRETARY HOOVER HAD PART IN PLAN OF FEDERAL RESERVE SYSTEM—BUYING OF SECURITIES MADE BY COMMITTEE—WITNESS EXPLAINS PROCEDURE AT HEARING OF HOUSE COMMITTEE ON STRONG BILL

The stenographic transcript of the testimony given on February 4 by Dr. John R. Commons, of the University of Wisconsin, before the House Committee on Banking and Currency, at a hearing on the Strong bill (House bill No. 7595), to amend the Federal reserve act, is continued below. Publication of the transcript was begun in the issue of February 5. In the testimony already published Doctor Commons said the Federal Reserve Board, through control of credits, is able to exercise control over wholesale prices of commodities. He also said fluctuations in prices in recent years were traceable to inflation and deflation caused by trading in Government securities in the open market by the Federal reserve banks. The chart used by Doctor Commons to illustrate his contention was reproduced in the issue of February 7. The transcript continues:

"This is what happened: Immediately after that meeting I became greatly alarmed about the inflation of prices, the whole bunch being alarmed. I went over to Washington and had a talk with a member of the Federal Reserve Board to see what they thought about it, about this inflation of prices that was going on. One of the principal members said to me, 'We know what we ought to do, but we don't know when to do it nor how far to do it,' which shows that they were learning; they had learned.

"Now, this is what they did: At that very time they were organizing what they call now the open-market committee. Let us take the story up at this point again of the securities. You remember I said at the beginning of 1922 these banks were buying—the Federal reserve banks were buying—securities without any idea of what its effect was going to be on credit, just simply to earn a profit, just the same as any private business would do to earn a profit on their balances. In May, 1922, the Secretary of the Treasury began to complain that they were disturbing the Government securities market and asked them to introduce some orderly purchasing in these Treasury certificates; and at the instance of the Secretary of the Treasury they proposed to stabilize the prices of Government securities.

"They further organized an informal committee—Governor Strong gave that in his testimony, and I am simply repeating what he said—they organized an informal committee by which all of these purchases and sales had to be done through a formal committee as a system. This orderly market idea had come into vogue in many departments. It was in the War Finance Corporation.

ORDERLY PURCHASE OF TREASURY CERTIFICATES

"The orderly market was to prevent fluctuations of the United States securities in the securities market. At that time they had no idea of the influence of their purchases on anything except the securities market. But notice. In this orderly market process they began to sell securities. When it came down to the beginning of 1925 they realized then, they had learned the lesson then, the next lesson, that this purchasing and selling of securities was controlling this thing up here, was controlling the volume of money, was controlling the price level, was controlling the interest rate.

"So they reorganized that committee and adopted three months later, in April, 1923, this working rule, this resolution, to the effect—they had been operating on it in February, but the Federal Reserve Board did not actually adopt the rule until April, 1923—that hereafter in the purchasing and selling of Government securities those sales and purchases should be made with regard to their effect on the general credit situation. Notice that they didn't say, 'with regard to the effect on the price level,' but they said, 'with regard to the effect on the general credit situation.' I will analyze that general credit situation later. So the only working rule that they have now is this: That the open-market purchases shall be regulated with regard to their effect on the prices of United States Treasury certificates and upon the general credit situation.

"Now, then, let us see what they did. I visited the secretary of the Federal Reserve Board in February, 1923. That was the date when these forecasters were making all these guesses. Notice that instead of prices going up to 172, they stopped within a month after these forecasters were making their guesses and went down.

WHOLESALE PRICES IN 1923 AFFECTED

"The CHAIRMAN. You are referring to the wholesale prices?

"Doctor COMMONS. I am referring to the wholesale prices in 1923. What happened is this: First, this gentleman on the Federal Reserve Board knew what we ought to do. What they knew was that they ought to be selling securities, and they were selling. They kept on selling them from May, 1922, until July, 1923, when they sold 400,000,000 of securities. Multiply that by 8. That would mean that it would reduce the member banks' lending ability and stop the lending ability of the member banks.

"The CHAIRMAN. To the extent of 3,200,000,000?

"Doctor COMMONS. Well, if it worked out accurately that is what it would be; but I haven't the velocity figures in here; I haven't got the volume of production in here; but I am giving this. So, in the end of February or the beginning of March notice what happened then. By that they were starting the rise of the commercial rate. The commercial rate went up in New York from 4 per cent to 5. By May, April or May, of 1923, these security sales had had that effect, had sent up the market rate of interest.

"Then here in February they raised the rediscount rate in their banks from 4 per cent to 4½. Now, it is interesting to notice the reasons they gave for their raising of the rediscount rate. The Federal reserve system—they raised it first in Boston, then in San Francisco, and then in New York; and that equalized the rediscount rate at all the 12 banks. They said the only reason for their raising the rate was to equalize the rates of the country. Well, notice that you can equalize rates by reducing the high rates down to the level of the low rates just as much as you can equalize by raising the low rates up to the level of the high rates. So when you are talking about publicity in your bill please go into detail as to what the publicity shall be.

"Mr. STEAGALL. Is that entirely accurate, to say that they can equalize by lowering the high rate to the low level?

"Doctor COMMONS. Suppose there should be nine banks charging 4½ and three banks charging 4 per cent. How are you going to equalize? I can say we will equalize the high banks, which are in the outlying districts. We will equalize by reducing them down to the Boston, New York, and San Francisco rate.

"Mr. STEAGALL. I can understand how that would be true; three of them as against nine. But I can't quite see—go ahead; I don't want to interrupt you.

"Doctor COMMONS. Look at the psychological effect. I am coming now to the effect of publicity. If we equalize upward, that is an intimation that if that is not enough we are going to go up a little more. If we equalize downward it is an intimation that the general tendency is to go downward. So we can effect a tremendous influence on the psychology of the public by simply equalizing rates.

"And yet I think they did it wisely. I wouldn't force them to say too much, because if they had said too much—that we are doing this in order to head off business prosperity that is coming—they would have had it right and left. In order to avoid public criticism they said, 'We will just equalize it.'

"If they had said, 'We are equalizing it because prices are rising too fast and we want to bring down the price level,' they would have had the whole public on them. They were wise in saying only as much as they did. That is all they gave out.

"Now, take the next step. I am speaking now of how they control——

"Mr. STEAGALL. Let me ask you a question before you do that?

BANKING STRENGTH OF THREE POINTS

"Doctor COMMONS. Yes.

"Mr. STEAGALL. What per cent of the resources of the entire system—I mean of the 12 banks—is under the control of the 3 banks now, New York, Boston, and San Francisco?

"Doctor COMMONS. They have a reserve of, say, 80 per cent, gold reserve. I have averaged it all together. Under this banking committee, if one bank is short one bank lends to another.

"Mr. STEAGALL. I am familiar with that; but you named three big banks——

"Mr. STEVENSON. This brings up this question that I intended to ask: You are speaking of equalizing from three banks up to nine. As

a matter of fact, however, the volume of discounts by those three banks is practically as great or even greater than the volume of the other nine?

"Doctor COMMONS. Yes. You see the strength of my contention?

"Mr. STEAGALL. Yes.

"Doctor COMMONS. They have raised the great bulk of the banking business up, and they called it simply equalizing those three banks with nine banks.

"Now, on the other hand, if we are going to equalize the volume of business, then we should lower the nine banks down to the level of the three banks. I only mention this because there is a very important psychological influence on the public that has taken account of, and I think that is one of the reasons why I favor stabilization of the price level.

"If the banks know that they are authorized to keep the price level stable, they will be absolutely frank with the public in giving out their statements and they will not cover up anything, which they must do now, because of its influence on the public.

METHODS TO REDUCE DEMANDS FOR CREDIT

"Now, the next point: That did have a very sobering effect on the business public, a very tremendous effect on the business public, that raising of the rediscount rate. But that was not all. That was accomplished by a certain amount of publicity. I have had looked up all of the public statements about that time as to inflation. My point now is how are they going to reduce the demand for credit?

"They are going to do it by two things, both of which affect publicity. I have got another thing which I will mention later. There were three methods of reducing the demand which they brought into play—raising the rediscount rate, but also by giving out public statements. Now, Mr. Strong, in his testimony here, quite rightly said that he thought that was a very dangerous thing for them to do, to announce their policy, to give publicity.

"The CHAIRMAN. You are referring to Governor Strong?

"Doctor COMMONS. Governor Strong. And the reason why he is in that situation is because he has no legislative rule to guide by. If he had a legislative rule to guide by, he would be perfectly frank to give out public statements; but under the present situation he can not give out statements as to what his policy is. But there are other people who can give out statements. Secretary Hoover was probably most influential in giving out statements that we were going too fast, that business must hold up.

"I will place in the record here statements which came from the New York Times, Mr. Gary, Mr. Babson, Mr. Hoover, and Vice President Coolidge. This will go into the record as an exhibit, I suggest.

"The CHAIRMAN. Without objection, they will be placed in the record at this point.

"But, Doctor, I want to ask a question. These are statements that were given out apparently for the purpose of influencing the public mind on the business situation?

"Doctor COMMONS. Yes.

"The CHAIRMAN. Do I understand that that was directed by the Federal Reserve Board, or was it spontaneous?

"Doctor COMMONS. I have asked people in the Federal reserve system about that publicity feature, the publicity that was carried on at that time. I have submitted to them, one of them, an influential man, my paper on this subject. He answered me that Secretary Hoover was in the game, and that the publicity was a part of the general system of preventing further inflation.

"Well, now, we have to recognize that the Federal reserve system is not itself operating except as a part of the general business psychology of the situation. Having no legislative rule, they do the best they can with the people that they are concerned with. The change of the publicity, however, did not come until after the Federal reserve system had taken its course. Hoover's warning did not come until April, 1923. Previous to that time, as you will find by the records, everybody was talking prosperity, inflation. Gary was talking it; Babson was talking it—everybody. Here they were talking prosperity. After that discount rate was raised, right here, they began to say 'Go slow.'

PUBLICITY SOUGHT TO CHECK INFLATION

"The CHAIRMAN. And 'Look out for a period of secondary inflation'?

"Doctor COMMONS. My notion is that the influence came from these members of the Federal reserve system who were studying the thing and had learned their lesson during 1922 and 1923.

"Mr. STEVENSON. Not the Federal reserve system? Do you mean the Federal Reserve Board?

"Doctor COMMONS. No; they didn't say anything. I mean in this case the Federal reserve banks and the Federal Reserve Board.

"Mr. STEVENSON. You said 'the members of the Federal reserve system.'

"Doctor COMMONS. Well, I will take up the banks now, the member banks. This is the third method by which they control the demand.

"The CHAIRMAN. Doctor, before you go into that, which is pertinent to this matter of publicity, let me ask this question: The operations of the open-market purchasing—who directs those operations, the committee or the Federal Reserve Board?

"Doctor COMMONS. The committee, under the approval of the Federal Reserve Board.

"The CHAIRMAN. They don't move without the approval of the board?

"Doctor COMMONS. They have the approval of the Federal Reserve Board at all times. I don't know how much in detail that goes, but here is this committee and three or four governors who are on the open-market committee. They are the committee created and given power by the Federal Reserve Board; and Governor Strong's testimony here indicated quite plainly that they do not take an action on which they have not previously gotten the approval of the Federal Reserve Board. So that it is not an arbitrary thing of some bankers; the Federal Reserve Board has a definite voice in it.

"The CHAIRMAN. It is now a quarter past 12, and I suppose the Members would like to get in on the floor. Is it agreeable to the doctor to come back this afternoon?

"Doctor COMMONS. Yes, sir.

"The CHAIRMAN. The committee will then adjourn until 2.30 o'clock this afternoon.

"(Thereupon, at 12.15 o'clock p. m., the committee adjourned until 2.30 o'clock p. m. the same day, when the committee reconvened, LOUIS T. MCFADDEN, chairman, presiding.)

FIVE METHODS ALLEGED OF CONTROL

"Doctor COMMONS. Perhaps it will economize time if I indicate to you the five subjects that I am developing in order to show that the Federal reserve system controls not only the supply of credit and the price of credit but also controls the demand for credit.

"The first is publicity. That is one of the ways in which it controls the demand for credit.

"The second is the rediscount rate; that is the control of the price of credit, raising or lowering the price of credit.

"The third is its open-market operations, by which it controls the supply of credit.

"Then, fourth, it is a custom—I can only call it a custom, or working rule of the bank—of extending their loans up to the legal limit, but keeping out of debt to the reserve banks. It can only be explained as a custom because they lose a lot of money by doing it.

"Fifth is the private transactions between the 10,000 member banks and their business customers. That fifth is the summing up of the whole argument.

PROMPT EFFECT ON MEMBER BANKS

"I will take up now what I call the custom and the working rules. This goes to the question of why the open-market operations and the rediscount prices of the Federal reserve system have such an immediate and prompt effect upon all of the member banks, 9,500 of them. They all act at the same time in the same direction, over the entire United States, as one man.

"Now, I distinguish between a monopoly and this. It is not a monopoly. We do not have a banking monopoly. We have a system by which a concerted movement of bankers is effected through their own rules and regulations. It is more like a trade-union. I call it trade-upion of bankers, for they operate exactly like a labor organization operates in fixing the prices, and then all of them acting alike throughout the country.

"Now, let me explain how that comes about. In the first place, they have a limited supply of gold, which is the property of all the member banks, which has been impounded into a single fund controlled by their committees. That is a limited fund and any bank which takes more than its proper share of that limited fund is infringing upon the rights and claims of member banks, so there is a business ethics which grows up which says that no member bank is acting fairly toward its other member banks if it borrows more than its proper share of this common fund which is limited in supply, and then lends that out to the public at a profit.

"In other words, the principles underlying it here is a limited fund, and there is a limited number of customers. The bank which pulls customers away from other banks by borrowing more than it is entitled to is taking more than its fair share of that limited fund.

"That was cared for in section 4 of the act. Section 4 of the act stipulates that a reserve bank may scrutinize and restrain a member bank which goes beyond its fair share in making use of this common fund, and it is in these words:

"'Section 4 limits the accommodations which the reserve banks may give to the member banks, with due regard for the claims and demands of other member banks.'

CHECK PROVIDED ON UNDUE BORROWING

"That is in the statute. Under that provision a reserve bank which finds that a member bank is borrowing continuously and then relending at a profit, it may put the screws on that member bank, either by a closer examination of its eligible paper or by notifying it that it is going too far.

"Members of Federal reserve banks have told me of applying the rules to member banks who have gone beyond their fair share, but it is like all of these working rules of a union or association or a group of

people, it takes account of the exigencies of the individual bank, and so the banks in the agricultural districts have been compelled to be chronic borrowers, and they have been allowed to be continuously in debt to the Federal reserve bank, although they were taking more than their share of the business which their customers would naturally call for.

"That is the first important working rule which makes these banks keep out of debt.

"So, if you will follow this figure here, this curve is the curve of rediscounts [indicating on Chart No. 1]."

(To be continued in the issue of February 10.)

[From the United States Daily, Thursday, February 10, 1927]

DOCTOR COMMONS SAYS STRONG BANKS DO NOT BORROW OF FEDERAL RESERVE SYSTEM JUST TO RELEND—ETHICS ARE OBSERVED BY BIG INSTITUTIONS—IN THEORY ENORMOUS GAINS COULD BE OBTAINED BY OPERATING AS FORMERLY—ALL HOLD CLOSE TO RESERVE MINIMUM—PRESENT SYSTEM ALLOWS EXTENSION OF LOANS UP TO LEGAL LIMIT OF DEPOSITS

The stenographic transcript of the testimony given on February 4 by Dr. John R. Commons, of the University of Wisconsin, before the House Committee on Banking and Currency, at a hearing on the Strong bill (House bill No. 7595), to amend the Federal reserve act, is continued below. Publication of the transcript was begun in the issue of February 5. Chart No. 1, used by Doctor Commons to illustrate his arguments, was reproduced in the issue of February 7. The transcript continues:

"Doctor COMMONS. This is indebtedness of member banks to reserve banks [indicating on chart]. As soon as the Federal reserve system starts selling securities it puts them in debt; they have to give a rediscount in order to build up their member reserves. They borrow in order to keep up their legal reserves. It puts them in debt.

"Then as soon as the Federal reserve system begins to sell securities it furnishes them credits by which they can pay off the debts to the Federal reserve system.

"There are two ways of paying off debts: Imports of gold—and if they are in debt they take the gold and pay off their debts and reduce their indebtedness—or, if the Federal reserve system buys securities, as I explained this morning, thus creating additional credits of the bank against the reserve bank, then they use that to cancel those rediscounts.

"The point is that under this working rule banks are not allowed to be continuously in debt as there were here [pointing to chart]. Notice at this point [indicating] in 1920 and 1921, here is the curve of member-bank reserves. Here is the borrowings of those banks from the Federal reserve bank. So that during this period the banks were borrowing at least twice as much as their reserves. Their whole reserves consisted in borrowings from the Federal reserve bank.

"Now, it is an interesting fact that when the Federal reserve system was started one of the arguments offered to State banks to induce them to come into the Federal reserve system—I know that that has happened in Ohio; I do not know that it happened in other States, but I assume that it did—an inducement was offered to the State banks to come into the Federal reserve banking system of Cleveland on the ground that here was a chance to make money because they could rediscount with the bank at Cleveland and then reloan at a profit.

THEORETICALLY ENORMOUS PROFITS

"Now, you can see what an enormous profit, theoretically, can be made. Suppose a bank rediscounts a million dollars with the Federal reserve system, goes into debt at a discount rate of 4 per cent. They are loaning that money at 6 per cent. They can rediscount, though they have no reserves of their own; they can take that original paper and rediscount it—which means borrow from the Federal reserve system—4 per cent, and lend it to their customers at 6 per cent.

"But that is not all. For every million dollars of reserve credit that they have created at a reserve bank they can lend on the average $8,000,000 to their customers, because they do not simply lend this amount that they have come into debt, but they multiply it by eight, and so that apparently the banks stood in a position, by joining the Federal reserve system, by going in debt to the Federal reserve bank, to create a reserve there by indebtedness which would enable them to lend eight times that much. At 6 per cent the profits are enormous. Borrowing a million dollars at 4 per cent and lending $8,000,000 on the basis of that at 6 per cent would evidently give them a tremendous profit. That was what was done in 1919 and 1920.

"Then this rule provided in the act of Congress says that if a bank is continuously in debt—that is, borrowing and relending at a profit in conditions other than emergencies—then the Federal reserve bank can restrain it.

STRONG BANKS AVOID SUCH LOANS

"I call them the marginal banks, the weak banks; those are the banks that have to be supervised by the Federal reserve bank to keep them from borrowing continuously and relending at a profit. I do not know of all the practices. I happen to know of one bank in Madison that is continuously in debt to the extent of about $350,000, which it relends at 7 per cent, and it evidently makes a handsome profit on that borrowing from the Federal reserve bank at Chicago. The other banks in our city will not borrow in order to relend at a profit.

"And now I come to this interesting thing: I have talked with strong banks of stability, and asked them, 'Do you borrow at the reserve bank in order to relend at a profit?' Ask that question of any banker. You will find him saying in reply, 'No; we do not borrow to relend at a profit.'

"There has grown up that ethics or custom or tradition of a bank, of the strong banks, that they will not have in their statements any showing that they are in debt to the Federal reserve system. And if they, during emergencies or in between bank calls, do get into debt to the Federal reserve system, they get out of debt before the comptroller's call requires them to make a statement.

"You will not find the strong bank showing a statement of indebtedness to the Federal reserve system.

"The only explanation I can make of that is that they are not acting according to the ordinary principles of self-interest. The principle of self-interest would be to go into debt and borrow at the reserve bank and then relend at a profit. They will not do it. I know banks where there have been debates in the board of directors, one element taking the position that they ought to borrow and relend at a profit, and the other saying, 'We can not afford to do it; our reputation will not stand it.' They say that the standing they have in the community consists in their banking upon their own abilities and not upon loans which they make from the Federal reserve system.

"If you get the strength, then, of those two rules, which are not according to the ordinary economic principles of self-interest, but are based upon keeping up a good reputation in the case of the stronger banks, and the case of pressure in the case of the marginal or weaker banks, you can see how these market prices will have immediate effect upon the banks.

"The other part of it is this: That since the system went into operation and banks, all of them, strong and weak as well, keep close to their legal reserve minimum or maximum. Prior to the reserve system every bank had its own gold reserve. It had to protect itself individually against emergencies, against crop seasons, so if its legal reserve was 15 per cent according to law it would never allow the ratio of its demand liabilities to its gold reserve to get down to 15 per cent; it would keep a margin of 20 per cent, so as to be safe in emergencies.

"When the Federal reserve system came in it was no longer necessary to keep a reserve in their own vaults, because if the emergency came all you needed to do was to go to the reserve bank and rediscount or borrow, and thus restore your reserve. So that all the banks have acquired the custom of extending their loans clear up to the legal limit of the resulting deposits—demand liabilities and the legal ratio.

"So there are two customs here operating together. First, extend our loans or accommodations to the business public up to the limit of our legal reserve. Second, but never extend that legal reserve by going into debt to the reserve system in order to augment the legal reserve.

"That explains why it is that as soon as they get into debt to the reserve system they begin to raise the commercial rates. They are not going to make a profit on it; they are going to reduce loans, and not increase their demand liabilities.

"Mr. BEEDY. You referred to the Federal reserve banks as financing the discounts.

"Doctor COMMONS. The Federal reserve bank has control—this line here [indicating on chart 1]—of the securities. This figure here, the commercial paper rate, the member banks do that. This curve here, of the volume of holdings of securities, the Federal reserve banks do that. As a consequence the member banks are either compelled to borrow to replenish their legal reserves, or they can still maintain their legal reserves by reducing their indebtedness to the reserve banks.

"Mr. BEEDY. You started to tell us that these strong banks do not undertake to make a profit, so that when they borrow they raise the rate on loans.

"Doctor COMMONS. They raised the rates here to the customers so as to reduce their liabilities here [indicating on chart]. The reserve here is the reserve against the demand deposits.

DEPOSITS RATIO TO LEGAL RESERVES

"The CHAIRMAN. The demand deposits are eight times as much as the legal reserve?

"Doctor COMMONS. Eight times as much as the legal reserve.

"That is the legal average that works out for all the banking systems of this country, owing to the amendments that Congress has made. The actual ratio is 1 to 10. If you average the banks of the entire country, you will find the total demand liabilities of all the banks is ten times the legal reserve. That is the law. But it does not work out quite that way. It works out 8 or 9 to 1 instead of 10 to 1.

'The CHAIRMAN. I would like you to explain the change that was brought about by the change in the reserve requirements in 1916 and 1917. You will recall that the original Federal reserve bank lowered reserve requirements of banks, but in 1916 or 1917 the pressure of the

war situation was such that we took off all legal reserve requirements when we called in the gold from the member banks, and we changed the basis of reserves, and before you get through I would like you to elucidate that and its effect.

"Doctor COMMONS. You can find it in Governor Strong's testimony. Prior to that act of 1917 the average legal reserve required by law of member banks compared to their demand deposits was about 20 to 1. Congress practically reduced that one-half.

"Mr. STEVENSON. You stated that the strong banks, when they found themselves under the necessity to borrow, immediately began to cure that situation by raising their discount rates.

"Doctor COMMONS. They did it in various ways. If they found that they were in debt to the reserve system, they might call a loan, or they might call a deposit which they had in a weaker bank and transfer that to the Federal reserve bank and thereby get credit and get themselves out of debt. Now, that forced that weaker bank to give a rediscount in order to recuperate its impaired reserve.

"Mr. STEVENSON. The process of checking that tendency by raising the discount rate on commercial paper by the member banks, of course, would be limited by the legal rate of interest which they are allowed to charge. The States all regulate that, I think. There would be a limitation, though, of the power on the bank to correct it by raising the discount, and therefore they would correct it by calling loans.

"Doctor COMMONS. Yes; and, of course, they reduce the other loans to the public.

"Mr. BEEDY. That is its effect. If they have the legal rate of interest already, they can shut down on their loans.

"Doctor COMMONS. I submit an exhibit here which gives the member bank reserves, the ratio of member bank reserves to total demand deposits, and gives the way in which the rate of interest, commercial paper, corresponds. It represents the movement of reserves that are free from debt [indicating]. This line below here is reserves to which they are indebted.

"As the member banks get free of debt, this line goes up [indicating]. This is the commercial rate which they charge. As they get free from debt, the commercial rate goes down. As they go into debt, the commercial rate goes up. It is almost automatic and operates without any lag whatever.

"One line indicates member banks' reserves, the base line being marked zero; the line above that in terms of billion dollars, showing that from 1919 to 1926 member banks' reserves on the whole increasing from about $1,600,000,000 to about $2,000,000,000. That is the total member banks' reserves in the form of credits at the Federal reserve banks.

"How much can they loan to the general public as compared with that? The line in the lower section, entitled 'Member banks' reserve ratio,' ranges between a ratio of 1 to 8 and 1 to 9. They do actually lend eight times as much as their reserves. When that line goes down, as in 1919, the figure on the margin shows that they can loan nine times their member reserves.

"Now, take the line marked 'Reserve free of debt,' the line starts at zero and falls, and then rises in 1922, falls in 1923, rises rapidly in 1924, and falls in 1926. The space below that line, between that line and the base line, marked 'Zero,' means reserves free of debt to the reserve system. The space between that line and the line marked 'Member banks' reserves' means reserves burdened by debt to the Federal reserve system.

UPSET OF INFLATION PERIOD

"If you will follow that line and come back in the years 1920 and 1924, you will find that the debt to the reserve system is much greater than the reserves, showing that in those years their reserves were made up altogether of indebtedness to the reserve system. They were borrowing from the reserve system and lending again to the public.

"In 1922 they had paid off their debts very largely, so that their borrowings were small, and they were lending out their own assets.

"Mr. STRONG. That borrowing from the Federal reserve system in 1919 and 1920 upsets the inflation period?

"Doctor COMMONS. Oh, that is what it did.

"Now, then, this other line at the top is the rate of interest charged by these banks to the commercial public. You will notice that when they are in debt to the reserve system the commercial rate to the general public is very high, reaching 8 per cent. Then when in 1922 they had gotten rid of their indebtedness to the reserve bank, their rates of interest to the public came down.

"And again, when in 1922 and 1923, by the action of the Federal reserve system selling securities, they got in debt again, then the interest rate went up. In 1924, when the reserve system bought securities, and thus they got free of debt, the interest rate came down.

"That is a restatement of what happened here on this chart [indicating], and you will notice the inverse correlation of those two curves. They are identical, showing the immediate effect which the reserve system's operations on the open market have upon the interest rate.

"Another chart shows the number of banks accommodated each year by the reserve system. By accommodation I mean the number of banks which appealed to the reserve system for loans, and it shows that of the 9,000 or 10,000 banks in the years 1920 and 1921, the number of banks that were accommodated reached as high as 9,600, meaning that at this stage 9,000 of the member banks were borrowing during some point of the year from the Federal reserve system to maintain their reserves. At the other extreme, the lowest point was 1924, when there were only 2,500 banks borrowing from the reserve system.

"The CHAIRMAN. Now, you are referring to chart No. 1, during the period of 1920?

"Doctor COMMONS. Yes, sir. Then in chart No. 1 (reproduced in the issue of February 7), for the period of 1924, when they got out of debt, only 2,500 banks were borrowing during that year. These figures are taken from the annual reports of the Federal Reserve Board.

NO BORROWING TO SEEK PROFITS

"That is another confirmation of what I am trying to get at: That after 1922 and 1923 they learned two things; they learned to keep out of debt, either by rule of inspection and scrutiny on the part of the reserve bank or by a rule of ethics, of good standing, and good reputation of the strong banks, to keep out of debt. Instead of this habit of keeping in debt in order to relend at a profit they now have the habit of keeping out of debt beyond their proper share and except for emergencies.

"The system now gets back, not to a money-making system but to an emergency system, what it was intended to be, but they did not have that idea until 1922 or 1923.

"The CHAIRMAN. When you say 'they,' you refer to the member banks?

"Doctor COMMONS. Yes; the member banks. They lend up to the limit, because they do not have to keep reserves in their own vaults, and if an emergency comes they can go to the reserve system and rediscount. They do not extend that limit by going in debt, because they are taking more than their share of a common fund, which is limited in supply, and it does not give them a good reputation to be in debt to the Federal reserve system. Consequently, they are always right on the edge, so that the smallest operation of the Federal reserve system in buying or selling securities will immediately affect them. They are on the edge of their legal reserves all the time, and they have got nothing to play on, so it affects them immediately.

"The CHAIRMAN. In other words, it is a common practice of the member banks only to keep their legal-reserve requirements with the Federal reserve banks?

"Doctor COMMONS. That is the only legal reserve they have. They have no other reserve except what is at the Federal reserve banks, so they are subject to the Federal reserve banks' operations.

"The CHAIRMAN. They do not keep a balance beyond that with the Federal reserve banks beyond the legal requirements?

"Doctor COMMONS. No.

"The CHAIRMAN. But they keep a secondary reserve with the city correspondent banks?

"Doctor COMMONS. Yes.

"Mr. CANFIELD. You referred to the better class of banks, the safest banks, not borrowing to lend. Is not that considered dangerous banking in most cases?

"Doctor COMMONS. It was not considered dangerous until 1922. It is now not considered dangerous in all cases. I happen to know one bank that is making a practice of it on a very large scale. I do not know why they are allowed to do it. Apparently it is against this rule of Congress, and I have not made enough study of the subject to know what decides the question in each particular case of the 10,000 banks.

"Mr. CANFIELD. In other words, then, by a majority of the bankers it is considered to be dangerous banking?

"Doctor COMMONS. It certainly is. It means inflation. If they would all be doing that, there would be inflation.

COMMON ACTION TAKEN BY BANKS

"Now, I take up the final effect of all these four items upon the behavior of the 10,000 member banks. Under these rules all of them are acting in the same way, at the same time, raising the rates, lowering the rates, or increasing their reserve. The promptness with which that operates was impressed upon me by one member of the reserve board, in the fall of 1923. I had seen him in February, 1923, and in speaking about three open market operations, and in September, 1923, I asked him about the experience. He said it was to them the most surprising thing that ever happened, that when they started selling securities banks all over the country came to borrow money in every part of the country. It affected them all at once, and they themselves learned for the first time that owing to this interrelationship and clearing house system that if they sold $400,000,000 of securities, the banks in all parts of the country would have to borrow to restore their impaired reserves. They did not know that prior to 1923. They found it out by experience, and that gave them this knowledge which they had never had before, of how prompt was the effect on the member banks of these open-market operations.

"Now, the next inference is, I have established that all the banks act in the same way at the same time in all parts of the country, and

that brings up two or three questions and two or three objections which are raised, which I put forward generally against the argument which I sustain, that the Federal reserve system can regulate the general price level.

"I have said they have controlled demand and supply of credit. Now, I am going to answer the objections of those who say that the Federal reserve system does not have power to do so.

"First, it is said that business psychology determines the demand for credit, that the banks do not determine the demand. If there is optimism in the business world, then there is a demand for credit; if there is pessimism in the business world, then there is no demand for credit.

"Another objection is—I am taking these from financial journals—that this rate of interest is such a small item in the cost of production that it has no effect on the price level. My argument shows that this rate of interest has a tremendous effect upon the price level.

"If the commercial rate falls from 5 to 4 per cent, or if the rediscount rate falls from 4½ to 4 per cent, it is a small item in the cost of business, and if this were based on a cost argument I could not sustain any inference.

"The third objection is that the reserve system can only follow the market and must adjust its policy to what the business men are doing. That it can only follow the market rate of interest, and if the market rate rises, then it can raise its rediscount rate. That is the argument. I say it first prepares the market and then follows it.

"The CHAIRMAN. That is the Federal reserve system?

"Doctor COMMONS. Yes; the Federal reserve system. It first prepares the market by its open-market operations, causes the market rate of interest to fall, and then follows it by actual discount. The market is itself made, first, by the Federal reserve system, which having made it follows it. Governor Strong in his testimony fully explained that to you gentlemen, and I would refer you to his testimony for a complete explanation.

"The CHAIRMAN. That was an important discovery that they made in 1923, was it not?

"Doctor COMMONS. I illustrated it by those 24 expert forecasters. In February, 1923, they did not know a single thing about what this economic influence was. They predicted prices would go up to 172. The Federal reserve system stopped them right within a month after they made the prediction and reduced them to 145, 97 points below where the economic forecasters thought it would be.

"Mr. BEEDY. How did that reduce it? By purchasing in 1922 and 1923 how many million dollars' worth of securities—$400,000,000, was it not?

"Doctor COMMONS. I will tell you the five instruments that they used: Publicity, rediscount rates, open-market operations, this custom and working rule of these private transactions of 10,000 member banks with their customers—and that is the point I am now going to take up."

(To be continued in the issue of February 11)

[From the United States Daily, Friday, February 11, 1927]

COUNTRY'S BUSINESS IS NOW BASED ON RESERVES OF CREDIT, NOT GOLD, SAYS DR. J. R. COMMONS—TESTIFIES BEFORE HOUSE COMMITTEE—HEARING ON ACT TO AMEND LAW FEDERAL RESERVE SYSTEM OF NATION'S BANKS—PROPOSES NEW FORM FOR INDEX NUMBERS—WOULD BASE THEM ON CERTAIN FACTORS, AVOIDING WAGES AND OTHER INCOME

The stenographic transcript of the testimony given on February 4 by Dr. John R. Commons, of the University of Wisconsin, before the House Committee on Banking and Currency, at a hearing on the Strong bill (H. R. No. 7595), to amend the Federal reserve act, is continued below. Publication of the transcript was begun in the issue of February 5. Charts used by Doctor Commons to illustrate his arguments were reproduced in the issues of February 7 and February 10. The transcript continues:

"The CHAIRMAN. These purchases in the open market, by the Federal reserve banks through the open-market committee, are largely made in Government short-time securities?

"Doctor COMMONS. They are.

"The CHAIRMAN. Suppose the Government should refund those short-time securities so that they would not be available for the market?

"Doctor COMMONS. The same thing could be effected by purchasing private securities of any corporation; it could be effected by taking more initiative in the acceptance market, any place where they wanted to take the initiative and go outside of member banks and purchase or sell.

"The CHAIRMAN. So long as acceptances were available they would answer the same purpose?

"Doctor COMMONS. All they have to do is to go outside the member banks and deal with any outsider, giving a check on themselves which the outsider then deposits in a member bank, and that increases the reserve of that member bank at the Federal reserve bank.

"Mr. STEAGALL. In that connection, you started to discuss the proposal for suspending loans to foreign governments.

"Doctor COMMONS. Well, if you will allow me, I will bring that up under the last question I want to discuss, and that is the question of policy. I am giving you the theories according to which my contention is opposite. In general, I may say that it goes upon a physical analogy that there is a volume of business, on the one hand, created by business men, and, on the other hand, there is a volume of money, neither of which have any particular relation to each other. That may have been the case when we were on a free-gold basis. On the one side the world had a volume of gold. On the other side there was a volume of transactions, business men buying, other business men selling. That volume of transactions created the demand for the use of this volume of gold, and so there resulted the so-called equation of exchange, by which if you would increase the supply of gold prices would fall, and if you decrease the volume of gold prices would rise.

"On the one side, if you increase the volume of gold, prices would rise, and if you reduce the volume of gold prices would fall. That is the so-called quantitative theory of money, which has created great discussion in economics since the time of Ricardo. That is a gold theory.

"Our present business is not conducted on gold. The gold is impounded and has no influence whatever. The reserves are no longer gold reserves, they are credit reserves at the Federal reserve banks. The money which is used is no longer gold, but it is those demand deposits. We have a system now by which the business man himself is creating the money. How is it done? Just take a credit transaction and analyze it.

"Suppose I am a manufacturer of steel and Mr. STRONG is an agricultural machinery manufacturer. I sell to him a thousand tons of steel shapes at $30 a ton, to be paid in 90 days. I have an understanding with a banker that I will take that promise of his 90 days and discount it and convert it into cash-demand deposits so I can use it in my business to-day. That is the way all business is done.

"Notice what is happening there. There is nothing physically in existence at all; everything is in the future. The first thing is your promise in 90 days to pay me $30,000. The second is my confidence or my knowledge from the bank that it will discount that and give me $30,000-demand deposits which I can use any day in the future. The first is 90 days in the future, the second is any day in the future.

"That is our system. Our system is not a system where there is any physical quantity at all; our system is a system of promises, all of which is in the future. None of those promises can be changed.

"Suppose, as in 1923, there goes out publicity that business is going to be pretty slow; there also goes out publicity that the rate of interest is going to be increased; that there also goes out publicity that the banks' reserves are being reduced and money is getting tight. Not only my banker, I being a steel producer, but your banker, you being an agricultural man, and not only your banker, but the farmers and all the people to whom you expect to sell, all are giving every one of us exactly the same advice, to go slow, don't create a demand for credit. Consequently you can vary that future commitment. You can say, 'Well, things don't look right; the bankers advise us to go slow; I can not take 1,000 tons at $30; but I may take 500 tons at $30 a ton.'

"Notice what has happened. The demand for credit has changed from $30,000 to $15,000. You have there changed the demand for credit. The demand for credit was not an independent volume of trade which was going on independently of what the banker was doing; the demand for credit was what you and I and all of your business customers were doing under the knowledge and advice of what the bankers were going to do at the same time.

"In other words, it is a collective system of bargaining between all the bankers on the one side and all the business men on the other, all acting in the same way at the same time, and with factors so variable; none of them fixed because they are all in the future, and they can be changed in any way.

"The result is we may look at it this way: That a credit transaction is a two-sided transaction. On the one side it faces the commodity market; that is, the price 90 days ahead, a short-time credit; on the other side it faces a money market, which is a bank. That is a demand credit. Instead of there being two commodities, two markets, it is the future and the present of the same market. The banker is buying the future expectations, promise of business men payable in 90 days, and he is selling a present credit, which is the present worth of that future promise.

"If we analyze that the actual thing that happens under a credit system, when we have got away from the gold altogether, we can see then a concerted movement of all the banks operating in this way has complete control over the business men's demands for credit, because they are the ones that are going to convert that demand for credit which is in the future into a present purchasing power.

CREDIT SYSTEM VERSUS GOLD BASIS

"It is not two physical volumes at all, gold on the one side and a volume of business on the other; it is the present and the future of the same thing. One 90 days in the future, and the other is in the immediate future.

"When you consider that 10,000 bankers are acting in the same way all over the United States, that the farmers are being influenced that way, everybody is being influenced that way, and that the uniformity is accomplished through these open-market operations, through these rediscount policies, and then by this private bias which the bankers are giving their customers. Once I thought the rediscount rate could do the whole thing. Then I learned from Governor Strong in 1923 that the open-market rate could do the whole thing. I talked with a banker in New York, who said, 'Those are not the people who do it; we do it. When a customer comes in and wants a loan or an extension of loans we tell him how much he can have, how much he can extend his credit. So we are the people that do it.'

"The CHAIRMAN. May I interrupt you to ask you whether you distinguish between reserve city bankers and other member banks?

"Doctor COMMONS. Well, as I talked with the country banker in Wisconsin, he told me, 'We get our orders from New York.' Well, that is perfectly rational. 'Either we are in a squeeze and tighten up or in a position where we have to loosen up. If we tighten up or loosen up we get the orders from New York.'

"That is the way they put it to me. I have never seen any of those orders in writing, and I don't know; but that is what they told me.

"The CHAIRMAN. Since the Federal reserve system was organized, the former practices have been completely changed?

"Doctor COMMONS. Yes.

"The CHAIRMAN. The secondary reserve banks have discovered the value of the dollar reserved in the Federal reserve bank, and to have the greatest amount of credit available in case of emergency are carrying a class of securities that is readily eligible in the Federal reserve banks.

"Doctor COMMONS. Yes.

"The CHAIRMAN. Whereas the country reserve banks have more or less trouble in having eligible paper which they could use in an emergency?

"Doctor COMMONS. Yes.

"The CHAIRMAN. In other words, some of the big city banks have millions of dollars worth of Government securities which they can turn over into the Federal reserve bank at a moment's notice and secure a line of credit, and that permits them to act in a way as a secondary reserve, because they are the custodians of bank balances.

"Doctor COMMONS. I was going to bring that in under the head of how to construct an index number; that is the reason why I say that the wholesale prices should be the index number.

CONGRESS SPEECH IS RECALLED

"Mr. CANFIELD. One thing I would like to bring in here. On May 23, 1922, Mr. SWING, of California, made a speech on the floor of the House in which he made these remarks:

"'I was present at a meeting of the bankers of southern California held in my district in the middle of November, 1920, when W. A. Day, then deputy governor of the Federal Reserve Bank of San Francisco, spoke for the Federal reserve bank, and delivered the message which he said was sent there to be delivered. He told the bankers there assembled that they were not to loan any farmers any money to hold any crops beyond harvest time. If they did, he said, the Federal reserve bank would refuse to rediscount a single piece of paper taken on such a transaction. He declared that all the farmers should sell all their crops at the harvest time unless they had money of their own to finance them, as the Federal reserve bank would do nothing toward helping the farmers hold back any part of their crop, no matter what the condition of the market. I think I was the only person present who was not a banker. This was in a way confidential advice, being given by the Federal reserve bank for the guidance of small bankers.

"'I say that was the admitted declared policy of the Federal Reserve Board made by an officer of the board delegated for the purpose of making an announcement for the information and guidance of the bankers of my district. No one could be in doubt for one minute as to what the natural, logical, and necessary consequences of such a policy would be. If the entire crop of the country is thrown on the market at the time of the harvest, of course, the market would be depressed. You can bear the market or you can bull the market. The Federal reserve bank deliberately set out to bear the market. Now, if they could do that at that time, have they not done that with other commodities, and can not that same system be used to stabilize money and to stabilize wholesale prices?'

"That is my argument. That is what I contend.

"Doctor COMMONS. That speech was supposed to be given in November, 1920. Suppose that at that time the Federal reserve system had known these things which they learned in 1922 and 1923. My idea of what they have done is this: If they did not want prices to fall as rapidly as they did, from 247 to 138, they could have started buying securities, which they did begin buying in 1923. They could have started buying securities in 1920. Instead of keeping the discount rate up to 7 per cent, they could from 1920 down to the middle of 1921 have reduced that discount rate gradually.

"They could not have stopped the deflation, but they could have put a cushion on it; they might have stopped it at 160 by buying securities. They held up the rediscount rate until they squeezed the blood out of everybody. They might have shortened that rediscount rate much earlier; they might have prepared for it by buying securities. They did not have the experience; they did not know what they were doing. Two men did know what they were doing. I told you about them this morning.

"Mr. STRONG. I am sorry we do not have their names so that we could immortalize them.

"Doctor COMMONS. You will never get their names from me, but I will swear that they told me they did it.

DEFLATION AS FARMERS FELT IT

"Mr. STEAGALL. At Omaha, Nebr., we had a committee that was making inquiry into the Federal reserve system, and we got into that matter of deflation in 1920 and 1921, and one of the officers of that bank handed us a chart.

"I asked about the seasonal demand, and he said that there would be an increase of fifteen or twenty million between June and October. I said, 'How much did your loans increase?' He said they had increased only about $5,000,000. I asked him if there was not also a shrinkage in deposits in member banks and what had become of their seasonal demands for increased loans. He replied, 'They didn't get it.'

"I asked him 'How did they take care of their shrinkage in deposits'? He answered 'They had to collect from their customers,' who were the farmers. I asked him how the farmers were going to pay, and he replied that they would have to sell their crops for what they could get and sell them on a falling market.

"The impression it left me with was that this increase in borrowers represented city correspondent banks who were coming in to borrow without having the penalty rate imposed and relieving the larger banks. That was a conclusion that I reached. But that gave a key to the way the business was handled.

SENSE OF PUBLIC RESPONSIBILITY

"Doctor COMMONS. What standards do they have of concerted action and what kind of an index number do they propose to use if they stabilize?

"Having this great power, the whole question of policy turns on what are the standards that they use? Up to 1922 the sole standard of the member banks was to invest their balances to earn a profit—no sense of any public responsibility. They learned that would not do, that they could not earn the profit, and they acquired at that time a sense of public responsibility instead of private responsibility. In April, 1923, they formulated their public responsibility, and it consisted in the resolution of the Federal Reserve Board of April, 1923, which said that the open-market operations should thereafter be conducted with their regard to the effect on the general credit situation. So since April, 1923, their sense of public responsibility has been, so far as shown by their own rules, and of course there is no congressional rule governing them; they have adopted their own rule of responsibility, and their sense of public responsibility has been the general credit situation.

CRITICISM OF SNYDER INDEX

"Let me analyze the point that is included in their meaning of the general credit situation. I gather from this index that Carl Snyder presented to you last April—and Carl Snyder I consider one of the ablest statisticians dealing with this subject; he is the statistician of the Federal Reserve Board in New York, Governor Strong's assistant—in his construction of the index number he has included responsibility for these things; he has constructed, as stated in this testimony, an index number in which these wholesale prices are given a weight of 20 per cent. He has introduced along with that an index number of wages, which is given a weight of 35 per cent; he has constructed an index number on the cost of living, which is the retail prices, which he has given a weight of 35 per cent. He has constructed an index number of rents which he has given a weight of 10 per cent; making, altogether, 100 per cent.

"My contention is that this index number of wholesale prices should be given 100 per cent; that wages, cost of living, and rents have no place in an index number which is to guide this system, and my remarks will be addressed to that feature of your bill which gives the Federal Reserve Board power to contrive an index number of prices; and I contend that if the index number of prices which they contrive is to be done by Carl Snyder upon that basis, it will defeat everything which you have in mind of price stabilization, although Mr. Snyder is a friend of mine and we have worked these things out together.

"Mr. WILLIAMSON. You think the bill should specifically provide that the index number should be based on wholesale prices and nothing else?

"Doctor SIMMONS. Yes; and I will give my reasons for eliminating wages and rents.

"I gather from Governor Strong's testimony, and, moreover, from conversations with members of the reserve banks, that they feel that they should use their power to regulate and modify stock speculation. I contend that they have no business to pay any attention to stocks.

"I gathered also by conversing with bankers that they are afraid that if they should attempt to stabilize prices under a condition like the present, where there is a great fall in agricultural prices, that they

would stimulate overproduction in agriculture, which would be disastrous to agriculture, and in their minds is the idea that they are responsible for overproduction of agricultural products.

"I contend that they should have no sense of responsibility for agriculture; let the farmer get out of it the best he can by cooperative markets or doing something else.

SEEK PRE-WAR GOLD STANDARD

"Another thing that regulates their policy; they have a feeling—I gather this from talks with members of the Federal Reserve Board and of the Federal district, but I shall not give their names—they have a feeling that we should get back to the pre-war free gold standard, in which gold would move freely from one country to another. That would be contrary to our present managed gold standard where we have impounded the gold and there is no free movement of gold; and, furthermore, every country that gets on to a gold basis has to make a special arrangement with us for gold credits by which we will sustain their gold standard. So whenever they speak of getting back to a gold standard the only thing that they can mean is getting back away from our present gold-managed standard.

"Now, that means inevitably a continuous fall in prices. If we could get back to the pre-war standard, which is 100, whereas we are now up at 160, it means that we are going to get down to a lower price level.

"Mr. STRONG. But the stock should be kept up.

"Doctor COMMONS. Why have they not kept that up? I had that idea. I am certain a most influential man at that date had that idea, because they told me so, and this particular man is somebody that you would recognize. They had an idea of getting back to the pre-war free gold standard.

"The CHAIRMAN. What date was that?

"Doctor COMMONS. 1923 was the date when I interviewed them. Why did they stop in 1924? Governor Strong told you the reason why they reversed their policy. He said they found we could not continue, but had to change because of the depression in agriculture in the West, the failure of agricultural banks, and the menace of radical legislation.

"I would add also the presidential campaign. We had to have prosperity in 1924 and they brought on prosperity. They began buying, began reducing the rates, increased the volume of money, sent prices up from 145 to 161, and agricultural prices rose. They had fallen down here [indicating on chart] and agricultural prices went up 31 per cent; industrial prices went up 7 per cent. The average was from 145 to 161.

MENACE OF RADICAL LEGISLATION

"It brought back prosperity to agriculture. The policy, then, which comes under the head of the general credit situation, includes two things: Feeling that we ought to get back to the free gold standard, modified by a menace of radical legislation—whenever it is necessary to head off radical legislation we then give up the idea of reducing prices and we start an inflation. So we have under this general definition of credit situation several things included. Stock markets, rents, wages, free gold standard, and political menace. That is what causes the present oscillation. They have conducted two cycles under that general credit definition. They have conducted a cycle of raising prices and of lowering them.

"They found that they had overdone the lowering of them and brought on political menace. Then they started an inflation, and you notice that the date when they quit buying securities and began selling securities was October, 1924. The menace had passed, and then they started the deflation.

"Governor Strong in his testimony before you said it was a matter of judgment whether they ought to have started a little earlier on the deflation. They started the deflation in October, 1924.

"Mr. BEEDY. And then wholesale prices began to go down?

"Doctor COMMONS. Yes.

"The CHAIRMAN. According to your chart No. 1, the wholesale prices now are about where they were in the middle of 1924. Is it your thought, after having expressed the opinion of some of the Federal reserve men in 1923, that we should go back to a 1913 level, that that still is their thought?

"Doctor COMMONS. Well, I have submitted my manuscript to them, and they tell me that I am mistaken; that they have no intention of getting back to the pre-war price level. I have never said that they intended to get back to the pre-war price level; I have said that they intended to get back to the pre-war free gold standard. I do not know what the price level will be, but I say that it is the normal banking idea in New York, certainly, that we must have a free amount of gold, because it is the foreign exchange which they want to have stabilized.

"They are not interested in price stabilization as much as they are in foreign-exchange stabilization. They want to stabilize foreign exchange. They are not much concerned with what I, for example, in the West am interested in, a stabilization of prices.

FALL OF PRICES IN AGRICULTURE

"Mr. WILLIAMSON. Well, Doctor, in connection with the fall of wholesale prices, beginning in 1925 and continuing into 1926, why is it that that decrease in the wholesale prices has fallen chiefly upon agriculture? Now, the agricultural commodity prices have gone down much more rapidly since the middle of 1925 than the wholesale prices of manufactured goods; why did that attack agriculture other than other things?

"Doctor COMMONS. I am not able to answer that accurately. I have asked the Bureau of Agricultural Economics to furnish me a study of that situation. I will submit as the next exhibit the only chart which they have at hand.

"This is wholesale prices from 1922 to 1926, showing the difference between the amount of agricultural prices and nonagricultural prices. I put that in as an incomplete and imperfect answer to the problem which I have in mind. But I have this general conclusion to make, and I am confirmed in it by my correspondence and conversations with the statisticians of the Federal reserve system to this effect: All the other industries in the country have developed systems of stabilization in the last 20 years. It starts with the steel industry. They have smoothed out prices. They prevent overproduction. They have adopted business ethics which I described a moment ago that dominates the Federal Reserve Board and system, that competitors in the steel industry can complete as hard as they want to provided they do not cut prices or raise wages. They can compete on salesmanship.

"Nearly all businesses have adopted that principle. That is the fundamental idea of labor organizations, in which these industries are imitating labor. That there is a limited number of jobs and a limited number of customers, and it is not fair to pull customers or jobs away by cutting prices or raising wages."

(To be concluded in the issue of February 12)

[From the United States Daily, Saturday, February 12, 1927]

INDEX NUMBER THAT MAY EXCLUDE WAGES ADVOCATED AS BASIS—DOCTOR COMMONS ADVOCATES NEW INDEX NUMBER AT HEARING ON THE FEDERAL RESERVE ACT—DECLARES WHOLESALE PRICES ARE FUNDAMENTAL INFLUENCE ON LABOR RETURNS AND RENTS AND RETAIL PRICES

The stenographic transcript of the testimony given on February 4 by Dr. John R. Commons, of the University of Wisconsin, before the House Committee on Banking and Currency at a hearing on the Strong bill (House bill No. 7595), to amend the Federal reserve act, is continued below. Publication of the transcript was begun in the issue of February 5. Charts used by Doctor Commons to illustrate his arguments were reproduced in the issues of February 7 and February 10. The transcript concludes:

"Now, the farmers have not learned to do that. There is no conspiracy about it. It is perfectly lawful; there is no argument about this. It is just ethics. The farmers have not learned that ethics. The consequence is that any oscillation of the volume of credit by the Federal reserve system will spill into the agricultural field and affect agriculture more than it will affect these industries which have perfected their own stabilization system; that an increase of money, of credit, will raise agricultural prices more than it will raise the other prices, and if deflation will deflate agricultural prices more than it will deflate other prices.

"I think that the figures which the Bureau of Agricultural Economics will furnish me will demonstrate that. They have demonstrated it so far as they have furnished them. I am having my own students work on the subject, but it is not completed yet. When we had this deflation and the average came down to 138, agriculture came down to 120, or something like that. The average came down to 138 and agriculture came down to 120. That means industry came down to about 160.

"I am speaking of 1920 and 1921. When there is a deflation agriculture is hit harder than industry. Industry came down to 160 and agriculture came down to 120, and the average came down to 138.

"Mr. STRONG. I would like to state at this point that I had a letter from Governor Lowden, in which he says that this perhaps is the most intelligent analysis of the farmer's problem, this price-stabilization problem.

"Doctor COMMONS. I think the farmer is hit harder by these oscillations than any other people are. I think labor is hit hard, for this reason: The laborer's wages are not affected but labor's employment is affected. In that way labor is affected disastrously.

"The farmer's prices are affected more than the price of labor or the price of other commodities. I am not so certain about the movement. I think this increase here, farmer's prices, went up more. It started from a higher base. If you figure that it started from a higher base you will find that it did not go up so fast. This I do know: That in this depression agriculture went down faster than industry, and if you run a curve of industrial prices, nonagricultural, which includes manufactures and mining, you will find that moves pretty steadily right along here [indicating].

"If you run one of agriculture you will find it goes up here [indicating] and down here [indicating]. Here it went up 31 per cent and industry went up 7 per cent [indicating on chart]. Here it comes down. Industry has remained pretty steady. That is my theory about it. But the industries that have not yet learned this get-together proposition are bound to be affected by these oscillations more than those that have learned how to protect themselves against it.

"Mr. STEAGALL. Industry is not only less responsive to deflations and declines, but it is better by reason of organization to take advantage of an increase in price, is it not?

"Doctor COMMONS. It would seem so. I would want to study that a little. I have studied the gasoline business and some others, and the difficulty about it all is this; you study industries, prices prior to 1918, and you will find them going up and down this way [indicating], and then they straighten out that way [indicating on chart]. If you study the farmers' prices, you find that they are jumping up and down all the time. I can not answer your question; I do not know enough about it.

"I have a theory and hypothesis that I am putting forward to explain it, but it seems to me quite evidently the case that the farmer has suffered by these oscillations more than industry, and the only one that can compare with him is the laborer.

"Now, I am going to take up the index. This is my proposition. There should be only wholesale prices in the index number which is to be used. Furthermore, it should be weighted not by the consumption, not by the production, but it should be weighted by the number of people engaged in those different lines of production.

"We are interested in the question of justice and not in any economic question of production. If the farmer has 25 per cent of the population engaged in his industries and the manufacturers have 40 per cent of the population engaged in their industries, the farmer should have 25 per cent of the weight in making up that index number, so if his prices fluctuate all will be stabilized and not for the farmer alone, but all of these shares in the general production and all industries will be stabilized.

"I have had students figure this out. Remembering that this is only wholesale prices, see what it has eliminated. It has eliminated all retail prices. It has eliminated rents and stocks and stock speculation. It is simply commodities sold at wholesale. It is purely tentative, and if I get later figures I will furnish them.

"I have asked Carl Snyder and Ethelbert Stewart, in the Bureau of Labor, to investigate, and they have both promised to do it, but the conclusion I have reached so far is that one-half of the population is engaged in producing nonagricultural products for sale at wholesale prices, and one-half are engaged in agriculture. We have eliminated all railroad workers; we have eliminated all retail dealers and salesmen, so that we have got the population down to about 40,000,000, we will say, productive workers, one-half of whom are in nonagricultural and one-half of whom are in agricultural industry. They are the people that are producing the great commodities.

WOULD NOT INCLUDE WAGES

"Now, then, why should wholesale prices of commodities be alone included; why should we not include wages? Carl Snyder gives wages 35 per cent and wholesale prices only 25 per cent weight. In the first place, labor is not a commodity. Wages is not a price for a commodity. Wages is an income for a living, and there is no more reason for including wages in an index number than there is for including rents and interest and profits.

"There are three kinds of income. Furthermore, the laborer's daily wage is not the important thing for the laborer; it is his annual income, and his daily wage is a method of computing his annual income. So it should not be included in the index. Rents in the same way. Rents should not be included. They are annual rents or periodic rents for the use of an instrument which is scarce and which is increasing in price, and they are not commodities. Furthermore, contracts for rent are only made by the year usually. We have a sensitive index which will change every week and show the effect.

"In the third place, all the big banking of the country, the dominant banking of the country, is the banking which finances wholesale production, not retail production. Retail operations, if they were put in there, would be taking the standpoint of the consumer, the ultimate consumer. Stocks and speculations should not be included.

"Mr. Snyder does not include stock speculation, but he might as legitimately include it as to include rents and wages. Stock speculation is an anticipation of wholesale prices. If wholesale prices are going to rise it is going to mean that the business interests are going to make more profits and stock prices are going to rise. Stock prices are forecasts of wholesale prices.

"On the other hand, rents and interest and wages are results or effects of these wholesale prices. If these wholesale prices are rising then it is likely that labor is going to get higher wages or rents are going to be higher. If they are going to fall it is likely that wages will fall.

"Furthermore, wholesale prices are the prices on which the great bulk of the population pay their taxes and pay their debts, and they are the prices also that foreign nations pay their debts to you on.

CONTROL HELD OVER PRICES IN EUROPE

"One of the arguments presented against this process of stabilization is that we can not control the prices of Europe. I contend that we control the world prices, that as long as all the nations of the world are in debt to us and sending gold to us they must subordinate themselves to our Federal reserve system. So that our Federal reserve system sets not only the prices for America but it sets all the export prices for foreign countries, and they pay in the gold dollar such as we adjust.

"Mr. STEAGALL. Well, we look forward to the time when that condition will not exist, do we not?

"Doctor COMMONS. When we get back to the free gold standard we will dominate the gold situation.

"Mr. STRONG. Do you think we ought ever to get back to the free gold standard?

"Doctor COMMONS. I do not. I think if we get back to the free gold standard we lose this power, referring to this stabilization, of retaining the present managed gold standard. Otherwise we can not stabilize. If they have any idea of getting back to the free gold standard it means lowering the price level.

"The CHAIRMAN. You are indicating that you favor this controlled gold system in preference to the free gold system.

"Doctor COMMONS. I certainly do.

"The CHAIRMAN. You do not see any danger by this credit situation?

"Doctor COMMONS. I see no danger in the Federal reserve system; I think it is the greatest advantage we could possibly have, provided it has a legislative rule.

"Mr. STRONG. Which we are now trying to consider.

"Doctor COMMONS. As I said in starting, it is the only administrative body in our system which Congress has created and has given it no standards.

"Mr. STEAGALL. You do not contemplate that this legislation would give any more power to the Federal reserve system?

"Doctor COMMONS. No. But they have no legislative standards.

"Mr. STEAGALL. As I recall, Governor Strong and others who discussed this before the committee have not particularly favored this idea of putting this power altogether in Congress, but thought that it was better to leave this discretion in the boards without any specific directions.

"Doctor COMMONS. If they adopt Carl Snyder's index number of prices then I would not leave it to them. Carl Snyder's index number will show a rising price at this time, and this is showing a falling price [indicating on chart No. 1]. It will include wages, which have not fallen. It will include rents, which are increasing; it will include retail prices, which we all know lag six or eight months below wholesale prices and do not fall as rapidly as wholesale prices.

"Mr. STRONG. What are the dangers of politics entering into the Federal reserve policies with and without this legislation?

METHOD TO KEEP POLITICS OUT OF IT

"Doctor COMMONS. I think this is the only method of keeping them out of politics. I think they are already in politics. They are compelled to be in politics because they have no standards. I think the operations in 1924 show that they are in politics, and Governor Strong's statement before this committee, that they did what they did in 1924 on account of the menace of radical legislation shows that they realized they were in politics.

"The only way I can see they can be kept out of politics is an index number based so evidently on principles of justice, weighed so evidently according to the proportion of people in each occupation, that it can be explained to the entire public that here is a perfectly fair index number, and therefore you as a wheat grower, if you find that your prices have fallen, you can not change the whole system in order to have wheat raised in price because you are only about 5 per cent of the total population engaged in this thing.

"We have developed a system, through Congress creating a commission—this bill provides for something of that kind—which shall determine upon an index number and a proper weighting, which shall do justice. As long as the people of this country are satisfied that there is needed a secret method, that they can not understand, or a public method which is so complicated that they can not understand, there will be politics in it, but as soon as they see that there is a simple method, and a weighting in which each element of population gets its proper weight, establishing a new index of prices, I feel that the thing is out of politics.

"Mr. WILLIAMSON. Is it your thought that we should write into a bill what the index number should be based upon? In other words, that it would be useless to direct them to follow a certain policy and let them form an index number which would set up a policy of their own?

"Doctor COMMONS. Yes; that is my criticism on your bill. If I may refer to the provision here, in this third revision, it says the Federal Reserve Board shall formulate an index number to reflect the current purchasing power of the dollar in terms of commodities. You can call rent a commodity or wages a commodity. Commodity is a word that means anything that Carl Snyder has included in that index

number, and I think that is fallacious. I think you ought to be more specific than that.

"Mr. STRONG. I agree with you that we ought to provide a proper index number if we are going to direct them to follow an index number.

"Doctor COMMONS. It is your business to state, representing more people, your collective idea of what will be just, and then work out the technical details later, but you have to establish your standards of justice, as I see it, now.

FORECAST MADE FOR YEAR 1928

"Mr. BEEDY. We may look for this thing to happen in 1928 if your premises are sound, namely: The gradual rise of the securities line on chart No. 1, and the gradual rise of the wholesale price line and the gradual rise of the demand-deposit line.

"Doctor COMMONS. And interest rates.

"The CHAIRMAN. Interest rates on commercial paper?

"Mr. BEEDY. I shall look to see that come down.

"Doctor COMMONS. Yes; to come down.

"Mr. BEEDY. The discount rate to come down.

"Doctor COMMONS. In 1924 it came down 3 per cent. Three per cent is the lowest it has reached in the history of the system.

"Mr. BEEDY. I shall look for the rediscount line to come down and the commercial-paper rate to come down also, and we shall await developments in 1928 with great interest.

"The CHAIRMAN. Before you leave, I want to express on behalf of myself, and I think of the committee, our appreciation of your statement, which has been most helpful to us.

"Mr. BEEDY. If I may, and for the record, I think I will voice the sentiment of this committee when I say that the doctor's testimony has been the fairest, the most convincing, and the most analytical of any testimony which has been offered on this measure before this committee, and personally I am indebted to him for appearing here before us.

"Mr. STRONG. Might I say, also for the record, as one who has been trying to keep this matter of stabilization alive and bring it to some final result, that I want to thank Doctor Commons for his testimony, because I think he has placed in the record statements that will convince the average citizen, and a majority of this committee, and, I hope, the Federal Reserve Board, of the need for some such legislation.

"Doctor COMMONS. I thank you."

(Thereupon the committee adjourned.)

EXHIBIT B

RESERVE BANK BROKE FARMERS, SAYS HARDING—FORMER GOVERNOR HARDING, OF IOWA, BOOSTS WATERWAY—W. L. HARDING ADDRESSES JOINT SESSION OF STATE LEGISLATURE FRIDAY—WANTS WATERWAY AT ONCE—LAMPOONS FEDERAL RESERVE BANK SYSTEM AS CURSE OF THE FARMING INDUSTRY

In response to the request of former Gov. W. L. Harding, of Iowa, in his speech before the joint session of the North Dakota State Legislature Friday afternoon, the joint session moved that a concurrent resolution be drawn memorializing President Coolidge to immediately initiate a treaty with Canada providing for the construction of the tidewater canal to be ready for the ratification of the United States Senate when it convenes in December of this year.

Former Governor Harding brought the Great Lakes-St. Lawrence project question most forcibly to the audience composed mostly of legislators and drove home to them the possibility of securing desired action if sufficient demand is made by the Northwest.

"You people want to tell the President of the United States that you want this thing done at once," said the Iowan. "You don't want to carry the idea that a President or a governor is any more than anyone else; don't be afraid of them, but tell them what you want, and you will get it if you are impressive enough. I used to think that a President must be as big as a house, and that a governor must be as big as a coal shed, but I have found since having been a governor that they are just ordinary people. I respect the position, but I do not fear the man. Make your wants known strongly enough, and you will get what you want."

In opening the discussion on the tide-water project the speaker asked the audience if there were anyone present from the State of Tennessee for them to hold up their hands. No hands were hoisted, so he continued that he thought it safe to announce to begin with that the earth is round.

This point was mentioned to introduce the fact that the St. Lawrence route is nearer than any other route on the North American continent to the world markets, principal of which is at Liverpool. "All nations ship to the Liverpool market," said the speaker, and almost all of the other grain-producing nations have a more direct route to that market than does the northwestern territory in the United States. If we can get this St. Lawrence project through, we can place North Dakota better than on an equal shipping footing with other grain-producing areas. "New York," he said, "is opposed to the project, for New York has grown rich and powerful by collecting toll on what the West produces and sells to Europe. We have no ill feeling for New York, but it is time for us to look out for ourselves."

The speaker stated that it would cost this Nation about $123,000,000 to complete the waterway project, but the saving it would afford to shippers in the Northwest would amount to approximately that much every year. Besides such savings power might be developed for sale along the route at little additional cost after the dams necessary to the project had been put in. The cost, he explained, would amount to little as compared to the benefits that will be derived. "This is a thing that you people should fight for, if you have to," he continued. "I understand your governor here doesn't believe in fighting, but this is something worth going after in any way that will get it."

RAPS FEDERAL RESERVE SYSTEM

The speaker digressed from his topic for a few minutes to pay his respects to the Federal reserve banking system, which is doing its part to cripple agriculture. Mr. Harding showed that agriculture is in the pits for the principal reason that the Federal reserve banking system does not consider it as an industry. Notes with farm lands, buildings, and farm products as security will not be accepted for rediscount by the Federal reserve system, but this same system will accept flour and livestock after it has been slaughtered as such collateral. Before the Federal reserve system was organized agriculture was considered as an industry, and land and the products of the soil together with livestock were acceptable as a basis for current issue. It has been this indefensible discrimination against the farmers' property that has acted chiefly to ruin the farming industry. The speaker sounded the warning that we are to-day living in the seventh civilization the world has known. Six of the civilizations have fallen, and history tells us that they have all crumbled when agriculture began to fall behind other industries.

The amusing instance of the day bobbed up when Lafe Twitchell, archreactionary from Cass County, proposed the appointment of the committee to draw resolutions memorializing the President to take immediate action with Canada looking to the development of the waterway and resolutions also memorializing the Federal reserve banking system to cease its discrimination against the agricultural industry.

EXHIBIT C

INFORMATION RELATIVE TO THE ORIGIN AND OPERATIONS OF THE FEDERAL RESERVE SYSTEM

This week I received a request from North Dakota, as follows:

"Many of us have not as clear an idea of the Federal reserve bank and its workings as we should have. Can you tell us through the Courier-News—

"1. How the Federal reserve was started?

"2. What it pays the Government for money it gets of it? How much, etc.

"3. Who are the beneficiaries of this Federal reserve bank?

"4. How money can be contracted through it, etc."

There are so many angles involved in this request that it is quite impracticable to answer in detail, as it would impose upon the space in the Courier-News. However, I hope to discuss various details at different times, so that the people may have some specific information relative to the workings of the Federal reserve system.

1. HOW WAS THE FEDERAL RESERVE STARTED?

Paul M. Warburg, former member of the firm of Kuhn, Loeb & Co., international bankers of New York, and which firm was found by the Pujo committee to be one of those firms that constituted the Money Trust, is the person who really brought about the Federal reserve system. It was his idea. Warburg was born in Germany in 1868; he came to the United States in 1902. The German banking house of the Warburgs was established in 1796. Warburg is the finished product of many generations of international bankers. His world-wide education thoroughly equipped him for the opportunities of international banking on a large scale. Notwithstanding the fact that he came to America in 1902, he did not become an American citizen until 1911. In 1906 he commenced an active campaign to put his banking ideas on the Federal statute books. He was active in the Aldrich measure, and by that measure committed the Republican Party to his banking program. The Democrats, very righteously, rose in arms and defeated the Aldrich measure and then turned right around and nestled Warburg to their bosoms, camouflaged and modified the proposals contained in the Aldrich measure, and passed the Federal reserve act. The Republicans already having been committed to its principles, which, if possible, was the more vicious of the two, as embodied in the Aldrich bill, could not offer any substantial resistance to it, and it is doubtful if they desired to do so. When Warburg was before the Senate Banking and Currency Committee testifying in the hearings on his nomination to the Federal Reserve Board, he stated:

"I have, as you know, taken a keen interest in this monetary reform since I have been in this country. I have had the success which comes to few people of starting an idea and starting it so that the whole country has taken it up and it has taken some tangible form."

This committee who heard Warburg say this was in a position to known who was responsible for the Federal reserve act, and no voice was raised to question his authorship. He further stated, when asked to explain the fundamental differences between the Aldrich plan and the Federal reserve plan, that—

"the Aldrich bill brings the whole system into 1 unit, while this deals with 12 units, and unites them again into the Federal Reserve Board. It is a little bit complicated, which objection, however, can be overcome in an administrative way."

Mr. Warburg was chosen the administrator to overcome the objections and making it conform to the possibilities of a central-bank idea. How well he succeeded its drain upon the people of this country should amply testify.

This is a brief statement as to how the Federal reserve system was started.

2. WHAT DOES IT PAY THE GOVERNMENT FOR MONEY IT GETS FROM THE GOVERNMENT?

The last definite information I have on this subject is as late as February 8, 1922, and I do not think the conditions have materially changed since that date.

Under the provisions of section 16 of the Federal reserve act Federal reserve banks are required to reimburse the Treasury Department for all expenses necessarily incurred in connection with the printing, issue, and retirement of Federal reserve notes. The act also empowers the Federal Reserve Board to establish a rate of interest which each Federal reserve bank shall pay on the total amount of its Federal reserve notes outstanding less the amount of gold and gold certificates held by the Federal reserve agent as collateral security. Up to February 8, 1922, however, the board had not required the reserve banks to pay interest on the Federal reserve notes issued to them, justifying such failure to do so upon the ground that all net earnings after the payment of the annual dividend of 6 per cent are either paid to the Government as a franchise tax or are transferred to surplus account in accordance with the provisions of the Federal reserve act. However, the ingenuity of bankers helps them take care of a great many things. Severe criticism has been made relative to increase of salaries of bank officials and employees and the building of bank buildings—the New York Federal Reserve Bank proposed to build a marble banking palace to cost approximately $25,000,000. The banks are also required to pay a tax of one-half of 1 per cent each half year on the average amount of such bank's notes in circulation. This is equivalent to the rate charged national banks on their circulation. Up until December 31, 1921, the Federal reserve banks paid to the Government in franchise taxes the sum of $124,537,336. This was all, notwithstanding the fact that they were doing billions of dollars' worth of business. The proposed bank building in New York was to cost a fifth of this sum.

3. WHO ARE THE BENEFICIARIES OF THE FEDERAL RESERVE SYSTEM?

Those who own and control the system, of course, and it is owned and controlled by the big bankers. It is a common misunderstanding that the Federal reserve banks are public institutions owned by the people. They are not. They are private banking institutions, and their officials have so testified before congressional committees. They are operated for private gain. Congress simply delegated to them, under the provisions of the Federal reserve act, the control and use of the money and credit of this country. Congress had no moral right to do so, if it had the legal right. The Constitution places upon Congress the duty of regulating and controlling the money and credit of this Nation, and it was morally criminal to delegate those functions to private bankers to operate for their own private gain. Of course, at times, there must be resultant benefits to the people and temporary prosperity in order to make the system profitable to the bankers; but there are also the periods of depression which sweep away all of savings and prosperity and more completely forge the chains of economic servitude. The power is in the hands of the bankers who control the system to bring about either that they desire. It is mere prating for them to talk about prosperity is just around the corner, because they alone can turn the corner when they desire. Natural economic conditions no longer control the situation in this country. Unnatural, fictitious conditions of the bank manipulators control, and they control under a quasi partnership with the Government and under the protection of a delegation of powers by Congress. Congress must undo what it has done and restore to the people the control and exercise of the sovereign function of the issuance and control of money and credit.

4. HOW CAN MONEY BE CONTRACTED THROUGH THE FEDERAL RESERVE SYSTEM?

The Federal reserve system set up a system of bank credits that enveloped the country in debt without putting the necessary corresponding amount of money into circulation to help them pay out when paying time came. The most of the loans made throughout the country were loans of bank credit. If you went to a bank to borrow, your loan was placed to your credit at the bank and you drew your checks against it. You saw very little of the money that your debt was supposed to represent. It was a system of bookkeeping. The debts were created, but the money did not go into circulation. When the Federal reserve system was ready to contract it simply stopped the issuance of bank credit, and you could not borrow from your banks any more. They had no bank credit to loan. It had been stopped by the system. There were about ten times as large an amount in debts due through the Federal reserve system as there was money in circulation. It was only a matter of a short time after these debts were called for payment until all the money in the country was drawn into the Federal reserve banks, and still the larger proportion of the debts remained unpaid. Then the only way the people could get money with which to pay the debts or to purchase the necessities of life was to sell their products or their property. They held the money, and they owned the debts. This gave them control of the situation, so that they could dictate the prices the producers of the Nation were to receive for their labor and products. They not only contracted the currency but deflated everything else the average citizen had. Especially did they deflate the farming class.

Mr. HEFLIN obtained the floor.

Mr. BLEASE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum being suggested, the Secretary will call the roll.

Mr. McLEAN. Mr. President, I do not think any business has been transacted since the last call.

The PRESIDING OFFICER. According to the precedents of the Senate, a motion to adjourn having been made and having failed of passage, business has been transacted, and the question of a quorum is in order. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Fess	McKellar	Schall
Bayard	Fletcher	McLean	Sheppard
Bingham	Frazier	McMaster	Simmons
Blease	George	McNary	Smith
Bratton	Gerry	Mayfield	Smoot
Broussard	Glass	Metcalf	Steck
Bruce	Gooding	Neely	Stephens
Cameron	Hale	Norris	Swanson
Capper	Harris	Nye	Trammell
Caraway	Harrison	Oddie	Tyson
Copeland	Hawes	Overman	Wadsworth
Couzens	Heflin	Pepper	Walsh, Mass.
Curtis	Howell	Phipps	Walsh, Mont.
Deneen	Johnson	Pine	Warren
Dill	Jones, Wash.	Reed, Pa.	Watson
Edge	Keyes	Robinson, Ark.	Wheeler
Edwards	La Follette	Robinson, Ind.	Willis
Ferris	Lenroot	Sackett	

The PRESIDING OFFICER. Seventy-one Senators having answered to their names, a quorum is present.

BRANCH BANKING

Mr. HEFLIN. Mr. President, it is a very important measure that the Senate is now considering. I regret that methods have been employed to force consideration of this measure at this session of Congress. It seems that it so often happens that whenever legislation is sought regarding the banking system there is great pressure brought to bear from certain financial interests for speedy action, for action that will deny Senators the opportunity to study the measure before them so as to acquaint themselves thoroughly with the provisions of the measure proposed. Cloture has been resorted to in the Senate in the closing hours of this session of Congress to put through a banking bill fraught, I fear, with grave danger to the masses of the people of this Nation.

When silver was demonetized in 1873 the phraseology of the law was so cunningly arranged that many Members of the House did not know what was being done. Members of the House and Members of the Senate, after that measure became the law, denied that one word had ever been said about the power being given in that measure to bring about the demonetization of silver.

So we can not be too particular when we come to consider any measure pertaining to the banks and the banking business of our country. There are interests behind legislation seeking to get more advantage that must be scrutinized and must be watched by those who are sent here to represent the people of the various States.

It has been hinted even that the clause authorizing the demonetization of silver was slipped into the law or changed after it was passed. At any rate, Members of the House and Members of the Senate declared that their attention had never been called to the provision that brought about a great panic in the United States in 1878. Property values were destroyed by the millions and our people were thrown into a great financial panic.

In 1920, when the Federal reserve banking act was amended, an innocent-looking progressive interest rate amendment was offered in this body by the distinguished Senator from Connecticut, whose handiwork is manifest to-day in seeking to railroad this bill through the Senate. I refer to the Senator from Connecticut [Mr. McLEAN] who is now approaching his seat.

Mr. McLEAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Connecticut?

Mr. HEFLIN. I yield for a question.

Mr. McLEAN. I want to ask the Senator if he has read on page 35 of the bill that it passed the Senate on May 10, 1926? It is rather difficult to force down the throat of the Senate a bill which the Senate swallowed nearly a year ago with great relish.

Mr. HEFLIN. Yes, Mr. President; and I was opposed to provisions in it then, and I have helped to hold it, and now, since I understand them better, I am more alarmed about its provisions than I was then.

Mr. McLEAN. What the Senator needs is a stomach pump.

Mr. HEFLIN. I am going to use another kind of instrument on the Senator from Connecticut just here. The Senator from Connecticut was instrumental and exceedingly handy in passing the amendment to which I have referred. He introduced it in this body, and it was passed through the Senate, and only two Senators discovered the panic-producing power lodged in that short amendment. It produced the worst financial panic that ever cursed a free people. That amendment was introduced in the House by the Republican chairman of the Banking and Currency Committee of that body, and it was argued that the amendment was being put on the act, not for the purpose of denying money and credits to the people out in the country generally but to keep money from going to New York; too much of it was going there, they said, and this amendment was being put on, they claimed, to enable them to increase the interest rate in New York and to run it to such a high figure that they would not want to pay the high interest rate.

Mr. President, that amendment was passed through the House and was passed through the Senate. That was just before I came to the Senate. It was when I was in Alabama making my race for the Senate. The Senator from South Carolina [Mr. SMITH] and the Senator from Oklahoma [Mr. Owen] were the only two Senators who discovered the deadly power to produce a panic that had been placed in that amendment, and a Member of the House, a Democrat from Oklahoma, Mr. McGowan, and another one from Arkansas, Mr. WINGO, were the first Members of the House to discover it.

Mr. W. P. G. Harding, the warm friend of the Senator from Connecticut, the gentleman whom I have dubbed as William "Poison Gas" Harding, appeared here at the Capitol. He told the committees of both bodies that that amendment was an innocent one. He said, "There is no harm in it. What we are trying to do is to keep the bulk of money from going to New York, so that we can send it to the South and the West to aid them at crop-moving time."

The Senator from South Carolina [Mr. SMITH] said to Governor Harding, "If that amendment is adopted, it will precipitate the worst financial panic that ever came upon the country." The amendment was passed by a Republican House and a Republican Senate, and the worst panic that ever visited the United States came to plague and rob us.

Mr. President, my knowledge of the history of the demonetization of silver and my knowledge of this amendment to the Federal reserve banking act is such that I must move cautiously when I see another effort being made to give more power to the big banks of the country and to set up a national branch-banking system in the United States.

Let me read the plank of the Democratic platform on this particular subject on which Woodrow Wilson was elected in 1912:

> We oppose the so-called Aldrich bill or the establishment of a central bank; and we believe the people of the country will be largely freed from panics, and consequent unemployment and business depression, by such a systematic revision of our banking laws as will render temporary relief in localities where such relief is needed, with protection from control or domination by what is known—

Listen to this—

> as the Money Trust.
>
> Banks exist for the accommodation of the public and not for the control of business.

I fear that there are Senators in this body who mistake the purpose of a bank. I fear that there are Senators in this body whose conduct leads their associates to feel that they are seeking to give more advantage and more power to the banks because they are banks and because of the power of those who own and run them. That is not the correct position for Senators to assume. Banks ought to be protected in their legitimate functions. They are necessary institutions. We need them, and they ought to be encouraged and protected in all their rights and interests. But the Government of the United States should never permit itself to reach the point where it stands ready to come at the beck and call of a banking system, giving that system more and more power to work injury upon the people, whose Government this is.

The people who support banks and who are served by banks have rights and interests that must not be forgotten.

I read further:

> All legislation on the subject of banking and currency should have for its purpose the securing of these accommodations on terms of absolute security to the public and of complete protection from the misuse of the power that wealth gives to those who possess it.

Mr. President, any man of intelligence who still loves his country, and thinks that he ought to put his country first, knows that there is a dangerous power rearing high its ponderous form in the United States known as the Money Trust. It is here. It is here now in the Capitol of this Nation. It is here operating to secure legislation to permit the national banks to go into the branch-banking business in this country.

Some Senators deny that. It may be that they do not understand the measure. They may be as some were when they demonetized silver. They may be as they were when they put that obnoxious and dangerous amendment on the Federal reserve banking act.

Mr. President, I want to say, in passing, that I offered in the Senate an amendment to repeal that dangerous and deadly thing which they fastened on the Federal reserve banking system, and this body adopted my amendment, and it was adopted by the House, and we took that amendment off the Federal reserve banking act. My amendment repealed the provision under which they produced the panic of 1920 and 1921. The Progressive platform contained this plank in 1912:

> We believe that there exists imperative need for prompt legislation for the improvement of our national-currency system. We believe the present method of issuing notes through private agencies is harmful and unscientific. The issue of currency is fundamentally a Government function, and the system should have as basic principles soundness and elasticity. The control should be lodged with the Government and should be protected from domination or manipulation by Wall Street or any special interests. We are opposed to the so-called Aldrich currency measure, because its provisions would place our currency and credit system in private hands, not subject to effective public control.

Here is a statement made by one of the greatest statesmen of his time and all time, Woodrow Wilson:

> It is a mere truth to say that the financial resources of the country are not at the command of those who do not submit to the direction and domination of small groups of capitalists, who wish to keep the economic development of the country under their own eye and guidance. The great monopoly in this country is the monopoly of big credits. So long as that exists our old variety of freedom and individual energy of development are out of the question. A great industrial nation is controlled by its system of credit. Our system of credit is privately concentrated. The growth of the Nation, therefore, and all our activities are in the hands of a few men. An invisible empire has been set up above the forms of democracy. We have been dreading all along the time when the combined power of high finance would be greater than the power of the Government.

Mr. President, we have about reached that time. Under the reign of the Republican Party the money lords of the Nation have their will with practically every big measure that comes before Congress. Their mouthpiece here in the Cabinet, richer than any man in the Old World or the New, is the Republican Secretary of the Treasury. He is their special friend and representative at the Capitol. He is what is called the unofficial spokesman of the White House. That is what we have come to in this morning of the twentieth century, and money has become the all powerful and dominating thing. Those in high financial circles, who want to control more completely the money supply and credits of the Nation, have come here and put into a banking bill just about what they want. They have lopped off this and that feature objectionable to them until it is now ready for passage with a national branch-banking system tied into it so tight that trouble—serious trouble, I fear—will come from it. I read further from this great Democrat, Woodrow Wilson:

> Have we come to the time when the President of the United States, or any man who wishes to be President, must doff his cap in the presence of this high finance and say, "You are our inevitable master, but we will see how we can make the best of it"? We have restricted credit and control of development and we have come to be one of the worst ruled, one of the most completely controlled and dominated governments in the world, no longer a government of free opinion—

no longer a government by conviction and the vote of the majority, but a Government by the opinion and duress of a small group of dominant men.

Mr. President, the money question has been one of tremendous importance through the long history of the human race. Wherever it has not been held in check and intelligently controlled it has destroyed the liberties of the people. The same kind of pernicious banking activities that brought ruin to the countries that have perished are at work here now in the Government of the United States.

I am a friend of the Federal reserve banking system. I helped to create it. I think that when honestly administered it is the finest banking system ever created. But, Mr. President, the purpose of its creation seems by many to have been forgotten. It has been perverted in some places from the purpose of its creation. We established 12 regional banks, 3 in the South, 3 in the North, 3 in the East, and 3 in the West. We wanted a group of those banks to be in each of the various sections of the country. It will be recalled that New York wanted a central banking system. New York bitterly opposed the Federal reserve banking system. After the system was created it commenced to work smoothly and successfully. Business everywhere took on new life. Prosperity came. After a little while the South was prosperous, the West was prosperous, and the whole country was prosperous, and until the deflation amendment was adopted by a Republican Congress, and a financial panic made to order was forced upon us, no country ever fared better under any banking system than did this country under the Federal reserve banking system.

Mr. WHEELER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Montana?

Mr. HEFLIN. I will yield in a moment. A panic was brought on under that system which destroyed property values in the farming South and West to the extent of $30,000,000,000, more than six times the amount of the circulating medium of the people of the United States.

I now yield to the Senator from Montana.

Mr. WHEELER. I wanted to call the Senator's attention to the bible of Wall Street, which is the Financial Chronicle, in the February 12, 1927, issue, in which they speak as follows:

> A "money power" that could never be defined or reduced to an entity, because it was only a political bogey, can, in the course of the consolidations, be definitely placed, and the patron of the far-distant local branch can offer proof satisfactory to himself at least that he is in its tolls.
>
> The menace is not a threatening possibility of the future. It is at this very moment an actual reality.

Mr. HEFLIN. That is very true. The system I speak of broke the power of Wall Street to produce a panic. Prior to the enactment of the measure creating the Federal reserve system, 21 men in Wall Street controlled the money supply of 100,000,000 people. They could meet together in a back room of a bank in the night time and produce a panic throughout the Nation within 48 hours. It was the rottenest banking system ever devised and we were seeking to get away from that system.

We were seeking to set up a banking system with three banks in the East, three in the North, three in the West, and three in the South, 12 regional banks in all, and what resulted? The farmers of my section could deposit their cotton in the warehouse, take their receipts to the bank and borrow money on those receipts, hold their cotton out of the hands of the speculator and the spinner, pay their debts to the merchant, and keep money in the community in circulation. Thus they had some power in price fixing, cotton brought a fair price, and the cotton growers were prosperous. The grain growers of the West did likewise. They could take their grain, put it in an elevator, get receipts, borrow money on those receipts and pay their debts, keep their grain out of the hands of the speculator and the miller and thus they got a fair price.

For the first time in my recollection the South and the West were prosperous as they have never been before. Mr. President, we may search the history of the Nation and we will not find a time when the farmers of the West—the people generally of the West—were so prosperous as they were the year preceding the Republican deflation period of 1920 and 1921. The people had money in their pockets. The banks had the money they needed to meet the business needs of the people in every community out there. The South had the money it needed to meet the business needs of our people for every purpose, and those two sections were prosperous?

But what happened? When the deflation panic was brought on, a pall of gloom fell on the South and West. What happened to the East? Governor Harding stated that he wanted to apply that high interest rate to the East to keep money from going there; that he was not going to apply it to the South and the West at all. But the fact is he did not apply it at all to the East. He applied it nowhere except in the South and West. He raised the interest rates, as I have stated on this floor frequently, to 87½ per cent on one little bank at Abbeyville, Ala., my State. The rates ran from 20 to 30, 40, 50, and 60 per cent through the South and West, and the South and West were stricken down. They became the servants of tribute to the money barons of Wall Street, stripped of their substance and robbed of the accumulations of a lifetime.

What do we hear now? Banks are still failing through the West, and some of them are failing in the South. The farmers are impoverished. They have mortgaged everything they have; and here the Republicans are in the Capital of the Nation, with Mr. Mellon, worth a billion dollars and more, speaking for the money lords of the country, talking about Republican prosperity. We have prosperity amongst a few but not amongst the many. Republican Party prosperity is known by that fact. It makes the few exceedingly prosperous and makes the many people exceedingly poor. That is what is going on in the country now under Republican rule.

Let me read a little more about what Mr. Wilson said about this system:

> In like manner by the currency bill we have created—

Speaking of the Federal reserve banking system—

> a democracy of credit such as has never existed in this country before. For a generation or more we have known and admitted that we had the worst banking and currency system in the world, because the volume of our currency was wholly inelastic; that is, because there was more than enough at certain seasons to meet the demands of commerce and credit, and at other times far too little; that we could not lessen the volume when we needed less nor increase it when we needed more. Everybody talked about the abused system and its quite unnecessary embarrassments, sure to produce periodic panics, and everybody said that it ought to be changed, and changed very radically; but nobody took effective steps to change it until the present Congress addressed itself to the task with genuine resolution and an intelligence which expressed itself in definite action. And now the thing is done. Let the bankers explain the technical features of the new system. Suffice it here to say that it provides a currency which expands as it is needed, and contracts when it is not needed; a currency which comes into existence in response to the call of every man—

Listen to this, Senators:

> A currency which comes into existence in response to the call of every man who can show a going business, and a concrete basis for extending credit to him, however obscure or prominent he may be, however big or little his business transactions.

Mr. President, I hope Senators on the other side of the aisle will not talk quite so loud. They disturb me.

Listen to this:

> More than that, the power to direct this system of credits is put into the hands of a public board of disinterested officers of the Government itself, who can make no money out of anything they do in connection with it. No group of bankers anywhere can get control; no one part of the country can concentrate the advantages and conveniences of the system upon itself for its own selfish advantage. The board can oblige the banks of one region to go to the assistance of the banks of another.

That is a most beneficial provision.

> The whole resources of the country are mobilized, to be employed where they are most needed. I think we are justified in speaking of this as a democracy of credit. Credit is at the disposal of every man who can show energy and assets.

Mr. President, what a glorious system it is that will extend credits where credits are needed and lend aid to the man and the woman in the common walks of life and as it lends aid to big business and those in the higher walks of life! That originally is what the Federal reserve system sought to do.

I read:

> Each region of the country is set to study its own needs and opportunities and the whole country stands by to assist. It is self-government as well as democracy.

That is Mr. Wilson's statement.

Mr. President, I want to repeat that I am a friend of the Federal reserve system when honestly administered; I think it is the greatest banking system in the world, but to-day it is being so administered that Mr. Strong, of New York, the governor of the Federal reserve bank in New York, stated not long ago that it could be manipulated so as to have it do just what a large central bank would do. So the system in some places is being

maladministered, and it is the duty of this Congress to bring the Federal reserve system back to the purpose of its enactment and to see that it is carried out as it was originally intended to be carried out.

But, Mr. President, we are confronted by an alarming situation here to-day. There are probably not 40 men in both branches of Congress who understand the banking bill now before us. I confess that there are provisions in it that I did not understand when it was before the Senate a year ago.

It is a big question and should be considered by the Senate until every Senator understands all of its far-reaching provisions. Busy with the other work that we have to do, we rely upon a few men who have devoted their lives to the study and work of manipulating legislation for the big banking interests to help them put through cunningly devised measures and engraft on the statute books of the Nation power enabling them to reach out like an octopus with its tentacles into every nook and corner of the country, dragging money from this section and that to Wall Street which flourishes in evil doing; and Governor Strong still at the head of the Federal reserve bank up there boasts that this system is now working just as admirably as they had expected the central bank to work. That, Mr. President, is the worst indictment against it that I have ever read or heard. When a system is operated to the satisfaction of the crooks of Wall Street it is a dangerous and deadly system to the liberties of the American people.

Here we are under whip and spur lashing through the Congress in the closing days of the session a bill chock full of branch banking to be imposed on our national banking system.

What I should like to see is three separate banking systems, Federal reserve, independent national banks, and a State banking system, three in all, great systems, and every one vying with the other as to which could and would best accommodate the business needs of the people, as to which could and would do most toward encouraging enterprise and industry and promoting honest business in every nook and corner of the country. I am opposed to centralizing the banking power of this Nation into any one great banking organization, and that is what I fear is being done here. Let us encourage the banking systems of the States, an independent national banking system, and the Federal reserve system, instead of having them all finally merged into one all powerful centralized banking system. Such a situation is dangerous to the welfare of the people.

Mr. President, if a State permits branch banking, if it permits a State bank to operate a hundred branches in the State, and if the legislature of that State grows weary of the branch-banking business, finds that it is hurtful to the interests of the people and the business of the State, and seeks by legislative enactment to stop the branch-banking business in the State, that bank with its hundred branches can enter the national bank system under this bill, taking those hundred branches with it, and when the legislature wakes up it will be told, "Instead of abolishing us we have gone into the 'city of refuge'; the national bank act which was hurried through Congress in February under cloture, it gave us the power to slip into the national system, to continue in your midst these branch banks, and you can not do anything about it." Then what will we have to say? Yet such provisions are in the bill, and they are provisions which should not be incorporated in any banking measure.

Not only that, but this bill permits national banks which now have no branch banks to go into the branch-banking business if a State bank in the same city establishes branches. All that is necessary is to organize a State bank with capital furnished by the national bank. The new bank, which would be a State bank merely in name only, could then start a branch system. That would give the national bank which promoted the scheme the right to set up branch banks just as the State bank had done. Not only that, but those branches could be continued, for the State bank with its branches could be brought into the national bank system. Thus it is possible to have an octopus in every city with its tentacles reaching out into every nook and corner and into every avenue of business.

Oh, Mr. President, I fear that this banking bill will destroy independent banking. I do not want to see erected by legislation in my country any great and powerful organization that can reach out, establish its branches, and choke the little independent State banks to death. When that time comes, if a business man desires to obtain a loan of any consequence to carry on his business in the local community, he will be told at his bank, "We can not tell you now; we will have to confer with headquarters in New York." I have grave fears about the future if this banking bill becomes the law.

What has occurred in California? A Mr. Giannini, an Italian, who lives in California and has three banks in Rome, Italy, and some banks in New York, has 97 branches of his Bank of Italy in California and has 200 or 300 branches of the Bank of Italy Corporation in the same State. He, in the main, controls them all—between 300 and 400 branches operating in one State—and he has already gone into politics out there. California had a Republican governor—Governor Richardson, I believe, was his name. Giannini wanted an order granted that he might further expand his banks, I am told, but Governor Richardson would not grant the order. So Giannini put out a candidate of his own—I think his name was Young, and he was recently elected in California—and sent word, so the newspapers stated, to the various heads of his hundreds of branch banks to get in touch with customers who borrowed money and tell them that he wanted them to vote for his candidate for governor. They did that; they elected his candidate; and after the new governor was elected he granted the order that the greedy branch banker wanted, reversing the action of Governor Richardson. So Giannini is in politics with his branch banks in California; and from what I can gather he is the most powerful and dreaded figure in the politics of that State to-day.

I quote the following from the Commercial and Financial Chronicle of February 12, 1927:

> A "money power" that could never be defined or reduced to an entity, because it was only a political bogey, can, in the course of the consolidations, be definitely placed, and the patron of the far-distant local branch can offer proof satisfactory to himself at least that he is in its toils.
>
> The menace is not a threatening possibility of the future; it is at this very moment an actual reality. Through the holding company one of the very largest of the California branch-banking institutions has already managed to absorb two or three New York City banks. If anyone has any doubt on that point, let him read the following, which appeared as a prominent news item in the New York Times on Wednesday of this week—let him read and become disillusioned:
>
> "The Bancitaly Corporation will ask its shareholders in the next few days to authorize an increase of 1,000,000 shares in capital stock.
>
> "The 1,000,000 shares for which authority will be asked will represent about $100,000,000, one of the largest pieces of financing effected in this country. The plan for issuance of this stock is said to comprise an offer of 450,000 shares to present stockholders at $100 a share in the ratio of one share for each five held, the balance to be held in the treasury to be sold when it is deemed advisable."

Oh, Mr. President, if we could realize just what we are going up against here, with so few Senators understanding the measure, and the vote on its final passage coming in a little while! I am fighting for fair and honest banking; I believe in sound money; I am for sound banking; and I am for banking arrangements that are unafraid, unintimidated, and uncontrolled by the money lords of Wall Street. I fear that this bill will lodge power with them to destroy the spirit of fair and honest independent banking in the country, that it will greatly expand branch banking, and enable the big banks to reach their hands into new territory where they have never gone before. That can be done through the system to be established. As I have suggested, all a national bank will have to do will be to furnish the finances for a State institution, set it up in business, have it establish branches, and then the national bank can establish branches in the same territory and the State bank and its branches can come into the system. Should we pass this measure, I feel that we would be opening the way for more extended branch banking. And that in my judgment would be harmful and dangerous to wage earners, farmers, merchants, and small bankers the country over.

Mr. President, there is a great deal more that could be said on this subject, a great deal more that I should like to say, but I have not the time. Money and credits constitute the life blood of business. They who control the money supply and credits of the Nation hold the power of life and death over the business of every person and every community in the country; and when we are called upon to give more power, and extraordinary power, to big banks, we should be exceedingly cautious and careful. We should not hasten to confer more power. We should in the name of the people demand that they exercise the legitimate power they already have, not to produce millionaires and not to produce billionaires, but to meet the requirements of citizens engaged in all kinds of business—to meet the business needs of all the people, to help build up business in every community and to help produce general prosperity in our common country. That is what all banks ought to strive to do, Mr. President.

But under Republican rule you have gotten out of the millionaire class. I remember, when I was a boy, when people talked about a man being worth a million dollars it created great interest and excitement. That is not even interesting

table talk now, under Republican rule. You do not even discuss millionaires at Republican breakfast tables now; you talk of billionaires. The other night—I referred to that occasion the other day—you had a Belshazzar's feast here in the Capital. The richest men of the Nation were here for "some purpose." Mr. Mellon was there with the other high lights in the financial world, a half dozen rich Republicans worth $5,000,000,000, and that is more money than all the money allowed, under Republican rule, to circulate in this Nation to-day—$200,000,000 more than the circulating medium of the United States to-day. Big bankers with their agents are here now; they are in the gallery of the Senate, watching and waiting to see this measure pass. More power is being given to the big moneyed interests of the Nation; more power is being taken from the masses of the people, more curtailment of their currency supply, more opportunities to deflate credits, to contract the currency, and to produce panic, and more opportunity to kill the spirit of independent banking in the United States. These are the things I fear.

Mr. President, why should we hurry about giving a perpetual charter to these banking systems? We have eight years yet for the uninterrupted operation of the Federal reserve system, and as its friend I can not see the necessity for hurrying this thing through. Why do we want to give the New York interpretation of its meaning a hundred years more just now? Why not wait and let all these banks prove by their good conduct their right to have another lease of life? Let them demonstrate by their conduct in responding fairly and generously to the business needs of the people in every community their right to live longer, all of them. Why not do that?

Anybody who knows about this question at all knows that we have not got now enough money in circulation in the United States. All of the old masters of political economy and of fair and honest banking are at war with the small sum that our financial masters now permit to circulate per capita in the United States. Four billions and a little more is all the money that you permit to circulate amongst one hundred and odd millions of people. The business, speculative and otherwise, of New York require a billion and more for its ordinary transactions; and now what is happening? Why, Mr. J. Pierpont Morgan is loaning large sums of money to England and France, and the American supply of money is being drained out. Giannini, of California, has a branch system in Rome, Italy, and he is sending money over there; so these foreign connections are taking money out of the channels of business that should stay here at home to answer the needs of our own people. And here you Republicans have a bill pending in Congress to permit Mr. Mellon to give back to the big and special favorites of the Republican Party a refund of $175,000,000 more, and we have not a single scintilla of testimony, not one line of reason for refunding that money, not the name of a single person to whom it is to be given. He does not tell us why he is handing it out to them.

My! my! what are we coming to in the Senate of the United States; men sent here supposed to be competent to represent their sovereign States sitting about with their arms folded and permitting Mellon to engineer through Congress a bill carrying $175,000,000 to be deposited down there and handed out to these favorites at his will and pleasure.

Senators, it is outrageous. It is scandalously wrong. It ought not to be. The Senate ought to require him to give the list of names, with the amounts opposite the names, with the judgments rendered or the reasons why the refund is made. Is that asking too much? Have we reached the time when we can not require that much of the dreaded money power of the Nation? Have we become truckling cowards, and do we fear these people so much that we dare not lift our hand against them and their miserable and criminal tactics? Mr. President, before that bill is passed I want a roll call on it.

Let me say this in conclusion. My time is about up.

Mr. President, I am protesting against the passage of this measure because I am afraid of some of its provisions. It has some very dangerous provisions in it. I wish we had a chance to discuss it and amend it; but the Senator from Connecticut [Mr. McLEAN], I understand, objected to-day to the Senator from Nebraska [Mr. HOWELL] even offering an amendment, so we are tied hand and foot. The steam roller is under way. The decree has gone forth. The money lords have spoken. The Republican leaders are demanding that they have their way, that the bill must become the law and no amendment can be offered. God knows it ought to be amended. You have stripped it of the features that made it at all fair and just; and it stands here now just as the big banking interests want it, and you have decided to put it over. You will hear from it long after this Congress has adjourned and this system begins to fasten its octopus tentacles about the throat of independent banks and State banks and the interests of the commercial and agricultural business of the people that they now serve. I shall vote against its passage.

RECESS

Mr. CURTIS. I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 4 o'clock and 38 minutes p. m.) the Senate took a recess until to-morrow, Wednesday, February 16, 1927, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

TUESDAY, *February 15, 1927*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our prayer unto Thee, O God, is: I will lift mine eyes unto the hills from whence my help shall come; my help cometh from the Lord which made heaven and earth. Behold, He that keepeth Israel shall neither slumber nor sleep. O there is one God who is the Father of us all, who is above all, over all, in all, and blessed for evermore. Come Thou and stoop to our needs, minister to our weakness, light the lamp of hope, lead the way. Extend our horizon; may it expand and widen until at the last we shall behold that city that hath foundations, whose builder and maker is God. In the name of Jesus of Nazareth we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its principal clerk, announced that the Senate had passed with amendments House bill of the following title, in which the concurrence of the House is requested:

H. R. 13446. An act to restore the rate of 1 cent each to private mailing or post cards.

The message also announced that the Senate had passed Senate concurrent resolution and Senate resolution of the following titles, in which the concurrence of the House is requested:

Senate Concurrent Resolution 27

Concurrent resolution relative to the employment of Federal prisoners in United States penitentiaries, United States Industrial Home for Women, and the United States Industrial Reformatory.

Senate Resolution 351

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. AMBROSE E. B. STEPHENS, late a Representative from the State of Ohio.

Resolved, That a committee of 11 Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased the Senate do now adjourn.

Pursuant to the foregoing resolution, the Vice President appointed Mr. WILLIS, Mr. FESS, Mr. SHORTRIDGE, Mr. TRAMMELL, Mr. COPELAND, Mr. ROBINSON of Indiana, Mr. FERRIS, Mr. DENEEN, Mr. ERNST, Mr. DILL, and Mr. NEELY as members of the committee on the part of the Senate to attend the funeral of the deceased.

HOUSE ENROLLED BILLS SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled House bills of the following titles, when the Speaker signed the same:

H. R. 1231. An act for the relief of Mary Moore;

H. R. 3432. An act for the relief of Joel C. Clore; and

H. R. 9319. An act to authorize certain officers of the United States Navy to accept from the Republic of Chile the Order of Merit, first class, and the Order of Merit, second class.

SENATE CONCURRENT RESOLUTION REFERRED

Under clause 2 of Rule XXIV, Senate concurrent resolution of the following title was taken from the Speaker's table and referred to the Committee on Rules.

Senate Concurrent Resolution 27

Concurrent resolution relative to the employment of Federal prisoners in the United States penitentiaries, United States Industrial Home for Women, and the United States Industrial Reformatory.

RATIFICATION OF CHILD-LABOR CONSTITUTIONAL AMENDMENT

The SPEAKER laid before the House a communication from the Governor of the State of Montana in regard to the ratification by the Legislature of that State of the proposed amendment to the Constitution relating to the labor of persons under 18 years of age.

PETITIONS, MEMORIALS, AND RESOLUTIONS

Mr. HOWARD. Mr. Speaker, I ask unanimous consent to insert in the RECORD a report filed by the secretary of the Guarantee Fund Commission of the State of Nebraska.

The SPEAKER. The gentleman from Nebraska asks unanimous consent to insert in the RECORD a report of the secretary of the Guarantee Fund Commission of Nebraska. Is there objection?

Mr. UNDERHILL. Mr. Speaker, reserving the right to object, I would like to know what the gentleman seeks to accomplish?

Mr. HOWARD. Answering the gentleman, I have presented a bill for the guaranty of deposits in national banks, and I want to show to the country the vast success of the Nebraska State law to guarantee bank deposits, under the terms of which no depositor has ever lost a dollar since it went into operation. I have received thousands of letters from all over the country in reference to this legislation, and I can think of no better way of carrying to the country the truth of the success of the Nebraska guaranty law, along the lines of which my own bill for guaranteeing the deposits in national banks has been drawn.

Mr. UNDERHILL. Mr. Speaker, in order that I may have an opportunity to discuss this question briefly, I raise the point of order that this is out of order.

The SPEAKER. It is out of order except by unanimous consent.

Mr. UNDERHILL. I ask such time as may be necessary to present my objections.

The SPEAKER. The gentleman reserves the right to object.

Mr. UNDERHILL. The rules of the House, Rule XXII, on petitions, memorials, and resolutions, provides:

> Members having petitions or memorials or bills of a private nature to present may deliver them to the Clerk, indorsing their names and the reference or disposition to be made thereof; and said petitions and memorials and bills of a private nature, except such as, in the judgment of the Speaker, are of an obscene or insulting character, shall be entered on the Journal, with the names of the Members presenting them, and the Clerk shall furnish a transcript of such entry to the Official Reporter of Debates for publication in the RECORD.

That seems to me to be a very clear rule providing for the very thing which some of the Members are asking to do in an entirely different way in violation of a House rule. Mr. Speaker, the Journal of the House is supposed to record the proceedings of the House. Recently it has become an advertising medium, a medical journal, a medium of propaganda, a press-clipping bureau, a national scrapbook.

Mr. CHINDBLOM. The gentleman means the RECORD and not the Journal.

Mr. UNDERHILL. I mean the RECORD.

Mr. GARNER of Texas. If the gentleman will yield, I am in sympathy with the gentleman in cutting out such things that ought not to be in there. A number of us undertook that some years ago and failed. I want to call the gentleman's attention to this situation: If he will look in the proceedings of the Senate he will see absolutely page after page containing not only resolutions of legislatures and societies but private letters to Senators. We have no way of reaching that. The suggestion has been made that, in view of the fact that the Senate admits resolutions from legislatures to be placed in the RECORD, there is no reason why the membership of the House should not have the same opportunity and privilege.

Mr. UNDERHILL. I think the gentleman from Texas is absolutely correct so far as he goes with reference to this frequently ridiculous pastime, but we must not criticize and can not correct the procedure of another body. One of my objections is that State memorials and other matter have been placed in the RECORD by House Members which have already been inserted in the RECORD at the other end of the building. There is no need of duplication, even though it does give our colleagues the same opportunity, the same privilege that others abuse elsewhere.

When I am wrong I want to be corrected. I withdraw the objection I have expressed recently and will withhold similar objections in the future. I do want the House to understand that nothing of a personal nature, nothing of a political or partisan nature, nothing in opposition or support of any legislation which may have been before the House at the time has influenced my frequent objections.

Mr. McKEOWN. Mr. Speaker, will the gentleman yield?

Mr. UNDERHILL. I yield to the gentleman from Oklahoma.

Mr. McKEOWN. The rule the gentleman reads from applies to bills of a private nature?

Mr. UNDERHILL. Oh, no. Let me read again:

> and the reference or disposition to be made thereof; and said petitions and memorials and bills of a private nature * * *.

And then it goes on to say in paragraph 3:

> All other bills, memorials, and resolutions may, in like manner, be delivered, indorsed with the names of Members introducing them, to the Speaker, to be by him referred * * *.

Mr. DOWELL. Mr. Speaker, I demand the regular order.

Mr. UNDERHILL. I hope the gentleman will withhold that for a moment until we settle this matter. I yield to the gentleman from Nebraska.

Mr. HOWARD. Mr. Speaker, I accept the explanation of the gentleman, and I state further that I stand with him, but what am I to do? I see these things inserted in the RECORD day after day. Am I not entitled to speak through the RECORD for my home people as much as any other Representative on the floor? I am only asking for myself that which is every day accorded to others. I am frankly in sympathy with the view taken by the gentleman from Massachusetts [Mr. UNDERHILL], but unless there can be a general rule to forbid all of these things, I do not want to be made the special object of an objection, even though I understand the objection is not personal. That is my explanation to the gentleman for my desire to have this statement printed in the RECORD.

Mr. UNDERHILL. Mr. Speaker, I have tried to the best of my ability to present to the House the abuses which have occurred and which will continue to occur under "unanimous-consent" requests, but I am no longer going to be the "goat"; I am going to let these requests go by when presented by my colleagues, because it is so general on the other side of the Capitol. I withdraw my objection.

The SPEAKER. Is there objection?

There was no objection.

FIFTEEN YEARS OF GUARANTY FUND

Mr. HOWARD. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

GUARANTEE FUND COMMISSION,
Lincoln, Nebr.

SIRS: The audit in detail of each insolvent bank in Nebraska since the depositors' guaranty fund law took effect is now completed. As the report covers some 800 pages of typewritten matter, we trust you will appreciate the amount of time and labor which has been required in its making. The report covers the work up to the close of the fiscal year, June 30, 1926. This audit is available in the office for the inspection of anyone interested.

We found no trouble in compiling the work as performed by the commission, but in the 58 receiverships handled under the old system by individual receivers it was difficult to obtain accurate information, because so many of the records are entirely missing. For that reason the figures given as applying to the old receiverships in the hands of individual receivers may not be absolutely correct, but are approximately so. Errors are so small that they would change the results shown but slightly.

No subject is more widely discussed either in this State or surrounding States than Nebraska's guaranty law; neither is any subject more insidiously attacked or its condition more exaggerated. So it seems very appropriate that accurate figures should be furnished at this particular time to show what has been accomplished, the condition of the fund at this time, and a general comparison of the results obtained under the two systems employed in the handling of insolvent banks since the law has been in effect.

A condensed summary of the audit follows, to which I have added a brief explanation of the different items.

Depositors' guaranty law became effective January 3, 1911.

Total banks closed January 3, 1911, to June 30, 1926	151
On June 30, 1926:	
Banks being operated as going concerns	36
Banks in receivership	102
Banks fully liquidated	13
Total	151

Summary of assets

To be realized:	
Shown at date of suspension	$46,517,537.86
Additional coming into hands of receiver	910,660.69
Total	47,428,198.55

Realized:		
By old receivers	$8,571,450.34	
By commission	18,770,125.87	
		27,341,576.21
Not realized—June 30, 1926:		
In going concerns	11,124,943.22	
In receiverships	8,961,679.12	
		20,086,622.34
Total		47,428,198.55

Summary of liabilities

To be liquidated:	
Shown at date of suspension	$42,134,123.35
Additional liabilities proved	1,377,328.94
Total	43,511,452.29

Liquidated:		
By old receivers	$14,610,966.35	
By commission	16,325,453.58	
		30,936,419.93
Not liquidated—June 30, 1926:		
In going concerns	10,917,730.50	
In receiverships	1,657,301.86	
		12,575,032.36
Total		43,511,452.29

Analysis of liquidation

	Per cent
Total liquidation:	
From realization on assets	53.19
From depositors' guaranty fund	39.56
From receivers' certificates	7.25
	100.00
Comparison of liquidation:	
From realization on assets—	
Old receivers	43.54
Commission	58.24
From depositors' guaranty fund—	
Old receivers	48.35
Commission	28.03
From receivers' certificates—	
Old receivers	8.11
Commission	13.73

Operating costs in receiverships

	Cents
Old receiverships:	
Cost per dollar on total realization by old receivers	6.7
Cost per dollar on total realization by commission	2.7
Cost per dollar on cash realization by old receivers	11.6
Cost per dollar on cash realization by commission	15.0
Commission receiverships:	
Cost per dollar on total realization	2.1
Cost per dollar on cash realization	4.01

Balances due depositors' guaranty fund

From 58 old receiverships	$7,706,211.89
From 57 new receiverships	4,531,195.76
	12,237,407.65

Total resources as of June 30, 1926

Cash on hand	$2,214,176.50
Bills receivable	14,898,312.96
Real estate	3,619,761.51
Judgments	1,345,299.98
Other assets	1,032,373.50
Total	23,109,924.45

Total liabilities as of June 30, 1926

Going concerns, deposits		$10,615,795.82
Receiverships:		
Preferred claims	$32,962.42	
Deposits not classified	346,959.16	
Receivers' bills payable	1,000.00	
Trust funds	13,594.86	
Receivers' certificates	2,241,961.00	
		2,636,477.44
Total		13,252,273.26

(General claims of $624,802.20, not being liabilities of the guaranty fund and claims in dispute of $619,501.15 are not included in above.)

Valuation of assets as of June 30, 1926

Cash on hand	$2,214,176.50
Assets in going concerns (65 per cent of face value)	6,509,773.40
Assets in receiverships:	
Old (10 per cent of face value)	330,797.86
New (25 per cent of face value)	1,321,423.75
Sale assets (bought at public sale)	160,102.63
Total estimated value	10,536,274.14
Total liabilities of guaranty fund	13,252,273.26
Total value of assets	10,536,274.14
Leaving a difference of	2,715,999.12
Against which will be applied the realization upon contingent stockholders' liability of	3,588,284.07

In explaining the statement, it might be well to consider the items separately.

TOTAL BANKS CLOSED

During the 16 years the guaranty law has been in effect, 151 banks were closed by the department of trade and commerce. Fifty-eight of these were prior to May 4, 1923, the date the guarantee fund commission took office, leaving 93 which have been handled entirely by the commission. The status of the 151 banks is stated.

SUMMARY OF ASSETS

Under our form of bookkeeping "To be realized" denotes the total assets which come into our hands for realization. This is divided into two items—the amount shown on the books of the bank at the time of its closing and those assets which are later acquired or discovered by the receiver. "Realized" denotes those assets which have been collected or exhausted either by their collection in cash or through compromise settlements. In the above statement the amount of assets realized by the old receivers and the commission is separated. "Not realized" denotes the amount of assets on hand June 30, 1926, and uncollected.

SUMMARY OF LIABILITIES

"To be liquidated" denotes total liabilities coming into the hands of the receiver for liquidation, and is shown under two heads—those shown on the books of the bank at date of closing and those established after the appointment of the receiver. "Liquidated" denotes those liabilities which have been paid in full. "Not liquidated" denotes the amount of liabilities as of June 30, 1926, and unpaid. The principal item, you will note, is that of deposits in going concerns, which will be explained under the head of "Going banks." The larger portion of the liabilities shown in receiverships are claims for which the guaranty fund is not liable, consisting principally of general claims and items which must be carried on the books until authorized by the court to be charged off.

ANALYSIS OF LIQUIDATION

By referring to the item of "Liabilities liquidated," you will note that $30,936,419.93 has been paid to claimants since the guaranty law has been in effect. It is a very material point in the liquidation of insolvent banks to know where the funds to pay depositors are derived. In our State the guaranty fund pays all depositors in full immediately, and is subrogated to the rights of depositors thus paid. So any deficiency between the amount realized from assets and the payments made to depositors must be borne as a loss by the guaranty fund. In other States where there is no guaranty fund the dividends paid to depositors depend solely upon the percentage of realization. The value of any system of handling receiverships or the work of any receiver may be rightfully judged by the percentage of liabilities which is paid from assets.

In Nebraska we have had two systems. During the first 12 years the liquidation of insolvent banks was carried on by individual receivers under the direction of the department of trade and commerce. For the past three years and a half this work has been centralized under the management of the guarantee fund commission.

Under the two systems a total of over $30,000,000 in cash has been paid to claimants. We find that 53.19 per cent was obtained from collection on assets, 39.56 per cent from drafts drawn on the depositors' guaranty fund, and 7.25 per cent from the sale of receivers' certificates.

It is interesting to note the amount of liquidation obtained under each system and where the funds were derived.

The story is thus told:

CASH DERIVED FROM REALIZATION ON ASSETS

Under old receivers (O. R.), $6,361,027.01 or 43.54 per cent.
Under commission (Com.), $9,508,317.15 or 58.24 per cent.

CASH DERIVED FROM DRAFTS ON DEPOSITORS' GUARANTY FUND

Under old receivers (O. R.), $7,064,016.58 or 48.35 per cent.
Under commission (Com.), $4,575,175.43 or 28.03 per cent.

CASH DERIVED FROM SALE OF RECEIVERS' CERTIFICATES

Under old receivers (O. R.), $1,185,922.76 or 8.11 per cent.
Under commission (Com.), $2,241,961 or 13.73 per cent.

The above figures are net after all expenses have been paid. All items of expense are paid out of the collection on assets, and the commission follows the practice of keeping such accounts paid up to date. Under our system there are no receivers' salaries as the commissioner in each district acts as the receiver and draws but $10 per diem for the time actually employed, which is paid each month. Attorneys' bills are not allowed to run, but are paid promptly.

It will be noted from the statement that a large amount of assets remain to be realized. When this is done, it will very materially raise the percentage shown as realized from assets and decrease that drawn from the guaranty fund.

It is very interesting to compare the above figures and percentages with those obtained in like work elsewhere. In Nebraska the receivers of national banks which have failed between January 1, 1916, and December 1, 1925, paid the depositors 25 cents on the dollar. This necessarily came from realization on assets, as they had no other source of funds. Our realization has been more than twice that obtained by national bank receivers in Nebraska. We do not have accurate figures showing the average percentage of liquidation paid from realization on assets over the entire United States, but are reliably informed that it is about 30 per cent.

OPERATING COSTS

Probably no item in the liquidation of insolvent banks causes more comment or is more abused than the item of operating costs. Under

our system of bookkeeping, operating costs include all receivers' per diem and expenses, collectors' salaries and expenses, attorneys' fees and expenses, court costs, as well as the other general items of collection costs, and all expense of the general office at Lincoln.

The costs in receiverships as handled by the old receivers and by the commission have been separated. In figuring the cost per dollar on total realization we have taken the face amount of total realization, while in figuring the cost per dollar on cash realization we have taken only the actual cash which was realized.

The commission can be proud of the record they have made in the cost of collection. The cost is so low that many people are surprised that it can be true. The commission has reduced the cost of collection 68 per cent, which, on the amount of assets realized, amounts to $633,647.69.

COST PER DOLLAR ON TOTAL REALIZATION

Under old receivers (O. R.), 6.7 cents.
Under commission (Com.), 2.1 cents.

COST PER DOLLAR ON CASH REALIZATION

Under old receivers (O. R.), 11.6 cents.
Under commission (Com.), 4.01 cents.

In the above figures and graphs the costs by the commission in the old receiverships were omitted, and only like work compared. The realization in the old receiverships by the commission was on the remaining assets which were turned to us by the old receivers after they had been worked on for about two years. It will be noted, however, that the cost per dollar on total realization on these assets was reduced more than 50 per cent, while the cost per dollar on the cash realization was increased. The increase in the latter cost was due to the fact that the commission handled only very doubtful and worthless assets from which the percentage of cash realized was very small. More than a million dollars in cash, however, has been realized from these assets, so we feel no apology is needed for the costs shown.

BALANCE DUE DEPOSITORS' GUARANTY FUND

This item shows the amount drawn from the guaranty fund to pay depositors less the refunds made. The items have been separated in order that anyone interested might know the amounts drawn to pay depositors in each class of receiverships. Referring to the statement, one will see that under the old receiverships $14,610,966.35 of liabilities were liquidated. This required drafts on the guaranty fund of over $7,500,000. In the new receiverships, under the handling of the commission, $16,325,453.58 of liabilities were paid, and of this amount but a little over $4,500,000 was drawn from the guaranty fund. The difference in the ratio should convince anyone of the fact that it would have been impossible for the guaranty fund to have survived if the drafts had continued up to this time in the same percentage as they did for the first 58 banks which failed.

RECEIVERS' CERTIFICATES OUTSTANDING

The issuance of receivers' certificates is a system of financing authorized by law whereby certificates are sold to investors to obtain cash with which to pay depositors. These are retired semiannually, and at no time has a certificate ever been issued which could not be paid when due. Since being handled by the commission, there has never been a default either in the payment of interest or the principal at due date. In fact, no certificate has ever run until maturity.

TOTAL RESOURCES AS OF JUNE 30, 1926

These include all items at their face value in the hands of the commission as of that date and are divided under the different heads so those interested may know what the assets are.

TOTAL LIABILITIES AS OF JUNE 30, 1926

These include the liabilities for which the guaranty fund is liable. The item of "Claims in dispute" of $619,501.15 is an item for which we think there is very little liability, but are claims on which the courts have not passed so are carried on our books in this manner until disposed of.

VALUATION OF ASSETS

In order to show an approximate idea of the present condition of the guaranty fund, a valuation has been placed on all assets. As a basis for this valuation we have used the percentages which we have been able to realize on assets in the past as well as our estimate of the loss in each individual bank. This, we believe, is a conservative valuation and that it will be realized in full. If sufficient time is given, the actual cash realized will no doubt be more. Using the figures shown it will be noted there is a difference of approximately $2,700,000 between the cash value of assets on hand and the liabilities to be paid. To reduce this is an item of considerable value which has not been listed as an asset, and that is "stockholders' liability." The capital stock of all banks which have failed since the guaranty fund law has been in effect is $4,268,000, which would give a stockholders' liability of the same amount. Of this, but $679,715.93 has been collected, leaving a possible collection upon $3,588,284.07. Unfortunately, and resulting in much loss to the guaranty fund, our constitution provides that no action can be maintained against a stockholder on his stockholder's liability until all assets have been exhausted. This is one of the greatest handicaps we have to meet. It is certain, however, that a very large sum will be realized from this amount, and during the past few months a large number of suits have been started on this stockholders' liability.

Assessments to the guaranty fund available for the payment of losses amount to approximately $1,700,000 per year. Collections from the assets will average more than $1,000,000 per year, thus making at least $2,700,000 available for the payment of losses. It is very evident from these figures that all losses could be paid during this year and next. If immediate action could be secured on stockholders' liability, it is more than probable that all losses could be cleaned up within one year.

GOING CONCERNS

The operating of an insolvent bank as a going concern by the State is something entirely new in banking, but has proven of inestimable value not only to the guaranty fund but to the community as well.

The statement shows liabilities on account of deposits in going concerns as of June 30, 1926, of $10,654,950.93. While this item will probably be a liability against the guaranty fund, yet it has not been so determined at this time; neither should it be so considered. A large amount of this will be paid during the operation of the banks as going concerns. Our practice of handling insolvent banks as going concerns is to carry on a regular commercial banking business. We receive deposits and pay checks. In some instances we have to refuse the transfer of funds to other banks for redeposit, but wherever a real need is shown for the money it is paid to the depositor. We have but very little complaint from the depositors on account of the way their business is handled.

The amount of realization and liquidation secured in going concerns is a surprise to most people. In the banks operated we have obtained a realization on $5,095,452.93 of assets and reduced the deposits $3,104,426.02. The net cost to the guaranty fund of operating 73 banks over a period of three years was $371,848.75. This item includes not only the cost of collection on assets but the cost of operating a going bank as well. This includes taxes, clerk hire, stationery, interest on deposits, and all the other general expenses of a going bank, yet the cost per dollar on the assets realized was but 7.2 cents.

SUMMARY

Truly, Nebraska is a remarkable State and tells a story no other State can tell. For more than 15 years no depositor has ever lost a cent of money through depositing in a State bank, and during that time practically $31,000,000 have been paid to claimants. The depositors' guaranty law is the biggest asset possessed by Nebraska, and has brought to it more publicity than any other resource it has. This wonderful record has been made possible by the State bankers, who have borne all of the expense. It has cost them more than $12,000,000, yet taken over a period of 15¼ years this represents but a trifle over 40 per cent of the capital of the State banks of Nebraska, or about 3 per cent per year. The period covered includes the worst period of deflation ever experienced. It is very hard to figure the results obtained by the banks through the operation of the guaranty law, but it is very generally conceded that the much better business conditions which we have experienced as compared with other surrounding States is largely attributable to the guaranty law. Each day it becomes more apparent that the benefit derived by the banks is more than the cost.

While this report covers the work up to July 1, 1926, the condition as of January 1, 1927, is but very little different. During the last six months of 1926 we took over 18 banks, but the loss in these banks is not as much as the loss paid during the same period. On January 1 we were operating 44 banks as against 36 on June 30, but the deposits of these 44 were $100,000 less. The average loss per bank closed is continually growing less and we do not feel that there will be a very large number of banks yet to be closed in which there will be a loss to the guaranty fund.

Respectfully submitted.

VAN E. PETERSON, *Secretary.*

LINCOLN, NEBR., *January 22, 1927.*

WATERS OF THE BELLE FOURCHE AND CHEYENNE RIVERS

Mr. SMITH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 4411, granting the consent of Congress to compacts or agreements between the States of South Dakota and Wyoming with respect to the division and apportionment of the waters of the Belle Fourche and Cheyenne Rivers and other streams in which such States are jointly interested, with House amendments thereto, insist upon the House amendments, and agree to the conference asked.

The SPEAKER. The gentleman from Idaho asks unanimous consent to take from the Speaker's table the bill S. 4411, insist on the House amendments, and agree to the conference asked. Is there objection?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, the amendment placed on the bill in the House authorized an appropriation to take care of the expenses of the Government

officials acting in this negotiation. It provided that the appropriation should be from the reclamation fund. As I understand it, the objection of the Senate to that amendment is based upon the fact that the appropriation is to come from the reclamation fund. Personally I should object to the appropriation coming from any other fund, because the only purpose of the negotiation is to cover certain claims as to the use of water for irrigation purposes. Feeling as I do with reference to that, and believing that the bill would not have passed here unless the appropriation was to be made from the reclamation fund, as those investigations generally are, I should object to this going to conference unless we could have assurance that the conferees will not agree to a charge being made on the General Treasury outside of the reclamation fund. I may say that if they agreed to make the charge upon the States concerned I would not object.

Mr. SMITH. I think that in conference we can adjust the matter satisfactorily to the gentleman from Michigan.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

Mr. SMITH. I will say to the gentleman from Michigan that we will bring the matter back to the House if we can not adjust it satisfactorily.

Mr. CRAMTON. I know the gentleman will bring it back, but under entirely different conditions than prevail now. For the present I shall object, Mr. Speaker.

The SPEAKER. Objection is heard.

EUROPEAN CORN BORER

Mr. WOOD. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 359, making an appropriation for the eradication or control of the European corn borer.

The SPEAKER. The gentleman from Indiana asks unanimous consent for the present consideration of House Joint Resolution 359, which the Clerk will report.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That to enable the Secretary of Agriculture to carry into effect the provisions of the act entitled "An act to provide for the eradication or control of the European corn borer," approved February 9, 1927, including all necessary expenses for the purchase of equipment and supplies, travel, employment of persons and means in the District of Columbia and elsewhere, rent outside the District of Columbia, purchase, maintenance, repair, and operation of passenger-carrying vehicles outside the District of Columbia, and for such other expenses as may be necessary for executing the purposes of such act, there is appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $10,000,000, to remain available until June 30, 1928: *Provided*, That no part of this appropriation shall be expended until all the States in the proposed control area shall have provided necessary regulatory legislation and until a sum or sums adequate in the judgment of the Secretary of Agriculture to the cooperation of all the States in such area shall have been appropriated, subscribed, or contributed by State, county, or local authorities, or individuals or organizations: *Provided further*, That a report shall be made to Congress at the beginning of the first regular session of the Seventieth Congress setting forth in detail a classification of expenditures made from this appropriation prior to November 1, 1927.

With the following committee amendment:

On page 1, line 9, after the word "Columbia," insert the word "printing."

Mr. WOOD. Mr. Speaker and gentlemen of the House, the purpose of this resolution is to carry out the determination of this House enacted a few days ago in the authorization of an appropriation of $10,000,000 for the purpose of eradicating or controlling what is known as the European corn borer. After the bill passed the House and the Senate a very full hearing was had before the Committee on Appropriations on Saturday last. The Secretary of Agriculture and his assistants were present and gave us all of the information then at hand with reference to this corn borer. It was made evident by those hearings that if this appropriation is to be of any use it must be made immediately, the testimony being to the effect that it should be available not later than the 18th of this month. Members will see by the map which I have here just what the infested area is. It is marked in black. There are 2,500,000 acres represented there in the States of New York, Pennsylvania, Ohio, Indiana, and Michigan. The Secretary of Agriculture and his assistants tell us that it will be impossible to eradicate this corn borer with this appropriation and that the only purpose to which the $10,000,000 may be put is to demonstrate the possibility of checking its ravages until some efficient plan may be adopted later for its eradication.

This corn borer came into this country about 1910 and commenced infesting the sweet-corn fields about the city of Boston in the State of Massachusetts.

This pest spread northward and westward until he was introduced in the States of New York, Pennsylvania, Ohio, Indiana, and Michigan, and about the same time he was introduced into this country he was introduced into Canada. He has been more destructive and has proved a greater pest in Canada than in this country. The evidence discloses that the fields of corn in Ontario have been 100 per cent destroyed. He has not been so destructive in this country; that his commercial devastation has not been great except in a few isolated fields, where he has destroyed 10 to 15 or 20 per cent of the growing crop of corn. But he is moving rapidly westward. He has also come from Ontario down to this country, and he comes across water, flies across water—it does not seem to affect him—and the purpose of this appropriation is to aid the Secretary of Agriculture to make a demonstration showing the farmers how they can protect themselves against its ravages and assist eventually in the extermination of this pest. Now, the purpose of this $10,000,000 is to employ the necessary man power and necessary machinery to do the work.

It seems this moth lives upon some 200 or 250 succulent plants, but he has a preference for corn when he can get corn, and when he can get it he does not bother anything else in particular. So it is the purpose to go into the cornfields in this affected area, which I have pointed out, and assist the farmer in destroying the cornstalk and everything adjacent to the cornfield in which this animal may find lodgment. Among other things, they propose to show to the farmer the work which is required of him, which he himself must ordinarily do as a practical farmer. In other words, if he has been in the habit of plowing his stalks under rather than destroy or burn them, they would assist and show how they should be plowed under—everything on the top of the ground plowed under—so when this worm comes to the top he will find nothing on which to live, and be destroyed or starve or picked up by birds, or something of that character. Another demonstration is in machinery used for gathering and grinding up of all this material; also in burning. Secretary Jardine says that in order for this to be effective all the States that are affected must join in this cooperative work; and if one of the States should fail, there would not be any use in spending any portion of this money. That affords another necessity for the immediate action of Congress. The legislatures in each of the States in the area affected are now in session. The Secretary felt that he has had no authority to request of those States to take action in reference to passing regulatory laws, making appropriations, and so forth, until he could assure them that they would have the support of the Government. Now, in order for the Secretary of Agriculture to go into the States or fields and do work that is contemplated we must have regulatory police provisions in this infested area. When that is done they will commence their operation at once; and in order that that may be effective these several States must be notified at the earliest possible moment of the action of this Congress in making this appropriation. They have been advised of the regulatory laws that they must pass in order for the United States to act upon it.

Mr. EDWARDS. How many States are affected by the corn borer?

Mr. WOOD. Five—New York, Pennsylvania, Indiana, Ohio, and Michigan, and very near the Illinois line.

Mr. RAINEY. It has been discovered in Illinois in two or three fields.

Mr. WOOD. The gentleman from Illinois says it has been discovered in Illinois. The evidence shows it travels or flies at the rate of about 10 miles a day.

Mr. BYRNS. Will the gentleman yield?

Mr. WOOD. I will.

Mr. BYRNS. I think it should be made very clear to the House and the country that the Secretary of Agriculture proposes this only as a demonstration, because it was evident if this kind of work be carried on throughout the country, if this corn borer continues to expand and extend, it will take hundreds of millions of dollars to do it. I think the State farmers themselves should understand clearly this is only a demonstration on the part of the National Government, so they themselves, if the corn borer should begin to infest their land, should take proper steps to eradicate it.

Mr. WOOD. There is another thing that should be impressed upon the several States, that they should not be slow in passing the most drastic police regulations in order that the eradication of this corn borer may be had.

In our State, the State of Indiana, and I dare say in most of the States throughout the West, we have a law compelling a farmer to take and remove Canada thistles that are found growing upon his farm or in the highway adjacent to his farm, and, failing to do that, he is subject to a heavy penalty. We have likewise a law requiring him to cut his weeds. That same kind of a law may now be necessary to eradicate this corn borer, and the farmers of this country ought to be impressed with the idea that this is to them a matter of self-defense and that the action of the United States Government now is for the purpose of aiding them in this initial work, and that the Government of the United States must not be depended upon to do the work which they themselves should do in order to protect their own individual property.

Mr. WEFALD. Mr. Speaker, will the gentleman yield?

Mr. WOOD. Yes.

Mr. WEFALD. Can not the passage of this resolution wait until we have taken a vote on the Haugen bill?

Mr. WOOD. No. We have got to get rid of the corn borer. Otherwise there may be no necessity for the Haugen bill.

The SPEAKER. Is there objection to the consideration of the resolution?

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. WOOD, a motion to reconsider the vote whereby the joint resolution was passed was laid on the table.

FIRST DEFICIENCY BILL, 1927

Mr. WOOD. Mr. Speaker, I move to take from the Speaker's table the bill H. R. 16462, the first deficiency bill, containing Senate amendments, that the conference asked by the Senate be agreed to, and that conferees be appointed.

The SPEAKER. The gentleman from Indiana moves to take from the Speaker's table the first deficiency bill, with Senate amendments, insist on the disagreement of the House to the Senate amendments, and agree to the conference asked. The question is on agreeing to that motion.

Mr. GARNER of Texas. Mr. Speaker, will the gentleman yield for a question?

Mr. WOOD. Yes.

Mr. GARNER of Texas. I understand this is the third time we have disagreed to these amendments and sent them back to the Senate. I think the RECORD ought to show and the Senate be advised that at one time we took a vote of 187 to 1 and the next time a vote of 349 to 1. It seems to me the gentleman ought to assure the Senate and the House that in case we can not get an agreement of this kind the next motion shall be to adhere, so that the Senate may understand that this is a matter that has been thoroughly discussed and thought out by the House, and that the House insists on its disagreement.

Mr. WOOD. We did not ask for a further conference ourselves at the last conference, and would never have asked it had not the Senate itself asked for it.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Indiana.

The motion was agreed to.

The SPEAKER. The Chair announces as the conferees on the part of the House Mr. WOOD, Mr. CRAMTON, and Mr. BYRNS.

CONFERENCE ON LIMITATION OF ARMAMENTS

Mr. SNELL. Mr. Speaker, I desire to present a rule for printing in the RECORD only.

The SPEAKER. The gentleman from New York presents a privileged report from the Committee on Rules, which the Clerk will report.

The Clerk read as follows:

Report to accompany House resolution providing for the consideration of House Joint Resolution 352, to provide for the expenses of the participation of the United States in the work of a preparatory commission to consider questions of reduction and limitation of armament.

The SPEAKER. Referred to the House Calendar and ordered printed.

SENATE FARM RELIEF BILL

Mr. SNELL. Mr. Speaker, I call up House Resolution 421, with a privileged report from the Committee on Rules; and, pending that, I wish to ascertain if we can arrange for a division of time.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

[H. Res. 421, 69th Cong., 2d sess.]

Resolved, That upon the adoption of this resolution the Committee on Agriculture be discharged from the further consideration of the bill S. 4808, to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities, and it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of said bill. After general debate which shall be confined to the subject matter of said bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman of the Committee on Agriculture and the gentleman from Louisiana [Mr. ASWELL], the bill shall be read for amendment under the five-minute rule. At the conclusion of the reading of the bill for amendment the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage.

Mr. SNELL. I would like to see if I can make a unanimous-consent agreement with the gentleman from North Carolina [Mr. POU] as to time to be used in the discussion of the rule.

Mr. POU. There have been quite a number of requests for time on this side. In view of the importance of this legislation I suggest an hour on a side. I can take care, I think, of all requests on this side within the hour.

Mr. SNELL. I know it is important legislation, and we are anxious to get it to a vote as soon as possible. If that is the gentleman's idea, I will submit the unanimous-consent request that the debate on the rule be limited to two hours, one hour to be controlled by the gentleman from North Carolina [Mr. POU] and one hour by myself and that the previous question shall then be considered as ordered.

The SPEAKER. The gentleman from New York asks unanimous consent that the general debate on the rule be limited to two hours, one hour to be controlled by the gentleman from North Carolina [Mr. POU] and the other hour by himself, and that at the end of that time the previous question shall be considered as ordered. Is there objection?

There was no objection.

The SPEAKER. The gentleman from New York is recognized for one hour.

Mr. SNELL. Mr. Speaker, I yield 10 minutes to the gentleman from Iowa [Mr. RAMSEYER].

The SPEAKER. The gentleman from Iowa is recognized for 10 minutes.

Mr. RAMSEYER. Mr. Speaker and Members of the House, in the time yielded to me, I shall devote myself entirely to the rule and the reason for it.

We have a practical situation to meet here. Monday a week ago, I think it was, we adopted a rule for the consideration of House bill 15474, which is commonly known as the Haugen bill. On Saturday last there came from the Senate the bill S. 4808, which is commonly known as the McNary bill. The McNary bill introduced in the Senate was almost in the identical language of the Haugen bill as introduced in the House. The purposes of the two bills are absolutely the same.

Now the situation that confronts us here is unusual in this only, and that is that after the House commenced consideration of the agricultural relief bill, H. R. 15474, and before we got through with the consideration of this bill, the Senate passed an identical bill, S. 4808, which was messaged to the House last Saturday. Now, it frequently happens that a House committee reports out a bill which goes to the House Calendar, and before such bill is called up for consideration the Senate passes an identical bill or a bill on the same subject, and then the Committee on Rules, instead of granting a rule to call up the House bill, grants a rule to call up the Senate bill. The reason for that is plain, I think, especially to the older Members.

If we go on with the Haugen bill here and pass it, even though we should amend it so it will read exactly as the Senate bill now reads, that bill would have to go to the Senate for consideration before the bill can be sent to conference or sent to the President for his action. In order to expedite consideration and to bring the farm-relief legislation to a head, the Committee on Rules unanimously agreed it ought to be made in order by a rule to consider the Senate bill, S. 4808. If the rule is adopted we will then consider the Senate bill in the Committee of the Whole House on the state of the Union. If this Senate bill goes through with amendments, it will be sent to conference, and if it goes through without amendments, of course, it will go directly to the President for his action thereon. If this rule is adopted, further consideration of the Haugen bill, H. R. 15474, will be discontinued. If this rule is adopted, then the chairman of the Committee on Agriculture, having the bill in charge, will move to go into the Committee of the Whole House on the state of the Union for the consideration of Senate bill 4808.

I think I have presented to you the purposes of the rule and how it will work. I do not wish to take up the time of the House to-day to speak on any other phase of the problem now

before us. Therefore, Mr. Speaker, if there are no questions on the rule, I yield back the balance of my time.

Mr. SNELL. Mr. Speaker, how much time has the gentleman used?

The SPEAKER. The gentleman used five minutes. The gentleman from North Carolina [Mr. POU] is recognized for one hour.

Mr. POU. Mr. Speaker, I very cheerfully support the special rule now being presented, which provides that the so-called McNary-Haugen bill, which was passed by the Senate on Friday last, be substituted for the bill also denominated the McNary-Haugen bill, which has been considered during several days by the House of Representatives. Even if I had the power to do so, I would not put any obstacle whatsoever in the way of the consideration of farm-relief legislation by this Congress. While I can not divest myself of serious doubts as to the wisdom of this legislation, I speak the truth when I say that I hope these doubts are without any basis whatever. I hope I am mistaken in my views with respect to this legislation. My course from the beginning has been to place no obstacle whatsoever in the way of consideration of farm-relief legislation. I realize, I hope, as fully as any man living the depressed condition of agriculture not only in the Northwest but in the South as well.

Mr. Speaker, I can not help the fears I entertain as to the effect of this legislation, particularly upon the cotton farmers of my own State. Cotton is raised in North Carolina at great expense. The land is not by nature sufficiently fertile to justify the raising of cotton without the application of plant stimulants. There are many farmers in North Carolina who each year buy for each acre of cotton planted commercial fertilizer which costs as much per acre as these farmers received for a bale of cotton in 1894. Having this in mind, knowing it to be true, I stated in a short address delivered last week that the cost production per pound of cotton in North Carolina was not less than 15 cents. Since delivering that address I have received communications from men who have made a study of the question, which confirm my belief that the cost price of a pound of cotton produced in North Carolina is more than 15 cents per pound. Just what the effect of this legislation is going to be upon the cotton farmer of North Carolina, whose cotton costs him not less than 15 cents per pound, as compared with the effect upon the cotton farmer of States very much farther south, where lands are fertile by nature, where commercial fertilizer is not necessary, and wherein the cotton farmer can produce the staple for 9 cents per pound, no man can predict with safety.

In discussing this danger with a gentleman some days ago I was confronted with the suggestion that I if the cost production price of a pound of cotton in North Carolina was 15 cents as against the cost production price in States very much farther south of not more than 9 cents per pound, then the logic of the situation would require the North Carolina cotton farmer to abandon the cotton-raising industry entirely. Herein to my mind lies a danger which has not been fully considered by gentlemen in my State who are insisting upon the enactment of this legislation. One thing is certain if this bill becomes a law and the Federal farm board goes upon the market through its agencies, and purchases cotton at a price based upon the average cost price of cotton throughout the cotton section, such price probably will not yield any profit whatsoever to the farmers of North Carolina and sister States where vast sums are expended for commercial fertilizer. The result may be disastrous.

There is also one feature of the Senate bill concerning which I will make this observation: It really looks as if an effort has been made to obscure the payment of the equalization fee by the verbiage of the bill. Nevertheless, there is no escape from the conclusion that, if the bill becomes a law, every bale of cotton produced in the Nation will be subject to a tax, called in the bill an equalization fee, which must be paid in the end by the farmer, whether the fee is collected at the gin, or from the railroad, or from the cotton factory. Likewise, there is no escape from the conclusion that the amount of this equalization fee is to be fixed by the 13 members of the Federal farm board, sitting in the city of Washington.

Of course, I cherish a particular interest in the effect of this legislation on the cotton farmers of this Nation. The district I represent is largely a cotton-producing district. The county in which I live produces annually about 72,000 bales of cotton. I can not help considering the effect of the bill upon the cotton producers of my State, my district, and my home county. Johnston County is a large, progressive, splendid county, but the cost of producing the fleecy white staple is necessarily high.

If this bill becomes a law, conditions will surely arise which will invite, which will force action by the Federal farm board. When this board decides to stabilize the price of cotton what will be the basis of the price offered by the board through its agents? Let us suppose the Federal farm board is in existence now and ready to function. What would be the price offered for cotton? By what process would the board decide upon a price to be offered? What would be the basis upon which the price offered would rest? Would that basis be the production cost of cotton in North Carolina or the average production cost throughout the cotton-raising section of the Nation? I imagine the board would instruct its experts to investigate and report the average cost of producing cotton throughout the entire Nation; and using that as a basis, I imagine the board would add a reasonable profit. But there is no yardstick in the bill to measure and fix profits as there was in the bill considered in the last Congress whereby the price offered for grain and cotton was to be established. I say there is in no line of the bill any guaranty whatsoever that the North Carolina cotton farmer will receive any profit whatsoever under the operations contemplated by the bill. On the contrary there is a danger, a real danger, that the price put in operation by the board might inflict loss upon the cotton farmers of my State. There is danger that the action of the board may be disastrous to the cotton farmers of my State. If the board uses the average cost-of-production price per pound of cotton throughout the Nation as the basis of action, adding to such average-cost price a fair and reasonable profit, then the cotton farmers in States like North and South Carolina, where enormous sums are expended every year for commercial fertilizer, might be injured rather than helped. In my State there are but few acres which will produce cotton without the application of expensive plant stimulants, mostly commercial fertilizers. There is no guaranty that the stabilized price put in operation by the board will yield any profit to the farmers of the States in which commercial fertilizers are necessary, but every pound of cotton produced in such States must pay the tax or equalization fee fixed by the board. There is no uncertainty about that provision of the bill. The equalization fee is the very heart of the bill, and there is no limit as to the amount of this tax. It must be paid whether the stabilized price yields a profit or inflicts a loss upon the cotton farmers of the Nation.

I very cheerfully agree, Mr. Speaker, that the time has come when the Government must pay more attention to the interest of the farmers of the Nation. Under policies pursued in the past all manner of obstacles have been placed by legislation in the pathway of agricultural prosperity. Of course, it goes without saying that prosperity in agriculture means nation-wide prosperity to all. If the McNary-Haugen bill becomes a law and brings even measurable prosperity to the farmers of the Nation, I, for one, will devoutly thank God for this result. If, however, the bill shall not become a law, let no man suppose this fight is ended. It can never be ended until the handicaps which have prevented agricultural prosperity have been removed. It may require years to accomplish this result. One thing is certain—present conditions can not continue indefinitely.

I say in conclusion, Mr. Speaker, that while fears which I can not remove forbid my support of this legislation, I cherish the hope that, if this legislation fails, before the end of the next Congress some measure will be presented not out of harmony with economic law which the Congress will pass. I realize the plight of the American farmer to-day. I realize that present conditions must not be permitted to continue. Out of just such conditions revolutions have been born. I realize that there must be a change in the relation of the Government to the agricultural producers of the Nation. Just what legislative action can be properly taken is a challenge to the statesmanship of the Nation.

If the legislation we are now considering shall become operative, if the President shall see fit to sign the McNary-Haugen bill, if prosperity comes as a result of the law, no man will be happier than I, and no man will be quicker than I to say, "I am thankful that I was mistaken."

Mr. Speaker, I have consistently supported the Aswell bill and would gladly vote for it to-day. There is no discrimination in the Aswell bill, as I understand it, against the farmers of my State. I might even go further and support the Crisp-Curtis bill, in which I see no discrimination. Just why the McNary-Haugen bill has been selected as the one measure to aid agriculture, I for one have never been able to understand. If the McNary-Haugen bill shall not become a law, I for one hope the President will immediately reconvene Congress in extra session for the sole purpose of considering legislation helpful to the agriculture of America. If the President will

do this, in my humble judgment, the agricultural toilers of America will rise up and call him blessed. [Applause.]

Mr. Speaker, I reserve the remainder of my time and yield five minutes to the gentleman from North Carolina [Mr. BULWINKLE]. [Applause.]

Mr. BULWINKLE. Mr. Speaker, I am going to vote for this rule in order not to delay the consideration of the so-called farm relief bill, but there are some things I can not understand. I can not understand why it is, word has gone out from the proponents of this bill that no amendments that are offered will receive the consideration of this House. Last year we were told the Haugen bill was the acme of perfection and that nothing should be done either to cross a "t" or dot an "i." Last week another bill was presented to the House and the proponents of the bill told us no change should be made in it, yet another body made changes in it; the proponents of the Haugen bill in the House now say they want to adopt the Senate bill and that no changes shall be made in that bill. Do the proponents of the bill mean to suggest, as has been stated in the papers and as has appeared in conversations, that no amendments will be considered even though they be meritorious?

The legislature of the State of South Carolina the other day asked, in regard to the equalization fee, that it be safeguarded. I for one would like to offer an amendment that in no case should the equalization fee on cotton exceed $5 a bale. That is in accord with information I have received from the cooperatives, that my figures of $6.15 a bale were too high and that $5 was sufficient. Then, why not let us limit it to $5 a bale? Why not change the cumbersome machinery provided for in the bill? Another amendment could provide that the commissioners of agriculture in every State should act as members of the advisory council, without pay, but we are told that nothing can be done because, according to a telegram I received, this bill was framed by the best agricultural minds of the United States. Who they are I do not know and I doubt whether 10 per cent of the Members of this House know who they are.

Mr. MACGREGOR. Will the gentleman yield?

Mr. BULWINKLE. Yes.

Mr. MACGREGOR. I am interested in North Carolina, your State, inasmuch as I have been over most of it. I have noticed its wonderful prosperity.

Mr. BULWINKLE. The gentleman's observations are correct.

Mr. MACGREGOR. Millions and millions of dollars have been spent on cotton mills in North and South Carolina. What would be the effect of this bill upon those new industries in that country?

Mr. BULWINKLE. I do not know what the effect would be and I am not speaking about that.

Mr. MACGREGOR. It would drive them out, would it not? It could not do anything else.

Mr. BULWINKLE. I doubt whether it would drive them out but it would increase the cost of operation.

Mr. MACGREGOR. It would mean cheaper manufacturing costs abroad and an increased cost in the United States, would it not?

Mr. BULWINKLE. Yes; it is true that if the surplus is to be dumped abroad and sold at a cheaper price abroad than in America, of course it will hurt every American manufacturer, and it could not help but have that effect. It would injure them seriously, but for the present I will have to confine my remarks on the subject of how it will affect and hurt the farmers. I would like to bring to the attention of the proponents of this bill the fact that there are some amendments which, if adopted, will benefit the producers in America. I am going to support the rule, and again I say I am going to support the Aswell bill, and I say again, as I have said before, I shall vote against the Haugen bill if it is not amended in many particulars.

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. POU. Mr. Speaker, I yield five minutes to the gentleman from Missouri [Mr. LOZIER].

Mr. LOZIER. Mr. Speaker and Members of the House, in the five minutes allotted to me it would be impossible to discuss the details of this bill. I have, however, a few observations to make. I have something to say to my friends and colleagues who come from the industrial districts of this Nation.

We have heard a great deal about prosperity. I want to say to you, my friends, that the prosperity which we have in this land is not a nation-wide prosperity; it is not a universal prosperity; it is not a prosperity that touches every section and every vocational group. It is a lopsided prosperity, a jug-handle prosperity, a sectional prosperity, which is vouchsafed to certain vocational groups and denied to those engaged in other occupations.

My friends, the industrial classes, the transportation companies, and the big business interests have been enjoying unprecedented prosperity. About the first of the year in New York City more than a billion dollars were distributed in dividends to stockholders in great industrial concerns. Similar distribution of profits were made in every other great industrial and commercial center. Many of the class I railroads have been making from 16 to 23 per cent on their common-stock valuation.

I quote from an Associated Press dispatch sent out from New York on November 18, as follows:

> In contrast with the poverty pleas of the railroads a few years ago the current earnings appear almost unbelievable. Per cent of earnings on common stock this year, with three months estimated, is here shown for some of the leading stock: Atchison, 23; Chesapeake & Ohio, 23; Norfolk & Western, 25; Nickel Plate, 22; Atlantic Coast Line, 24; Union Pacific, 17; Baltimore & Ohio, 16.5; Southern Railway, 16.5; New York Central, 14; St. Louis & San Francisco, 15.5; Southern Pacific, 12. These figures seem to justify a confident feeling among holders of railroad stocks. Some of them are selling considerably above a reasonable income basis calculated on current dividend rates, but in the case of roads with large current earnings and huge accumulative surplus there is the hope of increased dividend to buoy them up. Directors are naturally slow to make additional distributions to stockholders in view of the effect such action might have on agitation for reduced freight rates and increased wages.

Bear in mind that, in addition to these enormous dividends, most of the Class I roads have been piling up huge surpluses which augment tremendously the earnings of the great transportation companies. It will not be contended that we have a healthy economic condition in the United States when the railroads and big business interests are paying these enormous dividends while the American farmer is not able to balance his budget or sell his commodities at a price that will return to him the cost of production much less yield a profit.

The United States Steel Co., with a capitalization of approximately $1,000,000,000, one-half of which represents watered stock, in 1923 paid a dividend on its common stock of 16.41 per cent. Its dividend on common stock in 1924 was 11.75 and in 1925, 12.81; and, to cap the climax, in 1926 a stock dividend was declared equivalent to 40 per cent.

The enormous earnings of the United States Steel Corporation has been duplicated by practically all of the big business concerns of the Nation. The industrial classes have been making money "hand over fist" for the past few years, while agriculture has been drifting rapidly toward bankruptcy.

But let me say to my colleagues from the industrial district that you are living in a fool's paradise.

You are enjoying an artificial prosperity that is bottomed on special privilege and that can not last indefinitely. You are enjoying a prosperity created by law and that is a result of discriminatory legislation. The prosperity which the manufacturing classes are enjoying is depriving the agricultural classes of this Nation of a fair return for their labor, a reasonable degree of prosperity, or any worthwhile participation in the increase of our national wealth.

The industrial classes of this Nation in dominating Congress and dictating legislation are destroying the purchasing power of the American farmer. When the farmer is in economic distress he can not buy the products of your factories. Why are your textile mills in trouble even under an exceedingly high tariff? Why are your factories in the New England States closing? Why are the boot and shoe factories in Massachusetts moving to Missouri and other western communities? Why are the textile mills moving from New England to the South?

We have approximately 38,000,000 spindles in the United States. About 6,000,000 of these spindles are idle, and 5,000,000 of the idle spindles are in the New England States, and practically none of the idle spindles are in the Southern States.

You men from the industrial districts who are trying to defeat this legislation are destroying the purchasing power of the American farmer. You are destroying your best outlet for your manufactured products. You are destroying the best market for your goods, because when the farmer is not prosperous he can not buy your manufactured products and his lack of prosperity will be reflected in reduced sales of manufactured commodities, in the slowing down of production, and in a reduction of the prosperity of the industrial classes.

The time is not very far distant when the industrial districts of the New England States will be gradually abandoned as great centers of production in the industrial world, and that is because you are not willing to give your best customer, the

farmer, a square deal and are not satisfied to let the other vocational groups share in the increase of our national wealth.

From 1920 to 1925, according to official statistics, there was a decline of $21,000,000,000 in the agricultural wealth of the United States. In 1920 the agricultural wealth of the United States was nearly $78,000,000,000, as against $44,000,000,000 invested in manufacturing and as against $22,000,000,000 invested in railroads. Until six years ago agriculture was the greatest basic industry of this Nation, yet it has been denied equal opportunity with other vocational groups and has not been permitted to enjoy a fair share of our ever-increasing wealth. The accumulation of wealth in the New England States does not represent newly created wealth, but represents a shifting of wealth from the West to the East. In fact, it represents a congestion of wealth in certain favored sections. This wealth that is being concentrated in the East has been drawn largely from other centers of population.

After all, my friends, there is but one thing in this whole world that has ever created any wealth or can create any wealth, and that is labor—labor on the farm, labor in the factory, labor in the mills—labor is the only creator of wealth; and the farm laborer is worthy of his hire. Mr. Lincoln said in one of his memorable debates with Mr. Douglas, "This country can not exist half free and half slave." So I say to you, my colleagues, this country can not long survive half prosperous and half on the verge of insolvency. [Applause.]

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. POU. Mr. Speaker, I yield 10 minutes to the gentleman from Indiana [Mr. GREENWOOD].

Mr. GREENWOOD. Mr. Speaker and gentlemen of the House, I have supported the McNary-Haugen bills that have been proposed in the previous Congresses and I am going to support this bill. I believe it is a better bill than either one of its two predecessors. [Applause.]

I am in favor of the rule that will substitute the Senate bill for the House bill. One of the aspirations of any legislator or of any body that is enacting a law is to legislate so the law will pass the judgment of the Supreme Court. I think the present bill has been prepared with a great deal of care. I think it has been strengthened during its consideration by the Senate and I feel the constitutionality of the present bill is sound.

I know it has been attacked in certain details. One is that it curtails the appointing power of the President. It is always true that whenever the President makes an appointment some one advises him. He does not undertake to know of his own knowledge who will fill a particular position with the greatest credit or with the most ability. Many times his adviser is a Member of Congress or some man engaged in politics. This law is not different in its operation concerning the appointing power of the President from the first railroad labor bill, which provided that of the three groups the labor unions should nominate their group, that the operators of the railroads should nominate their group, and the group representing the public should be selected by the President without nomination. It is not altogether different from the civil service law, which permits the three eligibles under the law to be submitted to the President.

Does not this curtail the power of the President and limit his power to the three eligibles? Then this law is not different in that particular.

Further, the President ought to be glad that the nominating power is given to the group that is going to be benefited by the law. He wants his appointees to be efficient to administer the law as it is written. Therefore let those who are nominated come from that group. I should think the President would welcome this provision in the law rather than have to listen to some one who is disinterested.

Furthermore, who is going to raise this question if the President does not do it himself? If he feels that this power of nomination is giving him a better opportunity to make a wise selection and if he does not see fit to raise the question as a curtailment of his power, who then will raise it? I submit it will pass the muster of the Supreme Court, because we have had many laws similar to it.

There seems to be some distress about the equalization fee being unconstitutional.

Some of my colleagues have mentioned this as a tax. If they use it as a burden on the carrying power in a general sense it is a tax, but if they mean that it amounts to the legal requirements of a tax they are in error. Mr. Cooley, an authority on taxation, says:

> Taxation is the exercise of the sovereign power to raise revenue for the expenses of the Government.

This is not an attempt to raise revenue for the expenses of the Government. It is simply placing a carrying charge on these used channels of commerce in order that a more orderly marketing and exporting of products may be better carried out, and will be for the benefit of those engaged in the business.

Mr. BANKHEAD. Will the gentleman yield?

Mr. GREENWOOD. I will.

Mr. BANKHEAD. What effect does the gentleman think this would have on the constitutional situation, the appropriation being made out of the Treasury and afterwards refunded to the Treasury out of the fees?

Mr. GREENWOOD. I think it would be like any other appropriation that goes into a revolving fund to assist industry. You have appropriations for the assistance of transportation. Under the Esch-Cummins bill there is a maximum charge for carrying, and when the earnings of the railroad are in excess of a certain percentage the excess goes into the general fund to be used, not for the benefit of the railroad earning that money but, for the benefit of the railroad below in earning power. Is not that similar to levying a carrying charge in order to help the marketing and export of commodities—none of the money being used except for the benefit of that class on which it is levied?

Mr. BLANTON. Will the gentleman yield?

Mr. GREENWOOD. I will yield to the gentleman from Texas.

Mr. BLANTON. The question that bothers us is this: If under the Haugen bill, the board agrees to pay farmers the average cost of production of cotton, which we will say is 12 cents, the point made by the gentleman from North Carolina [Mr. POU] is that that would not benefit the farmers of North Carolina because their cost of production is 15 cents; then the bill would only help those in the States where the cost of production was low.

Mr. GREENWOOD. On the theory that cotton goes into the export trade, and on the theory of the bill that the price is fixed by the board and they are all being stabilized and regulated for the benefit of export and orderly marketing, it results in a benefit to the people of North Carolina as well as Texas and other States.

Mr. BLANTON. Suppose the board holds the surplus and finally sells it at an immense profit. Will any part of that profit be returned to the farmers who raised the product?

Mr. GREENWOOD. None under the bill; it is kept in the fund for stabilization for the future.

Mr. BLANTON. And much of it will be used, probably, to raise salaries of the army of employees who administer?

Mr. GREENWOOD. No; it will be reflected in the following year by lowering the equalization fee, because the profit will be held for that purpose, thus putting the whole system of export and stabilization on that basis.

Mr. BLANTON. Will not a lot of it be used to raise salaries?

Mr. GREENWOOD. I have no right to presume that it will. I know that many presume that these men will not be honest men.

Mr. BLANTON. Will not it be used just as they used receipts in the Shipping Board, to raise salaries?

Mr. GREENWOOD. The Shipping Board and the Interstate Commerce Commission are acting within the scope and purpose of the legislation as it was enacted.

Mr. WEFALD. If they do good work, they will be entitled to a raise.

Mr. GREENWOOD. Yes; as the details of the business become more difficult and they are working for the benefit of the farmers, we are willing to pay the cost of operation of the system. I am not one of those who think that every piece of new legislation is vicious. I am willing to experiment in any legislation that I think will be of benefit to a large class of the community, and that is the purpose of government. When the Constitution of the United States was first proposed they said it would never stand with all these innovations in it. But for 140 years it has served faithfully. When the transportation act and the Federal reserve act were proposed it was said, "Oh, this is an innovation in legislation; it is new, and it will be vicious because it is new, and it is unconstitutional." But when it was found to be beneficial, the Supreme Court found a way to find it constitutional, because the purpose of law is to bring benefit to those who come under its operation. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Indiana has expired.

Mr. SNELL. Mr. Speaker, I yield five minutes to the gentleman from Illinois [Mr. CHINDBLOM].

Mr. CHINDBLOM. Mr. Speaker, I am glad that the gentleman from Indiana [Mr. GREENWOOD] saw fit to give some attention to some of the constitutional questions involved here. The time was when the House and the Senate of the United States were the great forums for the discussion of constitutional questions. I can imagine the species of debate which would have occurred on the floor of this House 50 or 75 or 100 years ago if such legislation as is here proposed had then been under consideration by the intellectual giants who fought the constitutional battles in this House. Now, when you raise a constitutional question there is a shrug of the shoulder, and the remark is heard, "Oh, well, I shall take my chances on the Constitution—my constituents want this." Mr. Speaker, the Constitution no longer means anything "among friends," and yet every Member of this House has taken an official oath to "support the Constitution" of the United States. There has not been a serious discussion of the constitutional questions involved in this legislation so far, and yet we have spent by this time fully 16 hours of debate upon it. In the five minutes I have at my disposal I want to suggest what is to my mind a very important constitutional question, and I want it raised here and now, because it will be raised hereafter, and it should not be said that the House of Representatives sat supinely by and permitted its prerogatives, its duties, and its obligations under the Constitution to be overridden by another body.

If this equalization fee is supported on any ground, it must be supported upon the ground that it is a tax. If it is not a tax, what is it? A service charge? If it is a service charge, it must be exacted in proportion to the value of the services rendered, and that is not done in this bill. This is a tax because it is levied for the purpose of paying the cost of administration and for the purpose of paying back to the Government the revolving fund of $250,000,000 which is advanced. If it is not a tax, it will never stand the scrutiny by any court. If it is a tax, what then? Section 7 of clause 1 of Article I of the Constitution reads as follows:

> All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments as on other bills.

Not long ago we had under consideration a post office bill, which we sent back respectfully to the Senate with the message to the Senate that the House insisted upon its prerogatives to originate taxation legislation, to originate revenue legislation. That is not merely a prerogative of the House. It was not intended merely to be a privilege granted to its Members. It was put into the Constitution, drawn from the practice in England in the House of Commons, because our forefathers recognized that in this body the purse strings of the people should be controlled in order that the people might be the better protected against unfair, unjust, and vicious taxation. What has happened in the consideration of this very bill, which is a measure to raise revenue? They tell us now that we must accept this bill just exactly as it comes from the Senate for the purpose of convenience of legislation.

The very reason this clause was inserted in the Constitution was to prevent the Senate, the upper body, from coming to this body, which comes fresh from the people at the biennial elections, and attempting in this way to coerce it. The argument now is that we must accept this bill, not exercise our judgment upon it, not adopt any amendment to it—as one gentleman said yesterday—not to cross a "t" or dot an "i," but accept it exactly as it passed the Senate. Why? To facilitate this legislation and to prevent any amendments which would have to go to conference! The prevention of that very thing was intended by the framers of the Constitution, when they provided that such legislation must originate here, so that we may not be permitted to accept legislation of this kind coming to us from the other body. It was intended that we must give it serious and prior attention right here in the House of Representatives without any preconceived proposal or action by our coordinate body.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. CHINDBLOM. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, I shall not object, because we still have one of the intellectual giants left who can expound the Constitution.

Mr. CHINDBLOM. If the gentleman wants to be facetious I think he has not chosen a good time. What is the purpose of the gentleman's remark?

Mr. BLANTON. The gentleman intimated that we were lacking in this Congress in intellectual giants to uphold the Constitution——

Mr. CHINDBLOM. I did not say anything of the sort.

Mr. BLANTON. Such as we had 50 or 75 years ago. And I was felicitating the House on still having one left.

Mr. CHINDBLOM. Does the gentleman object to my discussing a constitutional question?

Mr. BLANTON. Not at all. As a matter of fact the gentleman and I think very much alike on this bill.

Mr. CHINDBLOM. We do?

Mr. BLANTON. Oh, the gentleman is getting so he does not like facetious remarks.

Mr. CHINDBLOM. Oh, no.

Mr. BLANTON. I am glad we still have an intellectual giant left, to uphold our Constitution.

Mr. CHINDBLOM. I just wanted to give the gentleman plenty of time to express himself.

Mr. BLANTON. I did.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CHINDBLOM. Mr. Speaker, under the leave to extend my remarks, I want to say that the satirical attitude of the gentleman from Texas [Mr. BLANTON] proves my remark that constitutional questions do not receive earnest and serious consideration in this House, particularly on this legislation. The condition is actually such that Members hesitate to discuss constitutional issues in the House because such debate is frowned upon and ridiculed by many of their colleagues. It is surprising that those who are advocating the McNary-Haugen bill are not interested in protecting their procedure against successful attacks in the courts. It is certainly hazardous now to take up the Senate bill, when we have concluded the general debate on the House bill and could well proceed with it. If the Senate bill, as I have suggested, be held to contain revenue legislation by virtue of the equalization fee, the bill, if it becomes a law, will very likely be held unconstitutional by the Supreme Court. This question, however, goes only to the matter of procedure on the Senate bill. Personally, I am convinced that both the House and the Senate bills are subject to constitutional objections by reason of both the equalization fee and the methods provided for appointment of the Federal farm board. For these reasons alone, aside from the economic unsoundness of the proposed legislation, of which I am also convinced, I can not support the rule for the consideration of the Senate bill, S. 4808, or the bill itself if the rule should be adopted.

Mr. LOZIER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. POU. Mr. Speaker, I yield five minutes to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Speaker, the gentleman from North Carolina [Mr. POU] is more considerate of the McNary-Haugen veterans in the allotment of time than our friend the gentleman from Kentucky [Mr. KINCHELOE].

The gentleman from Kentucky seems to have proceeded on the perhaps justifiable assumption that the position of the original advocates of the McNary-Haugen principle—those who have borne the heat and burden of the day and who have stood by in the hour of adversity—is so well known and their contention so well established as to require no further elucidation; and that the time allotted for the discussion of this bill should be monopolized by these new converts, who have suddenly seen the light and have rallied to its support at the eleventh hour; that they naturally should be given ample opportunity for belated deathbed repentances and time in which to make their peace with their political creators and commend their political souls to the mercies of their farming constituencies which gave them.

Chief among these is the gentleman from Kentucky himself; and it is most gratifying to see one who for five long, obstructive years has busily utilized every resource and embraced every opportunity in an industrious endeavor to kick the spokes out of the rear wheel, not only climbing up on the band wagon, but taking the front seat and seizing reins and whip.

There is only one other event that could occasion equal gratification and equal surprise. And that would be to see our esteemed friend from Kansas [Mr. TINCHER] likewise coming down to the mourners' bench on the last ballot. I take this opportunity to remind the gentleman from Kansas of that old revival hymn:

> And while the lamp holds out to burn,
> The vilest sinner may return.

And I believe I can assure him that if he will come over and take his place on the McNary-Haugen band wagon, now moving

resistlessly forward over all opposition, we will give him a place in the front seat right up beside the gentleman from Kentucky. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. POU. I think this has exhausted debate on this side.

Mr. SNELL. Mr. Speaker, I yield 10 minutes to the gentleman from Minnesota [Mr. NEWTON].

Mr. POU. Mr. Speaker, does the gentleman wish to yield on his side now?

Mr. SNELL. If it is agreeable.

Mr. POU. It is entirely agreeable.

Mr. SNELL. I yield 10 minutes to the gentleman from Minnesota [Mr. NEWTON].

Mr. NEWTON of Minnesota. Mr. Speaker, I have heard much during the course of the three debates on the Haugen type of legislation about "orderly marketing." I want to call attention to-day to something equally important at least in the House of Representatives and that is "orderly legislation." We certainly are going far afield in this respect when the Committee on Rules reports a resolution to the House asking that a great committee of the House be discharged from the consideration of one bill and that the House take up another bill which has not been considered by the committee. And yet that is exactly what we are asked to do.

Mr. PURNELL. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. PURNELL. The gentleman does not expressly contend that we have gone very far afield when we have brought in an identical bill with a very few minor and I might say in a large degree unimportant amendments?

Mr. NEWTON of Minnesota. The gentleman from Minnesota contends exactly that—that we have gone far afield.

Mr. LEAVITT. Will the gentleman yield?

Mr. NEWTON of Minnesota. I can not, I am sorry. I only have a limited time. If I have time later I will be glad to yield. The gentleman presenting this legislation can not produce a precedent to sustain this procedure. Talk about your minor amendments! The original Senate bill and the House bill differed in two different particulars. The difference is in the declaration of policy.

The Senate bill was amended on the floor of the Senate in 23 or 24 different places. Here is a great committee of the House charged with responsibility to the House. It receives a bill one day. Two days later after having failed to consider it, it asks for a rule that it be discharged from being required to pass judgment upon it and to submit its report to the House. Now let us see what was done here.

Mr. O'CONNOR of New York. Will the gentleman yield?

Mr. NEWTON of Minnesota. I can not yield just now. Let us see what was done. The Committee on Agriculture met during the present session of Congress, considered the Haugen bill which was reported to the House. They asked for a rule that it be made a special order for consideration in the House. The House adopted the rule; I voted for it not because I believed in the bill but because I thought there was sufficient sentiment behind it so it ought to be considered on the floor of the House.

While we were in the consideration of the Haugen bill in the House the Senate considers similar legislation over there. They pass it. It comes over here, a different bill, and is referred to the Committee on Agriculture in due course. The Committee on Agriculture, instead of meeting, taking up the bill, the new features in it, and considering it, and making a report to the House as to what it contains, advising the House what the changes were and just wherein they affected the bill, does nothing of the kind whatever. They did not even read the bill, did not even discuss the amendments or consider them. They held no hearings or anything of the kind. Yet, they ask for a rule that it be discharged from consideration.

Now, gentlemen of the House, if we consider our responsibility here as Members of the House, why is it that we are asked to sacrifice every fundamental principle of legislation in the House?

What changes were made by the Senate bill? There were 23 of them. But before I discuss that let me add to what was said here by the gentleman from Illinois [Mr. CHINDBLOM] in reference to the constitutionality of this Senate bill. Of course, I doubt very much whether on any other subject matter this thing could occur. The equalization fee is clearly a tax, as the gentleman from Illinois pointed out. The Constitution requires bills to raise revenue shall originate in the House. This bill originated in the Senate. It comes over here in violation of the Constitution.

Now, what are the changes? Let me call attention to several of them. In the first place, in the declaration of policy there is a change. The House bill had a provision about preventing surpluses from unduly depressing prices. That is not in the Senate bill. Yet we are going to be asked here to pass this bill—that is the plan—without changing it even to the extent of the dotting of an "i" or the crossing of a "t." What is the use of considering it, then? As long as this is the plan, why did not my good friend from Indiana [Mr. PURNELL] ask for a rule which would have called for a consideration of the Senate bill without any opportunity of amending it in any particular whatever?

Mr. ELLIS. Mr. Speaker, will the gentleman permit me a question right there?

Mr. NEWTON of Minnesota. Yes.

Mr. ELLIS. Should not the rule have recited that the vote adopting the rule also adopted the bill? We have been playing horse here all the rest of the week, judging from the sentiment and spirit descending here from all quarters.

Mr. NEWTON of Minnesota. Certainly.

Here is a change in reference to commodities. Tobacco is put in, and yet a distinction is made with reference to tobacco as apart from all other commodities. They are authorized to levy an equalization fee against one grade of tobacco and exempt another. Now, I would like to know how the cotton and wheat farmer will think about a discrimination of that kind. It was put in there for the purpose of getting a few votes and nothing else.

Mr. BLACK of New York. Mr. Speaker, will the gentleman yield there?

Mr. NEWTON of Minnesota. In just one moment.

Now, I want to call attention to page 21 of the bill in the "comparative print." Let me read it:

(b) For the purpose of developing continuity of cooperative services, including unified terminal marketing facilities and equipment, the board is authorized, upon such terms and conditions and in accordance with such regulations as it may prescribe, to make loans out of the revolving fund to any cooperative association engaged in the purchase, storage, sale, or other disposition, or processing of any agricultural commodity.

Note the phrase "including unified terminal marketing facilities." Twenty-five million dollars is to be available for that purpose. I read further:

(1) For the purpose of assisting any such association in the acquisition by purchase, construction, or otherwise, of facilities to be used in the storage, processing, or sale of such agricultural commodity.

What is concealed in this language? Who is it? Who is it, I say, who has warehouses, elevators, grain concerns, packing plants, or other facilities to unload?

This provision was inserted for no other object. We are asked to put it in here without recommendation from the Committee on Agriculture, and later they are going to ask you to vote it without changing it in any form. I have it that the inspiration for this particular provision comes from a source very close to an outfit that has had some very great difficulties in getting along. We at least should find out.

The SPEAKER pro tempore (Mr. ACKERMAN). The time of the gentleman from Minnesota has expired.

Mr. NEWTON of Minnesota. Mr. Speaker, I ask for five minutes more.

Mr. PURNELL. Mr. Speaker, I yield to the gentleman five minutes more.

The SPEAKER pro tempore. The gentleman from Minnesota is recognized for five additional minutes.

Mr. NEWTON of Minnesota. On page 22 you have an insurance feature. In the 1924 Haugen bill and in the 1926 Haugen bill there was no discussion of a provision about insuring any producer or any organization of producers against fluctuations in price. No such thing of that kind was involved, and none such was ever considered by the Committee on Agriculture in the House. But little consideration was given to it in committee in the Senate; and the provision placed on the bill on the floor of the Senate is different from the one discussed in committee. What manufacturer, what man in business can enter into an insurance agreement for the purpose of maintaining prices? Yet we are asked to take this up under this rule and to vote for it simply because it is in the Senate bill.

Mr. CHINDBLOM. Mr. Speaker, will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. CHINDBLOM. The gentleman does not intend to forget the tobacco feature on page 8?

Mr. NEWTON of Minnesota. I have already mentioned that.

Mr. BLACK of New York. Mr. Speaker, will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. BLACK of New York. Did the Senate put anything in the bill to safeguard consumers against extravagant prices?

Mr. NEWTON of Minnesota. Not so far as I have been able to ascertain.

Now, take the provision on page 25 of the comparative print.

Mr. LEAVITT. Mr. Speaker, will the gentleman yield?

Mr. NEWTON of Minnesota. Not now. Wait until I get through with this particular feature. In the House bill the equalization fee on cotton was assessed at the ginning. In the Senate bill the equalization fee is assessed at the cotton mill. That is a very fundamental change. It has always been assessed heretofore at the gin. To-day in the Senate bill we have it at the cotton mill.

Now I yield to the gentleman from Montana.

Mr. LEAVITT. The question I wished to ask is this: Has the rule done anything in this connection that is not entirely agreed to by the Committee on Agriculture?

Mr. NEWTON of Minnesota. I do not know what the Committee on Agriculture agreed to, but I know that the duty of any committee of the House in receiving a bill referred to it——

Mr. McLAUGHLIN of Nebraska. Will the gentleman yield?

Mr. NEWTON of Minnesota. I can not yield until I have made my statement.

Mr. McLAUGHLIN of Nebraska. The gentleman said he did not know and I want to tell him.

Mr. NEWTON of Minnesota. I do not yield now. I know that the duty of any committee to which a bill has been referred is to report it back to the House with its recommendations, in order that the House may have an opportunity to consider it. This committee never considered anything of the kind. I now yield to the gentleman from Nebraska.

Mr. McLAUGHLIN of Nebraska. The Committee on Agriculture had a meeting and voted unanimously to ask for this rule.

Mr. NEWTON of Minnesota. But let me ask the gentleman this: Did the committee read the Senate bill?

Mr. McLAUGHLIN of Nebraska. I read it myself.

Mr. NEWTON of Minnesota. Well, the gentleman is not answering the question. Let me ask the gentleman if the committee read any one of the amendments and discussed them?

Mr. TINCHER. Will the gentleman yield to me?

Mr. NEWTON of Minnesota. I yield.

Mr. TINCHER. The gentleman's statement no doubt is not intentionally wrong, but I did not vote to ask for the rule, and I am sure other Members who agree with me did not ask for the rule.

The gentleman from New Jersey [Mr. FORT] asked to be recorded "no," and I heard some other noes. There was no roll call; but it is not fair to state that the committee unanimously voted to ask for this rule because I did not. The fact that you do not obstruct a proposition does not mean you are for it. I am not for the rule and do not believe in the rule.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. JOHNSON of Washington. Following out that line of argument, if the House itself should vote to adopt this rule, then the House goes into the Committee of the Whole and finds itself actually foreclosed on the question of the adoption of the amendments inserted by the Senate.

Mr. NEWTON of Minnesota. Yes.

Mr. JOHNSON of Washington. If the rule is adopted, then the intention is to take the Senate bill as we find it and not to change it in any degree which will jeopardize it. I believe the gentleman is right. This House should look into this matter of permitting the purchasing of warehouse sites, and so on. The clamor may be to buy them all in one State and we will find ourselves sold out before we get started. It is a very dangerous proposition and yet the suggestion is made that all amendments will be voted down.

Mr. NEWTON of Minnesota. The purpose is very clear to object to any sort of an amendment to this bill. I do not think this House ought to revolutionize its procedure even in the face of the cry for this sort of legislation. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Minnesota has again expired.

Mr. POU. Mr. Speaker, I yield five minutes to the gentleman from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. Mr. Speaker and gentlemen of the House, the gentleman from Minnesota, who has just taken his seat, has indulged in some direct and indirect criticism of the action of the Committee on Rules in reporting this resolution. I think, in view of his statement, it might be well for me to briefly state upon what facts the action of the Committee on Rules were based in offering this resolution.

It will be admitted, of course, that the Committee on Rules has great power. The rules of the House themselves bestow upon this committee the right to bring in forms of procedure that possibly have no precedents in the past. But the facts are that the chairman of the Committee on Agriculture appeared before the Committee on Rules and stated that he desired a rule effectuating the purpose embraced in the bill now pending. At the first meeting of the Committee on Rules the chairman of that committee stated to the gentleman who made the proposal that unless the Committee on Agriculture had a formal meeting of its committee and decided by a majority vote to ask the Rules Committee to take this action it would not be considered by our committee. Immediately thereafter we were informed that the Committee on Agriculture was called into session; that after that it had a meeting and the chairman of the committee reported back to the Committee on Rules that by a large majority of that committee they had directed him to appear before the Committee on Rules and ask for this particular and specific resolution.

Now, gentlemen, the true conception, as I understand it, of the duties of the Committee on Rules is not to obstruct, but as far as possible to facilitate legislation. As a matter of fact, a majority of the individual members of the Committee on Rules is opposed to the Haugen bill and the Senate amendments; and if that majority had desired to assume a narrow attitude upon this question, they had the power, if they chose to exercise it, to prevent the House from having the opportunity now offered of passing this resolution and considering the Senate bill.

We legislate here, gentlemen, by a majority; and if the proponents of the Senate bill have a majority of the membership of this House, they are entitled to an opportunity to express their will, and I think the action of the Committee on Rules is not subject to the criticism leveled at it by the gentleman from Minnesota, but, upon the contrary, if we had stifled the apparent desire and the expressed desire of the majority of the legislative committee and had refused their request, I think we would have laid ourselves open to the criticism that we were not giving the House of Representatives a fair and distinct opportunity to legislate by this majority, if that majority exists.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. BANKHEAD. I yield to the gentleman.

Mr. NEWTON of Minnesota. Does not the gentleman think, under the regular procedure of the House, the House is entitled to have the benefit of the judgment of the Committee on Agriculture as to the Senate bill, and in particular the changes that were made in it?

Mr. BANKHEAD. I assert that the House is going to be entitled to have and is going to have the benefit of the judgment of the Committee on Agriculture, because by its majority report it requested this action, and time is provided under the resolution, if adopted, to afford a fair opportunity to the Committee on Agriculture to express its views and to carry out its recommendations. [Applause.]

This is all I desire to say, Mr. Speaker, with reference to the rule.

Mr. PURNELL. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker and gentlemen of the House, we might just as well be perfectly frank with the House and with the country and say that if we are to get farm-relief legislation at this session of Congress we must adopt this resolution and pass this bill as it came to us from the Senate without the crossing of a "t" or the dotting of an "i." [Applause.] We are not seeking to fool anybody. We are trying to get that which we have been working for for six years—farm-relief legislation.

These bills were identical in character when they were introduced in the House and in the Senate, and such amendments as have been put on in the other body have not vitiated it, but have left intact the strong, outstanding, underlying, basic principles upon which the legislation is founded.

Mr. CHINDBLOM. Will the gentleman yield just for a question?

Mr. PURNELL. Yes.

Mr. CHINDBLOM. I simply want to ask whether the two bills were identical in phraseology. I noticed the gentleman used the word "character."

Mr. PURNELL. I think also in phraseology. I did not compare them carefully for that purpose, but I think they were identical in phraseology.

Now, I do not find any fault with my good friend from Minneapolis [Mr. NEWTON], who feels constrained to come in here and make a fight for the farmers of his district. [Laughter.] I do not have any complaint to lodge against my good friend from Chicago [Mr. CHINDBLOM], who does represent a few farmers and who is very jealous of the Constitution; but we are meeting exactly what we have met in every fight we have had before—the combined opposition of the gentlemen in the House who represent the cities, coupled with all the

strength that can be mustered by unfriendly newspapers, representatives of consumers, and a few gentlemen of great wealth throughout the country, who are overzealous in their effort to protect the consumers of this country against what they believe will be an increase in prices.

Every morning we still must read the stinging editorials in that great agricultural paper here in Washington known as the Post [laughter] seeking, as it does, to shape the agricultural policy of the Congress of the United States. One of their recent statements is to the effect that the farmers themselves do not want this legislation. I can not imagine by what stretch of imagination this gentleman whom I termed a feather-bed farmer the other day can read the minds and the hearts of six and a half million farmers in this country and announce to us that they themselves do not want the thing which the Representatives who have been with us for six long years have told us they want. I do not recall that the gentleman who wrote this editorial or anybody connected with his paper has ever crossed the threshold of the Committee on Agriculture offering a single suggestion.

Some of these gentlemen feel constrained to wait until we have labored night and day as we have for six years before expressing themselves. They wait for us to bring out a bill and then sit back and try to pick it to pieces—some of these men who could not build a house but are artists in destroying houses. [Applause.]

Then, I noticed this morning in the paper that that other great farmer and agriculturalist, Henry Ford, has denounced as asinine and senseless this proposed legislation. He suggests as a remedy for the present agricultural problem that the farmers all move to town and drive out to their farms daily—in Fords, of course—and do all of their farming by machinery. He advocates further the doing away with cattle and chickens in the country as a solution of the farm problem—driving us all to Fords. I have had some experience in my lifetime in cranking Fords and I know they will kick, but I never knew before that they would give milk or lay an egg. [Laughter and applause.] I will just say, in passing, if Henry Ford knows no more about the settling of this agricultural problem than he knew about settling the World War, he would better confine his activities to manufacturing Ford automobiles. However, he did more than many others have done—he suggested a remedy.

Also, in the morning press, as another part of this great program to stifle what six and a half million farmers want, our Secretary of the Treasury has seen fit to send up a letter, which is his custom, thereby seeking to influence the membership of this House. I have no objection to this, and I have great respect and admiration for the Secretary of the Treasury, Mr. Mellon. I think when he takes his rightful place in history he will stand out perhaps as second to none, and will surely be entitled to a place beside the great Alexander Hamilton; but I can not forget that this same gentleman who tells us it will cost $800,000 per year to administer this law and that the equalization fee will be hard to collect is the same gentleman who, on the 10th of November, 1923, in a letter addressed to the chairman of the Committee on Ways and Means of the House, when we were considering the bonus question, said that the bonus bill, if passed, would postpone tax reduction, not one year but for many, many years to come; and that, indeed, it would probably mean an increase in taxes.

I have a great respect for Mr. Mellon and for his great ability and his judgment, and he may be right when he says the equalization fee will be hard to collect, but if he thinks that is hard to collect, let me suggest now that "he ain't seen nothing." He ought to own and depend for a living upon a 160-acre farm, with a first and second mortgage on it, and try to collect enough from the sale of his products to pay his taxes, buy clothing for his family, and educate his children. He would then understand what we mean when we say that is also very hard to collect. [Applause.]

My good friend from Maine [Mr. HERSEY] yesterday, in an effort to bring in more power and influence against this bill, dragged in our good friend, Will Rogers, who in a humorous squib from Augusta, Ga., suggested that the way to settle the farm problem for you fellows in the cotton country is to hit with a hammer between the eyes every one of your farmers who continue to raise cotton year after year.

Gentlemen, there appeared a little article a few days ago in the Progressive Farmer, written by Gee Magee, who has laid down 10 specific rules for helping your cotton farmers. His rules will also apply with equal force to those in our country who raise corn, wheat, oats, hogs, and cattle. Here are the rules:

1. Rent a good farm for part of the crop, and shoot your landlord if he ever mentions his part to you.

2. Buy your guano on credit. Steal your mule feed and plow tools from your neighbor. Give checks for groceries.

3. Stay away from church, so's your preacher won't expect you to pay him anything, and if he sends a collector around, why, turn him down.

4. Borrow a shoat to raise on halves. When he gets fat kill him, and tell the man you got it from that his half died.

5. Spend every Sunday with your wife's kinfolks, if she's got any fit to go to see, and borrow enough rations to live on through the following week.

6. Hire a hand and promise him two bales of cotton for his services, and run him off before you begin to gather your crop. (N. B.—Make him board himself while working for you.)

7. Get some man to indorse your note for $50 and don't speak to him again.

8. Trade at every store you find that will sell you on credit till "next Saddy." If any of them turns you down—buy one load anyhow with a check.

9. As soon as crops are laid by—take your mules back to the man that you bought them from, and tell him you are ruint. (He will be glad to get his mules back by that time.)

10. Pick your cotton as fast as it opens. Have it ginned, and charge the ginning to your landlord. Sell your seed and cotton as soon as possible. Dodge everybody you owe, and move just as soon as you think that somebody else is thinking that you are planning to leave the State. That's all.

[Laughter.]

Gentlemen, you can not laugh out of court this problem. Like the poor, you have it with you always, and you will have it until we settle it. In 1920 the farm indebtedness in this country was $3,500,000,000. In 1926 that indebtedness had grown until it was $12,450,000,000. Since 1920 hundreds of thousands of farmers have lost their homes and nearly a million people have left the farms and gone to the cities. They tell us that the bright lights of the city are enticing the farm boys and girls to the city and away from the farms. Let me tell you, coming as I do from one of the finest agricultural sections in the whole United States, that there is a great army of farmers leaving the farm for the city, and it is because the farms are not profitable. When once they are made profitable, or become so, we will find the same army anxious and willing to come back and enjoy the pleasures of the farm, because there are pleasures on the farm. There likewise should be a reasonable profit.

Mr. McDUFFIE. Will the gentleman yield?

Mr. PURNELL. I will yield.

Mr. McDUFFIE. Every Member of this Congress recognizes and wishes to relieve the emergency and distressing conditions of agriculture. I am wondering if the gentleman has considered the proposition that this legislation will probably be tested out in the courts, even if the President approves it; and does not the gentleman fear that for at least two or three years, if we pass this bill, there will be no relief for agriculture? Should we not try to meet the emergency by passing some other bill, which is more satisfactory to the President, and without provisions which so many contend are unconstitutional?

Mr. PURNELL. Let me say this in reply to the gentleman: Men came from every nook and corner of the United States before our committee; and without deviating one whit in their several stories—and they had not talked them over in advance—they all agreed upon and detailed certain conditions which exist in our country. They were agreed; and it is not now disputed that agriculture is not on an equality with industry and labor; that agriculture is not now on a paying basis. It was agreed that the time had finally come when we must seek a legislative remedy. Not 2 per cent of them who came before the committee detailing conditions in agriculture had the temerity to walk in and lay down any concrete remedy by which they thought it might be solved. That duty they were all willing to leave with the Committee on Agriculture. The representatives of more than 4,000,000 farmers, however, did agree finally upon the proposal that is now before you; and in the almost unanimous judgment of our committee this is the best plan that is offered. We think it is sound. We think it is fair and that it will work. If it does not, we will as quickly urge its amendment or repeal. I hope the resolution will be agreed to and that the bill will be passed without amendment. [Applause.]

The SPEAKER pro tempore (Mr. ACKERMAN). The time of the gentleman has again expired.

Mr. O'CONNOR of New York. Mr. Speaker, I yield 10 minutes to the gentleman from Minnesota [Mr. KVALE].

Mr. KVALE. Mr. Speaker, I am very glad to support this rule and I shall vote for it and vote for the bill. I do not share the fear that some people have expressed this afternoon of a steam roller on the part of the House. As I understand it, the House will be given ample opportunity to vote on every amendment, and if the majority votes down the amendment it is at least the steam roller of the majority, and that should be permissible. For that matter, if it is applied in this instance, I, for one, shall be glad to see the time arrive in this Congress when the steam roller for once may be applied in favor of the farmer. [Applause.] Let us apply it the way it was applied in the last session of this Congress when we took $85,000,000 out of the Treasury of the United States and refunded it to a few millionaire families in this country. I would say to the Secretary of the Treasury, who has complained of the cost of $800,000 a year for the operating expenses of this bill——

Mr. CHINDBLOM. Mr. Speaker, will the gentleman yield?

Mr. KVALE. I would rather wait until I am through with my statement. I have only a little time. If I have time then, I shall gladly yield.

Mr. CHINDBLOM. But the gentleman says that he has complained. That is not fair. Neither the Secretary of the Treasury nor myself, who obtained the letter, complained about the cost. I wanted to find out what the cost would be and I asked him.

Mr. KVALE. I call it complaint on his part.

Mr. CHINDBLOM. Read the letter.

Mr. KVALE. I have read the letter.

Mr. CHINDBLOM. Is there any complaint in it?

Mr. KVALE. He says there will be an expense of $800,000 a year.

Mr. CHINDBLOM. Does he complain?

Mr. KVALE. I say that it amounts to a complaint. I say again, let us take the $85,000,000 that we took out of the Treasury and refunded to a few millionaires and apply that here and we can operate the McNary-Haugen bill in favor of the farmer for 100 years. [Applause.]

But, Mr. Speaker, I want to speak about one phase of the subject that has not been touched upon very much by any of the speakers, and I have listened attentively for days. Before going into that, however, let me say that it is gratifying to those of us who have led the van in the fight for the recognition of the rights of the farmers to find so many agreeing with us at this time.

Six years ago Senator SHIPSTEAD, then Doctor SHIPSTEAD, was on the hustings in Minnesota, and some of the rest of us joined him. We pleaded for the rights of the farmer, and men smiled; some laughed out loud, and some of them said things about us that would not look well in the CONGRESSIONAL RECORD. Those same men are not laughing now. During the last 10 days two key banks in county seats in my district have closed their doors.

We are gratified that the Nation has at last been aroused to the necessity of doing something for the farmer. It reminds me of an incident which took place on Mount Carmel on the east shore of the Mediterranean nearly 3,000 years ago. The prophet sent a man to look toward the western horizon to see if there was a cloud or storm coming. The man returned and said there was nothing, and the prophet sent him again, and he again returned and said there was nothing. He sent him seven times, and the seventh time he returned and said, "There is a little cloud the size of a man's hand," and in a little while the heaven was black with clouds and with wind. That is precisely what has taken place here. The "powers that be" have sent scouting parties out to look on the western horizon to see if possibly there might be a storm brewing, and those scouts have returned year after year and said, "There is nothing; they are all good Republicans out west and are voting the Republican ticket; there is no sign of any storm brewing," until the seventh time, in the seventh year, they have returned and said that there is a cloud on the horizon the size of a man's hand. And I tell you, Mr. Speaker, that in a little while that cloud will have grown so that the heavens will be black with clouds and with wind; and that is why we finally are going to get some legislation now.

Mr. LOZIER. Is it not true that practically every Republican who was elected from the Middle West and from the Northwest was elected upon a platform of hostility toward the Coolidge plan for farm relief?

Mr. KVALE. The gentleman is entirely correct. I think it safe to assert that every Republican from agricultural districts in the whole West and Middle West was elected on a platform in direct opposition to the Coolidge-Mellon-Jardine agricultural policy. I do not know of a single exception.

I do not hold the view that this legislation is a cure-all for the farmer. I agree with those who have spoken of different remedial measures that should be enacted into law. I subscribe to much of what was said by the gentleman from Alabama [Mr. HUDDLESTON]—and, by the way, what he says is always worth listening to and worth reading. I have said repeatedly on the floor of this House what the gentleman from Kentucky [Mr. KINCHELOE] called attention to—that the farmers of the Nation, after sessions with the Committee on Agriculture, should appear before another committee, the Committee on Ways and Means, and ask them to rewrite the Fordney-McCumber tariff schedules.

And in a short time the farmers of the West will go before still another committee of Congress, the Committee on Banking and Currency.

What has been taking the heart out of the farmer and bleeding him white is not only the iniquitous Fordney-McCumber tariff, not only the unjust Esch-Cummins law, but it is the usurious interest rate by which the West is bled and its substance fed into the money power who, little by little, are coming to own us out West. Our farmers are becoming serfs and vassals to the money power of the East by virtue of this high rate of interest, and that will have to be remedied in a few years if the farmer is ever to be prosperous again.

Mr. Speaker, who are the people that are so strenuously opposed to this bill? In the main they are the grain gamblers and the speculators. Read the hearings of the Committee on Agriculture. I refer you to page 1244 of those hearings, where a number of boards of trade and chambers of commerce in Minneapolis, Duluth, Kansas City, Omaha, Milwaukee, and Chicago are given as the ones who are opposed to the bill. A gentleman said that the Minnesota wheat growers are opposed to it. That is not the case. The president of the Minnesota Wheat Growers' Cooperative Marketing Association, Mr. Edward Hagen, a fine type of gentleman and a good friend of mine, wires that the wheat-growers' association has always stood squarely back of the McNary-Haugen bill from its first draft in 1923.

If we pass this legislation here and the President of the United States vetoes it, that will be proof positive that the boards of trade and the grain gamblers and the food speculators of the United States have more influence in the White House than they have in either branch of Congress. This propaganda emanates from them. I want to read to you now from page 13 of the report on the bill before us. It reads:

> As heretofore explained, these problems arise out of the fact that prices of farm products are uncertain and unprofitable, due (1) to seasonal variations in yield, and (2) to competition with the products of European and Asiatic peasant labor and of new lands with low production costs.

I agree that those are some of the reasons. But I would change the numbering and put No. 2 as No. 3, and as No. 2 I would put "The operations of the grain gamblers and speculators of the United States on the boards of trade and the chambers of commerce." The minority report, on page 7, practically admits this when it voices concern for the commission merchant.

Some time ago, January 30 of last year, I made a speech here on the grain-gambling activities in this country, and I suggest that you read the correspondence I placed in the RECORD between Mr. J. W. Brinton, of the Minnesota Wheat Growers' Association, and Mr. Duvel, of the Department of Agriculture, who handles the grain futures act in that department. That correspondence will reveal to you that the very department of our Government which was established to protect the interests of the farmers is in reality being made use of as a protection for the grain gambler and the food speculator in preying upon the farmer.

I ask, is this the reason why Mr. Jardine is opposed to this legislation?

I hold that the creation of such a board as is contemplated in this bill, the bare knowledge that such a board exists, with power to buy and to sell, backed by our Government, will by its very existence act as a powerful curb on gambling activities. And, as we all know, it is this very gambling and speculating which has robbed the farmer out of hundreds of millions, yes, billions of dollars, of his hard-earned wealth these many years.

In the speech I refer to I asked Secretary Jardine a question which I consider pertinent. Evidently he thought it impertinent, for he has ignored it. The question, which I repeat here, is: Does the Secretary of Agriculture, by virtue of the grain futures act or other laws on the statute books, have the power to stop this gambling? If he does have the power, the farmers of the Nation would like to know why he does not use it. If he does not have the power, will he have his legal advisers draft a law that will give him the power? It is time something were done about it. [Applause.]

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. KVALE. Could the gentleman give me three minutes?

Mr. POU. I am sorry, but I am unable to do so.

Mr. PURNELL. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan [Mr. KETCHAM].

Mr. KETCHAM. Mr. Speaker and Members of the House, I think practically everyone who has spoken upon this bill has taken the pains to say something about his own record in reference to past legislation of this sort. I want to follow precedent in that regard. In 1924 I voted for the McNary-Haugen bill and did all I could to assist in its passage. The hearings on the second bill—that of 1926—will show that my attitude was entirely and completely friendly, and that I intended to go along with the proponents of the bill until about 36 hours before it was to be reported to the House, when what I regarded as a real vital part of it was traded off deliberately, in my judgment, in the hope of securing votes for the measure. Then it was I announced I would have to part company, because I believe the subsidy provided would defeat the main object of the legislation, namely, surplus control, be it seasonal or regional or exportable. I followed that course of action through the various parliamentary stages in the House and spoke and voted against the bill.

If my personal attitude in regard to this legislation is of any interest, I would say that looking at it in a practical way it has seemed to me that the widely published intention of a presidential veto and the strong intimation of court procedure to test the validity of the equalization fee in the present bill would make it advisable for the friends of farm relief to accomplish their purpose through the medium of one of the other bills mentioned in connection with the McNary-Haugen bill.

More than that, I have felt that our Michigan agricultural conditions would be benefited to a greater extent by the enactment of the Curtis-Crisp bill than by the McNary-Haugen bill. Still further, I feel that both the House and Senate forms of the McNary-Haugen bill are deficient in that no provision is made for placing other crops within the provisions of the bill except by further congressional action.

The question of personal attitude, however, is purely academic. As I understand the situation, the action of the Senate last Friday in passing the McNary-Haugen bill in the form we now have it before us for consideration, coupled with our certain action to-day in adopting the rule in order to substitute the same for all bills under consideration now before the committee, simply resolves the whole question into one proposition, namely, Are we to secure any farm relief at this session and, if so, shall we vote for or against the McNary-Haugen bill, the only form of such legislation that can actually be considered?

With that statement of the proposition there is only one thing that I want to do and that I can conscientiously do, and that is to stand before you and say I am going to vote for the McNary-Haugen bill. [Applause.]

Mr. Chairman, if anyone is seeking for a sentiment or statement upon which he may base his action in regard to all farm-relief legislation, I think it can possibly find expression in the words of Henry Van Dyke, who says:

> In the game of life as we play it here in America the rules must be the same for all, the penalties must be the same for all, and the prizes, so far as we can make them such, must be the same for all, and may the best man win.

In the vote upon the pending measure we are seeking to modify the rules of this great game of life as it is played so superbly here in America in the interests of the great farming group.

The problem which this legislation presents is not unlike that which occasionally confronts the House itself in connection with the rules governing its procedure. Although to-day we may think that absolutely the last modification in our House rules has been made to care for every new situation that may arise, hardly a session passes that some new adjustments are not found to be necessary.

So it is in connection with our Nation's economic life. The social order is constantly shifting and changing, particularly in its economic phases.

With each change new rules are required, and these rules, of course, take the form of legislation. The advantage of machinery, the practical revolution in transportation of the last two decades, improvements in communication, have all naturally led to modification of the laws which govern this great game of life as we play it, and it is therefore but fair to heed the Nation-wide appeal of the farmers of the country for a modification of the rules that will enable them to play this greatest of all games in America—the "game of life"—on equal terms with the rest of us.

I repeat, Mr. Chairman, this bill is an effort, a conscientious attempt, to write into the legislation of the country some "rule," if you please, that will enable the farmers of the country to play this grand old game, the greatest game in the world, the game of life, on an equal footing, if you please, with all other groups of our people. [Applause.] If that is a fair statement, of course it follows if we are to be at least decent in our intellectual processes, that we must endeavor to find some sort of a fair, sound basis of comparison between the present situation of the farmers of the country and that of other groups that have been affected by legislation, and let that be our point of departure; and then, following that, see whether other legislation has affected other groups favorably, and finally draw our own conclusion as to what ought to be done with this bill.

I shall not weary the House with a review of legislation that has unquestionably modified the rules to the advantage of other groups of our people, nor shall I attempt to inveigh against either such legislation or the sponsors of it, but I would like to restate in terms of indexes the results that have come to agriculture during the course of the last 10 or 15 years, a part of which can fairly be attributed to the legislation that has been written to meet the needs of our advancing civilization as well as the demands of certain groups who champion such legislation.

Taking the wages of union labor as our first illustration. Starting with 1913 as our base and 100 or our index. We have come along up through the war period and on into the adjustment years following, with these indexes continually increasing until in 1924 they reached 228.1; in 1925, 237.9; and in 1926, 250.3.

Certainly no one who is informed upon the subject will say that the Adamson law of 1916 and the recent immigration acts have not materially contributed to the increase of this union labor index, and to that degree certainly the rules have been changed to the advantage of this great and important group of our people.

Look at freight rates from the same standpoint. Starting again with 1913 as our base and 100 as the index, freight rates are at present 172.5. No one will dispute that the Adamson law and the Esch-Cummins law have contributed to this 72 per cent raise in freight rates.

Taking farm labor and the index for 1913 at 100 and in 1926 approximately 163, we readily see how this important factor in the farmers income has been reflected by the modification of the laws which have been written to the advantage of union labor.

Taking 1914 as a base and 100 as the index, farm taxes since 1914 have advanced 150 per cent. These include State, county, and local taxes.

In 1910 there was a mortgage indebtedness on owner-operated farms of $1,700,000,000, in 1920 it was $4,000,000,000, in 1925 according to the latest agriculture census it was $4,200,000,000.

The total farm mortgage debt, including all farms in 1920, amounted to $7,857,000,000, and at the present time this total mortgage debt is estimated at approximately $8,400,000,000.

Land values increased from 1910 to 1925, 43 per cent.

Mortgage indebtedness increased something like 140 per cent.

The value of land and buildings in 1910 was $34,800,000,000.

In 1925 this total value was $49,500,000,000.

An increase between 1910 and 1925 of something more than 40 per cent.

The increase of mortgage indebtedness between 1910 and 1925 on owner-operated farms, however, was much larger, amounting to 140 per cent.

The gross income from all farm products in 1925 was $12,400,000,000.

This compares with $9,200,000,000 in the worst year of the postwar depression.

During the present season of 1926–27 the Department of Agriculture estimates that the gross income from all farm products will be at least 5 per cent less than in 1925–26, and a study of the department's Outlook report for 1926–27 suggests that there may even be a moderate decline next year.

This recent falling off in income is reflected in the changes that have taken place in agricultural prices in cotton and grain.

While I do not wish to inject a political argument into this debate, yet I can not let pass the statement that has been reiterated time and time again during the course of the debate to the effect that the Fordney-McCumber Tariff Act has robbed the farmer.

Referring to the indexes of nonagricultural products, which includes 404 articles of commerce classified in different groups, I ask your consideration to the following comparison:

Between September, 1922, the date when the Fordney-McCumber tariff became effective, and 1926 it will be observed that in every one of the groups where tariff intervenes the price level for 1926 is below that of 1922, and this in spite of the fact that the labor indexes, which are the principal factor,

have increased from 193.1 to 250.3. In the same period of time farm indexes have gone from 124 to 135, 134, and 146.5. Nonagricultural indexes have gone from 178.6 to 160.8.

Indexes, 1922

Farm products	133
Cloth and clothing	183
Metal and metal products	134
Building material	180
Household furnishings	173
Agricultural	124
Average nonagricultural	178.6

Indexes, 1926

Farm products	142.2
Cloth and clothing	175.9
Metal and metal products	126.7
Building material	173.4
Household furnishings	161.8
Agricultural	146.5
Average nonagricultural	160.8

Before I leave the floor I want to challenge again my good friend from Minnesota, the gentleman who has just left the floor—and he is not alone in the error. I know he will be glad to be corrected and does not want to make a misstatement; I refer to Mr. KVALE, who has never missed an opportunity on this floor to say that a part of the condition of the farmer in America is due to the iniquitous Fordney-McCumber tariff law. I want the gentleman from Minnesota and every other man who believes that to look me in the eye while I tell him again what the facts are. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. KETCHAM. Mr. Speaker, that was very unkind. [Laughter.]

Mr. PURNELL. Mr. Speaker, I yield to the gentleman from Michigan another minute.

Mr. KVALE. Not wholly due to the tariff.

Mr. KETCHAM. I want to repeat the statement that when the gentleman charges that the present condition of the farmer has been due to the operation of the Fordney-McCumber law——

Mr. KVALE. In part——

Mr. KETCHAM. He is not stating the exact facts. These are the figures: In 1922, in September of that year, when the Fordney-McCumber tariff law went on the statute books, as the gentleman from New York [Mr. JACOBSTEIN] showed very clearly by means of his chart, the nonagricultural products had reached their highest price point since the war, and from that good hour until now they have been on the decline. That should be an adequate answer to the gentleman from Minnesota, who always wants to be very fair. I am grateful to the gentlemen of the committee for the opportunity to make that statement, based upon the official figures gathered from the Bureau of Economics. They will prove my statement to any man who is not biased on the subject. If the gentleman from Minnesota looks into it, I am sure he will be absolutely convinced on that proposition.

One of the chief arguments against the McNary-Haugen bill is the claim that it is unworkable. A complete answer to that is that, try as he will, the farmer under present conditions is unable to take advantage of the protective tariff in crops where seasonal or exportable surpluses are produced. Even the most ardent opponents of this legislation admit that if the farmer could control production he would receive the benefits of the tariff.

Proponents of the bill rightly insist that the farmer is entitled to have machinery set up whereby he can not only care for orderly marketing but also reach the more troublesome problem of controling surpluses. It is no sound argument to predicate opposition to this bill upon the feeling that the farmer will abuse the privileges given under the McNary-Haugen bill by overproducing. Our responsibility is to give him machinery whereby both his friends and his opponents in this Chamber admit he can accomplish this purpose, if wisely used.

The following table, from a series prepared by our good friend, Sydney Anderson, shows clearly how the bill is planned to work, so far as wheat is concerned:

Wheat production (million bushels)	Equalization fee	Price to United States farmer
600	None.	$1.92
700	$0.07	1.85
800	.14	1.78
900	.21	1.71
1,000	.28	1.64
1,100	.35	1.57
1,200	.42	1.50

The farmer will readily see the difference between an equalization fee of 7 cents and 42 cents per bushel, and that the difference will be a strong restraining influence on all farmers as a group as well as hit straight home to each individual farmer, and therefore unquestionably effective.

In the table just referred to from the brilliant brain of Sidney Anderson, a very extreme estimate does not contemplate an increase in price of more than 42 cents per bushel for wheat; namely, the world price, plus the tariff.

It will therefore be readily seen that there is no warrant for the argument that this is an "urban holdup," a phrase that has become somewhat stereotyped. Present conditions are a rural "hold down."

But granted, for the sake of argument, that 1 cent per pound loaf of bread is added to the cost, for which there can be no reasonable justification, is it not a fair presumption to say that the average city dweller who is dependent upon steady employment with good wages, would be willing to pay that extra cent, if, by the payment of that cent he could be assured that the farmers of the country, who are consumers of the product he produces, would be in the market for these products to an added degree.

Probably the strongest opposition to this bill will come from those who conscientiously believe that it will unduly raise the price paid by consumers of the products enumerated in the bill.

In the first place, may I say that the testimony that has been given before our committee justifies me in the statement that any price lifting due to the enactment of this bill will be based merely upon a desire to raise prices rather than any valid reason that can be given for so doing.

Take wheat, for instance; probably more will be said about raising the cost of bread to every family in the city than upon any one single item mentioned in the bill.

I call your attention to the direct testimony given by one of the most brilliant men who ever appeared before our Committee on Agriculture in my experience, Mr. Elwood Rabenold, of New York City, attorney for the bakers. He stated unequivocally that under present conditions a raise in price of $2.50 a barrel for flour would have to be charged before an increase of 1 cent per pound loaf of bread would be warranted. He further stated, with a great deal of emphasis, that a baker could absorb an increase of 50 cents a bushel for wheat without any justification for charging an extra cent for a pound loaf of bread. This is due to the fact that a very small portion of the cost of a loaf of bread is in the material that goes into it.

Mr. POU. Mr. Speaker——

Mr. KETCHAM. I thought I had an additional minute left. It is a source of sincere gratification to me, as a stalwart Republican, that I have seen on the floor of this House one of the stalwart members of the other party, a gentleman from the South, turn turtle upon this proposition and make in your hearing one of the best speeches I have heard in behalf of the McNary-Haugen bill, and the principle of protection which it carries. I welcome to the ranks of the protectionists of the country the Hon. DAVID H. KINCHELOE and his Democratic colleagues from the great State of Kentucky. [Laughter and applause.]

Mr. POU. Mr. Speaker, I yield five minutes to the gentleman from Oklahoma [Mr. MCKEOWN]. [Applause.]

Mr. MCKEOWN. Mr. Speaker, speaking for the farmers and the business interests dependent upon agriculture in my district, I desire to appeal to those Representatives from industrial districts to aid in the passage immediately of farm-relief legislation. The farmers are so busy with their individual financial difficulties they have little or no time to devote to the study of the various bills offered for their relief. They depend upon their organization leaders and upon Congress. In the final analysis they depend upon you and me to give them the best bill our judgment dictates. They are not responsible for any mistakes their leaders may make but they will hold us responsible for any mistakes we may make in not giving them an opportunity to better their financial condition. The McNary bill may not do all the good claimed for it, but legislation for the farmers is imperative and speed in enacting a relief measure is the essence of the necessity.

Speaking for myself, I am convinced that many amendments to the bill will eventually be required before the legislation will work satisfactorily but this is no reason why we should hesitate to take the steps necessary to give immediate relief to agriculture. Many constructive acts have required much amending but the enactment of the required legislation was beneficial and wise. As long as certain protected interests in this country assume a "dog in the manger" attitude toward agriculture just so certain is destruction destined to overwhelm them in the end. To those of you unacquainted with the plight of the farmers let me appeal to you to listen to the true

facts in their case before you vote to close the door of hope in their faces.

Since the deflation program of 1920–21 the farmers of my country have seen their earnings of a lifetime vanish like a mist before a sea-born gale. Their profits turned overnight to losses; their livestock and farm implements were then listed in chattel mortgages and went out of their hands on foreclosure; the home with the fireside, around which the children were raised and to which fond memories of happy days cling, went into the hands of alien owners; bankrupt merchants and closed banks have taken his credit, and now we find the farmer left helpless to the mercy of the money lenders, freight rates, and profiteers. The home-owning independent farmer is fast passing out of the picture of American life, leaving the memory of childhood's fondest hours as a heritage of only a few. Childhood on a farm, now the sweetest recollections of some of America's greatest men and women, will soon change to childhood days in a busy mill. What profit to the Nation will we gain if we become the first Nation in the world in industry, wealth, and influence and we lose agriculture? I appeal to you to vote to take little children from the cotton fields and send them to school, to give tired housewives an opportunity to rest, to give the overburdened husbandmen a ray of hope.

A few days ago in this city, the proud Capital of the Nation, a poorly clad old man and woman were walking along looking into various trash cans. The woman said, "I knew you would not find it." This attracted the attention of a passer-by, who made inquiry as to what they had lost, and the reply was that they were looking for something to eat. They were taken to a near-by restaurant and given a hearty meal and some money. They were asked why they had not applied to some charitable institution, and this brought the information that they were strangers and did not know of such a place. It was disclosed that they had lost their little farm and everything they owned and were trying to find a relative who had come to the city. Not all farmers are poor, not all farmers are in needy circumstances, but the great majority face bankruptcy. They have asked you for bread, will you give them a stone? I for one am going to give my best thought and energies to pass a measure that promises some real relief. While I personally believe that the equalization feature of the bill ought to be postponed for one year, yet I am not willing to deny the farmer the opportunity to vote upon the question whether he will have it applied to his product.

Give us an opportunity to bring back happy days on the farm, prosperous business to our merchants, and strengthen our banks. [Applause.]

Mr. PURNELL. Mr. Speaker, I yield two minutes to the gentleman from Wisconsin [Mr. SCHAFER].

Mr. SCHAFER. Mr. Speaker, some of the opponents of this legislation have repeatedly stated that those from city districts are opposed to this farm relief bill. I have the honor to represent an industrial district, a district in which there are very few farmers, and I am going to vote for this farm relief bill. [Applause.]

The industrial workers and farmers of this country realize that their interests are mutual. The prosperity of the farmers is closely interwoven with the prosperity of the employees and business institutions of the city. When the farmers are prosperous they are able to purchase the production of industrial workers and business institutions.

The farm organizations in this country are in favor of the pending legislation. They want it enacted, and if my vote can help the farmers get what they want, they will get it. If this bill is enacted into law and does not solve the farmers' problems as the chosen representatives of farmers believe it will, then I would strongly urge that those representatives put their shoulders to the wheel and support legislation having for its purpose the modification of the Volstead Act.

I believe we could materially assist a great many of the farmers if we would pass a bill to amend the Volstead Act and permit the sale and manufacture of light beer. [Laughter.] We know that one of the main ingredients of beer is barley, and that barley is one of the best rotating crops that a farmer can plant. When we look for the time that the farmers' distress began, we find it was about the time the so-called Volstead Act was placed upon the statute books.

I hope this farm relief bill will pass.

Mr. PURNELL. Mr. Speaker, the last word having been spoken, I ask for a vote.

The SPEAKER. Under the unanimous-consent agreement, the previous question is ordered, and the question is on agreeing to the resolution.

The question was taken; and on a division (demanded by Mr. NEWTON of Minnesota) there were—ayes 201, noes 62.

Mr. NEWTON of Minnesota. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. The yeas and nays are demanded. [After counting.] Thirty gentlemen have arisen, not a sufficient number, so the yeas and nays are refused.

So the resolution was agreed to.

Mr. HAUGEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 4808, to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of Senate bill 4808, with Mr. MAPES in the chair.

The Clerk read the title of the bill.

Mr. CHINDBLOM. A point of order, Mr. Chairman. The bill should be read. This is the first reading of the bill.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the first reading of the Senate bill be dispensed with. Is there objection?

Mr. BLANTON. Mr. Chairman, with the understanding that at this point the bill be printed in the RECORD without reading, I shall not object.

Mr. HAUGEN. I have no objection to that.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa that the first reading of the bill be dispensed with?

Mr. BLANTON. Mr. Chairman, reserving the right to object, will the gentleman have the bill printed in the RECORD at this point?

Mr. HAUGEN. I have no objection.

Mr. BLANTON. Will the gentleman so amend his request?

Mr. HAUGEN. I will agree to such an amendment if the gentleman offers it. I will accept that amendment.

Mr. BLANTON. The gentleman from Iowa says he will accept the suggestion that the bill be printed without reading.

The CHAIRMAN. The gentleman from Texas [Mr. BLANTON] couples with the request that the bill be printed in the RECORD at this point. Is there objection?

There was no objection.

The bill (S. 4808) is as follows:

Be it enacted, etc.—

DECLARATION OF POLICY

SECTION 1. It is hereby declared to be the policy of Congress to promote the orderly marketing of basic agricultural commodities in interstate and foreign commerce and to that end to provide for the control and disposition of surpluses of such commodities, to enable producers of such commodities to stabilize their markets against undue and excessive fluctuations, to preserve advantageous domestic markets for such commodities, to minimize speculation and waste in marketing such commodities, and to encourage the organization of producers of such commodities into cooperative marketing associations.

FEDERAL FARM BOARD

SEC. 2. (a) A Federal Farm Board is hereby created which shall consist of the Secretary of Agriculture, who shall be a member ex officio, and 12 members, one from each of the 12 Federal land-bank districts, appointed by the President of the United States, by and with the advice and consent of the Senate, from lists of eligibles submitted by the nominating committee for the district, as hereinafter in this section provided.

(b) There is hereby established a nominating committee in each of the 12 Federal land-bank districts, to consist of seven members. Four of the members of the nominating committee in each district shall be elected by the bona fide farm organizations and cooperative associations in such district at a convention of such organizations and associations, to be held at the office of the Federal land bank in such district, or at such other place, in the city where such Federal land bank is located, to which the convention may adjourn. Two of the members of the nominating committee in each district shall be elected by a majority vote of the heads of the agricultural departments of the several States of each Federal land-bank district, at a meeting to be held in the same city and at the same time of the meeting of the convention of the bona fide farm organizations and cooperative associations in each district. One of the members of the nominating committee in each district shall be appointed by the Secretary of Agriculture.

(c) The Secretary of Agriculture shall, within 30 days after the approval of this act and biennially thereafter, with the advice of such farm organizations and cooperative associations as he considers to be representative of agriculture in any district, (1) fix the date on which a convention in such district shall be held, (2) designate the farm

organizations and cooperative associations in the district eligible to participate in such convention, and (3) designate the number of representatives and the number of votes to which each such organization or association in the district shall be entitled. The date fixed for the first convention in each district shall be not later than 45 days after the approval of this act, and the date fixed for subsequent conventions in the district shall be, as nearly as practicable, two years after the preceding convention. The Secretary of Agriculture shall mail, at least 15 days prior to the date on which a convention is to be held, to each organization and association eligible to participate in such convention, notice of the date and place of such convention. The Secretary of Agriculture shall prescribe uniform regulations for the procedure at the conventions and for the proper certification of election of the members of each nominating committee.

(d) The term of office of each member of a nominating committee first elected or appointed shall expire two years from the date of his election or appointment, and the term of office of a successor shall expire two years from the date of the expiration of the term for which his predecessor was elected or appointed. Any member of a nominating committee in office at the expiration of the term for which he was elected or appointed, may continue in office until his successor takes office.

(e) The members of each nominating committee shall serve without salary but may be paid by the Federal Farm Board a per diem compensation not exceeding $20 for attending meetings of the committee. Each member shall be paid by the board his necessary traveling expenses to and from the meetings of the nominating committee and his actual expenses while engaged upon the business of the committee.

(f) Each nominating committee shall, as soon as practicable after the approval of this act, meet, organize, select a chairman, secretary, and such other officers as it deems necessary, and submit to the President a list of three individuals from its district eligible for appointment to the board.

(g) Whenever a vacancy occurs in the board, or whenever in the opinion of the chairman of the board a vacancy will soon occur, in the office of a member from any Federal land bank district, the chairman of the board shall notify the nominating committee in such district. The nominating committee shall, as soon as practicable thereafter, meet and submit to the President a list of three individuals from such district, eligible for appointment to the board.

QUALIFICATIONS AND TERMS OF BOARD MEMBERS

SEC. 3. (a) The terms of office of the appointed members of the board first taking office after the approval of this act shall expire, as designated by the President at the time of nomination, four at the end of the second year, four at the end of the fourth year, and four at the end of the sixth year, after the date of the approval of this act. A successor to an appointed member of the board shall be appointed in the same manner as the original appointed members, and shall have a term of office expiring six years from the date of the expiration of the term for which his predecessor was appointed.

(b) Any person appointed to fill a vacancy in the board occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term.

(c) Any member of the board in office at the expiration of the term for which he was appointed, may continue in office until his successor takes office.

(d) Vacancies in the board shall not impair the powers of the remaining members to execute the functions of the board, and a majority of the appointed members in office shall constitute a quorum for the transaction of the business of the board.

(e) Each of the appointed members of the board shall be a citizen of the United States, shall not actively engage in any other business, vocation, or employment than that of serving as a member of the board, and shall receive a salary of $10,000 a year, together with necessary traveling expenses and expenses incurred for subsistence or per diem allowance in lieu thereof, within the limitations prescribed by law, while away from the principal office of the board on business required by this act, or if assigned to any other office established by the board, then while away from such office on business required by this act.

GENERAL POWERS

SEC. 4. The board—

(a) Shall annually designate an appointed member to act as chairman of the board.

(b) Shall maintain its principal office in the District of Columbia, and such other offices in the United States as it deems necessary.

(c) Shall have an official seal which shall be judicially noticed.

(d) Shall make an annual report to Congress.

(e) May make such regulations as are necessary to execute the functions vested in it by this act.

(f) May (1) appoint and fix the salaries of a secretary and such experts and, in accordance with the classification act of 1923 and subject to the provisions of the civil service laws, such other officers and employees, and (2) make such expenditures (including expenditures for rent and personal services at the seat of government and elsewhere, for law books, periodicals, and books of reference, and for printing and binding) as may be necessary for the execution of the functions vested in the board.

SPECIAL POWERS AND DUTIES

SEC. 5. (a) The board shall meet at the call of the chairman, or of the Secretary of Agriculture, or of a majority of its members.

(b) The board shall keep advised, from any available sources, of crop prices, prospects, supply and demand, at home and abroad, with especial attention to the existence or the probability of the existence of a surplus of any agricultural commodity or any of its food products.

(c) The board shall advise cooperative associations, farm organizations, and producers in the adjustment of production and distribution, in order that they may secure the maximum benefits under this act.

CONTROL AND DISPOSITION OF SURPLUS

SEC. 6. (a) For the purposes of this act, cotton, wheat, corn, rice, tobacco, and swine shall be known and are referred to as "basic agricultural commodities," except that the board may, in its discretion, treat as a separate basic agricultural commodity one or more of such classes or types of tobacco as are designated in the classification of the Department of Agriculture.

(b) Whenever the board finds that the conditions of production and marketing of any other agricultural commodity are such that the provisions of this act applicable to a basic agricultural commodity should be made applicable to such other agricultural commodity, the board shall submit its report thereon to Congress.

(c) Whenever the board finds, first, that there is or may be during the ensuing year either (1) a surplus above the domestic requirements for wheat, corn, rice, tobacco, or swine, or (2) a surplus above the requirements for the orderly marketing of cotton, or of wheat, corn, rice, tobacco, or swine; and, second, that both the advisory council hereinafter created for the commodity and a substantial number of cooperative associations or other organizations representing the producers of the commodity favor the full cooperation of the board in the stabilization of the commodity, then the board shall publicly declare its findings and commence, upon a date to be fixed by the board and published in such declaration, the operations in such commodity authorized by this act: *Provided*, That in any State where not as many as 50 per cent of the producers of the commodity are members of such cooperative associations or other organizations, an expression from the producers of the commodity shall be obtained through a State convention of such producers, to be called by the head of the department of agriculture of such State, under rules and regulations prescribed by him. Such operations shall continue until terminated by the board. Any decision by the board relating to the commencement or termination of such operations shall require the affirmative vote of a majority of the appointed members in office, and the board shall not commence or terminate operations in any basic agricultural commodity unless members of the board representing Federal land-bank districts which in the aggregate produced during the preceding crop year, according to the estimates of the Department of Agriculture, more than 50 per cent of such commodity, vote in favor thereof and until the board shall become satisfied that a majority of the producers of such commodity favor such action.

(d) During the continuance of such operations in any basic agricultural commodity, the board is authorized to enter into agreements, for the purpose of carrying out the policy declared in section 1, with any cooperative association engaged in handling the basic agricultural commodity, or with a corporation created by one or more of such cooperative associations, or with processors of the basic agricultural commodity.

(e) Such agreements may provide for (1) removing or disposing of any surplus of the basic agricultural commodity, (2) withholding such surplus, (3) insuring such commodity against undue and excessive fluctuations in market conditions, and (4) financing the purchase, storage, or sale or other disposition of the commodity. The moneys in the stabilization fund of the basic agricultural commodity shall be available for carrying out such agreements. In the case of any agreement in respect of the removal or disposal of the surplus of a basic agricultural commodity, the agreement shall provide both for the payment from the stabilization fund for the commodity of the amount of losses, costs, and charges, arising out of the purchase, storage, or sale or other disposition of the commodity or out of contracts therefor, and for the payment into the stabilization fund for the commodity of profits (after deducting all costs and charges provided for in the agreement) arising out of such purchase, storage, or sale or other disposition, or contracts therefor. In the case of agreements insuring such commodity against undue and excessive fluctuations in market conditions, the board may insure any cooperative marketing association against decline in the market price for the commodity at the time of sale by the association, from the market price for such commodity at the time of delivery to the association.

(f) If the board is of the opinion that there is no such cooperative association or associations, or corporation created by one or more cooperative associations, capable of carrying out any such agreement, the board may enter into such agreements with other agencies.

(g) If the board is of the opinion that there are two or more cooperative associations capable of carrying out any such agreement, the board in entering into such agreement shall not discriminate unreasonably against any such association in favor of any other such association.

(h) During any period in which the board is engaged under this act in operations in any basic agricultural commodity other than cotton, or tobacco, the provisions of subdivisions (d), (e), and (f) of this section shall have the same application in respect of the food products of the commodity as they have in respect of the commodity.

COMMODITY ADVISORY COUNCILS

SEC. 7. (a) The board is hereby authorized and directed to create for each basic agricultural commodity an advisory council of seven members fairly representative of the producers of such commodity. Members of each commodity advisory council shall be selected annually by the board from lists submitted by the heads of the agricultural departments of the several States within the Federal land bank district and from lists submitted by cooperative marketing associations and farm organizations determined by the board to be representative of the producers of such commodity. Members of each commodity advisory council shall serve without salary but may be paid by the board a per diem compensation not exceeding $20 for attending meetings of the council and for time devoted to other business of the council and authorized by the board. Each council member shall be paid by the board his necessary traveling expenses to and from meetings of the council and his expenses incurred for subsistence, or per diem allowance in lieu thereof, within the limitations prescribed by law, while engaged upon the business of the council. Each commodity advisory council shall be designated by the name of the commodity it represents, as, for example, "the cotton advisory council."

(b) Each commodity advisory council shall meet as soon as practicable after its selection at a time and place designated by the board and select a chairman. The board may designate a secretary of the council, subject to the approval of the council.

(c) Each commodity advisory council shall meet thereafter at least twice in each year at a time and place designated by the board, or upon a call duly signed by a majority of its members at a time and place designated therein.

(d) Each commodity advisory council shall have power, by itself or through its officers, (1) to confer directly with the board, or to make oral or written representations concerning matters within the jurisdiction of the board, (2) to call for information from the board and to make representations to the board in respect of the commodity represented by the council in regard to the time and manner of operations by the board, the amount and methods of collection of the equalization fee, and all matters pertaining to the interest of the producers of the commodity, and (3) to cooperate with the board in advising producers and cooperative associations and farm organizations in the adjustment of production in order to secure the maximum benefits under this act.

EQUALIZATION FEE

SEC. 8. In order that each marketed unit of a basic agricultural commodity may contribute ratably its equitable share to the stabilization fund hereinafter established for such commodity; in order to prevent any unjust discrimination against, any direct burden or undue restraint upon, and any suppression of commerce with foreign nations in basic agricultural commodities in favor of interstate or intrastate commerce in such commodities; and in order to stabilize and regulate the current of foreign and interstate commerce in such commodities—there shall be apportioned and paid as a regulation of such commerce an equalization fee as hereinafter provided.

AMOUNT EQUALIZATION FEE

SEC. 9. Prior to the commencement of operations in respect of any basic agricultural commodity, and thereafter from time to time, the board shall estimate the probable advances, losses, costs, and charges to be paid in respect of the operations in such commodity. Having due regard to such estimates, the board shall from time to time determine and publish the amount for each unit of weight, measure, or value designated by it, to be collected upon such unit of such basic agricultural commodity during the operations in such commodity. Such amount is hereinafter referred to as the "equalization fee." At the time of determining and publishing an equalization fee the board shall specify the period during which it shall remain in effect, and the place and manner of its payment and collection.

PAYMENT AND COLLECTION OF EQUALIZATION FEE

SEC. 10. (a) Under such regulations as the board may prescribe there shall be paid, during operations in a basic agricultural commodity and in respect of each unit of such commodity, an equalization fee upon one of the following: The transportation, processing, or sale of such unit. No more than one equalization fee shall be collected in respect of any unit. The board shall determine in the case of any class of transactions in the commodity whether the equalization fee shall be upon transportation, processing, or sale.

(b) The board may by regulation require any person engaged in the transportation, processing, or acquisition by sale of a basic agricultural commodity—

(1) To file returns under oath and to report, in respect of his transportation, processing, or acquisition of such commodity, the amount of equalization fees payable thereon and such other facts as may be necessary for their payment or collection.

(2) To collect the equalization fee as directed by the board, and to account therefor.

(3) In the case of cotton, to issue to the producer a serial receipt for the commodity which shall be evidence of the participating interest of the producer in the equalisation fund for the commodity. The board may in such case prepare and issue such receipts and prescribe the terms and conditions thereof. The Secretary of the Treasury, upon the request of the board, shall have such receipts prepared at the Bureau of Engraving and Printing.

(c) Every person who, in violation of the regulations prescribed by the board, fails to collect or account for any equalization fee shall be liable for its amount and to a penalty equal to one-half its amount. Such amount and penalty may be recovered together in a civil suit brought by the board in the name of the United States.

STABILIZATION FUNDS

SEC. 11. (a) In accordance with regulations prescribed by the board, there shall be established a stabilization fund for each basic agricultural commodity. Such funds shall be administered by and exclusively under the control of the board, and the board shall have the exclusive power of expending the moneys in any such fund. There shall be deposited to the credit of the stabilization fund for a basic agricultural commodity, advances from the revolving fund hereinafter established, premiums paid for insurance under section 12, and the equalization fees and profits in connection with operations by the board in the basic agricultural commodity or its food products.

(b) The board, in anticipation of the collection of the equalization fees and the payment of premiums for insurance under section 12, and in order promptly to make the payments required by any agreement under section 6 or by the insurance contracts under section 12 and pay salaries and expenses of experts, may in their discretion advance to the stabilization fund for any basic agricultural commodity, out of the revolving fund hereinafter established, such amounts as may be necessary.

(c) The deposits to the credit of the stabilization fund shall be made in a public depositary of the United States. All general laws relating to the embezzlement, conversion, or to the improper handling, retention, use, or disposal of public moneys of the United States, shall apply to equalization fees collected by any person and to profits payable to the credit of a stabilization fund, whether or not such fees or profits have been credited to the appropriate stabilization fund, as well as to moneys deposited to the credit of the fund or withdrawn therefrom but in the custody of any officer or employee of the United States.

(d) There shall be disbursed from the stabilization fund for any basic agricultural commodity only (1) the payments required to be made by any agreement under section 6 or by an insurance contract under section 12, (2) the salaries and expenses of such experts as the board determines should be payable from such fund, and (3) repayments to the revolving fund of any amounts advanced in respect of the agricultural commodity from the revolving fund to the stabilization fund and remaining unpaid, together with interest on such amounts at the rate of 4 per cent per annum.

(e) When the amount in the equalization fund for cotton is, in the opinion of the board, in excess of the amount adequate to carry out the requirements of this act in respect of such commodity, and the collection of further equalization fees thereon is likely to maintain an excess, the board may retire in their serial order as many as practicable of the outstanding receipts evidencing a participating interest in such fund. Such retirement shall be had by the payment to the holders of such receipts of their distributive share of such excess as determined by the board. The amount of the distributive share payable in respect of any such receipt shall be an amount bearing the same ratio to the face value of such receipt as the value of the assets of the board in or attributable to the fund bear to the aggregate face value of the outstanding receipts evidencing a participating interest in such fund, as determined by the board.

LOANS AND INSURANCE

SEC. 12. (a) The board is authorized, upon such terms and conditions and in accordance with such regulations as it may prescribe, to make loans out of the revolving fund to any cooperative association engaged in the purchase, storage, or sale or other disposition of any agricultural commodity (whether or not a basic agricultural commodity) for the purpose of assisting such cooperative association in controlling the surplus of such commodity in excess of the requirements for orderly marketing.

(b) For the purpose of developing continuity of cooperative services, including unified terminal marketing facilities and equipment, the board

is authorized, upon such terms and conditions and in accordance with such regulations as it may prescribe, to make loans out of the revolving fund to any cooperative association engaged in the purchase, storage, sale, or other disposition, or processing of any agricultural commodity, (1) for the purpose of assisting any such association in the acquisition, by purchase, construction, or otherwise, of facilities to be used in the storage, processing, or sale of such agricultural commodity, or (2) for the purpose of furnishing funds to such associations for necessary expenditures in federating, consolidating, or merging cooperative associations, or (3) for the purpose of furnishing to any such association funds to be used by it as capital for any agricultural credit corporation eligible for receiving rediscounts from an intermediate-credit bank. In making any such loan the board may provide for the payment of such charge, to be determined by the board from time to time, upon each unit of the commodity handled by the association, as will within a period of not more than 20 years repay the amount of such loan, together with interest thereon. The aggregate amounts loaned under this subdivision and remaining unpaid shall not exceed at any one time the sum of $25,000,000.

(c) Any loan under subdivision (a) or (b) shall bear interest at the rate of 4 per cent per annum.

(d) The board may at any time enter into a contract with any cooperative marketing association engaged in marketing any basic agricultural commodity, insuring such association for periods of 12 months against decline in the market price for such commodity at the time of sale by the association from the market price for such commodity at the time of delivery to the association. For such insurance the association shall pay such premium, to be determined by the board, upon each unit of the basic agricultural commodity reported by the association for coverage under the insurance contract, as will cover the risks of the insurance.

EXAMINATIONS OF BOOKS AND ACCOUNTS OF BOARD

SEC. 13. Expenditures by the board for loans and advances from the revolving fund and expenditures by the board from the appropriation under subdivision (b) of section 16 shall be allowed and paid upon the presentation of itemized vouchers therefor, approved by the chairman of the board. Expenditures by the board, including loans and advances, from the stabilization funds shall be made by the authorized officers or agents of the board upon receipt of itemized vouchers therefor, approved by such officers as the board may designate. Vouchers so made for expenditures from the revolving fund or any stabilization fund shall be final and conclusive upon all officers of the Government; except that all financial transactions of the board (including the payments required by any agreement under section 6 or by the insurance contracts under section 12) shall, subject to the above limitation, be examined by the General Accounting Office, at such times and in such manner as the Comptroller General of the United States may by regulation prescribe. Such examination in respect of expenditures from the revolving fund or from any stabilization fund shall be for the sole purpose of making a report to the Congress and to the board of expenditures and contracts in violation of law, together with such recommendations as the Comptroller General deems advisable concerning the receipt, disbursement, and application of the funds administered by the board.

COOPERATION WITH EXECUTIVE DEPARTMENTS

SEC. 14. (a) It shall be the duty of any governmental establishment in the executive branch of the Government, upon request by the board, or upon Executive order, to cooperate with and render assistance to the board in carrying out any of the provisions of this act and the regulations of the board. The board shall, in cooperation with any such governmental establishment, avail itself of the services and facilities of such governmental establishment in order to avoid preventable expense or duplication of effort.

(b) The President may by Executive order direct any such governmental establishment to furnish the board with such information and data pertaining to the functions of the board as may be contained in the records of such governmental establishment. The order of the President may provide such limitations as to the use of the information and data as he deems desirable.

(c) The board may cooperate with any State or Territory, or department, agency, or political subdivision thereof, or with any person.

DEFINITIONS

SEC. 15. (a) As used in this section and in section 10 (relating to the equalization fees)—

(1) In the case of wheat, rice, or corn the term "processing" means milling for market of wheat, rice, or corn, or the first processing in any manner for market (other than cleaning or drying) of wheat, rice, or corn not so milled, and the term "sale" means a sale or other disposition in the United States of wheat, rice, or corn for milling or other processing for market, for resale, or for delivery by a common carrier—occurring after the beginning of operations by the board in respect of wheat, rice, or corn.

(2) In the case of cotton the term "processing" means spinning, milling, or any manufacturing of cotton other than ginning; the term "sale" means a sale or other disposition in the United States of cotton for spinning, milling, or any manufacturing other than ginning, or for delivery outside the United States; and the term "transportation" means the acceptance of cotton by a common carrier for delivery to any person for spinning, milling, or any manufacturing of cotton other than ginning, or for delivery outside the United States—occurring after the beginning of operations by the board in respect of cotton.

(3) In the case of swine the term "processing" means slaughter for market by a purchaser of swine, and the term "sale" means a sale or other disposition in the United States of swine destined for slaughter for market without intervening holding for feeding (other than feeding in transit) or fattening—occurring after the beginning of operations by the board in respect of swine.

(4) In the case of tobacco the term "sale" means a sale or other disposition to any dealer in leaf tobacco or to any registered manufacturer of the products of tobacco.

(5) The term "transportation" means the acceptance of a commodity by a common carrier for delivery.

(6) The term "sale" does not include a transfer to a cooperative association for the purpose of sale or other disposition by such association on account of the transferor; nor a transfer of title in pursuance of a contract entered into before, and at a specified price determined before, the commencement of operations in respect of the basic agricultural commodity. In case of the transfer of title in pursuance of a contract entered into after the commencement of operations in respect of the basic agricultural commodity, but entered into at a time when and at a specified price determined at a time during which a particular equalization fee is in effect, then the equalization fee applicable in respect of such transfer of title shall be the equalization fee in effect at the time when such specified price was determined.

(a) As used in this act—

(1) The term "person" means individual, partnership, corporation, or association.

(2) The term "United States," when used in a geographical sense, means continental United States.

(3) The term "cooperative association" means an association of persons engaged in the production of agricultural products, as farmers, planters, ranchers, dairymen, or nut or fruit growers, organized to carry out any purpose specified in section 1 of the act entitled "An act to authorize association of producers of agricultural products," approved February 18, 1922, if such association is qualified under such act.

(4) The term "tobacco" means leaf tobacco, stemmed or unstemmed.

REVOLVING FUND AND APPROPRIATION

SEC. 16. (a) There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $250,000,000, which shall be administered by the board and used as a revolving fund, in accordance with the provisions of this act. The Secretary of the Treasury shall deposit in the revolving fund such amounts, within the appropriations therefor, as the board from time to time deems necessary.

(b) For expenses in the administration of the functions vested in the board by this act, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $500,000, to be available to the board for such expenses (including salaries and expenses of the members, officers, and employees of the board and the per diem compensation and expenses of members of the commodity advisory councils and the nominating committees) incurred prior to July 1, 1928.

SEPARABILITY OF PROVISIONS

SEC. 17. If any provision of this act is declared unconstitutional or the applicability thereof to any person, circumstance, commodity, or class of transactions in respect of any commodity, is held invalid, the validity of the remainder of the act and the applicability of such provision to other persons, circumstances, commodities, and classes of transactions shall not be affected thereby.

SHORT TITLE

SEC. 18. This act may be cited as the "Surplus control act."

Mr. GARRETT of Tennessee. Mr. Chairman, may I have the attention of the gentleman from Iowa? I think it might be well to have the understanding now in the committee that the bill will not be read for amendment this afternoon.

Mr. HAUGEN. That is perfectly agreeable to me.

Mr. RAMSEYER. We might read the first section and then rise.

Mr. GARRETT of Tennessee. The amendment to be offered will come upon the reading of the first section of the bill.

Mr. HAUGEN. We might just read the first section.

Mr. CRISP. That is where the amendment will be offered.

Mr. HAUGEN. We may simply read it and then it would be in order to offer the amendment later.

Mr. GARRETT of Tennessee. It will be all right to read the first section with the right reserved to offer amendments.

Mr. RAMSEYER. Certainly.

Mr. GARRETT of Tennessee. The reading will not go beyond or pass the stage of amendment.

Mr. HAUGEN. That is agreeable to me.

Mr. CRISP. I understand then, Mr. Chairman, if the first section is read, then to-morrow, or when we resume consideration of the bill, anyone will have the right to offer an amendment to strike out the first section and offer a substitute, provided, of course, the substitute is germane and proper.

Mr. HAUGEN. Whatever is permissible under the rules.

The CHAIRMAN. The gentleman from Iowa [Mr. HAUGEN] is recognized for one hour.

Mr. HAUGEN. I yield five minutes to the gentleman from Nebraska [Mr. SIMMONS].

Mr. SIMMONS. Mr. Chairman and gentlemen of the committee, when I came to Congress four years ago I received a bit of good advice from one of my Democratic friends [applause], and that was it was mighty easy to get something in the RECORD, but when it got there it was mighty difficult to get it out.

This morning the Secretary of the Treasury told the country in a letter that was inserted in the RECORD what dire things would happen if the McNary-Haugen bill should pass. My thought went back to the controversy we have had in Congress the past four years over the adjusted compensation bill. I desire to read now some of the awful things the Secretary of the Treasury predicted about that bill in the light of what has since happened in order that we may better judge how much credit to give to his predictions about this bill.

President Harding, in his veto message on the adjusted compensation bill, said:

> The latest Budget figures for the current fiscal year show an estimated deficit of more than $650,000,000 and a further deficit for the year succeeding.

Mr. Mellon, in a letter dated December 18, 1923, to PIATT ANDREW, our colleague from Massachusetts, assumed responsibility for that estimate. That estimate, on which the President acted, has been proven to have been in error $1,200,000,000.

Then, in a letter of November 10, 1923, which the gentleman from Indiana [Mr. PURNELL] read, he predicted that if we passed the bonus bill there would be not only a deficit and no reduction of taxes, but an increase of taxes. Later, in the letter to Congressman ANDREW, he said that statement was one that was "well founded"; yet since he made that statement we passed the adjusted compensation bill, have twice reduced the taxes of the country, and the President is of record asking us to reduce the taxes yet a third time.

Then in this letter to Congressman ANDREW he made a statement about the loan feature of the adjusted compensation bill, and I read this to you, because we have just now passed through the period which he prophesied about and the dire situation he said would happen did not happen. But exactly the contrary did happen. About the loan feature of the bonus certificates he said:

> The bill gives the right in the first three years to borrow from the banks of the country, and that this right would be exercised by the great majority of the certificate holders none denies. The consequent demand for credit would raise the interest rates which the Government, as well as the general public, will have to pay on borrowed money. At the same time, the mere passage of the bill would depress the price of Government bonds and increase their basis of return. In such a money market the Government would have to take care of $8,000,000,000 of its securities which mature within the next five years, and to do so would, of course, have to meet the higher rate of interest. The continuing cost of an increase in interest rates on such a volume of refunding would be very large. The Government, like every other person in the United States, would also have to conduct its business at greatly increased expense, due to the higher price level generally which would inevitably follow the credit expansion and decreased production brought on by the bonus law. Soon the disturbance to business by this and other factors would reduce the income of the people and thus the Government's revenue, so that any estimated surplus would no longer exist, and recourse would have to be had to additional taxes.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. McLAUGHLIN of Nebraska. Mr. Chairman, I yield the gentleman three more minutes.

Mr. SIMMONS. This is the estimate of the Secretary of the Treasury as to what would happen in the United States when the adjusted compensation bill became a law and the service men began to borrow money on the bonus certificates, as they did two weeks ago. Not one of his predictions about the adjusted compensation law, to which he was personally opposed, has come true.

Then, in a letter to Senator SMOOT, of Utah, on the 7th of March, 1924, in discussing the cash features of the Copeland bill, he makes this statement, referring to the revenue bill then pending in the Congress wherein the proposal was to reduce taxes and revenues about $450,000,000:

> This estimated reduction is greatly in excess of the surplus for the year 1923 and will undoubtedly result in a deficit. To add expenditures resulting from the proposed bill would necessarily mean a further increased deficit, which would only be met by taxation in some form and would undo the work of tax reduction.

That deficit did not occur and a surplus did come to the Treasury.

I read this because it has been the habit of the Secretary of the Treasury to issue statements as to the cost of bills which he opposes and to predict many things which somehow never come true. I submit them to the Congress for the consideration they deserve in showing that in these other matters his guesses have been far from the facts, as the situation has developed, and in this case it probably will be likewise. As a Secretary of the Treasury, in handling the Nation's funds, he has been a marked success. On the effect of legislation such as this he has failed in his prophecies, and there is nothing to indicate that this prophecy will be better than those which he has heretofore made. [Applause.]

Mr. ASWELL. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. JONES].

Mr. JONES. Mr. Chairman and gentlemen of the committee, I expect to offer at the proper time—and I hope it may be held in order—a substitute which in my judgment is a better plan than any that has been suggested. It is generally known as the export premium or debenture proposal. It provides, in brief, that when any of the basic agricultural commodities are exported a premium certificate somewhat equivalent to the items in the tariff shall be issued to the cooperative organization or the individual farmer or other exporter who exports the commodity. That premium certificate is to be made negotiable and would be legal tender in payment of any and all customs duties.

I want to state this proposition, that if those who are advocating farm-relief legislation really want to adopt a plan that will make equality in prices between the products of agriculture and the products of industry, this is the one plan that has been offered that will do it. I am conceding that other plans that have been offered may have some effect along the line suggested; but if you take something away in the form of a fee or otherwise it will not leave equality. If 1,000 bushels of wheat were exported by a cooperative organization and a certificate for 30 cents a bushel, or $300, were issued to the organization and made legal tender in payment of tariff duties, that would bring to the farmer who owns the wheat $300, or approximately that, and would give him the benefit of those certificates both in what he exported and in the reflected price that it would bring him. It would encourage the exportation of the surplus.

Every proposal that has been made in the Congress strikes at the surplus, which is the problem of agriculture. Everyone who has studied the question admits—and it was stated by the economist, Mr. JACOBSTEIN, yesterday—that the reason for the farmer's present plight is the fact that he produces a surplus. Every thinking man knows that if the surplus were lifted and disposed of in an orderly way better prices would result.

Under this proposition we would encourage the exportation of the surplus and the disposition of it without any new machinery and without any expense to the farmer, whereas these other propositions are necessarily burdened with complicated machinery.

Mr. JOHNSON of Texas. You do it under your proposition without any more machinery or any more officials.

Mr. JONES. It does not require any new machinery nor any new officials of any kind or character, but would give the farmer the full benefit of the increase of the price of his commodity.

Mr. ARNOLD. Will the gentleman yield?

Mr. JONES. Yes.

Mr. ARNOLD. Will the gentleman's proposition be in conflict with the McNary-Haugen bill?

Mr. JONES. It will not be in conflict with the Haugen bill. This bill is prepared in such a way that it will follow the lines of the Haugen bill, but if you adopt this premium plan you would have no use for any other measure because you would accomplish the same purpose as is designed in the Haugen bill. The effect would be this: Everyone admits that the farmer when he produces a big surplus can not get the advantage of the tariff. This would give him the same advantage enjoyed by the tariff-protected article. The effect of

this bill, stated in another way, would be to enable the farmer to ship his products away, dispose of them, and bring in other articles without cost to him. Instead of doing it directly it would be done indirectly because the certificates would be acceptable in payment of tariff duties.

Mr. LARSEN. Would not that plan bring a conflict with other countries?

Mr. JONES. No; because it does not provide for dumping but for an orderly marketing of the surplus, and paying a premium for it in the form of a certificate, which would not be in conflict with the laws of other countries. Imports can come from other countries and the certificates used in the payment of the duties. It would simply bring up the prices of farm products in this country.

The oldest farm organization in America, the National Grange, with a membership of 800,000, has indorsed this plan as the best plan for agricultural relief that has been offered. They have indorsed it unqualifiedly and say it is sound in principle, that it establishes no new bureau but is simple and direct and effective and will give price equality to the farmer.

Mr. LARSEN. Will the gentleman explain to the House what practical force his proposal would have on cotton?

Mr. JONES. I provide in the bill that commodities upon which there is no tariff duty shall have an equivalent in the form of a certificate, which would be, on cotton, 2 cents per pound. Of course, that can be varied to any amount found advisable. Not only would he get this additional amount, but at the same time he would get all the benefits of the pooling system, the same as under other measures that have been proposed.

It will give him all of the advantages because it provides that the cooperative farm organization may do exporting.

Mr. LARSEN. But suppose the cotton was 6 cents below the cost of production, how would the 2 cents help him?

Mr. JONES. Oh, the gentleman will admit that 2 cents would help in any event.

Mr. LARSEN. Why not put it up to the price of production?

Mr. JONES. That is a matter that has to be acted on reasonably. You get all of the benefits of the pooling system, and all of the benefits of any bill that has been proposed, and the additional benefits that may come from the export premium. You can not complain of that fact.

Mr. GREENWOOD. The gentleman says that he would provide no new machinery or officers. Who fixes this export fee, and who issues the debentures?

Mr. JONES. The export fees are fixed in the terms of the bill, and certificates are to be issued by the Treasury Department, and are to be acceptable by the Treasury Department in payment of customs duties. It would be simply a matter of printing them, having the customs officer certify to the amount exported, and the acceptance of the certificate in payment of import duties.

Mr. GREENWOOD. Is a flat amount issued there that runs through one season with another, or how is that regulated?

Mr. JONES. That might be variable, but the bill provides a specified amount.

Mr. ARNOLD. Mr. Chairman, will the gentleman yield?

Mr. JONES. Yes.

Mr. ARNOLD. I will be glad to hear the gentleman as to the effect of his bill on the orderly marketing of domestic consumption.

Mr. JONES. It provides for the same encouragement of cooperative organizations that the other bills provide, and would give them all of the advantages those bills provide for the orderly marketing of products, and would enable them to have the additional advantage of an export premium in handling those things. It would not increase production more than any other bill which increased the net price to the farmer. It would have a tendency to stimulate production, and would, like all such measures, have to depend upon the inevitable consequences of overproduction. Any bill which enhances the net price must do this.

But whatever may be the defects along those lines, I do not believe it is a valid objection to any bill that it will stimulate production to the extent that the raising of the price to the proper level with other commodities will so stimulate it. Since I can remember I have never known a time when the price of the products of agriculture were on a level with those of industry. I have never known a time when the rewards of labor on the farm were on a parity with the rewards of labor in industry. I expect to vote for any measure that will accomplish that purpose in part or in whole, but I would like to see the Congress while it is at the proposition do the thing that every thinking man must admit will accomplish the purpose, and do it without extra cost. Whatever machinery is used in any bill will be charged in the cost of operation.

Mr. LOZIER. Mr. Chairman, will the gentleman yield?

Mr. JONES. Yes.

Mr. LOZIER. If the gentleman's bill should become enacted, in its practical application it would mean the introduction into the United States of several hundred million dollars' worth of foreign commodity duty free, would it not?

Mr. JONES. Not necessarily, because any importer would be compelled to pay substantially par for any certificate, and the matter would be thus adjusted. Even so, since the farmer has to sell in a free market, would it be wrong to permit him to purchase in a free market? Is that unfair?

Mr. LOZIER. No; but inasmuch as that is the result, and these products would sell for several hundred million dollars a year, and the proceeds be invested in foreign commodities under the gentleman's bill, does the gentleman from Texas think that the New England States would ever consent to the enactment of such a law?

Mr. JONES. Does the gentleman think that they would consent to the enactment of the McNary-Haugen bill?

Mr. LOZIER. Oh, no; but it will be enacted over their protest.

Mr. JONES. I would like to enact this over their protest and objection, if they see fit to make it. But perhaps they would be fair enough to admit its justice. At least, they should do so.

Mr. LOZIER. The gentleman's theory and bill are wholesome and economically sound. There is no question about that; but it is impossible because of the dogmatic attitude of the New England school of political economy which is dominating this House and this Nation.

Mr. JONES. The gentleman may find them dogmatic as to any bill that really gives equality for agriculture. They should do this or quit sailing under the banner of protection.

Mr. PEERY. Mr. Chairman, will the gentleman yield?

Mr. JONES. Yes.

Mr. PEERY. Does the schedule of premiums in the gentleman's amendment correspond with the schedule in what is known as the Adkins bill?

Mr. JONES. They correspond measurably, but not all the same. They run along similar lines.

Mr. PEERY. Do I understand the Adkins bill with the schedules therein provided for was indorsed by the National Grange?

Mr. JONES. They indorsed the principle, using the schedules in that bill as a basis. About three years ago I introduced into this House the first export premium bill introduced at least in recent years. I sent copies of this measure to various farm organizations. About a year or 18 months ago Doctor Stewart, a university economist, wrote out a proposal that in a measure is embodied in the Adkins bill. Utilizing some of the same ideas, I drew a measure along similar lines, changing the schedules and methods of operation somewhat, but it is on the same basis.

Mr. PEERY. There is no very material difference between the gentleman's proposal than in the Adkins bill?

Mr. JONES. That is right.

Mr. WEFALD. Will the gentleman yield?

Mr. JONES. I will.

Mr. WEFALD. The gentleman knows that the farmers' biggest bill is farm machinery?

Mr. JONES. Yes.

Mr. WEFALD. Where will the farmer be able to buy machinery as cheaply as in the United States?

Mr. JONES. There are various countries, but very few competing with this country along that line. However, if he can get the privilege of having these certificates issued to him and then could dispose of them, he would have the benefit of the increased price of his own products not only by virtue of the premium, but also because that increase would be reflected in the sale of all his products in this country. This would give him more money to buy farm machinery, as well as other things.

Mr. WEFALD. The gentleman's logic is that it decreased the price of the farmers' machinery?

Mr. JONES. Not except as to imports, but increased his own price of his own products. For instance, there were about 194,000,000 bushels of wheat exported annually—average—during the last five-year period; about 808,000,000 was the average annual production for the same five-year period. That 194,000,000 on which the export premium of 30 cents would be paid certainly would naturally lift the price of wheat sold in this country approximately 30 cents per bushel, and would give this to him without the expense that is incident to the other proposals. One of these days, if the tariff system remains a part of our economic policy, this fair measure of equality will also be written into our laws.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CHINDBLOM. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CHINDBLOM. Does the rule adopted in the House provide for any discussion of the differences between the Senate bill now before the committee and the House bill which has been before another Committee of the Whole House for 12 hours?

The CHAIRMAN. The Chair does not understand the rule makes any attempt——

Mr. CHINDBLOM. There is no provision whatever for any discussion of the amendments of the Senate to the bill that we have been discussing for 12 hours?

Mr. RAMSEYER. I make the point of order that is not a parliamentary inquiry.

Mr. CHINDBLOM. I have not had an opportunity in this matter that the gentleman has had. I am not a member of the Committee on Rules or the Agricultural Committee.

Mr. RAMSEYER. The rule provides for a discussion of the bill.

Mr. CHINDBLOM. This bill is different from the one we have been considering, and the rule might be construed as providing for discussion of the differences between the two bills——

Mr. RAMSEYER. The gentleman has read the rule and knows what the rule provides for.

Mr. KINCHELOE. The chairman of the committee has agreed to yield me 30 minutes.

Mr. WILLIAMS of Illinois. On behalf of the chairman of the committee I yield 30 minutes to the gentleman from Kentucky.

Mr. KINCHELOE. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLACK]. [Applause.]

The CHAIRMAN. The gentleman from Texas is recognized for 10 minutes.

Mr. BLACK of Texas. Mr. Chairman, on February 16, 1921, I made a brief speech in the House of Representatives in which I discussed the maladjustment between agriculture and organized industry and organized labor. To-morrow will be six years since that speech was delivered, and I think what I said then is as proper now as it was at that time, and with the permission of the House I will read just a few brief extracts from the speech which I delivered at that time. I said:

> Mr. Chairman, I picked up from my desk last night a bulletin which is issued each month by the National City Bank, of New York City, dealing with economic and business conditions, and I see in one of its columns a statement of the declines in commodity prices which have taken place as to certain commodities during 1920. Cotton has declined 62½ per cent; wool, scoured, 56.55 per cent; hides, 52½ per cent; wheat, 20 per cent; corn, 53 per cent; rice, 58 per cent; steers, 38 per cent; hogs, 33⅓ per cent; pork, 38⅓ per cent; and lard, 47 per cent.
>
> Most of these products which I have enumerated are products of the farm.
>
> Studying this column of figures in the bulletin which I have before me still further, I see that steel billets have only declined 9⅓ per cent; that pig iron has only declined 8⅓ per cent.

In continuing the discussion, I said further:

> The trouble with some of these large industries is this: They are wanting to keep their scale of profits on the high, inflated basis of the war period, and unless they are willing to set their own houses in order and put their earnings at a more moderate rate it seems to me that Congress, as reluctant as we may be to go into the subject, will have to do something to relieve the situation.

After continuing the discussion, I closed with this statement:

> It has been very well said: "We can not look for a restoration of full employment and prosperity until something like the old balance between agriculture and the other industries has been restored." When a pound of cotton and a bushel of wheat and a pound of pork and a pound of wool will buy measurably as much of goods in the stores as they would buy in 1919 and 1920, and will buy as much transportation as they bought then, the farmer will be able to resume his position in the trading circle; not before. And until the farmer can resume his position in the trading circle we will not have general prosperity.

Now, my friends, six years have elapsed since I made these remarks and there has been no improvement in the situation of agriculture except in spots. If anything, it is worse to-day, speaking of it as a whole, than it was at that time. Two times I have voted against the McNary-Haugen bill because I had hoped that this situation would be corrected without the intervention of Government. I voted against it because I hesitated to cast my vote for the Government to embark upon this uncharted sea. But the situation has not improved.

Mr. ROMJUE. Mr. Chairman, will the gentleman yield?

Mr. BLACK of Texas. I gladly yield to my good friend from Missouri.

Mr. ROMJUE. I wanted to call your attention to the matter which you put into the RECORD about 10 days ago, where the United States Steel Corporation had declared a stock dividend of 40 per cent, which shows that industry is enjoying unexampled prosperity, whereas as the gentleman says, the relative situation of agriculture is fully as bad as it was six years ago.

Mr. BLACK of Texas. Yes; that is true. The situation is intolerable and impossible. We must do something to correct this unbalanced condition. Therefore, I am going to support the McNary-Haugen bill. [Applause.]

And, my friends, if it fails, as it may fail, then we of the agricultural region are going to demand that something else be done, because we are not going to submit to the intolerable and impossible situation that now exists if we can help it.

Mr. MICHENER. What does the gentleman demand?

Mr. BLACK of Texas. We will demand, for one thing at least, the reduction of the unreasonable rates of tariff contained in the Fordney-McCumber tariff law. That is one thing which has helped to bring about the present maladjustment between agriculture and industry.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. BLACK of Texas. I wish I had time. I would be glad to yield to my friend from Illinois, but I can not afford to ask the gentleman from Kentucky for another extension of time. He already has promised to others all the remaining time at his disposal.

There is one economic law, which economists assert perhaps more frequently than almost any other, and that is that in order to improve the standard of living of the people, the workers of the country must increase their production of useful and wholesome commodities. And that is so. No one can gainsay the truth of that when you apply it to the masses of the people. But we of the South have just witnessed the spectacle of our farmers receiving $500,000,000 less for a crop of 18,000,000 bales of cotton than they received for 16,000,000 bales in 1925. Now, it is that situation which we must try to correct.

Mr. HUDSPETH. Mr. Chairman, will my colleague yield there for a short question?

Mr. BLACK of Texas. Yes. I will gladly yield to my friend.

Mr. HUDSPETH. I have great confidence in the judgment of my colleague. I am undecided on this proposition. Does my colleague believe that this bill will relieve the situation in the farming regions? My district, of course, is not in that situation.

Mr. BLACK of Texas. I put confidence in this bill because it is the product of some of the best and most intelligent minds in the agricultural world. [Applause.] I do not think anybody can dispute that and be fair.

Now, continuing the discussion further, I have no doubt that the wheat farmers and the corn growers have had a similar experience as we have had in the cotton-growing sections when they have happened to produce somewhat larger than an ordinary crop.

There is another law of economics which is absolutely true, regardless of all the sophistry and false reasoning which you may throw against it, and that is that all wages and all profits must in the end be paid out of production. Therefore, if any one class of labor or any one class of industry receives more wages than its share, or more profit than its share, it means in the long run that some other class of labor or some other class of industry must bear more than its share of the burden. And right there is the heart of the difficulty of agriculture of which I complain.

Organized industry and organized labor, by reason of their superior organizations, have been able to hold in a large measure the vantage points which they gained during the war period, whereas agriculture, because of its unorganized condition, has had to bear the full brunt of readjustment. It has had to bear more than its share. Therefore, Mr. Chairman, because this bill makes a serious attempt to deal with what I regard as our greatest economic problem, to wit, the disposal of the agricultural surplus in such a manner as not to bankrupt the farmers who have produced it, I shall support it.

The bill does seek to bring about a correction, in part at least, of what I regard as an impossible and intolerable situation and therefore I shall give it my support. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Alabama [Mr. ALMON] five minutes.

The CHAIRMAN. The gentleman from Alabama is recognized for five minutes.

Mr. ALMON. Mr. Chairman, the McNary bill as it was introduced in the Senate was practically the same as the Haugen bill introduced in the House. Some very material amendments were made to the McNary bill before it passed the Senate. The rule which has just been adopted by the House substitutes the McNary bill, as it passed the Senate, for the House bill.

It seems to me that the Senate bill as amended has some good features not contained in the House bill. One of the Senate amendments gives all of the producers of the commodity, both in and outside of the cooperative associations, a voice in determining when there shall be an operating period and when the operating period is to be discontinued after it has once been inaugurated. It also defines the terms processing, sales, and transportation as applied to the equalization fees. It also contains what is known as the Bledsoe insurance feature, which has been fully explained by the gentleman from Mississippi [Mr. WHITTINGTON].

I understand that the Aswell bill will be offered as a substitute for the Senate bill and if it fails that the Crisp bill will be offered as a substitute for the Senate bill, so all of these different measures will be before the House for consideration and determination.

I think that there are some other amendments which should be made to the Senate bill, but will not take the time to discuss them now except to call attention to an amendment which I think should be made postponing the equalization fee as to cotton for two years.

I am glad that an opportunity will be given for a discussion of these measures and amendments which may be offered thereto. I have not fully decided as to how I shall vote, and may not until the completion of the reading of the proposed legislation under the five-minute rule for amendments as I will not know until then the contents and provisions of the measures to be voted on.

I have simply risen at this time to call attention, as I have, to some features of the Senate bill added by way of amendment which were not contained in the House bill, which we have been considering. [Applause.]

Mr. ASWELL. Mr. Chairman, I yield five minutes to the gentleman from Louisiana [Mr. O'CONNOR].

Mr. O'CONNOR of Louisiana. Mr. Chairman, and gentlemen of the committee: You might liken this utterance to the wail of the banshee. I know that whatever I might say is not going to have any effect on the attitude of this House with respect to the McNary bill. It is going through. I dare say there will be a firing squad to shoot full of holes every amendment that is offered. You are in the majority and I am not offering any great protest against your having your will and way about the matter. But I do want to express my surprise at a few things that have happened on the floor of this House in connection with the consideration of this bill. We find that the opponents of this measure sit by supinely and do not even try to have a roll call on the substitution of the McNary bill for the Haugen bill. In other words, the opponents are endeavoring to expedite the movement of a bill which they consider anathema. I do not understand that form of procedure or that method of warfare.

There is another matter of considerable surprise to me and that is that one of the pundits of this House, or one of the so-called pundits I might better say, one who established some sort of reputation for himself last year as one well informed on agricultural matters and who was applauded most vigorously and almost effervescently by the House for his platitudinous utterances with reference to the welfare of the people engaged in the great basic enterprise, should take 45 minutes in order to elucidate that which was already clear, or should be clear, to the House. He declared the bill was unconstitutional, illegal, null, and would be declared void by the courts. He declared it was economically unsound and a heresy from the standpoint of the experts who had studied the matter; that it was thoroughly unworkable and would produce profound changes if not chaos, and yet, to the astonishment of those who secured him so much time and who expected him to oppose the three bills, the one pending and the other two in the offing, he said that he was going to vote for the bill.

Mr. Chairman and gentlemen of the committee, as I said, this is the wail of the banshee. Probably that is not entirely clear to you. It simply means that it is futile to expect to defeat this McNary bill. It is the wail of the banshee to the hopes of those who have been hoping that it would fail. I have always thought that the agricultural policy of this country ought to have been adopted long ago through some national convention, where real agriculturalists would meet and discuss the great problem of agriculture and in some way, if not through one convention through other and successive conventions of a similar nature, make a pronouncement that would have some valid effect instead of having the condition that obtains here to-day. You and I know that on both sides of the House men are going to vote for this bill who are at least doubtful of its constitutionality, who snicker at its economic absurdities and who know that it is unworkable on the theory that the President will veto it, and I hope he does. If he does he will be regarded from ocean to ocean as the outstanding, bold and courageous figure in the public life of this country and all the political forces of the country will not be able to keep him out of the nomination. [Applause.] The Lowdens and the Butlers may as well not go to the next Republican Convention, in that event. That is my idea of the whole matter. I do not know that I have contributed to your political information or to the value of this discussion, but I have the satisfaction of knowing that I have not done anything less than the pundits or the many learned agriculturists who in high-sounding and platitudinous sentences point the way to success and to fortune for the farmers through this bill. [Applause.]

One more observation and I am through. I heard some one say that the board created by the McNary bill, however great the power reposed in it, and regardless of the tyrannical manner in which they may use it, could not possibly do the American people as much harm as the board of directors of the Steel Trust who forced a value into more than a half a billion of stocks and bonds that were merely water issued after the organization of that great trust, by demanding extortionate prices for a product of which they had virtually a monopoly, from an expanding transportation and industrial order. It was this ruthlessness which made for such a price of rails and locomotives and the parts of cars that has bowed agriculture through excessive freight which had to be put into effect to secure a return on the "hold up" prices to which the railroads were subjected. My friends, one wrong does not justify another. And again, who are responsible for the exactions of the Steel Trust? Many of the constituencies whose representatives are fighting furiously for the passage of this bill were foremost among those who flattered themselves that they were among the chosen of the defenders and advocates of the established order.

Some men—good, true, and honest in their viewpoint—will tell you and me that the big, powerful corporations which control the foodstuffs and clothing of the people, almost their very life in this civilization have been able, through their boards, to depress and elevate, to bull and bear, the markets upon the necessities of human existence, and that their arrogant tyranny would pale into insignificance any action the McNary board may feel compelled to take. Perhaps so; but who stood by while corporate control unrestrained fastened its tentacles around the writhing bodies of our people? What effort was made by the agricultural representatives to prevent the Atlantic Ocean being turned into stock by these tremendous giants of industry engaged in interstate commerce from sandbagging their millions of helpless victims in the big cities of our country, and the farmer, too, with extortionate prices which the people had to pay or die? All the traffic will bear was the slogan in the big commercial and industrial world as well as in transportation: "So wills the fierce avenging sprite, and blood for blood must atone." Seems to have a distant application. The agricultural bloc is in the ascendancy, and industry and commerce and the poor common people for another time will get a dose of what a powerful board can do. The people are used to squirming, and they repeat the performance not joyfully nor enthusiastically but somewhat philosophically. But industry and commerce! What a weeping and wailing and a gnashing of teeth when they have to swallow the dose they have so jocosely handed to others. But, seriously once more, the operation of this bill would necessarily revolutionize and dislocate a marketing system that has come into existence through the individualistic and joint efforts of Americans since the white man first put his foot on this continent. It would take us out onto an unknown sea without a compass, chart, or rudder to guide us. I hope the President may veto it.

Mr. KINCHELOE. Mr. Chairman, I yield five minutes to the gentleman from South Dakota [Mr. CHRISTOPHERSON].

Mr. CHRISTOPHERSON. Mr. Chairman and members of the committee, it is gratifying to me that the House is again considering agricultural relief and with promise of favorable action. It is pleasing to me because some six years ago I had the pleasure and privilege of offering in Congress what I believed was the first farm-relief measure presented. That was the bill which embodied what is known as the Lyon stabilization plan. This took into account the fact that the small surplus we produce goes into the world's markets into competi-

tion with commodities produced on cheaper land and lower cost of production; that the price paid for this exportable surplus governed the price in our home markets.

Hon. W. H. Lyon, of my home city of Sioux Falls, S. Dak., was the first one, so far as I know, to urge this as a factor in the farmer's problem.

At the time I presented that bill the farmer's plight had not fully developed and was not seriously considered. It is my belief that had we passed that bill at that time, it would have averted, or at least greatly lessened the subsequent difficulty which beset this industry. Of course I am not at this time complaining because of the failure of that measure. The Agricultural Committee was generous in the time allotted to witnesses who appeared in behalf thereof and gave careful consideration thereto.

The present measure, though more elaborate in its provisions, nevertheless takes into account the surplus as a factor in the problem we seek to correct and provides a method for the orderly disposition thereof.

I shall not attempt, at this time, to discuss this measure in detail. It has been fully analyzed in this and former sessions of Congress. I simply wish to say to the Members from the eastern part of our country, and who apparently are not enthusiastic over this particular bill, that we from the Middle West have, from time to time, given our support quite generally to legislation of vital import to your industries.

Now we are urging a measure we believe will be of help to us. Therefor we hope you will now, in voting on this bill, evince a spirit of reciprocity and lend your support thereto.

The bill may have its defects. It is not claimed to be perfect, but help us put it into effect, and experience in its administration will soon develop its weak spots, if any, and suggest amendments and changes to the end that it shall assure to the farmer that same degree of prosperity now enjoyed by other industries. By so doing you will allay a wave of discontent and unrest that in the midwest is assuming formidable proportions, and not only that, but a fair degree of prosperity for the agricultural industry will assure a continued prosperity for the entire Nation. Give us your support to this bill; help us expedite its passage. Only a few days of this Congress remain and the farming interests of the Middle West, at least, are watching with keen interest the action of Congress upon this measure. [Applause.]

Mr. KINCHELOE. Mr. Chairman, I yield to the gentleman from Tennessee [Mr. BYRNS] such time as he may desire.

Mr. BYRNS. Mr. Chairman, during the general debate on this important subject I have been busy and was unable to hear it on account of attending the hearings of the Appropriation Committee on the second deficiency bill. Last year I voted against the so-called McNary-Haugen bill. It is my intention to support the Senate bill which has been sent to the House [applause], and which I understand will be considered under the rule which has been adopted in lieu of the pending Haugen bill. I wish briefly to explain some of the reasons for my vote.

The Senate substitute bill is identical with the pending Haugen bill, with the exception of certain amendments adopted by the Senate, including tobacco as one of the basic agricultural commodities, and another amendment intended to more surely guarantee to the producers the right of voice in whether or not operation in their commodity shall commence under the provisions of this bill. It differs from the bill against which I voted last session in that it eliminates the tariff, which the former bill made the yardstick by which the value was to be determined. Neither does it carry a subsidy such as was carried in the former bill. It is true it provides for an equalization fee, which I have never favored, but, as I have stated, it is left to the producers themselves to say whether a particular commodity shall be taken under operation and the equalization fee made to apply. There was no such provision in the bill against which I voted. In other words, this is a permissive bill, whereas the former bill was what might be called a force bill.

Under the terms of this bill an advisory council of seven members are to be chosen for each basic agricultural commodity. The members are to be representative of the producers of such commodity and are to be chosen from lists submitted by the heads of the agricultural departments of the several States and from lists submitted by cooperative marketing associations and farm organizations representative of the producers of such commodity.

Under the provisions of this bill there can be no operation in any commodity unless it is found that there will be a surplus above domestic requirements and above the requirements for orderly marketing. Even then operations can not commence unless the advisory council created for such commodity and a substantial number of cooperative associations or other organizations representing the producers of the commodity favor the full cooperation of the board in the stabilization of the commodity. And where in any State 50 per cent of the producers of the commodity are not members of such cooperative associations or other organizations, then a State convention of such producers is to be held by the head of the State department of agriculture to determine the will of the majority of the producers in that State. Even then the board will not and can not commence operations unless all of the members representing Federal land-bank districts which in the aggregate produced during the preceding crop year more than 50 per cent of such commodity vote in favor thereof, and then not until a majority of the board is satisfied that a majority of the producers of the commodity favor such action. And the producers have the right at any time to terminate operation in the same manner that they may initiate operations.

It seems to me, Mr. Chairman, that this provides for as complete and fair a referendum as is possible without a direct vote of each producer, and that, of course, is impracticable. For my part, anxious as I am to vote for some measure of farm relief at this session, I am going to vote for this bill and leave it to the farmers themselves, who best know their own needs, to say whether or not they wish to come under its provisions. I am fortified in this conclusion by the fact that every farm organization in the entire country, with the single exception of the Grange, has indorsed this bill and urge Congress to enact it into law. Everyone realizes the sad plight of agriculture, and I do not want to see this Congress adjourn without having passed some law looking to its relief.

This is the bill the farmers want and we all know perfectly well that it is the only one that has the slightest chance to become a law. Shall we deny to the farmers, whose industry is basic to the prosperity of the whole country, the relief they demand? I am constitutionally and fundamentally opposed to any class legislation. However, we all know that the Federal Government has enacted class legislation in various forms, and one of the chief beneficiaries is the manufacturer through the medium of the high protective tariff law, and to this is largely due the depressed condition of agriculture to-day. It has resulted in the present low purchasing power of the farmer's dollar to-day, for it is now only about 65 cents when converted into other commodities. The farmer is able to name neither the price for which he will sell nor the price which he pays for things he has to buy. As some one has said he must buy in a protected market and sell in a world dictated market.

There are three bills pending—the Aswell bill, the Crisp-Curtis bill, and the McNary-Haugen bill. They are all designed to stabilize production, marketing, and the price of basic farm products.

In the limited time at my disposal I can not enter into a detailed discussion of all or any of these bills. Each of them proposes to appropriate $250,000,000. The Curtis-Crisp bill provides for this sum to be loaned to farm organizations, but makes no provision for repayment in event of losses occurring in the administration of the act. The Aswell bill provides for the appropriation for private corporations to be organized and which shall also have the power to issue bonds without requiring the sum to be repaid.

The McNary-Haugen bill, indorsed, as I have said, by all the farm organizations, is based upon the idea that farmers do not want and are not asking any bonus or subsidy. They know full well that in the end such a policy would bring a worse condition than now prevails. A subsidy would increase production, and that, of course, can not go on every year. But if an equalization fee must be paid to take care of the surplus, the ultimate result will be to restrict production. It provides for this sum as an advancement until the system can be put into operation. It provides for an equalization fee to be imposed upon any basic commodity coming under the operation of the act only in the manner I have described, the funds so derived to be used in repaying the Government and also to provide a revolving fund for the operation of the act. Each commodity is to furnish its own funds, which are to be kept separate from those of other commodities.

I come from a district, Mr. Chairman, which can and does produce nearly every kind of crop grown in the Temperate Zone. In the greater portion of the district dark tobacco is the chief money crop. About 80 per cent of it is exported. Due to steadily increased production in foreign countries, the markets for our export tobacco are gradually disintegrating. Increase in the area of production in the United States is adding to the difficulty of the dark and light tobaccos. The tobacco grower finds himself to-day in as bad a situation so far as securing a fair price for his product as the grower of any other kind of crop. Something must be done to regain old markets and secure new ones or his condition will steadily become worse. Last

summer and fall I went all over my district urging the tobacco growers to get together, revive their association, and pool their crops.

I believe the orderly and systematic marketing of tobacco is the only salvation of the tobacco grower as conditions exist to-day. In one of the largest counties of the district over 91 per cent of the tobacco acreage joined the association and over 80 per cent in the other counties. The dark tobacco association and other farm organizations, and also the Burley Association of Kentucky have forwarded to me resolutions urging that I vote for this bill. Their officers have told me that the passage of this bill will go far toward insuring the success of these associations. And I am going to stand by them with my vote in the hope that if this bill is enacted into law, it will aid not only the tobacco growers but all the farmers of the country to secure fair and reasonable price for the product of their labor, and that is all they ask—all they want. It is conceded by nearly every advocate and opponent of this bill that if there is any class of farmers to which it will bring relief it is the growers of dark tobacco, whose product is so largely exported.

The object of this bill is to provide funds to enable the surplus of a commodity to be held until such time as it can be sold in an orderly way and not dumped on the market in a manner that will cause a break in the market below a fair and reasonable price for the product. And the board is authorized to contract with cooperative associations, or other organizations to take charge of and dispose of the surplus.

The advocates of this measure very earnestly insist that it will relieve the situation. Its opponents insist that it will not do so. In times of stress the Government has never failed to come to the relief of every other kind of industry. Agriculture has never been in such a plight as it is to-day within my knowledge. Why, then, should not the Government extend its helping hand to agriculture as it has to other industries? I feel very sure the measure is not perfect. Indeed it may not be the proper remedy. The conflict of opinion can only be settled by a trial. Why not give it the test of actual experience and perfect it where it is wrong rather than content ourselves with the declaration that it will not sustain the claims of its advocates, which of course proves nothing.

I do not know, nor do I say that the passage of this bill will bring the relief which is expected. But I do know that it is the only chance to enact legislation at this session looking to the relief of the farming industry. I hope that it will give this relief. It if does we will all rejoice and the whole country will be more prosperous. If it does not, then any commodity can withdraw from its provision and the act can be repealed.

Even if the bill should fail to give the full relief which its advocates expect it would certainly be a stimulus to agriculture and give renewed hope to the farmers of the country, whose industry has been so depressed during the past four or five years. As I have said, the purpose of this bill is to stabilize the price of the particular commodity. Experience shows that stabilization covering a period of years will not serve to increase the cost to the consumer, but it will serve to insure the farmer against undue, violent, and excessive fluctuation in the price of his product through the manipulation of his markets.

There are 34,000,000 people directly interested in agriculture and, in addition, 19,000,000 who are interested in business and manufacture growing out of agricultural products. The annual cost of farm products to the consumer is about $40,000,000,000, of which the 34,000,000 people directly interested in production get only about 25 per cent, or $10,000,000,000. This wide difference between what the producer gets and the consumer pays shows the injustice under which both the producer and consumer are laboring and the necessity of something being done to relieve the situation. The advocates of this bill believe it will solve the problem. The farmers want it tried out, and I am not going to quibble over technicalities and specious objections, but propose by my vote to give the measure a chance to see if it will not afford the relief which everyone admits is so badly needed.

None of the bills suit me in their entirety. There are features in all of them which I do not approve. Legislation is always a matter of compromise. One Member can not have his own way. In the final analysis we will be called on to vote for or against one bill, and I think we must concede that will be the McNary-Haugen bill. I shall cast my vote in accordance with what I conceive to be best and my duty in the premises.

Mr. Chairman, I submit as a part of my remarks some of the resolutions to which I have referred:

HOPKINSVILLE, KY., *January 31, 1927.*

Hon. J. W. BYRNS,
Washington, D. C.:

Board of directors of the Dark Tobacco Growers' Cooperative Association, representing 75,000 farmers of Kentucky and Tennessee, indorse the McNary-Haugen bill and ask that tobacco be included as one of the basic commodities, and that you use your influence and vote for its passage.

DARK TOBACCO GROWERS' COOPERATIVE ASSOCIATION.

DARK TOBACCO GROWERS' COOPERATIVE ASSOCIATION (INC.),
Clarksville, Tenn., January 29, 1927.

Hon. JOS. W. BYRNS,
House of Representatives, Washington, D. C.

DEAR SIR: The advisory board of the Clarksville district in a meeting at the Association House in Clarksville, Tenn., on January 29, unanimously passed a resolution indorsing the action of the joint executive committees of the Burley Association and Dark Tobacco Growers' Association in their indorsement of the McNary-Haugen bill, and they join with these committees in recommending to you the passage of this bill, believing that ultimate good will result to the tobacco section as well as other sections growing other products, such as grain, cotton, livestock, etc. Therefore, we most respectfully request that you give this bill your earnest support and do all within your power to aid its passage.

Respectfully,

DAN HAWELL,
E. H. STONE,
W. L. MACON, M. D.,
J. H. PUCKETT,
ANDREW RAINEY,
Advisory Board, Clarksville District.

SPRINGFIELD, TENN., *February 5, 1927.*

Congressman JOSEPH W. BYRNS,
Washington, D. C.

DEAR SIR: The board of directors of the Robertson County Farm Bureau in a regular monthly meeting at Springfield, Tenn., passed the following resolution:

"Whereas American agriculture is now facing the most critical period in the history of the Nation due to the fact that the American farmer is not receiving proper consideration at the hands of Congress; and

"Whereas he is placed in a disadvantageous position as compared to industry and all articles he must purchase are selling at high prices and his products are selling at very low prices; and

"Whereas we realize that should present conditions continue it would mean ruin to the American farmer: Therefore be it

"*Resolved by the board of directors of the Robertson County Farm Bureau,* That we petition all Members of Congress from Tennessee to actively support the McNary-Haugen bill."

Trusting that you will do all in your power to secure passage to the McNary-Haugen bill, I remain,

Yours very truly,

GRAYDON L. MORRIS,
President Robertson County Farm Bureau.

Whereas we realize and agree with all fair-minded thinking citizens of our country that something should and must be done to better equalize the business conditions of farming and relieve that important industry from its present unfair, unprofitable, and dangerous plight; and

Whereas we have fully and carefully considered the relief bills offered in Congress looking to that much desired and greatly needed end, and feel that Congress can help to cure the unfortunate and unhappy existing situation: Therefore be it

Resolved by the board of directors of the Burley Tobacco Growers' Cooperative Association, in regular meeting assembled, at Lexington, Ky., this February 2, 1927, That it is the sense of said board, representing 109,106 farmers engaged in the growing of Burley tobacco in the States of Kentucky, Ohio, Indiana, West Virginia, Tennessee, Virginia, North Carolina, and Missouri that the Congress of the United States should promptly proceed with the enactment of what is known as the McNary-Haugen agricultural surplus control bill into law, especially embracing therein its equalization-fee provisions: Be it further

Resolved, That we most earnestly petition our Senators and Representatives in Congress to have tobacco included in said bills as a basic agricultural product, and to vote for and assist in securing the passage of said bill during the present session of Congress: Be it further

Resolved, That a copy of these resolutions be immediately sent to our Senators and Representatives in Congress.

Mr. TINCHER. Mr. Chairman, I yield 15 minutes to the gentleman from New Jersey [Mr. FORT].

Mr. FORT. Mr. Chairman and gentlemen of the House, for the first time since general debate began on the pending bill we had yesterday from the gentleman from North Dakota [Mr. BURTNESS], and the gentleman from Mississippi [Mr. WHITTINGTON], some discussion of the bill on the part of its proponents. Until that stage in the debate had been reached, the bill itself had rarely been mentioned, except by name, by anyone who spoke for it.

The gentleman from North Dakota [Mr. BURTNESS] attempted to dispute the reasoning heretofore put in the RECORD as to the working of the equalization fee on wheat. In his argument, incidentally, he attacked the figures of the gentleman from Kansas [Mr. TINCHER] but at the same time admitted that he was wrong last year in the debate on the subject of freight rates, and, because of that fact, wrong in stating the amount of the equalization fee that would be required in the case of wheat. He concedes that the wheat equalization fee would have to be 13 cents a bushel, and even in making that concession, he omits from his calculation at least four major points which will go to swell the fee. He omits altogether from the discussion the fact that an increase in price to the domestic consumer must bring a decreased consumption and, therefore, an increased amount to be sold abroad at a loss. He assumes a stable and unchanging production, which, of course—as has been proven in debate repeatedly and denied by no one—is impossible with a perpetually stabilized price at a higher level. He omits all reference to processing charges which the board is permitted to assume and pay. He omits the losses to be taken on mill feeds if his theory of the bill be correct that by milling all the wheat in the United States they will be able to sell mill feeds cheaper to the American consumer. Of course, the export of wheat in bulk carries the full unmilled wheat value. If it is to be milled here and the mill feeds to be sold cheaper than at present, additional losses on the flour above the losses on the unmilled wheat will have to be absorbed through the equalization fee.

In spite of those omissions, the figures the gentleman put in the RECORD—and I will ask any Member who has yesterday's RECORD to refer to it—still prove that in 1923 the American farmer of hard northwestern wheat secured practically the full benefit of the tariff; that in 1925 he secured a benefit ranging from 20 to 35 cents; and in 1926 a minimum range of 12 cents at Minneapolis. And under his argument and exhibits attached thereto, a still larger amount of the tariff at Buffalo.

The gentleman overlooks in his entire argument that the Buffalo price of wheat is the import price in the United States; that the freight from Fort William to Buffalo is identical with that from Duluth to Buffalo, so that the import point for wheat is at Buffalo. At that point, he admits the tariff benefits prevail far more than at Minneapolis.

Even with his Minneapolis figures, however, if the American wheat farmer of hard northern wheat had the full benefit of the tariff in 1923, if he had 35 cents out of 42 in 1925, what benefit could he possibly gain by paying 13 cents equalization fee? He could not lift his price more than 42 cents over the foreign price—since the tariff is only 42 cents. So he would have the North Dakota farmer who received 35 cents benefit of the tariff pay 13 cents equalization fee to get a net advance in price of 7 cents. After he received the 7-cent increase and paid the 13-cent fee, he would have 6 cents less per bushel than he had before the Haugen bill passed. He pays the 13 cents fee to raise the price of wheat for the lower grades that will not come up to that level without governmental aid. Taking his own figures and his own argument unchanged, the gentleman from North Dakota concedes every point made by the gentleman from Kansas [Mr. TINCHER] and the gentleman from Minnesota [Mr. NEWTON], who said the other day that the raiser of high-grade wheat is asked under this bill to pay the full equalization fee for only an occasional benefit to him and have the money used to lift the price of the competing low-grade wheat, whose presence in the country creates a statistical surplus which now holds down the price of all wheat and provides the bulk of our exports.

What does that mean? That means that the passage of this legislation puts a premium on growing low-grade wheat, because you can get more of it to the acre. The Oregon wheat figures show 20 or 21 bushels on an average per acre as against 10 or 11 bushels to the acre on an average in North Dakota. The benefit of the legislation goes to the man who to-day raises what we do not want in this country as against the man who raises what we do want. He further states that the equalization fee being levied at the processing point in this country on imported wheat is equivalent to an increased tariff. If that is all it amounts to, let us increase the tariff if you need it. Why go through all this rigmarole and put on an equalization fee?

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. FORT. I am sorry, but the gentleman refused to yield on this point yesterday. The gentleman further estimates that the cost of operating this plan which the American farmer will have to pay as a part of the equalization fee will be 1.2 cents per bushel on 711,000,000 bushels, or seven and a quarter million dollars of additional overhead on the American wheat farmer, if this plan be adopted. This is the first time that the proponents of this bill have undertaken to give us figures. This is the first time that a proponent of this bill has gotten up and told us what they claim it will cost, and when the farmer wants to cut down the cost of marketing they come along and put seven and a quarter million dollars additional cost on the operation.

The gentleman from Mississippi [Mr. WHITTINGTON] is a recent convert. I have noticed that those who stood away from this bill the longest, and therefore showed themselves in possession of reasoning power, make the best argument for it when they are finally converted. The gentleman from Mississippi, even when he argued for it, said that he would not be for it if it did not have the insurance feature in it. He said that he would not support the bill if it did not contain the insurance plan. He said it twice. This insurance plan is something new that came over here from the Senate. I happen to be in the insurance business. I have been attacked on the floor several times when I have spoken on farm relief, because I am not a farmer, but I am in the insurance business. Of all the half-baked schemes, from an insurance standpoint, that was ever put before any kind of a body this one surely takes the medal. In the first place, what is the language? The language is that the premium must cover the risk, and under the bill you are only working under operating periods. So each year that you declare an operation and make the insurance plan operative, you collect a premium big enough to cover the whole risk of loss, and if you do not lose anything the Government makes the profit. Read the bill. Then you are going to collect the equalization fee on top of that. So that under this beautiful insurance scheme, the way it is in the Senate bill, the cotton farmer of the South is going to pay an equalization fee just the same as he would if it was not there, and then he is going to pay an insurance premium on top of that which is big enough to cover any possible loss, and if the loss does not occur, the profit from the insurance premium goes to the United States Government.

Mr. ALMON. But the insurance is optional, is it not?

Mr. FORT. It is optional with the board; but I am talking to the gentleman who would not vote for the bill unless it is in. He is voting for the bill because he wants the insurance, and he is going to pay the equalization fee and the insurance premium, which must be big enough to pay any loss. If they do not happen to have many losses, then the profits go to the Government.

Incidentally, on the question of the constitutionality of the bill, the United States Supreme Court has held a good many times that insurance is not commerce and can not be regulated under the interstate-commerce clause of the Constitution.

The rest of the bill is claimed to be constitutional under the power of Congress to regulate interstate commerce. If there is one doctrine that is absolutely settled—and most insurance men wish it could be upset—it is that the United States Government can not control insurance, that it is not commerce, and is not interstate commerce if it is commerce at all.

The gentleman said in addition to that that we, the opponents of the bill, had on several occasions stated that there was not a permanent overproduction of farm commodities. That is true. We have said whatever has been produced has been consumed in time. That is true. It has been consumed in time and at a low price and when the price has not been high enough you have left 2,000,000 bales of cotton unpicked, as you have this year. You have 9,000,000 bales of cotton as a carry-over, estimated, at the end of this season as it is. You left 2,000,000 bales of low-grade cotton unpicked, and the world's average consumption of our cotton is 11,500,000 bales a year. If your price were high enough to justify picking the other 2,000,000 bales, you would go into the next crop year with one entire year's supply in the warehouses, and if you raise your prices as a gentleman who is at the head of a southern cooperative association said to me, you will be ruined. He said, "Do not pass the Crisp bill because it will put cotton to 15 cents, and if we get 15-cent cotton we are ruined, because we will have too much crop planted next year." I do not agree with that in all respects.

I am not carrying cotton as the gentleman at the head of the cooperative organization probably is, which he wants to work off, but I do say that if you are going into a Government policy of lifting the price and holding it up, no matter what the production is, then, by gracious, you will get your overplanting and your continuous overproduction—and starting on a policy of

overproduction with 9,000,000 bales in the warehouses, it is going to be a long and a tedious process to get rid of it. [Applause.]

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. ASWELL. Will the gentleman from Kansas yield some time?

Mr. TINCHER. I do not care to take time just now.

Mr. ASWELL. The gentleman has 15 minutes more.

The CHAIRMAN. If there is no other debate the Clerk will read.

Mr. ASWELL. Will the gentleman yield some of his 15 minutes time?

Mr. HOWARD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOWARD. In view of the fact there seems to be a lull in the argument might I suggest, if it would be proper, to announce that the lamp still holds out to burn? There might be some late conversions.

Mr. ASWELL. Mr. Chairman, I promised to yield this time to a gentleman who is not on the floor at this moment. There has been an objection made to my bill that it might provide a subsidy. I would like to call the attention of the committee to these facts of record as to what has been done for the railroads:

Aid to railroads

Total costs of operating the Interstate Commerce Commission to date has been	$46,141,587.00
Amount certified to the Treasury for settlement to date	529,892,619.00
In addition to these sums, the Government now holds railroad bonds in the sum of	265,388,800.00
Total aid to railroads under Esch-Cummins law	841,423,006.00

APPROPRIATIONS

1918	500,000,000.00
1919	750,000,000.00
1920	500,000,000.00
1921	65,575,832.03
1922	330,817.00
Total	1,815,906,649.03
Total aid to railroads under Esch-Cummins law	841,423,006.00
Grand total aid to railroads	2,657,329,655.03

Appropriations to shipping

Year	Shipping Board	Merchant Fleet Corporation
1917	$101,316	$405,000,000
1918	517,500	635,000,000
1919	842,500	1,807,201,000
1920	772,986	356,000,000
1921	442,500	[1] 36,852,000
1922	459,000	[1] 73,500,000
1923	459,000	[1] 100,000,000
1924	411,500	[1] 50,000,000
1925	344,000	[1] 30,000,000
1926	330,000	[1] 24,000,000
1927	298,574	[1] 23,900,000
Total	4,978,876	3,541,453,000
Grand total		3,546,431,876

[1] And receipts.

The bill I proposed has a revolving fund of $250,000,000 to stabilize agriculture. Yet, some gentlemen who support the billions for shipping and the railroads fear that a revolving fund for agriculture might be a subsidy. You can not give immediate relief, overnight relief, as you shout for, without appropriating money to agriculture. I propose to do it frankly, in the open, in a sane, practical, and business way.

It is interesting to note, gentlemen, when the supporters of the Haugen bill gave up the ghost and surrendered their bill and accepted the McNary bill they admitted, thereby, that it was the worst of all bills, and they would take the next worst, the McNary bill. It is exceedingly interesting for gentlemen of this committee to be reminded at this moment that, although the supporters of the McNary bill in the House and on the Committee on Agriculture made an earnest appeal for two hours more of general debate this afternoon, two hours on the rule, claiming that the object was to explain the new material in the McNary bill that was not in the Haugen bill and claiming that they would want to present some explanation of the new matter in the McNary bill which is now before this House, yet the four hours have passed, another day has been wasted, and not a single word by any supporter of the Haugen bill has been uttered on this floor in an effort to explain a single point of the new matter. In the name of the distressed farmers, I protest against this political gesture, this insincerity, this wobbling, this scheming, as you continue to fool the farmers when you know the McNary bill can never become operative. You are leaving the farmers unaided. It is a sad commentary upon the intelligence of honorable gentlemen who would support the McNary bill yet have not enough courage to explain a word of it, knowing if they explained it would make it worse. There is not a Haugen Member on the floor who dared to explain it. The only conclusion men outside of the Congress can reach is that the amendments as well as the bill itself were written by lobbyists on the outside and handed to Members in the other body. They swallowed the amendments and present the bill without understanding. The Haugen supporters dare not make any effort to analyze the new matter. It is a bill, gentlemen, written on the outside for political purposes and in selfish interests.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. TINCHER. I yield to the gentleman five minutes more.

The CHAIRMAN. The gentleman from Louisiana is recognized for five minutes more.

Mr. ASWELL. I made a mistake the other day in that I called attention on this floor to the fact that the number of jobs offered by the Haugen bill was only 156, not quite enough to give all the lobbyists infesting this Capitol at the expense of the farmers each one a job. I should not perhaps have called attention to that fact, for the reason that another body in this Capitol proceeded at once to amend the bill and put in 24 more jobs, adding two to each nominating committee. One hundred and fifty-six plus 24, I am informed reliably, will about cover all the prominent lobbyists around this Capitol.

I said to a distinguished gentleman—not strong but loud in his support of the Haugen bill [laughter], "I do not understand you; you propose now to substitute the Senate bill for the Haugen bill, and add another fact in the unconstitutionality of the bill, because you propose to have a tax bill originate in the Senate when you do that." And he said, "I don't give a d——— about that, because you can not make the d——— thing any worse." [Laughter.] Yet he said, "I am for it; I have got to support it, because the crowd at home are on my trail."

Gentlemen, let me repeat what I have already said three times: I can not, will not, support the Haugen bill, because I know the agricultural conditions of this country are in a deplorable condition; I know my own farmers are distressed and depressed, and I will not cast my vote to tax them further with the equalization fee.

The Haugen bill not only is a tax bill but it proposes a most infamous form of taxation. It proposes a sales tax on the necessities of life. I can not support a bill of that kind. No responsible party in this country, under this Government, and no responsible party in any country in the world, ever imposed a sales tax on the necessities of life; and this is what the Haugen bill does—levies a sales tax on the things that the poor, depressed farmer has to sell. In other words, the Haugen bill supporters would have you believe that if you take a farmer, depressed and distressed, and tax him, by some magic Houdini sleight-of-hand performance under the Haugen bill that tax will be transformed into a profit of 3 to 1. I can not support any such legislation, and when the other bills are offered as substitutes, if they do not prevail, I feel that I shall be rendering my farmer constituents the highest order of service when I vote "No" on the final passage of the Haugen bill. [Applause.]

If you substitute my bill, the farmers will get prompt relief without the equalization-fee sales tax. The McNary-Haugen bill can not give relief because it will never become a law. [Applause.]

The CHAIRMAN. If there is no desire to speak on the part of others, the Clerk will read the bill for amendment.

Mr. GARRETT of Tennessee. Just a moment before the reading begins.

Mr. KINCHELOE. Mr. Chairman, I yield such time as he may desire to the gentleman from Alabama [Mr. ALLGOOD].

Mr. TINCHER. Mr. Chairman, how much time have I?

The CHAIRMAN. The gentleman from Alabama is recognized.

Mr. ALLGOOD. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by inserting the House resolution which I introduced to-day concerning Muscle Shoals, to give relief to agriculture.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent to extend his remarks in the RECORD as indicated. Is there objection?

There was no objection.

Mr. ALLGOOD. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following resolution:

House Joint Resolution

Whereas it is apparently impossible for Congress to enter into a contract with a private corporation for the operation of Nitrate Plant No. 2 and other facilities, including Wilson Dam, at Muscle Shoals; and

Whereas under the present temporary lease between the Government and the Alabama Power Co., the farmers receive no benefit from Muscle Shoals, and the Government receives an inadequate return from the sale of Wilson Dam power; and

Whereas there is every indication that the same conditions which now and for many previous years have prevented the consummation of a lease between the Government and a private corporation on a 50-year basis, will continue to prevail through succeeding sessions of Congress for an indefinite period; Therefore, be it

Resolved, etc., That the President of the United States be authorized and instructed to put Nitrate Plant No. 2, at Muscle Shoals, into operation for the production of fixed nitrates for fertilizer and explosives, and for extensive experimentations in order that this Government might be kept abreast of other governments in preparing for any war of the future; as provided under section 124, national defense act of 1916.

(2) That the President be authorized to make use of any or all Wilson Dam power for the manufacture of fertilizers and explosives and for other Government purposes, and sell whatever power might remain surplus to any distributing company which might desire to enter into a contract on the following terms:

(A) The power to be sold by the Government to bring a price not less than the average price paid for similar power throughout the United States.

(B) That the lease shall endure for a minimum of 5 and a maximum of 10 years, with the distinct understanding that at the conclusion of the lease period, whether 5 or 10 years, the lessee will have brought into use all 18 units of Wilson Dam: Be it also

Resolved, That in the operation of Nitrate Plant No. 2, the President be authorized, if it should be deemed necessary, to make use of all rentals, or any part thereof, which might accrue to the Government from the sale of surplus power.

The CHAIRMAN. The gentleman from Alabama has consumed one minute.

Mr. KINCHELOE. Mr. Chairman, may I ask how the time stands?

The CHAIRMAN. The gentleman from Iowa [Mr. HAUGEN] has 16 minutes remaining, the gentleman from Louisiana [Mr. ASWELL] 5 minutes, the gentleman from Kentucky [Mr. KINCHELOE] 10 minutes, and the gentleman from Kansas [Mr. TINCHER] 10 minutes.

Mr. KINCHELOE. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. RAINEY].

The CHAIRMAN. The gentleman from Illinois is recognized for 10 minutes.

Mr. RAINEY. Mr. Chairman, at last big business has spoken through its representatives. This morning the metropolitan papers carried an interview given out yesterday by Henry Ford, the biggest business man in all the world, and this morning the CONGRESSIONAL RECORD contains an article or a letter from Andrew W. Mellon, the next biggest business man in the world; and Mr. Mellon selects as his exponent, as his mouthpiece, my distinguished farmer friend and colleague, Mr. CHINDBLOM, who represents here the gold coast district of Chicago. [Laughter.]

One hundred and twenty years ago in the section now represented by Mr. CHINDBLOM, according to a legend that is still extant up there, an Indian raised there 62 bushels of corn, and that is the only agricultural result ever obtained in that district. [Laughter.] Of course, until the Volstead law they consumed large quantities of corn there in liquid form, but they do not do it now. They get along with renatured denatured alcohol, which is not made out of corn at all. My farmer friend, Mr. CHINDBLOM, who speaks for the second most important business man in the world, does not know much about farming; at least I am not impressed with his knowledge of farming and farm products. But he can learn—I know that—and if Mr. CHINDBLOM should devote a week's intensive study to farm problems at the short farmers' course of our State university, I am sure that at the expiration of that course of study he could tell the difference between a threshing machine and a milking machine. [Laughter.]

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. RAINEY. I have only seven minutes.

Mr. CHINDBLOM. I want to suggest that I actually did hope to learn something from almost 18 hours of discussion on this subject, but there has been no information forthcoming.

Mr. RAINEY. The gentleman ought not to take up my time. If the gentleman will read now in addition to the letter he has published in the RECORD the interview with Henry Ford, he will learn something. Henry Ford says the Haugen bill is "asinine and senseless," and he submits as a substitute for farming a plan to eliminate cows, chickens, pigs, and such things from the farm, and invites all the farmers to move to town.

He insists that in the future we are going to live on oatmeal crackers made out of pecans, olive oil, and some other ingredients. We all now know why the Haugen bill is wrong and uneconomic.

Henry Ford proposes to eliminate chickens and eggs, which yield every year to the farmer $1,050,000,000 of money. He proposes to eliminate cattle and hogs and sheep, and we produce $3,000,000,000 worth of them every year. He proposes to eliminate corn, and we produce $2,000,000,000 worth of that every year. He proposes to eliminate cows and dairy products, and we produce of dairy products $2,500,000,000 every year. Henry Ford's plan is absolutely simple. All we have got to do is to abandon the farms and from $8,000,000,000 to $10,000,000,000 worth of the things which the farmers produce, have the farmers move into town and ride around in cheap automobiles. Of course, they will be Ford automobiles. Then we are to use synthetic foods made out of pecans and olive oil, but there is no explanation from him as to where we are going to get enough pecans and olive oil with which to feed 116,000,000 people. His assertions and his propositions are as absurd as was the voyage of his peace ship and the announcement that he proposed to get the "boys out of the trenches before Christmas."

Mr. BARKLEY. What part does sawdust play in these synthetic foods?

Mr. RAINEY. Sawdust might do, and there are a great many of these big business men in the East who would like to see the farmer reduced to a position where he has to live on sawdust, and they are getting him into that condition just as fast as they possibly can. Now, these are the suggestions made by Henry Ford, the biggest business man in the world, and big business is speaking through him.

The suggestion made by Andrew W. Mellon through my distinguished farmer friend from Illinois amounts to this: If we adopt the Haugen bill we will have an overhead in the way of expenses appalling, indeed; and then through his Bureau of Internal Revenue he figures out how much it is going to cost and how many we are going to add to the army of employees in the United States.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. KINCHELOE. Mr. Chairman, I yield the balance of my time to the gentleman from Illinois.

Mr. RAINEY. He figures it all up. I do not know how much it is—$1,000,000, or considerably more than that. I am never impressed with the figures given out by the Internal Revenue Bureau of this Government under the direction of Mr. Mellon. I have had considerable experience with them. We have a "flexible tariff" which does not always work to the satisfaction of everybody, but we have some experts up there in the Internal Revenue Bureau who give out "flexible figures" that always suit Mr. Mellon. I remember that in 1922, when we had up the soldiers' bonus bill, there came out from Mr. Mellon's Bureau of Internal Revenue the statement that we had confronting us a deficit for 1923 of nearly $300,000,000, and they defeated with those flexible figures of his the soldiers' bonus proposition, which would have given to the soldiers something better than graveyard insurance. But the months went on, and then we heard from the same source and from the same authority that we had a surplus of over $200,000,000, which we proceeded to hand back just before the elections all over the country in the shape of rebates on taxes, which, I can assure you, my friends, I found in my district to be a most convincing campaign document in favor of the Republican candidate for Congress that year. Then, I remember that afterwards when Mr. Mellon appeared before the Ways and Means Committee, having personally suffered considerably on account of these flexible figures, I called his attention to them. It all appears in the hearings. And Mr. Winston answered. He always has some of these young fellows around with elastic consciences to answer. I called his attention to the fact that he had made a mistake in the estimate of that year amounting to something like $500,000,000. I said "How do you account for that?" And Mr. Winston—it appears in the hearings—made this very clear and—to him and to Mr. Mellon—satisfactory statement. He said it just happened this way: "What we did was to underestimate the receipts and overestimate the expenses. That is the way it happened." Of course that made it all perfectly clear.

MISTAKES OF MELLON

In order to call attention to the absolute unreliability of estimates and figures presented by Mr. Mellon and his "flexible" Bureau of Internal Revenue, I want to quote now from a letter addressed by Secretary Mellon to the chairman of the Ways and Means Committee of the House of Representatives and dated January 24, 1922. May I call attention to the fact that this letter from which I propose now to read this extract is printed in the hearings before the Ways and Means Committee when they were considering the question of the soldiers' adjusted compensation bill, and when it became necessary from Mr. Mellon's standpoint to defeat the bill and to give the soldiers only the "graveyard insurance" they now have. This letter accomplished its purpose. It defeated the soldiers' bonus bill. You will find it printed at page 68 of the hearings on this subject before the Ways and Means Committee, which extended from January 31, 1922, to February 7, 1922. I now read:

It appears from these statements that for 1922 the Budget estimates indicate a deficit of over $24,000,000, and for 1923, a deficit of over $167,000,000. These figures make no allowance for expenditures not covered by the Budget, as, for example, $50,000,000 already requested by the United States Shipping Board for the settlement of claims; $7,000,000 to be spent by the United States Grain Corporation on account of Russian relief, under the act approved December 22, 1921; $5,000,000 to be paid as the 1923 installment under the treaty with Columbia; and a possible $50,000,000 on account of additional compensation to Government employees; a total of $112,000,000, chiefly for 1923. The results of the first half of the fiscal year, 1922, after making due allowance for extraordinary items, indicate that the Budget estimates for the year are substantially correct. It is still too early to say whether deficits can be avoided, but it is almost certain that in neither 1922 nor 1923 will there be any surplus. At any rate, it is clear that in order to balance the Budget, expenditures must be still further reduced, rather than increased, and the net reductions below the Budget figures within the two years must aggregate about $300,000,000, in order to overcome the indicated deficits. At the same time, the Government faces a heavy shrinkage in receipts, and internal-revenue collections in particular are subject to great uncertainty. As a matter of fact, in view of the depression in business, there is grave doubt whether the estimates of receipts which appear in the Budget can be realized, and up to date the shrinkage has rather more than kept pace with the shrinkage in expenditures. It is clear that under these conditions there is no room for new or extraordinary expenditures, and that if new items should be added, which are not included in the Budget, it would be necessary to make simultaneous provisions for the taxes to meet them.

In the rest of the letter he discusses the items which he expected would make up this very large deficit, to wit: Maturing Liberty loans, maturing Treasury certificates outstanding, interest payments on the public debt, and so forth, and the letter was accompanied by extended statements from his "flexible" Bureau of Internal Revenue intends to sustain this estimate.

In order to obtain evidence of this pretended deficit, Mr. Mellon entirely ignored the estimates of Mr. McCoy, nearly always accurate, the Government actuary, and accepted the estimates of some clerk in the Internal Revenue Bureau. And now may I quote from the hearings before the Ways and Means Committee on the 13th day of February, 1924, in which hearings there was considered the question of "estimates of revenue." Mr. Joseph S. McCoy, the Government actuary, was testifying. I read:

Mr. RAINEY. On January 24, 1922, the Secretary of the Treasury, in a letter addressed to the chairman of this committee, announced that the deficit for 1922 would exceed $24,000,000, and that the deficit for 1923 would exceed $279,000,000.

Now, I understand, he says there was a surplus in 1923 of over $200,000,000. There was a mistake there, of $479,000,000 at least, in the estimates for 1923; and he goes on to state that he got these figures from the actuary.

Mr. MCCOY. The figures used in the Secretary's report for 1922, upon which the deficit or surplus was based, were not my figures. I did supply figures estimating revenues, but they were not used.

Mr. RAINEY. He says he got them from the actuary.

Mr. GARNER. Let me get that statement straight. Let us follow that up.

Mr. RAINEY. Yes; in fairness to the witness.

Mr. GARNER. As I understand it, Mr. McCoy, when your figures suit the Secretary's purpose, he uses your figures?

Mr. MCCOY. No, sir.

Mr. GARNER. And when his purpose is not served by your figures he uses some other figures?

Mr. MCCOY. No.

At a later date, when Mr. Mellon himself appeared before the committee, I called his attention to these stupendous mistakes and asked him how it happened. Mr. Winston, his Undersecretary, answered for him and stated that the mistake occurred on account of the fact that they underestimated the receipts for that year and overestimated the expenditures. This, of course, made the matter very clear. Since that time other mistakes have been made in the estimates amounting to hundreds of millions of dollars, and all of them evidently made for the purpose of carrying out some policy of the Treasury Department. The figures we get from Mr. Mellon's "flexible" Internal Revenue Bureau are not worthy of serious consideration, and the estimates and figures he gives out now as to the overhead expenditures connected with operating this bill are not, in my judgment, entitled to serious consideration, in view of the expressed opposition of Mr. Mellon to this bill and in view of his record of furnishing always figures intended to kill the measure opposed by him.

THE EQUALIZATION FEE

The equalization fee theory has come to stay. Farmers are up against the cheapest labor in the world—the peon labor of India and Turkey and Russia. No political party in the future will ever oppose a tariff which simply has for its object the equalization of labor costs. What some of us are opposed to is a tariff which protects the graft in industry. We believe in maintaining the standard of living of Americans whether they work in factories or on the farms. There will always be a tariff. Whether it is low or high, the farmer is entitled to enough to equalize wage differences, and we know that the only effective method of protecting the farmer in this particular is through the application of the equalization fee. This is the only way to make his tariff effective, and I propose that whatever tariff we give him, whether it is low or high, shall be effective if I can make it effective. Of course, a reduction of the tariffs on articles other than farm products will make possible a lower tariff on farm products in order to keep up the purchasing power of farmers, but whatever the tariff is, it must be made effective.

STANDARDIZATION

We have standardized the business of every other class of our citizens, and we have done it by law. I challenge any opponent of the McNary-Haugen bill to call attention to the income and the profits of any class of our citizens which has not been standardized and assured by legal enactments. I expected to support the McNary-Haugen bill. I expect, now, to support the McNary bill. Changes made in this bill in the Senate are largely academic and do not seriously affect the application of the bill. I realize that any amendments to the McNary bill, which will be substituted for the Haugen bill, will result in the defeat of all agricultural relief at this session. I shall vote against all amendments and I shall vote for the bill.

Mr. TINCHER. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Kansas is recognized for 10 minutes.

Mr. TINCHER. Mr. Chairman and gentlemen of the committee: The first McNary-Haugen bill came on this floor at a time when there was an emergency in agriculture and when every legitimate basic agricultural commodity was selling below a fair ratio price. It was suggested as an emergency measure, and its term of life was defined in the bill. It failed. However, the man who was here suggesting the equalization fee as a method for enforcing the fair ratio price did not die. His name is Peek, and he comes from Illinois. He was sold on the proposition right after the war by reason of some Government activity with which he was connected during the war. The ratio price had to be abandoned because since that time every agricultural product, depending somewhat on whether we had a surplus that year or not, has gone way above the ratio price. It makes a good deal of difference. This is the year for the cotton boys to howl. They are not getting the ratio price. The first year cattle, hogs, wheat, and corn were way below the ratio price; so that a lot of us from the corn and wheat regions supported that emergency measure in order to get the ratio price. The Agricultural Committee has studied the problem ever since, and it is not unfair to state that 90 per cent of that committee actually believe that the selling of the surplus product by levying an equalization fee will be a failure. But expediency and conditions at home influence all of us.

We are now going to vote right away on a bill that we have not had a hearing on. It has an insurance problem in it that I understand is unique in the fact that it is the only insurance proposition that was ever put up to Lloyd's that they said they would not touch. [Laughter.]

However, some of us can not stand the equalization fee, and if they can get a little insurance problem in here in some way, maybe they can justify themselves when they are levying

the equalization fee and collecting it by saying, "We thought the insurance proposition would work." It is so delicate it can not be considered in committee. It is so delicate that no witness must ever testify concerning it; and it is so worthless that the entire time of general debate on this floor has not found a sponsor for it for one minute. Nay, more, it is so delicate that it will not stand an amendment, and you will hear the great DICKINSON, the spokesman for Peek, and the Iowa conservator of agriculture, close this debate in a few minutes, and mark my prediction: He will say to you, "If you want to defeat the Haugen bill, amend it in any particular." He will stand up and tell you that this fabric is so delicate that this great lawmaking body at this end of the Capitol must not exercise its prerogatives to the extent of dotting an "i" or crossing a "t." This is to be the closing argument in the debate this afternoon in this House.

Shall we surrender if we think we can do something that will help the bill? Is it not a good joke to say, "Do you know the only way you will get farm legislation is to pass this bill without amending it," when it is a well-known fact that there are 100 men in this House who are going to vote for this thing who would not vote for it if they thought there was any chance in the world of its becoming a law? [Applause.]

I yield back the balance of my time.

Mr. HAUGEN. Does the gentleman from Louisiana want to use some time now?

Mr. ASWELL. I yield back my time.

Mr. HAUGEN. I yield 15 minutes to the gentleman from Iowa [Mr. DICKINSON]. [Applause.]

Mr. DICKINSON of Iowa. Mr. Chairman and members of the committee, I want to say that to me the number of statements that have been made here where men have come in and confessed their recent conversion to this legislation has been sweet music to my ears. [Laughter.]

This fight has continued for more than five years. It is now put in a peculiar parliamentary situation, and I want to say to this committee that I make no apologies in coming here on behalf of the farmers and saying to you that if you dot an "i" or cross a "t" of the Senate bill that is now substituted for the House bill you deliberately and premeditatedly kill farm legislation for this session, and I want the gentleman from Kansas to pay particular attention to this statement. [Applause.]

Mr. ASWELL. Will the gentleman yield?

Mr. DICKINSON of Iowa. No; I do not yield. The gentleman has had two or three hours here, and I have had no time at all in this general debate.

Mr. ASWELL. Too bad. [Laughter.]

Mr. DICKINSON of Iowa. If I had had a little more time, I might have enlightened the gentleman from Louisiana on the fact that this is not a tax at all; that under the best authorities it is not considered a tax, but is a charge collected upon a commodity for the purpose of accumulating a sinking fund for payment of losses; and the gentleman from Louisiana knows that when he comes in here and offers his bill as a substitute, as he is going to offer it, if it passes, it is going to kill farm relief legislation for this session.

I was amused at the statement of the gentleman from Kansas that this was emergency legislation when we first presented it here in 1924. What is the difference between the emergency now and the emergency in 1924 when the gentleman from Kansas supported the legislation? The difference is that they transferred the emergency from the district out in the southwest section of Kansas, where they produce wheat, down into the southwest and into the southern sections, where they produce cotton, and out in the middle western States like Iowa, where they produce corn. That is the difference in the emergency, and it is largely responsible for the difference in the attitude of the gentleman from Kansas on this legislation. [Applause.]

They thought they had the whole proposition solved here when they were going to say to you that the Canadian man could bring in wheat here cheaper than you could buy it from the producers here, and then they found after they got out all of their propaganda with three or four pages of figures that they had forgotten to read the bill; and the gentleman from Kansas [Mr. TINCHER] spent two columns of his remarks the other day in paying his respects to me on the theory that he had discovered something in this bill that we did not know about.

The gentleman from Kansas knows that whenever the cost of transportation from Canada plus the tariff is greater than the amount of the equalization fee plus the cost of transportation of the original producer here, this plan would work and the equalization fee would be effective for the benefit of the producers of this country.

And when he put the equalization fee at 25 cents a bushel, which he knew is a higher rate than ever will be charged if this machinery is ever put into operation, he fixed the amount high for the purpose of his illustration. The gentleman from Kansas never read the bill; he guessed at it; and then he spent two columns of his speech trying to show what a disaster that would be to the wheat producer and the country, and all at once discovered that the bill prevented them from doing the thing complained of.

Now, with reference to the lobbyists. I make no apologies for George Peek, Frank Murphy, or Chester Davis. They are just as good businessmen and just as good economists as Dave Tenney, of the city of Minneapolis. I know several cotton men, and I want to say that they are lobbyists only because they have the interest of the people they represent at heart, and they do represent the sentiment of their people on this proposition. Do not let the gentleman from New Jersey [Mr. FORT] or the gentleman from Kansas [Mr. TINCHER] or the gentleman from Louisiana [Mr. ASWELL] disabuse your minds for a minute that these people represent the real sentiment of the farmers of their locality. [Applause.] Because if they did not they would lose their jobs, and so would any other Representatives of the farmers, because they have to be selected one year after another.

Next, I have read with a good deal of interest the minority report signed by the gentleman from Kansas [Mr. TINCHER]. In that report he says:

> It is absolutely inconceivable that the great packing-house interests of America would have remained silent in regard to a bill which plans to take over the entire trade of the Nation in swine, unless convinced that the bill would operate in their interests.

On May 30, 1924, Mr. TINCHER said in discussing the farm bill:

> In the first place, the packers are against this bill. The grain exchanges are against the bill. Their lobbyists are in Washington and they appeared before the committee, and they testified against the bill and they are fighting it. They have been in these galleries ever since we have been considering it, and they are not for it. That is one statement. How ridiculous to say that this bill would help the packers so much that you ought not to pass it.

There is the quotation of the gentleman in May, 1924, and there is the signature on the minority report with reference to the present bill.

Mr. TINCHER's speech was largely a ridicule of the Members of the House. He was entertaining for some 40 minutes. He named a new cabinet. He named new officers, but when it came to a discussion of the fundamentals of the bill he evaded that. Let me suggest that—

> Ridicule is a weak weapon when leveled at a strong mind;
> But common men are cowards and dread an empty laugh.

Now, I want to take up the suggestion of another gentleman, the gentleman from Massachusetts [Mr. LUCE]. The other day the gentleman from Massachusetts said if any one wanted "to add to his unanswerable argument he would yield to him." Then he yielded to the gentleman from Alabama [Mr. HUDDLESTON] who is absolutely at a different end of the equation in his views from the gentleman from Massachusetts. One is a high protective tariff man and the other is a free trader.

The amusing part to me was the fact that the gentleman from Massachusetts spent the first 10 minutes claiming that this bill would result in overproduction in all commodities, and then he spent the last 10 minutes of his speech telling you how it was going to increase the cost to the consumer. What is the best guaranty that a consumer can possibly have that he is going to buy food at a reasonable rate? Why, it is a good supply. Nothing on earth will hold up the price of a commodity if you have an overproduction of that commodity, and the gentleman from Massachusetts ought to know that if he is an economist at all. And yet, when I asked him to yield he would not yield to me because his position was inconsistent. He was either wrong in the first 10 minutes of his speech or was wrong in the last 10 minutes.

If you have overproduction you can not have increased cost to the consumer, because sooner or later the machinery will get down to a level where you can only market the commodity at what the consumer will absorb it at, and when you have reached that price, you will stabilize the price of that commodity, and there the producer will have to be satisfied and will have to go along and continue to produce. For that reason the gentleman from Massachusetts [Mr. LUCE] was inconsistent in his argument, and you can not maintain both ends of the equation because one works absolutely against the other. Therefore, both results can not be maintained. As a matter of fact, he is wrong at both ends of the equation. Overproduction is not going to result from a fair return to the farmer, and increased cost to the consumer is not going to result from the operation of this bill only after the general level finds itself in the economic equation of the country,

as you add to or take from the various ingredients that go into the commodity. The raw materials that go into the food commodities are so small a per cent of the cost of the commodity, that it is scarcely reflected in the actual price that the consumer pays. The gentleman from Ohio [Mr. BRAND], showed that with his illustration in respect to bread. It has been shown here numerous times and in numerous cases.

On the 10th of July, 1925, at Ames, Iowa, the Secretary of Agriculture, W. M. Jardine, said:

> The present troubles of agriculture in no small measure have grown out of the excessive production and the loss of foreign markets, a situation that was brought on by the World War.

In the Fourteenth Annual Report of the Secretary of Commerce for the fiscal year ending June 30, 1926, on page 97, under the caption "The status of agricultural exports," appears the following paragraph:

> Without attempting to trace the ups and downs of our agricultural exports during recent years, it is sufficient to point out that on the average they have materially exceeded the pre-war volume. In the fiscal year 1925–26 they amounted to $1,892,000,000, as compared with an average of $1,038,000,000 from 1910 to 1914. For the calendar years 1921 to 1925, after allowing for change in prices, the exports of agricultural products were about 23 per cent greater than from 1910 to 1914.

It would seem, therefore, that the figures compiled by the Department of Commerce do not confirm the statement of the Secretary of Agriculture that we have had a "loss of foreign markets." The situation is one created by governmental policies within the United States and is clearly not one produced by a loss of foreign markets for agricultural products.

In his speech in the House of February 11, 1927, Congressman FORT, of New Jersey, summed up the case of the opposition to surplus control legislation in the statement that the present condition of agriculture is due to overproduction, and continued:

> Then came the war, and we speeded up everything in the United States to force production as a war measure. We did that whether it was farming or manufacturing, whether it was transportation or what you please; everywhere we could get an additional ounce of production of any kind we went out and got it. Consequently we opened millions of additional acres of land in this Nation to production. We are not through with the demobilization of agriculture yet.

I challenge the policy of this administration in proceeding further with the demobilization of agriculture.

Farmers did speed up agricultural production during the war. But industry also speeded up industrial production during the same period. The increase of industrial production was greatest in the territory represented in part by Mr. FORT and including New England, New York, New Jersey, and part of Pennsylvania and Ohio.

The war concentrated the Nation's emergency business within a radius of relatively few miles of New York. Of the thousands of war contracts placed in the early stages of the war, nearly all were crowded into the East to such an extent that it became necessary for the War Industries Board to prohibit the placing of more business in that district. To support this war-time expansion of industry in the industrial East labor was moved in vast numbers from other sections of the country and the flow of raw materials was directed into this region. Old plants were enlarged and new ones were built in large numbers.

When the war closed and a return to peace-time demand was inevitable a desperate policy was adopted to maintain the industrial expansion in the East by expanding industrial exports regardless of its effect upon the rest of the country. Agriculture was deflated promptly, deliberately, and ruthlessly.

It is now more than eight years since the armistice; agriculture has been completely demobilized, but industry has not been, and here arises the true reason for the opposition of the industrial East to the rehabilitation of agriculture. Over a period of years our exports can not materially exceed our imports. A further reason for this is the fact that as the United States now has more than its proper share of the world's gold, our war debts and commercial loans can only be paid with imports. This raises the tremendously important question, Shall agriculture continue to contribute its proper share of exports to balance our imports or shall our agricultural exports be restricted to the vanishing point, leaving to industry the unrestricted opportunity to expand its exports and avoid demobilization of its war-time inflation?

This conclusion is strengthened by the fact that spokesmen for industry, such as Congressman FORT, Secretary Hoover, Secretary Jardine, Secretary Mellon, and numerous writers persistently advise agriculture to reduce its production to the low point of domestic demand. The effect of this would be to create a vacuum in our exports which would furnish the opportunity for industrial expansion or at least for the maintenance of war-time expansion. If successful and the result is a shortage of farm products resulting in higher prices, their next move would be to remove all tariffs on farm products but maintain them on industrial products.

This view is further supported by the fact that these same industrialists inconsistently urge against this legislation that its effect will be to increase prices of farm products and raw material in the United States and hold reduced production out to farmers as the only hope of higher prices. As a matter of fact these gentlemen and the interests they represent, do not want higher prices on farm products and raw materials. Under ordinary circumstances they would welcome a generous production, even to the point of overproduction, because it would mean low prices of farm products and raw materials. Thus in one breath the opposition to this legislation say they believe it will raise farm prices and in the next they urge farmers to reduce production to the point that prices will be advanced.

The only logical explanation of this obvious inconsistency, is that these gentlemen want agricultural production reduced below pre-war volume, or, as they express it, to the point of merely supplying the domestic market. With agricultural production reduced to a basis of domestic needs, our balance of trade would be maintained only by increasing industrial exports and thus the National Government would be behind the policy of industrializing the Nation for the benefit of a limited section of the East and at the expense of the rest of the Nation.

This further demobilizing of agriculture advocated by Mr. FORT means not merely a continuance of low prices for agriculture, but it means demobilization of the agricultural plant, involving further destruction of land values, further abandonment of farms, and the reduction of our farm population to a condition of peasantry.

We want to maintain our food-producing people on a parity with other interests, and the only way that you are going to do it is by giving them the same opportunity to maintain themselves that you are giving the industries in the East to maintain themselves.

I was very much amused the other day at the statement of the gentleman from Vermont [Mr. BRIGHAM]. His people, he said, are against the bill, not because of the dairy features, but because they are against price fixing. I ask the Members of this House whether or not in their minds the additional duty of 4 cents per pound put on dairy products had anything to do with raising the price of dairy products in the State of Vermont? Of course it did. It maintained the price at a higher level and helped the dairy interests of this country. Yet there is the dairy interest, so selfish that they think they ought to be able to maintain themselves under this protection and say to the cotton producer and to the wheat producer and to the swine producer and to the rice producer, "You take care of yourselves, we are in under the weather and do not care whether you get in or not." That is not the attitude that we should assume in this country. You can not protect the dairy interests as against the other interests of the country and maintain it as a national policy, and it ought not to be attempted. [Applause.]

With reference to the price of dairy feeds in which Mr. BRIGHAM says I am mistaken, will say that at a later date I shall place in the RECORD data showing that the price of bran and shorts has no relationship to the price of wheat. Bran and shorts constitute the major portion of dairy feeds.

It has been said that President Coolidge will veto this measure if it is passed by Congress.

I do not know whether or not he will do so. In this connection, however, I wish to call the attention of the House to certain excerpts from statements of President Coolidge since 1923, and to the position taken by cooperative marketing and farm organizations toward this legislation:

PRESIDENT COOLIDGE ON COOPERATIVE MARKETING

First message to Congress, December 6, 1923:

"He [the farmer] must have organization. His customer with whom he exchanges products of the farm for those of industry is organized, labor is organized, business is organized, and there is no way for agriculture to meet this unless it, too, is organized. The acreage of wheat is too large. * * * Systems of cooperative marketing created by the farmers themselves, supervised by competent management, without doubt would be of assistance, but they can not wholly solve the problem."

Lincoln Day dinner of National Republican Club in New York, February 12, 1924:

"I have already encouraged organization and cooperative marketing that organized agriculture may cope with organized industry."

Livestock Exposition in Chicago, December 3, 1924:

"It [the Government] must encourage orderly and centralized marketing as a substitute for the haphazard and wasteful distribution methods of the past. The principle of cooperation in producing, financing, buying, and marketing must be encouraged to the utmost practicable development."

National Cooperative Marketing Conference, Washington, January 6, 1925:

"As a last word, let me assure you again of the profound sympathy which your Government feels for all your efforts, and its eager purpose to help in every practical way the achievement of the ends you are seeking."

American Farm Bureau Federation, Chicago, December 7, 1925:

"The most important development of late years has been the cooperative movement. * * * I propose actively and energetically to assist the farmers to promote their welfare through cooperative marketing."

Message to Congress, second session, December 1926:

"It has appeared from all the investigations that I have been able to make that the farmers as a whole are determined to maintain the independence of their business. They do not wish to have meddling on the part of the Government or to be placed under the inevitable restrictions involved in any system of direct or indirect price fixing which would result from permitting the Government to operate in the agricultural markets."

Message to Congress, second session, Sixty-ninth Congress:

"The development of sound and strong cooperative associations is of fundamental importance to our agriculture.

"Surpluses affect prices of various farm commodities in a disastrous manner, and the problem evidently demands a solution, and it is my hope that the basis will be found for a sound and effective solution upon which agreement can be reached. If a sound solution of a permanent nature can be found for this problem, the Congress ought not to hesitate to adopt it."

In the same message he said:

"In my opinion cooperative-marketing associations will be important aids to the ultimate solution of the problem. It may well be, however, that additional measures will be needed to supplement their efforts. I believe all will agree that such measures should not conflict with the best interests of the cooperatives, but rather assist and strengthen them. In working out this problem to any sound conclusion it is necessary to avoid putting the Government into the business of production or marketing or attempting to enact legislation for the purpose of price fixing. The farmer does not favor any attempted remedies that partake of these elements. He has a sincere and candid desire for assistance."

In a reasoned statement in behalf of the McNary-Haugen bill presented to this Congress practically all large cooperatives handling the basic agricultural products named in this bill declared:

* * * No cooperative can afford to burden its members only with the entire cost and risk of borrowing money to buy seasonal surplus and carry it over to other years or to sell it in foreign markets. * * * We, therefore, respectfully petition Congress to pass at this session legislation which will create a Federal farm board with whose cooperation surpluses can be effectively handled by cooperative agencies created by farmers and distribute the costs of managing such surpluses as broadly as the resultant benefits are distributed, that is, over each marketed unit of a particular commodity through an equalization fee.

Similar statements of the inability of cooperatives to assume the burden of managing the surplus and petitioning Congress to pass farm-surplus-control legislation have been made to committees of the House and Senate and printed in the CONGRESSIONAL RECORD.

In the entire history of this legislation, beginning with my original tentative draft of the Dickinson bill, efforts have been made by farm organizations and Members of Congress to conform with the views of the President which I have just read.

The bill before the House does not "put the government into the business of production or marketing or attempting to enact legislation for the purpose of price fixing." The substitute measures, both the Crisp and Aswell bills, do both; and, since neither do not meet either the views of the farm organizations or the President they should be given no further consideration.

In the light of the statements of the President which I have just read, I do not see how he can do otherwise than sign the measure and applaud Congress for so effectively carrying out his expressed desires.

Here I insert the findings of the North Central States Agricultural Conference, Chicago, Ill., October 8, 1926:

I

Our national policy as it relates to agriculture does not fit present conditions. But instead of statesmen who can see its failure we have at the head of administrative affairs of the Nation many men who are aggressively pushing a program of favoritism to industry that will not only continue but must inevitably increase the disadvantage not only of the farmers' position but the position of all those great sections of the United States which are primarily agricultural.

The need is for men whose vision and statesmanship can deal with this crisis in a way fair to American agriculture and to the rest of our people. Instead, we have many national leaders, who not only condone existing inequalities, but are coolly developing a program that will demand yet further sacrifices from agriculture.

We need to develop a national consciousness of this situation—an understanding that will lead to solidarity in pressing for a policy to build up instead of tear down the basic industry of the Nation. This must inevitably project its force into political as well as economic fields although it should be kept entirely apart from influences of partisan politics. It should lead to the selection of Representatives in Congress from the Middle West, West, and South, who, regardless of party, realize that their duty lies first to the economic interest of their constituents, and secondly to political parties.

Now, before election, is the time for candidates from agricultural States, to be made to understand this. It may be said that this is a sectional stand. If so, it has been forced upon us by the sectional position already taken by the industrial East. The need is for men in Congress who have vision enough to see the problem and having seen it, to rise above the crack of the party whip in working courageously for its solution.

II

The sound policy for America must aim toward the development of a well-balanced national life, careful that its effect be not to stimulate any one form of productive effort at the expense of other equally essential producers.

Laws and governmental institutions and sanctions may be general in their form but may work out inequitably in practice because of differences inherent in the groups affected by them. In such a case it is not enough to say, "The provisions of the system of which you complain are general; if you can not secure the advantages from it that others take for themselves the fault is yours." If the end itself is sound—equality among the essential productive industries—then the laws and institutions through which the policy operates should be altered or added to whenever necessary to secure it.

When a surplus agricultural production was necessary to repay foreign investors in the United States and to buy what we must import, our national policy of expanding agriculture upon an export basis worked admirably. When our greatest national test came it was our surplus agricultural production that fed the Allies and decided the issue of the World War. But the international balance shifted as a result of the war. We have the gold. The rest of the world owes us. These facts inevitably limit the volume of exports, both industrial and agricultural, from the United States. Our wheat, corn, pork, cotton, and sometimes beef can bring the farmers only the price which foreign buyers will pay for what is left after the domestic need is satisfied. This condition is crucifying agriculture. It is directly due to our past policy of agricultural expansion, and to the development of the American protective system, which keeps farm costs on a high domestic plane while farm prices remain relatively low due to the influences of world competition.

Every thinking man realizes this condition. The farm debt has more than trebled and the actual exchange value of farm lands has declined 20 per cent during the past 15 years. There is continuing in this country on a vast scale a redistribution of wealth away from the farms into the cities—from those who have produced it to those who have not.

III

If the Hoover-Mellon policy of expanding industrial exports, no matter at what cost, to other groups means anything at all, it means the definite submergence of agriculture. These men and their policies say in substance that American farmers must provide the food and raw material for American industry and labor at prices no higher than foreign manufacturers and labor pay. Why? In order that American industry may export manufactured goods in competition with Europe.

In other words, Hoover and Mellon and all they stand for are pushing as America's new policy toward agriculture the proposition that it is the American farmer's duty and place to produce and sell here at home just as cheaply as does the Russian peasant, and the South American peon in Europe.

Their aim is to develop the capacity of the United States to compete for world markets with industrial exports. They suggest that to make this possible the American farmer must provide the basic materials on the same level as the foreign industrialists are supplied. They hope the American farmer can do this and maintain his standard of living by superior and increasing efficiency in production and distribution. If he can not, that is his hard luck. No matter what happens to him, he must make it possible for our industrial exports to continue.

To apply this same reasoning to labor would mean that the American wage scales should be brought down to foreign levels; it is precisely equivalent to a demand for foreign price levels in the United States, but only upon products of the farm.

Such a policy prefers an export market for manufacturers, made possible by sacrificing agriculture, to an improved domestic market made more prosperous by the extension of the American protective system to include the farmers.

IV

The Hoover-Mellon doctrine is dangerous. Its vicious effect on agriculture needs no further demonstration. But it is equally unwise and shortsighted as a policy for our industry and commerce.

The buying power of the farm population of America is incalculably more important to our manufacturers as a whole, even including those who manufacture for sale abroad, than an export market. The Nation's economic position in the world does not require or even sanction stimulated industrial exports.

This is true of the Nation as a whole. For the Middle West, West, and South the case is even more overwhelming. Their direct interest in industrial export trade is infinitesimal; their interest in agriculture's buying power is everything. There are some manufacturers in these districts who export some of their goods, but give them the choice between their export sales and a sustained home market built on agricultural prosperity and they could not hesitate for a moment.

The 1923 census of manufacturers placed the total value of all manufactured goods that year at $60,556,000,000; the Department of Commerce reports the value of the manufactured exports at $2,625,000,000. Only 4.3 per cent of our manufactures exported, and yet our policy makers gloat over that 4.3 per cent as if it were of more consequence in our economic welfare than the prosperity of 30,000,000 American farm consumers.

In considering the importance of our exports it must be remembered that between 40 and 50 per cent of them come from the farm. In 1925 farm products and their manufactures accounted for 47 per cent of the total exports. Of the nonagricultural exports, the following commodities lead in order—mineral oils, automobiles and parts, machinery, copper and manufactures, iron and steel, coal and coke, lumber and agricultural machinery. None of the scattering remainder in the classification reaches 2 per cent of the total. Of those enumerated, how many are there in the United States, and in the Mid West, West, and South particularly, to whom an industrial export market is of more importance than a sustained farm market based on farm prosperity here at home?

Let Mr. Hoover and Mr. Mellon answer.

V

Mellon and Hoover are regarded as the spokesmen for the policy makers of the present administration. Hoover is the administration's agricultural adviser. Jardine is hardly in a position to oppose him.

The Department of Commerce policy to expand industrial exports is too generally known to require elaboration here. Two or three years ago Mr. Hoover held, and on occasion publicly suggested, that the American farmers ought to get out of the export markets, presumably in order to make room for the manufacturers, and reduce their production to the needs of the domestic market. It is reported that more recently he has backed up on that opinion, or at least will not sanction its publication as coming from him.

Congressman FORT, of New Jersey, a former associate of Mr. Hoover, was Hoover's spokesman in the House of the Sixty-ninth Congress. The two speeches he delivered against the Haugen bill were currently understood in Washington to have been prepared in the Department of Commerce.

Mr. FORT said, May 4, 1926 (CONGRESSIONAL RECORD):

"Our labor in America is going to buy bread on a basis at least 47 cents a bushel higher for wheat than British labor and German labor and French and Canadian labor. We are going to cheapen the cost of production of foreign-made articles by selling foodstuffs cheaper to foreign labor than we sell them to our own. * * *

"You are going to make it cheaper for the foreign competitor of American labor to live, but you are going to make it cost more for the American laborer to live, and therefore the cost of production to the American manufacturer must go up while the foreign cost goes down and his world market is lost."

Senator FESS, of Ohio, was generally regarded as the administration's agricultural spokesman in the Senate. In a speech in the Senate on June 9, 1926, he said:

"Mr. President, I do not propose to vote for any measure that will feed at a lower cost the producer of competitive articles that come in competition with American production."

The same note was struck by Mr. Mellon in his official letter of June 14, 1926, in which he said:

"Foreign consumers * * * under the proposed plan will secure American commodities at prices below the American level. European labor could purchase American products at a lower price and could live more cheaply than American labor. Foreign industrial costs would be lowered and the foreign competitor assisted in underselling American products abroad and in our home market."

It has been repeatedly pointed out that these men stand for the industrialization of America at the expense of agriculture.

VI

In our international position the volume of export business which we can maintain is limited by—

(a) Our ownership of half of the world's gold supply.

(b) Foreign governments' debts to us.

(c) Our increasing capital investments abroad.

(d) Our tariff policy of restricting imports.

Under such strict limitations anything which expands our industrial exports makes it increasingly difficult to market our farm surpluses abroad. Our farm surpluses are the results of past and continuing Government policies. The farm business can not expand and contract its output or regulate its production in the way industry can.

The reflex advantage of industrial activity to certain important branches of our agriculture is a doubtful one as long as the price at which the American laborers take our farm products is the price at which they can be sold abroad. After the commodity leaves the farm it is of little practical interest to the farmer whether the laborer who eats it lives in New England or Lancashire, as long as he gets the same price for it in each instance.

The farmers' interest in maintaining price levels in this country comes also from a different quarter. Their indebtedness has mounted from about $4,000,000,000 in 1910 to over $12,000,000,000 in 1925—a staggering sum vastly greater than the original foreign debt to the United States. If the farmers are ever going to pay that debt, it must be with commodities as high in dollar value as when the debt was incurred—or as near to that figure as possible. To reduce the dollar value of other goods and services might raise the exchange value of farm crops, but if the price level for all commodities, including agricultural, were thereby lowered and held down the debt-paying power of the farmer would be immeasurably damaged.

VII

Secretary Jardine said (August 25, Long Island, N. Y.):

"The swing of the pendulum in agriculture is now toward the East. There are more opportunities for farmers in New England and Long Island to-day than in the West."

The Secretary is mistaken. It is not a pendulum but a lever. It is not the swing of natural forces but the compulsion of an artificial national program that fixes it. Several conscious national policies account for the fact that agricultural distress pressed less heavily in these industrial districts, than in the Middle West, West, and South.

Our tariff policy tends to build up the industrial districts. To the degree that it promotes inequality in the exchange between the farm and the factory it tends to do so at the expense of farming districts.

The war concentrated the Nation's emergency business within a radius of relatively few miles of New York. Of the thousands of war contracts placed in the early stages of the war nearly all were crowded into the East to such an extent that it became necessary for the War Industries Board to prohibit the placing of more business in that district. They were protected from loss when the war ended. It is apparent that the East is resisting the inevitable deflation of war-time facilities to peace-time requirements by attempting expansion of industrial exports regardless of the effect of such a policy upon the rest of the country.

Our transportation policy penalizes the South, West, and Middle West to build up the East. Think of a situation which requires manufacturers of Illinois to ship to the Pacific coast by way of Atlantic and Gulf ports!

Though farm conditions may be better in the industrial East than in the West they are not such even there as to attract capital from other lines into agriculture.

VIII

Less than a month remains in which to secure a statement of the opinions and intentions of candidates for Congress on this program of equality for agriculture. The farmers of the United States—North, South, and West—should not support in office indefinitely men who think their responsibility ends when they vote for a particular measure. They need advocates who will permit no other duty to displace that to agriculture until the problem is solved.

The CHAIRMAN. The time of the gentleman from Iowa has expired. All time has expired and the Clerk will read.

Mr. ASWELL. Mr. Chairman, a parliamentary inquiry. Was it agreed to-day that after the first section of the bill is read notice will be given of amendments and no further proceedings taken on amendments to be offered?

The CHAIRMAN. It was agreed that amendments might be offered at the time the committee reconvenes on either to-morrow or Thursday after the reading of the first section.

Mr. DOWELL. The agreement was to read the first section this evening. That of course leaves the matter under the rule open for amendment.

Mr. CRISP. It was distinctly understood that the section read was to be open for amendment when the committee reconvenes.

The CHAIRMAN. The Chair understood it was the understanding on the part of the gentleman from Iowa [Mr. HAUGEN] and the gentleman from Tennessee [Mr. GARRETT] that after the reading of the first section the committee would rise, and that any germane amendment might be offered to the section when the committee reconvened.

The Clerk read as follows:

DECLARATION OF POLICY

SECTION 1. It is hereby declared to be the policy of Congress to promote the orderly marketing of basic agricultural commodities in interstate and foreign commerce and to that end to provide for the control and disposition of surpluses of such commodities, to enable producers of such commodities to stabilize their markets against undue and excessive fluctuations, to preserve advantageous domestic markets for such commodities, to minimize speculation and waste in marketing such commodities, and to encourage the organization of producers of such commodities into cooperative marketing associations.

Mr. GARRETT of Tennessee. I suggest to the gentleman from Iowa, the chairman of the committee, that the gentleman from Louisiana be permitted to offer his amendment as a substitute without having it read.

Mr. DOWELL. I think it ought to go over until to-morrow under the agreement.

Mr. GARRETT of Tennessee. The agreement was either way. The agreement was it would not be voted on nor discussed to-day. If the gentleman wants it to go over——

Mr. DOWELL. I think it ought to go over, in view of the understanding everyone has.

Mr. RAMSEYER. There is no objection——

Mr. DOWELL. I will withhold any objection; I have——

Mr. PURNELL. I hope the gentleman will not object to its being put in the RECORD for the information of the House.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana.

Mr. ASWELL. Mr. Chairman, I move to strike out section 1 and give notice that if the motion prevails I shall offer the matter contained in House bill 15655.

The CHAIRMAN. The gentleman from Louisiana [Mr. ASWELL] moves to strike out section 1 and insert the amendment which the Clerk will report.

Mr. DOWELL. Mr. Chairman, as I understand it that is not the motion.

Mr. ASWELL. To strike out section 1 and substitute the following, which is the Aswell bill, and give notice that I will move that if it prevails to strike out all the remaining sections of the McNary bill, and I ask unanimous consent that it be inserted in the RECORD without reading.

The CHAIRMAN. The Chair suggests that the gentleman submit his request in writing.

Mr. DOWELL. Mr. Chairman, I make the point of order on the amendment when it is presented.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Mr. ASWELL moves to strike out section 1 and substitute the following; and he gives notice that if the motion prevails he shall move to strike out all the remaining sections of the bill (S. 4808).

The CHAIRMAN. And the gentleman from Louisiana asks unanimous consent that the amendment may be printed in the RECORD without reading.

Mr. DOWELL. I reserve a point of order on the amendment.

Mr. BLANTON. Mr. Chairman, I ask for the regular order, which is that the point of order ought to be disposed of now.

The CHAIRMAN. The question is on the unanimous request of the gentleman from Louisiana [Mr. ASWELL] to have the amendment printed in the RECORD without reading. Is there objection?

Mr. CANNON. Mr. Chairman, reserving the right to object, may I ask the gentleman from Louisiana if this is the original bill as originally introduced, or if there have been alterations made in it for the purpose of offering an amendment?

Mr. ASWELL. No alterations.

Mr. BLANTON. Mr. Chairman, I ask for the regular order on the point of order.

The CHAIRMAN. The point of order will not come until the amendment is read or printed. The regular order is the request of the gentleman from Louisiana [Mr. ASWELL] that the amendment be printed in the RECORD without reading. Is there objection? [After a pause.] The Chair hears none.

The amendment is as follows:

FEDERAL FARM BOARD

SECTION 1. (a) There is hereby created a board to be known as the Federal farm board (hereinafter referred to as the "board") and to consist of the Secretary of Agriculture, who shall be a member ex officio, and six members to be appointed by the President of the United States, by and with the advice and consent of the Senate. In accordance with designations to be made by the President at the time of nomination, one of the appointed members shall be a representative of the public, and each of the remaining appointed members shall be a representative of the domestic producers of one of the following: Wheat, cotton, corn, swine, rice, or tobacco. Nominations of members of the board shall be so arranged that there shall not be more than one member of the board representing the producers of any one commodity and that there shall not be at the same time a member of the board representing the producers of corn and a member of the board representing the producers of swine.

(b) The President shall before nominating any member of the board representing the producers of a commodity consult with such farm organizations and cooperative associations as he considers to be representative of the producers of such commodity. The member of the board representing the public shall be the chairman of the board.

QUALIFICATIONS AND TERMS OF BOARD MEMBERS

SEC. 2. (a) The terms of office of the appointed members of the board first taking office after the approval of this act shall expire, in accordance with designations to be made by the President at the time of nomination, two at the end of the second year, two at the end of the fourth year, and two at the end of the sixth year after the date of the approval of this act. A successor to an appointed member of the board shall be appointed in the same manner as the original appointed members, and shall have a term of office expiring six years from the date of the expiration of the term for which his predecessor was appointed, except that any person appointed to fill a vacancy in the board occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and any member of the board in office at the expiration of the term for which he was appointed may continue in office until his successor takes office.

(b) Vacancies in the board shall not impair the powers of the remaining members to execute the functions of the board, and a majority of the appointed members in office shall constitute a quorum for the transaction of the business of the board.

(c) Each of the appointed members of the board shall not actively engage in any other business, vocation, or employment than that of serving as a member of the board, and shall receive a salary of $10,000 a year.

GENERAL POWERS OF BOARD

SEC. 3. The board—

(a) Shall maintain its principal office in the District of Columbia, and such other offices in the United States as it deems necessary.

(b) Shall have an official seal which shall be judicially noticed.

(c) Shall make an annual report to Congress.

(d) May make such regulations as are necessary to execute the functions vested in it by this act.

(e) May (1) appoint and fix the salaries of a secretary and such experts and, in accordance with the classification act of 1923 and subject to the provisions of the civil service laws, such other officers and employees, and (2) make such expenditures (including expenditures for rent and personal services at the seat of government and elsewhere, for law books, periodicals, and books of reference, and for printing and binding) as may be necessary for the execution of the functions vested in the board.

SPECIAL POWERS AND DUTIES OF BOARD

SEC. 4. (a) The board shall meet at the call of the chairman, or of the Secretary of Agriculture, or of a majority of its members.

(b) The board shall keep advised, from any available sources, of crop prices and prospects, and the supply of and demand for agricultural commodities and their food products, at home and abroad, with especial attention to the existence or the probability of the existence of a surplus of any agricultural commodity or any of its food products.

(c) The board shall advise cooperative associations, farm organizations, and producers in the adjustment of production and distribution, in order that they may secure the maximum benefits under this act.

CONTROL AND DISPOSITION OF SURPLUS

SEC. 5. (a) For the purposes of this act wheat, cotton, corn, and swine, rice, and tobacco shall be known and are referred to as "basic agricultural commodities," and corn and swine shall be deemed a single basic agricultural commodity.

(b) Whenever the board finds that the conditions of production and marketing of any other agricultural commodity are such that the provisions of this act applicable to a basic agricultural commodity should be made applicable to such other agricultural commodity, the board shall submit its report thereon to Congress.

(c) Whenever the board finds, first, that there is or may be during the ensuing year either (1) a surplus above the domestic requirements of wheat, corn, swine, rice, or tobacco, or (2) a surplus above the requirements for the orderly marketing of cotton, or of wheat, corn, swine, rice, or tobacco, and, second, that a substantial number of the cooperative associations or other organizations representing the producers of the basic agricultural commodity favor the full cooperation of the board in the stabilizing of the commodity, then the board shall publicly declare that an emergency exists and shall establish a Federal agricultural export corporation, or continue an existing Federal agricultural export corporation, for the conduct of the operations in the

basic agricultural commodity and its food products as authorized by this act. Any finding by the board under this subdivision shall require the affirmative vote of the majority of the appointed members in office, including the vote of the members representing the producers of the commodity in respect of which the finding is made.

(d) Whenever the board finds that the emergency has terminated, the board shall publicly declare such finding. Thereafter the corporation shall remain in existence for such additional period only as the board finds and by order designates as necessary solely for the purpose of adjusting, liquidating, and winding up its affairs. If during such additional period the board makes a further finding and public declaration under subdivision (c), the corporation shall be continued in existence without regard to the finding theretofore made under this subdivision.

FEDERAL AGRICULTURAL EXPORT CORPORATIONS

SEC. 6. For the purpose of promoting the orderly marketing of basic agricultural commodities in interstate and foreign commerce and to that end to provide for the control and disposition of surpluses of such commodities, to enable producers of such commodities to stabilize their markets against undue and excessive fluctuations, and to preserve advantageous domestic markets for such commodities, the board may from time to time establish, as authorized under section 5, a Federal agricultural export corporation for each basic agricultural commodity. For the purpose of establishing such corporation, the board shall elect five individuals as incorporators and as the original directors of the corporation. Such individuals are hereby declared to be incorporated as a Federal corporation commencing at such time as the President of the United States proclaims that the board has certified to him that the five individuals so elected have accepted office as incorporators and directors of the corporation. The corporation shall be designated by the name of the commodity which it represents, as, for example, "The Federal Cotton Export Corporation." Any corporation established under this section is referred to in this act as a Federal agricultural export corporation. Not more than one such corporation shall be in existence at any time for each basic agricultural commodity. The making of any proclamation by the President under this section shall be conclusive evidence that the Federal agricultural export corporation has been duly established.

DIRECTORS

SEC. 7. (a) The directors of a Federal agricultural export corporation shall be the individuals certified under section 6 and their successors to be elected by the board from time to time. No member of the board shall be a director of the corporation. Any vacancy in the office of a director shall not impair the power of the remaining directors to act. Three directors of a Federal agricultural export corporation shall constitute a quorum for the transaction of business.

(b) The directors shall elect from their number a chairman and the principal officers of the corporation.

(c) A director, officer, or employee of a Federal export corporation shall not be held to be an officer, employee, or agent of the United States, but each such director, officer, or employee shall take the oath of office provided in section 1757 of the Revised Statutes.

(d) The board shall fix the compensation of the directors of a Federal agricultural export corporation for their services in any capacity for the corporation, to be paid from the treasury of the corporation.

(e) The directors of a Federal agricultural export corporation shall direct the exercise of all powers vested in the corporation and the observance of all duties imposed upon it.

GENERAL CORPORATE POWERS

SEC. 8. A Federal agricultural export corporation—

(a) Shall have succession in its corporate name during its existence.

(b) May sue and be sued in its corporate name.

(c) May adopt a corporate seal, which shall be judicially noticed, and may alter it at pleasure.

(d) May make contracts.

(e) May purchase or lease such property as it deems necessary or convenient for the purposes of the corporation and may dispose of any property held by it.

(f) May appoint and (except in the case of officers also serving as directors) fix the compensation of such officers, employees, and agents as are necessary for the conduct of the affairs of the corporation, and may remove any officer, employee, or agent appointed by it. Each officer, employee, or agent of the corporation responsible for the handling of money or property or for the custody of an agricultural commodity or its food products, shall give bond in such amount, with such penalties and upon such terms, as the corporation shall determine.

(g) May adopt, amend, and repeal by-laws.

(h) Shall have such powers not specifically denied by law as are necessary and proper to conduct, under this act, the business of purchasing, handling, storing, selling, and exporting the basic agricultural commodity and food products thereof, and such further business as is necessary and incidental thereto.

CAPITAL STOCK

SEC. 9. (a) The original capital stock of the Federal agricultural export corporation shall be fixed by the board, and, if the board deems it necessary in order to carry out the purposes of the corporation, may from time to time be increased by the board in amounts of $5,000,000 or multiples thereof. All the capital stock of each such corporation is hereby subscribed by the United States; except that the total unpaid subscriptions outstanding at any one time shall not exceed the amount of moneys in the revolving fund (created hereinafter in this act) at such time. The amount of such subscription shall be subject to call in amounts of $5,000,000 or multiples thereof. Payment of an amount so called shall be made by the board from the revolving fund. Upon any such payment, shares, fully paid and of a par value of $100 each, shall be issued to the United States and delivered to the board in the amount so paid. In fixing the amount of capital stock of a Federal agricultural export corporation the board shall have due regard to the moneys available in the revolving fund for allocation to the subscriptions to the capital stock of the Federal agricultural export corporations and other such corporations established or to be established under this act. No payment of any amount called under this section shall be made from any moneys other than those in the revolving fund.

(b) No dividends or other distribution of assets shall be paid upon the shares of a Federal agricultural export corporation, except that the corporation may from time to time retire the whole or any part of its outstanding shares by the payment to the board of the par value of such shares plus interest thereon at the rate of 4 per cent per annum from the date of issue to date of retirement. The amount paid upon any such retirement shall be covered by the board into the revolving fund.

(c) Shares of a Federal agricultural export corporation shall be without voting powers and shall be nonassessable and nontransferable.

(d) The United States shall not be liable directly or indirectly in respect of any share or for any bonds, notes, or other evidences of indebtedness issued by a Federal agricultural export corporation, and all such bonds, notes, and other evidences of indebtedness shall so state on their face.

BONDS

SEC. 10. A Federal agricultural export corporation may borrow money and issue its bonds or other evidences of indebtedness therefor, except that the corporation shall not have power to issue or obligate itself in an amount of bonds or other evidences of indebtedness outstanding at any one time in excess of ten times the amount of the par value of its outstanding share. The rate of interest, the maturity, and other terms of the bonds or other evidences of indebtedness, and the security therefor, may be determined by the corporation.

SPECIAL CORPORATE POWERS

SEC. 11. A Federal agricultural export corporation is authorized, at such times, for such prices, and to such extent, as it deems advisable—

(a) To purchase the basic agricultural commodity in respect of which the corporation is established, and food products thereof.

(b) To construct, purchase, or lease, and to operate storage warehouses for such commodity and products purchased by the corporation, facilities for transportation (otherwise than as a common carrier) in connection with the storage of such commodity and products, and facilities for processing such commodity and products.

(c) To store and process such commodity and products.

(d) To export such commodity and products.

(e) To sell such commodity and products in domestic or foreign markets.

DISPOSAL OF ASSETS

SEC. 12. Upon the termination of the existence of a Federal agricultural export corporation all moneys of the corporation shall be covered into the Treasury of the United States to the credit of a special fund, and all unliquidated property of the corporation shall be transferred to the United States and placed under the control and jurisdiction of the board. Such moneys and property shall thereafter be disposed of as the Congress may direct.

OFFICES—BOOKS AND ACCOUNTS

SEC. 13. (a) Each Federal agricultural export corporation shall maintain its principal office in the District of Columbia and may establish such agencies or branch offices at such places as it deems advisable.

A Federal agricultural export corporation shall be held to be an inhabitant and resident of the District of Columbia within the meaning of the laws of the United States relating to venue of civil suits.

(b) Each Federal agricultural export corporation shall keep at its principal office correct books showing the original or a transcript of the minutes of the directors' meetings and showing the accounts of the corporation's business transactions. The books shall be open to examination by the General Accounting Office as hereinafter in this section provided and to inspection by the board, by any other governmental agency or by any person designated by the board, by any governmental agency authorized by concurrent resolution of Congress, and

by any committee of the Senate or House of Representatives authorized by resolution of the Senate or House of Representatives, respectively.

(c) Expenditures by the board from the revolving fund and expenditures by the board from the appropriation under subdivision (b) of section 15 shall be allowed and paid upon the presentation of itemized vouchers therefor, approved by the chairman of the board. Expenditures by any Federal agricultural export corporation from the treasury of the corporation shall be made by the authorized officers or agents of the corporation upon receipt of itemized vouchers therefor, approved by such officers as the corporation may designate. Vouchers so made for expenditures by the board from the revolving fund or by any Federal agricultural export corporation shall be final and conclusive upon all officers and employees of the Government; except that all financial transactions of the board or of any Federal agricultural export corporation shall, subject to the above limitation, be examined by the General Accounting Office, at such times and in such manner as the Comptroller General of the United States may by regulation prescribe. Such examination in respect of expenditures by the board from the revolving fund or by any Federal agricultural export corporation shall be for the sole purpose of making a report to the Congress and to the board or corporation of expenditures and contracts in violation of law, together with such recommendations as the Comptroller General deems advisable concerning the receipt, disbursement, and application of the funds administered by the board or corporation.

COOPERATION WITH EXECUTIVE DEPARTMENTS

SEC. 14. (a) It shall be the duty of any Government establishment in the executive branch of the Government, upon request by the board or upon Executive order, to cooperate with and render assistance to the board or to any Federal agricultural export corporation in carrying out any provision of this act. The board and each Federal agricultural export corporation shall, in cooperation with any such governmental establishment, avail itself of the services and facilities of such governmental establishment in order to avoid preventable expense or duplication of effort.

(b) The President may by Executive order direct any such governmental establishment to furnish the board or any Federal agricultural export corporation with such information and data pertaining to the functions of the board or such corporation as may be contained in the records of the governmental establishment. The order of the President may provide such limitations as to the use of the information and data as he deems desirable.

(c) The board and any Federal agricultural export corporation may cooperate with any State or Territory, or department, agency, or political subdivision thereof, or with any person.

REVOLVING FUND AND APPROPRIATION

SEC. 15. (a) There is hereby authorized to be appropriated the sum of $250,000,000, which shall be administered by the board as a revolving fund and expended solely for the payment of subscriptions to the capital stock of Federal agricultural export corporations, in accordance with the provisions of this act. The Secretary of the Treasury shall deposit in the revolving fund such amounts, within the appropriations therefor, as the board from time to time deems necessary.

(b) There is hereby authorized to be appropriated the sum of $250,000 to be available for expenditures by the board for expenses incurred prior to July 1, 1928, in administration of the functions vested in the board by this act.

TAXATION

SEC. 16. The real property and tangible personal property of a Federal agricultural export corporation situated in any State, Territory, or possession, or within the District of Columbia, shall be subject to taxation by such State, Territory, or possession, or any political subdivision thereof, or by the District of Columbia to the same extent, according to its value, as other real and tangible personal property is taxed by such State, Territory, or possession, or political subdivision, or by the District of Columbia. The income of a Federal export corporation and the bonds or other evidence of indebtedness of such corporation, and the income derived in respect thereof, shall not be subject to taxation by any State, Territory, or possession, or political subdivision thereof, or by the United States or the District of Columbia.

PENALTIES

SEC. 17. (a) All general laws relating to the embezzlement or conversion, or to the improper handling, retention, use, or disposal of public moneys of the United States shall apply to moneys of a Federal agricultural export corporation in the custody of any director, officer, employee, or agent thereof.

(b) Any person who, with intent to defraud a Federal agricultural export corporation, or any director or officer of the corporation, or any officer or employee of the United States, or any person, makes any false entry in the books of the corporation, or makes any report or statement for the corporation which is false, shall upon conviction thereof be fined not more than $10,000 or imprisoned not more than five years, or both.

ANTITRUST LAWS

SEC. 18. A Federal agricultural export corporation and its directors and officers shall be relieved from the operation of the "antitrust laws" as designated in section 1 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, and from the operation of the provisions of section 2 of the act entitled "An act to authorize association of producers of agricultural products," approved February 18, 1922.

SEPARABILITY OF PROVISIONS

SEC. 19. If any provision of this act is declared unconstitutional or the applicability thereof to any person or circumstance is held invalid, the validity of the remainder of the act and the applicability of such provision to other persons and circumstances shall not be affected thereby.

RESERVATION OF RIGHT TO AMEND

SEC. 20. The Congress of the United States reserves the right to alter, amend, or repeal any provision of this act.

SHORT TITLE

SEC. 21. This act may be cited as the "Federal agricultural export corporation act."

Mr. BLANTON. I ask for the regular order on the reservation, so that the point of order may be settled now.

Mr. DOWELL. Mr. Chairman, until the amendment is read it will be very difficult to determine the question of order.

Mr. BLANTON. The gentleman knows what it is; it is the Aswell bill.

Mr. DOWELL. My reservation was only that we might know, when the amendment was read, whether or not it is germane. If it appears to be germane, of course, I do not desire to take any time; but I do not want something put in here that is not known now without proper reservation being made.

Mr. TILSON. The gentleman will not lose his right to make a point of order. He can make it when the amendment is offered to-morrow.

Mr. DOWELL. I make it now when it is presented.

Mr. CRAMTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CRAMTON. The amendment having been inserted and a point of order having been reserved by the gentleman from Iowa [Mr. DOWELL], and the regular order having been demanded, if the gentleman from Iowa [Mr. HAUGEN] should move to rise, the point of order can be made when we sit again.

The CHAIRMAN. The Chair thinks that under the agreement that has been entered into the proper thing now is to make a motion that the committee rise.

Mr. HAUGEN. I move that the committee rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MAPES, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (S. 4808) to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities, had come to no resolution thereon.

STATE, JUSTICE, COMMERCE, AND LABOR APPROPRIATION BILL—CONFERENCE REPORT

Mr. SHREVE. Mr. Speaker, I ask unanimous consent that I may have until 12 o'clock to-night in which to file for printing under the rule the conference report on the bill H. R. 16576, the State, Justice, Commerce, and Labor appropriation bill.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that he may have until 12 o'clock to-night in which to file for printing under the rule the conference report on the bill H. R. 16576, the appropriation bill for the Departments of State, Justice, Commerce, and Labor. Is there objection?

There was no objection.

WAR DEPARTMENT APPROPRIATION BILL—CONFERENCE REPORT

Mr. BARBOUR. Mr. Speaker, I present for printing under the rule the conference report on the bill (H. R. 16249) making appropriations for the War Department for the fiscal year 1928.

The SPEAKER. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 16249) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1928, and for other purposes.

The SPEAKER. Ordered printed.

Mr. BLANTON. Mr. Speaker, I reserve points of order on it, and on the conference report which the gentleman from Pennsylvania [Mr. SHREVE] got permission to file until midnight, I also reserve points of order. Is it necessary to do that now?

The SPEAKER. The Chair does not think it is necessary. It can be done when the report comes up.

LEAVE TO EXTEND REMARKS ON THE M'NARY FARM RELIEF BILL

Mr. TILSON. Mr. Speaker, with respect to the former bill, the McNary-Haugen bill, considered here for several days, I asked and obtained leave of the House that Members might extend their remarks for five legislative days. That bill having gone by the board and another bill being under consideration, I make the same request for the so-called McNary bill (S. 4808); that from the completion of the consideration of that bill in the House Members may have five legislative days in which to extend their remarks.

Mr. O'CONNOR of Louisiana. Does that apply to the remarks made to-day?

Mr. TILSON. Yes.

The SPEAKER. The gentleman from Connecticut asks unanimous consent that Members may have five legislative days after the completion of Senate bill 4808 in which to extend their remarks on that bill. Is there objection?

Mr. CHINDBLOM. Reserving the right to object, I would like to ask the gentleman from Connecticut does he not think there should be some disposition of the House bill by a motion to lay it on the table?

Mr. RAMSEYER. It is not customary to lay a House bill on the table until after a similar Senate bill is passed.

Mr. NEWTON of Minnesota. Does the gentleman think there is anybody who desires to resurrect the House bill?

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

THE M'NARY BILL

Mr. GARBER. Mr. Speaker, Members of the House, the discussion of the problems of agriculture has proceeded for a period of 10 days, covering many phases, conditions, and remedies proposed, and yet but little has been said concerning the actual facts in the transaction of present-day merchandising—facts which confront the farmer upon every hand when he purchases his necessities. The major problem of farm relief is one of the successful merchandising of farm products, and it is my purpose to call your attention to existing conditions concerning this phase of the subject; in other words, to request you to face the facts of domestic trade and commerce, as they actually exist in their operation of vicious discrimination and disadvantage to agriculture.

THE NEW EPOCH—ELIMINATION OF COMPETITION IN MERCHANDISING

As competition in the merchandising of nonagricultural products has decreased by reason of the growth and development of the collective-bargaining power of labor and the trade associations to establish and maintain uniformity in price, so in equal degree prosperity in agriculture has decreased by reason of the disadvantages thus created. The postwar revolution has intensified the disadvantage. It has ushered in a new epoch, an epoch of corporate organizations and controls, price controls sufficient to enforce the cost-plus system against the farmer.

Let me speak to you as a dirt farmer, out of an experience of 25 years in that industry. When I purchase lumber for my improvements I am compelled to pay a price fixed by the cost-plus system; when I purchase implements for equipment, I am compelled to pay a price fixed by the cost-plus system; when I send my products to market, I am compelled to pay a price for transportation fixed by the cost-plus system; when I employ a commission merchant to sell my products, the price is fixed by the same system; when I purchase flour, sugar, coffee, tea, groceries, clothing, I must pay the price fixed by the cost-plus system.

It is a cost-plus system for everything I have to buy and unrestricted competition for everything I have to sell. This is the down-to-now system of merchandising by price controls that prevails throughout the country for the sale of nonagricultural products. It is the new system that has finally succeeded in eliminating from the old economy in merchandising the material factor of competition that largely controlled in every transaction. This economy in its present-day merchandising through price controls attempts to justify itself for the elimination of competition in price by the elimination of waste from the system.

THE FARMER THE VICTIM OF THE COST-PLUS SYSTEM

By reason of his numbers, the farmer has been unable to conform to this new economic complex. This rapid revolutionary readjustment of price controls for nonagricultural products has left him at its mercy. In its presence he is helpless; he must pay the price demanded, while the prices of farm products are subject to a ruinous competition from within by the farmers themselves and organized raids for price depression from without. Thus against the cost-plus system for everything he buys, in his helpless and unorganized condition, he must submit to the price depression of unrestricted competition for everything he sells. He is without the power of organization; he has no bargaining power; he is unable to make the public pay; he has only the plaintive plea, "Please, Mister, I will have to take whatever you are willing to give." As a consequence, through his own competition and outside organized price depression, the raiders have been taking the profits on farm products which should rightfully accrue to the producer.

FACE THE FACTS!

With the cost-plus system for everything it buys and unrestricted competition for everything it sells agriculture has been and now is the "happy hunting ground" of the raiders to pillage and plunder. What are the results?

The purchasing power of farm products during this period has ranged from 69 to 85 and now has receded to 80.

Once prosperous, agriculture now presents conditions of dilapidation and despair, with a mortgage indebtedness increasing in amount from $4,000,000,000 to $12,250,000,000 since 1910.

The depreciation in agricultural values and prices of farm products during this period has been appalling. It is reflected in shrunken values and failed banks throughout all the agricultural States. Out of 3,068 bank failures in the United States for the period 1920–1926, 95 per cent were in agricultural areas.

Such depression, depreciation, and increased mortgage indebtedness is in striking contrast with the prosperity abounding in the industrial East. It is reflected in the number of farm foreclosures for the period between 1910 and 1924, which shows an increase of over 1,000 per cent, in contrast to that of commercial failures, which have remained practically the same.

It is reflected in the capital investment of farm property, which decreased from $47,000,000,000 in 1920 to $32,000,000,000 in 1925, a loss of approximately $3,000,000,000 per year.

In 1913 the total value of all farm property was $45,227,000,000; in 1920, $79,607,000,000; and in 1925, $59,154,000,000. Reduced to terms of 1913 purchasing power, however, the total value of all farm property in 1925 was only equal to $38,188,000,000 of 1913 purchasing power. In other words, all farm property in the United States in 1925 had only 84.4 per cent of its purchasing power in 1913. As the experience of every farm landowner will fully verify, the purchasing power of farm lands has decreased in excess of 20 per cent as compared to 1910. In fact, farm lands at the present time might be classed as unsalable property, generally recognized as unprofitable investments.

According to a recent announcement of the Department of Agriculture, there has been a slump in the value of farm crops in the United States for the year 1926 amounting to $1,148,000,000 over the previous year, a decline due primarily to lower prices for most of the farm products rather than to decreased production, although production in some crops was slightly less than that in 1925. A little over half of this decline was due to the lower price of cotton. The revised estimates of the crops of 1925 placed their value at $8,949,321,000. The principal crops for 1926, based on the December 1 farm prices, were valued at $7,801,313,000. Thus during 1926 more than $1,000,000,000 in losses has been added to those already sustained by the overburdened industry.

The average annual net income of the farmer in 1924 was $730, compared with $1,250 for the common laborer, $1,678 for preachers, $1,298 for teachers, $1,650 for Government employees, and an average of $1,450 for all walks of life outside of agriculture.

The average earnings of the people engaged in farming are 23.1 cents an hour, compared with 56.1 for factory workers, 58.3 cents for railroaders, 83.4 cents for anthracite miners, and $1.05 for workers in the building trades.

The farmer, with his average investment of $9,000, working from 12 to 16 hours per day, aided by the members of his family, receiving a net income of $730 per year, and this at a time of almost unprecedented prosperity for all other lines of industry! What a magnificent sum it is! Does it not show that he is still permitted to enjoy too much? Why, that amount is only $520 less than the common laborer, with no capital and no aid and working but eight hours per day, receives.

THE REMEDY IS NOT IN FOREIGN MARKETS

What is the remedy for such conditions? Some say the remedy lies in an increase of exports of agricultural products and their sale in the world markets. Reduce the tariff! Permit competitive nations to sell their goods in our markets in consideration of our selling our surplus farm products in foreign markets. And yet, at the very time we were selling more farm products in the markets of the world than we ever did before, farm values and farm prices were depreciated to the lowest point here. In order that there may be no mistake about this,

no speculation or mere guesswork, we herewith insert a table of agricultural products showing the amount of their export during the year 1923 when the purchasing power of farm products and farm values were at their lowest point, as compared with the pre-war average,

Agricultural products

[From the Manufacturers Record, Aug. 30, 1923]

		Pre-war average	Fiscal year 1923
Wheat	bushels	56, 913, 228	154, 950, 971
Corn	do	39, 809, 690	94, 060, 000
Rye	do	854, 765	51, 410, 000
Barley	do	7, 895, 521	18, 190, 000
Potatoes (white)	do	1, 511, 000	2, 980, 000
Oats	do	8, 304, 203	18, 573, 000
Wheat flour	barrels	10, 678, 635	14, 882, 714
Oatmeal and rolled oats	pounds	24, 297, 000	123, 115, 317
Rice	do	16, 215, 000	318, 940, 870
Sugar	do	79, 368, 000	749, 855, 325
Lard	do	482, 159, 000	952, 641, 705
Bacon	do	188, 750, 000	408, 282, 000
Ham and shoulders	do	172, 859, 000	318, 186, 689
Butter	do	3, 110, 777	9, 409, 837
Cheese	do	2, 654, 315	8, 446, 321
Milk, condensed and evaporated		16, 473, 782	157, 000, 000
Wheat, including flour	bushels	104, 967, 085	221, 923, 134

SUCCESSFUL MERCHANDISING—THE ONLY SOLUTION

What is the remedy? Better prices for farm products, prices that will yield him a reasonable profit on his investment, and reasonable wages for his work. How can such be obtained? It is a question of successful merchandising, and in order that I may quote from high authority, permit me to digress for a moment to call your attention to the annual meeting of the Railway Business Association of the country, which was recently held at the Commodore Hotel in New York City. Whitefoord R. Cole, president of the Louisville & Nashville Railroad, was the principal speaker of the occasion. He congratulated his fellow executives upon the earnings of the roads for the year 1926, exceeding those of any previous year in the history of the country. He said:

I point you to the unparalleled transportation performance of the railroads of this country for the last three years, when in each of those years, and in almost every month, the railroads have broken all previous records in the handling of tonnage without congestion and without appreciable car shortage or any of the attendant evils that we have been so accustomed to for many years prior to the Transportation act of 1920.

The act inaugurated a new era of prosperity for the roads. It strengthened and increased the value of their stock. It gave them revenues sufficient to invest $4,000,000,000 in equipment and betterments. It enabled them to break all records in tonnage hauled, in net revenues received, and in dividends declared.

A RAILROAD EXECUTIVE'S ADVICE TO THE FARMERS

With all these good things in mind, with a record-breaking year for prosperity just closed, and standing on the pinnacle of high achievement, the speaker, filled with brotherly love and good spirits, digressed from his subject of transportation long enough to inadvertently give the farmers of the country the benefit of some wholesome advice. Speaking of the farmer, he said:

Let him take a leaf out of the book of the labor unions and the trade associations. Let him put up a solid front and make us pay for the things he has to sell like we are making him pay for the things he has to buy.

The rate of constructive return on the stock of the Louisville & Nashville Railroad for 1925, of which the distinguished speaker was president, was 16.74 per cent, and the rates of constructive return on stocks of roads represented by his associates ranged from 4.82 to as high as 21.40 per cent. The conditions thus warranted the felicitations and congratulations of his fellow executives.

In referring to the Transportation act, the distinguished speaker said:

I have sometimes thought that in view of the fact that the Government fixed the rates which, of course, fixes the income of the railroads and largely fixes the price they must pay for labor, and they had to buy everything else in the open market when market conditions fixed the price of things—I have very often thought that the average railroad president did not have much to do but to hunt up the money with which to pay the deficits. That is not altogether true; certainly not in the last two or three years. The sun of prosperity has been shining on them in a large degree as a result of this enlightened policy.

THE COST-PLUS SYSTEM AND THE ROADS

The enlightened policy referred to is the cost-plus system of the roads in selling their transportation to the consuming public. That is the system afforded the roads under the Transportation act of 1920. Government administration had wrecked their properties, depreciated their values, and depressed their stocks to a point where they were unsalable. In fact, the roads were in the same condition that agriculture was. But the roads were given a cost-plus system under the act of 1920, which during the short period of five years has rehabilitated their systems, reconstructed and reequipped their roads, restored their credit, and doubled the value of their stock, with substantial dividends to every stockholder.

Knowing what the Government has done for the rehabilitation of the roads, the speaker of the occasion was competent to give first-hand advice to the farmers. When he told them to "put up a solid front and make us pay for the things he has to sell, like we are making him pay for the things he has to buy," he hit the bull's-eye of the major problem for farm relief.

THE FARMER MUST HAVE HIS COST-PLUS SYSTEM, TOO

The farmer must have better prices for his products; he must have prices that will yield him a reasonable profit, the same as is enjoyed by labor and industry. In order to exact such prices he must have a bargaining power; he must be able to demand instead of being compelled to beg; he must be able to enforce a cost-plus system in the sale of his products to match against the cost-plus system for everything he has to buy; he must have a cost-plus system that will enable him to add on the costs, the same as class 1 roads have been doing during the past three years under the Esch-Cummins Act, and the same as organized labor is doing, protected by the Immigration act.

THE GOVERNMENT MUST HELP THE FARMER HELP HIMSELF

What is the remedy for present agricultural conditions? In the language of the railroad executive, "The farmer must put up a solid front and make the public pay as he is compelled to pay!" The power of organization to merchandise his products must be extended for his relief—organization that will enable him to exact a reasonable price for his products, a price that will yield him a reasonable profit sufficient to maintain the family on the farm.

To place the business of the merchandising of farm products upon an equality and plane equal to that of the merchandising of industrial products is beyond the power of the individual farmer. It is beyond the power of his scattered organizations to solve. The Government alone, through a Federal commission with funds sufficient to stabilize the market, can furnish him such power. Through the Transportation act of 1920 it furnished such power to the railroads of the country; through the Federal Reserve act it furnished such power to the banks of the country; through the Immigration act it enabled labor to acquire such powers. Why not furnish such power to the farmers of the country, representing the most important industry of all, the basic industry that alone furnishes the necessary food that appears each day upon the tables of the consuming millions to sustain the life of all?

"ACRES OF DIAMONDS" AT HOME!

Equality of purchasing power for the 30,000,000 people living on the farms would afford a market here at home equal to that of 60,000,000 people in any foreign country. Why neglect the development of the purchasing power of this market? It is a case of "acres of diamonds" at home!

Give the farmer equality of purchasing power, "Pass prosperity around" and it will return to you! If you believe in the doctrine of protection, establish and maintain the purchasing power of your home people, your best customers, the people who have always voted protection for you!

Surely our Government should be as greatly concerned in agriculture as it has been and now is in other lines of industry in this country and as the governments in other countries are concerned in their agriculture. The farmers of this country have contributed their part toward the building of this Nation.

The agricultural industry exercises normally a purchasing power of nearly $10,000,000,000 annually for goods and services produced by others.

It purchases about $6,000,000,000 worth of manufactured products annually, or about a tenth of the value of the manufactured goods produced.

It supplies materials upon which depend industries giving employment to more than half of our industrial workers.

It pays directly or indirectly $2,500,000,000 of the wages of urban employees.

It supplies about an eighth of the total tonnage of freight carried by our railroad system.

Its products constitute nearly half of the value of our exports.

It pays in taxes about one-fifth of the total cost of Government.

Our farms and farm property represent nearly one-fifth of our tangible national wealth, and agriculture has contributed in recent years about one-sixth of the national income.

THE HOME MARKET FOR THE HOME FARMER

To say the very least, under your slogan "Trade at Home," the farmers are entitled to the full benefit of the home market, a market worth more to us than the entire markets of the world. Yet during the year 1925, out of an approximate total of $1,818,000,000 worth of imported agricultural commodities admitted into this country, $1,056,000,000 worth, or more than 50 per cent, were such as to be in direct competition with the products of the American farmer. They included the following items: Animals, approximately $8,800,000 worth; meat, $7,252,000 worth; eggs and egg products, $8,988,000; milk and cream, $10,114,000; butter, $2,646,000; cheese, $17,349,000; animal fats, $637,000; hides and skins, $96,746,000; leather and partly manufactured leather, $36,266,000; miscellaneous animal products, $25,000,000; grains and grain preparations, $26,237,000; fodders and feed, $11,850,000; vegetables and vegetable preparations, $36,244,000; fruits (excepting bananas), $24,500,000; nuts, $34,283,000; oil seeds, $64,725,000; vegetable oils and fats, $75,000,000; sugar, sirups, and honey, $266,008,000; seeds, $11,870,000; tobacco, $83,881,000; miscellaneous vegetable products, $5,000,000; cotton, $52,775,000; flax, $3,575,000; straw materials, $3,798,000; wool, $141,976,000.

GIVE THE FARMER EQUALITY

The farmer is not asking for a subsidy but for equality, for relief from the conditions created for prosperity for labor and industry which now operate against him and place him at a disadvantage with which he is unable to cope. Give him the machinery to successfully merchandise his products, a bargaining power with which he will be able to make the public pay a reasonable price and the prosperity you now enjoy will be given a reserve to make it permanent!

Mr. DICKSTEIN. Mr. Speaker and Members of the House, the McNary-Haugen bill is another instance of paternalism which unfortunately is creeping into the Government by leaps and bounds. It is another instance where special interests are seeking to undermine the foundations of this Republic. It is another instance when organized minority is seeking to fasten its pernicious propaganda on the Nation; and if a stop is not put to it immediately, this is only the beginning of other influential minority interests taking hold of the Government and making it do their will, simply because they happen to be organized and determined to do what they set themselves out to do.

To be sure, the bill before us seeks to accomplish its object in an indirect and underhand manner. The chairman of the committee, in making his report to this House, particularly refers in some part of this report to what he calls "absence of price-fixing formula." But in the final analysis this bill is nothing else but an attempt at price fixing. The fact that the term "price fixing" is not used makes it so much the worse, because it fails to admit its real object. It would be much easier to fight a proposal when its object is evolved than it would be in a case where its object is hidden, and its purpose is just as pernicious. As a matter of fact, no amount of persuasion can alter the fact that this bill is nothing else but a desire on the part of its framers to create a Government subsidy for the farming interest of the country. All talk of relieving distress or other high-sounding phrases are only a cloak to conceal the real purpose of this attempted legislation.

It is nothing new in the Halls of Congress to have a body of the Government propagandists endeavor to sway it with the object of accomplishing their desires at the expense of general welfare. We saw an attempt in that direction carried out very successfully when prohibition legislation was fastened upon this country. We have continually interests of all kinds appeal to us for special legislation. I say we ought to stop this kind of business and deliver it a blow which will once for all put an end to this incessant propaganda. Let us call a halt to this business in such an emphatic manner that never again will such propaganda dare to raise its head.

I know that my voice is a voice of one crying in the wilderness. I know that farming interests in this country are solidly entrenched behind this bill. If it were only the farmer who is to be benefited by it, even though I am opposed to any special legislation, I would, nevertheless, keep silent and let this bill go through from the standpoint, perhaps, of humanitarian desire to help the poor and downtrodden farmer.

I say, if such were the case, even though I am opposed to it and even though my party stands for equal rights to all and detests any special legislation which may be brought up on the floor of this House from time to time, nevertheless I would desist perhaps out of sympathy for the farmer who may be benefited by such legislation. But, is it really for the benefit of the farmer? I believe a glance at the provisions of the bill will show beyond a scintilla of doubt that the only group of people who will really benefit by it will be the packers and the millers. It is class legislation of the worst type, because class legislation for the benefit of a few rich middlemen is against the interests of the city dweller and even the farmer himself.

For, let it be known, the farmer of this country is not only a producer, but a consumer, and he is a consumer to a larger extent than he is a producer. The individual farmer may produce wheat. He may produce corn. He may produce livestock. But how much of his product does he really consume himself. Isn't he really a consumer rather than a producer? Must he not go to the market and buy his supplies the same as the rest of us and pay for it the same as the rest of us?

Assuming that this bill will give him a chance to dispose of his surplus products at a price above that which the market pays him, will not the entire surplus have to be diverted to pay to other producers for as much as he himself needs to satisfy his personal needs.

I say it is a vicious circle. It starts at one end and goes back to where it started from. The only persons whose profits are guaranteed are the packers and the millers. Their profits are assured. The farmer is left in the cold. Will this Government lend itself to become the underwriter and guarantor or profits to packers and millers? Can we sink so low, that an organized minority will compel us to capitulate to its demands and enable such minority to grow fat at the expense of the Nation? Should my constituents, many of whom are poor and hardly able to maintain their daily existence, be compelled to pay a high price for the products of the farmer and enrich the pockets of millers and packers, to satisfy the ever clamoring wild minority? There can not be any doubt in the mind of any person who examines the provisions of the proposed bill that its object is simply to enable packers and millers to obtain large profits at the expense of the American people.

The bill creates a board to be known as the "Federal farm board," which board shall among other things, as the bill provides, "Keep advised from any available sources of crop prices, prospects, supply and demand at home and abroad, with especial attention to the existence of any surplus of any agricultural commodity or food products." Remember, this board is to discover an existing surplus. The moment the surplus is found, to quote the provisions of this bill, "the board shall have the right to determine in its discretion what is the proper price to be charged for such products," and if it finds, for instance, that the price is too little based on some standard which the board itself may determine, it shall have the right to "stabilize" that price, which really means fix it, and to fix it in a manner in which the general public will not derive any benefit, but the benefit will go directly to only one or two classes of people. A small part of the benefit will go to the farmer. The vast part of the benefit will go to the packer and miller.

Who is to pay for the ultimate difference in price? Why, the consumer, you and I, all of us; even the farmer will have to pay for the difference in price.

Understand well, the bill provides for no machinery by which the prices may be adjusted so as to be reduced in the event that such might be found to be for the public interest. The Crisp bill had this meritorious protective principle in it. All the board can do is to increase the price. Then, of course, you and I will pay that increase.

There is no question that the increase in the price of wheat will necessarily result in the increase of the price of bread, and an increase in the price of livestock because of an increase in price of feed will result in an increase in the price of meat and poultry. The burden of such increase will necessarily fall upon such as are unable to meet it.

The rich man will certainly be able to pay an increased price, and it certainly will not in any way hurt him, but the poor man, the average householder, the man who finds it hard enough in the present economic condition to maintain himself and his family, will have to put up with the additional burden so as to enable this minority, this propaganda, to find a proper outlet for its activities.

The danger of the McNary-Haugen bill is that in times of shortage or scarcity of food products the producers or middlemen, or both combined, will prey upon the consuming public by enhanced prices. If by artificial and arbitrary power the farmers through the Government machinery can operate like a

monopoly, then the consumer will be at the mercy of the producer. We had an example of this a short time ago in my very district when there was a great shortage of potatoes. The middlemen and speculators bought up the crop at $4 a bag and sold it later for $15 a bag. The Federal Government refused to give the consumer relief by lifting the embargo so as to admit into this country potatoes from Denmark. What is to prevent the farmers under this McNary-Haugen bill from repeating on a large scale by artificial means the same sort of price control at the expense of the poor consumers—the poor workingmen, who now have a hard time to make both ends meet.

Shall we, representing 110,000,000 people, submit to the demands of a small minority to enable some of the legislators coming from the so-called "farm States" to become reelected in this party when their terms expire? Since when has this Government become an adjunct to the "farm bloc"?

I urge you earnestly to defeat this legislation. Let there be a stop put once for all to such legislation of the kind to benefit only one special class.

I repeat, it is not the farmer I am opposed to, but the middleman, who will reap the major share of the prospective profits. The middleman deserves no consideration, while the poor householder, eking out a bare existence under the strain of present economic conditions which make it difficult for him to earn his daily bread, requires all the consideration in this case, especially since it is very doubtful if the farmers would benefit permanently from this legislation.

THE FEDERAL RESERVE ACT AND THE M'NARY-HAUGEN BILL

Mr. BRAND of Ohio. Mr. Speaker, the President will have two bills of a very similar nature before him immediately for his signature. The one is a bill which extends indefinitely the Federal reserve act. The other will be the McNary-Haugen bill. One is a McNary-Haugen bill for the bankers and the country and the other is a McNary-Haugen bill for the farmers and the country. The two are identical in principle and purpose and they each have an equalization fee.

The Federal reserve act is for the purpose of control of the surplus of credit and to provide against deficiency of credit. The McNary-Haugen bill is to provide a control of the surplus of agricultural products and to provide against a deficiency of agricultural products.

The Federal reserve act secures control of the surplus of credit in this way: The Federal Reserve Board is empowered in the act to take out of each national bank in the United States 6 per cent of the capital and reserve of such a bank and put same in the vaults of the Federal reserve bank. In addition, the Federal Reserve Board is authorized to take 10 per cent, on an average, of all of the deposits in each of the national banks of the country out of those banks and deposit same in the vaults of the Federal reserve bank, thus piling up a huge mountain of the money of the country, and the board can then release or withdraw this 16 per cent of all the credit in the country as they see fit, giving them power over interest rates, undue expansion, and panic conditions.

With this percentage of control of any farm product the agricultural board created by the McNary-Haugen bill can control any agricultural product in America.

The McNary-Haugen bill gives a like power to the agricultural board, through its agencies, to buy up surpluses and store them, if it sees fit, to cover any deficiencies that may occur in another crop.

The equalization fee in the two bills seems to me to be about the same in intent and in effect. Each one of the member banks loses on an average 10 per cent of its deposits, for which it receives no returns in the way of interest, and this makes a very large loss to each of these banks, which they seem glad to pay because of the benefits of the law.

The equalization fee in the McNary-Haugen bill is a fee which I believe the farmers will be equally willing to pay, because I think for each dollar they expend in equalization fees they will receive $10 in return.

The President will have these two bills before him at one time, and I can not conceive of a President of the United States granting to the bankers of the country what he denies to agriculture.

I append a letter from the office of the Comptroller of the Currency as to the facts:

TREASURY DEPARTMENT,
COMPTROLLER OF THE CURRENCY,
Washington, January 25, 1927.

Hon. CHARLES BRAND,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: In accordance with your request over the telephone to-day, I am submitting the following information with regard to the obligations and rights of member banks of the Federal reserve system.

Every national bank is required to be a member of the Federal reserve bank in whose district it is located, and is required to subscribe to the capital stock of its Federal reserve bank in a sum equal to 6 per cent of its paid-in capital stock and surplus. Only one-half of the amount of this subscription, however, is required by law to be actually paid in, the remainder being subject to call when deemed necessary by the Federal Reserve Board. Under the terms of the law, after all necessary expenses of a Federal reserve bank have been paid or provided for, the stockholders—that is, the member banks—are entitled to receive an annual dividend of 6 per cent on the paid-in capital stock, which dividend is cumulative.

Every member bank of the Federal reserve system is required to maintain reserve balances with its Federal reserve bank as follows:

"(a) If not in a reserve or central reserve city, an actual net balance of not less than 7 per cent of aggregate demand deposits and 3 per cent of time deposits.

"(b) If in a reserve city, an actual net balance of not less than 10 per cent of aggregate demand deposits and 3 per cent of time deposits: *Provided*, That if located in the outlying districts of a reserve city or in territory added thereto by the extension of the corporate charter it may, upon the affirmative vote of five members of the Federal Reserve Board, maintain the reserve balances specified under (a).

"(c) If in a central reserve city, an actual net balance of not less than 13 per cent of aggregate demand deposits and 3 per cent of time deposits: *Provided*, That if located in the outlying districts of a central reserve city or in territory added thereto by the extension of the corporate charter it may, upon the affirmative vote of five members of the Federal Reserve Board, maintain the balances specified under (a) or (b)."

A Federal reserve bank, under the terms and conditions prescribed in the Federal reserve act and in the regulations of the Federal Reserve Board pursuant thereto, may discount for its member banks notes, drafts, and bills of exchange arising out of actual commercial transactions; that is, notes, drafts, and bills of exchange issued or drawn for agricultural, industrial, or commercial purposes, or the proceeds of which have been used, or are to be used, for such purposes. The maturity at the time of discount exclusive of days of grace is limited to 90 days in the case of commercial paper and to nine months in the case of agricultural paper.

I trust that this will give you the information which you desire, and, if not, I shall be glad to assist you further.

Very truly yours,

E. W. STEARNS,
Deputy Comptroller.

SHALL WE HAVE PEASANTRY IN AMERICA?

We are deciding whether or not the American farmer will fall to the position of the European peasant. I have been with the European peasant on his plot of land, in his home, in several countries. They live horribly. One house covers their swine, their geese, and their cattle, and their children and their wives. The slop from the house and the manure from the stock are made into a pile in front of the front door and the women carry it in vessels on their head to the little plot of ground. The faces of these peasants reflect their condition. Their eyes have never seen the beauties, their palates have never tasted the good things, their senses have never been touched with the finer things of life. They have little education.

Is the American food and clothing producer to come to this because the consumer is selfish? The consumer in Europe predominates. Is he to exercise the same power in America?

The Senate last week plowed a furrow around this country to keep out that nasty thing. The House now has plowed another furrow for the same purpose. The Representatives of the people in their National Congress are determined to protect agriculture from peasantry.

Will the President sign the bill? He says agriculture is at a disadvantage. He said in his message to Congress:

> Surpluses affect prices of various farm commodities in a disastrous manner, and the problem evidently demands a solution, and it is my hope that the basis will be found for a sound and effective solution upon which agreement can be reached. If a sound solution of a permanent nature can be found for this problem, the Congress ought not to hesitate to adopt it.

Gentlemen of the House, the President put it up to us. We have studied the question for four years. Agriculture over the Nation has studied the question for four years.

Is the McNary-Haugen bill sound?

It will raise the price of farm products. That is the only way to give relief. The grain exchanges of the country in the last month have shown that the McNary-Haugen bill will work. The cotton exchanges of the country have shown that the McNary-Haugen bill will work. The traders are gambling their money on the prospect of the bill becoming a law, and cotton

has advanced about 20 per cent and wheat and corn have responded.

Mr. Mellon a year ago implied that the McNary-Haugen bill will work and raise the price of farm products.

Is the McNary-Haugen bill sound?

If the Federal reserve act is sound, then this farm bill is sound, because they are both built on the same principle and have an equalization fee. The bankers of the country have a McNary-Haugen bill now, and the surplus and deficiency of credit of the Nation are under control and the bankers pay a bigger equalization fee than the farmers will ever be called upon to pay under the McNary-Haugen bill.

Is the equalization fee in the McNary-Haugen bill constitutional? Is the recapture clause in the transportation act constitutional? Is the power in the tariff act, given to the President to raise or lower the tariff tax, constitutional? You men who oppose this bill on constitutional grounds have voted for an equalization fee in the Federal reserve act, the transportation act, and you have delegated the powers of Congress to tax to others at least three times.

The President has advised us to act. He states publicly the condition of inequality of agriculture. I challenge any man on this floor to say that the President has ever stated publicly that he is opposed to the McNary-Haugen bill.

I do not believe the President will refuse to try this carefully studied plan for the relief of the American farmer.

I believe I have addressed as many farmer audiences on this question as any other one person. They do not all know thoroughly the McNary-Haugen bill but each one knows his condition and the reason.

I do not believe city people are opposed to fair treatment of agriculture. I was told last winter by a leading Member of this House that a city representative could not vote for this bill and go home and be returned.

I made up my mind to try that out and I made five speeches, confining my remarks to the McNary-Haugen bill, in the principal city in my district—a city of 70 or 80 thousand people—and the newspapers carried what I said.

When the ballots were counted in the fall I had a greater percentage of the vote in that city than I had ever received. The city people in Ohio are fair-minded and there is considerable evidence that they need not pay additional prices as a result of the enactment of this law.

Mr. TREADWAY. Mr. Speaker, under the steam-roller conditions prevailing when the McNary bill was discussed, under the so-called five-minute rule, any comment or effort to present amendments was entirely unavailing in spite of the understanding when the Rules Committee reported favorably a rule for consideration of the bill that ample opportunity would be given for its discussion, both under general debate and under the five-minute rule.

While it is never in keeping in any way to question Members' motives, many Members of the House have a right to wonder why a large number of our colleagues voted differently on this measure this year from last year; 47 Members voting against the bill last year changed and voted for it on roll call this year. The difference in the purport and language of the bill were certainly not sufficiently marked to warrant this action. So far as I recall, no one offered any explanation of this change from the floor. It is, therefore, fair to assume that there must be some element of truth in the rumors so current in the corridors that there were numerous trades and exchanges involving other measures, particularly the so-called Parker coal bill. Methods of this kind are a very fruitful means of bringing Congress into discredit. It is fortunate that these methods are seldom used, but indications are plain in this case and rumors of the trades have been so persistent that, no specific denial having been made, the assumption naturally follows that they were in existence and carried through.

It may be proper to call attention to the way this type of legislation appears to a man who, while a Member of the other branch, showed a spirit of independence and freedom of both speech and action which were thoroughly commendable. Now, having retired from public life, he is in a position to judge the actions of Congress from the standpoint of experience as well as the viewpoint of a private citizen. In the Washington Post of February 17 is a letter from former Senator Thomas, of Colorado, of which the following is an extract:

> What are our rivers and harbors bills, public building bills, and all other of the pork variety but "votive" tributes to compact minorities organized to raid the Treasury? And last but not least what is the pending Haugen-McNary bill, ostensibly for farm relief, but a surrender of the National Legislature to the compact forces of an agrarian minority strenuously demanding an initial appropriation of $250,000,000 as an alternative to its political displeasure? The demand failed last year. It now renews its assault with an apparent certainty of success, because its forces are augmented by a compact with the cotton planter and tobacco grower, with whom the coveted spoils are to be shared.
>
> Here is a trinity of power before which many Senators heretofore in opposition are obsequiously kotowing. Their previous objections to the bill were both sincere and genuine. They were based upon irrefutable principles. They are as irrefutable now as they were last spring, yet they are silenced in large degree by the coalition of wheat, cotton, and tobacco.
>
> The scheme is as fantastic as Plato's ideal republic. It defies economic law and all human experience. Even if it were capable of practicable administration and within constitutional warrants of power, it would carry the Government far afield from its legitimate functions. But it is a vote getter and as such easily commands the majority of the legislative branch of the Government, which instinctively appeals for its conduct to many like precedents of its own establishment.
>
> Between the candidate who uses his own fortune to secure political advancement and the legislative majorities devoting the public moneys to the same purpose there is no difference in principle or in morals unless it be that the latter is the more reprehensible.

New England is regarded as a manufacturing and industrial section. It is very seldom referred to as an agricultural section. Some of my colleagues from Massachusetts have spoken on the bill and have shown the great injury which this measure, if enacted into law, would do to industries in New England, particularly the manufacturers of cotton cloth. I desire to refer to New England and particularly to Massachusetts as an agricultural section. The values of some of the principal crops, both in New England and in Massachusetts, according to the statistics of the Department of Agriculture, for last year, as well as the total values of all crops, were as follows:

1926 crops

	New England		Massachusetts	
	Production	Crop value	Production	Crop value
Hay.....tons	4,565,000	$77,510,000	2,606,000	$14,377,000
Apples.....bushels	1,900,000	9,978,000	4,100,000	3,690,000
Tobacco.....pounds	38,758,000	14,152,000	9,412,000	3,294,000
Potatoes.....bushels	46,380,000	64,753,000	2,015,000	3,627,000
Onions.....do	1,746,000	1,083,000	1,746,000	1,083,000
Butter.....pounds			2,026,000	
Total value of all crops:				
New England		231,324,000		
Massachusetts				44,762,000

So far as we are concerned, every one of these crops is basic and is as much entitled to the benefits of legislation supposedly in behalf of agriculture as are the crops designated in the McNary bill as basic. The argument of the proponents of the bill largely revolves around so-called tariff protection to the industries of New England. If the McNary bill provides protection to the agricultural interests of the country, can any good reason be offered why the New England and Massachusetts farming industry should not be entitled to the same class of protection as the agricultural products of the Central West? I am proud, however, to say that not a single agricultural organization or a single individual farmer in my district, so far as I have been informed, regards the McNary bill other than as repugnant to all the best interests of the country.

There is another crop basic for New England to which no reference has been made and to which I desire especially to draw attention. The principle on which the McNary bill is framed is disposition of surplus. Now, New England is noted for its attractiveness as a summer resort section. We have the attractions of the mountains and the sea, combined with the very best of highways and the most wonderful natural scenery, as well as a delightful summer climate, all tending to make New England a great recreation and vacation center. Naturally, in sections and for various periods the supply of accommodations has been too liberal; in other words, there is a "surplus" of accommodations for tourists and vacationists. Another unfortunate factor is the fact that the summer business is seasonal, lasting not to exceed three months. Assuming that there are 20,000 rooms available for tourists in New England, it is safe to figure that at least 10 per cent of those accommodations are idle throughout the summer season. They are, therefore, absolutely surplus. They are just as much surplus as the extra bushels of wheat raised in Iowa. While there would be no way of dumping this surplus abroad, speaking in behalf of this large industry I maintain that there is as much logic in the hotel men of New England asking to be reimbursed for their surplus supply of rooms as the wheat and corn growers of the Middle West and the rice and cotton

growers of the South asking to have a fictitious method established by Government authority to care for their surplus stocks.

Admitting this argument to be correct, instead of the Government providing a revolving fund of $250,000,000, I suggest that it be increased to $300,000,000 to care for the surplus agriculture of New England and the surplus rooms of the summer hotel men.

Mr. McKEOWN. Mr. Speaker, now that the great battle for farm protection is over and a splendid victory won, it is only natural that we who have labored so hard for this legislation should now be rejoicing, for we have at last written upon the records of Congress the principle of honest recognition of agriculture and the stabilization of the farmer's dollar.

I rejoice to have had a part in formulating and passing this legislation, and I, with others who labored with me, believe it means the sunrise of a new day, a better day, out in the millions of farm homes that have been made desolate by unfair laws which have given to other interests an undue advantage over our basic industry.

I believe that I voice the sentiments of all friends of agriculture, both in Congress and throughout the Nation, when I say that very much of the success which we have attained has been largely due to the consistent and continual support given our cause by that splendid newspaper, the National Farm News, published here in Washington. Week in and week out for many months this newspaper has been spreading the gospel of fair play to American farmers. That its voice has been heard is clearly shown by the marked change in the vote of this House and by the hundreds of letters which we have been receiving from the people back home. It is refreshing to know that we have here in the Nation's Capital a newspaper which can not be "bullied," bribed, or threatened into subjection by those who desire to continue to profit at the expense of the happiness and contentment of the more than 30,000,000 Americans residing and laboring on the farms of our beloved country. In my judgment, when the true history of this great fight for equal justice has been finally written, that volume will contain much space devoted to a story of the great aid given to this righteous cause by this paper. My colleagues, the soul of our old comrade, Charles I. Stengle, breathes through the editorial columns of that newspaper. We who served with him in this House, remembering his high character and devotion to duty, feel fully assured that so long as he writes for the printed pages of a farmer's newspaper the cause of the soil tillers are safe from the poisonous "fangs" of a subsidized press which would seek the downfall of agriculture.

Mr. HULL of Tennessee. Mr. Speaker, I have never given any bill more earnest and sympathetic study than I have the pending McNary-Haugen bill. I have done this with, I think, a full knowledge of the deplorable condition of agriculture and, I know, with a most anxious desire to support any and every proposal calculated to afford the desired relief. If I could be at all satisfied that the pending bill meant salvation to agriculture, or a substantial step in that direction, although certain of its provisions violate all the economic ideas for which I stand, I would unhesitatingly vote for it. I would even support it if I could persuade myself that in its permanent operation and effects it would help more than it would hurt agriculture, notwithstanding my contrary view that much sounder and more comprehensive remedies are and have been available. I regret that those equally sincere and devoted to the welfare of agriculture find themselves divided in their honest judgment about the merits of the pending McNary-Haugen measure. An examination of the bill and a contrast of it with other remedial measures will, however, very clearly explain in part, at least, the reason for this difference of opinion. I would not for a moment censure any sincere friend of the farmer who may honestly differ with me about remedies. I have nothing but praise for their efforts. I have found that in the past even the ablest men with the same objective have differed on the greatest questions that have arisen in government.

What is the agricultural evil that it is sought to remedy, and how will the proposed remedy operate? The primary purpose of the McNary-Haugen bill as to cotton and tobacco, which are not involved by tariffs, is to stabilize their markets against undue and excessive fluctuations, with the object of enabling the grower to derive a fair and stable price each year. The primary object of the bill as it relates to wheat, corn, rice, and swine is in the main to raise the home or domestic prices up to the amount of the tariff on each of these commodities or at least to raise the prices behind the tariff. The tariff on wheat is 42 cents per bushel; on corn, 15 cents; on swine, ½ cent per pound; ham and bacon, 2 cents per pound; rice, 1 cent to 2 cents per pound. It is proposed thus to raise the home prices on these commodities, subject to tariffs by segregating and removing the surplus of each to the extent of creating a scarcity in the home market sufficient to raise the prices to, or as nearly as possible, the height of the tariff rates. The surplus would be dumped on other countries and sold at whatever price it might bring. The inevitable losses would be met by the American grower or producer, who under the proposed bill is subject to a tax called an "equalization fee," which it is contemplated will be levied on the farmer's production in a sufficient amount to pay the losses on all surplus sold abroad. Cotton carries no tariff, while American tobacco has no appreciable competition from abroad, with the result that there is no tariff wall with respect to cotton and tobacco behind which price raises can be attempted, as in the case of rice, wheat, corn, and swine.

It here becomes both interesting and important to ascertain why it is thus sought to secure full tariff benefits on these latter products. The answer is that under the operation of the Fordney tariff system, American manufacturers are able to sell to farmers and other American citizens at far higher prices than otherwise, under the protective aid of the tariffs, while the farmer, except as to minor products, must sell both at home and abroad at world prices unaided by tariffs.

The farmer, in other words, buys in a highly protected market and sells at world prices. The price he receives for his surplus sold abroad fixes his domestic prices at home. The result is that in the United States the price level of what the farmer sells is considerably below the price level of the commodities he must buy. The fact is now freely conceded that but for the operation of the Fordney tariff one price level for the manufacturer and another price level for the farmer would not exist. It is equally true that with suitable tariff reduction and more liberal trade relations, the manufacturers' price level would be brought down and the farmers' price level brought up, to a certain extent, with result that the present disparity would not exist. Under the operation of the Fordney tariff as just described, a rapid redistribution of property as between agriculture and manufacturing has been taking place in this country during recent years. High freight rates are not the chief cause of the difference in price levels of farm products and manufactured products, because they are common to both. The same is true as to wages paid labor. The existing high tariffs, therefore, are the seat of the farm disease as to two price levels. The farmer is not only helpless to invoke tariff rates to raise his prices as does the manufacturer, but high tariff prices on virtually all the farmer busy to eat, wear, and use greatly increase his cost of production, cost of living, and cost of transportation, besides having the effect of greatly restricting his foreign market opportunities and prices.

In this situation, since all of the real friends of agriculture, both in and out of Congress, are agreed that existing high tariffs are the chief seat of the farm difficulties, why is it not easy for them to agree on the remedy by a joint movement to lower existing tariffs? Why, in other words, duck and dodge and run away from the seat of the disease and attempt another artificial expedient in lieu of the plain, direct, and effective remedy? Right here arises one point of difference among friends of agriculture with respect to the McNary-Haugen bill.

It is evident that those who dictate the course of farm relief through the agency of the McNary-Haugen bill either still stand for the Fordney high tariff or are unwilling to assault it. I do not question the honesty of their motives. One supporter of the pending bill suggested that it was not practical or possible to reduce the tariff. Any Member of this House knows that the professed friends of agriculture in Congress could within five days deadlock Congress and literally compel attention to the real evils afflicting agriculture and early remedies therefor. And, furthermore, since 85 per cent of the American people derive no tariff benefits but only tariff injuries, to say that they are helpless to rise up and take charge of their Government and force sound relief for agriculture is a confession that popular government is a failure in this country. If this be the situation, it is needless to discuss any kind of legislation for the benefit of the general public.

The defects or objections to the McNary-Haugen bill are, first, the question of constitutionality. The equalization tax in large-crop years will amount to several hundred millions of dollars on the farmers producing the commodities embraced in the bill. The bill undertakes to empower the Government to authorize the farm board to impose this equalization tax, in effect, on the producer of the commodities mentioned in the bill, and in turn to expend the taxes so collected chiefly for the purpose already stated. It is not a tax levied by the Federal Government for a general public purpose and turned into the Treasury with other tax receipts, as is contemplated by all other laws and judicial decisions relating to the levying of

taxes. The general economic question also arises as to why the manufacturer should receive 100 per cent benefit from his tariffs without charge, while the farmer must pay an equalization tax running into the hundreds of millions for the mere privilege of attempting to get the benefit of some of the farm tariffs.

A second objection to the pending bill relates to that old law of human nature, to the effect that when satisfactory prices are assured producers, increase of production inevitably follows. If the pending bill should reverse this uniform experience of the past, I shall be astonished. The third objection to the bill is that by statute it seeks to force compulsory cooperation among producers, unless farmers in State convention revoke it. This conflicting policy is absurd and unworkable. While I am, and long have been, a strong advocate of cooperation in every branch of agriculture, I am of opinion that the country is not ripe for compulsion in this respect. A fourth objection is that the proposed legislation is so filled with complexities, technicalities, and artificialness that it can not be made workable at all to the extent contemplated or necessary for measurable relief. The proponents of the bill themselves do not undertake to define in any detail the manner in which the law would operate. They can not do so. Some supporters say they think it is worth trying out; others frankly admit that it is an experiment; others say they do not know, but they believe it would work; while still other supporters admit that they do not even guess, what the effect of the law would be, but that they are voting for it merely through sympathy for the deplorable farm situation. I can appreciate these viewpoints, but my own belief is that the farmers expect their Representatives to exercise their very best judgment as to the wisest course to pursue with respect to farm-relief proposals, and vote accordingly. Should I be of the honest belief that a given measure would not accomplish what its supporters represent I would not be discharging my duty to the farmers of my district unless I should vote accordingly. In the fifth place, assuming that the pending bill should pass Congress, be approved by the President, escape the ban of the courts, and, to a fairly workable extent, be placed in operation, the next thing that would happen would be that early in the new Congress the producers of many farm commodities would come posthaste for still higher tariffs, and the manufacturers would meet them and say "Yes, you are entitled to any tariff rates you desire; we will aid you in securing them." They would then add that there were a few instances in which their own rates were not absolutely prohibitive and that they desired to make them airtight, which would be done. Everybody everywhere would be strenuously undertaking to out-Herod Herod with respect to securing higher and still higher tariff rates during the years to come. There would be a permanent tariff partnership between agriculture and industry.

The tragedy of all this would be that the manufacturer in his economic situation would be able to secure $4 tariff benefits where the farmer would secure $1 under any kind of artificial device that might be adopted. This is another condition revealing the difference of opinion among real friends of agriculture as to the wisdom of the McNary-Haugen bill. Its frank proponents admit that the Fordney tariff has wrecked agriculture, but they say that we must not touch the monstrous high tariffs of the Woolen Trust, the Steel Trust, the Sugar Trust, and other favored and fattened creatures of extortionate tariffs. When the tinplate tariff was enacted in 1890, Daniel G. Reid plunged into the business and accumulated $30,000,000 within 12 years. William B. Leeds also entered tinplate manufacturing and accumulated $40,000,000 in about 15 years. How many farmers under any sort of tariff devices possible to apply to agriculture would be required to accumulate these vast amounts within a lifetime? The aluminum industry, with tariffs of 77 per cent on household utensils, has built up a capital of $250,000,000, all out of profits except near $7,500,000. How many farmers would be required to net this amount of profits under all the most-favorable farm-tariff devices that human ingenuity could conceive? These illustrations might be carried throughout the tariff schedules as they relate to manufacturing.

Since 1921 many of us have been earnestly warning agriculture that typical manufacturing tariff systems, such as the Fordney tariff, would ultimately destroy the farmers of America. We pointed out in vain in 1921 and succeeding years that among the farmer's needs were low costs of production, of living, and of transportation, and wider and better foreign markets for his surplus. We earnestly preached farm cooperation in production, transportation, and marketing. Western farm leaders, however, whose sincerity I do not question, insisted that high tariffs were all the farmer needed and all he wanted. The farm bloc in Congress, led by these western farm spokesmen, who in large measure are now speaking for the farmer in connection with the Haugen bill, were permitted to write the agricultural rates in the Fordney tariff law. They shortsightedly imagined that they were bestowing on the farmer an infallible remedy for prosperity.

Many of those same gentlemen now urge the Haugen bill for the sole purpose of lifting the farmer up above the outrageous injuries which the Fordney tariff has been inflicting upon him since 1922. I do not believe that these gentlemen will now censure me for having dissented from this demonstrated course of folly and destruction. May I again remark that I do not indulge in these personal allusions for the purpose of criticism, but in order that the American farmer may thoroughly understand the course and attitude of others of us who at all times in the past have striven according to the lights before us to advance the cause of agriculture.

In harmony with the general ideas advanced by many of us since 1921, I, in January, submitted in the form of a House resolution a broad, sound, and comprehensive policy and program with respect to agriculture, as follows:

Resolved, That it is the sense of the House of Representatives of the United States that the following legislative measures and economic policies should be adopted and pursued for the relief and recognition of agriculture:

1. Tariff reduction, thereby materially diminishing the farmer's cost of production, transportation, and his cost of living.

2. International trade agreements, eliminating by mutual consent the harsher forms of discrimination in trade or commerce, and the development of more liberal trade relations with broader and better foreign markets.

3. Financial and other aid and encouragement of efficiency in agriculture and in the wider expansion and development of cooperative organizations in each branch of the agricultural industry for the purposes of transportation and marketing, and also production to the extent practicable and desirable.

4. Continued exemption from antitrust laws of farm cooperative organizations or associations.

5. Any additional and more desirable short-term and other credit facilities, actually needed and justified by good business principles.

6. Reduction and readjustment of railway rates, especially as to agricultural products.

7. Abolition by the States of State taxes on farm lands, with the possible retention of a small rate for schools, leaving the same to counties and villages.

8. Systematic suppression of monopolies in the distribution of farm products.

9. Speedy enactment for temporary relief purposes of H. R. 15655, the Aswell bill, or H. R. 15953, the Crisp bill, with certain amendments, for the purchase and orderly marketing of the surplus of the principal basic agricultural commodities, and the stabilization of prices on a reasonable basis.

10. The greater utilization of the Mississippi and other important water courses for the transportation of farm products, and the fullest utilization of water power on farms and for farm purposes: Be it further

Resolved, That the appropriate committees of the House of Representatives be, and the same are hereby, authorized and instructed at the earliest practicable date to report suitable bills to the House, embracing the subject matter of the proposals set out in section 1 to the extent that such proposed legislation comes within the functions of the Federal Government.

I have found but few earnest supporters of real and sound farm-relief ideas, even supporters of the Haugen bill, who have not heartily approved in principle the proposals contained in this resolution. They agree that they go to the fundamentals of the agricultural situation. Why, then, have these remedies not been pursued? It seems to me that the answer is that dominant farm leaders in the West, having been educated that way, still seek to cling to the unnatural and contradictory alliance and partnership between manufacturing and agriculture which the Fordney tariff law created and still maintains.

These in a large sense are the same leaders who in 1922 proclaimed with absolute confidence and cocksureness the Fordney high tariffs as the salvation for agriculture and questioned the judgment of those who condemned this view as not being for the best interests of the farmer. Now that these same tariffs have almost destroyed agriculture, these gentlemen propose to leave the tariffs intact and offer an additional artificial proposal about the workability of which they do not claim to be at all sure. In these circumstances, if the loyalty of any persons to the farmer is involved, it is certainly not those whose views experience has demonstrated to have been sound during the worst six-year period that agriculture has ever undergone. Had the farmers of the West been under the leadership of Senator Dolliver during the past three years, as they were in 1909 and 1910, I dare say that the Fordney high tariffs, which are

cating up agriculture, would have been directly assaulted as were the Payne-Aldrich tariffs assaulted under the Dolliver leadership. Some of these days the farmers will themselves go to the heart of the tariff problem, and then every farm leader will, instead of embracing, as many now are, the deadly tariff partnership between manufacturing and agriculture, fight for its speedy dissolution. The very intimation that the Democratic platform of 1924 contemplated "economic equality" between agriculture and industry by the plan of the Haugen bill, which would perpetuate and from time to time increase the existing Fordney high tariffs, is an outrageous libel on the Democratic Party and its doctrine of equal rights and opposition to special privilege. Do not forget that our farm difficulties have been years in developing, and they can not be removed overnight.

The numerous farm-relief proposals contained in the resolution I offered are in the main easily understood. Either the Aswell or the Crisp bills, with certain amendments, are proposed as the most effective method of dealing with fluctuations and stabilization during emergency periods.

The Federal Finance Corporation financed itself at near a Government interest level and conducted wide financial operations for some six years following the war. It made numerous loans to farm cooperatives, among other functions. The sum total was that this corporation realized profits of about $62,000,000 and losses of about $62,000,000. The Aswell bill, for illustration, provides for similar corporate organization to finance itself and on emergency occasions to purchase, store, and feed out in an orderly marketing way existing surpluses such as cotton or tobacco, as the case may be. I am wholly at a loss to understand why this plain, simple, and tried method which does not burden the farm producer with the equalization tax would not prove far more effective than the complicated machinery provided by the McNary-Haugen bill. The Aswell and the Crisp bill provides the same appropriation of $250,000,000 from the Federal Treasury as does the McNary-Haugen bill. The two former omit the equalization tax on the farmer and at the same time propose to stabilize prices occasioned by fluctuations on emergency occasions due to substantial surpluses during good crop years. I can see no earthly reason why this method would not be far preferable, at least to the cotton and tobacco industries. The financing corporations, in line with the actual experience of the Federal Finance Corporation, should be able adequately to deal with the cotton and tobacco situation without losing any money. The other plan is probably invalid and unworkable. The officers would keep in close touch with the growers, and all would cooperate in regulating production to the extent that this would be possible. Their efforts in this respect would, in my judgment, be equal to if not superior to the theory of regulating production through the equalization tax. The fact that the McNary-Haugen bill has made every possible effort to conceal the equalization tax from the farmer greatly minimizes any virtues it might otherwise have in aiding regulation of production. I cheerfully support either the Aswell or the Crisp bill, with certain amendments. Since they carry appropriations of $250,000,000, it is thus apparent that one dividing line between supporters of the McNary-Haugen bill and others equally anxious to aid in farm relief is the equalization tax on the farmer and perpetuation of the Fordney tariffs.

If it were seriously desired to promote economic equality between agriculture and industry through the McNary-Haugen bill, it would be wise and perfectly easy to omit the equalization tax on the farmer and levy a corresponding amount of money off the manufacturer, who is receiving 100 per cent of his tariff benefits. This would require him to equalize to that extent the advantages derived under the Fordney tariff. This the manufacturer could do without ever feeling the burden. But again, some of our friends among the farm leaders are unwilling thus far to touch the enormous tariff profits of the manufacturers.

Some Haugen-bill supporters who seem to consider the Fordney tariff sacred, although it is literally destroying their farm constituents, suggest that prices of certain tariff-protected manufactured products have slightly declined since 1922, when the Fordney law was enacted. The vice and sophistry of this suggestion is that even the Fordney tariff could not maintain vastly inflated war-price levels in this country. In any event, as inflation disappears following the war, price levels should correspondingly and gradually decline. Automobiles, for illustration, have been selling at a lower price level than before the war. Except for the Fordney tariff other manufactures would have gradually declined until a substantially lower price level than the present would by this time have been reached, and besides the wide difference in their price level and that of agricultural products would not exist to-day. And if it be conceded that the small decline in prices of manufactured products under the operation of the Fordney tariff reflected a natural tariff course, the fact, most important to agriculture, remains that directly and wholly on account of the Fordney tariff we still have a high price level for manufactures and a low price level for agriculture.

Since 1921 this Nation has had the opportunity to pursue either one of two economic policies, each, however, entirely repugnant to the other. One policy would have recognized the fact that the World War left America a great creditor Nation with a mountain of gold and credit; a huge manufacturing plant unrivaled in efficient productive capacity in all history, and unlimited foodstuffs and raw materials. The war at the same time left other nations exhausted and prostrated financially and economically. They were without foodstuffs or raw materials, and their economic situation was hopelessly dislocated and demoralized on account of vast inflation of currencies, unbalanced budgets, and broken-down exchanges. The world, thus at our mercy for a number of years, was never in greater need of foodstuffs, raw materials, and many kinds of manufactures. America had but to adopt a system of moderate or competitive tariffs for revenue, cooperate in maintaining the international exchange, credit, and trade situation, insist on liberal trade relations and fair trade methods, and extend her commerce in all lines throughout the world. We have an overproduction capacity of 30 per cent. The automobile industry is a conspicuous illustration of the wise course which other industries, including agriculture, might easily have pursued, even though not so effectively. High wages, the use of modern machinery, horsepower, the greatest degree of efficiency, low production costs, and profit margins not too large, was our true policy. The moral and financial influence of this country, including the reciprocal obligations that go with vast loans to other countries, would have enabled this Nation to expand foreign markets and prices for our surpluses in every part of the world. It is tragical that we deliberately turned our back on this wise and sound economic course. Our exports to-day would have been $8,000,000,000 instead of less than $5,000,000,000.

While we must look to Europe to purchase our surplus wheat, cotton, and meats, it is a fact that Europe is to-day purchasing from us in all twice the amount that we purchase from her. It is also a fact that of the $13,000,000,000 of private loans made abroad during past years, near $10,000,000,000 have been made to Canada, South and Central America, and the Far East, none of which countries buy foodstuffs, but sell foodstuffs and buy manufactures. The inevitable result has been that exports of our manufactures, made possible largely through our foreign loans, have doubled, while exports of our foodstuffs to Europe in value have hopelessly declined. The future outlook for American agriculture under existing economic policies is, therefore, very dark. Many countries already are undertaking to grow more of their foodstuffs and to construct tariff walls against those we seek to export. We threw away this great opportunity and policy.

We pursued the opposite course of economic isolation and aloofness since 1921. We announced to the world that America would pursue a policy of extreme high tariffs, with the network of trade restrictions, reprisals, embargoes, retaliations, and boycotts that inevitably accompanies an airtight system of high tariffs. The direct effect of this policy, with a few individual exceptions, has been high artificial production costs, living costs, and transportation costs, to say nothing of the tremendous restrictions of our foreign trade and market situation, which has only been maintained to a certain extent thus far by our huge foreign loans with which to pay for our exports. Other nations naturally followed suit, so that to-day Europe alone has some twenty-odd tariff walls which hopelessly restrict trade among those peoples. The stifling of trade there has greatly restricted the capacity to produce and sell surpluses, and this in turn has correspondingly reduced and held down the purchasing power of the peoples of Europe on whom we depend to take our agricultural surpluses. In these circumstances, how could we expect the condition of American agriculture to be maintained, how could we expect other than ultimate drying up of our export markets at suitable prices for surplus farm products?

The Fordney high-tariff system, which is more nearly prohibitive than any other in fiscal history, is either the controlling factor or a major factor in the following outstanding conditions vital to the American people: (1) The high cost of living; (2) the high cost of production; (3) excessive freight rates to the extent of over $200,000,000; (4) the measurable preventing of the repayment of $21,000,000,000 of public and private debts owed us from abroad; (5) inability to maintain and develop a suitable merchant marine; (6) existing barriers,

obstructions, and restrictions against international commerce; (7) trade retaliations, reprisals, boycotts, and holdups, as in the recent instance of rubber; (8) the growing number of trusts and other price-fixing combinations; (9) the use of unlimited slush funds to corrupt and buy elections and control the Government; (10) the long delay in the restoration of credit and commerce and the economic rehabilitation of European countries; and (11) the redistribution of wealth as between agriculture and industry in this country.

None except the hidebound ultrahigh tariff partisan will controvert this analysis of the deadly and destructive effects of the Fordney tariff upon this giant Nation. While this tariff system only involves directly about $5,000,000,000 of excessive prices to our people, it is true that the injuries and losses of benefits and advantages in other respects less tangible but equally real will aggregate $15,000,000,000 or more each year. I can not agree with those other friends of agriculture who would force that great industry toward a condition of further permanent decay by insisting on the maintenance of existing high tariffs under the plain and patent policy of the McNary-Haugen bill. These tariffs and the narrow trade policies which they compel present an irreconcilable conflict between agriculture and tariff-protected manufacturing in this country, with the latter having all the advantage. If the disastrous experience of agriculture during the past six years has not conclusively demonstrated this fact, then human reason is fallible, indeed. The McNary-Haugen bill simply proposes to patch up in a certain crude, artificial, and hopelessly inefficient way the existing high-tariff partnership between manufacturing and agriculture, with some additional theoretical benefits to the latter, and continue it indefinitely in the future. Economic rather than political leadership is what the prostrate farmers most need.

Even the Farm Federation Bureau after an investigation in 1923 found that agriculture, after balancing off every possible tariff benefit against tariff losses, was suffering an annual net loss of $301,000,000 under the operation of the Fordney tariff, and this was less than half the true amount, if we even omit the injury to foreign markets. In the name of high heaven and in the friendliest spirit, I ask how can those leaders still insist on the existing high-tariff partnership between manufacturing and agriculture which has proven so deadly to the latter? The average farmer will pay more in extortionate tariff prices on his clothing and his iron and steel and aluminum products alone than he will get back through the miserable tariff driblets from his wheat, corn, and meats under the operation of the McNary-Haugen bill.

The McNary-Haugen bill must first make up to the farmer the $301,000,000 he is now losing under the Fordney tariff, and then and in addition see that the farmer secures enough further tariff advantages to equal those of the manufacturer, or the farmer's case is still hopeless. I seriously doubt if the bill accomplishes even the first step.

Moderate or competitive tariffs for revenue and more liberal trade policies would mean much lower production costs and wider and better markets to the farmer for his surpluses. At these points is where his profits are now being eaten up. The time is not far distant when America's high and artificial level of production costs in both agriculture and manufacturing, on account of excessive tariffs, will largely eliminate this country from the honest and fair commerce of the world. "Dumping" of surpluses will become the only alternative. This practice, too, will be in repudiation of our own antidumping law and policy, as well as that of a number of other countries. We are sadly in error if we imagine that competitive nations will allow us systematically to "dump" upon them.

Some high-tariff champion of the manufacturer has convinced a number of our well-meaning farmers that it would be wholly unwise to interfere in the least with their unconscionable tariffs for the secret reason that it would interfere with their present and future plan to rob and plunder agriculture to the point of absolute destruction. The Fordney tariff law should have been entitled "An act to impoverish agriculture and to subsidize a certain segment of manufacturers."

Some one also whispers to farmers who already are not unfriendly to the fallacy of high tariffs that decent tariff reduction would lower living standards and wages of labor. They are most careful to avoid the naming of the particular class of labor in this country that is supposed to be tariff benefited, but very definitely leave the impression that it is all American labor. Let us see just what number of American laborers are under the high-tariff shelter. Is it the 1,700,000 railway employees and their families? No; they receive no tariff benefits but only tariff injuries in the way of high living costs. And yet they have among the highest wages and living standards of any labor in America. Is it the millions of employees in the great building industry and trades of America? No; they likewise suffer tariff injuries rather than benefits. And yet their wages and living standards are among the highest in America. Is it the 1,000,000 coal miners and their families? No; they are in the same situation of labor as the railway and building industries. Is it the millions of laborers employed in the automobile industry? No; that great industry dominates the world and receives no tariff benefits but only burdens on its vast materials for manufacture. And yet this industry—wholly unsheltered by tariffs—took the lead many years ago in establishing the highest wages and living standards for labor. The same is true as to the tens of millions of laborers in the agricultural industry, the publishing and printing industry, the packing industry, the boot and shoe industry, the great field of professions, and in scores of other employments and industries with no tariff benefits. The whole truth is that of the 43,000,000 people engaged in gainful occupations in this country less than 6,000,000 are employed in the tariff-sheltered industries. And even among these latter are included 550,000 laborers in the textile industries, which for 60 years have enjoyed the highest tariffs and received the lowest wages.

Hundreds of thousands of still other laborers in the iron and steel industry afforded the pretext of the manufacturers to demand high tariffs for two generations past in order to pay high wages to their labor, although they were all the time and until recently importing the cheapest and coarsest foreign labor and themselves raking off the tariff profits. The fact so astounding is that this pure myth about high tariffs guaranteeing high living standards and high wages has been blindly accepted for 50 years. No farmer, therefore, need worry about suitable living standards and wages as a result of high tariffs. Russia, Spain, and numerous other countries in Europe have long had high tariffs, but the level of prices paid to their labor has constantly remained far below that paid to British labor with no tariff protection. The simple truth is that the intelligence, the skill, and energy of American labor, coupled with modern machinery, horsepower, and efficient management in many lines, with the resultant increased output of products per man, accounts for the high wages and high living standards which American labor enjoys and will continue to enjoy.

I need not repeat the figures showing the tremendous decline of agriculture since 1921. I have done that many times. I append to my remarks an exhibit containing a House resolution I offered in February, 1926, which sets out many of the exorbitant and prohibitive tariff rates which are chiefly responsible for the deplorable condition of the American farmer. Our Government since 1921 has been conducted by and for the tariff-protected manufacturer and to the corresponding detriment and injury of the American farmer. There is not room in the world for another solely manufacturing nation without a great agricultural industry to supply food. America, therefore, can not afford, as the present economic policies of the Coolidge administration unerringly propose, to destroy our great agricultural industry. On some other occasion, when time permits, I hope more elaborately to present the tariff and trade situation, and to point out the precise manner in which it is enriching protected manufacturers beyond reason and correspondingly impoverishing agriculture. No farmer or laborer ever gets rich under high tariffs, but thousands of manufacturers are annually made millionaires under this system of gross favoritism. The very purpose of tariffs is to transfer the substance of one person to another through increase of prices which the latter is enabled to charge. Tariffs, in other words, transfer the property of one person to another without his consent and without compensation.

Tariffs always imply two classes, one to be protected and the other to protect it. Tariffs bestow full benefits on some, less on others, and none at all on still others. Probably 80 per cent of farm products fall in the latter class. The true test of the competitive nature of tariffs in this country relates in the main to finished dutiable manufactures. If we deduct burlap imports of $85,000,000 for 1925, which we do not produce, and equalize prices, we find imports of dutiable finished manufactures were $465,450,000 for 1914, compared with $442,000,000 for 1925, notwithstanding our consumption has virtually doubled and our production vastly increased during those 11 years. Our imports under the Fordney Act mainly comprise raw materials, products we either do not produce or produce in insufficient quantities, such as sugar, wool, and costly articles which the rich import on account of fashion, design, or pattern, tariffs or no tariffs. Price increases, as in the case of rubber, coffee, tin, and so forth, account for an immense portion of the present value of imports.

While the present tariff rates on wheat, swine, and other commodities embraced in the Haugen bill are not specifically mentioned in the present bill as they were in the bill voted on

last year, they are nevertheless just as indispensable to the operation of the present bill as they were to that of the bill of 1926. The platform plank of the Republican convention of Iowa in 1926, after the defeat of the Haugen bill, set forth the object of this legislation as follows:

The Republican Party of Iowa is united in its demand that the Republican policy of economic equality of agriculture with other industries shall be carried into effect by the enactment of legislation which will permit the establishment of an American price level for agricultural products above the world-price level, just as the protective tariff accomplishes that result for manufactured products.

This utterance is in complete harmony with the frank expressions of leading spokesmen for the pending bill. The fact, therefore, that this bill omits mention of the tariff rates in no sense changes the tariff connection as compared with the Haugen bill of 1926. Repeal those Fordney tariff rates and this bill would be abandoned at once. In the entirely different economic situation of agriculture as compared with manufacturing, I am confirmed in the opinion that agriculture will be at a hopeless disadvantage in competing under the Haugen bill for tariff benefits with manufacturing industries.

Sir Josiah Stamp, of England, whom the proponents of this bill quote as favoring its theoretical operation, points out such difficulties as the following: (1) To make the plan successful the volume of exports must be greatly increased; (2) following this, domestic prices would rise; (3) increased price would react upon domestic consumption, thereby making still larger exports necessary; (4) world prices would, in consequence, be lowered; (5) higher domestic prices would stimulate production and add to the amount necessary to be exported; (6) there might be an international reaction against the practice of dumping the surplus abroad that would be unfavorable to us. These are just some of the many difficulties of the proposed measure. The logic of such a plan would suggest, if it does not require, prohibitive tariffs or an embargo on the imports of agricultural products. If the Haugen measure could be operated to the extent of exposing the existing high-tariff situation and thereby bringing about its downfall, I would cheerfully support the measure from this viewpoint. I am convinced, however, that at the very most the bill would only be able to secure to the farmer just enough small tariff benefits to induce him to pursue this plan indefinitely in the future, with the result that the manufacturer, with his vastly superior tariff benefits, would utterly destroy the farmer, as I have heretofore indicated.

Class rule, class legislation, or governmental favoritism have ever been the bane of popular government. No free government can last where the general public stands for this sort of favoritism called special privilege. The benefits of special privilege can no more be equalized than can the strength of the weak and the strong. The more powerful always secure the chief share, while those less organized and less able become the helpless victims. If this great Republic is to live, special privilege wherever it raises its slimy head must be grappled with and destroyed. If the political party to which I belong should abandon its ancient doctrine of equal rights and opposition to special privilege and embrace the policy in the future of fighting to equalize governmental favoritism for the benefit of each and every class and group not getting as much as the manufacturing industry, a new political organization standing for the doctrines of Jefferson will take its place. There is not room in this country for two leading parties who support the infamous doctrine of special privilege. It is not possible to pursue this doctrine even temporarily, because this would be folly on the one hand and disloyalty to the principle of equal rights on the other.

May I say in conclusion that it is my candid view that the very fact that a measure labeled "farm relief," if enacted, creates a psychology among the people which at the time will somewhat stimulate and hearten farmers and may result in some fluctuations upward of certain farm prices, but in its permanent operation and effect agriculture, I greatly fear, will be worse rather than better off. The tragedy of the situation, as I see it, is, let me repeat, that even if the measure should prove workable the farmer would at most derive such slight tariff benefits as would lead him along in future partnership with high tariff manufacturers, who would continue to derive all the lion's share of tariff advantages to the gradual destruction of agriculture. The real reason for the opposition of spokesmen of high tariff manufacturers to the McNary-Haugen bill thus far is that for two generations they have taught the western farmer almost as a part of his religion the economic falsehood that typical high tariffs benefit all classes and sections alike and guarantee prosperity equally to industry and agriculture. It has been upon this monstrous fallacy alone that unconscionable high tariffs have been fostered and fastened upon the country since the Civil War. For high-tariff champions now to confess that the farmer is receiving no tariff benefits from his staple products, but instead is being robbed and has been robbed for 60 years would for the first time disillusion the American people as to high-tariff sophistries and would inevitably result in the speedy breakdown of the manufacturer's tariffs. These vocal champions must, on the contrary, continue to cry lustily that the farmer is, in fact, getting his 42-cent tariff on wheat, 15 cents on corn, and his rates on the other commodities included in the McNary-Haugen bill. A supporter of the present high tariffs on manufactures is estopped under every rule of decency and fairness from opposing any additional artificial device the farmers may contrive to get some tariff benefits. One who has always fought high tariffs and the vicious special privilege and wholesale corruption and debauchery of both officials and voters which always accompany such tariffs, is in an entirely different attitude.

I am not surprised that Secretary Mellon and other spokesmen of the high-tariff group of manufacturers are slow to confess that their preachments of "protection and prosperity" to the farmer during the past two generations have been an outrageous falsehood from the beginning. If the proposed measure should by any sort of chance become a law and serve agriculture in a really beneficial way, my surprise will only be exceeded by my gratification.

I have never opposed any measure merely because it was new or because it was drastic. My only inquiry in such circumstances has been, will it uproot a deep-seated evil or prevent one from taking root? I am not disturbed, therefore, about the "newness" or the "drastic nature" of the pending bill, but rather by the certain belief that it will not offer permanent relief to agriculture and will perpetuate the Fordney tariffs.

EXHIBIT

IN THE HOUSE OF REPRESENTATIVES,
February 1, 1926.

Mr. HULL of Tennessee submitted the following resolution, which was referred to the Committee on Ways and Means and ordered to be printed:

House Resolution 116

Resolved, That it is the sense of the House of Representatives of the United States that immediate investigations and public hearings shall be had and a bill reported to the House of Representatives at the earliest practicable date repealing duties in schedule No. 3 of the tariff act of 1922, the iron and steel or metal schedule, which are useless both from the standpoint of revenue and appreciable competition, and reducing to a moderate or competitive basis for revenue such duties as are either excessive or prohibitive.

Such bill shall propose the repeal of such existing duties, among others, as pig and scrap iron; iron in bars, slabs, blooms, coils, loops, or rods, and muck bars; steel rails; structural shapes, not assembled; boiler and circular saw plates; galvanized wire for fencing and baling hay; blacksmith's tools; horseshoes, horseshoe nails, and cut nails; tacks and brads of iron or steel; hand, mill, circular, and cross-cut saws; cream separators; dynamite and other explosives, scythes, sickles, corn knives, motor cycles, pruning and sheep shears; cash registers; sewing machines; steam and internal-combustion engines.

Such bill shall also propose and carry reductions to a moderate or competitive basis for revenue of other rates in the said iron and steel schedule No. 3, including such existing excessive or prohibitive rates as 20 to 35 per cent ad valorem on steel ingots; 21 to 29 per cent on sheets of iron or steel; 20 to 33 per cent on tubular products; 64 to 74 per cent on table, kitchen, and household knives; 87 per cent on razor blades; 34 per cent on safety razors; 137 per cent on costly razors other than safety, and 336 to 355 per cent on cheaper razors; 131 to 169 per cent on pruning and sheep shears; 101 to 185 per cent on scissors; 100 per cent on the costliest to 140 per cent on the cheaper nail and barber's clippers; 96 per cent on the costliest to 179 per cent on cheaper pocketknives; 58 per cent on the costliest to 177 per cent on cheaper rifles; 40 per cent on axes; 40 per cent on hinges; 42 to 68 per cent on padlocks; 40 per cent on tinware not specially provided for; 56 per cent on bathtubs; 79 per cent on table, kitchen, and household utensils of aluminum.

SEC. 2. That it is also the sense of the House of Representatives that following presentation to the House of a bill revising the iron and steel schedule as aforesaid, suitable investigations and open hearings on the other schedules of the tariff act of 1922 shall be had with a view to ascertaining and reporting moderate or competitive rates for revenue, and repealing obsolete rates, in the form of a bill or bills, thereby providing suitable reductions of such excessive or prohibitive rates as the following, among others, in the various schedules of the tariff act of 1922; 35 per cent on textile machinery; 25 per cent on automobiles; 10 per cent on automobile tires; 25 to 28 per cent on rubber manufactures; 20 to 40 per cent on electrical machinery and

apparatus; 98 per cent on lemons; 80 per cent on cheap or imitation jewelry; 70 per cent on toys; 90 per cent on corsets with imitation or other lace; 20 to 27 per cent on jute bags; 30 to 45 per cent on certain cotton cloths; 25 to 45 per cent on cotton blankets; 77 per cent on cheaper woolen blankets; 35 per cent on cotton suspenders; 132 per cent on woolen suspenders; 50 to 71 per cent on cotton gloves; 35 per cent on men's cotton shirts; 60 per cent on cotton-lace window curtains; 25 per cent on cotton towels and sheets; 71 per cent on knit fabrics and knit goods of rayon; 97 per cent on cheaper woolens, and 73 per cent on the costliest woolens; 57 per cent on wool socks; 55 to 58 per cent on wool clothing not knit; 62 per cent on knit woolen underwear; 70 per cent average on silk wearing apparel; 50 to 55 per cent on table and kitchen articles of glassware; 7½ to 12 per cent on brick; nearly 20 per cent on salt; 30 per cent on asphaltum and bitumen; 40 per cent on mechanic's tools not specially enumerated; 64 to 74 per cent on clocks with jewels, and 60 to 104 per cent on cheap clocks without jewels; nearly 10 per cent on sulphate of ammonia; 30 per cent average on paints, pigments, and varnishes; 40 per cent on pianos; 25 per cent on slate pencils; 45 per cent on fishhooks; 45 per cent on cheap collar and cuff buttons; 60 per cent on tobacco pouches; 45 per cent on tooth and paint brushes; 25 per cent on shoeblacking; 50 per cent on fans; 128 per cent on thermos bottles; 282 per cent maximum on certain cheaper and coarser raw wools; undecorated china, 60 per cent; glass table and kitchen utensils, pressed and unpolished, 50 per cent; limestone, 77 per cent; certain cement, 16½ to 20 per cent; magnesite, 46 per cent; saddlery and harness hardware, 35 to 50 per cent; fountain pens, 100 per cent; pliers, pincers, and nippers, 60 per cent; lawn mowers, 30 per cent; stoves, 40 per cent; broom handles, 33⅓ per cent; indigo, 60 to 91 per cent; wood fence posts, 10 per cent; hoop or band iron for baling cotton, 9.34 per cent; kindling wood, 33⅓ per cent; bookbinders' calf leather, 20 per cent; twine for binding wool, 35 per cent; textbooks, 25 per cent; coal, 8 per cent (countervailing duty). Repeal section 315 of the tariff act of 1922 (the flexible provision).

Mr. EVANS. Mr. Speaker, for the third time in four years the Congress has before it a farm relief bill. Six million farmers, who produce the food of this Nation, are again knocking at the doors of the American Congress asking for relief. Not less than 4,000,000 of these farmers desire the enactment of the bill which is presented before you by the Committee on Agriculture, and known as the McNary-Haugen bill.

Who are these 6,000,000 farmers who are asking for relief? They are the people who own and control the largest business we know anything about in this country, the business of farming. Six millions of them live on the farm. They provide the food of this Nation. Thirty millions of men, women, and children live on the farms, and their business in dollars and cents is worth more than the combined valuation of all the coal mines, plus the manufacturing plants, plus the railroads, plus the capital, surplus, and undivided profits of all the banks and trust companies in the United States of America. Their business represents an investment of about $70,000,000,000.

There are undoubtedly imperfections in this bill. It will not, in all probability, work a millennium for the farmer; but the farm organizations of the country have employed some of the best economists to work out a plan of relief. They have presented it to Congress and asked its passage. We have unhesitatingly passed legislation for the relief of the manufacturers, for the relief of the railroads, for the relief of the bankers, and passed legislation for the relief of other groups. If I had my way, I would approach this question from a different angle; instead of trying to raise the price of the farmers' product I would try to equalize it by reducing the price of the manufactured articles he has to buy; in short, I would reduce the tariff.

Do not misunderstand me, gentlemen; I am not a free trader. I am not opposed to a tariff. I voted for a tariff on wheat, wool, cattle, flax, manganese, and a hundred other articles. I am for a tariff that will protect the American people from any unreasonable foreign competition, but it must be a tariff that protects the producer of raw material equally with the producer of manufactured articles. I am unalterably opposed to the existing tariff law that allows a few thousand tariff barons of New England and the other manufacturing States to extort from the American people billions of money every year. A condition and not a theory now confronts us. It is impossible, as the Congress is now constituted, to lower the tariff and thus put the farmer on a parity with the manufacturer, so it becomes necessary to try raise the farmers' end of the scales.

I wish to point out that we have before us for consideration a measure which has the indorsement of organized labor, representatives of business associations, an increasing number of States legislatures, and a large number of farm organizations representing every principal section of the United States. There is no other measure which has been considered by this Congress which has anything like the support which this measure has. There is no reference in the measure, whatever, to price fixing or price levels.

It does not put the Government into buying or selling farm crops on its own account. Government funds, which are loaned to the cooperatives, are amply safeguarded. The measure uses and builds upon the cooperative movement which has already been developed rather than setting up a new system. It takes care of all commodities by authorizing the board to assist in disposing of the surpluses of five of the major farm commodities and to assist the producers of other commodities through extending amortized loans to cooperatives handling such commodities. It is not an attempt at securing unwarranted, artificial, and arbitrary prices through a Government monopoly, but it provides a means by which the producers, through their own organizations, assisted by the farm board, can dispose of farm surpluses in such a way as to give the producers the full value of their products. In short, it is a business proposition which will make it possible for the farmers to market their crops in an orderly manner so that they will be able to obtain the best price which market conditions and other economic factors justify and which will give to the farmers equal bargaining power and equality of opportunity with other groups. If this bill is passed, it will stabilize the most important industry in this country on a basis of economic equality with other groups. I do not believe that Congress should deny these benefits to the farmer by refusing or neglecting to pass this legislation.

It is said that this bill is a "price-fixing" measure. I deny it, but granting it be so, the most gigantic price-fixing measure that was ever given the dignity of law is the American tariff, which substantially fixes the domestic price at the world price plus the tariff rates. Of course, it is all right to provide a price-fixing measure for industry, but the beneficiaries of the tariff price-fixing law condemn it as economically unsound to give the farmers a price-fixing measure of protection. Price fixing is all right for big industrial enterprises, but all wrong for unprotected farmers.

Price fixing has become more or less of an accepted practice in American business, and no one seems to think it is economically unsound and dangerous. Why, even organized labor has had the benefits of price fixing in connection with the labor they have to sell, and the right to do it is now recognized by both law and custom. Various professions get together in districts and agree upon minimum rates of charge for various types of service. Even the banks of various communities get together and agree upon the rate of interest they will pay and the rate of interest they will charge.

Why is it economically sound and proper to let everyone else fix prices for the things they have to sell, as now seems to be the accepted practice, and deny the same right to agriculture, which is the most important and basic industry of all? The farmers are the only people in America who have no voice in fixing the prices of what they buy or what they sell. They are the victims of a price-fixing era. This argument, coming as it does from the beneficiaries of price fixing, is the most unfair and ridiculous and unsportsmanlike argument that could be advanced.

In my opinion, it would be utter stupidity for this Government not to attempt through legislation to bring the price level of farm products to the price level of those things the farmer has to buy. I realize that any and all legislation in respect to this effort is an experiment. I am willing and anxious to support either of the bills prepared to this end and which are now being considered by this Congress. I have carefully studied each of the bills; there are provisions in each of them to which I do not subscribe. But realizing as I do, that the gentlemen who prepared these measures were conscientiously endeavoring to meet a national crisis and bring relief to the American farmer, I do not feel that I can afford to dally with so serious a proposition.

It ought to be self-evident that a prosperous agriculture is necessary to continuous industrial prosperity. The future success of every business enterprise in America is dependent directly or indirectly upon the buying power of the agricultural part of our population. The most selfish provincialism and the most isolated viewpoint ought to realize that the prosperity of agriculture is a necessary condition to continued national prosperity.

When you think of the vast number of farms that are being abandoned, and the multitudes that are flocking into the cities to gain a livelihood where money has been flowing more freely; when you think of the millions of American farmers who are struggling on in the face of persistent adversity with insufficient income to meet their maturing obligations; when you think of the innumerable farmers who have had to borrow money just to pay their taxes; and when you think of the disastrous de-

crease in the buying power of American agriculture, you must recognize that we have in this situation a national problem, and it can not be solved by merely a local viewpoint or by raising the age-old cry against everything new that it is economically unsound and dangerous. Something must be done to help agriculture in order to help America, and the McNary-Haugen bill is the only thing in sight that offers any promise. Its advocates believe it will mean the difference between failure and success in agriculture.

In common justice to the agricultural life of America, this Government should endeavor to right the wrong of the deflation panic of 1920. This was nothing less than the assassination of the American farmer's business. The policy inaugurated by an agency of our Government laid its ruthless hand of destruction upon the crop prices of America and wrecked hundreds of thousands of homes, and left in its wake bankruptcy, suicide, and buried hope. The debt of the American farmer is to-day $14,000,000,000. His property and crop values, as compared with the predeflation period, have decreased since then $30,000,000,000.

This is one-tenth of the value of the wealth of this Nation; it is ten times as much as the debt of this Nation in 1900; and it is more than our national debt was immediately after the World War. In 1923 the national income of the United States, the annual wealth produced, was $70,000,000,000; the farmer had one-fifth of the wealth engaged in the production of this annual income and one-third of the population engaged in its production, and yet he only realized 14 per cent of this income, and his percentage of this income is now less than then. Crop prices have decreased to below the cost of production, and the farmers' average earnings per annum is just one-half as much as the average earnings of the other laborers of America. With this decrease of property values and income, the farmers' taxes in this Nation have increased 236 per cent within the last 10 years. Most of his income now is consumed in payment of taxes and interest on his indebtedness; his family is neither fed, clothed, nor educated as it used to be, and his property is passing away from him by foreclosure sales each day; even our Federal land banks, which I believe have been of great service to the landowners of the Nation, have been compelled to foreclose 5,000 homes occupied by farmers in order to satisfy loans made to them aggregating more than $18,000,000. Most of these foreclosure sales have occurred within the last four years, and these are but a small per cent of the total farm foreclosure sales had in our country.

Why are not the farmers entitled to some consideration at the hands of this Government? They work and toil almost day and night. They love their families the same as other people, and they want to educate their children like the rest of our citizens. They want to furnish them with good food and proper clothing. The farmers have the same feelings, are fired by the same ambitions for their children as others, and are impelled by the same motives. They should have sufficient prices for the products of their toil that would enable them to have a holiday occasionally like city folks. They should receive prices that would enable them to lay aside something to care for their families and themselves in their old age. Some say that they spend too much, that they sometimes have an automobile or a radio. Well, are they not as much entitled to these as others? Why are they begrudged a Ford and other conveniences of life? One thing certain, they have not had much to spend since the advent of this Republican administration.

It is not true, as some assert, that the farmer's condition is due to his own laziness, thriftlessness, and bad management; the fact is that, although the farmer has abandoned the farm because the industrial occupations offered a much larger income to him and his family, nevertheless those who have remained upon the farm have been sufficiently industrious and intelligent, and who are now comparatively a much smaller per cent of our population than 25 years ago, to produce in volume and in value per capita much more than he ever did. This can not be said of any other American labor; every other class of labor, though receiving now the highest prices ever realized, works less time and produces less than ever. I should be glad, if I had time to do so, to discuss this fact. It simply illustrates what organization can accomplish; and I do not undertake to criticize organized labor. In my opinion it has been justified in making most of its demands. There are some who would deny this farm legislation because, as they see the matter, his trouble is that he now produces too much, and certainly this can not be attributable to laziness, thriftlessness, or bad management.

One other suggestion and I have finished. It seems unfortunate that the great eastern press has been so unfair in the discussion of this legislation. I read for the benefit of the Congress and the country a brief editorial from the New York World commenting on this subject:

SOMEBODY ELSE CRIES "THIEF!"

The gods of irony must chuckle at some of the horrified indignation displayed by the conservative eastern Republican press over the McNary-Haugen bill. Yesterday one of the Republican papers in this city worked itself into a fine white heat to denounce this measure, all within the confines of a single paragraph, as "tarred with demagogy," "a brazen bid for a veto," a bit of "unscrupulous politics," a measure which will "debauch agriculture," a "flagrant betrayal of the public," and "a hold-up for the benefit of a special interest."

And what, if you please, is the Republican tariff, from whose principle of "protection" the farm bloc leaders have lifted the theory for their plan?

What is a tariff which has increased the duty on crude aluminum and aluminum sheets and bars by 150 per cent for the benefit of the Aluminum Trust?

What is a tariff which under the guise of providing flexible duties has provided a means for jacking up the rates ten times where they are lowered once?

What is a tariff which has raised the sugar duty 76 per cent and added $150,000,000 a year to the American grocery bill?

What is a tariff which increased duty on cement 200 per cent while the activities of the cement manufacturers were under investigation by the Government?

What is a tariff which has taken off the free list cream separators, scythes, sickles, horseshoes, baling wire, wire fencing, nails, hoop iron, and various other articles of which farmers are the chief consumers and has imposed upon these articles a stiff duty?

What, in short, is a tariff which costs American consumers at least $3,000,000,000 a year, with three-fourths of this amount going straight into the pockets of protected manufacturers?

Mr. BLACK of New York. Mr. Speaker, it has been extremely interesting in the last week to listen to the various Members who specialize as being friends of the farmer explain, first, what is the matter with the farmer; and, second, how to cure it.

We know there is a wide variety of opinion in both directions.

I am not a farmer, do not pose as a friend of the farmer, have not a single farmer in my district, and yet there is no man in the House who is more anxious to see the farm problem solved sensibly. In the effort to dig out for myself some information on this subject, I developed a set of facts which, while they correspond with my previous sensing of the situation, nevertheless are, I think, a contribution to the serious thought on this subject. The knowledge—which the figures which I shall shortly quote reveals—has been available, and has been possessed by these friends of the farmer, but they have not had the courage to tell the truth.

The truth is: The farmer has brought his present situation upon himself. There is nothing the matter with the farmer except prohibition, and he is responsible for prohibition.

We are told very much about surpluses.

If I understand what a surplus is, it is an excess of a supply over a demand. The farmer through prohibition has destroyed in the case of some of his cereals substantially all of the demand, and in the case of others a very large proportion of the demand. He has, by that act, destroyed his own American market. Having done this, he has no right to assert through his spokesman on the floor of the House, that he is compelled to buy in a protected market and sell in a world's market, for such is not the truth. He has by his own act adopted his position, as a matter of policy, and it has not been forced upon him as the result of compulsion from any group of citizens outside of his own group.

Dealing with the crops thus affected, in the order of their importance, we examine first the corn situation.

I have here precise and accurate information obtained from the Treasury Department, which indicates that in the years 1915, 1916, and 1917, the three crop years immediately preceding the adoption of prohibition, the use of corn by the distilling and brewing industries was as follows:

	Bushels
In 1915	27,143,000
In 1916	45,643,000
In 1917	49,324,000

or a total consumption by that industry in the period named of 122,110,000 bushels. This represents an average consumption per year in the period named of 40,703,484 bushels. These are striking figures, and their significance will immediately develop when we realize that the consumption of corn during the last three years viz, ending on January 1, 1927, was as follows:

	Bushels
1924	5,357,000
1925	7,496,000
1926	8,262,000

or a total during the three-year period of only 21,116,000 bushels. An average use under present conditions of only 7,038,000 bushels per year. It will be readily seen that as contrasted with the preprohibition period, the last three years represents to the corn farmer a direct loss of American markets aggregating over 100,000,000 bushels. The significance of the loss of this market will be further appreciated when we realize that with all the talk that has been going on here, about the exportable surplus dragging down the price of the American farmer's corn; upon examining this surplus we find that in the year 1926 we exported in round numbers 23,000,000 bushels of corn; in 1925 about nine and three-fourths million bushels of corn; in 1924, about 23,000,000 bushels of corn. Getting down close to the facts of the immediate present we therefore observe that the average corn surplus as represented by our volume of exports of corn during the last three years amounts to less than 19,000,000 bushels per annum.

It is therefore, most plainly apparent that if the American farmer had not deliberately thrown away his own domestic market for over 40,000,000 bushels of his corn per annum, he would have nothing to complain about in the way of an American market for his corn. He has deliberately destroyed his domestic market of more than twice the size of his present export surplus.

When we consider that the primary receipts of corn at all terminal markets during the year runs in the neighborhood of 200,000,000 bushels, we will then see that he has destroyed an American market for practically one-fifth of the corn he ships to market. In other words, he has destroyed the market at home for one of every five carloads of corn that he ships.

This is bad enough, for not only has he done this, but when we consider concurrently the barley situation we see that in the same three preprohibition years, namely, 1915, 1916, 1917, the brewing and distilling demand for barley and malt aggregated in—

	Bushels
1915	65,349,000
1916	62,164,000
1917	85,738,000

or a total demand in that period of 213,252,000 bushels. Practically equal to one crop of barley, or an average annual use of barley by that American industry of 71,084,166 bushels. Incidental to this situation it should be remembered that these industries used the best qualities of barley, for which it paid always substantial premiums. In the present situation, namely, in the last three years, we find the use by that industry to be—

	Bushels
1924	5,831,000
1925	5,468,000
1926	5,863,000

or an aggregate use during the period of 17,162,568 bushels.

This represents an average annual use at the present time of 5,720,856 bushels per annum. By contrast with these two average figures we find that by prohibition the American market for the American farmers' barley has been reduced by 65,363,000 bushels per year.

And this is not all.

What barley the American farmers now sell in the domestic market is, of course, not now sold to that industry (which paid the premiums) because of the comparatively small consumption now, but is sold substantially as feed barley and comes therefore into competition directly with corn and oats.

Both the barley and the corn farmer are thus the victims of this situation. On the other hand, the corn farmer has lost an American market of more than twice the size of his exportable surplus, and, on the other hand, he is compelled to compete with barley now used as a feed largely in place of corn, because most barley used as feed displaces that much corn.

This would not be an embarrassing situation for the northwestern farmer were it not for the fact that he has lost the market which pays his premiums for his good grain and has not been given in return anything more than a chance to compete with corn. Substantially, therefore, he confronts this situation: That to the extent at least of 65,000,000 bushels per annum of barley, or nearly one-third of the barley crop, the northwestern barley farmer and the middle western corn farmer are engaged in a competitive struggle for the feed business. The result is, of course, injury to both.

When we look at rice—and our southern friends will perhaps be able to explain some of the inconsistencies in this cereal—we find a most astonishing situation in dealing with these same years 1915, 1916, and 1917. We find that in 1915 the brewery consumption of rice was nearly 168,000,000 pounds.

In 1916 somewhat over 141,000,000 pounds.

And in 1917 about 125,500,000 pounds.

A total use during that three-year period of over 434,000,000 pounds.

An average use per annum of nearly 145,000,000 pounds.

Now, then, when we look at the present situation as revealed in rice we find that in 1924 we exported 227,757,000 pounds of rice, and, strange to say, in the same year we imported over 38,000,000 pounds.

In 1925 we exported 112,000,000 pounds and imported over 57,500,000 pounds.

In 1926, last year, a most astonishing situation developed, namely, we exported over 44,000,000 pounds and imported 118,000,000 pounds. In other words, we imported last year, 1926, nearly 74,000,000 pounds of rice more than we exported. How is this equalization fee going to be applied to that situation? I leave the answer to the ingenious intellects who are able to reason that the bill before us is not a price-fixing measure, but deals seriously with the practical results of prohibition upon rice.

We find that in the three years concluding on January 1 last, our net export of rice averaged 171,000,000 in excess of our import, and this whole excess was confined to the one year, 1924. Yet it is apparent that if we retained our domestic market for rice, averaging nearly 145,000,000 pounds per annum, taking our 3-year average experience just cited, we would be substantially on an import basis on rice all the time.

Which means, of course, that the American rice production, were it not for prohibition, would be inadequate to satisfy American domestic demands.

Dealing now with hops, and this should be of very particular and peculiar interest to one of the parents of the bill before us, Senator McNARY, we find that the domestic consumption of hops in the year 1915 was 38,839,000 pounds. In the year 1916, it was 37,451,000 pounds; in 1917, was 41,958,000 pounds. A total consumption during that period of 112,249,000 pounds, or an average annual consumption of 37,500,000 pounds. In the preprohibition years the United States was the largest hop-growing country in the world; now it produces around 20 per cent of the world's crop. It is not surprising that there is something radically wrong with the prosperity of the farmer in the northwestern hop country, referred to so eloquently by our colleague, Mr. TINCHER, a few days ago. The figures indeed are eloquent, for we find that in 1924 domestic consumption of hops by the beer industry was reduced to 3,814,000 pounds, in 1925, 3,256,000 pounds; in 1926, 3,425,000 pounds; an average annual use of about three and one-third million pounds per annum. I think it is very plain to all of us that the American people can not be made to drink near beer. This is sad, but it is true, and certainly prohibition may be charged up by the Oregon hop farmer with the blame for the loss of his own domestic market. I claim, gentlemen, that the facts of this situation should be faced and that the American farmer should be told the truth by those whom he trusts as his advisers and by his representatives. Again I reiterate, prohibition is responsible for the farmer's troubles because it is prohibition that has largely destroyed the farmer's domestic market and has created the present exportable surplus. I question, therefore, the honesty of an idea which asks that the American farmer be permitted to correct his legislative mistake in the case of prohibition by making another mistake in the attempt to reimburse himself for his loss of markets by collecting for that loss through an equalization fee or through the avenue of an appropriation of which the $250,000,000 is only the beginning and the ultimate aggregate of which no man may now calculate for the succeeding years. And the plain purpose is that the costs shall be borne by the consumers of his products.

Mr. MARTIN of Massachusetts. Mr. Speaker, as a Representative of one of the largest industrial districts in the country, I want to record my opposition to the McNary-Haugen bill.

No one sympathizes with the farmer any more than I do. No one desires his prosperity any more than I, because I realize that upon his prosperity depends the prosperity of the rest of the country. When agriculture languishes, every industry in the country is vitally affected.

But I can not vote for this measure, which is a striking departure from sound economics, which its advocates admit is at best only a hopeful experiment, and which I firmly believe will be of no lasting benefit to the farmer but, on the other hand, will be harmful to millions of other people.

This measure is a price-fixing bill—a dangerous path to tread. It is designed to increase materially the cost of living. No one can dispute this, because it would not be here if it was not hoped to accomplish this. I can not vote for a bill which would place a heavier burden upon the great masses of this country, particularly when it can not be shown definitely wherein it would benefit the farmer.

Why bring increased burdens to the millions of toilers for the simple purpose of making a political gesture to the farmer?

The condition of the agricultural industry is not what we would like to have it. May I say that other industries have found the journey just as rough. The textile industry, employing 500,000 people directly and 3,000,000 indirectly, has been obliged to face decidedly adverse conditions. This is particularly true of the plants which have been located in New England and the Northern States.

There is a brighter light on the horizon, but we are not out of danger. We can not afford to rock the boat if we are to save an industry which provides a great purchasing power for the profit of the farmer and every other industry in America.

One clause in this bill would permit the selling of American cotton in Europe from 2 to 5 cents a pound cheaper than here. The dumping of the surplus in that manner would be decidedly dangerous to the textile industry. It would paralyze the industry and ultimately would be harmful to the cotton grower himself.

An American manufacturer with this added handicap could not hope to compete successfully with the manufacturer of Europe, who already has the advantage of lower labor costs and other lower costs of production. We might save the home market by a corresponding increase in the tariff rates, but we would destroy the real hope of taking care of the present surplus of manufactures in textiles through foreign trade.

In South America and the Far East, we have a good chance for a share of their cotton-goods trade. These countries are continually increasing their demand for cotton goods. We can not win this trade if our cost of production is greatly increased through a heavy equalization fee on cotton and the foreign manufacturers are further helped by being able to purchase cotton cheaper than we can.

One word to the cotton grower of the South. May I remind him that New England, Georgia, and the Carolinas are his best customers. They are customers who can be depended upon to buy his cotton even if the Egyptian planter should in the future press him closely for the world markets. You who represent the cotton grower well know how in certain grades of cotton it is difficult, even now, to compete with Egyptian cotton. How much more difficult is it going to be when you put on your equalization fee?

The equalization fee will strangle the cotton grower. With the fee and without a protective tariff schedule, the cotton grower is going to have his troubles marketing his goods in the future.

So I say to you, who represent the cotton grower, do not destroy with your vote your best customers in this country, because when you have put them out of business, you will find it difficult to persuade the English manufacturer to give you preference over cotton grown on English soil in Africa.

Mr. HAUGEN. Mr. Speaker, in response to questions asked by the gentleman from Minnesota [Mr. NEWTON] in respect to the Senate amendments to H. R. 15474, the farm relief bill, as stated, in order that the bill might be disposed of before adjournment on Thursday, time did not permit discussing the proposed amendments in detail during the reading of the bill. Inasmuch as the bill and amendments had been before the House and under consideration for four days, and in order that the bill might be passed on that day, Thursday, it did not seem necessary or advisable to discuss the bill or amendments further in detail, and, therefore, as stated I would, avail myself of the privilege, under the rule, to print, to set out, and briefly comment on the amendments.

Senate 4808, as introduced in the Senate, and H. R. 15474, as introduced in the House, are identical in principle and in text, except in section 1, in respect to the declaration of policy. Line 8 of the Senate bill, after the word "commodities," the following words are eliminated:

To prevent such surpluses from unduly depressing the prices obtained for such commodities.

And section 6, page 10, lines 21 to 26, inclusive:

The operation of the board in any basic agricultural commodity under this act shall be conducted in such manner, and the agreements entered into by the board during such operations shall be upon such terms as will, in the judgment of the board, carry out the policy declared by section 1.

While the specific direction of policy—that is—

to prevent such surpluses from unduly depressing the prices, and that the operations of the board and the agreements entered into shall be upon such terms and in such manner as to carry out the policy declared—

would make it clear as to the purposes of the bill and serve the board as a guide, and eliminate discussion in that respect, the declaration of policy, section 1, declares it to be the policy of Congress to promote the orderly marketing of basic agricultural commodities; to provide for the control and disposition of surpluses of such commodities; to stabilize the market against undue and excessive fluctuations; to preserve advantageous domestic markets; to minimize speculation and waste in marketing such commodities; and to encourage the organization of producers of such commodities into cooperative marketing associations, which gives the board power to promote orderly marketing, to stabilize markets, and to enter into agreements with cooperative associations to remove, withhold, or dispose of the surplus of basic agricultural commodities, and to thus bring about a balanced condition between agriculture, industry, and labor, and to prevent the exportable surplus from establishing the price of the whole crop, and thereby carry out the outstanding purpose of the bill. Of course, anything short of that particular purpose would fail to carry out the policy.

Considering the make-up of the board, and the responsibility of its make-up lodged in the producers, as well as the board's responsibility in the matter, it is fair to assume that we may have the service of a board in sympathy with the particular purpose of the bill, and it would seem safe, therefore, to place confidence in the board to carry out the outstanding purpose of the bill, to establish a parity between agricultural commodities and the products of industry and labor.

Section 2 (b) is amended which adds two members to the nominating committee, and provides that two of the members in each district shall be elected by a majority vote of the heads of the agricultural departments of the several States in each Federal land bank district, which, in effect, adds two members to the nominating committee, and provides that two additional members in each district shall be elected by the heads of the agricultural departments of the various States.

Section 6, at end of line 19, page 8, paragraph "c" in respect to the board commencing operations, is amended by providing that "in any State where not as many as 50 per cent of the producers are members of cooperative associations, an expression from the producers of the commodity shall be obtained through a State convention of such producer," and at the end of line 4, page 9, there is added that "until the board shall become satisfied that a majority of the producers favor such action," which in effect provides that the board shall be satisfied that the majority of the producers favor the commencement or termination of the operating period. These last two mentioned amendments place additional safeguards, to the extent that two additional members are added to the nominating committee and requires an expression from the producers of the commodity in States where not as many as 50 per cent of the producers are members of the cooperative associations.

Section 6, paragraph (a), section 15 (4) and (a) (4) are amended so that the board may in its discretion treat as a separate basic commodity one or more of such classes or types of tobacco as are designated in the classification of the Department of Agriculture. This in effect leaves it to the discretion of the board to add tobacco as a basic agricultural commodity.

With the prevailing conditions in the tobacco market, there can be no objection to giving them the benefit of the advantages offered by the bill.

Section 6, paragraph (e), and section 11, paragraphs (a), (b), and (d), are amended, giving the power to the board to insure such commodities against undue and excessive fluctuations in market conditions and to insure any cooperative marketing association against decline in the market price for the commodity, at the time of the sale by the association, from the market price of such commodity at the time of delivery to the association. This makes it more clear as to the power of the board in protecting cooperative associations or producers against losses under agreements entered into. It goes without saying that any agency or producer entering into agreement with the board, as provided in section 6, paragraph (e), which provides for—

the payment into the stabilization fund for such commodity of profits after deducting the costs and charges provided for in the agreement of any such association, corporation, or person, arising out of such purchase, storage, or sale, or other disposition or contract therefor—

can not, of course, if they may not share in the profits above the specified amount agreed upon be expected to carry the losses. Although the bill provides a guaranty against losses, there can be no objection to adding the insurance provision.

Section 12, pages 17 and 18, the following words are added to paragraph (b):

For the purpose of developing continuity of cooperative services, including unified terminal marketing facilities and equipment.

And this section is also changed to make funds available for the purpose of furnishing funds to cooperative associations engaged in the purchase, storage, or sale, or other disposition, or processing of any agricultural commodity, and provides funds to be used by it as capital for any agricultural credit corporation.

Again referring to the make-up of the board, it goes without saying that the board having the best interests of the producers at heart, and the purposes of the bill in mind, would not enter into agreements to carry out any of the numerous impracticable plans promoted in the past, resulting in millions of dollars of losses to the investors.

Section 15 definitions, (2) is amended so as to read "the term processing means spinning, milling, or any manufacturing of cotton other than ginning." The House bill provided that processing means ginning. The amendment provides the equalization fee may be collected at spinning, milling, or other manufacture of cotton other than ginning, which I understand meets with the general approval of the representatives of cotton growers, and to which, in my opinion, there can be no objection.

I append to my remarks the following memorandum:

MEMORANDUM UPON TRANSACTIONS SUBJECT TO EQUALIZATION FEE

This memorandum notes illustrative transactions subject to the equalization fee or excluded from the imposition thereof under the bill H. R. 15474.

The equalization fee can be collected upon either transportation, processing, or sale of the basic agricultural commodity. The fee may, if the board so determines, be collected as to some units of the commodity upon the transportation thereof, as to others upon processing, and as to others upon sale. The board is not limited at any one time to collection of the fee upon transportation alone, upon processing alone, or upon sale alone.

1. WHEAT, RICE, AND CORN

(a) Processing: The term "processing" means milling for market or the first processing in any other manner for market. It does not include home milling where the product is to be used by the miller for his own consumption.

(b) Transportation: The term "transportation" means the acceptance of a commodity for delivery by a common carrier. No distinction is to be drawn upon the basis of whether the commodity is to be transported to a point within or without the United States. Neither is any distinction to be drawn as to whether the transportation is on the one hand between points in different States or between a point within the United States and a point outside the United States, or is, on the other hand, between two points within a State.

(c) Sale: The term "sale" means a sale for milling or other processing for market, for resale, or for delivery by a common carrier. Local sales are not covered by the definition, as, for example, the sale of wheat for seed purposes or the peddling of corn to consumers, where no transportation by railroad or other common carrier is involved.

The definition of "sale" covers all sales regardless of place of production of the commodity sold. For instance, the sale of Canadian wheat in the United States could be made subject to the equalization fee. On the other hand, sales without the United States are excluded so that the sale in Canada of Canadian wheat to a Minneapolis miller could not be made subject to the equalization fee. Such wheat, if it is to pay its pro rata share, must have the equalization fee collected at the point of processing in the United States.

The definition of "sale" covers all sales made in the United States regardless of whether the commodity sold is to be transported to a point in the United States or to a point outside thereof in pursuance of a sale. It does not cover, however, sales made abroad of wheat in the United States to be transported abroad in pursuance of the sale. In order for such wheat to pay its pro rata share the equalization fee would have to be collected upon the transportation.

(d) Future sales: Future sales are not, legally speaking, "sales" at the time the future contract is made. They are merely contracts to sell and contracts to purchase. No equalization fee could therefore be collected upon such transactions. In some instances, however, such transactions would at the future date result in an actual transfer of title—i. e., sale of existing units of the commodity in pursuance of the contract to sell or contract to purchase. The equalization fee would then be collectible upon the actual sale.

(e) Sales to cooperative associations: The definition of "sale" does not include transfers by a member of a cooperative association to the association for the purpose of sale by the association on the account of the member.

2. SWINE

The comment made above with regard to wheat, corn, and rice is applicable to swine. As examples of local transactions it may be noted that the term "processing" would not cover slaughter if the meat is to be consumed by the slaughterer, and the term "sale" would not include sales other than for market purposes, as, for instance, sales for fattening and sales of swine for breeding purposes. Sales of meat peddled by a local slaughterer would be covered.

3. COTTON

The comment above upon transportation and sales of wheat, corn, and rice is applicable to cotton. Under the bill as reported by the committee the term "processing" means ginning. No comment is made as regards "processing," however, because of the pending amendments providing for a new definition of processing as regards cotton.

Respectfully submitted.

FREDERIC P. LEE,
Legislative Counsel.

Hon. GILBERT N. HAUGEN,
House of Representatives.

FEBRUARY 9, 1927.

Mr. COCHRAN. Mr. Speaker, the pending legislation seeks to provide security against loss to approximately 7,000,000 of the people of the United States at the expense of the other 113,000,000 in the country.

These 7,000,000 people engaged in farming are promised that this measure will increase the price of their products, which means that the balance of the population of the country will be required to foot the bill when the time comes to buy pork, beef, cotton goods, products of corn and wheat, rice and tobacco.

The proponents of these measures have been most kind to themselves during the debate. When the special rule was brought in it divided the time among champions of either the McNary-Haugen, Aswell, or Crisp bills, and they have taken special care to see that opponents of all three measures had practically no opportunity to voice their sentiments.

As time progressed during debate, and especially since the Senate passed the McNary-Haugen bill, it was evident that, regardless of the consequences, the time had arrived when special privileges were to be granted to another class of our citizens at the expense of the general public.

The subsidy provided for in the pending bill will, I predict, return to plague its supporters. If every Member of the House urging relief for the agriculturists who doubts the feasibility of the legislation to cure the ills of the farmer would oppose the measure, it would not secure 75 votes. The discussion proves this. Men long trained in studying this great question are miles apart in explaining its features; but in the end, political expediency will prevail, and a law discriminating against seven-eighths of the people of the United States will be placed upon the statute books, providing it is signed by the President.

Cloture invoked in the Senate to rush this legislation to a final vote, followed by a special rule in the House substituting the Senate bill for the House bill, with the announcement that not a "t" will be crossed nor an "i" dotted, so that in the end the measure will go direct to the President for his signature, is evidence of the determination of the "farm bloc" in both branches to pass the bill at any cost.

The McNary-Haugen bill, according to the proponents of the measure, will result in making the domestic price, which means the price to the American consumer, in excess of the world price. Thus, people in South America, Europe, Africa, and Asia will be able to buy wheat, cotton, corn, rice, tobacco, cattle, and swine raised in Missouri cheaper than the people of St. Louis can buy these products.

It seems to me we have done enough for the people of Europe by canceling over 50 per cent of our debt at the direct expense of the American public without making provisions whereby the residents of foreign countries—three, four, or five thousand miles away—can secure the necessities of life cheaper than the citizens of the State where these necessities are produced.

The bill provides for the Government to enter the farming business with $250,000,000 of the people's money to be used to increase the cost of living. It is an experiment. There is no assurance that it will even bring the result the proponents of the measure claim it will, and it is establishing a most dangerous precedent, to say the least.

The sponsors of the bill rave when it is classed as a price-fixing measure, but admit its purpose is to stabilize prices.

If 49 per cent of the producers of a commodity are satisfied with conditions and the market, still the other 51 per cent, under the terms of the bill, can require the Federal board to declare an emergency, which means that the surplus can be bought up, stored, or shipped abroad for the sole purpose of advancing the price of the commodity.

The only benefit that can result from an action taken by the board is an increase in the price of the commodity affected, and still the proponents of the bill maintain it is not a price-fixing measure.

The thought comes to me: What will happen if foreign countries deem it advisable to place a tariff on wheat, corn, rice, cotton, tobacco, and swine? It would certainly mean a further reduction in the actual amount received for the surplus of these commodities sent to foreign lands.

The tariff would, of course, be paid by the exporter who would in this instance be the Federal farm board, and in order to meet this further difference between the domestic and foreign price, it would require an additional raise in the price to the American consumer.

There is a provision which seeks to keep the remainder of the act in force, even though the Supreme Court should hold one paragraph or section unconstitutional. The Chief Executive is required, under the terms of the bill, to appoint members of a farm board, but there is a provision that the nominees must be chosen from the list submitted by farm organizations. This clearly interferes with the appointive power of the President, as it places a limitation thereon, and if it should be declared unconstitutional, how can the act function without the Federal farm board? The same would apply to the section which provides for the equalization fee. Should that section be declared unconstitutional, how could the $250,000,000 loaned by the Government to operate the law be used other than at a total loss?

Every amendment offered to the pending bill has been defeated, regardless of merit. The committee has declined to even accept an amendment that would prevent any member of the board, nominating committee, advisory council, or any employee under the terms of the act, from buying or selling, dealing in future contracts, or on exchanges dealing in any of the commodities affected. As a result, if the bill becomes a law there is nothing to prevent members of the board or employees from gambling in cotton, wheat, corn, and so forth, acting on what information it might receive through official channels.

The amendment providing for a jail sentence and fine in the event any member of the board or employee did gamble in any commodity certainly should have been adopted. Provisions also should have been made to prevent information reaching the board in reference to production, etc., from falling into the hands of individuals to be used in gambling on the market.

I do not doubt that the farmer is in distress. He has my sympathy, the same as any other individual who is in need of assistance. I have hundreds of clerks, mechanics, and laboring men in my district who have not worked during the winter, and these mechanics, if employed, would be earning from $10 to $15 per day. How would the proponents of the pending bill look upon a measure which provided for a subsidy for the city dweller out of work and in financial distress?

When we view in the daily press statements showing the large increases in the earnings of industries protected by the greatest tariff law the country has ever known, would it not be wisdom to consider transferring some of this prosperity to the farmer by reducing the tariff?

When you enter the farm for inspection, in placing your hand on the lock on the gate, you touch the first article he is forced to buy in a protected market and as you continue through his home, the barns, the implement sheds, and finally to the wire fences which inclose his property, every article that your eyes behold comes from the factories whose products are protected through the tariff act. The first medicine that should be prescribed for the ailing farmer is a reduction in the tariff on his necessities.

I represent 210,000 people, and my district is situated entirely within the limits of a great industrial city. My constituents, at least the great majority, like the farmer, earn their livelihood by the sweat of their brow. It is at the expense of such people that the advocates of the bill seek to benefit the farmer by raising the price of their products.

The cost of living, regardless of statistics of the Department of Labor, Department of Commerce, or any other departments, has not decreased so far as my city is concerned.

I recall the time—and it is not so very long ago—that the women in the home attended to the household duties; but now young girls, as soon as they leave school, are forced to seek employment in order to assist in the upkeep of the home and to properly exist. Even with the help of sons and daughters, the parents find it hard to make both ends meet at the present time, and yet you seek to impose on this class additional burdens.

Hardly a national convention in recent years has failed to incorporate in its platform a paragraph which pledges the party to stand for "less Government in business and more business in Government," but now this as well as many other pledges is forgotten, and by this legislation the Government is placed in the grain, tobacco, cotton, rice, and packing business.

As the bill is dangerous, unsound economically, class legislation, will require an army of clerks to collect the equalization fee, will not in my opinion accomplish the desired result, and will mean an increase in the cost of living to the 210,000 people I represent, I propose to vote against its passage.

Mr. DAVIS. Although I have received strong indorsements of the McNary-Haugen farm relief bill from all the farm organizations, numerous individual farmers, bankers, merchants, and various other business and professional men in my district, yet I have received letters from but two of my constituents expressing opposition to such legislation. One of these letters was rather in the nature of an inquiry as to the character and purposes of the legislation. I am herewith inserting the said letter, together with my reply thereto, as follows:

FAYETTEVILLE, TENN., *February 8, 1927.*

Hon. EWIN L. DAVIS,
Member of Congress, Washington, D. C.

DEAR JUDGE: We may not be able to understand this farm relief bill which Congress is fixing to pass, but if our idea is correct in regard to one commodity—that is, cotton—we do not see how you can vote for it. As we understand this bill, it provides that after the American takings of cotton has been eliminated—that is, after the home market has been supplied with cotton at a certain price—then the surplus of cotton will be sold abroad at whatever price it will bring and the price which it brings averaged with the home price, and the farmer will be paid the average for his cotton. Now, of course, as a manufacturer we can readily see that we would be manufacturing high-priced cotton against the low-priced cotton dumped on foreign markets. Of course, the manufacturers of this country could not compete in any way with such a condition. Is our idea right in any way and do you think we will be thusly affected; and if we are not, how will we be effected?

We believe we are wrong about this, inasmuch as we can not see how that you and some of your colleagues could vote for such a bill. Kindly write us as quickly as you can more particularly about this feature of the bill, so that we may be correctly informed.

With kindest regards to you and yours, we are,

Very truly yours,

ELK COTTON MILLS,
ERNEST REES, *Manager.*

FEBRUARY 11, 1927.

Mr. ERNEST REES,
Manager Elk Cotton Mills, Fayetteville, Tenn.

DEAR ERNEST: This acknowledges the receipt of yours of the 8th instant on the subject of farm-relief legislation.

You have been misinformed as to the purpose of any of the pending bills, either the Aswell, the Crisp-Curtis, or the McNary-Haugen bill. None of them contemplate or provide for dumping. They all are designed to stabilize production, marketing, and the price of basic farm commodities. To pursue the course which you suggest would be contrary to the purpose of the bill and subversive of the results sought to be attained.

You refer particularly to the bill's application to cotton and are naturally most interested in that commodity. The effort to stabilize cotton would have to be predicated upon the world production and the estimated world consumption in any given year. The price of cotton is fixed by the world market, the market price being largely controlled by the world production as compared to the world consumption. As you are further aware, while there is frequently a surplus of production above consumption for a year, and sometimes two years in succession, yet, on the other hand, we have years when the world production is less than the amount required for world consumption, and that in a period of years the production and consumption are equalized. For instance, taking cycles of five years back over a long period of years, the five-year production has, generally speaking, been about equal to the five-year consumption. Although cotton is the most durable, the most easily stored, and the most easily transported of all farm commodities, and although the production and consumption over a period of years has been practically equal, yet the fluctuations in the prices of cotton have been greater than that of any other commodity, farm or otherwise; prices have fluctuated all the way from 4 to 40 cents per pound in different years.

I am not telling you anything you do not know, but am simply stating a premise. These fluctuations are frequently due to bear and bull movements in the market. By reason of these extraordinary, unforeseen, and frequently inexcusable fluctuations all of you buyers are compelled to protect yourselves by hedging, which at best is an unnatural, unsatisfactory, and expensive proposition. Another reason for the very great fluctuations in price is the very thing which you seem to fear with respect to farm-relief legislation—that is, dumping. In other words, when there is a surplus above the world requirements, that surplus im dumped on the market along with the balance of the crop, and it naturally beats down the price. The purpose of this bill is to promote orderly marketing. Its purpose is in the case of a world surplus to provide for taking the estimated surplus off of the market and to

feed this surplus to the market in an orderly, businesslike way, and at a time when it will be required for consumption and thus obtain a fair price. It may be necessary to carry this surplus a year or two years—until such time as there is a lean-crop year and this surplus cotton is actually needed.

In the very nature of things, instead of helping the cotton growers, it would be very harmful to the cotton growers of America for the board provided in the bill to dump 40 or 50 per cent of the crop on the foreign market at a time when it was not needed and at whatever price it might bring.

Even from the standpoint of you American textile manufacturers, you could not be hurt if such a course was pursued. There is no tariff on cotton, except long staple, and if the cotton was sold in the European markets below the American market price plus the cost of transportation from the European market to the American market you American consumers of cotton could easily protect yourselves by buying the cotton in the European market and shipping it back. However, you will not have to even do that.

As a matter of fact, I am convinced that some such measure to stabilize prices from year to year and during any given year will not only benefit the cotton growers but also the cotton consumers, because it will remove the fluctuations and the large element of risk with which you have to contend. Of course, the cotton speculator would not be benefited by such legislation, and is, consequently, opposed to it because he thrives upon the fluctuations in the market; that is the reason that he frequently produces these fluctuations.

Of course, you are chiefly concerned in the problem from the standpoint of the manufacturer, and I have discussed it briefly from that viewpoint. However, as a legislator and as the Representative of a constituency, nearly all of whom are farmers or directly dependent thereon, I know that you are broadminded enough to concede that it is my duty to consider the matter also from their standpoint. I know that you are also aware of the very sad plight of agriculture, our basic, most necessary, and largest industry. I am primarily and constitutionally opposed to any class legislation. However, the Federal Government has enacted class legislation in various forms. The chief beneficiaries of such legislation are the manufacturers. The sad plight of the farmer is largely due to the low purchasing power of his dollar—now about 65 cents when converted into other commodities. This is due to the legislation in favor of other industries, together with the fact that the farmer, as a whole, is unorganized, and there is no organized, systematic, or orderly marketing of farm products. The farmer is able to name neither the price for which he will sell nor the price which he pays for what he purchases.

Furthermore, when the farmers are all prosperous, the balance of the country is prosperous. When the farmer is not prosperous, about the only industries that are prosperous are those that are the beneficiaries of protective legislation.

Under such circumstances, I deem it not inappropriate that Congress should give due and serious consideration to some measure that may aid the farmer in the orderly marketing of his crop surpluses and, consequently, stabilizing the prices of farm products. Of course, surpluses can not be taken off the market or otherwise handled without funds. Each of the bills referred to authorize an appropriation of $250,000,000. The Crisp-Curtis bill, which is the administration bill, provides this appropriation without the requirement that it be repaid to the Government and, consequently, might be termed a subsidy. The Aswell bill provides for the same appropriation to be loaned to the farm organizations, but without setting up any machinery or method by which funds could be raised to repay it, in the event said funds or any portion thereof might be lost in the administration of the acts. The McNary-Haugen bill, which has the indorsement of practically all of the various farm organizations, is predicated upon the idea that the farmers do not want and are not asking any bonus or subsidy, but simply asking for a loan of not to exceed $250,000,000 to be used until the system can be put into operation; and then it is provided that an equalization fee may be imposed upon any of the basic farm commodities as to which the act may operate, the funds raised by such equalization fee to be used for repaying the Government and also to establish a revolving fund for the future operation of the act; the funds as to each commodity to be kept separate from those of the other commodities. Another purpose of the equalization fee is to prevent overproduction.

I have given long and serious consideration to the agricultural problem. I am convinced that it is the duty of Congress to take some course that may grant relief to agriculture. Neither of the proposed bills embodies the methods I would employ, if I was permitted to name the remedy. There are features of all the bills that I do not approve. However, I have learned this, that one Member can not often have his exact way. Most legislation is a matter of compromise—a question of give and take. In the final analysis, it will come down to a vote for or against one and only one bill. That issue will come this afternoon in the Senate on the McNary-Haugen bill, with amendments. In my opinion, the final vote in the House will come upon the same bill, and each Member will be confronted with the question as to whether he shall vote for that farm-relief bill, or no farm relief. When the bill in its final form reaches that stage, I shall cast my vote in accordance with my conception of what is best and what is my duty in the premises. Of course, in a letter, I have been able to discuss this matter only in a very cursory manner. However, I am inclosing for your information a copy of the Haugen bill and of the committee report thereon, which analyzes the various provisions of the bill, the reasons therefor, and its purposes.

I shall always be glad to hear from you about any matter in which you are interested, assuring you that I very highly regard your long demonstrated friendship and loyalty, and shall give most careful consideration to any views which you may at any time express.

With personal regards to you and yours, I am

Cordially your friend,

EWIN L. DAVIS.

Mr. LANKFORD. Mr. Speaker, after the McNary bill passed the Senate on Friday, February 11, some gentlemen gave an interview to the Georgia papers, broadcasting the idea that the McNary-Haugen bill and the Crisp-Curtis bill offered the same relief to the farmers and that the only material difference is the equalization fee in the McNary-Haugen bill. They pictured the equalization fee as very vicious and as sufficiently bad to condemn any bill containing it. Thus they sought the applause of all farmers for those who espouse the Crisp-Curtis bill in preference to the McNary-Haugen bill and sought to bring ridicule and contempt upon those who support the McNary-Haugen bill in preference to the Crisp-Curtis bill.

The plan would work well if not questioned or if in fact the two bills offered the same relief and the equalization fee was as objectionable as pictured. I happen to be one of those who are supporting the McNary-Haugen bill in preference to the Crisp-Curtis bill and who believes that the bills are opposites in their vital provisions and that the equalization fee of the McNary-Haugen bill is not at all sufficiently bad to make that bill worse than the Crisp-Curtis bill. It is my purpose, therefore, in these rambling, heart-broken humble remarks and observations to indicate and point out the fallacy and mistakes of this newspaper statement.

The gentlemen in their interview are either wrong or those supporting the McNary-Haugen bill in preference to the Crisp-Curtis bill should receive the ridicule and contempt sought by the interview. Let us reason just a little about the matter.

If the Crisp-Curtis bill is for "precisely the same purpose as the McNary-Haugen bill" and would give the farmers the same relief, and only differs in that it does not contain the equalization fee set out in the McNary-Haugen bill, why does practically every Congressman from the big cities, profiteering middlemen headquarters, manufacturing centers, and other antifarm environs of the North and East support the Crisp-Curtis bill, and why does the almost entire support of the McNary-Haugen bill come from the Representatives and Senators from strictly farming districts throughout the Nation? Are the over 200 Congressmen who have always heretofore voted for the farmer and who are now for the McNary-Haugen bill all mistaken and voting for the wrong bill? Are all the friends of the manufacturers, of the Wall Street interest, and of the profiteers mistaken and supporting a real farm relief measure through error? Or have they all suddenly and overnight had a change of heart and now for the first time are supporting an honest-to-goodness farm relief measure, or are they still true to form and against the farmer and supporting the Crisp-Curtis bill because it coincides with their ideas? And are the few friends of the farmers who are supporting the Crisp-Curtis bill fighting on the side of the farmer or are they giving aid, comfort, support, and strong help to the enemies of the farmer? I am wondering—wondering who are right and who are mistaken. I think I know. The McNary-Haugen bill and the Crisp-Curtis bill are vitally different in main essentials.

The McNary-Haugen bill would set up an organization from friends of farmers, nominated by farmers, and appointed by the President. The Crisp-Curtis bill would set up an organization, not from nominees of the farmers, but of those who might be and probably would be enemies of the farmers.

The McNary-Haugen bill authorizes taking of surplus farm products off the market at a profitable price to the farmer. The Crisp-Curtis bill would take the surplus farm products from the farmer at a loss to the farmer and below the cost of production.

The McNary-Haugen bill sets up machinery to help the farmer get a reasonable price for his commodities at all times. The Crisp-Curtis bill sets up machinery to buy farm products only at a sacrifice to the farmer and specifically provides that

these products shall, by the corporation, be dumped on the market to beat down the farmers' prices when there is a short crop and the farmer is about to reap a real profit.

The McNary-Haugen bill provides a way for the farmers to work out their own problems and get better prices at all times and under all circumstances. The Crisp-Curtis bill specifically provides that the farmer shall receive no help when there is an overproduction and he needs help and provides that when the help is given to the farmer it shall only consist of buying the farmer's products at a loss to the farmer and then later hammer down the farmer's prices when a good year comes.

The McNary-Haugen bill, its supporters contend, would have prevented prices going to the bottom in the recent cotton depression, had the bill been enacted into law at the last session. The Crisp-Curtis bill, by its express terms, could not have operated at all during the recent cotton depression, as there was an overproduction, and if it had operated its organization would have only bought cotton by paying below the cost of production.

The McNary-Haugen bill says to the farmer: We will as best we can help you sell your products at a good price, but if you produce too much and there is a loss in spite of our best efforts, we may collect an equalization fee so as to make up the money lost by us out of the fund furnished by the United States for operating expenses; but, even then, we will collect the money from the exporters and manufacturers of cotton, from the wholesalers and packers of pork, and from the large dealers in every commodity, so as to be as light on the farmer as possible. The Crisp-Curtis bill says: We will suffer no losses, we will make plenty of profits out of buying farm products low and selling them high, and therefore we will need no equalization fee.

The McNary-Haugen bill authorizes only an equalization fee to replace losses sustained in handling the farm products at a profit to the farmer. The Crisp-Curtis bill seeks a profit without limit from buying farm products below the cost of production.

The McNary-Haugen bill seeks to have the farmers, of their own free will and accord, work together and hold down production so as to get a reasonable profit, cause no losses, and thus prevent an equalization fee. The Curtis-Crisp bill provides for making the farmer suffer losses at every sale made to their organization and thus would force the farmer to cut production because of sheer sacrifice of his products.

Under the McNary-Haugen bill authority is granted to buy products at good prices and attempt only to dispose of them without loss. The Curtis-Crisp bill provides for buying low and selling as high as possible.

The McNary-Haugen bill would seek to have the farmers curtail their production to help the farmers. The Curtis-Crisp bill would seek to force the farmers to curtail production and thus enable the Curtis-Crisp organization to sell at a profit the products previously obtained from the farmer.

The McNary-Haugen bill would go far in helping the farmer by elimination of some of the unnecessary, unconscionable profits of the middlemen and thus giving the farmer a much better price. The Curtis-Crisp bill would only add one more middleman in the form of a governmental corporation with authority of Congress to speculate on farm products.

The McNary-Haugen bill provides for an organization of farmers to be operated by the farmers for the farmers. The Curtis-Crisp bill proposes an organization, the plan and purpose of which is approved by the enemies of the farmer, to be operated at a profit out of the farmer's products for those exploiting the farmer.

To my mind, the McNary-Haugen bill is designed to be a farmer's relief bill, while the Curtis-Crisp bill is framed in the interest of those profiteering on the farmer.

The McNary-Haugen bill would attempt to maintain a good domestic market, regardless of world conditions. The Curtis-Crisp bill would authorize operation only at a loss to the farmer, regardless of conditions, either domestic or foreign. The McNary-Haugen bill provides for an organization the purpose of which is to at all times help the farmer solve his problems, get a just return for his products, and obtain for the farmer his position of equality financially and otherwise among all peoples of the Nation.

The Crisp-Curtis bill provides for a supercorporation or machine set up by Congress, with an enormous amount of money and influence, controlled by a bureau in Washington probably made up of enemies of the farmer and with specific powers and instructions authorizing the accumulation of large holdings of cotton bought from the farmers at a sacrifice, to be held as a threat against the farmers producing in abundance and to be a menace to the prices of the farmer if he curtails production so as to attempt to get a good price for his products.

The two bills are as far different in plans, motives, and purposes as day and night. I sincerely hope the McNary-Haugen bill will prove a blessing to the farmer. It is not what I would like to see enacted into law, but in a contest between it and the other bill, to my mind, there can be no issue as to which is preferable from the standpoint of the farmer. I have no doubt the Crisp-Curtis bill would work successfully for many of its most ardent supporters. I do not believe, though, it would be for the best interest of the farmers.

One of the authors of the bill on several occasions on the floor of Congress said the Crisp-Curtis bill would peg the price of farm products at the cost of production. The only trouble, though, is that the peg is to be put on the wrong side of the price. The bill would put the peg on top of the price while the corporation was buying the product, and then at once remove the peg and endeavor to sell at a profit. Oh, how wonderfully the bill would be improved if it provided for putting the peg at the cost of production and yet provided for the price being above the peg. The pegging or fixing of the farmers' prices very low and ofttimes below the cost of production has been the farmer's ruin. Let us peg or fix his prices above the cost of production and at a profit to the farmer.

Since the price of everything the farmer buys is fixed either directly or indirectly very high, I favor fixing the farmer's products at a price profitable to him. I favor pegging the farmer's prices on the bottom and not on top. I favor a reasonable minimum price with a way left open for advances above that minimum. The Crisp-Curtis bill is price fixing, but it fixes, instead of a minimum price, a maximum price so low as to cause loss to the farmer and leaves the price to go lower but not higher with the corporation as a buyer. The bill provides for buying the farmer's products below the cost of production and fixes no limit to prevent the price of cotton, for instance, going to 5 cents per pound or lower. The Crisp-Curtis bill, I repeat, puts the peg on the wrong side of the price, and puts it entirely too low.

I am author of a bill to fix a reasonable price for cotton. I favor very much the minimum-price feature of my bill. There is a stampede, though, for the McNary-Haugen bill, and no other bill now has a chance of passage. Next to my bill, I prefer the Aswell farm bill, and would gladly support it if it had a chance of passage at this time. I do not like the equalization fee of the McNary-Haugen bill, and yet there are so many good features in the bill that I am supporting it hoping that the farmers will receive so much benefit from it as to prevent the collection of a fee, or at least make it inconsequential.

The Crisp-Curtis bill leaves to construction and determination too many questions, such as who is an "efficient producer," and so forth, all of which could be resolved against the farmer. Again that bill does not throw enough safeguards around the selection of its board membership.

The best law ever enacted, if left entirely in the hands of its enemies, can be perverted, its noble purposes thwarted, and its humane provisions made a scourge. Enemies of the Constitution can, to their satisfaction, destroy any provision they do not happen to like of that noble document by appealing for the protection of some other provision which they think justifies their conduct or position. The devil can quote Scripture for his purpose.

The best farm relief bill ever conceived by human intellect in the hands of the enemy of the farmer would be as dangerous as the best weapons of war when captured by the enemy and turned on the original owners. In war the good general seeks to disarm and weaken the opposing force and to prevent their capturing the guns of his own men; so in the battle for the rights of the farmer we must not only seek to disarm the enemy of the farmer but be sure his enemies do not capture machinery set up by us in his behalf. Better no law than a law distorted and used against those for whom it was designed. The Crisp-Curtis bill leaves open the way for the abject surrender to the enemies of the farmer of the machinery therein sought to be set up. The Aswell bill is an improvement over the Curtis-Crisp bill, and the McNary-Haugen bill is the best of the three in this respect. If the Aswell bill, though, provided for buying at a reasonable minimum price, for sufficient funds and machinery to control production and marketing and authorized a proper board, it would be my ideal of a farm relief measure.

Mr. Speaker, I realize fully that there are many who are anxious to be the author only of bills which will receive splendid and spontaneous support. It is easy to introduce a popular bill; simply draw one along lines advocated by the manufacturers, the profiteers, and big corporations and introduce it in opposition to what is being sought by the great majority of farmers of the country. An easier way is to introduce one drawn by an avowed enemy of the farmer. This kind of a bill is sure to get "some support."

In my humble way of thinking the question of merit rather than number of supporters ought to control. It is easy to climb on the band wagon. I do not think one has much reason to rejoice, though, if he climbs into the wagon of the wrong crowd. Neither should there be any great hilarity over the introduction of a bill which is neither demagogic nor democratic. I fully admit bills should be sincere. Their sincerity, though, should be in behalf of the common people.

Let me be loser in an effort to weave and entwine for the farmer a life line rather than victor in an effort to make for him a hangman's noose.

Mr. Speaker, I hope the McNary-Haugen bill may prove to be a life line for the farmers of the Nation. Those of us voting for it are doing all we can to keep its machinery in the hands of the farmers and their friends. Wonderful safeguards are thrown around the activities which may be inaugurated under the bill. A good bill in bad hands may work havoc, and much good may come from a poor bill if administered in behalf of the farmers. If the McNary-Haugen bill appears to its supporters not to be a life line and that it may become a hangman's noose, we will repeal it and that at once. I feel that the bill as it passed the Senate is not a cure-all, as its fondest supporters believe; neither do I believe it is a hangman's noose, as pictured by its enemies. I am hoping and believing that it is at least a plowline by which and through which the farmers themselves can manage and control in their own behalf and to their own interest prices, production, and so forth, even as the farmers through ages past have managed and controlled the patient mule as up and down the row went both farmer and mule. Let us hope that the bill as passed may at least be a plowline and that the farmers and their friends will make of it a life line and not a hangman's rope.

I realize full well that many who voted against the bill and are not supporting it would like to see it fail so they can defend their vote. Many would have gladly forced the operation of the bill in an offensive manner as possible so as to vindicate their stand against it. I can not subscribe to this doctrine. While I prefer some other bills, yet when I saw the McNary-Haugen storm coming I felt that if the bill is to become law it should be safeguarded in every way possible. I oppose the equalization fee, but if it is to be assessed in spite of my opposition I want it to be as light as possible and really work no hardship on the farmer.

The bill which passed the Senate and which is to become law if signed by the President is very much better than previous bills by the same author. The fight carried on by many of us last year to word the bill so that in no event would an equalization fee be levied on pork raised for home use or for sale by the farmer to the butcher shop or market has won results, and the present bill allows the farmer to raise and sell all the pork he wishes in his home market without any fee whatever. Thus he will receive benefits from the bill without bearing any of its burdens.

Again, I gladly did all I could along with other friends of the bill to get the measure amended in the Senate so as to absolutely prevent any equalization fee ever being collected on cotton at the gin or on the sale of cotton by the farmer unless he sells directly to a cotton manufacturer, spinner, or exporter. It may be this fee will, in part, be passed back to the farmer. Congressmen of manufacturing New England, however, say it will be passed on to the manufacturer and ultimate consumers rather than back to the farmer. As a direct result of the efforts of some Members of the Georgia delegation in Congress the idea of equalization fees on cotton, as contained in my bill—H. R. 16945—is now embodied in the McNary-Haugen bill as it passed the Senate and as it will become law if signed by the President.

The fee under the bill can only be levied, if at all, on either sale, transportation, or processing. Here is the definition contained in the bill of sale, transportation, and processing as to cotton:

> In the case of cotton, the term "processing" means spinning, milling, or any manufacturing of cotton other than ginning; the term "sale" means a sale or other disposition in the United States of cotton for spinning, milling, or any manufacturing other than ginning, or for delivery outside the United States; and the term "transportation" means the acceptance of cotton by a common carrier for delivery to any person for spinning, milling, or any manufacturing of cotton other than ginning, or for delivery outside the United States, occurring after the beginning of operations by the board in respect of cotton.

After the statement was given out a few days ago by those opposing the McNary-Haugen bill and favoring the Crisp-Curtis bill, some of the members of the Georgia delegation in the House, who are supporting the McNary-Haugen bill, issued a counterstatement as follows:

At last the McNary-Haugen bill has passed both branches of the Congress, affording, we trust, genuine farm relief for the first time in the history of the Government. Forty-seven Senators and 214 Representatives, including 6 Georgia Members, voted for the bill. It now remains for the President to determine the farmer's fate.

It has been said that the board has power to tax the producers of cotton or hogs at will. No equalization fee can be levied simply at the will of the board on any product. Anyone who raises hogs can slaughter and sell a wagonload every day in the week and neither he, nor anyone to whom he sells, will be liable for payment of an equalization fee. (Such are provisions of sec. 15, subsec. 3.) No equalization fee can be levied upon cotton, or other farm products, until a majority of the farmers so desire and request. The bill includes three commodities which should be beneficial to Georgia, to wit, cotton, hogs, and tobacco.

The board is nominated by the farmers themselves, acting through a nominating committee, and the President must appoint one of the three nominated in each Federal land bank district. Eight of the 12 members of the board will come from such districts in which cotton is produced. Virginia is in the second district, North Carolina, South Carolina, Georgia, and Florida in the third; Kentucky and Tennessee in the fourth; Alabama, Mississippi, and Louisiana in the fifth; Missouri and Arkansas in the sixth; Oklahoma and New Mexico in the ninth; Texas in the tenth; and California and Arizona in the eleventh. These are all cotton-producing States and will be represented on the board; and, therefore, 8 of the 12 members on the board will have knowledge of and a direct interest in cotton.

The board is powerless to begin the operation or to levy an equalization fee on any farm commodity until a majority of the farmers growing such a commodity, and a majority of the advisory council of seven annually selected by the farmers to represent each commodity, shall expressly consent.

No operation or levy of equalization fee on cotton can be had (1) until a majority of those who grow it, (2) until a majority of the seven members of the cotton advisory council, (3) until a majority of the board members, and (4) until a majority of members of the board representing the Federal land-bank districts—in which more than 50 per cent of the commodity is grown—vote for it. The same rule applies to all commodities. The operation and levy of a fee on any commodity is purely optional with those who grow it and is for the purpose of maintaining an operating capital to aid the farmers in taking the surplus off the market and thereby insure a fair price for their cotton, hogs, and tobacco.

Mr. Speaker, I am not a supporter of the equalization-fee idea. I do not prefer the bill that contains it to all others. I have done all I could to get a farm relief bill without it. Failing in this, I have done all I could to perfect the equalization-fee idea so it would not vitiate the entire bill.

There are many who believe that with the Government putting up an enormous sum of money practically as a gift to enable the farmers to take surplus crops off the market and thus help his prices, there should be a plan for the farmers to maintain and keep intact this fund so furnished by the Government. The equalization fee is not to raise money for the Government. It is to raise money, if at all, to replace money belonging to the farmer and which was furnished him by this bill. If the farmer borrows money, through governmental agencies or otherwise, he must repay the money with interest. Under the McNary-Haugen bill the Government practically gives the farmers an enormous sum of money to be used by the farmers and their friends to help them get a better price for their products. The Government does not require the farmers as individuals to repay this money or the interest on it.

The McNary-Haugen bill simply gives the farmers, through their representatives on the board, the right, if the farmers wish, to replace any part of this fund that may be lost through helping the farmers get a better price. If the farmers do not like the plan, it can by them be abandoned or Congress can repeal the law. If the equalization fee is paid by the manufacturer or exporter it will be to replace a loss sustained by paying the farmer a high price for his cotton, and the money will go back into the fund operated for the farmers and in their behalf.

While I do not like the equalization-fee idea, I can see the argument, though, of those who favor it. It may not be a bad idea. I am sure it is not a monster of so frightful form as to make absolutely bad and detestable an otherwise good farm-relief measure.

An equalization fee paid by the manufacturers and exporters to the farmers, to be used by them in an effort to get better prices for cotton and other farm products, does not sound real bad. Even if the entire thing is passed on to the shoulders of the farmers, then it will be a fee paid by farmers to farmers to help farmers. The real question I am much concerned about is whether the help that comes to the farmer will be greater

than the burden. If as a result of this law the farmer gets an increase of $50 per bale on cotton, and there is charged back to him later $5 per bale on account of equalization fee, I am satisfied. It is purely a matter of whether or not the profit will be greater than the expense.

I sincerely believe that if the McNary-Haugen bill had been in effect last year cotton never would have dropped to the low prices which cost the farmers millions of dollars. If equalization fees had been collected they would have been as mere shadows when compared to the tremendous sums of money the farmers would have saved. If the bill had not worked well, we would have known it by this time and ready to improve it or pass something better.

If we object to every bill that does not tally fully with our personal views the farmers will get nothing. Every great piece of legislation is first passed in a crude, imperfect form and then amended unto perfection. Let us pass the best bill in sight for the farmers and then strive unceasingly to perfect it as its defects appear. If I did less than this I would feel I was breaking faith with the farmers of my district and of the Nation to whom I owe my all.

Again, let me say I object to anything that sounds like a tax on production. Since I came to study farm relief bills closely the very idea of an equalization fee and my opposition to it has been ever present during the day and has haunted me during the night, but at all times there has also loomed enormous and foreboding the tremendous profits which are being pocketed from the farmer's products by the profiteers of the Nation. The outrageous profits of the speculator, profiteer, and gambler outdistances a thousand fold any equalization fee that ever would be charged to the farmer. The enormous amount which the cotton farmer has just lost is gone from him forever, except as it will be used by the big rich to crush the farmers. To my mind, the money stolen from the farmer annually is to the equalization fee as a mountain to a molehill. Then, again, the mountain of profits taken from the farmer is a complete loss and only enriches those who oppress the farmer. The molehill of equalization fee if paid by the farmer will go into the farmer's fund, operated by farmers for the benefit of farmers.

I can not subscribe to the doctrine that the equalization-fee provisions of the McNary-Haugen bill furnishes a valid excuse for voting against the only farm relief bill that has a ghost of a chance of passage at this session of Congress.

Let me say just here that I have no ill will for any one in the matter. I am very fond of the known and the alleged unknown authors of the Crisp-Curtis bill in the House. Our ideas of farm relief, though, are so different until I would feel recreant to the duty I owe my people if I did not oppose at every opportunity the provisions of this bill. Especially am I forced, in my humble way, to point out what to my mind are the vicious provisions of the bill when it is held up to my people as a farm-relief measure as good as the McNary-Haugen bill and even better in not containing equalization-fee provisions.

I favor a high minimum price for farm products. The Crisp-Curtis bill provides machinery to buy farm products at a low maximum price. I want to limit prices on the bottom. This bill puts limit low and on top.

The impression has gone out through the press and otherwise that the Crisp-Curtis bill would fix a minimum price at the cost of production plus a reasonable profit. If it did this then its price-fixing idea would be identical with mine and would be accorded my hearty support. However, the bill's price-fixing provisions are as far as possible from fixing a reasonable minimum price. An unreasonably low maximum is the limit fixed in the bill.

The tariff in behalf of the manufacturer fixes a high minimum price for manufactured articles. The Interstate Commerce Commission fixes for the railroads and other utility corporations a profitable minimum price. The regional banking system fixes reasonable minimum profits for national banks. Then, why not a reasonable minimum price for farm products? What has been done by the tariff, regional banking system and Interstate Commerce Commission has been pointed to as an argument in favor of the Crisp-Curtis bill. To my mind, these governmental agencies are mighty arguments against the Crisp-Curtis bill. What would the manufacturers think if a Republican Congress should pass a tariff law to help the manufacturers sell their products below the cost of production? Even the Secretary of the Treasury, Mr. Mellon, who probably favors the Crisp-Curtis bill and who opposes the McNary-Haugen bill, would feel outraged if the tariff was so amended as to help him sell his aluminum ware "below the cost of production." How would the railroads like for the Interstate Commerce Commission to provide rates to enable them to operate at a loss? How popular would the regional banking system be with the national banks if it only authorized and carried into effect a scheme for the operation of national banks at a loss?

Let me say in conclusion the farmers will never get a square deal and be on a plane with the manufacturers, railroads, banks, and others until unnecessary middlemen are eliminated and the farmer is accorded a reasonable minimum price for his products such as is given others. The farmer is not seeking more than other people. He is asking for justice—nothing more.

Mr. O'CONNOR of Louisiana. Mr. Speaker and Members of the House, in accordance with our parliamentary procedure, I moved at the appropriate time to substitute S. 4974 for H. R. 16470, both bills being identical in phraseology, which was done and passed, the effect of which is to make the subject matter of these measures law, as the Speaker and the Vice President will sign as a matter of congressional routine, and the President will doubtless affix his signature to such a meritorious bill. I should have said highly meritorious, if there be any gradations in the merit that attaches to our legislation. These bills are the work of the New Orleans Cotton Exchange, which has labored assiduously to help the producer and to further the legitimate trade and promote the welfare of those engaged in the cotton industry, in field, factory, or mills, in the counting room, and in transportation.

We are proud of the New Orleans Cotton Exchange and the part it has played in the agricultural, financial, and manufacturing phases, or aspects, of the great southern staple. No scandal has ever stained its escutcheon. Its record is free from any smudge. It has an honorable pride in the service it has given the country. It will render that same honest service in the future. It will continue to write splendid chapters in our agricultural history. Largely out of a desire to be in accord with a great department of the Government and to harmonize our attitude and operations with the basis on which Chicago and New York operate the New Orleans Exchange suggested this proposed legislation. In order to let another great body be heard through this address, I am going to adopt the line of reasoning pursued in a report which should be preserved. Before permitting others to speak through my pages, let me thank the Members of the House for their gracious attitude to me in passing this really much-needed and beneficial legislation.

The effect of this bill, which is attached hereto and made a part of this report, is to place the three existing cotton-futures markets in the United States, New Orleans, New York, and Chicago, on the same basis in the settlement of their contracts. That parity does not exist at the present time.

Prior to the passage of the cotton futures act in 1916 there were two exchanges where contracts for future deliveries were dealt in, located respectively in New Orleans and New York, but these markets were radically different in their methods. New Orleans settled its contracts upon the "commercial differences" of the grades tendered as shown by the transactions on its own spot market; whereas New York, which was not a bona fide spot market, settled upon the "fixed differences" established arbitrarily by that exchange.

When Congress passed the cotton futures act it wrote into the law the New Orleans method of settling by "commercial differences" and in order to meet the radically different methods of trading in the two future-contract markets, it provided in effect that New Orleans should continue to settle its future contracts on the basis of the commercial differences disclosed by transactions on the New Orleans spot market, but that New York should thereafter settle its future contracts on the basis of the average commercial differences of the several spot markets in the South designated for that purpose by the Secretary of Agriculture. When Chicago later established a cotton-futures market it was directed to follow the regulations established for the conduct of the New York exchange.

The bill S. 4974 strikes out and eliminates from the text of section 6 a clause, in the nature of a proviso, which, under certain conditions, exempts a future contract market from using the general average of the designated spot markets in the settlement of its contracts. This exemption was intended to apply to the New Orleans contract for the reasons above described.

Congress, however, notwithstanding this concession to the New Orleans contract, intended to keep the futures contracts markets and the spot markets in two separate and sharply defined classes. There can be no question upon that score. In the House report on the cotton futures act, section 6 was explained as follows:

Section 6 provides for the settlement of contracts on the basis of commercial differences and provides machinery for ascertaining these differences. The authority is given the Secretary of Agriculture to

select five or more cities wherein cotton is marketed in sufficient volume to reflect accurately the value of spot cotton. The prices prevailing in these markets shall be averaged and the average difference in value as determined in these five or more cities is to be used as the basis of value for the various grades in the settlement of contracts. The value of the various grades or "different sheet" arrived at by taking the average figures of five or more cities rests on a broad foundation and is relatively incapable of manipulation, as it would probably always be more expensive to manipulate five or more spot markets than it would be profitable to manipulate a single future market. Furthermore, any market which permits itself to be manipulated faces the danger of being excluded from the list of bona fide spot markets. For economic reasons also cotton will cease to move toward a market whose prices for the actual cotton are lower than the actual values in the other spot markets.

Notwithstanding this explanation, Congress, as has been stated, made an exception of future transactions "in the market where the future transaction involved occurs and is consummated, if such market be a bona fide spot market"; and provided that such contracts should be settled upon the basis of the actual commercial differences existing in that spot market on the sixth business day prior to the day fixed. On the other hand, it provided if the future transactions occurred at a place where there was no bona fide spot market, then—

the differences above or below the contract price which the receiver shall pay for cotton above or below the basis grade shall be determined by the average actual commercial differences in value thereof upon the sixth business day prior to the day fixed [in the spot markets designated by the Secretary of Agriculture].

This bill simply eliminates from section 6 the clause under which New Orleans is authorized to settle its future contracts on the basis of the commercial differences disclosed by transactions on its own bona fide spot market, with the result that in future New Orleans, New York, and Chicago will all alike settle their contracts on the average price prevailing in the 10 leading spot markets that are now designated for that purpose by the Secretary of Agriculture.

The amendment is to be welcomed because it does much to clarify the meaning of section 6, as well as being in harmony with the spirit of the cotton futures act.

This amendment is not made to satisfy any selfish demand of New Orleans cotton interests. On the contrary, the New Orleans interests are showing themselves broadminded and conscious of their responsibility to the trade as a whole in seeking to amend settlements on New Orleans contracts to represent conditions in the whole Cotton Belt rather than conditions in the local market or the territory directly tributary thereto. In fact, this amendment to the act represents a very widespread and long-continued demand from practically the entire cotton interests of the South. Under the present terms of the New Orleans contract it is possible that an unusual supply of some particular grade may exist in any year in the territory directly tributary to the New Orleans spot market, which condition would not prevail in the rest of the belt; and to this extent under the present system the hedge contract of the New Orleans Cotton Exchange in the settlement of its grade differences, other than middling, would not accurately represent the relative value of such a grade for the belt as a whole.

The hedge contract of the New Orleans exchange is used by merchants in every State in which cotton is grown as a medium of price insurance, and it can not function to fullest efficiency and to the greatest good of the greatest number unless it reflects commercial conditions over a territory as wide as the entire belt in which the cotton plant grows. The spot markets presently designated by the Secretary of Agriculture under the act are as follows: Norfolk, Va.; Savannah, Ga.; Augusta, Ga.; Montgomery, Ala.; New Orleans, La.; Little Rock, Ark.; Memphis, Tenn.; Dallas, Tex.; Houston, Tex.; Galveston, Tex.

It would certainly seem a step in advance in making the New Orleans contract represent actual commercial conditions in the South as a whole to have its contract settlements made on the average differences of those 10 widely scattered important and representative spot markets rather than to have them as at present settled on the differences existing in the New Orleans spot market alone. The interest of the producer in this sense is identical with that of the merchant, because the merchant must be guided in the price he pays to the producer for any particular grade by what he can secure for that grade in the widest markets.

It is the conviction of those who have given thought to this question that when the amendment becomes operative it will insure to the benefit of the producer in securing for him values more representative of the actual grades he produces. It is not a question of the New Orleans market not being quoted correctly, but concerns the possibility which frequently arises that harvesting conditions in the territory directly tributary to the New Orleans market may vary widely from harvesting conditions in other parts of the belt, thus making some particular grade or grades of cotton more or less plentiful in a particular year in that one section, when conditions in the remainder of the belt may be quite different.

It goes without saying that no human being has any control over the weather at harvesting time and no one can foresee what that may be. This is an effort to make the future contract correspond more exactly to the general level of commerce conditions over a wide expanse of territory and is another step away from anything resembling the old system of fixed differences, which the United States cotton futures act was designed to remove.

The indorsement of the Secretary of Agriculture is as follows:

JANUARY 5, 1927.

Hon. CHARLES L. MCNARY,
Chairman Committee on Agriculture and Forestry,
United States Senate.

DEAR SENATOR: I have your letter of December 27, in which you request my comment on the attached bill, S. 4974. This bill would amend section 6 of the United States cotton futures act by striking out the following from section 6: "in the market where the future transaction involved occurs and is consummated, if such market be a bona fide spot market; and in the event there be no bona fide spot market at or in the place in which such future transaction occurs, then, and in that case, the said differences above or below the contract price which the receiver shall pay for cotton above or below the basis grade shall be determined by the average actual commercial differences in value thereof, upon the sixth business day prior to the day fixed in accordance with the sixth subdivision of section 5, for the delivery of cotton on the contract."

At the present time New Orleans would be the only cotton futures market affected by this proposed change in the law. It would mean that in New Orleans the differences above and below middling cotton would for the purpose of settlement of future contracts be the average commercial differences of 10 bona fide spot cotton markets which have been designated for the purpose by the Secretary of Agriculture and of which New Orleans is one. Under the terms of the present law such differences used in the settlement of New Orleans future contracts are based upon the actual commercial differences officially determined and quoted daily by a disinterested committee of the New Orleans Cotton Exchange from actual sales of spot cotton in New Orleans alone, while in the other American futures markets the average differences of the 10 designated spot markets are used.

Members of the trade-extension committee of the New Orleans Cotton Exchange have stated to this department that in their opinion the fact that New Orleans future contracts must be settled upon New Orleans commercial differences alone is used as an argument against that exchange in the solicitation of business by its members, and that they feel, therefore, that to this extent the provisions of the present law are prejudicial to that exchange. As to this the department can not express an opinion. From the standpoint of the administration and operation of the cotton futures act there are certain theoretical advantages in the use of average differences, and in view of all the circumstances the department finds no reason to object to the passage of the amendment. On the other hand, it is felt that because of its responsibility to its members for the differences on which their future contracts are settled, the New Orleans Cotton Exchange has had heretofore a special interest in the correctness of its quoted differences, and that since the methods used in the quotation of differences in New Orleans have for the most part given satisfactory results they might well serve as an example of their kind.

Accordingly, while it is conceivable that this amendment, if passed, may operate to remove a disadvantage from the New Orleans market, it is hoped that in no event will New Orleans as one of the 10 designated markets adopt a less thorough method of quoting commercial differences or one which conforms less closely to the evident intent of the law than that now in use.

It is not anticipated that if S. 4974 is enacted any additional expenditure of funds by this department should be required.

Sincerely yours,

W. M. JARDINE, *Secretary.*

With reference to the second to last paragraph in the letter of the Secretary of Agriculture concerning the method of quoting in New Orleans, the committee has the positive assurance of the officials of the New Orleans Cotton Exchange that the same thoroughness and vigilance in correctly quoting the New Orleans spot market will be continued and in no way relaxed. In addition, New Orleans, because of the added interest it will have in the quotations of other designated markets owing to the responsibility placed upon it by the amendment, will carefully cooperate to the fullest extent with Government officials in the administration of the United States cotton futures act throughout the South.

[S. 4974, 69th Cong., 2d sess.]

A bill to amend and reenact an act entitled "United States cotton futures act," approved August 11, 1916, as amended

Be it enacted, etc., That the act entitled "United States cotton futures act," approved August 11, 1916, as amended, be amended as follows:

In section 6, after the words "established by the sale of spot cotton," strike out the following words: "In the market where the future transaction involved occurs and is consummated, if such market be a bona fide spot market; and in the event there be no bona fide spot market at or in the place in which such future transaction occurs, then, and in that case, the said differences above or below the contract price which the receiver shall pay for cotton above or below the basis grade shall be determined by the average actual commercial differences in value thereof upon the sixth business day prior to the day fixed, in accordance with the sixth subdivision of section 5, for the delivery of cotton on the contract," so that section 6 as amended will read as follows:

"SEC. 6. That for the purposes of section 5 of this act the differences above or below the contract price which the receiver shall pay for cotton of grades above or below the basis grade in the settlement of a contract of sale for the future delivery of cotton shall be determined by the actual commercial differences in value thereof upon the sixth business day prior to the day fixed, in accordance with the sixth subdivision of section 5, for the delivery of cotton on the contract established by the sale of spot cotton in the spot markets of not less than five places designated for the purpose from time to time by the Secretary of Agriculture, as such values were established by the sales of spot cotton in such designated five or more markets: *Provided*, That for the purpose of this section such values in the said spot markets be based upon the standards for grades of cotton established by the Secretary of Agriculture: *And provided further*, That whenever the value of one grade is to be determined from the sale or sales of spot cotton of another grade or grades such value shall be fixed in accordance with rules and regulations which shall be prescribed for the purpose by the Secretary of Agriculture.

Mr. HAMMER. Mr. Speaker, it has not been my purpose to ask for any time to make a speech or extend my remarks as to farm legislation at this session of Congress, as I presented my views rather fully and at length as to farm legislation and analyzed, as best I could, the farm legislation proposed in a speech made at the last session of Congress.

But so much has been said and there is so much misunderstanding as to the purposes and the provisions of the proposed legislation and as the McNary-Haugen bill has not been analyzed from a purely economic point of view, I believe that a compilation of such data and facts would clearly show the bill to be wholly in line with economic trends and tendencies at the present time. Accordingly, I have prepared such a study.

Here permit me, Mr. Speaker, to state my indebtedness to others and mention specifically the fact that I conferred with Mr. Chester H. Gray, Washington representative of the American Farm Bureau Federation, who referred me to Mr. W. R. Ogg, assistant to the director of legislation of that farm organization. He has compiled the most useful data and information I have yet seen on this important matter.

In my remarks I have in the main followed not only his line of thought but have availed myself of the data which he has so ably compiled and so generously furnished me.

It is not my purpose to put into the RECORD an essay about the necessity of farm legislation, something everyone familiar with conditions of agriculture has known for the last five years, but to give the reasons why I think, in the light of present-day thoughts, this is economically sound and workable.

At another hour to-day I took advantage, under the five-minute rule, to answer as briefly and clearly as I could the statements made on the floor during the consideration of this bill that under the provisions of the bill an advantage would be given to Texas over North Carolina and other Southeastern States. I think I have shown the absurdity of this contention.

The first portion of this statement sets forth the fundamental principle upon which the bill is founded—namely, to bring about real orderly marketing of farm products, so that the farmers themselves will get the full benefits therefrom. It is shown that the farmers at present are not getting the full benefit of storing their crops and marketing them that demand and supply justify because the service of storage has been taken over by the middlemen and the farmers are forced by the present economic conditions to dump their crops on the market within a short time. An explanation is made which shows how the McNary-Haugen bill as amended will remedy this situation and assist the farmers to secure the full value of the products and why some remedy like this is needed.

The operation of supply and demand in fixing prices is also discussed, and an explanation is made of why it is that supply and demand at the present time fail to bring the farmers a fair return for their products. There are so many interferences, legislative and otherwise, with the present operation of the law of supply and demand that something must be done to enable the farmers to obtain even the price which supply and demand justify. This statement shows how the McNary-Haugen bill proposes to bring about this result. It has been repeatedly claimed that this legislation would result in overproduction, which would defeat its purpose. My purpose is to show that this charge, as well as various other objections which have been offered against the proposed legislation, is incorrect. Among the problems discussed are the effect on the prices to the consumer, the operation and effects of the equalization fee, and the effectiveness of the operation of the bill.

There seems to be general agreement that something is radically wrong with agriculture, but there still remains some differences of opinion as to the proper remedies. The McNary-Haugen bill represents an honest attempt on the part of the producers themselves to solve one of the greatest factors in the agricultural problem, namely, the control and disposition of crop surpluses.

THE FUNDAMENTAL PURPOSE

The fundamental purpose of the McNary-Haugen bill is to enable the producers to market their crops in an orderly manner instead of allowing the surplus to be dumped on the market with the resultant penalizing of the producers through depression of prices. The production of a surplus and the holding of this surplus from a period of plenty to a period of scarcity is fundamental to the maintenance of modern civilization. This is pointed out very clearly in Efficient Marketing for Agriculture, by Prof. Theodore Macklin, of the University of Wisconsin:

> The holding of surplus supplies from periods of plenty for use during seasons of little or no production is one of the most fundamental services known to human as well as animal ingenuity.
>
> * * * From the most ancient times the storing of food has been an earmark of the degree of civilization. Barbarians have lived from hand to mouth through countless ages while civilized man has laid up against the day of natural scarcity a "nest egg" from the periods of plenty.
>
> * * * Without the holding of grain and other foods from summer and fall to winter and spring neither livestock nor people could be maintained through the winter and modern life as we know it would be impossible. Without the service of storing, man living in the temperate zones would have to be capable either of hibernating like the bear, of migrating like the song bird and the water fowl, or else cease to live at all. Strange to say, modern people have apparently lost nearly all comprehension of this universal principle. * * * Countless ages of human experience taught man in the early stages of civilization to apportion individually some of his summer bounty for use during the nonproductive winter that always followed the harvest. As in Joseph's dream of seven fat years to be followed by seven lean ones, so throughout the progress of civilization intelligent man has increasingly realized the necessity of adequate storing. But, unfortunately, separating the former individual who was both consumer and producer into two separate individuals has also severed the contracts and responsibilities formerly leading to a proper appreciation of storing.

MIDDLEMEN GET STORAGE BENEFITS

The producers to-day are, for the most part, not getting the full benefits of storage which are possible for them to obtain. Storing has been given over to middlemen who operate for profit. It has become commercialized, with the result that the chief gains resulting from this service accrue to the middlemen who provide it. This fact is noted in Efficient Marketing for Agriculture, by Professor Macklin:

> Since the difference in relative, prospective values between summer and winter provides the only economic opportunity for profitable storing, the middleman who renders this service, and must pay in advance for all goods stored without knowing what they will ultimately be sold for, finds by experience that he must wait until after the accumulation of surplus supply upon the market has depressed prices if he would reserve and store at "safe" prices the normal amount required for winter use.
>
> * * * In periods of declining prices, moreover, under the old hit-or-miss system which brought about market gluts and unavoidable functioned with high expense, even winder margins were expected as a means of playing safe. Under these old conditions both the small middleman and the farmer were helpless because the service of storing was not utilized to protect the primary producer, the farmer.

Whenever farmers do not take full advantage of the benefits to be derived from storing the surplus supply and disposing of it in a period of scarcity they are unduly penalized because of the fact that they place more of a commodity on the market than the immediate consumption can absorb.

Because farm products are so generally harvested within short periods and as rapidly as possible forwarded to markets where change of ownership takes places, it is almost universal for farmers to dispose of the bulk of their commodities at prices needlessly depressed as a result of market glutting. (From Efficient Marketing for Agriculture, by T. Macklin.)

MIDDLEMEN EXACT EXCESSIVE MARGINS

Furthermore, the buyer under existing conditions often allows an excessive margin to protect him from a possible decline in prices. This tends further to beat down the prices received by producers, especially in a time of glutted markets, when it is a "buyers' market" rather than a "producers' market," and under present conditions we usually have a "buyers' market" rather than a "producers' market."

Unless private middlemen who now render this storing service are able to make a profit in the long run, they must cease to operate. Their weakness lies in the fact that "playing safe" results in two great a recession in prices before commodities are purchased for storing. (From Efficient Marketing for Agriculture, by T. Macklin.)

Inaccurate judgment on the part of the middleman, particularly when they do not have adequate facilities for obtaining information as to supply and demand, may also cause them to take wider margins in order to cover any possible losses.

Mistaken judgment under these circumstances necessitates wider margins than might otherwise be necessary in order to cover losses involved. (From Efficient Marketing for Agriculture, by T. Macklin.)

An illustration of how these conditions operate to the detriment of the producer is afforded in the following statement of Professor Macklin with reference to wool marketing:

To throw vast quantities of wool on the markets of the country without reference to mill consumption necessarily glutted the Nation's markets and brought seasonal depression in price to the producer. Analysis of the wool-marketing machinery indicates that a great amount of wool has normally been sold by farmers to local middlemen handling very small quantities who were not equipped either in knowledge, facilities, or finances to pay the farmer all his wool was worth locally, considering what mills eventually pay for it.

Certainly it is no exaggeration to imply that the middlemen who store wool and feed it to the mills have done so at prices which were in line with the prices obtained by mills for their finished articles. It is beyond question that mills purchase wool on a relatively stable cost basis, while the middlemen storing wool buy their supply from more or less helplessly inefficient local dealers at a time when vast oversupplies have depressed the current speculative prices.

PRODUCERS PENALIZED

Thus, while the production of a reasonable surplus is a desirable thing, the farmers are unduly penalized by price depression resulting from dumping surpluses on the market. The committee on stabilization, appointed by the British Ministry of Agriculture, after making an extended investigation of the agricultural problem, called attention to this fact in its report:

No one would deny that a favorable season in which there had been plenty of rain and sun and freedom from physical disturbances, producing a rich and healthy crop, should be an advantage to the producer and therefore a thing that he desires. Nevertheless, in the existing conditions of organization of the agricultural industry it is frequently a disadvantage to the producer and a thing that he fears. In other words, it is true to say that there is no adequate machinery for the economical distribution and marketing of an exceptionally abundant crop. On this account it frequently happens that a favorable season yielding a heavy crop leads to temporary congestion of the market and a fall in prices so great as often to rob the producer of his profits or even to cause the entire crop to be sold at a loss.

Cooperative-marketing organizations have sought to solve this problem, but they are handicapped because they are unable, in many instances, to obtain control of the surpluses of a given commodity and to finance its marketing in an orderly fashion. Members of such organizations are required to bear all of the burden incident to such deferred marketing, while nonmembers secure the full market price for their product and bear none of the burden incident to marketing the surplus.

If the problem of disposing of agricultural surpluses is to be solved in the interest of the producers and consumers, some way must be found to gain control of surpluses, withhold them from the market, and finance their storage and sale in an orderly fashion, so that all producers will share proportionately in the benefits and bear their portion of the burdens incident to such handling. The McNary-Haugen bill provides machinery for this purpose. Through the instrumentality of the Federal farm board contracts may be made with farmers' organizations or their agencies by which surpluses can be acquired in times of plenty and disposed of in periods of scarcity.

PRICE FLUCTUATIONS HARMFUL

One of the most harmful factors in the present marketing system is the excessive fluctuation in the prices of farm products. The effects of this fluctuation are far-reaching, both to the producer and the consumer. The effect upon agriculture of a period of serious depression of prices is more than temporary in its nature. Capital savings are often absorbed, leaving the industry undercapitalized, and the confidence of the farmers is seriously undermined. The social effects of a period of depression are ably summarized in a statement by Sir William Ashley, quoted in the report of the committee on stabilization of the British Ministry of Agriculture:

It is realized that the industrial wastage, the deterioration of human character which is likely to accompany any period of extreme depression, is not repaired by subsequent periods of prosperity; that depression, in fact, is never completely recovered from, but always leaves behind it a long trail of social and economic evil. That being so, stability on a satisfactory level is rightly becoming part of the social ideal toward which the public will and are moving * * *.

Henry C. Taylor in Outlines of Agricultural Economics states:

The movement of some part of the rural population to the cities is a desirable thing when viewed from the broad economic standpoint of readjustments in the supply of labor engaged in the various lines of production. In periods of depression, however, distressful conditions precipitate these readjustments and magnify the population movement, with resulting great loss, in many instances, to those who are forced to leave the farms. Deliberate choice of an occupation rather than dire economic necessity should determine who move from country to city.

If our agriculture could be so stabilized that the movement from country to city would go on year after year in a normal way, based upon a process of enlightened and self-determined selection, which would leave in the country the people who combine efficiency in agriculture with love for the open country and the ability to improve rural life, both country and city would be better off. If, however, the movement withdraws the best elements of the rural population and if the best young men and women become dissatisfied with the agricultural outlook and seek other occupations, leaving behind the less capable elements of the population, this movement is fraught with great danger to the Nation.

WHY FARM PRICES FLUCTUATE

One of the chief causes of the fluctuation in prices of farm products is analyzed by R. R. Enfield in his book The Agricultural Crisis, 1920–1923, as follows:

When the causes of instability are analyzed (disregarding for the moment the monetary aspect of the question) they are found to have their roots in a very simple fact. Food is produced in greatest abundance in summer and autumn, in good seasons rather than in bad, whilst people consume it approximately the same rate all the year round. From this fundamental disharmony between supply and demand there is no escape; neither is there any escape from the inexorable law which connects the price of a commodity in a free market with the quantity of it available for purchase. Hence the inherent instability of any agricultural system. Hence half the economic problems which hedge around agricultural enterprise, and half the difficulties, perplexities, or disappointments which harass the poor farmer in his efforts to make a living.

A similar analysis is also set forth by Professor Macklin in his book Efficient Marketing for Agriculture:

Production, on the other hand, is very variable, depending as it does on seasonal and other influences over which the producer has no control. Hence the continual instability of prices.

These conditions alter agriculture in practically all its branches, so much so that they sharply distinguish the economic basis of agriculture from that of almost any other industry; many of these are able to adjust supply to demand with a considerable degree of nicety (in many cases they merely produce to order), so that in normal times manufacturers can look forward with confidence to reasonably stable prices. This adjustment in agriculture is very much more difficult. On this account farmers have tended to treat these price fluctuations as inevitable, to regard each crop as in the nature of a speculation, and to ignore the possibility of organizing the distribution and sale of farm produce, in a manner which would minimize their harmful results.

Those who advocate letting things alone and trying to do nothing are severely scored by Mr. Enfield:

Nature, unfortunately, does not manage her affairs on principles of economic harmony, and those who would propose an agricultural policy whilst still adhering to the belief in the free play of economic forces are thus confronted with a hopeless dilemma, for such a policy must, however it is framed, lead to a continuance of these price fluctuations forever—so long as winter follows summer and summer winter.

STABILIZING PRICES

The McNary-Haugen bill seeks to remedy this situation by "organizing the distribution and sale of farm products" so that the supply of the product may flow to market in just the quantities which can be absorbed at reasonable prices. Its proponents do not seek to obtain exorbitant prices but to stabilize prices on a general profitable basis.

Experiments have demonstrated in the past that it is possible to stabilize the price to a large extent by controlling the flow of the surplus to market. Professor Macklin in his book cites a notable example in the case of creamery butter:

While only 10 per cent, approximately, of the year's output of creamery butter is held in storage from surplus to deficit the steadying influence which the storage of this butter exerts on prices is truly remarkable. Before storage facilities were perfected and utilized for holding butter, prices fluctuated on an average 120 per cent (U. of Wis. Ag. Exp. Sta. Bulletin 270, p. 37). With the development of storage and the operation of speculation, extreme fluctuation in price has been greatly reduced. Prices neither rise nor fall as they formerly did.

This reduction in price fluctuation to one-third of the former range attended by benefits of adequate supply to consumers throughout the year and of greater service of storing which costs only about 1.9 cents per pound for the butter actually stored. Inasmuch as one-tenth of the butter only is stored and this portion of the annual production stabilizes the prices for the total output, the cost may be thought of as less than two-tenths of 1 per cent per pound, or about one-half of 1 per cent of the retail value. The economic consequences of storing in this illustration vastly outweigh the expense of the service. These benefits of storing make it an essential part of the marketing system.

He also suggests a remedy for dealing with the surplus problem:

Better organization which makes unnecessary the sale of surplus products by farmers until these products are needed by consumers is the surest solution of this problem. This, however, calls for organization which does not exist to any great extent. Constructive effort demands that the time now spent in criticism of the private middlemen be spent in creating organization capable of storing and stabilizing.

Such an organization is provided in the McNary-Haugen bill which would make it possible for the farmers to stabilize prices on major farm products by storing surpluses in periods of plenty and marketing them in periods of scarcity. The farmers' organizations would not have to handle all of an entire crop to do this but merely the surplus as the above illustration proves. If the surplus is marketing in orderly manner, prices will be stabilized. The farmers' organizations alone can not do this now, however; first, because they do not control surplus and if they did they would have to penalize members to the benefit of nonmembers. Under the McNary-Haugen bill the burden of handling the surplus would be borne by all producers and the benefits would be shared by all producers.

If these results can be obtained for perishable products like butter and eggs for which the storage period is necessarily somewhat short, how easier and how much better the chances for service for wheat and cotton which can be safely stored for long periods.

DUMPING CROPS ON MARKET

The following table prepared by Professor Macklin shows the need for a system of orderly marketing of cotton by the producers in order to prevent undue depression of prices resulting from dumping most of the crop on the market within a short period. This table shows that over 60 per cent of the cotton is moved to market during the months of October, November, and December, while the consumption of cotton in those months amounts to less than 25 per cent of the year's supply. The supply moving to market varies during the year from 1.4 per cent of the total supply to 22.2 per cent, whereas the consumption of cotton during any one month of the year does not fall below 8 per cent nor exceed 8.8 per cent of the total supply:

Cotton ginnings, movement, and consumption of cotton

Month	Cotton ginned [1]	Cotton movement [2]	Cotton consumption
	Per cent	*Per cent*	*Per cent*
August	6.5	1.4	8.3
September	22.6	9.5	8.0
October	38.9	21.0	8.1
November	18.4	22.2	8.4
December	7.8	17.4	8.2

[1] Data from years 1915–1916 U. S. Department of Commerce, Bureau of Census, Bulletin 140, p. 24.
[2] Data from U. S. Department of Agriculture, Bureau of Crop Estimates, 1919 crop.

Cotton ginnings, movement, and consumption of cotton—Continued

Month	Cotton ginned	Cotton movement	Cotton consumption
	Per cent	*Per cent*	*Per cent*
January	[3] 5.8	8.8	8.7
February		5.6	8.0
March		4.9	8.7
April		3.2	9.3
May		2.7	8.8
June		1.7	8.4
July		1.6	8.1
Total	[4] 100.0	[5] 100.0	[6] 100.0

[3] Includes all ginnings for balance of season.
[4] Represents 45,526,810 bales, or crops, of 1915, 1916, 1917, and 1918.
[5] Represents 11,329,755 bales of 1919 crop.
[6] Represents 25,518,543 bales, or United States cotton-mill consumption for years 1915–1918, inclusive.

The need for orderly marketing by the producers is also reflected by Professor Macklin's tables in regard to the marketing of wool and wheat, which are as follows:

WOOL

The amount used in mills varied throughout year only between 8 and 8.8 per cent, whereas movement of cotton to market varied from 1.6 to 22.2 per cent, and 60.6 per cent went to market in three months—October, November, and December.

Monthly wool production and consumption in United States [1]

Months	Monthly wool production [2]	Monthly wool consumption [3]
	Per cent	*Per cent*
January	0.3	8.8
February	.1	7.7
March	.2	8.7
April	(4)	9.1
May	1.9	9.3
June	12.9	8.4
July	33.0	8.1
August	35.7	7.9
September	11.6	7.8
October	2.3	8.4
November	1.1	8.1
December	.9	7.7
Total	100.0	100.0

[1] Data from U. S. Department of Agriculture, Bureau of Markets, the Market Reporter, Vol. II, No. 24, p. 369.
[2] Data from National Wool Warehouse & Storage Co., Chicago.
[3] Average for years 1918 to 1920.
[4] Negligible.

81.6 per cent sheared in three months, whereas consumption varied throughout year only between figures 7.7 and 9.3 per cent.

Farm movement and mill consumption of wheat [1]

Month	Wheat receipts from farms	Mill grind of wheat
	Per cent	*Per cent*
July	14.4	4.4
August	23.4	9.3
September	18.7	9.3
October	16.1	10.6
November	7.8	8.3
December	7.0	9.0
January	4.8	7.9
February	2.4	6.5
March	1.5	7.7
April	1.1	8.8
May	1.6	10.3
June	1.2	5.9
Total	[2] 100.0	[3] 100.0

[1] Table from Grain and Flour Statistics During the War, U. S. Grain Corporation, pp. 28–29.
[2] Represents 730,061,000 bushels of wheat.
[3] Represents 539,058,000 bushels of wheat.

72.6 per cent of wheat moves to market during four months July, August, September, and October, yet only 33.6 per cent is milled during this period. When the producers offer an industry 72 per cent of a product when they are only prepared to use immediately 33.6 per cent of it the producers must expect depressed prices.

REGULATE FLOW TO MARKET

It is significant that Professor Macklin's remedy for the situation facing the wool producers contemplates the development of a "proper organization" which would be able to "retain ownership of their wool until needed by the mills." Professor Macklin states:

Were it not for the possibility of a more comprehensive and effective market organization this former program of speculative wool selling might be beyond criticism. Knowledge and experience accumulated to date both show that improved marketing methods can be practically developed and made to replace the old system and its inefficiency, however. The secret of the change consists in enabling farmers to defer the sale of their wool from shortly after clipping to the time when mills themselves require wool for actual milling purposes. In other words, the producers by developing proper organization may retain ownership of their wool until needed by mills, thus making it possible for producers to feed the markets of the country at a rate which will prevent market flooding, instead of selling the whole clip at one time at prices unduly depressed because of excessive temporary market supply.

The McNary-Haugen bill would supply the necessary assistance to the organizations of producers, by which they would be able to so regulate the flow of the supply of their products to market as to result in the stabilization of prices on a profitable basis.

BENEFITS TO PRODUCERS AND CONSUMERS

Stabilization of prices would be a benefit not only to the farmer, but to the consumer. This fact is also pointed out by Professor Macklin in connection with his illustration in regard to the stabilization of prices for butterfat:

To the farmer stability of price for butterfat has added greatly to his income. Formerly he obtained the very lowest prices when the bulk of his butterfat was sold. At present, while the price remains somewhat lower in winter than formerly, the substantial increase in summer has greatly increased the average price for his year's sale of butterfat. Consumers benefit by storage because it guarantees a supply of butter at reasonable prices, whereas formerly shortage of butter and extremely high prices sometimes compelled strenuous economy and even the doing without butter at times.

From Henry C. Taylor's Outlines of Agricultural Economics:

A higher degree of stabilization in the supply of farm products for sale from year to year would be of benefit to the consumer as well as to the producer.

TARIFF DOES NOT ALWAYS PROTECT

There is another aspect of the surplus problem which must be dealt with. The farmer not only fails to get the full value for his product which supply and demand justifies but he also fails to get the same benefits from the tariff on farm products which other groups are securing for their products. The reason for this is that the farmer must sell at the world price of a commodity whenever there is a surplus above the domestic requirements for that commodity. The existence of a surplus above domestic requirements depresses the domestic price down to the level with the world price for that commodity. Manufacturers avoid this situation either by curtailed production or selling the surplus abroad at a price cheaper than the American price in order to maintain the domestic price at not less than the world price plus the tariff. This situation is ably presented in a statement credited to Vice President Dawes and published on page 9911 of the CONGRESSIONAL RECORD of May 25, 1926:

Our manufacturers are able to decrease their unit cost by an increased output, the surplus of which they can sell abroad at less than their American price. Their sales at the world price do not fix their American price, as is the case with agriculture. This is made possible by the tariff, which within certain limits prevents foreign competition in the home market. While the tariff does not interfere with the free operation of the law of supply and demand within our country, it does limit the supply from abroad below a certain price level determined by the import duty. This is not considered "price fixing," nor is it attacked as such.

The agricultural economists are proposing a device which will enable agriculture, at its own expense, to sell its surplus abroad at the lower world price in order that, as with manufacturing industry, the laws of supply and demand will operate in its larger home market behind the tariff wall which Congress has already erected for its theoretical benefit. This theoretical benefit they wish to be made practical.

As I understand, the agricultural proponents of this plan have never suggested a governmental subsidy. This proposal has emanated from other sources. They have sought fair discussion as to the economic soundness of their underlying proposition. A debate, suggested by myself, has been carried on for the past year between them and one of the highest economic authorities of the world, Sir Josiah Stamp, of England. For many years he has been intrusted by the British Government with many of its most important economic negotiations, including his service as its representative on the first committee of experts, Reparation Commission. He is now the chief executive of the London, Midland & Scottish Railway, the largest in England.

SURPLUS DEPRESSES DOMESTIC PRICE

In the United States domestic prices of farm products, of which there is a surplus above domestic requirements, are based on the world price. Because an excess is produced the grower is penalized in the price which he receives for the major portion of his crop by the depressing effect of the surplus, which is sold abroad at the world price. H. B. Smith in Survey of World Trade in Agricultural Products, Bulletin No. 6, June 2, 1924:

Europe is the focal point of the world's trade in agricultural products. * * * More than 80 per cent of all the agricultural products exported from the United States go to Europe, and nearly 70 per cent of the total goes to the highly industrialized section of northwest Europe, including the five countries of the United Kingdom, Germany, France, Belgium, and the Netherlands—this, together with an area less than one-fifth that of the United States and with a population of some 160,000,000 persons, as the dominant market for agricultural products from all the surplus-producing regions of the world as well as from the United States.

* * * With an exportable surplus in this country, a delivering price in Europe is reflected back into our own domestic price.

COOPERATIVES MUST HAVE HELP

In order to carry out a plan of dealing with agricultural surpluses, which would enable the producers to dispose of surpluses without unduly depressing domestic prices, there must be a central agency with power and finances sufficient to bring about o derly marketing. Under the existing circumstances the cooperative marketing associations are unable to do it. They represent only a minority of the total number of farmers in the country; and if they attempted to buy up the surplus and dispose of it unaided, their members would have to bear all the burden of such an undertaking. If the surpluses were sold abroad at a lower world price, the cooperatives selling such surpluses abroad would bear all the burden of removing the depressing effect of the surplus on domestic prices, while the nonmembers who stay out of the cooperatives and sell their product in the domestic market would reap all the benefits and bear none of the burden. The effect of this would be to prevent nonmembers from joining the cooperatives and to drive out from membership the present members. In other words, it would mean the ruin of cooperative marketing organizations attempting such a program unaided under existing conditions.

GOVERNMENT AID IS PROPER

It is a proper function of the Government to aid the farmers in marketing their products in an orderly fashion, so that they may be able to attain equality of bargaining power with other groups. Mr. Macklin states:

Modern marketing is so complex that an umpire is necessary. By setting up this umpire, however, and in providing information to be used as the basis of fixing standards and of enforcing them, the Government necessarily rejects the plan of leaving individuals and groups to shift for themselves in a hit-or-miss, unregulated scheme of competition.

OTHER GOVERNMENTS DO IT

The experiences of other governments has demonstrated the wisdom of giving proper assistance in order to promote equality of opportunity instead of leaving everything to individual effort. Professor Macklin states:

Fortunately, we have the benefit of experiments of different governments that have followed a policy of leaving everything to individuals as contrasted with a program of attempting to provide equality of opportunity for all. The results of these historical experiences have amply demonstrated that human welfare is protected and fostered most when government exercises its authority to provide equality of opportunity by restraining those whose actions are harmful to others and by educating all to higher planes of effort and competitive relations. This has been particularly the case in the marketing of farm products.

GOVERNMENT UMPIRE

The McNary-Haugen bill, through the agency of the Federal farm board, would supply an agency through which the efforts through orderly marketing of more than 12,000 farmers' associations in the United States could be aided and promoted and through which the Government might serve as an umpire to bring about equality of bargaining power between the producers and the purchasers and a more equitable adjustment of supply and demand.

FICTITIOUS PRICES NOT AIMED AT

One of the objections to the McNary-Haugen bill which is most frequently heard is that it constitutes an attempt to interfere with the operation of the law of supply and demand and that it endeavors to create fictitious prices by arbitrary methods. This criticism is false both in its assumption and in its conclusion.

Some of the extremists among those who make this criticism say that there is nothing that the Government can do more than it is doing already to relieve agriculture. They say, let the farmers alone, and if they will work hard, reduce the cost of production, and apply business methods, then the normal operation of economic laws will effect eventually a readjustment. There are two fallacies in this argument: The first is that agriculture, the basic industry of this country, may be submerged as it has in certain other countries before this far-off readjustment, which is supposed to take place through the normal operation of economic laws, comes about. Henry C. Taylor in Outlines of Agricultural Economics states:

For those who see economic forces from a long-time point of view only, and who see agriculture as a food supply only, this hoped for long-time swing which, in their opinion, will raise agricultural prices relatively to the prices of other products, may suffice. But those who see agriculture as millions of homes of American citizens where growing families should be fed and clothed, sheltered, and educated, and who see economic forces in action from day to day ruining the prospects of millions of the coming generation can not patiently wait but must insist upon relief that will save this generation of farm people and give more than a shadowy hope for the farmers of the next generation.

SUPPLY AND DEMAND

The second fallacy is that while theoretically the normal operation of economic laws would effect a readjustment if allowed sufficient time to do so, practically there are very many things which have become established in our economic lives which interfere with the normal operation of economic laws. The supply and demand would fix prices if both operated ideally on a theoretical basis. In our modern economic life, however, there are very many complicating factors which must be taken into consideration in determining what fixes the price of a commodity. There are many restrictions or qualifying factors which definitely affect the operation of supply and demand. For example, the price which the farmer gets for his product may be far below the value which the normal operation of the total supply and the total demand would justify because of the fact that the present marketing system forces the farmer to place on the market within a relatively short period the total supply, or at least a large portion of it, which in turn abnormally depresses the price during that season because he is forced to place on the market a larger quantity than can be absorbed at that time.

Henry C. Taylor in Outlines of Agricultural Economics states:

The prices of farm products are influenced by the fact that most of the supply of a given product becomes available during a small portion of the year, and this supply must last until the next year's supply is ready for use. A factory manufacturing steel rails, copper wire, or cotton cloth may put out a continuous flow of goods, but with most farm products the output is intermittent. The tendency is for the price to be low when the greatest supply becomes available, and high in the period prior to the arrival of new supply. This is due to the fact that a part of the supply must be stored, which involves the expense for storage room, interest on the money invested in the product, and a loss due to shrinkage.

HOW FARM PRICES ARE FIXED

The price of the farmer's product is determined not by bargaining between the farmer and the producer on a plane of equal bargaining power, but is based primarily on the ruling wholesale prices in the central markets.

The wholesale prices are the standard in accordance with which all other agricultural commodity prices are gauged. It is at the wholesale markets that price fluctuations are primarily determined. * * * The prices received by the growers of farm products sold in the local markets are based directly upon the ruling wholesale prices of the central markets to which they are shipped by the local buyers. * * * (By Professor Huebner, in Agricultural Commerce, Wharton School of Finance and Commerce, University of Pennsylvania.)

The farmers do not determine the price at which their products sell under existing conditions. They must take the prevailing price in the central markets whether it is below the cost of production or not. The price is not based on the cost of production nor does the cost of production enter into the determination of the price which the farmer receives.

The growers' cost of production does not directly determine the prices of the great farm staples, because the farmers do not determine the prices which they receive. Their position is radically different from that of huge industrial concerns, some of which possess sufficient monopoly power to control in a large measure the prices which they receive for their work. Agricultural prices are competitive and are, therefore, influenced by the growers' costs of production only indirectly in that failure to pay the farmers profitable prices will affect the volume of products produced by them. (Professor Huebner, in Agricultural Commerce.)

RETAILERS SELL ON "COST-PLUS" PLAN

Retailers, on the other hand, fix the selling price of their goods at the delivered wholesale price plus an amount sufficient to bring them a profit above operating expenses. The amount of the profit above all costs and expenses varies with the amount of competition. The important point is that our present economic system is so organized that the retailer can set a price on his product which will give him cost plus a profit, whereas the farmer can not set the price on his product.

In the highly developed countries of modern times bargaining in retail dealings has been almost entirely discarded. The dealer sets a price at which he will sell, and at that price the purchaser may take the article or leave it. The tacit understanding is that the price so fixed shall be the current or market price, and that it shall be the same for all customers at the shop. (F. W. Taussig, in Principles of Economics.)

UNEQUAL BARGAINING POWER

Unequal bargaining power may enable the superior group to gain an advantage which the law of supply and demand would not justify. Prof. Henry C. Taylor in his book, Outlines of Agricultural Economics, states:

The force and conditions which determine supply and demand are too little interested. The law of supply and demand as a price regulator does not always give satisfactory results. It might be made to work much more equitably under the guidance of a commission than when influenced by the unequal bargaining power of great distributing corporations on the one hand and of the isolated unorganized producers on the other.

The mere existence of a supply and a demand for a product does not necessarily mean that competitive prices will result.

To say that a product produced in quantities or left to rot on the ground or in middlemen warehouses brings competitive prices is neither in line with sound economics or sane business experience. Yet this would happen if cooperative regulations are not instituted and maintained among successive distributors whose services are necessary to the movement of the product. Protection through stabilized flow of commodities, stabilized prices, or spreading of risks is the essential object sought by these cooperative regulations. Either this means of protection must be devised and supported by cooperation or wider margins must be taken to cover losses incurred by price fluctuations. (Efficient Marketing for Agriculture, by Theodore Macklin.)

LEGISLATIVE INTERFERENCES

Various legislative enactments may also affect or restrict the operations of supply and demand. The labor supply in the domestic market may be curtailed by immigration laws. The development of large reclamation projects by the Government may result in an increased supply of agricultural products, the guarantee of cost plus a reasonable profit to the railroad constitutes a further interference by legislative enactment with the normal operation of supply and demand. The development of private monopolies under governmental control, and regulation of rates and services in the case of telephone and telegraph services, power, gas, and other public-service companies, afford further examples of complicating factors which affect the operation of supply and demand. The fact that supply and demand are operative does not necessarily mean that the economic situation is fair and equitable to all parties concerned. Legislative enactments which result in the restriction of supply in the interest of one group either by immigration laws or the creation of private monopolies with guaranteed profits, constitute inequalities which are only justifiable when other equally important or even more basic groups, are placed on a plane of equality.

Changes in the fluctuation in the value of the dollar can also greatly affect farm prices. This is pointed out by Warren and Pearson in The Agricultural Situation.

A change in the purchasing power of the dollar makes fundamental changes in price relationship in different ports of the channels of trade. * * * The fact that deflation leaves laborers' wages relatively high to other things is known by many persons. * * *

When prices double, those who formerly lent money continue to receive only half its former value. This can not be said to be due to supply and demand.

Supply and demand remain in adjustment at the consumer's prices, but when inflation or deflation occur the farm prices are often more influenced by the change in the general price level than by changes in supply and demand. * * *

Severe agricultural depression is an inevitable result of rapid deflation.

AGRICULTURE ASKS FOR EQUALITY

Agriculture simply seeks to be placed on plane of equality with other groups in this country. It does not ask that the law of supply and demand be set aside by attempting to set up

artificial price stimulation. It asks no Government subsidy. It does not ask the Government to be a purveyor of farm crops and plunge into socialism. It merely asks for equality of opportunity to market its products in an orderly fashion, with equal bargaining power with all other groups in such manner as to secure the full value of those products. Agriculture is not even asking the Government to do all of this for it nor seeking a panacea for all its ills through legislative enactment. It does contend, however, that it is a proper and necessary function of Government to assist in creating conditions that will make it possible for the producers themselves to gain equal bargaining power and equality of opportunity with other groups, particularly when other groups have received special governmental assistance either directly or indirectly which have given them an economic advantage over agriculture. To secure this equality of bargaining power and equality of opportunity and to obtain for their products the full value thereof, and to place agriculture on an economic equality with other groups of this country are the fundamental purposes sought to be accomplished through the McNary-Haugen bill. The Government is not asked to cure all the farmers' ills in this bill, but it is simply asked to give legitimate assistance which will enable the farmers to help themselves out of the difficulties into which they have been placed through the inequalities and favoritism which have been created by class legislation.

MINIMUM OF GOVERNMENTAL INTERFERENCE

The machinery with which these purposes would be carried out through the McNary-Haugen bill provides the minimum of Government interference with a maximum of results. A regional Federal farm board of 12 members is created which is to be the coordinating agency to work with farmers' marketing associations and to assist them in handling farm surpluses. The board itself, however, does not engage in the actual business of buying, storing, or selling farm products.

These activities are to be carried on by associations or producers or subsidiary corporations set up by them or by other private individuals or agencies through agreements entered into between the Federal farm board and these agencies. While the Federal farm board will not itself engage in the actual business of buying and selling farm products it will have ample power to control the movement of farm products to market so as to promote orderly marketing, and it will have the power to assist the farmers in removing surpluses from the domestic markets and disposing of them in foreign markets at the world price.

PRODUCERS SAFEGUARDED

The board will have ample powers and yet it will be so constituted as to be responsible to the producers. Each Federal loan-bank district will be entitled to one representative on the board who is to be selected by the President from lists of nominees submitted by a district nominating committee. This committee is composed of seven members. One of them is appointed by the Secretary of Agriculture, two selected by a majority vote of the heads of the agricultural departments of the States in said district, and the other four are elected by the farm organizations and cooperatives. The board before beginning operations in regard to any commodity must secure the approval of a majority of its members, of board members representing land-bank districts, producing more than 50 per cent of such commodity, of the commodity advisory council, of a substantial number of producers' organizations, and a majority of the producers. In States where there are not as many as 50 per cent of the producers of such commodity, who are members of such cooperatives or organizations, an expression must be obtained through a State convention of such producers. This provides adequate protection against hasty action or against operations opposed by the producers generally.

BURDEN EQUITABLY DISTRIBUTED

This bill also provides a plan whereby the burden of disposing of the surplus is distributed equitably and proportionally among all the producers and whereby all the price benefits resulting therefrom are likewise equitably distributed among all the producers. This plan contemplates the collection of a small fee upon each unit of a commodity whenever there is a surplus above the requirements for orderly marketing or above domestic requirements. The amount of the fee is to be determined by the board and is to be collected upon each unit of the commodity. The point of collection may be either the transportation, the processing for market, or the first sale in commerce of such commodity as determined by the board. The collection of this fee would provide a fund for the payment of losses incurred in handling the surplus.

WEAKNESS OF OTHER PLANS

Various other bills have been proposed which do not provide for such a fund, and on this account they fail to provide adequately for the possibility of losses. In these other proposals it is proposed that the Government shall lend large sums of money for handling the surplus and no provision is made for safeguarding Government funds in the event there are losses. Under such a plan the activities of the Federal farm board would either be so restricted in their scope in regard to preventing any losses as to be of little real assistance to the farmers in getting a better price for their products or the Government would be required to pay the losses incurred in disposing of the surplus in case there were such losses. In other words, these plans are likely to be either ineffective or to involve Government subsidy. The economic soundness of the McNary-Haugen plan, however, is that it provides a fund collected upon the commodity which would serve to pay any losses that might be incurred in disposing of the surplus and which would also provide added security for the Government funds advanced to the corporations.

THE OVERPRODUCTION "BOGEY"

Enemies of the measure have charged that it would abnormally stimulate production, with the result that a vast oversupply would soon be provided which would utterly defeat the aims of the measure. They base this prediction on the assumption that the operations of the bill would result in increased prices to the farmers and that larger returns would cause the farmers to plant larger crops and this would result in overproduction. The logical implication of this argument is that if we are to do anything to help the farmer to get a better price for his product we are doing something futile which will soon come to naught and therefore we should do nothing for the farmer. This is another economic theory which is predicated upon various theoretical conditions, but whose actual operations when put into practice would be affected by various limiting factors. President Warren, of Cornell University, one of the outstanding agricultural economists in this country, has stated that he does not believe that farmers would be able to produce very much larger quantities than at present, even if they were to secure substantial increases in prices. He bases his statement on the proposition that the majority of farmers are already producing practically the maximum that they are able to produce under existing conditions for some time to come. President Warren says:

> It takes a considerable period of time to increase yields per acre and a considerable period of time to decrease them * * * the present agricultural depression has been so drastic that the impetus to decrease production will undoubtedly occur for some time even should the conditions improve. In other words, if conditions for farmers should at once be decidedly improved, we would still expect production to continue to decline for some years * * * by that time we would probably need the increased production. For six crop years farming has been going through a period of agricultural depression. An imminent period of shortage of farm products is unavoidable. The longer the period of depression the longer and more violent the period of shortage will be.
>
> In short, I believe that if an improvement should occur in the agricultural situation at the present time that at first it would merely check the rate of decline in agriculture. It would be, I believe, some years before any actual increase in total production would occur. If the agricultural depression continues, a very serious period of high living costs is inevitable.

The "bogey" of "ruination" of agriculture through abnormally stimulated production would seem to be a straw man, if the conclusions of Dr. Firman E. Bear in regard to future potential supply and demand are correct. He is credited in The Fertilizer Review, August, 1926, as stating:

> Considering the problem of food production in the United States as a national question, the best interests of both consumers and producers can be served by maintaining our production at a point sufficiently high to meet our own needs and to afford a fair exportable surplus.

Another statement made by Dr. Firman E. Bear, who is head of the department of soils of the Ohio State University, in a prepared address entitled "The coming need for soil fertility," is as follows:

> "Our present estimated food surplus is enough to feed about 20,000,000 people," asserted Doctor Bear. "By the year 1940 this surplus will have disappeared unless higher yields are produced, more acres are put under cultivation, more horses are replaced by tractors and automobiles, or our national diet is fundamentally changed. If the corn borer continues its advance through the Corn Belt, the date of using up our surplus may not be so far ahead. If the years 1926

and 1927 are as unfavorable for wheat as 1916 and 1917, we shall be compelled to import more wheat than we export or to cut down our bread ration. We can grow more corn and wheat, but have we any guarantee that the food production of this country will keep ahead of the demand of our constantly growing population?"

SAFEGUARDS AGAINST OVERPRODUCTION

Another factor which would enter into the situation would be the operation of the equalization fee, the larger the amount of the surplus produced the larger must be the equalization fee to be collected. This would have a stabilizing tendency on production, and yet the farmer would get the fullest possible net return for the amount produced, which economic conditions justify even when a large crop may necessitate an increase in the fee, but his return would be less than in a year of smaller production ordinarily.

In other words, the operation of the equalization fee and the orderly marketing of farm products throughout the year so as to prevent glutting of the market, would tend to stabilize the whole industry of agriculture on a sound economic basis on which the farmer would get his full share of the benefit of the operation of supply and demand and of market conditions, and he would not take more of his fair share of the punishment for raising more than the world can consume.

A further restricting factor in preventing extreme overproduction would be the operations of the commodity advisory council, who are authorized to confer with the board and to cooperate with it in advising producers and their associations in the adjustment of production. With this coordinating machinery in operation which is authorized and directed to keep advised of market conditions, supply and demand, and so forth, and with the stabilizing influence of the equalization plan, as well as the stabilizing effect of orderly marketing, the practical result of the operation of this bill would be more likely to bring the whole industry to a condition of stabilization on a sound economic basis rather than to further increase the disparity between agriculture and other groups by stimulating an abnormal overproduction.

COLLECTION OF FEE

The collection of this fee should not be particularly intricate. It would be far simpler than the collection of the miscellaneous internal taxes. In the case of cotton, wheat, and swine, it is probable that the producer would not be conscious of the collection of this fee any more than the consumer and not as much so as the consumer is in the pyramiding of prices in tariff-protected commodities. The fee on these commodities would be collected probably at the point of processing, in which case the producer—that is, the miller and the packer—would probably include the fee as an overhead charge and distribute it between the producer and the consumer. Thus the fee would be collected with even more ease than the gasoline tax, and perhaps with as much simplicity as the methods of collecting the excise tax on tobacco or any of the miscellaneous taxes. In the case of cotton, a serial receipt would be issued to the producers showing his participating interest, and whenever there would be a surplus in the equalization fund above the needs of the board to pay for losses and operations in handling the surplus, this excess is to be returned ratably in serial order to the holders of these receipts. In order to enable the board to deal with any possible contingency, the fee is to be collected at some point where a normal transaction is made, either the point of processing, the transportation, or the sale in commerce, so that the collection and accounting of this fee would involve the minimum of interference and added burden to the commerce in such products.

In the beginning the bill contemplates starting out with a limited number of commodities which, for the purposes of the bill, are designated as "basic agricultural commodities"—wheat, corn, rice, swine, tobacco, and cotton. The way is open for Congress to broaden the scope of the bill to include other commodities by virtue of the provision which requires the board to make a report to Congress whenever in its judgment the conditions are such as to warrant the inclusion of another commodity within the purview of the bill.

BOARD CAN HELP ANY FARMERS' ORGANIZATION

The board would also be enabled to render assistance to marketing associations, which handle farm products other than those included in the bill. The sum of $25,000,000 is to be available for loans to any farmers' marketing associations, whether handling basic commodities or not, in order to assist such association in handling the surplus of any commodity and in order to assist it in the purchase or construction of storing or processing facilities for such commodities. Such loans are to bear 4 per cent interest and may be amortized over a 20-year period.

A revolving loan fund of $250,000,000 would be provided by a Federal appropriation. The integrity of this fund is protected by the equalization fund as well as the usual facilities which could be provided. An appropriation of $500,000 for administrative expenses would also be provided.

WILL FARMERS OPPOSE EQUALIZATION FEE?

Some opponents of the McNary-Haugen bill contend that they could not support the equalization fee and that they could not vote for it on the ground that it would be unpopular with the farmers generally. They say that it would be a tax on the farmers which would reduce the net return to the farmer by the amount of the fee. If the equalization fee were a tax, there would perhaps be some ground for this fear, because a tax is a sum collected by the Government from its citizens for the support of some governmental function.

The equalization fee, however, is merely a sum collected upon each unit of a commodity to finance the marketing of the surplus in such a manner as to bring about a larger net return to the producer on the total amount of his crop than he would otherwise have received if no equalization fee had been collected and if the surplus had been allowed to be dumped on the market, so as to depress the price received for the entire crop.

It does not seem reasonable to assume that a farmer would object to the payment of an equalization fee which would make possible the marketing of the surplus, so as to bring him a better price for his entire crop. The equalization fee is used for paying the cost of marketing of the surplus, so that the entire crop will bring a better price and the farmer receive a larger net return.

Ample safeguards, however, are provided in the bill by which the farmers can prevent the board from beginning operation and collecting equalization fee, so that if a situation should arise in which the producer opposed the collection of the fee they would be able to prevent it. Objections to this legislation are no longer made, because the farmers are not compelled to take advantage of its provisions unless a majority of them so determine. The farmers may terminate the operations of the bill at any time through the Federal farm board, which they have a hand in appointing in their nominations to the President.

EQUALIZATION FEE SOUND IN PRINCIPLE

If there is any virtue in joint marketing as it is now practiced in this country—and most agricultural economists would probably concede that there is—then the collection of the equalization fee should be no more objectionable to the farmers under the operations of this bill than the collection at the present time by farmers' marketing organizations of fees from their members with which to finance their operations in disposing of the crop of their members in an orderly manner. The equalization-fee principle is merely an extension of the principle now followed by farmers' organizations in charging up to their members the cost of orderly marketing.

The essential difference between the two is that by means of the equalization-fee principle the entire commodity bears the burden of the disposition of the surplus, whereas in the marketing associations, under the present plan of operations, the members of the associations bear all the burden incidental to disposing of the surplus (where attempts to handle the surplus are made), and the nonmembers who refuse to join the associations receive all the benefits in price enhancement without bearing any of the burden incident to the marketing of the surplus.

The equalization-fee principle therefore should result in stimulating the development of orderly marketing through farmers' marketing organizations, because it relieves one of the greatest hindrances that has confronted the farmers' joint marketing movement in this country, namely, the fact that heretofore the nonmembers who stayed out of the organizations often secured substantially the same price benefits as the members, but the members had to bear all of the burdens incident to orderly marketing which made possible these improved prices.

NO PRICE FIXING

Enemies of the McNary-Haugen bill also charge it with being a price-fixing measure. This criticism, however, has no weight when it is realized that there is not a single provision in the measure for price fixing of any sort. There is no reference in it to price fixing or arbitrary price levels. The fundamental purpose of the bill is to assist the producers in attaining equality of bargaining power, so that they may secure the best price which supply and demand and market conditions justify.

EFFECT ON COST OF LIVING

Another attack which has been made on the bill seeks to raise up the "bogy" of higher costs of living to the consumer. When the opponents of the measure contend that it will bring the producers a better price for their products they are offering one of the strongest possible arguments which could be sub-

mitted in support of the measure. The very fact that the enemies of the bill are freely admitting this point should lead every farmer to support this measure.

REDUCES SPREAD IN PRICES

Because it will be possible for the farmers to secure better prices for their products, through the operation of this bill, it does not necessarily follow that the cost of the finished product to the consumer will be raised proportionally. The effect of this legislation will probably be to reduce the spread between the producer and consumer, which in many cases is unnecessarily great.

ORGANIZED LABOR APPROVES

Perhaps no better answer can be given to those who argue that the McNary-Haugen bill would increase the prices of food products to the consumers than to quote the testimony of a representative of one of the largest and most powerful organized group of consumers of this country, namely, organized labor. Mr. Edgar Wallace, officially representing the American Federation of Labor, appeared before the House Committee on Agriculture last spring and urged the committee to give its approval to the McNary-Haugen bill. He told the committee that he did not think it would result in increased prices to the consumers, and even if it did do this that organized labor approved of the bill and were willing to bear any increased price that might result because of the larger benefits which they would receive if agriculture is maintained on a profitable basis. He said that they had more to fear from great corporations boosting the price of food products under existing conditions than they would have from the farmers if this legislation were passed. The following extracts are quoted from Mr. Wallace's statement to the committee:

It seems to me, gentlemen, that the trouble with the farmer is not that the average price of his commodities as sold to the consumer is not high enough. The trouble seems to be that at the time the farmer must sell he finds the market flooded, prices depressed. Now, here is a measure that is favored by the overwhelming majority of the farmers' organizations. * * *

Now, here is a plan that has been formulated by the organizations of the farmers. I do not see how it can injure any other class but people in this country. It is unusual legislation, if you will, but there is an unusual condition confronting us. * * *

Now, here is a measure before the House, or presented to this committee, that would permit the farmers, through their organization and under direction of the Government of the country, to hold their products. I believe that is the main reason for it, so that those men may be able to hold their products until the prices reach the average, so that no man shall be forced to sell on a panicky market. That would benefit them and would injure nobody. * * *

I have said in the past that, if because of the enactment of any law it may be necessary that the workers shall pay more, why, even then we are satisfied, but under this bill I can not see where we would be called upon to pay more. It is only an equalization bill. It is not even as far-reaching as the tariff is for manufacturers and industrial producers, inasmuch as it does not definitely raise prices.

Now, gentlemen, the American Federation of Labor is in favor of this bill and asks that it be enacted into law. * * * To me and to the American Federation of Labor it appears that this comes as near being a solution of the farm problem as anything that has been offered here. * * *

If we want to go to the old system of laissez faire, everyone for himself, all right, but then we should repeal every kind of protection. I am not intending to go on record in favor of that, but if there is to be any protection, why, then, let the farmers, whom we know are suffering, let them also have the same benefit of that protection in the interest of the entire country. * * *

Let me say this, that from the beginning of my talk—and I still have the same impression—I feel that this bill is rather intended to keep prices at a certain level the entire year and not that it should tend to raise prices, raise the average of prices. My understanding of the farmers' difficulties has been that those who are least able to hold their crops were the greatest sufferers. Now, here is a proposition that might permit them to hold that crop until the average price is reached, and they then will get about the equivalent of that which is charged the consumer for the raw material.

Mr. FORT. But you would not object to the legislation, and I would not, even though it definitely raised prices, provided that raising prices was necessary to produce the equivalent of living wage to the American farmer?

Mr. W. Absolutely not, even though we had to help pay. I have said that many times.

Mr. F. And that, you feel, is the attitude of labor generally?

Mr. W. That is the attitude of labor. * * *

Mr. W. Mr. FORT, we would fear what seemed probable just a few weeks ago, that some great corporation would get hold of all the foodstuffs. These are the ones who would raise the prices, but we have no fear that under Government supervision, with the farmers taking part, that this proposed law would result in undue raising of prices of the food upon which we depend for our living. We have not any fear of that. We would fear some selfish interest concerning the whole supply and telling the farmer, then, what they shall get and telling us what we shall pay. That has been done in many of the productive industries. The productive industries have been cornered that way and we have had no say so as to what we shall receive as compensation for our work, nor as to what we shall pay for the finished product.

Now, that we fear; but we do not fear a governmental body that will be to a great extent directed by men engaged in the industry, actual producers in the industry—that that would have such an effect upon prices, unduly raising them.

After all, there is a law of diminishing returns, and nobody knows that better than the farmer. Even if they do not know the term, they do know that if they raise the price too much people can not buy and they are smothered in their own surplus.

AN ACT OF JUSTICE

The reports submitted to Congress by the House and Senate Committee on Agriculture dealt with this question of whether the cost to the consumers would be increased. In both reports it was denied that the effect of this legislation would be to greatly increase the cost of living, and it was urged that "no one can honestly oppose an act of justice to the farmer which remedies this situation for the sake of the infinitesimal cost it may mean to him."

COST TO CONSUMERS NOT NECESSARILY INCREASED

It was also pointed out that—

Since the war, price of wheat has fluctuated from a low point of about $1 to a high point of about $2 per bushel. During the same period the retail price of bread in leading cities in the United States has varied less than 5 per cent, according to figures of the Department of Agriculture.

It was also explained that the actual cost of the raw product is only a small part of the cost to the consumer of the finished or processed product. The following is quoted from the report of the committee:

Distributing costs growing larger: The cost of wheat is a very small part of the cost of the loaf. The cost of raw cotton is a very small part of the cost of the cloth. So it is with the other staple crops. The real cost to the consumer lies elsewhere than in the price the farmer gets. The margin between the farmer and the consumer has approximately doubled in the case of most of the farm staple crops since the period immediately before the war.

Much of the increase is due to increased wages of labor; more of it can probably be laid to less justifiable causes. Those who oppose this legislation on the ground that it may increase the cost of living apparently prefer taking the farmer's crops from him at less than a living price, to the more fruitful course provided in this bill.

The following table, made up of figures taken from the 1925 Yearbook of the Department of Agriculture, afford an interesting comparison of the fluctuations in the price of bread to the consumer and the price received by the farmers for wheat:

Year	Wheat: estimated average price per bushel received by producers in United States	Average retail price of bread per pound (baked weight)
1921	104.4	9.9
1922	98.0	8.7
1923	92.4	8.7
1924	127.8	8.8
1925		9.4

FARMERS OFFER THEIR OWN REMEDY

The American farmers after devoting many years of study to the agricultural problem have devised their own remedy in the form of the McNary-Haugen bill. They are now asking Congress to pass the necessary legislation to enable them to try out their plan. They believe they have a measure which is sound economically and which will prove workable if tried. It contains no provision for arbitrary price fixing or Government subsidy; but it seeks to encourage the development of joint marketing, to give to the producers equality of bargaining power with other groups, to assist them in securing for their products the prices which supply and demand and other economic factors justify when a commodity is marketed on an orderly basis, and it seeks to stabilize the industry of agriculture on a profitable and sound economic basis. They believe the Mc-

Nary-Haugen bill will bring about these results and that the attainment of these purposes will be a benefit not only to the farmers but also to the consumers and the country generally.

AT THE PARTING OF THE WAYS

The United States seems to be at the parting of the ways with respect to industry and agriculture.

Strong pressure is being exerted from industrial quarters to bring about a national policy which would result in the crushing of agriculture to the advantage of industry. There is no necessity for crushing either industry or agriculture and the farmers generally appear to have no desire to build up agriculture at the expense of industry. They have become aroused, however, to the inequalities existing under present conditions and they are asking the Government to adopt a national policy with respect to agriculture which will assist the farmers to restore the industry of agriculture on a sound economic basis. It is generally conceded that the prosperity and welfare of the Nation generally is involved in the prosperity and well-being of agriculture. The experiences of other nations have demonstrated over and over again the folly of building up a purely industrial nation at the expense of agriculture. The evils resulting from such a program of exploitation of agriculture for the benefit of industry and the necessity now facing the United States to outline a policy which will protect and promote the agricultural industry, have been ably presented by E. G. Nourse in the Journal of Political Economy (Vol. XXVII, No. 7, covering 1919):

AGRICULTURE BEFORE CIVIL WAR

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In general it may be said that from the time of the loosening of British control until the time of our Civil War the position of agriculture in our economic society was determined largely by natural forces too strong to be in any considerable degree abrogated by political interference. A few special lines of effort, such as woolgrowing on the one hand or iron making on the other, had been manipulated to a certain extent. But our situation and resources were such as to make us inevitably a dominantly agricultural people with, however, an increasing home supply of simple and bulky manufactures in those lines for which raw materials were readily accessible, and a not inconsiderable commerce.

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AGRICULTURE AFTER CIVIL WAR

From the Civil War forward this situation has been greatly altered. The fighting disciples of mercantilism and industrial imperialism have consolidated the easy gains of the war period and the hardly less easy victories which grew out of the subsequent demoralization of agriculture. The homestead act and free immigration, to be sure, inflated the volume of agriculture enormously; but, after the subsidence of war prices, left it with constantly diminishing prosperity. The railroads, both in their control of rates and in their intermediary services in the disposal of public lands (to say nothing of stock subscriptions and contributions of right of way on the part of farmers), waxed great at the expense of the rural class. The manufacturer, protected by a most outrageous series of tariffs, sold high in a market of poor country buyers the goods produced cheaply from low-priced raw materials and labor fed on cheap domestic produce. In the money markets the farmers were given scant service at the highest rate, until their industry showed marked signs of financial anemia.

AGRICULTURE IN SUBSERVIENT POSITION

At the opening of the twentieth century American agriculture stood in just the same subservient position to American industrialism that the Colonies had occupied toward England a century and a quarter before. The inevitable revolution to which that situation must lead was in full progress when the European war broke upon us. The slow realignment of prices brought about by the cessation of geographical expansion and by the progress of cityward migration had brought results in the way of more adequate returns to farm enterprise. Nearly 25 years of agitation had brought reforms in the credit structure which put farming more nearly on an equality with other industries. A tortoise-paced development of rural education had paved the way for a tolerable labor efficiency in the technical phases of agriculture, and another generation may see equal progress in the direction of needful training for the economic organization of the industry.

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At the same time industry (to which, rather than to agriculture, went the nimble dollar of the war speculator and the mobile and newly recruited labor forces of the war period) under the ægis of Government protection and private aid fares forth well armed and provisioned against the industrially devastated or politically hampered rivals which had formerly hemmed it in. Our manufactures have expanded enormously under the stimulus of war. Our merchant marine has grown to astonishing proportions. (And shall we not say to immoderate pretentions?) Our financial institutions have in four years' time achieved as many decades of advancement. The partial desertion of South American and oriental markets by European nations rouses the dream of a commercial and manufacturing future such as we had hardly dared imagine. Mercantilist forces are quite evidently looking forward to scoring heavily in the period which we are about to enter. Possessed of a definite program and effective organization for achieving it, they bid fair to claim the economic future of the United States for their own, little disturbed by the belated protests of less far-handed interests, which may find themselves thereby excluded from their proper place in our economic organization.

Financial and commercial interests are already looking forward to the after-war period as one of great industrial expansion in the "frontiers of the world." * * *

SHALL AGRICULTURE BE CRUSHED?

The United States is exhorted to throw itself into the same program of imperialistic mercantilism which has shaped the destinies of Europe. An economic system which has become lopsided through overdevelopment * * * on its industrial side is not to be allowed to regain its equilibrium by the restoration of its natural center of gravity, but is to be kept from falling by heightening the speed of its motion, like a motorcyclist on a saucer track. We are urged to set deliberately upon that course, whose eventual dangers have appalled even England, to whose situation such a policy is infinitely more suited than it is to ours. A course which, even mitigated as it was by considerations of military self-sufficiency, has been the largest single factor in plunging Germany down to ruin.

If America * * * should follow the lure of ships and foreign markets and industrial greatness without stint or limit, the future adjustment of industries one to another in America must conform to that ideal, and all those interests which in any way run athwart that line of development must impose a self-denying ordinance upon themselves or be put by a strong hand back into their humble place of servitude. If our manufacturers and traders are to meet the competition of the world they must strip themselves of all hampering influences. As we have been adjured during the war to make every domestic sacrifice to the end that our expeditionary forces should feel not the slightest drag upon their rush to victory, so now those who would fare forth to win American supremacy in the markets of the world demand that they shall not be checked either by the hesitancy of government or by the counterclaims of other interests. To further their great mission we should be glad to squander millions, even hundreds of millions, in the construction and maintenance of a merchant marine; we should abate our foolish zeal to regulate business organizations lest we impair their ability to levy capital or to adopt whatever commercial practice may conduce to their success in the face of foreign competition. Neither the maintenance of economic standards at home nor a living wage and decent treatment for sailors afloat must be allowed to handicap these knights of trade so unselfishly eager to set our flag over every commercial rampart of the world. Least of all can they be hampered by aught that would keep the prices of food products and raw materials above the lowest point to which they can by any means be hammered.

Those interests which have in the past prospered upon cheap food and raw materials from a depressed agriculture at home now hope to engineer an even greater boom upon the basis of new cheap sources of these goods in more primitive foreign lands, grandly oblivious to the effect which the lowering of prices would have upon American agriculture and upon the domestic-consumption market. * * * But there are no farmer delegates at the peace table to represent the interests of the American farmer and to urge the adjustment of international economic relations in a manner which will take account of his proper claims when brought into competition with the European peasant and the Asiatic coolie. The foreign missionary of trade preaches still from the text of tariff protection sufficient in amount to equalize home costs with those abroad, but when the farmer suggests the applications of that engaging doctrine to this business, he is told to "go home and slop the hogs."

FARMERS AROUSED

The fact that farmers have voted the burdens of manufacturers' protective tariffs upon themselves year after year because pseudoprotection to farm products was set down in the act as a means of throwing "dust in the farmer's eyes" does not prove that they will continue to wear a ring in the nose * * *.

DEMAND EQUAL BENEFITS FOR AGRICULTURE

If manufacturing, commercial, shipping, and financial interests are to maintain their own advantages and secure yet new ones in the way of tariffs, bounties, public subventions, and private privileges, some patent, more of them disguised, then agriculture must secure countervailing aid and support or find itself in an artificially unfavorable position and steadily losing ground in the unequal struggle. Since we have already embarked upon such a policy of industrial protection; since, in view of the trend of foreign action, we are probably committed to such a course; since the outlook seems even to be for a strengthening of these politico-economic advantages for certain alert and unbashful interests, it behooves us to ponder carefully whether

any impairment of the present position of agriculture in the commonwealth (or shall we say hegemony?) of callings in the United States would not be a serious misfortune.

ENGLAND'S MISTAKE

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To-day England is setting seriously about the restoration of her agriculture, which might quite possibly have been maintained throughout with more economical results in the long run.

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It is too late now to speculate upon what would have happened and what would have been the ultimate balance of gains and losses if mankind could have resisted the intoxication of power which, since the industrial revolution got full swing, has been causing us to lash industry to the maddest race of speculative and ill-balanced development, putting the car of progress in the ditch about once every 20 years—with several hair-raising skids between the grand smashes. But assuredly it is not too late to urge the lords of trade to avoid a rash determination to turn now to the virgin allurements of other countries for agricultural conquest, and away from our own broad-bosomed land, even though her youthful charms have become in some measure faded by use and the passage of time. We are fast coming to the day when such captious inconstancy will be no longer possible, and indeed the long-run wisdom of such a procedure is already under question.

DANGERS IN OVERINDUSTRIALIZATION

Before we commit ourselves to action on the hypothesis that a highly specialized industrial career for the United States, with a greater incoming trade in farm products and a declining domestic agriculture, represents the most economic organization of human effort upon the totality of the world's resources, we must scrutinize the real issue with some care. Even should prices at the moment be cheaper abroad than at home, we should profit little if we organize our economic system so as to get supplies where costs, though now low, are increasing, whereas we might get them permanently provided from a source at which their prices, a modicum higher to-day, are nevertheless on a curve of diminishing costs. The products of extractive industry which are brought from new lands are bound to have their supply-and-demand ratio somewhat rapidly readjusted toward higher prices as these centers are brought upon the economic plane of the older lands. Contrariwise, a country like the United States, its raub-bau checked before its natural resources had been too seriously depleted, and its agricultural producers being in the main of a remarkably high type, if given any decent chance, can keep costs well in hand and even declining through a system of adequately capitalized scientific farming. But this incipient triumph of efficiency for our agriculture as a modern industry is not to be inaugurated amidst slaughtered prices, deprivation of the capital indispensable to an advancing science and machine technic, or a generally weak institutional position for agriculture. Who shall say that if the hundreds of millions, the billions even, which would have to be spent to build and operate ships to go to the "frontiers of the world" and build railways to its uttermost bound were used to relieve the capital deficiency of our domestic agriculture, and likewise if this organizing skill were turned to the captaining of our rural enterprise, they would not produce as great results to-day and equip us better for to-morrow's needs?

OUR OPPORTUNITY

The present moment proclaims its fitness as a time for stabilizing American agriculture under a broad and far-seeing policy upon a basis of permanent efficiency, scaled in accordance with the varied economic resources of our country. We should see to it that the tragic experiences of the abandoned farms of New England and other Eastern States and those others of the eighties and nineties in the subhumid region beyond the Mississippi, shall not be repeated, nor the mournful company be increased by yet others near the margin of what has now become profitable use. Our national agricultural industry was just becoming reestablished in a position fairly harmonious with other lines of economic endeavor when the clamor of a high cost of living threatened to loose upon it a flood of only half-reasoned efforts toward drastic price reduction. The public at large needs to learn that it has only recently emerged from a period of extraordinarily cheap farm products rather than to suppose that it is only temporarily and more or less improperly plunged into a readily remediable situation of high-priced food and textiles.

EQUALITY FOR AGRICULTURE

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Agriculture can rightly claim no vested interest in any special position in our economic system, but it should have full, timely, and competent presentation for its side of these public issues to which it is a party. It should be accorded as good treatment as the "most favored" industry. * * * If, with an honest desire to put out efforts where they will effect the maximum of economic well-being for the whole people, we act only upon the basis of a searching and far-seeing examination of the facts, we shall be able to set forth a policy which will enable manufacturers to occupy the territory which they can hold permanently by the strength of true economic advantage and maintain our agriculture on a basis of size and efficiency capable of adequately supporting this economic structure and of permitting its safe expansion as our technic of living improves.

The McNary-Haugen bill outlines a national agricultural policy which seeks to give legitimate assistance to the producers to enable them to bring about stabilization of the industry of agriculture on a sound and profitable basis. This measure has the indorsement of the American Farm Bureau Federation, the American Cotton Exchange, the Corn Belt Federation, and a long list of other farm organizations. In addition to their support, it also has the indorsement of a large number of State legislatures and business organizations. The farmers are asking Congress to give them a chance to try out this plan by enacting the McNary-Haugen bill into law.

Mr. ASWELL. Mr. Speaker and gentlemen, I was born on a farm, reared on a farm, and all the business out of the Congress I have now is a cotton farm. I have the honor to represent a great agricultural district. My interest in immediate and effective farm relief is self-evident.

Some of you know that I have devoted the primary energies of my life for 14 years to the study of agriculture. I fully recognize the depressed agricultural situation in the country. I am very eager to see something done that will bring immediate and effective relief. I have thought during these years that the ultimate permanent remedy would come through cooperatives large enough in scope to be national in their effect, and to contain more than a majority of the producers of each commodity. In line with that thought I have presented a cooperative marketing bill, which is now on the House Calendar, and is known as the Curtis-Aswell bill. I want it distinctly understood that this agricultural export corporation bill is a new bill and an emergency bill. It has nothing whatever to do with my old bill.

I have concluded that an immediate emergency relief bill should be enacted by the Congress without waiting for the expansion of the present cooperatives. In my earnest efforts to do the best and right thing I can not support an equalization fee. I can not support it, because it is my honest conviction that it is unconstitutional and unworkable. I shall not discuss it now, but it is worthy of notice that no producer in the agricultural or industrial life of this Nation has ever been taxed with a fee to pay the loss, and it is significant that in the entire history of the civilized world no country has ever assessed such a tax upon its producers.

The McNary-Haugen bill is utterly hopeless, for the reason that should it pass both Houses and run the gauntlet of the presidential veto it would immediately be brought before the Supreme Court of the United States on the unconstitutionality of the equalization fee. The law would be held in the Supreme Court very probably for several years, as all informed gentlemen know. It is generally known that when the Haugen bill was before the last session of this Congress several groups had made definite plans to carry the bill, if enacted into law, straight to the Supreme Court of the United States. If it were passed to-day and were signed by the President, it would be from two to three years before it could get out of the Supreme Court and become operative, if at all.

So recognizing the seriousness of this question, having no campaign last summer and fall, I went to Europe and made an extensive study in the leading countries of Europe where cooperative marketing has been developed; through the British Isles, Scandinavia, especially in Denmark; Germany, Holland, Belgium, and France. I went seeking to discover some facts in those old countries that have had cooperative marketing for half a century, some facts that would give a suggestion as to what could be done in the United States, and I remained in each country long enough to familiarize myself with the actual workings of the cooperatives and what the governments were doing for them.

I found not a single fact similar to the conditions in the United States. Our conditions are vastly different, and their operations do not apply to us. I shall not dwell upon that to-day.

I returned with the thought that the agricultural problem in America may be stated in two words: Organization and stabilization—organization of producers and stabilization of prices. My old bill dealt with organization. I came back to this city in October and went to work on a measure, having ever in mind the stabilization of prices. I sought information from every available source. I kept in touch with our distinguished floor leader [Mr. GARRETT of Tennessee] and Mr. HULL and the other leaders on this side for more than two long months. I consulted with officials of the present administration repeatedly. I even discussed the matter with and

sought the advice of certain gentlemen at the other end of the Capitol on both sides of the Chamber.

I sought information from those who I thought could think clearly on this subject, and then I went to work to bring in a bill which, in my judgment, would do the job, a bill free from smoke screens, camouflage, and interminable and equivocal phraseology; to bring in a bill that would not have a meandering of all sorts of dark and perilous trails to reach the point. I studied day and night to write a bill that would go directly to the heart of relief and one that would work. This bill, H. R. 15655, is my best judgment as to what this Congress should do speedily for definite and effective relief for the farmers without the infamous equalization-fee sales tax on the necessities of life.

The bill is simple. I tried to write it so that the farmer in the field as well as a Member would understand the meaning of the language and foresee the object in view. It provides a board, a Federal farm board, consisting of six members, appointed by the President of the United States and confirmed by the Senate, with the Secretary of Agriculture as ex officio member. Five of these members are each to be experienced and skilled in producing and marketing one of the five basic commodities named in the bill, and the sixth member, who is to be chairman of the board, is to represent the public. So far as I know, no other bill has given that consideration to the public.

This bill eliminates the councils, the traveling councils to advise the President, and the commodity advisers, the army of men to travel over the country at public expense. It provides that the President shall appoint these six men after consulting with the producers of each commodity, and no restriction is placed upon them except that they must be skilled and experienced in these commodities. The result is that the operating expenses provided by this bill are not $500,000, as in the other bills, but $250,000.

Last October when cotton was selling at 10 and 11 cents I bought a part of the cotton produced on my farm to aid the men producing it. I paid 1 cent a pound above the market price of that day. I stored the cotton in the warehouse and have it now. As soon as the price advances enough to cover the cost of insurance and storage I shall sell it. That is exactly the way my bill would operate.

The cotton export corporation would buy the cotton at a fair price. I paid the men on my farm a cent above the market price. This cotton corporation would do the same thing. It would buy the surplus at a fair price, hold it, and sell it when the price advances. My own small experience in the matter illustrates precisely what my bill would do for the Nation.

This farm board, when appointed, is authorized to establish an agricultural export corporation for each commodity; to appoint a board of directors consisting of five men to set it up and put it to work to buy, to hold, to sell the surplus of that commodity. This export corporation will proceed not to buy at the lowest possible price to be gotten from the poor farmer, but to buy at a reasonable price now and hold until the price increases and sell again.

Take the case of cotton, because it is now in an emergency. This cotton export corporation, if organized to-morrow, would announce that it is ready to buy the surplus cotton at 15 or 18 cents a pound; not trade down to the lowest, but to say the fair price is 15 or 18 cents. The price of cotton would rise immediately to that level and higher. As soon as the price rises, this export corporation will sell. The result will be that the export corporation can stabilize the price of cotton within a limit of 1 cent, and both producers and consumers of these commodities are praying for stabilization. I have thought this question clearly out and through so carefully and thoroughly that it is my deliberate judgment—and I say it without reservation—that if it were reasonably certain to-day that my bill would be enacted into law, before it passes this House and the other branch of the Congress and reaches the President for his signature, the price of cotton will already have reached 15 or 18 cents. The emergency would be passed and the establishment of the corporation would not be necessary. The same principle would apply to the prices of the other basic commodities mentioned in my bill.

It is well recognized that the prices of agricultural commodities are easily affected by the weather, by rumors, and by potentialities. The very fact that this great export corporation was authorized, properly financed, given full authority, and ready to act at a moment's notice, would be sufficient to hold the price to a fair level.

Now, let me refer by comparison to the two bills. In the Haugen bill it is insisted by its proponents that the main object is to maintain a favorable domestic market without reference to the world market.

The greatest blessing to the southern seaboard along the Atlantic in recent years has been the marvelous and beneficial development of cotton mills. The whole economic life of that great area of our country has been changed and improved. These cotton mills in the southern section of the Atlantic seaboard last year used 4,500,000 bales of our crop, more than all New England combined. There are in the United States to-day 37,426,000 spindles, many of them unemployed and many others running half time because, including the domestic and foreign markets, they do not have business enough to keep them going.

If the Haugen bill should become a law and maintain a favorable domestic market, with a better price for cotton in America than in Europe, it does not take any philosopher to see the results. Unless the board should make an agreement under the provisions of the Haugen bill, with every cotton mill in America guaranteeing that the loss will be paid out of the cotton farmers' pockets, the European cotton mills would get cotton cheaper than the American cotton mills, and therefore these cotton mills in America would be destroyed, because their export trade would be taken away.

The value of the cotton manufactured goods exported by American cotton mills within the past 10 years is $2,000,000,000. It would be very serious for the cotton growers in America to have our cotton mills destroyed. The American farmer, under the Haugen bill, would be called upon to keep every cotton mill, every flour mill, every packing plant running full time, and farmers, out of their pockets, must guarantee a profit on the total operation of all such plants to the owners of those plants, without any active voice in maintaining the honest, able, efficient management of those plants.

Gentlemen, let me repeat what I have already said three times. I know the agricultural conditions of this country are in a deplorable condition; I know my own farmers are distressed and depressed, and I will not cast my vote to tax them further with the equalization fee. [Applause.]

The Haugen bill not only is a tax bill but it proposes a most infamous form of taxation. It proposes a sales tax on the necessities of life. No responsible party in this country under this Government, and no responsible party in any country in the world, ever imposed a sales tax exclusively on the necessities of life; and this is what the Haugen bill does—levies a sales tax on the things that the farmer has to sell.

In other words, the Haugen-bill supporters would have you believe that if you take a farmer, depressed and distressed, and tax him, by some magic Houdini sleight-of-hand performance under the Haugen bill that tax will be transformed into a profit. I feel that I shall be rendering my farmer constituents the highest order of service when I oppose it. [Applause.]

I remind my friends here from the South of a serious impending danger to our section. The Federal farm board under the Haugen bill would be composed of 12 men only 3 of whom would be from the Cotton States, the other 9 would be from sections seeking cheap cotton. Think of it, 9 to 3 for cheap cotton! What can we of the South expect under a sectional board? The lobby-driven Haugen supporters here to-day are in a panic, afraid of their masters. They have been ordered to drive the Haugen bill through to-night with steam-roller methods. Those of us who are greatly concerned for our southern cotton farmers have offered amendments to the Haugen bill to-day providing that the equalization fee Federal tax on cotton should not exceed $5, $10, $15, and finally $25 a bale. These amendments by the lobby-driven Haugen supporters to-day have been voted down, leaving the Federal farm political board free to levy a Federal tax on cotton even in excess of $25 a bale if it decides it needs the money. I was shocked to see Members from the Cotton States, under the Haugen-lobby lash, on a teller vote, go on record against this reasonable limitation of a political board.

View this picture: I am a cotton farmer 22 miles from town. I take 4 bales in my Ford truck to market. A shrewd and friendly new cotton buyer is in town. He offers me three points more than any other buyer. I sell to him and he, of course, deducts, say, only $15 a bale for the equalization fee. He continues his activities that day and buys 40 bales, deducting $600 as the equalization fee tax. He sells his cotton and disappears that night $600 to the good. It is clear that Federal agents and under-cover men must be at every market in America to prevent bootlegging and stealing. This would require an army of Federal agents larger than used under the prohibition law. All of it, under the Haugen bill, to harass and tax the farmer for the privilege in a free country of raising cotton with his own hard labor on his own farm. I do not believe that the honorable, high-spirited, and patriotic farmers will tamely submit. [Applause.]

Those of you who shout, "The Haugen bill or nothing," will be responsible for having no farm relief when the Haugen bill is vetoed by the President or declared unconstitutional by the Supreme Court. You can not escape this grave responsibility. You should change your slogan to "We demand the Haugen bill, which is nothing."

My friends, the bill I present does not camouflage or put up a smoke screen. Here is a corporation that is in the market to buy, to sell, and to stabilize the price of cotton. The same thing would apply with equal facility to rice, to tobacco, to wheat, or to corn. The conditions are different, but the effect would be the same.

Much has been said in these long-drawn-out discussions about overproduction. I want to pause here, gentlemen, to remind you of a serious fact. In every country in Europe where I studied this question I found a united, organized movement to compel the production of food products at home. That makes our future with reference to exports even more serious. In Belgium to-day they have a law prohibiting the exportation of any food products. They require all bread to contain 10 per cent of rye in order to make the Belgian people use their own rye. In Sweden the other day they put a heavy sales tax on all wheat imported from the United States and Canada in order to compel their people to use the soft wheat grown in Sweden. This plan runs straight down the line in all European countries. The problem of overproduction in those countries does not exist.

Germany, with all her efforts, is now producing only two-thirds of the food she needs, but in this country overproduction is the primary or fundamental problem. In my bill I have proposed the most potential force that I can conceive in controlling production. How? This export corporation will be holding your surplus this year. The directors will say to the producers of a commodity, "This is your surplus that will be on the market next year, and if you continue to overproduce you will destroy yourselves." These directors would speak with more power and more effect to the producers than any other body that has been suggested by any other measure or discussion. If the producers refuse to cooperate with the export corporation, the board can terminate the corporation. The producers can thus be forced to cooperate in the matter of acreage reduction.

My bill has been criticized by a few of the timid and some of the uninformed because it is said it puts the Government in business. Well, let us see. In the first place, those timid gentlemen in Congress and out of it who are so afraid of putting the Government into business in agriculture, if they are informed and sincere, why do they not make some move in the Congress to take the Government out of the railroad business, to take the Government out of the shipping business, and to take the Government out of big business everywhere through the tariff? [Applause.]

The amount the Government has aided the railroads to date, including the railroad bonds now held by the Government, is $2,657,329,655.03. The amount the Congress has appropriated to shipping is $3,546,431,876. Yet some gentlemen who support the billions for shipping and the railroads fear that a revolving fund of $250,000,000 for agriculture might be a subsidy. You can not give immediate relief, overnight relief, as you shout for, without appropriating money to agriculture. I propose to do it frankly in the open. [Applause.]

If the critics of my bill are sincere, why do they not start a movement to take the Government out of the production end of agriculture? We have wisely spent billions of dollars in the past through our agricultural colleges, our experiment stations, and extension service. Let us see about these bills in connection with the Government in business. Each of them proposes a revolving fund of $250,000,000. Each bill proposes the same amount and is equally effective in putting the Government into business. I want to ask any critical gentleman this question: If you are sincere in saying that the Government should do something for the immediate relief of agriculture, how can it do anything effectively unless it does put up some money to stabilize prices? It is the only way the Government can do anything speedily and furnish immediate relief. The Government can get behind the farmers and encourage them, as has been done in Denmark for 60 years, and the farmers will build up their own organizations; but if you are not willing to do that slowly, but insist upon doing something overnight, you have to put up some money, the same as you have done for the protected interests. [Applause.]

The only difference is the Haugen bill leads you through mysterious phraseology and in a vague, roundabout way proposes to pay back this $250,000,000 sometime, somehow, and somewhere out of an equalization fee tax to be assessed upon the farmers by a political board and collected by Federal agents. The only difference, gentlemen, in the bill I present is that without any camouflage it goes straight to the thing itself to do the job in the open. It will work. It will accomplish the farm relief we have talked about for all these years and without a Federal tax. [Applause.]

This export corporation to be set up by my bill is a private corporation. The bill specifically provides that the directors shall not be considered as officers of the Government. This export corporation is removed from the restrictions of the anti-trust law. Why? Because then the export corporation can buy the crop outright. In all parts of this country, in the corn, in the cotton, and in the tobacco sections, you will find that the farmers have put their holdings into cooperative warehouses and have been paid 60 or 75 per cent only, while the balance is tied up. The farmers can not get the cash. This bill provides a plan by which this export corporation can buy those holdings from the cooperatives outright and pay them the full value.

My bill does not make any provision for any loans. The farmers, as I know them, do not want any more loans. They want cash and a reasonable price for their products. [Applause.]

Gentlemen, I beg you to consider this proposition. If we want farm relief that will relieve; if we want to accomplish the thing we have been talking about here for five years; if we are sincere, let us get behind a bill that every man who reads may understand and recognize that it will go directly to the heart of this great question. [Applause.]

One or two of the new lobby-driven converts to-day said that there had been no farm organization demanding the passage of the Aswell bill. I would like to say this, that if you will eliminate the lobby for the Haugen bill, the professional farm advocates in the country and in this Capitol at the expense of the farmers, I am convinced that the Haugen bill would not receive exceeding 125 votes in this Chamber. And if you would give the Aswell bill one-tenth the publicity, one-tenth the propaganda, one-tenth of the trading to agitate public sentiment that the Haugen bill has used, my bill would pass almost by unanimous consent, because it is so clear, so definite, so direct, and so effective in its provisions. [Applause.]

Who are the friends of the farmers in this House? Not those who are lobby-driven in the interest of a Republican presidential candidate in 1928; not those who talk sympathetically, but truckle to big business as they try to confuse the situation on this floor to prevent action, and certainly not those who would levy a sales tax upon the already tax-burdened farmer in the form of an equalization fee to create a new army of Federal job holders and tax gatherers to infest the country. The real friends of the farmers here are those of us who demand immediate farm relief that will relieve in a sound business way, without the army of Federal tax gatherers to harass the farmers. We demand relief now by the substitution of my bill, which is constitutional and one which all admit would be effective and successful. [Applause.]

Mr. DEAL. Mr. Speaker, the purpose of the so-called McNary-Haugen bill is said to be that farmers may be placed in the same advantageous position with respect to marketing conditions as that enjoyed by the manufacturing, transportation, labor, and banking interests. I can see but little bearing that banking or transportation has on the subject. As to labor and manufacturing—the farmer has been given every advantage that has been accorded to these classes of our citizenship. It is generally admitted that agriculture has not enjoyed the prosperity incident to other classes of society. But will this law do that which is claimed for it. I think it will not.

The bill proposes to assist only those farmers who raise wheat, corn, hogs, tobacco, rice, and cotton—six of the many products of the soil. These products will by no means embrace the entire agricultural interests. Probably they would involve one-third of our agricultural population, and even among this third the products mentioned do not represent their full production, so that it is exceedingly difficult to determine just how many and to what extent that number would be benefited by the bill in question. If it embraced every kind of agricultural product and could be made to function with equal advantage to each of the products, then we might with propriety say that it is to help the farmer. As a matter of fact, it helps a limited number of farmers, and some of these to a limited extent only.

I desire to discuss as briefly as I may the machinery which this bill proposes to set up in order to fix and stabilize the market price of the six so-called basic products and to take care of the surplus.

First, there is to be a Federal farm board, consisting of 12 members, one from each farm loan bank district, who are

to receive $10,000 per year plus expenses when absent from headquarters in the discharge of their duties. These 12 men are to be appointed by the President of the United States, by and with the advice and consent of the Senate, from a list of eligibles submitted by the nominating committee for the district. This nominating committee is to be created after this manner: The Secretary of Agriculture within 30 days after the approval of this act, and biennially thereafter, by and with the advice of such farm organizations and cooperative associations as he, the Secretary of Agriculture, considers representative of agriculture, shall call a convention in each Federal farm loan bank district and shall designate the number of votes that each such organization shall have. He shall select the time and place at which the convention is to be held and determine the rules of procedure by which the convention may elect members of the nominating committee. The nominating committee selected by these organizations shall consist of seven persons for each district, making in all 84 members of the nominating committee, who shall receive a per diem not exceeding $20 and actual traveling expenses while engaged in the service.

Each nominating committee shall meet, organize, and select a chairman, secretary, treasurer, and such other officers as it deems necessary. You will observe that there is no limit to the number of persons or officers that they may select or compensation they may receive, it being a matter entirely in the judgment of the nominating committee. They must then submit to the President a list of three individuals from each district, and from these three individuals the President must select one as a member of the Federal farm board. Provision is made to fill vacancies in the same manner.

Under the Constitution of the United States provision is made that the President must select all major Federal officers and submit their names to the Senate of the United States for approval. This bill undertakes to qualify this provision of the Constitution by a law which requires that the nominating committee must select the names of three persons, from whom—and from these alone—the President may make an appointment, subject to the approval of the Senate.

Congress, of course, has no right to amend or qualify or change in any particular the Constitution, and so it would appear that this provision of the bill is unconstitutional. It undertakes to set up a separate and independent government for the fixing of farm prices and handling of farm surpluses. It provides that farmers—and farmers only—may be employed by the Government to inaugurate and execute this business. It can not be said that the members of these nominating committees are not Government officers because they are to execute a governmental function and are to be paid out of the Treasury of the United States.

The 12 members of the board, having been primarily selected by these nominating committees, and continuing to be selected by them, will be placed under an obligation to the nominating committees, and therefore must be expected to permit these nominating committees to put in as much time in the service of the Government as they desire at $20 per day and expenses, which is practically at the rate of $10,000 per year.

In addition to this cumbersome and, I believe, illegally functioning nominating committee, the board is empowered and directed to create for each of the so-called basic products an advisory council of seven persons, representative of the producers of such commodities; these persons are to be selected from a list submitted by the heads of the agricultural departments of the several States within the Federal farm loan bank district, thus adding 42 additional persons to feed upon the farmer and the United States Government, at a per diem of $20 and traveling expenses. There is no reason why or limitation to prevent these 42 persons from remaining on duty at all times, thus taking $10,000 a year from the pockets of the farmer for no necessary or adequate service rendered.

Altogether there are to be 138 men, selected from agricultural associations, to lift the farmer from his slough of despond.

Each of these three groups—the board, the nominating committee, and advisory councils—are authorized to have offices, secretaries, clerks, statisticians, experts, lawyers, law books, stationery, printing, with janitors, heat, lights, water, and so forth, and if they should decide to add Victrolas, radios, and pool tables, as an appendage to their offices, there is no power or no law to prevent.

Mr. Mellon has suggested that this outfit will cost $800,000 annually. My own opinion is that Mr. Mellon's suggestion has only scratched the surface, that during the first year it may reasonably exceed $2,000,000, and that within 10 years—to judge from our experience with other bureaus established by Congress—it may well run into $15,000,000 or $20,000,000. For instance, the Department of Labor was organized in 1914. Today it is costing the Government $9,561,305 to operate. The Department of Agriculture is costing the Government at present $139,635,823 a year; the Department of Commerce, $30,632,847; and the Department of the Interior, $227,323,418. The Children's Bureau, beginning with an expense of $25,000, is now using $1,200,000 annually.

The lobbying propensities of the so-called farm organizations have been well demonstrated in the success which they have met, by implied threats, in driving Congressmen into the support of this so-called farm relief bill.

There are many hundreds of farm organizations and cooperative associations in America. With two or three exceptions, none of them has been a success. In the end nearly all have failed, and the deception of the farmer has been demonstrated in that these failed organizations, under the same leaders, reorganize under a new name and start over. But the farmer has begun to see the light and has lost confidence in these benefactors to such an extent that he is unwilling to support them longer.

Finding that their jobs are about to come to an end and that they may find it necessary to seek less lucrative positions, these leaders have made an onslaught upon Congress with the determination of fixing some of their number permanently, definitely, and safely upon the Government pay roll at $10,000 each. They regard themselves as being quite as valuable as a Congressman or a Senator, and have fixed their salaries at the same figure, which will make these positions far more attractive than that of a Congressman or Senator, in that they will elect and reelect themselves to their "jobs" without the expense of going before the people in a general election. All of which is done under the humanitarian cloak of helping the farmer. Fearing lest Congress may become tired of putting up money to support so large an outfit of useless officials to do that which three good men could do to better advantage, it is proposed that they be permitted to tax the farmer to support this organization. They well know, however, that it will not do to use the word "tax," and so they propose to substitute for the word "tax" the phrase "equalization fee"—an amount which the board and their satellites are to fix among themselves—and when they decide that a basic product should be brought under the operation and control of themselves, they fix the amount of equalization fee or tax upon each farmer, and he is compelled to pay it, whether or not he wants to.

The tax is to be collected in the discretion of these gentlemen, who are to be the rulers of the new empire, either from transportation companies, millers, or purchasers—whichever, in the judgment of these gentlemen, will be the easiest for themselves.

This is rather a high-handed procedure, which again runs counter to the Constitution, but what does the Constitution matter to these gentlemen who can see the end of their jobs unless they can devise some plan by which they may use force to maintain them. Congress alone has the right to tax, under the Constitution, and can not delegate that power. Neither Congress nor any other power has the right to deny to any person the privilege of making contracts, nor has it the right to force him into a contract against his will; yet this is what it attempts to do, regardless of a constitutional inhibition.

Congress has no right to tax exports or to delegate the power to anyone else to tax exports (violation number four of the Constitution), but that is just what it is proposed to do—to tax the producer of the basic product in question to take care of the losses sustained in the sale of his exported surplus. I fancy that there will be some kind of a howl raised by such producers when they realize that they will be denied the right to sell their own goods except by the payment of this equalization fee or direct tax.

I recall that in the bright leaf tobacco area of North Carolina after two years' experience with their cooperative associations, the growers refused to ship their product to the association because, not only of the excessive cost of selling, but because they were kept out of the use of their money for many months. These benevolent gentlemen, known as "co-ops," however, brought suit and forced the producers to sell their goods through them. These contracts were limited as to time in which the co-ops could hold the producers. The same has happened with the peanut grower. I recall that one season half of the gross sale of my crop went to the co-ops, for selling. Under the proposed McNary-Haugen bill there will be no limit as to the time in which the producer may be held.

The farm board seems to be a self-perpetuating body. It may call up any agricultural product and declare it to be basic, by and with the assistance of its advisory council, and then require the producers to pay the equalization fee or tax determined by themselves. There have been many bureaus and boards created by Congress, but never before has it set

up an organization in the interest of any class in which that class, and that class alone, shall be absolute arbiters of those who shall fill the executive offices; and finally, it is proposed to take $250,000,000 out of the pockets of all of the taxpayers, to be used in financing this special interest. Such money may be loaned by the farm board to the farm organizations or to cooperative associations in any amount which they may determine up to and not exceeding $25,000,000. They may select the organization to which they will lend this money; and, so far as I can determine from the bill in question, there is no provision requiring them to demand security for the loans. The opportunities for graft and fraud and corruption are unlimited. The 72 per cent of the American people, the consuming proportion of our population who are to be indirectly taxed to support this measure, are to be permitted no voice through their representatives as to the conduct of the monopoly thus created; in other words, they are to be taxed arbitrarily and their money used to create a monopoly with the power to place upon them such burden as it—the monopoly—may determine, with absolutely no means by which the consumer may reach the wrongdoing or unbusinesslike methods that may be adopted by the monopoly.

If this be constitutional, then we may as well wipe out the Constitution and forget that such a document ever existed. Even under the elastic general-welfare clause there can be by no stretch of the imagination a warrant for such a procedure.

Congress has never loaned money to the banker, manufacturer, or the laborer. The only money loaned to the railroads has been after the Government had spent enormous sums for equipment and terminals, while as a war measure it took over and operated the roads, upset and disjointed their organizations, and then returned them to the owners with the obligations for such betterments to be paid.

Such claims as an excuse for demanding that which is in effect a subsidy are far-fetched and ridiculous; the misstatements and actual falsehoods sent out in propaganda as arguments for this proposed legislation have been unsurpassed and rarely, if ever, equaled. The discredited cooperative associations and bankers with frozen credits in the Northwest are using the farmer as a shield to get their hands into the Federal Treasury. By threats, by logrolling, bartering, and trading this bill may become a law; if so, we will have the most unconstitutional, dangerous, unjust, unsound precedent ever established, in my opinion.

It should be noted that several of our Northwestern States, such as the Dakotas, Montana, and Minnesota, have been carried off their feet with socialistic ideas, and that the two Dakotas, with an aggregate population of something like 1,250,000 people, have practically plunged their States into Government control of business.

They have undertaken to operate banks, grain elevators, and other enterprises, with the inevitable result of failure, and to save their faces, they are constantly knocking at the doors of Congress for financial assistance—with such success that already two appropriation bills have been passed, extending credits to these and other States of the Northwest, which moneys have only partially been repaid. They have become chronic beggars from Congress. They pay practically nothing toward the support of the Federal Government, and so these demands, including the Haugen bill, mean taking money out of the pockets of the people of other States and giving it to them.

The proposed legislation under consideration will add something like a billion and half dollars to the necessities of life for our consumers and quite $1,000,000 of this will come out of the pockets of the people of my district. I resent these raids upon our Treasury as being unjust, unfair, unconstitutional, and without warrant.

Mr. EDWARDS. Mr. Speaker, what I have worked hard for is farm relief, yet it seems we are about to get "farm burden" instead through the drive of the "wheat lobby," the speculators, and the packers. Honesty of purpose, devotion to duty, and love of country, coupled with the exercise of the conscience given us by our Maker with which to choose between right and wrong, direct us in reaching honest convictions. I impute to no Member or Senator anything except honest convictions and earnest desires to help relieve the distressed condition of agriculture. We are all in earnest in this, and we all recognize the problem.

EDWARDS FARM RELIEF BILL

In the first session of this Congress I introduced and have since advocated a bill that would have given relief. It is known as the Edwards Farm Relief Bill, H. R. No. 12539, and calls for $300,000,000 for farm relief. One-half, or $150,000,000, of this revolving fund is proposed for the relief of the cotton farmers, and it carries no tax or equalization fee. My bill was, I think, the first one of the farm relief bills to include tobacco as one of the crops to be benefited. Some of the other bills have since been made to include tobacco. I therefore modestly claim the credit for the inclusion of that product, if it is finally carried.

GEORGIA COTTON FARMERS FAVORED CRISP RELIEF BILL

Complying with the request of the Georgia Cotton Growers' Cooperative Association, and believing it to be sound and wise, I advocated and worked for the Crisp farm relief bill. It would have given real and immediate relief to our section and would not have imposed a tax or equalization fee on cotton and other farm products. Nearly all the Georgia delegation supported it. This bill is broad enough not only to take in a few basic crops but all agricultural crops. I read the following:

ATLANTA, GA., *January 20, 1927.*

Hon. C. G. EDWARDS, M. C.,
Washington, D. C.

DEAR MR. EDWARDS: Like yourself I am intensely interested in the various farm-relief measures now pending in Congress, and I am so hopeful—for the good and benefit of our producers who are in such distress at this time—that something constructive and beneficial in the way of legislation will be enacted.

I have studied all of the pending bills and believe the Curtis-Crisp bill, as recently introduced in the House by Judge CHARLES R. CRISP, of our own State, and in the Senate by Senator CURTIS, of Kansas, contains the best principles and the soundest legislation for the farmers of any of the proposed bills.

I hope you have had an opportunity to go into this bill thoroughly by this time, as I know you are intensely interested in doing anything that makes for the good of the people not only of your district but of your State and section.

I also wish to say that when you have completed your study of this, along with the other bills, I trust you will find it possible to cooperate with Judge CRISP in helping to get enacted into law the principles, at least, of the Curtis-Crisp bill.

Assuring you that the valuable assistance you can render in the matter of farm-relief legislation will be of invaluable benefit to the farmers of this State, and thanking you for the splendid interest you have shown in our matters heretofore, I am, with kind personal greetings,

Yours very truly,

J. E. CONWELL,
President-General Manager
Georgia Cotton Growers Cooperative Association.

The Savannah Press, one of the most progressive and constructive daily papers in our section of Georgia, in an editorial on January 14, 1927, said:

If the Government is going to accord any relief to the farmers in the West and South, the Curtis-Crisp bill is the best bill we have seen.

FARMERS AGAINST THE COTTON TAX

In the hundreds of letters I have received from farmers none of them have advocated the idea of putting an equalization fee on cotton. They know it is a compulsory tax with a penalty attached if it is not paid, and they know it means confusion, trouble, and additional expense, with no guarantee of any resulting benefits to cotton growers. In each case they have asked me to oppose the plan of putting a tax on cotton, hogs, and other farm products. That I have consistently done. I have stood consistently for tax reductions and against the imposition of any new equalization fees and taxes that would mean additional burdens to the people.

The Aswell bill carried no tax or fee on cotton, and, like the Crisp bill, it provides $250,000,000 as a revolving fund. The McNary-Haugen bill carried no more than that, and proposes to keep it up by the levy of an unlimited equalization fee or tax upon cotton and hogs, as well as some other basic crops mentioned therein. The Crisp bill lost out by only about 20 votes, and I think the RECORD will show the Aswell bill lost out by only 18 or 20 votes. These measures must have had great merit, and one or the other of these bills would have been enacted if they had been sponsored by Republicans instead of southern Democrats. I advocated and worked hard for any workable plan that would give relief and not impose a tax on the farmers. Hon. Charles S. Barrett, president of the National Farmers' Union, is a Georgia farmer, a very able man, and, of course, intensely interested in all that will benefit agriculture. No one has heard of him opposing the Crisp or the Aswell bill, nor have I heard of him advocating the McNary-Haugen cotton taxing bill. He has been right here off and on all through the session of Congress, and if he had been for the cotton taxing bill he would have let us know that fact.

The McNary bill, which first passed the Senate and which was the same as the Haugen bill in the House, was substituted by a gag rule in the House for the Haugen bill. It was care-

fully considered in the Senate. Both the Georgia Senators, two of the ablest men in the Senate, voted against it. Senators HARRIS and GEORGE have the interest of the people of Georgia and of the whole country at heart. Outstanding Senators from the South, like Senators HEFLIN, of Alabama, BLEASE, of South Carolina, HARRISON and STEPHENS, of Mississippi, OVERMAN, of North Carolina, SWANSON and GLASS, of Virginia, and others, voted against the McNary-Haugen bill carrying its taxes on cotton, hogs, and other farm products. It was rushed through the House under the "gag rule," pushed by the "wheat machine" and the packers, who are by its terms guaranteed profits. These profits will have to be paid by the farmers who pay the equalization fees to keep up the revolving fund. Why did they not guarantee the cotton growers a profit and fix equalization fees also on the speculators, the manufacturers, and the packers? That was not done, and the bill would not have passed had it been done. It is not right that the farmer be taxed upon his cotton, hogs, and crops to guarantee a revolving fund that the speculator, the manufacturer, and packer might be assured profits above cost of operations, when absolutely nothing, not even an increase in price of cotton, is guaranteed to the farmers. The farmers in some sections have been shamefully misled by demagogues, office seekers, and paid lobbyists upon this question, and in some cases have been made to believe the Haugen bill is farm relief. To wheat growers it might be. Certainly to the cotton growers it is ruination rather than relief.

FOLLOWED SOUTHERN DEMOCRATS

As is well known Congressman CRISP, the author of the Crisp farm relief bill, for which I voted, is one of the ablest men in the House. He, like Doctor ASWELL, the author of the Aswell bill, is a leading Southern Democrat. They are both interested in farms and run farms. They perhaps know more intimately the needs of the cotton farmers of Georgia and the South than do Congressman HAUGEN, of Iowa, and Senator MCNARY, of Oregon, the co-authors of the McNary-Haugen bill. I preferred to follow the lead of my Democratic colleagues whom I know to be earnestly interested in our problems than the two distinguished Republicans standing sponsor for the McNary-Haugen cotton taxing bill. Hon. FINIS GARRETT, of Tennessee, the Democratic floor leader and a great statesman, moved to strike out the unlimited equalization fee on cotton, which experts estimate will perhaps amount to as much as $25 per bale, carried in the McNary-Haugen bill, but this was voted down. The McNary-Haugen bill is known as the "Corn Belt" bill. It will help the wheat growers but it will not benefit cotton growers, because there can be no tariff levied on cotton over 60 per cent of which is exported, and besides it will increase the price of flour and other provisions to the southern consumers as is so well pointed out in an editorial from the Savannah Morning News, one of the leading and most conservative newspapers in the South, which is as follows:

The farm relief bill is nearing its fate in Congress.

Both Houses are debating it; and it looks like it might be passed. It has passed the Senate, both Georgia Senators voting against it.

The latest report is that President Coolidge will sign it, although everyone knows he is dreadfully opposed. Then the measure will be sent to the Supreme Court, which will hold it up until after the Presidential election. This will give the President a breathing spell. It's a political move.

Commenting on the cotton feature of the bill the Washington Post says:

"The plan is to be applied to cotton. Why cotton growers should be induced to enter into this scheme is beyond comprehension. The market for cotton can not be extended by withholding the product. Is it intended that the proposed Federal farm board shall create an artificial shortage of cotton for export? An attempt to do so would merely result in piling up a still greater surplus. Cotton growers are raising a surplus already. The foreign market consumes just so much and no more. If growers are assured that their surplus will be cared for by the Government board, they will greatly increase the output, and will be worse off than they are now. Americans will not buy this surplus, and neither will foreigners. Who will stand the loss? It can not be passed on to the ultimate American consumer, because there is no such animal.

"When cotton growers join wheat growers in supporting the McNary-Haugen bill they merely pave the way for an increase in their own cost of living. The price of wheat will go up, and the Southern farmer will have to pay more for bread; but the price of cotton can not be boosted in the same proportion. On the contrary, the price of cotton is very likely to be hammered down under the operation of the McNary-Haugen bill on account of the stimulus that will be given to overproduction. Thus the Southern planter will get the worst of it.

"The McNary-Haugen bill is a plan for increasing the cost of bread, ham, and bacon to American consumers. If the plan operates successfully, it will have that effect."

WILL THE COTTON TAX BE OVER $25 PER BALE?

Congressman W. C. WRIGHT, of Georgia, one of the ablest men in either branch of Congress, when it was apparent the McNary-Haugen bill would pass the House, offered an amendment that the equalization fee be limited not to exceed $5 per bale, to safeguard our farmers against this "gouge," but it was voted down by the "wheat steam roller." He then offered an amendment that it should not exceed $10 per bale, which was also smothered out by the packers who are guaranteed a profit out of the taxes that will be wrung from the cotton growers. To see to what extreme they would go and to test them out as to how high they expect to levy this unjust and infamous cotton tax to keep up the salaries of the big organization they are to manipulate agriculture with, the distinguished and alert Georgian then offered an amendment to limit the cotton tax not to exceed $25 per bale, and they voted that down. So the "sky is the limit," and while this tax is not to be collected at the gin, it is compulsory and unlimited, and evidently the proponents of this "farm burden" scheme think it will be necessary to tax cotton to even more than $25 per bale under the Iowa plan. Am I right in declaring I would not vote for a bill carrying any such burden on our farmers? I do not want to pay the tax nor do I believe any other man interested in farming wants to pay it, especially as no guaranty is given to increase or sustain the price of cotton. This same Haugen scheme has been pending five or six years and has never had even the slightest influence upon the price of cotton, except to send it downward. When it was apparent a few weeks ago that the Curtis-Crisp or the Aswell bills might pass, cotton went up, because those measures, carrying no fee or tax, are drawn to help cotton. They would give the needed relief.

Congressman HARE of South Carolina, who is a recognized authority on economics, who has the confidence and respect of the whole Congress, offered an amendment to prevent gambling in cotton and cotton futures by the board which is created under the McNary-Haugen bill, and even this was voted down. The bill provides the fee or tax shall be levied and collected, not at the gin, but at the depot when the cotton is shipped, or at sale for resale or when sold for manufacture. This is to deceive the farmer and make him think he is not paying it, but, as a weekly newspaper, in the district which I have the honor to represent, so aptly said: "It is merely paying the freight at the other end of the line, instead of prepaying it." There is a demagogic provision in the bill, put on as a "political fire escape" for those who voted for it, providing that the farmers can first meet in a State convention and pass on it. Evidently they had some doubt as to whether the farmers want to be taxed. Think of this kind of "dodge"! Then, too, almost every lawyer of any ability in either branch of Congress has convictions, deep down in his heart, as to the soundness and constitutionality of the bill. Why pass a bill that is likely to be vetoed or will be tied up in the courts? Relief is needed now. Everyone knows the Crisp and Aswell bills are not only workable but they are sound and constitutional, and each of them give just as much money—$250,000,000—to the farmers as the wheat bill authorizes. The farmers are heavily burdened now, yet it is proposed, in the Iowa plan, that they lift themselves by their own "boot straps." The McNary-Haugen bill provides they shall, out of their poverty and bankruptcy, in order to relieve themselves, submit to an unlimited tax on their cotton which, under the action of the House in voting down the amendments to limit the fees, can be in excess of $25 per bale, in order that the losses from the revolving fund may be made good.

Made good by whom? By the farmers of Georgia and other cotton-growing States. What for? To pay high salaries to 12 members of the board who are to get $10,000 and expenses each, not to speak of the horde of inspectors and salary "leeches" that will be put on under this legislation to collect the cotton and hog taxes and to administer this monstrous hydra-headed, tax-sucking farm-burden bill. It is estimated by the best actuaries of the country that it will cost over $1,000,000 the first year to get it organized and to try to administer it. It never will work and while it might give a temporary impetus to prices, it will prove a failure and will bring trouble and disappointment in the end. I want something done that will help more than hurt them. I hope earnestly that we may yet work out something that will give immediate relief. All other industries, the railroads, banking interests, and the shipping business have received large governmental subsidies amounting in all to billions of dollars and no tax or fees have been required

of them to keep up their revolving funds. Why tax the farmer on his cotton, hogs, and other products to permit him the privilege of helping himself? Don't we know the farmer does not want to be taxed any more than he is now taxed? Do not we know that he does not want to be "equalized" out of $25 per bale on his cotton? If we know that, why have we shown the "weak-knee" by putting it on him and then taking the "dodge" behind the "political hide-saving" convention plan?

They have put in a provision that the cooperatives can get insurance on their cotton. Why limit this to the cooperatives if it is not to force the farmers into the cooperatives? There are less than 10 per cent of the farmers in the cooperatives. The cooperative idea is a good one; but if the farmer does not want to voluntarily join the cooperatives, why force him, through this McNary-Haugen plan, to join the cooperatives before he can get the benefit of the insurance feature? Is it right? I fear we are drifting into too much regulation, too much meddling into the affairs of the individuals. The people are tired of it. We have too many laws and regulations now. Even the lawyers can hardly keep up with the laws and regulations. Expense of government is too high. The Federal Government alone is costing over $4,000,000,000 per annum and still mounting upward. In the meantime the people groan to keep it up through the tariff and other taxes. Now this new plan of taxing our cotton and hogs is proposed.

RELIEF BY REDUCING TARIFF AND FREIGHT RATES

We all know the profiteering high tariff, for which the people of Iowa and Oregon stand, is largely what is causing the trouble with agriculture. Everything the southern farmers buy is protected by a high, profiteering tariff tax. For instance, a wagon without the profiteering tariff tax would be about one-half in its cost, and so on with everything the farmer buys. Now, if the proponents of the McNary-Haugen bill would join in an effort to reduce taxes, reduce and repeal the profiteering tariff tax on all farm supplies and farm equipment, join in a movement to reduce freight rates, help develop Muscle Shoals so as to get cheaper fertilizer for the farmers, they would have largely solved the farm problem.

If the tariff were reduced and freight rates adjusted and the Crisp or Aswell bill passed, the price of cotton would go, under the law of supply and demand, to at least 25 cents per pound and we would get immediate relief. Everything I own is in farm lands, and all that my kinspeople own is in cotton farms and cotton lands. God knows my heart is in this and I am honest and sincere in wanting to see real relief given, but what a mockery it is to tell a distressed people, "You are 'busted.' We know you owe a lot of money; your property is for sale for taxes; but we are going to put more taxes on you to keep up a revolving fund that you might be able to help yourselves." This was not done in the war finance scheme. It was not done when the railroads were saved and put on their feet. It was not done in any other case, and while I favored any of the pending bills that would give even the slightest relief to my people, I did not believe it just or right to put more taxes on them. I detest the idea of shackling the cotton farmers of the South with taxes upon their cotton, hogs, and other farm products, that profits might be guaranteed to manufacturers and packers and giving no guarantee of profit or increase of price to the farmers. It is wrong. My conscience rebels against the injustice of it, and while I know temporarily it is perhaps popular in certain quarters, I know it is wrong in principle. I will not do what I believe to be wrong because the wheat people of the West say it is the only thing that can be done. We do not have to do wrong because it is said to be the only thing open to us. We were not endowed with a conscience to discern between right and wrong just casually, but for a purpose, and I feel that my people have intrusted me with a high commission because they know I will, at all times, do what I believe is right and for their interest.

I have the honor of representing one of the greatest agricultural districts in the South, composed of some of the best people on earth. They do not want a Congressman to stultify himself merely for expediency in order to meet popular favor. I am here trying the best I know how to represent my people, whom I love. There is never a day that I do not ask divine guidance in that regard. I am here every day in their interest. I have not missed a roll call this session of Congress, and every morning as our sweet-spirited Chaplain opens the House with prayer I join in secret prayer for the section I represent, for the peace and happiness of our whole country, and that I may at all times do the right in trying to represent my people. I have followed the dictates of my conscience. I know no man is perfect. No legislation is entirely perfect. In voting for the Crisp and Aswell bills, which would give immediate relief without taxing cotton, hogs, and other farm products, I have voted for genuine farm relief. If I am mistaken in opposing the tax on cotton and hogs, my people will know that I have done what I thought was wise and best for them and their interest and that in it all I have been sincere and honest in my convictions. Time will prove I am right. Time will prove the unsoundness and the unfairness of the McNary-Haugen plan, and it will take the Army and all the marines to fully carry out the collection of the obnoxious equalization fees provided in that complicated and impracticable bill. It will no doubt be several months before the tax will be levied, but it will be, if it becomes a law.

If the payment of an equalization fee meant better prices for cotton, the farmers would not mind paying it, but it has no such meaning or it would be written in the bill, giving a guarantee of profits to the farmer over and above the cost of production, just as it guarantees profits to the manufacturers, the packers, and processors. No such guarantee is made to the farmer.

I have worked hard in advocating farm relief. I voted for every bill that promised relief and imposed no additional taxes or equalization fees. I shall hate to see the farmers taxed. They have not been taxed by my vote. If the South is too weak in its protest in trying to prevent the levy of this tax at this time it will be too weak to repeal the tax when the people begin to demand its repeal. Why play with fire? Why warm a serpent that is certain to sting us? We have only about one-fourth of the membership of the House from the South and we will be helpless to repeal the tax later on. Why did they not pass the bill without the tax and experiment with it, since its advocates say it is an experiment? They know it will never be repealed. It will not be long before the farmers will demand its repeal, if it becomes a law.

ORDER OF BUSINESS TO-MORROW, WEDNESDAY

Mr. GARRETT of Tennessee. Mr. Speaker, to-morrow is Calendar Wednesday. I think many Members wish to understand if it is the purpose to proceed throughout the day with Calendar Wednesday business.

Mr. TILSON. I have talked with members of the committee on call, and of the next committee, as to the bills they have, and am informed by these gentlemen that if all the business that is to be presented by both committees is considered to-morrow it will not take more than two hours, because there would seem to be no contested bills to be considered.

Mr. GARRETT of Tennessee. Well, Mr. Speaker, I think the Members would like to know that the bill now under consideration or that has been under consideration to-day will be taken up Thursday or they would like to know at what hour it will be taken up to-morrow, if it is possible now to arrange it. It seems to me there should be Calendar Wednesday all day or no part of the day or dispense with it. If the gentleman should desire to transfer it to another day, I do not think that would be objected to, but I do think the Members would like to know something definite about it.

Mr. TILSON. We have dispensed with Calendar Wednesday business for a number of Wednesdays until we have reached the time when to-morrow is the last Calendar Wednesday under our rules. I feel that I should be breaking faith in a way with those who have had their bills ready for a long time if I should agree to dispense with Calendar Wednesday to-morrow and thus deprive them of the opportunity of having their bills considered.

Mr. GARRETT of Tennessee. It will be satisfactory if they will take the day and have the understanding that this matter will not come up before Thursday.

Mr. ASWELL. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. ASWELL. Could not the gentleman call the third or fourth or fifth committee?

Mr. TILSON. I do not think that any other committee would have a moral right to do that because the others are so far down on the list that if the first two committees insisted upon taking up all of their bills there would be no time left for any other committee.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. CHINDBLOM. If there is time left to-morrow, why not take up the Private Calendar for an hour or two?

Mr. TILSON. I should be willing to do that.

Mr. GARRETT of Tennessee. If we can have the understanding that this bill will not come up until Thursday that will be perfectly satisfactory with me. I should be willing to have it come up to-morrow, but there is a desire, as the gentleman from Connecticut knows, on the part of Members to be certain when this bill will come up.

Mr. TILSON. The gentleman is right about that, but I am not in a position to ask that Calendar Wednesday be dispensed with. I have reached my limit on Calendar Wednesday and can go no further.

Mr. RAMSEYER. Is the gentleman in a position to state, then, that the McNary-Haugen bill will not come up to-morrow?

Mr. TILSON. Mr. Speaker, may I make this request: In case there is time left after the two committees have finished their business to-morrow, I ask unanimous consent that the Private Calendar may be taken up and that bills unobjected to on that calendar may be called and considered.

Mr. RANKIN. Mr. Speaker, reserving the right to object, which two committees?

Mr. TILSON. Territories and Insular Affairs are the two committees that have some small bills which they can get up only under the Calendar Wednesday rule.

The SPEAKER. The gentleman from Connecticut asks unanimous consent that on to-morrow when the business brought up by the two committees having the call shall have been completed it may be in order to consider for the remainder of the day bills unobjected to on the Private Calendar. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Connecticut a question. Is it not possible for the majority leader to arrange to-morrow afternoon some time to take up and pass the Leatherwood bill, that does justice to the old rangers and Indian fighters who are drawing insignificant sums as pensions and were not granted their increases when we granted increases to veterans of the Civil War and to the Spanish-American War?

Mr. TILSON. That is a general bill.

Mr. BLANTON. That bill adjusts their pensions with the pensions of veterans of other wars. They are the ones who have been forgotten and left out, notwithstanding they are just as worthy and deserving as any other veterans. They have been left out in the cold all the way through.

Mr. TILSON. I do not think we ought to take up any public bills, but should consider only private bills on the calendar unobjected to.

Mr. BLANTON. I do not believe there is a single man in the House who would vote against this bill if it was brought up, and it must be passed into law before we adjourn.

Mr. TILSON. I have no doubt that in due time that bill will be considered.

Mr. BLANTON. The trouble about bringing it up is because it affects only 7,000 people.

All together, including widows, there are only about 7,000 Indian-war pensioners. Their small number is one reason why they have been neglected and their rights disregarded and their deserved increases so long delayed. If they numbered 7,000,000, there would be a mad rush to pass this Leatherwood bill.

They average about seven years younger than the Civil War veterans, and they average about 17 years older than the veterans of the Spanish-American War, yet both of these two classes have had their increases granted, while the Indian-war fighters have waited in vain.

While the volunteers in both the Civil War and the Spanish-American War did not enlist for any period longer than three years, many of our brave Indian fighters who served in the Indian wars enlisted for five years.

Our Indian-war fighters had no regular rations, and very little in the way of uniforms, clothing, or equipment usually enjoyed by veterans of other wars. Many days they went without food. Many days they had only hardtack and salt pork. Many times they did not have coffee. Many times they did without water, and with parched, swollen tongues traveled many weary miles only to find undrinkable alkali, when the water holes, from 30 to 200 miles apart, were finally reached.

Their garments were worn until they almost dropped from their bodies. Their boots and shoes were worn until they could no longer be identified as such, and were in many instances replaced with moccasins made out of blankets and old clothing.

When these Indian fighters were wounded, they did not have stretchers and ambulances and hospitals and trained nurses and surgeons to give them attention. Some of them carried arrow heads in their bodies strapped on the backs of their horses and thus carried for miles before receiving any medical relief.

These brave men daily risked their lives to defend and extend the frontiers of this Republic. Civilization expanded from New England to the Rio Grande and from the Atlantic to the Pacific because of the sacrifices made by these patriots.

And how much has this rich Government been paying them in infirm, declining years? The munificent recompense of $20 per month. All of us ought to be ashamed of ourselves. We ought not to let another week pass before we right this wrong. And we must remember that there are some who did valiant service who still receive not one cent.

The men who were left behind to take care of the company's property, and to guard the garrisons, they get nothing, because they were not in the campaigns, when many times their service was just as dangerous.

The telegraph operators, and other signal corps men, who rendered faithful, dangerous, service connected with the protection of our frontiers against marauding Indians, receive nothing, because they were not in engagements and not out on campaigns.

The nurses in hospitals, and those sick in hospitals, receive nothing, although the very few nurses who actually went out on campaigns in ambulances, receive the $20 per month.

The men who guarded the provision trains across the plains, and the men who guarded emigrant trains, and the paymaster outfits, receive nothing because they are not classed as having been in Indian campaigns.

Yet all of the above classes respecting identical service in the Civil War and in the Spanish-American War are drawing $65 per month.

In making up and filing the muster rolls for some of these companies of Indian fighters, their names were inadvertently omitted, yet they are not allowed to prove their service by the sworn evidence of their comrades, because the law says their names must appear on muster rolls, unless same has been destroyed by fire. It is high time that we pass legislation doing them justice.

I sincerely hope that before this Congress adjourns, the majority leader, and the Republican steering committee, will see to it that this bill is passed, and that it is passed by the Senate, and signed by the President, before we adjourn on March 4.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

THE M'NARY-HAUGEN BILL

Mr. RUTHERFORD. Mr. Speaker, I ask unanimous consent to print in the RECORD an editorial from the Macon Daily Telegraph, very fully explaining farm-relief legislation, which may be of some benefit to some of the Members before they vote on the pending bill.

The SPEAKER. The gentleman from Georgia asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. RUTHERFORD. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following article from the Macon Telegraph:

THE M'NARY-HAUGEN MEASURE

The Senate's passage yesterday of the amended and revised McNary-Haugen farm relief bill apparently insures, so far as Congress is concerned, the adoption of that measure as the one through which the Government will attempt to extend aid to the farmer. In the House there is a safe majority in favor of the measure. It passed the House last year with many of the features to which the Senate objected and the new bill was designed to eliminate those objections.

The measure will go to President Coolidge for approval or veto. The inner circles of Washington have it rumored that the President will veto the measure. In fact, he has openly insinuated as much. The question of politics will enter largely into consideration, however, since the leading political observers say that if he vetoes the farm measure, he will be in effect signing his political death warrant in the West.

Much opposition to the McNary-Haugen bill has come from manufacturers of this country, which they argue is class legislation and paternalistic in the extreme. It is readily seen, however, that there is a strong probability that the manufacturers have a right to view its enactment with alarm by reason of the fact that it proposes to sell our surplus in foreign countries in competition with similar products from those countries, while selling at higher prices in this country. In this way foreign manufacturers will very probably get lower prices on raw materials, along with lower prices on their foreign labor, than our American manufacturers will enjoy, and can undersell us at least in foreign territory. As to competition with the foreigner in America, however, that can be and probably will be taken care of by readjustment of the tariff to whatever extent necessary.

Basically, the McNary-Haugen, the Crisp-Curtis, and the Aswell bills are designed to meet the same needs. The difference is in the method of operation and in the attempt of each bill to overcome what its authors believe to be operating defects in the other. In the course of this discussion some of the differences will be pointed out. It is manifestly impossible to discuss in this space the probable economic effect of each provision. It is upon the probable effect that the debates in Congress have proceeded for many months.

The McNary-Haugen bill creates a Federal farm board composed of the Secretary of Agriculture ex officio and 1 member from each of the 12 farm land-bank districts. The membership is selected by the President. The McNary-Haugen bill provides that the cooperative associations of farmers or other organizations controlled by farmers shall nominate three men, from whom the President shall make a selection.

Whenever this board deems a detrimental surplus exists in any of the "basic crops"—designated in the McNary-Haugen bill as cotton, wheat, corn, rice, and swine—it shall declare what is termed an "operating period" in that commodity. In that period the board would assist the cooperatives in removing or withholding or disposing of the surplus. To make that possible the Government appropriates a revolving fund of $250,000,000. It is not intended, however, that the Government shall lose any part of this "stabilization fund."

The McNary-Haugen bill provides that an "equalization fee" shall be imposed upon each unit of product (bale of cotton, bushel of wheat, etc.) during the operating period. With this money the advances for control of the surplus would be repaid to the revolving fund. The bill provides also that money may be lent to cooperatives without the equalization fee, repayable over a period of 20 years. This feature is similar to the provision of the Fess-Tincher bill in Congress last year and merely extends the credit facilities of the Government beyond what they now are.

The bill appropriates $500,000 from the Treasury for expenses of the board. All other costs of administration are to be paid out of the equalization fee. In brief, these are the provisions of the bill itself. There are, however, many of its provisions which require elaboration.

The "equalization fee" has been one of the chief bases of contention. In the old McNary-Haugen bill, which failed of passage, the provision was made that the fee should be paid by the purchaser of the crop. The difficulties of collection were readily apparent, and it was necessary, to give a semblance of effectiveness, to make the fee compulsory. The new bill provides that the fee shall be collected by the Federal farm board from the "miller on milling, or the railroad on transportation, or the purchaser in buying, as the board may determine to be the most suitable in each case." In the event the crop were cotton, the fee would be paid by the gin, or by the buyer, or by the railroad, or by the cotton manufacturer.

There is no definite amount fixed as a fee. That depends upon the discretion of the board. If, for instance, the Federal farm bill fixed upon $5 a bale as the equalization fee for cotton and determined that the cotton-mill owner should pay the equalization fee, the mill owner would pay that $5 less for a bale of cotton than he otherwise would; the broker would give $5 less than he otherwise would. The farmer would pay in the long run, of course, by receiving $5 a bale less than he would were there no equalization fee. The authors of the measure intended that he should, since he is, in theory, to benefit from whatever accretion in price there is in removing the surplus from the market.

As a further illustration, last year's cotton crop of 18,000,000 bales might be taken. If it were desired, for instance, to remove 4,000,000 bales from the market and the board determined that $5 should be the fee on each bale, that fee would be levied against 18,000,000 bales. The board would have $90,000,000 with which to work. That sum would be used to finance the storage of the cotton, and as advances, or marginal loans to the producers. It is apparent, of course, that $90,000,000 would purchase 4,000,000 bales of cotton, but that is not contemplated. It is contemplated only that the producer shall be financed until an "orderly" market for the crop is found.

The "equalization fee" is the heart and soul of the McNary-Haugen bill, since it provides the method of financing.

The thing that is sought to be accomplished, of course, by the removal of surplus from the market, is to create a higher price for the product. Under the present system, the price of cotton at the farmhouse depends upon the entire crop, including the export crop as well as the domestic needs—in other words, the world yield. * * * The market is naturally more depressed when a yield of cotton is sufficient not only to meet all the home needs and to send a large yield abroad that must be sold upon a highly competitive basis. This plan contemplates isolating the exportable surplus from the domestic needs and establishing, in fact, a higher price. The board would determine what the surplus above the needs of American manufacturers is and withdraw from the market all that surplus, so that if the manufacturers buy, they must buy in an active, rather than in a sluggish market. The natural competition of buying would send the price of cotton up. * * *

It was the theory of the authors of the McNary-Haugen bill, for instance, that since American cotton exports are nearly two-thirds of the world's international trade in cotton, such a fund would make it possible for cotton producers to feed the product into the markets of the world in an orderly way, rather than dump, and thus elevate also instead of depressing what is known as the "world price."

So that all farm-relief provisions that are before Congress may be viewed on their relative merits, it is well to give the differences between the McNary-Haugen and the Crisp-Curtis and the Aswell bills. The two latter resemble closely in the form the McNary-Haugen bill, but differ greatly in reality.

The McNary-Haugen bill names as "basic commodities" cotton, wheat, corn, rice, and swine, but provides that loans may be made also to cooperatives handling other crops. The Aswell bill names the same basic commodities as the McNary-Haugen bill, but adds tobacco. The Crisp bill deals with any nonperishable or deteriorable commodity.

The financing differences are greater than any other. The committee bill provides that the producer shall ultimately bear the burden. The Crisp and Aswell bills provide that the Government absorb the losses. The Crisp bill provides that corporations with nominal capital shall be organized and the Government shall furnish them with funds for all working capital needed for operations. Both the Crisp and Aswell bills provide that any losses that accrue as the result of operations shall come out of the Treasury up to the amount of $250,000,000 in operation.

The extent of the Government's participation in business has formed one basis of argument centering around the farm relief bill. The Aswell bill creates Federal corporations to perform the functions which the McNary-Haugen bill places upon the cooperatives. The Crisp bill requires the establishment by cooperative associations of State corporations with nominal capital and outlines their rules of operation. Both the latter bills provide that the Government shall shoulder the loss of operations up to $250,000,000.

The McNary-Haugen bill attempts to arrive at "reasonable cost" on the basis of supply and demand by reducing the supply where a surplus exists. The Aswell bill provides that price shall be measured by "cost of production to efficient producers." It has been contended that the provision is a price-fixing measure.

The McNary-Haugen bill alone provides an equalization fee. It is contended that without the equalization fee it would be impossible for "producers to maintain a domestic price level independent of world prices when a stable market can not be maintained without it."

There is also a difference in the method of selecting the members of the Federal farm board which shall administer the $250,000,000 stabilization fund. The McNary-Haugen bill provides that there shall be in each of the 12 land-bank districts a nominating committee of five, four to be selected at a convention of "representatives of farm organizations and cooperative associations of the district held under the supervision of the Secretary of Agriculture and one appointed by the Secretary of Agriculture." Each of these 12 groups shall select a list of three names, from each of which the President shall make a choice.

The Aswell bill provides that every member of the board shall be a dirt farmer or connected with an agricultural corporation. It does not provide for any method of nomination. The Crisp bill provides that the President shall select the members of the board and that no party shall have more than six members on the board. In other words, the majority party, which happens to be Republican, might have 6, the Democrats 5, and Farmer-Labor 1, or any other such arrangement, if the ratio 6 of one party is maintained.

HOUSE BILLS PRESENTED TO THE PRESIDENT

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that this day they presented to the President of the United States, for his approval, the following bills:

H. R. 1231. An act for the relief of Mary Moore;

H. R. 3432. An act for the relief of Joel C. Clore; and

H. R. 9319. An act to authorize certain officers of the United States Navy to accept from the Republic of Chile the Order of Merit, first class, and the Order of Merit, second class.

ADJOURNMENT

Mr. HAUGEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock p. m.) the House adjourned until to-morrow, Wednesday, February 16, 1927, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Wednesday, February 16, 1927, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON APPROPRIATIONS

(10.30 a. m.)

Second deficiency bill.

COMMITTEE ON BANKING AND CURRENCY

(10.30 a. m.)

To incorporate the Federal reserve pension fund, to define its functions (S. 3657).

COMMITTEE ON THE CENSUS

(10.30 a. m.)

For the apportionment of Representatives in Congress (H. R. 13471).

COMMITTEE ON WAYS AND MEANS

(10.30 a. m.)

Salaries of employees of the customs service.

COMMITTEE ON INSULAR AFFAIRS—JOINT MEETING WITH THE SENATE COMMITTEE ON TERRITORIES

(10.30 a. m.)

To create the Philippine leprosy commission and to provide facilities in the Philippine Islands for the care and treatment of persons afflicted with leprosy (H. R. 16618).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

977. A letter from the Secretary of Commerce, transmitting statement of the expenditures in the Coast and Geodetic Survey for the fiscal year ended June 30, 1926; to the Committee on Expenditures in the Department of Commerce.

978. A communication from the President of the United States, transmitting supplemental estimate of appropriations for the Post Office Department for the fiscal year ending June 30, 1927, pertaining to the vehicle service, $965,000; also proposed legislation affecting the use of existing appropriations (H. Doc. No. 717); to the Committee on Appropriations and ordered to be printed.

979. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Treasury Department for the fiscal year ending June 30, 1927, $5,000, and for the fiscal year ending June 30, 1928, $150,000; in all, $155,000 (H. Doc. No. 718); to the Committee on Appropriations and ordered to be printed.

980. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the fiscal year ending June 30, 1927, to remain available until expended, for the War Department, for the acquisition of the Cape Cod Canal, $5,500,000 (H. Doc. No. 719); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BURTON: Committee on Rules. S. J. Res. 110. A joint resolution authorizing a joint committee of both Houses to consider the purchase of the right to an unrestricted use of the Harriman Geographic Code system under patents issued, or that may be issued, and also the unrestricted use of all copyrights issued, or that may be issued, in connection with the products of the Harriman Geographic Code system for all governmental, administrative, or publication purposes for which the same may be desirable; with amendment (Rept. No. 2084). Referred to the Committee of the Whole House on the state of the Union.

Mr. SNELL: Committee on Rules. H. Res. 423. A resolution providing for the consideration of H. J. Res. 352, a joint resolution to provide for the expenses of the participation of the United States in the work of a preparatory commission to consider questions of reduction and limitation of armaments; without amendment (Rept. No. 2085). Referred to the House Calendar.

Mr. ROBSION of Kentucky: Committee on Mines and Mining. H. R. 15827. A bill to amend section 2 of an act entitled "An act authorizing investigations by the Secretary of the Interior and the Secretary of Commerce jointly to determine the location, extent, and mode of occurrence of potash deposits in the United States and to conduct laboratory tests"; with amendment (Rept. No. 2086). Referred to the Committee of the Whole House on the state of the Union.

Mr. HILL of Alabama: Committee on Military Affairs. H. R. 13482. A bill to authorize and direct the Secretary of War to receive evidence with respect to a charge of desertion affecting certain soldiers who served in the Confederate Army; without amendment (Rept. No. 2087). Referred to the House Calendar.

Mr. WINTER: Committee on the Public Lands. S. J. Res. 120. A joint resolution authorizing the acceptance of title to certain lands in Teton County, Wyo., adjacent to the winter elk refuge in said State established in accordance with the act of Congress of August 10, 1912 (37 Stat. L. p. 293); without amendment (Rept. No. 2089). Referred to the Committee of the Whole House on the state of the Union.

Mr. FISHER: Committee on Military Affairs. S. 1487. An act to authorize the Secretary of War to class as secret certain apparatus pertaining to the Signal Corps, Air Service, and Chemical Warfare Service, and empower him to authorize purchases thereof and award contracts therefor without notice or advertisement; with amendment (Rept. No. 2090). Referred to the Committee of the Whole House on the state of the Union.

Mr. FROTHINGHAM: Committee on Military Affairs. S. 4851. An act authorizing the Secretary of War to convey to the city of Springfield, Mass., certain parcels of land within the Springfield Armory Military Reservation, Mass., and for other purposes; without amendment (Rept. No. 2091). Referred to the Committee of the Whole House on the state of the Union.

Mr. FISHER: Committee on Military Affairs. H. J. Res. 324. A joint resolution authorizing the use of a portion of that part of the United States National Cemetery Reservation at Chattanooga, Tenn., lying outside the cemetery wall, for a city pound, animal shelter, and hospital; without amendment (Rept. No. 2092). Referred to the Committee of the Whole House on the state of the Union.

Mr. KIESS: Committee on Insular Affairs. S. 2770. An act to confer United States citizenship upon certain inhabitants of the Virgin Islands and to extend the naturalization laws thereto; without amendment (Rept. No. 2093). Referred to the House Calendar.

Mr. JAMES: Committee on Military Affairs. S. 4964. An act transferring a portion of the lands of the military reservation of the Presidio of San Francisco to the Department of the Treasury; without amendment (Rept. No. 2094). Referred to the House Calendar.

Mr. KIESS: Committee on Insular Affairs. H. R. 17142. A bill to amend section 4 of the act entitled "An act to provide a temporary government for the Virgin Islands, and for other purposes," approved March 3, 1917, without amendment (Rept. No. 2095). Referred to the House Calendar.

Mr. WURZBACH: Committee on Military Affairs. S. 2037. An act to amend that provision of the act approved March 3, 1879 (20 Stat. L., p. 412), relating to issue of arms and ammunition for the protection of public money and property; with amendment (Rept. No. 2101). Referred to the Committee of the Whole House on the state of the Union.

Mr. QUIN: Committee on Military Affairs. H. R. 16469. A bill authorizing an appropriation for the repair and resurfacing of roads on the Fort Baker Military Reservation, Calif.; without amendment (Rept. No. 2102). Referred to the Committee of the Whole House on the state of the Union.

Mr. HOCH: Committee on Interstate and Foreign Commerce. H. R. 17089. A bill relative to the dam across the Kansas (Kaw) River at Lawrence, in Douglas County, Kans.; without amendment (Rept. No. 2103). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XII,

Mr. WINTER: Committee on the Public Lands. S. 4669. An act for the relief of the Kentucky-Wyoming Oil Co. (Inc.); without amendment (Rept. No. 2088). Referred to the Committee of the Whole House.

Mr. REECE: Committee on Military Affairs. H. R. 14977. A bill for the relief of William Taylor Coburn; with amendment (Rept. No. 2096). Referred to the Committee of the Whole House.

Mr. GLYNN: Committee on Military Affairs. H. R. 13119. A bill for the relief of Matilda Klopping; without amendment (Rept. No. 3097). Referred to the Committee of the Whole House.

Mr. FROTHINGHAM: Committee on Military Affairs. H. R. 16080. A bill for the relief of Calvin H. Burkhead; without amendment (Rept. No. 2098). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOYLAN: A bill (H. R. 17153) to provide for the refitting of the frigate *Constitution;* to the Committee on Naval Affairs.

By Mr. JOHNSON of Washington: A bill (H. R. 17154) to amend clause (6) of section 3 of the immigration act of 1924; to the Committee on Immigration and Naturalization.

By Mr. O'CONNOR of Louisiana: A bill (H. R. 17155) to authorize and direct the Secretary of War to accept an act of sale and a C. S. B. dedication of certain property in the city of New Orleans, La., from the board of commissioners of the port of New Orleans, and for other purposes; to the Committee on Military Affairs.

By Mr. LUCE: A bill (H. R. 17156) to authorize the construction of new conservatories and other necessary buildings

for the United States Botanic Garden; to the Committee on the Library.

Also, a bill (H. R. 17157) to authorize an appropriation to provide additional hospital out-patient dispensary facilities for persons entitled to hospitalization under the World War veterans' act, 1924, as amended; to the Committee on World War Veterans' Legislation.

By Mr. LOWREY: A bill (H. R. 17158) to provide for the national defense and to aid agricultural and industrial development by creating the United States Muscle Shoals Corporation, and for other purposes; to the Committee on Military Affairs.

By Mr. ALLGOOD: Joint resolution (H. J. Res. 361) providing for the operation of Muscle Shoals by the Government for the purpose of producing fertilizer, and for other purposes; to the Committee on Military Affairs.

By Mr. BURTON: Concurrent resolution (H. Con. Res. 53) to print a revised edition of the Biographical Directory of the American Congress up to and including the Sixty-ninth Congress; to the Committee on Printing.

By Mr. McSWAIN: Concurrent resolution (H. Con. Res. 54) creating a special joint committee to investigate and report to Congress what amendments, if any, are desirable to be made to the cotton futures contract law, regulating cotton exchanges, and the effect of same on cotton prices; to the Committee on Rules.

By Mr. SUMMERS of Washington: Resolution (H. Res. 424) authorizing the Committee on Irrigation and Reclamation to make an inspection of the Columbia Basin project before Congress convenes December 5, next; to the Committee on Rules.

By Mr. GLYNN: Resolution (H. Res. 425) granting additional compensation to employees of the document room; to the Committee on Accounts.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the Legislature of the State of Nevada, memorializing the Congress of the United States in opposition to the passage of H. R. 16168; to the Committee on the Public Lands.

By Mr. BACHMANN: Memorial of the Legislature of the State of West Virginia, urging the repeal of the Federal estate tax provisions of the revenue law; to the Committee on Ways and Means.

By Mr. HUDSON: Memorial of the Legislature of the State of Michigan, urging support of the McNary-Haugen bill, for the relief of agriculture; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Michigan, urging Congress to provide for the continued maintenance of the American Legion Hospital at Camp Custer, Mich.; to the Committee on World War Veterans' Legislation.

By Mr. SWEET: Memorial of the Legislature of the State of New York, recommending a readjustment of the immigration act; to the Committee on Immigration and Naturalization.

By Mr. SABATH: Memorial of the Legislature of the State of Illinois, urging legislation in the interest of the disabled emergency Army officers; to the Committee on World War Veterans' Legislation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADKINS: A bill (H. R. 17159) granting an increase of pension to Mary A. Chandler; to the Committee on Invalid Pensions.

By Mr. BACHMANN: A bill (H. R. 17160) granting a pension to Rebecca Williams; to the Committee on Invalid Pensions.

By Mr. BRAND of Ohio: A bill (H. R. 17161) granting an increase of pension to Harriet E. Randall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17162) granting a pension to Nettie Lee; to the Committee on Invalid Pensions.

By Mr. CELLER: A bill (H. R. 17163) for the relief of the heirs of Harris Smith; to the Committee on Claims.

By Mr. CONNOLLY of Pennsylvania: A bill (H. R. 17164) granting an increase of pension to Robert M. Daniels; to the Committee on Pensions.

By Mr. FAUST: A bill (H. R. 17165) granting a pension to Mary F. June; to the Committee on Invalid Pensions.

By Mr. W. T. FITZGERALD: A bill (H. R. 17166) granting an increase of pension to Bethenia A. Johnson; to the Committee on Invalid Pensions.

By Mr. GREENWOOD: A bill (H. R. 17167) for the relief of Thomas Purdell; to the Committee on Military Affairs.

By Mr. HALL of Indiana: A bill (H. R. 17168) granting a pension to Christiana Minnich; to the Committee on Invalid Pensions.

By Mr. LAMPERT: A bill (H. R. 17169) granting a pension to Mary Ricker; to the Committee on Invalid Pensions.

By Mr. MAGRADY: A bill (H. R. 17170) granting an increase of pension to Mary E. Kline; to the Committee on Invalid Pensions.

By Mr. MILLIGAN: A bill (H. R. 17171) granting a pension to Sela Ann Brooks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17172) granting a pension to Virgil E. Halcomb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17173) granting a pension to John F. Switzer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17174) granting a pension to Mary E. Piburn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17175) granting a pension to Martha Kerns; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17176) granting a pension to Emulus G. Wallace; to the Committee on Invalid Pensions.

By Mr. RAINEY: A bill (H. R. 17177) granting an increase of pension to Martha East; to the Committee on Invalid Pensions.

By Mr. TEMPLE: A bill (H. R. 17178) granting a pension to Josephine Christopher; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6745. Petition by voters of East Liverpool, Columbiana County, Ohio, urging that immediate steps be taken to bring to a vote a Civil War pension bill in order that relief may be accorded to needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

6746. By Mr. ADKINS: Petition of citizens of Rantoul, Ill., urging an immediate vote by Congress on the Civil War pension bill; to the Committee on Invalid Pensions.

6747. Also, petition of the Ministerial Association of Decatur, Ill., pledging their whole-hearted support to the President in his opposition to an enlarged naval building program and pledging their support in the President's splendidly stated policies; to the Committee on Naval Affairs.

6748. By Mr. BARBOUR: Resolution adopted by the Kiwanis Club of Coalinga, Calif., urging action by Congress in regard to Muscle Shoals; to the Committee on Military Affairs.

6749. By Mr. BOX. Petition of citizens of the second district of the State of Texas, favoring Civil War pension legislation; to the Committee on Invalid Pensions.

6750. By Mr. BEERS: Petition from citizens of Huntingdon County, Pa., protesting against any change in the present immigration laws; to the Committee on Immigration and Naturalization.

6751. Also, petition from citizens of Franklin and Juniata Counties, Pa., urging favorable action on pension bill indorsed by the National Tribune; to the Committee on Invalid Pensions.

6752. By Mr. BOYLAN: Petition of directors of the Chamber of Commerce of Minneapolis, approving constructive legislation by Congress which would be of permanent benefit to the agricultural interests of this country, and that in the opinion of the board of directors the McNary-Haugen bill would injure the agricultural interests; to the Committee on Agriculture.

6753. Also, petition of Lieut. H. L. McCorkle Camp, No. 2, United Spanish War Veterans, Department of Tennessee, that Gen. George H. Woods be retained and reappointed as a member of the board of managers of the National Soldiers' Home; to the Committee on Military Affairs.

6754. Also, petition of Lieut. H. L. McCorkle Camp, No. 2, United Spanish War Veterans, Department of Tennessee, that the Senate and the House do defeat section of the bill recently introduced in Congress which pertains to the taking over of all national soldiers homes by the Veterans' Bureau; to the Committee on World War Veterans' Legislation.

6755. Also, petition of the Maritime Association of the port of New York, 78 Broad Street, expressing its approval of Senate bill 3170 provided it is amended so as to carry the limitation of $7,500, and respectfully recommends that this bill be enacted into law at the hands of this Congress; to the Committee on Rivers and Harbors.

6756. By Mr. BRUMM: Petition of citizens of Schuylkill County, Pa., urging increased pensions for the widows and veterans of the Civil War; to the Committee on Invalid Pensions.

6757. By Mr. CAREW: Resolutions of the Senate and Assembly of the State of New York in re House bill 6238; to the Committee on Immigration and Naturalization.

6758. By Mr. CORNING: Petition of sundry citizens of Albany, N. Y., urging the enactment of legislation for the purpose of granting increases of pensions to veterans of the Civil War and their dependents; to the Committee on Invalid Pensions.

6759. By Mr. DAVENPORT: Petition of residents of Herkimer and Oneida Counties, N. Y., favoring the enactment of pending legislation increasing the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6760. By Mr. DOWELL: Petition of citizens of Winterset, Iowa, urging enactment of legislation increasing the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6761. Also, petition of citizens of Knoxville, Iowa, urging enactment of legislation increasing pensions of veterans of Civil War and widows of veterans; to the Committee on Invalid Pensions.

6762. By Mr. EATON: Petition of Fannie G. Smith, 1338 Brunswick Avenue, Trenton, N. J., and 43 other citizens of Trenton, N. J., urging immediate steps be taken to bring Civil War pension bill to vote and urging support by Members of Congress; to the Committee on Invalid Pensions.

6763. By Mr. ENGLEBRIGHT: Petition of Orm Duncan, of Anderson, Calif., and sundry citizens of that community, protesting against compulsory Sunday closing for the District of Columbia; to the Committee on the District of Columbia.

6764. Also, petition of the California State Legislature, approving House bill 16473, Sixty-ninth Congress, first session; to the Committee on Agriculture.

6765. By Mr. ROY G. FITZGERALD: Petition of 64 voters of Dayton, Ohio, praying for the passage of a bill to increase the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6766. Also, petition of the council of the city of Los Angeles, in session assembled, indorsing House bill 4548, for the retirement of disabled emergency Army officers; to the Committee on Rules.

6767. By Mr. W. T. FITZGERALD: Memorial of Immigration Restriction League, opposing repeal of the national-origins basis of the immigration act of 1924 and favoring retention of the same; to the Committee on Immigration and Naturalization.

6768. By Mr. FRENCH: Petition of citizens of Emmett, Idaho, indorsing legislation for increased pension to Civil War veterans; to the Committee on Invalid Pensions.

6769. By Mr. FOSS: Telegrams from New Bedford Cotton Manufacturers' Association, New Bedford, Mass., and the Chamber of Commerce, Minneapolis, Minn., opposing McNary-Haugen farm relief bill; to the Committee on Agriculture.

6770. By Mr. GALLIVAN: Petition of George E. Drake, manager Ward Baking Co., Cambridge, Mass., vigorously opposing enactment of McNary-Haugen farm bill; to the Committee on Agriculture.

6771. By Mr. GARBER: Petition of the Immigration Restriction League (Inc.) of New York, opposing the repeal of the national-origins quota basis for the apportionment of immigration quotas after July 1, 1927; to the Committee on Immigration and Naturalization.

6772. Also, petition of Foose & Brown, attorneys, Watonga, Okla., urging support of House bill 8708, providing for the reduction of the rate of interest on indebtedness of the railroads to the Government; to the Committee on Interstate and Foreign Commerce.

6773. Also, petition of Raymond Largan, M. J. Curran, and R. J. Hopkins, United States Veterans' Hospital, Livermore, Calif., urging enactment of House Resolution 16019 and the repeal of paragraph 7, section 202, World War veterans' act of July 2, 1926, which states, "After June 30, 1927, the monthly rate of compensation for all veterans (other than those totally and permanently disabled) who are being maintained by the bureau in a hospital of any description and who are without wife, child, or dependent parents, shall not exceed $40"; to the Committee on World War Veterans' Legislation.

6774. Also, petition of the Ponca City Chamber of Commerce, urging enactment of legislation to combat the advance of the corn-borer pest in the United States; to the Committee on Agriculture.

6775. Also, petition of the Senate of the State of Oklahoma, the House of Representatives concurring therein, urging enactment of Senate bill 4808; to the Committee on Agriculture.

6776. Also, communications from J. P. Kennedy, Hunter, Okla.; Lee Shorter, Hillsdale, Okla.; and C. A. King, Eddy, Okla., expressing approval of the Haugen bill; to the Committee on Agriculture.

6777. Also, communications from Mrs. Lillie M. Hoffman, Selman, Okla.; L. C. Thomas, Aline, Okla.; C. M. Brant, Dunlap, Okla.; the Oklahoma State Cotton Exchange, Oklahoma City, Okla.; and J. C. Huckaby, Selman, Okla., protesting against the passage of the McNary-Haugen bill; to the Committee on Agriculture.

6778. Also, petition of Frank B. Gigliotti, adjutant, of the Department of Italy, of the American Legion, urging, on behalf of the Department of Italy of the American Legion, the immediate admission into this country of wives and children of aliens in our midst; to the Committee on Immigration and Naturalization.

6779. By Mr. GARDNER of Indiana: Petition of Mary E. Alden and 121 other citizens of Jeffersonville, Ind., urging that immediate steps be taken to bring to a vote a Civil War pension bill in order that relief may be accorded to needy and suffering veterans and the widows of the Civil War; to the Committee on Invalid Pensions.

6780. By Mr. GLYNN: Petition of Alex Jenkins and other voters of Sharon, Conn., urging that immediate steps be taken to bring to a vote a Civil War pension bill carrying increased rates for veterans and widows of veterans; to the Committee on Invalid Pensions.

6781. Also, petition of Mrs. Horace Ganigus, a voter and citizen of Waterbury, Conn., urging that immediate steps be taken to bring to a vote a Civil War pension bill carrying increased rates for veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6782. Also, petition of Charles M. Richardson, Frederick S. Twitchell, and other voters and citizens of Naugatuck, Conn., urging that immediate steps be taken to bring to a vote a Civil War pension bill carrying increased rates for veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6783. Also, petition of L. M. Benham, M. Elizabeth Smith, and other voters of Washington, Conn., urging the passage of a Civil War pension bill carrying increased rates for veterans and widows of veterans; to the Committee on Invalid Pensions.

6784. By Mr. GRIFFIN: Resolution of the Maritime Association of the Port of New York, expressing approval of Senate bill 3170 as amended so as to place a maximum amount of $7,500 to be paid on any claim under the act and urging the passage of Senate bill 3170 as so amended; to the Committee on the Judiciary.

6785. By Mr. HERSEY: Petition of Roy L. Powers and 51 other residents of East Millinocket, Me., urging passage of bill to aid the soldiers of the Civil War and their dependents; to the Committee on Invalid Pensions.

6786. Also, petition of George J. Keegan and 57 other residents of Van Buren, Me., urging the passage of legislation to aid the veterans of the Civil War and their dependents; to the Committee on Invalid Pensions.

6787. By Mr. HICKEY: Petition of Mrs. Sarah Walmer and other citizens of Goshen, Ind., advocating the passage of a bill increasing the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6788. By Mr. HILL of Washington: Petition of Joseph Mowatt and 59 others, of Colville, Wash., protesting against all compulsory Sunday observance bills; to the Committee on the District of Columbia.

6789. Also, petition of Mrs. Addie Brooks and 78 others, of Colville, Wash., protesting against all compulsory Sunday observance bills; to the Committee on the District of Columbia.

6790. Also, petition of G. B. Ruble and 75 others, of Colville, Wash., protesting against all compulsory Sunday observance bills; to the Committee on the District of Columbia.

6791. By Mr. HOOPER: Petition of Raymond L. Lacey and 35 other residents, of Kalamazoo, Mich., in favor of pending legislation to increase the present rates of pension of Civil War veterans and widows and dependents of veterans; to the Committee on Invalid Pensions.

6792. Also, petition of Mrs. Josephine A. Winipy and 56 other residents, of Kalamazoo, Mich., in favor of pending legislation to increase the present rates of pension of Civil War veterans and widows and dependents of veterans; to the Committee on Invalid Pensions.

6793. Also, petition of Albert Ferguson and two other residents, of Montgomery, Mich., in favor of pending legislation to increase the present rates of pensions of Civil War veterans and widows and dependents of veterans; to the Committee on Invalid Pensions.

6794. By Mr. HUDSON: Petition of citizens of Pontiac, Mich., opposing the enactment of House bill 10311, known as

the Sunday observance bill; to the Committee on the District of Columbia.

6795. Also, petition of citizens of Pontiac, Mich., urging the enactment of House bill 10311, known as the Sunday observance bill; to the Committee on the District of Columbia.

6796. By Mr. JOHNSON of Indiana: Petition of J. M. Carrico and others, of Clinton, Ind., for increase of Civil War pensions; to the Committee on Invalid Pensions.

6797. Also, petition of Ves Beasley et al., of Vigo County, Ind., for increase of Civil War pensions; to the Committee on Invalid Pensions.

6798. Also, petition of Frank A. Rector and others, of Riley, Ind., for increase of Civil War pensions; to the Committee on Invalid Pensions.

6799. Also, petition of J. E. Harshbarger and others, of Rosedale, Ind., for increase of Civil War pensions; to the Committee on Invalid Pensions.

6800. By Mr. JOHNSON of Texas: Petition of citizens of Navarro County, Tex., in behalf of legislation increasing pensions of veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6801. By Mr. JOHNSON of Washington: Petition of citizens of Tacoma, Wash., in behalf of increased pensions for veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6802. Also, petition of various citizens of Centralia, Wash., opposing American interference in Mexican affairs; to the Committee on Foreign Affairs.

6803. Also, petition of citizens of Clarke County, Wash., in behalf of increased pensions for veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6804. By Mr. KIESS: Petition from citizens of Hughesville, Pa., favoring the passage of the Elliott pension bill; to the Committee on Invalid Pensions.

6805. By Mr. KINDRED: Petition of 3,700 pharmacists of the New York State Pharmaceutical Association, protesting against Ways and Means Committee bill requiring label to show distillers' price to retail pharmacists and restricting manufacture of new whisky to six distillers and placing existing stock in six warehouses, printing price to retailer on label, which would be unfair to him and would not benefit public, etc.; to the Committee on Ways and Means.

6806. Also, petition of the Chamber of Commerce of the State of New York, urging the United States Congress to make an appropriation for the improvement of Governors Island and the establishment there of a full regiment of Infantry; to the Committee on Military Affairs.

6807. By Mr. KVALE: Petition of the Minneapolis Branch, Railway Mail Association, urging passage of the following bills: House bills 4475, 4476, 13478, and 13474; to the Committee on the Post Office and Post Roads.

6808. Also, petition favoring passage of House bill 16295, a bill to provide for the further development of agricultural extension work between the agricultural colleges in the several States; to the Committee on Agriculture.

6809. Also, petition of Minnesota Federation of National Farm Loan Associations, urging early action by Congress looking toward the completion of the Great Lakes-St. Lawrence waterway; to the Committee on Rivers and Harbors.

6810. Also, petition of Minnesota Federation of National Farm Loan Associations, indorsing the McNary-Haugen bill; to the Committee on Agriculture.

6811. Also, petition of Minnesota Federation of National Farm Loan Associations, protesting against the McLean-McFadden bill; to the Committee on Banking and Currency.

6812. Also, petition of Minnesota Pharmaceutical Association, protesting against the bill requiring distillers to show price of whisky on label; also protesting against restricting the manufacture of new whisky to six distillers; to the Committee on Ways and Means.

6813. Also, petition of 55 residents of Ortonville, Minn., urging that immediate steps be taken to bring to a vote a Civil War pension bill; to the Committee on Invalid Pensions.

6814. By Mr. McFADDEN: Petition of residents of Harford, Susquehanna County, Pa., to bring to a vote the Civil War pension bill carrying the rates proposed by the National Tribune; to the Committee on Invalid Pensions.

6815. By Mr. McLAUGHLIN of Nebraska: Petition signed by residents of Fairbury, Nebr., urging the passage of pension legislation for the relief of veterans of the Civil War and widows of veterans at this session of Congress; to the Committee on Invalid Pensions.

6816. By Mr. MANLOVE: Petition of W. L. Foland, W. B. Parsons, N. F. Waltz, and 12 other residents of Vernon County, petitioning Congress to enact legislation for the relief of Civil War veterans and widows of Civil War veterans; to the Committee on Invalid Pensions.

6817. By Mr. MOORE of Kentucky: Petition signed by 100 voters of Barren County, Ky., urging early and favorable action on pension legislation now pending before Congress; to the Committee on Invalid Pensions.

6818. By Mr. MURPHY: Petition from voters of Salem, Ohio, urging that immediate steps be taken to bring to a vote a Civil War pension bill in order that relief may be accorded to needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

6819. By Mr. O'CONNELL of New York: Petition of the Maritime Association of the Port of New York, favoring the passage of Senate bill 3170, provided it is amended so as to carry the limitation of $7,500; to the Committee on the Judiciary.

6820. By Mr. O'CONNELL of Rhode Island: Resolution of the General Assembly of the State of Rhode Island, recommending to Congress an amendment to the immigration act of 1924 providing that the annual quota shall be based upon the United States Census of 1920; to the Committee on Immigration and Naturalization.

6821. By Mr. PRATT: Petitions of citizens of Ulster County, N. Y., and Greene County, N. Y., urging legislation increasing the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6822. By Mr. RAINEY: Petition of John Atterberry and 94 other citizens of Morgan County, Ill., in favor of Civil War pension bill carrying rates approved by the National Tribune; to the Committee on Invalid Pensions.

6823. Also, petition of H. D. Walch and 127 other citizens of Hull, Ill., favoring Civil War pension bill carrying rates approved by the National Tribune; to the Committee on Invalid Pensions.

6824. By Mr. SABATH: Petition of Master Printers Federation, to restore the old 1924 third-class postal rates; to the Committee on the Post Office and Post Roads.

6825. By Mr. SNELL: Petition of residents of Saranac Lake, Plattsburg, N. Y., in behalf of pension legislation for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6826. By Mr. STRONG of Kansas: Petition of voters of Salina, Kans., urging passage of legislation providing increase of pension for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6827. By Mr. STRONG of Pennsylvania: Petition of First Presbyterian Church of Apollo, Pa., in favor of the Sunday rest bill for the District of Columbia (H. R. 10311); to the Committee on the District of Columbia.

6828. By Mr. SUMMERS of Washington: Petition signed by Mrs. Cameron Duncan and 37 others of Wapato, Wash., urging early action on the pending Civil War pension bill; to the Committee on Invalid Pensions.

6829. By Mr. THURSTON: A petition of citizens of Afton, Union County, Iowa, relating to legislation in favor of veterans of the Civil War and their dependents; to the Committee on Invalid Pensions.

6830. By Mr. VAILE: Petition of sundry citizens of Denver, Colo., urging the enactment of legislation looking to granting of increase of pension to veterans of the Civil War and their dependents; to the Committee on Invalid Pensions.

6831. By Mr. VESTAL: Petition of E. B. Moore et al., of Delaware County, Ind., urging passage of pension legislation; to the Committee on Invalid Pensions.

6832. Also, petition of Walter Crosley et al., of Madison County, Ind., relative to passage of bill for increase of pensions; to the Committee on Invalid Pensions.

6833. By Mr. WOODYARD: Petition of citizens of Huntington, W. Va., favoring change in pension laws relating to Civil War cases; to the Committee on Invalid Pensions.

6834. By Mr. ZIHLMAN: Petition of American Legion, Department of Maryland, urging the passage of legislation (H. R. 4548, S. 3027) providing for the retirement of disabled emergency Army officers under the same conditions as are provided for the other eight classes of disabled military and naval officers of the World War; to the Committee on World War Veterans' Legislation.

6835. Also, petition of citizens of Hagerstown, Md., urging immediate action and support of Civil War pension bill providing relief for needy veterans and widows of veterans; to the Committee on Invalid Pensions.

SENATE

WEDNESDAY, *February 16, 1927*

(Legislative day of Tuesday, February 15, 1927)

The Senate reassembled at 12 o'clock meridian, on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Frazier	McKellar	Sheppard
Bayard	George	McLean	Shipstead
Bingham	Gerry	McMaster	Shortridge
Blease	Gillett	McNary	Simmons
Borah	Glass	Mayfield	Smith
Bratton	Goff	Means	Smoot
Broussard	Gooding	Metcalf	Steck
Bruce	Gould	Moses	Stephens
Cameron	Greene	Neely	Stewart
Capper	Hale	Norris	Swanson
Caraway	Harreld	Nye	Trammell
Copeland	Harris	Oddie	Tyson
Couzens	Harrison	Overman	Underwood
Curtis	Hawes	Phipps	Wadsworth
Dale	Heflin	Pine	Walsh, Mass.
Deneen	Howell	Pittman	Walsh, Mont.
Dill	Johnson	Ransdell	Warren
Edge	Jones, Wash.	Reed, Pa.	Watson
Edwards	Kendrick	Robinson, Ark.	Wheeler
Ernst	Keyes	Robinson, Ind.	Willis
Fess	La Follette	Sackett	
Fletcher	Lenroot	Schall	

Mr. ODDIE. Mr. President, I wish to announce that the Senator from Oregon [Mr. STANFIELD] is engaged as a member of a subcommittee of the Committee on Public Lands and Surveys.

The VICE PRESIDENT. Eighty-six Senators having answered to their names, a quorum is present. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed a joint resolution (H. J. Res. 359) making an appropriation for the eradication or control of the European corn borer, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 11803) to authorize the incorporated town of Juneau, Alaska, to issue bonds for the construction and equipment of schools therein, and for other purposes.

DISPOSITION OF USELESS PAPERS

The VICE PRESIDENT laid before the Senate a communication from the Acting Secretary of Commerce, reporting, pursuant to law, that there is in that department an accumulation of documents and files of papers which are not needed or useful in the transaction of current business and have no historic value, and asking for action looking to their disposition, which was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JONES of Washington and Mr. FLETCHER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint memorial of the Legislature of the State of Oregon, which was ordered to lie on the table:

STATE OF OREGON, DEPARTMENT OF STATE,
Salem, February 8, 1927.

To the honorable the SENATE OF THE UNITED STATES,
Washington, D. C.

DEAR SIRS: By direction of the Thirty-fourth Legislative Assembly of the State of Oregon, I have the honor to transmit herewith for your information certified copy of House Joint Memorial No. 5, filed in the office of the secretary of state of the State of Oregon February 7, 1927.

Very respectfully, SAM A. KOZER, *Secretary of State.*

House Joint Memorial 5

To the Senate and House of Representatives of Congress of the United States of America:

Your memorialist, the Legislature of the State of Oregon, respectfully represents that—

Whereas the United States has established and maintains by law a system of protection which industry and labor makes effective through their organization, and through controlled production and supply; and

Whereas the entire land and agricultural policy of the United States has been aimed to secure maximum agricultural production, with a result that there is produced annually a normal surplus for export of fundamental crops; and it is physically impossible for agriculture to forecast or accurately control production, thus eliminating the surplus above domestic needs; and

Whereas the sale of such normal surplus in the world market establishes the domestic price at world levels, making inoperative tariff schedules intended to protect an American price for that portion of the crop consumed at home; and

Whereas the present improved price of some of the products of the farm is due to world shortages, and does not permanently remove the disparity between the rewards of agriculture and of industry and labor under our protective system; and

Whereas it is vitally important to assure to agriculture, the basic American industry, a fair share of the national wealth by promoting parity for farming with industry and labor; and to prevent recurrence of the disastrous spread between farm and other prices that is fatal to general or permanent national prosperity: Therefore, be it

Resolved by the House of Representatives of the State of Oregon, the Senate jointly concurring therein, That it urges the enactment by the Congress of the United States of legislation creating a farmers' export corporation to dispose of the normal surplus of basic farm commodities at the expense of all producers of such crop, in order that tariff schedules may be made effective in maintaining an American price for agriculture in our own domestic markets; be it further

Resolved, That a copy of this memorial be forwarded to the Senate and House of Representatives of the United States, and to each of the Senators and Representatives from Oregon in Congress.

Adopted by the house February 2, 1927.

JOHN H. CARKIN,
Speaker of the House.

Adopted by the senate February 4, 1927.

HENRY L. CORBETT,
President of the Senate.

[Indorsed: House joint memorial No. 5. Introduced by Messrs. Snell, Tom, and Senator Mann. Paul F. Burris, chief clerk. Filed February 7, 1927. Sam A. Kozer, secretary of state.]

UNITED STATES OF AMERICA, STATE OF OREGON,
OFFICE OF THE SECRETARY OF STATE.

I, Sam A. Kozer, secretary of state of the State of Oregon, and custodian of the seal of said State, do hereby certify that I have carefully compared the annexed copy of house joint memorial No. 5 with the original thereof adopted by the Senate and House of Representatives of the Thirty-fourth Legislative Assembly of the State of Oregon and filed in the office of the secretary of state of the State of Oregon, February 7, 1927, and that the same is a full, true, and complete transcript therefrom and of the whole thereof, together with all indorsements thereon.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the State of Oregon.

Done at the capitol at Salem, Oreg., this 7th day of February, A. D. 1927.

[SEAL.] SAM A. KOZER, *Secretary of State.*

The VICE PRESIDENT also laid before the Senate a concurrent resolution adopted by the Legislature of the State of Utah, favoring the passage at this session of Congress of the bill (S. 5454) authorizing the establishment of a migratory bird refuge at Bear River Bay, Great Salt Lake, Utah, in order that the proposed reclamation work may be undertaken at once, etc., which was ordered to lie on the table.

(See similar resolution when presented by Mr. SMOOT on February 14, 1927, p. 3632, CONGRESSIONAL RECORD.)

The VICE PRESIDENT also laid before the Senate a resolution of the Legislature of the State of Illinois, favoring the enactment of legislation giving to disabled emergency officers of the Army during the World War the same retirement privileges now accorded disabled officers of the Regular Army and disabled emergency officers of the Navy and Marine Corps, which was ordered to lie on the table.

(A similar resolution was recently printed in full in the RECORD.)

Mr. SIMMONS presented the following concurrent resolution of the Legislature of the State of North Carolina, which was referred to the Committee on Agriculture and Forestry:

Resolution 13

Resolved by the house of representatives (the senate concurring), That the Congress of the United States be requested to enact legislation providing that hydroelectric power generated at Muscle Shoals, Ala., and other sites controlled by the United States be made available for general distribution to the public under appropriate regulation by the States.

Whereas there are pending before Congress certain bills providing for the lease and private operation of the Muscle Shoals power plant as an aid to the national defense, the production of fertilizer, and the use of electric power; and

Whereas a recent bill has been introduced which, if enacted into law, would grant to one private industrial operator the complete control of the entire electric-power output, not only from Muscle Shoals but from two other large power projects, to be constructed by the Government on the Tennessee River and some of its tributaries, and preferential permits to build three other projects for private use; and

Whereas the general distribution of electric power over transmission lines constructed and being constructed to and from North Carolina, through South Carolina, Georgia, Tennessee, Arkansas, and other southern States, is vitally important to the industrial development of the South, which would be seriously retarded if the bill above referred to or any similar bill should be approved by Congress; and

Whereas during the drought which prevailed in this State during the summer and autumn of 1925, which threatened the suspension of many industries, the large steam plant of the United States at Muscle Shoals was put into operation, and by means of interconnection and relays power was transmitted to North Carolina and other southern States and thereby made possible the continuous operation of industries and employment of labor: Now, therefore, be it

Resolved by the General Assembly of North Carolina:

SECTION 1. That Congress be, and is hereby, memorialized to safeguard the interests of the people of North Carolina and of other States likewise situated by providing that all power at Muscle Shoals, beyond the requirements for national defense and fertilizer production, and also power to be developed by the United States at other power sites in the South, be made available for general distribution to the public in North Carolina and other States under appropriate regulations by the States.

SEC. 2. Be it further resolved that the secretary of state transmit by mail a true copy of this resolution to the President of the United States, the Vice President of the United States for the information of the Senate, to the Speaker of the House of Representatives, to the chairman of the Committee on Military Affairs of the House, to the chairman of the Committee on Agriculture of the Senate, and to the Senators and Members of the Congress from the State of North Carolina.

In the general assembly read three times and ratified this, the 12th day of February, 1927.

J. E. FRED LONG,
President of the Senate.
R. T. FOUNTAIN,
Speaker of the House of Representatives.

Examined and found correct.

L. F. KLUTZ, *for Committee.*

STATE OF NORTH CAROLINA,
DEPARTMENT OF STATE.

I, W. N. Everett, secretary of state of the State of North Carolina, do hereby certify the foregoing and attached (two sheets) to be a true copy from the records of this office.

In witness whereof I have hereunto set my hand and affixed my official seal.

Done in office at Raleigh this 15th day of February, in the year of our Lord 1927.

[SEAL.]

W. N. EVERETT,
Secretary of State.

Mr. SMOOT presented a telegram from the Citizens Committee of One Thousand, signed by Frederick B. Smith, chairman, and Carlton M. Sherwood, executive secretary, of New York City, N. Y., which was ordered to lie on the table and to be printed in the RECORD, as follows:

NEW YORK, N. Y., *February 16, 1927.*

Hon. REED SMOOT,
United States Senate Chamber, Washington, D. C.:

The executive committee of the Citizens Committee of One Thousand, at its meeting to-night, adopted the following statement and are sending this to you with the request that it be presented to the Senate:

"The Treasury Department has called upon Congress to pass a reorganization bill to secure more effective enforcement of the eighteenth amendment. That bill was passed by the House of Representatives, and it has been on the Senate Calendar for many months. In his annual message President Coolidge urged the passage of this bill as necessary to secure efficient enforcement. There is an overwhelming majority of the Senate in favor of the passage of this bill, but it has been openly declared on the floor of the Senate that a vote on the bill will be prevented if possible. The Senate has secured consideration of farm and banking legislation and provided for a vote thereon: Therefore

"*Resolved*, That we request the friends of law enforcement in the Senate to demand fair and prompt consideration of the reorganization bill, and, if it becomes necessary, to apply cloture rule in order that a vote may be had upon the passage of this law enforcement measure, and that responsibility for its passage or defeat may be properly placed."

CITIZENS COMMITTEE OF ONE THOUSAND,
FREDERICK B. SMITH, *Chairman,*
CARLTON M. SHERWOOD, *Executive Secretary.*

Mr. WADSWORTH presented a letter in the nature of a petition signed by the commander and vice commanders of Saranac Lake Chapter, No. 18, Disabled American Veterans of the World War, at Saranac Lake, N. Y., praying for the passage of legislation rescinding that section of existing law which will reduce the compensation of hospitalized veterans, without dependents, from $80 to $40 per month on July 1, next, which was referred to the Committee on Finance.

Mr. ERNST presented memorials of sundry citizens of the State of Kentucky, remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, or any other legislation religious in character, which were referred to the Committee on the District of Columbia.

Mr. DENEEN presented petitions numerously signed by sundry citizens of Chicago and vicinity, in the State of Illinois, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, and for the removal of the limitation on the date of marriage of Civil War widows, which were referred to the Committee on Pensions.

Mr. GILLETT presented petitions numerously signed by sundry citizens of the State of Massachusetts, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

Mr. COPELAND presented a petition of sundry citizens of Kings County, N. Y., praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which was referred to the Committee on Pensions.

Mr. WILLIS presented a petition of sundry citizens of Hamilton County, Ohio, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which was referred to the Committee on Pensions.

He also presented a memorial of sundry citizens of Swanton, Toledo, and Delta, all in the State of Ohio, remonstrating against the passage of legislation providing for compulsory Sunday observance in the District of Columbia, or any other legislation religious in character, which was referred to the Committee on the District of Columbia.

He also presented a memorial of sundry citizens of Van Wert County, Ohio, remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, or any other legislation religious in character, which was referred to the Committee on the District of Columbia.

He also presented a petition of sundry citizens of Edgerton, Ohio, praying for the prompt passage of legislation regulating radio communications, which was ordered to lie on the table.

Mr. BINGHAM presented petitions and papers in the nature of petitions from Emerson H. Liscum Camp, No. 12, Department of Connecticut, United Spanish War Veterans of Waterbury; Murphy-Rathbun Post, No. 189, Veterans of Foreign Wars, of New London; and of sundry citizens, all in the State of Connecticut, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

He also presented a resolution of the trade and commerce committee of the Connecticut Chamber of Commerce, at Hartford, Conn., favoring the passage of House bill 8997, to permit the importation of Cuban cigars into the United States in lots of less than 3,000, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted by the New Haven (Conn.) Association of Credit Men, favoring the passage of the McFadden national banking bill, as amended by the Senate, without the so-called Hull amendments, which was ordered to lie on the table.

He also presented a resolution adopted by the Thompsonville (Conn.) Board of Trade, protesting against the passage of legislation providing for the compulsory adoption of the metric system of weights and measures, which was referred to the Committee on Commerce.

He also presented a resolution of the board of directors of the Connecticut Reformatory, at Cheshire, Conn., protesting against the passage of House bill 8653, relative to the sale of prison-made goods in interstate commerce, which was referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by the Brotherhood of the Emanuel Synagogue, of Hartford, Conn., "solemnly protesting against the mob violence, persecution, and bloodshed perpetrated in Rumania against citizens and residents of the Jewish and other minority peoples, in flagrant violation of the treaty rights signed by the Rumanian Government, and contrary to all human consideration of justice," and appealing to the American people, the President, and the Congress of the United States to use their moral influence to help put an end to such alleged atrocities, which was referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

Mr. CARAWAY, from the Committee on Claims, to which was referred the bill (S. 3570) for the relief of O. H. Chrisp, reported it with an amendment and submitted a report (No. 1494) thereon.

Mr. SHORTRIDGE, from the Committee on Foreign Relations, to which was referred the bill (S. 5078) authorizing Edward J. Henning, United States district judge for the southern district of California, to accept the decoration and diploma tendered to him by His Majesty the King of Italy, reported it without amendment.

Mr. COPELAND, from the Committee on the District of Columbia, to which was referred the bill (S. 5533) to regulate the height and exterior design and construction of public and private buildings in the National Capital fronting on or located within 200 feet of a public building or public park, reported it with an amendment and submitted a report (No. 1495) thereon.

Mr. ODDIE, from the Committee on Post Offices and Post Roads, to which was referred the bill (S. 5031) to provide for the creation of the Pan American Peoples Great Highway Commission, and for other purposes, reported it without amendment and submitted a report (No. 1498) thereon.

BUILDINGS FOR THE BOTANIC GARDEN

Mr. FESS. From the Committee on the Library I report back favorably without amendment the bill (S. 5722) to authorize the construction of new conservatories and other necessary buildings for the United States Botanic Garden, and I ask unanimous consent for its present consideration.

There being no objection, the bill was considered as in Committee of the Whole and it was read, as follows:

Be it enacted, etc., That the Architect of the Capitol, under the direction and supervision of the Joint Committee on the Library, is authorized and directed to provide for the construction of new conservatories and other necessary buildings for the United States Botanic Garden, in accordance with the report submitted to Congress pursuant to paragraph (4) of section 1 of the act entitled "An act to provide for enlarging and relocating the United States Botanic Garden, and for other purposes," approved January 5, 1927. The Architect of the Capitol is authorized to enter into such contracts in the open market, to make such expenditures (including expenditures for material, supplies, equipment, accessories, advertising, travel, and subsistence), and to employ such professional and other assistants, without regard to the provisions of section 35 of the public buildings omnibus act, approved June 25, 1910, as amended, as may be necessary to carry out the provisions of this act.

SEC. 2. There is hereby authorized to be appropriated the sum of $876,398, or so much thereof as may be necessary, to carry out the provisions of this act. Appropriations made under authority of this act or under authority of section 2 of such act of January 5, 1927, shall be disbursed by the disbursing officer of the Library of Congress.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WATSON:

A bill (S. 5730) to regulate interstate commerce by motor vehicles operating as common carriers on the public highways; to the Committee on Interstate Commerce.

By Mr. BRATTON:

A bill (S. 5731) to amend an act approved May 10, 1926, entitled "An act to provide for the condemnation of the lands of the Pueblo Indians in New Mexico for public purposes, and making the laws of the State of New Mexico applicable in such proceedings"; to the Committee on Indian Affairs.

By Mr. CAPPER:

A bill (S. 5732) to amend an act entitled "An act to authorize the Commissioners of the District of Columbia to close certain streets, roads, or highways in the District of Columbia rendered useless or unnecessary by reason of the opening, extension, widening, or straightening, in accordance with the highway plan, of other streets, roads, or highways in the District of Columbia, and for other purposes"; to the Committee on the District of Columbia.

By Mr. SHIPSTEAD:

A bill (S. 5733) to extend the time for constructing a bridge across the Rainy River, approximately midway between the village of Spooner, in the county of Lake of the Woods, State of Minnesota, and the village of Rainy River, Province of Ontario, Canada; to the Committee on Commerce.

By Mr. WADSWORTH:

A bill (S. 5734) to provide for the policing of military roads leading out of the District of Columbia; to the Committee on Military Affairs.

By Mr. MOSES:

A bill (S. 5735) granting an increase of pension to Olive Lunn (with accompanying papers); to the Committee on Pensions.

By Mr. DALE:

A bill (S. 5736) granting an increase of pension to Jane Morris (with accompanying papers); to the Committee on Pensions.

By Mr. JOHNSON:

A bill (S. 5737) to provide for the advancement on the retired list of the Navy of Lloyd Lafot; to the Committee on Naval Affairs.

By Mr. ROBINSON of Indiana:

A bill (S. 5738) granting travel pay and other allowances to certain soldiers of the Spanish-American War and the Philippine insurrection who were discharged in the Philippines; to the Committee on Military Affairs.

By Mr. SHORTRIDGE:

A bill (S. 5739) for the relief of Thomas M. Ross; to the Committee on Military Affairs.

A bill (S. 5740) granting a pension to Clarinda Mason Smith; and

A bill (S. 5741) granting an increase of pension to Elizabeth Forsyth; to the Committee on Pensions.

By Mr. WHEELER:

A bill (S. 5742) granting a pension to Cecilia E. Doty; to the Committee on Pensions.

By Mr. COPELAND:

A bill (S. 5743) granting an increase of pension to Gertrude De Wolf Windsor; to the Committee on Pensions.

By Mr. SIMMONS:

A bill (S. 5744) authorizing the Secretary of the Treasury to sell certain land to the First Baptist Church of Oxford, N. C. (with accompanying papers); to the Committee on Public Buildings and Grounds.

By Mr. CAPPER:

A bill (S. 5745) to amend Public Law No. 254, approved June 20, 1906, known as the organic school law, so as to relieve individual members of the board of education of personal liability for acts of the board; to the Committee on the District of Columbia.

By Mr. COUZENS:

A bill (S. 5746) granting a pension to Mary E. Hilton; to the Committee on Pensions.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 359) making an appropriation for the eradication or control of the European corn borer was read twice by its title and referred to the Committee on Appropriations.

ADJUSTMENT OF ACCOUNT OF THE STATE OF NEW YORK

Mr. OVERMAN submitted an amendment intended to be proposed by him to the joint resolution (H. J. Res. 207) directing the Comptroller General of the United States to correct an error made in the adjustment of the account between the State of New York and the United States, adjusted under the authority contained in the act of February 24, 1905 (33 Stat. L. p. 777), and appropriated for in the deficiency act of February 27, 1906, which was referred to the Committee on the Judiciary and ordered to be printed.

OIL LANDS AND CONCESSIONS IN MEXICO (S. DOC. NO. 210)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report (in response to S. Res. 330, submitted by Mr. NORRIS), ordered to lie on the table and to be printed:

To the Senate:

I transmit herewith the report from the Secretary of State in response to the resolution adopted by the Senate on February 3, 1927, requesting to be furnished with certain information respecting oil holdings in Mexico.

CALVIN COOLIDGE.

THE WHITE HOUSE, *February 16, 1927.*

THE WORLD'S INORGANIC NITROGEN INDUSTRY (S. DOC. NO. 211), REVISED OFFER FOR MUSCLE SHOALS (S. DOC. NO. 209)

Mr. DENEEN. I ask unanimous consent to have published as a document an article by Mr. F. A. Ernst and Mr. M. S. Sherman, of the fixed nitrogen research laboratory, Bureau of Soils, which is published in the RECORD of the 9th instant. I also ask unanimous consent to have published in the RECORD and as a public document an article by Mr. O. C. Merrill on Muscle Shoals.

Mr. FESS. Is it not already printed?

Mr. DENEEN. It is printed, but I have asked to have it made a public document for circulation.

Mr. SMOOT. Mr. President, I do not know what the rule of the Joint Committee on Printing is now, but when I was chairman of that committee they had an agreement between the House and the Senate that wherever an article was printed in the RECORD it would not be printed as a public document, but if not in the RECORD they could print it as a public document. I do not know whether that rule applies now between the Senate and the House or not.

The PRESIDING OFFICER (Mr. GEORGE in the chair). The Senator from Illinois is asking unanimous consent that these two articles be printed as public documents.

Mr. SMOOT. I understand that they have already been printed in the RECORD.

Mr. DENEEN. One of them has been printed in the RECORD and the other one has not. One is short.

Mr. SMOOT. I do not want to object. I simply want to make that statement, so that if the question comes up hereafter the RECORD will show that the matter was called to the attention of the Senate.

Mr. ROBINSON of Arkansas. Mr. President, I think it would be convenient to have these articles printed in the form of public documents. I hope there will be no objection.

Mr. SMOOT. I have not any objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter ordered to be printed in the RECORD is as follows:

FEBRUARY 10, 1927.

Memorandum on Air Nitrates Corporation and American Cyanamid Co. revised offer for Muscle Shoals, H. R. 16614

RÉSUMÉ

The joint proposal of Air Nitrates Corporation and American Cyanamid Co., prospective lessee of existing and future properties of the United States at Muscle Shoals and at other points on the Tennessee and the Clinch Rivers, is embodied in H. R. 16614. The offer covers existing property of the United States built or acquired at a cost of $125,104,000 and of new property to be built by the United States and estimated to cost $77,300,000, or a total of over $200,000,000. Of this total, $133,000,000 represents power properties (exclusive of locks) and approximately $56,000,000 represents existing power properties.

The power projects when completed will have an installation of 1,220,000 horsepower, or 55 per cent of the total hydroelectric power now installed in the six Southern States of Alabama, Georgia, North and South Carolina, Tennessee, and Kentucky. They will have an average annual output of 4,490,000,000 kilowatt-hours, equivalent to 80 per cent of the total electrical energy, steam and hydro, produced in the above six States in 1926. It is estimated that the maximum probable requirement of electric energy for fertilizer production is 625,000,000 kilowatt-hours per annum, leaving for the lessee's own use over 3,800,000,000 kilowatt-hours of electric energy, or sixteen times the requirement for fertilizer production.

For the use of the Government properties existing and to be built it is proposed to pay, under certain limitations, 4 per cent per annum on the cost of such properties, a so-called "amortization" charge of $91,000 per annum, and a charge for maintenance and operation of dams and locks of $105,000 per annum. Because of the fact that only nominal payments are made during the first six years of the lease and that interest is paid on only a part of the existing and of the estimated future investment of the Government, the total of all payments made for interest, maintenance, and so-called "amortization" averages throughout the lease period only 2.6 per cent upon the investment of the United States in power properties, excluding all locks and navigation facilities. Nothing whatever is paid for the nitrate properties, which cost the United States $69,000,000.

Due to the small payments to the United States, and to the fact that the lessee is not to be held responsible for accumulation of reserves for replacement of property, the costs of electric energy under full operation of the properties will be less than 2 mills per kilowatt-hour, a figure that can not be approached anywhere else in the United States with the possible exception of Niagara. With this huge volume of cheap power, a considerable part of the cost of which would be paid by the United States, the two companies who make the proposal could establish an industrial dictatorship in the electrochemical field and put every competitor out of business.

The lessee's investment in power properties is limited to the cost of installing 80,000 horsepower of additional steam equipment in the Sheffield steam plant. This is estimated to cost $5,400,000. The lessee's investment in new nitrate plants and equipment will depend upon its ability to sell at a profit the nitrates produced. It is obligated to install equipment sufficient to produce fertilizers with a fixed nitrogen content of 10,000 tons. Its obligation to install additional equipment rests upon its ability to sell at a profit the entire output of the first unit. It is allowed to charge in the cost of fertilizer every item of cost connected with the construction and operation of the nitrate properties including each year 10 per cent of its own investment in new plant. The nitrate operations are intended to be distinct from the power operations, and will be self-supporting and profitable, provided fertilizers can be produced cheaply enough to be sold. The only concession which the corporations make with respect to production of fertilizers is to waive royalties on processes which they control.

The surplus power above the requirements of fertilizer production is subject to use or sale by the lessee. The fuel cost alone of steam power produced in the vicinity is 4 mills per kilowatt-hour. It is estimated that the power properties if charged with 6 per cent interest on investment and with proper depreciation charges, that is, if they were under commercial operation, could produce power at approximately 3 mills per kilowatt-hour, a figure which could not be equaled with any other combination of plants in the Tennessee Valley. Under such conditions the primary power has a value of at least 3.5 mills per kilowatt-hour. With 625,000,000 kilowatt-hours of primary power reserved for nitrate production, with the remainder valued at 3.5 mills per kilowatt-hour, and with secondary power taken at from 1 to 3 mills depending upon its proportion to the total, it is estimated that the lessee could earn an annual profit varying from a minimum of $1,650,000 to a maximum of $7,321,000 per annum, and that the average annual profit with the plants under full operation would be in excess of $7,000,000 on an investment of the lessee in power properties of only $5,400,000. These values would exist and would accrue to the benefit of the lessee whether the power were sold or used in the lessee's own industrial operations.

It is the apparent intention of the lessee to use all the power in excess of fertilizer requirements in electrochemical or other industrial processes owned by itself or by its allies or subsidiaries. Only in the event that it can not so use it will any part of this huge volume of power be available to other communities or industries throughout the South. The lessee has the sole power of disposition, and in making use or other disposal of the power it will be subject to no public regulation whatever.

Dam No. 2 with its installation increased to 610,000 horsepower and the Sheffield steam plant with its installation increased to 160,000 horsepower will together be capable of producing 2,477,000,000 kilowatt-hours per annum, of which 1,940,000,000, or 78 per cent, will be primary power. These increases in capacity would involve new expenditures of $8,285,000 by the United States and of $5,400,000 by the lessee. This energy would be produced at an average cost of 1.75 mills per kilowatt-hour for the total amount and of 2.25 mills, if primary power alone is considered. This amount of energy is four times the probable requirement for the maximum fertilizer production named in the proposal. Since fertilizer production is to be self-supporting, is to yield a profit of 8 per cent, and is to return in 10 years the lessee's investment in fertilizer-producing property, it would seem that a surplus of electric energy of over one and three-fourths billion kilowatt-hours per annum, having an average sale value of $2,800,000 per annum on an investment by the lessee of $5,400,000, and having this value because of the use of $65,000,000 of Government property at an average annual payment of 2.35 per cent, would be an adequate subsidy for the United States to pay in order to induce private capital to produce fertilizer at Muscle Shoals under restrictions limiting profits thereon to 8 per cent.

If to secure such private operation it is necessary to grant an additional subsidy of 2,000,000,000 kilowatt-hours, having an additional sale value of $4,400,000 per annum with an additional investment by the United States of $69,000,000, but with no additional investment or obligation upon the part of the lessee, it would seem time for the United States to abandon efforts in this direction and to proceed itself to operate Muscle Shoals. A few years of operation and experimentation on a commercial scale would demonstrate the possibilities of utilization of the nitrate properties and would put the Government into a position, if it then wished to dispose of the properties, where it could negotiate a business deal instead of sitting in on a poker game as at present.

A detailed analysis of some of the chief features of the proposal follows:

EXISTING PROPERTIES OF THE UNITED STATES COVERED BY OFFER

The offer covers all existing properties of the United States built or acquired in the vicinity of Muscle Shoals, with the exception of "the platinum catalyzers for use in the manufacture of nitric acid" and

"the locks and navigation facilities and such housing as the Chief of Engineers of the United States Army shall designate by notice in writing to the lessee given within 60 days from the date hereof, as being required for the housing and lock operations." The cost of these properties to the United States has been as follows:

Nitrate plant No. 1	$12,888,000
Nitrate plant No. 2	55,229,000
Steam plant, 60,000 kilowatt-amperes	12,326,000
Waco quarry, etc	1,273,000
Dam No. 2 (excluding locks)	43,388,000
Total	125,104,000

The offer proposes and the bill provides that there shall be built at the expense of the United States and included in the leased properties: (1) Additional equipment at Dam No. 2 to bring the capacity up to approximately 600,000 horsepower; (2) Dam No. 3, with power house, substation, and auxiliary equipment, for 250,000 horsepower; (3) a transmission line between Dam No. 3 and Dam No. 2 of 250,000 horsepower capacity; (4) a dam 225 feet in height at Cove Creek, with an installation of 200,000 horsepower; and (5) presumably a transmission line interconnecting Cove Creek power house with Dam No. 2. While this latter item is not specifically set forth in the offer, section T (p. 48, line 3), in defining the term "dam" as applied to Cove Creek, includes among the other items of the complete project the item of "transmission lines." Since Cove Creek could not be operated with the other plants, except through transmission-line interconnection, and since it is not to be supposed that the Government would be expected to build transmission for general distribution of power, it is assumed that the "transmission lines," for which provision is made, are to be for the purpose of interconnecting Cove Creek plant with the plant at Dam No. 2, 300 miles distant. The estimated cost of these new properties to be built at the expense of the United States is as follows:

New properties to be built at expense of United States

Additions to Dam No. 2	$8,285,000
Dam and power house No. 3 (exclusive of locks)	34,650,000
Transmission line No. 2 to No. 3	225,000
Cove Creek Dam and power house (without locks)	28,140,000
Transmission line, Cove Creek to No. 2	6,000,000
Total	77,300,000

CAPITAL OBLIGATIONS OF UNITED STATES

The total capital obligations assumed or to be assumed by the United States are, therefore, as follows:

Nitrate plants and properties:		
Nitrate plant No. 1	$12,888,000	
Nitrate plant No. 2	55,229,000	
Waco quarry	1,273,000	
		$69,390,000
Power plants and properties:		
Present steam plant	12,326,000	
Dam No. 2 to present capacity	43,388,000	
New hydro projects and accessories	77,300,000	
		133,014,000
Grand total		202,404,000

CAPITAL OBLIGATIONS OF LESSEE

From estimates of the fixed nitrogen laboratory of the United States Department of Agriculture it appears that the investment of the lessee in the nitrate properties will depend upon the process used as well as upon the amount of fixed nitrogen produced. If the cyanamid process, for which nitrate plant No. 2 was designed and built, is to be used, it will be necessary to build in addition to the existing plants an ammonium-phosphate plant and a phosphoric-acid plant. An ammonium-phosphate plant of a capacity of 48,000 tons of fixed nitrogen per annum is estimated to cost $7,500,000 and for a 10,000-ton unit about $2,000,000. If the wet process of producing phosphoric acid is employed, which appears to have been admitted by the cyanamid company's president during the committee hearings, the plant will for full capacity cost from $7,500,000 to $10,000,000 and for a 10,000-ton unit from $2,000,000 to $2,500,000.

Ammonia can apparently be produced more cheaply by the synthetic process than by the cyanamid process. To employ the synthetic process would require the reconstruction and enlargement of nitrate plant No. 1 at an estimated cost for the production of 48,000 tons per annum of fixed nitrogen of $8,650,000 and for a 10,000-ton unit of about $2,000,000.

The production of fertilizers beyond an amount with a fixed nitrogen content of 10,000 tons per annum is conditional on ability to dispose of the product at a profit of 8 per cent. The bill provides that the company in the construction of the initial unit will employ the cyanamid process. This will apparently involve new investment of from $4,000,000 to $4,500,000.

If the plants are in fact extended to permit of the production of the entire 48,000 tons of fixed nitrogen, the investment required by the cyanamid process would be $15,000,000 to $18,000,000 and by the synthetic process some $24,000,000 to $26,000,000. There would, however, be no obligation to make the larger investment in order to reduce costs.

The company agrees to enlarge the steam plant at nitrate plant No. 2 to a capacity of 120,000 kva. This is estimated to cost $5,400,000. The capital obligations of the lessee will vary approximately as follows:

10,000-ton unit:	
Power plant	$5,400,000
Nitrate plant	4,000,000
Total	9,400,000
48,000-ton unit:	
Cyanamide process—	
Power plant	5,400,000
Nitrate plant	[1] 18,000,000
Total	[1] 23,400,000
Synthetic process—	
Power plant	5,400,000
Nitrate plant	[1] 26,000,000
Total	[1] 31,400,000

Out of a total investment in power properties of $139,414,000 the company would have $5,400,000, or 3.9 per cent; and out of a total investment in nitrate properties of from $73,000,000 to $95,000,000 the company would have from $4,000,000 to $26,000,000, dependent upon certain contingencies, or from 5.5 to 27.5 per cent.

POWER INSTALLATION AND OUTPUT

The bill proposes the following power projects, with the following installation:

		Horsepower
Dam No. 2		610,000
Dam No. 3		250,000
Cove Creek Dam		200,000
Steam plant:		
Existing installation	80,000	
New installation	80,000	
		160,000
Grand total		1,220,000

Dam No. 2 alone with a capacity of 610,000 horsepower at 90 per cent efficiency and with 75 per cent load factor will produce in the average year 2,280,000,000 kilowatt-hours of energy, and with the 120,000 horsepower steam plant used only as an auxiliary, 2,480,000,000 kilowatt-hours, of which 1,940,000,000 kilowatt-hours, or 78 per cent, will be primary power. With Dam No. 3 and its installation of 250,000 horsepower added the total becomes 3,550,000,000 kilowatt-hours, of which 2,360,000,000 kilowatt-hours, or 67 per cent, will be primary. With the addition of Cove Creek and its storage of 2,600,000 acre-feet, and its installation of 200,000 horsepower, the total becomes 4,490,000,000 kilowatt-hours, of which 4,225,000,000 kilowatt-hours, or 94 per cent, will be primary power.

The total existing hydroelectric installation, exclusive of Dam No. 2, in the six adjacent States of Alabama, Georgia, North and South Carolina, Tennessee, and Kentucky, comprising within their limits the "southern superpower zone," is 2,170,000 horsepower. The combined output of electric energy in these six States in 1926 by public utilities, street-railway companies, and municipalities, was 5,800,000,000 kilowatt-hours. The total horsepower of installation, therefore, proposed to be turned over to Air Nitrates Corporation and American Cyanamid Co. is 55 per cent of the total now installed in these six States; and the total energy capable of being produced is nearly 80 per cent of the total being produced and used in these States. These sites, which it is proposed to develop at Government expense and turn over to a private corporation for its use, have a power-producing capacity greater than has ever before been given into the possession of any other corporation, public or private.

POWER REQUIRED FOR NITRATE PRODUCTION

Existing nitrate plant No. 2 is built for utilizing the cyanamid process of producing ammonia. The fixed nitrogen laboratory of the United States Department of Agriculture reports that the process requires about 13,000 kilowatt-hours of electric energy per annum per ton of nitrogen fixed. The synthetic process, to employ which would require the reconstruction and enlargement of plant No. 1, requires about 4,000 kilowatt-hours per ton per annum. The sulphuric acid or "wet" process of producing phosphoric acid would require electric energy only for operation of motors. To produce the phosphoric acid by the electric-furnace process would, however, require some 16,000 kilowatt-hours per annum per ton of fixed nitrogen in combination. The general mechanical operations of the various plants are unlikely to require more than 1,000,000 kilowatt-hours per annum.

The amount of electric energy required per annum by the various methods and for outputs of 10,000, 20,000, and 48,000 tons of fixed nitrogen per annum are, therefore, as follows:

1. Synthetic process for ammonia, wet process for phosphoric acid:	Kilowatt-hours
10,000 tons	41,000,000
20,000 tons	81,000,000
48,000 tons	193,000,000

[1] Maximum figures.

	Kilowatt-hours
2. Cyanamide process for ammonia, wet process for phosphoric acid:	
10,000 tons	131,000,000
20,000 tons	261,000,000
48,000 tons	625,000,000
3. Synthetic process for ammonia, electric furnace for phosphoric acid:	
10,000 tons	201,000,000
20,000 tons	401,000,000
48,000 tons	961,000,000
4. Cyanamide process for ammonia, electric furnace for phosphoric acid:	
10,000 tons	291,000,000
20,000 tons	581,000,000
48,000 tons	1,393,000,000

Under the terms of the proposal the lessee's obligation to produce fertilizers is contingent. Its obligation to produce quantities containing in excess of 20,000 tons of fixed nitrogen per annum is contingent upon the construction by the United States of the Cove Creek project, or if Congress elects not to construct, then the lessee need not begin such production until at least three years after it has applied for and received a license under the Federal water power act for the Cove Creek project. Since Congress is to have five years to decide whether to build itself, since thereafter an application by the lessee is optional, and if made may be for preliminary permit with three years' duration before license is even applied for, it is apparent that the contingent proposal to produce in excess of 20,000 tons may never become an actual obligation, or if it does that it may be deferred for at least 11 years.

The obligation to install equipment for the production of fertilizer in excess of a quantity containing 10,000 tons of fixed nitrogen per annum is contingent upon the ability of the lessee to dispose for three successive years of the entire output of the first 10,000-ton unit, at a price equivalent to cost plus 8 per cent. The same limitation of obligation applied to each successive unit. Whenever there is in storage unsold fertilizer of a fixed nitrogen content of 2,500 tons production may be suspended altogether.

Assuming that the lessee desires or is willing to produce and sell fertilizers to the totals named in its proposals, it is under no obligation to use a cheap as compared with a costly method of production, and has no incentive to do so, providing only the product can be disposed of, for its own earnings increase with increasing cost. Only if the more expensive methods use up electric energy upon which more than 8 per cent could be earned for other uses could the lessee be expected to employ the cheaper processes. Since the "wet" process for production of phosphoric acid of the quality required appears to be more satisfactory than the electric-furnace method, and since the electric energy required for the latter process would be worth hundreds of thousands of dollars per annum for purposes of sale or of use by the lessee in its private operations, it may reasonably be assumed that the lessee will not employ the electric-furnace method for production of phosphoric acid.

With respect to the synthetic versus the cyanamide process of ammonia production, the former requires more than three times as much energy per annum, but the latter would require the reconstruction and enlargement of nitrate plant No. 1 at an expense of from $2,000,000 to $9,000,000 depending upon quantity to be produced. The only apparent incentive for using the cheaper of the two processes is the probability that the lessee would earn greater profit from employing the excess electricity for other purposes. Until, however, a more profitable use can be found for the huge volume of electric energy which the several plants will produce it may be assumed that the more expensive cyanamide process will be used exclusively in order to serve as a market for the surplus energy. If so, the amount of electric energy required to produce the maximum quota of fertilizers is 625,000,000 kilowatt-hours per annum, less than one-seventh of the total energy which it is proposed to turn over to the lessee and less than one-third of the primary energy available from Dam No. 2 and the steam plant when developed to 610,000 and 160,000 horsepower capacity, respectively. If eventually the cheaper method is employed the lessee would be required to devote to fertilizer production only 4.3 per cent of the total energy proposed to be made available and only 10 per cent of the primary energy available from Dam No. 2 with the steam plant used as auxiliary.

It is apparent, therefore, that the primary purpose of the companies making the offer is not to produce and sell fertilizer, but to secure control for their own purposes of the largest block of cheap power available anywhere in the United States. Outside of the initial investment in nitrate-producing plant and equipment, all of which is to be written off by charges to fertilizer costs in a period of 10 years if fertilizer can be disposed of at such costs, the lessee is protected against any loss and assured of a profit of at least 8 per cent in nitrate operation. In view of the fact that Dam No. 2 when developed to full capacity and operated in connection with the enlarged steam plant will produce a primary output three times greater and a total output four times greater than the maximum probable requirements of full fertilizer production, it would seem that the privilege of receiving for their own unrestricted and unregulated use of from one and one-quarter to one and three-quarters billions of kilowatt-hours of electric power per annum produced in plants built almost exclusively at Government expense, and with average annual payments therefor of less than 3 per cent upon the Government's investment therein, might be considered an adequate subsidy, without the additional proposal of a further expenditure of $69,000,000 by the United States solely for the purpose of providing at less than cost 2,000,000,000 kilowatt-hours more for the sole benefit of these two corporations.

PAYMENTS TO UNITED STATES

The bill provides that with certain important limitations the lessee shall pay to the United States during the period of the lease 4 per cent interest on the investment of the United States made or to be made in the power properties. Certain small annual payments are also to be made for repairs and maintenance of dam and for maintenance and operation of the locks. Finally, the bill proposes certain other annual payment of relatively minor amounts, to give an appearance of amortization of the Government's investment. Since, however, these "amortization" payments are computed on the assumption of 4 per cent compound interest for a term of 100 years, twice the lease period, but with no provision whatever for actual accumulation of such interest, they are relatively inconsequential and merely a gesture.

Dam No. 2, including locks, has cost to date $46,588,000. The first item of new construction under the program of hydropower-plant development is the installation of the remaining 10 units in Dam No. 2, estimated to cost $8,285,000. For the purpose of estimating annual payments it is assumed that work on this item will be performed during the second and third years of the lease period. When completed the total cost of Dam No. 2 will be, therefore, $54,873,000. Maintenance and operation payments will not be altered by the new construction. It is proposed to pay interest on the cost of Dam No. 2, less "expenditures and obligations paid or incurred" by the United States "prior to May 31, 1922," or $16,282,000. This amount deducted from the preceding figures leaves $30,306,000 upon which interest at 4 per cent, or $1,212,240, is to be payable for three years, and $38,591,000, upon which $1,543,680 is to be payable thereafter. For the first six years, however, rentals are to be limited to $200,000 per annum.

In addition to the payments for interest the rentals include so-called "amortization payments" computed on the $46,588,000 for three years and thereafter on the cost of the completed project estimated as $54,873,000. These payments of $37,643 and $45,194 per annum are likewise deferred for the first six years. All deferred payments are to be carried forward unpaid with 4 per cent simple interest thereon until the thirty-fifth year of the lease. Thereafter, the deferred payments with accumulated interest are to be paid off in 15 annual installments with interest at 4 per cent until date of payment.

For the maintenance of Dam No. 2 and for the maintenance and operation of the locks, payment will be made of $35,000 per annum in quarterly installments.

The several classes of payments actually to be made on account of Dam No. 2 and percentages that such payments bear to the Government's investment, exclusive of locks, will be as follows: Payments for the thirty-sixth to fiftieth years and for the entire period are given both with and without interest on deferred rentals.

Dam No. 2

Payments per annum	Interest and amortization	Maintenance	Total	Per cent on Government's investment in Dam No. 2
First to sixth years, inclusive	$200,000	$35,000	$235,000	0.54
Seventh to thirty-fifth years, inclusive	1,588,874	35,000	1,623,814	3.15
Thirty-sixth to fiftieth years, inclusive:				
With interest	3,044,223	35,000	3,079,223	5.98
Without interest	2,076,620	35,000	2,211,620	4.28
Totals for period:				
With interest	92,940,700	1,750,000	94,690,700	3.48
Without interest	78,426,700	1,750,000	80,176,700	2.95

Interest on deferred payments while an item of cost of energy produced is not, of course, a payment for the use of Government property, but only a recompense to the United States for excess interest which it would have to pay because of the deferment of the "rental" payments during the first six years of the lease.

Dam No. 3 with transmission line connecting it to Dam No. 2 is estimated to cost $34,875,000 with an additional $2,000,000 for locks. On this amount less $6,000,000 or $30,875,000 the lessee is to pay interest at 4 per cent per annum. "Amortization" payments are to be computed on the $36,875,000 and there is to be a maintenance and operation payment of $20,000 per annum. The actual payment for interest and "amortization" during the first three years of possession is to be $160,000 per annum, deficiencies to be carried forward with interest as on Dam No. 2 and paid off after the thirty-fifth year. It is assumed

that work will be begun on Dam No. 2 during the third year of the lease period and that the plant will come into possession of the lessee at beginning of sixth year of lease period. On the same basis as for Dam No. 2 annual and total payments and their relation to the Government's investment, exclusive of locks, in Dam No. 3, will be as follows:

Dam No. 3

Payments per annum	Interest and amortization	Maintenance	Total	Per cent on Government's investment in Dam No. 3
Sixth to eighth years, inclusive	$160,000	$20,000	$180,000	0.52
Ninth to thirty-fifth years, inclusive	1,264,795	20,000	1,284,795	3.67
Thirty-fifth to fiftieth years, inclusive:				
With interest	1,884,843	20,000	1,904,843	5.48
Without interest	1,485,745	20,000	1,505,745	4.32
Totals for period:				
With interest	62,902,110	900,000	63,802,110	3.69
Without interest	55,575,000	900,000	56,475,000	3.27

With respect to the Cove Creek project it is assumed that probabilities of navigation use are too small to justify construction of locks over the proposed 225-foot dam. Estimate of the cost of the dam, power house for 200,000 horsepower, and transmission line to Dam No. 2, is $34,140,000. It is further assumed that the project, if built, will be completed and ready for delivery at the end of the ninth year of the lease period. The bill provides that payments for interest and "amortization" shall be based on a maximum expenditure of $20,000,000 if locks are not provided. Payments would begin at the end of the tenth year, and be uniform throughout the balance of the lease period, as follows:

Cove Creek

Payments per annum:	
Interest	$800,000
Amortization	16,160
Maintenance and operation	50,000
Total	866,160
Total payments for period	35,512,560

Equivalent to 2.5 per cent upon estimated Government investment of $34,140,000.

Neither interest, "amortization," nor maintenance payments are to be made upon any part of the Government's investment of $12,326,000 in the existing steam plant.

On the Government's investment in power properties (excluding navigation facilities) and varying from $55,714,000 (present investment) to $133,104,000 estimated ultimate investment, the aggregate of the above payments without interest on deferred payments, or $169,514,000 would amount to an average annual return on such investment of 2.6 per cent through the 50-year period.

The annual combined payments for interest, "amortization," and maintenance, the current investment in the Government's power properties under lease, and the percentage relation of annual payments to current investment are as follows:

Combined power properties—Dams Nos. 2 and 3, Cove Creek, and present steam plant

	Annual payments	Current investment, power properties	Per cent on investment of United States
First year	$295,000	$55,714,000	0.40
Second year	235,000	59,714,000	.38
Third year	235,000	76,000,000	.30
Fourth year	235,000	88,000,000	.26
Fifth year	235,000	98,875,000	.23
Sixth year	415,000	98,875,000	.42
Seventh year	1,803,874	108,875,000	1.66
Eighth year	1,803,874	118,875,000	1.52
Ninth year	2,908,669	133,014,000	2.18
Tenth to thirty-fifth years	3,774,829	133,014,000	2.84
Thirty-sixth to fiftieth years:			
With interest	5,850,226	133,014,000	4.30
Without interest	4,427,525	133,014,000	3.33
Total for period:			
With interest	191,355,370	(1)	2.93
Without interest	169,514,260	(1)	2.60

[1] Variable.

COST OF POWER

The cost of power produced in the several plants covered by the proposal will vary in accordance with the amount of energy produced. The two chief items of cost will be the payments to the United States and the cost of fuel for the operation of the steam plant. The following estimates are made for full operation:

	Dam No. 2	Dam No. 3	Cove Creek	Steam plant	Total
Maintenance	$105,000	$84,000	$98,000	$159,000	$446,000
Operation	155,000	127,000	111,000	1,640,000	2,033,000
Replacement	10,000	8,000	6,000	120,000	144,000
Transmission lines		3,000	60,000		63,000
General overhead	115,000	77,000	75,000	33,000	300,000
Interest				324,000	334,000
Total	385,000	299,000	320,000	2,276,000	3,280,000

Since there is no provision requiring replacement of equipment beyond the extent profitable to the lessee, the estimates assume one replacement only of steam turbines during the period of the lease and replacement in hydro plant of only minor equipment not subject to satisfactory repair.

From such of the above figures as are applicable to the several combinations, and with the appropriate payments to the United States added, estimates of costs per kilowatt-hour of total energy output and of total primary power are approximately as contained in the following table:

Costs per kilowatt-hour in mills, and output in thousands of kilowatt-hours per annum

	(1) Dam No. 2, 60,000 kilowatts, steam	(2) Dam No. 2, 120,000 kilowatts, steam	(3) No. 2, No. 3, 120,000 kilowatts, steam	(4) No. 2, No. 3, Cove Creek, 120,000 kilowatts, steam
Output:				
Total	2,327,000	2,477,000	3,437,000	4,490,000
Primary	1,415,000	1,940,000	2,313,000	4,225,000
Costs of operation	$840,000	$2,433,000	$2,732,000	$3,280,000
Payments to United States:				
Minimum year	$235,000	$235,000	$415,000	$3,775,000
Maximum year	$3,079,000	$3,079,000	$4,984,000	$5,850,000
Average for period	$1,894,000	$1,894,000	$3,170,000	$3,881,000
Costs, total and per kilowatt-hour:				
Minimum year	$1,075,000	$2,668,000	$3,147,000	$7,055,000
Kilowatt-hour, total	0.46	1.08	0.91	1.57
Kilowatt-hour, primary	.76	1.37	1.36	1.67
Maximum year	$3,919,000	$5,512,000	$7,716,000	$9,130,000
Kilowatt-hour, total	1.68	2.22	2.24	2.03
Kilowatt-hour, primary	2.77	2.84	3.33	2.16
Average for period	$2,734,000	$4,327,000	$5,902,000	$7,161,000
Kilowatt-hour, total	1.18	1.75	1.72	1.59
Kilowatt-hour, primary	1.93	2.23	2.55	1.70

The figures under the column headed "Dam No. 2, 60,000 kilowatts, steam," represent the amounts which would prevail throughout the period if the development were limited to 610,000 kilowatts at Dam. No. 2 and 60,000 kilowatts in the Sheffield steam plant as now existing. The steam plant is assumed to act as an auxiliary only, that is, to supply power at seasons of the year when water is not available to operate the hydro plant to capacity.

Of the total primary power made available under column (1), 95,000,000 kilowatt-hours would be steam produced. With 120,000 kilowatts of steam installation the amount of primary power supplied by steam would be 268,000,000 kilowatt-hours with Dam No. 2 alone and 325,000,000 kilowatt-hours with Dam No. 2 combined with Dam No. 3, or with that dam and Cove Creek. The cheapest kilowatt-hour cost for total output would be produced by Dam No. 2 with the 60,000 kilowatt steam plant, namely 1.18 mills per kilowatt-hour as the average cost during the 50-year period. This low cost is due to the fact that payments are not required for the steam plant and for only a part of the investment in the hydro plant, and because the amount of steam energy is relatively small.

During the first six years of operation, when the payments to the United States are merely nominal, Dam No. 2, if completed and operated with the existing steam plant, could deliver the total output at an average cost to the lessee of less than one-half mill per kilowatt-hour, while if all costs were charged solely against the primary power that power would cost only three-fourths of a mill per kilowatt-hour.

The costs of power for the maximum years, thirty-fifth to fiftieth, inclusive, during which deferred payments with interest thereon are being liquidated, are only slightly in excess of 2 mills per kilowatt-hour for the output of all the plants. The averages for the 50-year period are, however, well below 2 mills per kilowatt-hour. By building these plants at Government expense and leasing them, as is proposed, for annual payments which are less than the United States must itself pay out in interest, and by making no requirements for depreciation reserves, a situation would be produced whereby the lessee would secure the largest block of power available to any corporation in the United States or elsewhere at a cost materially less than anywhere else in the United States, with the possible exception of Niagara Falls.

PROFIT FROM POWER

Under the terms of the proposal the lessee is to have an 8 per cent "turnover" profit on all fertilizers produced and sold. The "costs"

upon which the 8 per cent is computed cover all possible items of cost, including a 10 per cent write-off of capital each year. If the product can be sold, there is no loss. If the product can not be sold at an 8 per cent profit, operations may be suspended. Under such circumstances the lessee would lose its investment in new nitrate plant. Presumably the question of whether nitrates can or can not be produced and sold under the conditions prescribed will be determined before the second unit goes into operation. In absence of ability to produce and sell fertilizers at a profit, losses would, therefore, be limited to the investment in the first unit, which could readily be written off in a short time from the profits from power.

The cost of fuel alone for steam-plant operations in the Tennessee Valley in plants like the Sheffield plant is estimated at 4 mills per kilowatt-hour. This figure does not include other operating expenses or any fixed charges. The cost of production of power in the projects covered by the proposal if handled on a commercial basis, with investment made by the lessee, with 6 per cent interest on the investment, and with adequate reserves for property renewal, would be not less than 3 mills per kilowatt-hour for all energy produced. There appears to be no other group of sites in the Tennessee Basin which could produce power equally cheap. The surplus power produced under the proposal should have, therefore, a sale value of not less than 3.5 mills, and probably of not less than 4 mills, per kilowatt-hour of primary power. If the value of the excess of primary power over the requirements of fertilizer production—which latter is assumed for this purpose as 625,000,000 kilowatt-hours per annum—be taken as 3.5 mills; and if for the secondary power in amounts not in excess of 20 per cent of the primary produced 3 mills be taken, with the next 20 per cent at 2 mills, and with all the remainder at 1 mill, the value of the power available to the lessee for its own use would be as follows:

Dam No. 2 and 60,000-kilowatt steam plant

790,000,000 kilowatt-hours, at $0.0035	$2,765,000
283,000,000 kilowatt-hours, at $0.003	849,000
283,000,000 kilowatt-hours, at $0.002	566,000
346,000,000 kilowatt-hours, at $0.001	346,000
Total	4,526,000

Total annual costs of producing power would vary from $1,075,000 to $3,191,000 and average $2,734,000, with corresponding credits of $288,000, $1,050,000, and $738,000 for cost of the 625,000,000 kilowatt-hours for fertilizer production charged at the average cost of all energy produced. These costs deducted leave the following net profits on power operations which would be made by the lessee without a dollar of investment of its own in power properties:

Minimum annual profit	$1,657,000
Maximum annual profit	3,759,000
Average annual profit	2,530,000

With Dam No. 2 and the 120,000-kilowatt steam plant the lessee would have an investment of $5,400,000 in the steam plant. The sales values of surplus energy on the same conditions as above would be $6,064,000. Costs of production with corresponding credits for power used for fertilizers would leave:

Minimum annual profit	$1,940,000
Maximum annual profit	4,071,000
Average annual profit	2,831,000

With Dams Nos. 2 and 3 and the 120,000-kilowatt steam plant and with the same investment by the lessee of $5,400,000, the sales value of the surplus power would be $8,418,000 and the profits, making deductions of costs with credits for power used for fertilizers, would be:

Minimum annual profit	$2,102,000
Maximum annual profit	5,840,000
Average annual profit	3,591,000

Similarly, with Cove Creek added, total values of surplus power would be $13,395,000 and profits as follows:

Minimum annual profit	$5,533,000
Maximum annual profit	7,321,000
Average annual profit	7,228,000

ADDITIONAL RIGHTS GRANTED LESSEE

In addition to the properties covered directly by the lease, the proposal provides that the lessee within 90 days after the approval of the lease shall organize a subsidiary corporation, and within 90 days thereafter shall cause such corporation to apply to the Federal Power Commission for a preliminary permit under the Federal water power act for three additional power sites on the Clinch River, namely, Senator, Milton Hill, and Clinton sites. The commission is directed to issue such permit when applied for, and the bill would grant the applicant a priority of five years, or two years more than the maximum authorized by the Federal water power act. If within the five-year period the company applies for a license, the commission is directed to issue the same if the plans and specifications are approved by the Chief of Engineers and Secretary of War as being "well adapted to develop, conserve, and utilize in the public interest the navigation and the water-power development of such region." The bill specifically exempts the company from payment to the United States of any moneys on account of benefits from headwater storage in Cove Creek Dam.

PUBLIC REGULATION

The bill provides that the lessee shall agree to dispose for the purpose of general distribution of such electric energy produced as may not be used for the following purposes:

Production of fertilizer.
Operation and lighting of locks.
Uses of the lessee.
Uses of American Cyanamid Co.
Uses of any subsidiary corporation of either.
Uses in local industry at or near Muscle Shoals.

It is apparent that the lessee intends to make use of all energy possible in the manufacturing operations of itself and of its subsidiaries and allies. Only to the extent that it can not use the power for these purposes will there be any power for general distribution. The power used for the purposes above listed will be subject to no public regulation whatever. Power sold for general distribution will be subject to public regulation only if the lessee itself distributes the power and sells it to consumers. If it wholesales the power to a distributing company, the sale of power for such purpose by the lessee is specifically exempted from public regulation by the statutes of Alabama. There is not likely, therefore, under the terms of the proposal and bill to be any public regulation whatever of the 1,220,000 horsepower covered by the proposal and of the 4,500,000,000 kilowatt-hours of energy that can be produced.

SENATOR FROM OREGON

The PRESIDENT pro tempore laid before the Senate the certificate of election of FREDERICK STEIWER, of Oregon, which was read and ordered to be filed, as follows:

Certificate of election

STATE OF OREGON, EXECUTIVE DEPARTMENT.

To all whom these presents shall come, greeting:

Know ye that it appearing from the official canvass of the vote cast at the general election held within and for the State of Oregon on Tuesday, the 2d day of November, A. D. 1926, that FREDERICK STEIWER, of Umatilla County, State of Oregon, received the highest number of votes cast for the office of United States Senator in Congress at said general election;

Now, therefore, I, Walter M. Pierce, Governor of the State of Oregon, by virtue of the authority vested in me under the laws of the State of Oregon, do hereby grant this certificate of election and declare said FREDERICK STEIWER, of Umatilla County, State of Oregon, to be duly elected to the office of the United States Senator in Congress of the State of Oregon for the term of six years.

In testimony whereof I have hereunto set my hand and caused the seal of the State of Oregon to be hereunto affixed.

Done at the Capitol at Salem, Oreg., this 26th day of November, A. D. 1926.

WALTER M. PIERCE, *Governor.*

By the governor:
[SEAL.] SAM A. KOZER, *Secretary of State.*

NATIONAL-BANK BRANCHES

The Senate resumed the consideration of Mr. PEPPER's motion to recede from certain amendments of the Senate to House bill 2, and that the Senate concur in the House amendments to certain Senate amendments to the bill.

FARM RELIEF—PRICE OF COTTON

Mr. CARAWAY. Mr. President, I wish to call attention to an article appearing in the Journal of Commerce of February 16. It is headed:

Cotton sales high on farm bill fear—South establishes record for week as middlemen buy freely in market.

This appears under a Memphis, Tenn., date line of February 15. I ask unanimous consent that the article may be printed in the RECORD.

The VICE PRESIDENT. Without objection, leave is granted. The article is as follows:

[Special to the Journal of Commerce]

MEMPHIS, TENN., February 15.—Under aggressive buying by middlemen against deferred commitments and free absorption of the lower grades by domestic and foreign spinners business in actual cotton during the week just ended established a new high record for 1927 and showed a gain of more than 66 per cent, compared with the corresponding week a year ago.

Sales in 16 representative southern markets total 193,000 bales against 150,000 the preceding week and 60,000 the corresponding period a year ago. Moreover, they exceed by 8,000 bales the peak figures reached during mid-January, 185,000.

Middlemen, under the stimulus of the fear that passage of the McNary-Haugen bill might result in a further advance in prices, bought freely to cover commitments running some time ahead. In some in-

stances they secured the necessary cotton with which to fill March, April, and May engagements. They displayed distinct eagerness in the purchase of low middling to strict good ordinary, 1 to 1⅛ inch, in the brighter colors, the cottons they had sold ahead most freely. Increasing difficulty of securing these types undoubtedly gave much impetus to this wide covering movement.

Domestic and foreign spinners bought some middling and higher-grade cotton in all staples from ⅞ inch to 1¼ inch, but they continued to display distinct preference for strict low middling and below in grade and for 1 inch and longer in staple. They have absorbed considerable quantities of good ordinary and below, representing late pickings. There has been, however, comparatively little demand during the past few days for the very low-grade cotton, so far as middlemen are concerned.

Mr. CARAWAY. Suffice it to say that the mere expectation of the passage of the farm relief bill brought an advance in the spot-cotton market to the people of our section sufficient to have paid an equalization fee to have taken up the surplus cotton of the 1926 crop. The advance, since it became apparent that the bill would pass the Senate, has been such that no one, even one who is the most bitter enemy of the bill, could suggest that the advance would not have left a large profit above the cost of administration of the act.

In the same paper, under a Liverpool date line, is another statement dealing with the same subject, which I also wish to include in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

COTTON PRICES UP—CABLES A SURPRISE—LIVERPOOL HIGHER—TRADE IS BUYING—EUROPE SNAPS UP OFFERINGS—FEW CONTRACTS

Cotton executed a sudden volte face under the impulse of a strong Liverpool market and an eager demand. To clinch the nail, contracts suddenly grew scarce. It was, indeed, the familiar experience. Prices here advanced 20 to 25 points. Shorts were startled. Liverpool was a surprise. It was higher than was due. And the inexhaustible demand there for the actual cotton, with concrete evidence in spot sales in Liverpool of 12,000 bales, largely American, was a fact that stood out in clear relief against the bearish sentiment on this side. The mills across the water were fixing prices on a liberal scale.

Mr. CARAWAY. The advance in cotton was spectacular in Europe, but the letter given out by the Secretary of the Treasury, Mr. Mellon, and the renewed assurances that the bill is to be vetoed checked the buying of cotton in Liverpool yesterday and actually resulted in the loss of a few points over the high advance which the morning market reached.

I moved to include these notices because those Senators who felt compelled to vote against the measure did so because they doubted that it would benefit the farmer. The best evidence of what the effect of the legislation would be is these responses from the world's markets.

The people who buy cotton and who are interested in maintaining a low price for cotton, moved by an apprehension that the bill is to become law, bought last week 193,000 bales of spot cotton in the southern markets as against 60,000 in the corresponding week of last year, although this year we had the largest cotton crop ever grown. With a comparatively short crop a year ago, the buyers bought 60,000 bales in the corresponding week. With the largest surplus of cotton we have ever had, but under the prospect of the McNary-Haugen bill becoming law, they bought 193,000 bales of cotton last week.

Under the same headline it is shown that buyers of cotton went into the market in my State, in Tennessee, and in Mississippi, and bought actual spot cotton to cover commitments running for four months. They did that notwithstanding that those who pretend to have the ear of the President and who speak for him say that he is to veto the measure. The cotton buyers have not as much faith in it as some politicians have, because they are putting their gold in cotton in anticipation that the President may not veto the bill.

Mr. McKELLAR. Mr. President, will the Senator again state the figures as to how much more has been bought this year than was bought last year?

Mr. CARAWAY. In the corresponding week last year there were bought 60,000 bales, as against 193,000 bales this year. I want to call the Senator's attention to the further fact that last year—I am talking about 1925 now—there was a cotton shortage. This year, with the largest crop in the history of the world, there was sold 66 per cent more cotton last week than was sold the corresponding week a year ago.

Mr. McKELLAR. I agree with the Senator that the value of the bill to the cotton producer has already been shown by what has thus far occurred.

Mr. CARAWAY. Of course. In Liverpool yesterday they actually bought 12,000 bales of American spot cotton under the belief the bill was to become law. The market eased off when Mr. Mellon, that truly typical farmer, assured the country that the bill was not workable and that the President would veto it. Of course, I have no right to criticize the administration for using whatever instrumentalities it may have, but it is remarkable that the bill should have been referred to Mr. Mellon, who is a specialist only in oil, in liquor, in aluminum, and in money, but who would not know a cow from a horse if the cow were dehorned. Everybody realizes that, and yet he is the farm expert selected to pass upon this bill. He says it will cost $800,000 yearly to administer should it become a law. The advance in the price of cotton on yesterday paid the cotton people more than that.

Mr. McKELLAR. And if the House shall pass the bill tomorrow cotton will probably rise sufficiently in price more than to pay it several times over.

Mr. CARAWAY. Oh, yes; very much more.

Mr. NEELY. Mr. President, will the Senator from Arkansas yield to me?

Mr. CARAWAY. Yes.

Mr. NEELY. If the President should veto the measure the next day, how much would the cotton farmers lose?

Mr. CARAWAY. They would lose a great deal more than this administration has been worth to the cotton farmers all the years that it has held office.

I do not hold a brief for the Secretary of Agriculture, Mr. Jardine, but I do feel as though the President ought not to slight him by sending his agricultural measures to the Secretary of the Treasury. Such measures ought to go to the Secretary of Agriculture. I protest against this, because the Secretary of Agriculture, all the time that he has not been busy holding schools in Chicago to teach cotton gamblers and grain gamblers how to beat the market, has been subservient to the wishes of the administration, and against this unnecessary humiliation of the Secretary of Agriculture I protest.

Mr. SMITH. Mr. President——

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from South Carolina?

Mr. CARAWAY. I yield the floor.

Mr. SMITH. Mr. President, I merely wish in connection with what the Senator from Arkansas has stated to call attention to the fact that in 1925 when the Agricultural Department estimated that there would be 14,000,000 bales of cotton made it was commonly asserted, and the figures showed, that the trade was willing to take 14,000,000 bales at 24 cents a pound. Before the season had closed, however, there were actually ginned 16,000,000 bales of cotton, and cotton declined to 20 cents a pound.

In 1926 when it was estimated there would be 18,600,000 bales, cotton declined to 10 cents a pound, showing a decline on account of the 4,000,000 bales surplus of $70 a bale on 18,000,000 bales of cotton, which entailed a tax or an equalization fee in favor of the purchaser of $1,200,000,000, the difference between 24 cents for 14,000,000 bales of the crop of 1925 at 10 cents for the crop of 1926. The difference between 10 cents a pound for the latter crop as against 24 cents for the former crop represented a loss of $70 a bale. Now, mark you, the purchasers got some 14,000,000 bales at 10 cents a pound, and 4,000,000 bales the surplus as a bonus in addition to that.

The McNary-Haugen bill, which we have passed, provides machinery by which the 4,000,000 bales may be taken off the market for and in the interest of the producer, but still remain his property, while the trade may receive their supply at the figures they were willing to pay for 14,000,000 bales, having been satisfied in 1925 with 14,000,000 bales at 24 cents a pound. It is reasonable to suppose that the administration of this measure will not cost $1,200,000,000, but the lack of the machinery which it provides has actually cost in difference of price $1,200,000,000.

It is interesting to note in this connection that the price for the finished product has not declined from what it was when the raw material cost 24 cents a pound. The Senator from Arkansas has submitted the figures to show that the mere anticipation of the administration of the cotton interests of this country being shifted from the buyer to the producer has stimulated the market price of cotton to a point where it shows a sufficient gain to cover all the cost of the administration. I thought it would be interesting to the public in general that pays any attention whatever to the affairs of agriculture, to know that the figures which I have quoted represent the actual facts in relation to the two cotton crops of 1925 and 1926.

Mr. HEFLIN and Mr. McLEAN addressed the Chair.

The VICE PRESIDENT. The Senator from Alabama.

Mr. HEFLIN. I will not take over five minutes.

The VICE PRESIDENT. The Senator from Alabama has five minutes remaining of the time to which he is entitled.

Mr. HEFLIN. Mr. President, I am very much interested in maintaining a good price for cotton; I have done all in my power always to help the farmer secure a fair price. I wish to say in connection with what the Senator from Arkansas [Mr. CARAWAY] has said that while recently the price of cotton has advanced some, it has advanced at a time when most of the cotton crop of 1926 has gone out of the hands of the cotton farmer, so that the man who produced the cotton will get no benefit from the increase in cotton prices at this season of the year.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HEFLIN. I regret that I have not the time to yield. The price of cotton is still below the cost of production, and certainly there is nothing to boast about, even now, until the price of cotton gets above the cost of production.

There is another thing, Mr. President, we should bear in mind, and that is that the planting time is near at hand. Within a month the farmers will begin planting cotton in some sections of the South, and within six weeks planting will be pretty general throughout the South. The speculators and spinners always put the price of cotton up in the spring to encourage the cotton producer to plant another big crop. In addition to that the spinner already has obtained most of his cotton supply, and he is willing for the price to advance now. He will speculate on the bull side of the market, and when the price of cotton that cost him 12 cents a pound goes up to 15 cents a pound he is going to base the selling price of his cloth upon that price. So when cotton advances now in price it is helping the spinner; it is enhancing the value of the cotton he has already bought and paid for and will enable him to charge a higher price for his cotton goods.

I can not see why the market should be excited very much about this particular measure when the newspapers have heralded from one end of the country to the other the announcement that the President is going to veto it. I merely wished to submit those observations, Mr. President, in connection with what has been said on the subject.

Mr. GEORGE. Mr. President, I merely wish to remark that, in my judgment, it is a good time for those who supported the McNary-Haugen bill to felicitate the country and congratulate themselves upon the passage of the bill. It will be very much more difficult to elicit any sympathy at some subsequent date, I fear, after the bill shall have actually gone into operation.

It seems to be conceded—I say "conceded," for in certain sections of the press it is asserted—that the President will veto the bill. Therefore it would be difficult to ascribe the activity the cotton spinner displayed in the market yesterday to the passage of the McNary-Haugen bill; that activity might as well be referred to the probable action or anticipated action of the President vetoing the measure.

I wish to take this occasion, Mr. President, to express the hope that the President of the United States will find it possible to approve the McNary-Haugen bill if it shall pass the House; that he may find it possible to give this measure a fair chance to operate, because I am convinced that it stands in the way of real helpful legislation, so far as the cotton farmer is concerned, and that until it has been given a fair chance to operate and has demonstrated that it will work or has revealed the fact that it is unworkable, it will not be possible to procure legislation in the interest of the cotton farmer. I am not speaking of the western farmer; I am not speaking of western farm products. I have always been able to see how, if this measure should become a law and the courts should permit it to go into full operation, it would affect the prices of certain western products and even of certain products grown in other portions of the country, though they are not covered by the bill.

Mr. President, I take this occasion also to say that the record ought to be kept straight in this matter simply in the interest of truth. It does not seem to me that the full credit should be given for the passage of the McNary-Haugen bill to an ex-Governor of the State of Illinois, who is a probable candidate for the Presidency, but I think that the President of this distinguished body should be accorded full credit for his part in the passage of this important legislation. Simply in the interest of truth and simply for the purpose of keeping the record straight I, in my place, though I voted against the measure, most solemnly protest against the giving of credit to others than the distinguished President of this Senate for his directing genius in steering this important legislation through all the various shoals and shallows to which legislation is subjected to a happy and successful conclusion in this body.

Mr. McLEAN. Mr. President, I do not want to object, of course, to this discussion on a bill that is not now pending, but I should like to know whether the Chair is keeping track of the time occupied by the several Senators who are discussing it?

The VICE PRESIDENT. Time is being kept, but the Senators and not the Chair are the judges of the relevancy of their own remarks.

Mr. CARAWAY. Mr. President, permit me to say, in the language of Admiral Schley, there is glory enough to go around; but there is not any very great strife among the friends of the bill as to who is responsible for its early passage. I believe there will be a greater concern among those who voted against it to offer an alibi acceptable to the farmers of their States.

I have seen statements issued by Senators who voted against the bill—I read one yesterday—alleging, as their reasons for opposing it, defects that do not appear in the text of that measure.

I have never objected to anyone offering his reasons for being against this legislation; but I am not unmindful that there are several who are hoping the President will veto this bill, so that they can say, "It does not make any difference how I voted." I am seriously doubtful, however, if the President is to do so. I sincerely hope that he does not. There is more than a political battle involved in this legislation. There is more at stake than whether the present occupant of the White House shall be permitted to run for the Presidency again, or whether some one else shall wear the empty honor of being the Republican candidate in 1928.

There are 34,000,000 of farm people in this country, Mr. President; and those who speak lightly of their condition are not familiar with their needs. I speak more especially with reference to the farm people who are engaged in the production of cotton. There is not any disaster that could happen to them except the failure of the passage of this bill. They are destroyed under the present economic conditions. They have some chance to recover, some little hope to become economically independent again, unless this legislation be vetoed; and under the encouragement of a constantly reiterated suggestion in the Senate and in the House that it is unconstitutional and unworkable the President may do it.

Mr. MAYFIELD. Mr. President, if the bill is vetoed, it will cost more to collect the interest on farm mortgages this fall than it will cost to collect the equalization fee, will it not?

Mr. CARAWAY. Mr. President, I am glad the Senator from Texas referred to that. I can take the heart of the cotton-growing country, the Delta on both sides of the Mississippi River, and find hundreds of thousands of acres of the very best cotton-producing land on earth that you may buy now for the mortgage debt, although the debt was presumed to be not in excess of 40 per cent of the value of the land when the loan was made; and the Federal Government is going to lose more in interest and principal by being persuaded to accept the advice of the great farmer who is the Secretary of the Treasury, and further destroy agriculture, than it will cost to administer this bill.

The Secretary of the Treasury said it would cost $800,000 a year to administrate. Everybody who knows anything about cotton knows that just the vetoing of this bill will drop the cotton market more than three times that sum. I have seen estimates of 160,000 bales in excess of what the market had thought the cotton crop was to be cost the cotton growers $5 a bale. This method of competitive marketing in which the farmers, unorganized, have to contend against the organized buyers of cotton cost them infinitely more than $800,000 every month in the year under the old system; and if it does not cost any more than that to change the system and give the farmer at least cost for what he produces, the Secretary of the Treasury would do well to recommend that the President should sign the bill.

Mr. FLETCHER. Mr. President, is there any cotton now in the hands of the producers?

Mr. CARAWAY. Oh, yes; there is cotton in the hands of the producers. There is cotton in the field yet unpicked; and one of the very articles I am putting in the RECORD says that the cotton trade complains about the increased price, now that the farmers will go back into the fields and gather their crop. Otherwise they would abandon it.

Mr. HARRISON. Mr. President, I did not expect to say anything with reference to the McNary-Haugen bill after it had passed the Senate and while it was being discussed in the other body. Certainly, I would not, in anything I might say to-day, give the impression that I was gloating over any action I might have taken as against those who pursued a different course. In all of my experience in the Senate, I have tried to follow the policy of never questioning another Senator's motives for voting as he thought best, and I certainly have never harbored that feeling of apparent hate which often breeds hard sentences and riles the feelings of others. I have been content to believe that Senators, in their votes

here, are prompted by high motives, and not by ulterior purposes.

I voted against the bill upon its final passage. As one who voted that way, and I am sure there are many others, whether they come from the cotton or other sections of the country, who voted as I did, who have but the highest feeling of elation over the fact that the price of cotton is going up. I can not believe there is a Senator, because he may have seen fit to vote against the McNary-Haugen bill, who would desire to see cotton drop in price. And, coming as I do from a State which produces nearly 2,000,000 bales a year, I welcome any incident, whether it be temporary or permanent, that will influence a rise in the price of cotton. I hope that the Senator from Arkansas [Mr. CARAWAY] is correct in his deductions that the action of the Senate, and the probable action of the House, has had the wholesome effect to which he has alluded. And I hope that the President of the United States can conscientiously give his approval to the measure. I may say, that while I voted against the legislation in its final passage, it must be conceded that it is a much better bill than the one considered about a year ago. It has been improved in many particulars, and many of the very objectional features in it have been eliminated.

I would have voted for the legislation, and I so stated my position, if the Senate had adopted a provision deferring the equalization fee on cotton for two years. That may appear to some Senators who have championed the measure and who have grown enthusiastic in its espousal as being an inadequate reason for casting my vote as I did. Those who may entertain such views can do so. I am satisfied with my course and I feel quite secure in the reasons which prompted me. I made every attempt, by conferences outside of this Chamber, by pleas and amendment offered here, to have the equalization fee on cotton deferred two years. You will recall that almost a year ago when this legislation was before the Senate, and carried with it a provision deferring the equalization fee on cotton, the privilege was granted to the cotton growers of the South to share in the revolving fund created from the collection of the equalization fees on wheat and corn and rice and other agricultural products affected by the legislation. The amendment I offered the other day, deferring the equalization fee on cotton for two years, carried no such provision. I did not think such a provision was fair. I was unwilling to advance such a contention. A provision that would collect the fee on wheat and corn and rice to be used to stabilize cotton, without a like fee being charged on cotton, is unjustified. But in the amendment that I offered seeking to defer the equalization fee on cotton two years I expressly stated, and the amendment so provided, that during those two years the only benefits which the cotton industry would obtain from the legislation would be from advances made out of the $250,000,000 appropriation in the bill as loans and such part of that appropriation as might be used as the insurance fund to insure cotton against price decline. It did not touch the revolving fund created out of equalization fees collected on wheat, corn, rice, tobacco, and so forth. But we lost out in the fight we made to defer the equalization fee on cotton, although 15 minority Senators out of the 20 from cotton-growing States voted to defer that fee on cotton. We lost out, notwithstanding the fact that the representatives of every farm group here in Washington had consented to its deference, even though they contended it would be better if it were now imposed.

But I say, Mr. President, that the bill is better, much better, than the one considered by the Senate when this question was up before. That bill created the power to collect the fee on the farmer's cotton at the gin, even though he might desire to haul it back home, store it away, and keep it for higher prices. That very fact destroyed the idea of encouraging farmers to hold their cotton for higher prices when it was then selling at a price less than the cost of production. The bill that passed the other day has eliminated that feature and places the equalization fee in operation only when the product enters into transportation or commerce.

In the legislation passed by the Senate, now being considered by the House, the most wholesome provision of any carried in the bill, in my opinion, was included—that of insuring these agricultural products against price decline. Under that provision, if it should be written into the law, the members of the cotton cooperative associations of the South, as well as cooperative associations dealing in wheat, corn, rice, and tobacco, would be able to insure, under a contract with the governmental board, for a premium to be fixed by it, against a decline in the price. It operates under the same theories as those employed by life and fire insurance companies. It is disclosed from close investigation and actual facts that over a 20-year period, based on the price of cotton on the New Orleans Cotton Exchange, that during the selling period, namely, from September 1 to January 1, the average decline in price, when compared to the whole 12 months from September 1 to August 31, is only 56 cents a bale. There were four exceptions, all of which are explainable from some exceptional occurrence, such as would naturally cause a violent fluctuation in the price, as a war or panic. Exceptions such as are found sometimes in life or fire insurance cases; as revealed in the yellow-fever epidemic some years ago in life insurance and the great Chicago or San Francisco fires in fire insurance.

But through the insurance plan incorporated in this legislation, the Government, through the exacting of a certain premium, will write an insurance policy against price decline which will enable the Cotton Cooperative Associations to pay to the members, on the day of delivery, the actual price of cotton as shown by the New Orleans Cotton Exchange, less carrying charges. In other words, where to-day they are only able to procure an advance of 65 per cent of its market value and then run the risk, through their organization, of a further decline, they will be able when their cotton is delivered under this insurance plan to obtain the full value of it, less carrying charges, and will share in whatever benefits that might accrue from the holding of it for higher prices. By such a plan, the cooperative associations will be able to borrow from the banks of the country, and I hope, in time, by sanction of law through amendments to the Federal land bank acts the full value of the product, less insurance and carrying charges, may be borrowed. In my opinion, this insurance system will revolutionize agriculture, and if properly administered will add not only to the membership of the cooperative associations but stabilize the great basic agricultural products.

I am happy in the part that I played, small as it was, in bringing this plan to the attention of the Senate, and seeing it written into the legislation, and I glory in the part played by my constituents who conceived the idea and gave their time and labors here in Washington to press it. It is entirely and properly known as the Bledsoe plan, because it was Hon. Oscar F. Bledsoe of Mississippi who conceived it and brought it here to our attention. I was in hopes that this insurance plan could be given a trial on cotton during the two years the equalization fee on that crop might have been deferred so that it would make it unnecessary in the future for the fee ever to be applied to it.

Mr. President, the bill was improved in many other ways. The provisions with reference to the application of the equalization fee on any of the basic agricultural products has strengthened it, and the amendments offered by the Senator from North Carolina have improved it. And better still, the old protective tariff provisions and the right of the President to lay an embargo, as was carried in the other bill, have been eliminated in this legislation. I never have—and I hope I shall never vote for a protective tariff on any product; and should I ever become a protectionist, I shall resign my place as a Democratic member of the Finance Committee of this body.

But, Mr. President, what I arose to say was that when these bouquets are being bestowed let me invite attention to the representatives of the farm groups who have come here to Washington to arouse the country for agricultural legislation and press this proposal. In the last two weeks I have been thrown in very close touch with the representatives of those farm groups. I have, in my humble way, tried to effect certain modifications and see certain alterations made that I might give it my support. I was somewhat skeptical of some of these gentlemen in the beginning, but I want to say to this body and to the country that I have never seen any set of men improve under close observation and rise in my esteem and estimation more than the distinguished men representing the farm groups who have gathered here from the various parts of the country championing this legislation. I think that Mr. George Peek, who gave up a $100,000 job to come here and do his bit toward the creation of sentiment for the passage of this legislation, has rendered a great service to the agricultural interests of the country. I never came into contact with a more unselfish, better poised, and abler gentleman.

The same thing is true of his coworkers here: Mr. Davis, Mr. Pitts, Mr. Kilgore, Mr. Thompson, Mr. Grey, Mr. Neil, and Mr. Stone, and many others whose names I do not now recall. While I may have differed with them in some of their ideas and may not have been able to give my approval to the soundness of their views, I may have been wrong and they may have been right; but this I know, that the service they have performed was with what they conceived to be the highest order of real patriotism.

So far as the statement issued by the Secretary of the Treasury is concerned, to the effect it will cost $800,000 to operate

this measure, that should not have any weight with anybody in the consideration of this legislation. Of course, it will cost money to operate it. No one ever doubts, if it would be a success in its administration, but that it would cost money. All big undertakings cost money. Why, it costs over $800,000 every year to administer the Federal Trade Commission. Many of the other commissions cost a great deal more than that, and if this legislation proves to be sound and is as beneficial to the agricultural interests as its proponents believe it to be, then $800,000 a year for its administration will be merely a bagatelle.

And so, Mr. President, I hope with the Senator from Georgia that if a majority of the Representatives of the people in the House should adopt the Senate bill that when it goes to the President he can conscientiously see his way clear to give it his approval.

Mr. FRAZIER. Mr. President, I am glad to note that, according to the report read by the Senator from Arkansas [Mr. CARAWAY], the Senate vote on the McNary-Haugen bill has had some results. I am very glad also to note that some of the Members of the Senate are taking opportunity to explain their votes against the McNary-Haugen bill. I am free to predict that if the bill shall pass the House, as I trust it will, and shall be signed by the President, as I sincerely hope and believe it will be, many more Senators on this floor will begin to explain why they voted against the McNary-Haugen bill.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. FRAZIER. I gladly yield.

Mr. McKELLAR. The suggestion was made a while ago that the increase in the price of cotton to which attention has been called would not do the farmers any good. There never was a more fallacious statement. I dare say that of the 160,000 bales of cotton that were sold yesterday in the city of Memphis, where I live, not less than 150,000 belonged to farmers, and they were sold as on consignment. They actually belonged to the farmers, and the increase in the price will do the cotton farmers an immense amount of good. It will not do them as much good as would have resulted if the Senator had had his way last year, and I had had my way last year, and a bill similar to the pending bill had passed at that time; but I agree with the Senator in hoping that the House will pass the McNary-Haugen bill and that the President will then sign it, and that it may soon become the law, because I believe it will do not only the cotton farmers but all the farmers an immense amount of good.

NATIONAL BANK BRANCHES

Mr. FRAZIER. Mr. President, I think the statement of the Senator from Tennessee is correct. Undoubtedly the present rise in the price of cotton will help many farmers who have not sold all their cotton, and the same is true as to other farm products.

I think it is wise for Members of the Senate to start in at this time explaining why they voted against the McNary-Haugen bill, and I am sure that as time goes on, they will improve by practice in making these explanations.

Mr. President, a vote will soon be taken on the pending measure, known as the McFadden bill, sometimes called the "bank-relief" measure; in my judgment it is a bank-relief measure for the big bankers, pure and simple, just as much so as the McNary-Haugen bill is a farm-relief measure, or more so. It looks as if a majority would vote in favor of it, but I believe that after the vote is taken, and after the bill goes into operation, there will be many Senators who will feel compelled to explain their votes on the banking measure.

While those in favor of the bill think it is necessary at this time to give the banks this relief, I am satisfied that when the act goes into effect, and when they get word as to the sentiment of the people in their home States, they will begin to explain why it was that they voted for the bank-relief measure.

I have had a number of letters and telegrams from bankers and others in my State in regard to this measure. Many bankers wired in or wrote in favoring the passage of the McFadden bill. Then, when the Hull amendments went on the bill, they favored the passage of the bill with the Hull amendments. After the Hull amendments were stricken out, and a lot of other amendments were added to the bill, a majority of them seemed to favor the bill without the Hull amendments, showing plainly to me that some concerted effort was being made to get the bankers throughout my State, and I understand throughout the Nation, to go on record as favoring this bill whether it had in it the Hull amendments or not, regardless of whether it had in it a branch-banking feature or of what the provisions were.

Undoubtedly the big banks feel the need of this relief measure, and so they are bringing pressure to bear on the little bankers to support the bill, and many of the little bankers, I am sure, are afraid to do other than as they are told by the big bankers who are back of the measure.

There are a few independent bankers who have been frank to give their opinions on this question, although they generally wound up with a footnote or postscript saying that they did not want their names used in connection with the arguments they had set forth; and I presume they are probably showing good judgment in making such a request.

Mr. President, under the present banking system the little country national banks are at a disadvantage. They are dictated to by the Federal Reserve Board and by those in high position in the Federal reserve system. I believe that without doubt power is given to that board to put out of business any little banking institution that goes contrary to its policies. There may have been one or two exceptions, but the general rule is that if a little national bank goes contrary to the policies of the Federal Reserve Board, it is put out of business, forced to the wall.

I want to read a part of a letter or two I have received, written by bankers, opposing this bill. It is true that they are small bankers, in small country towns, comparatively small places, but nevertheless I believe they voice the sentiments of hundreds of bankers, especially of the smaller towns in agricultural districts. One banker writes:

> The Senate will soon have under consideration passage of the McFadden banking bill, which has been acted on in conference by the Senate and House committees.
>
> This bill has been the subject of a great deal of controversy among the bankers. The American Bankers' Association at an Atlantic City meeting in 1925 indorsed the measure with the Hull amendments. At the Los Angeles convention in 1926 this action was reversed by a vote representing only a very small percentage of the bankers of the country, only 460 supporting the resolutions, whereas there are 28,000 independent banks in the United States.
>
> I am fully convinced that unless the present McFadden bill can be defeated and a new measure drawn which will in some manner permit the country Federal reserve membership to increase earnings, it will be necessary for a great many country national banks to eventually withdraw from the system.
>
> The proposed McFadden bill also permits the recharter of the Federal reserve banks through an amended section. I am convinced that this recharter provision should be considered by Congress on its merits, and there should be no attempt to secure such recharter without further consideration.
>
> I would certainly appreciate an expression from you as to the present situation and concerning your views on the pending legislation.

I want to quote from another letter received from a banker. In speaking of the Federal reserve bank bill he says:

> I do wish to say that in my opinion, and that as well of many old conservative country bankers, the Federal reserve act discriminates against the country national banks.
>
> I have no quarrel with the reserve feature of the act, as unquestionably the banking structure as a whole is strengthened thereby.
>
> I do, however, oppose the par clearance feature of the act which has penalized the smaller national banks through loss of their exchange revenue, formerly nearly 10 per cent upon a bank's capital. Unquestionably, many national banks in rural districts would now be open and solvent if that revenue had been available the last 10 years. It is the mail-order houses and the large business interests who have profited directly from the loss of this revenue to country banks. Do the customers in the country secure their goods any cheaper because Sears, Roebuck & Co. do not pay 5 or 10 cents on the country bank check? If they object to accepting such a settlement from the customer, let them refuse to accept the check which thereby gives the bank a source of profit in selling exchange to its customers. Now, the banker is forced to perform the service of remitting for such checks without compensation.

Mr. President, that has been a general complaint of the national banks in the smaller towns and cities in regard to this Federal-reserve requirement, that they should clear their checks at par, and it undoubtedly has meant the loss of quite an item, when they would have made a profit if they had been allowed to charge a small exchange on the clearance of their checks. Continuing, the letter states:

> Those of us who have witnessed the deflation since 1920 can see no justification for the action of the omnipotent Federal Reserve Board at Washington. First, they permit no restriction on inflation between the close of the war in November, 1918, and July, 1920. Why was no action taken then to deflate conditions? Because Government loans were to be floated and our people urged patriotically to purchase Victory bonds on 4¼ per cent basis. Then, in 1920, patriotic country bankers who owed the Federal reserve banks were forced to sell Liberty bonds at prices from 82 to 88. After these bonds were absorbed by the eastern war profiteers the price for same was sta-

bilized from 95 to par. Then came the deflation of agriculture, which has about ruined the Northwest. Why did not the Federal Reserve Board say to the country bankers, "Take three years to deflate your condition and reduce your farmers' line of credit"? Now, agriculture is apparently at rock bottom, and I believe we will see a gradual improvement. The next move appears to be the control of banking capital and credit by large banks securing branch-banking privileges.

Then he refers to the situation in Minneapolis, which has been mentioned:

In Minnesota two large Minneapolis banks now operate several "offices" each, although the comptroller has repeatedly advised them it is contrary to National and State banking laws. These have been operating nearly four years. How long would it take the comptroller's office to advise this bank a receiver would be appointed within 30 days should we attempt to operate such an office outside our own banking room?

Mr. President, I believe I am safe in saying that this little banker is telling the absolute truth in this statement, that if any little bank tried to establish a branch bank under existing law it would be called to task mighty quickly by the Comptroller of the Currency. But big banks are allowed to have tellers' windows or little offices, as they may be called, which are simply branch banks outside of the parent bank. I continue the reading:

The McFadden bill will sound the death knell to independent banking in the United States within 10 years.

This is not my statement, Mr. President. It is the statement of a banker who knows the game from actual experience as a little national banker. I believe he is making a straight statement of sound logic based on the principles of the measure. He goes on to say:

Do we want the Canadian system in this country? You will agree we do not, and I hope you will use your influence to defeat the McFadden bill.

Mr. President, he refers to the branch-banking system of Canada. As I understand it some seven or eight banks, with their branches, in Canada control the whole situation in that great country. It appears to me that the present bill is a step toward general branch banking.

I think I am safe in saying that some Members of this body are favorable to general branch banking, and I assume they are honestly for it, believing that it would be better for the country and that it would stabilize our banking system above the system which we now have; and that may be true. But I believe, too, that the rank and file of the people of the Nation and the bankers themselves, especially among the smaller bankers, are opposed to a central bank or a general branch-banking system. It seems to me that the bill will merely help to make the Federal reserve system more of a central banking system.

The people of the United States are opposed to the plan of a central banking system, I believe. It was demonstrated in history, in the time of Alexander Hamilton and again in the time of Andrew Jackson, that the people were opposed to a central bank, and I believe they are still opposed to it. I think when the Federal reserve system was organized it was the intention of those who had to do with drafting the measure and putting it into operation that it would be a better banking system and would better serve the people of the Nation; but, like a good many other measures which are passed with good intentions, we have gotten away from the original intent of the law. While I do not think it was the intention of those who were back of the Federal reserve system when it was promoted to have it a central banking system, yet it has come to be practically a central banking system. The reserve feature of that law is, of course, good, and undoubtedly that very reserve feature was what helped to put it across.

Of course, some of our friends on the other side of the Chamber, who feel that they had much to do with putting across the Federal reserve system and who are pleased to boast about how well it operated until the Republicans got control of the administration and of the Federal Reserve Board, are still strong for the Federal reserve banking system. I understand that in order to get Democratic votes for the so-called McFadden bank relief bill the amendment providing for the perpetuation of the Federal reserve bank charter was attached to this measure—in order to get Democratic votes, Mr. President! Oh, it was claimed on the floor a few days ago that we had to put cotton and tobacco and rice and a lot of other amendments in the farm relief bill in order to get the votes of southern Senators on the other side of the Chamber. There may be something to it; but Senators who represent the Southern States know that their people want farm-relief legislation and need it just as badly as the farmers of the West need such legislation.

Mr. COPELAND. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from North Dakota yield to the Senator from New York?

Mr. FRAZIER. I yield.

Mr. COPELAND. I want to ask the Senator if he believes he can state any promise that I had last year in order to get me to vote for that bill?

Mr. FRAZIER. I will say to the Senator from New York that I was not referring particularly to Democratic Senators from the Northern States, because neither cotton nor rice nor even tobacco is grown there to any great extent. I referred particularly to Members of the Senate who represent the Southern States where they raise cotton, rice, and tobacco.

Mr. COPELAND. It is not quite fair, if the Senator will permit me to interrupt further, to point at the Democrats. If the Senator wants to talk about individuals that is all right, but there is one Democrat over here, myself, who voted for the bill without any reference whatever to the banking bill, which of course I favor now. I voted for the farm relief bill this year and last year, and whenever I have had an opportunity to do so, because I believe the farmers should have relief. I think the farm relief bill is economically unsound, but it is no more unsound than the protective tariff and other measures; but in fairness to the Democrats, let not the Senator suggest that the Democrats did this or that, because of course the Senator realizes he is outside of the pale of the exact facts when he makes that statement.

Mr. FRAZIER. I realize that what the Senator from New York said is perfectly true, and also that there are Democrats and Democrats, just the same as on this side of the Chamber there are Republicans and Republicans.

Mr. COPELAND. I see the distinction, Mr. President, because there are Republicans and Republicans, and there are times when the Senator addressing the Senate is not a Republican.

Mr. FRAZIER. Yes; and there are times, too, when the Senator from New York does not follow as closely as some of the others the dictates of the great Democratic Party. It has been suggested to me that the Senator from New York follows the dictates of Tammany Hall, but I will not make that statement, because I do not know, though we have our own opinions, of course.

Mr. President, it seems to me that the bank relief bill simply strengthens the central banking system of the Federal reserve bank. In view of what happened to the great agricultural districts of the West and South beginning in 1920 through the deflation brought on by the Federal Reserve Board of the Federal reserve banking system, it is beyond me to understand how anyone representing either the South or the Middle West or the West, can possibly vote to strengthen the Federal reserve banking system by this proposed relief measure.

The Federal Reserve Board met away back in May, 1920, and had their secret meeting here in Washington and received their orders to deflate and to raise the rates of interest and discount. It will be remembered that the meeting was held in May, behind closed doors, here at the National Capital, but the deflation did not begin out in the West or the South until the fall of the year, when the crops were ready for market. Of course, it is now commonly known that the governor of the Federal Reserve Board, Mr. Harding, in his closing remarks before that conference, stated:

I would suggest, gentlemen, that you be careful not to give out anything about any discussion of discount rates. That is one thing there ought not to be any previous discussion about, because it disturbs everybody, and if people think rates are going to be advanced there will be an immediate rush to get into the banks before the rates are put up, and the policy of the reserve board is that that is one thing we never discuss with the newspaper man. If he comes in and wants to know if the board has considered any rates, or is likely to do anything about any rates, some remark is made about the weather, or something else, and we tell him we can not discuss rates at all, and I think we are all agreed it would be very ill advised to give out any impression that any general overruling of rates was discussed at this conference.

Another sentence in his closing speech is as follows:

You can go back to your bank and, of course, tell your fellow directors as frankly as you choose what happened here to-day, but caution them to avoid any premature discussion of rates as such.

Mr. President, it is commonly known, I believe, and has been stated here on the floor time after time that some of the big financial interests, after this secret meeting of the Federal Re-

serve Board in 1920, got word of what was going to be done and what they might expect, and immediately took steps to float large bond issues and to make large loans to protect themselves against the very thing that happened a few months later, but the little business man, the farmer who produces the food products to feed the Nation, did not get any tip of any such thing and had to take the consequences when the panic struck in the fall of 1920.

I want to read just another little item in regard to what took place in that board meeting in May, 1920, in regard to rates:

Mr. UTTERBACK. I should like to ask one question in regard to rates. If New York should put on a 7 per cent rate, do not all rates have to finally be approved by the Federal Reserve Board?

Governor HARDING. Oh, yes.

Mr. UTTERBACK. Is it not the policy of the Federal Reserve Board to make all rates uniform in the district?

Governor HARDING. Not necessarily. All in a district?

Mr. UTTERBACK. I mean over the system?

Governor HARDING. Not necessarily. There is no obligation on the part of any district to have uniform rates.

That was the statement made by the President of the Federal Reserve Board, and they did not have uniform rates, either, during that so-called deflation. Oh, no; the rates varied, and they varied considerably. In New York, I am told, the rate was 7 per cent, but down in Georgia and Alabama and some of the other agricultural districts the rates were as high as 87½ per cent. That is some difference—80.5 per cent difference—authorized by the Federal Reserve Board, and yet now we are asked to strengthen that board and give it more power.

Mr. HEFLIN. Mr. President, if the Senator will permit me—

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from Alabama?

Mr. FRAZIER. I yield.

Mr. HEFLIN. In New York they never charged higher than 7 per cent, and rarely even 7 per cent. They loaned money to the speculators there at 5 per cent, 5½, and 6 per cent, but never got above 7 per cent in New York.

Mr. FRAZIER. During the time of that deflation money was loaned by some of the great banks in New York, through the Federal Reserve Bank of New York, to speculators at lower rates of interest, which varied undoubtedly from 5½ to 7 per cent, and perhaps a little higher in instances, and they loaned more money than was loaned in dozens of States out in the agricultural districts to the farmers and business men there to help save their crops and to keep them from being driven out of business.

When the Federal reserve system was being organized and "put across" it was the boast of those who favored the measure that it would, if passed, prevent panics and would stabilize the credit of the Nation. Well, perhaps it did stabilize the credit of the Nation, because the credit of the Nation was turned over to the little group of Federal reserve bankers. The credit of the Nation was stabilized all right.

President Lincoln, as history records, was against a central bank; he was against what is known as the national bank system at that time. It is recorded when, in order to get credit to carry on the Civil War to a successful finish, President Lincoln was forced to sign the banking bill that was passed and put up to him at that time he signed his name to that banking bill, then threw his pen down and said: "I will settle with these gentlemen after the war is over." Unfortunately he never had a chance to settle with them. I want to read a little statement made by Mr. Lincoln at that time. He was speaking of the general situation:

It—

Referring to the Civil War—

has been indeed a trying hour for the Republic; but I see in the near future a crisis approaching that unnerves me and causes me to tremble for the safety of my country. As a result of the war corporations have been enthroned, and an era of corruption in high places will follow, and the money power of the country will endeavor to prolong its reign by working upon the prejudices of the people until all the wealth is aggregated in a few hands and the Republic is destroyed. I feel at this moment more anxiety for the safety of my country than ever before, even in the midst of the war. God grant that my suspicions may prove groundless.

Those were the words of the Great Emancipator; those were the words of the man who, I believe, is generally and universally considered the greatest man that America has ever produced. How apt were his words! How well has been fulfilled the prediction he made at that time, at the close of the Civil War, that wealth would be aggregated in fewer and fewer hands! For now the money power is getting control; a central banking system has been "put across" by the Federal reserve system, and is now being strengthened by this bankers' relief bill.

Mr. President, Lincoln predicted that the Republic would be destroyed by this very banking system that we are promoting and fostering at the present time. Fortunately that prediction has not as yet come true, and I trust that the voters of this great Nation will wake up before it is too late and take the control of the banking situation out of the hands of the specially privileged few who apparently are so selfish that, in order to gain their ends, they would even disrupt the Republic itself, as Lincoln predicted.

Mr. President, coming back to the deflation that started in 1920 by the action of the Federal Reserve Board under Governor Harding, I desire to say that there is no question but that the prices of farm products and the prices of farm lands were deflated by some $30,000,000,000, according to the best estimates by economists who have studied the situation, and who, I believe, know what they are talking about. At that time, however, these same reserve banks were making immense sums of money in the way of interest which was put into reserve funds, profits, and so forth, and some little of it was turned back to the Government under the law. As to the amount turned back to the Government under the law, however, I believe that the people paid a mighty high collection fee for the little that was paid into the Treasury under the Federal reserve banking law.

Furthermore, the Federal Reserve Board, apparently in order to keep down the amount of money that should be turned back to the Government under the law, raised the salaries of their employees to such an extent that in one instance at least a salary of $50,000 a year was paid. Undoubtedly their intention was to raise more of those salaries to similarly high levels, but sentiment against it became so strong that they had to recede a little and had to reduce some of those high salaries.

They also spent millions of dollars in the equipment of Federal reserve bank buildings in the 12 districts. Of course, New York is entitled to a mighty fine bank building for its Federal reserve bank, but when it comes to spending some seventeen or eighteen millions dollars, which is more than the National Capitol building cost, it hardly seems right, though we realize that New York is entitled to a great deal and that the Wall Street bankers are entitled to great consideration and recognition.

A short time ago I happened to visit New York. In talking with a business man there, to whom a friend of mine had given me a letter of introduction, I told him, among other things, of the conditions out in the West and the problems that we were up against out there. He turned to me and said, "The trouble with you, Senator, is that you fellows out in the West are not willing to admit that you have got to come to Wall Street for your money, but you might just as well admit it; we have the money here, and you have got to come here if you want it." I replied, "Yes; I presume that is true, but there are some of us who object seriously to admitting that fact, and we are going to fight the situation just as long as we can."

Mr. President, if this bank relief bill shall be passed here to-day it will give the Wall Street bankers not a little more power but a great deal more power than they have at the present time or have had in the past.

The panic that occurred which bankrupted thousands upon thousands of farmers, whose prices went down so that they could not pay their debts, of course also bankrupted a great many banks out in the agricultural districts. The complaint is made by the proponents of this measure that a few banks, some 166, I think, the number is, have withdrawn from the Federal reserve system and taken out State-bank charters. A great point is made of the fact that 166 banks have left the Federal reserve sytsem and gone into the State systems of the various States of the Nation; but, Mr. President, the same gentlemen who are alarmed at that situation apparently take no cognizance of the fact that several hundred national banks in the agricultural districts have failed and gone out of business, thus imposing the hardship not only upon the bankers but upon their depositors and the community. I have no more sympathy for the banker than for anyone else who goes broke; but the sad part of it is that when the banker goes broke he carries into bankruptcy with him many other people who had confidence in and who had placed their savings in his bank. Several hundred national banks that had been members of the Federal reserve system have gone broke during the past few years.

North Dakota had a member of the Federal Reserve Board who sat in the conference at Washington in May, 1920, Mr. Wesley McDowell. He made quite a fine speech, according to the minutes of the meeting, protesting against the increase in

rates of interest and discount and protesting against the deflation. That poor little banker has since gone to the wall; he is broke and out of business, along with many other bankers throughout that section.

Mr. President, it seems to be the policy of the Federal reserve system, as it is controlled and administered at the present time, to get rid of many small banks. Those in control of the system have been dissatisfied with the State banking laws in some of the States; they have felt that the State bankers have had a little the best of it under some of the State laws, especially in the way of branch banking. So now they want to have a law passed that will allow national banks to have branch banks in the States which allow State banks to have branch banks. That would not be so bad if they would stop there, but they did not want to stop there; and they struck out the Hull amendments. They want general branch banking. That is what the Federal reserve system wants, and there is no getting away from it. I think there is no question but that is what they want. And, Mr. President, if this measure shall pass, how easy it will be for the powerful organization known as the American Bankers' Association, which has unlimited money, in fact, money is the cheapest thing it has—much cheaper than principle or anything of that kind—backed by other powerful organizations throughout the Nation that are affiliated with it and are under obligations to it and do not dare say their souls are their own when they are told to toe the mark by the American Bankers' Association—how easy it will be for that organization to send representatives into any State in this Nation where there is no general branch banking to-day and inaugurate a campaign for branch banking laws in such States.

Oh, it is said the bankers are not in politics and the American Bankers' Association is not in politics, but, Mr. President, I know differently. I have had some experience along that line myself in North Dakota. The bankers have been in politics out there, and the bankers in the East, even the American Bankers' Association, have taken part in politics in North Dakota. The bankers of Wall Street, New York, and in the other big cities have taken part in politics in North Dakota, in South Dakota, in Minnesota, and in other States in the West where progressive measures were being advocated. How easy it will be for them to put on a campaign and "put across" this branch banking law in the various States of the Nation that do not have branch banking at the present time.

This bill is a step toward general branch banking. There is no doubt about that, in my mind; and I believe that that is the consensus of opinion of those who have studied this measure and who are not in some way under obligations to the present banking system.

Mr. President, I wish to quote just a paragraph or two from an article in the Dearborn Independent against the McFadden bill, written by Western Starr, a newspaper man of this city, who is well informed and who is one of the most reliable writers, I think, we have in the District. The Dearborn Independent, I understand, never publishes any article, regardless of what it is or on what subject it is, unless it has the approval of the man who is the editor of that publication, and of Mr. Ford himself.

As far back as 1841, John C. Calhoun, discussing a monetary measure, said on the floor of the Senate:

"If this body, instead of being a Senate of the United States, was a deputation from Wall Street, sent here to arrange the details of the measure, we would not be at any loss to understand why they are arranged as they are. No wonder, then, that Wall Street should shout and clap its hands for joy on its passage through the other House."

Mr. President, it seems to me that that statement of the great statesman, Calhoun, in his time is most applicable to the present situation. If the Senate of the United States, instead of being the United States Senate, instead of representing the various States of this Nation and the people of this Nation, were a deputation from Wall Street, we could easily account for this relief measure from the big bankers to-day.

Mr. President, the Members of this body are supposed to represent various States of the Nation, two from each State—yes; they are supposed to represent the State and the people too, of course, and the welfare of the Nation as well—and yet we are asked to support and vote for a measure that will put more power into the hands of the little group of men that now control the financial affairs of the Nation, for their own benefit and to the detriment of the people.

If this measure passes, it seems to me that any little country banker who is a member of the Federal reserve system will be unable to say his soul is his own. He will be dictated to absolutely as to just what he must do, just what terms he must make on loans.

Oh, yes; under this measure they are going to make loans on real estate up to 50 per cent of its valuation. Yes; for how long? For not to exceed five years! How much help will that give to the farmer—a loan for five years?

Why, Mr. President, it has been the history of farm loans, not only in the past few years but, generally speaking, in the past as well, before the war, that when the loan was due the farmer went to the bank and asked for a renewal of that loan, and oftentimes he had to include the accrued interest on the loan in the principal of the new mortgage. Now they want to make it not more than five years, so that the farmer will be tied up hand and foot. He can not say his soul is his own, either, and he will be influenced to vote just as the banker tells him to vote; and the little banker is going to get his instructions from the big fellow who has some connection with the Federal Reserve Board of the whole system.

Mr. President, I know it is useless to talk against this measure, because the machine is all greased and everything is ready; the skids are in place and everything is ready to slide. There is no doubt about that, Mr. President. They have the majority here—oh, yes! We have talked sometimes about a coalition of the "regulars" on each side of the Chamber, and another coalition is on right now. Oh, yes; we have to make trades, you know, in order to get this machinery greased and these skids placed just right, so that things will slide just right. Oh, yes; they had to make some concession to the friends of the Federal reserve bank on the other side, who feel that it is their child, you know, and want to do something especially to perpetuate the charters, although the charters do not run out for some eight years. They wanted to get their votes; and I understand that the very able Senator from Virginia [Mr. GLASS], who is especially able in dealing with banking questions, insisted that that amendment should go on this bill before it would be supported by him or other Democrats on his side of the Chamber.

Mr. President, I believe I am safe in saying that after this vote is taken, after the people understand what it means, the Senators on each side of the Chamber who support this measure will be explaining their votes, and have a hard time in explaining them, too.

Mr. WHEELER. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. GEORGE in the chair). The absence of a quorum having been suggested, the Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	George	McMaster	Shortridge
Bayard	Gerry	McNary	Simmons
Bingham	Gillett	Mayfield	Smith
Blease	Glass	Means	Smoot
Borah	Goff	Metcalf	Stanfield
Bratton	Gooding	Moses	Steck
Broussard	Gould	Neely	Stephens
Bruce	Greene	Norris	Stewart
Cameron	Hale	Nye	Swanson
Capper	Harreld	Oddie	Trammell
Caraway	Harris	Overman	Tyson
Copeland	Harrison	Pepper	Underwood
Couzens	Hawes	Phipps	Wadsworth
Curtis	Heflin	Pine	Walsh, Mass.
Dale	Howell	Pittman	Walsh, Mont.
Deneen	Johnson	Ransdell	Warren
Dill	Jones, Wash.	Reed, Pa.	Watson
Edge	Kendrick	Robinson, Ark.	Weller
Edwards	Keyes	Robinson, Ind.	Wheeler
Ernst	La Follette	Sackett	Willis
Fess	Lenroot	Schall	
Fletcher	McKellar	Sheppard	
Frazier	McLean	Shipstead	

The PRESIDING OFFICER. Eighty-nine Senators have answered to their names. There is a quorum present.

Mr. SHIPSTEAD. Mr. President, I realize fully that there are and have been for some time enough votes to pass this bill. I want to state also that I realize fully that what little I may say upon this occasion will not change any votes. I do not want the bill to pass, however, without having the RECORD show that I made some observations in protest.

The newspapers have carried information that an agreement was made between certain members of the farm bloc and the sponsors of this so-called banking bill. If such an agreement was made, I hope it included the signing of the two bills by the Chief Executive. I am sure that the banking bill is going to be signed. I hope the farm relief bill will also be signed.

The pending bill went through the Senate last summer, and, as usual, at that time when it was discussed upon the floor of the Senate we had assurances in the cloak rooms, as we often have, that if certain parts of the bill were not discussed the House would insist upon certain provisions that they had inserted in the bill.

The bill started upon its journey through the legislative channels as a rather inoffensive, innocent bill. It did not seem when it was first introduced to provide for very much of anything. There were some little privileges granted to national banks. All the little bankers seemed to be for it. In fact, some considerable propaganda was carried on, particularly by the small bankers of the country, in favor of the bill, until it was piloted through the House and came to the Senate, and then the very thing the small banker wanted was taken out of the bill, some things which the small banker did not want were put into the bill, and now the shoe seems to be entirely on the other foot, because the small banker is beginning to find out where he stands.

Under the cloture rule there is not time enough to discuss this measure in the manner in which I should like to discuss it and at the length I would like to discuss it. I am frank to say that I wish the Senate and the House had taken time to write a real banking bill, that would have remedied some of the defects of the banking system which have been revealed by the history of recent years, instead of fastening such a measure upon the country, without change in the essentials, and the elimination of some of the very dangerous things in this financial banking system. The pages of history all too plainly show to those who will read, and so plainly that the blind can see, for what purpose this financial oligarchy has been used.

The Department of Agriculture has made the assertion that the agricultural interests of the country were deflated to the amount of $18,000,000,000, and while that process was going on, the American people were told that the agricultural market broke because we could not export anything. As a matter of fact, the records show that during that period of deflation we were exporting three times more agricultural products than we ever did before the war.

Out of the crop of 1920, during the marketing of which the wheat market broke because, we were told, we could not export anything, we exported 366,000,000 bushels of wheat, including flour, and that was three times more than we ever exported before the war.

The other day, in making a few observations on the farm relief bill, I gave the records of the exports of 18 of the major agricultural products for the year 1923. Inadvertently there were not included in the record with those remarks the figures of the exports of grain for the years 1920, 1921, and 1922, the three years when the farmers were going bankrupt, particularly the grain farmers, because we were told we were not exporting any grain. What does the record, as revealed by the Department of Commerce and the Department of Agriculture, show? In 1920 we exported 219,000,000 bushels of wheat, in round figures; in 1921 we exported 366,000,000 bushels of wheat; and in 1922 we exported 279,000,000 bushels of wheat.

In view of this great demand for agricultural products from the United States, what was the reason the agricultural market broke? It is not true that it broke because we were not exporting anything. I am not going to take the time now to go into the history of the transactions of the Federal reserve banking system. It has already been stated upon the floor of the Senate. But the calling of agricultural loans, the denying of credit at the proper time to agriculture, led to the break in prices that started agriculture down the road to bankruptcy.

The Federal reserve banking system, we were told, was established in order to put a check upon credit extension to speculation. During the time agriculture was breaking, due to the calling of loans, the speculators could get money to buy the Liberty loan bonds that were forced out of the hands of the American people, who had patriotically bought them for a hundred cents on the dollar. To show who could get loans, and the kind of people who were not deflated at that time, let me quote from an article written by a broker by the name of John Le Fevre in the Saturday Evening Post of August 30, 1924.

On page 82 he quotes a New York banker:

> Then the banker went on to tell how right after the war a small group of men in New York made $10,000,000 out of a speculative deal. The men to whom he referred bought $100,000,000 of Liberty 3½ per cent bonds. To do this they borrowed from the Federal reserve bank 80 per cent of the value of the bonds; they had gone down over 10 per cent since their issue. Panic conditions prevailed.

Of course, panic conditions prevailed. The people who had bought those bonds had to sell because their loans were called. They had to raise money somehow to pay their notes, and very often the only thing they could sell were these Liberty bonds. I continue to quote from this New York banker:

> The little group of New York men went about their business sanely. They took all the offerings around 90 until they had bought over $100,000,000 par value. These men were multimillionaires, and they had to pay the highest-bracket surtaxes. By buying tax-exempt Liberty 3½'s they did not have to pay any income tax on the interest they received from their hundred and odd millions. In addition to this, they deducted from their taxable income the interest they paid to the Federal reserve bank on the eighty-odd millions of dollars they borrowed to buy the bonds with.

Then he goes on to say:

> The law provided for precisely such cases. When the price went up the syndicate sold enough bonds to pay for the bonds they kept for permanent investment. The total profits were in excess of $10,000,000.

The transactions showing loans that were given to speculation in those days and the loans that were called, loans for production that were called, are too extended for me to cover this afternoon. No one now has the effrontery to deny that we had a deflation of agricultural interests. No one now denies that the Federal reserve banking system is to blame. We have come so far that those who have been denying that fact now will say that it was a mistake; that they did not know any better; that they got scared and thought they had to do something. To admit that is to admit that this powerful machine, with its tremendous economic power of control of the finance and the credit of the country, is under the dictatorship of the stupid and the American people have had to pay a terrible price.

I want to read from the hearings before the Committee on Banking and Currency on the pending bill some of the testimony that was introduced, in order to show the condition that has prevailed, facts that we must face, which we can not escape even if we pass this bill. The American people must remember the history that is revealed in the banking records and the financial records and the bankruptcy records of the past eight or nine years.

We have the testimony here of a man by the name of Willis. I hold no brief for Mr. Willis, but it is interesting to know who he is in order that we may know whether his testimony is worth anything or not. In introducing himself to the committee, before giving his testimony, he said:

> Mr. Chairman and members of the committee, the reason for my appearing here this morning is a twofold one. I have been interested a long time with the subjects dealt with in H. R. 2, which is before you, and in a number of other bills that are now pending before one or the other Houses of Congress. I served for two years as expert economist for the House Banking and Currency Committee during the period of the preparation of the Federal reserve act. Then for four years I was secretary of the Federal Reserve Board, and for an additional four years director of research of the Federal Reserve Board, and then for a short time prior to my resignation from the system in 1922 I was consulting economist of the board.
>
> During that time the questions which are dealt with in the McFadden bill were almost continuously before Congress, and in one way or another before the Federal Reserve Board, so that I have for a long time had a very keen interest and some contact with those questions.
>
> The immediate reason for my appearing, however, is the fact that about eight months ago I was asked by a group of bankers to make a careful survey or investigation of the general contemporary banking situation in the United States as a whole. Since June, 1925, I have been actively engaged in making that inquiry, and during that time I have expended, in making this investigation, between forty-five and fifty thousand dollars, which has been supplied by the bankers who requested me to make the inquiry. That investigation was made at their request as a general study without instruction as to what to look for, and, of course, without indication as to what they wanted to have found. Nevertheless, as I say, the inquiry has been carried on at their cost, and I wish to make a record of that at the outset, and to say that, of course, the vouchers, checks, etc., with respect to the expenditure of money are at the service of the committee if they desire to see them.

Time will permit me to call attention only to a very few of the significant facts brought out by this investigation. I want to say that not only did Doctor Willis conduct a very comprehensive investigation of the banking and credit system in the United States, but he was authorized and given the funds to employ a large corps of experts to work with him. As a result of his investigation we have some figures, set out on pages 70 and 71 of hearings before the Senate Committee on Banking and Currency, showing that from 1920 to 1925 more than 3,500 banks, with total resources of more than $1,500,000,000, closed their doors. Ninety-five per cent of the banks so closed were in agricultural communities. Most of them were small banks. It has been stated by some that they were closed because they did not belong to the Federal reserve system. In the Northwest the percentage of national banks that have closed is as high as the percentage of State banks. The State banks which have closed are greater in number because there are more of them.

But I want to call attention to what has been said about the small banks. It is said that the small bankers do not know how to conduct the banking business. It is said that they are

not bankers and do not know how, and that is why their banks had to close. I call attention to the fact that many of these men conducted a banking business for 25 to 40 years. Did they become inefficient all at once? It is said they are not honest. Did they become crooks all at once? Was it an accident or were these bank failures, running into the hundreds of millions of dollars in resources, the result of a cause? I submit to the people who say it was only the small banks that went broke, what would have happened to the large banks connected with the Federal reserve system if the Government of the United States had not formed a corporation, which had practically all of the powers of a Government banking corporation—the War Finance Corporation—with millions of Government money to go out in the larger centers and help out the big banks and relieve them of their frozen assets. Otherwise they would have gone out of business with the small banks. Anyone who knows anything about the situation knows that to be true.

The Federal reserve system absolutely broke down, and the Government had to step in and meet the situation, but they only saved the big banks. Nobody will deny that.

As the result of this investigation, Mr. Willis made some statements showing what his conclusions were as to the cause, in large measure, for those bank failures. Let us first establish, if we can establish it, whether or not there was a financial panic. I find on page 103 of the hearings that Mr. Willis said this in regard to H. R. 2:

> H. R. 2 seems to me to be a bill, just as this one, to conserve the existing small-banking situation in the country.

He was then talking of the bill as it came over from the House. When he said it was "to conserve the existing small-banking situation in the country" he was not talking about the bill now before the Senate. He said further:

> If that situation is to be conserved it undoubtedly ought to be relieved of its defects, and Congress, it seems to me, should do what it can to endeavor to curb them.

Then he went on to state what he found as an experienced economist and banker, and as the result of this investigation to be the cause of the bank panic throughout the agricultural areas of the United States. Among other things he said:

> The cause of bank failures is the fact that our banks are unsatisfactorily and inadequately examined.

I think that is to some extent true. It is a question in my mind if Congress is not to blame for that state of affairs, because Congress to my knowledge has given the Comptroller of the Currency no power to enforce any kind of efficient management upon any banker conducting a national bank under the national banking act, except to deprive him of his charter. Of course, there are certain provisions as to certain classes of paper, as, for instance, section 5200, and so forth; but there are many ways of inefficiently managing a bank and still coming within the provisions of section 5200. That is why I think a real banking bill should have been written, providing among other things for a more careful examination and management of national banks. He said:

> I have no doubt that the superintendents of the banks are for the most part careful, capable, and well-intentioned and, in many cases, high-minded men, who are doing the best they can with very limited resources at their disposal. But whatever the reason may be it is a fact that they are not getting the results and that the examination of small banks throughout the country, and especially since the great multiplication in number, has been inadequate.
>
> And now in the third place—and this has a rather important bearing upon H. R. 2—the Federal reserve system, by which I mean the management of the Federal reserve banks, is greatly at fault in the matter of these bank failures. It was in the beginning said by some unwise advocate of the Federal reserve system that it would absolutely end bank failures; it was an absolute simon-pure remedy for bank failures. Now, as a matter of fact, as I have just said, we have had more bank failures and more bank-failed assets under the Federal reserve system than we ever had before; and the question may properly be raised as to whether that is in any way related to the Federal reserve system as such. The reserve system was based on a very careful analysis of discount commercial paper, each paper standing on its own feet and being estimated on the basis of its own merit. Instead of that, it is becoming the practice of our Federal reserve banks in the Mid West, Southwest, and Northwest to lend heavily upon collateral and to take collateral for the protection of paper which is technically eligible but about which they are entirely uncertain as to its quality. That is not a matter of conjecture, because it has been testified to before a congressional committee, especially by Gov. J. Z. Miller, of the Federal Reserve Bank of Kansas City. Mr. Miller at that time had little to say on the subject, and he has explained his position on page 739 and following of the agricultural inquiry under Senate Concurrent Resolution No. 4, published in 1922, volume 3.

Then Mr. Willis continued further:

> In addition to that we have the further fact that pretty nearly all the investigators who have looked through the situation in recent years have come to the conclusion that there is an erroneous credit policy existing; so that, in my opinion, it is regrettably true that the Federal reserve system has not repressed bank failures but in a number of cases has created conditions that tended to aggravate them.

Mr. President, there is not time to go into any extended discussion of a matter that is merely controversial, that has to do with what may be called a proper credit policy for a great country. I think it is an established principle adopted by economists and bankers that credit should never be extended to speculation, that the legitimate extension of credit should at all times be for production and never for speculation or for luxury. Capital for luxury and speculation should come out of savings or capital account, and never out of credit account.

What is the history of the last few years of the credit policy of the United States? I do not know how many of the automobiles sold in the United States are used for production, but since large groups of financial interests in New York bought, for instance, General Motors, the banking credits of the country have been thrown back of that industry. Almost anyone can buy an automobile on credit. It is extending credit to waste and not to production. That is one instance to which I will point as an abuse of the control of credit—the extension of credit to waste and consumption instead of for production.

On page 104 Doctor Willis was asked the following question by the Senator from Virginia [Mr. GLASS]:

> You said awhile ago that it was contended by the proponents of the Federal reserve system that it would stop bank failures. I never heard that before. It was contended that it would stop financial panics, and it did.

To which Doctor Willis replied:

> Yes; that depends on your definition of financial panics. We had an equivalent financial panic in 1920 and 1921, with larger business failures in those years than ever before. If a man is going to die, it does not make much difference whether he dies of typhoid fever or smallpox. So, whether that was a panic or not, you have the same result.

It seems to me in view of the record of commercial, agricultural, and financial losses, which history more and more from day to day reveals has been due either to wrongful acts or an abuse of the control of the credit and banking facilities of the United States that Congress would have done well, would have served the country far better, if it had conducted a comprehensive investigation into the history of the operations of the Federal reserve system in order that we might have learned how to change our banking laws so as to prevent catastrophe in the future. If it was the result of stupidity of men in control we ought to know it. If it were done deliberately we ought to know that too. We pay the price and we ought to get the information.

In 1924 we had an entirely opposite transaction take place. It is very interesting to remember the situation in the spring of 1924. The Federal Reserve Bank of New York, I think, on the 1st of May, cut its rediscount rate from 4½ to 4 per cent. For some days there had been rumors that the Federal reserve bank was going to cut its rediscount rate, and as the result of those rumors the stock market, which had been very low for a long time, started to go up. When the Federal reserve bank, on the 1st of May, finally cut its rediscount rate from 4½ to 4 per cent, the stock market began to jump immediately. Prior to that time the Federal Reserve Board had issued a ruling which made possible the tapping of these vast reservoirs of credit which belonged to the American people to begin the floating of foreign loans with which to irrigate the barren financial fields of Europe. During the summer of 1924, in the month of June, the Federal reserve discount rate was cut from 4 to 3½ per cent, and in August it was cut from 3½ to 3 per cent. The stock market kept going up. Call money went to 2 per cent, and loans to brokers in the New York district rose $700,000,000 before Christmas, and in another year had gone above $3,000,000,000.

Within the space of about six weeks the shares of 200 corporations increased in value more than $3,000,000,000. That was due to speculation and to the inflation of the credit system of the country, aided by the Federal reserve banks which threw $1,100,000,000 of reserves into the financial district with which to buy Liberty bonds held by investors so that money could be released to go into the stock market.

Ever since that time there has been a make and break stock market following the calling of loans, the boosting of interest rates, and then the issuing of credit again for speculation. When the right and proper time came, when the "lambs" were ready to come into the fold and be fleeced, they could always borrow more money if they had some collateral to put up. Yet that is the very condition which we were told when it was originally passed the banking act would prevent. As a matter of fact, loans to brokers have increased enormously since the passage of the Federal reserve act. We have not succeeded in stopping the flow of credit to the speculative markets, and if we have not succeeded in doing that, if it is desirable to do that—and it has been admitted for years that it should be done—why should not the Congress of the United States, in its wisdom, try to find some method by which it may be done, and pass some kind of a banking act to provide that the credit reservoirs of the Nation shall be used and extended to legitimate business at all times, not only when it is desirable to have a boom but at such times of crisis as we had after the conclusion of the World War? At such times is when the Federal reserve system is needed. It is always in a time of crisis that the banks need their reserves; but when the crisis came following the war the banks in the agricultural areas could get no relief; their collaterals were cut in two by the calling of loans, a restrictive policy was put in force as to agricultural products, and, of course, they had to go broke.

It makes no difference how honestly or efficiently a bank is conducted, when its assets have been arbitrarily cut in two within two or three months, where is there any bank that can stand up under those conditions? It is begging the question to say that the bankers in the agricultural sections do not know how to run banks. I should like to see the man who can run a bank and keep it solvent under such conditions as I have mentioned, unless he happens to play in particularly good luck and happens to be more than any ordinarily conservative. I admit that some bankers took much real-estate paper which they had no business to take. I am talking, however, about conditions in general, for which there was some definite cause.

There is not opportunity now, in view of the time limit on the debate, and on account of my physical condition this afternoon, to go into the subject as I should like to do, and I find it necessary to cut my remarks short. I have felt, however, that I did not want this bill to pass without the RECORD showing my position regarding it. I think the time will soon come when the business interests, the agricultural interests, and a great many bankers of this country will insist that there shall be a new banking law enacted by the Congress of the United States.

I want the RECORD also to show that I protested against the extension of the Federal reserve bank charters indeterminately. That is a question which it is legitimate to bring before Congress, but that subject should stand on its own feet; it should not be brought in as a tail to the kite of a so-called branch banking bill. The question of whether or not we should enter upon a policy of branch banking throughout the country, which inevitably, in the long run, will destroy the independent banker is so big, and involves so many grave consequences for the future welfare of the country, that the Congress would have done well to consider that proposition by itself; it should come into this Chamber standing on its own feet.

Mr. President, this bill is a patchwork. I do not want to question the motives of anyone, but originally the bill was introduced as a vehicle to carry through the channels of legislation some other proposals that were going to be piled onto the wagon. I do not say that any Member of this Chamber or of the other House was a party to any such scheme, but, as the bill was originally introduced, it was apparently an inoffensive and unimportant bill. It seemed to give a few crumbs to the smaller bankers who appeared to want it, but now when they are beginning to find out where it is going to place them they are against it. Some may say that is not an argument against the bill. It involves, however, the question of whether an independent banker, so far as there is now any independence in the financial field, may continue in the operation of his independent business, serving his local community, be it agricultural or industrial, or whether the banking credits of this country shall be concentrated progressively as time goes on into fewer and fewer hands until the system as thus administered succeeds entirely in eliminating the small banker. When that time comes we will have banking on the principle of the absentee-landlordism of Europe in the olden days. I think, Mr. President, that is a question that ought to be discussed very carefully.

It has been said we must give the national banks an opportunity to compete with the State banks. I think the question of competition has entered entirely too much into the debate on this bill. I think there has been too much competition between State banks and National banks, and that is why so many of them have closed their doors. We ought to be more interested in establishing a sound and safe banking system and in inspiring faith in a sound banking system, for, in the long run, the bank which can assure the people of any neighborhood or any community that it is conducted on sound and safe principles in the end will be the most profitable bank. If we follow the principle which has been inaugurated in this measure of what is called liberalizing the banking laws, we are going to remove all kinds of restrictions after a while, and there will then be no safeguard at all for the depositor and for the business interests which should be served by legitimate and proper banking. There must be a limit to liberality so far as restriction on trust funds held in banks is concerned, and I consider deposits to be trust funds. Such credits belong to the American people; they do not belong to the bankers; the bankers only use them.

Much has been said about helping the banker. The banker is entitled to his profit and his hire, but back of the banker is the question of protecting the American people, and under this system it has been shown that at least so far as agricultural communities are concerned they have not had any protection. As a matter of fact, they have been wrecked.

It is very significant that cloture has been invoked in the Senate of the United States, to the best of my knowledge, on only three occasions—twice upon questions involving entangling the Government of the United States with the political systems of Europe and the third time to force this banking measure through. I am frank to say that I think a vote could have been had upon this bill without invoking cloture. I think it would have come with better grace and a better record would have been left for future generations when they shall come to read the RECORD dealing with the consideration and passage of this bill.

Mr. WHEELER. Mr. President, I shall consume only a very short time in speaking upon this bill this afternoon; but before a vote is taken I am desirous of pointing out to the Senate how much misunderstood this bill has been, even by members of the Banking and Currency Committee itself. I know it is not understood by other Members; but to illustrate how the bill has been misrepresented in this body I desire to call the attention of the Senate to this statement:

The Senator from Nebraska [Mr. HOWELL] was speaking. The Senator from Connecticut [Mr. MCLEAN] said:

> Before the Senator leaves the subject of the Bank of Italy, which, I understand, is probably as glaring an illustration of branch banking as we have in this country, I should like to ask him what he thinks that bank would do—it being now, as I understand, a member of the Federal reserve system—if the Hull amendments, which I understand the Senator favors, should be adopted? In that event the Bank of Italy would have to divest itself of its branches outside of its home office. I should like to ask the Senator what he thinks that bank, which has been so successful, would do?

Then I desire to call the attention of the Senate to a colloquy between the Senator from Virginia [Mr. GLASS] and myself, in which the Senator from Virginia said:

> I would like to call attention to the fact that there is another important provision of the bill which the Senator from Montana seems to have overlooked, and I would like to get his reaction to that. The section which he has read and stressed does say precisely what he said it does:
>
> "If the State bank is hereafter converted into or consolidated with a national bank."
>
> "If" it is converted. The question arises right there how such consolidation or conversion may take place. I refer the Senate to section 3, page 2, of the committee print of the bill, which says:
>
> "That any bank incorporated under the laws of any State or any bank incorporated in the District of Columbia may be consolidated with a national banking institution"—
>
> Where?
>
> "located in the same county, city, town, or village under the charter of such national banking association."

So that the RECORD may be kept straight on this matter, I desire again to call the attention of the Members of the Senate to section 5155, paragraph (b), which reads as follows:

> If a State bank is hereafter converted into or consolidated with a national banking association, or if two or more national banking associations are consolidated, such converted or consolidated association may, with respect to any of such banks, retain and operate any of their branches which may have been in lawful operation by any bank at the date of the approval of this act.

That section deals with the conversion of State banks into national banks. Section 3, to which the Senator from Virginia called my attention, provides—

That any bank incorporated under the laws of any State, or any bank incorporated in the District of Columbia, may be consolidated with a national banking association located in the same State, county, city, town, or village under the charter of such national banking association—

And so forth. Consequently, I say that the provision with reference to the conversion of State banks into national banks is not in any way, shape, or form modified by the provisions of section 3 of the national banking act. Section 3 of this bill does not deal with converted State banks; and so we have the situation that in the event the Bank of Italy in the State of California desires to retain its State branches, although the State may prohibit it, it can go ahead and convert into a national bank, and continue its branches in violation of the wishes of the people of that State. Likewise, branch banks in the State of California or in the State of Georgia can convert into national banks, and, notwithstanding the fact that the people of those States may pass laws denying the privilege of branch banking in those States, they can go ahead in direct violation of the State laws.

We hear a great deal about State rights upon this side of the Chamber and upon the other side of the Chamber. Senators get up here and say: "I am against prohibition because it violates State rights." They say: "I am against the milk bill because it violates State rights." They say: "I am against this bill and I am against that bill because they violate State rights." Here, however, is a provision in this bank bill, advocated by a majority of the Democrats and a majority of the Republicans, which is violative of the principles of State rights just as much as any bill that has ever passed the Congress of the United States; and yet we do not hear an advocate of State rights get up here and denounce the bill because it is in violation of State rights. When we fasten branch banking upon a State, and say to that State, "You can not repeal branch banking after that, because we permit them to convert into national banks and then keep their branches," it is a clear violation of State rights, just as clear as anything that could possibly be enacted into law by Congress.

Again, Mr. President, the other day I called attention to the position taken by Mr. Dawes when he was Comptroller of the Currency and the changed position he took a little later. I called attention to the statement of Mr. McIntosh, the present comptroller, and the later statement with reference to him, which were clearly inconsistent. Now, I want briefly to call attention to the inconsistency of Congressman McFADDEN, who is one of the authors of this bill.

I have in my hand an article written by L. T. McFADDEN, chairman of the House of Representatives Committee on Banking and Currency. It is reprinted from the American Bankers' Association Journal of May, 1925. In this article Mr. McFADDEN says:

In my judgment, the time has come to demobilize the Federal reserve banks by repealing certain war-time amendments that clothed them with extraordinary powers to control credits. There should be a return to the old order so that reserve notes may be issued only against commercial paper in response to trade needs, for, under the present system, the reserve banks may issue notes against gold, thereby introducing a rigid element in our currency system, and, at the same time, acquiring the means for extending excess credits that American business does not need.

I quote further:

It is my intention to ask Congress, at the next session, to repeal the war-time amendments that have made it possible for the reserve banks to use the gold that is intrusted to them as the reserves of member banks to pyramid credit. Indeed, there is a substantial basis to-day for charging that the Federal reserve banks have saturated currency to the extent of $1,000,000,000 and have contributed to the glut of easy money and the resultant speculative movements.

Now, we find Mr. McFADDEN not only not asking for the repeal of these war-time provisions, which do the things that he says they do, but we find him coming here and advocating a measure which does, on the contrary, extend those provisions so that speculation may go on to an even greater extent.

I shall not take the time of the Senate longer this afternoon because of the fact that I realize what a hopeless situation it is even to attempt to argue the many features of this bill; but I am going to ask unanimous consent to amend section 3 on page 2 by inserting, after the word "with," on line 3, the words "or converted into."

Mr. McLEAN. Mr. President, that is clearly out of order. Under Rule XXII, no motion to amend is in order.

The PRESIDING OFFICER. The Chair understood the Senator from Montana to be asking unanimous consent to offer his amendment.

Mr. McLEAN. I will state to the Senator from Montana that I should be glad myself to ask for unanimous consent to give him an opportunity to propose any amendment he desires to offer. The Senator will remember that yesterday the Senator from Nebraska [Mr. HOWELL] had some amendments which were out of order because they were not read and printed under the rule; but the Senator must remember that if any amendment is attached to this bill it must go back to the House. That means that the bill is dead; and under those circumstances I must object.

The PRESIDING OFFICER. Objection is made.

Mr. WHEELER. I next desire to ask unanimous consent to strike out of subdivision (b) of section 5155, on page 13 of the bill, the following words in lines 1 and 2 of subdivision (b): "converted into or"; likewise the words "such converted or" in line 4 of subdivision (b) of section 5155.

Mr. McLEAN. For the same reason as stated to the Senator when he offered the preceding amendment, I must object.

Mr. WHEELER. I think the Senator from Connecticut [Mr. McLEAN] will agree with me that these sections as they stand to-day permit State banks to convert into national banks and thereafter retain those branches, regardless of whether or not the State involved passes a law forbidding branch banking. May I ask the Senator if that is not his understanding of the bill?

Mr. McLEAN. Undoubtedly amendments will be necessary at the next session of Congress. The Federal reserve law has been amended at every session of Congress since it was enacted, and probably other amendments will be necessary in the future. The Senator must understand that, so far as this bill is concerned, it must be taken as it is or it will be defeated, and I must insist that no amendments be made to the bill.

Mr. GLASS. Mr. President, will the Senator permit an interruption which is pertinent to that point?

Mr. WHEELER. Certainly.

Mr. GLASS. I do not exactly agree with the Senator from Connecticut that it will be necessary to make amendments to this bill. Of course, it will be necessary to make amendments to the bill if anybody wants to accomplish any purpose not involved in the bill——

Mr. McLEAN. I meant the Federal reserve act, as amended.

Mr. GLASS. I am talking about this bill.

Mr. McLEAN. The act will probably have to be amended at the next session.

Mr. GLASS. The Senator from Montana will concede that subsection (b) does not alter existing law, and that, under existing law, just exactly what is therein provided may be done to-day?

Mr. WHEELER. The Senator is asking me the question?

Mr. GLASS. Yes.

Mr. WHEELER. I think it can be done under this present law; but I am saying that, in my judgment, the law ought to be amended, because the authors of this bill are saying that this is a bill for the purpose of restricting branch banking.

Mr. GLASS. The Senator would not say, would he, that just because it does not restrict branch banking in every respect, therefore it does not restrict it at all? This is one respect in which it does not restrict branch banking. What the Senator says may be done hereafter in the States of South Carolina and California may be done now, and might have been done at any time within the last 50 years, under the national bank act; so that by this particular subsection (b) we merely do not alter that particular privilege to State banks and national banks which consolidate or convert. Is not that the fact?

Mr. WHEELER. I think that is correct; but the other day, when we were discussing this matter, the Senator from Virginia stated—and I read his remarks a moment ago—that this provision was limited by another section, which does not in any way limit or modify the provisions of subsection (b), pertaining to the conversion of State banks into national banks.

Mr. GLASS. We simply have not altered that particular feature of the law.

Mr. WHEELER. But I repeat that when the Senator made that statement the other day he was clearly in error.

Mr. GLASS. When I made the statement the other day I momentarily supposed that the Senator from Montana was referring to the word "State" in line 4, on page 2, which had been eliminated, so that incorporated banks thereafter, under the laws of any State, might retain their branches in any State, county, city, town, or village, and I thought the Senator was not aware of the fact that the word "State" had been eliminated.

Mr. WHEELER. I will say very frankly to the Senator that at that time I was not aware of the fact that the word "State" had been eliminated, because of the fact that I had not at that time, that morning, seen a copy of the printed bill. But the elimination of the word "State" does not in anywise change the bill with reference to the conversion of State banks into national banks.

Mr. GLASS. Let me call the Senator's attention to the further fact that if he will note on page 14, subsection (e), which is a related section, I think he will find something that in some measure meets his objection to existing law. It provides, with respect to converted or consolidated banks, that such banks may retain and operate any of their branches——

Mr. WHEELER. I am entirely familiar with the provision.

Mr. GLASS. Which may have been in "lawful operation" at the date of the approval of this act.

Mr. WHEELER. But let me say right there that, on the contrary, I do not think that in any wise limits it, because I think that very provision is going to be construed as permitting all of these tellers' windows to be operated as branch banks are now. My judgment about the matter is that these tellers' windows, which have been permitted heretofore by the Comptroller of the Currency, have been permitted to run absolutely in violation of the law.

Mr. GLASS. That being so, they are not in "lawful" operation.

Mr. WHEELER. But when we read another section of the bill as it is drawn at the present time we find that it speaks of branch banks and tellers' windows, and I feel quite certain that the construction that will be placed upon this bill by the courts will be this, that it is going to absolutely legalize every one of these teller's windows.

Mr. GLASS. Mr. President, I simply rose to point out that we have not incorporated in this provision anything of a new nature or authorized anything to be done that may not now be done under the national bank act.

Mr. WHEELER. Will the Senator allow me to ask him a question?

Mr. GLASS. Certainly.

Mr. WHEELER. Does the Senator think that at the present time there is any authority in law for tellers' windows?

Mr. GLASS. I am not a lawyer. If the Senator asks me my layman's opinion, I will tell him frankly, no, and I do not think the Attorney General should have rendered any such opinion. But I am not a lawyer. I do not assume to determine a matter of that sort. I will say to the Senator, if he will permit me, that if we were in a parliamentary status here now, where an amendment might not endanger the passage of this bill, I personally would not have the slightest objection in the world to making that alteration in existing law which his proposal involves.

Mr. WHEELER. That is the real trouble with this whole situation. I have not any desire to prevent a banking bill being passed which is, in my judgment, legitimate, cutting out some of the provisions that are in this bill, because I think the Senator from Virginia and I agree with reference to certain provisions in this measure with respect to the war-time amendments and the extension of certain other provisions. But they are in this bill.

Mr. GLASS. The "war-time provisions" are not in this bill. They are in the Federal reserve act. The Senator is quite right in assuming that I wish they were not in the Federal reserve act; but they are not involved in this bill.

Mr. WHEELER. Not those particular ones, but under this bill national banks would be permitted to go into the speculative investment business without proper restrictions. I would like to ask the Senator if he believes those provisions with reference to the amendment of section 5200 are wise and just?

Mr. GLASS. If the Senator will permit me, I will say that I think he is mistaken in that respect. I think he has been misled, for the reason that under existing law these identical investments have been permitted for a period of nearly 50 years; and I was assured by the Comptroller of the Currency not longer ago than day before yesterday that the national banks of the country now have in their portfolios an aggregate amount of $6,000,000,000 of these very investments, so that instead of enlarging that right it simply confirms the right with the severest sort of restrictions as to percentage and definitions.

Mr. WHEELER. I challenge the statement made by the Senator from Virginia. I know that he believes in it, of course, but I submit that he can not find any lawyer who has examined the act who will say that the national banks at the present time have any right to go into the investment business such as this act permits them to do. I know what the comptroller says——

Mr. GLASS. Let me say what I have to say, and not what the comptroller has to say. The existing law speaks of these investments as "other evidences of indebtedness," and the existing law has been construed by the authorities to mean that national banks may engage in this very business; and under that construction of the existing law they have for years engaged in the business, and the Comptroller of the Currency informs me that they have an estimated aggregate of $6,000,000,000 invested in this wise.

Mr. WHEELER. Let me say to the Senator that the way the National City Bank of New York is getting around this very provision at the present time is by having a national city company to do the very thing they are now asking that these banks be permitted to do. Likewise the Chase National Bank at the present time has a company which they maintain for the purpose of doing this kind of business. Now, under the national bank act, one can go to his national banker and ask him to buy so many shares of stock for him upon the stock market, and as a matter of accommodation the banker buys that stock as agent for the purchaser. This bill, I submit, permits a national bank absolutely to go out and buy and take over a whole issue of bonds or stock of any corporation that it wants to take over, and then to sell the bonds, to peddle them out just the same as a stockbroker would peddle them out. No other construction can be put upon it. Not only is that my interpretation, but I want to say that the man who had more to do with the drafting of the Federal reserve act than any other, Mr. Willis, who is the editor of the New York Journal of Commerce and Commercial Bulletin, and also a professor of banking and currency in Columbia University, has written a letter to the junior Senator from Utah [Mr. KING] in which he points out that very feature of the bill, and states that is what it would permit them to do, and that they have not been permitted to do it heretofore.

Mr. GLASS. Mr. President, not to prolong the debate, I observe that the Senator from Montana makes very convenient use of Doctor Willis. He agrees with Doctor Willis when Doctor Willis agrees with him, and he totally disagrees with Doctor Willis when Doctor Willis disagrees with what he advocates.

Mr. WHEELER. I am in accord with the Senator from Virginia in that.

Mr. GLASS. One of the primary objections that Doctor Willis has to this bill is the pivot upon which the Senator from Montana bases his entire opposition to this bill.

Mr. WHEELER. Not at all.

Mr. GLASS. In other words, Doctor Willis advocates statewide branch banking, and one of his primary objections to this bill is that it is too severe a restriction upon branch banking. And yet the Senator from Montana bases his primary objection to the bill on the point that it is a branch bank bill. Doctor Willis was one of the most vehement antagonists of the McNary-Haugen bill.

Mr. WHEELER. So was the Senator from Virginia.

Mr. GLASS. Yes; I agree with him there. He denounced it as a degradation of economics, and the Senator from Montana does not agree with Doctor Willis in that respect.

Mr. WHEELER. Let me state what I agree with him about and what I do not. I have said on the floor of the Senate that from an economic standpoint I doubted whether or not it was wise legislation, but I said it was not any more unsound economically than was a high-protective tariff, and that as long as we were committed to a tariff, whether a protective tariff or a tariff for revenue only, I feel that we are bound to enact a law of this kind in order to put the farmers upon the same basis on which we put the highly protected interests of New England and the East.

Mr. GLASS. I understood the Senator yesterday to take a much higher moral ground than that. He deplored the theory that because one set of people steal we ought to permit another set of people to steal.

Mr. WHEELER. Not at all. I took a high moral stand when they claimed that this bill should be passed because of the fact that certain States permitted State banks to go into gambling schemes now permitted in this bill.

Mr. GLASS. I agree with the Senator that that ought not to be permitted to any bank if it can possibly be avoided. Do I interrupt the Senator?

Mr. WHEELER. Go ahead; I am perfectly willing.

Mr. GLASS. There is just one more matter to which I want to call attention. The Senator spoke about the invasion of State rights. If ever a bill was conceived and its passage attempted which constituted a most shocking attempt at the invasion of the rights of the States, it was this bill as originally drawn and passed by another legislative body, because it

undertook by Federal statute to confirm banking privileges in 22 States which were perpetually thereafter denied to the banks in 26 other States. It would have brought about, to use a concrete illustration, this exact situation throughout the country. It would have confirmed the banks in the State of New York in existing privileges and it would have denied to the banks in the adjoining State of Pennsylvania by Federal statute just exactly those privileges.

Then, in another very important respect, I direct the attention of the Senator from Montana to the bill as it came from the House. It was a shocking invasion of the rights of the State banks of the country.

Mr. WHEELER. It is strange how many State banks wanted the bill with Hull amendments, if the Senator is correct.

Mr. GLASS. So much so that the State banks were utterly opposed to the bill until the Senate made a satisfactory adjustment of that controverted point. In other words, in some way of which I have no knowledge, at some time, there were dropped out of the original Federal reserve act certain words which constituted a guaranty to the State banks throughout the country that their charter rights might not be invaded; and the Federal Reserve Board, assuming legislative functions which it had no right to do, made regulations for the admission of State banks to the Federal reserve system which were not authorized by the act itself and were made under an interpretation of an exceedingly refined and dubious nature. The Senate committee, in the bill now before us, had restored those words, making regulations by the Federal Reserve Board subject to the provisions of the act itself. Not until these words were restored did the National Association of State Bank Superintendents come here and advocate the passage of the bill as amended by the Senate committee. So when it comes to respecting the rights of the States, when it comes to the question of preserving the charter integrity of State banks, the Senate bill is infinitely superior to the bill which the Senator from Montana is advocating.

Mr. WHEELER. I appreciate the fact that what the Senator said about the interference with State rights was the reason why so many Members of the Senate voted against the Hull amendment. They said it was an invasion of State rights and they were against it for that reason, and yet they leave in the bill a provision, section (b), which is just as much a violation of State rights as the Hull amendment ever was, or an invasion of State rights just as much as any bill that has ever been passed through this body.

Mr. GLASS. Of course, the Senator and I would never agree as to that, because I do not think anything could constitute an invasion of State rights such as was embodied in the Hull amendment; but at least the Senator is forced to admit that if subsection (b) is an invasion of State rights, it is an invasion which has persisted for 50 years under the national banking act, and it is no new invasion of State rights.

Mr. WHEELER. Yes; but why should the Senator be here protesting against the Hull amendment as an invasion of State rights?

Mr. GLASS. I am not protesting against the Hull amendment, because it is as dead as Julius Cæsar.

Mr. WHEELER. I know it is, because we have had cloture put on us and it has been killed, but it would not have been as dead as Julius Cæsar if we had not had cloture put on us.

Mr. GLASS. We did not have cloture on when the Senate originally voted, by 60 to 17, to strike out the Hull amendments.

Mr. WHEELER. Yes, I appreciate that; but I repeat what I said the other day. I venture the assertion there are not 80 per cent of the Members of this body who have read the bill or know anything about what is in the bill, and that is the trouble with it. I have protested against the passage of the bill in the closing hours of the session when the Members of the body, and even the members of the committee itself, disagree as to the interpretation to be put upon it. It is one of the most important pieces of legislation that has been passed in this body for a long time. The provision with reference to the Federal reserve banks, the extension of its charter, giving it an indefinite charter eight years before it expires at all, coming in here eight years ahead of time and tacking it on as a rider, is a thing I deplore about the bill. I deplore the fact that that matter has come in here as a rider. Not only am I voicing my own feelings about the matter, but I think every thoughtful writer in the country who has written upon the subject has agreed that that view is correct. Even, as I said, some of the most conservative journals in the country have protested against this provision being added as a rider on the bill.

I hold in my hand, for instance, one of the bibles of Wall Street, the Chronicle, which has an editorial reading as follows:

The action of the House of Representatives at Washington on Monday, in passing the McFadden branch banking bill with the Senate rider attached to it for extending in perpetuity the charters of the Federal reserve banks, and minus the so-called Hull amendment, can not be viewed otherwise than matter for the deepest regret, viewed in the light of what the action implies. The statement is true both as regards the Federal reserve rider and the Hull amendment. As far as extending the charters of the Federal reserve banks is concerned, the step denotes very hasty action with reference to a subject of vital importance bearing upon the future of the country's banking system, and which therefore should have careful and very deliberate consideration.

How much deliberate consideration has been given in this body to the recharter provisions of the bill?

Mr. GLASS. This much, I will say to the Senator, that it was debated here, it was debated for hours in the House of Representatives, and it was regarded as such an important feature of the bill that a separate vote was demanded on it in the House of Representatives. That vote resulted, upon a division, 298 in favor of the charter provision and 22 against it. The opponents of the charter provision could not muster enough Members to demand a yea-and-nay vote.

Mr. WHEELER. It is apparent we could not muster very much here after we had cloture put on us. I will continue reading the editorial.

Mr. GLASS. May I interrupt the Senator further?

Mr. WHEELER. Yes; the Senator may make my speech for me if he wants to.

Mr. GLASS. May I interrupt the symphony of it by asking the Senator from Montana if he insists upon our taking advice from a Wall Street newspaper? [Laughter.]

Mr. WHEELER. I will say this to the Senator with reference to that suggestion——

Mr. GLASS. And a Wall Street newspaper, I may add, which opposed bitterly the original enactment of the Federal reserve act.

Mr. WHEELER. Oh, yes; and I know it was denounced at their Boston convention; and yet a couple of years later they went on record as favoring it.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. WHEELER. Certainly.

Mr. CARAWAY. If that time they were wrong about it, does that add more confidence now to the Senator's taking advice from them?

Mr. WHEELER. Not any more than it adds to the fact that the Senator from Virginia and the Senator from Arkansas have to admit that they are wrong sometimes.

Mr. CARAWAY. But that does not strengthen our faith in the source of advice about legislation with reference to which we were mistaken.

Mr. WHEELER. I am perfectly willing to admit that I make mistakes and that I am human like everybody else. The morning papers pointed out that only a few radicals are fighting the bill, when the truth about it is that there is not a bankers' association in the Middle West but what has protested against the bill and the passage of it in the method and manner in which it is being passed. Talk about the Wall Street Journal! I say they are simply pointing out the facts. They are not saying it is not right. They are saying it should not be passed so hastily.

Mr. GLASS. Now, the Senator knows——

Mr. WHEELER. I might say to the Senator that labor organizations have been down here insisting that I vote for the bill.

Mr. GLASS. Oh, yes.

Mr. WHEELER. But the Senator from West Virginia does not always follow what the labor organizations say to him any more than I follow or he follows what the Wall Street Journal says.

Mr. GLASS. Not West Virginia, if the Senator please; but Virginia. I have not the high distinction of representing the State of West Virginia.

Mr. WHEELER. I apologize to the Senator.

Mr. HEFLIN. Apologize to West Virginia.

Mr. GLASS. Oh, no; not at all. I am sure the Senator from Alabama [Mr. HEFLIN], who spent an hour yesterday denouncing a bill which he voted for twice last June, would apologize to West Virginia.

Mr. HEFLIN. Mr. President, the Senator from Alabama was misled on it then like many other Members.

Mr. GLASS. I prefer to believe he is misled on it now rather than then.

Mr. HEFLIN. There are provisions in it now which a good many of those who are championing it do not understand at all.

Mr. CARAWAY. This is the first time I have ever known that the only evidence one can offer that he is right is that he was wrong before.

Mr. WHEELER. I agreed with the Senator upon that matter then, and that is what makes me doubt whether I was right about it or not.

Mr. CARAWAY. Mr. President, may I suggest to the Senator that there is a difference, because the Senator voted twice alike. He voted for it twice.

Mr. WHEELER. And I voted against this twice.

Mr. CARAWAY. The Senator is just "fixing" to vote against it.

Mr. WHEELER. Indeed, I am "fixing" to vote against it.

Mr. GLASS. Mr. President, I merely want to inject there that I would be curious to know what the Senator regards as a leisurely piece of legislation. This bill has been here for three years, and the only rider on it was the Hull amendments, which the Senate voted out by 60 to 17, the absence of which inspires the bitter hostility of the Senator from Montana. This bill has been upon the calendars of the two Houses for three years.

Mr. WHEELER. Yes; and it has been reported in a different form every time that it has come here. It was finally put upon the desks of Senators with amendments from the other House, and we could not even get copies of the bill with the amendments to it in order to learn what they were. Now, I am going to continue reading this editorial for a moment, if I may do so:

The action of the House of Representatives at Washington on Monday in passing the McFadden branch banking bill with the Senate rider attached to it for extending in perpetuity the charters of the Federal reserve banks, and minus the so-called Hull amendment, can not be viewed otherwise than matter for the deepest regret, viewed in the light of what the action implies. The statement is true both as regards the Federal reserve rider and the Hull amendment. As far as extending the charters of the Federal reserve banks is concerned, the step denotes very hasty action with reference to a subject of vital importance bearing upon the future of the country's banking system, and which therefore should have careful and very deliberate consideration. The present term of these charters is for a period of 20 years, and only a little over 12 years out of the 20-year period has yet elapsed, leaving, therefore, nearly 8 years more before the charters actually expire. There was, and is, hence not the slightest occasion for rushing the matter along, and least of all was there justification for effecting the purpose sought by means of a rider to a measure dealing with a variety of other things, some of them highly controversial in character, such as the subject of branch banking.

The Federal reserve act is not to-day in the shape in which it was originally put upon the statute book. It was radically amended and fundamentally changed by the amendments grafted upon it in 1917, when the United States became a participant in the World War. The gigantic struggle in which the Nation then became involved made it essential that the financial resources of the whole country should be mobilized in the most effective manner for the successful prosecution of the great struggle in which the whole of mankind had so much at stake. To bring about the financial mobilization referred to, extraordinary and inordinate powers had to be conferred upon the Federal reserve banks and their managers—powers so extreme that no sanction for them can be found except in times of war. As a prerequisite to the extension of the charters there should accordingly be elimination and repeal of these war amendments and restoration and return of the Federal reserve system to its original scope and purpose. In a word, there should be financial demobilization, just as there has long since been demobilization of the Army and the Navy and of all the other activities of the Nation. War powers are dangerous and a menace in peace times, more so when they concern the financial and banking mechanism of the country than when they involve anything else.

I am going to ask that the remainder of this editorial from the Chronicle be inserted in the RECORD as a part of my remarks.

The VICE PRESIDENT. Without objection it is so ordered.

The remainder of the editorial is as follows:

Under one of the war amendments the Federal reserve banks are given authority to acquire every dollar of gold in the country and then to make this gold the basis for the issue of Federal reserve notes to two and one-half times the amount of the gold thus acquired. As the total gold coin and bullion in the country January 1, 1927, was $4,502,429,488, this means that over $11,250,000,000 of reserve notes could be ultimately issued and put in circulation if the Federal reserve officials saw fit. This is too vast a power to confer upon any body of men, even if they were endowed with wisdom from on high. It is no answer to say that there is no present likelihood of any such vast volume of reserve notes being put out. Some of the reserve officials in public addresses hardly more than two years ago were harping upon the alleged superiority of the reserve note over the gold certificate, since the gold certificate when in circulation can never be expanded beyond 100 cents on the dollar, while in the hands of the reserve banks the certificate can be represented by $2.50 in reserve notes, and these officials made it equally clear that they are at all times ready to avail of the power of expansion thus possessed. Then look upon the growth of brokers' loans upon the stock exchange. Only a few years ago brokers' loans upon the stock exchange aggregating $1,000,000,000 to $1,200,000,000 were looked upon as affording occasion for concern. Now brokers' loans aggregating $3,000,000,000 are viewed with complacency.

By another one of the war amendments the member banks are required to keep the whole of their reserves with the Federal reserve banks, instead of only a part of such reserves. This amendment should also be repealed. The member banks should be obliged to hold at least a portion of their reserves in actual gold in their own vaults, and the reason is the same as in the other case, namely, that the Federal reserve banks should not be given the vast powers involved in entrusting them with the whole of the legal reserves of the member banks, with view to lending these reserves back again to the member banks, for in the last analysis that is what borrowing by a member bank at the Federal reserve bank means. Inasmuch as the deposits of the Federal reserve banks consist of nothing except the reserves of the member banks (barring the relatively small amount of United States Government deposits held), when these deposits are made the basis of loans to the member banks, either on the security of commercial bills or United States Government obligations, the operation or process represents nothing more or less than the borrowing back by the member banks of their own reserves. The whole of the member bank reserves should never be turned over to the reserve banks for any such purpose, and strict limitations should be put upon the use of such portion as it is deemed proper to place in their custody and control. Legal reserves, after all, are merely minimums, and they should never be trenched upon more than absolutely necessary.

Other war amendments, removing previous restrictions and limitations, should also be repealed, and previous safeguards on prudent and conservative action and policy restored. For instance, issuance of reserve notes should be permitted only against the security of commercial paper and not in any other way, so that it would always be possible by a mere glance at the weekly returns of the reserve banks to see what portion of their resources was being employed—that is, was being loaned back to the member banks.

Repeal of these war powers, as we have often indicated, should precede, or be concurrent with, the extension of the charters of the Federal reserve banks. Not only that, but there should be a very careful and a broad and statesmanlike consideration of the operation of the Federal reserve system during the period of its existence with a view to seeing whether any other changes are necessary in the interest of safe and sound administration. Merely extending the life of the system, and this only by a rider to another bill, is dealing lightly and superficially with a grave and pressing problem or showing lack of appreciation of its gravity. The Federal reserve authorities, being human, do not like to be shorn of any of the excessive and extreme powers now lodged in their keeping, and there has been very active propaganda in favor of the rider to the branch banking bill ever since the adjournment of the long session of Congress on July 10 last, when the conference committees of the two Houses of Congress became deadlocked on the Hull amendment. Business men and bankers have been flooded with literature telling them what dire things were going to happen if the Federal reserve bank charters were not immediately extended eight years in advance of their expiration. Nothing was said of the still graver dangers that menace the country if the present absence of restrictions on reserve note issues and the unlimited grant of powers should end in financial debauch, as it must eventually do unless the reserve act is amended in the particulars mentioned.

All this had its intended effect, inducing the House to reverse its action of last spring with reference to the Hull amendment and to swallow the bill in virtually the shape it was formulated by the Senate, hook, line, and sinker; that is, not only without the Hull amendment, but accepting all the other changes made by the Senate except two or three very minor ones. But what a woeful lack of confidence in the intrinsic merits of the Federal reserve system the whole proceeding betrays. The long and short of the matter is that those engaged in rushing the thing through are afraid that if they allowed the present opportunity to give indefinite limit to the life of the reserve banks to pass and left the proposal for consideration at some future Congress, along with the question of repealing the war-time amendments, discussion of the shortcomings of the system would develop and lead to so much opposition as to defeat all efforts at renewal of the lease of life, thereby repeating what happened to the first United States bank and the second United States bank. Candor compels the assertion that those who are opposed to considering extension of the Federal reserve charters as part of the proposition to revise the Federal reserve act itself are afraid of the light of day. It is a sorry situation when things come to such a pass as this.

Of course, failure to revise the reserve act now does not prevent future revision. But such future revision will be much more difficult than would revision while the life of the institution is at stake. The Federal reserve authorities will resist to the utmost efforts to deprive

them of any of their excessive and inordinate powers, and it will be easy to keep constantly deferring action on the repeal of the war amendments and rest contented without doing anything meanwhile. And not only that, but we may suppose that the same tinkering that has been uninterruptedly in progress since the reserve act was passed will continue in the future, and there will be piecemeal additions and changes, not always desirable or meritorious, since no one will give much attention to what is going on where no major operation is involved. If the reserve act were now, once and for all, revised in a broad and statesmanlike way, it would have true elements of endurance and future tinkering might be largely avoided.

Notwithstanding that the charters have been—or are to be by Senate action—extended, Congress will retain full control over the institutions and can decree their dissolution at any time. But that is a different thing from letting the life of the institution expire by limitation. With the charters extended in perpetuity the reserve banks do not have to come before Congress at a definite date and ask judgment upon their acts. That is an advantage of the greatest moment, but, as shown, will tend to the perpetuation of evils and abuses. It is for that reason that complete revision of the reserve act should have been made an inseparable part of the proposition to extend their life.

As for the branch banking bill itself, it is an omnibus measure, as we have often pointed out in these columns, and the branch-banking feature constitutes simply one of many different provisions. Some of these provisions are good and others are open to grave objection. The general purpose of the bill is meritorious. This purpose can be stated in a single sentence. It is to place the national banks on a plane of equality with the State banks. That is true of the branch-banking provision no less than of most of the other provisions. At present nearly half the States of the Union—22 States out of 48 to be exact—have granted the right to open branches. The national banks now have no such rights, though the law in that respect has been more or less evaded and the Comptroller of the Currency has sanctioned the establishment of so-called tellers' windows, which are virtual branches. The bill undertakes to give the national banks the unqualified right to establish branches under certain restrictions and limitations. The bill, as accepted by the House, permits national banks to operate branches within the limits of the city where the bank is located, but the city must have a population of at least 25,000; only one branch may be established in cities of less than 50,000 and only two in cities of not more than 100,000 population. In cities over 100,000, branches may be established in the discretion of the comptroller, and he may, of course, be depended upon to see to it that the national banks suffer no disadvantage in that respect in comparison with State institutions. The Hull amendment relating to branch banking, which had deadlocked the conferees since last spring and which is now to be eliminated—the House having completely reversed its position of last year (June 24), when it instructed the conferees to insist on that amendment by a vote of 197 to 118, having now voted the amendment out of the bill by 228 against 166—aimed to prevent branch banking from creeping into the 26 States which now do not authorize branch banking by denying to national banks authority to open any branches at all in those States, even if any of such States should hereafter enact legislation permitting their own banks to establish branches.

By the elimination of that amendment the national banks are ipse facto given the right to open branches in any of those States the moment any such State authorizes its own banks to open up branches.

We were not at first inclined to favor this amendment, but the lengthy discussions of it at the annual convention of the American Bankers' Association at Los Angeles last October convinced us that if branch banking is to be limited and confined to the States where it has found lodgment, the Hull amendment should form part of the measure. Without that amendment national banks are given the right in advance to engage in branch banking, and the bill instead of being a bill for the limitation and restriction of branch banking, as is its aim and purport, becomes actually a measure for its extension. To give national banks the right in advance to engage in branch banking in the States referred to, is to extend an invitation to the national banks to get a State law passed for that purpose in order that they themselves may engage in the practice, and it requires no stretch of the imagination to see that in some of the States at least that is what actually may happen.

The Senate was adamant in its opposition to the Hull amendment, and it was urged that it was a discrimination against the nonbranch States. As a matter of fact, it is nothing of the kind. The States are left free to do as they like with their own institutions and, as far as the national banks are concerned in the same States, it would be an easy matter for these banks to go to Congress after the State had acted and ask the same privilege for themselves. We say that without the Hull amendment the branch-banking provision of the bill becomes a provision for the extension of branch banking, rather than a provision for its limitation. That follows from the fact that the national banks are given the privilege immediately to engage in branch banking in the States where branch banking now exists, a privilege which is now denied to them, and in that particular the bill is unquestionably a measure for the extension of branch banking. Keeping it out of the States where it does not at present exist would have afforded a definite limitation, but with that provision also eliminated the broadest right of branch banking is given not only for the present but for the future within the limits as to population already mentioned.

Even state-wide branch banking would seem to be authorized to the extent that it now exists, though not as respects any future additions, which are distinctly ruled out. Here is the section of the bill dealing with that particular phase of the subject:

"Any bank incorporated by special laws of any State, or organized under the general laws of any State or of the United States, desiring to become a member of the Federal reserve system may make application to the Federal Reserve Board, under such rules and regulations as it may prescribe, for the right to subscribe to the stock of the Federal reserve bank organized within the district in which the applying bank is located. Such application shall be for the same amount of stock that the applying bank would be required to subscribe to as a national bank.

"The Federal Reserve Board, subject to the provisions of this act and to such conditions as it may prescribe pursuant thereto, may permit the applying bank to become a stockholder of such Federal reserve bank.

"Any such State bank which, at the date of the approval of this act, has established and is operating a branch or branches in conformity with the State law may retain and operate the same while remaining or upon becoming a stockholder of such Federal reserve bank; but no such State bank may retain or acquire stock in a Federal reserve bank except upon relinquishment of any branch or branches established after the date of the approval of this act beyond the limits of the city, town, or village in which the parent bank is situated."

This would seem to protect absolutely the big California banks with their branches scattered all over the State, except that it would not permit them to carry the process of acquiring or establishing further branches beyond what they may have on the day when the bill receives the approval of the President. It will be observed that the language is very broad and unqualified in that respect, saying: "Any such State bank which, at the date of the approval of this act, has established and is operating a branch or branches in conformity with the State law, may retain and operate the same while remaining or upon becoming a stockholder of such Federal reserve bank; but no such State bank may retain or acquire stock in a Federal reserve bank except upon relinquishment of any branch or branches established after the date of the approval of this act beyond the limits of the city, town, or village in which the parent bank is situated." The closing words of this clause deserve close scrutiny. In saying that after-acquired branches may not be retained "beyond the limits of the city, town, or village in which the parent bank is situated," is it not to be inferred that the prohibition does not extend to after-acquired branches within "the limits of the city, town, or village in which the parent bank is situated"?

As for the rest of the measure, the bill, as already stated, is an omnibus proposition and covers so many different things that space does not permit their enumeration. Suffice it, therefore, to say that among others things it extends from one year to five years the time limit on loans on real estate—a very questionable privilege with nothing to recommend it. National banks should have only liquid assets, and there is certainly nothing liquid in a real-estate mortgage having five years to run. Moreover, real estate in some sections of the country, where there has been serious inflation of real-estate values, is liable to undergo sharp depreciation, where that has not already occurred. A very praiseworthy provision is that which removes the present 99-year limitation upon national-bank charters and authorizes the national banks to continue their operations indefinitely, subject simply to forfeiture for violation of law or termination by Congress. This provision is commendable from every standpoint and will also enable national banks to administer long-term and perpetual trusts. The bill also authorizes the Federal Reserve Board to discontinue branches of the Federal reserve banks and likewise permits national banks to divide their stock into shares of less than $100 par value. As to the remaining changes and amendments, the following is the closing portion of an editorial on the subject which appeared in the Journal of Commerce of this city, of which H. Parker Willis, who drafted the Federal reserve act, is editor, on Wednesday morning, January 26:

"The significance of the McFadden bill, should it become law, will be found entirely in its relaxation of the loan restrictions upon national banks, its alteration in the form of their investments, its broadening of the power to lend on collateral security, its doubtful changes in the criminal provisions of the law, and the increasing danger of bank failures, which will increase as a result of it. Some of these things have already been taken cognizance of by the Federal Reserve Board, which has strongly urged Congress to consider with much greater care the problem of revising section 5200, Revised Statutes. Congress has turned a deaf ear to these pleas, and the community will, if the measure goes to the statute books, as many assert that it will without further delay, have to make its study of the legislation after instead of before passage. This has been our practice for the past 10 or 12 years. It is a conservative statement amply able of defense that none of the numerous banking measures, major amendments to the Federal reserve act and others, that have gone through during the 12 years past have received any real consideration on the floor."

Mr. WHEELER. Mr. President, I now desire to call attention to an editorial in the Chicago Journal of Commerce. If I am not mistaken, that newspaper is edited by a brother-in-law of our distinguished and respected Vice President. I may be in error about it, but that is my information. The Vice President shakes his head in the negative, indicating that that is not correct. This article, which is taken from the Chicago Journal of Commerce, is entitled "Breach of faith," and is as follows:

The McFadden bill would not have passed the House in the first place if it had not had the support of the rank and file of the American Bankers' Association, and their support was dependent upon the inclusions within the bill of the Hull amendments. Moreover, at the convention of 1924 a prolonged contest ended in the victory for the proponents of the amendments. The officers of the association were thereupon instructed to work for these amendments. With these amendments the bill passed the House. It passed the Senate without the amendments, and the reason is largely that the permanent staff of the American Bankers' Association, while supporting the bill and while stating lukewarmly that they were expected to support the Hull amendments, nevertheless gave the impression that the indorsement of the amendments had been put through by a cantankerous element in the association.

This contact was a breach of faith. The faith of the majority of the association had been violated. In common decency the agreement that was made with them should be kept. The Hull amendments should be restored to the McFadden banking bill.

There is no question in the world but that that editorial correctly states the position with reference to the American Bankers' Association, as I explained the other day, because when the American Bankers' Association met in 1924, I think it was in the city of New York, and the little bankers were called in attendance from all over the country; they went on record almost unanimously in favor of the Hull amendments. Then it was that a convention was held in the city of Los Angeles, Calif., and there they packed it with the officers and directors of the branch banks in Los Angeles and overrode the majority of the little bankers of the country. I have a letter in my possession from one of the little bankers of my State who attended that convention who stated very frankly that never in his life had he seen a proposition railroaded through a convention as was the resolution denouncing the Hull amendments railroaded through the convention of the American Bankers' Association which was held at Los Angeles.

Mr. GLASS. Mr. President, I will not interrupt the Senator if he does not desire to be interrupted.

Mr. WHEELER. If I yield I hope the time will not be charged to me, because I see the Senator from Connecticut [Mr. McLEAN] is watching me very closely.

Mr. GLASS. I will not interrupt the Senator.

Mr. WHEELER. Mr. President, I also have a telegram which I received last evening and which I will read into the RECORD at this point, as follows:

CONRAD, MONT., *February 15, 1927.*

Senator BURTON K. WHEELER:

Unless Hull amendments are reinstated please help defeat McFadden bill.

FIRST NATIONAL BANK OF CONRAD.
FARMERS' STATE BANK OF CONRAD.
FARMERS' STATE BANK OF BRADY.

Mr. President, that is just a sample of how the little bankers throughout the Middle West and Northwest feel concerning this measure.

I also have a telegram not from any labor organization and not from any "wild-eyed" farmer out in Wisconsin or North Dakota but a telegram from one of the ablest bankers in the State of Wisconsin concerning this bill. I will read the telegram, which is as follows:

PLATTEVILLE, WIS., *February 15, 1927.*

Hon. BURTON K. WHEELER,
Senator from Montana, Washington, D. C.:

The enactment of the McFadden bill without Hull amendments would be one of the worst crimes that could be committed against public interest. Federal reserve system was created to decentralize banking power and credit control. This measure creates powerful centralization; makes possible absorption by powerful groups of the liquid funds of communities and States to be used largely in investment and international banking operations that offer large profits. Imagine, if you will, the kind of a credit-diffusion system these monopolistic groups would extend to the individual borrowers of the smaller cities and communities of our land. It would mean the drying up of the well springs of credit. Credit monopoly is the worst affliction that could befall us. This is an entering wedge to state-wide and nation-wide branch banking for the purpose of absorbing the liquid funds of the Nation. Give Federal indorsement to principle of branch banking and pass permissive legislation authorizing national banks to automatically engage in branch banking in any State that permits the evil and you by that action give monopolistic interest. The enabling machinery desired to batter down the prohibition that now exists in 26 States against branch banking. Congressional sanction and Federal indorsement is being asked for this very purpose. Is the Senate of the United States to lend its influence in making possible this removal of barriers that exist in 26 States against the spread of branch banking? Read this into RECORD.

W. H. DOYLE,
Member of Executive Council of American Bankers' Association from Wisconsin.

Let me say now, Mr. President, in all sincerity, there can not be any more question about this bill being the entering wedge of a branch-banking system in this country than there is of the presence of Senators here who are sitting in their seats.

The VICE PRESIDENT. The Senator from Montana has five minutes remaining.

Mr. WHEELER. Very well. Every little banker in this country, particularly in the Middle West and Northwest, is fearful that he is going to be wiped out of existence by a branch-banking system such as prevails in Canada, in England, and in some of the cities in this country.

Mr. President, I shall not consume further time of the Senate, because, as I said a moment ago, I realize that this bill is going to pass, and it is futile to talk to the Members of the Senate upon this subject. I deplore the fact that it was thought necessary to invoke cloture and thereby cut off debate in order to pass the measure at this session of Congress. There is no reason which any Member of this body can state why, eight years before the Federal reserve bank charter expires, it should be sought to renew it by attaching a provision to that effect as a rider to this bill. No one here can assign any reason why it is necessary at this time to pass this bill extending branch banking throughout the country. No one can assign a reason why it is necessary to add the amendments to section 5200 of the national banking act, or why there is any necessity to rush them through the Senate when they have not been properly considered by Members of the Senate.

It is all right for the Senator from Virginia [Mr. GLASS] to stand here and say that this bill has been here for two years or for three years; I do not care if it has been here for 15 years; I make the statement without fear of contradiction that 75 or 80 per cent of the Members of this body have not read the bill, do not know what is in it, and do not know the purport of the provisions of the bill.

Mr. TRAMMELL. Mr. President, I desire to have a letter from the president of the Florida Bankers' Association read at the desk and spread upon the RECORD. The letter is in regard to the branch-banking feature of the bill. After the letter shall have been read I desire to address a few words to the Senate.

The VICE PRESIDENT. Without objection, the clerk will read.

The Chief Clerk read as follows:

FLORIDA BANKERS' ASSOCIATION,
Ocala, Fla., December 13, 1926.

Hon. PARK TRAMMELL, United States Senator,
Senate Office Building, Washington, D. C.

DEAR SENATOR TRAMMELL: I just noticed that Hon. J. W. McIntosh, Comptroller of the Currency, in his report to the Congress recommends the passage of a branch banking bill.

The Florida Bankers' Association, which represents every bank, national, State, and trust company, in the State of Florida, has again and again gone on record as opposed to branch banking. The last time or two that this subject has been up the action of the association has been unanimous.

As you recall, the State laws of Florida do not permit branch banking, and as we have 289 State bank and trust companies and 60 national banks operating in the State of Florida, to enact this branch banking bill would penalize the 289 State banks, which carry the larger volume of the Florida banking business, in favor of the 60 national banks.

As you will recall, the trouble which we had the past summer in the banking interests of Florida were occasioned by branch banking, owned and operated by the Bankers' Trust Co., of Atlanta, Ga. Had this Manley chain of banks been excluded from Florida, I am certain that the banking structure and good name of Florida would have been spared the demoralization incident to closing quite a number of institutions in the State of Florida, and saved us from much unfavorable out-of-State criticism.

I therefore urge you, if consistent with your good judgment, to oppose the passage of any branch banking bill by the Congress.

I am, with high personal regards,

Sincerely yours,

J. H. THERRELL, *President.*

Mr. TRAMMELL. Mr. President, there are some features in the pending bill of which I heartily approve and upon which I sincerely wish I had an opportunity to vote upon their merits; but, as I see it, the controversial question in the pending bill and the main, big issue in the bill is the question of branch banking. A vote in behalf of this bill is unquestionably an indorsement of the idea of the establishment and maintenance in this country of branch banking.

If I had not had convictions on this question myself, I certainly should have given a great deal of weight to the opinion voiced by the president of the Florida Bankers' Association and the sentiment expressed by the membership of the Florida Bankers' Association in its conventions in the past. As we observed in the letter which was read from the desk, the president of the association states that at the last convention, in which they voted upon this question of branch banking, the vote of the Florida bankers, those representing both State and national banks, was unanimous against branch banking.

While I dislike not to have the privilege of voting for an extension of the time of loans upon farms and for some other features of the bill, I feel impelled under the circumstances to vote against the bill because it contains the provisions that it does on the question of branch banking.

There is no use in entering into a discussion of the merits or demerits of the system of branch banking. As referred to by the president of the Florida Bankers' Association, there existed at Atlanta, Ga., not exactly a branch-banking system, but they had in that city a parent bank with a lot of chain banks scattered around over Georgia and Florida. I forget how many there were in this system in my State—possibly some 30, or maybe more—but they were so interlocked and interwoven that when trouble came on with the parent bank in Atlanta, Ga., it resulted in the failure of almost every bank connected with that system. Banks in my State that were in excellent financial condition, generally speaking, had been called upon by the parent bank for funds to be sent there; the funds had been taken by the headquarters bank and loaned out to different banks throughout the country, and when the Florida banks called for their funds they were unable to get them; and when disaster struck the main parent bank it resulted in the failure of almost every bank within the chain.

While that is not branch banking, there is some analogy between that system and what may occur under a system of branch banks. I am opposed to the pending bill because I do not think it is best for the general financial interests of the country. It may be so operated as not to give the best security to the depositors upon the one hand, and then again it may be so operated as not to give the best and most efficient banking facilities to the different localities, because too much power would be centered in one main, principal bank, the bank that is operating the branch banks.

I think there is quite a good deal of danger from that standpoint; and as far as the average, ordinary bank throughout this country is concerned, State bank or national bank, if you will allow a system of branch banking to grow up it will, in my opinion, be only a few years until we will have very few independent banks left in the country. They will all be controlled by some central bank concerns with enormous capital; and I do not think it will be best for the various localities or the general interest of the country to have the money power centered in only a few institutions. I believe that with a greater number of financial institutions, such as we have at the present time, the general industrial conditions and economic conditions, taking the country as a whole, taking the States as a whole and the communities as a whole, will be better safeguarded, and those communities will enjoy greater prosperity, because they will have a greater degree of financial accommodation under the present system than they would have under a system where the number of main banks is reduced and there are branch banks scattered all over the country.

Under those circumstances I feel that I must vote against the bill, although it has some features that I approve.

The VICE PRESIDENT. The question is upon the motion of the Senator from Pennsylvania [Mr. PEPPER].

Mr. McLEAN. I call for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BRATTON (when the name of Mr. JONES of New Mexico was called). My colleague [Mr. JONES] is absent from the Chamber on account of illness. If he were present and voting, he would vote "yea" on this question.

The roll call was concluded.

Mr. JONES of Washington. The senior Senator from Idaho [Mr. BORAH] is necessarily detained in a conference. The senior Senator from South Dakota [Mr. NORBECK] is absent on account of injury received in an accident. They are paired on this motion. If present, the Senator from South Dakota would vote "yea" and the Senator from Idaho would vote "nay."

The Senator from Delaware [Mr. DU PONT] is necessarily absent. If present, he would vote "yea."

Mr. COPELAND. I desire to announce the necessary absence of the Senator from Michigan [Mr. FERRIS]. If present, he would vote "yea."

Mr. GERRY. I desire to announce that the Senator from Utah [Mr. KING] is necessarily detained from the Senate. If present, he would vote "yea."

The result was announced—yeas 71, nays 17, as follows:

YEAS—71

Ashurst	George	McLean	Schall
Bayard	Gerry	McNary	Sheppard
Bingham	Gillett	Mayfield	Shortridge
Bratton	Glass	Means	Simmons
Broussard	Goff	Metcalf	Smith
Bruce	Gould	Moses	Smoot
Cameron	Greene	Neely	Stanfield
Capper	Hale	Oddie	Stephens
Caraway	Harreld	Overman	Swanson
Copeland	Harris	Pepper	Tyson
Couzens	Harrison	Phipps	Underwood
Curtis	Hawes	Pine	Wadsworth
Dale	Johnson	Pittman	Walsh, Mass.
Edge	Jones, Wash.	Ransdell	Warren
Edwards	Kendrick	Reed, Pa.	Watson
Ernst	Keyes	Robinson, Ark.	Weller
Fess	Lenroot	Robinson, Ind.	Willis
Fletcher	McKellar	Sackett	

NAYS—17

Blease	Heflin	Nye	Walsh, Mont.
Deneen	Howell	Shipstead	Wheeler
Dill	La Follette	Steck	
Frazier	McMaster	Stewart	
Gooding	Norris	Trammell	

NOT VOTING—7

Borah	Ferris	King	Reed, Mo.
du Pont	Jones, N. Mex.	Norbeck	

So Mr. PEPPER'S motion was agreed to, which was that the Senate recede from its amendments Nos. 1, 13, 14, 15, 16, and 35, and that the Senate agree to the amendments of the House of Representatives to the amendments of the Senate Nos. 11, 26, 30, 36, 37, 38, and 39, and to the amendment to the title to the bill (H. R. 2) to amend an act entitled "An act to provide for the consolidation of national banking associations," approved November 7, 1918; to amend section 5136 as amended, section 5137, section 5138 as amended, section 5142, section 5150, section 5155, section 5190, section 5200 as amended, section 5202 as amended, section 5208 as amended, section 5211 as amended, of the Revised Statutes of the United States; and to amend section 9, section 13, section 22, and section 24 of the Federal reserve act, and for other purposes.

The action of the House on the Senate amendments indicated, concurred in by the Senate, was as follows:

That the House recede from its disagreement to the amendment of the Senate No. 11 and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by said amendment insert:

The words "State bank," "State banks," "bank," or "banks," as used in this section, shall be held to include trust companies, savings banks, or other such corporations or institutions carrying on the banking business under the authority of State laws.

That the House recede from its disagreement to the amendment of the Senate No. 26 and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by said amendment insert:

SEC. 5155. The conditions upon which a national banking association may retain or establish and operate a branch or branches are the following:

(a) A national banking association may retain and operate such branch or branches as it may have in lawful operation at the date of the approval of this act, and any national banking association which has continuously maintained and operated not more than one branch for a period of more than 25 years immediately preceding the approval of this act may continue to maintain and operate such branch.

(b) If a State bank is hereafter converted into or consolidated with a national banking association, or if two or more national banking associations are consolidated, such converted or consolidated association may, with respect to any of such banks, retain and operate any of their branches which may have been in lawful operation by any bank at the date of the approval of the act.

(c) A national banking association may, after the date of the approval of this act, establish and operate new branches within the limits of the city, town, or village in which said association is situated, if such establishment and operation are at the time permitted to State banks by the law of the State in question.

(d) No branch shall be established after the date of the approval of this act within the limits of any city, town, or village of which the population by the last decennial census was less than 25,000. No more

than one such branch may be thus established where the population, so determined, of such municipal unit does not exceed 50,000; and not more than two such branches where the population does not exceed 100,000. In any such municipal unit where the population exceeds 100,000 the determination of the number of branches shall be within the discretion of the Comptroller of the Currency.

(e) No branch of any national banking association shall be established or moved from one location to another without first obtaining the consent and approval of the Comptroller of the Currency.

(f) The term "branch" as used in this section shall be held to include any branch bank, branch office, branch agency, additional office, or any branch place of business located in any State or Territory of the United States or in the District of Columbia at which deposits are received, or checks paid, or money lent.

(g) This section shall not be construed to amend or repeal section 25 of the Federal reserve act, as amended, authorizing the establishment by national banking associations of branches in foreign countries, or dependencies, or insular possessions of the United States.

(h) The words "State bank," "State banks," "bank," or "banks," as used in this section, shall be held to include trust companies, savings banks, or other such corporations or institutions carrying on the banking business under the authority of State laws.

That the House recede from its disagreement to the amendment of the Senate No. 30 and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by said amendment insert:

SEC. 9. That the first paragraph of section 9 of the Federal reserve act, as amended, be amended so as to read as follows:

"SEC. 9. Any bank incorporated by special law of any State, or organized under the general laws of any State or of the United States, desiring to become a member of the Federal reserve system, may make application to the Federal Reserve Board, under such rules and regulations as it may prescribe, for the right to subscribe to the stock of the Federal reserve bank organized within the district in which the applying bank is located. Such application shall be for the same amount of stock that the applying bank would be required to subscribe to as a national bank. The Federal Reserve Board, subject to the provisions of this act and to such conditions as it may prescribe pursuant thereto, may permit the applying bank to become a stockholder of such Federal reserve bank.

"Any such State bank which, at the date of the approval of this act, has established and is operating a branch or branches in conformity with the State law, may retain and operate the same while remaining or upon becoming a stockholder of such Federal reserve bank; but no such State bank may retain or acquire stock in a Federal reserve bank except upon relinquishment of any branch or branches established after the date of the approval of this act beyond the limits of the city, town, or village in which the parent bank is situated."

That the House recede from its disagreement to the amendment of the Senate No. 36 and agree to the same with an amendment as follows: Strike out the section number and in lieu thereof insert "16."

That the House recede from its disagreement to the amendment of the Senate No. 37 and agree to the same with an amendment as follows: Strike out the section number and in lieu thereof insert "17."

That the House recede from its disagreement to the amendment of the Senate No. 38 and agree to the same with an amendment as follows: Strike out the section number and in lieu thereof insert "18."

That the House recede from its disagreement to the amendment of the Senate No. 39 and agree to the same with an amendment as follows: Strike out the section number and in lieu thereof insert "19."

That the House recede from its disagreement to the amendment of the Senate to the title and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by said amendment insert:

An act to further amend the national banking laws and the Federal reserve act, and for other purposes.

Mr. GLASS. Mr. President, I ask unanimous consent that the telegram which I send to the clerk's desk may be placed in the RECORD.

The VICE PRESIDENT. Without objection, the clerk will read.

The Chief Clerk proceeded to read as follows:

Learned from Associated Press last night that Senator WHEELER yesterday——

Mr. GLASS. I merely ask for the insertion of the telegram in the RECORD.

Mr. WHEELER. I ask that it may be read.

Mr. GLASS. Very well.

The VICE PRESIDENT. The clerk will read the telegram.

The Chief Clerk read as follows:

NEW YORK, N. Y., *February 15, 1927.*

Hon. CARTER GLASS,

United States Senate, Washington, D. C.:

Learned through Associated Press last night that Senator WHEELER yesterday in Senate criticized a circular issued by committee on Federal legislation of the American Bankers' Association urging support of the banking bill which stated that certain Senators who were trying to filibuster against the bill should be reached specially, and also that the general counsel of the association had written a letter to Representative HULL offering to give him legal business, the plain inference from which was that the association was trying to unduly influence Mr. HULL when he was fighting for the Hull amendments. Permit me, first, to defend the circular, and, secondly, to deny not only the inference but that any personal letter was ever written to Congressman HULL, the letter referred to being an identical Hooverized form letter forwarded to 20,000 attorneys throughout the United States. The sending of the circular to members of our Federal legislative counsel in each State, informing them of the situation in Washington and asking them to urge Senators to take immediate action, was an open and legitimate method of calling upon members of the association to do what they could legitimately in support of the association's legislative policy, which method is similar to that adopted by many other organizations, and the request that three Senators should be reached specially simply meant that members should endeavor by honest argument to induce such Senators to allow the bill to come to a vote. Any inference of undue or improper influence is entirely unfounded. Concerning the alleged letter to Congressman HULL, our legal department, as a valuable service to members who frequently write or wire asking for recommendation of an attorney to prosecute a claim in a certain city, has established a list of reliable bank attorneys whom it can recommend, and in the compilation of this list 20,000 identical form letters were issued to attorneys, one of which, it now appears, was addressed to M. D. HULL. This fact I ascertained only this morning. It is regrettable that an unjust imputation of undue influence should be based upon a mere form letter.

THOMAS B. PATON,
General Counsel American Bankers' Association.

Mr. GLASS. Mr. President, in this connection I send to the desk a resolution, which I will ask to have referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Aside from the suggestion that Judge Paton, general counsel of the American Bankers' Association, was guilty of attempting unduly to influence Members of the Senate, there have been persistent rumors about the Capitol of lobbying activities of an illicit and culpable nature. They have gone so far as to assert that a sum considerably in excess of $100,000 has been expended by a certain group of bankers in behalf of what were known as the Hull amendments. They have gone so far as to suggest that a paid lobbyist of this group, who, to my certain knowledge, has haunted the corridors and the doors of the Senate Chamber for months, had employed Members of the Congress identified with this legislation to go out and make speeches in behalf of certain provisions of the bill.

In view of these persistent reports, some of which I have good reason to believe, I am offering this resolution, because I think that the Senate owes it to its own integrity to have such matters investigated and determined.

Mr. DILL. Mr. President——

Mr. WHEELER. Mr. President——

Mr. DILL. I do not want to allow the resolution to be taken up except by unanimous consent, because I do not want the radio bill——

Mr. GLASS. I want my resolution referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The VICE PRESIDENT. After the reading of the resolution, it will be referred.

Mr. GLASS. I may add to what I have said that it has been definitely reported to me that this group of bankers and their agents paid the way and the expenses of quite a number of delegates to the recent national convention of the American Bankers' Association held at Los Angeles.

The VICE PRESIDENT. The clerk will read the resolution.

The Chief Clerk read the resolution (S. Res. 355), as follows:

Resolved, That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, is authorized and directed to conduct a thorough investigation of alleged lobbying activities in connection with the banking bill (H. R. 2, 69th Cong.). For the purposes of this resolution such committee or subcommittee is authorized to hold such hearings, to sit at such times and places, to employ such clerical, stenographic, and other assistants, to require the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths and to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25

cents per hundred words. The expenses of such committee or subcommittee, which shall not exceed the sum of $2,500, shall be paid from the contingent fund of the Senate. Such committee or subcommittee shall report to the Senate on or before January 1, 1928, with such recommendations as it deems advisable.

The VICE PRESIDENT. The resolution will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. WHEELER. Mr. President, I want to say that, with reference to the letter which was introduced in the RECORD the other day from Mr. Thomas B. Paton, first of all, I do not take it that in the resolution offered by the Senator from Virginia he intended to implicate me in any way in the investigation.

Mr. GLASS. Of course not. The resolution would have been offered—indeed it was prepared tentatively before I received the telegram.

Mr. WHEELER. This is what I was going to say: I introduced in the RECORD the other day a telegram that was sent out by the American Bankers' Association to people throughout the country suggesting that they should get in touch with Senators and that they particularly should try to "reach Senators HOWELL, DILL, and myself." I commented upon the language which was used at that time and I asked what they meant when they used the word "reach." At the same time I received a copy of a letter which was given to me by Mr. HULL's office, addressed to Mr. M. D. HULL, in which it was said:

> We frequently have requests from banks in different parts of the country for names of reliable attorneys. Your name has been given to us and we will be glad to recommend to you any business called to our attention.

This letter was written on October 16, 1926. If it is a form letter, I certainly could not detect that it is. It was signed by Thomas B. Paton, jr., assistant general counsel. The Associated Press carried a reply from Mr. Paton saying that he had never written any such letter and that his son had never written any such letter. I hold the letter in my hand, and it purports to be signed by Thomas B. Paton, jr. Now, they say that it is a form letter. It is a significant fact, if it is a form letter, that it should have been sent to MORTON D. HULL, Member of Congress, who has not practiced law for a number of years at least, I am informed. They say to him that he has been recommended to them by some bank as an attorney who will be glad to get their business. Either it was sent to him through the grossest kind of ignorance, as I said the other day, or else it was sent to him for some other purpose.

I am glad to have the explanation from the attorney for the American Bankers' Association. I had the letter put in the RECORD the other day, and said we ought to have an explanation. I am glad to get the explanation.

With reference to the statement which has been made by the Senator from Virginia [Mr. GLASS] concerning delegates having their way paid to the convention in Los Angeles, I do not know whether that is so at all, because I have not any connection with the American Bankers' Association, but am satisfied that those bankers who went from the State of Montana, among them being a man by the name of Mr. Stone, who wrote me concerning the matter, never had their way paid. Mr. Stone never had his way paid, and he was not influenced by anything or by anybody in his actions at such convention. I stand here to-day to say that, while I personally know Mr. Stone, he has not always been a supporter of mine; but he is one of the highest class, most honorable, and able men in the State of Montana, and I should hate to hear anybody say that he had had his mind influenced in any way, shape, or form, or that he would permit anybody to pay his way to a bankers' convention.

While we are investigating the bankers' association convention held in the city of Los Angeles I think it would be well to go into the entire subject of paying the way of American Bankers' Association delegates. I would like to see the matter gone into to find out who paid the way of the delegates when they went to New York, when they went to Georgia, when they went to Florida, and when they have taken these other trips, because, if my understanding is correct, the American Bankers' Association have been paying the way of a lot of little bankers throughout the country whenever they wanted to put through some kind of a resolution. If we are going to have an investigation, let us go into the whole subject. Let us investigate the American Bankers' Association from top to bottom. That is what I would like to see done.

Mr. GLASS. That is the purpose of the resolution.

Mr. WHEELER. I sincerely hope that the resolution will be adopted and I sincerely hope that the committee will go into the whole subject in the investigation of the American Bankers' Association and their activities.

REGULATION OF RADIO COMMUNICATIONS

Mr. DILL. Mr. President, I move to take up the conference report on the radio bill, H. R. 9971, for the regulation of radio communications, and for other purposes.

The VICE PRESIDENT. The question is on the motion of the Senator from Washington.

Mr. WARREN. Mr. President, I wish to ask a question. Does the Senator propose to proceed to-night with the conference report on the radio bill?

Mr. DILL. I may say to the Senator, Mr. President, that my purpose was to have the motion agreed to in order that the report might become the unfinished business, and then I would be willing to lay it aside temporarily.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. DILL. I yield to the Senator from Virginia [Mr. GLASS].

Mr. PITTMAN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. PITTMAN. The Chair put the question on agreeing to the conference report. I desire to say something on it, but I do not desire to have the Senator from Washington hold the floor unless he is going to speak or make some motion.

Mr. DILL. I understood that the motion to take up the conference report was agreed to.

Mr. PITTMAN. That was agreed to, and then the question was put on agreeing to the conference report.

The VICE PRESIDENT. The question on agreeing to the conference report is debatable.

Mr. DILL. I may say to the Senator from Nevada that several Senators have short matters they want taken up this evening. If agreeable to the Senate, I will be willing to lay aside the radio conference report temporarily for the rest of the day, if necessary, and then take it up to-morrow and hold it before the Senate.

Mr. WARREN. If the Senator will yield to me a moment, I desire to say that there are four conference reports on appropriation bills which I desire to have laid before the Senate, the consideration of which will take probably only a few moments, before we come to the consideration of the District of Columbia appropriation bill. The consideration of these reports, as I have said, will take but a little time, and they must be taken up to-night.

Mr. ASHURST. I desire to be heard.

The VICE PRESIDENT. The Senator from Washington yielded to the Senator from Virginia.

Mr. DILL. I yield to the Senator from Virginia, who wants to make a statement of some sort.

[Mr. GLASS's remarks appear following the adoption of Mr. PEPPER's motion relative to the banking bill on page 3958.]

Mr. WHEELER. Mr. President——

Mr. DILL. Just a moment. I wanted to state the situation in regard to the radio conference report.

Mr. HEFLIN. I was going to suggest to the Senator that the statement of the Senator from Virginia about this opposition to the banking bill particularly involves the Senator from Montana——

Mr. GLASS. Not at all.

Mr. HEFLIN. And the telegram read mentions him, and his reply to another gentleman, and I think the Senator from Montana ought to be permitted to answer that while it is before the Senate.

Mr. DILL. Mr. President, if the Senator will just let me make a statement, I think the Senator from Montana can have the floor; but I want to get the situation clarified regarding the radio conference report. The Senator from New York is desirous of taking up——

Mr. HEFLIN. I was merely stating to the Senator——

Mr. DILL. I have the floor. If the Senator will let me say a few words, then the Senator from Montana can have the floor. The Senator from New York [Mr. WADSWORTH] is anxious to take up the conference report on the War Department appropriation bill; I think my colleague [Mr. JONES of Washington] is desirous of taking up another conference report, and the Senator from Wyoming [Mr. WARREN] has something he wants to bring before the Senate. I am perfectly willing to ask unanimous consent to lay aside the conference report on the radio bill, and allow these various conference reports to be taken up, unless somebody desires to discuss the conference report on the radio bill this afternoon.

Mr. PITTMAN. Mr. President——

The VICE PRESIDENT. The Senator from Nevada.

Mr. PITTMAN. I did not rise a while ago to oppose any step the Senator from Washington wants to take. Unfortunately, he seemed to have the floor at the same time that the question was being put on his motion to adopt the conference report, and it was necessary for me to rise. It is totally immaterial to me, as far as I am personally concerned, when he takes up the conference report on the radio bill. I feel that the appropriation bills should have the right of way, but I want to say right now, as I have said before, that I have no intention of doing anything to delay action on this bill or on any other bill that is going to come up between now and the time we adjourn.

I desire to have probably 30 or 40 minutes, however, to call to the attention of the Senate what I consider the fatal defects of this proposed legislation.

Mr. DILL. I want to say to the Senator that I have no desire to cut him off or to limit him in his presentation of his argument on the question, but I wanted to make clear to the Senate my intentions regarding the conference report. Therefore, if the Senator from New York desires to take up the conference report——

Mr. FLETCHER. Why does not the Senator ask to have the conference report on the radio bill laid aside? It seems that everybody is willing that it should be laid aside.

Mr. DILL. I was going to ask unanimous consent to lay it aside temporarily and to take up the conference report on the War Department appropriation bill.

Mr. SMOOT. Let the Senator make his request.

Mr. DILL. I ask for such unanimous consent.

The VICE PRESIDENT. Without objection, it is so ordered.

[Mr. WHEELER addressed the Senate. His remarks appear following those of Mr. GLASS on page 3959.]

WAR DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT

Mr. WADSWORTH submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 16249) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1928, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 16, 18, 27, 38, and 39.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 6, 7, 8, 9, 12, 13, 15, 21, 22, 23, 24, 25, 26, 28, 29, 31, 32, 33, 35, 36, 40, and 41, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$82,400"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$6,370,998"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$124,688,704"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$12,936,034"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$14,683,253"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$504,750"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$10,192,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$858,100"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"SURVEY OF BATTLEFIELDS

"For defraying the cost of studies, surveys, and field investigations authorized in the act entitled 'An act to provide for the study and investigation of battlefields in the United States for commemorative purposes,' approved June 11, 1926, $15,000";

And the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$1,000,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "Of which not to exceed $150,000 may be expended for the purpose of riprapping the bank and channel-mattressing the river at Vicksburg, Miss., at such a point and in such a manner as may be necessary to make possible the permanent establishment of an interchange terminal at that point between railways and the vessels of the Inland Waterway Corporation"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 1 and 34.

J. W. WADSWORTH, Jr.,
W. L. JONES,
DAVID A. REED,
DUNCAN U. FLETCHER,
WILLIAM J. HARRIS,
Managers on the part of the Senate.

HENRY E. BARBOUR,
FRANK CLAGUE,
L. J. DICKINSON,
BEN JOHNSON,
T. W. HARRISON,
Managers on the part of the House.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from New York explain the amendments which are not in agreement, and in that connection state the effect of the conference report?

Mr. WADSWORTH. Mr. President, amendments No. 1 and No. 34 are of such character as to require a vote of the House of Representatives, the conferees on the part of the House not being authorized to yield to the Senate on those particular matters as they involve legislation on an appropriation bill under their rules.

Mr. ROBINSON of Arkansas. To what subjects do they relate?

Mr. WADSWORTH. Very unimportant subjects.

Mr. WARREN. The House conferees must take the items back with the understanding that they have been agreed to provided the House does not object when they are taken back to the House.

Mr. WADSWORTH. For several years past the Army appropriation bill, under the heading "Contingencies, Military Intelligence Division," has been carrying this language:

Provided, That section 3648, Revised Statutes, shall apply neither to subscriptions for foreign and professional newspapers and periodicals nor to other payments made from appropriations contained in this act in compliance with the laws of foreign countries under which the military attachés are required to operate.

The House Committee on Appropriations reported the bill with that language in it. It went out on a point of order on the floor of the House on the ground that it was legislative in character. The House conferees agreed to place it back and take it back to the House for a separate vote. A similar situation obtains with respect to amendment numbered 34, certain language which has been carried in the appropriation bill for a long time having gone out in the House on a point of order. The House conferees desire that it be reinstated, and it is necessary for the House to take separate action on it.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

LAND AT BATTERY COVE, NEAR ALEXANDRIA, VA.

Mr. WADSWORTH submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 11615) providing for the cession to the State of Virginia of sovereignty over a tract of land located at Battery Cove, near Alexandria, Va., having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same.

J. W. WADSWORTH, Jr.,
DAVID A. REED,
DUNCAN U. FLETCHER,
Managers on the part of the Senate.

W. FRANK JAMES,
JOHN PHILIP HILL,
PERCY QUIN,
Managers on the part of the House.

The report was agreed to.

ASSOCIATION SIERVAS DE MARIA, SAN JUAN, P. R.

Mr. WADSWORTH submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 10728) authorizing the Secretary of War to convey to the Association Siervas de Maria, San Juan, P. R., certain property in the city of San Juan, P. R., having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same.

J. W. WADSWORTH, Jr.,
DAVID A. REED,
HIRAM BINGHAM,
DUNCAN U. FLETCHER,
MORRIS SHEPPARD,
Managers on the part of the Senate.

W. FRANK JAMES,
HUBERT F. FISHER,
JOHN PHILIP HILL,
Managers on the part of the House.

The report was agreed to.

LOANS ON ADJUSTED SERVICE CERTIFICATES

Mr. ASHURST. Mr. President, House bill 16886, which passed the House on February 7, has been reported favorably without amendment from the Committee on Finance. It is the bill to authorize the Director of the United States Veterans' Bureau to make loans to veterans upon the security of adjusted service certificates. Obviously the Senate will not take up the bill this afternoon, but I see that my amiable friend, the chairman of the committee, the senior Senator from Utah [Mr. SMOOT], is present. I should like to propose to him the advisability of a night session to-night or to-morrow night to consider this important measure, because unless it be disposed of soon it may be lost in the general confusion incident to the close of a short session.

Mr. SMOOT. Mr. President, I will say to the Senator that I may ask to-morrow for a night session on Friday. I can not ask for a night session to-morrow night because I know of a number of Senators who have engagements who could not be here and who have requested that no night session be had Thursday night. But some time to-morrow I will know about the possibility of having a night session on Friday.

Mr. ASHURST. I assume there is no minority report and that the Finance Committee was unanimous.

Mr. SMOOT. No; the Finance Committee was not unanimous, but a majority of the committee voted to report out the bill.

Mr. ASHURST. I am quite content with the assurance of the Senator from Utah that we will take up the bill some evening later this week or early next week.

Mr. SMOOT. I will say to the Senator that every endeavor will be made to pass the bill.

Mr. ASHURST. I am quite content.

STATE, JUSTICE, ETC., APPROPRIATIONS

Mr. JONES of Washington submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 16576) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1928, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 9.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 14, 17, 19, 21, 22, 26, 27, 28, 29, 31, 32, and 33, and agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "*Provided*, That traveling expenses of the commission or secretary shall be allowed in accordance with the provisions of the subsistence expense act of 1926:"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$30,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$150,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$700,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$3,091,500"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$435,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$20,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$810,440"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,519,060"; and the Senate agree to the same.

The committee of conference have not agreed on amendment numbered 13.

W. L. JONES,
REED SMOOT,
FREDERICK HALE,
LEE S. OVERMAN,
WM. J. HARRIS,
Managers on the part of the Senate.

MILTON W. SHREVE,
GEORGE HOLDEN TINKHAM,
ERNEST R. ACKERMAN,
W. B. OLIVER,
ANTHONY J. GRIFFIN,
Managers on the part of the House.

The report was agreed to.

PUBLIC BUILDINGS

Mr. McKELLAR. Mr. President, on January 19, 1927, the Public Buildings Commission received a letter from the Hon. George R. Farnum, Assistant Attorney General, with reference to section 4 of the public building act. In this connection it seems that the Assistant Attorney General has gone directly contrary to the provisions of the act. I ask unanimous consent that the letter may be printed in the RECORD at this point for the information of Senators.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The letter is as follows:

DEPARTMENT OF JUSTICE,
Washington, D. C., January 19, 1927.

The Hon. CARL T. SCHUNEMAN,
Assistant Secretary of the Treasury, Washington, D. C.

DEAR MR. SCHUNEMAN: In accordance with the suggestion made to me at the conference this morning at your office, which I attended on behalf of the Attorney General, I am submitting herewith an informal memorandum incorporating the substance of the oral opinion which I gave at some length as to the construction of certain provisions of the act of Congress approved May 25, 1926, and entitled "An act to provide for construction of certain public buildings, and for other purposes."

The provisions involved deal with the question of the submission of estimates by the Secretary of the Treasury to the Bureau of the Budget, as provided in section 4 of the act, and constitutes the first proviso, which, with the preceding part of the section, reads as follows:

"The Secretary of the Treasury shall submit annually, and from time to time as may be required, estimates to the Bureau of the Budget, in accordance with the provisions of the Budget and accounting act, 1921, showing in complete detail the various amounts it is proposed to expend under the authority of this act during the fiscal year for which said estimates are submitted, which shall include a statement of the location of the buildings proposed to be erected, together with a limit of cost for the same: *Provided*, That in submitting such estimates the Secretary of the Treasury shall allocate the amounts proposed to be expended to the different States where buildings are found by him to be necessary, in such a manner as to distribute the same fairly on the basis of area, population, and postal receipts."

The conference developed some differences of opinion as to the scope and meaning of these words.

From a consideration of the entire act it seems to me that the legislative intent is apparent and that the problem can be solved by a study of the bill alone and without the necessity of resort to congressional debates or other outside help.

In dealing with the manner of the expenditure of moneys appropriated for use without the District of Columbia and excluding the provisions of section 3, it is apparent that Congress approached the question from two points of view. The first approach involved a determination by Congress itself of minimum requirements for public buildings, and in this connection it was provided that each State should be allotted two such buildings, regardless of any question of the relative needs of the individual States. This constituted an assurance that at all events each would start on more or less of an equal footing with every other State in participation in the benefits of the measure.

In the second approach, and over and above the minimum needs legislatively determined and provided for as explained, Congress has deferred to the judgment and decision of the Secretary of the Treasury as to the manner of disbursing the balance of the appropriation and in that connection has vested him with wide discretionary powers. Congress, however, has not left the matter entirely to a judgment uncontrolled by any legislative standards or suggestions as to congressional purpose. While the power is unquestionably conferred on the Secretary of the Treasury, the discretion involved is nevertheless controlled by the provisions of section 4, appearing in the first proviso, and appears in the following words:

"That in submitting such estimates the Secretary of the Treasury shall allocate the amounts proposed to be expended to the different States, where buildings are found by him to be necessary, in such a manner as to distribute the same fairly on the basis of area, population, and postal receipts."

In the first place, the allocation is to be by States and is to be in accordance with their respective necessities to be "found by him." Congress has refrained from defining the precise connotation of this term as used in the statute and has expressly left to the Secretary of the Treasury not only a determination of the existence of the necessity, but likewise of the extent and scope thereof, thereby making him the sole judge in respect thereto. While the discretion thus conferred is a wide one, doubtless it is subject, in its exercise, to rational judgments and reasonable decision.

Having determined the respective necessities of the several States in respect to the need for the type of public buildings for which the appropriation was provided, the next question for the Secretary to consider is the satisfaction of these necessities. Congress contemplated, of course, a situation in which the necessities as existing and determined would exceed in their monetary requirements the amount appropriated and that after the allocation of the entire amount available there would doubtless remain a large residuum of unsatisfied necessities. In other words, Congress contemplated the fact that the Secretary of the Treasury would be required to make a determination as to how money, insufficient to satisfy the whole, would be apportioned between the competing necessities.

Here again the determination is to be in the judgment of the Secretary, but he has been afforded by Congress certain standards by which his discretion is to be exercised, and it is provided that the distribution in the latter contingency be "in such a manner as to distribute the same fairly on the basis of area, population, and postal receipts." Doubtless there can be read into this provision the words "so far as applicable," in deciding this question of fairness. The Secretary is, moreover, directed, in determining what shall be "fair"—a word which affords some latitude for decision—to consider each of the three elements referred to.

The first consideration is that of area. In view of the divergent size of the States, one from the other, and the convenience and expense involved in traveling to points where Government facilities are afforded, it was not deemed unreasonable that this element should be considered. Secondly, the question of population to be served is an important item as necessities of large centers of population much exceed those of communities sparsely inhabited. Doubtless there is conflict between the demands of area and population so that the two are set off, one against the other, out of which a compromise is intended to be effected in the matter of decision, which can be fairly characterized as "fair." The third element is postal receipts. Probably its application is to be wholly or largely confined to the furnishing of buildings designed to serve the Postal Department.

Congress has not furnished any artificial measure by which to weigh the cogency that each of these considerations is to have with the Secretary of the Treasury. He is to take them all into consideration so far as applicable, and having given them the due weight which, in his judgment, their prominence in the statute entitles them to receive, he is to make his decision as to what is fair and his allocation accordingly.

The foregoing construction is deemed to be a rational and reasonable one, and to place the subject matter on a common-sense basis and to lend itself to a practical and efficient carrying out of the statute. It vests, of course, in the Secretary of the Treasury, the sole determination of important questions, but in so doing it very properly leaves these decisions to a department which can look at the matter in a broad and impartial fashion and which has the facilities for collecting and weighing the material and relevant facts which are involved in the determination of the question, first of what is necessary, and then what is fair, guided by the tests suggested.

The foregoing is furnished as a matter of courtesy only and because desired by the entire conference, and is not, of course, to be regarded as a formal legal opinion of the Attorney General furnished in accordance with departmental practice.

Respectfully,

For the Attorney General:

GEORGE R. FARNUM,
Assistant Attorney General.

Mr. LENROOT. Mr. President, I am very anxious to bring up the House amendment to Senate bill 4663, known as the public buildings bill, because unless it is acted upon very soon it will mean that we can not get the appropriation for this year into the deficiency appropriation bill. I would like to ask unanimous consent for the immediate consideration of the House amendment to that bill.

The PRESIDENT pro tempore. Is there objection?

Mr. BRATTON. In the absence of the Senator from Tennessee [Mr. MCKELLAR]——

Mr. SMOOT. The Senator from Tennessee was here just a moment ago.

Mr. BRATTON. But he has left the Chamber now.

Mr. FLETCHER. What is the bill to which the Senator from Wisconsin refers?

The PRESIDENT pro tempore. The public buildings bill.

Mr. BRATTON. I do that because the Senator from Tennessee has expressed to me a desire to be present when the matter is considered.

Mr. LENROOT. The Senator from Tennessee was here only a moment ago.

Mr. BRATTON. Yes; but he is not in the Chamber just now.

Mr. NORRIS. Mr. President, may I ask a question?

The PRESIDENT pro tempore. Does the Senator from Colorado yield to the Senator from Nebraska?

Mr. NORRIS. Has the Senator from Wisconsin asked unanimous consent for the consideration of the House amendment to the bill?

Mr. LENROOT. I have asked unanimous consent to take up the House amendment to the Senate bill relative to public buildings.

Mr. NORRIS. I object, Mr. President.

The PRESIDENT pro tempore. Objection is made.

LEGISLATIVE APPROPRIATIONS

Mr. WARREN and Mr. TRAMMELL addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Colorado yield; and if so, to whom?

Mr. PHIPPS. I yield first to the Senator from Wyoming.

Mr. WARREN. I present the conference report on the legislative bill and ask for its immediate consideration.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the clerk will read the conference report.

Mr. HEFLIN. What bill is the conference report on?

Mr. WARREN. It is on the legislative appropriation bill.

The PRESIDENT pro tempore. The Senator from Colorado [Mr. PHIPPS] yielded to the Senator from Wyoming [Mr. WARREN], who sought unanimous consent to present the conference report on the legislative appropriation bill. Is there objection? The Chair hears none, and the clerk will read the report of the committee of conference.

The Chief Clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 16863) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1928, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 11 and 16.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 7, 8, 9, 10, 12, 13, and 14, and agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$564,805"; and the Senate agree to the same.

The committee of conference have not agreed on amendment numbered 6.

F. E. WARREN,
REED SMOOT,
CHARLES CURTIS,
WM. J. HARRIS,
Managers on the part of the Senate.

L. J. DICKINSON,
JOHN W. SUMMERS,
FRANK MURPHY,
EDWARD T. TAYLOR,
Managers on the part of the House.

The PRESIDENT pro tempore. The question is on the agreeing to the conference report.

The report was agreed to.

THE EUROPEAN CORN BORER

Mr. WARREN. From the Committee on Appropriations I report back favorably without amendment the joint resolution (H. J. Res. 359) making an appropriation for the eradication or control of the European corn borer, and I submit a report (No. 1496) thereon.

The joint resolution relates to a measure which the Senate passed some days ago having to do with the eradication of the European corn borer. The joint resolution provides an appropriation of $10,000,000 for the purpose of carrying the previous measure into effect. I ask unanimous consent for the immediate consideration of the joint resolution.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which was read, as follows:

Resolved, etc., That to enable the Secretary of Agriculture to carry into effect the provisions of the act entitled "An act to provide for the eradication or control of the European corn borer," approved February 9, 1927, including all necessary expenses for the purchase of equipment and supplies, travel, employment of persons and means in the District of Columbia and elsewhere, rent outside the District of Columbia, printing, purchase, maintenance, repair, and operation of passenger-carrying vehicles outside the District of Columbia, and for such other expenses as may be necessary for executing the purposes of such act, there is appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $10,000,000 to remain available until June 30, 1928: *Provided*, That no part of this appropriation shall be expended until all the States in the proposed control area shall have provided necessary regulatory legislation and until a sum or sums adequate in the judgment of the Secretary of Agriculture, to the cooperation of all the States in such area shall have been appropriated, subscribed, or contributed by State, county, or local authorities, or individuals or organizations: *Provided further*, That a report shall be made to Congress at the beginning of the first regular session of the Seventieth Congress setting forth in detail a classification of expenditures made from this appropriation prior to November 1, 1927.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

SITE FOR AVIATION TRAINING FIELD, NEAR PENSACOLA, FLA.

Mr. TRAMMELL. Mr. President——

Mr. PHIPPS. I yield to the Senator from Florida.

Mr. TRAMMELL. From the Committee on Naval Affairs I report back favorably without amendment the bill (S. 5622) authorizing the acceptance by the Navy Department of a site for an aviation training field in the vicinity of Pensacola, Fla., and for other purposes, and I submit a report (No. 1497) thereon.

Mr. FLETCHER. Mr. President, I ask unanimous consent for the present consideration of the bill just reported by my colleague. Its consideration will involve no discussion. It merely authorizes the Secretary of the Navy to accept a gift of 500 acres of land near Pensacola, Fla., for an aviation training field.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill. It authorizes the Secretary of the Navy to accept on behalf of the United States, free from encumbrances and without cost to the United States, the title in fee simple to such land as he may deem necessary or desirable, in the vicinity of Pensacola, Fla., approximately 500 acres, as a site for an aviation training field to continue landplane training from the United States naval air station, Pensacola, Fla.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. FLETCHER. I ask unanimous consent that the report of the Committee on Naval Affairs on the bill which has just been passed may be printed in the RECORD at this point.

There being no objection, the report (No. 1497) submitted by Mr. TRAMMELL on February 16, 1927, was ordered to be printed in the RECORD, as follows:

[S. Rept. No. 1497, 69th Cong., 2d sess.]

AUTHORIZING THE ACCEPTANCE BY THE NAVY DEPARTMENT OF A SITE FOR AN AVIATION TRAINING FIELD IN THE VICINITY OF PENSACOLA, FLA.

Mr. TRAMMELL, from the Committee on Naval Affairs, submitted the following report (to accompany S. 5622):

The Committee on Naval Affairs to whom was referred the bill (S. 5622) authorizing the acceptance by the Navy Department of a site for an aviation training field in the vicinity of Pensacola, Fla., and for other purposes, having had the same under consideration, report favorably thereon, without amendment, and recommend that the bill do pass.

Prior to the summer of 1922 flying instruction to naval personnel was given only in seaplanes. The reason for this was that there was thought to be very little need for naval officers or enlisted men to be qualified in flying landplanes, as this was considered to be the work of the Army Air Service. Following the conversion of the U. S. S. *Langley* as an airplane carrier, it became apparent that it would be necessary for naval personnel to be trained in landplanes, in order that landings could be made on the deck of the *Langley* and the other airplane carriers to be built. Captain Mustin, assistant chief of the Bureau of Aeronautics during the winter of 1921–22, went to Pensacola with the idea of looking around for a suitable site for the training of aviators in landplanes. The chamber of commerce and the commissioners of Escambia County became interested and desirous of having landplane training carried on at Pensacola, and offered the site now known as Corry Field, without cost to the Government, for a period of five years. The leases obtained from the owners of the property contained an option of purchase at a cost of approximately $56,000 at any time up to July 1, 1927. These leases were approved by the Secretary of the Navy, and flying from Corry Field began in the summer of 1922. No permanent improvements were made, and very temporary facilities, such as a small barracks building, mess hall, garage, and storehouse, were erected to supply the requirements until the land could be obtained by the Government or similar facilities could be erected at another site on land obtained by the Government for the purpose of landplane training. The Navy has occupied Corry Field continuously since the summer of 1922, and the results obtained have been very satisfactory.

During the past six months the chamber of commerce and the commissioners of Escambia County have been endeavoring to secure the purchase of Corry Field and an additional area of 250 acres (the Bureau of Aeronautics desiring that a tract of at least 500 acres be procured by the Navy Department in the vicinity of Pensacola for the purpose of landplane training). It was found that the owners of this property were demanding a price more than the land was worth, and the matter was put up to the Bureau of Aeronautics with the idea

that the chamber and commissioners would offer 500 acres in a different location, provided this would be acceptable to the Bureau of Aeronautics and the Navy Department. The Bureau of Aeronautics considered that a site nearer than Corry Field to the air station would be more acceptable than the site at Corry Field, provided that an area of 500 acres could be obtained. The chamber of commerce and commissioners finally have been able to obtain 500 acres in the Prieto grant, which are now offered to the Government without cost, and with the understanding that the chamber and commissioners will place 250 acres of the tract in condition for flying, construct a railroad spur to the site, and construct and keep in repair a hard-surfaced road from the West Pensacola road to the site. This tract and the conditions under which the chamber and commissioners agree to turn it over to the Government meets with the approval of the Bureau of Aeronautics and the Secretary of the Navy.

The Prieto tract will have many advantages over Corry Field, which are as follows:

(a) Closer to naval air station by 5 miles.

(b) Elimination of a great deal of flying over the city of Pensacola to reach Corry Field.

(c) Saving in the transportation of supplies, men, and equipment during operations at the new site.

The advantages of training naval aviators in landplanes at Pensacola other than at some other location are as follows:

(d) The men are sent to Pensacola for seaplane training. Landplane training should follow immediately thereafter, and should the landplanes be at some other location, there would be considerable expense in transporting these men.

(e) Shops, storehouse facilities, quarters, and barracks are sufficient at Pensacola to provide for these men undergoing landplane training.

(f) Owing to the fact that the Prieto tract is so close to the naval air station, the bureau does not contemplate any extensive development at this field, as the station will be used for all major repair work on planes and as the main center of activity for the training. Some hangars may be put on the field to house the planes during the training period to avoid flying back to the station each night.

(g) Climatic and general flying conditions at Pensacola are excellent, and the bureau desires to retain the landplane training at this location.

(h) It is not desirable to have primary landplane training carried on from the field located on the naval air station of 70 acres, due to the fact that the field is too small for the purpose. It would cost a minimum of $800 an acre to enlarge this field, and even then there would be too much flying by students immediately adjacent to the station. It is much more preferable to have the landplane training apart from the seaplane training in order that the instruction can be more efficiently and safely carried on.

The bill meets with the approval of the Navy Department, as shown by the following letter from the Secretary of the Navy, addressed to the chairman of the Committee on Naval Affairs of the Senate, which is hereby made a part of this report:

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, February 9, 1927.

The CHAIRMAN COMMITTEE ON NAVAL AFFAIRS,
United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: Replying further to the committee's communication of February 8, 1927, inclosing a copy of bill S. 5622 "Authorizing the acceptance by the Navy Department of a site for an aviation training field in the vicinity of Pensacola, Fla., and for other purposes," and requesting the Navy Department's views thereon, I have the honor to advise you as follows:

The purpose of this bill is to authorize the Secretary of the Navy to accept on behalf of the United States the title in fee simple to a tract of land containing approximately 500 acres in the vicinity of Pensacola, Fla., for use as a site for an aviation training field to continue landplane training from the United States Naval Air Station, Pensacola, Fla.

At the present time the Navy is using a site known as Corry Field, containing 250 acres, more or less, for an aviation training field. This site is located about 8 miles from the naval air station. It was made available to the Navy without cost to the Government under leases from the owners which expire on June 30, 1927. It has been in use by the Navy as an aviation training field since the summer of 1922. The leases contain options to purchase at any time prior to July 1, 1927, at an approximate cost of $56,000.

The Chamber of Commerce of Pensacola intended to exercise these options to purchase and convey title to the United States without cost. Past experience at Corry Field, however, has demonstrated the desirability of acquiring a larger area of approximately 500 acres for landplane training. The owners of the 250 acres adjoining Corry Field are demanding a price for their land which the chamber of commerce considers exorbitant, and it therefore does not feel justified in purchasing those 250 acres as an addition to Corry Field to make up the 500 acres which it desires to convey to the United States without cost.

As an alternative, the chamber of commerce now offers to convey to the United States without cost title to a site containing approximately 500 acres of the Prieto grant, located in section 56, township 2 south, range 30 west, between Pensacola and the United States naval air station and about 3 miles distant from the naval air station. The chamber of commerce further agrees, in case this site is accepted by the United States, to condition 250 acres thereof for a landing field, construct a railroad spur to the site, and construct and keep in repair a hard-surface road from the West Pensacola road to the site, all of which improvements it agrees to complete by June 30, 1927.

This latter site is considered much more desirable and advantageous for naval aviation purposes than the old site at Corry Field, as it has a much larger area; it is about 5 miles nearer the naval air station, and thus will greatly lessen transportation and communication difficulties; its location will eliminate necessity for personnel to fly over the city of Pensacola to reach it from the naval air station; and it permits relatively close concentration of station activities.

The Navy Department therefore recommends the enactment of the proposed legislation.

Sincerely yours,

CURTIS D. WILBUR,
Secretary of the Navy.

DISTRICT OF COLUMBIA APPROPRIATIONS

Mr. PHIPPS. I move that the Senate proceed to the consideration of House bill 16800, being the District of Columbia appropriation bill.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 16800) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1928, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. PHIPPS. I ask that the formal reading of the bill be dispensed with, that the bill be read for amendment, committee amendments to be first considered.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered. The clerk will proceed to read the bill.

The Chief Clerk proceeded to read the bill.

The first amendment of the Committee on Appropriations was, under the heading "General expenses, executive office," on page 3, line 18, to increase the appropriation for personal services, purchasing division, in accordance with the classification act of 1923, from $45,560 to $52,700.

The amendment was agreed to.

The next amendment was, on page 4, at the end of line 3, to change the total appropriation for the executive office from $227,120 to $234,260.

The amendment was agreed to.

The next amendment was, under the subhead "Auditor's office," on page 5, line 6, before the word "property" to insert "United States," so as to make the paragraph read:

For personal services in accordance with the classification act of 1923, $88,640, and the compensation of the present incumbent of the position of disbursing officer of the District of Columbia shall be exclusive of his compensation as United States property and disbursing officer for the National Guard of the District of Columbia.

The amendment was agreed to.

The next amendment was, under the subhead "Office of corporation counsel," on page 5, after line 8, to strike out:

Corporation counsel, including extra compensation as general counsel of the Public Utilities Commission, $6,000, and other personal services in accordance with the classification act of 1923, $40,000; in all, $46,000, and no part of this appropriation shall be available for the compensation of any person giving less than full time from 9 o'clock antemeridian to 4.30 o'clock postmeridian to his official duties.

And in lieu thereof to insert:

Corporation counsel, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall also act as general counsel of the Public Utilities Commission, $7,500, and other personal services in accordance with the classification act of 1923, $34,860; in all, $42,360.

Mr. PHIPPS. Mr. President, I desire to perfect that amendment by interlining——

Mr. FESS. Mr. President, I make a point of order against the amendment.

The PRESIDENT pro tempore. The Senator from Ohio will state his point of order.

Mr. FESS. The point of order is that the amendment proposes a change of the law on an appropriation bill, and is therefore legislation.

Mr. PHIPPS. Mr. President, in answer to that, I call attention to the fact that the House introduced a change in the provisions of existing law, which we struck out, substituting a different provision. In other words, the House has opened the door and it is the privilege of the Senate to amend the House text or to substitute its own language for the House proposal, and we considered necessary the language we have proposed.

Mr. FESS. That contention can not be sustained. Simply because the House of Representatives introduced a provision that would be subject to a point of order does not make it in order when it comes over here. Not only that, but the amendment itself is legislation and therefore is subject to a point of order.

The PRESIDENT pro tempore. As held by Vice President Marshall, the present occupant of the Chair holds that the point of order is not well taken. The question is on agreeing to the amendment proposed by the Committee on Appropriations.

Mr. WILLIS. Mr. President, I desire to be heard on the committee amendment. I understand the Chair has overruled the point of order?

The PRESIDENT pro tempore. That is correct.

Mr. WILLIS. Mr. President, I think the amendment proposed by the committee should not be agreed to. I have given some attention to this matter. The corporation counsel herein provided for is an officer of the District of Columbia; he is the legal adviser of the District Commissioners. I know of no good reason why the power of appointing the legal adviser of the District Commissioners should be taken from them and vested in the President.

As I understand the theory of the District government, it is that the President shall appoint the commissioners and they shall be held responsible for the District government. To me it is not clear upon what theory the committee proceeds when it introduces here a provision that will require the President to appoint this legal adviser of the District Commissioners, the man to whom they must look for opinions to guide them in their work, and thus have the appointee entirely separate from them and removed from them. It seems to me that the President of the United States has sufficient duties to perform without putting this extra burden upon him.

My attention was called to this matter by an article appearing in the Washington Post of this morning, an article which I ask to have read at the desk at this point.

The PRESIDENT pro tempore. Without objection, the clerk will read as requested.

The Chief Clerk read as follows:

THE CORPORATION COUNSEL

The District appropriation bill as reported to the Senate contains an amendment which provides that the corporation counsel shall be appointed by the President and confirmed by the Senate. Under existing law the corporation counsel is appointed by the District Commissioners and is removable by them. He acts as legal adviser to the commission, and conducts all District litigation, under the direction of the commissioners.

It will not promote the welfare of the District government to take away the authority of the commissioners over subordinates. The commissioners are responsible for the conduct of the local government and should be held accountable in all its branches, including the legal department. If they are prevented from exercising authority over the corporation counsel, they will be unable to direct the policy or control the acts of that official, and a conflict of opinions will surely arise to embarrass everybody concerned.

The Senate should strike out the amendment in question and leave the appointment of the corporation counsel where it is now, in the hands of the District Commissioners.

Mr. WILLIS. Mr. President, I wish to make some further observations; but if the Senator from Colorado desires to explain the amendment, I shall be glad to yield to him for that purpose.

Mr. PHIPPS. Mr. President, I call attention to the fact that the duties of the corporation counsel of the District of Columbia are dual in their nature, in that he is to act as general counsel of the Public Utilities Commission in addition to acting as corporation counsel. There has been a desire to recast the set-up in the legal department of the District of Columbia, as evidenced by the House provision that is favored by the commissioners themselves. The question of the method of appointing the corporation counsel was discussed by the Committee on Appropriations and the conclusion was reached that it would be advisable to have the appointee named by the President of the United States, relieving the commissioners of that responsibility, so that they would really have a freer hand than they would otherwise have. There is no doubt that if they desire to recommend any particular candidate to the President their advice will be given due weight and consideration.

However, I am quite willing to allow this amendment to go over for the time being, if that will be acceptable to the Senator from Ohio.

Mr. WILLIS. I think we might just as well act on it now and be done with it.

Mr. PHIPPS. We could pass on to other portions of the bill that are not controversial, and, perhaps, make some progress with the measure.

Mr. WILLIS. If the Senator thinks that would aid in furthering the progress of the bill, he knows I do not desire to delay the bill, and I am willing to let the particular amendment go over for the time being.

Mr. BRUCE. Mr. President, I merely desire to say that I share all the feelings of the Senator from Ohio in relation to this amendment, and I should like to have it disposed of.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. PHIPPS. I yield.

Mr. LENROOT. I was not present in committee when this particular item was considered. May I ask the Senator what part of the House text is legislation? It seems to me that the House text merely provides an appropriation under existing law, except for the limitation.

Mr. PHIPPS. It provides for the appointment of a corporation counsel including extra compensation——

The PRESIDENT pro tempore. The Senator from Colorado has asked unanimous consent to pass over the amendment for the time being. Is there objection?

Mr. BRUCE. I am very sorry, but I shall have to object.

Mr. LENROOT. Is a general counsel for the Public Utilities Commission not now authorized by law?

Mr. PHIPPS. Yes. One is authorized, according to my recollection.

Mr. LENROOT. Then the House text does not change the law.

Mr. COPELAND. Mr. President——

The PRESIDENT pro tempore. The Senator from New York.

Mr. WILLIS. Mr. President, I think I have the floor.

The PRESIDENT pro tempore. The Senator from Colorado has the floor. Does he yield?

Mr. WILLIS. I desire to ask the Senator from Colorado a question.

Mr. PHIPPS. If the Senator from Ohio wishes to continue his remarks I will yield to him.

The PRESIDENT pro tempore. The Chair understands the Senator from Maryland to object to the unanimous-consent request preferred by the Senator from Colorado.

Mr. BRUCE. I shall say regretfully that I object.

The PRESIDENT pro tempore. Objection is made.

Mr. WILLIS. Mr. President——

Mr. PHIPPS. I yield to the Senator from Ohio.

Mr. WILLIS. I wish to ask the Senator from Colorado whether this evidently new legislation has ever been discussed by the District Committee? Has the District Committee recommended such a change in the set-up of the District government as is proposed here?

Mr. PHIPPS. No; but the District Committee was represented by two or three of its members on the Appropriations Committee, as it is always so represented in the consideration of District appropriation bills. The District Committee assigns certain of its members, five members in all, to the Appropriations Committee for the purpose of considering the District appropriation bill.

Mr. WILLIS. Mr. President, if the Senator has concluded his statement, let me say that we are confronted with the proposition that hereafter, either as to the District or elsewhere, when legislation is desired that is fundamental in its character, that changes the nature of the organization of a department, the Appropriations Committee, because the committee having jurisdiction of matters affecting the particular department involved in the proposed change is represented, can proceed to consider and report legislation that seeks entirely to change the character of the Government. I do not believe such a proposition is tenable.

Mr. PHIPPS. Mr. President, during my eight years of service on the Appropriations Committee I know of no time when any such subterfuge has been resorted to. It is certainly not the intention of the Appropriations Committee to introduce legislation into appropriation bills. The cases where that has occurred are very rare, indeed. We try to avoid it wherever possible, and when we do have to resort to an amendment

providing legislation, if looked upon as such, we introduce it separately on the floor of the Senate rather than to write it into the bill itself.

I suggest to the Senator from Ohio that if this amendment shall be adopted by the Senate it must be taken to conference, because the Senate and the House will be in disagreement with respect to the item. If the Senate should vote the amendment in the bill it would be in conference; if it should vote it out it would still be in conference, because the two Houses will not have agreed to the original language of the House bill.

Mr. WILLIS. Mr. President, I understand, of course, what the legislative situation will be; and because the Senator and his very great committee have made that splendid record of refraining from undertaking general legislation on an appropriation bill, I am urging the Senator to the course whereby he will maintain that splendid record, and not spoil it. He is now proposing to do that to accomplish which requires substantive legislation.

If it has come to the situation in the District of Columbia that the District Committee is of opinion that counsel should no longer be appointed by the District Commissioners, but should be appointed by the President, then that substantive legislation ought to be reported from the District Committee. It ought not to come in here in this form. Anyhow, Mr. President, this is no new question. It has been up at different times.

I chance to have before me a copy of a memorandum on this point that was rendered so long ago as February 3, 1912, when the same question was raised. I think I shall ask permission to have that memorandum printed in the RECORD at this point, if I may have that permission. I shall not take time to read it.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The memorandum is as follows:

In re H. R. 17759, Sixty-second Congress, second session, entitled "A bill authorizing the President of the United States to appoint the corporation counsel for the District of Columbia."

MEMORANDUM FOR COMMISSIONER RUDOLPH

The principle of the bill is a departure from the law which successively created the corporation of Washington and the District of Columbia municipal corporations during the course of practically a century. So far as known, it is distinctly opposed to the laws creating municipal corporations in every place in the United States. The Commissioners of the District of Columbia, under existing law, are the administrative agents of the municipality known as the District of Columbia, responsible to the Congress of the United States, and heavily bonded to answer for the performance of the duties of their office. In that administration one of the principal officers, if not the principal officer, and on whose judgment they must necessarily rely as to matters of law which should control their actions, is the corporation counsel, and that officer is liable to them for any errors made which may occasion any mistakes in their administration in reference to legal affairs and the incidents connected therewith.

Hence there is referred to this officer a vast variety of papers calling for opinions on the legal aspects of the multitude of questions upon which the commissioners are called to act. He reviews the recommendations of all the other heads of departments and, subject to the ultimate review of the commissioners, passes upon the legality of the acts, active or passive. In each particular instance in the review of the ministerial acts of the commissioners called in question before the courts of law the duty, first, of advising the commissioners in respect to what action they should take, and, second, in defending the action taken on his advice, is devolved on the corporation counsel. He is their officer before the court in all matters involving the affairs of the commissioners and the heads of the various District departments. The corporation counsel is more or less also called upon to advise as to administrative matters, and frequently is asked to outline a plan of action to be submitted to the commissioners for their approval, modification, or disapproval.

In all affairs in which the District as a municipality is brought before the courts, and in many of the relations between the District of Columbia and the community at large, the corporation counsel acts as the representative of the commissioners and of the municipality known as the District of Columbia.

This brief recital will show the necessity and propriety of reposing in the commissioners the authority to appoint the corporation counsel because of his intimate relationship as an official and because such intimacy demands and requires that this official shall be personally agreeable to and answerable for his acts to them.

To divorce the office of the corporation counsel from the office of the commissioners would create a divided responsibility and tend to create discord. It must be assumed, of course, that the corporation counsel will do his duty and that the commissioners will perform their duties; hence it can not be assumed that the commissioners by the appointment of a corporation counsel will seek to influence him so as to compel him to take action which is contrary to law or to the proper administration of municipal affairs. If the contrary should be assumed, then neither the commissioners nor the corporation counsel properly represent the public, and neither should be continued in office. The commissioners are entitled, because of their public responsibilities and private pecuniary liabilities, to have the choice of their principal legal advisor. It would be an anomaly to appoint an officer under whose advice they might be obliged to assume heavy responsibilities and who might personally be otherwise than agreeable. If the President of the United States should be given the power to appoint the corporation counsel, it would be undoubtedly the duty of that official to report directly to the President many matters of municipal administration and to receive suggestions about the course of conduct which should be thought advisable to pursue. Matters in the discretion of that official or matters in the discretion of the commissioners which come before that official are now referred to. Suits involving the question of settlement of claims against the District of Columbia, affairs relating to the promulgation of building, police, plumbing, and health regulations, administrative in character and not judicial, coming before that officer might require, if not compel him, to bring the matters to the attention of the President; and if referred by the President to some judicial officer of the United States unacquainted with the intricacies of the laws and practices relating to the government of the District of Columbia and his opinion taken, confusion and delay would inevitably follow. In fact, the measure looks to the disintegration of the District of Columbia as a municipality and to a divided and discordant administration; it will not be otherwise (unless the whole of the government of the District of Columbia be turned over to the Federal authorities) than detrimental to the interests of the public and of the citizens of the District of Columbia.

Respectfully submitted.

E. H. THOMAS, *Corporation Counsel.*

Mr. WILLIS. In that memorandum it is pointed out that this is a substantive change in the form of government of the District; that this official is the official upon whom the District Commissioners must rely for their guidance in legal matters; and I submit to the Senator, as a great business man as well as a great Senator, that if he is to depend upon somebody for legal opinions he would not like to have that somebody selected in some other quarter. It seems to me that the relationship between the District Government on the one hand and counsel on the other is such that this counsel ought to be selected as he has been heretofore, and as the law now provides, by the District Commissioners.

If it shall be said—I do not know that this is the case at all; I know nothing about the personnel of the matter—if the District Commissioners want a change in the corporation counsel, they have the power to make that change. There is no reason why that burden should be placed upon the President of the United States. I think there is little enough power in the District and its officials now without adopting this amendment proposing to give the President additional power. I am very certain the President does not desire any such additional power. I think there are enough officers here who are appointive officers now.

Mr. COPELAND. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from New York?

Mr. WILLIS. I yield to the Senator from New York.

Mr. COPELAND. I am always somewhat distrustful of my conclusions when I am in full agreement with the Senator from Ohio, but on this occasion I certainly am. I can not see why the District Commissioners should be deprived not alone of the privilege but of the responsibility of choosing a corporation counsel. It is the practice in almost every city that the mayor selects his own corporation counsel, and he should, because he is responsible for the administration of affairs; and a lawyer, as I understand, is very likely to follow the wishes of his employer. The District Commissioners represent the mayoralty, the administration of affairs in the city; and I am perfectly clear in my mind that this appointment should be in the hands of the commissioners.

I have no objection to the increase of salary proposed; but, if I understand the temper of this community, the citizens' associations are unwilling to have this change made, and I think it makes for a breakdown in government and does not make for a coordinated, harmonious administration of municipal affairs such as we desire to have in the District of Columbia.

Mr. PHIPPS. Mr. President, if the Senator will permit me to make just a few remarks, perhaps we can save a little time.

Mr. WILLIS. I yield to the Senator.

Mr. PHIPPS. First of all, the House committee was absolutely convinced that a recasting of the legal force should be had at this time.

Mr. WILLIS. Mr. President, will the Senator permit a question? What House committee does he mean—the House Committee on Appropriations or the House District Committee?

Mr. PHIPPS. I am speaking now of the Appropriations Committee of the House.

Mr. WILLIS. Exactly.

Mr. PHIPPS. I do not know whether the District Committee of the House was consulted or not; but the House Committee on Appropriations wrote into this bill language that has been accepted by the House.

Mr. BRATTON. Mr. President, will the Senator yield to me?

The PRESIDENT pro tempore. The Senator from Ohio has the floor.

Mr. WILLIS. I yield to the Senator from New Mexico.

Mr. BRATTON. I do not want to interrupt the Senator from Colorado.

Mr. PHIPPS. I supposed I was permitted to make an explanation that would clarify the atmosphere.

Mr. WILLIS. Very well.

Mr. PHIPPS. If the Senator will permit me to do so for just a minute or two, I will proceed.

Mr. WILLIS. Certainly. I desire to be courteous to the Senator.

Mr. WARREN. Mr. President, the Senator in charge of the bill has the floor.

Mr. WILLIS. Mr. President, I have the floor.

Mr. WARREN. But the Senator can not keep it all day.

Mr. PHIPPS. I yielded to the Senator for a purpose. Then I understood the Senator yielded back, in order that I might make a statement.

Mr. WILLIS. I understood that the Senator had concluded his statement, and I again took the floor.

Mr. PHIPPS. Not at all.

Mr. WILLIS. Mr. President, a parliamentary inquiry. Who has the floor?

The PRESIDENT pro tempore. The Chair understood the Senator from Ohio to have the floor to speak on the amendment.

Mr. WILLIS. That is the understanding of the Senator from Ohio. I yield to the Senator from Colorado for a brief explanation or a question.

Mr. PHIPPS. I thank the Senator.

The House committee, as I attempted to say, thought, in the interest of the public welfare, that the legal department of the District should be recast. They have expressed to us—I want to modify my statement there in a little particular, because this comes, perhaps, second hand from the District Commissioners—that the service they have been getting has not been prompt enough; it has not been efficient enough; the business has grown to such an extent that they feel that the present incumbent as general counsel has not been able to cover the legal, technical part and at the same time administer the affairs of the office. Therefore, they proposed to demote the present general counsel and put in his place another man selected by the commissioners.

Our committee is of opinion that to demote a man does not bring about efficient service; that to get the talent the District should have it is necessary to pay the compensation named by the Senate committee—$7,500 a year. The Senate committee is not particularly concerned whether the general counsel is named by the President or named by the commissioners. What we are after is effective administration of affairs in the legal department.

Our recasting of the figures means that a new man to take the place of the incumbent, at an increase in salary of $1,500 a year, drops out the man proposed by the House as an extra man at $5,200 a year, so that the Senate figures, it would be noted, total $42,360 as against $46,000 as the bill passed the House.

I want to ask if it would be agreeable to the Senator from Ohio, the Senator from Maryland, the Senator from New York, and perhaps the Senator from New Mexico—to whom I shall be glad to yield as soon as I may—if we were to strike out, following the words "corporation counsel," on line 17, page 5, the words "who shall be appointed by the President, by and with the advice and consent of the Senate, and," leaving it simply to name the corporation counsel, "who shall also act as general counsel of the Public Utilities Commission, $7,500."

Mr. FESS. Mr. President, will the Senator yield?

Mr. PHIPPS. I yield.

Mr. FESS. That is the question that is in my mind—why, if we desire to recast, we are changing the appointing power; why we take from the commissioners the power to appoint and put it in the President.

Mr. PHIPPS. I merely say that it seemed to be the view of the subcommittee of the Committee on Appropriations, and when we put it up to the full committee no objection was made to the language of this amendment.

Mr. FESS. The change in the personnel does not concern me, but I am uncertain about changing the appointive power.

Mr. JONES of Washington and Mr. BRATTON addressed the Chair.

Mr. WILLIS. I yield to the Senator from Washington.

Mr. JONES of Washington. Mr. President, as one member of the committee I am going to say frankly that the general impression I have gotten for a good, long while is that the corporation counsel of this District, while a very fine man, is not especially qualified for this very responsible place. The committee were trying to get rid of that state of affairs. If the commissioners would not do it, we thought we ought to make this provision here.

Mr. BRUCE. Mr. President——

Mr. HOWELL. Why will not the commissioners do it?

Mr. JONES of Washington. I do not know why they will not do it.

Mr. HOWELL. Did the committee give any reason why the commissioners would not do it?

Mr. JONES of Washington. They have not done it.

Mr. PHIPPS. If I may answer the Senator—it will take only a moment—the fact is that in their expressions to us their evident purpose was to demote the present corporation counsel and retain him at a salary of $5,200 a year, and we do not believe that that is good administration.

Mr. BRATTON. Mr. President——

Mr. WILLIS. I now yield to the Senator from New Mexico.

Mr. BRATTON. I think the explanation the Senator from Colorado has made emphasizes the fact that the provision in the bill violates the rule, because he says the purpose is to change the entire cast under existing law. I am informed that under existing law the appointive power rests in the commissioners. It is proposed here in an appropriation bill to take away that power from the commissioners and vest it in the President, in order to recast the entire fabric of existing law; but if we adopt the amendment proposed by the Senator from Colorado just now to strike out this language, "who shall be appointed by the President, by and with the advice and consent of the Senate," it seems to me the entire question will be changed.

The PRESIDENT pro tempore. Does the Chair understand the Senator from Colorado to propose that amendment?

Mr. PHIPPS. Yes; I offer that amendment to the committee amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Colorado to the amendment of the committee.

Mr. WILLIS. Mr. President, before a vote is taken upon that amendment I desire to say that it seems to me that the statements that have been made by the Senator from Colorado, and particularly by the Senator from Washington, have at last let the cat out of the bag. There seems to be some difficulty here about the corporation counsel. If that be the case, I am unable to see why by provision of law we should undertake to transfer that distressing problem, if it be such, from the District Commissioners to the President of the United States. In other words, I come back to the original thesis: If we are to change substantive law, it should be changed by recommendation of the regular District Committees of the House and the Senate. It is admitted here that this proposition has not been considered by the District Committee of the House, nor has it been considered by the District Committee of the Senate, and yet it is a fundamental proposition.

There is another reason suggested by the Senator from New York that it seems to me ought to be controlling. If this counsel shall be appointed by the President of the United States, so that the responsibility rests upon the shoulders of the President, if anything goes wrong in District affairs, it can be easily said then by the District Commissioners: "Well, we were incorrectly advised by this official appointed by the President of the United States." In other words, you have decentralized authority. Instead of making for good administration you have encouraged bad administration.

It seems to me the only safe thing to do is to vote down the amendment that has been brought in here by the Committee on Appropriations.

Mr. BRUCE. Mr. President, I do wish to second, and to second most earnestly, what the Senator from Ohio [Mr. WILLIS] has said upon this subject. I think, with due respect to the Senator from Washington [Mr. JONES], that of all feeble and insufficient reasons in the world that can be given for a change in the legislation, one of the feeblest and most insufficient is that the legislation is intended to legislate some individual into an office or to legislate some individual out of an office. If you

introduce that sort of personal politics, so to speak, into legislation, there is no telling where it will end.

I recall that when I was a member of the Maryland General Assembly there was a very active Democratic primary worker in one of the counties of Maryland on the Eastern Shore, and a bill was brought in to change the lines of the election district in the county in which this worker lived. The whole legislative machinery was started up for the purpose of putting that bill through, and afterwards the fact came out that the whole object of the measure was to transfer that very active and efficient Democratic primary worker from one election district of the county to another.

With due respect to the Senator from Washington [Mr. JONES], it seems to me that it would be just as petty a feat of practical politics to adopt this amendment for the purpose of legislating out of office the present incumbent of the office of corporation counsel. That sort of legislation always leads to the most pernicious results. If the man is an unfit incumbent of the office, let the commissioners dismiss him.

Mr. JONES of Washington. But they will not do that; that is the trouble.

Mr. BRUCE. Probably they know what the man's real merits and demerits are better than the Senator from Washington does or better than I do.

Mr. JONES of Washington. I do not know the corporation counsel. I have heard him highly spoken of as a man, but we should have a more competent man for this responsible place.

Mr. BRUCE. I am informed that the District Commissioners are opposed to this change suggested by the Senate committee. They do not want the change. I know whereof I speak, and if the District Commissioners are themselves so insensible to the duties of their office as to persist in keeping an unfit officeholder in office, then they themselves should be turned out.

Mr. JONES of Washington. I think there is a great deal of force in that, but of course we have new commissioners in office now, and we do not know what attitude they will take.

Mr. BRUCE. This corporation counsel is the appointee of the District Commissioners; he is subject to their oversight, and he should be amenable to their authority. We can not have any proper administration unless the general counsel of a commission like this is amenable to the authority of the commission in whose service he is enlisted.

I recall that when the public service commission law of Maryland was passed there was a provision in the law for the appointment of a people's counsel, a man to represent the people whenever questions of gas or electric light or railway rates, or whatnot, came up. Notwithstanding the fact that he was peculiarly the representative of the people, he was appointed by the commission, and most wisely the legislature came to the conclusion that the public-service commission should not have the appointment of the people's counsel; that he should be entirely aloof from any possible influence that might be exerted, with reference to the discharge of his duties, by the commission, and the Maryland Legislature changed the law. They provided that the people's counsel should be appointed by the governor instead of by the commission. On the other hand, the general counsel of the commission is appointed, under the public service commission law of Maryland, by the commission, for the very reasons that I say should apply to the appointment of this corporation counsel.

He is their servant; he is subject to their oversight; and he should be amenable at all times to their authority and not to the authority of anybody else.

There is another objection, too. We know perfectly well that if this corporation counsel is to be appointed by the President there will be the greatest amount of pressure exerted upon the President to appoint somebody from outside of the District of Columbia. I respectfully submit that the bar of the District is entitled to that office. This is a city in which there are a great number of very able lawyers, and some man from the bar of the District of Columbia should be appointed to this position. But just as surely as this amendment is agreed to, there will be an organized effort in many different directions to get the President to appoint somebody from Maryland, or somebody from Pennsylvania, or somebody from Michigan, or somebody from California.

Mr. PHIPPS. Mr. President, does the Senator understand that I have now moved to eliminate that language, so as to leave it in accordance with the present law, allowing the commissioners to appoint the corporation counsel? I have made that motion.

Mr. BRUCE. The salary is somewhat less.

Mr. PHIPPS. The salary at present is $6,000 per annum. We propose to pay a higher rate of salary in order to get the talent we think we should have to run a very large legal department.

Mr. BRUCE. It is a very important position. The whole appropriation is less.

Mr. PHIPPS. Yes; because the House not only proposes to add another $6,000 man but to keep the $6,000 man already there.

Mr. BRUCE. With the amendment suggested by the Senator, I have no objection to make.

Mr. JONES of Washington. Mr. President, just a word. When I spoke on this amendment a short time ago I hesitated to make the statement on the floor of the Senate that I did make, because I thought we could take care of this matter without any public reflection upon anybody. I agree almost entirely with the suggestion of the Senator from Maryland.

I think probably the purpose the committee had in mind has been accomplished. I agree that primarily the appointment ought to be left to the commissioners. So I am glad that the Senator having the bill in charge is willing to strike out that provision, and I think the matter will be arranged satisfactorily.

The PRESIDENT pro tempore. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The PRESIDENT pro tempore. The Senator from Colorado proposes another amendment to the amendment.

Mr. COPELAND. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Colorado yield to the Senator from New York?

Mr. PHIPPS. I yield.

Mr. COPELAND. I want to suggest to the Senator from Washington that in all probability, since there are two new men on the commission, and there very likely will be another one very soon, there will be such a change as the Senator has suggested, so that everything the Senator has had in mind will be accomplished.

Mr. JONES of Washington. That is what I said. I think it will be arranged satisfactorily. Of course, I could not agree with the suggestion of the Senator from Maryland that the President would go outside of the District of Columbia to appoint a corporation counsel when he has the bar of the District of Columbia to choose from.

The PRESIDENT pro tempore. The clerk will state the next amendment offered by the Senator from Colorado to the committee amendment.

The CHIEF CLERK. On page 5, line 20, after the word "Commission," to insert the words "including extra compensation as said general counsel."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, under the subhead "Municipal architect's office," on page 7, line 21, after the word "exceeding," to strike out "2½" and insert "3," so as to make the paragraph read:

All apportionments of appropriations for the use of the municipal architect in payment for the services of draftsmen, assistant engineers, clerks, copyists, and inspectors, employed on construction work provided for by said appropriations, shall be based on an amount not exceeding 3 per cent of the amount of the appropriation made for each project.

The amendment was agreed to.

The next amendment was, under the subhead "Office of the director of traffic," on page 9, line 7, to increase the appropriation for personal services in that office in accordance with the classification act of 1923, from $19,360 to $28,540.

The amendment was agreed to.

The next amendment was, on page 9, line 12, before the word "and" to strike out "$70,000" and insert "$75,000," so as to read:

For purchase, installation, and maintenance of traffic lights, signals, controls, and markers, painting white lines, labor, city planning in relation to traffic regulation and control, and such other expenses as may be necessary in the judgment of the commissioners, $75,000 and the appropriation of fees received for reissuing motor-vehicle operators' permits, contained in the District of Columbia appropriation act for the fiscal year 1927, is continued available until December 31, 1927:

The amendment was agreed to.

The next amendment was, under the subhead "Register of wills," on page 11, line 10, to strike out "$9,400" and insert "$10,900," so as to read:

For miscellaneous and contingent expenses, telephone bills, printing, typewriters, towels, towel service, window washing, street-car tokens, furniture and equipment and repairs thereto, purchase of books of ref-

erence, law books, and periodicals, and including $4,000 to be available immediately for the purchase and installation of a photostat machine and accessory equipment, $10,900.

The amendment was agreed to.

The next amendment was, under the heading "Contingent and miscellaneous expenses," on page 12, line 13, after the word "offices," to strike out "$49,000" and insert "$51,000," so as to read:

For printing, checks, books, law books, books of reference, periodicals, stationery; surveying instruments and implements; drawing materials; binding, rebinding, repairing, and preservation of records; purchase of laboratory apparatus and equipment and maintenance of laboratory in the office of the inspector of asphalt and cement; damages; livery, purchase, and care of horses and carriages or buggies and bicycles not otherwise provided for; horseshoeing; ice, repairs to pound and vehicles; use of bicycles by inspectors in the engineer department not to exceed $800 in the aggregate; traveling expenses not to exceed $3,000, including not exceeding $1,000 for payment of dues and traveling expenses in attending conventions when authorized by the Commissioners of the District of Columbia; expenses authorized by law in connection with the removal of dangerous or unsafe buildings; and other general necessary expenses of District offices, $51,000:

The amendment was agreed to.

The next amendment was, on page 12, line 18, after the word "awarded," to insert "where such supplies and materials are covered by schedules of the General Supply Committee," so as to make the proviso read:

Provided, That no part of this or any other appropriation contained in this act or of any appropriation which may now be available shall be expended for printing or binding a schedule or list of supplies and materials for the furnishing of which contracts have been or may be awarded where such supplies and materials are covered by schedules of the General Supply Committee.

The amendment was agreed to.

The next amendment was, on page 13, line 16, after the figures "$1,800," to strike out "in all, $88,230," and insert "executive office, one, $2,500; in all, $90,730," so as to make the paragraph read:

For maintenance, care, repair, and operation of passenger-carrying automobiles owned by the District of Columbia, $72,680; for exchange of such passenger-carrying automobiles now owned by the District of Columbia as, in the judgment of the commissioners of said District, have or shall become unserviceable, $10,000; and for the purchase of passenger-carrying automobiles as follows: Surface division, two, $900; sewer division, one, $450; electrical department, one, $450; office of director of traffic, one, $1,500; assessor's office, one, $450; assessor's office, one, $1,800; executive office, one, $2,500; in all, $90,730.

The amendment was agreed to.

The next amendment was, on page 16, line 12, after the figures "$6,500," to strike out the colon and the following proviso: "*Provided*, That no part of this appropriation shall be available for printing a pamphlet or book containing notices of sales of property for overdue taxes. The original copy of such book or pamphlet, however, shall be kept on file in the office of the collector of taxes of the District of Columbia for public inspection," so as to read:

For general advertising, authorized and required by law, and for tax and school notices and notices of changes in regulations, $6,500.

The amendment was agreed to.

The next amendment was, on page 16, after line 17, to insert:

For advertising notice of taxes in arrears July 1, 1927, as required to be given by the act of March 19, 1890, as amended, to be reimbursed by a charge of 50 cents for each lot or piece of property advertised, $6,000: *Provided*, That the printing of tax-sale pamphlets shall be discontinued, and in lieu thereof the notice of sale and a list containing a description sufficient to identify each piece of property offered for sale, and the amount due, shall be advertised once in the regular issue of one morning and one evening newspaper published in the District of Columbia: *Provided further*, That hereafter the notice, by advertising twice a week for three successive weeks in the regular issue of three daily newspapers published in the District of Columbia, shall state that the list of properties offered for sale has been published in two newspapers, giving the name of each and the date of the issue containing said list, in lieu of the statement that pamphlets have been printed and are for sale at the office of the collector of taxes.

Mr. PHIPPS. At that point, I have found, in going over this amendment after it had consideration, that a redraft would improve the language, and I submit an amendment in place of one printed in the bill.

The PRESIDENT pro tempore. The clerk will state the amendment to the amendment.

The CHIEF CLERK. To strike out the proposed amendment and insert the following:

For advertising notice of taxes in arrears July 1, 1927, as required to be given by the act of February 28, 1898, as amended, to be reimbursed by a charge of 50 cents for each lot or piece of property advertised, $6,000: *Provided*, That the printing of tax-sale pamphlets shall be discontinued and in lieu thereof the notice of sale and the delinquent tax list shall hereafter be advertised once a week for two weeks in the regular issue of one morning and one evening newspaper published in the District of Columbia; and notice shall be given, by advertising twice a week for two successive weeks in the regular issue of two daily newspapers published in the District of Columbia, that such delinquent tax list has been published in two daily newspapers, giving the name of each and the dates and the issues containing said list, and such notice shall be published in the two weeks immediately following the week in which the delinquent tax list shall have been published: *Provided further*, That competitive proposals shall be invited by the commissioners from the several newspapers published in the District of Columbia for publishing the said delinquent tax list.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 18, after line 16, to insert:

To aid in support of the National Conference of Commissioners on Uniform State Laws, $250.

The amendment was agreed to.

The next amendment was, under the subhead "Street Improvements," on page 19, after line 18, to insert:

Northwest: For paving Forty-fourth Place, Hawthorne Street to Cathedral Avenue, $4,900.

The amendment was agreed to.

Mr. McKELLAR. I offer an amendment, which I ask to have read at this time.

The PRESIDENT pro tempore. The amendment is not in order at the present time.

Mr. PHIPPS. If it would accommodate the Senator, I would not object to having the amendment considered at this moment.

The PRESIDENT pro tempore. Without objection, the amendment will be reported.

The CHIEF CLERK. On page 19, after line 26, insert—

Southeast: For paving Potomac Avenue between Eighteenth and Nineteenth Streets.

Mr. PHIPPS. I regret to say that that is as far as I can go. I shall have to make a point of order against that item.

Mr. McKELLAR. Will not the Senator take it to conference?

Mr. PHIPPS. We could not take it to conference, because it has not been estimated for or reported by a standing committee.

The PRESIDENT pro tempore. The point of order is well taken.

The next amendment was, at the top of page 20, to insert:

Northeast: For paving Twelfth Place, Taylor Street to Upshur Street, $4,500.

The amendment was agreed to.

The next amendment was, on page 20, after line 23, to strike out:

Northeast: Fifty-seventh Street, Blaine Avenue to Dix Street, $5,000.

The amendment was agreed to.

The next amendment was, on page 21, line 7, after the words "In all," to strike out "$184,700" and insert "$189,100," so as to read:

In all, $189,100; to be disbursed and accounted for as "Street improvements," and for that purpose shall constitute one fund: *Provided*, That no part of such fund shall be used for the improvement of any street or section thereof not herein specified.

The amendment was agreed to.

The next amendment was, under the subhead "Gasoline tax, road and street fund," on page 22, after line 6, to strike out:

Southeast: Thirty-eighth Street, Alabama Avenue to Suitland Road, and Suitland Road, Thirty-eighth Street to the District line, $13,200.

Mr. BRUCE. Mr. President, I think that the item in lines 7, 8, and 9 on page 22 should, for the very best of reasons, be maintained and not stricken out as the Senate committee proposes to strike it out. Indeed, although I am always glad to be enlightened, I experience some little difficulty in concluding just by what reasoning the Senate committee was actuated in striking that item out.

I wish to read a brief history of that item, which it seems to me is enough in itself to dispense with any observations on my part. It is a letter to me from Mr. STEPHEN W. GAMBRILL,

a Member of the House of Representatives from Maryland, dated February 5, 1927, in which he says:

MY DEAR SENATOR BRUCE: I am writing you with reference to the paving and surfacing of Thirty-eighth Street and Alabama Avenue and the Suitland Road, all within the District of Columbia.

The improvement of this road, 0.4 mile, so as to connect with an improved highway leading to Suitland in Prince Georges County, was approved by the Highway Engineer of the District of Columbia, recommended by the District Commissioners, approved by the Budget, and came before the Appropriations Committee of the House as part of the road improvement program under the District of Columbia appropriation bill, H. R. 16800.

The Subcommittee on Appropriations having this bill in charge, struck out the item for the improvement of Thirty-eighth Street and Alabama Avenue, but when the House was sitting as a Committee of the Whole House on the state of the Union, I offered an amendment to this bill, providing for the improvement of this road, and this amendment was adopted on a division, by 100 ayes and 71 noes, and the bill with all amendments was afterwards adopted by the House; and the bill goes to the Senate with this item of $13,200 included.

About two years ago, the public-spirited citizens of Suitland contributed $8,000 or $9,000 for the concreting of about one-half mile of road from the District line toward Suitland. Last year the State Roads Commission of Maryland concreted another mile, and expects this year to lay another mile, which will make a concrete road from the District line to Suitland, that town being about 2½ miles from the District line.

The purpose of my amendment which has been adopted is to improve the road from the District line to where it connects with Pennsylvania Avenue extended, and, as previously stated, this distance is 0.4 mile. I bring this matter to your attention in the hope that you will be good enough to speak to some of the Senate members on the Committee on Appropriations for the District of Columbia, in order that this item may be preserved in the bill.

Very truly yours,

STEPHEN W. GAMBRILL.

It will be seen, of course, that the appropriation is very small in amount, $13,200. Before it reached the House it had been approved by the highway engineer of the District of Columbia, recommended by the District Commissioners, and approved by the Budget. The item came to the Appropriations Committee of the House as a part of the program for the District appropriation bill now pending. It seems to me that Congress ought to be even a little more generous than it ordinarily is in dealing with the improvement of highways leading from the city of Washington into the State of Maryland. As we know perfectly well, we have in Maryland one of the finest highway systems in the country. We have lavished vast amounts on it, and no portions of that highway system are finer than those in immediate contact with the city of Washington.

In this case the citizens of this little flourishing town in Prince Georges County have gone down into their pockets and contributed money toward this improvement. The State of Maryland itself has contributed toward the improvement.

It seems to me, when there is such a manifestly liberal disposition upon the part of the State of Maryland and the citizens residing in Maryland in the neighborhood of Suitland to do their part, that Congress might be willing to spend the paltry sum of $13,200 by way of cooperation with the citizens of Prince Georges County and the State of Maryland.

I can not understand why the Senate committee should have thought, after this amendment had met with general approval in so many different directions, that it was incumbent upon them to strike out the item. I really hope that the Senator from Colorado will change his mind about the item and withdraw his amendment and let it stand.

We all know that there is no one connected with Congress who gives more sedulous, more painstaking, conscientious attention to the affairs of the District of Columbia than does Senator ARTHUR CAPPER, of Kansas, one of the best chairmen I have ever known in charge of any committee since I have been in the Senate. He has written this letter to me under date of February 11, 1927:

DEAR SENATOR BRUCE: I have your letter of February 8, inclosing copy of a letter received by you from Congressman GAMBRILL, relative to an item in the District of Columbia appropriation bill providing for the paving of Thirty-eighth Street and Alabama Avenue and that part of the Suitland Road within the District. I visited this project this morning and am pleased to say that I am favorable to the appropriation in question. I hope to see the bill reported with that item included and that it will be accepted by the committee as a whole.

Mr. PHIPPS. May I ask the Senator to give me the date of the letter he just read from the Chairman of the District Committee?

Mr. BRUCE. The date was February 11, 1927.

Mr. PHIPPS. Four other members of the committee went over the same ground and, as I recall it from the check list, they were in agreement that the item should be eliminated. We have a list of all these proposals and we all check on them. We then compare notes and in this case found we were in perfect agreement.

The fact is that the proposed paving to make an outlet toward the District line, to the border of Maryland, will probably within a year or two connect up with a road that is paved from the District line. But it is not so paved today. The District of Columbia has done more in going toward Suitland by its improved streets than Maryland has done in reaching the District line from that section. According to my belief, and I have been over the ground, that is a correct statement of the situation.

Mr. BRUCE. The Senator, I suppose, noted the statement in the letter from Congressman GAMBRILL to me that about two years ago the public-spirited citizens of Suitland contributed $8,000 or $9,000 for paving about one-half mile of the road from the District line toward Suitland. In other words, in addition to what the State roads commission of Maryland has done, the citizens residing in that vicinity have gone down into their own pockets and raised the sum of $8,000 or $9,000. That is an extraordinary illustration, it seems to me, of civic liberality.

Mr. PHIPPS. The Maryland road is not paved up to the District line by any means, as the Senator must know.

Mr. BRUCE. There is no doubt of any road in the State of Maryland, if I may say to the Senator, not being completed. We have one of the finest highway systems of any State in the Union. It is kept under the very closest supervision all the time, and there is not likely to be any missing link of any kind in the chain of our great highway system that will last for any considerable period.

Mr. PHIPPS. If the Senator will permit me, I want to tell him something of the rule that guides us in fixing our judgment when passing upon the question of whether or not a street shall be paved. We require that the grading must have been done at least one year, and in the majority of cases two years, in advance of the paving, so as to allow the proper settling. We require that the abutting property shall be improved with buildings where buildings are to be constructed. As we look at Suitland's proposal, the ground where this paved road is to be put through is to be built up eventually with houses. If we lay the pavement and the houses are built afterwards, that involves cutting through the pavement for service connections, such as sewer, electric light, and gas. There has been no building along the line of the proposed pavement and that is the reason why the committee declined to approve the item. Our action was really in accord with that of the committee of the House, which visited and examined the property.

Mr. BRUCE. I am not questioning, of course, the motives of the committee.

Mr. PHIPPS. It would be making an exception to our rule to let the item go through.

Mr. BRUCE. Nevertheless the Senate committee has undertaken to set up its judgment in this respect against the judgment of the highway engineers of the District of Columbia, of the District Commissioners, and of the House of Representatives.

Mr. JONES of Washington. Mr. President, I desire to say, simply to emphasize what the Senator from Colorado has said, that four or five members of the committee examined everyone of these items on the ground. That examination was made to enable us to pass upon the items individually, following certain principles which we applied to all. I have here in my hand my list of the various streets, with notes I made on them when we examined them. Against this item, without reference to whether it leads out into Maryland or anywhere else, because I never took that into consideration at all, I have marked "out," and have also noted "unimproved," indicating that along this road the property was not improved. That rule, I think, we applied in every case. When the committee got together to consider the matter we compared notes on the various items, and we found that in almost every case we were in agreement in the memoranda we had made. This was one which we agreed, under the rules we were following, applied to all the various items should go out.

Mr. BRUCE. Of course the Senator is aware of the fact that the Senator from Kansas [Mr. CAPPER] made an actual inspection on the ground.

Mr. JONES of Washington. The Senator from Kansas was with us.

Mr. BRUCE. Then he changed his mind.

Mr. JONES of Washington. Of course I can not speak for what the Senator from Kansas noted or what he did. He was with us on the inspection trip and was a member of our committee.

Mr. BRUCE. I have just read his letter. The Senator knows that sober, second thought is always the best.

Mr. PHIPPS. The item for this paving will very likely come on in a year or two, and perhaps we would do this paving just about as promptly as Maryland would do her part of the paving on her side of the District line. I do not think the item should go in this year.

Mr. BRUCE. If we are going to lay down the rule that no appropriation of this kind is to be made in conjunction with one of the States that borders on this District of Columbia until improvements have been made along the thoroughfare, of course, we arrest the spirit of improvement. To pave the highway would lead directly to improvement, where the highway sustains such close relationship to a great city like Washington as this highway does.

I submit, in view of the conclusion that was reached about this matter by the other public authorities, that I have reached the conclusion very properly that the item ought to be allowed to remain.

Mr. President, I want the vote of the Senate on this matter.

The PRESIDENT pro tempore. Does the Senator ask for the yeas and nays, or does he suggest the absence of a quorum?

Mr. BRUCE. I note the absence of a quorum.

Mr. McKELLAR. Mr. President, I hope the Senator will withhold that suggestion.

Mr. CURTIS. Mr. President, we would like to have a short executive session which will take but a few moments. I ask the Senator if he will not withdraw his request for a quorum in order that I may move an executive session.

Mr. BRUCE. And the bill will go over until to-morrow?

Mr. CURTIS. It will.

Mr. BRUCE. Very well; I withdraw the call for a quorum.

EXECUTIVE SESSION

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock and 18 minutes p. m.) the Senate adjourned until to-morrow, Thursday, February 17, 1927, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 16 (legislative day of February 15), 1927

ASSISTANT SECRETARIES OF STATE

William R. Castle, jr., of the District of Columbia, now chief of the division of western European affairs in the Department of State, to be an Assistant Secretary of State.

Francis White, of Maryland, now a Foreign Service officer of class 2, assigned as counselor of legation at Madrid, Spain, to be an Assistant Secretary of State.

ENVOYS EXTRAORDINARY AND MINISTERS PLENIPOTENTIARY

Leland Harrison, of Illinois, now an Assistant Secretary of State, to be envoy extraordinary and minister plenipotentiary of the United States of America to Sweden.

J. Butler Wright, of Wyoming, now an Assistant Secretary of State, to be envoy extraordinary and minister plenipotentiary of the United States of America to Hungary.

Hugh R. Wilson, of Illinois, now a Foreign Service officer of class 1, and a diplomatic officer with the rank of counselor of embassy on detail in the Department of State, to be envoy extraordinary and minister plenipotentiary of the United States of America to Switzerland.

MEMBER OF INTERSTATE COMMERCE COMMISSION

Ezra Brainerd, jr., of Oklahoma, to be a member of the Interstate Commerce Commission, for a term of seven years from January 1, 1927.

COLLECTOR OF CUSTOMS

Samuel H. Thompson, of Wilkinsburg, Pa., to be collector of customs for Customs Collection District No. 12, with headquarters at Pittsburgh, Pa. Reappointment.

UNITED STATES ATTORNEY

Oliver D. Burden, of New York, to be United States attorney, northern district of New York. A reappointment, his term having expired.

PROMOTIONS IN THE NAVY

Capt. Frank H. Clark to be a rear admiral in the Navy from the 10th day of February, 1927.

Commander Frank B. Freyer to be a captain in the Navy from the 6th day of December, 1925.

Commander Harry A. Stuart, an additional number in grade, to be a captain in the Navy from the 10th day of February, 1927.

Commander William F. Halsey, jr., to be a captain in the Navy from the 10th day of February, 1927.

Lieut. Commander John L. Schaffer to be a commander in the Navy from the 4th day of June, 1926.

Lieut. Commander Hugh P. LeClair to be a commander in the Navy from the 10th day of February, 1927.

Lieut. Cornelius W. Flynn to be a lieutenant commander in the Navy from the 1st day of April, 1926.

Lieut. Horace E. Burks to be a lieutenant commander in the Navy from the 1st day of July, 1926.

Lieut. William F. Loventhal to be a lieutenant commander in the Navy from the 16th day of September, 1926.

Lieut. Milton O. Carlson to be a lieutenant commander in the Navy from the 10th day of February, 1927.

Lieut. (Junior Grade) Raymond C. Percival to be a lieutenant in the Navy from the 9th day of July, 1926.

Lieut. (Junior Grade) Clark L. Green to be a lieutenant in the Navy from the 1st day of August, 1926.

Lieut. (Junior Grade) Leo L. Pace to be a lieutenant in the Navy from the 21st day of September, 1926.

Lieut. (Junior Grade) Willard E. Dillon to be a lieutenant in the Navy from the 2d day of October, 1926.

Ensign John R. McKinney to be a lieutenant (junior grade) in the Navy from the 8th day of June, 1926.

Medical Inspector Samuel S. Rodman to be a medical director in the Navy, with the rank of captain, from the 3d day of June, 1921.

The following-named medical inspectors to be medical directors in the Navy, with the rank of captain, from the 1st day of July, 1926:

George S. Hathaway.
Edward C. White.

Surg. Willard J. Riddick to be a medical inspector in the Navy, with the rank of commander, from the 28th day of August, 1926.

Passed Asst. Surg. Russell I. Craig to be a surgeon in the Navy, with the rank of lieutenant commander, from the 4th day of December, 1925.

The following-named passed assistant surgeons to be surgeons in the Navy, with the rank of lieutenant commander, from the 1st day of July, 1926:

Edwin Peterson.
John B. Farrior.
Joseph L. Schwartz.
William W. Davies, jr.

The following-named assistant surgeons to be passed assistant surgeons in the Navy, with the rank of lieutenant, from the 16th day of March, 1926:

James F. Finnegan.
Frank K. Soukup.

The following-named dental surgeons to be dental surgeons in the Navy, with the rank of commander, from the 28th day of August, 1926:

James L. Brown.
Harry W. Blaisdell.
Eugene H. Tennent.
Cornelius H. Mack.

The following-named pay inspectors to be pay directors in the Navy, with the rank of captain, from the 1st day of July, 1926:

Lewis W. Jennings, jr.
John H. Gunnell.
Leon N. Wertenbaker.
Harry E. Collins.
Kenneth C. McIntosh.
William S. Zane.
Richard H. Johnston.

Paymaster Charles E. Parsons to be a pay inspector in the Navy, with the rank of commander, from the 8th day of December, 1920.

The following-named boatswains to be chief boatswains in the Navy to rank with but after ensign, from the 5th day of August, 1926:

Thomas O. Kirby.
Frank H. Lemon.
John O. Strickland.
James F. Jeter.
Edgar J. Hayden.
Albert A. Webb.
Svend J. Skou.
Vern W. McGrew.
William H. Fiddler, jr.
James L. Freese.
Lyle Turner.
Marshall McN. Angleton.
Victor A. Leonard.
Milo Hazard.
Fred Michaelis.
Thomas F. McDermott.
Richard E. Hawes.
Kenneth C. Ingraham.
Henry M. Brun.
Harold E. Russell.

Pay Clerk Roderick C. Outten to be a chief pay clerk in the Navy, to rank with but after ensign, from the 5th day of August, 1926.

Pay Clerk William L. A. Strawbridge to be a chief pay clerk in the Navy, to rank with but after ensign, from the 5th day of August, 1926.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 16 (legislative day of February 15), 1927

COLLECTOR OF CUSTOMS

Samuel H. Thompson to be collector of customs, Pittsburgh, Pa.

POSTMASTERS

ARIZONA

Harry G. White, Glendale.

COLORADO

Harry A. Cobbett, Cedaredge.

IOWA

Lloyd M. Poe, Blockton.
Judson P. Holden, Delhi.
Wesley L. Damerow, Dows.
Russell E. Metcalf, Hawarden.
Isaac J. Phillips, Hiteman.
Benjamin H. Todd, Ida Grove.
Charles B. Abbott, Imogene.
Albert L. Clark, Lanesboro.
Karl J. Baessler, Livermore.
Arthur C. Schnurr, New Hampton.
Edgar A. Greenway, Pleasantville.
Silas L. McIntire, Pocahontas.
Hiram E. Morrison, Seymour.
Calvin L. Sipe, Sioux Rapids.
Paul F. Wilharm, Sumner.
Kate R. Weston, Webster City.

KANSAS

Isaac A. Robertson, Alma.
Robert T. Smith, Caldwell.
Jesse M. Foster, Clifton.
Edward R. Dannefer, Cuba.
Albert J. Deane, Fowler.
Melvin F. Gardner, Greenleaf.
John Irving, Jetmore.
Abe K. Stoufer, Liberal.
Alta A. McCutcheon, Little River.
Walter S. Wright, Minneola.
Louis T. Miller, Ness City.
Charles N. Wooddell, Nickerson.
George S. Robb, Salina.
William H. Dittemore, Severance.
Herbert M. Bentley, Sterling.
Minnie E. Brown, Wilsey.

MAINE

John A. Babb, Dixfield.

MICHIGAN

Elmer R. Fate, Bellaire.
Orin T. Mallory, Blissfield.
Charles S. Wilcox, East Lansing.
Frank A. Miller, Gladstone.
Lottie E. Bultman, Hermansville.
Charles B. Curtis, Houghton Lake.
Frank E. Darby, Kalkaska.
Olive F. Gowans, Mackinaw.
Albert Sanders, jr., Stephenson.
Webb W. Walter, Three Rivers.
Charles S. Sisson, White Pigeon.

NEW JERSEY

William G. Z. Critchley, Allendale.
Charles G. Wittreich, Chatham.
Mary H. Jeffrey, Deal.
Marcus Cramer, Gloucester City.
Isaac E. Bowers, Groveville.
Robert E. Bromley, Haddon Heights.
Andreas H. Fechtenburg, Harrington.
Wilbert F. Branin, Medford.
Mina A. Crowell, Minotola.
Edward M. Sutton, Ocean City.
Herman H. Wille, Orange.
Arthur Knowles, Phillipsburg.
James A. Harris, Wildwood.
Jacob Feldman, Woodbine.

NEW MEXICO

Claud E. Herndon, Cloudcroft.
John H. Doyle, jr., Mountainair.

NEW YORK

William J. Leighton, Avon.
Earl J. Franklin, Belfast.
Roy W. Munson, Brasher Falls.
Nicholas Reilly, Brentwood.
Charles H. Brown, Corfu.
Beulah H. Kelly, Lisbon.
Alexander Hickey, St. Bonaventure.
Edwin P. Bouton, Trumansburg.
Guy R. Dodson, Wyoming.

NORTH CAROLINA

Elinor C. Cleaveland, Highlands.
Eugene L. Schuyler, Lowgap.
Frank Colvard, Robbinsville.
Mattie C. Lewellyn, Walnut Cove.

OKLAHOMA

John W. Comer, Chickasha.
Dixon L. Lindsey, Marlow.
James G. Sprouse, McCurtain.
George D. Graves, Norman.
J. Ward McCague, Ralston.
George F. Benge, Tahlequah.
William C. Wallin, Watts.
Orland H. Park, Wright City.

PENNSYLVANIA

Fred Etnier, Huntingdon.

TEXAS

Lucy D. Campbell, Brazoria.
Harry B. Strong, Iredell.
Andrew J. Nelson, Meadow.
William H. Mallory, Port Lavaca.
Harry Reast, Whitesboro.
Charles A. Andrews, Wolfe City.

VERMONT

William B. Needham, Bridgewater.
Margaret I. Southgate, Concord.
Ralph Gaul, North Bennington.
Ruth S. Sheldon, Pawlet.

VIRGINIA

Vashti V. Compton, Brandy.

WASHINGTON

Fred W. Hoover, Eatonville.
James F. Greer, Pe Ell.
Sydney Relton, Richland.
Arthur A. Bousquet, Wenatchee.

WISCONSIN

Bernard A. McBride, Adams.
Richard J. Hansen, Elcho.

HOUSE OF REPRESENTATIVES

WEDNESDAY, *February 16, 1927*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Gracious Lord, we praise Thy holy name, for Thou hast not withheld any good thing from us. Thy love is with us at the break of day and remains with us through the dark of night. Surely Thou dost remember us according to the multitude of Thy tender mercies. Thy memories of us explain Thy estimate of man. Whatever the day's task or duties or privileges may be, remove our imperfect views of them. May we get our courage and wisdom from behind the veils of force and sense. Help us to spend nobly, wisely, and well the hours that await us. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE BATTLESHIP MAINE

Mr. LEAVITT. Mr. Speaker, it is the custom each year on the 15th of February to hold memorial exercises in memory of those who perished with the *Maine* on the 15th of February, 1898, in the riding hall near Arlington Cemetery. It is an occasion in which the representatives of the Republic of Cuba join with those of the United States in recalling the meaning of that tragic event and pledging anew the friendship of the two Republics. Mine was the honor of being selected by the United Spanish War Veterans of the District of Columbia to speak on that occasion yesterday. Señor Dr. Don Orestes Ferrera, Cuban ambassador extraordinary, delivered a most eloquent and masterful address in the name of his country. Following

out the usual custom in the House, I ask unanimous consent that my remarks delivered on that occasion may be extended in the RECORD.

The SPEAKER. The gentleman from Montana asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. LEAVITT. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following speech delivered by me at the Maine Memorial, February 15, 1927:

Mr. LEAVITT. What is there of more value to a nation than to perpetuate the memory of those moments in its history when its heartbeat has been the truest, when its motives have been at their best? It is, indeed, well thus to keep forever living the spirit of epic days, when the visions without which a people perish have been most clear, and to light anew the torches of our patriotism and our understanding at the fires of such inspiration. Measured by this thought, no events of American history are more profitable for us to recall than those of 1898. Then, without selfish thought or hope of earthly gain, this our country gave freely of her strong young life that freedom might rise from out the dust and live in a neighboring land.

Here to-day in Arlington, the eternal bivouac of the Nation's heroic dead, we have placed the President's wreath and that of the Cuban Republic at the anchor and the broken mast that were once the *Maine*. Around them sleep in white-marked graves that devoted company whose lives went out in one terrific blast of doom on that fateful night 29 years ago.

The broken mast is the token of their lives cut short; of the age-old sacrifice of youth to the progress of mankind. The anchor is the emblem of our hope and the steadfastness of our purpose that what these men died for shall never die.

The sinking of the *Maine* was not the cause of the war with Spain. It was rather the culmination from the shock of which the mind of America awoke into a solemn and a firm resolve that ruthless tyranny must take its bloody and merciless hand from off the throat of a people struggling for freedom at our door. Mingled with the cry of these men of the stricken *Maine*, sinking at night into the sea, there came to our people more clearly than before the cry of children and women perishing in misery and helplessness; the cry of old men crowded into cities and guarded while they starved; the cry of patriots fighting against odds in the face of broken promises and violated faith.

There is a power which when the hour strikes that the old order must pass on and make way for the new makes of a nation the instrument in its hand. Such an hour had struck, and the call to duty was the voice of God.

The events which crowded into the brief period of the war which followed were filled with portent. To-day as we gather here in the memory of those to whom the event brought the end of time we can see more clearly what we saw then only with the eyes of faith. In the perspective of the years we see those tragic and glorious days as the opening of a door, through which one nation passed on to live in the memory of a glory that was gone and to build anew, with wreckage seared and purged by the fires of bitter loss, a truer and a humbler destiny; a door through which another people came new born into the full brotherhood of nations; a door through which a third came forth into duties and relationships which stopped no longer at its bordering seas, but reached beyond and clasped hands with all the world.

I have but one thought to-day, one hope I nurture, one resolve in which we join. It is that our Nation in these days of mighty power, when it strides full panoplied among the nations as the strongest and the richest of them all; when it lifts its voice and all the peoples pause to hear; when its armies on the land and its navies on the seas are conscious of their power and unafraid; when its commerce comes and goes in volume beyond the farthest limits of ancient dreams; when its genius and inventive accomplishment are beyond compare; when its science binds the forces of very nature itself and makes of them the servants of its people; when, in short, its horizon has become the world; in all its dealings with that world, whether they be the mighty ones with whom we stand face to face or with the weak who lean in confidence upon our arm, always and forever shall this our country have as clear a vision and as high a purpose as those which led us forth on that crusade of 1898.

Each year we assemble here in honor of our dead. In this presence time falls away. We sail again the sea. We march again on soil beneath which lie the comrades of our great adventure.

We who in those days were among the sowers of seed stand now among the reapers. Is it the whirlwind that we reap from the sowing of a wind or have there come from the sacrifice of these our comrades harvests for the permanent nurture of mankind?

Out of the deep meaning of this anniversary day, we ask, "Watchman, what of the hour?"

No doubt the common and unselfish course of 1898 cemented at last the union of the States. No doubt out of its lessons and the united spirit which it invoked, there began to grow that mighty power which carried the same rapt and invincible spirit into the fields of France. There exists that glorious guaranty that in crisis times both the spirit and the vision shall leap full armored before the vanguard of the host and lead the way.

That it shall likewise lead in days of peace, when there is much to draw aside the mind and cloud the vision, we meet here to-day and every year in memory of the sacrifice. We clasp friendly hands with the ambassador of that people who were then under the oppressor's heel and who to-day walk upright in their liberty, and we see in the event the guaranty to all the nations of this hemisphere of the good faith of our policy toward them all.

We draw from the indelible memories of those days the lesson that unpreparedness is a national crime. Upon the preservation of free institutions of government rests the hope of all mankind; this Nation must therefore be not only always right of purpose but ever strong to maintain itself that right and justice may endure. With Washington we say, "To be prepared for war is the most effectual means to promote peace."

But most of all, meeting here to-day in memory of 1898, do we find the answer to our hope that the vision of those days shall never die, in the call of our President for a conference on disarmament and peace.

The profoundest statesmanship is that which dreams without making dreams the master over whatever realities exist; which has faith without illusions; which is at the same time utterly practical and clean; which does not hesitate to set foot upon the way of hope because the accomplishment is not yet in sight. It has been truly said that the militarist and the pacifist are equally dangerous to the safety of the Republic. I would add the cynic to the list, the cynic who has no faith.

This day of memory falls by an appropriate fate between the birthdays of Washington and of Lincoln. Thus the sinking of the *Maine* came at the very time when our people had just recalled afresh the words of him who said that government by the people should not perish from the earth. It had just occurred when the anniversary of Washington dawned, and the meaning of the tragic event was considered together with the memory of him who suffered with his countrymen at Valley Forge. Thus Cuba came to share with us the riches of our history. Our traditions became her own. We parted with her our heritage.

Mr. Ambassador, your country and mine walked together in those events which raised McKinley to the stature of the great. With joint endeavor our countries opened the door of destiny through which Roosevelt strode, a fearless champion of human rights, to his place among the immortals. Our nations join in that comradeship which comes from a campaign of hardships endured together, and in the accomplishments of which we share.

Because of those days the light of freedom burns more brightly in the world, and in the memory of those whose lives passed to live eternally in that living flame we here renew our vows.

NATIONAL DEFENSE

Mr. HILL of Maryland. Mr. Speaker, 100 years ago my great-grandfather preached an excellent sermon relating to the state of the Union, with especial reference to national defense, and I ask unanimous consent to extend my remarks by printing that sermon.

The SPEAKER. The gentleman from Maryland asks unanimous consent to print his great-grandfather's sermon. Is there objection?

Mr. BLANTON. Reserving the right to object, with the understanding that the gentleman will read it every day, I shall not object. [Laughter.]

Mr. HILL of Maryland. I have read it nearly every day during my life.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. If it has no more effect on the rest of us than it has on the gentleman from Maryland, I see no reason for putting it into the RECORD.

The SPEAKER. The gentleman's objection comes too late. [Laughter.]

Mr. HILL of Maryland. Mr. Speaker, the Military Affairs Committee of the House of Representatives on April 29, 30, and June 15, 1926, held hearings on House bill 8538, providing for the abolishment of compulsory military training at schools and colleges. The hearings were extensive, and the whole question of national defense from the point of view of those who are attacking proper preparedness was discussed.

There appeared before the committee representatives of various organizations, fighting ostensibly compulsory military training in schools, but in reality all forms of military training by the youth of this country. Among others, there appeared before the committee a minister of the gospel, who was proved to have advocated the taking by the youth of America of the following oath:

I declare it to be my intention never to take part in war, offensive or defensive, internal or civil, whether it be by bearing arms, making or handling munitions, voluntarily subscribing to war loans, or using my labor for the purpose of setting others free for war service.

The whole theory of American civilization is based on peace. No man wishes war less than the man who has served in actual war. We maintain our Army and Navy and our military training for the purpose of preventing war or for the purpose, if war be necessary, of defending the principles of our Christian civilization. In recent months many ministers of the gospel have advocated the same sort of thing as is contained in the above-quoted oath. I think they mean well, but they do not understand what they are talking about. Ministers of the gospel at various times in the history of this country have been real leaders, and I asked permission to-day to print in the RECORD a sermon preached a little bit over a hundred years ago by a very stern minister, who had, however, lived through the period of the War of the Revolution, and realized that adequate defense was necessary if Christian civilization should continue.

The Rev. Ebenezer Hill graduated from Harvard in 1786, While he was preparing for college his father was fighting in the Revolutionary Army. When he graduated the experiences of the war were still vitally fresh to him. Like his kinsman, the Rev. Aaron Bancroft, D. D., father of George Bancroft, the historian, he was at Harvard when the war and the results of war were matters of common knowledge.

You—

The Rev. Mr. Hill said in the discourse which follows—

respected officers and soldiers, notwithstanding the military parade you make, live in a time of profound peace in your country. There are no apparent indications that you may soon be called to active service. Why then all this military parade?

The same sort of question was asked a few days ago in this Chamber when we passed the Army appropriation bill. The same sort of questions will be asked a few days hence when we vote on the three cruisers. Ministers of the Gospel have great influence on public opinion. The answer given over 100 years ago in a sermon by the Rev. Ebenezer Hill is worthy of consideration at the present date by other ministers. I therefore, with the unanimous consent of the House, print the following sermon of my great-grandfather Hill:

SERMON DELIVERED AT MASON, HILLSBOROUGH COUNTY, N. H., ON LORD'S DAY, DECEMBER 16, 1826, OCCASIONED BY THE DEATH OF CAPT. HIRAM SMITH, OF THE MILITIA COMPANY, WHO DECEASED DECEMBER 6, 1826, AGED 25 YEARS, BY THE REV. EBENEZER HILL, A. M.

"One dieth in his full strength, being wholly at ease and quiet. His breasts are full of milk, and his bones are moistened with marrow. And another dieth in the bitterness of his soul and never eateth with pleasure. They shall lie down alike in the dust, and the worms shall cover them." (Job xxi, 23, 24, 25, 26.)

One interesting point of instruction conveyed in these words of the aged, experienced, and afflicted Job, is manifestly this. The grave may be very near and to the most prosperous, and healthy, and strong, as well as to those who endure the greatest afflictions, and most severe sufferings. I shall endeavor, briefly, to establish this truth, in order to exhibit some of the important instructions which the great uncertainty of life seems forcibly to convey to us all; and to prepare the way for such application and addresses as the solemn scene which so lately passed before our eyes, together with others of no long date, seem to require.

Job was a man of very eminent piety. It appears from Divine testimony, that he exceeded all the men on earth in his day, in devotedness to God, and in labor after inward purity, and practical holiness. "Hast thou considered my servant Job, that there is none like him in the earth, a perfect and an upright man, one that feareth God, and escheweth evil." Job was a wise man; a man of good understanding; a man of much and careful observation. It is evident he was well acquainted with the history of preceding ages, so far as this was handed down by tradition; and he had attentively observed the dispensation of Divine Providence in his own day. The remark in the text was the result of his own observation, confirmed by the testimony of the fathers, who had lived long before him. And the same truth has been gaining additional evidence in every age of the world since, down to the present day. "One dieth in his full strength, being wholly at ease and quiet. His breasts are full of milk and his bones are moistened with marrow. And another dieth in the bitterness of his soul, and never eateth with pleasure. They shall lie down in the dust, and the worms shall cover them."

This truth also comes to us with authority; being written by the pen of inspiration, preserved by the providence of God, and making a part of the Holy Scriptures. Oh, let us feel our personal interest in this solemn truth! As we know that it is appointed to all men once to die; as we know that we are of the dust, and must return to dust again; so we are taught in the text, that we are not sure of any long previous warning of the time of our dissolution. No circumstances in life can give any security that death is not at the door.

If to be full of strength and free from any disease the blood and spirits flowing with life and vigor can give no security for the continuance of life, then surely no attachments to life, no worldly circumstances, no pleasing prospects, no connections formed, no engagements made, can give the least assurance that the grave is not just before us. How often do we see this melancholy truth demonstrated? We do not need to repair to the chronicles of ancient times for evidence that the young, even children and the sprightly youths of fairest promise, may suddenly drop into an untimely grave. Neither need we go far for proof that the young, the strong and vigorous—their parents' hope, their parents' joy, while in the full enjoyment of health—their warm and lively imaginations painting bright prospects before them, which seem to them certain; perhaps forming connections, which they fondly believe will be lasting and on which they ground the warmest expectations of happiness—we need not, I say, go far for proof, that such may in an unexpected hour fall into the cold embrace of death.

Parents, while they feel not, or scarcely begin to feel, any of the decays of nature; while their nerves are strong and their bodily organs are able to perform their functions with ease, and they behold with joy their children like olive plants around their tables or settling in the world with hopeful prospects—no sickness, no apparent messenger of death alarms them—they may drop and die in the fullness of their strength, or their children may fall before their eyes. In either case, how unlooked for, how surprising the change! Circumstances in life give no more security against death than health. Death spares the rich no more than the poor. Engagements, of whatever kind, are unavailing to protect against death. We may have much upon our hands to do, much unfinished business, according to our promises to others, or plans which we have laid out for ourselves; but as our full strength will not be able to withstand, so our engagements and promises will not move death to delay his stroke when commissioned to strike. And oftentimes there is little or no warning given by any previous indisposition before the strong man is made to bow. One dieth in his full strength, being wholly at ease and quiet, as well as another at whose door death had seemed to knock by long-continued or frequent sickness.

Death, in unnumbered forms, stalks in every path we tread. The grave is ever before us, and we are constantly approaching it; and no one can say that the next step is not into it. As David said of himself, so it may be with us, "There is but a step between me and death." The prophet was directed to cry, "All flesh is grass, and all the goodness thereof as the flower of the field. The grass withereth and the flower fadeth; because the Spirit of the Lord bloweth upon it. Surely, the people is grass." Job also, guided by the Holy Spirit, hath said, "Man that is born of a woman is of few days, and full of trouble. He cometh forth as a flower, and is cut down; he fleeth also as a shadow, and continueth not." Surely; then, no one may consistently boast himself of to-morrow. However firm his health now is, he may then be in his grave.

It is not my intention to labor to prove a truth so evident in frequent occurrences. I have barely reminded you, my fellow mortals, of what we all admit; I trust, and what every one must admit, who receives testimony of God, or only casts his eye over a little space around him; and I have done it for this purpose, that our minds might be prepared to receive the instruction which such facts press upon all the living.

You will suffer me to state; and, I beseech all duly to weigh, some consequences which must follow from the foregoing acknowledged facts. And, 1. If then, in the midst of life we are in death; if, in the fullness of our strength, and in our brightest worldly prospects, we are liable every moment to be cut down by death, and in the grave to be hidden from the world and all it contains; to have all our connections dissolved, and to leave all our earthly enjoyments behind us forever; then, certainly, they are miserably poor who have no better interest than what this world affords; nor enjoyments superior to all those of time and sense. Though they be now free from suffering pain, in full health and strength; though placed in the most easy and flattering circumstances, and having the brightest earthly prospects before them, they are poor indeed!

We may feel ourselves to-day to be full and happy in our wealth and friends; but if these be all we have, in one short hour we may have nothing. Is not vanity inscribed on all this world, when immortal beings seek their happiness in it; and neither the most vigorous health, nor the greatest abundance, nor the most endeared connections and friends, can save us a moment from death; and as soon as death passes upon us we must leave the world as naked as we came into it. Oh, if we have not a better inheritance, richer enjoyments, and more glorious prospects than all this world can afford, we are in an unenviable, in a most pitiable state.

2. A correct view of the uncertainty of life, the certainty of death, and the change produced by death, shows the inestimable value of religion.

It is only religion, personal religion, which consists in conformity of heart to the character and government of God, and the gospel of salvation by Jesus Christ, that can reconcile the mind to leave the world, support it in the near view of death, and render the soul happy after death. Oh then, of what incalculable worth is religion; since we all must die, leave kindred and friends, and possessions behind us, and launch into the eternal world. Nothing but that glorious hope which springs from feeling reconciliation to God, trust in Christ's atoning blood for the pardon of sin, and belief in the promise of His favor forever, can enable us to view the world receding, and the constant, near and certain approach of death, without dismay. And it is only evidence that they possessed this religion, which can give us consoling hopes, and comfort our hearts, concerning those who were dear to us, but are hidden from our eyes in the cold grave. It is this religion only which fits the soul for heaven. Who then can conceive, much less express the danger of every soul, destitute of religion, and thus unprepared to die. For no one knows the day of his death; and there is no change of moral character after death. There is no work, nor devise, nor knowledge, nor wisdom in the grave; yet the soul must exist forever, and in a state to be decided according to the character formed, and the deeds done in the body. Who then can rest without evidence of a heart by grace subdued to the will and service of God? Without evidence of vital union to the Lord Jesus Christ, the only Savior of sinners?

Surely to know Jesus Christ, and Him crucified; to know Him as the Savior in whom we trust, whom we love, and whom we serve must be that wisdom which is thus described by the King of Israel, "Wisdom is more precious than rubies; her merchandise is better than the merchandise of silver; and the gain thereof than fine gold. She is a tree of life to them that lay hold on her; and happy is every one that retaineth her." Oh, who can dare, in this dying world, to believe his own immortality and not to seek this treasure!

3. The view which has been presented of the close connection between us and death, between every thing here and the grave, should teach us to live habitually as strangers and travelers in this dying world and not to set our affections on things below. Surely our hearts ought to sit very loose to all things we hold by such an uncertain tenure as life. And to make anything which is purely of this world our confidence, our hope, our idol, is not only exceedingly criminal but exceedingly absurd. Why should we cleave so fast to that which we may so soon be called to leave forever? Oh, if the case be with us as has been represented, how careful should we be not to suffer any inferior attachment to hinder us in seeking the present enjoyment of God and laboring to secure an heirship to the glories of his heavenly kingdom.

In attempting an application of the subject to the assembly at large, the few aged people present will permit me to offer a word directly to them in the first place.

Is it true, my aged friends, that some die in youth—yea, die in their full strength, being wholly at ease and quiet? Have you walked so many years on earth that but few of all your youthful acquaintances are left? Then, while you well may wonder that you are alive this day, you may know that the time of your departure is at hand. Although you have been wonderfully spared, you have not obtained a discharge from the warfare. You must meet the king of terrors. Are you prepared now to meet death? Are you prepared to stand in the presence of the Holy God? If any of you have lived to this day without returning to God by unfeigned repentance, and by faith in Jesus Christ, not only death, but everlasting destruction is before you. The sparing mercy of God, if you have rejected and continue to reject his grace offered in the gospel, will only aggravate your condemnation. Oh, then, while a few more sands may run and you are continued prisoners of hope, turn to the stronghold. If any of you, aged friends, have a comforting evidence that you are prepared through grace for a peaceful death, see that ye be as servants who watch and wait for the coming of their Lord at an unknown hour.

From the aged, I turn to call upon the middle aged and young people. I ask you, dear friends, to consider, in view of the subject and the occasion of it, and let your own understanding answer the following questions. Is it possible that you can have any business or concerns of so much immediate importance as the immediate care of your souls? Is there any thing you can not neglect with more propriety and less hazard than preparation for death? Can you believe that you may die in the fullness of your strength and yet dare to live to another day without seeking God? Can any of you dare not to attempt now to do what you must wish you had done, but it may be too late to do, when you feel the cold hand of death?

But it is expected that some particular address will be made to the mourners; made mourners, indeed, by the affecting instance of mortality which has been publicly mentioned this day; and for whom, I trust, many have earnestly prayed that they may be sanctified and supported and comforted under their heavy trial.

To the dear friend of the deceased we first look, and with no ordinary feelings of sympathetic grief. How has this truth, thus painfully realized, "one dieth in his full strength," struck a death blow to your pleasing earthly prospects; perhaps fond dreams of years to enjoy the society of a beloved friend, and that ye might go down to the vale of years together. Perhaps you were anticipating much worldly comfort and respect by your mutual efforts and mutual kindness. Perhaps hoping that you might be helpers of each other's joy in a wearisome journey to a brighter world. Death has stepped in and the bright visions have disappeared. Your friend is gone! But while the scene through which you have passed is heart affecting, and long must be, it is instructing; for it is the voice of God. He does not forbid you to mourn, and no one may; but He calls you to take up the cross, to humble yourself under His mighty hand, to bear the yoke of trouble in your youth, and you have the prayers of many that you may find it good for you.

I say the scene through which you have passed is instructing. You can not easily be taught, and more impressively, the uncertainty of life, and the importance of being prepared for death, at an unwarned hour. You can not have set before you, more feelingly, the uncertainty of all earthly prospects. But are you comfortless? Oh, there is a source of consolation always open for the afflicted. God reigns. The heavenly Father reigns. He who afflicts calls the afflicted to seek Him early in their afflictions. We hope you know the way to the mercy seat through a crucified Savior. Draw near in humble boldness in His name, and he who has laid thus burden on you will support you. Oh, let the loss of an earthly friend render the friend of sinners more precious to your heart. Let the disappointments in human calculations raise your heart above the world, and lead you to seek divine consolations, and press forward toward the mark for the prize of the high calling, and you will find lasting benefit from the scenes, which for the present are so grievous. If Christ be indeed the friend of your heart he will never leave nor forsake you. And you may look forward to a sudden death and an early grave with composure; or quietly wait all the days of your appointed time, till your change shall come, even though you continually bear a cross.

To the bereaved parents all our eyes turn, and our hearts move with tenderness.

God has been very gracious to you in bestowing an uncommon share of health in your family. Your children have all been spared to grow up to manhood; and the voice of health has been heard almost constantly in your habitation. Now, grievous sickness and death have entered your home. The breach is made. A beloved son is taken away in the fullness of his strength; and while your hopes and fond expectations were rising and his prospects brightening. How suddenly, how unlooked for, has your trouble come! But you will remember, mourning friends, "Affliction cometh not forth of the dust, neither doth trouble spring out of the ground." You will eye the hand of God, which has touched you in this event; and oh, listen to His voice. It is, prepare suddenly to exchange time for eternity.

You see a breach made in your family, which is a sure presage that all the rest must go, and that you must follow, or precede them. You see that you are not sure of wearing out with old age, or that you shall have long warning of the approach of death. Healthy, promising children are apt to be their parents' hope in their declining years; but you are now feelingly admonished not to lean on such props. Oh, let the Lord be your confidence, and then, though all earthly props sink under you, you will be supported and comforted; for in every affliction you may repair to Him, and He will be found a present help. Your age admonishes you that your time must be short; but what scenes of trouble, what sore disappointments are first to be endured, you do not and can not know. You are to look for troubles in this world. May you be favored with the teachings of the Holy Spirit, and make a wise improvement of this affliction, and be prepared for what is to come. We wish you divine consolation. God has inflicted the wound, and He alone can heal. You may lose the sensible and pungent feeling of your trouble; time will render the remembrance less painful; but it is only God who can heal the wound, and repair the breach.

What can I now say to the brethren and sisters of the deceased? What need I say? The voice of God speaks to you loudly, and most intelligibly. A beloved brother has fallen in the prime of life, in the fullness of his strength. Your health, your strength, your prime of life, can no more secure you against the arrest of death. Dear friends, be entreated to listen to the voice of Providence, which calls you to attend to the concerns of your souls, without delay. And, oh, listen to the dying request of your brother. Did you witness his anxiety for his own soul, and for your souls? Did you hear his warning, supplicating voice, while his reason lasted, urging you to seek religion; to become reconciled to God without delay? Did you hear him reprobate the sentiment he had labored to believe, and warn you against it? Did you hear him declare his full conviction of his own just condemnation as a sinner; and that the only hope of escaping

everlasting death was through the atoning blood of Christ, even by faith in him?

Oh, then, rely upon it, the time will come when the favor of God, peace in the soul, and hope like an anchor, sure and steadfast, will be found by you to be of more value than the whole world and all the fullness thereof. When shall this be sought? You may die suddenly, in the fullness of your strength. You may be deprived of reason before the close of life; and then nothing can be done to prepare for death. It is certain you must die, the time is unknown; and when death has his commission to strike, he is inexorable. Oh, then, let not the plea be made in vain, acquaint now yourselves with God, and be at peace with Him that good may come to your souls.

On this solemn occasion the officers and soldiers composing the militia company of which the late Hiram Smith was captain have a right to be particularly noticed in this address; for they are especially afflicted in this mournful event of Divine Providence; for they are, indeed, mourners, as their appearance at this funeral and on this holy day clearly manifests.

How affecting, how alarming have been the calls of Providence to this company? In the short space of one year and a half, two captains, young and active, have been cut down not by the sword of battle but by that foe with whom each one, officer and soldier, must contend in single combat, and before whom each one must fall.

You, respected officers and soldiers, notwithstanding the military parade you make, live in a time of profound peace in your country. There are no apparent indications that you may soon be called to active service. Why, then, all this military parade? Why all these pains to learn the discipline and art of war? Oh, methinks I hear you say, "It is the dictate of wisdom, in peace to prepare for war. It is uncertain how soon we may be called to defend by force and arms our dearest rights and jeopardize our lives in the high field of battle; and what then, if found unacquainted with the art of war, wholly unprepared, undisciplined, unarmed?" Forcible reasoning! Oh, let it apply with all its aptness, with all its force, in another case. Here I may address you as fellow soldiers, although I am unacquainted with all your military maneuvers. Before us is a war in which there is no discharge, no engagements, nor attachments, nor fears, can be an excuse.

Here, is it not equally the dictate of wisdom, in peace prepare for war, that we should arm ourselves with that armor which will not fail in the day of battle; acquaint ourselves with the holy discipline, and become expert in the use of those arms? When called to combat with the common enemy, death and all the innumerable foes of our soul's salvation, it is only when clad in the whole armor of God, the shield of faith, the helmet of salvation, the sword of the spirit, and the breastplate of righteousness, that we can come off conquerors and more than conquerors. Thus armed and disciplined, we shall be crowned with victory, although the enemy shall seem to triumph. You now, fellow men, appear as soldiers. But are you soldiers of the cross? Are you marching in the ranks of the great captain of salvation, and obeying his orders? Then may you proceed boldly. But whatever leader you may follow, when you fall as you must, you fall to rise no more.

Hence, whenever you meet on military occasions, your very maneuvers are calculated to remind you of interesting truths, and to convey to you important instruction. And it seems strange that in a Christian land, military meetings are not generally solemn meetings. Every word of command given, every maneuver performed, every step marched to the music should remind you of the necessity of preparation for the great conflict, and of the danger of being untrained to the holy war. Can this company meet again and trifle with the art of war? Can a training be a reason of rude merriment after this? Can the soldiers, who see their officers fall before them, feel safe, until they have enlisted under the Great Captain of Salvation, Jesus Christ, the same forever? This day you see, you have painful evidence, that the art of war can not defend from death. No more can any other arts or devices. Your captain was esteemed a good officer; but he has fallen. Death did not respect him; no more will he respect you. Soldiers may inconsiderately brave death on the field of battle; but it is only the Christian soldier who has true courage in the hour of danger and can contemplate the constant approach of death without dismay. It is not courage, it is dreadful hardiness to jeopardize life fearlessly without the prevailing hope of a happy eternity.

Soldiers, you acknowledge Captain Smith was a good officer. But you may rely upon it, for I had it from his own lips, he felt the worth of his immortal soul; he acknowledged himself justly condemned as a sinner; with lively emotions he mourned his past neglects, and he was anxious for the salvation that is in Christ. Now, will you not be anxious for salvation? Can concern for the soul be unbecoming a soldier?

To you, the surviving officers in this company, this day must be a solemn day. Who can be the successor to your late captain and look back one year and a half and not tremble? Who can rise to a higher grade and not tremble? But why speak of this? Each one, whether he rise in rank or not, must bow to the king of terrors and go to that world from which there is no return. Who, which of you, is prepared to follow next? Whose turn will it be next? This is a question no man can answer. One in his full strength as likely as one who is diseased and feeble. Oh, then, let me affectionately entreat you, and not entreat in vain, to take care of your souls. Now give ourselves to Christ. Delay no longer. Receive Him as your commander; rely on His righteousness; believe and obey His word. Then, and not till then, may you live in peace, die in peace, and be crowned with victory.

REPORTS FROM COMMITTEE ON RULES

Mr. SNELL, chairman of the Committee on Rules, presented a privileged report from the Committee on Rules to accompany House Resolution 426, providing for the consideration of S. 3170, an act to provide compensation for disability or death resulting from injury to employees in certain maritime employments, and for other purposes, which was referred to the House Calendar and ordered printed.

Mr. SNELL also presented another privileged report from the Committee on Rules, House Resolution 427, providing for the consideration of H. R. 4548, a bill making eligible for retirement under certain conditions officers and former officers of the World War other than officers of the Regular Army who incurred physical disability in line of duty while in the service of the United States during the World War, which was referred to the House Calendar and ordered printed.

CALENDAR WEDNESDAY

The SPEAKER. To-day is Calendar Wednesday. The Clerk will call the committees.

The Clerk called the Committee on the Territories.

Mr. RANKIN. Mr. Speaker, I do not see the chairman of the Committee on the Territories here.

Mr. TILSON. It is well known, Mr. Speaker, that the chairman of the Committee on the Territories is ill. I understand that he has designated another member of the committee, the gentleman from Kansas [Mr. STRONG], to take his place. I hope that no evil has befallen him on his way here. [Laughter.]

Mr. RANKIN. If the Speaker will recognize me, I will ask unanimous consent to take from the Speaker's table the bill H. R. 11803 and agree to the Senate amendment.

Mr. TILSON. Is this the bill the gentleman from Kansas would call up here?

Mr. RANKIN. Yes.

The SPEAKER. Is the gentleman authorized to do so by the committee?

Mr. RANKIN. I am authorized by the majority leader. [Laughter.]

Mr. TILSON. The gentleman from Mississippi assures me that this is the bill that the gentleman from Kansas would call up if here.

The SPEAKER. The gentleman from Mississippi asks unanimous consent to take from the Speaker's table the bill H. R. 11803 and agree to the Senate amendment.

The Clerk read the title to the bill, as follows:

A bill (H. R. 11803) to authorize the incorporated town of Juneau, Alaska, to issue bonds for the construction and equipment of schools therein, and for other purposes.

The Senate amendment was read.

The Senate amendment was agreed to.

LITERACY TEST FOR VOTERS IN THE TERRITORY OF ALASKA

Mr. JOHNSON of Washington. Mr. Speaker, I call up the bill H. R. 9211 to prescribe certain of the qualifications of voters in the Territory of Alaska, and for other purposes.

The Clerk read the bill, as follows:

Be it enacted, etc., That from and after the passage of this act no person shall become or be an elector or voter at any general election, any special election, or any primary election, held in the Territory of Alaska for the purpose of electing or nominating any person or persons to or for the office of Delegate to the House of Representatives of the United States from the Territory of Alaska, or to or for the office of senator or member of the house of representatives of the Alaska Territorial Legislature, or to or for any other elective Territorial, municipal, or school office in the Territory of Alaska, unless such proposed voter or elector at the time of any such election and prior to voting thereat shall be able to read in the English language the Constitution of the United States and to write in the English language: *Provided*, That the requirements of this act shall not apply to any person who is incapacitated from complying therewith by physical disability only.

SEC. 2. That no person without the ability to read and write as herein required shall vote at any such election, except as provided in section 1 of this act; nor shall any election officer knowingly permit any person without such ability to vote at any such election; and the inability of any person to so read and write shall constitute a sufficient ground of challenge to such person's voting by any qualified election officer or qualified elector or duly appointed watcher.

SEC. 3. That the ability to so read and write as herein provided shall be evidenced as follows: Every person, except as otherwise provided in section 1 of this act, desiring to vote at any such election, before being permitted to vote, shall, without the aid or assistance of any person whomsoever, legibly sign his or her own full name, and write his or her own sex and address, in the registration or poll book, and, if he or she appears to the election officers, or any of them, not to have the ability to read and write as herein required, or if he or she be challenged upon the ground of inability to read and write as herein required, then he or she shall be required, before voting, to read in the English language publicly and in the presence of the election officers and under the direction of the election officers or some one of them a passage of not less than 10 lines chosen at random by the election officers or some or one of them from the Constitution of the United States, and to legibly write in the English language a passage of not fewer than 10 consecutive words chosen at random by the election officers or some or one of them from the Constitution of the United States, and dictated by one of the election officers to such proposed voter.

SEC. 4. That no person claiming to be exempt from the provisions of this act by reason of physical disability shall be permitted to vote at any such election unless it is apparent to the election officers that such physical disability exists, and that except for such physical disability the proposed voter would be able to read and write in the English language as herein required.

SEC. 5. That whenever any voter proves himself to be physically incapable of marking his ballot, one of the election judges may enter the voting booth with him and mark his ballot as directed by the voter. Such judge shall not disclose to any person the marking of the ballot.

The judges of election shall make a return of all persons whose ballots are marked for them as provided in this section, stating the names of such persons and describing the disability of each, which return shall be signed by all of the judges.

SEC. 6. That any person who is refused permission to vote at any election in any precinct by the election officers of such precinct on the ground that the proposed voter is unable to read and write in the English language as herein required, shall not again attempt to vote, or be permitted to vote, in the same or any other precinct at the same election.

SEC. 7. That all citizens of the United States, 21 years of age and over, who are actual and bona fide residents of Alaska, and who have been such residents continuously during the entire year immediately preceding the election, and who have been such residents continuously for 30 days next preceding the election in the precinct in which they vote, and who are able to read and write the English language as herein prescribed and provided, and who are not barred from voting by any other provision of law, shall be qualified to vote at any of the elections herein mentioned.

SEC. 8. That any person who violates any of the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than $500, or by imprisonment in jail for not more than six months, or by both such fine and imprisonment.

Mr. STRONG of Kansas. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Committee amendment: Page 2, line 8, after the word "only," insert: "*And provided further*, That this act shall not apply to any citizen who has legally voted at the general election of November 4, 1924.

The SPEAKER. The question is on the committee amendment.

Mr. TREADWAY. Mr. Speaker, can not the amendment be discussed?

The SPEAKER. The gentleman from Kansas has the floor.

Mr. TREADWAY. Mr. Speaker, I desire to secure some information upon the subject.

The SPEAKER. Does the gentleman from Kansas yield to the gentleman from Massachusetts?

Mr. TREADWAY. Will the gentleman yield for a question?

Mr. STRONG of Kansas. Yes.

Mr. TREADWAY. As I heard the amendment read from the desk, if agreed to, it would entirely obviate any future requirement of a present-day voter in Alaska being compelled to read and write the English language. Do I understand that any person now on the voters' list in Alaska can continue to be a voter, even if he can not read or write the English language?

Mr. STRONG of Kansas. Only if he had voted at the last election in 1924.

Mr. TREADWAY. That will destroy the purpose of the bill, as I understand it. As introduced, the bill would indicate that a voter in Alaska must be able to read and write the English language, and this amendment would permit any man or woman now voting there who could not read or write the English language to continue to vote without complying with requirements of the bill.

Mr. STRONG of Kansas. The purpose of the amendment is to permit those who voted at the last election, and who have been voting, to continue to vote.

Mr. TREADWAY. Then, why pass the bill at all?

Mr. STRONG of Kansas. So as to bring an end to men and women voting up there who can not read and write.

Mr. TREADWAY. That is what we would like to see accomplished, but the gentleman is preventing it so far as present voters are concerned.

Mr. STRONG of Kansas. We are following the law of other States and the law enacted by the Legislature of Alaska.

Mr. TREADWAY. That is immaterial. The bill was introduced for the purpose of doing away with illiteracy in voting in Alaska, but now you are permitting illiteracy in Alaska by this amendment.

Mr. STRONG of Kansas. We are permitting those who voted in the 1924 election to continue to vote.

Mr. TREADWAY. Whether illiterates or not.

Mr. STRONG of Kansas. But we are not permitting anyone else, and of course in a short time those voters will all have passed away.

Mr. TREADWAY. Oh, I look to see some of those husky people up there live for a very long time yet. You are making voters out of people who can not read or write the English language by that amendment.

Mr. SUTHERLAND. Mr. Speaker, will the gentleman yield?

Mr. STRONG of Kansas. Yes.

Mr. SUTHERLAND. This amendment makes the bill identical with the act of the Legislature of Alaska and also identical with the law of the State of Massachusetts.

Mr. TREADWAY. Oh, the gentleman is absolutely in error about that.

Mr. SUTHERLAND. The gentleman is absolutely right about that. The law of Massachusetts was not made retroactive. It provided that those who had exercised the franchise before must continue to vote.

Mr. TREADWAY. No man who can not read the English language in Massachusetts can vote.

Mr. SUTHERLAND. The gentleman does not know the law of his own State.

Mr. TREADWAY. The gentleman can not say that an illiterate can vote in Massachusetts.

Mr. SUTHERLAND. I simply want to say——

Mr. TREADWAY. The gentleman thinks he knows a lot about Massachusetts law, but he does not.

Mr. SUTHERLAND. Will the gentleman from Kansas yield further?

Mr. STRONG of Kansas. I yield to the gentleman from Alaska.

Mr. SUTHERLAND. When Massachusetts passed a law that required an educational test for a voter the law provided that all who had exercised the franchise in the past should continue to exercise it without a literacy test, and the same applies to the State of Maine, the State of Vermont, the State of California, the State of Wyoming, and numberless other States, the State of New York particularly.

Mr. O'CONNOR of New York. But in every State where they have adopted a literacy test they did not put their finger on one particular election. This amendment provides that the man or woman shall have voted at a particular election. The voter might have been ill. Why not say anyone who has voted before?

Mr. SUTHERLAND. That is what I would say.

Mr. O'CONNOR of New York. Why does not the amendment so read?

Mr. STRONG of Kansas. For the reason that they destroy the election returns up there every year.

Mr. TREADWAY. They need to!

Mr. STRONG of Kansas. I do not yield to the gentleman from Massachusetts. They destroy the records up there every year, and it would be difficult to go back and determine what man voted a year ago.

Mr. O'CONNOR of New York. If it were possible to prove that he did vote, he ought to be able to vote. If it is not possible, of course he should not be permitted to vote.

Mr. STRONG of Kansas. But it will make a great deal of confusion.

Mr. O'CONNOR of New York. I can not see why you make this exception in a Territory, why it should be different there than from the States so far as the qualification of voters is concerned.

Mr. STRONG of Kansas. I have tried to explain to the gentleman.

Mr. VAILE. Mr. Chairman, will the gentleman yield?

Mr. STRONG of Kansas. Yes.

Mr. VAILE. Is not it the usual rule that when a man who has previously been registered fails to vote at this present election he is off the registration list and has to register again?

Mr. STRONG of Kansas. In many of our election laws that is the fact.

Mr. VAILE. And is not the gentleman following the usual practice by this bill?

Mr. STRONG of Kansas. Yes.

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. STRONG of Kansas, a motion to reconsider the vote by which the bill was passed was laid on the table.

CITIZENSHIP FOR INHABITANTS OF VIRGIN ISLANDS

Mr. KIESS (when the Committee on Insular Affairs was called). Mr. Speaker, I call up the bill S. 2770, House Calendar No. 416.

The SPEAKER. The gentleman from Pennsylvania calls up a bill which the Clerk will report by title.

The Clerk read as follows:

An act (S. 2770) to confer United States citizenship upon certain inhabitants of the Virgin Islands and to extend the naturalization laws thereto.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

[S. 2770, 69th Cong., 2d sess.]

An act to confer United States citizenship upon certain inhabitants of the Virgin Islands and to extend the naturalization laws thereto

Be it enacted, etc., That the following persons and their children born subsequent to January 17, 1917, are hereby declared to be citizens of the United States:

(a) All former Danish citizens who, on January 17, 1917, resided in the Virgin Islands of the United States, and are now residing in those islands or in the United States or Porto Rico, and who did not make the declaration required to preserve their Danish citizenship by article 6 of the treaty entered into on August 4, 1916, between the United States and Denmark, or who, having made such a declaration, have heretofore renounced or may hereafter renounce it by a declaration before a court of record;

(b) All natives of the Virgin Islands of the United States who, on January 17, 1917, resided in those islands, and are now residing in those islands or in the United States or Porto Rico, and who are not citizens or subjects of any foreign country; and

(c) All natives of the Virgin Islands of the United States who, on January 17, 1917, resided in the United States, and are now residing in the Virgin Islands of the United States, and who are not citizens or subjects of any foreign country.

SEC. 2. The following persons, if not ineligible to citizenship, may, upon petition filed within one year after the effective date of this act, and upon full and complete compliance with all other provisions of the naturalization laws, be naturalized without making a declaration of intention:

(a) All natives of the Virgin Islands of the United States who, on January 17, 1917, resided in those islands or in the United States, and who are now residing in those islands or in the United States or Porto Rico, and who are citizens or subjects of any foreign country;

(b) All natives of the Virgin Islands of the United States who, on January 17, 1917, resided in the United States, and are now residing in the United States or Porto Rico, and who are not citizens or subjects of any foreign country; and

(c) Except as otherwise provided in this section or in section 1, all persons who, on January 17, 1917, resided in the Virgin Islands of the United States, and are now residing in those islands, and who are not citizens of the United States.

SEC. 3. All persons born in the Virgin Islands of the United States on or after January 17, 1917 (whether before or after the effective date of this act), and subject to the jurisdiction of the United States, are hereby declared to be citizens of the United States.

SEC. 4. The district court of the Virgin Islands of the United States shall have jurisdiction for naturalization purposes (including jurisdiction for the purpose of setting aside and canceling certificates of citizenship under section 15 of the act entitled "An act to establish a Bureau of Immigration and Naturalization, and to provide for a uniform rule for the naturalization of aliens throughout the United States," approved June 29, 1906, as amended); and for the purpose of the naturalization laws residence in the Virgin Islands of the United States shall be considered as residence in the United States.

The bill was ordered to be read the third time, was read the third time, and passed.

The SPEAKER. Without objection, a similar House bill will lie on the table.

There was no objection.

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent to address the House for five minutes.

The SPEAKER. Is there objection?

Mr. SABATH. Reserving the right to object, what is it?

Mr. JOHNSON of Washington. I desire to discuss the bill just passed and say something about citizenship.

Mr. TILSON. Mr. Speaker, as I understand from the chairman of the committee, this bill went through so rapidly that he was unable to offer a committee amendment which was ready to be offered. On account of the confusion in the Chamber, he did not understand that the proper parliamentary stage had been reached for an amendment until the bill had passed, I therefore ask that the proceedings just had be vacated so as to give the gentleman an opportunity to offer an amendment to the bill in accordance with the vote of the committee.

The SPEAKER. The gentleman from Connecticut asks unanimous consent that the proceedings by which this bill was passed be vacated for the purpose of enabling the gentleman from Pennsylvania to offer a committee amendment. Is there objection?

Mr. LINTHICUM. Does that preclude anything else besides that one amendment?

The SPEAKER. The gentleman from Pennsylvania would have the floor. Is there objection to the request of the gentleman from Connecticut?

Mr. SABATH. What is that request?

The SPEAKER. That the proceedings by which the bill was passed be vacated in order to permit the gentleman in charge of the bill to offer a committee amendment. The Chair hears no objection.

Mr. KIESS. Mr. Speaker, I desire to offer the following committee amendment.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

On page 4, following section 4, add a new section as follows: "SEC. 5. Section 4 of the act entitled 'An act to provide a temporary government for the West Indian Islands acquired by the United States from Denmark by the convention entered into between said countries on the 4th day of August, 1916, and ratified by the Senate of the United States on the 7th day of September, 1916, and for other purposes,' approved March 3, 1917, is amended by striking out the figure '8' and inserting in lieu thereof the figure '6.'"

The SPEAKER. The Chair does not understand where the gentleman's amendment comes in.

Mr. KIESS. At the end of section 4.

The SPEAKER. There is no page 4 in the bill.

Mr. KIESS. In the reprint of the bill; apparently I have the wrong one. I desire to insert section 5 at the end of section 4.

The SPEAKER. Then the amendment should be modified.

Mr. KIESS. I desire to modify the amendment by making it read, after section 4, "insert a new section."

The SPEAKER. Is there objection? The Chair hears none. The Clerk will report the modified amendment.

The Clerk read as follows:

On page 3, following section 4, add a new section as follows.

Mr. KIESS. I yield five minutes to the gentleman from Washington [Mr. JOHNSON].

Mr. JOHNSON of Washington. Mr. Speaker, I was not informed as to the amendment and did not ask to be recognized on that account. I desire to call the attention of the House to the necessity of providing by acts of Congress something that will determine the status of various peoples under the American flag in our insular possessions. In my opinion this particular bill (S. 2770), dealing entirely with naturalization of some 22,000 people in the Virgin Islands and some 3,000 Virgin Islanders who are now in the United States, should have been referred to the House Committee on Immigration and Naturalization. However, when the bill came over from the Senate, and when it was brought to my attention, I waived that point. The bill before you was originally part of a bill to provide an enabling act for the Virgin Islands which was rather extensive and which belonged to the Insular Affairs Committee. It seemed there would not be likely time to pass that, so this part of the bill in reference to the Virgin Islands was taken from the larger bill and was handled by the committee which had the first bill.

I desire to call the attention of Members of the House to the necessity of having some committee somewhere, made up per-

haps from the Committee on Insular Affairs and from the Committee on Immigration and Naturalization and possibly the Committee on Foreign Affairs, to frame some coordinated plan in regard to the status of those peoples in other places—in the Canal Zone, for instance, and in Guam. What is the status of a child in the Canal Zone born since our flag has flown there—a child of British parents, for example? When that person asks for a passport, he can not get it from the British Government, and he can not get it from the Government of the United States. We are finding these situations all the time.

One thing more: This short bill, in section 4, provides that the District Court of the Virgin Islands shall have jurisdiction for naturalization purposes, and so on.

That imposes an additional burden on a very small court in the Virgin Islands. Even the status of that court is not well fixed. The judge of that court is procured through the Navy Department, and he receives comparatively small pay. He is, of course, an important factor in governmental affairs in the islands. The judges of Porto Rico are not properly paid. Their status is well defined. We passed a judges' pay bill recently, increasing the salaries of the Federal district judges. We upset the situation somewhat in the Territory of Hawaii, where they have a Territorial supreme court and other Territorial judges. We have made no provision for the increase of pay of the judges of Porto Rico or for the judges in the Virgin Islands.

Mr. MOORE of Virginia. Mr. Speaker, will the gentleman permit me to interrupt him there?

Mr. JOHNSON of Washington. Gladly.

Mr. MOORE of Virginia. Would it be competent to enact a statute declaring the status of those people without imposing any duty on any court to consider individual cases?

Mr. JOHNSON of Washington. It would. I presume this bill gives blanket citizenship under certain conditions. But there will be many cases hereafter, including all of the naturalization processes.

Mr. MOORE of Virginia. I understand that is the gentleman's contention?

Mr. JOHNSON of Washington. Yes; we fix the process, but not the machinery. When will that be done? In what committee?

I have pending a resolution from the Committee on Immigration and Naturalization. It is with the Rules Committee for action. It provides that the members of the House Committee on Immigration and of the similar committee of the Senate shall sit during the coming summer as a commission. The purpose would be to revise the entire naturalization code as well as to do other much-needed work. There is no code in the statutes of the United States so badly in need of revision as that on naturalization. The work of revising it is the work of three months' steady work.

The misfortune of the Committee on Immigration and Naturalization is that its members are members also of two or three other committees, all with important work. There are three members of the House Committee on Immigration and Naturalization who are also members of the Committee on Insular Affairs. When both committees try to sit at the same time we all lose time, there is much overlapping, and legislation that is badly needed is not framed.

Mr. RAGON. Mr. Speaker, will the gentleman yield there?

Mr. JOHNSON of Washington. Yes.

Mr. RAGON. There is a great need of agricultural labor in the Virgin Islands, is there not?

Mr. JOHNSON of Washington. There may be, but there is more need of water.

Mr. RAGON. There is also need of this agricultural labor.

Mr. JOHNSON of Washington. I hardly agree with the gentleman.

The SPEAKER. The time of the gentleman from Washington has expired.

Mr. KIESS. Mr. Speaker, I yield five minutes to the gentleman from Arkansas [Mr. RAGON].

The SPEAKER. The gentleman from Arkansas is recognized for five minutes.

Mr. RAGON. Mr. Speaker, I will proceed with the question I tried to propound to the gentleman from Washington [Mr. JOHNSON].

It developed before our joint House and Senate Committees on the Territories and Insular Possessions that there is an overwhelming need, so far as the Virgin Islands are concerned, for agricultural labor, and the commission from the Virgin Islands which was here insisted that we should take some action with reference to changing the immigration laws so as to permit them in those islands to bring in a small quota of people as agricultural laborers. I hope the suggestion they made will call itself to the attention of the Committee on Immigration and Naturalization, in order that they may take up the question at the next session. The number they need, I think, is only five or six hundred agricultural laborers.

I believe, in view of what has been said here by the gentleman from Washington [Mr. JOHNSON], that perhaps it would be well to elaborate some as to the kind of government we have down in the Virgin Islands. You will recall that we procured the Virgin Islands from Denmark in 1917 for the purpose of preventing what was suggested to be a move on the part of the German Government to get hold of those islands, and for their strategic value for the protection of the Panama Canal. There were then something like 25,000 or 26,000 people on the islands. Since that time that number has decreased until there are not over 21,000 or 22,000 people there. They have a floating form of government. There seems to be no one particularly responsible for the kind of government we have down there. The treaty with Denmark and the acts of Congress that have been passed merely turned them over to the President, and the President merely turned them over to the Navy Department, and the Navy Department has delegated some one, usually an officer on the retired list, to go down there and serve those people as governor general. The result is that there seems to be no fixed responsibility anywhere for the form of government of the Virgin Islands.

Of course, we can not expect the President, with all his manifold duties and responsibilities, to give this small group of three islands, with about 20,000 or 22,000 people on them, the time they require. The result is that we have had some dissatisfaction among those native people. We have never given them a definite form of government. To-day they have in vogue the laws of Denmark. Those laws are executed by a council and this Governor General, who is appointed by the President from the list of naval officers, and so we have this peculiar situation: In one of our insular possessions under the jurisdiction of this American Government we have a people we are ministering to under laws entirely strange to our form of government. In other words, those people are ruled and regulated by the laws of Denmark, or the Danish laws, as were found in the islands when we took charge of them. It has even gone further than that, I might say. There have been instances down there when the public offices were held by men who themselves were foreigners and not American citizens and not citizens of the Virgin Islands, but on the contrary when the opportunity was offered to those men to become citizens of the Virgin Islands under the United States they renounced their citizenship and took over the citizenship of Denmark. I do not believed there is an American Congressman or an American citizen who feels that the insular possessions of the United States should be ruled and regulated by the laws of a foreign country and that those insular laws should be put in force by officers who are not even citizens of the islands, much less citizens of the United States.

The SPEAKER. The time of the gentleman from Arkansas has expired.

Mr. KIESS. Mr. Speaker, I yield the gentleman five additional minutes.

Mr. O'CONNOR of New York. Will the gentleman yield?

Mr. RAGON. Yes.

Mr. O'CONNOR of New York. I do not know, but I imagine some of the Spanish laws still prevail in the Philippines.

Mr. RAGON. Well, I presume those Spanish laws which are suitable. For instance, there is no law in the Philippines for jury service and things like that. But here is a little colony of people right at our doors who are clamoring for American ways, American manners, and American laws, and it is nothing more than right that we should give those things to them.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. RAGON. Yes.

Mr. MOORE of Virginia. As I understand, so far as the Philippines are concerned, the use of any Spanish laws is recognized by this Government, either directly by the Jones Act or by action taken in pursuance of the Jones Act. Let me ask the gentleman this question: Has there not been some comprehensive legislation considered by your committee or somewhere with reference to the Virgin Islands?

Mr. RAGON. Yes; we have done that, and the fact is that there is a bill on the calendar now which was reported by the Committee on Insular Affairs at the last session which gives them a form of government. However, some difference arose between Members of the House and the Senate with the result that that bill has not been called up. However, the feature of citizenship has been incorporated in this bill. Then, there is this additional feature by which in this bill, through a committee

amendment, we reduce the export tax on sugar. That export tax at this time is something like $8 a ton, and it is reduced in this bill to $6 a ton.

Mr. MORTON D. HULL. Will the gentleman yield?

Mr. RAGON. Yes.

Mr. MORTON D. HULL. What plan, if any, is there with respect to giving them a government in the Virgin Islands?

Mr. RAGON. Well, I might say that the Committee on Insular Affairs has about arranged with the War Department to take a trip to the Virgin Islands as soon as this Congress adjourns and if that is done we hope to be able to bring out some bill that will be satisfactory to the Congress and to the people of the Virgin Islands, a bill giving them a government that will be satisfactory. I think most of the trouble in the Virgin Islands comes about because there has been no one who has been particularly charged with the responsibility of looking after them. It is the particular fault of no one, but it is just something that has been overlooked. However, some attention should be paid to these matters because the Virgin Islands cost us something like $400,000 or $500,000 a year.

Mr. MORTON D. HULL. What I had in mind was that this proposes to give them citizenship, but there is no provision made for a government.

Mr. RAGON. No. As I understand it the citizenship proposition was agreed to merely as a compromise in order to avoid these conflicts and until such time as the committee could go down there and see things for themselves.

Mr. LINTHICUM. Will the gentleman yield?

Mr. RAGON. Yes.

Mr. LINTHICUM. What proportion of white and colored population is there in the Virgin Islands?

Mr. RAGON. Ninety-eight per cent of them are colored.

Mr. SABATH. Will the gentleman yield?

Mr. RAGON. Yes.

Mr. SABATH. However, this is not the fault of the people over there. They are anxious and they are clamoring for legislation, and it is due to negligence on the part of Congress that we have failed to relieve the situation there. They are desirous of abiding by, and are willing to abide by any action taken by Congress, but unfortunately no action has been taken.

Mr. RAGON. I do not know whether it would be correct to term it negligence; I would rather say we are so engaged in many big things that these things have been overlooked.

Mr. SABATH. It is indifference, then, if it is not negligence?

Mr. RAGON. Well, it may be that.

Mr. HUDSON. Will the gentleman yield?

Mr. RAGON. Yes.

Mr. HUDSON. It could hardly be termed indifference, could it?

Mr. RAGON. Well, I do not want to say that; I would just say that because of the big things we have to deal with here that somehow those things have not had the attention we should give them.

Mr. HUDSON. It is true we have been giving them attention but have not been able to get them in such shape as to bring them to the attention of the Congress?

Mr. RAGON. Yes.

The SPEAKER. The time of the gentleman from Arkansas has again expired.

Mr. KIESS. Mr. Speaker, I yield the gentleman two additional minutes.

Mr. RAGON. The gentleman from Michigan was the chairman of the joint committee that drew up a form of government for the Virgin Islands, and that committee reported to the Committee on Insular Affairs; but, as I explained a while ago, on account of differences that arose between Members of this body and the other body, most of that bill was in controversy. Therefore we have not brought it up.

Mr. HUDSON. Will the gentleman yield again?

Mr. RAGON. Yes.

Mr. HUDSON. The reason why it was not brought up, after these differences arose between the two branches, was that the committee desired to make a personal visit to the islands and then frame proper legislation.

Mr. RAGON. That is true.

Mr. KIESS. Mr. Speaker, in view of the apparent misunderstanding as to this bill, I will make a brief statement for the committee.

Mr. CRISP. Will the gentleman yield?

Mr. KIESS. Yes.

Mr. CRISP. I am in sympathy with this bill, but I would like to ask the gentleman if he or his committee has considered the status of the people of Guam. I had the privilege of being in Guam two years ago, and Governor Price, a naval officer, was the governor of that island. I was advised that the people of Guam were very proud that they were under the American flag; that they were happy and contented, except they said they had no way whatever of becoming citizens of the United States. They can not go into the courts and obtain citizenship through naturalization, because they are not citizens of any foreign country that they can renounce allegiance to in order to become citizens of the United States, and Governor Price called my attention to one citizen of Guam who had served two or three enlistments in the United States Army, spoke perfect English, and was a very efficient man. He had sought, through the courts of San Francisco, to become a citizen of the United States, but the court had denied him that right, because the court said he was not a citizen of any foreign country and could not obtain citizenship through the courts. I simply rose to make this statement and to ask my friend if his committee has given any consideration to the citizenship status of the residents of Guam who are under the control and jurisdiction of the United States.

Mr. KIESS. Mr. Speaker, in reply to the inquiry of the gentleman from Georgia, I would say that our committee has not considered any legislation in connection with Guam, but now that our attention has been called to it, we will consider same in the next session and try to give them the citizenship rights to which they are entitled, the same as we are now doing for the Virgin Islands.

Mr. LINEBERGER. Will the gentleman yield?

Mr. KIESS. Yes.

Mr. LINEBERGER. Would not this be an appropriate time to include Guam? I listened with a great deal of interest to what the gentleman from Georgia [Mr. CRISP] had to say about Guam, because I happened to be in Guam at the same time the gentleman was there. If this legislation is necessary for the Virgin Islands—and I am in agreement with the gentleman that it is—would it not be a matter of justice to include Guam, whose situation has been the same as that of the Virgin Islands not since 1917 but since the Spanish-American War? The situation is practically identical. A naval government still prevails in Guam and has for a period of over 25 years.

Mr. KIESS. I do not think the situation in Guam and the Virgin Islands is exactly the same.

Mr. LINEBERGER. They are both under a naval government.

Mr. KIESS. I do not think we ought to hastily pass any legislation without having the committee consider it. I am in sympathy with what the gentleman from California has to say and I assure him that the committee will give the matter serious consideration and report some bill in the next Congress. I do not think we should at this time try to legislate in the matter without more information.

Mr. LINEBERGER. There may be some question about that. I do not believe in ill-considered legislation, but I certainly believe if the people of the Virgin Islands are entitled to consideration at this time we ought not to lose any time in the next Congress, at least, in giving the people of Guam what they have been so long waiting for and that to which I believe they are so fully entitled.

Mr. KIESS. I want to assure the gentleman that the committee has had numerous hearings at this session of Congress and in the previous session and this legislation is the result of careful consideration. It would not be fair to ask the House to pass on something with which the committee itself is not familiar.

Mr. LINEBERGER. I am very much surprised that the committee has delayed the matter of Guam so long. It has been a period of over 25 years, and it certainly seems to me they should be considered before the Virgin Islands, although I am not against the legislation for the Virgin Islands.

Mr. KIESS. I think probably the cause of the delay has been the fact that the Virgin Islands have been sending delegations here insisting on the legislation, and no requests have come from Guam. Perhaps it is because the Virgin Islands are a lot closer than Guam. It is eight or ten thousand miles to Guam, and it would be very expensive to them to send a delegation here. This is no reason, however, why they should longer be denied justice. [Applause.]

Mr. RAGON. Will the gentleman yield?

Mr. KIESS. Yes.

Mr. RAGON. I might add also that on account of the proximity of the Virgin Islands we have many Virgin Islanders in the States here, especially in New York City.

Mr. KIESS. I think there are about 3,500 of them in New York City.

Mr. RAGON. And their status is very embarrassing because they are not citizens of the United States and are not citizens of any country except the Virgin Islands, and this has really

been one of the sources of the demand for the enactment of this legislation.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. KIESS. Yes.

Mr. JOHNSON of Washington. Inasmuch as the title clearly indicates, and inasmuch as I led the House to believe that this bill was entirely a matter of citizenship and naturalization and in view of the fact I was not informed about the amendment, I think the House should know that the amendment to the bill, which has now passed the point where a point of order can be made, has nothing to do with citizenship or naturalization of the people of the Virgin Islands. I think that should be explained so the House can act intelligently.

Mr. KIESS. That was my intention in taking the floor, and to explain also why it was being done in this way. I think the House is entitled to know.

Mr. LINTHICUM. Mr. Speaker, may we have the amendment again reported?

Mr. CHINDBLOM. I will say to the gentleman that that will not give the House any information because the amendment simply changes the figure 8 to the figure 6, but the effect of it is to change the export duty on sugar out of the Virgin Islands from $8 to $6.

The SPEAKER. Without objection, the Clerk will again report the amendment.

The amendment was again reported.

Mr. KIESS. I want to explain to the Members of the House that the Committee on Insular Affairs of the House reported favorably a bill (H. R. 16996) which contains the provisions of the Senate bill and added to it as section 5 the amendment which has just been read. The parliamentary situation is that to pass the House bill and send it over to the Senate at this late hour would mean it would not become a law at this session; and after conferring with the members of the Senate committee it was agreed that if we would pass the Senate bill 2770 on citizenship, with this amendment, Senator WILLIS, chairman of the Senate committee, would move to concur in this amendment, and for that reason instead of calling up our House bill, which is on the calendar, we called up the Senate bill and offered this amendment.

I want to explain briefly what this amendment does. The question of citizenship has been indorsed and explained by the gentleman from Washington, Mr. JOHNSON, chairman of the Committee on Immigration, and has also been passed upon by both the Senate and the House committees, and I think there is no opposition to the citizenship provisions in the bill. It is something the people of the Virgin Islands are entitled to and we are anxious it should become a law at this session.

With reference to the amendment, I would say that one of the principal troubles the citizens of the Virgin Islands have is in connection with the export tax levied on sugar. This has put the people of the Virgin Islands at a great disadvantage in competing with Porto Rico and other sugar-producing countries that do not pay an export tax.

This bill reduces the export tax on sugar from $8 per ton to $6 per ton. This export tax was established by the organic act of March 3, 1917, which provided for the government by the United States of the Virgin Islands. It was originally imposed in order to provide revenue for the islands. Its effect has been to work a great hardship on the sugar growers of the islands, who are placed at a great disadvantage to the sugar growers of Porto Rico. The entire amount collected under this tax averages under $50,000 a year, but nevertheless it is becoming increasingly evident that unless some relief is given to the sugar growers that they will be forced to discontinue. Should this happen it would cause great hardship in the islands, as the sugar growers provide practically the only employment available. Your committee feels that the entire sugar export duty should eventually be removed. The levy of such a duty is repugnant to our principles of government and directly contrary in spirit, at least, to the clause in the Constitution that "no tax or duty shall be laid on articles exported from any State." While your committee feels that this export duty can not be eliminated entirely at once because of the loss of revenue to the islands, it does recommend its reduction from $8 per ton to $5 per ton at this time, as a means of temporary relief to the sugar industry of the islands.

Your committee has held extensive hearings during both sessions of this Congress, and inhabitants from the Virgin Islands, representing various factions, and officials of the Navy Department were heard at length.

Mr. LINTHICUM. What does the tax produce?

Mr. KIESS. It produces between forty and fifty thousand dollars, which makes up a large part of the income of the islands.

Mr. LINTHICUM. One of my colleagues said that the islands were costing us about five hundred or six hundred thousand dollars a year.

Mr. KIESS. No; we are appropriating $280,000 a year.

Mr. LINTHICUM. Then if you take off this tax it would necessitate the appropriation of $45,000 more?

Mr. KIESS. No; we are reducing it from $8 to $6, which will make a difference of $10,000 to $12,000. The municipal councils will be asked to raise additional revenue by placing a tax on land or by some other method to raise this amount.

Mr. WILLIAMS of Texas. Will the gentleman yield?

Mr. KIESS. I will.

Mr. WILLIAMS of Texas. It was made plain that if this tax was not reduced the sugar people were going to be forced out of business, and we saw that it would be calamitous to put them out of business. If it had been left to the committee, we would have taken off the entire $8; but realizing that the islands had to have some revenue we only reduced it from $8 to $6.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. KIESS. I yield.

Mr. CHINDBLOM. I would have made a point of order both against the subject matter and the jurisdiction of the Committee on Insular Affairs on the ground that it should have gone to the Ways and Means Committee, but I am satisfied of the justice involved in this matter——

Mr. WILLIAMS of Texas. I will say that the export duty on sugar at Porto Rico is only 80 cents.

Mr. KIESS. But that is not an export tax.

Mr. WILLIAMS of Texas. It is a tax.

Mr. CHINDBLOM. An export tax is out of the ordinary under our Government, but now we are giving these people citizenship, and it would be a good time to give them a sample of the American method of taxation. This reduction of the tax is directly different from what we are doing in a large legislative way, where we are adding an export tax to be paid by the farmers.

Mr. LAGUARDIA. It would be giving them a poor example of American legislation.

Mr. CHINDBLOM. It reduces the tax from $8 to $6 per ton.

Mr. KIESS. I am aware that the amendment is probably not germane to the bill, but if we pass the House bill it would not become a law, but by amending the Senate bill, with the agreement that the Senate will accept it, we will be able to pass it at this session.

Mr. MOORE of Virginia. May I ask the gentleman a question?

Mr. KIESS. I yield.

Mr. MOORE of Virginia. With reference to the point made by the gentleman from Washington [Mr. JOHNSON], he suggested that all these people will have to go before the United States district courts and make an application. I understand that is a mistake, that there is a blanket provision that will include a large majority of the people making them citizens.

Mr. LAGUARDIA. And there is a precedent for that, too.

Mr. BACON. And supplementing that the naturalization court is only to be used by aliens living in these islands.

Mr. KIESS. The report accompanying the bill explains fully what we are trying to do as far as citizenship is concerned.

This bill confers United States citizenship upon certain inhabitants of the Virgin Islands, and also extends the opportunity for naturalization to certain other former inhabitants of the Virgin Islands. It will be recalled that the Virgin Islands were acquired by purchase under a treaty with Denmark in January, 1917. At the time it was understood by all that when the United States purchased these islands the citizenship of the inhabitants thereof was transferred to the United States.

The Navy Department, who have been administering the islands ever since 1917, have always contended that this was the case. The State Department, however, have put a different interpretation upon the treaty, with the result that ever since 1917 the inhabitants of the Virgin Islands, formerly citizens of Denmark, have been people "without a country." Whatever the correct interpretation of the treaty may be, it has been admitted by all that there is a moral obligation on the part of the United States to confer United States citizenship on these inhabitants of the Virgin Islands formerly citizens and subjects of Denmark.

The people of Porto Rico are full citizens of the United States, and your committee sees no reason why the inhabitants of the Virgin Islands should not be placed in the same category. The entire population of the Virgin Islands is 23,000, and there are approximately 3,500 residing in the United States who will be affected by this bill.

A convention between the United States of America and Denmark, providing for the cession to the United States of all territory owned or claimed by Denmark in the West Indies, including the islands of St. Thomas, St. John, St. Croix, and certain smaller adjacent islands, was concluded and signed by plenipotentiaries of the respective powers on the 4th day of August, 1916.

This convention left in a somewhat vague situation the status of inhabitants of the Virgin Islands of the United States. Evidently legislative action by the Congress of the United States was contemplated by the framers of this convention and certainly by the people of the Virgin Islands.

These people welcomed the coming of the United States and never entertained a thought that theirs should become a no-man's land and that they themselves should be placed in a status of doubtful citizenship. Unfortunately, the organic act of 1917, passed in time of world stress and excitement, gave but scant attention to the rights of the islanders. It provided what was expected to be only a temporary form of government, suited to the needs of the hour, and did not undertake to define the citizenship status of the inhabitants of the Virgin Islands of the United States. Almost a decade has passed and nothing further has been done in this matter. In the pressure of other matters, the needs of the Virgin Islands have been overlooked. Their people are patriotic, industrious, and patient. They have a right to expect that their needs will not be overlooked by Congress and that they will at least not be forgotten by the great Nation of which they are a part.

Your committee, after careful consideration of the subject, is of the opinion that the least that can be done at the present time is to clarify and define by appropriate legislation the citizenship status of the inhabitants of the Virgin Islands of the United States, so that they with greater assurance may proceed on the path of progress, which it is hoped will lead to better and freer government and more satisfactory economic conditions in the islands.

With this object in view, the passage of S. 2770 is recommended.

Section 1 provides that all former Danish citizens who have continued to reside in the Virgin Islands or in the United States and who did not preserve their Danish citizenship under the terms of article 6 of the convention, and also all natives of the islands who were temporarily absent at the time of the cession and who have since returned and now reside in the islands, and their children born subsequent to the date of transfer of sovereignty from Denmark to the United States, shall be citizens of the United States.

Section 2 provides for a special mode of naturalization for those who were absent from the islands and have received an honorable discharge from the military or naval forces of the United States.

Section 3 provides for persons hereafter born in the Virgin Islands of the United States. The rule of citizenship already provided in the fourteenth amendment to the Constitution of the United States.

Section 4 provides that the District Court of the United States for Porto Rico shall have jurisdiction for the naturalization of aliens residing in the Virgin Islands of the United States.

The enactment of this legislation is an act of justice to these people, who will thus be given fresh courage for the larger problems crying for solution and renewed confidence in the great Nation of which they were glad to become a part.

Mr. Speaker, I yield five minutes to the gentleman from Maryland [Mr. LINTHICUM].

Mr. LINTHICUM. Mr. Speaker, I think this bill is of more importance than we are attributing to it to-day.

The Virgin Islands, formerly known as the Danish West Indies, are situated about 40 miles east of Porto Rico and have about 50 islands, the names of only three of which are known to the outside world, as St. Thomas, St. John, and St. Croix.

St. Thomas, the one which is better known to all of us, is about 13 miles long and has the beautiful town of Charlotte Amalie, with its wonderful harbor. It is in direct line with American and European travel en route to the Panama Canal, which makes it the logical center for the distribution of goods to the Lesser Antilles. This island I had the pleasure to visit.

It is 1,400 miles from New York and 1,020 miles from Colon, Panama. Its commerce amounts to about $1,000,000, of which 70 per cent are imports to all the islands.

Its population is about 10,700. The island of St. John has about 21 square miles and about 1,000 inhabitants, all of which are practically colored or mixed blood.

The island of St. Croix is the largest, wealthiest, and most thickly populated. It is about 40 miles southeast of St. Thomas, and has an area of 84 square miles. Upon this island was the seat of the Danish government. It has a population of about 14,000, of which about 10 per cent are whites of unmixed blood.

These islands were purchased by the United States from the Government of Denmark in 1917 for the sum of $25,000,000, and the United States took possession March 31, 1917.

The primary purchase by the United States of these islands was largely to prevent them falling into the hands of any other nation, as they are so very well adapted as a naval base and coaling station for the United States and are important to us because of their close proximity to the Panama Canal.

I know that many Members have been to the Virgin Islands. I do not think they have been highly impressed with their progress. There are now about 23,000 inhabitants in the Virgin Islands. Some 7 per cent of those 23,000 are white people; the balance are colored people, largely engaged, if engaged at all, in the cultivation of the land. There are no industries of importance by which they can be employed. Why they should ask for 500 or 600 immigrants to cultivate the land I do not understand, because it seems to me that is practically all they have to do. In my State when a man goes before the United States court to become a citizen of the United States he is expected to know something about the Constitution of the United States. He is expected to know something about the laws of the country; he is expected to know at least who is President of the United States. Here we have a bill which is covering in about 21,000 negro population and about twelve hundred or fourteen hundred white population without asking any questions. They then have the right to qualify anywhere in the United States as voters.

Mr. HUDSON. Mr. Speaker, will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. HUDSON. Is it not a fact that by far the largest per cent of the population can read and write?

Mr. LINTHICUM. Oh, I think they do. I do not think their education has been neglected at all, but it seems a strange proposition to cover into citizenship some 23,000 people who are allowed to come into the States of our country and vote with our people, without having complied with the same conditions that people from elsewhere would have to comply with. So far as the export duty on sugar is concerned, I have no objection to that, because I realize that we did not buy the Virgin Islands as a speculative proposition or investment. We bought them as one of the outposts of the United States and more as a coaling or naval station. So, whether we spend some $280,000 or $300,000 is not a matter of any great importance. However, I do think the question of blanketing some 23,000 citizens who may come into this country and vote in our States, without any examination before the United States courts, is going a long way. I should like to have seen an amendment to this bill which would have provided for them as citizens of the United States, with a right to vote in the Virgin Islands, but I am not impressed with the idea of giving these people, who have not complied with our laws in any particular regarding naturalization or citizenship, the right to come into my State or into other States and vote as they please. I think there ought to have been an amendment making them citizens of the United States with the right to vote in the Virgin Islands, and I think there should be something else for them to comply with before they are permitted to vote in our States.

Mr. BACON. How can you grant half citizenship to anyone? If they are citizens of the United States in the Virgin Islands, they must have the right to go anywhere within the United States at will. You can not have a citizen in one State and not in another.

Mr. LINTHICUM. Oh, you could specify that a man may become a citizen of the United States upon certain conditions, and you can specify that he may come into citizenship in the United States in this case under restricted conditions.

The SPEAKER. The time of the gentleman from Maryland has expired. The question is on agreeing to the amendment.

The amendment was agreed to and the bill as amended was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. KIESS, a motion to reconsider the vote by which the bill was passed was laid on the table.

A similar House bill (H. R. 17142) was laid on the table.

PUBLIC HIGHWAYS IN THE VIRGIN ISLANDS

Mr. KIESS. Mr. Speaker, I call up the bill (S. 4933) authorizing an appropriation for public highways in the Virgin Islands of the United States, which I send to the desk and ask to have read.

The SPEAKER. The gentleman from Pennsylvania calls up the bill (S. 4933) authorizing an appropriation for public high-

ways in the Virgin Islands of the United States. The Clerk will report the bill.

The Clerk read the title of the bill.

The SPEAKER. This bill is on the Union Calendar. The House will automatically resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill, and the gentleman from Ohio [Mr. BURTON] will kindly take the Chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 4933, with Mr. BURTON in the chair.

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $100,000, to enable the Secretary of Agriculture to construct, reconstruct, and maintain public highways in the Virgin Islands of the United States. No moneys appropriated under the authorization contained in this act shall be expended for construction, reconstruction, or maintenance of any highway until suitable contracts have been made by all the owners of lands adjoining such highway with the Secretary of Agriculture, whereby such owners agree that they will sell at least one-half of such lands to actual settlers. Each such contract with the Secretary of Agriculture shall fix the price and conditions of sale of such lands to actual settlers, and shall contain a provision that in case of breach of any of the terms thereof after funds have been expended for the construction, reconstruction, or maintenance of highways the owner shall be liable in the full amount of funds expended in respect of highways bordering his lands, as liquidated damages.

SEC. 2. Upon proof that any such owner refused to sell any part of such lands in accordance with the terms of any such contract, or upon proof of fraudulent representation as to the true consideration involved in any such sale, or as to the conditions of any such sale, the Secretary of Agriculture is authorized, in his discretion, to withhold expenditure of funds for the construction, reconstruction, or maintenance of highways bordering the lands involved in such sale.

Mr. KIESS. Mr. Speaker, This bill, authorizing an appropriation of $100,000 to enable the Secretary of Agriculture to construct, reconstruct, and maintain public highways as above indicated, is designed to fill several long-felt needs, especially in the island of St. Thomas. Many of the natives complain of their inability to purchase lands suitable for agriculture except upon terms they can not well consider. As a general rule they are permitted to use such land as they wish, paying sometimes as high as $1 a month for land assessed at $10 an acre. Only too frequently the owners of the property become dissatisfied with the tenants, who are then dispossessed without formality after having grown fruit trees or other crops which they then have to abandon. There is a strong feeling on the part of the poorer natives that this land is held for sale at exorbitant prices to prospective visitors and that this occasions the harsh treatment accorded to them by the owners. There is no disposition on the part of the council of St. Thomas in particular to assist these poor farmers, since most of the council members are landowners. This bill is designed to help cure those ills.

The roads on St. Thomas in particular need improvement and extension. Large stretches of them are almost impassable save for pedestrians. Small agricultural districts, especially on the fertile north side, should be opened, to enable those desiring to develop small farms or orchards to do so and to enable them to bring their crops to market. The best fruit on the island is grown in that portion so difficult of access.

Furthermore, St. Thomas is very attractive to tourists, though many of its scenic splendors are practically inaccessible. Roadbeds there are in most places, but they are in such shape as to make them impassable for anything less sure footed than donkeys. Possibly economic prosperity for St. Thomas lies largely in an increased tourist trade. The Governor of the Virgin Islands in his last annual report so asserted. He earnestly recommended an appropriation for special road construction.

The building and maintenance of public roads in the Virgin Islands would do much toward relieving the present unemployment in St. Thomas. Now that the water supply system is completed in St. Thomas there is considerable unemployment of which the local government must take and is taking notice. Thus the extension of the road system in St. Thomas will furnish employment to many in need of work.

In St. Thomas there are about 16 or 17 miles of roads demanding reconstruction. In most places there is already a roadbed, but torrential rains and consequent washouts during many years have rendered these roads quite beyond the capacity of the local government to rebuild or to repair.

The passage of this bill should encourage the large landholders of St. Thomas to sell their lands at reasonable prices to deserving small farmers; encourage agriculture in the outlying districts; render the island's beauties and beaches readily accessible to tourists; increase trade and revenues; keep down unemployment and increase the tendency of the natives to be self-respecting and self-supporting. The incentive offered them in the authorization of appropriations for the construction of roads as outlined in S. 4933 should prove beneficial for the Virgin Islands.

Mr. RAGON. Mr. Chairman, will the gentleman yield?

Mr. KIESS. Yes.

Mr. RAGON. Has any appropriation of this kind been made in years past?

Mr. KIESS. I do not know of any such appropriation having been made.

Mr. RAGON. There have been some appropriations carried for the Agricultural Department on the islands?

Mr. KIESS. Yes; that has been done.

Mr. RAGON. Has that money that we have put down there for agricultural purposes in the past been expended through the Agricultural Department?

Mr. KIESS. Agricultural experts have been sent there to determine what the land in the islands is particularly adapted to producing. I do not know whether that expense was paid out of the Agricultural Department fund or was taken out of the Virgin Islands fund, for which, as the gentleman knows, we appropriate $280,000.

Mr. RAGON. I was not present when the committee considered this, and I am wondering whether they thought it better to put it in the Agricultural Department and not in the Navy Department. We seem to be scattering the responsibility there.

Mr. KIESS. This bill originated in the Senate, and I take it for granted that they had some good reason for placing the expenditure of this money under the Department of Agriculture. The Bureau of Roads is in the Department of Agriculture.

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield?

Mr. KIESS. Yes.

Mr. LINTHICUM. Does the gentleman not think that the amount of the appropriation is exceedingly small?

Mr. KIESS. Yes; it is if you were going to build new macadam roads, but this $100,000 is for the repair of present roads.

Mr. LINTHICUM. When we are considering the interests of the Virgin Islands, would it not be a good idea, as we did in the last Congress with the Hawaiian Islands, to include them in the general road legislation?

Mr. KIESS. I think that would be a good thing.

Mr. LINTHICUM. I think we ought to extend that law to the Virgin Islands.

Mr. UNDERHILL. If the gentleman will yield, the reason we expend it on the Hawaiian Islands is because the Hawaiian Islands return a large revenue to the Treasury of the United States, while the Virgin Islands are a liability instead of an asset.

Mr. LINTHICUM. I do not think we did that for the Hawaiian Islands because of large payments to the United States Treasury, which is absolutely true, but I think we did it because we love the Hawaiian Islands.

Mr. UNDERHILL. Partially.

Mr. LINTHICUM. And it seems, the Virgin Islands being an outpost mostly for military purposes, why expend it on them.

Mr. KIESS. I yield 10 minutes to the gentleman from New York [Mr. CAREW].

Mr. CAREW. Mr. Chairman, before proceeding I would like to ask unanimous consent to revise and extend my remarks by printing in the RECORD a resolution which I have just introduced in the House.

The CHAIRMAN. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. CAREW. Now, Mr. Chairman, I am moved to introduce this resolution to establish a new joint committee in the House by reason of various proceedings which have taken place in the Capitol within the last week or 10 days which, it seems to me, present a situation which needs a remedy. I am going to ask, Mr. Chairman, that the Clerk be permitted to read the resolution which I have introduced.

The CHAIRMAN. The gentleman from New York asks unanimous consent that the Clerk of the House be authorized to read the resolution to which he referred. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Resolved (if the Senate concur)—

1. There shall be, and hereby is, established in each the Senate and the House of Representatives a several committee which, in con-

junction with the other, shall be known as the Joint and Several Committee of the Senate and House of Representatives of the Congress of the United States on Challenges, Bouts, Fights, and Duels by and between the Members of each the Senate and the House of Representatives and of each other.

II. Said committee in and on behalf of each the House and the Senate shall have entire charge of all challenges, bouts, fights, and duels other than language fights between Members of their respective bodies.

III. No fight, challenge, bout, or duel between such Members shall start without suitable and appropriate preliminaries. Said suitable and appropriate preliminaries shall consist of a specific particular detailed and profane reflection on the intelligence, veracity, ancestry, or religion of one Member by another. Language used in a Pickwickian sense shall not be sufficient provocation for a fight.

IV. No challenge, bout, fight, or duel, when once made or started, shall be interrupted or balked until finished. If suspended temporarily, it shall be continued to a finish at the earliest opportunity on the floor of the respective body or the floor of the rotunda of the Capitol. The colleagues of each combatant shall act as a posse comitatus, to preserve order and prevent interruption of and continue the fight to a finish.

Said committee or joint committee shall provide suitable and readily distinguishable medals, chevrons, bars, and other appropriate insignia to be conferred on Members who have participated in finished fights.

Finished fights on the floor of either the House or the Senate in the presence of a quorum or after notice in the rotunda of the Capitol shall entitle the participants to an adjusted service compensation certificate or bonus of a life and accident insurance policy.

Such joint and several committee of the House and Senate shall from time to time make further suitable and proper recommendations and regulations for the development of and encouragement of finish fights in the Senate and House of Representatives.

No lady Member of the House or Senate shall take advantage of these rules to join in a fight without the previous consent and approval and personal cooperation of the respective Presiding Officer of the Senate or the Speaker of the House of Representatives.

Mr. CAREW. I trust this resolution will receive speedy consideration at the hands of the Committee on Rules, to which it ought to be sent, and we will soon have an opportunity to present the matter on the floor of the House and debate it. I know some gentlemen who have distinguished themselves just lately are anxious for an opportunity to display their prowess. I am for the development of talent. With these few remarks and the influence I have upon the floor, I trust this matter will be adjusted before the close of the session.

The CHAIRMAN. No one desiring to be heard in opposition to this bill——

Mr. BLANTON. The Chairman is going to yield me some time.

Mr. KIESS. I yield the gentleman 10 minutes.

Mr. BLANTON. I ask to speak out of order under the circumstances.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas. [After a pause.] The Chair hears none.

Mr. BLANTON. Mr. Chairman, I am heartily in favor of the facetiousness of, if not the resolution introduced by, our generalissimo from Tammany. Whatever he says down here some other Members, at least from Tammany, obey, and even I go with him on some occasions.

A man who does nothing in the House or Senate never has any trouble. It is only a man who takes a definite stand, either for or against things, who does not find it altogether easy sailing. Sometimes it is necessary for a man to oppose aggression if he gets anywhere. Because I oppose many bills in Washington, which Washington newspapers want, I never get a fair deal at their hands. They distort and enlarge every incident with which I am connected. They stated yesterday that I choked one of my colleagues, but in the presence of two Republican Members, men who were against my stand on a certain bill, the gentleman from Illinois [Mr. REID], and the gentleman from Michigan [Mr. MCLEOD], both of whom were opposing me on a certain bill, in their presence these circumstances happened. I stated to the newspapers this morning publicly in the committee that if they could get the gentleman from Illinois [Mr. REID] and the gentleman from Michigan [Mr. MCLEOD] who opposed me on this bill, to state I had done anything to my colleague from New York [Mr. BLOOM] except to hold his hands back against a table so he could not move, which is what I did, that if they could get them to say that I did anything else I would contribute $1,000 to charitable purposes in Washington.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. DICKSTEIN. Is it not a fact that the gentleman from Texas rose from the table and was the aggressor in this so-called bout that he is talking about, when he seized the gentleman from New York [Mr. BLOOM] and grabbed him by the arm and forced him against the table?

Mr. BLANTON. I will tell about that. Our committee was holding a hearing, not on a drastic Sunday law, but upon a reasonable law for the observance of Sunday in the District, less drastic than exists in any State in the Union.

Mr. LINTHICUM. You will not find it so.

Mr. BLANTON. It is less drastic than Baltimore has. The gentleman from New York [Mr. BLOOM] was not a member of the committee, but he was appearing at almost every hearing. We had given him ample time on the bill at previous hearings, and he interrupted the individual members when he was not a witness.

A witness testified that he was a Government employee and was given the oath which ended up with the words, "So help me God." He said virtually that he crossed his fingers when he said that, because he did not believe in God. We told him that he was different from Members of Congress, who did believe in God. Another man came there posing as a Baptist minister. He said he spoke in the name of 11,000,000 Baptists who were against the Sunday observance law. We challenged him. The gentleman from Illinois [Mr. REID] challenged him, and the gentleman from Illinois was against the bill. The gentleman from Michigan [Mr. MCLEOD] also challenged him, and he too was against the bill. They asked him to tell who the 11,000,000 Baptists were. They did not believe his statement. It was just merely to assert the dignity and preserve the order of the committee that we asked Mr. BLOOM to let us conduct our hearing in our own way. He was not a member of the committee. He insisted on butting in, and the chairman called him to order, and then, when we called attention to it, he got up and attempted to insult a member of the committee. What I did was to take him by the wrists and hold him.

Mr. DICKSTEIN. Did not the gentleman go toward him?

Mr. BLANTON. I met him halfway.

Mr. GALLIVAN. Is my friend from Texas satisfied that he won the bout? [Laughter.]

Mr. BLANTON. I had no intention of hurting the gentleman from New York [Mr. BLOOM], and I did not hurt him. I was his friend. I helped him when he had a contest here. I did not want to hurt him. I just wanted to show him that he could be held.

Mr. DICKSTEIN. You could hold him, but you could not hold some others.

Mr. BLANTON. If the gentleman himself would try me out I might hold him.

Mr. DICKSTEIN. I will be glad to go down to the gymnasium with the gentleman.

Mr. BLANTON. I will go to the gymnasium this afternoon, and I do not think the gentleman can succeed in tiring me out. [Laughter.]

Now, I have said, Mr. Chairman, all I have to say.

Mr. HILL of Maryland. Mr. Chairman, will the gentleman yield for a question?

Mr. BLANTON. No. I decline to yield for a question.

Mr. BEEDY. Mr. Chairman, I think this is becoming disgraceful here. I move that the gentleman's remarks be taken down or stricken from the RECORD. They are improper. The idea of a man standing here in this House and challenging a Member to meet him in the gymnasium!

The CHAIRMAN. The gentleman from Texas asked leave to proceed out of order. That leave was granted. That gives him very wide latitude. [Applause.]

Mr. BLANTON. I have always, since I have been 21 years of age—and I am now 54—been able to maintain the position that I took, mentally, physically and in every other way, and I am going to continue to do it as long as I am in Congress. If it is in behalf of a Sunday observance bill I am going to do it. If it is in behalf of a farm relief bill, I am going to do it; and I shall be on the floor maintaining my position as long as I am in Congress, and when I get where I can not do it I will resign. [Applause.]

The CHAIRMAN. The gentleman from Texas yields back the balance of his time. Does anybody desire to be heard in opposition to the pending bill?

Mr. KIESS. Mr. Chairman, I move that the committee rise and report the bill to the House with the recommendation that it pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. BURTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that

committee, having under consideration the bill (S. 4933) authorizing an appropriation for public highways in the Virgin Islands of the United States, had directed him to report the same back to the House with the recommendation that it pass without amendment.

Mr. KIESS. Mr. Speaker, I move the previous question on the passage of the bill.

The previous question was ordered.

The SPEAKER. The question was on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. KIESS, a motion to reconsider the vote whereby the bill was passed was laid on the table.

LEGISLATIVE APPROPRIATION BILL

Mr. DICKINSON of Iowa. Mr. Speaker, I submit for printing under the rule a conference report on the bill (H. R. 16863) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1928, and for other purposes.

The SPEAKER. The Clerk will report the bill by title.

The Clerk read, as follows:

A bill (H. R. 16863) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1928, and for other purposes.

The SPEAKER. Ordered printed.

COLLECTION OF TAXES IN THE PHILIPPINES

Mr. KIESS. Mr. Speaker, I call up the bill H. R. 16952.

The SPEAKER. The gentleman from Pennsylvania calls up the bill H. R. 16952. The Clerk will report it by title.

The Clerk read as follows:

A bill (H. R. 16952) to ratify and confirm act No. 3243 of the Philippine Legislature, approved November 27, 1925.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the taxes imposed by the Philippine Legislature in act No. 3243, approved November 27, 1925, are hereby legalized and ratified, and the collection of all such taxes made under or by authority of said act of the Philippine Legislature is hereby legalized, ratified, and confirmed as fully to all intents and purposes as if the same had by prior act of Congress been specifically authorized and directed.

Mr. KIESS. Mr. Speaker, this is in accordance with the custom of Congress to confirm acts of the Philippine Legislature with relation to taxes, so that there may be no dispute in the courts.

The Philippine Legislature passed a law, which was approved by General Wood on November 27, 1925, continuing permanently in force an additional tax of one-half of 1 per cent on merchants' sales in the Philippine Islands from January 1, 1926.

The laws of the Philippine Legislature providing temporarily for this increased tax, which were approved by the Governor General on March 17, 1923, and November 27, 1924, respectively, were legalized and ratified by an act of Congress approved March 9, 1925.

The merchants' sales tax law has been in force in the Philippines since 1904. It has proven to be the most generally satisfactory manner of producing revenue and the one that meets with the least opposition among the people. When it has become necessary to increase the revenues of the Philippine government, to increase the sales tax rate is the method which has found the greatest favor.

Congress has consistently approved the collections made under the previous alterations of the merchants' sales tax law, and it is deemed quite essential to have Congress ratify this act of November 27, 1925, so as to avoid any question of its validity in so far as it applies to sales of merchandise brought into or sent out of the islands due to a possible conflict with the laws of Congress, which on the one hand have specified what duties should be laid on imports and on the other have prohibited the levying by the local legislature of export duties. In this connection it may be stated that the United States Supreme Court has ruled in favor of the validity of the tax mainly on the ground that the collections have been ratified by Congress.

The bill was ordered to be engrossed and read a third time; was read the third time, and passed.

On motion of Mr. KIESS, a motion to reconsider the vote whereby the bill was passed was laid on the table.

PRIVATE CALENDAR

The SPEAKER. Under the order of the House it is now in order to consider bills on the Private Calendar unobjected to. The Clerk will report the first bill.

SPECIAL DISBURSING AGENTS OF THE ALASKAN ENGINEERING COMMISSION

The first business on the Private Calendar was House Joint Resolution 99, for the relief of a special disbursing agent of the Alaskan Engineering Commission or of the Alaska Railroad.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The Clerk read the resolution, as follows:

Resolved, etc., That the General Accounting Office is hereby authorized and directed to credit in the accounts of R. B. Chase, special disbursing agent of the Alaskan Engineering Commission, the sum of $3,333.34, heretofore disallowed by that office on account of payments made to Frederick Mears, by Army pay officers, the Acting Comptroller General having decided that the said Frederick Mears, upon accepting the office of chairman and chief engineer of said commission, ceased to be an officer in the Army and vacated his commission as such officer, and the payments made to the said Frederick Mears as an officer of the Army are hereby validated covering the period from July 1, 1921, to February 28, 1922.

With the following committee amendment:

Page 1, line 4, strike out the initial "B." and insert in lieu thereof the initial "D."

The committee amendment was agreed to.

The resolution was ordered to be engrossed and read a third time; was read the third time, and passed.

A motion to reconsider the vote whereby the resolution was passed was laid on the table.

The title was amended.

HERMAN SHULOF

The next business on the Private Calendar was the bill (S. 2616) for the relief of Herman Shulof.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, this bill has been on the calendar several times. On June 18 there were three objections; on June 11 there were two objections; and before that there was one objection. Is it the intention of the committee to keep this bill on the calendar indefinitely?

Mr. UNDERHILL. It has the favorable report of the committee and as long as it is on the calendar the committee is ready to defend its position.

Mr. LAGUARDIA. Mr. Speaker, the calendar is pretty long and, inasmuch as this is a controversial matter, I shall object for the present.

JAMES B. DICKSON

The next business on the Private Calendar was the bill (H. R. 9318) authorizing the President to appoint James B. Dickson a second lieutenant of the Air Service in the Regular Army of the United States.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. ARENTZ. Mr. Speaker, I do not see the gentleman from Illinois [Mr. CHINDBLOM] on the floor, and I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. The gentleman from Nevada asks unanimous consent that this bill be passed over without prejudice. Is there objection?

There was no objection.

MIMIE BERGH ERIKSEN

The next business on the Private Calendar was the bill (H. R. 5056) for the relief of Mimie Bergh Eriksen.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLACK of Texas. Mr. Speaker, in view of the fact that there is a minority report on this bill signed by six members of the Committee on Foreign Affairs, I feel compelled to object.

EXPENDITURE OF CERTAIN FUNDS PAID TO THE UNITED STATES BY THE PERSIAN GOVERNMENT

The next business on the Private Calendar was House Joint Resolution 154, authorizing the expenditure of certain funds paid to the United States by the Persian Government.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

Mr. COLE. Mr. Speaker, reserving the right to object, there is another resolution on the same subject which has been reported by the Committee on Foreign Affairs and, therefore, I object.

Mr. LINTHICUM. Mr. Speaker, I ask the gentleman to reserve his objection. I want to ask the gentleman whether he would not consent to a unanimous-consent request to substitute Senate Joint Resolution 112 for this resolution and pass it? The Foreign Affairs Committee of the House has approved Senate Joint Resolution 112.

Mr. ARENTZ. Will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. ARENTZ. What is the amount carried in the Senate resolution?

Mr. LINTHICUM. Thirty thousand dollars.

Mr. ARENTZ. Why was the amount increased by $5,000 over the amount carried in the House resolution?

Mr. LINTHICUM. I will explain to the gentleman. The Senate thought the lady ought to have $30,000 and House Resolution 154 specifies that the amount is to be paid out of the money paid into the Treasury by the Persian Government, but there seemed to be general opposition to that as the fund paid by the Persian Government was intended for other purposes, for educational purposes.

Mr. Speaker, I ask unanimous consent to substitute Senate Joint Resolution 112 for House Joint Resolution 154.

The SPEAKER pro tempore. The gentleman from Maryland asks unanimous consent to substitute Senate Joint Resolution 112 for House Joint Resolution 154. Is there objection?

Mr. ARENTZ. Mr. Speaker, reserving the right to object, I will object to the request unless the amount is changed from $30,000 to $25,000.

Mr. LINTHICUM. I may say to the gentleman——

Mr. BLACK of Texas. Mr. Speaker, I am going to object to this bill. There is a minority report filed here on the bill.

Mr. LINTHICUM. No; the gentleman misunderstands the situation.

Mr. BLACK of Texas. The Senate bill of which the gentleman speaks should go on the Consent Calendar and be brought up in that way.

Mr. LINTHICUM. No; you can not get it on the Consent Calendar. May I say to the gentleman I have tried that, but it can not be placed on the Consent Calendar. It is a private bill.

Mr. BLACK of Texas. A number of us have not had an opportunity to read the bill and I would object to its substitution.

Mr. LINTHICUM. Mr. Speaker, I ask that the bill may be passed over for the present.

The SPEAKER pro tempore. The gentleman from Texas objects.

Mr. LINTHICUM. Will the gentleman consent to the bill being passed over until he can look into the matter?

Mr. BLACK of Texas. The bill about which the gentleman speaks is not even on the calendar, so far as I know.

Mr. LINTHICUM. Yes; Senate Joint Resolution 112 is on the calendar, known as No. 738. I ask that this bill be passed over for the present.

Mr. BLACK of Texas. I am objecting to the bill that is on the calendar and to which there has been filed a minority report by four of the members of the Committee on Foreign Affairs.

Mr. LINTHICUM. But I am asking for the substitution of a joint resolution unanimously reported and to which there is no minority report.

Mr. BLACK of Texas. To which I am objecting until we can reach that bill.

The SPEAKER. Objection is heard; the Clerk will report the next bill on the calendar.

JOHN MARVIN WRIGHT

The next business on the Private Calendar was the bill (H. R. 11877) authorizing the President to reappoint John Marvin Wright, formerly an officer in the Corps of Engineers, United States Army, an officer in the Corps of Engineers, United States Army.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. REECE. Mr. Speaker, I reported this bill, and on account of developments since that time I ask unanimous consent that the bill be laid on the table.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

EDWARD F. WEISKOPF

The next business on the Private Calendar was the bill (H. R. 7540) for the relief of Edward F. Weiskopf.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, authorized to summon Edward F. Weiskopf, formerly first lieutenant in the Coast Artillery Corps of the Army of the United States, before a retiring board, to inquire whether at the time of his honorable discharge, October 1, 1919, he was incapacitated for active service, and whether such incapacity was the result of an incident of service, and whether said discharge should have been made, and upon the result of such inquiry the President is authorized to nominate and appoint, by and with the advice and consent of the Senate, the said Edward F. Weiskopf a first lieutenant in the Coast Artillery Corps and place him immediately thereafter upon the retired list of the Army, with the same privileges and retired pay as are now or may hereafter be provided by law or regulation for officers of the Regular Army: *Provided*, That the said Edward F. Weiskopf shall not be entitled to any back pay or allowances.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

JAMES HENDERSON STUART MORISON

The next business on the Private Calendar was the bill (H. R. 7153) authorizing the President to appoint J. H. S. Morison to the position and rank of major, Medical Corps, in the United States Army.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLACK of Texas. Mr. Speaker, reserving the right to object, I notice this is a bill authorizing the President to appoint J. H. S. Morison to the active list of the Army after ascertaining that he is qualified for active service therein, and to commission him, by and with the advice and consent of the Senate, as an additional number in the Medical Corps, United States Army, in the grade of major. There is no report from the Secretary of War. Has this matter been submitted to the War Department?

Mr. REECE. It was discussed with the department. As the gentleman probably understands, the situation in the Medical Corps of the Army is somewhat different from what it is in the other branches of the Army. This is a very competent surgeon and one with a most distinguished service record.

Mr. BLACK of Texas. The point I want to ascertain is whether the Secretary of War made an unfavorable report on this bill.

Mr. REECE. He has not.

Mr. BLACK of Texas. Has he made any report?

Mr. REECE. He has not.

Mr. BLACK of Texas. Was it submitted to him for a report?

Mr. REECE. I am speaking now as my recollection serves me, and I think I am correct in that statement. It was discussed orally, and in some way the making of a written report was overlooked; anyhow, a written report does not appear to have been made.

Mr. BLACK of Texas. Mr. Speaker, it is rather unusual for us to pass these bills without submitting them to the department involved, and I feel constrained to object.

Mr. REECE. Will the gentleman reserve his objection?

Mr. BLACK of Texas. I reserve it.

Mr. REECE. This is a gentleman who enlisted in the early part of the war, a medical officer. He was twice wounded. He was awarded the distinguished-service cross and the military cross by the British Government for distinguished service. He is a graduate of the University of Arts and Literature. He is a graduate of a medical school, and is a man of very high standing, and is the type of man and the type of physician that I think would be of great value to the Medical Corps of the Army. It is only an authorization. If it was not agreeable to the War Department, they would not have to do it.

Mr. BLACK of Texas. Let me ask the gentleman if this is not tantamount to a direction?

Mr. REECE. It is not. We left out that language which amounts to a direction.

Mr. BLACK of Texas. It makes it merely permissive?

Mr. REECE. That is all.

Mr. BLACK of Texas. I withdraw my objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the President of the United States be, and hereby is, authorized to appoint J. H. S. Morison to the active list of the Army after ascertaining that he is qualified for active service therein, and to commission him, by and with the advice and consent of the Senate, as an additional number in the Medical Corps, United States Army, in the grade of major.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

GEORGE CALDWELL

The next business on the Private Calendar was the bill (H. R. 11110) for the relief of George Caldwell.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

Mr. ARENTZ. Reserving the right to object, it appears that this man was a warrant officer but was made a captain in the American Expeditionary Forces and later retired as a captain. If he had been retired as a warrant officer he would have been drawing approximately $138 per month, whereas he is now getting approximately $85 per month.

Mr. SWING. That is a fact.

Mr. ARENTZ. In the report the Secretary of War says:

Moreover the beneficiary of this bill, then a captain of infantry, requested that he be considered by the board of general officers with a view to retirement as a warrant officer, stating that he desired to take over certain business interests.

The retirement as a warrant officer was made at his request. Now, he comes and asks for reinstatement, as provided in this bill, as a captain.

Mr. SWING. I do not think that is a fair statement of the facts. He did not retire because he wanted to. He was forced out when the number of officers were greatly reduced by the act of 1922. If he had remained a warrant officer instead of accepting the additional responsibility which the Government placed on him when it made him a commissioned officer during the World War he would have been retired at a much higher pay than what he is getting now.

Mr. ARENTZ. I think there is a whole lot of merit in the bill.

Mr. SWING. He made a remarkable record in the service over the seas. He participated in the major operations at Ypres-Lys, St. Mihiel, and Meuse-Argonne. He was awarded a silver-star citation, he was given the French Croix de Guerre, and recommended for the distinguished-service medal. I hope the gentleman will not object.

Mr. ARENTZ. Mr. Speaker, I withdraw my reservation.

The Clerk read the bill, as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, authorized to appoint, by and with the advice and consent of the Senate, George Caldwell, warrant officer, United States Army, retired, a captain in the United States Army, and to immediately place him on the retired list of the Army with the retired pay and allowances of said grade: *Provided*, That no back pay or allowances shall accrue as a result of the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

W. Z. SWIFT

The next business on the Private Calendar was the bill (H. R. 2721) authorizing and directing the Secretary of the Treasury to pay to W. Z. Swift, of Louisa County, Va., the insurance due on account of the policy held by Harold Rogis.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to W. Z. Swift, of Louisa County, Va., out of the proper fund appropriated therefor, the accrued installments of insurance due on account of the policy of insurance of Harold Rogis, late of Fifteenth Depot Battalion (case styled in the Veterans' Bureau C-64337), and to continue such payments, in accordance with the statute in such cases made and provided, until the entire amount of the policy of insurance held by the said Harold Rogis is fully paid.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That W. Z. Swift shall be regarded as the duly designated beneficiary of the late Harold Rogis, Fifteenth Depot Battalion, in application T-4760702, for insurance under the war risk insurance act of October 6, 1917, as amended.

"SEC. 2. That the Director of the United States Veterans' Bureau shall pay to W. Z. Swift, of Louisa County, Va., as aforesaid, from available appropriations, an amount equal to the monthly installments of $57.50 each from the 1st day of December, 1918, to the date of passage of this act, and $57.50 each month thereafter until the full amount designated in said application has been paid: *Provided*, That before any sum is paid hereunder the said W. Z. Swift shall furnish a proper bond in a sum satisfactory to the Director of the United States Veterans' Bureau to protect the United States against payment of said insurance to any person who may establish an adverse right thereto."

Mr. UNDERHILL. Mr. Speaker, I ask unanimous consent to substitute for the bill the bill S. 1517, and then strike out all of the Senate bill after the enacting clause and substitute the House amendment.

Mr. BLANTON. Will this send it back to the Senate?

Mr. UNDERHILL. Yes; because we had to amend the bill.

Mr. BLANTON. And you amend the Senate bill?

Mr. UNDERHILL. Yes.

Mr. BLANTON. You make the Senate bill conform to the House bill?

Mr. MOORE of Virginia. And the bill will carry the House amendment.

The SPEAKER pro tempore. Let the Chair understand the motion of the gentleman from Massachusetts. The request of the gentleman from Massachusetts is to substitute the Senate bill for the House bill, and strike out all of the Senate bill and include the amendment offered to the House bill.

Mr. UNDERHILL. Yes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

HOMER H. HACKER

The next business on the Private Calendar was the bill (S. 3462) for the relief of Homer H. Hacker.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Homer H. Hacker, of Dallas, Tex., the sum of $100 as reimbursement for loss sustained by him as remitter of post-office money order No. 487, in the amount of $100, issued on July 21, 1919, at Biltmore, N. C., and drawn on the postmaster at Dallas, Tex., which money order was not received by the payee designated therein, and payment of which can not be traced by reason of the fact that the records pertaining thereto have been destroyed pursuant to law.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

ALFRED F. LAND

The next business on the Private Calendar was the bill (S. 2090) for the relief of Alfred F. Land.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Alfred F. Land, of Los Angeles, Calif., the sum of $4,512, in full satisfaction of all claims against the United States on account of personal injuries, sustained on January 17, 1924, in a collision with an official United States Army automobile from Fort McArthur, Calif.

With the following committee amendment:

Line 6, strike out "$4,512" and insert "$3,000."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to and the bill as amended was ordered to be read a third time, was read the third time and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

JAMES E. WESTCOTT

The next business on the Private Calendar was the bill (H. R. 5449) for the relief of James E. Westcott.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, or benefits upon honorably discharged members of the United States Army who served during the Civil War, James E. Westcott, late of the United States Army, serving as a private, Company C, Fourteenth Regiment New York State Militia Infantry, shall hereafter be held and considered to have been discharged honorably from such service of the United States as a member of the United States Army on the date of the expiration of his enlistment: *Provided*, That no bounty, pay, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

AMERICAN STEAMSHIP "ALMIRANTE"

The next business on the Private Calendar was the bill (H. R. 12780) for the relief of the owner of the American steamship *Almirante* at the time of her collision with the United States steamship *Hisko*.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill.

Mr. UNDERHILL. Mr. Speaker, I ask unanimous consent to substitute for the House bill now under consideration the bill (S. 2899) for the relief of the owner of the American steamship *Almirante* and owners of cargo laden aboard thereof at the time of her collision with the U. S. S. *Hisko*.

The SPEAKER pro tempore. The gentleman from Massachusetts asks unanimous consent to substitute for the bill under consideration the bill S. 2899. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

[S. 2899, 69th Cong., 2d sess.]

A bill for the relief of the owner of the American steamship *Almirante* and owners of cargo laden aboard thereof at the time of her collision with the U. S. S. *Hisko*

Be it enacted, etc., That the claim of the owner of the American steamship *Almirante* and the claims of the owners of cargo laden aboard thereof, against the United States of America for damages and loss alleged to have been caused by collision between said steamship and the U. S. S. *Hisko*, on or about the 6th day of September, 1918, off the coast of the State of New Jersey, may be sued for by the owner of said steamship *Almirante* and the said owners of cargo in the District Court of the United States for the Southern District of New York, sitting as a court of admiralty and acting under the rules governing such court; and the said court shall have jurisdiction to hear, consider, and determine such suits and to enter judgments or decrees for the amounts of such damages and costs, if any, as shall be found to be due against the United States in favor of the owner of the said steamship *Almirante* and the said owners of cargo or against the owner of the said steamship *Almirante* and said owners of cargo, in favor of the United States, upon the same principles and measures of liability as in like suits in admiralty between private parties, and with the same rights of appeal: *Provided*, That such notices of the suits shall be given to the Attorney General of the United States as may be provided by orders of the said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suits shall be brought and commenced within four months of the date of the passage of this act.

Mr. UNDERHILL. Mr. Speaker, I move to amend the Senate bill on page 2, line 13, after the word "appeal" by striking out the colon, inserting a comma and the following:

Except that no interest shall be paid on any claim.

The SPEAKER pro tempore. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 2, line 13 of the Senate bill, after the word "appeal," strike out the colon, insert a comma and the following: "except that no interest shall be paid on any claim."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

The bill H. R. 12780 was laid on the table.

BERT H. LIBBEY

The next business on the Private Calendar was the bill (H. R. 12936) for the relief of Bert H. Libbey, alias Burt H. Libbey.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any law conferring rights, privileges, and benefits upon honorably discharged soldiers, Bert H. Libbey, alias Burt H. Libbey, who was a member of Eighteenth Battery, Field Artillery, United States Army, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a private of that organization on the 22d day of August, 1903: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

JOHN COSTIGAN

The next business on the Private Calendar was the bill (H. R. 1842) for the relief of John Costigan.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That in the administration of the pension laws and laws conferring rights upon honorably discharged soldiers, their widows and dependent relatives, John Costigan shall hereafter be held and considered to have been in the military service of the United States as a private in Company D, Fifth United States Cavalry, from March 27, 1878, and to have been honorably discharged May 31, 1881: *Provided*, That no back pay, back pension, or other allowance shall accrue by reason of the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

JOHN G. CASSIDY

The next business on the Private Calendar was the bill (H. R. 13004) for the relief of John G. Cassidy.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, John G. Cassidy, who was a member of Company I, Fifty-third Regiment Illinois Volunteer Infantry, during the Civil War, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a member of that organization on the 11th day of August, 1865: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

JOHN G. PAULEY

The next business on the Private Calendar was the bill (H. R. 1133) for the relief of John G. Pauley.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill. [After a pause.] The Chair hears none.

The Clerk read as follows:

That in the administration of the pension laws John G. Pauley shall hereafter be held and considered to have been honorably discharged from the military service of the United States in Company G, Twenty-first United States Infantry, on the 20th day of December, 1899: *Provided*, That no pension shall accrue prior to the passage of this act.

Committee amendment: After the word "no" in line 7 insert "back pay, bounty."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

CLARENCE G. STONESTREET

The next business on the Private Calendar was the bill (H. R. 5548) to correct the military record of Clarence G. Stonestreet.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. ARENTZ. Mr. Speaker, it appears this Clarence G. Stonestreet enlisted about 20 years ago, and I think we are going a long ways when we are correcting honorable discharges of soldiers of such a recent date; but owing to the fact that this man has since been declared insane, there are extenuating circumstances which compel me to withdraw my objection.

The SPEAKER pro tempore. Objection is withdrawn, and the Clerk will report the bill.

The Clerk read as follows:

Strike out all after the enacting clause and insert:

"That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Clarence G. Stonestreet, late of Twenty-fifth Battery United States Field Artillery, Regular Army, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a private of that organization on January 8, 1906: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

The title was amended so as to read "A bill for the relief of Clarence G. Stonestreet."

WILLIAM F. WHEELER

The next business on the Private Calendar was the bill (H. R. 6872) to amend the military record of William F. Wheeler.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BACON. Mr. Speaker, reserving the right to object, I would like to ask what the extenuating circumstances are in this case?

Mr. ARENTZ. I will say I can not answer the question, because I am not the author of the bill. I have every other bill to look after, but this is one I do not happen to have.

Mr. BACON. I think this bill ought to go over without prejudice as the author does not seem to be here.

The SPEAKER pro tempore. Objection is heard.

RICHARD BRANNAN

The next business on the Private Calendar was the bill (H. R. 9738) to correct the military record of Richard Brannan.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BACON. Reserving the right to object, Mr. Speaker, I do not think these military records ought to be corrected by congressional action without extenuating circumstances. I would like to know something about this one.

Mr. HOGG. Mr. Speaker, the soldier who is the subject of the relief asked for by this bill served in the Twenty-eighth Indiana Battery in the Spanish-American War from April 15, 1898, until the battery was mustered out, and he thereupon received an honorable discharge. During his second term of enlistment, and while in the Philippine Islands, he became intoxicated. After being beaten by a guard and while under the influence of liquor he attempted to strike back. He was dishonorably discharged without presenting any defense at the trial. Otherwise his record was of the highest order.

Mr. ARENTZ. Mr. Speaker, this bill is unnecessary. We have had general legislation affecting second-enlistment cases, so that this bill is not necessary.

Mr. BACON. Then, Mr. Speaker, I object if it is not necessary.

Mr. ARENTZ. I would like to explain the situation to the gentleman from Indiana, that if a man has served one enlistment and enlisted for another term and is dishonorably discharged the first enlistment and honorable discharge entitles him to a pension.

Mr. BACON. Then there is no necessity for this bill.

Mr. HOGG. Mr. Speaker, I ask the gentleman to reserve his objection.

Mr. BACON. I will reserve it.

Mr. HOGG. For the information of the gentleman from Nevada, I say that the law is directly opposite as stated by him to the gentleman from New York. He has misinformed the gentleman from New York.

Mr. ARENTZ. I am basing my statement on the statement of the gentleman from California, made a few moments ago. He had a similar bill and asked the Speaker pro tempore to lay it on the table, which was done.

Mr. HOGG. The gentleman from Nevada is basing his information, therefore, upon information which he has received from another Member and not from authentic sources. It is not fair to the membership to prevent just legislation upon hearsay.

Mr. BACON. Mr. Speaker, in view of the confusion, I ask that this bill go over without prejudice.

The SPEAKER pro tempore. Is there objection?

Mr. ARENTZ. I object.

The SPEAKER pro tempore. Objection is made. The bill is stricken from the calendar. The Clerk will report the next bill.

JOHN DEWITT MARVIN

The next business on the Private Calendar was the bill (H. R. 1141) to correct the military record of John Dewitt Marvin.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BACON. What are the extenuating circumstances in this case?

Mr. GLYNN. This man was under age. On the affidavit of his parents he was discharged from the service.

Mr. BACON. I withdraw my reservation.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That John Dewitt Marvin shall hereafter be held and considered to have been honorably discharged from the military service of the United States as of the 28th day of April, 1918: *Provided*, That no pension or compensation shall accrue prior to the passage of this act.

With a committee amendment as follows:

Strike out all after the enacting clause and insert:

"That in the administration of any laws conferring rights, privileges, or benefits upon honorably discharged soldiers, John Dewitt Marvin, Army Serial No. 1215731, who was a private first class of Company I, One hundred and eighth Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of said company and regiment on the 28th day of April, 1918: *Provided*, That no pension, pay, or compensation shall accrue prior to the passage of this act."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was ordered to be laid on the table.

The SPEAKER pro tempore. The Clerk will report the next bill.

DOMINIC I. MURPHY

The next business on the Private Calendar was the bill (S. 68) authorizing Dominic I. Murphy, consul general of the United States of America, to accept a silver fruit bowl presented to him by the British Government.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That Dominic I. Murphy, a consul general of the United States of America, be, and he is hereby, authorized to accept and receive a silver fruit bowl bearing on one side an engraved crest of the British Government and on the other the words "Presented to Dominic I. Murphy by His Majesty's Government, November 11, 1918," the bowl being now in the custody of the Secretary of State.

The SPEAKER pro tempore. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote, whereby the bill was passed, was ordered to be laid on the table.

The SPEAKER pro tempore. The Clerk will report the next bill.

DAMAGES TO CERTAIN CITIZENS OF NEW MEXICO

The next business on the Private Calendar was the bill (S. 545) for the payment of damages to certain citizens of New Mexico caused by reason of artificial obstructions to the flow of the Rio Grande by an agency of the United States.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr BLACK of Texas. Mr. Speaker, reserving the right to object, I would like to make an inquiry as to why there is no later report on this bill than that of 1921?

Mr. MORROW. Mr. Speaker, in reply to the gentleman from Texas, I will say this is a Senate bill, and the Senate apparently did not call for a later report. This bill came up before the Committee on Claims, and it was referred to a subcommittee, and hearings were had on the bill, and the bill was reported out unanimously.

This bill arose out of the flood that occurred in New Mexico in 1921, due to the fact that when the Government took over the building of the Elephant Butte Dam it took over from a former irrigation company certain ditches that were there. Those ditches were reconstructed. One ditch was widened and raised two feet. In the reconstruction of the ditch they put in a flume only 4 feet by 4. They also reconstructed the ditch on the south side of the town of Hatch and brought the two ditches together below the town. They were notified on many occasions by the county surveyor and others that the flume that had been placed in the ditch was not sufficient to carry the flood water.

There came a very heavy rain on the 15th of October, 1921; that was followed by a much heavier rain on the 17th and the banks of the ditches confined the water, and did not permit same to flow out. The flume not being of sufficient capacity the water could not escape. The next morning the people at Hatch had a flood surrounding their buildings. They telegraphed the manager of the project to come and cut the bank of the ditch and let the water flow out. The manager came but he failed to cut the bank and let the water flow out. The people of Hatch telegraphed to Santa Fe for a health officer to come there and explain that something must be done and for 48 hours that water was retained there. The buildings were built of adobe and several of them fell down, the bank building, the church building, the lumber yard building, the garage building, and several private buildings. After the health officer came and explained that unless they let the water out they were liable to have some diseases, from the confining of the water, they cut the bank and the water flowed out, and no one below was damaged.

There is no question that liability exists from this fact, that when they put the flume in to carry the water in place of making it sufficiently large to carry off the water they reduced it so the water could not flow out. They raised the banks of both the canal and lateral, confining this water so that in case of a flood the buildings would be flooded and destroyed unless the ditch bank was cut. They delayed doing that for 48 hours and let these buildings—many of them—become water-soaked and fall down, so that the stock of goods in the drug store and in other places were damaged. There is no question in my mind as to this damage. The money to pay them comes from the reclamation fund. The manager now in charge of the reclamation project appeared before the Reclamation Service when I was present and said those people were entitled to damages as a result of the action of the Government itself.

Mr. BLACK of Texas. Mr. Speaker, in view of the explanation made by the gentleman from New Mexico [Mr. MORROW], I withdraw my reservation.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed (1) to cause a survey to be made in such manner and under such regulations as he deems necessary for the purposes of this act to determine the property loss by flood by reason of the overflow of the Rio Grande River on August 17, 1921, sustained by Lucas Trujillo, Juan Biana, Mariano P. Padillo, Bruno Perea, Juan Jose Trujillo, Miguel Trujillo, Francisco Sais, Antonio Provencio, B. R. Carreros, Santiago Serna, Roman M. Herrera, and other property owners who are citizens of the United States residing at or in the vicinity of Hatch and Santa Teresa, N. Mex.; and (2) to pay such losses in full if the amount appropriated in section 2 of this act is sufficient or, if such amount is insufficient, to pay to each person such percentage of the amount of his property loss as the amount appropriated bears to the amount determined by the Secretary as the property loss sustained.

SEC. 2. There is hereby authorized to be appropriated, out of any money in the reclamation fund of the Treasury, the sum of $75,000 or so much thereof as may be necessary for the purposes of this act.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

RICHARD BRANNAN

Mr. HOGG. Mr. Speaker, I ask unanimous consent to return to the consideration of H. R. 9738, to correct the military record of Richard Brannan.

The SPEAKER pro tempore. The gentleman from Indiana asks unanimous consent to return to the consideration to H. R. 9738, and the Chair understands the gentleman from New York [Mr. BACON] has withdrawn his objection to the consideration of the same. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be authorized and directed to remove the charge of attempted assault standing against the military record of Richard Brannan, formerly a member of Company D, Nineteenth Regiment United States Infantry, and grant him an honorable discharge.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Richard Brannan, late of Company D, Nineteenth Regiment United States Infantry, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a private of that organization on November 26, 1900: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

The title was amended.

JAMES M. WINSTON

The next business on the Private Calendar was the bill (H. R. 11542) for the relief of James M. Winston.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorable discharged soldiers, James M. Winston, who was a member of Company D, Seventy-eighth Regiment Illinois Volunteer Infantry, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a member of that organization on the 24th day of March, 1865.

With the following committee amendment:

In line 10, after the figures "1865," insert a colon and the following: "*Provided*, That no back pay, bounty, allowance, or pension shall be held to have accrued prior to the passage of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

EDWARD DELANEY

The next business on the Private Calendar was the bill (H. R. 12038) to correct the military record of Edward Delaney.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Edward Delaney, who was a member of Company D, Sixteenth Regiment Pennsylvania Volunteer Cavalry, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a private of that organization on the 11th day of August, 1865: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

FANNIE KRAVITZ

The next business on the Private Calendar was the bill (H. R. 1595) for the relief of Fannie Kravitz.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, with the understanding that no effort will be made not to adopt the committee amendment, I shall not object.

Mr. UNDERHILL. It has been accepted.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay the sum of $10,000 to Fannie Kravitz, of New Haven, Conn., in compensation for injuries sustained November 11, 1923, in the city of New Haven, Conn., when struck by a United States Navy motor vehicle.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, and in full settlement against the Government, the sum of $3,000 to Fannie Kravitz, of New Haven, Conn., in compensation for injuries sustained November 12, 1923, in the city of New Haven, Conn., when struck by a United States Navy motor vehicle."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

LIM TOY

The next business on the Private Calendar was the bill (H. R. 8739) for the relief of Lim Toy, of the city of Boston, Mass.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to return to Lim Toy, of the City of Boston, Mass., the following bonds, to wit:

Fourth Liberty loan 4¼ gold bonds of 1933–1938; one bond A02052951, for $1,000, with 28 coupons attached; one bond A01108371, for $1,000, with 28 coupons attached; one bond G00348337, for $1,000, with 28 coupons attached; one bond J00806719, for $1,000, with 28 coupons attached; one bond H00806718, for $1,000, with 28 coupons attached; and one bond K00806720, for $1,000, with 28 coupons attached: *Provided, however*, That in the event said bonds have been redeemed by the Secretary of the Treasury since their deposit in the Treasury, then the Secretary is hereby authorized and directed to pay to Lim Toy the amount of such redemption out of any money in the Treasury not otherwise appropriated, the said bonds having been deposited as bail bonds for appearances of two certain Chinese aliens, which bail bonds had been breached and the aforesaid Liberty bonds turned over to the Secretary of the Treasury by the Department of Labor authorities and covered into the Treasury, after which the aliens were surrendered to the immigration authorities and were deported.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

M. TILLERY AND MRS. V. D. TILLERY

The next bill on the Private Calendar was the bill (H. R. 11852) for the relief of M. Tillery and Mrs. V. D. Tillery.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to refund to M. Tillery and Mrs. V. D. Tillery, of Beaumont, Tex., out of any money in the Treasury not otherwise appropriated, the sum of $1,646.57, representing the amount said M. Tillery and Mrs. V. D. Tillery were unlawfully required to pay as income tax for the year 1917, being an overassessment, as ascertained by the Internal Revenue Service of the Treasury Department, which amount they were prevented from collecting on a claim for refund thereof within the time permitted by law because of having received, before said claim became barred, written instructions from the internal-revenue agent in charge that they should take no action looking to the collection thereof until further notice, relying upon which they failed to present said claim within the time fixed by law.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

CAPITAL PAPER CO.

The next business on the Private Calendar was the bill (S. 3064) for the relief of the Capital Paper Co.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to refund to the Capital Paper Co., of Indianapolis, Ind., $706.87 out of any money in the Treasury not otherwise appropriated, this amount having been collected in excess on certain wrapping paper imported through the port of Indianapolis, Ind., November 12, 1924, the correct rate of duty being 30 per cent ad valorem under paragraph 1309 of the tariff act of 1922, and the amount collected being 3 cents per pound and 15 per cent ad valorem under paragraph 1305 of the said act.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

J. S. CORBETT

The next business on the Private Calendar was the bill (H. R. 780) for the relief of J. S. Corbett.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. S. Corbett, of Bishopville, S. C., the sum of $28.50, duplicate payment of floor tax on tobacco products in March, 1919.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

DANIEL S. GLOVER

The next business on the Private Calendar was the bill (H. R. 2720) to extend the benefits of the employers' liability act of September 7, 1916, to Daniel S. Glover.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission be, and it is hereby, authorized and directed to extend to Daniel S. Glover, on account of the results of an injury sustained January 28, 1913, while in the performance of duty as an employee of the navy yard at Washington, D. C., the provisions of an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916.

With the following committee amendment:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,000 in full settlement against the Government to Daniel S. Glover, as compensation for injuries sustained January 28, 1913, while in the performance of duty as an employee of the navy yard, Washington, D. C.

Mr. UNDERHILL. Mr. Speaker, I ask unanimous consent to substitute the Senate bill (S. 1515) and agree to the House amendment.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ABRAHAM H. TOMPKINS

The next business on the Private Calendar was the bill (H. R. 12903) for the relief of Abraham H. Tompkins.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That Abraham H. Tompkins, having been appointed drum major and served during the Civil War as "drum major of the regiment" and as chief musician, the proper officers of the United States Government are authorized and directed to issue to said Abraham H. Tompkins a discharge from the service of the United States as a chief musician with the rank of drum major: *Provided*, That no pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

ADAM B. ACKERMAN

The next business on the Private Calendar was the bill (H. R. 12963) for the relief of Adam B. Ackerman, alias Aunkerman.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Adam B. Ackerman, alias Aunkerman, who was a member of Company B, Seventeenth Regiment Indiana Volunteer Infantry, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a private of that organization on the 5th day of July, 1862: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

THOMAS MURPHY

The next business on the Private Calendar was the bill (H. R. 12859) for the relief of Thomas Murphy.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Thomas Murphy, a private, Company C, Eighth Machine Gun Battalion, Third Division, American Expeditionary Forces, shall hereafter be held and considered to have been honorably discharged from the military service of said company and regiment.

With the following committee amendment:

Line 9, change the period to a colon and add the following: "*Provided*, That no pension, pay, or bounty shall be held to have accrued prior to the passage of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

JOHN MACK

The next business on the Private Calendar was the bill (H. R. 4321) authorizing the redemption by the United States Treasury of 20 war-savings stamps (series of 1918) now held by Dr. John Mack, of Omaha, Nebr.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. BLACK of Texas. Reserving the right to object, it seems that this bill authorizes the payment for registered war-savings stamps to a man other than the original owner, and there is no record on file showing a legal transfer. I think it might be well to report a bill of this kind under the circumstances in evidence, except I see at no place does the payee in this bill have to put up a bond to reimburse the Treasury for any loss that might occur.

Mr. UNDERHILL. That is true; the committee, after thorough examination in this case, came to the unanimous decision that Doctor Mack was the legal and rightful owner of these stamps. We then communicated with the Treasury Department and suggested that Doctor Mack was willing to file a bond. The Treasury Department turned the proposition down; they do that more or less as a matter of policy without reference to the merits of the bill.

Mr. BLACK of Texas. I am willing to concede that the committee would be justified in directing the payment to Doctor Mack, but still, if the original owner should come up and make proof that Doctor Mack did not have the legal title, the Treasury would have to pay for it. I think a bond should be filed in the case.

Mr. UNDERHILL. The committee would have put it in the bill, but it did not seem to meet with the views of the Treasury Department. The gentleman can offer that amendment.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to redeem 20 war-savings stamps (series of 1918), office No. 25100, registration No. 2584, originally issued to Nick Boten, 414 North Fourteenth Street, Omaha, Nebr., and now owned and in the possession of Dr. John Mack, of Omaha, Nebr.; that the Secretary of the United States Treasury be, and he is hereby, authorized to pay, out of funds of the United States Treasury not otherwise appropriated, an adequate sum for the redemption of said war-savings stamps at their legal value, with interest, ownership of said war-savings stamps being vested in Dr. John Mack as a consideration for professional services rendered the original owner, Nick Boten, who neglected to properly assign them to the present owner and who has since disappeared and can not be located in order to make the conveyance required by law.

With the following committee amendment:

After the word "value," in line 2, add a period and strike out the rest of the line, and strike out lines 3, 4, 5, 6, and 7.

The committee amendment was agreed to.

Mr. BLACK of Texas. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

At the end of the bill strike out the period and insert a colon and add the following language: "*Provided*, That such payment shall be made after the execution of a bond by the payee to reimburse the Treasury for any loss occasioned by the payment to the original owner of said war-savings stamps, Nick Boten.

Mr. UNDERHILL. I am willing to accept that amendment if you substitute for the word "payee" "Doctor Mack."

Mr. BLACK of Texas. I will ask that the amendment be modified to that extent.

There was no objection.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

RELIEF OF PERSONS AT LAWTON, OKLA.

The next business on the Private Calendar was the bill (H. R. 1579) for the relief of persons suffering loss on account of the Lawton fire, 1917.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. This is a bill to pay to certain citizens of Lawton, Okla., $75,000 as resulting damage because of a fire that occurred in Lawton. The contract that the city of Lawton made with the Government concerning Fort Sill provided that in case of a fire in Lawton the city guard in charge in Lawton, not anybody at Fort Sill, should have authority and power to cut off a valve and reserve all of the water for Lawton. It did not provide any action whatever should be taken by the authorities at Fort Sill. A fire occurred, and now they come in and claim that it took them 45 minutes to get in communication with officers at Fort Sill, and that during those 45 minutes damage

ensued. I do not see where the Government is liable there. I would like to see the people in Oklahoma remunerated, but unless the contract warrants it, I do not think the $75,000 ought be paid to them by the taxpayers of the United States.

Mr. THOMAS. Mr. Speaker, it will be necessary for me to make a short statement explaining the nature of this water supply, so that the gentleman from Texas [Mr. BLANTON] may understand the situation. This bill proposes to reimburse some citizens of my home town for a fire loss during the war. The city of Lawton is adjacent to Fort Sill Military Reservation. Fort Sill receives its water supply from a lake belonging to the city of Lawton. The pipe line carrying the water from the lake to the city crosses the Fort Sill Military Reservation. During the war it became necessary for Fort Sill to have a large increase in its water supply, because of the location there of one of the cantonments. When war was declared the cantonment located, and the increased supply made necessary. The city of Lawton turned over its lake and the pipe line to the War Department.

The arrangement was such that in case of fire at Lawton the Fort Sill authorities were to close their valve and throw the whole water supply to the city of Lawton. In case of fire at Fort Sill it was arranged for the city of Lawton to close its valve and throw the entire supply to Fort Sill. Fire broke out in the city of Lawton. The authorities there telephoned out to Fort Sill and requested the authorities to cut off their valve and throw the entire supply down to the city. The record shows that it took 45 minutes for the Lawton authorities to get in touch with those in Fort Sill and to get the valve closed so that the supply could come down to the city.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. Yes.

Mr. BLANTON. Here is what the contract says:

In case of a fire in the city of Lawton—

And that is the only provision concerning Lawton—

the city water guard—

Not Fort Sill—

is to have authority to divert the entire capacity to the city during the emergency.

That is the only provision that concerns fire in Lawton. The city water guard did not do his duty. Is it right to hold the Government and the taxpayers of the United States for $75,000 damages because the city water guard did not do his duty?

Mr. THOMAS. Mr. Speaker, that is not correct. The report does not justify that conclusion. When Lawton called the city water guard, he opened the valve, but there was no water in the pipes, because further up the line the water was diverted. When the city found that its own guard had opened the valve and could get no water, the authorities had to get into communication with the authorities at Fort Sill.

Mr. BLANTON. And was Fort Sill negligent in that respect?

Mr. THOMAS. It took 45 minutes to get in communication with them.

Mr. BLANTON. They did not contract that they would have a man on the telephone all of the time.

Mr. THOMAS. Under the agreement Fort Sill was to maintain a man on the valve leading to the cantonment, and in case of fire at the city of Lawton the local authorities were to get in touch with Fort Sill and have the Army guard open the valve.

Mr. BLANTON. The only reference in the contract to that was that if there were a fire in Fort Sill, then the Fort Sill man should be at the valve.

Mr. THOMAS. Yes; and he was not there.

Mr. BLANTON. But this was a fire in Lawton.

Mr. THOMAS. That is the point. When the fire broke out in Lawton, the Fort Sill guard was not at his post of duty, and the valve could not be opened up there and the water turned away from Fort Sill and into the Lawton main.

Mr. BLANTON. Mr. Speaker, as our friend is about to leave the House and we are to be deprived of his very valuable services—a distinct loss to us though a gain to another body—I am inclined to let this go by. He has almost outtalked me; but I have presented the facts, and if the steering committee wants this money spent in that way, all right.

Mr. THOMAS. Mr. Speaker, just one further word. This is not an outright appropriation. The matter is referred to the Comptroller General for investigation. After investigation of the claims, in the event that he finds that loss was sustained, and the Government, through dereliction or failure of the Fort Sill authorities to open this valve, is responsible, then he has authority to approve the claims against the proposed appropriation of $75,000. He may make the award. This makes the Comptroller General a sort of a court of claims, and in this form I hope the gentleman from Texas will not object.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLACK of Texas. Mr. Speaker, I reserve the right to object. I notice the following proviso:

Provided, That before any of said claims are allowed and paid the Comptroller General of the United States shall make an investigation of each of said claims to determine the extent and amount of such loss and damage.

I do not see where he is to determine the facts in the case affecting liability.

Mr. VINCENT of Michigan. That is to find the extent of the damage to the owner of the property.

Mr. BLACK of Texas. That probably will not be a difficult matter, but the Secretary of War has made an unfavorable recommendation on the ground of any liability. Now, it will probably not be any difficult task to determine how much damage, if any, occurred by the fire, but the question of whether the Federal Government should pay approximately $75,000 would be one that I think should be very carefully investigated, and in view of the fact there is an unfavorable recommendation from the Secretary of War, and in view of the fact this private calendar day has been hurried on us, I should like to look into it more carefully. Therefore I object.

Mr. HAWLEY. Mr. Speaker, I ask unanimous consent that I may have until midnight to-day to file a privileged report from the Committee on Ways and Means on the bill (H. R. 17130).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon? [After a pause.] The Chair hears none.

HENRY F. DOWNING

The next business on the Private Calendar was the bill (H. R. 1691) for the relief of Henry F. Downing.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $80.20 to Henry F. Downing as bounty due him for services rendered in the United States Navy during the Civil War.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

FRANK J. DWYER

The next business on the Private Calendar was the bill (H. R. 8477) for the relief of Frank J. Dwyer.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Frank J. Dwyer, of Suffolk County, Commonwealth of Massachusetts, the sum of $68, in full compensation against the Government as a result of injury sustained by said Frank J. Dwyer, caused by negligence on the part of Corp. C. L. Jenkins in the operation of Army car No. 17111, owned and operated by the United States Government on June 30, 1921.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

JAMES B. DICKSON

Mr. ARENTZ. Mr. Speaker, I ask unanimous consent to return to Calendar No. 291. The gentleman from Illinois [Mr. CHINDBLOM] is now present, and I reserved the right to object at that time because he was absent from the hall.

The SPEAKER pro tempore. Is there objection to the request of the gentleman? [After a pause.] The Chair hears none.

The Clerk read as follows:

A bill (H. R. 9318) authorizing the President to appoint James B. Dickson a second lieutenant of the Air Service in the Regular Army of the United States.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the President of the United States is authorized to appoint, by and with the advice and consent of the Senate, James B. Dickson, first lieutenant, Air Service Reserve Corps, United States Army, and former first lieutenant in Air Service, Regular Army of the United States, a second lieutenant of the Air Service in the Regular Army of the United States.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

ALEXANDER M'LAREN

The next business on the Private Calendar was the bill (S. 598) for the relief of Alexander McLaren.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $3,000, to Alexander McLaren, Detroit, Mich., in full settlement and satisfaction of injuries sustained by him when struck by a truck of the Post Office Department.

The bill was ordered to be read the third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

OLIVER J. LARKIN AND LONA LARKIN

The next business on the Private Calendar was the bill (S. 2619) for the relief of Oliver J. Larkin and Lona Larkin.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Oliver J. Larkin and Lona Larkin, of Greencastle, Ind., the sum of $3,000, in full and final settlement of all claims for personal injuries sustained by them on March 18, 1924, on the national highway, about 1¼ miles east of Lewisville, Henry County, Ind., through the carelessness and negligence of certain members of the Eighty-fourth Division Officers' Reserve who were operating a Cadillac motor car No. 114766, then and there owned by the United States Government and used by said Army members while on duty.

Committee amendment:

Page 1, line 4, after the word "pay" insert "out of any money in the Treasury not otherwise appropriated."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read the third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. ARENTZ. Mr. Speaker, I would like to insert here a statement I made relative to honorably discharged Spanish war veterans who afterwards had received dishonorable discharges and who would receive a pension. I might add this is for the purpose of correcting a statement made by the gentleman from Indiana [Mr. HOGG]. I will read a few lines from Public, No. 166, Sixty-ninth Congress:

[House Resolution 8132]

An act granting pensions and increase of pensions to certain soldiers and sailors of the war with Spain, the Philippine insurrection, or the China relief expedition, to certain maimed soldiers, to certain widows, minor children, and helpless children of such soldiers and sailors, and for other purposes

Be it enacted, etc., That all persons who served 90 days or more in the military or naval service of the United States during the war with Spain, the Philippine insurrection, or the China relief expedition, and who have been honorably discharged therefrom, or who, having served less than 90 days, were discharged for disability incurred in the service in line of duty, and who are now or who may hereafter be suffering from any mental or physical disability or disabilities of a permanent character not the result of their own vicious habits which so incapacitates them for the performance of manual labor as to render them unable to earn a support, shall, upon making due proof of the fact, according to such rules and regulations as the Secretary of the Interior may provide, be placed upon the list of invalid pensioners of the United States and be entitled to receive a pension not exceeding $50 a month and not less than $20 a month, proportioned to the degree of inability to earn a support, and in determining such inability each and every infirmity shall be duly considered and the aggregate of the disabilities shown shall be rated: *Provided*, That any such person who has reached the age of 62 years shall, upon making proof of such fact, be placed upon the pension roll and entitled to receive a pension of $20 a month; in case such person has reached the age of 68 years, $30 a month; in case such person has reached the age of 72 years, $40 a month; and in case such person has reached the age of 75 years, $50 a month.

Then it goes on to state that by an act passed subsequent to this, if a dishonorable discharge has been had, he would still be subject to receiving a pension from the United States.

The SPEAKER pro tempore. The Clerk will report the next bill.

THOMAS F. NICHOLAS

The next business on the Private Calendar was the bill (H. R. 12569) for the relief of Thomas F. Nicholas.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That in the administration of the pension and homestead laws and the laws governing the National Home for Disabled Volunteer Soldiers, or any branch thereof, Thomas F. Nicholas shall hereafter be held and considered to have served 90 days' actual military service and been honorably discharged from the military service of the United States in the Spanish-American War as a private of Company E, Eighth Regiment New York Volunteer Infantry, on the 3d day of November, 1898, and thereafter from Troop I, Third United States Cavalry, honorably discharged on May 1, 1900: *Provided*, That no pension, pay, or bounty shall accrue prior to the passage of this act.

Mr. ARENTZ. Mr. Speaker, this is another one of those bills that are unnecessary because of the provisions of the act I just read, and consequently it is not necessary to pass it and similar ones of a similar nature.

Mr. CAREW. Reserving the right to object, Mr. Chairman, my friend has called attention to a general law which, according to his view, makes it unnecessary to pass this bill. But my study of it for two or three years past has convinced me that it is necessary.

Mr. BLANTON. The gentleman from Nevada [Mr. ARENTZ] withdrew his objection to an identical bill of our friend from Indiana [Mr. HOGG] and let him pass it.

Mr. ARENTZ. I did before I had fully ascertained the facts.

Mr. CAREW. Even if the bill is not necessary, it will not do any harm to pass it.

Mr. ARENTZ. I withdraw my objection under the circumstances.

Mr. MORTON D. HULL. I would like to ask whether that change in the military law was made at the recommendation of the Committee on Military Affairs or engrafted on an appropriation bill?

Mr. ARENTZ. I can not tell as to that; but if it was recommended by the Committee on Military Affairs, bills of this kind ought not to be brought before the House to take up the time of the House.

Mr. MORTON D. HULL. If it provided that a man who had received a dishonorable discharge might by subsequent enlistment and honorable discharge become eligible for pension, that would seem to be right; but if it provides that a man after his second enlistment is dishonorably discharged and then becomes pensionable it seems to me the proper order is reversed.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was ordered to be laid on the table.

The SPEAKER pro tempore. The Clerk will report the next bill.

DELAWARE RIVER TOWING LINE

The next business on the Private Calendar was the bill (H. R. 4397) for the relief of Delaware River Towing Line.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. UNDERHILL. Mr. Speaker, will it expedite matters if I ask that the Senate bill 1899 be substituted for this bill at the present time?

The SPEAKER pro tempore. Yes. The gentleman from Massachusetts asks unanimous consent to substitute the Senate bill for the House bill. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the Senate bill.

The Clerk read as follows:

Be it enacted, etc., That the claim of the Delaware River Towing Line, a corporation organized and existing under the laws of the State of Delaware, owner of the steam tug *Henry P. Mills*, against the United States for damages alleged to have been caused by collision between the said tugboat and the U. S. S. *Larsen*, a prohibition patrol boat being handled by the Prohibition Unit, Bureau of Internal Revenue, in the Chesapeake & Delaware Canal, may be sued by the said Delaware River Towing Line, of Delaware, in the United States District Court for the Eastern District of Pennsylvania, sitting as a court of admiralty and acting under the rules governing such court, and said court shall have jurisdiction to hear and determine such suit and to enter judgment or decree for the amount of such damages and costs, if any, as shall be found to be due against the United States in favor of the said Delaware River Towing Line, or against the said Delaware River Towing Line in favor of the United States upon the same principles and measures of liability as in like cases between private parties and with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act.

Mr. UNDERHILL. Mr. Speaker, I offer the same amendment as will be offered on all these bills. In this one I move that after the word "appeal" on line 10 before the word "provided" the colon be stricken out and the following words added: "except that no interest shall be allowed on any claim."

The SPEAKER pro tempore. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. UNDERHILL: Page 2, line 10, after the word "appeal," strike out the colon and add "except that no interest shall be allowed on any claim."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was ordered to be laid on the table.

The SPEAKER pro tempore. Without objection, the similar House bill will be laid on the table.

There was no objection.

The SPEAKER pro tempore. The Clerk will report the next bill.

WILLIAM J. O'BRIEN

The next business on the Private Calendar was the bill (H. R. 10422) for the relief of William J. O'Brien.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report it.

The Clerk read as follows:

Be it enacted, etc., That the sum of $10,000 is hereby authorized to be appropriated in payment of the claim of William J. O'Brien for permanent injuries sustained caused by being struck by a Freedmen's Hospital ambulance in the city of Washington, D. C., on the 15th day of May, 1924, the driver of said ambulance being at the time an employee of said hospital.

With a committee amendment, as follows:

Strike out all of the matter just read, lines 3 to 9, inclusive, on page 1, and insert in lieu thereof the following:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, and in full settlement against the Government, the sum of $3,000 to William J. O'Brien for permanent injuries sustained when struck by an ambulance belonging to the Freedmen's Hospital, Washington, D. C., May 15, 1924."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was ordered to be laid on the table.

The SPEAKER pro tempore. The Clerk will report the next bill.

LEO J. POURCIAU

The next business on the Private Calendar was the bill (S. 2353) to amend the military record of Leo J. Pourciau.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That Leo J. Pourciau, late of Company B, Fifty-ninth Infantry, United States Army, shall be held to have been honorably discharged as private of such organization as of January 20, 1919.

With the following committee amendment:

On page 1, strike out all of lines 3 to 6, inclusive, and insert in lieu thereof the following:

"That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Leo J. Pourciau, late of Company B, Fifty-ninth Infantry, United States Army, shall be held and considered to have been honorably discharged from the military service of the United States as a private of that organization on the 20th day of January, 1919: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

E. C. CALLAHAN

The next business on the Private Calendar was the bill (H. R. 11399) authorizing the President to reappoint E. C. Callahan, formerly a captain of Infantry, United States Army, a captain of Infantry, United States Army.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. JOHNSON of Indiana. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

Mr. HUDSPETH. Will the gentleman yield?

Mr. JOHNSON of Indiana. Yes.

Mr. HUDSPETH. Why not take it up and pass on it at the present time?

Mr. JOHNSON of Indiana. I will say to the gentleman that I have been informed the bill will be objected to at this time, and the reason for asking that it be passed over is because the War Department is now making a further study of the facts connected with the case and will likely make a new report upon the case, which we hope will remove any objections to the bill.

Mr. HUDSPETH. I will state that this gentleman, Captain Callahan, has been a very efficient and highly respected Army official and married in my district, and, as I understand it, the War Department has changed its mind with regard to this case and will now make a favorable report. That is my information.

Mr. TILSON. But that fact does not appear of record. So far as the record shows, it appears that the War Department is unwilling to make a favorable recommendation on this bill, and I think that a Member would be justified in objecting to the passage of a bill by unanimous consent that the War Department had formally objected to. The request of the gentleman from Indiana should be granted under the circumstances.

Mr. JOHNSON of Indiana. May I further state that Mr. Callahan was originally a resident of my home city, Terre Haute, Ind., and he is a very good personal friend of mine.

Mr. HUDSPETH. And he is of mine. He married a beautiful and accomplished young lady from one of the best families in the city of El Paso, my home.

Mr. JOHNSON of Indiana. I have talked with Mr. Callahan, and I feel sure this is in the interest of Mr. Callahan.

Mr. HUDSPETH. I just want to state that my information this morning was that the War Department had changed its mind about this matter after getting the full facts.

Mr. JOHNSON of Indiana. I have the same information, but it is not official as yet.

Mr. HUDSPETH. This report was made quite a while ago. Since then they have gained other information and other facts about this matter which would justify them in approving it. Under those circumstances I felt we might take it up at this time, have it passed through the House, and get it over to the Senate. I appreciate the interest the gentleman from Indiana has taken in this matter. We are now partners in the matter. I feel we might convince the House that this is a meritorious measure and get it over to the Senate in order that it may be passed there.

Mr. JOHNSON of Indiana. If the gentleman can stop objections and get it passed at this time, I will be very glad to see that done.

Mr. HUDSPETH. Of course, if there is going to be objection made, we had better have it passed over; but in view of the statement made by the gentleman from Indiana, I felt we might be able to convince these big-hearted gentlemen so that they might not object.

Mr. ARENTZ. Mr. Speaker, I am afraid the gentleman from Texas will persuade me unless I object.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. ARENTZ. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. It is not necessary to make that request as to the Private Calendar. The bill will retain its place on the calendar. Is there objection to the present consideration of this bill?

Mr. ARENTZ. I object.

MARIE YVONNE GUEGUINOU

The next business on the Private Calendar was the bill (H. R. 9063) for the relief of Marie Yvonne Gueguinou.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Marie Yvonne Gueguinou the sum of $2,000 for injuries received as the result of collision had on August 28, 1920, at Brest, France, between a truck belonging to and being operated under the direction of the United States Navy Department and a cart in which said Marie Yvonne Gueguinou was traveling, said collision having been found to be the result of negligence on the part of the operator of said truck.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

GEORGE H. CECIL

The next business on the Private Calendar was the bill (H. R. 14865), for the relief of George H. Cecil.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. There is a similar Senate bill on the Speaker's table, and without objection the Senate bill (S. 4943) will be considered in lieu of the House bill.

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay George H. Cecil, supervisor of the Angeles National Forest, Los Angeles, Calif., out of any money in the Treasury not otherwise appropriated, the sum of $86.05 to reimburse him for the costs paid to the clerk of the superior court of California, for the county of Los Angeles, in the suit No. 171223 of J. M. Beard, plaintiff, against George H. Cecil, defendant.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

A similar House bill was laid on the table.

OWEN J. OWEN

The next business on the Private Calendar was the bill (H. R. 9666) to correct the military record of Owen J. Owen.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the pension laws and the laws relating to the National Home for Disabled Volunteer Soldiers, Owen J. Owen, who was mustered into service August 14, 1863, as a private in Company H, First Arkansas Volunteer Cavalry, shall hereinafter be held and considered to have been honorably discharged from the military service of the United States: *Provided*, That no bounty, back pay, pension, or allowances shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

WILLIAM PERKINS

The next business on the Private Calendar was the bill (H. R. 10953) for the relief of William Perkins.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, William Perkins, who was a member of Company A, Hatch's independent battalion Minnesota Cavalry, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a member of that organization on the 26th day of September, 1863: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

IRVING D'FORREST PARKS

The next business on the Private Calendar was the bill (H. R. 12783) to provide for the payment of the amount of an adjusted-service certificate to Irving D'Forrest Parks, beneficiary designated by Corpl. Steve McNeil Parks, deceased.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. LOWREY. Mr. Speaker, I ask unanimous consent to substitute the Senate bill (S. 5084).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Director of the United States Veterans' Bureau is authorized and directed to pay out of the adjusted-service certificate fund in the same manner and effect as if an adjusted-service certificate had been in full force and effect on the date of the death of Corpl. Steve McNeil Parks, of Sherman, Miss., the sum of $940 to Irving D'Forrest Parks, brother of said Corpl. Steve McNeil Parks, deceased veteran of the World War, and by him, according to the records of the Secretary of War, designated as beneficiary in an application received by the Secretary of War on March 21, 1925, assigned the number A2368189, and lost by some undetermined agency.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

A similar House bill was laid on the table.

RUTH J. WALLING

The next business on the Private Calendar was the bill (H. R. 13971) for the relief of Ruth J. Walling.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby appropriated, and the Secretary of the Treasury is hereby authorized and directed to pay, out of

any money in the United States Treasury not otherwise appropriated, the sum of $10,000 to Ruth J. Walling, in full for all claims she may have against the Government on account of the death of James B. Walling, husband of the said Ruth J. Walling, who was wrongfully shot and killed by a United States prohibition enforcement officer, on or about the 4th day of February, 1926, in Orange County, Tex., the said United States prohibition enforcement officer being then and there engaged in the performance of his official duties, and the said James B. Walling not being then and there resisting the enforcement of any law, nor engaged in the perpetration of any unlawful act.

With the following committee amendment:

Page 1, line 6, strike out "$10,000" and insert in lieu thereof "$5,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

ROBERT R. BRADFORD

The next business on the Private Calendar was the bill (S. 3918) for the relief of Robert R. Bradford.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to credit the accounts of Robert R. Bradford, as American consul at Catania, Italy, with the sum of $2,984.61, such sum representing the unpaid balance of United States Government funds deposited by him in the Banca Italiana di Sconto, such bank having suspended payment of deposits on December 29, 1921, and having liquidated its claims.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

SHERMAN P. BROWNING

The next business on the Private Calendar was the bill (H. R. 3295) for the relief of Sherman P. Browning.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Sherman P. Browning, of Muhlenberg County, Ky., the sum of $500, with interest, out of any money in the Treasury not otherwise appropriated, for the loss of United States war-savings stamps issued July 25, 1918, by Roy Hays, postmaster at Rochester, Butler County, Ky.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof, as follows:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Sherman P. Browning, of Muhlenberg County, Ky., the sum of $500, out of any money in the Treasury not otherwise appropriated, on account of the theft of 100 United States war-savings certificate stamps issued July 25, 1918, by the postmaster at Rochester, Butler County, Ky., to the said Sherman P. Browning, which stamps were in unregistered form due to the lack of registration facilities at the said post office at the time of purchase and on various other occasions when the owner attempted to have the stamps registered."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

WALTER T. WILSEY

The next business on the Private Calendar was the bill (H. R. 10447) for the relief of First Lieut. Walter T. Wilsey.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to First Lieut. Walter T. Wilsey the sum of $147.50, which amount was stolen from the safe of Company A, Fourth Motor Repair Battalion, Quartermaster Corps, Camp Holabird, Md., on March 6, 1925, and reimbursed to the said company by Lieutenant Wilsey.

With the following committee amendment:

In line 6, after the figures "$147.50," add "in full and final settlement."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

CURTIS P. WISE

The next business on the Private Calendar was the bill (H. R. 15432) to correct the military record of Curtis P. Wise.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Curtis P. Wise, who was a member of Company I, One hundred and twenty-eighth Illinois Volunteer Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of that organization on the 30th day of March, 1863: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

NORMAN D. COTA

The next business on the Private Calendar was the bill (H. R. 724) for the relief of Capt. Norman D. Cota.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to credit the account of Capt. Norman D. Cota, former paymaster of the Army at Langley Field, Va., with $2,784.79, this sum being a balance due the United States. The said Capt. Norman D. Cota on January 30, 1923, while transporting from Hampton, Va., the funds pertaining to the monthly payment of the command at Langley Field, was robbed by two highwaymen of the above-named amount of Government funds in his custody.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

M. S. SNIDER

The next business on the Private Calendar was the bill (H. R. 2718) for the relief of M. S. Snider.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to M. F. Snider, of Paysville, Va., the sum of $5,000 as compensation for the loss of one eye and injury to the other by accident while engaged as a carpenter in preparing a piece of timber for a chain hoist for a motor battery at Fort Washington, the 13th day of October, 1904; and an amount sufficient to pay the same is hereby appropriated out of any money in the Treasury of the United States not otherwise appropriated.

With the following committee amendment:

Line 5, strike out the figures "$5,000" and insert in lieu thereof "$1,277.50, and in full settlement against the Government."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

CHRISTINE MYGATT

The next business on the Private Calendar was the bill (H. R. 5089) for the relief of Christine Mygatt.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That there be paid, out of any money in the Treasury not otherwise appropriated, the sum of $10,000 to Christine Mygatt as compensation for personal injuries to said Christine Mygatt, who was injured September 4, 1920, by a United States automobile which was carrying mail in the city of Chicago, Ill., at the time driven by James Lee Coger.

With the following committee amendments:

Page 1, line 3, strike out "that there be paid" and insert "That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay"; and, on line 6, strike out "$10,000" and insert "$701.50, in full settlement against the Government."

The committee amendments were agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

W. RANDALL SPURLOCK

The next business on the Private Calendar was the bill (H. R. 12334) for the relief of W. Randall Spurlock.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the account of W. Randall Spurlock, late postmaster at McIntosh, S. Dak., in the sum of $498.28, due the United States on account of loss of postal funds resulting from the failure of the First National Bank of McIntosh, S. Dak.: *Provided*, That the said late postmaster shall assign to the United States any and all claims he may have to dividends arising from the liquidation of said bank.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

K. I. WARD

The next business on the Private Calendar was the bill (H. R. 12388) for the relief of K. I. Ward.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay K. I. Ward, of Lincoln, Nebr., from the reclamation fund, established under the act of Congress of June 17, 1902 (32 Stat. L., p. 388), the sum of $320 for services rendered to the United States in compiling data concerning water rights in the North Platte River, Nebr., for the use and benefit of the North Platte project, Nebraska-Wyoming.

With the following committee amendment:

Line 7, after the figures "$320" insert "in full and final settlement."

The committee amendment was agreed to and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

SANITARIUM CO., OF PORTLAND, OREG.

The next business on the Private Calendar was the bill (H. R. 13144) for the relief of the Sanitarium Co., of Portland, Oreg.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the United States Treasury not otherwise appropriated, the sum of $1,180 to the Sanitarium Co., of Portland, Oreg., for the purpose of reimbursing said corporation in that amount, which was disallowed by the Comptroller General of the United States and deducted from moneys due the Sanitarium Co., under its contracts with the Secretary of the Treasury.

With the following committee amendment:

Page 1, line 6, after the figures "$1,180" insert "and in full settlement against the Government."

The committee amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

ROLAND M. BAKER

The next business on the Private Calendar was the bill (H. R. 14179) for the relief of Roland M. Baker.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Postmaster General is authorized and directed to credit the account of Roland M. Baker, postmaster at Boston, Mass., in the sum of $1,756.89. Such sum represents the amount of a deficit in the account of the said Roland M. Baker caused by the embezzlement on or about June 8, 1922, of postal funds by an employee at the North Postal Station, Boston, Mass.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

WILLIAM R. CONNOLLY

The next business on the Private Calendar was the bill (H. R. 1134) for the relief of William R. Connolly.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, why are the other two men who assisted in the arrest and conviction of these bandits not taken care of?

Mr. UNDERHILL. Mr. Speaker, I would say that the committee is not looking for trouble, and consequently it did not invite these men to file a bill.

Mr. MACGREGOR. They were not policemen in my district.

Mr. MARTIN of Massachusetts. I shall have to object.

Mr. MACGREGOR. Mr. Speaker, I ask the gentleman to withdraw his objection. This is a very just claim if ever there was a just claim. The Government offered a reward, and it has not paid it. Is it going to be a fraud and a cheat?

Mr. MARTIN of Massachusetts. What is the position of the Post Office Department in the matter?

Mr. MACGREGOR. No appropriation has been made for the payment of these claims. Fifteen thousand dollars reward was offered by the Post Office Department, but the Budget has not seen fit to recommend it. Is the United States Government going to hold out rewards and then pull back and say that we will not pay rewards after the men have done the work?

Mr. MARTIN of Massachusetts. I think the United States ought to pay the other two men as well.

Mr. MACGREGOR. But I did not have anything to do with the other two men. This is a man in my community.

Mr. UNDERHILL. The only objection the Post Office Department makes is that the other two men are not included in the bill. If my colleague wants to introduce a bill in their behalf, the committee would be very glad to consider it.

Mr. MARTIN of Massachusetts. Mr. Speaker, I must object at this time.

The SPEAKER. Objection is heard.

JOHN A. THORNTON

The next business on the Private Calendar was the bill (H. R. 10496) for the relief of John A. Thornton.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the Comptroller General of the United States is authorized and directed to allow credit in the account of John A. Thornton, as postmaster of the Philadelphia post office, in the amount of $385.35. Such sum represents the amount of a deficit in the account of the said John A. Thornton resulting from the fact that certain war savings certificates which were stolen in 1919 were cashed at such post office during his tenure of office as postmaster, through no fault or negligence on his part.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

GARFIELD HANKINS

The next business on the Private Calendar was the bill (H. R. 14071) for the relief of Garfield Hankins.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the account of Garfield Hankins, late postmaster at Musselshell, Mont., in the sum of $633.32, due the United States on account of the loss resulting from the closing of the Musselshell State Bank, of Musselshell, Mont.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. SINNOTT. Mr. Speaker, the bill, H. R. 15018, is a Private Calendar bill. It is not on the Private Calendar, but it should have been had it been properly referred. Had it been properly placed it would have been somewhere near No. 621. It is a departmental bill, sent to me by the Secretary of the Interior, validating certain applications for and entries of public lands. It is the same omnibus bill the department sends every year, and I ask unanimous consent that it be now considered.

The SPEAKER. The gentleman from Oregon asks unanimous consent for the present consideration of the bill, H. R. 15018. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill by title.

The Clerk read as follows:

Union Calendar No. 595 (H. R. 15018), validating certain applications for and entries of public lands.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLACK of Texas. Mr. Speaker, have we reached that calendar number?

The SPEAKER. The Chair will state the gentleman from Oregon [Mr. SINNOTT] stated that this bill was on the Union Calendar, on which it had been improperly placed, because it is a simple, plain bill, and that if it had been put on the Private Calendar it would have been reached by this time, and the Chair therefore recognized him.

Mr. BLACK of Texas. I shall not object.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to issue patents upon the entries hereinafter named upon which proof of compliance with law has been filed, upon the payment of all moneys due thereon:

Mineral entry, Carson City, Nev., No. 014935, made by the Pacific Portland Cement Co., Consolidated, on August 13, 1925, for the Empire mill site, situate in the southwest quarter section 31, unsurveyed, township 31 north, range 24 east, Mount Diablo meridian, containing an area of 4.999.

Desert-land entry, Pueblo, Colo., No. 048139, made by Clara Gruver on April 20, 1918, for the northwest quarter section 24, township 39 north, range 9 east, New Mexico principal meridian.

Additional homestead entry, Sacramento, Calif., No. 011835, made by Charles H. Elster on October 18, 1920, for the south half of the northwest quarter, south half of the northeast quarter, and the southwest quarter, section 32, township 15 north, range 8 east, Mount Diablo meridian.

Homestead entry, Phoenix, Ariz., No. 051810, made by Reginald E. Margesson on September 13, 1921, for section 20, township 16 north, range 25 east, Gila and Salt River meridian, upon payment of the sum of $200 within six months after the approval of this act.

Homestead entries, Buffalo, Wyo., Nos. 023864 and 025036, made by Waid White, for lots 3 and 4, southeast quarter of the northwest quarter, southwest quarter of the northeast quarter, and west half of the southwest quarter, section 4, northeast quarter of the northwest quarter and northwest quarter of the northeast quarter, section 9, and lot 2, section 4, township 44 north, range 63 west, sixth principal meridian.

Homestead entry, Lander, Wyo., No. 012440, made by Seth L. Hams on March 11, 1921, for the northwest quarter of the southeast quarter, east half of the southwest quarter, and lot 4, section 19, and north half of the southeast quarter, south half of the northeast quarter, northwest quarter of the northeast quarter, and northeast quarter of the northwest quarter, section 30, township 34 north, range 93 west, sixth principal meridian.

SEC. 2. That the stock-raising homestead entry, Salt Lake City, Utah, No. 032805, made by Hans Maurice Naegle on April 3, 1925, for the southwest quarter of the southwest quarter, section 20, northwest quarter, section 29, north half of the northeast quarter and lots 1, 2, 3, 4, 5, 8, 9, 10, and 11, section 30, and lots 3 and 4, section 31, township 39 south, range 12 west, Salt Lake meridian, be and the same is hereby, validated.

SEC. 3. That homestead entry, Las Cruces, N. Mex., No. 025151, made by David Alvillar on July 30, 1924, for lots 5 and 6, section 16, township 26 south, range 3 east, New Mexico principal meridian, be, and the same is hereby, validated, and that the State of New Mexico, through its proper officers, be, and it is hereby authorized to select an equal area of surveyed, nonmineral unappropriated, and unreserved public land in lieu of the above described tract.

SEC. 4. That homestead entries, Las Cruces, N. Mex., Nos. 025786 and 025787, made by Jony Jones on March 13, 1917, consolidated and reduced to the east half and the southwest quarter of section 26, township 25 south, range 35 east, New Mexico principal meridian, be, and the same are hereby validated.

With the following committee amendment:

Page 4, after line 6 insert:

"SEC. 5. That mineral entry, Fairbanks, Alaska, No. 01199, made by the Pioneer Gold Dredging Co. on August 24, 1925, for the Ouellet Fraction Placer on Cleary Creek, survey No. 1733, containing an area of 4.686 acres, be, and the same is hereby, validated."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read the third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

F. G. PROUDFOOT

The next business on the Private Calendar was the bill (S. 1860) an act for the relief of F. G. Proudfoot.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to F. G. Proudfoot, out of any money in the Treasury not otherwise appropriated, the sum of $10,596.74, to reimburse him for damages arising out of the wrecking on June 27, 1919, of a 20-ton locomotive crane, while loaned to and in the service of the naval authorities at naval air station, Pensacola, Fla.

The bill was ordered to be read the third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

RIVERSIDE CONTRACTING CO.

The next business on the Private Calendar was the bill (S. 2474) for the relief of the Riverside Contracting Co.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized to adjust and settle the claim of the Riverside Contracting Co. in the amount of $15,052 for damages sustained by said company as a result of a collision on March 9, 1919, of the steamship *Munalbro* with a pier being constructed by the said company for the city of New York, and to certify the same to Congress.

Committee amendment:

Strike out, page 1, all of lines 3 to 9, inclusive, and insert in lieu thereof the following:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Riverside Contracting Co., Brooklyn, N. Y., the sum of $15,052, in full and final settlement against the Government, for damages sustained by said company as a result of a collision on March 9, 1919, of the steamship *Munalbro* with a pier being constructed by the said company for the State of New York."

The committee amendment was agreed to.

The bill was ordered to be read the third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

WILLIAM MULLINS

The next business on the Private Calendar was the bill (H. R. 6935) to correct the military record of William Mullins.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ARENTZ. I object.

The SPEAKER. Objection is heard. The Clerk will report the next one.

ISRAEL BROWN

The next business on the Private Calendar was the bill (H. R. 10380) to remove the charge of desertion against Israel Brown and to grant him an honorable discharge.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. TREADWAY. I object.

The SPEAKER. Objection is heard.

Mr. VESTAL. Mr. Speaker, I hope the gentleman from Massachusetts will not object to that bill.

Mr. TREADWAY. Does the gentleman desire to explain it? If so, I will withhold my objection.

Mr. VESTAL. I would like to say that the man whose record I am asking here to be cleared by special legislation was informed that his little daughter was ill and about to die. He went to his captain and asked for leave. His captain I have known all my life. He was raised in the same town with me. This was in the Spanish-American War. The captain refused to let him go home. The soldier said, "If you do not let me go home I will go home anyhow. My child is sick." He went home, or in other words, left his company without the consent of his commanding officer. The child died. He then wrote his commanding officer asking for funds with which to return to his company. The commander refused to furnish transportation and the man did not thereafter return to his command. This man had two sons who served in the World War. I hope th s bill will not be objected to.

Mr. BLANTON. I will not object, but I want this to show in the RECORD. Maj. Gen. Robert C. Davis, The Adjutant General, writing under date of March 11, 1926, says:

The official records show that Israel Brown (name also borne as Isreal Brown) was enrolled April 26, 1898, at Anderson, Ind., and was mustered into service May 12, 1898, at Indianapolis, Ind., as a private of Company L, One hundred and sixtieth Indiana Volunteer Infantry, for two years. He is shown to have been sick from November 1 to November 7, 1898, and to have absented himself without authority November 9, 1898. He was dropped from the rolls as a deserter December 4, 1898. He never thereafter returned to his command, which remained in service until April 25, 1899. However, the record shows that he wrote to his captain, in a letter dated Anderson, Ind., March 30, 1899, stating that he was unable to return to his command on account of lack of funds, but no record has been found to show what action, if any, was taken in the matter, and the soldier never thereafter reported his whereabouts to the military authorities.

There is no law under which the charge of desertion against this soldier can be removed. The only law in force governing the subject of removal of charges of desertion is the act of Congress approved March 2, 1889 (25 Stat. L. 869), which provides for such relief in the cases of certain classes of soldiers who served in the Civil War and the war with Mexico.

Section 2 of an act of Congress approved March 4, 1925, provides for certain relief in the case of a soldier with the charge of desertion now standing against him, who has, since such charge was entered on his record, served honorably in the World War, either in the military or naval forces of the Allies or in the Army, Navy, or Marine Corps, or in other branches of the military service of the United States prior to November 11, 1918.

Nothing has been found of record in my office to show that Israel (or Isreal) Brown rendered any military service in the United States Army in the World War, and unless service such as that mentioned in the act of March 4, 1925, was rendered by him, the relief provided in that act can not be granted in his case.

The record does not speak very highly of what this soldier did.

Mr. VESTAL. I have before the Committee on Military Affairs 10 affidavits from soldiers who were with him.

Mr. BLANTON. I am not going to do as the gentleman from Indiana [Mr. VESTAL] did concerning the bill which he has locked up here in a certain desk—a bill which would restore patent rights to World War veterans who were in France. I hope the gentleman will have this soldier's record cleared and that he will clear his own record in regard to that Patent Office bill in behalf of the American Legion men in the United States. [Applause.]

Mr. ARENTZ. The gentleman from Indiana says he wants to clear up this record and give the man an honorable discharge. The department says they will not give a man an honorable discharge who has received a dishonorable discharge. All these bills are intended to put these men under the provisions of the pension law. Any other motive that is mentioned in these bills is not the truth. That is all.

Mr. VESTAL. It will have that effect.

Mr. ARENTZ. It will have the effect of giving the man a pension.

Mr. VESTAL. The facts surrounding this case and the connection his sons had with the World War ought to be considered favorably.

Mr. ARENTZ. I shall not object.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Israel Brown, who was a member of Company L, One hundred and sixtieth Regiment Indiana Vounteer Infantry, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a private of that organization on the 20th day of April, 1899: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER. Without objection the title will be amended to conform to the text.

There was no objection.

A motion to reconsider the vote whereby the bill was passed was ordered to be laid on the table.

The SPEAKER. The Clerk will report the next bill.

WIDOW OF WARREN V. HOWARD

The next business on the Private Calendar was the bill (H. R. 15863) for the relief of the widow of Warren V. Howard.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That in the administration of the pension laws, Warren V. Howard shall hereafter be held and considered to have been mustered in as a private in Company E, Second Regiment Massachusetts Volunteer Infantry, on the 25th day of May, 1861, and to have been honorably discharged on the 1st day of June, 1865: *Provided*, That no bounty, pay, or allowances shall be held as accrued prior to the passage of this act.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was ordered to be laid on the table.

The SPEAKER. The Clerk will report the next bill.

SYLVESTER TROTH SMITH ET AL.

The next business on the Private Calendar was the bill (H. R. 11929) to authorize the Secretary of the Interior to sell to Sylvester Troth Smith, Horace Smith, Robert Hill Smith, Mary Smith De Jean, Mary Ellen Smith, and W. C. Scott, in possession under mesne conveyances from Leroy Stafford, section 48, township 1 south, range 2 east, and section 38, township 1 north, range 2 east, Louisiana meridian, Rapides Parish, La.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to sell the lands described as section 48, township 1 south, range 2 east, and section 38, township 1 north, range 2 east, Louisiana meridian, Rapides Parish, La., to Sylvester Troth Smith, Horace Smith, Robert Hill Smith, Mary Smith De Jean, Mary Ellen Smith, and W. C. Scott, in possession under mesne conveyances from Leroy Stafford, upon payment of $1.25 per acre therefor.

With committee amendment as follows:

On page 1, after line 2, strike out all after the enacting clause down to and including line 5, on page 2, and insert in lieu thereof the following:

"That upon payment therefor at the rate of $1.25 per acre, the Secretary of the Interior be, and he is hereby, directed to cause patent to issue to Leroy Stafford for section 48, township 1 south, range 2 east, and section 38, township 1 north, range 2 east, Louisiana meridian, Rapides Parish, La."

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was ordered to be laid on the table.

The title was amended to conform to the text.

The SPEAKER. The Clerk will report the next bill.

ELISHA K. HENSON

The next business on the Private Calendar was the bill (S. 2302) for the relief of Elisha K. Henson.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any moneys in the Treasury not otherwise appropriated, the sum of $2,479.67 to Elisha K. Henson, first lieutenant, Quartermaster Corps, United States Army, in reimbursement for losses sustained by him on account of payment for labor and materials incidental to the alteration of Government buildings at Fitzsimons General Hospital, Denver, Colo., in the year 1924.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

THOMAS GRIFFITH

The next business on the Private Calendar was the bill (H. R. 5921) for the refund of money erroneously collected from Thomas Griffith, of Peach Creek, W. Va.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas Griffith, of Peach Creek, W. Va., the sum of $29.62, as a refund for overpayment of costs and fine paid by him to the United States district clerk for the southern district of West Virginia, it being a mistake on the part of said clerk, and the money covered into the Treasury before claim was made for refund.

With the following committee amendments:

Page 1, line 7, strike out the words "and fine."

Page 1, line 9, strike out the words "it being" and insert the word "by."

Page 1, lines 9 and 10, strike out the words "said clerk" and insert the words "the marshal."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

GILBERT B. PERKINS

The next business on the Private Calendar was the bill (H. R. 9427) for the relief of Gilbert B. Perkins.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $225.25 as reimbursement for payment of a supervision fee which was collected by the clerk of the United States Circuit Court of Appeals for the Third Circuit.

With the following committee amendment:

In line 5, after the word "appropriated," insert a comma and the words "to Gilbert B. Perkins,"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

SHADYSIDE BANK

The next business on the Private Calendar was the bill (H. R. 12404) for the relief of Shadyside Bank.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to redeem in favor of Shadyside Bank, United States Treasury certificate of indebtedness No. 8232 in the denomination of $500, matured June 15, 1924, series A–1924, at the rate of 5¾ per cent per annum without presentation of the said certificate or the coupon representing interest thereon; also United States Treasury certificate of indebtedness No. 34085 in the denomination of $1,000, matured December 15, 1925, series B–1925, with interest at the rate of 4¾ per cent per annum without presentation of the said certificate or the coupon representing interest thereon, these certificates having been lost, stolen, or destroyed: *Provided*, That the said certificates of indebtedness shall not have been previously presented and paid, and that payment shall not be made hereunder for any coupon which shall have been previously presented and paid: *And provided further*, That said Shadyside Bank shall first file in the Treasury Department of the United States a bond in the penal sum of double the amount of the principals of the said certificates of indebtedness and the interest which had accrued when the principals became due and payable in such form and with such sureties as may be acceptable to the Secretary of the Treasury to indemnify and save harmless the United States from any loss on account of the lost, stolen, or destroyed certificates of indebtedness and coupons hereinbefore described.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to redeem, in favor of Shadyside Bank, Shadyside, Ohio, United States Treasury note No. 8232 in the denomination of $500, series A–1924, issued June 15, 1921, matured June 15, 1924, with interest at the rate of 5¾ per cent per annum from June 15, 1922, to June 15, 1924, without presentation of said note, the said note, together with coupons due December 15, 1922, to June 15, 1924, inclusive, attached, having been lost, stolen, or destroyed; also to redeem United States Treasury note No. 34085 in the denomination of $1,000, series B–1925, issued June 15, 1922, matured December 15, 1925, with interest at the rate of 4¾ per cent per annum from June 15, 1922, to December 15, 1925, without presentation of the said note, the said note, together with coupons due December 15, 1922, to December 15, 1925, inclusive, attached, having been lost, stolen, or destroyed: *Provided*, That the said notes shall not have been previously presented and paid and that payment shall not be made hereunder for any coupons which shall have been previously presented and paid: *And provided further*, That the said Shadyside Bank shall first file in the Treasury Department a bond in the penal sum of double the amount of the principal of the said notes and the unpaid interest which had accrued thereon when the principal became due and payable in such form and with such surety or sureties as may be acceptable to the Secretary of the Treasury with condition to indemnify and save harmless the United States from any loss on account of the Treasury notes or the coupons thereof hereinbefore described."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

WILLIAM W. GREEN

The next business on the Private Calendar was the bill (S. 2139) for the relief of William W. Green, warrant officer, United States Army.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. TOLLEY. Mr. Speaker, reserving the right to object, is a member of the committee present to explain whether this warrant officer is now in the United States Army?

Mr. TUCKER. I understand he is.

Mr. BLANTON. Mr. Speaker, I reserve the right to object. The only reason on earth for relieving this officer to the extent of something over $7,000 is the fact that he was convicted for an offense in North Carolina and unconditionally pardoned. There are lots of criminals pardoned unconditionally in the various States. It has been a reflection upon my own State that during the past two years there have been over 3,000 criminals pardoned. There were more criminals pardoned during that time than were in the penitentiaries when that governor went into office. I do not believe in that kind of business. There ought to be something else shown to authorize the passage of this bill, and I shall object.

Mr. TUCKER. Will the gentleman reserve his objection?

Mr. BLANTON. I reserve it if the gentleman desires to make a statement.

Mr. TUCKER. Mr. Speaker, this is quite a peculiar bill. I take it there have been no unconditional pardons, even in Texas, in the last year or two of the character of this pardon. This man was an officer in the Army and was convicted of rape—he is a colored man—down in North Carolina. No sooner had he been convicted than his fellow officers began to inquire into the real facts of the case. The Army officers took it up. They examined it with great care and found that there was nothing to justify the verdict and took the matter to the Governor of North Carolina.

Mr. BLANTON. Will the gentleman yield?

Mr. TUCKER. Yes.

Mr. BLANTON. If the gentleman will investigate, he will find that whenever any person connected with the Army is convicted by a State court there are always some Army officers who will try to get him out, and they will try to get the judgment of the State court set aside, and I do not consider that as at all favorable to this man.

Mr. TUCKER. If they have been as successful as they were in this case in demonstrating to the Governor of North Carolina, whose laws this man was accused of breaking, that he was guilty of no crime, so that without hesitation the governor pardoned the man, I think there can be no trouble about it and they should be commended for it.

Mr. BLANTON. I think the court and the jury that convicted this man knew more about the facts than these Army officers who took his case up after he got in the penitentiary.

Mr. TUCKER. But suppose they found evidence that had not been before the court. There is no question about the fact that the Governor of North Carolina would never have pardoned this man for the offense of which he was convicted if it had not been the fact that he was not guilty, and I appeal to my friend not to object. This is a colored man.

Mr. BLANTON. Does not the gentleman think a man of that race can commit the crime for which he was convicted and sent to the penitentiary?

Mr. TUCKER. Oh, yes.

Mr. BLANTON. Does the jury and the judge who tried and convicted him recommend that he be relieved in this way?

Mr. TUCKER. I do not know.

Mr. BLANTON. There may be from the judge, but there is nothing from the jury.

Mr. TUCKER. Suppose there has been an appeal and the appellate court reversed the court below. This is nothing in the world but one method of appeal.

Mr. BLANTON. My friend from Virginia, who was once a distinguished president of the American Bar Association, knows the situation is quite different. There is a vast difference between a reversal by a higher court and the exercise of the pardoning power by a governor, which is a mere gracious act and has nothing to do with justice at all.

Mr. TUCKER. Let me ask my friend this question. Does not the gentleman know that the Governor of North Carolina would never have pardoned this man if the evidence had not been perfectly clear as to innocence, such evidence not having been adduced at the trial. I appeal to my friend's sense of justice.

Mr. BLANTON. I know by analogy of reasoning from what has happened in Texas that there are lots of pardons granted to men who do not deserve them.

Mr. TUCKER. I think that is true; but why should not an innocent man be pardoned?

Mr. DENISON. I hope my friend from Texas will not allow his mind to be influenced by what has been done in his own State. There are very few governors in this country who would do what has been done in that State.

Mr. BLANTON. I have heard of some governors who did almost as bad. I will tell the gentleman what that has done. It has convinced the people of Texas that the office of governor of the State of Texas is a man's job.

Mr. DENISON. I fully agree with my friend from Texas on that.

Mr. BLANTON. I insist on my objection, Mr. Speaker.

PHILIP SURIANI

The next business on the Private Calendar was the bill (H. R. 9226) to reimburse Dr. Philip Suriani.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury of the United States not otherwise appropriated, to Dr. Philip Suriani, of Rome, Italy, the sum of $422.33, for surgical dental work performed for Lieut. Morgan Heiskill, United States Army, assistant to the United States military attaché at Rome, during the period from March 16, 1919, to August 16, 1919, on the authority of the military attaché, there being no Army dental officer available, and said claim having been disallowed by the Auditor for the War Department.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

NATIVES OF BORONGAN, SAMAR, PHILIPPINE ISLANDS

The next business on the Private Calendar was the bill (H. R. 15252) to provide relief for certain natives of Borongan, Samar, Philippine Islands, for rental of houses occupied by the United States Army during the years 1900 to 1903.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the following listed claims for rental of buildings occupied by the military forces of the United States in Borongan, Samar, P. I., during the years 1900 to 1903, and to certify same to Congress for an appropriation: Felice Cultura, $91; Andres Hipa, $90; Ordinito Capito, $60.66; Manuel Cordona, $6; Bregido Basado, $112.23; Lino Legion, $61.66; Paulina Asis, $12.53; Daniel Bugtas, $27.60; Dionicia Alegre, $11.33; Felipe Aledo, $5.83; Benbinuto Aligibe, $86.33; Lorenzo de la Cruz, $18.40; Valverde Cardona, $18.40; Teresa Bacola, $12.83; Emperatriz Basada, $6.20; Lucia Basada, $3.13; Francisco Osido, $18.40; Salas Alegre, $30.67; Esteban Amores, $6.20; Juan Capones, $4.13; Pedro Discar, $6.20; Augustin Cenira, $4.13; Geronimo Discar, $4.96; Mateo Banal, $5.80; Felipe Ameyo, $6.13; Jose Badillo, $11.13; Manuel Basada, $10.16; Feliciano Fitong, $27.60; Melchor Barrid, $27.60; Juan Portun, $16.24; Antonio Voloso, $7.67; Mariano Castillano, $14.10; Teresa Bagtong, $0.24; Lucas Britas, $0.20; Guillermo Bugtas, $0.20; Bernardo Galope, $0.20; Estefanio Appora, $0.23; Magno Abenes, $240.50; Magno Abenes, $411; Tin Suna, $244.50; in all, $1,722.42.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

RELIEF OF CERTAIN OFFICERS AND FORMER OFFICERS OF THE ARMY

The next business on the Private Calendar was the bill (H. R. 15253) for the relief of certain officers and former officers of the Army of the United States.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the accounts of the following officers and former officers of the Army of the United States, in the sums herein set forth, which now stand as disallowances on the books of the General Accounting Office: Joseph Borches, formerly major, Quartermaster Corps, $82.20; Frederick L. Buck, major, Quartermaster Corps, deceased, $814.55; Lieut. Col. L. S. Carson, Cavalry, $6.40; Capt. John S. Chambers, now colonel, Quartermaster Corps, $33.66; Col. John P. Hasson, Quartermaster Corps, $242.46; Lieut. Col. Peter E. Marquart, Quartermaster Corps, deceased, $635.93; Maj. Launcelot M. Purcell, Quartermaster Corps, now major, retired, $84.90; Raleigh T. Daniel, formerly major, Quartermaster Corps, $151.67; Maj. William R. Harrison, now lieutenant colonel, retired, $75.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to proceed for two minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Speaker, this is another bill that clips the wings of the Comptroller General, the officer whom Congress put here to see that money is properly expended. The Comptroller General has turned down these accounts, and Congress, without any knowledge of the facts, comes here and sets aside the Comptroller General, overruling him and clipping his wings. If the steering committee wants to do that I can not stop it. I was hopeful that Congress would back up the Comptroller General instead of overriding him every time.

COLUMBUS HOSPITAL, GREAT FALLS, MONT.

The next business on the Private Calendar was the bill (S. 867) authorizing the Secretary of the Treasury to pay the Columbus Hospital, Great Falls, Mont., for the treatment of disabled Government employees.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $397.44 to the superintendent of the Columbus Hospital, Great Falls, Mont., for services rendered and medical attendance from March 13 to June 1, 1919, in the cases of Arthur A. Higgins, William A. Niles, and Floyd Kerr, employees of the War Department, at the nitro general ordnance bureau, Nitro, W. Va., said amount being due the hospital for the care and treatment of the said employees.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

ARCHIE O. SPRAGUE

The next business on the Private Calendar was the bill (H. R. 2589) for the relief of Archie O. Sprague.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Archie O. Sprague, the sum of $10,000, for damages suffered by the death of his wife, who was struck and fatally injured by a stray bullet fired during target practice at Camp Dix, N. J., on June 8, 1925.

With the following committee amendments:

In line 6 strike out the figures "$10,000" and insert "$5,000, in full settlement against the Government,"

In line 7, after the word "wife," insert "Martha Unger."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

R. P. BIDDLE

The next business on the Private Calendar was the bill (H. R. 9515) for the relief of R. P. Biddle.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, and in full settlement against the Government, to R. P. Biddle, of Woodlands, W. Va., the sum of $1,380, as compensation for damage to his land caused by erosion of Dam No. 14, Ohio River.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That the Attorney General be, and he is hereby, authorized and directed to waive his objection to the title to the land which the Secretary of War desires to purchase from R. P. Biddle, of Woodlands, W. Va., and thereby permit the adjustment of the claim of the said R. P. Biddle in the amount of $1,320 in accordance with an agreement heretofore reached between the said parties."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

H. W. KRUEGER AND H. J. SELMER

The next business on the Private Calendar was the bill (H. R. 9587) for the relief of H. W. Krueger and H. J. Selmer, bondsmen for the Green Bay Dry Dock Co. in their contract for the construction of certain steel barges and a dredge for the Government of the United States.

The Clerk read the title to the bill.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury of the United States be, and is hereby, authorized to pay to H. W. Krueger the sum of $56,534.26 and H. J. Selmer $15,379.53, out of any money in the Treasury not otherwise appropriated, the above-named sums being the amounts which H. W. Krueger and H. J. Selmer were forced to pay and did pay as bondsmen for the Green Bay Dry Dock Co., contractors with the United States Government, for the construction of five steel barges and one dredge and equipment furnished not otherwise called for by the agreement, in the execution and completion of the said contract, entered into by the said company with the United States, and at the insistence of the War Department, the said bondsmen were obliged to complete the building of the five steel barges and the dredge, and which the said bondsmen did complete to the full satisfaction of the War Department, but as a result of which the said bondsmen incurred losses in the amounts mentioned.

The said losses were due directly to, first, increased cost of materials; second, additional equipment and materials furnished not called for by the original contract; and, third, the unreasonably low price bargained for by the Government with the original construction company—the result of which made it impossible for the company to continue operations, and at the demand of the War Department the burden of the completion of the work was placed on the bondsmen, thus causing them the tremendous losses for which they now ask to be reimbursed.

The said amounts to be paid to the bondsmen not to exceed the actual losses incurred by them, and to be in full settlement of all claims against the Government.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to H. W. Krueger, of Green Bay, Wis., the sum of $6,385.01, and to H. J. Selmer, also of Green Bay, Wis., the sum of $1,000, out of any moneys in the Treasury not otherwise appropriated, in full and final payment of the amounts which said H. W. Krueger and H. J. Selmer, as bondsmen for the Green Bay Dry Dock Co., expended in excess of their bonds, and for equipment furnished not otherwise called for by the contract between the Green Bay Dry Dock Co. and the United States for the construction of five steel barges and one dredge, these being the only bondsmen who made expenditure in connection with said contracts."

Mr. UNDERHILL. Mr. Speaker, I ask unanimous consent to substitute the bill S. 4268, which is identical with the House bill as amended.

The SPEAKER. Is there objection?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The House bill was laid on the table.

AUTHORIZING THE COMPTROLLER GENERAL TO ALLOW CREDIT TO BUREAU OF RECLAMATION

The next business on the Private Calendar was the bill (H. R. 14567) authorizing the Comptroller General of the United States to allow credits to disbursing agents of the Bureau of Reclamation, Department of the Interior, in certain cases.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I object.

Mr. SMITH. Mr. Speaker, will the gentleman withhold his objection?

Mr. GARNER of Texas. If the gentleman is going to make his objection, I think he should make it.

Mr. BLANTON. I am going to make the objection.

Mr. SMITH. This money does not come out of the General Treasury, but from the farmers who receive the benefits.

Mr. BLANTON. It comes partly out of the Reclamation Bureau. But the Comptroller General wants to make the Reclamation Bureau obey the law.

Mr. SMITH. It is not a matter of obeying the law. We need a law to correct this situation.

Mr. BLANTON. And I am backing up the Comptroller General.

Mr. SMITH. The gentleman is not always wise in doing that. Will the gentleman permit me to explain the merits of the bill?

Mr. BLANTON. If my colleagues are willing, I am.

Mr. UNDERHILL. Mr. Speaker, I think it is hardly fair, if the gentleman states positively that he is going to object, to take up the time of the House further.

Mr. BLANTON. I am going to object to all of these bills that tend to clip the wings of the Comptroller General, whom we appointed to see that money is spent only according to law.

Mr. SMITH. But this money does not come out of the General Treasury.

Mr. BLANTON. It comes partly out of the reclamation fund, which belongs to the people of the United States.

Mr. SMITH. Part of it, and part of it to the farmers, on lands already occupied, pay with their own money.

Mr. BLANTON. I hope they can satisfy the Comptroller General, whom the gentleman helped to create.

Mr. SMITH. It is impossible to satisfy him under existing law. What we need is a special law, as proposed.

Mr. BLANTON. I regret that I have to object to this, and I do object, and I am going to object to all similar bills seeking to override the Comptroller General of the United States.

Mr. SMITH. The gentleman should not take such an arbitrary position, but examine into the merits of each case.

Mr. BLANTON. I am going to try to protect the Comptroller General in making these people obey the law. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

AGFA RAW FILM CORPORATION

The next business on the Private Calendar was the bill (H. R. 13580) for the relief of the Agfa Raw Film Corporation.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. I object.

Mr. TOLLEY. I object.

Mr. SWEET. I object.

The SPEAKER. Objection is heard.

PACIFIC STEAMSHIP CO., SEATTLE, WASH.

The next business on the Private Calendar was the bill (H. R. 9804) for the relief of the Pacific Steamship Co., of Seattle, Wash.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Pacific Steamship Co., of Seattle, Wash., the sum of $3,406.45, the total cost of repairing the damages caused to the vessel *Admiral Watson*, owned by said Pacific Steamship Co., by the U. S. S. *Surveyor*, July 30, 1919.

With the following committee amendment:

Line 6, after the word "Washington," insert "in full settlement against the Government."

The committee amendment was agreed to and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

ELLIS E. HARING AND E. F. BATCHELOR

The next business on the Private Calendar was the bill (H. R. 15108), for the relief of Capt. Ellis E. Haring and E. F. Batchelor.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Chair is informed that a similar Senate bill is on the Speaker's table.

Mr. UNDERHILL. Mr. Speaker, I as unanimous consent that the Senate bill 4756, be considered in lieu of the House bill.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate bill.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is authorized and directed to credit the account of Capt. Ellis E. Haring, United States Army, disbursing officer of the Office of Public Buildings and Grounds (now Office of Public Buildings and Public Parks of the National Capital), in the sum of $163.62 disallowed upon vouchers Nos. 102, 27, and 117 during the fiscal year ended June 30, 1925, and to credit the account of Edward F. Batchelor, disbursing clerk of the Office of Public Buildings and Public Parks of the National Capital (formerly Office of the Superintendent, State, War, and Navy Department Buildings), in the sum of $38.80 disallowed upon voucher No. 38, fourth quarter of the fiscal year ended June 30, 1924.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

The bill (H. R. 15108) was laid on the table.

R. W. HILDERBRAND

The next business on the Private Calendar was the bill (H. R. 11064) for the relief of R. W. Hilderbrand.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any moneys in the Treasury not otherwise appropriated, to R. W. Hilderbrand $1,361.35 for injury received in raiding an illicit still.

With the following committee amendments:

Line 6, after the figures "$1,361.35," insert "in full and final settlement," and on line 7, after the word "still," insert "on or about August 14, 1925."

The committee amendments were agreed to and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

DANIEL MANGAN

The next business on the Private Calendar was the bill (H. R. 14794) for the relief of Daniel Mangan.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Daniel Mangan, late of Troop L, First United States Volunteer Cavalry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of said organization on the 5th day of July, 1863: *Provided*, That no back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

KENTUCKY-WYOMING OIL CO. (INC.)

The next business on the Private Calendar was the bill (H. R. 15812) for the relief of the Kentucky-Wyoming Oil Co. (Inc.).

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WINTER. Mr. Speaker, I ask unanimous consent to substitute the bill S. 4669, Calendar No. 769, an identical bill.

Mr. BLACK of Texas. Consent has not been given yet.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLACK of Texas. Mr. Speaker, reserving the right to object, I have not the bill before me, will the gentleman from Wyoming give just a brief explanation of what the bill is?

Mr. WINTER. These parties secured two permits under the general leasing act, probably the very first permits issued under that act. They encountered some gas and all parties thought they had a producing property. They applied for leases in accordance with the general leasing act, and leases were issued for two tracts. Afterwards it developed they did not have commercial production. The point is the leases call for a dollar an acre per year rental. They have been trying to get production, and there have been no results. They have no source except cash to pay for these rentals. A lease presupposes production. These parties want to proceed and explore further for more oil and gas, but they have expended over $105,000 in development and rentals. The rentals should not be collected unless there is production. Now they want authority given the department to cancel the leases on these properties, and later to issue them a permit under which they can further explore.

Mr. BLACK of Texas. What is the recommendation of the department?

Mr. WINTER. They have no objection. Judge Finney appeared before the committee and explained the entire transaction. The Secretary states here in his report that under existing law there is no provision for releasing the lessee from the payment of any past due or accrued charges, and that the bill is a proper measure.

Mr. BLACK of Texas. If the gentleman states the department interposes no objection to the bill——

Mr. WINTER. They do not.

Mr. BLACK of Texas. I withdraw my reservation.

The SPEAKER. Is there objection to the consideration of the Senate bill in lieu of the House bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

An act (S. 4669) for the relief of the Kentucky-Wyoming Oil Co. (Inc.)

Be it enacted, etc., That the Secretary of the Interior be, and he hereby is, authorized and directed to make an examination of the claim of the Kentucky-Wyoming Oil Co. for a remission of any balance of the rentals claimed to be due under oil and gas prospecting leases Cheyenne 028177 (a) and 028177 (b), issued under the act of February 25, 1920, entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain" (41st Stat., p. 437), and if it shall be satisfactorily established that the Kentucky-Wyoming Oil Co. has expended or caused to be expended $100,000 or more in the exploration and development of the land covered by said leases, in accordance with the provisions of an oil and gas prospecting permit, issued under said act; and that said leases were entered into prematurely, and the Kentucky-Wyoming Oil Co. has paid or caused to be paid $5,000 or more to the United States as rental under said leases, and has received no remuneration or return of any kind whatsoever, for the expenditures so made, then, in which event, the Secretary of the Interior is authorized and directed to cancel said leases if still in force and to release the Kentucky-Wyoming Oil Co. from the payment of any rentals now due or which may hereafter become due under said leases.

The bill was ordered to be read the third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

NATIONAL SURETY CO.

The next business on the Private Calendar was the bill (H. R. 8640) for the relief of the National Surety Co.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLACK of Texas. Mr. Speaker, reserving the right to object, I believe the gentleman from New York [Mr. WELLER] is interested in this bill. Will he kindly state in regard to it.

Mr. WELLER. Mr. Speaker, this bill proposes to return to the National Surety Co. $10,500, balance of a bail bond executed by the National Surety Co., to guarantee the presence of a man named Montgomery, in New York, indicted for using the United States mail to defraud.

Montgomery was on the eve of trial. He fled the jurisdiction and went to Canada, and, the crime being one that is not extraditable, there was no way of bringing him back. But the National Surety Co. endeavored in every way to get him back, and finally by the use of a decoy he was induced to return to the State. He was seized, tried, convicted, and sentenced to five years in jail, and he is now in jail. The bail bond is $15,000, but there was collateral amounting to $4,500, so that the difference is $10,500.

Mr. BLACK of Texas. If the gentleman can assure us that the criminal has been apprehended and convicted at the instance of the surety company I will withdraw my reservation.

Mr. WELLER. Yes; I do. The excellent work of the National Surety Co. was commended favorably by the Attorney General and resulted in this man being apprehended, convicted, and sentenced to jail.

Mr. BLACK of Texas. Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

Mr. WELLER. Mr. Speaker, I ask unanimous consent that Senate bill 2618 be substituted for the House bill.

The SPEAKER. The gentleman from New York asks unanimous consent that Senate bill 2618 be substituted in lieu of the House bill. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and is hereby, authorized to pay, out of any money in the Treasury not otherwise appropriated, the sum of $10,500 to the National Surety Co., which sum represents the loss sustained by the said company on the bail bond of Austin H. Montgomery, who was afterwards captured and returned to the United States officers by the said National Surety Co.

The SPEAKER. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was ordered to be laid on the table.

The SPEAKER. Without objection, the similar House bill will be laid on the table.

There was no objection.

The SPEAKER. The Clerk will report the next bill.

CHARLES BERETTA, ISIDORE J. PROULX, AND JOHN J. WEST

The next business on the Private Calendar was the bill (H. R. 12818) for the relief of Charles Beretta, Isidore J. Proulx, and John J. West.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Comptroller General of the United States is authorized and directed to cancel the claim of the United States against Charles Beretta as an employee, temporary substitute parcel-post carrier, Willows, Calif., in the sum of $723.55, representing payments made to him as such employee for the period from November 13, 1922, to March 31, 1926, during which period he also held the position of temporary laborer, custodian service, Federal Building, Willows, Calif., at a compensation of $900 per annum, and his combined compensation as such employee, temporary substitute parcel-post carrier and as temporary laborer, custodian service, did not exceed $1,200 per annum, all held by the Comptroller General to be contrary to the provisions of the act of May 10, 1916 (39 Stat., p. 120), prohibiting the payment of two salaries to any person where the combined amount of such salaries exceeds the sum of $2,000 per annum.

With a committee amendment, as follows:

Strike out all after the enacting clause and insert the following:

"That the Comptroller General of the United States is authorized and directed to cancel the claim of the United States against Charles Beretta as a temporary substitute parcel-post carrier, Willows, Calif., at 60 cents per hour for a period from November 13, 1922, to December 31, 1924, and at 65 cents per hour from January 1, 1925, to March 31, 1926, in the sum of $723.55, representing payments to him as such employee for a period from November 13, 1922, to March 31, 1926, he having also held the position of temporary laborer, custodian service, Federal Building, Willows, Calif., for period from November 13, 1922, to March 15, 1923, at $660 per annum (with $240 increase), the position of permanent laborer in said service at said place for period from March 16, 1923, to June 30, 1924, at $660 per annum (with $240 increase), and the position of permanent laborer in said service at said place for period from July 1, 1924, to March 31, 1926, at $960 per annum, and the combined amount of the per annum rates of compensation of such positions being in excess of $2,000 per annum, contrary to the provisions of section 6 of the act of May 10, 1916 (39 Stat., p. 120), as amended by the act of August 29, 1916 (39 Stat., p. 582).

"SEC. 2. That the Comptroller General of the United States is further authorized and directed to release Isidore J. Proulx, former postmaster at Willows, Calif., from liability to the United States for payments to said Charles Beretta for the period from November 13, 1922, to September 8, 1924, amounting to $349.20; and to release John J. West, present postmaster at Willows, Calif., from liability to the United States for payments to said Charles Beretta for the period from September 9, 1924, to March 31, 1926, amounting to $374.35; and to repay said John J. West said amount of $374.35 refunded by him to the United States."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill, as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER. Without objection, the title will be amended to conform to the text.

There was no objection.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

The SPEAKER. The Clerk will report the next bill.

H. C. ERICSSON

The next business on the Private Calendar was the bill (S. 1456) authorizing the Court of Claims of the United States to hear and determine the claim of H. C. Ericsson.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the United States Court of Claims be, and it is hereby, authorized and directed to hear and determine the claim of H. C. Ericsson for compensation for the adoption and use by the Government of the United States of a certain invention relating to an antiexplosive and noninflammable gasoline tank, for which letters patent of the United States No. 1381175 was issued to him June 14, 1921. Said claim shall not be considered as barred because of the use of the patented device by the Government for more than two years, or by any existing statute of limitations, nor because of the fact that the claimant was in the military service of the United States at the time the patented article was invented.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was ordered to be laid on the table.

The SPEAKER. The Clerk will report the next bill.

ELIZABETH WOOTEN

The next business on the Private Calendar was the bill (S. 612) for the relief of Elizabeth Wooten.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Elizabeth Wooten, out of any money in the Treasury not otherwise appropriated, the sum of $2,000 as compensation for injuries received and expenses incurred by reason of having been struck by a United States Army motor truck in Jacksonville, Fla., on the 27th day of May, 1918.

The SPEAKER. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was ordered to be laid on the table.

The SPEAKER. The Clerk will report the next bill.

HUNTER-BROWN CO.

The next business on the Private Calendar was the bill (S. 1304) for the relief of Hunter-Brown Co.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Hunter-Brown Co., of Chattanooga, Tenn., the sum of $1,198.08 as settlement in full for loss incurred through failure of the War Department to receive 192 cords of wood delivered by the Hunter-Brown Co. at Camp Forest, Ga., under the terms of a contract with the War Department entitled "Quartermaster Corps contract," which represents the sum of the amount agreed to be paid for the wood so delivered and expenses incurred by the Hunter-Brown Co. by reason of delayed delivery occasioned by the refusal of the agents of the War Department to receive the shipments of wood and in prosecuting its claim for the payment of the contract price, the War Department having since refused to approve or settle such claim.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

VALIDATION OF THE ACQUISITION OF CANADIAN PROPERTIES BY THE WAR DEPARTMENT

The next business on the Private Calendar was the bill (H. R. 16155) for the validation of the acquisition of Canadian properties by the War Department and for the relief of certain disbursing officers for payments made thereon.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the action by the War Department for the acquisition, through trustees, of an interest in and title to certain tracts of land on which to erect additional manufacturing buildings and facilities to increase the production of shells under contracts entered into with certain Canadian contractors for the manufacture of shells and other munitions during the World War is hereby ratified and validated, and that the Comptroller General of the United States is hereby authorized and directed to allow credit in the accounts of the following officers in the amounts stated which now stand as disallowances on the books of the General Accounting Office: Capt. J. Q. A. Brett, United States Army (now major, retired), $207,223.66; Donald Findley, formerly captain, Ordnance Department, $14,510.39; Capt. Carl Halla, Finance Department (now major), $65,068.12; Maj. E. O. Hopkins, Quartermaster Corps (now major, Finance Department), $14,728.05; Weston Patterson, formerly first lieutenant, Finance Department, $13,960.16; in all, $315,490.38.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

WILLIAM V. PRUETT

The next business on the Private Calendar was the bill (H. R. 14591) authorizing the President to appoint William V. Pruett to the position and rank of major, Medical Corps, in the United States Army.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the President of the United States be, and hereby is, authorized to appoint William V. Pruett to the active list of the Army, after ascertaining that he is qualified for active service therein, and to commission him, by and with the advice and consent of the Senate, as an additional number in the Medical Corps, United States Army, in the grade of major.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

IRA E. KING

The next business on the Private Calendar was the bill (H. R. 16442) for the relief of Ira E. King.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit Ira E. King, postmaster at Stillwater, Minn., in the sum of $17,231.39, due to the United States on account of postal funds, postage stamps, and war-tax revenue stamps which were lost as a result of burglary on the night of December 5, 1925.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

THOMAS M. LIVINGSTON

The next business on the Private Calendar was the bill (H. R. 16183) granting relief to Thomas M. Livingston.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Court of Claims of the United States be, and hereby is, given jurisdiction to hear and determine the claim of Thomas M. Livingston, of Columbia, S. C., and to enter a judgment in his favor for such compensation and damage as may be found to be justly due as compensation for the taking by the United States of a part of a tract of land belonging to said Thomas M. Livingston in Richland County, S. C., for public use, and damage to the remainder of said tract resulting from the digging by the United States in 1918 and 1919 of a canal through said property as a sewage outlet for Camp Jackson, S. C., notwithstanding the fact that the United States, or any officer, agent, or employee acting in its behalf, entered upon said property under a claim of right, or committed a tort in doing so, and notwithstanding any statute of limitations with respect to suits against the United States.

SEC. 2. That the said Court of Claims in the adjudication of said claims is authorized, in its discretion, to employ and use the pleadings and evidence filed in the Court of Claims by the said Thomas M. Livingston or the United States in case No. 298-A between the said parties in said court, in which the Court of Claims rendered a decision on January 5, 1925, or upon such further proceedings as the court may require.

With the following committee amendments:

On page 1, line 7, after the word "due," insert a comma and the words "if any."

On page 2, line 9, strike out the word "claims" and insert in lieu thereof the word "claim."

The committee amendments were agreed to.

Mr. STRONG of Kansas. Mr. Speaker, I offer an amendment.

The SPEAKER. The gentleman from Kansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STRONG of Kansas: Page 1, line 5, strike out the words "and to."

Strike out all of line 6.

Strike out all of line 7 up to and including the word "as," following the words "if any," and insert the word "for."

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

WARREN M. HENDRICKSEN

The next business on the Private Calendar was the bill (H. R. 14895) to provide for the reinstatement of Warren M. Hendricksen in the United States Military Academy.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GARNER of Texas. Mr. Speaker, reserving the right to object, may I make an inquiry of the gentleman from Connecticut, the majority leader? Does the gentleman expect this calendar to have another day at an early date?

Mr. TILSON. I do expect this calendar to have another day, but just how early I could not say; probably not before the latter part of next week. Owing to the amount of business already on the calendar, it will probably not be before the latter part of next week.

Mr. GARNER of Texas. May I suggest to the gentleman that these are bills of a character to which there is absolutely no objection, and it seems to me a night session would not be objectionable to the membership of the House? I see my friend from Massachusetts frown, but I think he ought to take one night off, at least, to see that bills which are objectionable to him do not go through.

Mr. BLANTON. Will the gentleman yield?

Mr. GARNER of Texas. Yes.

Mr. BLANTON. Some of us have worked hard on some of these bills, that involve much money and are bad bills, and ought to be objected to, and we have to stay here during the entire reading of the calendar in order to reach the bills that should be objected to. It takes hours of hard research work in our offices at night to investigate these numerous bills on the Private Calendar, and only a very few of us here are making these investigations and are doing this needed work. I did not get to retire last night until about 1.30 a. m., and I have been working practically every night for over a month. I do not think we should be asked to come back here at night. Some of us are worked too hard already. I am pretty well fatigued when I get through with my office work every night, which must be done, I will say to my colleague.

Mr. GARNER of Texas. I do not have any doubt about that, and I am not suggesting that we come back here to-night. If it is objectionable, I am not suggesting that we come back any other night, but I do think this calendar ought to have another day at the earliest possible moment.

Mr. TILSON. Mr. Speaker, as soon as practicable, probably not before the latter part of next week, I hope to have another day upon which to consider this calendar. If that proves impracticable, I shall then ask the House to come back some evening and work on this calendar.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is authorized and directed to reinstate Warren M. Hendricksen in the class in the United States Military Academy of which he was a member at the time of his discharge because of physical disability, on July 16, 1926, and shall from the date of such reinstatement accord to the said Warren M. Hendricksen all the rights, privileges, and benefits to which he would have been entitled had he not been so discharged.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

ANDREW M'LAUGHLIN

The next business on the Private Calendar was the bill (H. R. 15624) for the relief of Andrew McLaughlin.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Andrew McLaughlin, who was a member of Troop I, Third United States Volunteer Cavalry, and Company K, Twenty-first United States Volunteer Infantry, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a private of those organizations on the 10th day of July, 1898, and 20th day of January, 1900, respectfully: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

With the following committee amendments:

On page 1, line 6, strike out the word "Volunteer"; in line 7, strike out the word "Volunteer"; in line 11, strike out the word "respectfully" and insert in lieu thereof the word "respectively," and amend the title.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

The title was amended.

RELIEF OF CERTAIN OFFICERS OF THE ARMY

The next business on the Private Calendar was the bill (H. R. 16058) for the relief of certain officers of the Army of the United States.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the accounts of the following named disbursing officers in the amounts stated, representing overpayments to citizens' military training camp students on account of travel pay to and from camp, and which amounts now stand as disallowances on the books of the General Accounting Office: Capt. B. B. Barbee, $155.40; Capt. C. J. Dick, $229.45; Capt. P. A. Hodapp, $148.55; Capt. Otto J. Langtry, $125.80; Capt. W. N. Skyles, $38.10; Capt. James H. Todd, $20.90; Capt. George N. Watson, $49.60; Maj. F. J. Baker, $57.50; Maj. C. M. Exley, $23.60; and Capt. Melvin Jones, $96.40; in all, $945.30.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

MARGARET RICHARDS

The next business on the Private Calendar was the bill (S. 1155) for the relief of Margaret Richards.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Margaret Richards, of Little Rock, Ark., the sum of $5,000 for injuries sustained while en route to Camp Pike to participate in an entertainment for convalescent soldiers on May 6, 1920.

With the following committee amendment:

In line 6, after the word "Arkansas" insert "in full settlement against the Government."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

GEORGE BOIKO & CO. (INC.)

The next business on the Private Calendar was the bill (H. R. 6057) for the relief of George Boiko & Co. (Inc.).

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to George Boiko & Co. (Inc.), out of any money in the Treasury not otherwise appropriated, the sum of $15,119.49, in payment for certain goods taken from his possession by the United States and in reimbursement of certain expenses thereby incurred.

With the following committee amendment:

Strike out all after the word "of" in line 6 and insert in lieu thereof as follows: "$5,871.97 in full, final, and complete payment for certain goods taken from the possession of said corporation by the United States."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read the third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

CHARLOTTE CHAMBER OF COMMERCE AND CHARLES G. DOBBINS

The next business on the Private Calendar was the bill (H. R. 13143) for the relief of Charlotte Chamber of Commerce and Capt. Charles G. Dobbins, Army disbursing officer.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is authorized and directed to cancel the indebtedness of the Charlotte Chamber of Commerce to the United States in the amount of $8,146.58, raised upon the books of the General Accounting Office by reason of an unauthorized payment made by Capt. Charles G. Dobbins, Army disbursing officer, in connection with a lease dated September 1, 1917, at an annual rental of $1 by the said chamber of commerce to the United States of land for occupation as Camp Greene, N. C., which lease was renewed for the period July 1, 1918, to June 30, 1919, but payment was made in the amount of $8,146.58 to the chamber of commerce for the period January 1 to June 30, 1919, and by it to the owners of the site, and the necessary credit in said amount is authorized to be made in the accounts of Capt. Charles G. Dobbins, Army disbursing officer.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

KATHERINE SOUTHERLAND

The next business on the Private Calendar was the bill (S. 1339) for the relief of Katherine Southerland.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Katherine Southerland the sum of $2,067, in full settlement of all claims for injuries received and losses sustained as a result of being run down and over by a motor truck of the United States Army in Washington, D. C., on November 7, 1921.

With the following amendments:

In line 6, strike out the figures "$2,067" and insert "$1,000."

In line 9, after the word "on" insert "or about."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended.

MARGARET T. HEAD

The next business on the Private Calendar was the bill (H. R. 9163) for the relief of Margaret T. Head.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Margaret T. Head, of Watertown, Mass., as full compensation for the accidental death of her son, Alfred Head, on July 11, 1924, caused by being struck by an automobile truck then in the service of the United States Postal Service.

With the following committee amendments:

In line 6, after the name "Head," add "administratrix."

Line 8, strike out "July" and insert the word "June."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The title was amended.

DAVID E. GOODWIN

The next business on the Private Calendar was the bill (H. R. 5642) for the relief of David E. Goodwin.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, David E. Goodwin, who was in Company L, Eleventh Regiment United States Infantry, shall be held and considered to have been honorably discharged from the military service of the United States as a private of said company and regiment on November 26, 1900: *Provided*, That no bounty, pay, or allowances shall be held as accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote was laid on the table.

SPEAKER PRO TEMPORE FOR SUNDAY, FEBRUARY 20, 1927

The SPEAKER. The Chair appoints the gentleman from Wisconsin [Mr. COOPER] to preside next Sunday, February 20, 1927, at the services in memory of the late Senator LA FOLLETTE.

NEED OF PUBLIC BUILDING AT TEXAS CITY

Mr. BRIGGS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon the public buildings bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. BRIGGS. Mr. Speaker, in connection with the pending legislation increasing the general authorization of public buildings I want to emphasize the urgent need of Texas City, Tex., for a Federal building.

Its need is not alone to be determined by its population of 5,000 people and its post-office receipts of approximately $15,000 the past year, but even more particularly by reason of the rapidity of its growth, its progressiveness, the great volume of commerce moving through it, the number of its large and important industries, and the large custom revenues collected by the Government from the commerce received there. Such custom duties recently running from approximately $2,500,000 to $5,000,000 annually.

Since 1919 both the population and postal receipts of Texas City have practically doubled, and investments have been made there in the form of industrial enterprises aggregating about $20,000,000. A very large modern sugar refinery has been recently established there, and a number of oil-refining companies have built extensive plants and others are about to be undertaken and completed there.

Texas City possesses fine schools, with an enrollment of about 800 children; an electric-light and power plant; a modern sewer system, water works, 40 miles of shell-paved streets, 1½ miles of concrete-top asphalt pavement, with an ornamental street-lighting system, an ice and cold-storage plant, and other modern improvements. It possesses the commission form of government, and a million and a half is in process of expenditure by the county on good roads about Texas City, and the establishment of a modern and excellent system of protective works.

Texas City is served by a number of large trunk railways and, with the Texas City Terminal Railway Co. and Galveston & Houston Electric Railway Co., embraces the following large railroad systems:

Atchison, Topeka & Santa Fe Railway Co.

Missouri-Kansas-Texas Railroad Co.

Galveston, Harrisburg & San Antonio Railway Co.
International-Great Northern Railroad Co.
Missouri Pacific system.
Galveston, Houston & Henderson Railway Co.

It possesses modern ocean terminals, with an excellent warehouse system, a 500,000-bushel grain elevator, a sulphur-loading plant, a complete and extensive pipe-line system for handling oil to and from ships, and the value of its commerce has grown from $998,428 in 1904 to $71,475,512 for the calendar year 1925. In the latter year 4,475,249 short tons of commerce moved through the port.

It is one of the great oil ports of the United States, and handles large shipments of sulphur, sugar, grain, cotton, and other commodities.

For the first six months ending June 30, 1926, its tonnage amounted to 2,053,126 short tons, valued at $43,340,466. As the last six months of the year are usually the most active period of the year, it is probable that when all figures have been assembled and compiled that the commerce for the calendar year 1926 will be far greater than that during the calendar year 1925.

In order, therefore, that the business of the port of Texas City may be properly cared for, and adequate and suitable housing facilities be provided for the custom and post-office forces engaged in handling Government business there, provision should be made, without delay, for the acquisition of a site and construction thereon of a Federal building commensurate with the urgent needs of Texas City and in accord with the bill which has been introduced by me and which has been pending for quite a long time.

It is realized that the administration refuses to sanction the adoption of legislation specifically designating the place where a site should be acquired and a building constructed, and insists that no legislation shall go further than simply authorizing the expenditure of a lump sum for public buildings to be determined later by the Secretary of the Treasury and the Postmaster General after survey.

Under the recent lump-sum authorization of May 25, 1926, the Secretary of the Treasury and Postmaster General conducted a survey and announced a limited building program over the United States, but stated that in view of the building needs of the Nation and limited authorization available, consideration could not be given to any place where the postal receipts are not in excess of $20,000 during the preceding year.

With the pending legislation for increase of the authorization, which is expected to be enacted into law, it is urged that provision should be made promptly for the erection of a Federal building at Texas City, without regard to the previous limitations relating to post-office receipts, for not only is the need for such a building at Texas City great enough to justify its designation for a building and site, but its customs receipts of several million dollars annually fully entitle it to the favorable consideration which it asks at the hands of the Federal Government.

RECONNAISSANCE WORK IN THE RIO GRANDE VALLEY, N. MEX.

Mr. MORROW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the bill S. 5197, to authorize the appropriation for reconnaissance work in conjunction with the Middle Rio Grande conservancy district.

The SPEAKER. Is there objection?

There was no objection.

Mr. MORROW. Mr. Speaker, the passage of Senate bill 5197, which was substituted for House bill 16209, heretofore reported for passage to the House, is of vital importance. In the legislation now passed by both houses and awaiting the signature of the President, a forward movement has been made for the survey and determining the feasibility of the inclusion of 25,820 acres of Indian land contained within the Indian pueblos of Cochiti, San Felipe, Santo Domingo, Santa Ana, Sandia, and Isleta.

A total of 146,000 acres is contemplated to be reclaimed by drainage and to carry out flood control within the conservancy district known as the middle Rio Grande Valley project, New Mexico.

This is to be accomplished through the efforts of the district, whose headquarters are located at Albuquerque, N. Mex. This district embraces the Rio Grande Valley for a distance of 150 miles from a point at San Marcial, N. Mex., to White Rock Canyon, comprising a strip of land varying from 1 mile to 5 miles in width.

Rio Grande means Big River, and flows in a winding stream from one side of the valley to the other. The land being in private ownership and the area of the valley being approximately 210,000 acres.

Located within this valley are many thriving towns, parts of four counties, and the county seats of same. Albuquerque is the largest city of New Mexico and the county seat of Bernalillo County, with a population of 30,000 people.

The county seats of the three other counties comprise an aggregate population of over 8,000 people. Many smaller villages are also located in this valley. The population which is directly interested in this development is 50,000 people, including the Indian population of 2,500. The valuation of the property upon a basis used in estimating a conservative value is $40,000,000, which is said to be not in excess of 50 per cent of the actual value of the property within the district.

This district is a political subdivision of the State of New Mexico, organized and existing under an act of the New Mexico Legislature. The district is patterned after the conservancy act of the State of Ohio, and was organized August 25, 1925. The purpose is the reclaiming of the great body of land in this valley, which has become water-logged and requires immediate drainage in order to restore it to fertility and productivity.

This particular part of the State included in the Rio Grande Valley is historical concerning the Pueblo Indians, who are by this legislation included in the preliminary work of the district. Coronado found them here before the sixteenth century, cultivating and irrigating these lands in their primitive way and producing crops. They are, without doubt, the first irrigators in America. It is said that the Indians irrigated as much as 25,000 acres before the sixteenth century, and to-day they have but a few thousand acres of badly water-logged land under irrigation.

The advent of the early Spanish settlement to this valley increased the acreage irrigated until it is estimated that at the beginning of the eighteenth century there were 100,000 acres of land under irrigation, and this increased for 50 years more until 125,000 acres were irrigated and cultivated by the early Spanish and Indian settlers.

From that time to the present this area has been reduced until a scant 40,000 acres of land in this part of that great valley is now utilized, where once three times that amount was cultivated successfully. Water logging and alkalinity have increased from year to year and can only be changed by a proper system of drainage. The Indian lands suffer more than other lands in this respect.

The rising of the bed of the river has increased the seepage acreage. Man, by his skill, can change this condition and again make this great valley one of the fertile spots of the Nation.

Water in abundance is to be had in these water-logged lands, and when drained into reservoirs it will be ready for use. Climatic conditions are ideal. A growing season of 200 days per year. These lands can be reclaimed into a great horticultural and agricultural district. Transportation facilities are good; the great Santa Fe Railroad, traversing the entire length of the valley and a through east-and-west connection with all other main transportation lines to the large markets, will permit the products of the valley, when produced to its full agricultural and horticultural possibilities, to reach the principal cities where needed for consumption.

The reclaiming of this vast valley and the returning it to its former fertility is a great undertaking. The backing of the people of the communities and municipalities within the area, with the support of the great Santa Fe Railroad, bespeaks success for the energetic and far-seeing western community.

This again shows a spirit in the West which is to be commended. This is the utilization of nature's resources to make the desert blossom and reclaim that which is now largely waste land.

Albuquerque, the largest city in the State, is situated in this valley, and its citizens are the prime movers in this activity, to again utilize this portion of the middle Rio Grande Valley. This city, lying as it does, in the heart of the valley is destined to become one of the large cities of the Southwest. The climatic conditions are ideal, and the surplus of crops not consumed within the State will be such that will command a market elsewhere in the Nation.

The necessity for placing the land of the six Indian pueblos within the district is apparent, because it is so interspersed that it is impossible to reclaim and utilize this part of the valley to its fullest extent without at the same time bringing the Indian land directly within the benefits.

Then, too, it means a livelihood for the Indians in the production of food crops that they need; a value to their land which it does not now possess; the return to the Government of the expense of reclaiming under the reimbursable feature. These Indians are industrious and energetic and know the art of irrigation.

The altitude of the valley and the character of the soil makes this locality ideal for the production of alfalfa, sugar beets, grain, fruits, including grapes, and all varieties of garden crops.

Tobacco is being experimented with successfully. The soil and climatic conditions indicate a successful growing of this product.

The cost of drainage and flood protection will be apportioned in fixing the charge in proportion to the benefit which each class of property receives; also in proportion to the protection received, as to flood protection, drainage, and irrigation benefits.

The city and village property will come within the class receiving flood protection; while the lands will be in the class receiving drainage or irrigation benefits.

In order that the Indian lands bear their part of the cost it is necessary to have the cooperation of the Federal Government. This has been granted in the preliminary work approved by this law, just enacted and now before the President for signature.

The acts of the officers of the district are subject to review by the district court and must be passed upon and confirmed by the court.

The assessment against the property is subject to review by the court and must be in proportion to the benefit received, and in proportion to the assessment levied against like property which receives equal benefit.

The cost of the project, including complete surveys and tests to be made, can not now be determined accurately. However, sufficient knowledge of the cost in the possession of the engineers in charge of the work, who estimate that the cost of irrigating the agricultural lands will be less than the cost under the Federal Government irrigation projects.

The engineers estimate that under this project the cost for irrigation and drainage, not including storage, is about $35 per acre. The annual crops from the land included should average per acre in yield and value a return similar to that under the Elephant Butte project, or what is termed the lower Rio Grande Valley, N. Mex. The latter project has been considered among those which have shown ability to successfully operate and promptly meet the Government payments.

These remarks, although brief, in regard to this legislation are intended to bring before the Members of Congress the question of future legislation, which will arise when the survey is completed. Congress can then know more fully the details for the reclamation of these lands and can cooperate further in the passage of the necessary legislation to cover the Indian part of the cost of reclaiming the 25,820 acres of Indian land upon a reimbursable plan.

This work is said to be vital to the life of the valley and especially vital to the Indians; without this relief the land is useless, both to white and Indian settlers. It is to be expected that complete cooperation can be had between the district, representing the people of the valley, and Congress which must legislate for the Indians.

SOVEREIGNTY OVER LAND AT BATTERY COVE, VA.—CONFERENCE REPORT

Mr. JAMES. Mr. Speaker, I present a conference report upon the bill (H. R. 11615) providing for the cession to the State of Virginia of sovereignty over a tract of land located at Battery Cove, near Alexandria, Va., for printing under the rule.

The conference report is as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 11615) providing for the cession to the State of Virginia of sovereignty over a tract of land located at Battery Cove, near Alexandria, Va., having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same.

W. FRANK JAMES,
JOHN PHILIP HILL,
PERCY QUIN,
Managers on the part of the House.

J. W. WADSWORTH, Jr.,
DAVID A. REED,
DUNCAN U. FLETCHER,
Managers on the part of the Senate.

ASSOCIATION SIERVAS DE MARIA, SAN JUAN, PORTO RICO—CONFERENCE REPORT

Mr. JAMES. Mr. Speaker, I present a conference report upon the bill (H. R. 10728) authorizing the Secretary of War to convey to the Association Siervas de Maria, San Juan, Porto Rico, certain property in the city of San Juan, Porto Rico, for printing under the rules.

ENROLLED SENATE BILL SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled Senate bill of the following title, when the Speaker signed the same:

S. 5259. An act granting permission to Maj. Charles Beatty Moore, United States Army, to accept the following decorations, namely, the Legion of Honor tendered him by the Republic of France, and the officers' cross of the order of Polonia Restituta, tendered him by the Republic of Poland.

ADJOURNMENT

Mr. TILSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 4 o'clock and 52 minutes p. m.) the House adjourned until to-morrow, Thursday, February 17, 1927, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Thursday, February 17, 1927, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON APPROPRIATIONS

(10.30 a. m.)

Second deficiency bill.

COMMITTEE ON BANKING AND CURRENCY

(10.30 a. m.)

To amend the Federal farm loan act (H. R. 15540).

COMMITTEE ON IMMIGRATION AND NATURALIZATION

(10.30 a. m.)

To amend the immigration act of 1924 (H. R. 16864).

COMMITTEE ON WAYS AND MEANS

(10.30 a. m.)

Salaries of employees of the customs service.

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

(10.30 a. m.)

To extend the benefits of the World War veterans' act, as amended, to Jerry Tarbot (H. J. Res. 237).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

981. A communication from the President of the United States, transmitting schedules of claims amounting to $123,827.03 allowed by various divisions of the General Accounting Office, as covered by certificates of settlement, the numbers of which are shown in the first column of said schedules under appropriations, the balances of which have been exhausted or carried to the surplus fund, and for the service of the several departments and independent offices (H. Doc. No. 720); to the Committee on Appropriations and ordered to be printed.

982. A communication from the President of the United States, transmitting records of judgments rendered against the Government by United States district courts under special acts of Congress, as submitted by the Attorney General through the Secretary of the Treasury (H. Doc. No. 721); to the Committee on Appropriations and ordered to be printed.

983. A communication from the President of the United States, transmitting records of judgments rendered against the Government by the United States District Court for the Northern District of California, as submitted by the Attorney General through the Secretary of the Treasury (H. Doc. No. 722); to the Committee on Appropriations and ordered to be printed.

984. A communication from the President of the United States, transmitting list of judgments rendered by the Court of Claims, which have been submitted by the Attorney General through the Secretary of the Treasury, and require an appropriation for their payment (H. Doc. No. 723); to the Committee on Appropriations and ordered to be printed.

985. A communication from the President of the United States, transmitting supplemental estimate of appropriation for

the legislative establishment under the Architect of the Capitol, in the sum of $245,000 (H. Doc. No. 724); to the Committee on Appropriations and ordered to be printed.

986. A communication from the President of the United States, transmitting record of judgment rendered against the Government by the United States District Court for the Southern District of Ohio, Eastern Division (H. Doc. No. 725); to the Committee on Appropriations and ordered to be printed.

987. A communication from the President of the United States, transmitting records of judgments rendered against the Government by the United States district courts, as submitted by the Attorney General through the Secretary of the Treasury (H. Doc. No. 726); to the Committee on Appropriations and ordered to be printed.

988. A communication from the President of the United States, transmitting records of judgments rendered against the Government by the United States district courts as submitted by the Attorney General through the Secretary of the Treasury, which require an appropriation for their payment (H. Doc. No. 727); to the Committee on Appropriations and ordered to be printed.

989. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the Department of State for the fiscal year ending June 30, 1927, amounting to $4,500 (H. Doc. No. 728); to the Committee on Appropriations and ordered to be printed.

990. A communication from the President of the United States, transmitting draft of proposed legislation for the Department of Justice, providing that not to exceed $100,000 of the unexpended balance of the appropriation of $350,000 for the maintenance of the United States industrial reformatory at Chillicothe, Ohio, for the fiscal year 1927 shall be available and remain available until expended in the construction of the United States industrial reformatory and other Federal buildings (H. Doc. No. 729); to the Committee on Appropriations and ordered to be printed.

991. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment, United States Senate, for the fiscal year 1927, in the sum of $6,000 (H. Doc. 730); to the Committee on Appropriations and ordered to be printed.

992. A communication from the President of the United States, transmitting estimates of appropriations submitted by the several executive departments and establishments to pay claims for damages to privately owned property and damages by collision with naval vessels in the sum of $12,136.42, which have been considered and adjusted under the provisions of the several acts relating thereto and which require appropriations for their payments (H. Doc. No. 731); to the Committee on Appropriations and ordered to be printed.

993. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the United States Tariff Commission for the fiscal year ending June 30, 1927, in the amount of $49,000 (H. Doc. No. 732); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. SNELL: Committee on Rules. H. Res. 426. A resolution providing for the consideration of S. 3170, an act to provide compensation for disability or death resulting from injury to employees in certain maritime employments, and for other purposes; without amendment (Rept. No. 2104). Referred to the House Calendar.

Mr. SNELL: Committee on Rules. H. Res. 427. A resolution providing for the consideration of H. R. 4548, a bill making eligible for retirement under certain conditions officers and former officers of the World War, other than officers of the Regular Army who incurred physical disability in line of duty while in the service of the United States during the World War; without amendment (Rept. No. 2105). Referred to the House Calendar.

Mr. COLTON: Committee on the Public Lands. S. 4863. An act authorizing the adjustment of the boundaries of the Arapaho National Forest, and for other purposes; without amendment (Rept. No. 2107). Referred to the Committee of the Whole House on the state of the Union.

Mr. ENGLEBRIGHT: Committee on the Public Lands. H. R. 16472. A bill granting certain lands to the State of California; with amendment (Rept. No. 2108). Referred to the Committee of the Whole House on the state of the Union.

Mr. PARKS: Committee on Interstate and Foreign Commerce. H. R. 16551. A bill amending the Federal highway act; with amendment (Rept. No. 2109). Referred to the Committee of the Whole House on the state of the Union.

Mr. REECE: Committee on Military Affairs. H. R. 17072. A bill allowing the rank, pay, and allowance of a colonel, Medical Corps, to medical officer assigned to duty as personal physician to the President; without amendment (Rept. No. 2110). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. S. 3889. An act to authorize the Railroad Commission of Texas and the Corporation Commission of Oklahoma to regulate tolls charged for transit over certain bridges across the Red River; with amendment (Rept. No. 2111). Referred to the House Calendar.

Mr. BARKLEY: Committee on Interstate and Foreign Commerce. S. 5083. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at Louisville, Ky., and to repeal certain former bridge laws; with amendments (Rept. No. 2112). Referred to the House Calendar.

Mr. WYANT: Committee on Interstate and Foreign Commerce. S. 5588. An act granting the consent of Congress to the Big Sandy & Cumberland Railroad Co. to construct and maintain and operate a bridge across the Tug Fork of Big Sandy River, at Devon, Mingo County, W. Va.; without amendment (Rept. No. 2113). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. S. 5596. An act granting the consent of Congress to Dauphin Island Railway & Harbor Co., its successors and assigns, to construct, maintain, and operate a railroad bridge and approaches thereto and/or a toll bridge across the water between the mainland at or near Cedar Point and Dauphin Island; with amendment (Rept. No. 2114). Referred to the House Calendar.

Mr. BARKLEY: Committee on Interstate and Foreign Commerce. S. 5598. An act to extend the time for constructing a bridge across the Ohio River approximately midway between the city of Owensboro, Ky., and Rockport, Ind.; without amendment (Rept. No. 2115). Referred to the House Calendar.

Mr. MILLIGAN: Committee on Interstate and Foreign Commerce. S. 5620. An act granting the consent of Congress to John R. Scott, Thomas J. Scott, E. E. Green, and Baxter L. Brown, their successors and assigns, to construct, maintain, and operate a bridge across the Mississippi River; without amendment (Rept. No. 2116). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 16887. A bill granting the consent of Congress to George A. Hero and Allen S. Hackett, their successors and assigns, to construct, maintain, and operate a bridge across the Mississippi River; with amendment (Rept. No. 2117). Referred to the House Calendar.

Mr. BARKLEY: Committee on Interstate and Foreign Commerce. H. R. 16950. A bill granting the consent of Congress to the department of highways and public works of the State of Tennessee to construct, maintain, and operate a bridge across the Clinch River in Hancock County, Tenn.; with amendment (Rept. No. 2118). Referred to the House Calendar.

Mr. SHALLENBERGER: Committee on Interstate and Foreign Commerce. H. R. 16954. A bill granting the consent of Congress to the city of Blair, in the State of Nebraska, or its assignees, to construct a bridge and approaches thereto across the Missouri River between the States of Nebraska and Iowa; with amendment (Rept. No. 2119). Referred to the House Calendar.

Mr. PARKS: Committee on Interstate and Foreign Commerce. H. R. 16971. A bill granting the consent of Congress to the South Carolina and Georgia State highway departments, their successors and assigns, to construct, maintain, and operate a bridge across the Savannah River; with amendment (Rept. No. 2120). Referred to the House Calendar.

Mr. HAWLEY: Committee on Ways and Means. H. R. 17130. A bill to conserve the revenues from medicinal spirits and provide for the effective Government control of such spirits, to prevent the evasion of taxes, and for other purposes; without amendment (Rept. No. 2127). Referred to the Committee of the Whole House on the state of the Union.

Mr. FISHER: Committee on Military Affairs. S. 2081. An act placing certain noncommissioned officers in the first grade; without amendment (Rept. No. 2128). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. S. 5082. An act authorizing an appropriation of $8,600,000 for the purchase of

seed grain, feed, and fertilizer to be supplied to farmers in the crop-failure areas of the United States, and for other purposes; without amendment (Rept. No. 2129). Referred to the Committee of the Whole House on the state of the Union.

Mr. LUCE: Committee on World War Veterans' Legislation. H. R. 17157. A bill to authorize an appropriation to provide additional hospital and out-patient dispensary facilities for persons entitled to hospitalization under the World War veterans' act, 1924, as amended; without amendment (Rept. No. 2133). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. UNDERHILL: Committee on Claims. H. R. 1569. A bill for the relief of Christine Brenzinger; with amendment (Rept. No. 2121). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 11010. A bill for the relief of Frances L. Dickinson; without amendment (Rept. No. 2122). Referred to the Committee of the Whole House.

Mr. MORROW: Committee on Claims. H. R. 11459. A bill for the relief of William A. Light; with amendment (Rept. No. 2123). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 16182. A bill for the relief of William H. Lindsay; with amendment (Rept. No. 2124). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 17063. A bill for the relief of C. G. Duganne and A. N. Ross; without amendment (Rept. No. 2125). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 5539. A bill to authorize and direct the Comptroller General to settle and allow the claims of E. A. Goldenweiser, Edith M. Furbush, and Horatio M. Pollock, for services rendered to the Department of Commerce; without amendment (Rept. No. 2126). Referred to the Committee of the Whole House.

Mr. GARRETT of Texas: Committee on Military Affairs. H. J. Res. 339. A joint resolution authorizing the Secretary of War to award a Nicaraguan campaign badge to Capt. James P. Williams, in recognition of his services to the United States in the Nicaraguan campaign of 1912 and 1913; without amendment (Rept. No. 2130). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 14571) granting an increase of pension to Nianna M. Ruckel, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GRAHAM (by request): A bill (H. R. 17179) to amend section 51 of chapter 4 of the Judicial Code; to the Committee on the Judiciary.

By Mr. ZIHLMAN (by request of the Commissioners of the District of Columbia): A bill (H. R. 17180) to amend an act entitled "An act to authorize the Commissioners of the District of Columbia to close certain streets, roads, or highways in the District of Columbia rendered useless or unnecessary by reason of the opening, extension, widening, or straightening, in accordance with the highway plan of other streets, roads, or highways in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. KNUTSON: A bill (H. R. 17181) to extend the time for constructing a bridge across Rainy River, approximately midway between the village of Spooner, in the county of Lake of the Woods, State of Minnesota, and the village of Rainy River, Province of Ontario, Canada; to the Committee on Interstate and Foreign Commerce.

By Mr. JAMES: A bill (H. R. 17182) authorizing construction of barracks at Fort Jay, Governors Island, N. Y.; to the Committee on Military Affairs.

By Mr. JENKINS: A bill (H. R. 17183) to amend section 25 of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1880, and for other purposes," approved March 3, 1879, as amended; to the Committee on the Post Office and Post Roads.

By Mr. GREEN of Florida: A bill (H. R. 17184) to create a department of public education, to authorize appropriations for the conduct and maintenance of said department, and for other purposes; to the Committee on Education.

By Mr. PERLMAN: A bill (H. R. 17185) to permit the manufacture, sale, purchase, possession, and transportation of beer containing not more than 2.75 per cent of alcohol; to the Committee on the Judiciary.

Also, a bill (H. R. 17186) to amend the penal laws of the United States; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. ZIHLMAN (by request of the Commissioners of the District of Columbia): A bill (H. R. 17187) authorizing the acquisition of a site for and the construction of a new building for the recorder of deeds, the municipal court, the juvenile court, and for other purposes; to the Committee on the District of Columbia.

By Mr. GRAHAM: Joint resolution (H. J. Res. 362) to provide for an inquiry into the employment hazards of seamen and into the advisability of including seamen in a Federal workmen's compensation system; to the Committee on the Judiciary.

By Mr. CAREW: Concurrent resolution (H. Con. Res. 55) to establish a joint committee of the House and Senate of the United States; to the Committee on Rules.

By Mr. EDWARDS: Resolution (H. Res. 428) requesting the Secretary of State to furnish the House of Representatives certain information concerning appointments in the Foreign Service of the United States; to the Committee on Foreign Affairs.

By Mr. GALLIVAN: Resolution (H. Res. 429) to regulate boxing matches in the House of Representatives; to the Committee on Rules.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

By Mr. BOYLAN: Memorial of the Legislature of the State of New York, urging that House bill 6238 be passed, which provides that the immigration act of 1924 be amended; to the Committee on Immigration and Naturalization.

By Mr. LaGUARDIA: Memorial of the Legislature of the State of New York, requesting passage of House bill 6238, which provides that the immigration act of 1924 be amended; to the Committee on Immigration and Naturalization.

By Mr. ARENTZ: Memorial of the Legislature of the State of Nevada, in opposition to the passage of House bill 16168, which provides to authorize the issuance of patent for lands containing deposits of copper and associated minerals, and for other purposes; to the Committee on the Public Lands.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CHAPMAN: A bill (H. R. 17188) granting a pension to Francis M. Gilbert; to the Committee on Invalid Pensions.

By Mr. COLLIER: A bill (H. R. 17189) for the relief of Charles H. Penley; to the Committee on Claims.

By Mr. DREWRY: A bill (H. R. 17190) for the relief of Lieut. Robert Stanley Robertson, jr., United States Navy; to the Committee on Naval Affairs.

By Mr. EDWARDS: A bill (H. R. 17191) for the relief of Ernie M. Williams; to the Committee on World War Veterans' Legislation.

By Mr. KING: A bill (H. R. 17192) granting a pension to Benjamin Garland; to the Committee on Invalid Pensions.

By Mr. SNELL: A bill (H. R. 17193) for the relief of J. Edward Burke; to the Committee on Claims.

Also, a bill (H. R. 17194) for the relief of Leon Freidman; to the Committee on Claims.

By Mr. STRONG of Kansas: A bill (H. R. 17195) granting a pension to Mary E. Kipper; to the Committee on Invalid Pensions.

By Mr. THOMAS: A bill (H. R. 17196) granting an increase of pension to Lydia Kelly; to the Committee on Invalid Pensions.

By Mr. WYANT: A bill (H. R. 17197) granting an increase of pension to Ella N. Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17198) granting an increase of pension to Eleanora B. Beatty; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6836-6837. By Mr. ABERNETHY: Letters and telegrams from the following persons favoring the McNary-Haugen bill: J. B. Pollock, D. J. Dixon, E. E. Bell, F. W. K. Kellum, E. W. Summersill, J. B. Pettway, R. P. Hinton, L. B. Robinson, C. C. Gurley, H. B. Parker, George A. Norwood, Charles A. Brown, W. D. Grant, D. H. Bland, W. A. Dees, Luther Taylor, I. Frank Faison, H. B. Hatcher, W. B. Martin, M. McD. Williams, James J. Bowden, S. D. Ferrell, C. E. Quinn, N. B. Boney, D. S. Williamson, Sheriff W. B. Murray, W. E. Middleton, D. L. Carlton, W. D. Thomas, J. S. Brown, George L. Becton, A. H. Oliver, B. J. Bowden, J. M. Edgerton, D. L. Edgerton, J. C. Bardin, Dr. L. O. Hayes, S. J. Morton, Clarence Poe, and H. J. Faison; to the Committee on Agriculture.

6838. By Mr. ANDREW: Petition signed by citizens of Groveland, favoring the passage of further legislation providing increases in pensions for veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6839. Also, petition signed by Mrs. Charlotte A. Peabody and other residents of Haverhill, Mass., protesting against the passage of Senate bill 4821, pertaining to the closing of barber shops in the District of Columbia on Sunday; to the Committee on the District of Columbia.

6840. Also, petition signed by Mrs. Katherine P. Donovan and other residents of Haverhill, Mass., protesting against the passage of Senate bill 4821, pertaining to the closing of barber shops in the District of Columbia on Sunday; to the Committee on the District of Columbia.

6841. By Mr. AYRES: Petition of citizens of Wichita, Kans., for legislation in behalf of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6842. Also, petition of citizens of Wichita, Kans., for legislation in behalf of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6843. Also, petition of citizens of McPherson, Kans., for legislation in behalf of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6844. Also, petition of citizens of Conway Springs, Kans., for legislation in behalf of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6845. By Mr. BERGER: Memorial of the Chicago branch of the Naturfreunde, protesting against the collaboration of the Department of Labor with the Fascist Government of Italy and other reactionary governments of Europe for the deportation of political refugees who have come to American shores for an asylum; to the Committee on Immigration and Naturalization.

6846. Also, petition of citizens of the city of Milwaukee, State of Wisconsin, not to pass a Sunday closing bill for the District of Columbia to enforce the observance of the Sabbath or any other religious institution or rite, nor to adopt any bill or resolution which will give one religion preference above another; to the Committee on the District of Columbia.

6847. Also, memorial of Stenographers, Typists, Bookkeepers, and Assistants Union, No. 16456, of Milwaukee, Wis., protesting against armed interference in the affairs of Nicaragua and Mexico, and urging the adoption of arbitration as a means of settling differences between nations; to the Committee on Foreign Affairs.

6848. Also, petition of various and sundry citizens of the United States, residents of the city of Milwaukee, opposing the Sunday closing law for the District of Columbia, or any other bill enforcing the observance of the Sabbath; to the Committee on the District of Columbia.

6849. Also, memorial of the Federated Trades Council of Milwaukee, protesting against armed intervention in Nicaragua and demanding that the United States withdraw forthwith American troops from the Republic of Nicaragua; to the Committee on Foreign Affairs.

6850. By Mr. Boylan: Petition of Chamber of Commerce of Amsterdam, N. Y., that the all-American route is most beneficial and desirable to the United States; to the Committee on Rivers and Harbors.

6851. Also, petition of representative business men of Minneapolis, objecting to the enactment of the McNary-Haugen bill, because it is not beneficial to the farmer; to the Committee on Agriculture.

6852. By Mr. BRIGHAM: Petition of Maria King, D. H. Wright, and 67 other citizens of Bristol, Vt., favoring the passage of legislation for the relief of Civil War soldiers and widows; to the Committee on Invalid Pensions.

6853. By Mr. BROWNING: Petition of citizens of Hardin County, Tenn., requesting Civil War pension legislation; to the Committee on Invalid Pensions.

6854. By Mr. BRUMM: Petition of citizens of Connerton, Schuylkill County, Pa., urging immediate action on the pending bill to provide an increase of pension for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6855. By Mr. BURTNESS: Petition of the North Dakota Retail Jewelers' Association; to the Committee on Interstate and Foreign Commerce.

6856. By Mr. CHAPMAN: Petition of Amanda Hathaway, Wilson Ballard, James Martin, A. W. Thomas, and other citizens of Lexington, Ky., urging Congress to take immediate steps to bring to a vote pending Civil War pension bills that relief may be afforded needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

6857. By Mr. COOPER of Wisconsin: Petition of residents of Milton Junction, Wis., urging passage of bill to increase pensions of widows of Civil War veterans; to the Committee on Invalid Pensions.

6858. By Mr. CULLEN: Resolution of the Maritime Association of the Port of New York, indorsing the maritime workers' compensation act; to the Committee on the Judiciary.

6859. Also, letter from the New York State Federation of Labor, urging passage of longshoremen's bill; to the Committee on the Judiciary.

6860. By Mr. DENISON: Petition of various citizens of De Soto, Ill., urging that immediate steps be taken to bring to a vote a Civil War pension bill in order that relief may be accorded to the needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

6861. By Mr. DRIVER: Petitions signed by citizens of Woodruff and Clay Counties, Ark., urging passage of legislation for the relief of the Civil War veterans, their widows, and dependents; to the Committee on Invalid Pensions.

6862. By Mr. EATON: Petition of 63 citizens of Mercer County, N. J., urging immediate steps to bring Civil War pension bill to vote and urging support by Members of Congress; to the Committee on Invalid Pensions.

6863. By Mr. EVANS: Petition of citizens of Missoula, Mont., urging action on legislation for relief of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6864. By Mr. FRENCH: Petition of citizens of Wallace, Idaho, urging enactment of legislation benefiting Civil War veterans; to the Committee on Invalid Pensions.

6865. Also, petition of citizens of Post Falls, Idaho, urging enactment of legislation benefiting Civil War veterans; to the Committee on Invalid Pensions.

6866. By Mr. GALLIVAN: Petition of Atlantic Coast District, Longshoremen's Association, William F. Dempsey, secretary-treasurer, 7 Santuit Street, Dorchester, Mass., urging early and favorable consideration of Senate bill 3170, longshoremen's compensation bill, and opposing any amendment fixing definite maximum amount of death or permanent total disability benefit; to the Committee on the Judiciary.

6867. By Mr. GARDNER of Indiana: Petition of Mrs. Chris Meisner and 108 other citizens of Clark County, Ind., urging that immediate steps be taken to bring to a vote a Civil War pension bill in order that relief may be accorded to needy and suffering veterans and the widows of veterans of the Civil War; to the Committee on Invalid Pensions.

6868. By Mr. GREENWOOD: Petition of Mrs. Salena A. Fleming and 16 other citizens of Linton, Ind., urging that immediate steps be taken to bring to a vote a Civil War pension bill carrying the rates proposed by the National Tribune in order that relief may be accorded to the needy and suffering veterans and widows of veterans and thus partly repay the living for the sacrifices they have made for our country; to the Committee on Invalid Pensions.

6869. By Mr. HARDY: Petition of Joseph E. Laycock and 187 other residents of Colorado Springs, Colo., favoring increased pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6870. Also, petition of Mrs. Louisa B. Brundage and 139 other citizens of Cripple Creek, Colo., favoring increased pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6871. Also, petition of Mrs. Lillie Evans and nine other residents of Walsenburg, Colo., favoring increased pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6872. By Mr. HICKEY: Petition of A. F. McFann and other citizens of South Bend, Ind., urging the passage of a bill increasing the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6873. Also, petition of G. W. Kemnitz and other citizens of Elkhart, Ind., urging the passage of a bill increasing the

pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6874. By Mr. HOOPER: Petition of O. S. Thompson and 168 other residents of Branch County, Mich., protesting against the enactment of compulsory Sunday observance legislation for the District of Columbia; to the Committee on the District of Columbia.

6875. By Mr. HOWARD: Petition submitted by Lyman Hutchings and 14 others of Allen, Dixon County, Nebr., pleading for increased pensions for the relief of suffering veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

6876. By Mr. IRWIN: Petition of Martha Spooner et al., of Alton, Ill., praying for the enactment of legislation in behalf of Civil War veterans and widows of veterans at the present session of Congress; to the Committee on Invalid Pensions.

6877. By Mr. KEARNS: Petition of citizens of Scioto County, Ohio, requesting passage of Civil War pension bill carrying rates proposed by the National Tribune; to the Committee on Invalid Pensions.

6878. By Mr. KING: Petition signed by Fred Morrell and 31 other citizens of Schuyler County, Ill., urging the immediate passage of a bill granting additional relief to the veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

6879. By Mr. KVALE: Petition from residents of Atwater, Minn., urging favorable action on pension bill indorsed by the National Tribune; to the Committee on Invalid Pensions.

6880. Also, petition from residents of Lynd, Minn., urging favorable action on pension bill indorsed by the National Tribune; to the Committee on Invalid Pensions.

6881. Also, petition from citizens of Olivia, Minn., urging favorable action on pension bill indorsed by the National Tribune; to the Committee on Invalid Pensions.

6882. Also, petition of Minnesota State Federation of Labor, urging passage of longshoremen's compensation legislation (S. 3170); to the Committee on the Judiciary.

6883. By Mr. LAGUARDIA: Petition of Mrs. S. L. Gokhale, 6 Elbert Street, Schenectady, N. Y., regarding the meaning of the phrase "illegally procured" in section 15 of the naturalization law of 1920; to the Committee on Immigration and Naturalization.

6884. By Mr. LANHAM: Petition of Mrs. Alice J. Fairman and others, asking consideration of Civil War pension bill; to the Committee on Invalid Pensions.

6885. By Mr. LEA of California: Petition of four residents of San Rafael, Calif., urging passage of Civil War pension legislation; to the Committee on Invalid Pensions.

6886. By Mr. LINTHICUM: Petition of Bagby Furniture Co., Norman T. A. Munder & Co., Dunn, Heuisler & Stirling, Geo. W. King Printing Co., John B. Adt Co., Dobler & Mudge, B. F. Bond Paper Co., O. F. H. Warner & Co., Rollman & Schloss, Shane-Beever Co., Thomsen-Ellis Co., Schneidereith & Sons, Baltimore Club of Printing House Craftsmen, and Gilbert Bros. & Co., all of Baltimore, registering opposition to House bill 13466; to the Committee on the Post Office and Post Roads.

6887. By Mr. LOZIER: Petition of numerous citizens of Hale, Mo., urging the enactment of certain pension legislation for veterans of the Civil War and their dependents; to the Committee on Invalid Pensions.

6888. By Mr. McKEOWN: Petition of Mr. Guy Coulter, Jack Conley, G. H. Layton, J. W. Jackson, N. T. Miller, Ray Peck, and many others, of Wanette, Okla., urging that immediate steps be taken to bring the Civil War pension bill to a vote; to the Committee on Invalid Pensions.

6889. By Mr. McLAUGHLIN of Michigan: Petition of Mrs. M. A. Plotts and 132 residents of Boon, Mich., that immediate steps be taken to bring to a vote a Civil War pension bill increasing pensions of Civil War veterans and widows of Civil War veterans; to the Committee on Invalid Pensions.

6890. By Mr. MAJOR: Petition of citizens of Springfield, Mo., urging the immediate passage of the Civil War pension bill, providing increases of pension for needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

6891. Also, petition of citizens of Benton County, Mo., urging the immediate passage of Civil War pension bill providing increases of pension for needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

6892. By Mr. MOORE of Virginia: Petition of Charles E. Tennesson, Robert L. Newton, and others, urging action on Civil War pension increase; to the Committee on Invalid Pensions.

6893. By Mr. MORGAN: Petition by citizens of Ashland County, Ohio, urging passage of the Civil War pension bill; to the Committee on Invalid Pensions.

6894. Also, petition of citizens of Licking County, Ohio, urging increase of pensions of veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

6895. Also, petition of citizens of Coshocton County, Ohio, urging increase of pensions for veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

6896. Also, petition of citizens of Licking County, Ohio, urging increase of pensions for veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

6897. Also, petition of citizens of Licking County, Ohio, urging increase of pensions for veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

6898. By Mr. MORROW: Petition of certain citizens of Coyote, Rio Arriba County, N. Mex., indorsing legislation for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6899. Also, petition of New Mexico Cattle and Horse Growers Association, asking for import duty of not less than 6 cents a pound on green and 15 cents on dry hides; to the Committee on Ways and Means.

6900. Also, petition of New Mexico Cattle and Horse Growers' Association, indorsing Agriculture Department fight on insect pests and requesting Congress to provide ample appropriations for such work; to the Committee on Agriculture.

6901. Also, petition of New Mexico Cattle and Horse Growers' Association, requesting Congress to enact legislation providing for the leasing of the unappropriated public domain; to the Committee on the Public Lands.

6902. Also, petition of New Mexico Cattle and Horse Growers' Association, protesting against putting Mexican labor on a quota basis; to the Committee on Labor.

6903. Also, petition of New Mexico Cattle and Horse Growers' Association, indorsing the Kendrick amendments to the packers and stockyards act; to the Committee on Agriculture.

6904. Also, petition protesting against discrimination on oleomargarine, because it reduces the value of beef cattle; to the Committee on Agriculture.

6905. Also, petition of New Mexico Cattle and Horse Growers' Association, favoring an amendment to the packers and stockyards act making it unlawful for commission firms to speculate; to the Committee on Agriculture.

6906. Also, petition of New Mexico Cattle and Horse Growers' Association, indorsing work in New Mexico of the Biological Survey, and requesting Congress to provide increased appropriation for continuance of this work; to the Committee on Agriculture.

6907. By Mr. NELSON of Wisconsin: Petition signed by John Kirk, sr., and others, of Hazel Green, Wis., praying the passage of remedial legislation for veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

6908. By Mr. O'CONNELL of New York: Petition of James A. Hamilton, industrial commissioner, department of labor, State of New York, favoring the passage of Senate bill 3170, but opposing the limitation of $7,500 compensation in death cases; to the Committee on the Judiciary.

6909. Also, petition of the Private Soldiers and Sailors' Legion, opposing the passage of House bill 4548 and Senate bill 3027, providing for the retirement of disabled emergency officers; to the Committee on World War Veterans' Legislation.

6910. By Mr. PRATT: Petition of citizens of Kingston, Ulster County, N. Y., urging legislation to increase pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6911. By Mr. ROWBOTTOM: Petition of Katie Maurer and others, of Evansville, Ind., that the bill increasing pensions of Civil War widows be enacted into law at this session of Congress; to the Committee on Invalid Pensions.

6912. Also, petition of Mrs. B. M. Almon and others, of Posey County, Ind., that the bill increasing the pensions of Civil War widows be enacted into law at this session of Congress; to the Committee on Invalid Pensions.

6913. By Mr. SHREVE: Petition of about 38 citizens of Albion, Erie County, Pa., asking for the passage of pension legislation granting increase to Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6914. Also, petition by the mayor of Corry, Pa., and a very large number of Corry citizens, for the immediate passage of pension legislation granting increase to Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6915. By Mr. SINCLAIR: Petition of the Lions Club of Minot, N. Dak., urging the immediate construction of the Great

Lakes-St. Lawrence project; to the Committee on Rivers and Harbors.

6916. By Mr. STRONG of Kansas: Petition of voters of Salina, Kans., urging enactment of Civil War pension bill; to the Committee on Invalid Pensions.

6917. By Mr. SWING: Petition of certain residents of Highland, Calif., protesting against the passage by Congress of House bill 10311, or any other bill enforcing the observance of the Sabbath, or upon the subject of religion; to the Committee on the District of Columbia.

6918. Also, petition of certain residents of San Diego, Calif., urging the passage by Congress of legislation granting increased pensions to Civil War veterans and the widows of Civil War veterans; to the Committee on Invalid Pensions.

6919. By Mr. TEMPLE: Petition of members of the United Presbyterian Church of West Alexander, Washington County, Pa., in support of the Lankford Sunday rest bill; to the Committee on the District of Columbia.

6920. By Mr. TILLMAN: Petition of H. C. Jones and many other citizens of the third congressional district of Arkansas, praying for early and more liberal pension laws; to the Committee on Invalid Pensions.

6921. By Mr. TINCHER: Petition of sundry residents of Ford County, Kans., urging the passage of a Civil War pension bill for the relief of needy Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6922. By Mr. VESTAL: Petition of John O. Fisher et al., of Adams County, Ind., urging the passage of pension legislation; to the Committee on Invalid Pensions.

6923. By Mr. WOLVERTON: Petition of Velda Baker and other residents of Doddridge County, W. Va., urging that immediate action be taken on the bill now pending in Congress for the relief of Civil War widows; to the Committee on Invalid Pensions.

6924. Also, petition of Franklin Frame and other residents of Braxton County, W. Va., urging that immediate action be taken on the bill now pending in Congress for the relief of Civil War widows; to the Committee on Invalid Pensions.

6925. By Mr. WOOD: Petition signed by residents of Gary, Ind., asking that Civil War pension bill become a law at the present session of Congress; to the Committee on Invalid Pensions.

SENATE

THURSDAY, *February 17, 1927*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

O Lord, our God, Thou knowest our ways; Thou understandest our thought afar off. There is nothing connected with our lives with which Thou are not fully acquainted. We humbly beseech of Thee that in our thoughts, in our words, and in our actions we may fulfill Thy good pleasure. Grant unto us increasing knowledge and guide us continually till the day is done and the record is complete. We ask in Jesus Christ's name. Amen.

The Chief Clerk proceeded to read the Journal of the proceedings of the legislative day of Tuesday last, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Frazier	McLean	Sheppard
Bayard	Gerry	McMaster	Shipstead
Bingham	Gillett	McNary	Shortridge
Blease	Glass	Mayfield	Smith
Borah	Goff	Means	Smoot
Bratton	Gooding	Metcalf	Steck
Broussard	Gould	Moses	Stephens
Bruce	Greene	Neely	Stewart
Cameron	Hale	Norris	Swanson
Capper	Harreld	Nye	Trammell
Caraway	Harris	Oddie	Tyson
Copeland	Harrison	Overman	Underwood
Couzens	Hawes	Phipps	Wadsworth
Curtis	Heflin	Pine	Walsh, Mass.
Dale	Howell	Pittman	Warren
Deneen	Johnson	Ransdell	Watson
Dill	Jones, Wash.	Reed, Mo.	Wheeler
Edge	Kendrick	Reed, Pa.	Willis
Ernst	Keyes	Robinson, Ark.	
Ferris	La Follette	Robinson, Ind.	
Fess	Lenroot	Sackett	
Fletcher	McKellar	Schall	

Mr. KENDRICK. I desire to announce the absence of the Senator from Oregon [Mr. STANFIELD] and the Senator from Montana [Mr. WALSH], both of whom are engaged in the work of the Committee on Public Lands and Surveys.

The VICE PRESIDENT. Eighty-four Senators having answered to their names, a quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 68. An act authorizing Dominic I. Murphy, consul general of the United States of America, to accept a silver fruit bowl presented to him by the British Government;

S. 545. An act for the payment of damages to certain citizens of New Mexico caused by reason of artificial obstructions to the flow of the Rio Grande by an agency of the United States;

S. 598. An act for the relief of Alexander McLaren;

S. 612. An act for the relief of Elizabeth Wooten;

S. 867. An act authorizing the Secretary of the Treasury to pay the Columbus Hospital, Great Falls, Mont., for the treatment of disabled Government employees;

S. 1304. An act for the relief of Hunter-Brown Co.;

S. 1456. An act authorizing the Court of Claims of the United States to hear and determine the claim of H. C. Ericsson;

S. 1860. An act for the relief of F. G. Proudfoot;

S. 2302. An act for the relief of Elisha K. Henson;

S. 2618. An act for the relief of the National Surety Co.;

S. 3064. An act for the relief of the Capital Paper Co.;

S. 3462. An act for the relief of Homer H. Hacker;

S. 3918. An act for the relief of Robert R. Bradford;

S. 4268. An act for the relief of H. W. Krueger and H. J. Selmer, bondsmen for the Green Bay Dry Dock Co., in their contract for the construction of certain steel barges and a dredge for the Government of the United States;

S. 4669. An act for the relief of the Kentucky-Wyoming Oil Co. (Inc.);

S. 4756. An act for the relief of Capt. Ellis E. Haring and Edward F. Batchelor;

S. 4933. An act authorizing an appropriation for public highways in the Virgin Islands of the United States;

S. 4943. An act for the relief of George H. Cecil;

S. 5084. An act to provide for the payment of the amount of an adjusted-service certificate to Irving D'Forrest Parks, beneficiary designated by Corpl. Steve McNeil Parks, deceased; and

S. 5622. An act authorizing the acceptance by the Navy Department of a site for an aviation training field in the vicinity of Pensacola, Fla., and for other purposes.

The message also announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 1155. An act for the relief of Margaret Richards;

S. 1515. An act to extend the benefits of the employees' compensation act of September 7, 1916, to Daniel S. Glover;

S. 1899. An act for the relief of the Delaware River Towing Line;

S. 2090. An act for the relief of Alfred F. Land;

S. 2353. An act to amend the military record of Leo J. Pourciau;

S. 2474. An act for the relief of the Riverside Contracting Co.;

S. 2619. An act for the relief of Oliver J. Larkin and Lona Larkin;

S. 2770. An act to confer United States citizenship upon certain inhabitants of the Virgin Islands and to extend the naturalization laws thereto; and

S. 2899. An act for the relief of the owner of the American steamship *Almirante* and owners of the cargo laden aboard thereof at the time of her collision with the U. S. S. *Hisko*.

The message further announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 1339. An act for the relief of Katherine Southerland; and

S. 1517. An act authorizing and directing the Secretary of the Treasury to pay to W. Z. Swift, of Louisa County, Va., the insurance due on account of the policy held by Harold Rogis.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 724. An act for the relief of Capt. Norman D. Cota;

H. R. 780. An act for the relief of J. S. Corbett;

H. R. 1133. An act for the relief of John G. Pauley;

H. R. 1141. An act to correct the military record of John Dewitt Marvin;

H. R. 1595. An act for the relief of Fannie Kravitz;

H. R. 1691. An act for the relief of Henry F. Downing;
H. R. 1842. An act for the relief of John Costigan;
H. R. 2589. An act for the relief of Archie O. Sprague;
H. R. 2718. An act for the relief of M. F. Snider;
H. R. 3295. An act for the relief of Sherman P. Browning;
H. R. 4321. An act authorizing the redemption by the United States Treasury of 20 war-savings stamps (series of 1918) now held by Dr. John Mack, of Omaha, Nebr.;
H. R. 5089. An act for the relief of Christine Mygatt;
H. R. 5449. An act for the relief of James E. Westcott;
H. R. 5548. An act to correct the military record of Clarence G. Stonestreet;
H. R. 5642. An act for the relief of David E. Goodwin;
H. R. 5921. An act for the refund of money erroneously collected from Thomas Griffith, of Peach Creek, W. Va.;
H. R. 6057. An act for the relief of George Boiko & Co. (Inc.);
H. R. 7153. An act authorizing the President to appoint J. H. S. Morison to the position and rank of major, Medical Corps, in the United States Army;
H. R. 7540. An act for the relief of Edward F. Weiskopf;
H. R. 8477. An act for the relief of Frank J. Dwyer;
H. R. 8739. An act for the relief of Lim Toy, of the city of Boston, Mass.;
H. R. 9063. An act for the relief of Marie Yvonne Gueguinou;
H. R. 9163. An act for the relief of Margaret T. Head;
H. R. 9211. An act to prescribe certain of the qualifications of voters in the Territory of Alaska, and for other purposes;
H. R. 9226. An act to reimburse Dr. Philip Suriani;
H. R. 9318. An act authorizing the President to appoint James B. Dickson a second lieutenant of the Air Service in the Regular Army of the United States;
H. R. 9427. An act for the relief of Gilbert B. Perkins;
H. R. 9515. An act for the relief of R. P. Biddle;
H. R. 9666. An act to correct the military record of Owen J. Owen;
H. R. 9738. An act to correct the military record of Richard Brannan;
H. R. 9804. An act for the relief of the Pacific Steamship Co., of Seattle, Wash.;
H. R. 10380. An act to remove the charge of desertion against Israel Brown and to grant him an honorable discharge;
H. R. 10422. An act for the relief of William J. O'Brien;
H. R. 10447. An act for the relief of First Lieut. Walter T. Wilsey;
H. R. 10496. An act for the relief of John A. Thornton;
H. R. 10953. An act for the relief of William Perkins;
H. R. 11064. An act for the relief of R. W. Hilderbrand;
H. R. 11110. An act for the relief of George Caldwell;
H. R. 11542. An act for the relief of James M. Winston;
H. R. 11852. An act for the relief of M. Tillery and Mrs. V. D. Tillery;
H. R. 11929. An act to authorize the Secretary of the Interior to sell to Sylvester Troth Smith, Horace Smith, Robert Hill Smith, Mary Smith De Jean, Mary Ellen Smith, and W. C. Scott, in possession under mesne conveyances from Leroy Stafford, section 48, township 1 south, range 2 east, and section 38, township 1 north, range 2 east, Louisiana meridian, Rapides Parish, La.;
H. R. 12038. An act to correct the military record of Edward Delaney;
H. R. 12334. An act for the relief of W. Randall Spurlock;
H. R. 12388. An act for the relief of K. I. Ward;
H. R. 12404. An act for the relief of Shadyside Bank;
H. R. 12569. An act for the relief of Thomas F. Nicholas;
H. R. 12818. An act for the relief of Charles Beretta, Isidore J. Proulx, and John J. West;
H. R. 12859. An act for the relief of Thomas Murphy;
H. R. 12903. An act for the relief of Abraham H. Tompkins;
H. R. 12936. An act for the relief of Bert H. Libbey, alias Burt H. Libbey;
H. R. 12963. An act for the relief of Adam B. Ackerman, alias Aunkerman;
H. R. 13004. An act for the relief of John G. Cassidy;
H. R. 13143. An act for the relief of the Charlotte Chamber of Commerce and Capt. Charles G. Dobbins, Army disbursing officer;
H. R. 13144. An act for the relief of the Sanitarium Co., of Portland, Oreg.;
H. R. 13971. An act for the relief of Ruth J. Walling;
H. R. 14071. An act for the relief of Garfield Hankins;
H. R. 14179. An act for the relief of Roland M. Baker;
H. R. 14591. An act authorizing the President to appoint William V. Pruett to the position and rank of major, Medical Corps, in the United States Army;
H. R. 14794. An act for the relief of Daniel Mangan;
H. R. 14895. An act to provide for the reinstatement of Warren M. Hendricksen in the United States Military Academy;
H. R. 15018. An act validating certain applications for, and entries of public lands;
H. R. 15252. An act to provide relief for certain natives of Borongan, Samar, Philippine Islands, for rental of houses occupied by the United States Army during the years 1900 to 1903;
H. R. 15253. An act for the relief of certain officers and former officers of the Army of the United States;
H. R. 15432. An act to correct the military record of Curtis P. Wise;
H. R. 15624. An act for the relief of Andrew McLaughlin;
H. R. 15863. An act for the relief of the widow of Warren V. Howard;
H. R. 16058. An act for the relief of certain officers of the Army of the United States;
H. R. 16155. An act for the validation of the acquisition of Canadian properties by the War Department and for the relief of certain disbursing officers for payments made thereon;
H. R. 16183. An act granting relief to Thomas M. Livingston;
H. R. 16442. An act for the relief of Ira E. King;
H. R. 16952. An act to ratify and confirm act No. 3243 of the Philippine Legislature, approved November 27, 1925; and
H. J. Res. 99. Joint resolution for the relief of a special disbursing agent of the Alaskan Engineering Commission (the Alaska Railroad).

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were thereupon signed by the Vice President:

S. 5259. An act granting permission to Maj. Charles Beatty Moore, United States Army, to accept the following decorations, namely, the Legion of Honor, tendered him by the Republic of France, and the officers' cross of the order Polonia Restituta, tendered him by the Republic of Poland; and
H. R. 11803. An act to authorize the incorporated town of Juneau, Alaska, to issue bonds for the construction and equipment of schools therein, and for other purposes.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a concurrent resolution of the Legislature of the State of North Carolina, favoring the passage of legislation safeguarding the interests of the people of North Carolina and of other States likewise situated by providing that all power at Muscle Shoals, beyond the requirements for national defense and fertilizer production, and also power to be developed by the United States at other power sites in the South, be made available for general distribution to the public in North Carolina and other States, under appropriate regulations by the States, which was referred to the Committee on Agriculture and Forestry. (See resolution printed in full when presented by Mr. SIMMONS on yesterday, p. 3933, CONGRESSIONAL RECORD.)

Mr. LA FOLLETTE presented petitions of sundry citizens in the State of Wisconsin, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

Mr. BRUCE presented a petition of sundry citizens of the State of Maryland, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which was referred to the Committee on Pensions.

Mr. DILL presented memorials of sundry citizens of Spokane, Fruitland, and Davenport, all in the State of Washington, remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, which were referred to the Committee on the District of Columbia.

Mr. BINGHAM presented a petition signed by 277 citizens of New Haven, Conn., praying for the prompt passage of legislation regulating radio broadcasting, which was ordered to lie on the table.

Mr. OVERMAN presented a concurrent resolution of the Legislature of the State of North Carolina, favoring the passage of legislation safeguarding the interests of the people of North Carolina and of other States likewise situated by providing that all power at Muscle Shoals, beyond the requirements for national defense and fertilizer production, and also power to be developed by the United States at other power sites in the South, be made available for general distribution to the public in North Carolina and other States, under appropriate regulations by the States, which was referred to the Committee on Agriculture and Forestry. (See resolution printed in full when presented by Mr. SIMMONS on yesterday, p. 3933, CONGRESSIONAL RECORD.)

Mr. COPELAND presented petitions numerously signed by sundry citizens of the State of New York, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

Mr. GILLETT presented a petition of sundry citizens of the State of Massachusetts, praying such amendment of the Constitution as shall suitably acknowledge the authority of Christ and the law of God therein, which was referred to the Committee on the Judiciary.

LOANS ON ADJUSTED-COMPENSATION CERTIFICATES

Mr. REED of Pennsylvania. Mr. President, I send to the desk and ask to have referred to the Committee on Finance and embodied in the RECORD, without reading, a statement from the Veterans' Bureau showing the number of loans to veterans on their adjusted-compensation certificates during the month of January of this year.

There being no objection, the statement was ordered to be printed in the RECORD and referred to the Committee on Finance, as follows:

Statement showing by States (1) number of banks making loans on adjusted-compensation certificates, (2) number of loans made, and (3) total amount loaned during the month of January, 1927

State	Number of banks	Number of loans	Amount of loans
Alabama	48	3,616	$299,595.13
Arizona	7	781	78,745.68
Arkansas	92	4,179	342,828.04
California	224	13,385	1,381,719.47
Colorado	45	1,948	189,145.15
Connecticut	65	1,781	174,681.59
Delaware	22	615	60,572.55
District of Columbia	24	2,181	201,543.57
Florida	37	2,594	236,939.42
Georgia	40	1,616	153,991.97
Idaho	38	531	51,344.74
Illinois	378	14,259	1,289,042.99
Indiana	184	5,830	516,396.73
Iowa	186	2,233	205,030.65
Kansas	99	656	64,552.71
Kentucky	70	2,390	219,913.70
Louisiana	22	447	40,072.60
Maine	74	1,464	146,734.18
Maryland	60	6,412	609,576.27
Massachusetts	187	9,286	946,658.53
Michigan	153	10,434	939,312.27
Minnesota	199	5,984	594,169.72
Mississippi	30	1,055	90,518.54
Missouri	161	3,773	349,659.54
Montana	42	236	24,566.03
Nebraska	56	1,689	165,280.83
Nevada	3	84	7,638.00
New Hampshire	43	581	58,658.26
New Jersey	198	5,133	395,428.59
New Mexico	13	297	27,985.11
New York	316	9,694	1,003,711.60
North Carolina	43	597	62,159.86
North Dakota	58	321	32,360.68
Ohio	250	8,718	814,348.60
Oklahoma	103	2,984	276,257.78
Oregon	56	871	83,663.82
Pennsylvania	482	10,699	1,031,267.87
Rhode Island	28	1,943	195,986.26
South Carolina	29	1,472	125,545.97
South Dakota	44	524	49,036.73
Tennessee	37	736	65,374.98
Texas	183	5,850	602,634.50
Utah	10	278	29,916.14
Vermont	30	247	24,454.63
Virginia	52	1,086	101,707.32
Washington	91	1,513	140,709.07
West Virginia	45	621	58,024.43
Wisconsin	153	3,400	320,280.58
Wyoming	21	252	25,040.18
Canal Zone	1	1	125.00
Territory of Hawaii	1	1	119.00
Total	4,813	157,338	14,905,027.56

ORDER FOR SESSION ON MONDAY EVENING

Mr. SMOOT. Mr. President, I ask unanimous consent that the Senate shall meet at 8 o'clock on Monday evening next for the purpose of considering Calendar No. 135, the bill (H. R. 10729) to create a bureau of customs and a bureau of prohibition in the Department of the Treasury, and that that bill be the only business considered during the evening session.

The VICE PRESIDENT. Is there objection?

Mr. BRUCE. Mr. President, I regret very much that it is impossible for me to unite in the unanimous-consent proposal. I happen to know that the Senator from New Jersey [Mr. EDWARDS], if he were here, would not give his consent, because he so stated the other night. Therefore, I object.

Mr. MOSES. Mr. President, would the Senator from Maryland object if we divided the time between the bill to which the Senator from Utah refers and the Boulder Dam bill?

Mr. BRUCE. I am not objecting on my own account; so far as the bill is concerned I am perfectly willing that it should come up and be disposed of with the amendments to which the Senator from Utah [Mr. SMOOT] has agreed; but I know, of course, that the Senator from New Jersey said the other night that he would not enter into any agreement about it, and I feel that, as he is my desk mate, it is my duty to make the objection on his behalf.

Mr. SMOOT. Does the Senator know whether the Senator from New Jersey is in the city?

Mr. BRUCE. I do. He is.

Mr. SMOOT. The Senator from Maryland would not have any objection if I am able to get the consent of the Senator from New Jersey?

Mr. BRUCE. I have no objection to the consideration of the bill with the amendments agreed to, which the Senator from Utah promised to accept; but I am bound to object in the absence of the Senator from New Jersey. He will probably be here in a few minutes. I suggest that the Senator from Utah renew the request then.

Mr. SMOOT. Very well; I will withdraw the request and renew it when the Senator from New Jersey is here.

Mr. WALSH of Massachusetts. Mr. President, I suggest that we also take up on that occasion the bill authorizing loans by the Veterans' Bureau to the veterans of the World War.

Mr. SMOOT. I think it will take an evening for the bill to which I have referred, and I did not want to have anything else taken up the same evening.

Mr. WALSH of Massachusetts. I suggest to the Senator that if he had such a bill as the one I indicate to follow the one which he desires to have taken up, it would insure a full evening.

Mr. ROBINSON of Arkansas. Mr. President, I think the suggestion of the Senator from Massachusetts is a good one.

Mr. SMOOT. I shall be glad to accept it.

Mr. ROBINSON of Arkansas. Both bills are entitled to consideration. The bill relating to prohibition enforcement has been pending on the calendar for a long time, and the bill providing for loans to veterans on their certificates is likewise entitled to consideration, because the sentiment prevailing in the Senate is in favor of the enactment of such legislation.

Mr. BRUCE. So, too, has the French spoliation claims bill.

Mr. MOSES. Yes; that has been pending an equal length of time.

Mr. ROBINSON of Arkansas. I am in sympathy with the Senator from Maryland in his efforts to get consideration of that bill, but I will say to him that there is a wide diversity of sentiment respecting the French spoliation claims bill.

Mr. BRUCE. I know that is true, and I am afraid, so far as the Senator from Arkansas is concerned, that his sympathy with the bill is a case of faith without works.

Mr. SMOOT. I withdraw my request.

Mr. ROBINSON of Arkansas. Mr. President, I think I ought to be permitted to reply to the Senator from Maryland. I myself at one time reported the French spoliation claims bill from the Committee on Claims and made a persistent effort to get consideration of it, not on the theory that the bill necessarily should be passed, on the theory that the issue involved in the bill should be determined. The practice has prevailed for a long time of leaving undecided over a long period measures which are presented. I think the Senate should vote on the French spoliations claims bill.

Mr. BRUCE. I thank the Senator.

Mr. ROBINSON of Arkansas. I think, in view of the record in the matter to which I have just referred, the allusion of the Senator from Maryland is hardly justified.

Mr. BRATTON. Mr. President, I desire to supplement what has been said in regard to the bill to authorize the Veterans' Bureau to make loans to ex-service men by stating in this connection that on February 3 my colleague, the senior Senator from New Mexico [Mr. JONES], introduced a bill proposing to repeal the last clause of paragraph 7 of section 202 of the World War veterans' act of 1924, that being the provision which fixes the compensation due to an ex-service man at $40 per month during the time he is in a hospital. It becomes effective after June 30.

I intend to offer that bill as an amendment to the bill authorizing loans to veterans. In so doing I shall act on behalf of my colleague, who is ill, and supplement that with my personal views on the subject. My colleague gave notice some days ago—prior to his illness—that he intended to offer the bill as an amendment to the veterans' loan bill, and since he can not do so I shall do it for him. I give notice to the chairman of the committee and to Senators generally of my intention to propose the amendment.

Mr. SMOOT. Mr. President, I sent the bill down to the Veterans' Bureau of the Treasury Department in order to obtain a report from General Hines. Before I left my office this morning the report of General Hines on the bill was handed to me. From that report it appears that it will cost about $2,300,000 a year if we shall accept the amendment and put it into operation.

Mr. BRATTON. Mr. President, I can not agree with the Senator from Utah.

Mr. CURTIS. Mr. President, I do not like to interrupt, but can we not proceed with the morning business, and argue this matter out when morning business shall have been concluded and the subject is properly before the Senate? I ask for the regular order.

The VICE PRESIDENT The regular order is the presentation of petitions and memorials.

[At this point routine morning business was transacted, which appears under the proper heading.]

Mr. ASHURST. Mr. President, a parliamentary inquiry. The unanimous-consent agreement asked for was not entered into?

The VICE PRESIDENT. It was not entered into.

Mr. ASHURST. Then I renew the request that House bill 16886—that is, the veterans' loan bill—be considered on Monday evening commencing at 8 o'clock.

The VICE PRESIDENT. Is there objection to the request for unanimous consent of the Senator from Arizona?

Mr MOSES. That was not the suggestion of the Senator from Utah [Mr. SMOOT].

Mr. ASHURST. But it is my suggestion.

Mr. MOSES. The Senator from Arizona said he renewed the request.

Mr. ASHURST. But I can change the form of the request in renewing it.

Mr. BRATTON. Mr. President, I join the Senator from Utah in proposing the unanimous-consent request.

Mr. ASHURST. Let us buckle up one thing at a time; let us have the unanimous-consent agreement entered into before we take up anything else.

Mr. MOSES. What is the form of the request in which the Senator from Arizona presents it

Mr. ASHURST. I will defer to the Senator from Utah to prefer his own request for unanimous consent.

Mr. SMOOT. Mr. President, the Senator from New Jersey [Mr. EDWARDS] is now in the Chamber. Will the Senator from Arizona allow me to renew the request, as I stated I would present it when the Senator from New Jersey should return?

Mr. BLEASE. I should like to ask the Senator from Utah does the bill to which he refers place all prohibition officers into the civil service?

Mr. SMOOT. The bill as it came from the House, I will say to the Senator, places all of them under the civil service.

Mr. BLEASE. I object to that.

Mr. SMOOT. That matter can be thrashed out when the bill is up for consideration. The Senator from Maryland [Mr. BRUCE] has already given notice that he is going to ask to strike that provision out.

Mr. BLEASE. We have had enough of that situation down in my State with civil service and I do not want any more of it. I object.

Mr. BRATTON. In view of the objection made by the Senator from South Carolina, will not the Senator from Utah propose that we have an evening session on Monday to consider the veterans' loan bill?

Mr. SMOOT. I have no objection, Mr. President, to a night session on next Monday for that purpose; but I had hoped that we would get an agreement to consider both bills under one unanimous-consent request.

I will say to the Senator from South Carolina that as to the first amendment which was offered by the Senator from Maryland [Mr. BRUCE], I am perfectly willing that the Senate shall reconsider it, and, if it would be agreeable to the Senator from Maryland, not agree to it. I think that would be perfectly satisfactory, because the employees in question fall under the civil service, anyway, as I stated to the Senator from Maryland.

There was another amendment offered to the reorganization bill——

Mr. BORAH. Mr. President, I do not see why we should not dispose of morning business, and I am going to insist that we do so. Then we can take up requests for unanimous-consent agreements.

The VICE PRESIDENT. The Senator from Idaho asks for the regular order. Reports of committees are in order.

Mr. ASHURST. Mr. President, I ask unanimous consent that at 8 o'clock on Monday evening the Senate shall proceed to the consideration of House bill 16886.

SEVERAL SENATORS. Regular order!

Mr. ASHURST. Let me state my request, please. I ask unanimous consent that at 8 o'clock on Monday evening next the Senate shall proceed to the consideration of House bill 16886, to authorize the Director of the United States Veterans' Bureau to make loans to veterans upon the security of adjusted-service certificates.

Mr. BORAH. Mr. President, I call for the regular order.

The VICE PRESIDENT. The regular order is called for.

Mr. ASHURST. I wish to know who objected?

Mr. BORAH. If there is any necessity for stating it, I will say that I objected.

Mr. ASHURST. That is all I wish to know.

Mr. BORAH. Very well.

The VICE PRESIDENT. Reports of committees are in order.

After reports of committees, which appear following the agreement, had been received,

Mr. CURTIS. Mr. President, I ask unanimous consent that on Monday afternoon, at not later than 5 o'clock the Senate shall take a recess until 8 o'clock, at which time it shall reconvene, the evening session to continue not later than 11 o'clock p. m., and that at the evening session House bill 16886, to authorize the Director of the United States Veterans' Bureau to make loans to veterans upon the security of adjusted-service certificates shall be taken up, and if that shall be disposed of, then House bill 15009, the alien property bill, shall be taken up and proceeded with until 11 o'clock.

The VICE PRESIDENT. Is there objection?

Mr. BRUCE. Mr. President, before I give my consent I want to know what sort of provision is going to be made for measures on the calendar. Day by day the session is drawing rapidly to a close and no sort of chance is given to those of us interested in other measures. We do not know whether or not we are ever going to have an opportunity of obtaining a hearing for those measures.

Mr. CURTIS. After we complete the consideration of the pending appropriation bill, it is the intention to adjourn at the conclusion of business each day or as often as may be possible so as to give every Senator an opportunity in the morning hour the next day to call up measures on the calendar. When there is no unfinished business a bill which may be under consideration at 2 o'clock will become the unfinished business. We are going to try to give every Senator a chance as soon as the appropriation bill is out of the way.

Mr. BRUCE. We never have any opportunity during the morning hour. I have been watching what occurs during the morning hour, and I have discovered that always some motion or resolution or debate consumes the entire time and makes it impossible to call up any measure that requires any real degree of consideration. If it is the intention of the leaders on the other side to have night sessions at which we will have a chance to bring up measures in which we are interested, that is a different matter.

Mr. CURTIS. Mr. President, I was going to state that it was my intention to ask for other night sessions next week. I have been requested not to ask for night sessions this week by at least 20 Senators. That is the reason why I have not asked for such sessions.

Mr. BRUCE. That is because Senators are interested in pet measures of their own. They want to bring those measures up, but do not care what becomes of the others.

Mr. CURTIS. It is because they have engagements which make it impossible for them to be here at night during the present week.

Mr. President, I renew my request. I hope there will be no objection to it.

Mr. WALSH of Massachusetts. Mr. President, will the Senator from Kansas state the request again?

Mr. CURTIS. That on Monday night we have a session from 8 until 11 o'clock to take up the bill to authorize the making of loans on the certificates of veterans of the World War, and that we afterwards take up the alien property bill.

Mr. WALSH of Massachusetts. I hope the Senator's request will be agreed to.

Mr. ROBINSON of Arkansas. Mr. President, I think I ought to say that the two bills which are embraced in this request are both measures that meet with the concurrence of a large number of Senators. They certainly ought to be considered and, if possible disposed of by the Senate prior to the adjournment.

There are a large number of measures on the calendar which will not be reached. So far as I am concerned, I wish some arrangement could be effected by which every bill that has substantial support here might be disposed of. It does seem to

me that the bill in which the Senator from Maryland [Mr. BRUCE] is primarily interested should be acted on.

Mr. BRUCE. I thank the Senator.

Mr. ROBINSON of Arkansas. It has been pending in the Senate for a great many years. There are a large number of Senators who think that it is a meritorious measure. There are some others who think it is without merit. The only way I know to reach a conclusion is to take a vote on the bill after reasonable opportunity for discussion; but I suggest to the Senator from Maryland, who has made many efforts to have the French spoliations claims bill voted upon, that we would not be justified in denying the veterans' loan bill and the alien property bill their opportunities because it has not been found possible or practicable to arrange for a vote on the spoliations claims bill.

Mr. BRUCE. I agree with the Senator about that.

Mr. ROBINSON of Arkansas. I hope, therefore, that the Senator will let this agreement be made; and, notwithstanding his apparent lack of confidence in my sincerity when I say that I should like to have the spoliations claims bill taken up and acted upon, I will say now that throughout many years I have advocated a final disposition of that bill, for the simple reason that it seems to me a manifestation of the inefficient conduct of business to have a measure favorably reported from committees over and over and never acted upon by the Senate. I am not trying to lecture anyone else as to what view he should take of these matters, but I am trying to make clear my own view regarding them.

The VICE PRESIDENT. Is there objection?

Mr. SMITH. Mr. President, before the question is put on the unanimous-consent request, I desire to ask the Senator from Kansas if it is his intention to restrict the meeting on Monday night to those two bills?

Mr. CURTIS. Yes; those two measures.

Mr. SMITH. And if they should be completed, then no other bills will be taken up that night?

Mr. CURTIS. No other business that night; but it is my intention early next week to ask for some night sessions for the consideration of bills on the calendar under Rule VIII.

Mr. SMITH. The reason why I rise now to make that inquiry is because, in justice to some of us who have bills on the calendar on which we think the Senate ought to take some action, I think we should be given a reasonable time, either during the morning hour or otherwise, for their consideration. I agree with the Senator from Maryland that the morning hour has too many possibilities of interruption to make it possible to accomplish work satisfactorily; but if we can be assured that we will have an opportunity at night sessions——

Mr. CURTIS. I will submit to-morrow an agreement for night sessions early next week for the consideration of bills on the calendar under Rule VIII.

Mr. SMITH. Very well.

Mr. BRUCE. Mr. President, allow me to say that I have not the slightest disposition to question the sincerity of the Senator from Arkansas. I do not know any Member of this body whose character is more strongly marked by perfect sincerity of motive and purpose than that of the Senator from Arkansas. Perhaps I did not say it in just the pleasant way that I should have done, but all I was disposed to say was that he was not quite as active and militant as I hoped he would be in pushing this measure. That suggestion may have led him to draw the inference he did; but my perfect faith in the sincerity of the Senator from Arkansas was demonstrated when I turned to him and asked him if he concurred with the Senator from Kansas in relation to the idea of holding night sessions to give some of these general measures on the calendar a chance; that is all.

Mr. HEFLIN. Mr. President, there are many important measures pending here that ought to be disposed of at this session, and the Muscle Shoals measure is one of them. It has been before the Senate for eight years or more. A bill on the subject is now before the Senate, favorably reported by the majority of the committee raised by a concurrent resolution; and at the time that bill went upon the calendar I gave notice that I should offer the American Cyanamid bid as a substitute for that measure when it was taken up by the Senate. We have been unable even to get consideration of that measure at this session of Congress. The subject matter of the bill has been here for eight long years. The Senator from Maryland now is trying to bring up here for consideration a measure that is over a hundred years old.

Mr. CURTIS. Mr. President——

Mr. HEFLIN. The whole Government, in its history for a hundred years, has opposed that measure. Presidents have denounced it with their vetoes, and Congress after Congress has refused to act favorably upon it. Why should we get in a hurry and be stampeded here in the closing hours of the session to consider one of the most colossal frauds ever attempted to be perpetrated upon a free people, a hundred years old, hoary with age, condemned by Presidents and Congresses? Yet we are now holding up a measure to permit the poor ex-service men who went off and offered their lives to this country to get a little money on the miserable certificates that were handed to them in lieu of a cash bonus by the Congress. The Senator from Maryland was against the bonus bill, and now, as I understand this proposition, he is undertaking to set aside a time to consider these two measures in conjunction.

Mr. President, that ought not to be. Why should this body of death be tied to this ex-service measure? We ought not to permit that.

Mr. CURTIS. Mr. President——

Mr. HEFLIN. If Senators want to prevent legislation for the good of the ex-service men, let them stand up and take the responsibility of saying so.

Mr. CURTIS. Mr. President, they are not tied together. The veterans' bill is to be taken up first.

Mr. HEFLIN. I know; but they are to be considered on the same night. You are agreeing that this measure shall be considered on the same night.

SEVERAL SENATORS. Oh no!

Mr. CURTIS. Oh, no; the veterans' bill is to be taken up first, and then the alien property bill. The veterans' bill is first.

Mr. SMITH. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. SMITH. I desire to know whether the bill to which the Senator from Alabama refers is one of the two to be considered under the terms of the proposed unanimous-consent agreement.

Mr. ROBINSON of Arkansas. No; there is not even a request pending for its consideration.

Mr. HEFLIN. No; it is not to be considered with this bill, but the Senator from Maryland is demanding that his bill be considered at this session of Congress, and we are about to give consent to consider the ex-service men's claim; and I do not want any consent given to consider the bill of the Senator from Maryland that will tie itself up with the ex-service men's measure.

Mr. CURTIS. Nothing of that kind is proposed.

Mr. HEFLIN. I want that measure out of the way before any consideration is given to other matters.

Mr. ROBINSON of Arkansas. May I say to the Senator from Alabama that there is not even a proposal pending for the consideration of any bill, except the veterans' loan bill and the alien property bill.

The VICE PRESIDENT. Is there objection to the proposed unanimous-consent agreement?

Mr. BRUCE. Mr. President, allow me to say just one word. I simply want to say that the statements of the Senator from Alabama are characterized by the usual measure of loose and lavish inaccuracy which marks pretty much all his speeches. I did not ask that any special favor be shown to this bill of mine. I asked that after these two measures—the superior importance of which I fully realize—are considered, that then the measures generally on the calendar be taken up.

As to my revamping claims a hundred years old, who is it but the Senator from Alabama who has attempted recently to revive in this body religious prejudices five or six hundred years old?

Mr. HEFLIN. I am going to speak again to-day and pay my respects to the Senator from Maryland.

Mr. BRUCE. I know the Senator will, because he never knows when he has spoken enough.

Mr. OVERMAN. Mr. President, I should like to make an inquiry as to whether the proposed unanimous-consent agreement provides for taking up the Veterans' Bureau bill first?

The VICE PRESIDENT. It does.

Mr. HEFLIN. That is my understanding.

The VICE PRESIDENT. Is there objection to the unanimous-consent request of the Senator from Kansas? The Chair hears none, and the agreement is entered into.

The agreement was reduced to writing, as follows:

Ordered, by unanimous consent, That on Monday, February 21, 1927, the Senate shall take a recess not later than 5 o'clock p. m. until 8 o'clock p. m. and that at the evening session, which shall not continue later than 11 o'clock p. m., the Senate shall proceed to the consideration of Calendar No. 1498 (H. R. 16886) "An act to authorize the Director of the United States Veterans' Bureau to make loans to veterans upon the security of adjusted service certificates."

It is further agreed that if the consideration of the foregoing bill is completed prior to 11 o'clock the Senate shall proceed to the consideration of the bill (H. R. 15009) to provide for the settlement of certain claims of American nationals against Germany and of Ger-

man nationals against the United States for the ultimate return of all property of German nationals held by the Alien Property Custodian, and for the equitable apportionment among all claimants of certain available funds.

REPORTS OF COMMITTEES

Mr. EDGE, from the Committee on Finance, to which was referred the bill (H. R. 16775) to limit the application of the internal revenue tax upon passage tickets, reported it without amendment and submitted a report (No. 1503) thereon.

Mr. BORAH, from the Committee on Foreign Relations, to which was referred the bill (S. 5449) to authorize a permanent annual appropriation for the maintenance of the Gorgas Memorial Laboratory, reported it without amendment and submitted a report (No. 1504) thereon.

Mr. WILLIS, from the Committee on Territories and Insular Possessions, to which was referred the joint resolution (H. J. Res. 96) to authorize the President to pay to surgeons employed on the Alaska Railroad such sums as may be due them under agreement with the Alaskan Engineering Commission or the Alaska Railroad, reported it without amendment and submitted a report (No. 1505) thereon.

Mr. SHORTRIDGE, from the Committee on Naval Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (H. R. 5082) for the relief of David Barker (Rept. No. 1506); and

A bill (H. R. 8852) for the relief of Thomas Maley (Rept. No. 1507).

Mr. FESS, from the Committee on Interstate Commerce, to which was referred the bill (H. R. 12065) to amend the interstate commerce act and the transportation act, 1920, and for other purposes, reported it without amendment and submitted a report (No. 1508) thereon.

Mr. STANFIELD, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 9916) to revise the boundary of the Grand Canyon National Park in the State of Arizona, and for other purposes, reported it without amendment and submitted a report (No. 1509) thereon.

ENROLLED BILL PRESENTED

Mr. GREENE, from the Committee on Enrolled Bills, reported that on February 17, 1927, that committee presented to the President of the United States the enrolled bill (S. 5259) granting permission to Maj. Charles Beatty Moore, United States Army, to accept the following decorations, namely, the Legion of Honor tendered him by the Republic of France, and the officers' cross of the order Polonia Restituta tendered him by the Republic of Poland.

AMENDMENT OF INLAND WATERWAYS ACT

Mr. RANSDELL. From the Committee on Commerce I report back favorably with an amendment the bill (S. 5671) to amend paragraph (c) of section 4 of the act entitled "An act to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes," approved June 3, 1924.

I ask unanimous consent for the present consideration of the bill, which I think will take but one moment.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendment of the Committee on Commerce was, on page 2, line 5, after the word "detailed," to insert "at the date of the passage of this amendatory act," so as to make the bill read.

Be it enacted, etc., That paragraph (c) of section 4 of the act entitled "An act to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes," approved June 3, 1924, be, and the same is hereby, amended to read as follows:

"(c) In addition to the six members, the Secretary of War shall appoint an individual from civil life, or (notwithstanding section 1222 of the Revised Statutes or any other provision of law, or any rules and regulations issued thereunder) detail an officer from the Military Establishment of the United States, as chairman of the board. Any officer so detailed at the date of the passage of this amendatory act shall, during his term of office as chairman, have the rank, pay, and allowances of a major general, United States Army, and shall be exempt from the operation of any provision of law or any rules or regulations issued thereunder which limits the length of such detail or compels him to perform duty with troops. Any individual appointed from civil life shall, during his term of office as chairman, receive a salary not to exceed $10,000 a year, to be fixed by the Secretary of War. The Secretary of War may delegate to the chairman any of the functions vested in the Secretary by this act."

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

Mr. WATSON. Mr. President, I should like very much to examine the provisions of the measure. I do not know what it is proposed to accomplish.

Mr. BORAH. I call for the regular order.

The VICE PRESIDENT. The regular order is called for. Reports of committees are in order.

Mr. RANSDELL. I hope the Senator from Idaho will permit this bill to pass.

Mr. WATSON subsequently said: Mr. President, I have examined Senate bill 5671, which was reported a few moments ago by the Senator from Louisiana [Mr. RANSDELL], and I withdraw my objection to its immediate consideration and passage.

Mr. RANSDELL. Mr. President, I hope the bill will be immediately considered. I ask unanimous consent that that may be done. I will say that the bill has been unanimously reported by the committee.

Mr. NORRIS. Is that the bill to which the Senator from Idaho [Mr. BORAH] objected?

Mr. RANSDELL. No; he did not object to the bill.

Mr. WATSON. I objected to the bill, but I will say to the Senator that I have investigated the bill and withdraw my objection.

The VICE PRESIDENT. If there be no objection, the question is on agreeing to the amendment of the committee, which has been stated.

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

APPOINTMENTS TO FEDERAL OFFICE

Mr. KEYES. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report back with an amendment the resolution (S. Res. 338) to investigate the charges of barter and sale of political influence in connection with Federal appointments.

Mr. NORRIS. Mr. President, before the Senate takes up another matter, I ask unanimous consent for the present consideration of the resolution just reported by the Senator from New Hampshire [Mr. KEYES] from the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. MOSES. Mr. President, I shall be constrained to object to that. The junior Senator from Utah [Mr. KING] is not in the Chamber, and I understand he desires to be present when the resolution is considered.

Mr. NORRIS. The Senator from Kentucky——

Mr. MOSES. Then, following the example of the Senator from Idaho [Mr. BORAH], I shall object.

Mr. NORRIS. That is all right.

Mr. BORAH. All I wanted to do was to get through the morning business.

CLINCH RIVER BRIDGE, TENNESSEE

Mr. STEWART. From the Committee on Commerce I report back favorably four bridge bills, which are in the regular form, and I shall ask unanimous consent for their immediate consideration.

First I report back favorably without amendment the bill (S. 5603) granting the consent of Congress to the Department of Highways and Public Works of the State of Tennessee to construct a bridge across the Clinch River, approximately at Kyles Ford, on the Rogersville-Sneedville Road in Hancock County, Tenn., and I submit a report (No. 1499) thereon.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate as in Committee of the Whole proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the department of highways and public works of the State of Tennessee, and its successors and assigns to construct, maintain, and operate a bridge and approaches thereto across the Clinch River at a point suitable to the interests of navigation and approximately at Kyles Ford on the Rogersville-Sneedville Road, in Hancock County, in the State of Tennessee, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ELIZABETH RIVER BRIDGE, VIRGINIA

Mr. STEWART. From the Committee on Commerce I also report back favorably without amendment the bill (S. 5585) to extend the time for construction of a bridge across the southern branch of the Elizabeth River, near the cities of Norfolk and Portsmouth, in the county of Norfolk, State of Virginia, and I submit a report (No. 1500) thereon.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate as in Committee of the Whole proceeded to consider the bill, which was read as follows:

Be it enacted, etc., That the time for beginning and completing the construction of the bridge across the southern branch of the Elizabeth River, authorized by the act of Congress entitled "An act granting the consent of Congress to O. Emmerson Smith, F. F. Priest, W. P. Jordan, H. W. West, C. M. Jordan, and G. Hubard Massey to construct, maintain, and operate a bridge across the southern branch of the Elizabeth River, at or near the cities of Norfolk and Portsmouth, in the county of Norfolk, in the State of Virginia," approved May 22, 1926, be, and the same is hereby, extended to one and three years, respectively, from May 22, 1927.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

MISSOURI RIVER BRIDGE

Mr. STEWART. From the Committee on Commerce I report back favorably with amendments the bill (S. 5602) granting the consent of Congress to the city of Blair, in the State of Nebraska, or its assignees, to construct a bridge and approaches thereto across the Missouri River between the States of Nebraska and Iowa, and I submit a report (No. 1501) thereon.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate as in Committee of the Whole proceeded to consider the bill.

The amendments were, on page 2, line 9, after the word "in," to strike out "said" and insert "this"; and in section 2, page 2, line 12, before the word "lands," to strike out "the" and insert "upon," so as to make the bill read:

Be it enacted, etc., That the consent of Congress be, and hereby is, granted to the city of Blair, in the county of Washington, and State of Nebraska, a municipal corporation duly organized and existing under and by virtue of the laws of the State of Nebraska, relative to cities of the second class, to construct, maintain, and operate a free highway bridge and approaches thereto across the Missouri River at a point suitable to the interests of navigation between a point in Washington County, State of Nebraska, and a point opposite in Harrison County, State of Iowa, south of the present railway bridge owned and operated by the Chicago & Northwestern Railway Co. as a part of its right of way between the city of Blair, Nebr., and the city of Missouri Valley, in the State of Iowa, in accordance with provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the said city of Blair, in Washington County, State of Nebraska, its successors and assigns, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is located upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in condemnation and expropriation of property in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OHIO RIVER BRIDGE

Mr. STEWART. Also from the Committee on Commerce I report back favorably without amendment the bill (H. R. 16888) granting the consent of Congress to the Paducah Board of Trade (Inc.), of Paducah, Ky., its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River, and I submit a report (No. 1502) thereon.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate as in Committee of the Whole proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CLAIMS COMMISSION BETWEEN THE UNITED STATES AND MEXICO

Mr. BORAH. From the Committee on Foreign Relations I report back favorably without amendment Senate Resolution 352, and ask unanimous consent for its immediate consideration. If it leads to debate, I will withdraw it.

The VICE PRESIDENT. The resolution will be read.

The Chief Clerk read Senate Resolution 352, submitted by Mr. BORAH on the 15th instant, as follows:

Whereas it is provided by Article VI of the General Claims Convention, concluded between the United States and Mexico on September 8, 1923, that the commission created pursuant thereto to pass on claims to which the convention relates shall hear, examine, and decide within three years from the date of its first meeting all claims filed with it which arose prior to the signing of the convention, which period of time will expire on August 30, 1927; and

Whereas Article VIII of the convention provides that all such claims filed with the commission shall be considered and treated as fully settled, barred, and thenceforth inadmissible provided they have been heard and decided by the commission; and

Whereas it has been brought to the knowledge of the Senate that it will not be possible for the commission to hear, examine, and decide in the manner contemplated by the convention within the time specified by Article VI of the convention all the claims which have been filed with said commission in accordance with the terms of the convention; and

Whereas it is in the interest of both Governments fully to hear, judicially determine, and settle all such claims: Therefore be it

Resolved, That the President be, and is hereby, requested, in his discretion, to negotiate and conclude with the Mexican Government such agreement as may be necessary and appropriate for the extension of the life of the General Claims Commission between the United States and Mexico in order to permit of the hearing, examination, and the decision of all claims coming within the jurisdiction of the said commission under the terms of the said convention of September 8, 1923, and to make such further arrangement as in his judgment may be deemed appropriate for the expeditious adjudication of said claims.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution? The Chair hears none.

The resolution was considered and agreed to.

INVESTIGATION OF TARIFF COMMISSION

Mr. ROBINSON of Arkansas. Mr. President, by direction of the Select Committee on Investigation of the Proceedings of the Tariff Commission, I desire to submit two resolutions, the purpose of which is to continue the authority of the select committee beyond the present session of the Congress and until the first regular session of the Seventieth Congress.

The committee has had many hearings, which are now being printed. It will not be possible during the remaining days of the present session to prepare and agree upon a report, which the committee regards as the most important part of its work. I therefore ask consideration of the two resolutions, one continuing the authority of the committee and the other having the effect of continuing the funds made available for the use of the committee. No additional funds are desired or required.

Mr. SMOOT. Let the resolutions be read.

The VICE PRESIDENT. The resolutions will be read.

The Chief Clerk read the first resolution (S. Res. 357), as follows:

Resolved, That the resolution (S. Res. 162) authorizing and directing an investigation of the manner in which the flexible provisions of the tariff act of 1922 has been or is being administered, agreed to March 11, 1926, be, and it is hereby, continued in full force and effect until the end of the first regular session of the Seventieth Congress.

Mr. REED of Pennsylvania. Mr. President, I hope the resolution will be agreed to, because, while the committee has completed its hearings, if it endeavored to make its report before the conclusion of this session of Congress, in all likelihood the legislation would lose most of its value because of the haste that would be required to get it together.

Mr. SMOOT. I agree with the statement made by the Senator from Pennsylvania.

Mr. LENROOT. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LENROOT. Did the Senator from Arkansas ask for the immediate consideration of the resolution?

Mr. ROBINSON of Arkansas. I did.

Mr. LENROOT. I have no objection, provided it does not lead to debate.

Mr. ROBINSON of Arkansas. I anticipate that it will not lead to prolonged debate. If it should, I will ask that the resolution go over.

The Senate, by unanimous consent, proceeded to consider the resolution.

Mr. NORRIS. Mr. President, I would like to make an inquiry. I have forgotten at this moment who are the members of the committee, and I assume that all the members of the select committee will be Members of the Seventieth Congress.

Mr. ROBINSON of Arkansas. The senior Senator from New York [Mr. WADSWORTH], who is a member of the select committee, will not be a member of the next Congress. If he serves on the committee, which I am advised he may be able to do, provided he desires to continue in the service, he will, of course, receive no compensation.

Mr. NORRIS. It rather seems to me that we ought to know about that. I have no objection, of course, to the Senator from New York continuing to serve on the committee, but if there is any question about it authority should be given to fill the place which would be made vacant by his retirement.

Mr. ROBINSON of Arkansas. I am informed that under the resolution which is presented continuing the authority of this committee the Senator from New York may serve on the committee if he chooses to do so. He has not yet determined whether he will desire to serve or not, and I assume that matter will be settled later at the convenience of the Senator from New York.

Mr. REED of Pennsylvania. I think I am justified in saying that the Senator from New York would readily resign if there were any doubt about his authority to stay on the committee. The rest of us who are on the committee have urged him to stay on if he legally can do so.

Mr. NORRIS. I am not making any objection to the Senator from New York remaining on the committee; I would be very glad if he would; but I had forgotten when I asked the question who are on the committee, and it occurred to me that we should not be left in the possible predicament of not having a full committee.

The VICE PRESIDENT. The question is on agreeing to the resolution.

The resolution was agreed to.

The VICE PRESIDENT. The Clerk will read the second resolution offered by the Senator from Arkansas.

The resolution (S. Res. 358) was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the resolution (S. Res. 178) authorizing the holding of hearings and the employment of clerical assistance by the special committee to investigate the administration of the flexible provision of the tariff act of 1922, agreed to March 22, 1926, be, and it is hereby, continued in full force and effect until the end of the first regular session of the Seventieth Congress.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RANSDELL:

A bill (S. 5747) to standardize bales of cotton intended for use in interstate commerce; to the Committee on Agriculture and Forestry.

By Mr. ROBINSON of Indiana:

A bill (S. 5748) authorizing the President to reappoint E. C. Callahan, formerly a captain of Infantry, United States Army, a captain of Infantry, United States Army; to the Committee on Military Affairs.

By Mr. WADSWORTH:

A bill (S. 5749) for the relief of Samuel Gettinger and Harry Pomerantz; to the Committee on Claims.

By Mr. SHORTRIDGE:

A bill (S. 5750) granting an increase of pension to Max Blank; to the Committee on Pensions.

By Mr. JOHNSON:

A bill (S. 5751) for the relief of Ella S. Brown; to the Committee on Claims.

A bill (S. 5752) granting an increase of pension to Julia A. Hart; and

A bill (S. 5753) granting an increase of pension to Mary J. Taggart; to the Committee on Pensions.

By Mr. DALE:

A bill (S. 5754) granting an increase of pension to Eliza C. Lower; and

A bill (S. 5755) granting an increase of pension to Elva M. Averill; to the Committee on Pensions.

By Mr. MOSES:

A bill (S. 5756) granting a pension to Elizabeth E. Wood (with accompanying papers); to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 5757) authorizing the Secretary of War to grant permission to the Port of Portland Commission to close the east channel of Swan Island, Oreg.; to the Committee on Commerce.

By Mr. HAWES:

A bill (S. 5758) granting an increase of pension to Evaline Blair; and

A bill (S. 5759) granting an increase of pension to Ada M. Standish (with accompanying papers); to the Committee on Pensions.

By Mr. NORRIS:

A joint resolution (S. J. Res. 163) providing for the completion of Dam No. 2 and the Steam Plant at Nitrate Plant No. 2 in the vicinity of Muscle Shoals, Ala., and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. BINGHAM:

A joint resolution (S. J. Res. 164) to establish a Joint Commission on Insular Reorganization; to the Committee on Territories and Insular Possessions.

TITLE OF COURT OF CUSTOMS APPEALS

Mr. METCALF submitted an amendment intended to be proposed by him to the bill (H. R. 16222) to change the title of the United States Court of Customs Appeals, and for other purposes, which was referred to the Committee on the Judiciary and ordered to be printed.

PUBLIC BUILDINGS IN THE DISTRICT OF COLUMBIA

Mr. McKELLAR submitted an amendment intended to be proposed by him to the amendment of the House of Representatives No. 4 to the bill (S. 4663) authorizing the Secretary of the Treasury to acquire certain lands within the District of Columbia to be used as sites for public buildings, which was ordered to lie on the table and to be printed.

ALIEN PROPERTY ADJUSTMENT

Mr. WADSWORTH submitted an amendment intended to be proposed by him to the bill (H. R. 15009) to provide for the settlement of certain claims of American nationals against Germany and of German nationals against the United States for the ultimate return of all property of German nationals held by the Alien Property Custodian, and for the equitable apportionment among all claimants of certain available funds, which was ordered to lie on the table and to be printed.

EXPORTS OF FARM PRODUCTS

Mr. NYE. I submit a resolution which I ask may be read at the desk and go over under the rule.

The resolution (S. Res. 356) was read, as follows:

Whereas the United States Department of Agriculture in a recent report entitled "The 1927 Agricultural Outlook" said:

"Some improvements in the purchasing power of foreign countries for agricultural products of 1927 may be expected, but it is probable that larger foreign production of breadstuffs, fruits, and animal products will reduce foreign demand for our exportable surpluses of these products; and

"Cotton production must be curtailed drastically the coming season to restore the balance between consumption and supply at remunerative prices to growers. With average yields a reduction of about 30 per cent in acreage appears necessary to give growers the best gross returns for the 1927 crop"; and

Whereas the Department of Commerce reports that during the calendar year 1926 the value of crude foodstuffs and food animals and manufactured foodstuffs exported was $53,565,000 less than during the calendar year 1925, but the value of finished manufactures exported was $112,784,000 larger in 1926 than in 1925: Therefore be it

Resolved, That the Secretary of Agriculture be requested to inform the Senate at his earliest convenience the chief causes, in his mind, for the reduction in the value of exports of farm products in crude and finished form, what measures the Department of Agriculture is using to stimulate foreign consumption of American farm products, and what cooperation, if any, the department receives from other governmental agencies in doing this; and if, in his judgment, it is probable that in the next few years there will be a greater demand for American farm products at a price remunerative to the producers, or whether higher prices American farmers might receive for their staple products will encourage a larger production thereof.

The VICE PRESIDENT. The resolution will go over under the rule.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred as indicated below:

H. R. 1691. An act for the relief of Henry F. Downing; to the Committee on Naval Affairs.

H. R. 16183. An act granting relief to Thomas M. Livingston; to the calendar.

H. R. 11929. An act to authorize the Secretary of the Interior to sell to Sylvester Troth Smith, Horace Smith, Robert Hill Smith, Mary Smith De Jean, Mary Ellen Smith, and W. C. Scott, in possession under mesne conveyances from Leroy Stafford, section 48, township 1 south, range 2 east, and section 33, township 2 north, range 2 east, Louisiana meridian, Rapides Parish, La.; and

H. R. 15018. An act validating certain applications for and entries of public lands; to the Committee on Public Lands and Surveys.

H. R. 9211. An act to prescribe certain of the qualifications of voters in the Territory of Alaska, and for other purposes;

H. R. 16952. An act to ratify and confirm Act No. 3243 of the Philippine Legislature, approved November 27, 1925; and

H. J. Res. 99. Joint resolution for the relief of a special disbursing agent of the Alaskan Engineering Commission (the Alaska Railroad); to the Committee on Territories and Insular Possessions.

H. R. 1133. An act for the relief of John G. Pauley;

H. R. 1141. An act to correct the military record of John Dewitt Marvin;

H. R. 1842. An act for the relief of John Costigan;

H. R. 5449. An act for the relief of James E. Westcott;

H. R. 5548. An act to correct the military record of Clarence G. Stonestreet;

H. R. 5642. An act for the relief of David E. Goodwin;

H. R. 7153. An act authorizing the President to appoint J. H. S. Morison to the position and rank of major, Medical Corps, in the United States Army;

H. R. 7540. An act for the relief of Edward F. Weiskopf;

H. R. 9318. An act authorizing the President to appoint James B. Dickson a second lieutenant of the Air Service in the Regular Army of the United States;

H. R. 9666. An act to correct the military record of Owen J. Owen;

H. R. 9738. An act to correct the military record of Richard Brannan;

H. R. 10380. An act to remove the charge of desertion against Israel Brown and to grant him an honorable discharge;

H. R. 10953. An act for the relief of William Perkins;

H. R. 11110. An act for the relief of George Caldwell;

H. R. 11542. An act for the relief of James M. Winston;

H. R. 12038. An act to correct the military record of Edward Delaney;

H. R. 12569. An act for the relief of Thomas F. Nicholas;

H. R. 12859. An act for the relief of Thomas Murphy;

H. R. 12903. An act for the relief of Abraham H. Tompkins;

H. R. 12936. An act for the relief of Bert H. Libbey, alias Burt H. Libbey;

H. R. 12963. An act for the relief of Adam B. Ackerman, alias Aunkerman;

H. R. 13004. An act for the relief of John G. Cassidy;

H. R. 14591. An act authorizing the President to appoint William V. Pruett to the position and rank of major, Medical Corps, in the United States Army;

H. R. 14794. An act for the relief of Daniel Mangan;

H. R. 14895. An act to provide for the reinstatement of Warren M. Hendricksen in the United States Military Academy;

H. R. 15253. An act for the relief of certain officers and former officers of the Army of the United States;

H. R. 15432. An act to correct the military record of Curtis P. Wise;

H. R. 15624. An act for the relief of Andrew McLaughlin;

H. R. 15863. An act for the relief of the widow of Warren V. Howard; and

H. R. 16155. An act for the validation of the acquisition of Canadian properties by the War Department and for the relief of certain disbursing officers for payments made thereon; to the Committee on Military Affairs.

H. R. 724. An act for the relief of Capt. Norman D. Cota;

H. R. 780. An act for the relief of J. S. Corbett;

H. R. 1595. An act for the relief of Fannie Kravitz;

H. R. 2589. An act for the relief of Archie O. Sprague;

H. R. 2718. An act for the relief of M. F. Snider;

H. R. 3295. An act for the relief of Sherman P. Browning;

H. R. 4321. An act authorizing the redemption by the United States Treasury of 20 war-savings stamps (series of 1918) now held by Dr. John Mack, of Omaha, Nebr.;

H. R. 5089. An act for the relief of Christine Mygatt;

H. R. 5921. An act for the refund of money erroneously collected from Thomas Griffith, of Peach Creek, W. Va.;

H. R. 6057. An act for the relief of George Boiko & Co. (Inc.);

H. R. 8477. An act for the relief of Frank J. Dwyer;

H. R. 8739. An act for the relief of Lim Toy, of the city of Boston, Mass.;

H. R. 9063. An act for the relief of Marie Yvonne Gueguinou;

H. R. 9163. An act for the relief of Margaret T. Head;

H. R. 9226. An act to reimburse Dr. Philip Suriani;

H. R. 9427. An act for the relief of Gilbert B. Perkins;

H. R. 9515. An act for the relief of R. P. Biddle;

H. R. 9804. An act for the relief of the Pacific Steamship Co., of Seattle, Wash.;

H. R. 10422. An act for the relief of William J. O'Brien;

H. R. 10447. An act for the relief of First Lieut. Walter T. Wilsey;

H. R. 10496. An act for the relief of John A. Thornton;

H. R. 11064. An act for the relief of R. W. Hilderbrand;

H. R. 11852. An act for the relief of M. Tillery and Mrs. V. D. Tillery;

H. R. 12334. An act for the relief of W. Randall Spurlock;

H. R. 12388. An act for the relief of K. I. Ward;

H. R. 12404. An act for the relief of Shadyside Bank;

H. R. 12818. An act for the relief of Charles Beretta, Isidore J. Proulx, and John J. West;

H. R. 13143. An act for the relief of the Charlotte Chamber of Commerce and Capt. Charles G. Dobbins, Army disbursing officer;

H. R. 13144. An act for the relief of the Sanitarium Co., of Portland, Oreg.;

H. R. 13971. An act for the relief of Ruth J. Walling;

H. R. 14071. An act for the relief of Garfield Hankins;

H. R. 14179. An act for the relief of Roland M. Baker;

H. R. 15252. An act to provide relief for certain natives of Borongan, Samar, P. I., for rental of houses occupied by the United States Army during the years 1900 to 1903;

H. R. 16058. An act for the relief of certain officers of the Army of the United States; and

H. R. 16442. An act for the relief of Ira E. King; to the Committee on Claims.

RETIREMENT OF DISABLED ARMY OFFICERS

Mr. TYSON. Mr. President, I ask unanimous consent to have inserted in the RECORD an editorial from the Disabled American Veterans' Semi-Monthly, of the issue of January 22, 1927, entitled "Disabled Army officers."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DISABLED ARMY OFFICERS

It was never the wish or intention of either the American people or its representatives in Congress to overlook the just claims of any of its fighting men who suffered for their country in the World War. If there be some deserving of relief who have failed to receive it the failure has sprung from want of thought and not from want of heart.

Apparently a number of disabled emergency Army officers, either through the snarls of official red tape or because their claims have not been dramatically presented, have failed to receive justice at the hands of Congress. Eight classes of disabled veterans have been retired on pensions, but the ninth class, the disabled Army officers, are still waiting for relief.

Bills have been introduced from time to time to provide retirement privileges for these neglected heroes of the World War. Twice such bills have passed the Senate to fail of passage in the House.

Senator TYSON and Representative FITZGERALD have bills now pending in Congress to remove this doubtless unintentional discrimination against one of the bravest bands of patriots that ever worthily upheld the traditions of the American Army. There should be no difficulty in persuading the present House to redress this wrong if the claims of these neglected veterans are presented with the indorsement of a Nation grateful for, and not unmindful of, their consummate sacrifice.

In convention assembled the Disabled American Veterans has repeatedly indorsed and approved this just legislation. Never before has our support been needed greater. Every chapter, every member, and every department must get busy.

Your active assistance will mean a great deal to the disabled emergency officers.

PUBLIC BUILDINGS IN THE DISTRICT OF COLUMBIA

The VICE PRESIDENT. The morning business is closed.

Mr. LENROOT. Mr. President, I move that the Senate proceed to the consideration of the House amendments to Senate bill 4663, known as the public buildings bill.

The VICE PRESIDENT. The question is on the motion of the Senator from Wisconsin.

Mr. McKELLAR. Mr. President, do I understand that the Senator moves that that be done?

Mr. LENROOT. I do.

The VICE PRESIDENT. The motion is not debatable. The question is on the motion of the Senator from Wisconsin.

The motion was agreed to; and the Vice President laid before the Senate the amendments of the House of Representatives to the bill (S. 4663) authorizing the Secretary of the Treasury to acquire certain lands within the District of Columbia to be used as sites for public buildings, which were, on page 1, line 10, after "1926," to insert "as amended"; on page 2, line 11, after "1926," to insert "as amended"; on page 2, line 12, after "act," to insert "as amended"; on page 2, after line 14, to insert the following:

SEC. 3. (a) The first paragraph of section 5 of the act entitled "An act to provide for the construction of certain public buildings, and for other purposes," approved May 25, 1926, is amended to read as follows:

"SEC. 5. For the purpose of carrying out the provisions of this act the sum of $250,000,000, in addition to the amount authorized in section 3 hereof, is hereby authorized to be appropriated, but under this authorization, and from appropriations (exclusive of appropriations made for 'remodeling and enlarging public buildings'), heretofore made for the acquisition of sites for, or the construction, enlarging, remodeling, or extension of public buildings under the control of the Treasury Department, not more than $35,000,000, in the aggregate, shall be expended annually (except that any part of the balance of such sum of $35,000,000 remaining unexpended at the end of any year may be expended in any subsequent year without reference to this limitation): *Provided*, That such amount as is necessary, not to exceed $50,000,000 of the total amount authorized to be expended under the provisions of this act, shall be available for projects in the District of Columbia, and not more than $10,000,000 thereof shall be expended annually (except that any part of the balance of such sum of $10,000,000 remaining unexpended at the end of any year may be expended in any subsequent year without reference to this limitation): *Provided*, That at least one-fifth of the expenditures outside of the District of Columbia during the fiscal year 1927 shall be for the buildings heretofore authorized and at least one-fifth of the expenditures for the fiscal year 1928, and at least one-fifth of the expenditures for the fiscal year 1929, shall be for a like purpose unless a less amount shall be necessary to complete all of such buildings: *Provided further*, That expenditures outside the District of Columbia under the provisions of this section shall not exceed the sum of $5,000,000 annually in any one of the States, Territories, or possessions of the United States."

(b) The last paragraph of such section 5 is amended by striking out "$150,000,000" and inserting in lieu thereof "$250,000,000."

And to amend the title so as to read: "Authorizing the Secretary of the Treasury to acquire certain lands within the District of Columbia to be used as sites for public buildings, and for other purposes."

Mr. McKELLAR. Mr. President, on May 25, 1926, Congress passed a bill for public buildings, section 4 of which provides as follows:

The Secretary of the Treasury shall submit annually and from time to time as may be required estimates to the Bureau of the Budget, in accordance with the provisions of the Budget and accounting act, 1921, showing in complete detail the various amounts it is proposed to expend under the authority of this act during the fiscal year for which said estimates are submitted, which shall include a statement of the location of the buildings proposed to be erected, together with a limit of cost for the same.

I ask Senators to listen to this proviso:

Provided, That in submitting such estimates the Secretary of the Treasury shall allocate the amounts proposed to be expended to the different States where buildings are found by him to be necessary, in such a manner as to distribute the same fairly on the basis of area, population, and postal receipts.

The Secretary of the Treasury, instead of proceeding in accordance with the mandate of the Congress, sought legal advice from an Assistant Attorney General, who apparently has advised him that this provision of the law is nugatory, and that he does not have to follow it.

I call the attention of Senators to the opinion delivered to the Hon. Carl T. Schuneman on January 19 of this year, as found on page 3942 of the RECORD of yesterday. I want to read that opinion. It is a very significant document. The Assistant Attorney General not only strikes out the three important provisions of the act I have read, but he adds to the provisions of Congress. He substitutes another provision of his own. Before I read the opinion, I want to say that the result is that instead of allocating the money in accordance with the law passed by Congress, the Secretary allocates the money in accordance with his own views, without let or hindrance, or regard to the law, with the result that it is not distributed in accordance with area, population, and postal receipts at all, but it is allocated just as the Secretary of the Treasury desires to allocate it. For instance, the method of distribution provided by Congress is disregarded entirely in my own State, and the pitiful sum of $605,000 is allocated to Tennessee.

Mr. LENROOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from Wisconsin?

Mr. McKELLAR. In just a moment I will yield. Even the sum I have mentioned was not allocated according to the first report, but an amendment was made which included the two post-office buildings that were provided for in the act, which he could not exclude.

I now yield to the Senator from Wisconsin.

Mr. LENROOT. I would like to ask the Senator if it is not a fact that the State of Tennessee has 25 post offices with receipts in excess of $20,000 per year, and already has 23 public buildings for those 25 post offices?

Mr. McKELLAR. I have not examined into the matter. The Senator may be correct about that; but that does not affect this question. There is a report on Memphis showing an urgent need for a new Federal building. What I am maintaining is this, that the Congress has directed a plan by which this money shall be allocated. The Secretary of the Treasury is disregarding that plan, and my own idea is that the Congress should in no uncertain terms dispose of this opinion of the Attorney General, in which he disregards entirely the provisions of the act of Congress. I now read:

DEPARTMENT OF JUSTICE,
Washington, D. C., January 19, 1927.

To the Hon. CARL T. SCHUNEMAN,
Assistant Secretary of the Treasury, Washington, D. C.

DEAR MR. SCHUNEMAN: In accordance with the suggestion made to me at the conference this morning at your office, which I attended on behalf of the Attorney General, I am submitting herewith an informal memorandum—

I do not know the difference between a "formal" and an "informal" opinion, but evidently there must be some difference. Perhaps it will appear from the opinion itself.

I am submitting herewith an informal memorandum incorporating the substance of the oral opinion which I gave at some length as to the construction of certain provisions of the act of Congress approved May 25, 1926, and entitled "An act to provide for construction of certain public buildings, and for other purposes."

The provisions involved deal with the question of the submission of estimates by the Secretary of the Treasury to the Bureau of the Budget, as provided in section 4 of the act, and constitutes the first proviso, which, with the preceding part of the section, reads as follows:

"The Secretary of the Treasury shall submit annually, and from time to time as may be required, estimates to the Bureau of the Budget, in accordance with the provisions of the Budget and Accounting Act, 1921, showing in complete detail the various amounts it is proposed to expend under the authority of this act during the fiscal year for which said estimates are submitted, which shall include a statement of the location of the buildings proposed to be erected, together with a limit of cost for the same: *Provided*, That in submitting such estimates the Secretary of the Treasury shall allocate the amounts proposed to be expended to the different States where buildings are found by him to be necessary, in such a manner as to distribute the same fairly on the basis of area, population, and postal receipts."

The conference developed some differences of opinion as to the scope and meaning of these words.

From a consideration of the entire act it seems to me that the legislative intent is apparent and that the problem can be solved by a study of the bill alone and without the necessity of resort to congressional debates or other outside help.

I digress here long enough to say, or without resort to any other help than that of an Assistant Attorney General, this proviso in the public buildings act is cut out of the act by the Assistant Attorney General, and the board thereafter makes its allocations without regard to that act.

I continue to read:

In dealing with the manner of the expenditure of moneys appropriated for use without the District of Columbia and excluding the provisions of section 3, it is apparent that Congress approached the question from two points of view. The first approach involved a determination by Congress itself of minimum requirements for public buildings, and in this connection it was provided that each State should be allotted two such buildings, regardless of any question of the relative needs of the individual States. This constituted an assurance that at all events each would start on more or less of an equal footing with every other State in participation in the benefits of the measure.

It was very kind of him to permit the two buildings to each State. He did not overrule Congress in reference to that pro-

vision. He is still willing to abide by the will of Congress in regard to that, and therefore in his allotment to Tennessee he gave Kingsport $85,000 and McMinnville $75,000 out of the $100,000,000 appropriation.

In the second approach, and over and above the minimum needs legislatively determined and provided for as explained, Congress has deferred to the judgment and decision of the Secretary of the Treasury as to the manner of disbursing the balance of the appropriation and in that connection has vested him with wide discretionary powers. Congress, however, has not left the matter entirely to a judgment uncontrolled by any legislative standards or suggestions as to congressional purpose. While the power is unquestionably conferred on the Secretary of the Treasury, the discretion involved is nevertheless controlled by the provisions of section 4, appearing in the first proviso, and appears in the following words:

"That in submitting such estimates the Secretary of the Treasury shall allocate the amounts proposed to be expended to the different States, where buildings are found by him to be necessary, in such a manner as to distribute the same fairly on the basis of area, population, and postal receipts."

In the first place, the allocation is to be by States and is to be in accordance with their respective necessities to be "found by him." Congress has refrained from defining the precise connotation of this term as used in the statute and has expressly left to the Secretary of the Treasury, not only a determination of the existence of the necessity, but likewise of the extent and scope thereof, thereby making him the sole judge in respect thereto. While the discretion thus conferred is a wide one, doubtless it is subject, in its exercise, to rational judgments and reasonable decision.

Having determined the respective necessities of the several States in respect to the need for the type of public buildings for which the appropriation was provided, the next question for the Secretary to consider is the satisfaction of these necessities. Congress contemplated, of course, a situation in which the necessities as existing and determined would exceed in their monetary requirements the amount appropriated and that after the allocation of the entire amount available there would doubtless remain a large residuum of unsatisfied necessities. In other words, Congress contemplated the fact that the Secretary of the Treasury would be required to make a determination as to how money, insufficient to satisfy the whole, would be apportioned between the competing necessities.

Here, again, the determination is to be in the judgment of the Secretary, but he has been afforded by Congress certain standards by which his discretion is to be exercised, and it is provided that the distribution in the latter contingency be "in such a manner as to distribute the same fairly on the basis of area, population, and postal receipts."

I want to call especial attention to this statement:

Doubtless there can be read into this provision the words "so far as applicable" in deciding this question of fairness.

In other words, they are to be fair so far as fairness, in the opinion of the Secretary, is applicable. They are going to construe the rule of area so far as "it may be applicable," with the Secretary doing as he pleases about it. He holds that they are only to consider postal receipts so far as they may be applicable. If the Secretary wants to distribute them in another way, all right, let him go ahead.

The Secretary is, moreover, directed, in determining what shall be "fair"—a word which affords some latitude for decision—to consider each of the three elements referred to.

The first consideration is that of area. In view of the divergent size of the States, one from the other, and the convenience and expense involved in traveling to points where Government facilities are afforded, it was not deemed unreasonable that this element should be considered. Secondly, the question of population to be served is an important item, as necessities of large centers of population much exceed those of communities sparsely inhabited. Doubtless there is conflict between the demands of area and population.

Now, listen to this, Senators:

Doubtless there is conflict between the demands of area and population so that the two are set off, one against the other, out of which a compromise is intended to be effected in the matter of decision which can be fairly characterized as "fair."

He sets off population as against area, and that removes both of them from the consideration of the Secretary, as shown by the report itself, which I shall read in a moment.

The third element is postal receipts. Probably its application is to be wholly or largely confined to the furnishing of buildings designed to serve the Postal Department.

So he does away with that element. He does away with all three of the elements.

Congress has not furnished any artificial measure by which to weigh the cogency that each of these considerations is to have with the Secretary of the Treasury. He is to take them all into consideration so far as applicable, and having given them the due weight which, in his judgment, their prominence in the statute entitles them to receive, he is to make his decision as to what is fair and his allocation accordingly.

In other words, having thus disposed of all the limitations upon the Secretary of the Treasury as created by Congress, he says to him, "Go ahead and allocate to suit yourself."

The foregoing construction is deemed to be a "rational and reasonable" one—

Well, it is "rational and reasonable" so far as it permits the Secretary of the Treasury to allocate these moneys just as he pleases, without regard to the Congress or anybody else, with the exception solely that two post-office buildings, however small or however large, must be built in each of the several States.

The foregoing construction is deemed to be a rational and reasonable one, and to place the subject matter on a common-sense basis and to lend itself to a practical and efficient carrying out of the statute. It vests, of course, in the Secretary of the Treasury the sole determination of important questions, but in so doing it very properly leaves these decisions to a department which can look at the matter in a broad and impartial fashion.

I will call attention in a moment to the broad and impartial fashion in which the committee of the Secretary of the Treasury had looked into these matters—

and which has the facilities for collecting and weighing the material and relevant facts which are involved in the determination of the question, first of what is necessary, and then what is fair, guided by the tests suggested. The foregoing is furnished as a matter of courtesy only.

Listen to this!

The foregoing is furnished as a matter of courtesy only and because desired by the entire conference, and is not, of course, to be regarded as a formal legal opinion of the Attorney General furnished in accordance with departmental practice.

Respectfully,

For the Attorney General:

GEORGE R. FARNUM,
Assistant Attorney General.

In other words, here is an opinion which the Secretary of the Treasury and the committee under him accept and act upon, but it must not be regarded as the opinion of the Attorney General! Since when has the Attorney General's office been issuing opinions of that sort? I do not believe the matter has ever come to the attention of the Attorney General himself, and I do not believe he ever would have given such an opinion if it had been submitted to him. I do not believe the Attorney General has the right to make nugatory certain parts of an act of Congress and insert other provisions, as is attempted to be done in this alleged opinion of the Assistant Attorney General.

Now let us see how far the committee or the Secretary of the Treasury have carried out the provisions of Congress that these moneys must be allocated in accordance with area, population, and postal receipts.

Alabama. I notice that the Senator from Alabama [Mr. HEFLIN] stands up when I mention that name. Alabama gets $570,000 under the appropriation.

Mr. LENROOT. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from Wisconsin?

Mr. McKELLAR. I yield.

Mr. LENROOT. If the bill goes through, Alabama will get $820,000 more.

Mr. McKELLAR. Eight hundred and twenty thousand dollars more, and on the basis of area, population, and postal receipts combined she should get two or three times that much. She certainly would be entitled to not less than $2,000,000. She is getting less than half of what she is entitled to on the basis fixed by the Congress itself.

Mr. LENROOT. Mr. President, will the Senator yield again?

Mr. McKELLAR. Certainly.

Mr. LENROOT. Under the area basis of 1-1-1-1, which means area being given the same consideration as population and postal receipts, I find that Alabama would get $1,226,000, which is less than she gets under the bill, and under the basis of 1-2-5-3 Alabama would only get $914,000.

Mr. McKELLAR. Out of the $100,000,000 of last year she gets only $570,000, and that is less than half what she is entitled to under the law. I am using that as an illustration.

I will now take Arizona and I shall be glad to have the Senator from Wisconsin figure out about Arizona. Arizona apparently gets a good deal more than she is entitled to with her small population and big area. Arizona gets $1,025,000. Just to show how it works out, Arizona, with one Congressman, a sparsely settled State, gets almost twice as much as Tennessee with all her urgent needs.

Mr. LENROOT. On the area basis Arizona would be entitled to $1,178,000, which is more than she is getting.

Mr. McKELLAR. She is getting $1,025,000, and she ought to be entitled to what the law gives her. She is not getting this as a matter of favor or anything of that sort. She is entitled to it under the law.

Arkansas gets $1,570,000. California is a little larger in area and population than Tennessee, and yet California gets $8,115,000 out of the bill, while Tennessee gets $605,000. It is not divided in any case according to the law, but it is allocated in accordance with the will of the Secretary of the Treasury without regard to the law. He comes here with an informal opinion of an Assistant Attorney General giving him the power to set aside the act of Congress. Why an "informal" opinion? Why an Assistant Attorney General?

I come next to Colorado, which gets $1,790,000. Then comes Connecticut. Connecticut is not quite half the size of either North Carolina or Tennessee. What does Connecticut get under the bill? Connecticut gets $4,515,000.

Mr. BLEASE. What does South Carolina get?

Mr. McKELLAR. As I remember it, South Carolina is larger in area, population, and postal receipts, perhaps, than the State of Connecticut, and we will see what South Carolina gets. South Carolina gets $710,000.

Mr. FLETCHER. That is on the basis of the $100,000,000. If the Senator would add the $100,000,000 as proposed by the later bill, he would find that South Carolina would get more.

Mr. McKELLAR. I do not know what we are going to get under the bill as it is proposed to be handled by the committee, because we have no facts about how it is going to be done. We have a report here that there is $167,000,000 necessary, and in that report I find no reference to Tennessee at all. I suppose it was left out entirely.

Mr. OVERMAN. How does North Carolina fare?

Mr. McKELLAR. I shall be glad to compare North Carolina with Connecticut. Connecticut, I believe, has four Congressmen and therefore is about two-fifths as large as the State of North Carolina in population. Let us see how North Carolina fares. North Carolina gets $2,550,000 under the bill. She gets nearly half as much as Connecticut and is better treated than any other Southern State except the State of Virginia and the State of Florida. Florida gets $2,275,000. My recollection is that Florida is about two-fifths the size of Tennessee, and she gets four times as much of the appropriation.

Somebody has said that the matter is decided upon needs. There are before the department to-day reports from the Treasury Department and from the Post Office Department showing the dire needs of Memphis, the city from which I come. One of the members of the commission said that the needs of that city were not even brought before the commission to be determined. Is it proposed to make this one of the most infamous pork-barrel schemes ever put over? Is it to be handled in this way solely and alone because of the ipse dixit of the Secretary of the Treasury?

Mr. BLEASE. If the Senator will permit me, I would suggest that possibly they are looking for North Carolina and Florida to go Republican.

Mr. McKELLAR. That may be so. I do not know what reason they had; but that is just as good a reason as any other, to deal out these millions from a political standpoint.

I digress here long enough to show what other States are getting. Here is Massachusetts. It is half as large again in population as Tennessee. It has 16 Congressmen to Tennessee's 10. Let us see what she gets. She gets $7,060,000; and out of the appropriation of $100,000,000 that we are going to make, if we do make it, she will get $15,000,000. Under the proposal New York will get $40,000,000, Pennsylvania will get $20,000,000; Massachusetts, $15,000,000—these are all round sums—Illinois, $15,000,000; California, about the same, $10,000,000. Is this a pork barrel simply for those in power? Connecticut is to get another large slice out of this appropriation, if it shall go through.

Mr. LENROOT. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Tennessee yield to the Senator from Wisconsin?

Mr. McKELLAR. I yield.

Mr. LENROOT. Where does the Senator from Tennessee get his figures?

Mr. McKELLAR. If I have made a mistake in my figures, I ask the Senator from Wisconsin to correct me. He has them before him. I have them only in mind; I have not the exact figures before me.

Mr. LENROOT. I think the Senator has stated that Massachusetts would get $15,000,000 out of the $100,000,000?

Mr. McKELLAR. No; I said——

Mr. LENROOT. Out of the next $100,000,000?

Mr. McKELLAR. If there is any doubt about it, I will turn to page 2 of Document 651, where are given the minimum needs as follows for the States I have mentioned. I want to be absolutely accurate. These figures are:

New York, $39,040,000; Pennsylvania, $20,547,000; Massachusetts, $15,215,000; Illinois, $16,000,000, even; California, $10,100,000. These are the minimum needs. But Tennessee is put down at $600,000.

Mr. FLETCHER. May I interrupt the Senator?

Mr. LENROOT. Will the Senator from Tennessee yield?

The PRESIDING OFFICER. Does the Senator from Tennessee yield; and if so, to whom?

Mr. McKELLAR. I desire to yield to both Senators. I will yield first, however, to the Senator from Wisconsin, and shall afterwards yield to the Senator from Florida.

Mr. LENROOT. The Senator from Tennessee, I suppose, knows that Massachusetts has 74 cities with postal receipts exceeding $20,000 and only three public buildings, whereas his own State of Tennessee has only 25 cities in that category, and yet has 23 public buildings. Under those circumstances, is the apportionment fair?

Mr. McKELLAR. I am not familiar with what the Senator from Wisconsin states; but I know under the law which directs the Secretary of the Treasury to consider area, population, and postal receipts that that divergence between the $15,000,000 apportioned to Massachusetts and the $600,000 apportioned to Tennessee does not exist. The law warrants no such divergence of allocation. It makes no such discrimination. It provides for no such right in the Secretary to give out this money as he sees fit.

The Secretary of the Treasury has taken it upon himself to disregard the law, to be a law upon himself, to arrogate to himself the right to allocate to Massachusetts, which is not so large as Tennessee in area, the sum of $15,000,000, and to give to Tennessee only $605,000.

Mr. SHORTRIDGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from California?

Mr. McKELLAR. I do.

Mr. SHORTRIDGE. According to the estimate of the Senator from Tennessee, how much does he contend should be allowed to Tennessee?

Mr. McKELLAR. I contend that Tennessee, if I can secure it for her, shall have just what the law allows. I contend that the allowance should be made to her according to area, population, and postal receipts. That is the plan which has been adopted in the allocation of Federal funds to road building, and it ought not to be departed from here. It has worked splendidly so far as roads are concerned. Why should a different principle be adopted in the allocation of money for the erection of public buildings? Congress, in road building, thought it was a good policy. Why should it now be departed from in this law? The Secretary of the Treasury goes to an Assistant Attorney General whom nobody has ever heard of before. I digress long enough to ask here is there a man in the Senate who ever heard of Mr. Farnum—I want to be sure about this—whose informal opinion the Secretary of the Treasury takes? I take it that no Senator has heard of Mr. Farnum or he would have responded to my inquiry. Here was an informal opinion—not an opinion of the Attorney General's office but a memorandum of opinion—an informal opinion which set aside the law of Congress and enables the Secretary to make a law of his own. He might as well——

Mr. SHORTRIDGE. Mr. President——

Mr. McKELLAR. Just one moment. The Senate will remember that last year we had a fight over this very matter when the bill was before the Senate, and the Senator on the other side in charge of the bill—Senator Fernald, who, unfortunately, has since died—agreed to this allocation. It was understood by the Congress that the allocation was to be made according to these three rules.

Mr. LENROOT. Mr. President, will the Senator yield to me?

Mr. McKELLAR. But they have been disregarded. We might just as well have left the matter in the hands of the

Secretary of the Treasury without let or hindrance to distribute the money just where he pleased.

I now yield to the Senator from California [Mr. SHORTRIDGE], and I shall afterwards yield to the Senator from Wisconsin.

Mr SHORTRIDGE. Will the Senator from Tennessee be good enough to indicate how much he thinks should have been allocated or set apart for his State of Tennessee?

Mr. McKELLAR. My recollection is—I have not the figures before me—that the amount should have been something like $2,000,000.

Mr. LENROOT. The amount was $1,349,000.

Mr. McKELLAR. That was for last year. How much should it be for this year?

Mr. LENROOT. Based upon area——

Mr. McKELLAR I know; but what would it be if based upon all three—area, population, and postal receipts?

Mr. LENROOT. I say based upon area, giving equal weight to area, Tennessee would have $1,349,000.

Mr. McKELLAR. It is more than that when the rule laid down in the law as to area, population, and postal receipts is applied. When that rule is applied, my recollection is that it is a little less than $2,000,000.

I wish to be perfectly frank about it. I do not propose to have my State to be thus deprived of what the law gives her. If I can help it, I am not going to have any such discrimination, and I think I can help it.

Mr. FLETCHER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Florida?

Mr. McKELLAR. I yield.

Mr. FLETCHER. Not that it is very material, but so that the RECORD may be kept straight, the Senator has alluded to the amount allocated to Florida as $2,775,000 according to Document 710. I will call attention to the fact that Florida, so far as area is concerned, is the largest State east of the Mississippi River except Georgia. There is only one State east of the Mississippi River which is larger than Florida. I call attention to the further fact that, whereas itemized in the amount is Miami with $1,850,000, if the Senator will turn to the last page of that document it will be seen that Miami already has a post-office site and building which the Government proposes to sell, the proceeds of which sale are estimated at $1,200,000; so that the Government would have to expend in the case of Miami only about $600,000 instead of $1,800,000.

Mr. McKELLAR. Mr. President, whether the Senators from Florida have obtained a fair deal for Florida and the two Senators from Virginia have obtained, as they apparently have, a fair deal and a little better for Virginia, or whether some other States, through influences concerning which I do not know, have obtained more than a fair deal, I am not complaining of what other States are getting or what they will receive except in the case of my own State; but I wish to say that we passed a law on this subject, and I intend for that law to be lived up to if it is possible for me to have it lived up to.

Mr. OVERMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from North Carolina?

Mr. McKELLAR. I yield.

Mr. OVERMAN. The item of postal receipts enters into the calculation, does it not?

Mr. McKELLAR. It does, of course, or should; but the Secretary has overruled the law.

Mr. OVERMAN. Are there enough cities in the Senator's State whose postal receipts are above $20,000 to warrant the erection of public buildings in Tennessee to the extent the Senator indicates?

Mr. McKELLAR. Of course there are.

Mr. OVERMAN. There are, as I understand, 25 cities in the State of Tennessee which have been provided for. How many cities outside of those 25 have postal receipts in excess of the amount which has been fixed to entitle them to public buildings?

Mr. McKELLAR. I wish to call attention to the fact that in my State we have a city—Memphis—of over 200,000 people. There is a post-office building there which is an eyesore to the city. It is built on a lot that the city gave to the Government. It does not contain enough space for one-fourth of the governmental activities in that city, and the Government is paying enormous amounts in rents to provide additional facilities. If the Government should expend the money to erect a real building there sufficient to house all of the Federal activities, it would be saved an enormous sum. There is a report from the Government agent showing the necessity of a new building there, and such a building should be erected there, to cost not less than $2,000,000. It is an absolute necessity to the Federal service to have such a building there, and that has been the finding virtually of every inspector who has examined into the situation. Yet I went down to see the members of the commission—none of them, as I believe, had ever looked into the matter, except Mr. Wetmore, and he had nothing to say about it except that they were not going to do anything for that city.

Although there was a report of the Treasury Department and a report of the Post Office Department I doubt if some of the members of the commission had ever heard of the proposition being submitted, and, although we have been fighting for it for years, and it is absolutely necessary, the Secretary of the Treasury, or his committee, absolutely disregarded it. While I dislike to fight bills that some Senators may want, in all frankness I do not believe the Senate will take the position that my State ought to be discriminated against. I would not take the position that other States ought to be discriminated against. It is a question of right; it is a question of legal duty; it is a question of the Secretary of the Treasury violating his duty in undertaking to set aside, upon the opinion of an Assistant Attorney General, an act of Congress and interpolating into the act words that it does not contain.

Now, Mr. President, I ask the Senator from Wisconsin if he expects to get a vote on this bill to-day?

Mr. LENROOT. I hope so.

Mr. McKELLAR. I will say to the Senator he can not get a vote to-day, because there are amendments that ought to go into this bill. I have not the amendments before me, have not yet prepared them, but if the Senator will be willing to accept them I should be very glad.

Mr. LENROOT. May I ask the nature and substance of the amendments?

Mr. McKELLAR. One amendment is to make absolutely certain that the $100,000,000 that we are now going to authorize to be appropriated shall be allocated in accordance with the express will of Congress, namely, that he must consider area, population, and postal receipts.

Mr. LENROOT. Mr. President, does the Senator insist that he must consider those items upon some mathematical basis?

Mr. McKELLAR. Of course.

Mr. LENROOT. Does the Senator know that if he did that it would absolutely violate and render nugatory other provisions of the bill?

Mr. McKELLAR. If that be the case, we ought to change the other provisions of the bill. We want to establish the same rule in the case of the authorization for construction of public buildings that we have established in the legislation which has to do with Federal aid to roads.

Mr. LENROOT. But does the Senator believe that we should construct public buildings where public buildings are not needed simply because of the area of some States?

Mr. McKELLAR. Indeed, I do not; but I want to say to the Senator that I think when the Secretary of the Treasury is directed to consider the interest of all the States but refuses to consider the interests of one of the States, Congress ought to see to it that justice is done to the State or States discriminated against, and, so far as I am able to have it do so, I am going to see that justice is done my State. I am not here complaining of any other State or speaking for or against any other State, but I am here fighting for the rights of Tennessee, and I am going to say to the Senator unless some such amendment as I have to suggest is agreed to I shall continue my opposition to this bill, using every legitimate and proper method to secure for Tennessee her rights under the law.

Mr. HEFLIN addressed the Senate. After having spoken for 15 minutes,

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is the report of the committee of conference on the bill (H. R. 9971) for the regulation of radio communications, and for other purposes.

Mr. HEFLIN resumed his speech. After having spoken, in all, for over three hours and a half, he said:

Now, Mr. President, if the Senator from Kansas [Mr. CURTIS] wishes to adjourn until to-morrow, I am willing to yield the floor.

Mr. CURTIS. We desire to have an executive session; but I would not like to say that the Senator from Alabama could have the floor to-morrow.

Mr. HEFLIN. I do not ask to have the floor to-morrow. I will get it if I want it.

[Mr. HEFLIN's speech will be published entire when completed.]

EXECUTIVE SESSION

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock and 17 minutes p. m.) the Senate took a recess until to-morrow, Friday, February 18, 1927, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 17, 1927

DIPLOMATIC AND FOREIGN SERVICE

AMBASSADORS EXTRAORDINARY AND PLENIPOTENTIARY

Robert Woods Bliss to be ambassador extraordinary and plenipotentiary to Argentina.

Hugh S. Gibson to be ambassador extraordinary and plenipotentiary to Belgium; also envoy extraordinary and minister plenipotentiary to Luxemburg.

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY

William Phillips to be envoy extraordinary and minister plenipotentiary to the Dominion of Canada.

To be secretaries

Joseph F. McGurk.
Clayson W. Aldridge.
Harvey S. Gerry.
Edwin Schoenrich.
David Williamson.
Allan Dawson.

MEMBER OF INTERSTATE COMMERCE COMMISSION

Ezra Brainerd, jr., to be a member of the Interstate Commerce Commission.

COLLECTOR OF CUSTOMS

John W. Robbins to be collector, customs collection district No. 46, Omaha, Nebr.

UNITED STATES COAST GUARD

To be ensigns

Henry T. Jewell.
Frank E. Pollio.
Donald F. de Otte.
John H. Martin.
Irving E. Baker.
Gordon A. Littlefield.
Frank Tomkiel.
Kenneth A. Coler.
Henry J. Betzmer.
George C. Whittlesey.
Beverly E. Moodey.
John A. Fletcher.

POSTMASTERS

CALIFORNIA

James C. Tyrrell, Glass Valley.
Charles G. Brainerd, Loomis.
Charles S. Graham, Pleasanton.
William Junkans, Redding.
Leonard G. Hardy, jr., South San Francisco.
Nana M. Halferty, Tujunga.
Anna R. Armstrong, Woodland.

GEORGIA

Ralph A. Waters, Alpharetta.
Samuel J. Padgett, Coffee.
John L. Callaway, Covington.
Huram R. Hancock, Maysville.
George H. Ray, Norwood.
Marie E. Harrell, Pearson.
William B. Smith, Tennille.
Will C. Woodall, Woodland.

HAWAII

William I. Wells, Haiku.
Douglas E. Baldwin, Kahuku.
Kenichi Masunaga, Kealia.
Paul Kaelemakule, Kohala.
Carl H. F. Spillner, Makawell.
Lee Loon, Pahala.
Alexander Moir, Papaikou.

ILLINOIS

Robert B. Marshall, Capron.
William S. Brownlow, Chapin.
Levi H. Perryman, Cowden.
Samuel H. Lawton, Delavan.
William M. Karr, Flora.
Edward S. Breithaupt, Gifford.
John E. Nelson, Hamburg.
Fannie Hicks, Ivesdale.
Fred L. McCraken, Lake Forest.
Edward F. Davis, New Berlin.
Herman Meyer, Niles Center.
Davis S. Cossairt, Potomac.
Mary A. Barkmeier, San Jose.
William A. Bussert, Sheldon.
George A. Roberts, Staunton.
George J. Duncan, Villa Grove.
Emery S. Waid, Winchester.
Sylvester H. DePew, Zion.

INDIANA

Andrew G. Kauffman, Atlanta.
Lewis A. Graham, Decatur.
John M. Sweeney, Dugger.
John Stahl, Lawrenceburg.
William G. Hays, Terre Haute.
Addison N. Worstell, Valparaiso.
Dehn P. Keller, Warren.

KENTUCKY

Mabel K. Kipping, Carrollton.
Jewell S. Webb, Earlington.
Allie H. Gibson, Ghent.
Samuel W. Crump, Glasgow Junction.
Addie Elliott, Glencoe.
Lucille C. Yates, Grayson.
Carl B. Marshall, Lewisburg.
Walter W. Crick, Madisonville.
Elzie T. Wilson, Sparta.
Eugene C. Stockwell, Trenton.
Henry Hall, Waynesburg.
Harvey B. Ogden, Worthville.

LOUISIANA

Charles E. Burch, Roseland.

MARYLAND

Irving S. Biser, Frederick.

MASSACHUSETTS

Joseph V. Curran, Attleboro.
Nathaniel P. Coleman, Hyannis.
Henry T. Maxwell, Millbury.
Elizabeth B. Flint, North Attleboro.
Howard M. Douglas, Plymouth.
Josephine E. Dempsey, South Ashburnham.

MINNESOTA

Mary E. Stark, Buffalo.
Claus H. Lepler, Clara City.
Lottie A. Samuelson, Grasston.
Edwin H. Anderson, Monticello.

MISSOURI

J. Orville Gochnauer, Belton.
I. Scott Jones, Bonne Terre.
Abraham B. Peters, Bonnots Mill.
William R. Lytle, Fredericktown.
Owen S. Randolph, Gideon.
Thomas J. Richardson, Koshkonong.
Albert R. Lebold, Lawson.
Melvin Lutes, Lutesville.
Lewis M. Gamble, Mexico.
Fred A. Grebe, New Florence.
Charles Litsch, Perryville.
Joseph V. Forst, Silex.
Alpha De Berry, Stoutland.
William F. Meier, Wentzville.

MONTANA

George R. Moshier, Baker.
Jennie W. Chowning, Ennis.
John W. Calfee, Frazer.
Andrew Kolnitchar, Geraldine.
Harvey St. J. Cannon, Kalispell.
Wilfred J. Hazelton, Townsend.
Samuel P. Eagle, West Yellowstone.

NORTH CAROLINA

Theophilus H. McLeod, Buies Creek.
Robert D. Herndon, Chapel Hill.
Walter G. Gay, Farmville.
Samuel W. Watts, Southport.
Lunda V. Owen, Winton.

OHIO

T. Howard Sapp, Bainbridge.
Herbert O. Tinlin, Carrollton.
Alexander M. Renick, Chillicothe.
Harry A. McConnell, Dorset.
James W. McHenry, Elyria.
John P. Cramer, Fredericksburg.
Paul H. Clark, Junction City.
Henry W. Gruver, Miamisburg.
Hylas L. Vesey, Perry.
John M. Washington, Sabina.
Pearl H. Cheney, South Charleston.

Clyde S. Perfect, Sunbury.
William S. Kindle, Thornville.

PENNSYLVANIA

Whitfield Pritchard, Bangor.
Charles E. Taylor, Columbia.
Walter V. Dingman, Milford.
Jennie A. App, Schaefferstown.
John D. Williams, Shoemakersville.
Wallace C. Dobson, Southampton.
Anthen C. Messinger, Tatamy.
Hugh T. Williams, Union Dale.
Russell C. Parry, Walnutport.

WASHINGTON

Mary G. Wilkinson, Auburn.
Alonzo E. Emerson, Ellensburg.
Egbert K. Field, Ferndale.
Cecil E. Haasze, Grandview.
Charles R. Bockmier, Granite Falls.
John H. Gibson, Issaquah.
Arthur Bailey, Monroe.
Jessie A. Knight, Shelton.
Clyde J. Backus, Tacoma.
Augustus B. Eastham, Vancouver.

WEST VIRGINIA

Ruth Lewis, Buffalo.
John B. Hilleary, Buckhannon.

WISCONSIN

Harry T. Ketcham, Abbotsford.
Elizabeth Croake, Albany.
Nicholas Hubing, Belgium.
Leon F. Pallister, Brandon.
Ambrose M. Steinwand, Colby.
Albert L. Marsh, Elroy.
Edward Schroeder, Granton.
Stephen S. Summers, Milton.
George B. Keith, Milton Junction.
Carl V. Dahlstedt, Port Wing.
Wilbur H. Bridgman, Stanley.
Joseph E. Kuzenski, Stetsonville.
Adolph C. Sveen, Westby.

HOUSE OF REPRESENTATIVES

THURSDAY, *February 17, 1927*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, come Thou to our waiting hearts and minds. Forgive us everything that is unworthy of the holy name we have taken upon our lips. As Thou has set before us high, patriotic tasks may we fulfill them wisely. Bless and direct our whole family of citizens and may they not be led along false ways. O, do Thou help our country in its questions, in the solution of its problems, and even in its fears. Dispel all earth-born clouds and be gracious to every State under the folds of our flag. Show us this day the treasures of Thy wisdom that our directive purpose may be for God and the Republic. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, one of its clerks, announced that the Senate had passed without amendment (H. J. Res. 359) of the following title: Joint resolution making an appropriation for the eradication or control of the European corn borer.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House was requested:

S. 5622. An act authorizing the acceptance by the Navy Department of a site for an aviation training field in the vicinity of Pensacola, Fla., and for other purposes; and

S. 5722. An act to authorize the construction of new conservatories and other necessary buildings for the United States Botanic Garden.

The message also announced February 15 (calendar day February 16), 1927, the Vice President appointed Mr. JONES of Washington and Mr. FLETCHER members of the joint select committee on the part of the Senate as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Department of Commerce.

The message also announced that the Senate had agreed to the report of the Committee of Conference on the disagreeing votes of the two Houses to the amendments to the amendments of the Senate of the following titles:

H. R. 11615. An act providing for the cession of the State of Virginia of sovereignty over a tract of land located at Battery Cove, near Alexandria, Va.;

H. R. 10728. An act authorizing the Secretary of War to convey to the Association Siervas de Maria, San Juan, P. R., certain property in the city of San Juan, P. R.;

H. R. 16576. An act making appropriations for the Departments of State and Justice, and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1928, and for other purposes;

H. R. 16249. An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1928, and for other purposes; and

H. R. 16863. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1928, and for other purposes.

The message also announced:

Resolved, That the Senate recede from its amendments numbered 1, 13, 14, 15, 16, and 35 to the bill (H. R. 2) entitled "An act to amend an act entitled 'An act to provide for the consolidation of national banking associations,' approved November 7, 1918; to amend section 5136 as amended; section 5137, section 5138 as amended; section 5142, section 5150, section 5155, section 5190, section 5200 as amended; section 5202 as amended; section 5208 as amended; section 5211 as amended, of the Revised Statutes of the United States; and to amend section 9, section 13, section 22, and section 24 of the Federal reserve act, and for other purposes,";

That the Senate agree to the amendments of the House of Representatives to the amendments of the Senate Nos. 11, 26, 30, 36, 37, 38, and 39 to said bill:

That the Senate agree to the amendment of the House of Representatives to the amendment of the Senate to the title of said bill.

ENROLLED BILL

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House with the following title, which was thereupon signed by the Speaker:

H. R. 11803. An act to authorize the incorporated town of Juneau, Alaska, to issue bonds for the construction and equipment of schools therein, and for other purposes.

WORLD WAR VETERANS' ACT

Mr. EVANS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a letter written by myself to the Veterans' Bureau concerning some compensation cases.

The SPEAKER. The gentleman from Montana asks unanimous consent to extend his remarks in the RECORD by printing a letter written by himself to the Veterans' Bureau. Is there objection?

There was no objection.

Mr. EVANS. Mr. Speaker, I desire to read into the RECORD a letter recently addressed by myself to the Director of the Veterans' Bureau pertaining to a group of young men who are now denied compensation under the World War veterans' act. This letter is not published in a spirit of criticism of the Veterans' Bureau or anyone else, but it is given to Congress for the information of its Members and to the end that a great injustice to a group of young men may be corrected. I have been unable to ascertain whether this injustice flows from the provisions of the law or from an interpretation of the law by those who execute it, but in any event I feel that an injustice is being done, and for that reason am calling attention to the matter in the hopes that the ruling may be changed or the law itself on the subject modified.

The letter is as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., February 3, 1927.

Re: Joseph J. Ball.
Serial No. 12473. Case No. 156443.

The DIRECTOR, VETERANS' BUREAU,
Washington, D. C.

DEAR SIR: Referring to the case of Veteran Joseph J. Ball, of Avon, Mont., now confined in a hospital for the insane at Sheridan, Wyo., where he has been for the past 18 months, I beg to ask for a review of this man's case.

I have inspected the record in the case and made some other investigation of the facts.

My information is that this man was drafted on the 23d of August, 1917, was sent to France, and served in the Rainbow Division, and was honorably discharged in March, 1919, having served 18 months. The records show that when he was discharged he was a mental wreck, and has for the last 18 months been confined in a hospital for the insane. I understand that it is maintained the boy was mentally deficient when he was taken into the service, but I think the record does not show any such deficiency when he was drafted and entered the service, but it does show that he was a complete wreck when discharged. It appears to me the boy has been taken and utilized by the Government for a period of 18 months and then thrown aside like a piece of worn-out machinery and denied compensation intended for him and others under the laws passed by Congress.

I can not agree with the rulings of your bureau that because this boy was mentally deficient when taken into the service he should now be denied compensation. Granting for the sake of argument that he was weak-minded when drafted, that to me is all the more reason why he should be cared for now. Many strong-minded men came out of the service mentally a wreck and are now cared for, and I am sure it was not the intention of Congress to deny any young man who went to France and served his country 18 months a just compensation because he was not mentally as strong as some other young man in the service.

If the present ruling in this and similar cases is based on some defect in the law that denies these men compensation, then the matter should be reported to Congress that such defect might be cured, as I am sure it was never the intention of Congress to deny compensation in such cases. I'll be pleased, therefore, if you will order a review of this case and advise me of the result of the findings of the board of review. If compensation can not be granted in this and similar cases, I desire to lay before Congress this matter, with a view to securing the necessary legislation to cover this and similar cases. I will be pleased if you will have reasonably speedy action in the matter.

Very respectfully,

JOHN M. EVANS.

THE M'NARY-HAUGEN BILL

Mr. ALLEN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD by having printed in the RECORD an editorial appearing in the Chicago Tribune under date of February 16, entitled "Costs of the McNary-Haugen bill."

The SPEAKER. The gentleman from Illinois asks unanimous consent to revise and extend his remarks by printing in the RECORD an editorial appearing in the Chicago Tribune. Is there objection?

There was no objection.

Mr. ALLEN. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following newspaper article:

COSTS OF THE M'NARY-HAUGEN BILL

Secretary Mellon has approved and made public a memorandum from the Internal Revenue Bureau on the McNary-Haugen bill for farm relief. The bill has passed the Senate and is awaiting action in the House, which is expected to pass it, too. The Internal Revenue Bureau says the problem of collecting the equalization fees, which are the essence of the McNary bill, will be staggering. It will cost close to $800,000 a year to do the work.

The opinion of the bureau is important, but we do not believe it will alienate any of the supporters of the bill. A job which can be handled for $800,000 may be complicated, but it is not too expensive for this country to undertake. The cost disappears in comparison with the values of our farm crops. In 1925, the last year for which figures are available, the corn crop of the country was worth just short of $2,000,000,000. The wheat crop was valued at more than $900,000,000. The Nation's cotton crop was sold for more than $1,400,000,000. All the farm crops of the Nation together were valued at close to nine and a half billions of dollars. The McNary bill proposes to make substantial increases in the income of the farmers. Only 1 per cent of the value of the Nation's crops is over a hundred times as much as the $800,000 which the administration of the McNary bill is expected to cost.

The bill permits the farm board to determine at what stage in the movement of the crops to market the fee is to be assessed, but Mr. Mellon's advisers say that at best the task will be extremely difficult. We should be more thoroughly convinced of the validity of the criticism if the bureau had not carried it to the point of absurdity.

The officials solemnly announce that 12,000,000,000 pounds of swine moved to market in 1925, to make no mention of some 3,000,000,000 bushels of corn, other hundreds of millions of bushels of wheat and rice, and 16,000,000 bales of cotton. We are then advised that "if all these commodities were under operation of the Federal farm board at the same time collection would be required from an aggregate of 16,034,466,679 units." The criticism suggests that the opponents of the McNary bill are hard put to it to find arguments against it. We are asked to believe that the farmer will bring his pigs to market, pound by pound, and his grain, bushel by bushel, and that this kind of selling by units continues throughout the movement of the crops to the consumer, with no concentration at any point where the fee may be readily collected. Without departing any further from the truth, the bureau might have made much more of the argument. If the number of individual grains had been counted the total would have made the figure 16,000,000,000 look tiny.

We do not wish to minimize the difficulties of administering the McNary plan, but it is reasonable to assume that the experts who devised it were not wholly ignorant of marketing conditions. A substantial majority of Senators have approved the bill. Senators may not have the intimate knowledge of financial operations possessed by the officials of the revenue bureau, but at any rate they are not babes in the woods. We find nothing in the statement published by Mr. Mellon to shake our judgment that the McNary bill fixes the terms of an experiment which the Nation can safely undertake and which it ought to undertake.

THE ST. LAWRENCE SHIP CANAL

Mr. CHALMERS. Mr. Speaker, I ask unanimous consent to extend my remarks by printing a resolution passed unanimously by the State Legislature of Ohio favoring the building of the St. Lawrence waterway.

The SPEAKER. The gentleman from Ohio asks unanimous consent to extend his remarks in the RECORD by printing a resolution of the Ohio Legislature favoring the building of the St. Lawrence waterway. Is there objection?

There was no objection.

Mr. CHALMERS. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following senate joint resolution of the Legislature of Ohio, relating to a ship-channel connection between the Great Lakes and the Atlantic by way of the St. Lawrence:

Senate Joint Resolution 16

Whereas a joint board of engineers representing the United States and Canada have officially and unanimously declared ship-channel connection between the Great Lakes and the Atlantic by way of the St. Lawrence to be practical; and

Whereas the St. Lawrence commission of the United States appointed to determine the need of such a seaway has unanimously declared, in its report to the President, made December 27, 1926, that—

"The construction of the shipway from the Great Lakes to the sea is imperative both for the relief and for the future development of a vast area in the interior of the continent.

"It has been estimated that the values in a single year to the farmers alone would equal the capital cost of the waterway.

"The economic importance of the improvement would be far greater than the savings made upon the actual tonnage transported, important though that would be"; and

Whereas the extension of the commerce of the State of Ohio, the development of her resources, her present prosperity, and her future welfare all demand world trade contacts by way of direct low-cost ocean transportation to and from the markets of the world; and

Whereas the St. Lawrence seaway would give to the State of Ohio ocean ports, direct ocean transportation, wider and lower cost market outlets, and would increase the demand for her products, thereby assuring to her citizens an enlarged and abiding prosperity: Be it

Resolved, That the State of Ohio in legislature assembled, does most earnestly urge upon the President of the United States the imperative national need of such seaway, and that it does further express to him the official desire of this State that immediate steps be taken for the negotiation of a treaty with Canada to that end.

AVIATION FIELD NEAR PENSACOLA, FLA.

Mr. VINSON of Georgia. Mr. Speaker, I am requested by the chairman of the Committee on Naval Affairs to ask unanimous consent to call up from the Speaker's table the bill S. 5622.

The SPEAKER. The gentleman from Georgia asks unanimous consent, by direction of the Committee on Naval Affairs, to call up the bill S. 5622. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (S. 5622) authorizing the acceptance by the Navy Department of a site for an aviation training field in the vicinity of Pensacola, Fla., and for other purposes.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized to accept on behalf of the United States, free from encum-

brances and without cost to the United States, the title in fee simple to such land as he may deem necessary or desirable, in the vicinity of Pensacola, Fla., approximately 500 acres, as a site for an aviation training field to continue land-plane training from the United States naval air station, Pensacola, Fla.

The SPEAKER. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was ordered to be laid on the table.

A similar House bill (H. R. 16994) was ordered to be laid on the table.

CHARLES B. BREWER *v.* A. S. ABELL CO.

The SPEAKER. The Chair lays before the House the following communication from the Clerk of the House, which the Clerk will read.

The Clerk read as follows:

HOUSE OF REPRESENTATIVES,
CLERK'S OFFICE,
Washington, D. C., February 16, 1927.

Hon. NICHOLAS LONGWORTH,
House of Representatives.

MY DEAR MR. SPEAKER: I beg to inform you that I have received from the Supreme Court of the District of Columbia subpœnas duces tecum directed to me as Clerk of the House of Representatives commanding me to appear before circuit court, division No. 1, on the 15th and 16th days of February, 1927, at 10 o'clock a. m., as a witness in the case of Charles B. Brewer *v.* A. S. Abell Co. (No. 70158 at law), and to bring with me certain and sundry papers, documents, books, and testimony, therein described, in the files of the House of Representatives.

The papers, documents, books, and testimony in question were adduced in evidence before the select committee appointed under House Resolution 231, Sixty-eighth Congress, to investigate the preparation, distribution, sale, payment, retirement, surrender, cancellation, and destruction of Government bonds and other securities, and are now in possession of the House of Representatives in the custody of the Clerk.

Your attention and that of the House is respectfully invited to a resolution of the House adopted in the Forty-sixth Congress, first session (CONGRESSIONAL RECORD, p. 680), upon the recommendation of the Committee on the Judiciary, as follows:

"*Resolved*, That no officer or employee of the House of Representatives has the right, either voluntarily or in obedience to a subpœna duces tecum, to produce any document, paper, or book belonging to the files of the House before any court or officer, nor to furnish any copy of any testimony given or paper filed in any investigation before the House or any of its committees, or of any other paper belonging to the files of the House except such as may be authorized by statute to be copied, and such as the House itself may have made public, to be taken without the consent of the House first obtained."

And a resolution adopted by the House in the Forty-ninth Congress, first session (CONGRESSIONAL RECORD, p. 1295), from which the following is quoted:

"*Resolved*, That by the privilege of this House no evidence of a documentary character under the control and in possession of the House of Representatives can, by the mandate or process of the ordinary courts of justice, be taken from such control or possession but by its permission.

"That when it appears by the order of a court or of the judge thereof, or of any legal officer charged with the administration of the orders of such court or judge, that documentary evidence in the possession and under the control of the House is needful for use in any court of justice or before any judge or such legal officer for the promotion of justice, this House will take such order thereon as will promote the ends of justice consistently with the privileges and rights of this House."

These resolutions resulted from the issuance of subpœnas duces tecum upon the Clerk of the House to produce certain original papers in the files of the House.

Permission to remove from their place of file or custody any documents or papers was denied by the House, but the court was afforded facilities for making certified copies. This seems to have been the uniform practice in respect to subpœnas duces tecum issued by a court upon the Clerk of the House to produce in court original papers from the files of the House.

The subpœnas in question are herewith attached and the matter is presented for such action as the House in its wisdom may see fit to take.

Very respectfully,

WM. TYLER PAGE,
Clerk of the House of Representatives.

SUPREME COURT OF THE DISTRICT OF COLUMBIA

Chas. B. Brewer against A. S. Abell Co. No. 70158 at law

The President of the United States to Tyler Page, Clerk of United States House of Representatives:

You are hereby commanded to appear as witness for the plaintiff before circuit court, division No. 1 (forthwith), on the 15th day of February, 1927, at 10 o'clock a. m. (and bring with you)—

Five certificates of indebtedness of the United States, each $100,000 denomination, Nos. * * *.

Five certificates of indebtedness of the United States, each $10,000 denomination, Nos. 13997, 14997, and three 11997.

The following securities in your custody believed to be in safe-deposit vaults of Rigg's National Bank, where they were originally deposited February 21, 1924; by order of court; all concerning United States Liberty loans:

Five certificates of indebtedness, each $100,000 denomination, Nos. 1597, 1797, 1997, 2497, and 2997.

Five certificates of indebtedness, each $10,000 denomination, variously numbered ending in 97.

Five certificates of indebtedness, each $5,000 denomination, variously numbered ending in 97.

Four certificates of indebtedness, each $1,000 denomination, variously numbered ending in 97.

Together with the photograph of Treasury certificate certifying they were destroyed in the month of May, 1918; and

$10,000 bond, No. 27442, 4¼ per cent second Liberty loan, temporary, and $10,000 bond, No. 27442, 4¼ per cent second Liberty loan, temporary.

$10,000 note, No. F 61092, 4¾ per cent Victory loan, and $10,000 note, No. F 61092, 4¾ per cent Victory loan.

$10,000 note, No. 85543, 3¾ per cent Victory loan, and $10,000 note, No. 85543, 3¾ per cent Victory loan. (The numeral of the notes intended may be preceded "H.")

$10,000 note, No. 85544, 3¾ per cent Victory loan, and $10,000 note, No. 85544, 3¾ per cent Victory loan. (The numeral of the notes intended may be preceded by "H.")

Coupon No. 2 of $10,000 bond 27442 of 4¼ per cent second Liberty loan, temporary, and coupon No. 2 of $10,000 bond 27442 of 4¼ per cent second Liberty loan, temporary.

Coupon No. 4 of $10,000 bond 27442 of 4¼ per cent second Liberty loan, temporary, and coupon No. 4 of $10,000 bond 27442 of 4¼ per cent second Liberty loan, temporary.

Coupon No. 1 of $10,000 note 61092 of 4¾ per cent Victory loan, and coupon No. 1 of $10,000 note 61092 of 4¾ per cent Victory loan. (Numeral of each preceded by "F.")

Coupon No. 2 of $10,000 note 61092 of 4¾ per cent Victory loan, and coupon No. 2 of $10,000 note 61092 of 4¾ per cent Victory loan. (Numeral of each preceded by "F.")

Coupon No. 1 of $10,000 note 61081 of 4¾ per cent Victory loan, and coupon No. 1 of $10,000 note 61081 of 4¾ per cent Victory loan. (Numeral of each preceded by "F.")

$5,000 bond, No. 15437, fourth 4¼ per cent Liberty loan, temporary, and $5,000 bond, No. 15437, fourth 4¼ per cent Liberty loan, temporary.

$1,000 bond, No. 598660, fourth 4¼ per cent Liberty loan, temporary, and $1,000 bond, No. 598660, fourth 4¼ per cent Liberty loan, temporary.

$1,000 bond, No. 1689090, fourth 4¼ per cent Liberty loan, temporary, and $1,000 bond, No. 1689990, fourth 4¼ per cent Liberty loan, temporary.

$1,000 bond, No. 1689995, fourth 4¼ per cent Liberty loan, temporary, and $1,000 bond, No. 1689995, fourth 4¼ per cent Liberty loan, temporary.

* * * * * * *

Seven $1,000 bonds, Nos. 2523006, 2523007, 2523008, 2523008, 2523009, 2523010 (and 2591285, of fourth 4¼ per cent Liberty loan, temporary.

SUPREME COURT OF THE DISTRICT OF COLUMBIA

Charles B. Brewer against A. S. Abell Co. No. 70158 at law

The President of the United States to Tyler Page, Clerk of the United States House of Representatives:

You are hereby commanded to appear as witness for the plaintiff before circuit court, division No. 1 (forthwith), on the 16th day of February, 1927, at 10 o'clock a. m. (and bring with you)—

$1,000 bond No. 5877, 4¼ per cent, second Liberty loan, temporary, and $1,000 bond No. 5877, 4¼ per cent, second Liberty loan, temporary.

$1,000 bond No. 5878, 4¼ per cent, second Liberty loan, temporary, and $1,000 bond No. 5878, 4¼ per cent, second Liberty loan, temporary.

$1,000 bond No. 5879, 4¼ per cent, second Liberty loan, temporary, and $1,000 bond No. 5879, 4¼ per cent, second Liberty loan, temporary.

$1,000 bond No. 5780, 4¼ per cent, second Liberty loan, temporary, and $1,000 bond No. 5780, 4¼ per cent, second Liberty loan, temporary.

$50 bond No. 826144, 4¼ per cent, second Liberty loan, temporary, and $50 bond No. 826144, 4¼ per cent, second Liberty loan, temporary.

$50 bond No. 826817, 4¼ per cent, second Liberty loan, temporary, and $50 bond No. 826817, 4¼ per cent, second Liberty loan, temporary.

$50 bond No. 1461500, 4¼ per cent, second Liberty loan, temporary, and $50 bond No. 1461500, 4¼ per cent, second Liberty loan, temporary.

$50 bonds Nos. 1206029, 1206915, 2578897, 2579896, 2806085, 2806360, second 4 per cent Liberty loan, temporary.

$100 bonds Nos. 196312, 3198893, 3274814, second 4 per cent Liberty.

$50 bond, bond No. 14210 (really 1142104 with first and last digits * * * third 4¼ per cent Liberty loan, temporary.

$50 third 4¼ per cent bonds, temporary (Liberty loan bonds), as follows:

No. 150505, which is really 11505058 with first and last * * *.

No. 202468, which is really 3202468 with first digit removed.

No. 306274, which is really 8306274 with first digit removed.

No. 587632, which is really 7587632 with first digit removed.

$50 fourth 4¼ per cent bonds, temporary (Liberty loan bonds), as follows:

No. 18154, which is really 3181549 * * *.

No. 32710, which is really 6432710 * * *.

No. 4840877, which is really 1484087 * * *.

Nos. 4840881 to 4840886, really 14840881 to 14840886, with first digit off.

$50 third Liberty loan bonds Nos. 11826449 and 2898013 and 3691571, temporary.

All above are coupon bonds.

File of letters between Charles B. Brewer and the following banks: First National Bank of Valdosta, Ga.; Illinois Merchants Trust, Chicago, Ill.; Wheeling Bank & Trust Co., First National Bank, Cairnbrook, Pa.; First National Bank, Pittsburgh, Pa.

Manila-covered books of duplicate bonds compiled by Register of Treasury, three in number.

Record of bonds stolen from Treasury compiled by register.

Two sets of records and one voluminous file compiled by and received by and written by Register of Treasury relating to bonds received by him in uncanceled condition.

Lists of duplicate coupons covering some 7,000 compiled by Register of Treasury.

Stitched manila-covered volumes listing imperfect bonds compiled by Bureau of Engraving covering about 300,000 such bonds, and similar compilation by Division of Loans and Currency of Treasury.

Memorandum of William S. Broughton to Mr. McCourtry urging resumption of destruction of a million pieces of $50 bonds dated October 26, 1920.

Various parts of the evidence relating to purchase and sale of bonds covered by 28 paragraphs on pages 20 and 21 of inventory signed by you as receipt.

Mr. GARNER of Texas. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARNER of Texas. Will the documents accompanying the Clerk's letter be printed in the RECORD?

The SPEAKER. The Chair thinks they should be printed in the RECORD.

Mr. TILSON. Mr. Speaker, the communication from the Clerk of the House just read raises a question of the privileges of the House, and I therefore submit a privileged resolution.

The SPEAKER. The gentleman from Connecticut offers a resolution, which the Clerk will report.

The Clerk read as follows:

Whereas in the case of Charles B. Brewer *v.* A. S. Abell Co. (No. 70158 at law) pending in circuit court, division No. 1, Supreme Court of the District of Columbia, subpœnas duces tecum were issued by the Chief Justice of the Supreme Court of the District of Columbia and addressed to William Tyler Page, Clerk of the House of Representatives, directing him to appear as a witness before circuit court, Division No. 1, on the 15th and 16th days of February, 1927, and to bring with him certain and sundry original papers, documents, books, and testimony in the possession and under the control of the House of Representatives: Therefore,

Resolved, That by the privilege of this House no evidence of a documentary character under the control and in the possession of the House of Representatives can, by the mandate or process of the ordinary courts of justice, be taken from such control or possession but by its permission.

Resolved, That when it appears by the order of the court or of the judge thereof, or of any legal officer charged with the administration of the orders of such court or judge, that documentary evidence in the possession and under the control of the House is needful for use in any court of justice or before any judge or such legal officer, for the promotion of justice, this House will take such order thereon as will promote the ends of justice consistently with the privileges and rights of this House.

Resolved, That William Tyler Page, Clerk of the House, be authorized to appear at the place and before the officer named in the subpœnas duces tecum before mentioned, but shall not take with him any paper or document on file in his office or under his control or in his possession as Clerk of the House.

Resolved, That the said court, through any of its officers or agents, have full permission to attend with all proper parties to the proceeding, and then always at any place under the orders and control of this House, and take copies of any documents or papers in possession or control of said Clerk, and any evidence of witnesses in respect thereto which the court or other proper officer thereof shall desire, so as, however, the possession of said documents and papers by the said Clerk shall not be disturbed, or the same shall not be removed from their place of file or custody under said Clerk.

Resolved, That a copy of these resolutions be transmitted to the said court as a respectful answer to the subpœnas aforementioned.

Resolved, That when the court before mentioned shall have disposed of the aforesaid case of Charles B. Brewer against A. S. Abell Co., the Clerk of the House of Representatives is hereby directed to return to the Treasury Department, taking receipt therefor, the original records, documents, books, and papers, inventoried, which were adduced as evidence before the select committee appointed under House Resolution No. 231, Sixty-eighth Congress, and by that committee turned over to the files of the House to accompany its report.

Mr. GARRETT of Tennessee. Mr. Speaker, I reserve a point of order on the resolution. The order has not been very good during the reading of the resolution, but I think I understand what it is. What I am curious about, though, is that last provision in the resolution about returning the papers to the Treasury Department.

Mr. TILSON. I can explain in a word what it means. The first part of the resolution, up to the last paragraph, simply enables the court or its officers or counsel to examine and make copies of all of these papers under the control of the House. The last paragraph of the resolution does not operate until after the case in which these papers are to be used is disposed of, and the resolution simply provides that when this case at law is disposed of then the Clerk of the House shall turn these papers back to the Treasury Department, where they legally belong.

Mr. GARRETT of Tennessee. I do not know whether they legally belong there or not. They legally belong here.

Mr. TILSON. When we are through with them, they belong at the Treasury Department.

Mr. GARRETT of Tennessee. Does not the gentleman think we had better deal with the immediate emergency now and leave the question of the return of the papers or the final disposition of the papers to be disposed of later?

Mr. TILSON. I can see no good purpose in having a great amount of space in the office of the Clerk taken up with these documents and a box or safe in the Riggs Bank, on which rent is being paid, to hold these bonds and papers which the House is not in any way using at this time. There is nothing pending before the House that would authorize or which would necessitate the use of these papers.

Mr. GARNER of Texas. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. GARNER of Texas. I do not understand about these bonds. Are these bonds owned by some individual?

Mr. TILSON. I understand they are canceled bonds.

Mr. GARNER of Texas. Who canceled them?

Mr. TILSON. The Treasury Department.

Mr. GARNER of Texas. These are bonds which have been paid off.

Mr. TILSON. I so understand; they are bonds that have been returned to the Treasury, paid off and canceled.

Mr. BLANTON. And they are duplicate bonds; duplicate numbers.

Mr. STEAGALL. Will the gentleman yield to me?

Mr. TILSON. Yes.

Mr. STEAGALL. I do not know just what the parliamentary status of this matter is with reference to the concluding paragraph in the resolution, but I want to ask the gentleman to amend the resolution by striking out the concluding clause which orders these papers and documents returned to the Treasury Department and let us deal with that phase of the matter in the regular way. Meantime let us pass the resolution to furnish the court this evidence as provided in the gentleman's resolution, which I think is proper and right.

Mr. TILSON. That is all provided for in the resolution.

Mr. STEAGALL. And then if the gentleman so desires, he certainly will be in position to submit to the House a resolution that could be taken up on its merits, independent of this other proposition, and let the House decide in the regular manner, which it should do, what steps ought to be taken with refer-

ence to returning this testimony or records and papers to the Treasury Department.

Mr. TILSON. Can the gentleman give the House any good, sound reason why those bonds and other documents, brought here in the Sixty-eighth Congress, should be kept here any longer? If the gentleman can give the House some reason why they should be kept any longer, then there would be some basis for the gentleman's request.

Mr. STEAGALL. Let me answer the gentleman. I say we should not be called on to determine that now.

Mr. TILSON. Why not now?

Mr. STEAGALL. Because that matter is not properly before the House. I might be able to give the gentleman a good reason why the nations of Europe should not enter into the peace conference suggested by the President of the United States, but that has no proper place in a resolution which deals with a subpœna duces tecum served upon an official of this House to produce this testimony in court. What steps the House will take to dispose of these documents on its own part, and with reference to its own rights, is an entirely different matter from what should be done with reference to answering a subpœna duces tecum served on the Clerk of this House requiring the production of these documents in court

Let me say further, inasmuch as the gentleman has asked me the question, I insist this House ought not to instruct the Clerk to return these records to the Treasury Department until the matter may be brought up in the regular way and dealt with upon its merits. It should not be attached to the other portion of the resolution and given a privileged status.

Mr. TILSON. That is what we are doing now. We are dealing with it on its merits, and I am asking the gentleman to produce any good reason why we should retain these bonds any longer.

Mr. STEAGALL. I beg the gentleman's pardon. The gentleman brings up a resolution instructing the Clerk of the House to respond to a subpœna of the courts of the country with reference to this testimony, and we find this last clause in the resolution dealing with another separate and distinct matter. This is all the notice I had of it. I dare say it is all the notice any Member on this side of the House had of the resolution. I did not know until the resolution was being read at the Clerk's desk that there was anything in the resolution touching the return of these documents to the Treasury Department.

Mr. TILSON. The gentleman still has given no reason why we should retain these papers longer.

Mr. STEAGALL. If the gentleman be correct in his statement that these papers are simply cumbering space here, why has the gentleman waited until now to find a way to return them to the Treasury?

Mr. TILSON. I may be at fault in regard to that, because——

Mr. STEAGALL. Why has the gentleman waited until now to take advantage of this situation, and then attempt to put through an order that is not related to the matter of answering the subpœna of the court?

Mr. TILSON. I may be at fault, because the Clerk of the House has appealed to me on a number of occasions.

Mr. STEAGALL. But the gentleman waited until he got this opportunity before responding.

Mr. TILSON. No; I did respond. I have conferred with one gentleman on the gentleman's side, who is a member of the Committee on Banking and Currency, and I have talked with a number of gentleman on our side about the disposition of these bonds.

Mr. BLANTON. Will the gentleman yield and let me give him a reason?

Mr. TILSON. The Clerk has been appealing to me to get these bonds back to the Treasury, where they belong.

Mr. STEAGALL. Let me say to the gentleman that I dislike to go into this matter, but if we are to go into it in full, the gentleman from Iowa [Mr. HAUGEN] will probably be impatient to go on with his bill before the end of the discussion, because it would require quite a time to review the work of the special committee appointed by the House to investigate the duplication of bonds in the Treasury Department. There is a vast amount of these documents and this evidence——

Mr. TILSON. Has the gentleman any reason——

Mr. STEAGALL. Will the gentleman let me finish my answer, please?

Mr. TILSON. I am hoping the gentleman will come to the point and give the House a good reason why these bonds should be retained longer.

Mr. STEAGALL. I will answer, first, because these records are the property of the House and are rightfully here and can not be rightfully placed anywhere else. That is one reason.

Mr. SPEAKS. Will the gentleman yield for just a question?

Mr. TILSON. I am yielding first to the gentleman from Alabama.

Mr. SPEAKS. Will the gentleman from Alabama yield to me a moment?

Mr. STEAGALL. I will if I have the floor.

Mr. SPEAKS. I want to know whether there is anything of a questionable or criminal nature associated with these papers which makes their retention by the House necessary to the public welfare?

Mr. TILSON. Nothing that I know of. This House has taken no action on these papers since the Sixty-eighth Congress.

Mr. SPEAKS. I am inquiring whether there is anything of a controversial or criminal nature touching the papers which are being held?

Mr. BLANTON. That is something we do not know yet.

Mr. STEAGALL. I think I do know.

Mr. SPEAKS. Then they ought to be retained.

Mr. TILSON. There is nothing pending before the House since the Sixty-eighth Congress that would necessitate the retention of these bonds any longer.

Mr. BLANTON. Will the gentleman let me give a good reason why they should be retained?

Mr. STEAGALL. I hope the gentleman will let me finish first.

Mr. TILSON. I am yielding to the gentleman from Alabama.

Mr. LINTHICUM. Mr. Speaker, a parliamentary inquiry.

Mr. BANKHEAD. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. BANKHEAD. It seems to me, Mr. Speaker, that the resolution presents two entirely different substantive propositions, and I want to inquire whether in view of that fact we are entitled to a division of this question; one relates entirely to the request of the Clerk with reference to a subpœna from the court, and the latter part of the resolution deals with an entirely different proposition, namely, the disposition of the papers.

The SPEAKER. Of course, the resolution would be open to amendment. The Chair does not think a division of the resolution could be demanded as a matter of right.

Mr. GARRETT of Tennessee. Mr. Speaker, I think the last clause of the resolution destroys its privileged character. I have no disposition in the world to insist upon a point of order that will destroy the other part of the resolution, however, because I think the other part ought to be agreed to. The last clause, I will say very frankly, is something new to me, and I did not know that matter was coming up at all.

Mr. TILSON. Has the gentleman from Tennessee any good reason to advance why these bonds should be retained any longer?

Mr. GARRETT of Tennessee. The gentleman from Tennessee was not a member of the committee which made this investigation, and his knowledge about this matter is very, very general in character. The gentleman from Alabama [Mr. STEAGALL] was a member of the committee, and the gentleman from Alabama seems to object to it at this time.

The SPEAKER. On a further inspection of the resolution, the Chair thinks there are several matters here that are separate resolutions of a substantive character and that the resolution could be divided at the request of a Member.

Mr. STEAGALL. But, Mr. Speaker, the point of order made by the gentleman from Tennessee is that the concluding paragraph of this resolution destroys the privileged character of the resolution.

The SPEAKER. The gentleman from Tennessee has not made that point of order.

Mr. GARRETT of Tennessee. I reserved a point of order on the resolution. I do not want to make the point of order, Mr. Speaker, to destroy the entire resolution, because I appreciate the fact it is essential that the first part of it should pass; at least, I think so from the representations that have been made to me concerning the matter. The court has asked for certain testimony.

It is desirable in the interest of justice that the evidence may be presented in the proper way. I do not want to destroy the whole resolution on a point of order; at the same time I do not think the last part of it ought to be insisted on now. That is a matter that we can take up later and dispose of.

Mr. BLANTON. Mr. Speaker, I make the point of order against the last paragraph, that it is not privileged.

The SPEAKER. If the gentleman makes the point of order it will destroy the whole resolution.

Mr. BLANTON. The gentleman from Connecticut can offer the resolution without the last paragraph. I do not make it to any part except the last paragraph.

Mr. STEAGALL. I hope the gentleman from Texas will withhold that. Let me say that there were five Members of this House who served on that investigating committee that inquired into these matters to which the evidence refers. That committee was composed of Mr. MCFADDEN, Mr. KING, Mr. STRONG of Kansas, Mr. STEVENSON, and myself. The gentleman from Illinois [Mr. KING] is now ill and is not here, and neither is the gentleman from South Carolina here.

Mr. TILSON. I have talked with the gentleman from South Carolina in regard to it.

Mr. STEAGALL. The gentleman from Pennsylvania [Mr. MCFADDEN] was also a member of the committee. Certainly a matter of such importance as this on which the committee worked for months and months and held extensive hearings ought not to be taken up in this House by attaching it to a privileged resolution without giving the House an opportunity to discuss it and consider it on the floor. This testimony involved the widest range of inquiry by this committee, and if the gentleman will remember, the committee made its report in the last days of the session of the Sixty-eighth Congress just before we adjourned. We did not even have an opportunity to discuss our report.

Mr. TILSON. Two years ago.

Mr. STEAGALL. In the jam of a closing session. The committee asked that its life be extended or a new committee be appointed to continue and carry on the work. It was not done. There is no use to say to the gentleman why no effort in that direction has been made since that time. This is not the time to go into all that. But it was the judgment of every man on the committee except one, who only attended a few meetings and was not present during most of the investigation—every other member of the committee agreed that the life of the committee should be extended and the investigation continued, or a new committee created for that purpose. It was not done. It is not unreasonable to presume that this question may arise again and that this House may decide to deal further with the matter. Certainly the records can serve no necessary purpose in the Treasury other than to secure their preservation, and that will be accomplished by keeping them where they are.

Mr. TILSON. The resolution provides that they shall be held here until the court is through with them.

Mr. STEAGALL. The court may be through with them to-morrow.

Mr. TILSON. They should be returned to the Treasury, which is the proper custodian of these bonds. Two years have elapsed without anything being done or attempted to be done, and it is time that they be sent back to where they belong.

Mr. STEAGALL. I will say this, answering the gentleman's question: The committee has reason to believe, if the gentleman from Connecticut does not, that if the records are returned to the Treasury Department they will be destroyed. The committee discovered that records of the same kind were destroyed by the Treasury in violation of law and in violation of repeated written orders from President Harding to the Treasury Department not to destroy any of the duplicate bonds or coupons. This particular resolution can be taken up on some day before this session closes. I ask the gentleman again to strike from the resolution the clause that deals with this matter and take it up some other day when we can reach it during the present session, and consider that question on its merits and debate it satisfactorily. The bonds can rest where they are now if they are not removed to accommodate the court.

Mr. BLANTON. If the gentleman will let the Speaker decide, he will throw the resolution out on a point of order.

Mr. TILSON. Mr. Speaker, I yield to the gentleman from Kansas to make a statement.

Mr. STRONG of Kansas. Mr. Speaker, I was a member of the committee and attended practically every meeting except those held during vacation, when I was in Kansas. These bonds were taken from the Treasury by order of the committee. When our committee went out of existence they ought to have been returned to the Treasury. The Treasury has been repeatedly asking for them. Why they were turned over to the Clerk when the committee went out of existence I never knew. Certainly, the records of the Treasury Department used in the investigation ought to go back to the Treasury Department, and I hope the resolution will prevail.

Mr. TILSON. Mr. Speaker, Mr. Brewer, in his conduct of this case, is very desirous to have the use of these bonds. If the gentleman from Alabama does not wish him to have them I shall withdraw the resolution.

Mr. STEAGALL. It is unfair practice, even though not so intended, for the gentleman from Connecticut to attempt to put this resolution on to a resolution with which it has no proper connection in order to give it a privileged status to which it is not entitled and then undertake to make me responsible for a failure to let the court have these records to be used as evidence.

Mr. TILSON. Mr. Speaker, I withdraw the resolution.

Mr. BANKHEAD. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. BANKHEAD. Can the gentleman from Connecticut withdraw his privileged resolution without unanimous consent?

Mr. TILSON. Mr. Speaker, we are in the House, not in Committee of the Whole.

The SPEAKER. The resolution may be withdrawn at any time before decision or amendment.

M'NARY-HAUGEN BILL

Mr. PURNELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill S. 4808, to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities.

Mr. CELLER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The Chair has recognized the gentleman from Indiana. The gentleman can not take the gentleman from Indiana off his feet with a parliamentary inquiry unless the gentleman from Indiana yields.

Mr. PURNELL. I insist upon my motion.

The SPEAKER. The question is on the motion of the gentleman from Indiana that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of Senate bill 4808.

Mr. ASWELL rose.

The SPEAKER. Does the gentleman from Indiana yield to the gentleman from Louisiana?

Mr. PURNELL. Yes; pending my motion.

Mr. ASWELL. I wish to inquire whether it is not practicable to reach an agreement in the House with reference to time on the pending so-called substitute for the pending bill?

Mr. HAUGEN. I think that agreement can be reached in Committee of the Whole.

Mr. ASWELL. Can it not be reached in the House?

Mr. HAUGEN. It is immaterial. The usual practice, however, is that we agree upon such time in the committee.

Mr. ASWELL. Is it not possible to make that agreement in the House?

Mr. HAUGEN. It would be possible. I ask unanimous consent——

The SPEAKER. The gentleman from Iowa is not entitled to the floor unless the gentleman from Indiana yields to him.

Mr. PURNELL. Mr. Speaker, I took the floor because the chairman of the committee was not here.

Mr. ASWELL. I suggest that we have an hour on a side.

Mr. PURNELL. I suggest that we reach that agreement after we get into the committee.

Mr. ASWELL. The gentleman will remember that in the Committee on Agriculture it was agreed, inasmuch as there was no opposition to be made to the rule to substitute this new bill, that a liberal plan would be agreed upon for debate under the five-minute rule, especially on substitutes.

Mr. PURNELL. What does the gentleman suggest?

Mr. ASWELL. An hour on a side.

Mr. PURNELL. Does the gentleman mean for each substitute?

Mr. ASWELL. I am referring only to my own bill.

Mr. PURNELL. I had hoped that we might agree on 30 minutes on a side.

Mr. ASWELL. Will the gentleman make that request for 30 minutes?

Mr. PURNELL. Yes; I will, if that is agreeable.

Mr. ASWELL. Make it now?

Mr. PURNELL. Yes.

Mr. FORT. Mr. Speaker, will the gentleman from Indiana yield?

Mr. PURNELL. Yes.

Mr. FORT. Does that request cover the other substitute referred to, the Crisp bill?

Mr. CRISP. Mr. Speaker, will the gentleman yield?

Mr. PURNELL. There are two well-recognized and outstanding substitutes to be offered, one known as the Aswell bill and the other known as the Crisp bill. Why can we not have an agreement to allot one hour to each of these, the time to be divided equally between the gentleman from Louisiana [Mr. ASWELL], and the gentleman from Georgia [Mr. CRISP], or some one else on the committee, and the hour over here to be controlled by the chairman of the committee?

Mr. CRISP. Mr. Speaker, as far as I am concerned, it is perfectly satisfactory. I have not attempted in any way to

delay the procedure on the bill, and neither have I taken any time in general debate. I would like to have an opportunity to present my substitute to the House.

Mr. CHINDBLOM. Why not include in the agreement that these substitutes shall be considered in order? I suggest the gentleman will avoid a lot of time being used on the question of order.

Mr. PURNELL. If there are no points raised, there will be no disturbance. There is no need of agreeing in advance on that.

Mr. ASWELL. I agree to the suggestion of the gentleman from Indiana.

Mr. PURNELL. Then, Mr. Speaker, I ask unanimous consent that one hour of debate each be agreed upon on the two substitutes known as the Aswell substitute and the Crisp substitute, one half of the time on the Aswell substitute to be controlled by the gentleman from Louisiana [Mr. ASWELL] and the other half to be controlled by the chairman of the committee [Mr. HAUGEN].

The SPEAKER. The gentleman from Indiana asks unanimous consent that the time for debate upon the amendment to be offered by the gentleman from Louisiana be limited to one hour, one-half to be controlled by the gentleman from Iowa [Mr. HAUGEN] and one-half by the gentleman from Louisiana [Mr. ASWELL], and further asks unanimous consent that the debate upon the amendment to be proposed by the gentleman from Georgia [Mr. CRISP] be limited to one hour, one half of that time to be controlled by the gentleman from Iowa [Mr. HAUGEN] and the other half to be controlled by the gentleman from Georgia [Mr. CRISP]. Is there objection?

Mr. LEHLBACH. Mr. Speaker, reserving the right to object, I ask the chairman of the Committee on Agriculture whether it is intended to take an hour on one substitute and then vote, and then take an hour on the second substitute and then vote, or will the vote on both of them be deterred until the end of the two hours?

Mr. HAUGEN. I take it that we will pursue the matter under the regular practice of the House. We will vote on one, and, if it is voted down, then we will vote on the other.

Mr. LAGUARDIA. Mr. Speaker, up to date the time has been under control in accordance with the rules and customs of this House in general debate. We are now going into consideration of the bill under the five-minute rule. Does the committee also seek to control that time?

Mr. PURNELL. We are seeking to give a little more time than is usual in the committee.

Mr. LAGUARDIA. Under the five-minute rule a Member can offer a pro forma amendment and obtain recognition and have five minutes. Under the suggestion the outsiders are entirely at the mercy of the gentleman from Iowa [Mr. HAUGEN]. Surely the gentleman does not mean to proceed in that way?

Mr. CHINDBLOM. Oh, after the five minutes debate is exhausted on a pro forma amendment, the chairman of the Committee on Agriculture, in the Committee of the Whole, can move to close all debate.

Mr. GARRETT of Texas. Mr. Speaker, I object.

Mr. PURNELL. Then, Mr. Speaker, I renew my motion.

The SPEAKER. The question is on the motion of the gentleman from Indiana that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill S. 4808.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House for the consideration of the bill S. 4808, with Mr. MAPES in the chair.

The Clerk read as follows:

A bill (S. 4808) to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities.

Mr. KINCHELOE. Mr. Chairman and gentlemen of the committee, in view of the fact that the Committee on Agriculture agreed at its last session that these two substitutes, so far as the committee is concerned, should have an hour's time, each side 30 minutes for and 30 minutes against, and the friends of the other measures have not objected to that yet——

The CHAIRMAN. The Chair would like to have the members of the committee understand the parliamentary situation. When the committee rose at its last sitting an amendment had been offered by the gentleman from Louisiana [Mr. ASWELL] to strike out section 1 of the Senate bill and insert as a substitute the provisions of his bill, giving notice of the fact that if his motion should prevail he would then move to strike out the subsequent sections of the Senate bill as they were read. The gentleman from Iowa [Mr. DOWELL] reserved a point of order against the amendment, and at that point the committee rose. Does the gentleman from Iowa desire to make the point of order?

Mr. HAUGEN. Is it to be understood that the substitute of the gentleman from Louisiana is pending? If not, it is in order to read the bill.

The CHAIRMAN. The motion of the gentleman from Louisiana is pending.

Mr. BLANTON. Mr. Chairman, I ask for the regular order, and that is on the reservation of the point of order by the gentleman from Iowa [Mr. DOWELL].

Mr. DOWELL. Mr. Chairman, I do not desire to press the point of order.

The CHAIRMAN. The gentleman from Iowa [Mr. DOWELL] withdraws the reservation of the point of order. The Chair will recognize the gentleman from Louisiana on his amendment.

Mr. KINCHELOE. I thought the Chair had recognized "the gentleman from Kentucky." I wanted to make a statement.

The CHAIRMAN. The only thing before the committee is the motion of the gentleman from Louisiana.

Mr. KINCHELOE. I move to strike out the last word of the substitute.

The CHAIRMAN. Can not the gentleman from Kentucky and the gentleman from Louisiana get together?

Mr. ASWELL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ASWELL. Is it in order for me to ask unanimous consent for an hour on a side?

The CHAIRMAN. The Chair thinks it is.

Mr. ASWELL. I ask unanimous consent that one hour on a side be granted on this particular amendment, one half of the time to be controlled by the gentlemen on the other side and half by myself.

The CHAIRMAN. The gentleman from Louisiana asks unanimous consent that there may be two hours of general debate on this amendment, one half the time to be controlled by himself and the other half by the gentleman from Iowa [Mr. HAUGEN].

Mr. KINCHELOE. Reserving the right to object—and I shall not object—I wanted to finish the statement I had begun to make.

Mr. PURNELL. Mr. Chairman, I would like to state for the benefit of the Members of the House——

Mr. KINCHELOE. I believe I have the floor. I am still reserving the right to object.

The CHAIRMAN. The Chair thinks the gentleman from Kentucky has the floor.

Mr. KINCHELOE. I think the chairman of the Committee on Agriculture should not object to that. I hope that neither the chairman of the committee nor any member of it will object. But I was hoping that the chairman of the Committee on Agriculture would state that after two hours shall be consumed on these two substitutes and these two substitutes are voted on, he will serve notice on the friends of his bill that he does not propose to adjourn this House to-day until that bill is finally voted on. [Applause.]

Mr. HAUGEN. I think that is the intention of the House. The purpose is to pass the bill before we adjourn, even if it takes all night to do it. [Applause.]

Mr. GARRETT of Texas. I shall not agree that there shall be two hours of general debate if it will keep us here all night unless the gentleman from Iowa has something new. Otherwise I shall object.

Mr. LAGUARDIA. Mr. Chairman, I reserve the right to object.

Mr. ABERNETHY. Mr. Chairman, I reserve the right to object. Do I understand that it is the purpose of the chairman to cut off all debate under the five-minute rule?

Mr. HAUGEN. No. If objection is made to the request made by the gentleman from Louisiana, I shall then move to close the debate and to carry out the suggestion made.

Mr. GARRETT of Texas. Reserving the right to object, Mr. Chairman, I would like to know——

Mr. PURNELL. Mr. Chairman, may I inquire who has the floor?

The CHAIRMAN. The Chair has recognized the gentleman from Louisiana [Mr. ASWELL] for five minutes.

Mr. RAGON. Mr. Chairman, I object. I do not reserve it.

Mr. ASWELL. Mr. Chairman and gentlemen of the committee, I made that request for unanimous consent in order to economize time. If my motion to strike out the first section and substitute my bill should be adopted, the other part of the Haugen bill will be stricken out, and the bill then has a better chance of giving farm relief by passing the Senate than the Haugen bill has to pass the Supreme Court of the United States. [Applause.]

I wish to state for the information of gentlemen on the floor that if my motion does not prevail, another motion will be made by the gentleman from Georgia [Mr. CRISP] to strike out the section and substitute his bill, and I shall vote for that motion. Then if that motion does not prevail, when the committee rises and the final vote is called on the Haugen bill I shall, as the ranking minority member on the committee and opposed to that bill, move to recommit it and again substitute my bill, and upon that motion I shall do my part to have a record vote, a yea-and-nay vote; and then if that motion does not prevail, I shall again do my full part in securing a yea-and-nay vote on the final vote on the McNary-Haugen bill, so that all gentlemen will have the widest latitude to express themselves. [Applause.]

Now, gentlemen, I have but five minutes. I was anxious to have some time for the gentlemen who are supporting the McNary bill to explain it, or at least make an effort to explain it. For 18 hours this bill has been debated but not a single effort has been made by the supporters of the bill to analyze and explain it. I had hoped that in this debate such an effort would be made.

I will give you one example as to the meaning of my bill and then I will be through for this time.

I have a little cotton farm. Last October when cotton was selling at 10 and 11 cents in the South, I bought the cotton produced on that farm to aid the men on it. I bought the cotton crop and paid 1 cent a pound above the market price of that day. I stored that cotton in a warehouse and have it now. As soon as the price advances enough to cover the cost of insurance and storage I shall sell that cotton. That is exactly the operation of my bill. The Export Corporation will buy the cotton at a fair price. I did not go down and bid below; I paid my men on my farm a cent above the market. This Export Corporation will buy the surplus at a fair price, hold it and sell it when the price advances. That is exactly the meaning of my bill.

I would like for the Haugen supporters to be in order because I want to make a reference to them. The distinguished chairman of the Committee on Agriculture is visiting now and is not paying any attention to what is going on, but I want to call attention to his great speech in analyzing this bill. He talked for nearly an hour and the sum total of his argument was: Does the farmer want $1 a bushel for his wheat or does he want $1.50 a bushel, and that explains the bill.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. TILSON. Mr. Chairman, I move to strike out the last word. It is best for me to confess at the outset that I make no pretense of being able to explain how the bill under consideration will work, or to give anyone a clearer understanding of what benefits may be expected to flow from its operation if enacted. I therefore request that I be not interrupted while I attempt, by thinking aloud, to put some of the thoughts I have on the subject in order.

Mr. WILLIAM E. HULL. Which bill is the gentleman speaking about?

Mr. TILSON. I am speaking about the bill now before the House.

In the rough and tumble of debate here on the floor of the House we sometimes speak of a measure as economically unsound or even vicious. All that we mean by such terms is that, in our judgment, such measures are inadvisable or unwise from an economic standpoint, and therefore should not be enacted into law. We respect the other fellow who honestly entertains contrary views on the subject, and concede to him the same right that we claim for ourselves. It is one of the fine things about our service here that we can and do differ so widely in our views and contest them so vigorously with each other and yet never lose for a moment our personal regard or our respect for the views of the other fellow.

Conceding to everyone else the absolute right to an opposite opinion, I deem it to be my duty for myself and not for anyone else to voice briefly my opposition to this bill.

I fully realize that there is a very real problem in agriculture, brought about by the necessity for readjustment after the serious dislocation in the economic structure caused by a world-wide war. During that period overproduction was directly encouraged and rapidly mounting costs of production were disregarded. Production costs are still high for the farmer, but they can be disregarded no longer if the farmer is to make a profit, and he must make a profit or he can not continue to produce. The farmer has been further penalized in his production costs beyond anyone else by the effects of our immigration laws, now far more drastically restrictive than ever before in our history, upon the problem of farm labor.

Recognizing the existence of the farm problem and the seriousness of it, everyone feels the importance of doing everything possible to help solve it. The question before us is whether the pending bill is the solution and the only solution; for it would seem that the proponents of this bill are not ready to even consider anything other than this particular bill in the precise form it has taken during its passage through the Senate. And I feel constrained to add that if all farm relief legislation fails at this session those who have so persistently insisted upon one particular bill or nothing will, in my judgment, not be free from blame for the result.

Again, with all deference to the opinions of others, I do not believe the bill under consideration to be a solution of the farm problem at all. I believe that it would not only not work well, but that the attempt to work it would make matters infinitely worse. I believe that in the long run the one who would suffer most from such a law would be the farmer himself.

Mr. MORTON D. HULL. Is the gentleman speaking of the Aswell bill?

Mr. TILSON. I am speaking of the bill now before the committee for consideration, which is the Senate bill as it was finally amended in the Senate. As I try to visualize what would probably happen in case it were attempted to put such a law into operation, I can see the delicate mechanism of trade and commerce thrown out of its normal adjustment into helpless confusion.

Instead of prices being regulated by the law of supply and demand, they will be determined by the edict of a board. It is often said that if it were a certainty that the ruler would always be wise and good an absolute monarchy would be the best form of government. The trouble is with the premises. In this bill it would seem to be the assumption that the board will be all wise and all good, and so the bill proceeds to make the board practically all powerful. The experience of mankind through the ages does not warrant the assumption. What opportunities are here made available for advance leaks of information as to what the board will do in certain contingencies! What possibilities of graft and corruption through speculation are here made ready and at hand!

Whether or not I am able to sense what the board would or might do when appointed under such a law there is one thing of which I am positively certain, and that is that the method provided for the appointment of the board is utterly vicious if not absolutely unconstitutional. Under our form of government it is the duty of the Executive to enforce the laws, and he is given the corresponding power of appointing executive officers or the agencies through which the laws are to be enforced. The bill under consideration undertakes to so restrict the exercise of the appointing power as to substantially deprive the Executive of all right to select those who are to execute the law.

In the bill under consideration a fraction of one class of citizens in a given district select those who select three persons from whom the President must select the member of the board from that district. Let us suppose, what would probably happen, that the three from whom the President must select one are as like as three peas in a pod, so far as their views as to their duties on the board are concerned. The result would be that the fraction of the one class of citizens could, and doubtless would, compel the selection of some one who, regardless of the wishes or interests of all other citizens, would be obligated to serve the interests of those making the selection.

As to the tendency of such legislation there can be no doubt. It leads in the direction of sovietism and is in fact a considerable step in that direction. It means that a particular class of our citizens acting through representatives of their own choosing are to be clothed with tremendous powers over the very means of life itself affecting vitally the lives and fortunes of the whole people. I can not bring myself to believe that the courts would ever sustain such legislation. I shall attempt to discuss here only the one point as to the constitutionality of the provision of the bill for selecting the board.

The bill provides for the selection of a board of 12 members, one from each Federal land bank district. It provides that the President shall appoint the member from each district from three persons nominated to him by a committee of seven, four of whom shall represent the "bona fide farm organizations and cooperative associations" in that district, whatever this may mean. The three minority members of the nominating committee are to be appointed, two by the heads of the agricultural departments of the several States in the district and one by the Secretary of Agriculture. The bill also proposes to create an advisory council of seven for each commodity covered by the

bill, and members of each commodity advisory council shall be selected annually by the board from lists submitted by cooperative marketing associations and farm organizations and by agricultural heads of the several States within the district. The President has no part in the selection of the advisory council.

The appointing power of the President for each member of the proposed farm board would be limited by the bill to a selection from three persons in each district, the three persons to be chosen by organizations formed by the voluntary association of farmers for their own benefit. The great mass of unorganized farmers are to have, through the appointments of the State agricultural heads and the Secretary of Agriculture, only minority representation in the matter, and the President would have no power to appoint anyone whom he might think would care for their interests or the interests of the public.

The question whether such a limitation on the appointing power of the President is constitutional has never been considered by the Supreme Court of the United States, because up to the present time in our history no substantial group has ever suggested such a limitation upon the power of appointment, but there are decisions by State courts and an opinion by the United States Attorney General which clearly hold that limitations of this character amount to an attempt of the legislative branch of the Government to invade the province of the executive branch.

The decisions of the State courts are founded for the most part upon provisions in the State constitutions similar to the provisions in the Federal Constitution which separate the Federal power into the executive, legislative, and judicial branches, and which give to the executive branch the right to appoint executive officers.

The appointing power of the President of the United States is defined in section 2 of Article II of the Constitution. This section provides that the President—

shall nominate, and by and with the advice and consent of the Senate, shall appoint ambassadors, other public ministers and consuls, judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for and which shall be established by law; but the Congress may by law vest the appointment of such inferior officers, as they think proper, in the President alone, in the courts of law, or in the heads of departments.

When the Civil Service Commission was first established the question arose as to the power of Congress to place limitations on the constitutional appointing power of the President and heads of departments. The commission as first organized asked the United States Attorney General for an opinion whether a statute could constitutionally limit appointments to the person receiving the highest grade on a competitive examination, and, second, whether it could limit appointments to general classes of persons. The Attorney General, under date of August 31, 1871, rendered an opinion (vol. 13, Opinions of the Attorney General, p. 516) in which he held that Congress could not by law limit the President or the heads of departments to the highest person on a competitive examination, but that it could restrict appointments to a class of persons whose qualifications or fitness should be determined by an examination instituted independent of the appointing power.

The first inquiry of the commission raised the question, to quote the Attorney General's language, "whether the designation of a single person for appointment by a board not established by the constitutional appointing power would virtually vest the appointment in a body unknown to the Constitution."

The Attorney General goes on further to say:

The objection is substantially this: That a rule, whether prescribed by Congress or by the President, in pursuance of authority given by Congress, that a vacant civil office must be given to the person who is found to stand foremost in a competitive examination, in effect makes the judges in that examination the appointing power to that office, and thus contravenes the constitutional provisions on the subject of appointments * * *.

If to appoint is merely to do a formal act, that is, merely to authenticate a selection not made by the appointing power, then there is no constitutional objection to the designation of officers by a competitive examination, or any other mode of selection which Congress may prescribe or authorize. But if appointment implies an exercise of judgment and will, the officer must be selected according to the judgment and will of the person or body in whom the appointing power is vested by the Constitution, and a mode of selection which gives no room for the exercise of that judgment and will is inadmissible. If the President in appointing a marshal, if the Senate in appointing its secretary, if a court or head of department in appointing a clerk, must take the individual whom a civil-service board adjudged to have proved himself the fittest by the test of a competitive examination, the will and judgment which determine that appointment are not the will and judgment of the President, of the Senate, of the court, or the head of department, but are the will and judgment of the civil-service board, and that board is virtually the appointing power. Viewing the appointing power conferred in the Constitution as a substantial and not merely a nominal function, I can not but believe that the judgment and will of the constitutional depositary of that power should be exercised in every appointment.

In the bill under consideration the judgment and will of the President is limited to the selection from a list of three persons submitted to him by a committee nominated by certain farm organizations. The same arguments which apply to a limitation of a single individual apply also to such a limitation as the bill proposes. The President has the constitutional right to select officers in whose judgment and ability he has confidence, and he can not exercise this right if limited to a choice from three persons selected only by those who have a financial interest in the questions to be decided by his appointee.

Further on in his opinion the Attorney General says on the same subject:

If Congress can compel the President to nominate a person selected by others, it can compel the Senate to advise and consent to that nomination. If the foremost man in the competitive test is entitled to the office, that test must be conclusive upon all whose action is required to place him in the office, and, in fact, the action of all of them is merely formal, except that of the judges in the test. But advice and consent imply an exercise of judgment and will. So does nomination. So does appointment. * * * Such constraint frustrates the constitutional design—that the judgment of the Senate shall revise the judgment of the President, and that the judgment of both shall concur in filling the office.

The Attorney General's language shows clearly that in legislation of this character Congress is attempting not only to invade the rights of the President but is also surrendering a right which attaches to the Senate. To reduce the proposition to the absurd, it might be argued that under the provisions of the bill the President might appoint one of the three persons nominated by the farm organizations, that the Senate might reject the nomination so made, and that the President might then nominate the second of the three nominees, and that he also would be rejected by the Senate. The President under the law would necessarily nominate the third, and the Senate, if the law is constitutional, would be bound to confirm the nomination.

As to the power of Congress to establish general qualifications and to restrict appointments to specified classes, the Attorney General in the same opinion holds this power to be constitutional. He says:

Though the appointing power alone can designate an individual for an office, either Congress by direct legislation, or the President, by authority derived from Congress, can prescribe qualifications, and require that the designation shall be made out of a class of persons ascertained by proper tests to have those qualifications. * * * Congress could require that officers shall be of American citizenship or of certain age, that judges should be of the legal profession and of a certain standing in the profession, and still leave room to the appointing power for the exercise of its own judgment and will; and I am not prepared to affirm that to go further and require that the selection shall be made from persons found by an examining board to be qualified in such particulars as diligence, scholarship, integrity, good manners, and attachment to the Government, would impose an unconstitutional limitation on the appointing power. It would still have a reasonable scope for its own judgment and will. * * * In the matter now in question, it is not supposable that Congress or the President would require of candidates for office qualifications unattainable by a sufficient number to afford ample room for choice.

In the bill under consideration an attempt is clearly being made to reduce the number of eligibles below "a sufficient number to afford ample room for choice." No one can claim that in a district of possibly 10,000,000 people the President is given ample room for choice when limited to selection from three out of that number, a percentage of approximately one to every three million persons.

Under the present rules of the Civil Service Commission appointing officers are limited to the selection of one of three persons certified by the Civil Service Commission to have obtained the highest ratings on competitive examination, but it should be remembered that Congress has not attempted to establish such a policy by law, that in fact the civil service law, so-called, merely authorizes the President to set up certain machinery to aid him in the selection of civil service employees, that the rules laid down by law provide that they are to be enforced "as nearly as the conditions of good administration will warrant" and that the commission is to report annually to Congress "the rules and regulations and the exceptions thereto enforced."

From the beginning the rules laid down by this law have been held to be merely persuasive so far as they affect the President's appointing power and Presidents have, from the beginning of this system, exercised the right of sweeping aside civil-service requirements whenever deemed necessary and proper and making appointments in the Government service by what is known as an Executive order. Practically every President since the inception of the civil-service system has exercised this right of making appointments without regard to the requirements established by this commission whenever he deemed it necessary to do so in the public interest and it has been held by Attorneys General that it was the clear intention of the law to give him this right.

The Supreme Court of Missouri met the exact question raised by the provision of the bill now under consideration in State *v.* Washburn, decided March 19, 1902 (167 Missouri Reports, p. 680). That case brought before the highest Missouri court a statute creating election commissions in all cities of the State over 100,000 and providing that one member of such board in each city should be appointed from a list of three eligible citizens nominated by the city central committee of the leading political party opposed to that to which the other two members of the board belong:

The court in that case said:

Although the power here attempted to be conferred is not literally the power of appointment, yet its effect is the same, it leads to the appointment and, if the legislature has the authority to confer the power to nominate in the manner indicated, it has the authority to confer the power to appoint without the circumlocution, which is merely formal. If the governor may be compelled to select one of three, he may be limited in his preference to one of two and, either in form or in skillful practice, there might be no choice left to the executive at all. We must consider the statute, therefore, as conferring on the partisan committee the power to name the officer, for such is the effect.

The act of appointing to government office is in itself the exercise of a governmental function, and can be exercised only by a governmental officer. Therefore, when the power to make such appointment is conferred on a hitherto unofficial person, if the act conferring the power is valid, the person on whom it is so conferred becomes ipso facto a public officer. (Mechem's Public Officers, sec. 11.) Assuming, then, for the sake of argument, without so deciding, that the legislature had the power under section 9 of article 14 to create an office to exercise the function of appointing the third member of the board of election commissioners, still it had no right to appoint the person or persons who should fill the office so created.

The constitution of Ohio contains a clause very similar to section 9, article 14, of our constitution above quoted. [This section reads: "The appointment of all officers not otherwise directed by this constitution shall be made in such manner as may be prescribed by law."] In that State the legislature passed a law creating a board of commissioners to do certain public service, and in the act named three individuals and authorized them to appoint the members of the board of commissioners. The question of the validity of the appointments made by these three persons came before the supreme court of that State, and it was held that the act of the legislature in that particular was unconstitutional, and that whilst the constitution gave the legislature the power to create the office of board of commissioners and prescribe by law the manner of appointment, it did not give it the power to make the appointment, and that the naming of the three individuals and conferring on them the power to make the appointments was in itself the creation of another office and the appointment by the legislature to that office. (State ex rel. *v.* Kennon, 7 Ohio St. 546.) The same view of the subject was taken by the Supreme Court of North Carolina. (State ex rel. *v.* Stanley, 66 N. C. 59; State ex rel. Howerton *v.* Tate, 68 N. C. 546.) There was a clause in the constitution of each of these States expressly denying the legislature the power to appoint to office; but whilst our constitution does not in express terms say that the general assembly shall not exercise the power of appointment to office, it does expressly say that it shall not exercise a power properly belonging to either of the other departments, and that is as explicit as if it had specified that it should not make appointments or render judgments.

When, therefore, the general assembly undertook to confer the power to appoint the third election commissioner of Kansas City on a body of men not officially connected with the State government it undertook, in effect, to create an office to exercise the governmental function of filling by appointment another public office, and not only to create such office but to name by description the men who were to fill it, in effect creating the office and appointing incumbents, making the law and executing it.

This decision is based on three general grounds, one of which is a constitutional provision peculiar to the State of Missouri, prohibiting the legislature of that State from granting to any corporation, association, or individual special or exclusive rights. The opinion indicates that the statute in question would be unconstitutional on this provision alone, but goes on, as the language shows, to find it unconstitutional on the broader ground that it is an invasion of the rights of the executive branch, and in this connection holds, as it had also been held in Ohio and North Carolina, that when a legislative body empowers private individuals to nominate public officers it ipso facto makes such private individuals public officers, and that if the legislature has not the constitutional power to directly appoint public officers it can not appoint such a nominating body. In the Ohio case referred to the persons to make the nominations were indicated by name. In the Missouri case in which the opinion of the court is quoted the city committee of a political party was named the nominating board. In the present bill a board created of delegates from farm associations would be appointed a nominating agency. If the provision of the bill under consideration is constitutional the members of the nominating board so appointed by it ipso facto become public officers, and if Congress has no power to appoint public officers it has no power to appoint such a board or to provide for their appointment other than by the President or the head of a department.

Even if Congress might constitutionally create an agency like the Civil Service Commission, with power to limit the choice of the President or head of a department to one of three, still, under the State decisions just quoted, this power would not extend, as this bill attempts to extend it, to the creation of a nominating board not appointed as provided for in the Constitution.

The civil service law provides that the civil service commissioners shall be appointed by the President with the advice and consent of the Senate; and they are appointed public officers in the constitutional way. If that law attempted to give the power of examining candidates to the National Civil Service Reform League, it would be on all fours with the provisions of this bill and it is hard to believe that anyone would seriously contend that such a provision would be constitutional.

The Supreme Court of the State of New York met a conflict between the so-called "rule of three" in the civil service law of that State and its constitution by suspending the operation of that law so far as it applied to appointments which were constitutionally vested in another public officer. The constitution of New York gave to the superintendent of public works the power to appoint certain officers in his department. After the enactment of a civil service law, limiting appointments to one of three persons certified as qualified by the state civil service commission after competitive examination, the superintendent of public works appointed a clerk not so certified and the case went before the court on the question whether the clerk was legally appointed. The court held that he was legally appointed and that the appointing power given to an officer by the State constitution could not be limited to three persons certified to him by another agency. The New York Court of Appeals in that case said (People *v.* Angle, 17 Northeastern, p. 413):

It seems to us that this law leaves to the superintendent only the barren office of issuing a commission to the person whom others have selected for his adoption, whereas the constitution provides that he shall be the exclusive actor in determining the wisdom and propriety of the proposed appointment. It can not be reasonably contended that the superintendent has, under this system, any such freedom of action and choice as is implied in the power to appoint his subordinates, and perform the duties charged upon him by the constitution. * * * How far the legislature may circumscribe by general laws, the eligibility of the citizen to fill offices in the civil service of the State, by declaring disqualifications therefor arising out of special circumstances or inconsistent employments, it is unnecessary and would now be unprofitable to consider; but we think it entirely clear that it has no power to impose restrictions directly upon one who possesses constitutional authority which practically destroys or impairs the exercise of such authority. The vice of this legislation is that it is directed at the appointing power alone, and enjoins it in imperative terms to refrain from the exercise of that power, except under conditions and restrictions imposed by the legislative will alone.

The provision of the New York constitution here interpreted by the court read:

All other persons employed in the care and management of the canals, except collectors of tolls and those in the department of the State engineer and surveyor, shall be appointed by the superintendent of public works, and shall be subject to suspension and removal by him.

Subsequently, New York amended its constitution and inserted a provision in that instrument for the selection of employees by means of competitive tests in order to clear up questions as to the constitutionality of the State civil service law. Thereafter, in People *v.* Mosher (57 Northeastern, 88), the New York Court of Appeals held constitutional a law which

limited appointments in municipalities to one of three persons certified by the civil service commission, notwithstanding a constitutional provision making such positions elective or appointive by the municipal authorities, but the decision was based solely on the amendment previously adopted to the constitution providing for competitive tests.

It is certain that in the establishment of our Government under the Constitution it was contemplated that the Executive should be charged with the responsibility of executing the laws. Along with this responsibility, and as a necessary corollary to it, he was given the power of appointment of executive officers. If by legislative act this power can be taken away from him, then other powers may thus be taken from him and the checks and balances of our system of government be destroyed. This bill is the most serious attempt thus far made to break down one of the wisest and best provisions of the Constitution. Attempts on the part of State legislatures to break down similar provisions of State constitutions have failed, as I have shown. The attempt should fail here; but if by any mischance this bill should succeed in being enacted into law, it would, in my judgment, be held by the courts to be unconstitutional and void. [Applause.]

Mr. GARRETT of Tennessee. Mr. Chairman, I shall support the Aswell amendment [applause] because I think unquestionably it offers immediate relief in what constitutes an emergency situation. Admittedly the Senate bill does not offer any immediate relief. The pity of this situation to me is that advantage has been taken of the distress in the agricultural industry of the country for theorists to convince a sufficient number of farmers that this is what they desire or should have as to cause them in turn to bring a pressure here upon sincere and earnest Representatives in the Congress that is causing them to subvert their own judgment. [Applause.]

Mr. Chairman, if this scheme of an equalization fee goes into the law and begins to work within the next decade we will see a complete revolution in the relation of agriculture to all other industries. You will see agriculture put upon the plane of a public-service corporation. The inevitable evolution will be that there will come Government regulation of the farm as marked as now exists with reference to your public-utilities affairs.

This bill is going to pass. What will become of it after that? I do not know. At least it is said it is going to pass. Many of us will not be here when its full effect comes. [Applause.] But let me tell you now that the man who votes for this equalization fee will be on the defensive the moment it goes into effect. [Applause.] And those of us who have been on the defensive, because we have stood against this revolutionary proposal, which threatens to destroy the whole situation of agriculture, can at least sit on the side lines and see the other gentlemen who have attacked us defend themselves a little. You tell me that the farmers down in my section are going to willingly pay this equalization fee on cotton or on every shoat that they sell to a local butcher, or on every bushel of wheat. You tell me that you can pass this boot-strap legislation and that they will be satisfied with it when they begin to see it go into effect—paying a tax on every pound of cotton and every bushel of wheat and every shoat they sell to the local butcher and not see any benefit whatever in an increase in price from the operation of this fee. [Applause.]

The CHAIRMAN. If there is no further debate, the question is on the amendment offered by the gentleman from Louisiana to strike out section 1 and insert the provisions of his bill.

The question was taken; and on a division (demanded by Mr. ASWELL) there were—ayes 113, noes 140.

Mr. ASWELL. Mr. Chairman, I demand tellers.

Tellers were ordered; and the Chair appointed as tellers the gentleman from Iowa [Mr. HAUGEN] and the gentleman from Louisiana [Mr. ASWELL].

The committee again divided; and the tellers reported that there were—ayes 144, noes 160.

So the amendment was rejected.

Mr. CRISP. Mr. Chairman, I move to strike out section 1 and offer as a substitute the following, which is a substitute for the whole bill; and should it be adopted, I will move to strike out the remaining sections of the Senate bill.

Mr. Chairman, in order to save time, may I submit this unanimous-consent request: In lieu of having the bill read, which will require 15 or 20 minutes, I ask that I be permitted to address the committee for 15 minutes in explanation of the bill; that the bill be printed in the RECORD in lieu of its being read at the Clerk's desk.

Mr. HAUGEN. Will the gentleman couple with his request that 15 minutes be allowed on this side?

Mr. CRISP. I will say to the distinguished gentleman that I have no objection to whatever time he may request.

Mr. RAGON. Reserving the right to object, Mr. Chairman, I would like to say to the gentleman from Georgia that we may very well have an exception in his case; but if they try to make it 15 minutes on the other side to debate this question, then there will be objection. I am perfectly willing for the gentleman from Georgia to proceed for 15 minutes or 20 minutes, so far as that is concerned, because the gentleman has a bill here that has not been thoroughly debated; but I think I voice the sentiment of a vast majority of this committee when I say we are tired of this general debate on the other two bills. [Applause.] This session is rapidly drawing to a close, and the time we save now will be worth a lot to us next week.

Mr. CRISP. I think my friend will admit I have not taken any time——

Mr. RAGON. I grant the gentleman that.

Mr. CRISP. And we will save time by granting me this time in lieu of having the bill read.

Mr. RAGON. I am making this explanation in order that the committee may understand later on what we are going to try to do, and that is finish this bill under the five-minute rule and not have these innumerable extensions that were characteristic of the debate last year.

The CHAIRMAN. The gentleman from Georgia moves to strike out section 1 of the Senate bill and substitute therefor the provisions of his bill (H. R. 16809), and instead of reading the bill the gentleman asks unanimous consent that it may be considered as read and placed in the RECORD without reading; and that he be allowed to proceed for 15 minutes in explanation of his motion. Is there objection to the request?

Mr. WILLIAMS of Illinois. Reserving the right to object, Mr. Chairman, I simply desire to state to the membership of the committee that when the Committee on Agriculture agreed to recommend to the Rules Committee that the Senate bill be made in order, it was understood by the members of the committee, and the assurance was given to those who were opposed to the Senate bill, that liberal time for debate would be given on the Aswell and Crisp substitutes, and no member of the Committee on Agriculture will object to a reasonable discussion of these substitutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia? [After a pause.] The Chair hears none, and the bill will be printed in the RECORD without reading, and the Chair recognizes the gentleman from Georgia for 15 minutes.

The Crisp substitute is as follows:

DECLARATION OF POLICY

SECTION 1. It is hereby declared to be the policy of Congress to promote the orderly marketing of agricultural commodities in interstate and foreign commerce; to enable producers of such commodities to stabilize their markets against undue and excessive fluctuations; to preserve advantageous domestic markets for such commodities; to minimize speculation and waste in marketing such commodities; and to encourage the organization of producers of such commodities into cooperative marketing associations.

FEDERAL FARM BOARD

SEC. 2. A Federal farm board is hereby created in the Department of Agriculture which shall consist of the Secretary of Agriculture, who shall be chairman ex officio, and 12 members, one from each of the 12 Federal land-bank districts, appointed by the President of the United States, by and with the advice and consent of the Senate. Not more than 6 of the specially appointed members shall be members of the same political party.

QUALIFICATIONS AND TERMS OF BOARD MEMBERS

SEC. 3. (a) The terms of office of the appointed members of the board first taking office after the approval of this act shall expire, as designated by the President at the time of nomination, four at the end of the second year, four at the end of the fourth year, and four at the end of the sixth year, after the date of the approval of this act. A successor to an appointed member of the board shall be appointed in the same manner as the original appointed members, and shall have a term of office expiring six years from the date of the expiration of the term for which his predecessor was appointed.

(b) Any person appointed to fill a vacancy in the board occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

(c) Any member of the board in office at the expiration of the term for which he was appointed may continue in office until his successor takes office.

(d) Vacancies in the board shall not impair the powers of the remaining members to execute the functions of the board, and a majority of the members in office shall constitute a quorum for the transaction of the business of the board.

(e) Each of the appointed members of the board shall be a citizen of the United States, who shall have had experience in agriculture or

the cooperative marketing of agricultural products, shall not actively engage in any other business, vocation, or employment than that of serving as a member of the board, and shall receive a salary of $10,000 a year, together with necessary traveling expenses and expenses incurred for subsistence, or per diem allowance in lieu thereof, within the limitations prescribed by law, while away from the principal office of the board on business required by this act, or, if assigned to any other office established by the board, then while away from such office on business required by this act.

GENERAL POWERS

SEC. 4. The board—

(a) Shall annually designate an appointed member to act as vice chairman of the board.

(b) Shall maintain its principal office in the District of Columbia, and such other offices in the United States as it deems necessary.

(c) Shall have an official seal which shall be judicially noticed.

(d) Shall make an annual report to Congress.

(e) May make such regulations as are necessary to execute the functions vested in it by this act.

(f) May (1) appoint and fix the salaries of a secretary and such experts and, in accordance with the classification act of 1923 and subject to the provisions of the civil service laws, such other officers and employees, and (2) make such expenditures (including expenditures for rent and personal services at the seat of government and elsewhere, for law books, periodicals, and books of reference, and for printing and binding) as may be necessary for the execution of the functions vested in the board.

SPECIAL POWERS AND DUTIES

SEC. 5. (a) The board shall meet at the call of the chairman or of a majority of its members.

(b) The board shall keep advised, from any available sources, of crop prices, prospects, supply and demand at home and abroad, with especial attention to the existence or the probability of the existence of a surplus of any agricultural commodity or any of its food products.

(c) The board shall advise cooperative associations, farm organizations, and producers in the adjustment of production and distribution, in order that they may secure the maximum benefits under this act.

(d) The board may publish, from time to time, such information as may be useful to farmers generally, in planning their future plantings, in order that burdensome crop surpluses may be avoided or minimized.

COMMODITY ADVISORY COUNCILS

SEC. 6. (a) The board is hereby authorized and directed to create for each agricultural commodity which in its judgment may at any time require the application of this act an advisory council of seven members fairly representative of the producers of such commodity. Members of each commodity advisory council shall be selected annually by the board from men actually engaged in cooperative marketing associations and farm organizations determined by the board to be representative of the producers of such commodity. Members of each commodity advisory council shall serve without salary, but may be paid by the board a per diem compensation not exceeding $20 for attending meetings of the council and for time devoted to other business of the council and authorized by the board. Each council member shall be paid by the board his necessary traveling expenses to and from meetings of the council and his expenses incurred for subsistence, or per diem allowance in lieu thereof, within the limitations prescribed by law, while engaged upon the business of the council. Each commodity advisory council shall be designated by the name of the commodity it represents, as, for example, "The cotton advisory council."

(b) Each commodity advisory council shall meet as soon as practicable after its selection at a time and place designated by the board and select a chairman. The board may designate a secretary of the council.

(c) Each commodity advisory council shall meet thereafter at least twice in each year at a time and place designated by the board.

(d) Each commodity advisory council shall have power, by itself or through its officers, (1) to confer directly with the board, or to make oral or written representations concerning matters within the jurisdiction of the board, (2) to call for information from the board and to make representations to the board in respect of the commodity represented by the council on all matters pertaining to the interests of the producers of the commodity, and (3) to cooperate with the board in advising producers and cooperative associations and farm organizations in the adjustment of production in order to secure the maximum benefits under this act.

SEC. 7. Immediately upon its organization, the board upon the request of any cooperative marketing association, or upon its own motion, may investigate the conditions surrounding the marketing of any agricultural commodity produced in the United States and determine:

1. Does a surplus of any such commodity exist, or threaten to exist;

2. Does the existence or threat of such surplus depress or threaten to depress the price of such commodity below the cost of production with a reasonable profit to the efficient producers thereof;

3. Are the conditions of durability, preparation, processing, preserving, and marketing of such commodity—or the products therefrom—adaptable to the storage or future disposal of such commodity;

4. Are the producers of any such commodity sufficiently organized cooperatively to be fairly representative of the interests of the producers of the commodity;

5. Are the cooperative marketing associations efficiently organized to direct the purchasing, storing, and marketing such commodity.

If the board shall by a majority of its members and with the approval of the majority of the advisory council in such commodity find affirmatively that any agricultural commodity falls within the provisions 1, 2, 3, 4, and 5 of this section, then the board shall declare that an emergency exists in such commodity.

The board may, from time to time, on its own motion or upon the request of any organization of producers, declare that such emergency has passed.

SEC. 8. Where the board has made a finding in accordance with section 7 that an emergency exists, and where the producers of the commodity request the cooperation of the board, then the board shall publicly declare its readiness to extend to the cooperative associations engaged in the handling of such commodity its assistance in accordance with this act. And it may—

(a) Require the associations concerned to form a corporation under the laws of any State (hereinafter referred to as the corporation) to represent such association or associations in all transactions with the board and to handle surplus commodities under the provisions of this act. The capital of such corporation may be nominal in amount and shall be subscribed by such cooperative association, or if there be more than one such association in such proportions as they may agree, or, in failure of such agreement, then in such proportions as the board may determine.

(b) Make advances for working capital to such corporation to enable it to purchase, store, merchandise, or otherwise dispose of such portion of the commodity concerned as may be responsible for unduly depressing the price thereof.

(c) Such advances may be for such period as the board may determine and may be renewed from time to time by the board.

(d) Such advances shall bear interest at 1 per cent per annum above the rate of interest paid by the Treasury of the United States for its loan last preceding the date of such advances.

(e) Commodities purchased with said advances (unless disapproved by the board) may be pledged as marginal security for loans with which to purchase further amounts of such commodity.

(f) Whenever, in the judgment of the board, sufficient loans can be secured by the corporation at reasonable rates from other lenders, it shall suspend the further making of advances.

SEC. 9. No commodity which is liable to spoilage during the period of such loan by reason of its inherent nature or inferior condition shall be purchased with the advances made by the board.

SEC. 10. The corporation receiving such advances shall make purchases of such commodity with the proceeds thereof only:

(a) When prices are below or, except for such purchases, may fall below the cost of production to efficient producers.

(b) Of those grades and qualities of such commodities, the production of which is desirable in the interest of the domestic consumers of the United States, or for which normally a foreign market exists at a price showing a reasonable profit to an efficient producer thereof.

(c) So long as ensuing production of such commodity does not show an increase in planting or breeding according to the estimates of the Department of Agriculture of planting or breeding of the commodity.

(d) If the commodity so purchased shall be properly conditioned, preserved, stored, and safeguarded: *Provided, however,* That no such commodity shall be processed with the aid of advances made by the board in such manner as to produce a change of form except with the specific approval of the board.

(e) If every reasonable effort shall be exerted by the corporation to avoid losses and to secure profits on resales, but the corporation shall not withhold any commodity from the domestic market if the price thereof has become unduly enhanced, resulting in distress to American consumers.

SEC. 11. The corporation shall enter into agreement with the board to—

(a) Adopt by-laws satisfactory to the board in accordance with which any cooperative association handling the same commodity may become a stockholder in such corporation and putting such restrictions upon the alienation of stock in such corporation as will insure the retention both of such stock and of all beneficial interest therein by cooperative associations.

(b) Keep such accounts, records, and memoranda, and make such reports in respect of its transactions, business methods, and financial condition as the Federal farm board may from time to time prescribe.

(c) Permit the Federal farm board upon its own initiative or upon written request of any stockholder in the corporation to investigate its financial condition and business methods.

(d) Set aside a reasonable per cent of its profits each year for a reserve fund; which reserve fund may be transformed into fixed capital and certificates representing its ownership issued to the cooperative associations, stockholders in the corporation, with the assent of the board and under terms and conditions approved by the board.

(e) Distribute the balance among its cooperative association stockholders ratably, according to the amount of such commodity produced in the current year that has been marketed through such associations by the producers thereof.

SEC. 12. The cooperative associations concerned shall enter into an agreement with the corporation to—

(a) Set aside a reasonable per cent of the profits prorated to them for a reserve fund.

(b) Distribute the balance among their members, ratably, according to the amount of such commodity marketed through the association by said members.

SEC. 13. If, by reason of unforeseen conditions, a loss is sustained in the disposition of a commodity purchased under the provisions of this act, which exceeds the reserves previously accumulated by the corporation, such loss may be assessed against the succeeding operations in connection with the commodity concerned but shall not be assessed against the cooperative association stockholders of the corporation.

LOANS TO COOPERATIVE ASSOCIATIONS

SEC. 14. The board is authorized, upon such terms and conditions and in accordance with such regulations as it may prescribe, to make loans out of the revolving fund to any cooperative association engaged in the purchase, storage, sale, or other disposition, or processing of any agricultural commodity or to corporations formed jointly by two or more such associations, for the purpose of assisting such associations in the purchase or construction of facilities to be used in the storage or processing of such agricultural commodity. In making any such loan the board may provide for the payment of a fixed number of annual installments which will, within a period of not more than 20 years, repay the amount of such loan, together with the interest thereon. The aggregate amounts loaned under this subdivision and remaining unpaid shall not exceed at any one time the sum of $50,000,000.

(b) Any loan under this section shall bear interest at the rate of 4½ per cent per annum.

SEC. 15. (a) The board is authorized, upon such terms and conditions and in accordance with such regulations as it may prescribe, to make loans out of the revolving fund to any cooperative association or to any cooperative association created by two or more of such cooperative associations to act as a common agent in marketing any agricultural commodity. Such loans may be made to assist in the orderly marketing of the products of such association or associations and may be either secured or unsecured. In the making of loans under this subdivision the board shall designate such terms and conditions as to satisfy itself that there is a reasonable prospect of repayment but shall not require for the repayment of such loan any assessment or charge against the members of any such cooperative association.

(b) Any loan under this section shall bear interest at 1 per cent per annum above the rate of interest paid by the Treasury of the United States for the last loan made by it preceding the date of such advances.

SEC. 16. No loan shall be made under the provisions of section 14 or section 15 to any cooperative association dealing in any commodity for which a corporation has been organized in accordance with the provisions of section 8, except upon the request of such corporation.

EXAMINATION OF BOOKS AND ACCOUNTS OF BOARD

SEC. 17. Expenditures by the board for loans and advances from the revolving fund and expenditures by the board from the appropriation under subdivision (b) of section 20 shall be allowed and paid upon the presentation of itemized vouchers therefor, approved by the chairman of the board. Vouchers so made for expenditures from the revolving fund shall be final and conclusive upon all officers of the Government; except that all financial transactions of the board shall, subject to the above limitation, be examined by the General Accounting Office, at such times and in such manner as the Comptroller General of the United States may by regulation prescribe. Such examination in respect of expenditures from the revolving fund shall be for the sole purpose of making a report to the Congress and to the board of expenditures in violation of law, together with such recommendations as the Comptroller General deems advisable concerning the receipt, disbursement, and application of the funds administered by the board.

COOPERATION WITH EXECUTIVE DEPARTMENTS

SEC. 18. (a) It shall be the duty of any governmental establishment in the executive branch of the Government, upon request by the board, or upon Executive order, to cooperate with and render assistance to the board in carrying out any of the provisions of this act and the regulations of the board. The board shall, in cooperation with any such governmental establishment, avail itself of the services and facilities of such governmental establishment in order to avoid preventable expense or duplication of effort.

(b) The President may by Executive order direct any such governmental establishment to furnish the board with such information and data pertaining to the functions of the board as may be contained in the records of such governmental establishment not otherwise prevented by law. The order of the President may provide such limitations as to the use of the information and data as he deems desirable.

(c) The board may cooperate with any State or Territory, or department, agency, or political subdivision thereof, or with any person.

DEFINITIONS

SEC. 19. (a) As used in this act—

(1) The term "person" means individual, partnership, corporation, or association.

(2) The term "United States," when used in a geographical sense, means continental United States.

(3) The term "cooperative association" means an association of persons engaged in the production of agricultural products, as farmers, planters, ranchers, dairymen, or nut or fruit growers, organized to carry out any purpose specified in section 1 of the act entitled "An act to authorize association of producers of agricultural products," approved February 18, 1922, if such association is qualified under such act.

(4) The term "corporation" represents any corporation formed under the laws of any State, the stock of which is owned wholly by a cooperative association or cooperative associations.

(5) The cost of production to efficient producers shall be estimated by excluding the costs of the highest-cost producers whose production is not required to supply the amount needed for domestic consumption together with the further amount represented by the average of the three previous years' exports of the commodity or the products thereof.

REVOLVING FUND AND APPROPRIATION

SEC. 20. (a) There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $250,000,000, which shall be administered by the board and used as a revolving fund, in accordance with the provisions of this act. The Secretary of the Treasury shall deposit in the revolving fund such amounts, within the appropriations therefor, as the board from time to time deems necessary.

(b) For expenses in the administration of the functions vested in the board by this act, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $500,000, to be available to the board for such expenses (including salaries and expenses of the members, officers, and employees of the board and the per diem compensation and expenses of members of the commodity advisory councils incurred) prior to July 1, 1928.

PENALTY

SEC. 21. Any member, officer, or employee of the board who, except under order of a court, shall, without authority of the board, make public any information obtained by the board under this act, or who shall, prior to the time such information is made public under the authority of the board, make use of any such information for the pecuniary advantage of himself or of any other person, shall, upon conviction thereof, be punished by a fine of not more than $5,000 or imprisonment for not more than 10 years, or both.

ANTITRUST LAWS

SEC. 22. Any corporation which has entered into an agreement with the board under this act shall, to the extent of its operations in accordance with the provisions of this act, be relieved from the provisions of the "antitrust" laws as designated in section 1 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914.

SEPARABILITY OF PROVISIONS

SEC. 23. If any provision of this act is declared unconstitutional or the applicability thereof to any person, circumstance, commodity, or class of transactions in respect of any commodity, is held invalid, the validity of the remainder of the act and the applicability of such provision to other persons, circumstances, commodities, and classes of transactions shall not be affected thereby.

SHORT TITLE

SEC. 24. This act may be cited as "The farm surplus act of 1927."

Mr. CRISP. Gentlemen, I thank the committee for this consideration, and I will ask my friends not to applaud because I want the entire 15 minutes. I think I appreciate better than ever before the feeling of the boy who stood on the burning deck whence all but him had fled. [Laughter.] But being absolutely sure in my own mind that the Senate bill is unconstitutional, whether the President vetoes it or signs it, and that it can not become the law, I feel that when we are offering the farmers agricultural relief in the Senate bill we are keeping the word of promise to their ear but to break it to their hopes, for it can not in my judgment ever become the law.

Unfortunately the situation has arisen in this House where, if one quotes the Constitution, he is derided. I venerate that document. I am sworn to observe it, and in the performance of my duty here I shall be guided by the Constitution. I am not going to discuss the other two constitutional objections that have been raised to the Haugen-McNary bill.

But I do desire, my friends, to call your attention to another constitutional objection against that bill, to wit, if the equalization fee is a tax measure, it is unquestionably unconstitutional because it originated in the Senate. In support of that I cite you the case of Hubbard *v.* Lowe (226 Federal Reporter, p. 135). That was a case where Congress passed a law to regulate the Cotton Futures Exchange by levying a tax. The tax was put on in a Senate bill, and when the court reviewed it, the court said that they would take judicial cognizance that it originated in the Senate, and, under the Constitution, bills raising revenue must originate in the House and therefore, this originating in the Senate, it was declared unconstitutional.

I know that the proponents of the Haugen bill contend that the equalization fee is not a tax. But under the provisions of the bill it proposes to take a part of the equalization fee and put it back into the Treasury to repay loans taken out of the revolving fund. I am convinced in my own mind that the court when passing on it will hold it a tax. And I am satisfied that the court will declare it unconstitutional.

I said to you when I asked for an extension of time that I was going to explain my bill. The bill provides for the establishment of a Federal farm loan board, one member from each Federal land district, appointed by the President, confirmed by the Senate, without limitation on the President as to whom he shall appoint except that he must be experienced in farm and cooperative marketing. It is to be a bipartisan board, not more than six from any one party. The Secretary of Agriculture is to be the chairman. It provides for an advisory council just as the McNary-Haugen bill does, to furnish information as to when an emergency exists.

The bill sets up a definite plan for its administration. Let me say furthermore, that the bill is different from the others in that it does not discriminate against any agricultural product. It creates a board before which any distressed agriculturist can appear and make out his case, and if the majority of the board think that he has made out his case, he is entitled to the benefits of the act. Therefore cottonseed, cottonseed meal, cottonseed oil, peanuts, or any other product of agriculture, if it can make out a case, would be entitled to the benefit of the act. They must establish, before the board can declare an emergency, that a surplus exists, that a surplus depresses or threatens to depress the price of that commodity below the cost of production. A board must determine that the product is durable, capable of being housed and preserved; must determine if the cooperative dealers in that special commodity are organized; must determine whether the cooperatives are capable of purchasing; and if they answer these questions in the affirmative, then the board is required to announce to the world that an emergency exists as to that product and that they are ready to aid in insuring a better price for that commodity.

The bill authorizes the board to organize a holding corporation. The different basic commodities are not always in the same distress, and therefore the bill provides a holding corporation for each of the basic commodities when the board has declared an emergency.

When this board finds an emergency they are authorized to furnish capital to organize a holding corporation to deal in that commodity, permitting cooperatives to go into any State and organize a holding corporation with a nominal capital, say, $1,000, with authority to purchase and hold the surplus commodity.

When the corporation is organized the board is authorized to loan to that corporation, which is a State corporation with private stockholders and directors—the Government having no control over that corporation except the bill gives the Government supervisory control to see that the overhead charges are not exorbitant and that it is properly managed, as the Federal reserve banks are subject to the supervision of the comptroller.

When the corporation is organized they can loan them money, take a lien on the commodity purchased with the funds loaned out of the revolving fund, and the corporation can go into the market and buy that commodity when it is selling below the cost of efficient production.

Now, gentlemen, the criticism that has been leveled against my bill was, first, that you could not find the cost of production. That same criticism applies to the McNary-Haugen bill and every other bill, because the whole scheme of the McNary-Haugen bill is to get the cost and what it is selling at, the world's price, and to add the tariff and the freight to that. The Department of Agriculture has made many surveys as to the cost of raising the different commodities. I do not think there will be any trouble in ascertaining that; but if so, the same criticism applies to each and every one of the bills.

The other objection is that the bill provides only for the efficient cost of production, and that it is unfair to make the poor farmer sell his commodity at the cost of efficient production. If I desired to demagogue, if I introduced a bill for demagogic home consumption alone, I would put the price of cotton at 22 cents or 50 cents, and it would read much better at home to those who raise the commodity if I said 50 cents per pound; but I would not introduce a bill in this House that I did not think stood some chance of getting some support. If you fixed these high prices, you would get nowhere with them, because Congress would not pass such a bill; and if it did, the result would be such an overproduction of surplus that it could break even the Government itself.

What does the bill provide? It provides that when a surplus exists this holding corporation can come in and buy it if it is selling below the cost of efficient production. Some have asked the question, what is meant by the cost of efficient production? I have placed a definition in the bill, and I admit that it is hard to write a definition on that subject. What is intended by it is that the board shall determine the amount of any commodity that is consumed in the United States each year, and the average of exports of that commodity for the last three years, and ascertain how much is needed for the world's consumption, and then get the highest price of producing that necessary amount, and that would be the amount fixed as the cost of efficient production. I will use cotton as an illustration, because I am more familiar with it than with anything else. Say that the world wants 15,000,000 bales of cotton, and 18,000,000 bales are raised. The Department of Agriculture will estimate how much it had cost to produce 15,000,000 bales, taking the highest cost of producing the 15,000,000 bales necessary, because in some States the cost of production is higher than it is in others. They will ascertain the highest cost of producing the necessary 15,000,000 bales. The highest cost of producing any of the necessary 15,000,000 bales is the point to which the price will be pegged. That will be the cost of efficient production. The 3,000,000 bales in excess, the surplus, would be eliminated in fixing the cost of efficient production.

What will be the practical effect of the bill? If it is known to the world that the Government is going to furnish funds to this holding corporation to go into the market and buy that commodity when it is selling below the cost of production, in my judgment the board will not have to buy any, because the foreign spinners and the American spinners will know that the price is going to be pegged to that amount, and they will come in and buy it, and the farmer will not be forced to sell his cotton or grain below that. He can hold it for a very few days and the price will reach that cost of production, and if the farmers will go into the cooperatives and let the cooperatives hold, in addition, a part of the surplus, the great surplus being withdrawn in this holding corporation, then the cooperatives can sit around the table and bargain, and they will know when bargaining that they are sure at least of getting the cost of production, and the cooperatives will get a price much higher than the cost of production.

This bill does not seek to fix a price. The only price fixing that you can argue at all is to peg it at the cost of production. If you raise a normal crop, the board will not function. The corporation will not function. The law of supply and demand will regulate the price. If you raise a very short crop, and there is a carry-over surplus, the board will feed that carry-over surplus to the short crop, and to the extent that that is fed to the market and makes up the deficit in production, it will hold down the price and stabilize it, and if it is a very short crop, notwithstanding that, surplus is thrown on the market. The law of supply and demand will run it up. What the processers and the farmers and consumers need more than anything else, in my judgment, is a stabilized price. This bill seeks to stabilize the price. This bill seeks to hold down production, because if the producers are only guaranteed the cost of efficient production there is no inducement to overplant. The bill goes further and provides that where an emergency has been declared and the board has furnished finances to take off the hurtful surplus for the next year, and the acreage is increased, then the board can not assist in taking off any more surplus. If the producers do increase the surplus, then they are doing it at their own peril.

Mr. Chairman, this is a dual form of government. Congress can not say to a man in my State or in your State what citizens shall plant on their own land. The only way that Congress can hold down production is to notify them that if they do the foolish thing and increase their acreage, the Government will not lend financial aid and stabilize the price to the

cost of production. To-day cotton is selling at 3 or 4 cents below the cost of production. If this bill were in effect, they would be getting at least 3 cents more a pound for cotton, because it would be stabilized at that point. [Applause.]

Mr. Chairman, let me briefly analyze the three bills urgently insisted upon for enactment into law.

It is conceded by all that, if agriculture is to prosper, there must be a limitation on overproduction. The Aswell bill provides no check except that the board is to advise the farmers that they already have a surplus of their commodity and, if they produce another surplus, they do so at their peril. The Haugen bill provides for information to the farmers as to the probable needs of the world as to production, thus giving the same information as the Aswell bill. The Haugen bill also provides an equalization fee as a deterrent to overproduction, though, in my judgment, instead of doing this, if the theory of the bill is correct, it will have directly the opposite effect and result in increased production. Why? Its advocates say the farmer's tax will be so small compared to the benefits he derives that he will not mind paying it; that he will receive for his western products a high increase over world prices, and, therefore, he will pay the tax and not mind it. If this is correct, undoubtedly increased production will follow. The whole scheme of the bill is to give increased prices over world prices to all basic commodities except cotton, in which case only a friendly gesture and a promise of "orderly marketing" is offered.

The Haugen bill authorizes the board to levy an unlimited tax on every pound of cotton raised, and only 3 of the 12 members of the board are to be from cotton States. It is estimated that the tax on cotton would be from 2 to 10 dollars a bale. I will never consent to this delegation of power to a board thus constituted to levy a tax on Georgians, and I firmly believe the provision clearly unconstitutional and I am sworn in the performance of my duty as a Congressman to obey the Constitution. The bill in levying the equalization tax makes a gross and unjustifiable discrimination against the southern cotton farmer in favor of the western grain farmer.

Statistics show that about 3,000,000,000 bushels of corn are raised in the United States, of which only 500,000,000 bushels are processed or sold, and the bill provides an equalization tax only on this 500,000,000 bushels, leaving 2,500,000,000 bushels used on the farm free from paying any tax, whereas the equalization tax will have to be paid on every bale of cotton produced, if marketed. The normal consumption of wheat in the United States is about 600,000,000 bushels, of which over a hundred millions are consumed on the farm, and this amount is also exempt from any tax.

The Haugen bill authorizes the board to make contracts with millers and packers to process wheat and swine and hold them for future sale, and if they make a profit they retain the profit, and if they sustain a loss the farmer is to be taxed under his equalization fee to pay the millers, packers, and other processors the loss sustained. To the packers it is a perfect money-making scheme—if they make money, they keep it; if they lose, the farmer pays the loss.

The Crisp bill contains three provisions to prevent overproduction. First, advice as to the probable needs of any commodity; second, it only guarantees to peg the price to the cost of efficient production. This offers no inducement for increasing acreage or overproduction, but puts the farmer on notice that if he overproduces he will only be assured the cost of production, but if he does not raise a surplus he will get a splendid profit on his product. Third, the bill provides that where there is a large surplus, and the board, with Government finance, has purchased and taken off of the market the surplus commodity that was holding the price down, if the succeeding year the farmers increase their acreage and again produce a large surplus, the board will refuse to furnish aid in buying the surplus and withholding it from the market. If this should happen, inevitably the price would drop way below the cost of production, as is the case to-day when there is no Government agency which insures the farmer of receiving the cost of production. We have a dual form of government, and Congress can not say to a Georgian what he shall plant in Georgia, for that is a State matter. In my judgment, the only way Congress can act is by refusing to furnish further financial aid, and the Crisp bill thus invokes the full power of Congress in seeking to hold down overproduction.

The Haugen bill functions through permitting cooperative associations, private corporations, processors, and any one else the board may select to go into the market and buy surplus crops, the finances to be furnished by the board out of the revolving fund of $250,000,000 and taxes received from the equalization fee.

The Aswell bill operates through a Government export corporation, the capital stock to be subscribed by the Federal Government and the directors to be appointed by the Federal Government. The bill authorizes this export corporation to sell bonds to the extent of ten times its capital. This places the Government directly in business.

The Crisp bill operates through a holding corporation to be organized under State charter with a nominal capital by one or more cooperative marketing associations. It provides for a holding corporation for each of the great basic agricultural commodities, as the interest of one commodity differs from that of another. Therefore the bill authorizes the formation of a cotton-holding corporation, a corn corporation, a wheat corporation, a swine corporation, and so forth. The cooperatives forming these corporations are to elect their own directors and manage the affairs of the corporation subject to the right of the Federal Government to inspect and review their activities to hold down excessive salaries and overhead charges. The board is given the same supervisory power over these corporations that the Federal Reserve Board and the Comptroller of the Currency have over national banks. The farm board, or the Government, has a lien on the surplus commodities which it has financed the corporations in buying and taking off the market, and, with Government supervision of the affairs of the corporations, the Government will sustain little if any loss by virtue of making the loans. In my judgment, under the Haugen and the Aswell bills there is very little chance of the Government getting back any funds advanced to purchase surplus commodities.

If the Crisp bill were enacted into law, it would not operate to hold down the price to the farmer to the cost of production but would guarantee him at least that amount. The bill is not intended as a price depressant. It is not intended to inflate prices; but it is intended as a price stabilizer, which is essential to the producers, to the spinners, and to the consumers. The bill is not intended to interfere with the law of supply and demand except with this one limitation—that it will peg the price to the cost of efficient production, and it will do no more. Now, say the next year there is a normal crop of that commodity.

The corporation will not function at all when there is a normal crop, because the law of supply and demand will insure a price that will make a profit to the producer. So the corporation stands in being. It does not go in and out of existence, as is true in the Aswell bill, but this corporation remains in being all the time and ready to act at a moment's notice. But if there is a normal crop it does not function. Therefore the law of supply and demand will control and the producer will get a profit. But, say, the next year there is a very short crop, which, of course, would mean very high prices. Then this bill would represent a stabilizer. Whatever surplus this corporation has will be fed to the market; it will hold down the price to the extent that this surplus fed to the market makes up the deficit in production and will supply the deficiency. To the extent that the surplus fed to the market makes up the shortage of the world's need, it will hold down the price to that extent only and tend to stabilize it. Of course, if there is a very short crop, even with this carry-over surplus fed to the market, the price will still go higher, for again the law of supply and demand will operate. The bill intends to hold down surplus of bumper crops and sell it in lean crop years to help make up the deficit.

Mr. DICKINSON, the leader of the Haugenites, criticized the Crisp bill by saying that under it there could be no collective bargaining; that the farmer would have to take whatever this corporation would pay. Not so. This bill encourages the cooperative; this bill aids the cooperative; it lets the cooperative know that it can tell its members they are in a better position to obtain for them a good price if they will market their produce through the cooperatives, because the holding corporation authorized by the bill has purchased a part of the surplus crop and has it stored and is holding it until its market value reaches the cost of efficient production. Thus this corporation has withdrawn from the market the hurtful surplus. If the producers turn over to the cooperative associations their produce for orderly marketing, the amount so turned over to the cooperatives is also withdrawn from the open market for sale; therefore the spinners and processors must purchase their raw material either from the cooperatives or from nonmembers of the cooperatives. The cooperatives are thus in a position where they can better bargain with the spinners, brokers, and processors and require them to pay a fair price for the commodity. With the Crisp bill in operation, if a substantial number of producers join the cooperatives they will be able to protect themselves and obtain a fair price for their product.

The Haugen bill contains no prohibition on the board's giving out information as to when it will function. This may lead to an orgy of wild speculation in the farm products, for, if advance information should be given to speculators as to when an operating period was to be declared, this advance information could

be used to make millions for the gamblers in the produce exchanges. My bill makes this improbable by providing a penalty of not more than $5,000 or imprisonment for not more than 10 years, or both, if advance information should be given out by any of the farm board or its employees. Again, the Haugen bill offers to the cooperatives or their agents employed under the provisions of the Haugen bill to purchase the surplus and take it off of the market to hold for higher prices no protection from prosecution under the Sherman antitrust law. My bill specifically provides that no prosecution under this law shall be instituted or upheld against the holding corporation. I doubt, Mr. Chairman, whether any corporation would take the risk of performing the function delegated to them under the Haugen bill when they knew they were not immune from prosecution under the Sherman antitrust law.

Under leave granted me to extend my remarks, I am incorporating herein a letter written by Mr. W. I. Drummond, managing director of the American Farm Congress, pointing out in a clear and able manner the defects of the Haugen bill. I stated to the Committee on Agriculture and also on the floor of this House that many provisions of my bill were taken from the agricultural bill prepared by Mr. Drummond.

KANSAS CITY, MO., *February 1, 1927.*

This will acknowledge receipt of your good letter of January 29, in which you inclose copy of the committee report on the Haugen bill.

I am not disposed to juggle terms, nor do I want to be deceived by any juggling of terms. The present McNary-Haugen bill has been divested of a number of unsound and unworkable features that were in its predecessors, but it still is based upon two cardinal principles, both wrong, in my judgment, and both partly concealed by ambiguous and involved language. These principles are—

1. The Government in business: The bill still provides for the purchase and disposition of commodities under direction of a governmental agency. This agency would "estimate the probable advances, losses, costs, and charges," etc. It would operate by "entering into agreements with cooperative associations," or with other concerns or persons, to handle the business.

Thus the initiative, the authority, and responsibility would rest with the Government. The Government would be in the business, through its agencies, which would be the board, and whatever concerns the board might designate. The selected cooperatives themselves would be agents of the board, and therefore of the Government. A principal is responsible for the acts of an agent, and under this bill the Government would be the principal. The nomination of board members by farm organizations would not alter the fact that such nominees would become Government officials upon accepting appointment and taking the oath of office.

I grant the right of any man to advocate governmental control of agriculture, but believe that there should be no misunderstanding about it. The contention that this bill would give the farmer control of his business of marketing is without foundation. It would take such control from him.

2. Equalization fee: If this fee can be arbitrarily imposed and collected, then it would seem that the whole doctrine of individual rights, freedom of contract, etc., is destroyed. Was it not to establish these rights that our forefathers fought in founding this Government? If these rights can be taken from a citizen in this instance, by those who contend that they are doing it in his interest, then what is to prevent any other group, if strong enough politically, from doing the same thing under the same pretext? The fact that some are willing to sacrifice such rights makes no difference whatever. Many do not want to do so.

A new theory of government is contemplated in this bill. It is a theory which contravenes some of our best ideals as a free people.

If these two principles upon which the bill is based should be established by its enactment into statute, a train of similar movements will be set up. A bill already is pending before the Legislature of Missouri which provides that the State shall levy a fee or tax upon beekeepers and use the proceeds in promoting the interests of that industry; that is, the State, then, would set up an agency for this purpose. How can thoughtful men fail to see the drift of this movement and the dangers ahead if it really gets under way? The seeds of paternalism and socialism are always with us. We already have too many people who want government to take over their problems.

As to the operation of the plan itself, should the bill be enacted, I will refer only to the one great objective claimed by its proponents. This is to take the surplus off the domestic market and dump it on foreign markets. This is physically possible. The result, however, would in all probability be a disappointment. In the case of some commodities, such as wheat and corn, the aggregate import requirements of the entire world are smaller than our own domestic market. The result of such a dumping process would be to depress the world markets. This it might do without increasing domestic prices at all, since it is admitted that domestic prices must be based upon world prices.

I concede that you, and others who are seeking to secure the enactment of this type of legislation, are actuated by the best of motives. Undoubtedly you are convinced that it would help American producers. But should it be enacted, it is my belief that you would be sorely disappointed by its failure to help the farmers, even if it could stand the test of constitutionality.

The enactment of this bill would sound the death knell of marketing associations such as yours. Certainly the farmers will not support their cooperatives if the Government takes over their marketing problems.

The contention now is that cooperative marketing is failing because of the inability of the cooperatives to secure control of a sufficient volume of a commodity to influence its price. The bill introduced by Judge CRISP in the House and by Senator CURTIS in the Senate is designed to make it possible for the cooperatives to secure the required volume without any risk whatever to the cooperatives or their members. In my judgment, if the cooperative marketing associations would get behind the Crisp-Curtis bill and earnestly set themselves to take advantage of its provisions, a solution of the problem of the surplus might be had.

* * * * * * *

I can reach no other conclusion but that in asking that the Government handle the business and levy the equalization fee you are abandoning the very principles upon which the advocates of cooperative marketing have heretofore stood. You evidently believe that the cooperative marketing ship is about to go on the rocks. I do not, unless its crew abandons it. It seems to me that the hard-won gains of the cooperative marketing movement are about to be thrown away.

Cordially yours,

W. I. DRUMMOND.

Mr. KINCHELOE. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. KINCHELOE. Mr. Chairman and gentlemen of the House, at this stage of the proceedings I am not going to discuss the merits and demerits of the Crisp bill or the McNary-Haugen bill.

I want to say incidentally that I have not only a high regard for the gentleman from Louisiana and a high regard for the gentleman from Georgia, but I have an affection for both of them. But I want to talk to you for a few minutes about the parliamentary situation which is now before us. On day before yesterday we substituted the McNary bill as it passed the Senate with a few amendments in lieu of the House bill, which bill, if these substitutes are lost, we will in a few minutes take up under the five-minute rule. I want to emphasize the fact that if this substitute is defeated and we take up the McNary bill under the five-minute rule, if the opponents of this farm-relief legislation are successful in adopting one amendment to that bill, the McNary-Haugen bill is as dead as a mackerel for this session, and everybody knows it.

What do these gentlemen say? They say, "You ought to pass this Crisp substitute without the crossing of a 't' or the dotting of an 'i.'" What does that substitute do? Here we are asked to pass this substitute in a few minutes, when it was not only read and not discussed under the five-minute rule, and this whole crowd who are criticizing us for proposing to adopt the Senate bill without amendment tell us we should swallow this substitute bill root and branch. [Applause.]

What one does the American farmer want of these three bills? How many of them have ever written to you that they wanted the Aswell bill? How many of them have ever written to you that they wanted the Crisp bill? None. But these doctors of the farmers are saying to the farmers, "You are a little constipated financially, and we propose that you take this substitute and that we give you, as a purgative in the way of the Crisp bill, whether you want it or not, whether it is good for you or not."

I am not going to be a party to that. Every farm organization in the United States, as I said before, and has been said repeatedly on this floor, with the exception of the Grange, has, by petitions, and in person or through representatives, said to you, "We want to try this bill."

The gentleman from Georgia [Mr. CRISP] says the equalization fee is unconstitutional. Suppose it is. If the Supreme Court passes upon it and knocks out the equalization fee, it does not knock out the rest of the bill; and if it knocks out the equalization fee we still have the revolving fund, which is found both in the Crisp bill and in the Aswell bill, of $250,000,000. You have your board and advisory council, and they can function just as well, and you have just as much opportunity to help the American farmer with the equalization fee out as you have under the Crisp bill or under the Aswell substitute, either one.

Gentlemen, do not fool yourselves. You are not going to fool the farmer by voting for one of these substitutes. Do not forget that. If one of them happens to carry and you still want to vote for the McNary-Haugen bill, you will be in a devil of a fix. Take that from me. Pass the Senate bill just as it is, because if you put an amendment to it, it goes to conference, and if it goes to conference and that conference report goes to another body in this Capitol, you know it has not a chance to pass over there before the 4th of March.

They say the President is going to veto it. That is his business. The legislative department of this Government, of which this body is one branch, is hearing the wails and the appeals of the farmers everywhere, calling for what? Not for the Aswell bill, not for the Crisp bill; they want the McNary-Haugen bill. And there are only two amendments of consequence in the Senate bill over the original Haugen bill, and one of those is the insurance feature, which is nothing but hedging, and it is left to the discretion of the farm organizations and the board whether they will take out that insurance or not, and the other is whether they want to make tobacco a basic commodity in this bill.

Gentlemen, I repeat, do not fool yourselves on this substitute. If you want a bill that will pass and a bill that has any chance in the world to become a law at this session of Congress, pass this Senate substitute without dotting an "i" or crossing a "t." [Applause.]

Mr. FORT rose.

The CHAIRMAN. The gentleman from New Jersey [Mr. FORT], a member of the committee, is recognized.

Mr. FORT. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from New Jersey moves to strike out the last word.

Mr FORT. Mr. Chairman and gentlemen of the committee, at the beginning of this debate I made the statement that it seemed to me that the rule should be in such form as to permit full and free discussion on this floor of all proposed measures for the relief of agriculture. To-day, by the friends of the bill, debate has been limited, and we are now told by the gentleman from Kentucky [Mr. KINCHELOE] that we must accept the bill as passed by the Senate, upon which no committee of the Senate or the House has held a hearing, and which no Member of this House has had opportunity to read before 48 hours ago; that we must accept this legislation without crossing a "t" or dotting an "i."

At least the bill that the gentleman from Georgia [Mr. CRISP] introduced has been before this House for study for a month or more. The bill that you are being asked to-day to pass without crossing a "t" or dotting an "i" was never seen by any man on this floor before Tuesday of this week. They say it is the only bill that can become a law. It is the one bill that can not become a law, in my judgment. And if it becomes a law, it can not be held in any court to be constitutional.

The gentlemen who are supporting this bill know when they support it that they are supporting a bill that can not become a law at this session of Congress.

Now, what does the Crisp bill seek to do? The Crisp bill seeks to put into agriculture a stabilization program owned by the American farmer himself. [Applause.] It does not propose for American agriculture a stabilization program operated by a Federal board. It does not propose, as was so well said by the gentleman from Tennessee [Mr. GARRETT] here this morning, to turn over the industry of agriculture so that shortly it will be held to be affected with a public interest. It proposes to the American farmer that this Government will loan the capital to his corporation—owned by him and managed by him permanently—for handling his problems. It is needed. Why? Because the farmer has not the capital resources. If he had them, we need no legislation; but we come to the farmer and we say, "We will back you in your enterprise." We offer to the farmer through the Crisp bill a program that will do for him all that the Haugen bill can possibly do; do it without a tax, do it without an equalization fee.

My friends here who talk for the farmer and talk about giving relief to the farmer know as they sit in their seats that if they pass the Haugen bill to-day they permanently, or at least for 12 months, postpone any relief. Just as surely as I am sure of that, I say to you, gentlemen, that if this House, one-third of the legislative machinery of this Government, substitutes the Crisp bill here to-day the Senate will be in the position next week that they tell us here we are in to-day—the Senate of the United States will have to accept that bill or then they stand in the position of denying relief. And that bill, I believe in every fiber of my being, would be signed by the President of the United States if it reached his desk. To those of you who try to put upon the opponents of the Haugen bill the delaying of farm relief and the delaying of relief for the dangerous situation that to-day exists in the South—I say to you that if you do not vote for this substitution you vote for no farm relief at this session of Congress. [Applause.]

The CHAIRMAN. The Chair will recognize the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Chairman and gentleman of the House, being interested in lifting the prevailing business depression, I feel it is my duty to support legislation that to my mind may bring this about. It must be conceded by all that the prosperity of the Nation rests upon the prosperity of agriculture; that the American farmer and grower has suffered tremendously in the last six years is recognized, as even some of the eastern financiers are commencing to realize this fact. Only a few weeks ago Mr. Otto H. Kahn, one of the foremost financiers of this country, made the following statement:

> The authoritative figures prove beyond question that there is a farming problem. They demonstrate irrefutably that the farmer for years has not received reasonable compensation for his toil, let alone participating in the great prosperity which has come to other callings.

The City National Bank of New York in its monthly publication on conditions also plainly shows by facts and figures that notwithstanding the tremendous increase in the profits on the part of large industries that the greatest industry of them all, agriculture, is suffering great depression and loss, and feels that some legislation is required to at least in a measure remedy the unfortunate situation that the farmers of this country find themselves in. In fact, every student of economics is of the opinion that some readjustment as to agriculture must be had; that some legislation should be enacted. Unfortunately, all have different remedies.

Mr. Chairman and gentlemen, though I value the recommendations of some of these gentlemen and appreciate their efforts to remedy conditions, I prize the efforts of the gentleman from Georgia [Mr. CRISP] and the gentleman from Louisiana [Mr. ASWELL] above all others, and feel that the House and the country should appreciate their sincere efforts. The bill they have drafted and introduced contain many splendid provisions, and I feel if either of them could be enacted into law it would, to some extent, be helpful; not only would it control the production, but would in a measure bring about more efficient marketing, which would eliminate tremendous loss and be of great benefit to the farmer. But in view of conditions we must realize that neither of these bills can be enacted at this session and become a law. The McNary-Haugen bill, which has already passed the Senate and is now being considered, notwithstanding the strong opposition and attacks that are being made against its passage, has a chance.

Mr. Chairman and gentlemen, I do not share the fear and apprehension that the majority and minority leaders entertain. I think they are unduly and unnecessarily alarmed. I am of the opinion that the enactment of this bill can not do any harm, but may do some good, and in fact I honestly believe it is legislation that will be beneficial. Nor do I feel this bill is unconstitutional. It is nothing unusual for Members, where they can not attack a measure in any other way, they attack it on unconstitutional grounds.

Mr. Chairman, this bill has been in preparation for upwards of three years. It has been carefully scrutinized not only by the able officials of the various agricultural organizations, but also by their legal representatives and I feel that they would not recommend the passage of this bill if they did not honestly believe that it is the best that can be obtained and that if enacted will be found to be constitutional.

Though I represent a city district and have the consumers interest at heart, regardless of what my city colleagues may do or how they may vote, I shall vote for the bill because I believe that justice demands it. [Applause.]

I think it is manifestly unfair for us to close our eyes to the deplorable condition of agriculture. I, for one, always believed and recognized the fact that the prosperity of the farmer is the foundation to the prosperity of the Nation. This can not be truthfully denied by anyone, and no one can successfully controvert it.

Mr Chairman and gentleman, during my 20 years' of service in the House I have, as my record will prove, always advocated, supported, and voted for every proposition that I believed was in the interest of America's wage earners; in the interest of the masses. I have at all times tried to help their cause to secure higher wages, shorter hours, and better living conditions, and shall continue in the future, and I know that they do not wish to deny to others what they are trying to secure for

themselves. They are in favor of this legislation that may aid 20,000,000 of people now in distress in securing a living wage and decent living conditions. [Applause.]

Mr. Chairman, notwithstanding the fact that all the highly protected, well-organized industries, including the railroads, for the last six years show large profits; the largest, the most important industry, the agriculture, shows tremendous losses. Not only agriculture but commerce and the business of the Nation, outside of the extremely large and highly protected industries are on the down grade, and are suffering due to the fact that the farmer is not buying and can not buy because of his financial inability to buy.

I appeal to you gentlemen coming from the cities and you eastern gentlemen to recognize conditions and to realize that something must be done. To enable the farmer to secure additional loans will not do it. To my mind instead of its being an aid it is a detriment and a curse to him and the Nation, as he has already gone far beyond the safety zone with his loans. His indebtedness has increased since 1910 from $4,000,000,000 to $12,250,000,000, with a result that thousands upon thousands of farm mortgages have been foreclosed and thousands upon thousands of acres of land have gone into the hands of banks and investment companies.

Gentlemen, I look with fear and apprehension to the danger that threatens the Nation, and if conditions are permitted to continue within a few years the majority of the farms and the most of the best lands will pass into the possession of a few and we will find ourselves in the same unfortunate position as Europe, where most of the lands are owned by the crown heads and the nobility.

The depreciation in agricultural values and prices of farm products in the last few years has been appalling. The valuation of the farms probably in the last six years has decreased over 35 per cent. From 1920 to 1925 it has decreased from $47,000,000,000 to $32,000,000,000. Not only has agriculture suffered during the last six years but business as well. Have you not observed the ever-increasing number of bank failures outside of the commercial centers, namely, the country banks. Ninety-five per cent of them were banks that were trying to aid and relieve the farmer. Were it not for the Federal reserve and farm loan banks provided for under the Democratic administration again as many would have been in the receivers' hands.

Mr. Chairman, it seems to me that the people do not realize the seriousness of conditions. The majority of you gentlemen do not know that the farmer takes a greater risk than one engaged in any other industry. He expends large sums of money on the preparation of his land and for seed. He not only takes chances on his crop and his yield but gambles against the elements.

He also is obliged to combat many diseases that the crop is subjected to and very often loses a portion if not the entire crop, and has nothing to sell; and nothing for his labor—then the prices are high. But when he is successful in harvesting a fair crop, due to his financial stress he is forced to sell immediately and sell regardless of price, and he is at the mercy of the speculator with whose ingenuity he can not compete and is forced to sell below actual cost of production. He is obliged to buy his needs in a highly-protected and well-organized market and sell his product in an unprotected and unorganized one. [Applause.]

Some of my city colleagues fear and it has been charged that if this bill is enacted that it will increase the already high cost of living. Mr. Chairman and gentlemen: The speculator and the gambler, unlawful trusts and combinations, protected by the high-protective tariff are responsible for the high cost of living. The fact that the farmer may, due to this legislation, secure 25 to 30 cents a bushel above the present market for his wheat or corn will not increase the high cost of living. If anything, it may reduce it because I feel that prudent and efficient marketing will prevent the sky-rocketing of the prices on which the millers, packers, and the bread trust base their price to the consumer. Take into consideration the tremendous spread between what the farmer receives and what the ultimate consumer pays; it is invariably from 200 to 300 per cent. Gentlemen, if you are interested in the reduction of the high cost of living why not join with me in reducing the unreasonable high railroad rates and the high-protective tariff and compel the Attorney General to proceed against the unlawful trusts and combinations, who, in fact, are responsible for unjustifiable high prices, and let us prevent the gambling and speculation in food products and bring about orderly marketing. By doing so we will aid the farmer in securing a fair price for his product and protect the consumer from being robbed by these special and favored unlawful interests.

Mr. Chairman, fully realizing and recognizing the fact that prohibition and the Volstead Act, as I have so often stated on the floor, is responsible for the breeding of crime and lawlessness and has and is causing disregard for all laws and is responsible in creating a spy system that endangers not only our liberty but makes the home of the American people insecure and is responsible for the corruption of public officials everywhere; is undermining the morale and standing of our Army and Navy and Coast Guard; and it is conceded by all honest enforcing officials, such as General Butler, Green, Buckner, Dever, and hundreds of others, that it is impossible of enforcement, and I favor that it be repealed. Notwithstanding, Mr. Chairman, I consider it unwise on the part of some of my colleagues who feel as I do to inject this question into the proposed legislation. However, I am obliged to concede that prohibition is to a great extent responsible for the distressing conditions of the farmer. Prohibition has stopped him from growing barley, for which he was receiving a fair price, and compelled him to increase his wheat acreage, resulting in an overproduction of wheat and lowering of the price and at the same time makes it impossible for him to properly and beneficially rotate his crops. I earnestly appeal to the farmers of this country to carefully study this question and analyze the facts. I feel that by doing so they will come to the conclusion that instead of prohibition being a so-called blessing it has been from every point of view a detriment to them. In that connection may I inquire what became of all the leading prohibitionists that are vitally interested in the welfare of the "farmer"? I have waited in vain during all these days while the bill was being considered to hear them say a single word in favor of this legislation; but, on the contrary, the leaders and the mouthpieces of Mr. Wheeler in every way are hampering this proposed legislation. Will you still listen to them in the future as you have in the past? I hope not, and that this will open your eyes as to insincerity of the prohibitionists. [Applause.]

Mr. Chairman, in conclusion let me say there are those who are opposing this measure that point out the fact the President will veto this bill. If he does, it will be his funeral and not ours. By passing it we will have done our duty toward the farmers of this Nation. But, notwithstanding the statements on the part of some of these gentlemen, I feel he will hesitate long before he will yield to Mr. McLean, Mr. Mellon, Mr. Gary, Mr. Rockefeller, or Mr. Ford, and the representatives of the millers, packers, and Bread Trust recommendations, in depriving relief to the millions of farmers who under the present administration have suffered so much. Notwithstanding the statement of some gentlemen, I believe that the President will not veto this bill, because he must realize that the prosperity of the Nation depends upon the prosperity of the farmer, and that no structure is stronger than its foundation and no chain stronger than its weakest link. [Prolonged applause.]

The CHAIRMAN. The Chair will recognize the gentleman from Alabama [Mr. OLIVER].

Mr. OLIVER of Alabama. Mr. Chairman and gentlemen of the committee, it is not my purpose to discuss the merits of any——

Mr. HAUGEN. Will the gentleman yield for a moment?

Mr. OLIVER of Alabama. Yes.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that all debate be closed in 10 minutes.

Mr. JONES. Mr. Chairman, reserving the right to object, I have a substitute on which I want five minutes.

Mr. HAUGEN. A substitute for the Crisp amendment?

Mr. JONES. No. The gentleman is not closing debate on the paragraph?

Mr. HAUGEN. No; I mean on the pending amendment. Mr. Chairman, I ask unanimous consent to close debate in 10 minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that all debate on the pending amendment be closed in 10 minutes. Is there objection?

Mr. RAINEY. Mr. Chairman, reserving the right to object, I would like to have five minutes of that time.

Mr. HAUGEN. I am satisfied with that.

Mr. RAINEY. With that understanding I do not object.

The CHAIRMAN. The time to be divided between the gentleman from Alabama [Mr. OLIVER] and the gentleman from Illinois [Mr. RAINEY].

Mr. GRIFFIN. Mr. Chairman, is the request for 15 minutes?

The CHAIRMAN. No; 10 minutes.

Mr. GRIFFIN. Then I object.

Mr. HAUGEN. Will the gentleman yield for a moment, so I may move to close debate on the pending amendment?

Mr. OLIVER. I yield.

Mr. HAUGEN. Mr. Chairman, I move that all debate on the pending amendment close in 10 minutes.

Mr. GRIFFIN. Mr. Chairman, I make the point of order that the gentleman can not take the gentleman from Alabama off the floor to make such a motion even if the gentleman yields.

The CHAIRMAN. The Chair thinks the gentleman can submit the motion, inasmuch as the gentleman yielded for that purpose. The gentleman from Iowa moves that all debate on the pending amendment close in 10 minutes.

Mr. GRIFFIN. Mr. Chairman, I offer an amendment that debate close in 15 minutes instead of 10 minutes.

The CHAIRMAN. The gentleman from New York offers an amendment——

Mr. GARRETT of Texas. Mr. Chairman, I make the point of order that the gentleman can not offer that amendment in the midst of a vote.

The CHAIRMAN. Only one side of the question had been put, and the Chair thinks the gentleman can offer the amendment to the motion.

The gentleman from New York offers an amendment to the motion of the gentleman from Iowa that all debate on the pending amendment close in 15 minutes.

The amendment to the motion was rejected.

The motion was agreed to.

Mr. OLIVER of Alabama. Mr. Chairman and gentlemen of the committee, no one can fail to sense the fact that the committee at this time does not desire a discussion of the merits of any of the pending bills, and it is not my purpose to enter into such a discussion. I simply wish to support the statement made by the gentleman from Kentucky [Mr. KINCHELOE] that the parliamentary situation is such, that if the House earnestly desires to pass farm legislation at this session they must accept the bill which the Senate has passed. [Applause.]

The gentleman from New Jersey [Mr. FORT] complains, and one of his complaints is that amendments were adopted in the Senate to a bill pending in the House on this subject and which had been before the House Committee on Agriculture, and that no committee has had an opportunity of examining these amendments. This obtains in reference to every bill that passes Congress. It so happens that if the substitute now pending should be voted down, the bill adopted by the Senate will be read section by section, and if amendments were imposed on that bill by the Senate, the House will have, under the five-minute rule, an opportunity to discuss such amendments, and there is nothing in the situation at present that would preclude a free and full discussion on every paragraph of the bill.

I may say further that the threatening and innuendo suggestion of the gentleman from New Jersey that if you would have farm legislation you must not pass the bill adopted by the Senate because forsooth he assumes to say it would be vetoed——

Mr. TINCHER. Will the gentleman yield?

Mr. OLIVER of Alabama. When has the time come that in order for a bill to be passed in this body or in the Senate we must be notified in advance, "You shall pass only that which the friends of the White House assure you will not receive a veto"? [Applause.]

You may as well adjourn Congress if such threats are permitted to shape legislation which you, holding an important commission from the people of your several districts, are here to discharge under a solemn official responsibility. To my mind the remark of the gentleman from New Jersey, when he considers it more carefully, should be withdrawn. It is an insult to the ability and the intelligence of the Members of the House who should and must assume responsibility for legislation that here passes. [Applause.]

Mr. RAINEY. Mr. Chairman, early in this session a plan made its appearance—every Member of Congress, I presume, received it—which was known as the Drummond plan, suggested by W. I. Drummond, of Kansas City, Mo. Mr. Drummond is the head of a paper organization which he calls the American Farm Congress. One of his vice presidents is William Jardine, Secretary of Agriculture. Frank W. Mondell, who was a former Member of Congress, and now represents large interests in Washington, was another one of his vice presidents. Mr. Drummond, among farm organizations which stand for real farm relief, is recognized as the listening post for eastern financial interests, and when the last Republican National Convention held its meeting in Chicago during the campaign of 1924, Mr. Drummond was summoned there and acted as the political agricultural adviser of that committee.

I hold here his plan. It is the Crisp plan, and I intend to print it in the RECORD, so that you can all read it.

Mr. CRISP in his speech on the floor some time ago explaining his plain said it was prepared by him and by some gentleman on the majority side of this Chamber whose name he was not permitted to give. I want to say to my colleagues on this side that whenever I follow leadership on that side I will not follow the leadership of an under-cover man.

With the exception of the academic portions of the bill, the Crisp bill is the Drummond plan, the plan which is advocated by the real opponents of efficient agricultural relief in the United States. Leaving out the academic portions and commencing with section 7 of the Crisp bill, this section is section 5 of the Drummond plan; paragraphs 1 and 2 of section 7 of the Crisp bill are infinitely worse than the Drummond plan, and if I have time I will recur to them later. Paragraph 3 of section 7 is the Drummond plan. Paragraphs 4 and 5 are section 6 of the Drummond plan with but slight changes. Clause (a) of section 8 is section 6 (a) of the Drummond plan. Clause (b) of the same section is section 6 (b) of the Drummond plan. Section 9 is section 7 of the Drummond plan. Paragraph B of section 10 is section 11 of the Drummond plan. Clause (a) of section 11 of the Crisp bill is section 6 (a) of the Drummond plan. Clause (b) is section 8 (a) of the Drummond plan, almost in identical language. Clause (c) is section 8 (b) of the Drummond plan.

Clause (a), section 12, is section 9 of the Drummond plan. Clause (b) is section 9 of the Drummond plan. Section 13 is section 10 of the Drummond plan.

This Crisp bill was drafted, supported, and suggested by the recognized enemies of real farm relief in this country, and you are asked now to substitute it for a bill which will bring real relief.

CRISP BILL WORSE THAN THE DRUMMOND PLAN

Section 7 is section 5 of the Drummond plan.

Paragraph 1 of section 7 of the Crisp bill is the Drummond plan, except that the Crisp bill provides for a surplus above world requirements. The Drummond plan meets a condition when the surplus exceeds "domestic" requirements. With this exception, paragraph 1 of section 7 of the Crisp bill is section 7 of the Drummond plan. The Crisp bill provides for an impossible surplus. In all the history of the world there never was a surplus of agricultural products over world requirements. The Crisp bill, therefore, could never under any circumstances be put into operation. The effort, therefore, seems to have been on the part of Mr. CRISP and his "under-cover" colleague on the other side of this Chamber to provide a bill worse than the Drummond plan. During all the time that the purchasing price of farm products has been declining we have been exporting every year more and more farm products, and they have all been quickly absorbed at always lower and lower world prices.

Paragraph 2 of section 7 of the Crisp bill is section 7 of the Drummond plan, with one element omitted and with an impossible method of providing for a reasonable profit substituted. This paragraph of the Crisp bill attempts to provide a remedy whenever the existence of a surplus threatens to depress the price of the commodity under consideration below the cost of production with a reasonable profit to the efficient producers thereof. What efficient producers are to be considered? In the case of cotton are the "efficient producers" of cotton the producers in Texas where, on virgin soil, without fertilizers and untroubled by insect pests the "efficient producer" can produce at a cost much less than the "efficient producer" in Georgia can produce, where the soil is worn out, where fertilizers are used in large quantities, and where the boll weevil is a destructive agency? If the "efficient producer" is the Texas producer and he is assured a reasonable profit above his cost of production, the Georgia producer of cotton would be out of business entirely. On the other hand, if you select the Georgia producer as the "efficient producer," profits on cotton would be so great in Texas that on a stimulated and larger acreage there they could produce all the cotton required in the world. In either event, if this bill passes, the Georgia producer would be out of the picture. I recall that after Mr. CRISP'S speech a few days ago on the floor explaining his bill, I discussed this matter with him in the cloakrooms and he stated that in extending his speech he would explain what he meant by "efficient producers." Upon reading his speech I find that the kind of production he expects to be considered is a "bulk-line" production; and upon reading the Drummond plan I find that this identical language is used, and that in the Drummond plan a "bulk-line" production is to be ascertained in figuring out a reasonable profit to efficient producers. Therefore, in answering my question in his extended speech, Mr. CRISP evidently again consulted the Drummond plan and found his answer and inserted it in his speech. It is not in the bill, however, and a "bulk-line" production would as certainly destroy the Georgia cotton pro-

ducer and all producers of cotton in the old South as either of the methods I have just discussed of considering "efficient producers."

These two paragraphs of the Crisp bill are, in my judgment, in their modifications of the Drummond plan immeasurably worse than the Drummond plan, and these are practically the only modifications made in the Drummond plan.

If you take the Drummond plan, which I will print in my extended remarks, and clip it up into paragraphs and sentences and shake the clippings up in a hat and pick them out at random and stick them together, you would have the Crisp bill, except that the paragraphs to which I have called attention and which have been so modified by Mr. CRISP and his "under cover" on the Republican side are, as modified, immeasurably worse even than Mr. Drummond intended his plan to be.

THE GOVERNMENT IN BUSINESS

Sections 8 and 11 of the Crisp bill, or Drummond plan, puts the Government directly in business, and in a most objectionable way. These two sections authorizes the Government to establish trading corporations. The Government furnishes these trading corporations with their capital. It dictates their by-laws, and if there are any losses the Government pays the losses. If this does not put the Government in business in a most objectionable way, then I am at a loss to know what these sections accomplish. In brief, the Crisp bill shuts out all possibility of maintaining "domestic" prices independent of world prices. The McNary bill establishes a "domestic" price for American farmers independent of whatever the world price may be. It provides that the farmer shall pay the losses, if there are any. Tell me the farmer will not willingly pay an equalization fee when it means in return five times as much money as the fee he pays. The farmer is more intelligent than the proponents of the Crisp bill seem to think he is. God help the cotton farmers of Georgia and the old South if the Crisp bill should ever become a law, and God help the farmers of the North and West.

A REVOLUTION IN INDUSTRY

I quite agree with the position taken by the minority leader, Mr. GARRETT of Tennessee, when he says that the passage of the McNary bill means a revolution in industry. It does mean a revolution in industry. It gives to the farmer his share of the prosperity enjoyed by all other classes in this country. It restores his buying power and therefore makes more profitable investments in industry. It is the farmer who has been on the "side lines" looking on while all other classes prosper. The passage of this bill would mean to him a measure, at least, of the prosperity others enjoy. The equalization fee fight has come and the fight will last until victory is attained. The equalization fee is not a tax. It is a method of regulating commerce. We have limited by law profits railroads may make, and if they make above a certain amount we take that surplus from them and it goes into a fund, the theory being that ultimately that fund will be used for the purpose of rehabilitating smaller and less prosperous railroads. Courts have held this to be entirely constitutional. I fail to see the difference in principle between that method of equalizing the profits of railroads and the method proposed in this bill, which provides an equalization fee for the purpose of rehabilitating the farming industry. We think the bill will work. If it fails, the farmer can not be any worse off than he now is. If the equalization fee paragraph is declared unconstitutional, the saving clause in the bill keeps in force the rest of its provisions, and even with the equalization fee out the bill is immeasurably better than either of the other bills we are considering.

Under the general permission to extend I print here the document which is known as the Drummond plan, suggested by W. I. Drummond:

Proposed bill to establish a Federal farm-surplus board to aid in the disposition of surplus nonperishable basic agricultural commodities

Be it enacted, etc.—

FEDERAL FARM SURPLUS BOARD

ESTABLISHMENT

SECTION 1. There is hereby established a board to be known as the Federal farm-surplus board (hereinafter referred to as the board) and to be composed of five members, as follows:

(a) The Secretary of Agriculture; and

(b) Four members (one to be designated as chairman) appointed by the President by and with the advice and consent of the Senate.

APPOINTMENT AND QUALIFICATION OF MEMBERS

SEC. 2. (a) The appointment of the members shall be made with due regard to the knowledge and experience of the appointees in the production and marketing of the major commodities named in this act.

(b) The terms of office of the appointed members first taking office after the enactment of this act shall expire, as designated by the President, two at the end of the second year and two at the end of the fourth year after the date of the enactment of this act. A successor to an appointed member shall be appointed by the President, by and with the advice and consent of the Senate, for a term expiring four years after the date of the expiration of the term for which his predecessor was appointed.

(c) Any person appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

(d) Any member in office at the expiration of the term for which he was appointed may continue in office until his successor is appointed and qualifies.

(e) Each of the appointed members shall be a citizen of the United States; shall not actively engage in any business, vocation, or employment other than that of serving as a member of the board; and shall receive an annual salary of $12,000, payable monthly, together with actual and necessary traveling and subsistence expenses while engaged away from the principal office of the board on business required by this act.

(f) Vacancies on the board shall not impair the powers of the remaining members to execute the functions of the board. A majority of the members shall constitute a quorum.

GENERAL POWERS OF THE BOARD

SEC. 3. The board shall—

(a) Maintain its principal offices in the District of Columbia. (b) Have an official seal which shall be judicially noticed. (c) Make an annual report to the Congress. (d) Meet at the call of the chairman. (e) Make such regulations as may be necessary to enable it to execute the functions vested in it by this act. (f) Appoint, and in accordance with the classification act of 1923, fix the salaries of a secretary and such other officers and employees as may be necessary in the execution of the provisions of this act. (g) Make such expenditures as may be necessary for the execution of the functions vested in the board, and as may be provided for by Congress hereafter.

SEC. 4. (a) The board, without unnecessarily duplicating the work of an existing governmental agency, shall keep advised at all times concerning crop prospects, supply, demand, movement, markets, and prices of agricultural commodities. The board may, upon request of any cooperative marketing association of agricultural producers, supply such associations with all such information in its possession. The board may publish, from time to time, such information as may be useful to farmers generally, in planning their future plantings, in order that burdensome crop surpluses may be avoided or minimized.

(b) For the purposes of this act, a cooperative marketing association is one which complies with the provisions of the Capper-Volstead Cooperative Marketing Act of 1921.

SPECIAL POWERS OF THE BOARD

SEC. 5. Whenever the board is advised by cooperative marketing associations representing a substantial number of the producers of a basic agricultural commodity—

(a) That there is, or may be during the ensuing year, a surplus above domestic requirements of such commodity, or of any food product thereof; and that the existence of such surplus will, or may, result in an emergency by unduly depressing the domestic markets; and

(b) That the producers of such commodity so represented contemplate an undertaking to meet or avert such emergency, by segregating, storing, and marketing in an orderly manner, such quantity of said commodity as may represent the surplus or any part thereof; and

(c) That the producers of the commodity concerned desire the cooperation and assistance of the board in such undertaking—

The board is authorized to extend such cooperation and assistance, upon the following conditions and terms:

OPERATING CORPORATIONS

SEC. 6. If the board finds that the representations concerning the existence or probable existence of a surplus are true, and that the proposed undertaking is sound, and is justified by the exigencies of the situation, the board may—

(a) Require the associations concerned to duly form a corporation (hereinafter referred to as the corporation) to represent said associations in all transactions with the board and to handle surplus commodities under the provisions of this act. Not more than one such corporation for each commodity shall be recognized by the board. No such corporation shall refuse to admit any cooperative association which, in the opinion of the board, is entitled to participate in any operation contemplated; and no discrimination shall be made against any bona fide cooperative marketing association. The board shall be the final arbiter of any disagreement between the cooperative marketing associations concerned.

(b) Extend credits or make loans to the corporation, to enable the corporation to purchase and store and merchandise in an orderly manner such portion of the commodity concerned as may be unduly depressing the price thereof. Such loans may be for any period not exceeding

one year, renewable at the option of the board; shall bear interest at the rate of 4 per cent per annum; shall be secured by first lien upon all of the commodity to be purchased with the proceeds thereof; and shall not exceed the amount to be actually paid by the corporation for such commodity; or

(c) The board may, at its option, lend to the corporation not to exceed 25 per cent of the value of a commodity to be purchased by the corporation, such loan or loans to be secured by second lien upon such commodity: *Provided*, That the total amount of such second loan or loans, together with the amount of the first lien thereupon, shall not exceed the total amount paid for the commodity. Such second loans may be for any period not exceeding one year, renewable at the option of the board, and shall bear interest at the rate of 4 per cent per annum.

(d) Renewals of loans may include accumulated interest and storage charges.

(e) The board may make reasonable advances to the corporation for organization and temporary overhead expenses.

SEC. 7. The corporation receiving such loans shall make purchases with the proceeds thereof only when and if the price of the commodity concerned is unduly depressed. The commodity so purchased shall be properly stored and safeguarded, pending disposition by resale upon domestic or foreign markets. Every reasonable effort shall be exerted by the corporation to avoid losses and to secure profits on resales; but the corporation shall not withhold any commodity from the domestic market if the price thereof has become unduly enhanced, resulting in distress to American consumers. (No commodity which is liable to spoilage, by reason of inferior condition, or which is of inferior quality, shall be purchased with the proceeds of loans made by the board.) The corporation may blend, grade, classify, or reclassify a commodity whenever the aggregate value thereof may be increased thereby. (In determining undue price depression the corporation may take into consideration the bulk-line production costs of the commodity concerned under efficient methods.)

SEC. 8. The corporation shall enter into an agreement with the board to—

(a) Set aside a reasonable percentage of its profits each year for a reserve fund. Such reserve fund shall be deposited in the revolving fund, hereinafter provided for, and when not required in carrying out the provisions of this act shall be invested in Federal farm-loan bonds or bonds of the United States Government.

(b) Distribute the balance among the cooperative associations represented by it, ratably according to the amount of such commodity produced during the crop year concerned by the members thereof, and that has been marketed through such associations.

SEC. 9. The cooperative associations concerned shall enter into an agreement with the corporation to distribute the profits prorated to them among their members, ratably according to the amount of such commodity produced during the crop year concerned, and that has been marketed through their association by said members: *Provided*, That no member who has increased his acreage of said commodity without the consent of the directors of the corporation shall be entitled to share in such distribution.

SEC. 10. If, by reason of conditions unforeseen by the board, or circumstances beyond the control of the corporation, a loss is sustained in the disposition of a commodity purchased under the provisions of this act, such loss shall be paid, in so far as may be, out of accumulated reserves in the revolving fund credited to the corporation representing the producers of the commodity concerned. In no case shall any such loss be assessed against the cooperative associations or the members thereof.

SEC. 11. For the purposes of this act, the basic nonperishable agricultural commodities are declared to be grain, cotton (including cottonseed), tobacco, wool, nuts, and rice: *Provided*, That any variety or grade of a commodity for which there is no established and substantial domestic demand may be excluded at the option of the board.

REVOLVING FUND

SEC. 12. For the purpose of carrying out the provisions of this act, a revolving fund is hereby created, to be controlled and administered by the board. Into such fund shall be paid—

(a) The amount of the appropriation provided in section 13 of this act.

(b) All funds advanced by the Secretary of the Treasury under the provisions of section 14 of this act.

(c) All repayments of loans made by the corporation.

(d) All reserve funds of the corporation.

SEC. 13. There is hereby appropriated, to the revolving fund, out of any money in the Treasury not otherwise appropriated, the sum of $100,000,000.

SEC. 14. (a) The Secretary of the Treasury is hereby authorized and directed to advance to the board, on demand, such additional sum or sums as may be required for carrying out the provisions of this act: *Provided*, That the total amount so advanced shall not exceed $400,000,000 at any one time. Such advances shall bear interest at the rate of 4 per cent per annum, and shall be repaid to the Treasury by the board, without undue delay, with the repayments to the corporation of loans made by the corporation.

(b) The Secretary of the Treasury is hereby authorized to borrow, upon the credit of the United States, such sum or sums as may be required to carry out the provisions of this section.

SEC. 15. (a) Any Government establishment in the executive branch of the Government is authorized and directed to furnish to the board such information and data pertaining to the functions of the board as may be contained in the records of such Government establishment.

(b) The board may cooperate with any State, or department or agency thereof, or with any association or corporation that may be formed to deal with emergencies affecting any section or commodity, including measures to avoid overextension of acreage.

SEC. 16. For expenses in the administration of the duties and powers vested in the board by this act, there is hereby appropriated the sum of $300,000, to be available to the board for such expenses, including salaries, as may be incurred prior to July 1, 1928.

SEC. 17. This act shall remain in force and effect for eight years after the date of its enactment, and not thereafter, unless extended by further act of Congress; and all funds then remaining in the revolving fund shall be paid into the United States Treasury: *Provided*, That in the event the amount in the revolving fund shall exceed the obligations of the board to the Treasury, including appropriations by Congress, any balance standing to the credit of a corporation shall be paid to such corporation for distribution among the cooperative marketing associations concerned, under the provisions of this act.

The short title of this act may be "The farm surplus act of 1927."

DECEMBER 20, 1926.

The CHAIRMAN. The time of the gentleman from Illinois has expired. The question is on the amendment offered by the gentleman from Georgia [Mr. CRISP] to strike out section 1 and insert the provisions of the Crisp bill.

The question was taken; and on a division (demanded by Mr. CRISP) there were—ayes 134, noes 160.

Mr. CRISP. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed Mr. CRISP and Mr. HAUGEN as tellers.

The committee again divided; and the tellers reported that there were—ayes 156, noes 177.

So the amendment of Mr. CRISP was rejected.

Mr. JONES. Mr. Chairman, I offer the following amendment.

Mr. DOWELL. Mr. Chairman, I make a point of order to the amendment.

The CHAIRMAN. The amendment has not yet been reported. The Clerk will report the amendment.

Mr. JACOBSTEIN. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. JACOBSTEIN. As I understand, the amendment offered by the gentleman from Texas [Mr. JONES] is a substitute for this section. I have an amendment which is a perfecting amendment, and I think should take precedence over the amendment of the gentleman from Texas.

The CHAIRMAN. If the gentleman from New York has a perfecting amendment, it will be voted on first, but the Chair thinks he should recognize a member of the Agricultural Committee to offer an amendment first.

Mr. JACOBSTEIN. Then, the vote on my perfecting amendment will come first?

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the amendment offered by the gentleman from Texas be considered as read and printed in the RECORD. We all know what the amendment is.

Mr. DOWELL. That is satisfactory to me.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that the amendment offered by the gentleman from Texas be considered as read and printed in the RECORD. Is there objection?

Mr. DOWELL. I object.

The objection by Mr. DOWELL was withdrawn.

Mr. TREADWAY. Mr. Chairman, I renew the objection. I do not see why we should be put in a position of voting on something that we know nothing about.

Mr. GARRETT of Texas. The gentleman voted on two long amendments, neither of which was read.

Mr. TREADWAY. Mr. Chairman, I withdraw the objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. NEWTON of Minnesota. I have no objection to save time if the gentleman from Texas is going to give the House some idea of what the amendment is.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas that the reading of the amendment be dispensed with?

There was no objection. The amendment follows:

Mr. JONES offers the following amendment by way of substitute: Page 1, line 3, strike out the first paragraph and in lieu thereof insert the following:

"That it is hereby declared to be the policy of the Congress to place agricultural products and provisions upon a price equality with other commodities, to stabilize prices, to advance the market for agricultural commodities, to promote the orderly marketing of such commodities in interstate and foreign commerce, and to provide for the disposition of the surplus of agricultural products and provisions so as to place producers in the United States on a more equitable basis of competition with producers of similar products exported from other countries.

"SEC. 2. (a) When used in this act—

"1. The term 'person' means individual, partnership, corporation, or cooperative association.

"2. The term "United States" includes not only continental United States, but also possessions, except the Philippine Islands, the Virgin Islands, and the islands of Guam and Tutuila.

"TITLE II

"SECTION 1. The Secretary of the Treasury is hereby authorized to issue to any cooperative organization or other person exporting products hereinafter enumerated export equalization premium certificates or debentures in such form and denominations as he may deem desirable.

"SEC. 2. Except as hereinafter provided, certificates shall be issued only upon exports of wheat, wheat food products, corn, oats, rice, tobacco, products of tobacco, cottonseed, cotton: *Provided*, That such commodities were produced wholly in the United States and have not previously been exported therefrom.

"SEC. 3. All certificates shall be instrumentalities of the United States Government receivable by the Treasury of the United States at par without interest from any original holder or transferee in payment of import duties on commodities imported into the United States, and shall not be otherwise receivable by the Treasury of the United States: *Provided*, That presentation of debentures in payment of import duties must be made at ports of entry or stations thereof not later than one year from the date issued.

"SEC. 4. Certificates shall be negotiable as between any persons, whether individuals, firms, corporations, or cooperative associations, and whether domiciled in the United States or elsewhere.

"SEC. 5. Nothing in this act shall be construed to place upon any cooperative association of producers vested by their charters with authority to engage in the exportation of agricultural products hereby made debenturable any special limitation restricting its power to receive and/or to apply such certificates in payment of duties on commodities imported by them under authority of said charters.

"SEC. 6. In the event that the aggregate amount of certificates issued prior to April 1 of any fiscal year shall be equal to or in excess of 50 per cent of the total amount of import duties paid in certificates or otherwise during the last preceding fiscal year, the Secretary of the Treasury shall take such steps as he deems advisable to prevent the amount of debentures issued during the entire current fiscal year from exceeding 75 per cent of the amount of import duties levied during the current fiscal year: *Provided*, That any excess debentures issued beyond 75 per cent of the amount of import duties levied during any fiscal year shall be charged against the amount of debentures issuable during the succeeding fiscal year.

"TITLE III

"SECTION 1. That on and after the day following the passage of this act, except as otherwise specially provided for in this act, there shall be issued upon all articles when exported from the United States into any foreign country the debenturable rates which are prescribed by the debenturable list of this title.

"SCHEDULE 1. AGRICULTURAL PRODUCTS AND PROVISIONS

"(a) Corn or maize, including cracked corn, 15 cents per bushel of 56 pounds; corn grits, meal, and flour, and similar products, 30 cents per 100 pounds.

"(b) Oats, hulled or unhulled, 15 cents per bushel of 32 pounds; unhulled ground oats, 45 cents per 100 pounds; oatmeal, rolled oats, oat grits, and similar oat products, 80 cents per 100 pounds.

"(c) Paddy or rough rice, 1 cent per pound; brown rice (hulls removed), 1¼ cents per pound; milled rice (bran removed), 2 cents per pound; broken rice, and rice meal, flour, polish, and bran, one-half of 1 cent per pound.

"(d) Wheat, 30 cents per bushel of 60 pounds; wheat flour, semolina, crushed or cracked wheat, and similar wheat products not specially provided for, 72 cents per 100 pounds.

"(e) Cottonseed, one-third of 1 cent per pound.

"(f) Cotton and cotton waste, 2 cents per pound.

"SCHEDULE II. TOBACCO AND MANUFACTURES OF

"Tobacco, manufactured or unmanufactured, 15 cents per pound; scrap tobacco, 10 cents per pound.

"SEC. 2. If under section 315 of the tariff act of 1922 or under any other act a change in rate of duty or classification is made in respect of any article which is included within the provisions of this act, the rate thus established shall become the debenturable rate for such article.

"TITLE IV

"The Secretary of the Treasury is authorized to make such rules and regulations as may be necessary to carry into effect the various provisions of this act.

"PART II. PENALTIES

"SECTION 1. (a) That any person (1) who knowingly forges, counterfeits, alters, or falsely makes any receipt, debenture, or other paper or document necessary to establishing claim for debenture or uses, attempts to use, possesses, obtains, accepts, or receives any receipt, debenture, or other paper or document incidental to the administration of this act, knowing it to be forged, counterfeited, altered, or falsely made, or to be used unlawfully, or to have been procured by any false claim or statement, or to have been otherwise procured by fraud or unlawfully obtained; or (2) who, except under the direction of the Secretary of the Treasury, or other proper officer, knowingly engraves, sells, brings into the United States, or has in his control or possession any plate in the likeness of a plate designed for the printing of any receipt, debenture, or other paper or document incidental to the administration of this act, makes any print, photograph, or impression in the likeness of any receipt, debenture, or other paper or document incidental to the administration of this act, or has in his possession a distinctive paper which has been adopted by the Secretary of the Treasury for the printing of any receipt, debenture, or other paper or document incidental to the administration of this act, shall, upon conviction thereof, be fined not more than $10,000, or imprisoned not more than two years, or both.

"(b) All laws relating to embezzlement, conversion, improper handling, redemption, use, or disposal of moneys of the United States shall apply to debentures while in the custody of any officer, employee, or agent of the United States.

"PART III

"SECTION 1. All laws and parts of laws in conflict herewith are hereby repealed."

Mr. DOWELL. Mr. Chairman, I make the point of order against the amendment that it is not germane to the bill now before the House. If the gentleman from Texas desires, he may discuss it for five minutes.

Mr. BLANTON. I ask for the regular order.

Mr. DOWELL. Mr. Chairman, I understand that the gentleman from Texas only desires 10 minutes, and I will withdraw the point of order.

Mr. JONES. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to proceed for 10 minutes. Is there objection?

There was no objection.

Mr. JONES. Mr. Chairman, I shall not indulge in the frantic boasts of those who claim to have a cure-all for the ills of agriculture, nor in the foolish words of those who claim that nothing can be done for the benefit of agriculture. I am proposing to you a plan that has been adopted by the oldest farm organization in North America, and concerning which I have not been able to find a single one who would offer a criticism. I have talked the plan over with a number of representatives of other organizations and they all admit that this plan would be effective. If I thought the offering of it and giving the House a chance to vote upon it would interfere with the passage of any other farm legislation, I would not offer it. But this substitute will not delay final action in the least.

Briefly the plan is this: It provides that when basic agricultural commodities are exported a premium certificate shall be issued substantially equivalent to the tariff upon the particular commodity, and that those certificates shall be negotiable and shall be tenderable in payment of all customs duties. Everyone who has discussed the farm problem on this floor admits, and all economists admit, that the reason the farmer does not get the advantages of the tariff which the manufacturer has always obtained is the fact that the farmer produces a surplus. This measure, if adopted, would enable the farmer to get the equivalent of the tariff in the way of an increased price, without a single new officer, without a single item of expense, and it would put in the farmer's pocket that increased price, instead of absorbing it with a lot of machinery. If the farmer, or a farm organization, exported 10,000 bushels of wheat under this bill and the world price of wheat was $1.20 a bushel, he would get a certificate for $3,000. That certificate would be negotiable. We are continually importing goods into this country.

The certificate would be salable practically at par to all importers and they would be anxious to get it at any kind of a discount, or, if preferred, the farm organization could export

goods which it desired and pay the entire fee by bringing in the particular commodity which they need. This would add that amount to the domestic price of that commodity. This is a measure that will do the work. There is some doubt even in the minds of some of those who are going to vote for one of the other bills as to whether the farmer will get the full benefit of the other plan, but I am offering you a plan that no man dare stand on the floor of this House and even criticize; a plan which will bring the farmer equality, which will drive this wagon that we have been talking about up to his front door and put him on an equality with the other industries of the country.

I have worked on the Committee on Agriculture for six years on the question of farm relief, and I believe I have given this problem as much study as any man in the House. Those who have advocated farm relief have gotten the public attention not because they favored the equalization fee, but because they favored farm relief. If you will analyze the documents that you have received that have come to you from the open, honest heart of the farmer himself, you will find that he wants farm relief. He wants relief from the intolerable conditions which prevail to-day. I am offering you a plan that will accomplish that end. I say to the Democrats, you know that there is not any way under the tariff for the farmer to get the advantage which industry has, and you ought to know, and if you have studied about it you know, that the farmer will get the same advantages under the scheme which I propose as the industrialist. I say to you Republicans, if you believe in the doctrine that you have preached, and in the banner of protection under which you have sailed for the last 40 or 50 years, you should be willing to give the farmer the same opportunity, the same chance, the same advantages that industry has in the market. Is there anything unfair in that?

Will anyone question the fact that if the farmer can not be brought in under the tariff because of the surplus which he produces, and of which you get much of the benefit, he should have a certificate measurably equivalent to that, which would be tenderable in payment of tariff duties? That would not tear down the tariff wall, because the importers of those products would have to pay substantially the same for that certificate that he would have to pay in the way of customs duties. The tariff wall, so far as it stands at the present time, would still stand, and agriculture, which has been languishing, would get on its feet. I appeal to you for an industry that is prostrate and for the people in the far-away sections of the country who have trusted you as their Representatives to vote not the political vote but the vote which will honestly bring them relief.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. JONES. Yes.

Mr. BANKHEAD. How would the gentleman's plan affect cotton?

Mr. JONES. My plan provides that on the commodities on which there is no tariff a certificate measurably equivalent to a tariff based on values shall be issued. The proposed measure provides 2 cents a pound, $10 per bale, and the farmer would get the $10 per bale, and he would get the advantages of the pooling system which are given under the proposed law.

Mr. JACOBSTEIN. Under the gentleman's plan the Treasury really would pay a bounty for exports?

Mr. JONES. That is not quite correct. It simply provides that as the farmer can not get the benefit of the tariff he shall have a certificate which in effect will enable him to bring in other goods without duty charge, or may sell such certificate to importers, who would use it in payment of customs duties.

The CHAIRMAN. The time of the gentleman from Texas has expired. The question is on the amendment of the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. JONES) there were—ayes 33, noes, 110.

So the amendment was rejected.

Mr. HILL of Maryland. Mr. Chairman, I desire to offer an amendment.

Mr. JACOBSTEIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

Mr. HAUGEN. Will the gentleman from New York yield a moment?

Mr. JACOBSTEIN. I am offering a perfecting amendment.

Mr. HAUGEN. I ask unanimous consent, Mr. Chairman, that debate on the pending section on all amendments thereto be closed in 10 minutes.

Mr. HILL of Maryland. I want to offer an amendment.

The CHAIRMAN. Does the gentleman from New York yield to the gentleman from Iowa?

Mr. JACOBSTEIN. Yes.

Mr. HAUGEN. Mr. Chairman, I repeat, I ask unanimous consent that debate on the pending section and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from New York [Mr. JACOBSTEIN].

The Clerk read as follows:

Amendment offered by Mr. JACOBSTEIN: On page 1, line 5, after the word "orderly," insert "production and."

Mr. JACOBSTEIN. Mr. Chairman, I realize that this bill is going to be railroaded through. I know a steam roller when I see it. At the same time for the RECORD, at least, something ought to be said about this amendment which under normal circumstances might have been read into the bill.

The parliamentary situation apparently necessitates voting down all amendments in order not to throw the Senate substitute bill into conference.

In section 1, line 2, the bill states that it shall be "the policy of Congress to promote the orderly marketing of basic agricultural commodities." My amendment reads, "To promote the orderly production and marketing of basic agricultural commodities." As a matter of fact I think that if this bill becomes a law the Federal farm board will be more concerned with the orderly "production" of basic commodities than with the orderly "marketing" of basic commodities.

Mr. BLANTON. Mr. Chairman, will the gentleman yield for a question?

Mr. JACOBSTEIN. Just a question.

Mr. BLANTON. Does not the gentleman realize that the House is not going to permit him to add or subtract one word from the language of the substitute?

Mr. JACOBSTEIN. I do realize it, but I want it to be in the RECORD that there are some of us in this Congress who understand that the important thing is the control of production, the coordination of farm activities, adjusting production to consumption. I want the RECORD to show that some of us tried to perfect this McNary-Haugen bill, even though we are estopped from doing so because of the parliamentary situation.

There are other changes that should be made in the bill. For instance, the bill should contain a provision making it illegal for the members of the board to buy or sell or speculate in products covered by the bill. I think the bill should be amended giving the President power to put some men on the farm board who are not on the list nominated by farm organizations. The President ought to have this discretionary power. I believe, also, that the board should be authorized to create an American institute of agriculture for the purpose of setting into motion some machinery by which the farmers of the country can articulate intelligently regarding the production of crops, as set forth in my bill H. R. 16123. What American agriculture needs is a national farm policy for the permanent improvement of agriculture and not merely temporary relief.

Mr. Chairman, I will withdraw the pro forma amendment.

The CHAIRMAN. The gentleman from New York asks leave to withdraw the pro forma amendment. Is there objection?

There was no objection.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that all debate on the section and all amendments thereto close in five minutes.

Mr. HILL of Maryland. Reserving the right to object, Mr. Chairman, I would like to have two minutes of that time.

The CHAIRMAN. The gentleman from Iowa [Mr. HAUGEN] asks unanimous consent that all debate on the pending section and all amendments thereto close in five minutes. Is there objection?

There was no objection.

Mr. HILL of Maryland. Mr. Chairman, I desire to offer an amendment which I have sent to the desk.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Maryland.

The Clerk read as follows:

Amendment offered by Mr. HILL of Maryland: Moves to strike out section 1 of Senate bill 4808 and insert in lieu thereof the following, "H. R. 17071," and gives notice that if his motion prevails he will move to strike out the succeeding sections of the bill and insert the following:

"Be it enacted, etc.—

"TITLE I. NATIONAL FARM MARKETING ASSOCIATION

"ORGANIZATION

"SECTION 1. For the purpose of (a) promoting and stimulating the orderly flow of agricultural commodities in interstate and foreign commerce, (b) removing direct burdens and undue restraint upon such

commerce in such commodities, and (c) providing for the processing, preparation for market, handling, pooling, storing, and marketing in such commerce of agricultural commodities through cooperative marketing associations, 12 individuals, 4 to be named by the Farmers' Educational and Cooperative Union of America, 4 by the National Grange and Patrons of Husbandry, 4 by the American Farm Bureau Federation, and the members elected to succeed them as hereinafter provided are hereby incorporated and declared to be a body corporate under the name of the National Farm Marketing Association (referred to in this act as the 'national association'). The incorporation shall be held effected at such time as the 12 individuals named by the organizations have tendered their acceptances to the President, as ascertained and specified by him by Executive order. Such individuals shall be the incorporators.

"GENERAL POWERS

"SEC. 2. The national association—

"(a) Shall have perpetual succession;

"(b) May sue and be sued in its corporate name;

"(c) May adopt a corporate seal, which shall be judicially noticed, and may alter it at pleasure;

"(d) Shall have its principal office in the District of Columbia;

"(e) May make contracts;

"(f) May acquire, hold, or dispose of property necessary for the carrying out the purposes of the association;

"(g) May appoint, fix the compensation of, and remove without prejudice to contract rights such officers, employees, and agents as are necessary for the conduct of the affairs of the national association. Such officers, employees, and agents may be either individuals, partnerships, corporations, or associations. Each such officer, employee, or agent responsible for the handling of money or the custody of agricultural commodities shall give bond in such amount, with such penalties, and upon such terms as the national association shall determine;

"(h) May accept the services of any person without compensation;

"(i) May adopt, amend, and repeal regulations;

"(j) Shall have such powers not specifically denied by law as are necessary and proper to conduct, under this act and in accordance with approved business methods, the business of cooperatively processing, preparing for market, handling, pooling, storing, and marketing agricultural commodities, or such further business as is necessary and incidental thereto.

"SPECIAL POWERS

"SEC. 3. The national association is authorized—

"(a) To provide or approve systems of accounting for local and interstate zone organizations organized under Title II;

"(b) To provide a system of reporting and disseminating crop and marketing information for the benefit of such interstate zone organizations;

"(c) To advise with the members of such organizations as to the diversification of production of agricultural commodities and as to the increase or decrease of production necessary to provide an adequate supply of the commodity without causing either an undue surplus or shortage of production;

"(d) To determine, subject to the approval of the interstate zone directors, the annual budget and necessary supplements thereto, and the receipts and expenditures of the association;

"(e) To provide jointly with the interstate zone organization for the commodity assessment against members of interstate zone organizations of fees sufficient (1) to meet the expenditures of the national association and the interstate zone organizations authorized in any approved budget, (2) to repay all loans and interest thereon provided for in section 301, and (3) to establish a reserve fund in such amount as both the members of the national association and the interstate zone organizations determine to be necessary to enable it most effectively to execute the functions vested in it by this act;

"(f) To acquire, construct, maintain, and dispose of, or acquire the rights of operation of (1) storage warehouses for agricultural commodities, (2) terminal facilities for transportation (otherwise than as a common carrier) in connection with the storage and distribution of such commodities, and (3) facilities for processing such commodities.

"BOARD OF DIRECTORS

"SEC. 4. (a) Except as otherwise specifically provided the board of directors (referred to in this act as the 'national board'), to be composed as hereinafter provided in this section, shall, through the interstate zone directors, direct the exercise of the functions vested in the national association.

"(b) The first board of directors shall be composed of seven members, one of whom shall be a fiduciary officer of the United States designated by the President, and six of whom shall, within one month after the incorporation is effected, be elected from their own number by the incorporators, but each of the three organizations named in section 1 shall have two representatives as directors on the first board. Of the six elected members of the board of directors, two shall be elected for a term of one year, two for two years, and two for three years. A successor to the director designated by the President shall be likewise designated by him. Successors to the elected directors, except those elected to fill unexpired terms of directors, shall be elected for a term of three years by the members of the national association in the manner provided in section 7.

"(c) A vacancy in the office of an elected director may be filled by the remaining directors until, at the next annual meeting of the members of the national association, a successor is elected to fill the unexpired term of such office and is qualified. Any such vacancy shall not impair the powers of the remaining directors to execute the functions of the national board. A majority of the directors shall constitute a quorum for the transaction of the business of the national board.

"(d) Each elected director shall receive a salary to be fixed by such members and shall hold office until his successor is elected and qualified.

"(e) The director designated by the President shall not receive compensation from the association for his services as director, other than pay for necessary expenses incurred by him while acting as a director, and upon repayment by the national association of the loan and interest thereon provided in section 301, his term of office as director shall be terminated.

"(f) There shall be but 6 elected directors, unless by a two-thirds vote of the members of the national association such number is increased, but at no time shall the number of directors exceed 13.

"MEMBERS OF NATIONAL ASSOCIATION

"SEC. 5. (a) The incorporators shall be the original members of the national association. Four of the incorporators shall be designated by the President by Executive order as members for a period of three years, four for a period of two years, and four for a period of one year, beginning from the date of incorporation of the association. Successors to the original members, except those elected to fill unexpired terms of members, shall be elected as provided in section 203 for terms expiring three years after the expiration of their predecessors' terms.

"(b) A vacancy in the office of any member may be filled for the unexpired term of such office by election as provided in section 203.

"COMMENCEMENT OF OPERATIONS

"SEC. 6. The national association (1) shall begin its operations under this act in respect of such agricultural commodity or commodities as it considers best adapted to national cooperative marketing, and (2) shall, so far as it deems practicable, utilize such existing cooperative associations and other marketing agencies as are immediately available and capable of use for the purposes of this act.

"DUTIES OF MEMBERS OF NATIONAL ASSOCIATION

"SEC. 7. It shall be the duty of the members of the national association—

"(a) To convene as provided by regulations at the call of the national board and at a place to be selected by it;

"(b) To elect annually directors to the national board;

"(c) To act as an advisory group on behalf of the interstate zone organizations and to supervise generally the policy of the national board;

"(d) To fix the salaries of the directors of the national board and approve, with or without modifications, or disapprove, the annual budget of the national association and necessary supplements thereto;

"(e) To prepare a schedule of commodity assessments which, when approved by the national board, may be levied by the interstate zone organizations upon their member organizations.

"BRANCH OFFICES

"SEC. 8. (a) The national association through the interstate zone organizations may establish such agencies or branch offices at such places as it deems advisable, either domestic or foreign.

"(b) The national association shall be held an inhabitant and resident of the District of Columbia within the meaning of laws of the United States relating to venue of civil suits and of offenses against the United States.

"BOOKS

"SEC. 9. The national association shall keep, at its principal office in the custody of its secretary, correct books, showing the original or a transcript of the minutes of the national board's and members' meetings, and showing the accounts of the association's business transactions.

"ANNUAL REPORT

"SEC. 10. The national association shall make an annual report to the Congress in respect of all loans made under authority of section 302 until such loans are repaid in full with interest.

"TITLE II.—INTERSTATE ZONE COOPERATIVE MARKETING ASSOCIATIONS

ORGANIZATION

"SEC. 201. In order to carry out the functions vested in it by this act, the national association is authorized to provide for the organization of interstate zone cooperative marketing organizations (referred to in this act as "interstate zone organizations") in the several States.

"DUTIES OF INTERSTATE ZONE ORGANIZATIONS

"SEC. 202. Each interstate zone organization shall—

"(a) Annually select a board of directors of not exceeding seven, which shall direct the operations of the organization in its respective zone;

"(b) By its board of directors annually select an individual as its representative to an annual convention of representatives of State associations;

"(c) Organize as members of, or admit to membership in, such interstate zone organization any local cooperative association included within the provisions of the act entitled 'An act to authorize association of producers of agricultural products,' approved February 18, 1922.

"ELECTION OF MEMBERS

"SEC. 203. The individuals selected as representatives of the interstate zone organizations shall convene at least once each year at a place designated by the national board and shall elect the members of the national association.

"Each representative shall have but one vote, which shall be cast in person.

"REGULATION OF INTERSTATE ZONE AND LOCAL ASSOCIATIONS

"SEC. 204. (a) The national association is authorized to prescribe regulations requiring—

"(1) The adoption by local and interstate zone organizations of systems of accounting approved by the national association;

"(2) The use by the local and interstate zone organizations of systems of reporting and disseminating crop and marketing information provided by the national association;

"(3) The use by local interstate zone organizations of approved forms of agreement under the terms of which a local association is admitted to membership in national organizations;

"(4) The use by local associations of intrastate grading standards and marketing schedules not in conflict with law, to be uniform, and to be established by local associations, so that interstate standards, shipments, and marketing directed by interstate zone organizations will avoid market glutting and destructive trade conditions; and

"(5) The payment by the interstate zone organization of the commodity assessments fixed under section 3.

"(b) If the national association finds by a vote of two-thirds of its members that any interstate zone organization, or any local association which is a member of an interstate zone organization, has failed to comply with any regulation prescribed under this section, the national association shall adopt a resolution publishing such finding. Upon the adoption of any such resolution the interstate zone organization shall be ineligible, for such period of time as the national association may designate in the resolution, to obtain any loan provided in section 302, to be represented at an annual convention of representatives of interstate zone organizations, or to obtain the exemptions accruing to it by reason of the benefits of section 303, except that if the violation is that of a local association, the interstate zone organization shall not be held ineligible under this subdivision if, within 30 days after the adoption of the resolution, the membership of the local association in the interstate zone organization is terminated or suspended for such period of time as the national association may designate in its resolution.

"OPERATING ZONES

"SEC. 205. For the purpose of facilitating the marketing of any agricultural commodity, interstate zone organizations engaged in the marketing of such commodity, within such zones as the national association may designate, may consolidate their marketing operations in respect of such commodity. For the purpose of carrying out such consolidated marketing operations, the interstate zone organizations may jointly contract with or establish such organizations as they deem advisable.

"TITLE III.—MISCELLANEOUS PROVISIONS

"LOAN FUND FOR ORGANIZATION PURPOSES

"SEC. 301. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $10,000,000, which, as appropriated, shall be set aside and reserved as a revolving loan fund in the Treasury, available to the national association until December 31, 1937. Payments shall be made from such fund at the direction of the director designated by the President upon application therefor by the national board, shall bear interest at the rate of 4¼ per cent per annum until repaid from commodity assessments fixed as provided in section 3.

"USE OF FUND

"SEC. 302. (a) The moneys in such fund shall be available for loans to the national association for administration expenses of such association, including expenditures for the organization of interstate zone organizations, or in the organization by it of local associations which are members of the interstate zone organization.

"(b) The national association shall prescribe regulations in respect of the repayment to or collection by such association of all loans made under subdivision (a). All moneys repaid to or collected by such association shall be covered into such fund.

"APPLICATION OF ANTITRUST LAWS

"SEC. 303. The national association and interstate zone organizations shall, for the purposes of this act, be deemed marketing agencies within the meaning of that term as used in the provisions of the first section of the act entitled 'An act to authorize association of producers of agricultural products,' approved February 18, 1922, and in the same manner and to the same extent as associations included in such act shall be subject to the provisions of section 2 thereof.

"COOPERATION WITH EXECUTIVE DEPARTMENTS

"SEC. 304. To foster, encourage, and promote the cooperative processing, preparing for market, handling, pooling, storing, and marketing of agricultural commodities under this act and to assist in the establishment and maintenance of interstate zone and local associations, any Government establishment in the executive branch of the Government shall, in accordance with its written request to the head of such Government establishment, cooperate with such association or with any zone association to such extent as the head of such Government establishment deems compatible with the interests of the Government.

"SEPARABILITY OF PROVISIONS

"SEC. 305. If any provision of this act is declared unconstitutional, or the applicability thereof to any person or circumstance is held invalid, the validity of the remainder of the act and the applicability thereof to other persons and circumstances shall not be affected thereby.

"RESERVATION OF RIGHT TO AMEND

"SEC. 306. The Congress of the United States reserves the right to alter, amend, or repeal the provisions of this act.

"SEC. 307. This act may be cited as the 'national farm marketing association act of 1927.'"

Mr. BLANTON. What is that bill, H. R. 17071?

Mr. HILL of Maryland. That is the so-called Curtis-Aswell bill, establishing a national farm-marketing association.

Mr. BLANTON. The one we had in the last Congress?

Mr. HILL of Maryland. Yes; the one we had in the last Congress. Mr. Chairman, I ask unanimous consent that it shall be printed in full in the RECORD without reading.

Mr. BURTNESS. Mr. Chairman, I make a point of order on the amendment.

Mr. HILL of Maryland. I hope the gentleman will reserve his point of order.

Mr. BURTNESS. I will withdraw it.

The CHAIRMAN. The gentleman from North Dakota withdraws his point of order.

Mr. HILL of Maryland. Mr. Chairman and gentlemen of the committee, in the last session of this Congress we considered three types of farm relief—the McNary-Haugen bill, the Tincher bill, and the Curtis-Aswell bill. The Curtis-Aswell bill was reported by the House Committee on Agriculture with the recommendation that it pass. It was reported unanimously by the Senate committee. If it was a good bill, based on a different theory from the existing bill—if it was a good bill at the last session, it is a good bill at the present time. I can not vote for the pending bill or the other two just voted on, but I should like to have an opportunity to vote for a serious and well-considered farm relief bill, such as is offered by the Curtis-Aswell bill, which I reintroduced with a change in certain dates at this session as the bill H. R. 17071, and for identification called the Curtis-Aswell-Hill bill, and which I quite fully discussed before the Committee of the Whole during the general debate on the farm relief measure last week.

Gentlemen, I hope you will vote for my amendment and thus give the American farmer real relief, based on sound economic and governmental theory. [Applause.]

Mr. BURTNESS. Mr. Chairman, I make a point of order against it.

The CHAIRMAN. Does the gentleman from North Dakota make a point of order against the amendment?

Mr. BURTNESS. Yes; I do.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. BURTNESS. It is the same question that the Chair ruled on a year ago. But I do not want to take up any time in the discussion of the point of order.

Mr. BLANTON. That is the bill that the committee reported.

Mr. BURTNESS. I made the point of order for the reason that by doing that it will save time. Otherwise there will be a division, and tellers will be called for.

Mr. HILL of Maryland. Mr. Chairman, I hold that the amendment is in order.

The CHAIRMAN. The gentleman from North Dakota should understand that the rule here makes the Aswell bill in order, and the chairman of the committee is not called upon to rule on it.

Mr. BURTNESS. Then I withdraw the point of order.

The CHAIRMAN. The gentleman from North Dakota withdraws the reservation of the point of order. The question is on agreeing to the amendment offered by the gentleman from Maryland [Mr. HILL].

The question was taken, and the amendment was rejected.

Mr. NEWTON of Minnesota. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. NEWTON of Minnesota: Page 1, line 8, after the word "to," insert "prevent such surpluses unduly depressing prices obtained on such commodities to."

Mr. NEWTON of Minnesota. Mr. Chairman, throughout this debate I have endeavored to show that this bill is unsound in theory and would be found to be unworkable in practice and that if its provisions were ever put into effect the farmer, whom it was designed to benefit, would be done serious harm. Under this, the policy section of the bill, I want to discuss the effect upon the consumer. I shall assume for purposes of argument that the bill will work. There should be no doubt that this will mean a substantial increase in the cost of these commodities to the ultimate consumer. The more frank advocates of this legislation, like the gentleman from North Dakota [Mr. BURTNESS], and the gentleman from New York [Mr. JACOBSTEIN] admit this. However, it is denied by some Members and this is especially true of some of the advocates of this legislation outside of the Halls of Congress. They claim substantial increased prices to the farmer, but deny that this will be reflected in advance prices to the consumer.

Gentlemen, let us consider the commodities of wheat and flour. We will assume the passage of the bill and the putting into effect of the control on this commodity and that the tariff on wheat is not now effective and that this bill will make it so. What will it cost the American consumer?

The present domestic consumption of flour averages about 100,000,000 barrels annually. This is the equivalent of about 471,000,000 bushels of wheat. Of this 100,000,000 barrels of flour, 35,000,000 barrels is used by bakers; 30,000,000 goes into bakers' bread and 5,000,000 into crackers and cakes, pastries, and so forth. The remaining 65,000,000 barrels of flour are used annually by the American housewife. The advocates of this type of legislation claim that the protective tariff duty of 42 cents per bushel on wheat is of no benefit to the farmer, and they claim that this bill will give him the benefit of that tariff duty. There are about 4¾ bushels of wheat in a barrel of flour. An advance of 42 cents a bushel on wheat would mean about $2 advance in the cost of wheat on every barrel of flour. Of course, it is perfectly absurd to claim that such an advance in the price of wheat would not be immediately reflected in the price of flour, but some of the advocates of this legislation are claiming this, hence the necessity of discussing it in detail.

An examination of the market prices of wheat and flour show how quickly a change in the price of wheat is reflected in the price of flour. The price of wheat in 1923 was low. The price of wheat in 1925 was fairly high. In 1923 the total number of barrels of flour manufactured was 142,439,000. In 1925 the total amounts to 114,156,000. The total value of the wheat flour manufactured in 1923 was $663,302,000. The total value of wheat flour manufactured in the year 1925 was $904,972,000. The increase in 1925 over 1923 amounts to 36.4 per cent.

In 1923 the average price of No. 2 hard winter wheat at Kansas City was $1.11 per bushel. This is a good milling wheat and forms a substantial portion of the wheat sold and manufactured into Kansas patent flour in the vicinity in and around Kansas City, which is a primary wheat market. The 1925 price of No. 2 hard winter wheat at Kansas City was $1.67 per bushel. That is, the average price.

The average price of Kansas patent flour at this market in 1923 was $6.15 per barrel. The average price during the year 1925 on the same flour in that market was $8.52 per barrel. It will be observed that this grade of wheat advanced in price about 50 per cent and that flour manufactured with this grade of wheat as the principal component advanced about 35 per cent. The average price of No. 1 northern spring wheat at Minneapolis in 1923 was $1.18 per bushel. The average on the same grade at the same market in 1925 was $1.84 per bushel. The average price of spring wheat, second-patent flour at Minneapolis for 1923 was $6.19 per barrel. The average price of the same kind of flour at the same market for the year 1925 was $8.54 per barrel.

It should be perfectly apparent, therefore, that an advance of 42 cents a bushel in the price of wheat means an advance of $2 per barrel in the price of flour; and as the American housewife uses 65,000,000 barrels annually, this would mean an additional cost to her of $130,000,000 annually.

An increase of $2 per barrel on flour used by bakers for bread purposes will add a minimum of 1 cent per loaf to the retail price. Consuming a consumption of bread equivalent to 9,000,000,000 loaves per annum, this would mean an added cost on bakers' bread that the ultimate consumer would have to pay amounting to $19,000,000. The minimum increase in terms of the price of crackers, pastry, and so forth, represented by this $2 increase in the cost of flour, would be scarcely less than $5 per barrel on 5,000,000 barrels of flour used for these purposes, or $25,000,000. The total would be $245,000,000 advance in prices to the American consumer. If there was not an immediate advance in the price of bread, there would follow a depreciation in quality and a shrinking of the size of the loaf.

These figures take no account of the increased cost of overhead and distribution, which will result all along the line from such an increase.

What I have said of wheat and flour would be equally true of corn, rice, hogs, tobacco, and cotton.

The index number of wholesale prices on all agricultural commodities gotten out by the Bureau of Statistics of the Department of Labor for the year 1926 is 141.3. The base is the average for the years 1910 to 1914, inclusive, and equals the figure 100. The index number of the nonagricultural commodities for the year 1926 is 158.3. The difference is 17 cents. I should like to see this disparity removed, and give the farmer the same purchasing power he had in the period prior to the World War. The disparity in the year 1921 was 51 cents, or more than twice what it is to-day. This disparity is being lessened largely through the operation of sound economic laws. Legislation has helped to some extent. Undoubtedly, parity will be established by the gradual lowering of the prices of the other commodities and a gradual increase of the prices of the farm commodities until the two curves meet and merge.

Once the control is established it is the duty of the board to arrange for "the removing, withholding, or disposing of the estimated surplus of the commodity." This language is broad enough to include not only selling and manufacturing but the destruction of the surplus. It is expected that whatever surplus is sold abroad will be sold at a loss. The exporter of wheat or the exporter of flour will have an arrangement with the board whereby he will be paid for any loss sustained by him in selling the commodity abroad. Of course, this permits the exporting of wheat or flour to foreign markets at whatever can be obtained. The dumping of this surplus abroad in this fashion will be very acceptable to the European working man. It will lessen his cost of living while at the same time the cost of living to the American working man will be increased.

In other words, the foreign working man will get the benefit of this and the American farmer will pay for it with his equalization fee and the American workingman will also pay for it in a substantial increase in the cost of living. The only beneficiary of this whole scheme will be the European workman.

Since I have been in Congress, complaints have come to me from time to time about the reported destruction by producers in some instances, and commission merchants in other instances, of perishable foodstuffs. These reports have invariably caused resentment and rightly so. Yet the terms of this legislation clearly confer this power upon this board. The board can arrange this very thing and can pay the losses out of the fund to be established in the first instance by the Government and later through the payment of this equalization fee.

Mr. Chairman, another reason for my opposition to this bill is the placing of the marketing of these basic commodities under the absolute control of 12 men. Under the provisions of the bill the board may commence the control in their own discretion, providing certain representatives of the producers of the commodity sought to be controlled are agreeable to it. There is no other governmental agency restricting the exercise of this discretion. There can be no appeal whatever from a decision of the board to the courts or elsewhere. Once having commenced the control, regardless of how conditions might change, the control can not be terminated excepting by the board and then not unless members of the board representing land-bank districts producing in the aggregate more than 50 per cent of the commodity vote to end the control. Power of this kind should not be granted any man or group of men regardless of who they are.

It would be equally wrong to provide by law that the prices of farm products should not be increased unless the consent of 50 per cent of the consumers of that commodity was first obtained.

Just how far under this control would some of these members go to boost the price without there being any provision of law to restrain them? I shall tell you. The committee of 22 which has been in general charge of this campaign for the McNary-Haugen bill made an alleged study of the cost of producing certain agricultural commodities. They claim that the cost of producing a bushel of corn in Illinois, with a profit of 5 per cent included, amounted to $1.43; in Nebraska, $1.40; in Minnesota, $1.41; in Iowa, $1.43; and in North Dakota and Wisconsin, $1.42. Other costs of production in Iowa allowing the same margin of profits were claimed to be as follows: Oats, 79 cents; wheat, $2.49; hay, $21.44; hogs, $16.32; veal, $17.82; wool, 62 cents; lamb, $20.45; chicken, 28 cents per pound; butterfat, 98 cents; and eggs, 61 cents per dozen.

Where would the prices of foodstuffs go if men of this judgment were given the power first to initiate control without restriction and were not required to terminate it until they got good and ready? The figures I used on flour would have to be doubled.

Mr. Chairman, before I close I want to call the attention of the committee to a change in section 1 of the McNary bill with section 1 of the Haugen bill. I note that the McNary bill omits the following words:

To prevent such surpluses from unduly depressing the prices obtained for such commodities.

I would like to ask the chairman of the committee whether there is any thought of changing the intent and purpose of the legislation embodied in the original Haugen bill by omitting the phrase which I have just mentioned?

Mr. HAUGEN. The purpose is to adopt the Senate bill without any amendment. Time will not permit to discuss the amendments to the Haugen bill, and under the leave to print I shall extend my remarks in the RECORD.

Mr. NEWTON of Minnesota. Then the gentleman intends no change whatever in the legislation by this change of phraseology in the first section?

Mr. HAUGEN. None whatever. We will take it as it comes.

Mr. NEWTON of Minnesota. Mr. Chairman, it is perfectly clear then that the primary intent and purpose of this bill is to affect prices.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Minnesota.

The amendment was rejected.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the balance of the bill be considered as having been read under the five-minute rule. [Applause.]

Mr. RUBEY, Mr. LAGUARDIA, and Mr. RAMSEYER objected.

Mr. BLANTON. Well, we might just as well save time.

The CHAIRMAN. The Chair does not think he should submit that request. The Clerk will read.

The Clerk read as follows:

FEDERAL FARM BOARD

SEC. 2. (a) A Federal farm board is hereby created which shall consist of the Secretary of Agriculture, who shall be a member ex officio, and 12 members, one from each of the 12 Federal land bank districts, appointed by the President of the United States, by and with the advice and consent of the Senate, from lists of eligibles submitted by the nominating committee for the district, as hereinafter in this section provided.

(b) There is hereby established a nominating committee in each of the 12 Federal land-bank districts, to consist of seven members. Four of the members of the nominating committee in each district shall be elected by the bona fide farm organizations and cooperative associations in such district at a convention of such organizations and associations, to be held at the office of the Federal land bank in such district, or at such other place, in the city where such Federal land bank is located, to which the convention may adjourn. Two of the members of the nominating committee in each district shall be elected by a majority vote of the heads of the agricultural departments of the several States of each Federal land-bank district, at a meeting to be held in the same city and at the same time of the meeting of the convention of the bona fide farm organizations and cooperative associations in each district. One of the members of the nominating committee in each district shall be appointed by the Secretary of Agriculture.

(c) The Secretary of Agriculture shall, within 30 days after the approval of this act and biennially thereafter, with the advice of such farm organizations and cooperative associations as he considers to be representative of agriculture in any district, (1) fix the date on which a convention in such district shall be held, (2) designate the farm organizations and cooperative associations in the district eligible to participate in such convention, and (3) designate the number of representatives and the number of votes to which each such organization or association in the district shall be entitled. The date fixed for the first convention in each district shall be not later than 45 days after the approval of this act, and the date fixed for subsequent conventions in the district shall be, as nearly as practicable, two years after the preceding convention. The Secretary of Agriculture shall mail, at least 15 days prior to the date on which a convention is to be held, to each organization and association eligible to participate in such convention, notice of the date and place of such convention. The Secretary of Agriculture shall prescribe uniform regulations for the procedure at the conventions and for the proper certification of election of the members of each nominating committee.

(d) The term of office of each member of a nominating committee first elected or appointed shall expire two years from the date of his election or appointment, and the term of office of a successor shall expire two years from the date of the expiration of the term for which his predecessor was elected or appointed. Any member of a nominating committee in office at the expiration of the term for which he was elected or appointed, may continue in office until his successor takes office.

(e) The members of each nominating committee shall serve without salary but may be paid by the Federal farm board a per diem compensation not exceeding $20 for attending meetings of the committee. Each member shall be paid by the board his necessary traveling expenses to and from the meetings of the nominating committee and his actual expenses while engaged upon the business of the committee.

(f) Each nominating committee shall, as soon as practicable after the approval of this act, meet, organize, select a chairman, secretary, and such other officers as it deems necessary, and submit to the President a list of three individuals from its district eligible for appointment to the board.

(g) Whenever a vacancy occurs in the board, or whenever in the opinion of the chairman of the board a vacancy will soon occur, in the office of a member from any Federal land-bank district, the chairman of the board shall notify the nominating committee in such district. The nominating committee shall, as soon as practicable thereafter, meet and submit to the President a list of three individuals from such district, eligible for appointment to the board.

Mr. NEWTON of Minnesota. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Minnesota offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. NEWTON of Minnesota: On page 2, line 11, after the word "Senate" strike out the balance of the line and all of lines 12 and 13.

Mr. NEWTON of Minnesota. Mr. Chairman, I offer this amendment for the purpose of directing the attention of the committee to the provision restricting the President in making appointments to the Federal farm board of 12 members to a list of 36 names to be presented to him by nominating committees from the Federal land-bank districts. In my judgment this restriction on the appointive power of the President is clearly unconstitutional and as the Federal farm board is the directing agency for carrying out the provision of the bill, if this provision is unconstitutional, the entire measure must fail.

The Constitution, in referring to the powers of the President, says:

* * * and he shall nominate, and by and with the advice and consent of the Senate, shall appoint ambassadors, other public ministers, and consuls, judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law; but the Congress may by law vest the appointment of such inferior officers, as they think proper, in the President alone, in the courts of law, or in the heads of departments.

This is the only provision of the Constitution relating to the manner of the selection of public officers. It will be observed that the President is given both power of nomination and power of appointment. The apparent intent was to vest the responsibility of appointing public officers in the Chief Executive and to thereby hold him accountable for the conduct of those officers. In this connection, I quote from the Federalist, Chapter No. LXXVI, as follows:

The sole and undivided responsibility of one man, will naturally beget the livelier sense of duty, and a more exact regard to reputation. He will, on this account, feel himself under stronger obligations, and more interested to investigate with care the qualities requisite to the stations to be filled, and to prefer with impartiality the persons who may have the fairest pretentions to them. He will have fewer personal attachments to gratify than a body of men who may each be supposed to have an equal number, and will be so much the less liable

to be misled by the sentiments of friendship and of affection. There is nothing so apt to agitate the passions of mankind as personal considerations, whether they relate to ourselves or to others, who are to be the objects of our choice or preference. Hence, in every exercise of the power of appointing to offices by an assembly of men, we must expect to see a full display of all the private and party likings and dislikes, partialities and antipathies, attachments, and animosities, which are felt by those who compose the assembly. * * *

The truth of the principles here advanced seems to have been felt by the most intelligent of those who have found fault with the provision made in this respect by the convention. They contend that the President ought solely to have been authorized to make the appointments under the Federal Government. But it is easy to show that every advantage to be expected from such an arrangement would in substance be derived from the power of nomination which is proposed to be conferred upon him, while several disadvantages which might attend the absolute power of appointment in the hands of that officer would be avoided. In the act of nomination his judgment alone would be exercised, and as it would be his sole duty to point out the man who with the approbation of the Senate should fill an office, his responsibility would be as complete as if he were to make the final appointment. There can in this view be no difference between nominating and appointing. The same motives which would influence a proper discharge of his duty in one case would exist in the other. And as no man could be appointed but upon his previous nomination, every man who might be appointed would be in fact his choice.

But his nomination may be overruled. This it certainly may; yet it can only be to make place for another nomination by himself.

In the following chapter a further reference is made, reading in part as follows:

Upon a comparison of the plan for the appointment of the officers of the proposed Government, with that which is established by the constitution of this State (New York), a decided preference must be given to the former. In that plan the power of nomination is unequivocally vested in the Executive. And as there would be a necessity for submitting each nomination to the judgment of an entire branch of the legislature, the circumstances attending an appointment from the mode of conducting it would naturally become matters of notoriety, and the public could be at no loss to determine what part had been performed by the different actors. The blame of a bad nomination would fall upon the President, singly and absolutely. The censure of rejecting a good one would lie entirely at the door of the Senate, aggravated by the consideration of their having counteracted the good intentions of the Executive. If an ill appointment should be made, the Executive for nominating and the Senate for approving would participate, though in different degrees, in the opprobrium and disgrace.

It will be observed from these two extracts from the Federalist that the fathers who framed the Constitution considered the idea of restricting the President in his power of nomination and appointment and turned down the proposition. Congress has the right in creating a public office to prescribe the general qualifications that the appointee must have. For example: It may require that he be qualified in some particular profession. It may require that he come from some geographical area. It may prescribe other and general qualifications. But the President must be free to appoint anyone possessing those qualifications. Congress could undoubtedly require that every member of this Federal farm board be a practical farmer. The President would then be restricted to choosing farmers, but he could select any farmer whom he thought was best qualified to fill the position.

The only qualification set forth in this bill for a member of the Federal farm board is that he be a citizen of the United States. He need know nothing about agriculture, marketing, or business. He need have no special fitness to handle the responsible duties pertaining to membership in a board with control over these basic food commodities. The only qualification is that he must be a citizen.

But the President under this bill is not permitted to select any citizen whom he thinks is qualified. This discretion is denied him. He must select from a list of eligibles submitted by the nominating committees. My claim is that this is an unwarranted and unconstitutional interference with the appointive power of the President.

If Congress has the right to limit the President to a list of names of 36, it may limit him to a list of 24. Furthermore, this must be borne in mind. A nominating committee is composed of seven members from the Federal land-bank district, four are selected by farm organizations, two by the several State secretaries of agriculture, and one by the Secretary of Agriculture at Washington.

These seven are to meet and select three individuals from that Federal land district. The President in making an appointment from this district to the Federal farm board would have to select one of these three. It will be observed that, while the President is confined to selecting one of three names, that the nominating committee can select any three citizens they may desire to nominate. Their field of selection is practically unlimited, while the President is limited to a choice of one in three. Suppose that one of the nominating committee wanted the appointment himself. Three of the others agreed with him. They could place among the three eligibles the names of two individuals who were very clearly unfitted to fill the duties of the position. The President simply could not think of appointing either of these two. He would be forced to appoint the other. In other words, it would be possible for this committee to take away practically all discretion from the President in making the appointment.

So far as I can recall, there is no decision of the United States Supreme Court which is exactly in point. Congress has created many boards and commissions but has rarely attempted to restrict or limit the nominating or appointing power of the President. In passing the transportation act of 1920 Congress created a Railroad Labor Board. It restricted him as to two-thirds of the board to a list of nominees submitted by the carriers and the employees' organizations. It was more or less of an arbitral tribunal. Its constitutionality was never tested and the law was repealed after it had been in effect about six years.

Last fall, in the Meyers case, the Supreme Court held that Congress did not have the right to restrict the power of the President to remove a public officer without the consent of the Senate. There is no provision in the Constitution respecting removals excepting in cases of impeachment. In that case, the court held that the power of removal was vested in the President because it was naturally an executive power, and that Congress had no right to require the Executive to obtain the advice and consent of the Senate as a condition precedent to removing a public officer, which in this instance was a postmaster.

If Congress does not have the right to limit the power of the President to remove a public officer, when the express power of removal is not conferred upon the President under the Constitution, how can it have the constitutional power to confine the power of nomination and appointment to be subject to the will of others when this power is expressly conferred.

The State Legislature of Florida attempted to restrict the Governor of the State in a somewhat similar fashion in Westlake *v.* Merritt (95 Sou. Rep. 662), the supreme court of that State holding that the members of a board of chiropractic examiners were public officers, said:

The members of said board shall be appointed by the governor from a list of at least 10 to be recommended by the Florida Chiropractors' Association and said appointments shall be made as soon as practicable after this act becomes a law.

Later on in the opinion the court said:

Section 27 of article 3 of the constitution of Florida ordains that—

"'The legislature shall provide for the election by the people or appointment by the governor of all State and county officers not otherwise provided for by this constitution and fix by law their duties and compensation.'

"It pretends to lodge the appointing power with the governor, but seeks to limit his constitutional prerogative by vesting in the Florida Chiropractors' Association the right to confine the governor in his appointments to 3 out of 10 persons to be recommended by them. To a certain degree this empowers the Florida Chiropractors' Association to share with the governor the appointing power, which is lodged solely in him by the constitution.

"If the act required the governor to appoint any three persons recommended to him by the association, it is palpable that the appointing power would be exercised by the association and not by the governor, who would merely ratify their selections. If the legislature had power to limit the governor in the exercise of his appointing power to 10 persons recommended by the association, it could as well limit him to 3. The fact that 10 instead of 3 is the number designated by the legislature in no way affects the principle and is a matter of degree only."

The court further says on page 663:

But where the constitution in express terms confers upon the governor the power to appoint all officers that may be appointed and are not otherwise provided for by the constitution or by-laws made pursuant to constitutional authority on the particular subject, the legislature can not directly or indirectly, or under the guise of prescribing qualifications, limit or encroach upon the power of the governor to appoint officers to fill statutory offices by designating other authority to participate in selecting or in hampering the exercise of executive judgment in making selections for appointments to office. (See State *v.* Washburn, 167 Mo. 680, 67 S. W. 592, 90 Am. St. Rep. 430; State ex rel. Harvey *v.* Wright, 251 Mo. 325, 158 S. W. 823, Ann. Cas. 1915A, 588.)

Similar decisions have been rendered by the Supreme Courts of other States:

State ex inf. Hadley v. Washburn, 167 Mo. 680; State ex rel. v. Kennon, 7 Ohio State 546; State ex rel. v. Stanley, 66 N. C. 59.

Last year my good friend, the gentleman from Iowa [Mr. RAMSEYER]—there is no better lawyer in the House—discussed in a very able manner this constitutional question. At the conclusion of his remarks he very frankly admitted that there were no precedents or decisions of the United States Supreme Court upon this particular proposition. However, if gentlemen will read the debates in the Constitutional Convention and study the contemporaneous writings of Hamilton in the Federalist I do not see how they can escape the conclusion that the Fathers vested all nominating and appointing power in the President and that this provision to the contrary is unconstitutional.

Mr. BURTNESS. Does the gentleman contend that this board is an officer of the United States?

Mr. NEWTON of Minnesota. I certainly do.

Mr. BURTNESS. The gentleman goes that far?

Mr. NEWTON of Minnesota. I do. My friend from North Dakota may claim that a member of the Federal farm board is not a public officer within the meaning of the Constitution. As to that, let me say this: It must be admitted that the position is one of great responsibility. The members of this board are to have the control of these basic food commodities, the aggregate value of which in a given year would amount to several billion dollars. No such power has ever been given any man or group of men in peace or in war in this country. The bill requires the advice and consent of the Senate. The compensation is $10,000 per annum. Surely with this power and with this evidence of the importance that Congress places upon the position in the bill itself I do not see how it can be successfully contended that the members of this board are not public officers within the meaning of the Constitution. If they are, I submit that this section is clearly in violation of the Constitution. Of course, if they are not, then I presume that what I have said would not follow. But my judgment is that they are clearly public officers within the meaning of the Constitution.

Mr. HAUGEN. Mr. Chairman, I move that all debate on the pending section and all amendments thereto close in five minutes.

The motion was agreed to.

Mr. RAMSEYER. Mr. Chairman and gentlemen, the gentleman from Minnesota [Mr. NEWTON] has just made the assertion that the McNary-Haugen bill now before us for consideration is unconstitutional. I have a very high regard for the ability and judgment of the gentleman from Minnesota, as well as for the ability and judgment of other gentlemen who have taken the position that there are unconstitutional provisions in this bill. However, I regret to note that most of the gentlemen who have spoken against this bill and who have expressed opinions that it is unconstitutional are long on asserting it is unconstitutional but short on citing law writers and court decisions in support of their position.

When this bill was before this House last year I made an extended argument in support of the constitutionality of the bill, in which I undertook to support my position by legislative precedents, law writers, and court decisions. I made this argument on May 10, 1926, which appears in the CONGRESSIONAL RECORD, Sixty-ninth Congress, first session, page 9149. I refer you to the CONGRESSIONAL RECORD, where my argument can be found, because I do not intend to take up the time of the House during this debate in citing and reviewing the authorities I presented on that occasion.

THE FEDERAL FARM BOARD

When this bill was before the House last May a number of gentlemen took the position that the provision for the selection of the board was unconstitutional because it placed a limitation on the President's power of appointment. With that speech of May 10 last I inserted in the CONGRESSIONAL RECORD references to 70 statutes passed by Congress limiting the appointing power of the President. I do not know of a single instance where the President has refused to follow to the letter any one of these 70 laws in making nominations to the Senate. If the President signs this bill, it is reasonable to suppose that he will submit nominations to the Senate in compliance with the provisions in this bill. If the President nominates one of the three submitted to him from each of the 12 Federal land-bank districts, that constitutes the President's selection; and if the Senate confirms, the constitutionality of such a nomination can not be raised in the courts. If the President should refuse to follow the provision of the bill in making nominations to the Senate, and the Senate should confirm nominations so made, and the Supreme Court should afterwards sustain the President in his action, that would not in any way affect the validity of the Federal farm board itself for the reason I am about to state.

Under section 17 of this bill, which provides for the separability of provisions, the Supreme Court could find the provision which establishes nominating committees in each of the 12 Federal land-bank districts unconstitutional without in the least affecting the constitutionality of the Federal farm board itself. The courts in construing the validity of the acts of Congress have discussed the effect of sections such as section 17 of this bill. For the weight that the Federal courts give to a provision such as is contained in section 17 in construing the constitutionality of the acts of Congress I cite you to Graham v. Miles (284 Fed. 878, at 881–882), Board of Trade v. Olson (262 U. S. 1, at 42), and Trusler v. Crooks et al. (269 U. S. 475, 480). Section 17 of the bill before us reads as follows:

If any provision of this act is declared unconstitutional, or the applicability thereof to any person, circumstance, commodity, or class of transactions in respect of any commodity is held invalid, the validity of the remainder of the act and the applicability of such provision to other persons, circumstances, commodities, and classes of transactions shall not be affected thereby.

The minority report on the Haugen bill takes it for granted that the members of the nominating committees and of the commodity councils are officers of the United States and, therefore, concludes that the provisions for the selection of the nominating committees and of the commodity councils are unconstitutional because in contravention of Article II, section 2, clause 2 of the Constitution, which reads as follows:

* * * and he shall nominate, and, by and with the advice and consent of the Senate, shall appoint ambassadors, other public ministers and consuls, judges of the Supreme Court, and all other officers of the United States whose appointments are not herein otherwise provided for, and which shall be established by law; but the Congress may by law vest the appointment of such inferior officers, as they think proper, in the President alone, in the courts of law, or in the heads of departments.

The fallacy of the argument in the minority report lies in the assumption that all persons having a place in the public service of the United States are officers of the United States.

What is an officer of the United States? Article II, section 1, clause 2 of the Constitution provides:

Each State shall appoint, in such manner as the legislature thereof may direct, a number of electors—

And so forth.

This provision of the Constitution pertains to the appointment of presidential electors. The courts have held that presidential electors are not officers of the United States. In re Green (134 U. S. 379) the Supreme Court held that the sole function of presidential electors is to cast, certify, and transmit the vote of the State for President and Vice President of the Nation, and although the electors are appointed and act pursuant to the Constitution of the United States they are not officers or agents of the United States. The point I want you to get here is that, although presidential electors get their appointment pursuant to a constitutional provision, they are, nevertheless, not officers of the United States.

The courts have held time and again that unless a person in the service of the Government holds his place by virtue of an appointment by the President, or one of the courts of justice, or heads of departments authorized to make such an appointment, he is not, strictly speaking, an officer of the United States. (United States v. Mouat, 124 U. S. 307; United States v. Smith, 124 U. S. 532; Lamar v. United States, 240 U. S. 60 and 241 U. S. 103.) That a surgeon appointed by the Commissioner of Pensions is not an officer of the United States within the meaning of Article II, section 2, clause 2 of the Constitution, see United States v. Germaine (99 U. S. 511).

It is further asserted in the minority report that Congress is without power to create an elective office, and then the report indulges in the assumption that membership on the nominating committees and on the commodity councils are such elective offices. The confusion of the writer of this part of the minority report is undoubtedly due to the fact that he assumes that the Constitution draws a clear distinction between the meaning of the word "appoint" and the word "elect." No such a distinction was undertaken to be made by the framers of the Constitution. Presidential electors are appointed, even though as a matter of fact in every State in the Union they

are elected by the people thereof as the word "elected" is popularly understood. To "appoint" does not necessarily mean that the selection is made by one person, and to "elect" does not necessarily mean that the selection is made by all the qualified electors. The power of appointment may be given to one person, or to a board composed of a number of persons, or to all the qualified electors, as in the case of the appointment of presidential electors.

Article I, section 2, clause 1, of the Constitution reads:

The House of Representatives shall be composed of Members chosen every second year by the people of the several States—

and Article I, section 3, clause 1, of the Constitution reads:

The Senate of the United States shall be composed of two Senators from each State chosen by the legislatures thereof.

I call your attention to the fact that the word "chosen" is used in each of the two clauses just referred to. If either the word "appointed" or the word "elected" had been used for the word "chosen," it would have made no difference in the meaning of either of the clauses of the Constitution just quoted.

If in the bill the word "appoint" were used instead of the word "elect" in the provisions pertaining to the nominating committees and commodity councils, it would not change their meaning or make them any more or less constitutional. Neither the members of the nominating committees nor the members of the commodity councils are officers of the United States, and therefore their selection or appointment or election is not governed by Article II, section 2, clause 2, of the Constitution.

EQUALIZATION FEE

In my speech of May 10, 1926, I also discussed the constitutionality of the equalization fee. The chief argument then urged against its constitutionality was that it would apply to certain intrastate transactions as well as to interstate transactions, and that it would be constitutional only in so far as it applied to interstate transactions.

The Supreme Court has held in railroad cases, in cases involving commerce in livestock and in grain, that Congress when it exercises its power to regulate interstate commerce can also regulate such intrastate commerce which if left unregulated would cast an undue burden upon interstate commerce. As this issue has not been raised during this debate I shall not continue further discussion on this phase of the question.

The constitutionality of the equalization fee, I maintain now as I maintained last year, can only be sustained as a regulation of commerce under Article I, section 8, clause 3 of the Constitution, which empowers Congress—

To regulate commerce with foreign nations, and among the several States, and with Indian tribes.

As a regulation of commerce I think the equalization fee is constitutional for the reasons presented in my argument on the floor of this House when the McNary-Haugen bill was up for consideration last May.

It has been held that Congress has the power to regulate interstate commerce by any means which may be proper, so long as such means are not contrary to some provision of the Constitution. Such regulation of commerce, either with foreign nations or among the several States, may influence prices.

One of the objects of antitrust laws is to hold down prices.

An aim of a protective tariff is to maintain better prices and better wages, or, in other words, to hold up prices and wages. There are law writers who are of the opinion that a protective tariff is constitutional as a regulation of commerce and not as a tax, and at least one court decision gives weight to that view, to wit, Russell *v.* Williams (106 U. S. 623, 625–626).

The constitutionality of the equalization fee can only be sustained as a regulation of commerce. The constitutionality of the equalization fee, in my opinion, can not be sustained under the taxing power of the Constitution. This fee under the provisions of the bill is in no sense a tax.

Gentlemen on the floor of this House still assert that the equalization fee is a tax, and therefore unconstitutional. Those gentlemen who claim to believe that the equalization fee is a tax do not give any reason for the faith that is in them. They cite no court decision and no law writers in support of their claims that the equalization fee is a tax. My position has been, and still is, that the equalization fee is not a tax, and I am supported in my position by law writers and the courts.

Before we pursue this discussion further we should ascertain what a tax is. First, I quote a few definitions from Words and Phrases:

A "tax" is a pecuniary burden imposed for the support of government.

Here is another definition:

A "tax" is an enforced proportional contribution levied upon persons, property, or income for governmental needs.

I now read a third definition on the meaning of a "tax" from Words and Phrases, as follows:

Generally speaking, a "tax" is a pecuniary burden laid on individuals or property for the purpose of supporting the Government.

I do not think that you can find a single court decision that holds a tax to be anything except as defined in these definitions from Words and Phrases. The money to be collected from the equalization fee is not in any sense to be used or available to be used for the purpose of supporting the Government or for governmental needs. In fact, I can not understand how any lawyer, if he has given this subject any thought or study whatever, can arrive at the conclusion that the equalization fee is a tax.

The claim made in the minority report that it is a tax because money derived from the equalization fee may be used to reimburse the Treasury of the United States for loans made to the Federal farm board is so far-fetched and so wholly devoid of logic and merit that it deserves but passing notice. The Government has loaned money to the railroads. The way the railroads have to pay such loans is from freight and passenger charges. If the equalization fee is a tax because some of the money so raised may be used to pay off a debt owed by the Federal farm board to the Treasury, then freight and passenger charges collected from the people are a tax because part of the money so collected may be used to reimburse the Treasury. Other like illustrations will readily suggest themselves to the minds of Members. But enough has been said on this point.

I have here a volume entitled "Constitution of the United States of America (Annotated)." A copy of this volume is in the possession of every Member of the House. On page 73 of this volume is a definition of taxes, which reads:

A tax is a rate or sum of money assessed on the person or property of a citizen by the Government for the use of the Nation or State; a charge for the support of government; to raise money for public purposes. The obligation to pay taxes rests, not upon the privileges enjoyed or the protection given to a citizen, but upon the necessity of money for the support of government, but the citizen receives compensation therefor in privileges and protection. A tax is not a toll; a tax is a demand of sovereignty, while a toll is a demand of proprietorship.

Following this definition are numerous citations of court decisions with which I shall not encumber the RECORD. Members who are interested can get the citations from this volume.

The equalization fee is in so sense a tax. The money collected from the equalization fee is not for the support of government. The equalization fee is levied in order to support the marketing system which the bill undertakes to set up.

Not all burdens in the way of fees and charges, even if imposed and collected by the Government and covered into the Treasury and used for the purpose of supporting the Government are taxes. Law writers and the courts have held that postal rates and charges are not taxes and that bills fixing postal rates are not bills for raising revenue.

I do not desire to take up further time of this House on this point. However, those who may be interested in knowing more about what is a tax and what is a bill for raising revenue as contemplated in the Constitution I refer to two discussions of mine two years ago on the floor of this House when I undertook to point out the meaning of Article I, section 7, clause 1, of the Constitution, which provides—

All bills for raising revenue shall originate in the House of Representatives.

The first speech on this subject I delivered on the floor of this House February 5, 1925, found in CONGRESSIONAL RECORD, Sixty-eighth Congress, second session, page 2944, and the second speech was delivered on February 13, 1925, and found in CONGRESSIONAL RECORD, Sixty-eighth Congress, second session, page 3664.

One gentleman raised the issue that this bill being a tax bill and having originated in the Senate will be declared unconstitutional for repugnancy to Article I, section 7, clause 1, of the Constitution, which I have just quoted. Of course, if I am correct in my position as to what a tax is and what constitutes revenue in the constitutional sense, then the argument of the gentleman that the bill is unconstitutional because it originated in the Senate falls to the ground.

One other thought, under Article I, section 8, clause 1, which is the provision giving Congress the power to tax, it is evident that under the exercise of this power the revenue must be collected for the public purposes, or, in the language of this clause of the Constitution—

To pay the debts and provide for the common defense and general welfare of the United States.

Under this limitation, a tax for other purposes can not be levied. The other limitation on this grant of power to tax is—

But all duties, imposts, and excises shall be uniform throughout the United States.

The equalization fee is collected only on basic agricultural commodities that go into the commerce of the country after an operating period has been declared, and therefore can not be uniform on all of any basic commodity.

One other and last point that I will take notice of before I conclude. It was suggested during the debate that the grant of authority to the board to levy the equalization fee was a delegation of legislative power by Congress and therefore unconstitutional. There is no question that Congress can not delegate legislative power to any person, board, or group. There is nothing in the bill that delegates legislative power to the board. Straight and careful thinking would not lead anyone to conclude that the bill undertakes to delegate legislative power. To aid Members in determining what is and what is not a delegation of legislative power, I quote a paragraph from Field *v.* Clark (143 U. S. 649 at 693–694), to wit:

"The true distinction," as Judge Ranney, speaking for the Supreme Court of Ohio, has well said, "is between the delegation of power to make the law, which necessarily involves a discretion as to what it shall be, and conferring authority or discretion as to its execution, to be exercised under and in pursuance of the law. The first can not be done; to the latter no valid objection can be made." (Cincinnati, Wilmington, etc., Railroad *v.* Commissioners, 1 Ohio St. 88.) In Moers *v.* City of Reading (21 Penn. St. 188, 202), the language of the court was: "Half of the statutes on our books are in the alternative, depending on the discretion of some person or persons to whom is confided the duty of determining whether the proper occasion exists for executing them. But it can not be said that the exercise of such discretion is the making of the law." So, in Locke's Appeal (72 Penn. St. 491, 498): "To assert that a law is less than a law because it is made to depend on a future event or act is to rob the legislature of the power to act wisely for the public welfare whenever a law is passed relating to a state of affairs not yet developed or to things future and impossible to fully know." The proper distinction, the court said, was this: "The legislature can not delegate its power to make a law, but it can make a law to delegate a power to determine some fact or state of things upon which the law makes, or intends to make, its own action depend. To deny this would be to stop the wheels of government. There are many things upon which wise and useful legislation must depend which can not be known to the law-making power, and must, therefore, be a subject of inquiry and determination outside of the halls of legislation."

Of course, I am not so presumptuous as to claim or to assert that this bill or some provision thereof will not be found unconstitutional by the Supreme Court. However, I do not hesitate to state that in my judgment the Supreme Court will not find the establishment of the Federal farm board itself unconstitutional, nor will that eminent tribunal find the equalization fee unconstitutional on the ground that that fee is a tax.

The amendment was rejected.

Mr. ASWELL. Mr. Chairman, I move to strike out the last word.

Mr. BEGG. Mr. Chairman, I make the point of order that debate has just been closed on this section.

Mr. BLACK of New York. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The point of order is sustained. Without objection, the pro forma amendment of the gentleman from Louisiana is withdrawn, and the gentleman from New York [Mr. BLACK] is recognized to offer an amendment, which the Clerk will report.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. BLACK of New York: On page 5, line 10, after the word "board," insert "other than members of such nominating committee."

The amendment was rejected.

The Clerk read as follows:

QUALIFICATIONS AND TERMS OF BOARD MEMBERS

SEC. 8. (a) The terms of office of the appointed members of the board first taking office after the approval of this act shall expire, as designated by the President at the time of nomination, four at the end of the second year, four at the end of the fourth year, and four at the end of the sixth year, after the date of the approval of this act. A successor to an appointed member of the board shall be appointed in the same manner as the original appointed members, and shall have a term of office expiring six years from the date of the expiration of the term for which his predecessor was appointed.

(b) Any person appointed to fill a vacancy in the board occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term.

(c) Any member of the board in office at the expiration of the term for which he was appointed, may continue in office until his successor takes office.

(d) Vacancies in the board shall not impair the powers of the remaining members to execute the functions of the board, and a majority of the appointed members in office shall constitute a quorum for the transaction of the business of the board.

(e) Each of the appointed members of the board shall be a citizen of the United States, shall not actively engage in any other business, vocation, or employment than that of serving as a member of the board, and shall receive a salary of $10,000 a year, together with necessary traveling expenses and expenses incurred for subsistence or per diem allowance in lieu thereof, within the limitations prescribed by law, while away from the principal office of the board on business required by this act, or if assigned to any other office established by the board, then while away from such office on business required by this act.

Mr. HAUGEN. Mr. Chairman, the general sentiment seems to be that we should expedite the passage of this bill, and I believe the general sentiment is that it should be passed without amendment. Therefore I move that all debate on this section now close.

Mr. BLANTON. That motion is out of order. That can not be done now.

The CHAIRMAN. The motion of the gentleman from Iowa is not in order until after five minutes of debate on the section.

Mr. FISH. Mr. Chairman——

Mr. DOWELL. Mr. Chairman, I make a point of order. The gentleman from Iowa was recognized. The gentleman had a right to five minutes if he wanted to use it. The gentleman talked for a few moments and then closed and now no one else has a right to take five minutes.

Mr. JACOBSTEIN. The gentleman from Iowa made a motion also.

Mr. DOWELL. He made a motion which he had the right to make and it is perfectly in order.

The CHAIRMAN. The Chair did not understand that the gentleman from Iowa discussed any amendment at all.

Mr. DOWELL. He certainly did and his motion was in order.

Mr. FISH. He did not discuss it.

The CHAIRMAN. The Chair could not hear what the gentleman from Iowa said and would be glad to have him repeat it.

Mr. DOWELL. I ask for a vote on the motion, Mr. Chairman.

Mr. HAUGEN. In discussing the section I made a remark at the same time about the sentiment of the House.

Mr. RAMSEYER. As a matter of fact, the gentleman from Iowa [Mr. HAUGEN] did not make a motion.

Mr. DOWELL. Yes; he did.

The CHAIRMAN. Did the gentleman from Iowa [Mr. HAUGEN] submit any motion to the committee?

Mr. HAUGEN. I moved that all debate on the section and all amendments thereto now close.

Mr. BLANTON. And I make the point of order against that motion that it is out of order until there is debate on the section.

Mr. DOWELL. But there was debate, Mr. Chairman.

Mr. BLANTON. Not on this section.

Mr. DOWELL. There was debate on this section.

The CHAIRMAN. The Chair does not understand that any debate can commence until an amendment is offered. The Chair did not understand the gentleman from Iowa [Mr. HAUGEN] to offer any amendment or any motion until he moved that all debate be closed. Under those circumstances, he does not think the motion is in order.

Mr. DOWELL. Mr. Chairman, it is not necessary for one who desires to address the House to make a motion. If there is debate on the subject, he has five minutes within which to debate it; and if he addresses the House for any length of time, then he has the right to make such a motion.

Mr. BLANTON. But he could not address the House without offering an amendment.

Mr. JACOBSTEIN. Mr. Chairman, I have an amendment I wish to offer.

Mr. GARRETT of Tennessee. Mr. Chairman, the gentleman from New York offered an amendment. He was entitled to recognition to speak for five minutes. At the end of that time it would have been in order for the gentleman from Iowa to make the motion which he has made. The one who offers an amendment is entitled to recognition. The gentleman from

Iowa interfered with his recognition. The gentleman from New York is clearly entitled to the floor for five minutes, and at the end of that time the gentleman from Iowa will be entitled to make the motion which he has made.

Mr. HAUGEN. I withdraw the motion.

The CHAIRMAN. The Chair thinks there was nothing before the committee until some motion was made. There was no motion made until the gentleman from New York [Mr. FISH] was recognized to make the motion and the Chair overrules the point of order and recognizes the gentleman from New York.

Mr. FISH. Mr. Chairman, I move to strike out the enacting clause.

The McNary-Haugen bill may or may not be a panacea for all the ills of the Middle West and southern farmers, but one thing is certain, it spells high cost of living, hardship, suffering, and increased family budgets for millions of poor people in the State of New York and throughout the East.

The McNary-Haugen bill is unconstitutional, vicious in principle, and conceived in propaganda and politics, and dedicated to raise the price of foodstuffs, and increase the high cost of living for a hundred million people. What of the millions in New York State and the Eastern States, who labor to earn their daily bread by the sweat of their brow? Will the Government be a party to assessing them on each loaf of bread and on each pound of pork? No government has ever dared or even attempted to take the money out of its treasury in time of peace to help raise the price of foodstuffs to the public, and that is what this bill is—a price raising bill—and that is its only intent and purpose. Take for example the State of New York, which contributes one-fourth of all the taxes; our taxpayers will have to contribute $50,000,000 of the $250,000,000 in the proposed revolving fund to put this bill into effect, and, in addition to that, practically all of the 11,000,000 people in the State of New York will be assessed 1 cent on every loaf of bread, 5 cents on every pound of pork, and an indefinite sum on their clothing. Furthermore, it means that the great dairy industry of New York State, probably the largest in the country, will have to pay more for their grain which they buy from the West, and this can only result in the dairymen selling their herds or increasing the price of milk to the millions of consumers in New York City, and work a great hardship on the women and children and poor of that city and of other cities.

In the olden days Rome attempted to reduce the price of bread, and even almost gave it away to the people, but no country has ever attempted in peace times to increase the cost of living to its own people by direct subsidies out of the Treasury.

The McNary bill could not possibly pass this House on its own merits. I congratulate the framers of the bill from the Corn Belt for taking in the cotton and tobacco people, thereby securing their votes to pass the bill. I do not question the good faith and sincerity of those Members from the Middle West who believe that this bill will help their own constituents; on the other hand I do most severely condemn the unholy alliance entered into by Members from the Middle West in a great committee in this House to barter and trade votes to kill the coal bill, carrying out the recommendations of the President, to protect the interest of the public in case of another coal strike. Such action is disgraceful, dishonorable, and dishonest and must cease if we are to uphold the dignity and prestige of the House of Representatives as a legislative body. The alliance between the coal barons and Representatives from agricultural States is not only unnatural and unholy but shows to what length the men behind the bill have gone to jam it through Congress.

I certainly hope in the next House that the rules will be changed so we can have a workable rule to discharge committees from further consideration of important measures which are in the interest of the public and not permit them to be stifled, chloroformed, or bartered away in committees.

It has been rumored about that the Democratic Members from New York City intend to vote for the McNary-Haugen bill in order to help line up southern and western delegates and thereby enhance the chances of Governor Smith to obtain the Democratic nomination for the Presidency. I am unwilling to believe that my colleagues from New York will vote against the interests of the people of New York State. Any Member of Congress from New York, who votes for the McNary-Haugen bill, betrays his constituents. [Applause.]

Mr. WEFALD. Mr. Chairman, during the last campaign it was considered so important to send a whole Republican delegation from my State to Congress that Mr. Theodore Roosevelt, jr., was imported into my district to speak against me. He pledged the unanimous support of the New York delegation to any farm-relief measure that was acceptable to the State of Minnesota. [Applause.] We have just had an answer in the speech of the gentleman from New York [Mr. FISH].

When the Haugen bill was before Congress the first time there was only one Member from the State of New York that had the courage to speak for it and had the courage to vote for it at any stage of the game, and he did not return to Congress.

We do expect to receive better treatment at the hands of New York this time, but the only aid we look for from that State is from the Democrats of New York and from the Independent Member, Mr. LAGUARDIA. I have heard my friend LAGUARDIA speak in the Northwest on the farmers' cause, and he did not voice the sentiment of Wall Street. No Progressive in Minnesota had any faith in Colonel Roosevelt's protestation of friendship for the farmers, and they were not mistaken. Republican New York speaks words of friendship for the farmers in the West with the voice of Roosevelt, but in Congress it speaks its true sentiment with the voice of Mr. FISH. At that, I doubt if Mr. FISH speaks the conviction of the toiling masses of New York. I am opposed to the motion of the gentleman from New York to strike out the enacting clause, which means to cut the head of the bill and to kill it with one stroke. This is equivalent to cutting the head of the farmer after he has been bled white.

When this bill becomes a law the farmer will talk to New York.

In only one other State of the Union would a member of the State delegation at this time dare in this House to make a motion of the magnitude of the motion made by the gentleman from New York, and that is the gentleman from Minnesota from the fifth district [Mr. NEWTON]. A few minutes ago the gentleman from Minnesota offered an amendment which if it had been carried would have cut the heart out of the Haugen bill. Why did he do it? Because he heard his master's voice. Here is a telegraphic petition sent every Member of my State delegation, except the gentleman from the fifth district; they did not send it to him because he did not have to be instructed, because he has always been consistent and always been wrong. [Laughter.] I wish I had the time to take up and discuss the petition. It cost $15 to send this telegram to me and $15 to sent it to each one of the rest of our delegation. The people that sent this petition have in the past spent hundreds of thousands of dollars in annihilating the Farmer-Labor Congressmen. It is a petition against the Haugen bill. The gentleman from Minnesota [Mr. NEWTON] always here claims to speak for the farmers, and he has told us that he has a township of farmers in his district. There is not the name of a single farmer on this petition. It is sent out by the representatives of big business that control Minnesota's fifth district and who keep Mr. NEWTON in this House.

The petition is signed by the small but powerful minority that control the business and credit situation in the State of Minnesota. It is signed by high railroad officials, by the grain gambler, by merchant princes, and by the big banks that furnish the grain gamblers with money so they can keep the game going. But the gentleman from the fifth district, speaking against this bill and trying to cripple it with amendment, does not truly represent even his own district. The gentleman spoke in this House against the Haugen bill on February 4. I followed him and had read a resolution passed by the Minnesota Farm Bureau Federation that rebuked the administration in stinging terms. On the 5th of February, or the following day, petitions were circulated in the city of Minneapolis in favor of the McNary-Haugen bill, and 480 business and professional men signed it. To counteract this move the big business interests sent this 6-foot-long telegram that I have shown you.

Yesterday the Minnesota Legislature passed a joint resolution that has been telegraphed to every Member of the Minnesota delegation to-day. It condemns the action of the Minneapolis crowd and stresses the necessity of action by Congress in the interest of the farmers of that State. It states that—

the farmers of Minnesota are in dire need of relief legislation and the same should be speedily enacted into law.

This is the second resolution passed by the Minnesota Legislature in the present session urging the passage of the McNary-Haugen bill.

Minnesota is a storm center as far as farm relief legislation goes. I have also recently received a resolution passed by the Minnesota Federation of Farm Loan Associations, one paragraph of which reads:

We especially and particularly desire to express our hearty approval of the McNary-Haugen bill, which is at the present time before our Congress for action, and commend the stand taken by all Congressmen

from this State in favor of this measure, with the single exception of the Congressman from the city of Minneapolis [WALTER H. NEWTON].

Mr. Chairman, I have supported the Haugen bills from the time the first one was introduced in 1924. I do not think this bill is perfect, nor do I dare at this time to estimate the benefit to flow from its enactment for the farmers. If it becomes a law, it will be just as necessary to send friends of the farmers to Congress for many years to come as it has been to have them here now, for it can be crippled by amendments in future Congresses and by administration. There have been so many eleventh-hour converts that I wonder how long they will stand with us. Of course, the eleventh-hour workers in the vineyard will be entitled to as much pay as those who have borne the brunt of the day.

This farmers' revolution that we see in this House to-day started in Minnesota in 1913, when that body investigated the Chamber of Commerce of Minneapolis. That investigation did not accomplish what it set out to do, but it unearthed a mass of evidence as to how the farmers were being bled by the grain gamblers. From Minnesota the movement surged into North Dakota, but it gained real momentum only after the farmers who came to the North Dakota Legislature to ask redress for certain grievances were told to "Go home and slop their hogs." They went home and slopped their hogs, but they slopped a lot of politicians, too. The movement surged back into Minnesota and spread to Iowa and other States, but only after bankruptcies and bank failures had rudely awakened the people of those States from their dreams of prosperity.

I hope that history will repeat itself to-day. This morning I read in the Washington Post the following:

> The pigs are squealing for their swill,
> So hurry up the hoggin' bill.

This is like an echo from North Dakota; it shows how much they think of the farmer, who feeds them all. We will "slop" a few to-day.

I support the McNary-Haugen bill for a few simple reasons. I believe that protection for all is protection for none. Many interests in our land are rolling in wealth to-day because they have protection and special privilege; the passage of this bill will be the best way of getting these interests down to the farmers' level, if the farmers can not come up to theirs.

Then, I believe in the establishment of the farm board to act for agriculture. The establishment of this board is the big thing in this bill. The bankers have a board—the Federal Reserve Board—to look out for their interests. The railroads have the Interstate Commerce Commission to look after their interests; and the manufacturers have two boards, the Tariff Commission and the Federal Trade Commission, to look after their interests and to protect them. All these interests were given laws under which they are guaranteed cost plus profit. The commissions that function for them see to it that they get cost plus profit, and I imagine that a farm board, named by the farmers, will look after the farmers' interests. The equalization fee has been the storm center in this debate. If, as some fear, it is unconstitutional, it will be stricken from the law; if it is constitutional, it will function as well as the tariff and the Pullman surcharge function in favor of other interests.

"All is well that ends well." I have now seen the steam roller in this House function in favor of the farmers. I here present for the RECORD the resolutions I have spoken of:

Be it resolved by the Minnesota Federation of National Farm Loan Associations (representing 180 local associations in this State with a total of 8,405 farmer borrowers located in every township in this State, in annual convention assembled at St. Paul, Minn., this 9th day of February, 1927):

1. That we fully approve of the conservative policy promulgated by the officers and directors of the Federal Land Bank of St. Paul, and commend the efficient manner in which the affairs of this bank have been managed during the trying times of these recent years.

2. That we are opposed to any legislation by the Congress of the United States which may in any manner whatsoever cripple the Federal farm-loan system as now operated by the Federal land banks, and that we are especially opposed to the so-called McLean-McFadden bill which is now awaiting action by Congress.

3. Believing that all persons who live in an agricultural community, without regard to business, profession, or occupation, are entirely dependent for existence upon the fruits of the labor of the man or woman who actually tills the soil; therefore we favor any legislation which will tend to give to the person who toils on the land a greater net return for his labor.

We especially and particularly desire to express our hearty approval of the McNary-Haugen bill which is at the present time before our Congress for action, and commend the stand taken by all Congressmen from this State in favor of the measure, with the single exception of the Congressman from the city of Minneapolis, WALTER H. NEWTON.

4. Believing that the entire Middle West is at a decided disadvantage because of the discrimination in the present transportation rates, therefore we fully approve of the proposed Great Lakes-St. Lawrence waterway project now before Congress and urge early action by Congress looking toward the completion of these vitally necessary enterprises: Be it further

Resolved, That a copy of these resolutions be forwarded by the secretary of this federation to the Senators and Representatives in Congress from this State, to the commissioner of the Federal farm loan board, and to the President of the United States, Calvin Coolidge.

G. O. HAGE, Crookston,
S. A. RASK, Blooming Prairie,
H. H. PEYTON, Proctor,
WILLIAM OLSON, Willmar,
J. B. GISLASON, Minnesota,
Committee.

On motion, these resolutions were unanimously adopted.

ST. PAUL, MINN., *February 16, 1927.*

Congressman KNUD WEFALD, *Washington, D. C.:*

I am herewith forwarding to you as per instructions a copy of a resolution adopted by the Senate and House of Representatives of the State of Minnesota on this 16th day of February, 1927, which reads as follows:

A concurrent resolution memorializing the President of the United States and the Representatives in Congress from the State of Minnesota, that it is the sense of the members of the Minnesota Legislature that agriculture in Minnesota is in dire need of relief legislation.

Whereas a group of Minneapolis business men have seen fit to inform the President of the United States and Minnesota's Representatives in Congress on the agricultural situation in Minnesota; and

Whereas such action was taken with the sole intent of defeating agricultural relief legislation now under consideration by Congress; and

Whereas the statement by the Minneapolis business men to the effect that agriculture in Minnesota will be hindered rather than helped if the legislation under consideration by the Congress of the United States is enacted into law is grossly misleading and is not based on knowledge of the true farming situation in Minnesota: Now, therefore, be it

Resolved by the Senate of the State of Minnesota (the House of Representatives concurring), That the President of the United States and the Representatives in Congress from the State of Minnesota are hereby memorialized that it is the sense of the members of the Legislature of the State of Minnesota that the farmers of Minnesota are in dire need of relief legislation and the same should be speedily enacted into law. Be it further

Resolved, That the secretary of the senate be instructed to send by telegram a copy of this resolution to the President of the United States and to the Representatives in Congress from the State of Minnesota as soon as the house does concur with the senate.

GEORGE PEACHEY,
Secretary of the Senate.

MINNEAPOLIS, MINN., *February 12, 1927.*

Hon. KNUD WEFALD,
House Office Building, Washington, D. C.:

We believe enactment of McNary-Haugen bill will set American agriculture back 10 to 15 years. It will stimulate wheat and cotton production on large scale. It will bring all marginal and distressed lands back into wheat. It will make Northwest one-crop section again, with all of its attendant ills. It will destroy great progress made in Northwest in diversified, efficient, and profitable farming during last five years. It will retard efforts to create balanced agriculture. It will place premium on inefficient one-crop wheat farming.

Even if McNary-Haugen bill were of benefit to wheat farmer as a whole, it would not be a benefit to wheat farmer of Northwest. Contrary, would actually cause him a direct money loss. Northwest grows premium hard spring wheat, none of which is exported. Neither does it become a part of surplus. Northwest wheat carries average premium of 15 cents per bushel, which goes to Northwest farmer. Equalization fee in McNary-Haugen bill, plus costs of operating vast governmental machinery, will easily cost all wheat farmers 15 cents a bushel. Northwest wheat grower who exports no wheat will thus be called upon to pay 15 cents a bushel to increase price of southwestern crop, about one-third of which is exported.

Will create still larger surplus of wheat. Northwest is now on right track in agriculture. If not handicapped by McNary-Haugen bill, will make tremendous strides in profitable and diversified farming. In last five years Northwest has turned from one crop—wheat growing—to diversified farming, with result that in North Dakota alone dairy products have increased in value from $29,000,000 to $44,000,000,

swine from $10,000,000 to $31,000,000, poultry from $8,000,000 to $18,000,000, and wool and mutton from $1,000,000 to $4,000,000. As result of diversified-farming campaigns, Northwest has created additional farm income from dairying alone of $200,000,000.

Diversified farming is now backed up by leading farmers and business men. We expect to raise present Northwest farm income of one billion and a half to three billion dollars in next five years. Not one Northwest farmer or business man in thousand understands McNary-Haugen bill.

Passage of bill will not increase soil fertility; will not eliminate losses from dockage; will not eliminate weeds, pests, and diseases which increase costs and diminish returns; will not change scrub dairy cows to profitable producers; will not build silos to protect from frost; will not counteract hot winds and droughts; will not build creameries and cream stations; will not increase acreage of sweet clover, alfalfa, and feed crops; and will do nothing to make our farming more productive.

We recall 20 years ago farmers and business men of Northwest gave time and money to bring about diversified agriculture. We recall that when war demand for wheat came hundreds of thousands of acres were thrown back to wheat. Diversification stopped. It is our opinion that development of agriculture was set back 10 to 15 years by the war demand. McNary-Haugen bill, if it does anything at all, will result in the same hysterical wheat growing. Aftermath will be the same.

As result of five-year diversified-farming program indebtedness of member banks to Ninth Federal Reserve Bank has been reduced from $115,000,000 to $3,500,000. Paper from closed banks acquired by Ninth Federal Reserve Bank has been reduced from $14,000,000 to $1,800,000. Loans borrowed by banks from War Finance Corporation have been reduced from $50,000,000 to $2,000,000. Total bank deposits in Northwest now are same as 1920. Aggregate value of farm products, in spite of short crops, is as great as six years ago.

Diversified farming responsible for Minnesota's position agriculturally. Minnesota now produces $174,000,000 worth of dairy products; $110,000,000 worth of butter. Northwest's dairy cow population has increased by 750,000, or 82 per cent of total dairy cow increase for United States; we have 30 per cent increase in swine; 30 per cent increase in corn; and corresponding increases in poultry, sheep, beef cattle, alfalfa, sweet clover, sugar beets, and honey production. To-day Minnesota's poultry crop alone valued at $50,000,000 annually.

One Minnesota county produces nearly $6,000,000 worth of butter; 2 counties more than $4,000,000 each; 6 counties more than $3,000,000 each; 6 counties more than $2,000,000 each; 27 counties more than $1,000,000 each; 20 counties more than $500,000 each. This will give an idea of how individual counties are falling into line. Such movement, if not checked, will be irresistible. Ultimately all our counties will be doing the same thing, and our goal of $3,000,000,000 farm income will be in sight. Similar progress being made in North Dakota, South Dakota, and Montana. Tremendous increases are being made this year in planting sweet clover and alfalfa, particularly in hot wind and drouth areas.

Purebred sire and cow testing association campaigns in full swing in all sections of Northwest for purpose of placing most profitable and productive animals on farms, eliminating unprofitable animals.

Losses from rust have been reduced from $76,000,000 in 1919 to $15,000,000 this year. Balance of losses should be eliminated in next two or three years. Campaigns for eliminating dockage losses amounting to more than $32,000,000 annually in wheat and flax and aggregating $100,000,000 annually for all small grains are now in progress actively. We believe that with proper methods every Northwest acre can produce gross profit of more than $25 annually.

North Dakota's present average wheat production less than 10 bushels per acre. South Dakota's figures still lower. If diversified farming program is not handicapped by McNary-Haugen measure, Northwest can be made to produce all wheat required on one-half acreage. Other half yielding other returns and revenues.

Farmers and business men in Northwest are now strong for diversified farming. Many prominent Nonpartisan League men strongly opposed to McNary-Haugen bill because they feel that passage will handicap efficient farming at expense of inefficient farming. Proponents of McNary-Haugen measure have worked strenuously for passage. Opponents, not believing that it would pass, have done nothing to oppose it.

We urge you on behalf of welfare of Northwest, on behalf of splendid progress that this section has made in right agricultural direction, on behalf of farmers and business men of Northwest who are now working together along business lines as they have never worked before, on behalf of great responsibility and great goal at stake, to vote against McNary-Haugen bill. By so doing you will have rendered not only Northwest but entire country opportunity to retain its economic independence; to work out own problems, which are problems of more efficient production and sounder organization in marketing, and to develop itself to maximum along effective and best business principles.

During past five years hundreds of thousands of dollars have been spent annually by Northwest business leaders, representing railroads, banks, manufacturers, newspapers, and many others, on educational work with Northwest farmers for promotion of diversified farming. We emphasize again that this educational work has created a new farm wealth of $200,000,000 a year in Northwest. We are just now getting our stride.

C. T. Jaffray, Soo Line; G. F. Williams, Powers Mercantile Co.; William Lahiff, Young-Quinlan Co.; W. S. MacGregor, Whitney-MacGregor Co.; Joseph Chapman, L. S. Donaldson Co.; G. N. Dayton, the Dayton Co.; F. H. Gibian, Maurice L. Rothschild Co.; L. H. Williams, Williams Hardware Co.; L. B. Barnes, Chevrolet Motor Co.; W. R. Stephens, Pense Automobile Co.; MacMartin, MacMartin Advertising Agency; Robert L. Brooks, Leader Mercantile Co.; F. M. Prince, First National Bank; W. H. Bremner, Minneapolis & St. Louis Railway; Claude H. Paxton, Willys-Overland (Inc.); C. B. Mills, Midland National Bank & Trust Co.; L. E. Wakefield, First National Bank; F. B. Wells, Peavy Grain Co.; E. W. Decker, Northwest National Bank; F. E. Murphy, Minneapolis Tribune.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that all debate on this section and amendments thereto be now closed.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that all debate on this section and amendments thereto be now closed. Is there objection?

Mr. LAGUARDIA. I object.

Mr. HARE. I object.

Mr. HAUGEN. Mr. Chairman, I move that all debate on this section and all amendments thereto be now closed.

The CHAIRMAN. The gentleman from Iowa moves that all debate on this section and all amendments thereto be now closed.

Mr. SCHAFER. Mr. Chairman, I move to lay that motion on the table.

The CHAIRMAN. That motion is not in order. The question is on the motion of the gentleman from Iowa.

The question was taken, and the motion was agreed to.

The CHAIRMAN. The question is on the motion of the gentleman from New York to strike out all after the enacting clause.

Mr. FISH. Mr. Chairman, I withdraw that motion.

Mr. LAGUARDIA. Mr. Chairman, the gentleman can not withdraw his motion without unanimous consent, and I object.

The question was taken; and on a division (demanded by Mr. LAGUARDIA) there were—ayes 1, noes 105.

So the motion to strike out all after the enacting clause was rejected.

Mr. HARE. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. HARE: On page 6, after line 21, add the following section:

"(f) It shall be unlawful for any member of said board, or any employee thereof, or any member of the advisory council hereinafter provided, or any employee, agent, or other person directly or indirectly connected with said board or council to purchase or sell for future delivery on any exchange any or either of the commodities or the products thereof named in section 6 of this act, and it shall be unlawful for any such person to divulge or furnish confidential information to any other person for such purposes, and any such person being found guilty of violating this provision of this act shall be subject to a fine not exceeding $100,000, or imprisonment for a period not exceeding 20 years, or both."

Mr. SCHAFER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SCHAFER. Will the CONGRESSIONAL RECORD show that the gentleman from New York [Mr. FISH] did not vote for his motion to strike out all after the enacting clause, which was recently defeated?

The CHAIRMAN. The Chair does not think that is a parliamentary inquiry.

Mr. HARE. Mr. Chairman, I understand that under the ruling no debate will be permitted on my amendment.

The CHAIRMAN. Not under the ruling, but under the motion made and carried in the committee. The question is on the amendment offered by the gentleman from South Carolina.

The question was taken; and on a division (demanded by Mr. HARE) there were—ayes 61, noes 90.

So the amendment was rejected.

The Clerk read as follows:

GENERAL POWERS

SEC. 4. The board—

(a) Shall annually designate an appointed member to act as chairman of the board.

(b) Shall maintain its principal office in the District of Columbia and such other offices in the United States as it deems necessary.

(c) Shall have an official seal, which shall be judicially noticed.

(d) Shall make an annual report to Congress.

(e) May make such regulations as are necessary to execute the functions vested in it by this act.

(f) May (1) appoint and fix the salaries of a secretary and such experts and, in accordance with the classification act of 1923 and subject to the provisions of the civil service laws, such other officers and employees, and (2) make such expenditures (including expenditures for rent and personal services at the seat of government and elsewhere, for law books, periodicals, and books of reference, and for printing and binding) as may be necessary for the execution of the functions vested in the board.

Mr. TINCHER. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. TINCHER: Page 7, line 17, after the word "board," insert a colon and the words: "*Provided*, That the board shall not appoint more than 25 experts for any one commodity, and in no case shall the salary of any expert exceed $10,000 per annum."

Mr. TINCHER. Mr. Chairman, I do not care to debate the amendment.

Mr. HILL of Alabama. Mr. Chairman, I rise in opposition to the amendment of the gentleman from Kansas [Mr. TINCHER]. This House has voted down the Curtis-Crisp bill and the Aswell bill. There is only one thing to do now, and that is to pass the McNary-Haugen bill as it came from the Senate, and then send it directly to the President in order to secure action upon it before the Congress adjourns on March 4. [Applause.]

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that all debate upon this section and all amendments thereto close in five minutes. Is there objection?

There was no objection.

Mr. LAGUARDIA. Mr. Chairman, I did not intend to speak at this stage of the bill, because I have an amendment which I am going to offer at the proper place, but I take this opportunity to state that as far as New York State is concerned we do not need any suggestion from the gentleman from Orange County [Mr. FISH], who says that any Member who happens to vote for this bill betrays his constituents. I resent the statement made by the gentleman from New York, typical as it is of him when he wants to make a grandstand play. The gentleman from New York [Mr. FISH], says that he is going to stand here in the next Congress and fight for a modification of the rules; but when he came here in the Sixty-eighth Congress, with a rule to require but 100 signatures to discharge a committee from further consideration of a bill, the gentleman from New York, the short-distance progressive, voted against it. [Applause.]

Mr. FISH. Mr. Chairman, that is a misstatement of the fact, and I want that to go into the RECORD. I did not vote for it.

Mr. LAGUARDIA. That is exactly what I said, the gentleman did not vote for it.

Mr. FISH. I mean that I did vote for the rule.

Mr. LAGUARDIA. The gentleman is as uncertain now as he was then. And when the gentleman from New York [Mr. FISH] speaks about the laboring people who earn their bread by the sweat of their brow, let me suggest to the gentleman that he is in no position to talk for the laboring people who work by the sweat of their brow. He might be able to speak for the strongly intrenched insurance interests who have made the burden of the farmers harder, but he can not speak for the laboring people of New York City. [Applause.] The gentleman from New York, of the insurance combine, suddenly becomes interested in the laboring people from New York City.

Mr. Chairman, the gentleman from New York has not even a speaking acquaintance with the honest laboring people of New York City, and let me say to the gentleman from New York [Mr. FISH] that he should not worry about the representatives from Tammany Hall getting votes for the Democratic ticket. All one has to do is to gaze upon the splendid spectacle presented by the gymnastics of the distinguished Representative from New York [Mr. FISH] and it will be understood why the Republican Party of New York State is constantly losing votes. [Laughter and applause.] Mr. Chairman, if the gentleman from New York voted as progressively in Congress as he talks sometimes in New York, then perhaps we would have a bigger following in our State.

Mr. Chairman, there are two sides to this bill, and no man ought to be criticized or threatened with being guilty of betrayal of a public trust if he happens to vote for the bill. The gentleman from New York [Mr. FISH], with all his connections and big talk, has not come forward to propose any substitute for it. I have heard no constructive suggestion from the gentleman from New York during all this time. It is true he did make a motion to strike out the enacting clause, but he did not have the nerve to go through with it. It got only 1 vote.

Mr. SCHAFER. And the gentleman from New York did not vote for his own motion.

Mr. LAGUARDIA. That makes no difference; he never does. As far as I am concerned, and as far as New York City is concerned, the people of New York City who work for a living want to see the farmers get a square deal; and if this bill will do it, we hope it will pass. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired. All time has expired. The question is on agreeing to the amendment offered by the gentleman from Kansas [Mr. TINCHER].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SPECIAL POWERS AND DUTIES

SEC. 5. (a) The board shall meet at the call of the chairman, or of the Secretary of Agriculture, or of a majority of its members.

(b) The board shall keep advised, from any available sources, of crop prices, prospects, supply and demand, at home and abroad, with especial attention to the existence or the probability of the existence of a surplus of any agricultural commodity or any of its food products.

(c) The board shall advise cooperative associations, farm organizations, and producers in the adjustment of production and distribution, in order that they may secure the maximum benefits under this act.

Mr. HAMMER rose.

Mr. CLAGUE. Mr. Chairman, I move to strike out the last word.

Mr. PURNELL. The gentleman is a member of the committee, is he not?

Mr. CLAGUE. I used to be.

The CHAIRMAN. The Chair will recognize the gentleman from North Carolina [Mr. HAMMER].

Mr. HAMMER. Mr. Chairman, in answer to the contention that the State of Texas and other Southwestern States will have advantages in the growing of cotton over the South Atlantic States as a result of enacting the amended McNary-Haugen bill, I desire to say that the fear has been expressed within the past day or two by those who are considering the McNary-Haugen farm relief bill, that North Carolina and the South Atlantic States might suffer some hurt under the McNary-Haugen bill arising out of price fixing based upon the cost of production in Texas, which they say is cheaper than the cost of producing cotton in North Carolina. This fear is a strange one, and quite unaccountable, in view of the fact that there is not a line in the McNary-Haugen bill that undertakes to fix any price or any standard of cost of production.

The McNary-Haugen bill provides only that the surplus cotton shall be taken from the market and fed in an orderly way to the markets of the world at such times and under such circumstances, under the purpose of the bill, as will not break the market or make a market surplus. Under the McNary-Haugen bill the surplus will be sold at the highest price that can be obtained for it, and at the most propitious times. There being no tariff duty on cotton, the world price and the American price are always substantially the same, and there can not possibly be any dumping of cotton abroad at a price lower than the American market. If it were attempted even to dump cotton abroad at a lower price than prevailed on the American market, the American price would instantly drop to the price at which such cotton was dumped abroad. The charge that there will be dumping abroad that will hurt the American manufacturer is, therefore, of course, manifestly absurd.

The most astonishing thing with regard to the fears that have been expressed by certain gentlemen that a cost of production may be based upon the Texas cost and thus hurt North Carolina and the South Atlantic States, is that they, in some instances, express their willingness to support the Crisp bill, which is, in fact, the only bill that contains any provision at all that would furnish any basis whatever for the fears expressed by these gentlemen. The Crisp bill does provide, in section 10, subsection (a), on page 10 of that bill, that the corporation (to be set up by the bill) shall make purchases of such commodity, and so forth, only:

Subsection (a): When prices are below or, except for such purchases, may fall below, the cost of production to efficient producers.

The above section of the Crisp bill, which the gentlemen who entertain the fears refer to say they might support, does con-

tain a provision, it will be seen, as given above, that might, in some remotely possible event, furnish a pretext for the fears that have been expressed. In other words, under this section of the Crisp bill, it is remotely conceivable that a standard of prices might be considered upon the basis of the "cost of production" in Texas, which is probably the cheapest in the country and which might, therefore, be considered as being "the cost of production to efficient producers," as provided in the Crisp bill.

How strange it is, therefore, that these gentlemen express fears with reference to the operation of the McNary-Haugen bill, which contains no such price-fixing provision, while professing willingness to vote for the Crisp bill, which does contain such a provision.

Of course, what the gentlemen say they fear would never take place under either of these bills. The Texas farmer, because his cost of production was lower, would desire 25-cent cotton none the less, and his anxiety for a high price would not be any less, because his cost of production was not as high as that of others. There would never be any conflict in this matter, as there has not been in the past. If the Texas cost of production is lower than North Carolina's, or other South Atlantic States, it has not come about, nor will it come about, because of the McNary-Haugen farm relief bill or any other legislation. The McNary-Haugen farm relief bill will not change the cost of production anywhere, and if Texas will raise cotton more cheaply than North Carolina or other South Atlantic States in the future, why, the same situation has existed heretofore, and the McNary-Haugen farm relief bill will not change it or affect it in any particular. [Applause.]

Mr. CLAGUE. Mr. Chairman, I move to strike out the last word.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that all debate on the section read and all amendments thereto close in five minutes.

The CHAIRMAN. Does the gentleman from Minnesota yield to the gentleman from Iowa?

Mr. CLAGUE. Yes.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that all debate on the section read and all amendments thereto close in five minutes.

Mr. McDUFFIE. Reserving the right to object, Mr. Chairman, will it be the policy of those in control of this legislation to permit only five minutes' debate under any section of this bill?

Mr. HAUGEN. We would like to accommodate everybody, but we have been here now about a week in debate.

Mr. McDUFFIE. The gentleman from South Carolina [Mr. HARE] offered an amendment to prevent gambling in futures in commodities affected by this bill, yet you would not hear him. With a spirit almost of "mobocracy" an endeavor is being made to ram this legislation through Congress without permitting debate or proper and full discussion, and I think it is time to call a halt and realize you are defeating the very purposes of farm relief by these "steam-roller" methods.

Mr. HAUGEN. We are opposing any amendment that will defeat the purposes of the legislation.

Mr. McDUFFIE. Several Members have offered amendments proposing needed changes in this bill that will greatly improve it, and several of us will offer other amendments.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa that all debate on the section read and all amendments thereto close in five minutes?

Mr. SCHAFER. I object.

The CHAIRMAN. Objection is heard. The gentleman from Minnesota [Mr. CLAGUE] is recognized.

Mr. CLAGUE. Mr. Chairman and gentlemen of the committee, there has been some talk in this House about how the State of Minnesota stood on farm-relief legislation. Our State legislature is now in session, consisting of 198 members. At this time I would like to have the Clerk read a telegram transmitting a resolution which has just been passed by the Minnesota Legislature.

The CHAIRMAN. Without objection, the telegram will be read.

The Clerk read as follows:

ST. PAUL, MINN., *February 16, 1927.*

Congressman FRANK CLAGUE,
Washington, D. C.:

I am herewith forwarding to you as per instructions a copy of a resolution adopted by the Senate and House of Representatives of the State of Minnesota on this 16th day of February, 1927, which reads as follows:

"A concurrent resolution memorializing the President of the United States and the representatives in Congress from the State of Minnesota, that it is the sense of the members of the Minnesota Legislature that agriculture in Minnesota is in dire need of relief legislation

"Whereas a group of Minneapolis business men have seen fit to inform the President of the United States and Minnesota's Representatives in Congress on the agricultural situation in Minnesota; and

"Whereas such action was taken with the sole intent of defeating agricultural-relief legislation now under consideration by Congress; and

"Whereas the statement by the Minneapolis business men to the effect that agriculture in Minnesota will be hindered rather than helped if the legislation under consideration by the Congress of the United States is enacted in law is grossly misleading and is not based on knowledge of the true farming situation in Minnesota: Now, therefore, be it

"Resolved by the Senate of the State of Minnesota (the House of Representatives concurring), That the President of the United States and the Representatives in Congress from the State of Minnesota are hereby memorialized that it is the sense of the members of the Legislature of the State of Minnesota that the farmers of Minnesota are in dire need of relief legislation, and the same should be speedily enacted into law; be it further

"Resolved, That the secretary of the senate be instructed to send by telegram a copy of this resolution to the President of the United States and to the Representatives in Congress from the State of Minnesota as soon as the house does concur with the senate."

GEO. PEACHEY,
Secretary of the Senate.

Mr. CLAGUE. Mr. Chairman, I am informed that this resolution was adopted with only a few opposing votes.

Mr. GARRETT of Tennessee. What were they for? That resolution does not say.

Mr. CLAGUE. The farm legislation that is now pending before Congress.

Now, I want to call attention to another matter. A letter was read in this House a few days ago from Secretary Mellon on the cost of carrying out the provisions of this bill, in which he stated that the administration would cost $800,000. The value of the farm property in the United States is more than the total amount that is invested in railroads and in all industrial plants.

We have appropriated this year for the Interstate Commerce Commission for carrying on the work of that commission $5,200,000. It takes over $1,000,000 for the maintenance of the Civil Service Commission. Even if it will take $800,000 for the administration of a bill of this kind, it is a small amount for the good it will accomplish.

There is another fact that I want to call attention to. The gentleman from Minnesota [Mr. NEWTON] says when wheat goes up in price the price of flour follows. Since 1923 there has been a fluctuation of about 100 per cent in the price of wheat, and yet there has been but little fluctuation in the price of bread. There has been a great fluctuation in the price of hogs within the last few years, and yet there has been but little fluctuation in the price of hog products. [Applause.]

Mr. ASWELL. Mr. Chairman, I ask to be recognized.

Mr. HAUGEN. Before that, I ask unanimous consent that the debate on this section and all amendments thereto close in five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

Mr. SCHAFER. I object.

The CHAIRMAN. Objection is heard.

Mr. HAUGEN. Then I move, Mr. Chairman, that the debate on this section and all amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from Iowa moves that all debate on this section and all amendments thereto close in five minutes. The question is on agreeing to that motion.

The motion was agreed to.

The CHAIRMAN. The gentleman from Louisiana [Mr. ASWELL] is recognized for five minutes.

Mr. ASWELL. Mr. Chairman, on the Minnesota situation I ask that the Clerk read a communication that I have received.

The CHAIRMAN. Without objection, the Clerk will read.

The Clerk read as follows:

BUSINESS MEN PROTEST TO PRESIDENT AGAINST M'NARY-HAUGEN BILL

We believe the enactment of the McNary-Haugen bill will set American agriculture back 10 to 15 years. It will stimulate wheat and cotton production on a large scale. It will bring all marginal and distressed lands back into wheat. It will make the Northwest a one-crop section again, with all of its attendant ills. It will destroy the great progress made in the Northwest in diversified, efficient, and profitable farming

during the last five years. It will retard our efforts to create a balanced agriculture. It will place a premium on inefficient one-crop wheat farming. * * *

We urge you on behalf of the welfare of the Northwest, on behalf of the splendid progress that this young section of the country has made in the right agricultural direction, on behalf of the farmers and business men of the Northwest who are now working together along business lines as they have never worked before, on behalf of the great responsibility and the great goal at stake to vote against the McNary-Haugen bill. By so doing you will have rendered not only the Northwest but the entire country the greatest service of all time. You will have expressed the courageous convictions of all sound thinkers. You will have given American agriculture the opportunity to retain its economic independence; to work out its own problems, which are the problems of more efficient production and sounder organization in marketing and to develop itself to the maximum along effective and best business principles.

(Signed by 186 business men of Minneapolis, Minn.)

Mr. ASWELL. Note the following from the National Farmers' Union of Pawnee, Okla.:

OKLAHOMA DELEGATION IN CONGRESS,
Washington, D. C.:

Farmers' Union passed resolution asking that you vigorously oppose the Haugen bill. Its passage means the enslavement of the farmer to the dictation and exploitation of a political machine of lame ducks.

OWSLEY LONERGAN, *Secretary.*

P. S.: Show this letter to ELMER THOMAS and Senator NYE.

Mr. Chairman, one or two of the new converts to-day said that there had been no farm organizations asking for the passage of the Aswell bill. I would like to say this, that if you will eliminate the lobby for the Haugen bill, the professional farm advocates in the country and in this Capitol at the expense of the farmers, as a result of the vote this morning I am convinced that the Haugen bill would not receive exceeding 125 votes in this Chamber. And if you would give the Aswell bill one-tenth the publicity, one-tenth the propaganda, one-tenth of the trading to agitate public sentiment that the Haugen bill has used, my bill would pass almost by unanimous consent, because it is so clear, so definite, so direct, and so effective in its provisions. [Applause.]

I want to repeat that not a gentleman supporting the Haugen bill has yet dared explain a provision in that bill. In 18 hours of discussion they have been afraid to explain it. I have not the time and can not get the time or I would explain it myself now. During all of this struggle of 18 hours not a word of explanation has been heard from the gentleman from Iowa [Mr. DICKINSON], who is advertised as the leader of the farm bloc in Congress, whatever that is. I would like to know when, where, and by whom he was elected leader of any farm bloc in the House.

Gentlemen, I want to give notice of the roll call I propose to have on substituting my bill for this Haugen bill, and I give warning that all gentlemen will have a chance to vote on that roll call and on the final vote on the Haugen bill. [Applause.]

The CHAIRMAN. The time of the gentleman from Louisiana has expired. All time has expired, and without objection the pro forma amendment will be withdrawn.

There was no objection.

Mr. SEARS of Florida. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Florida offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SEARS of Florida: Page 8, after line 6, insert:

"(d) The Federal farm board shall, in no event, permit the price of any agricultural product supposed to be protected to fall below the cost of production by the efficient producer."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Florida.

The amendment was rejected.

Mr. HOWARD. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Nebraska offers an amendment which the Clerk will report.

Mr. HOWARD. Mr. Chairman, I did not offer an amendment. I just moved to strike out the last word.

The CHAIRMAN. All debate is closed. The Clerk will read.

CONTROL AND DISPOSITION OF SURPLUS

SEC. 6. (a) For the purposes of this act, cotton, wheat, corn, rice, tobacco, and swine shall be known and are referred to as "basic agricultural commodities," except that the board may, in its discretion, treat as a separate basic agricultural commodity one or more of such classes or types of tobacco as are designated in the classification of the Department of Agriculture.

(b) Whenever the board finds that the conditions of production and marketing of any other agricultural commodity are such that the provisions of this act applicable to a basic agricultural commodity should be made applicable to such other agricultural commodity, the board shall submit its report thereon to Congress.

(c) Whenever the board finds, first, that there is or may be during the ensuing year either (1) a surplus above the domestic requirements for wheat, corn, rice, tobacco, or swine, or (2) a surplus above the requirements for the orderly marketing of cotton, or of wheat, corn, rice, tobacco, or swine; and, second, that both the advisory council hereinafter created for the commodity and a substantial number of cooperative associations or other organizations representing the producers of the commodity favor the full cooperation of the board in the stabilization of the commodity, then the board shall publicly declare its findings and commence, upon a date to be fixed by the board and published in such declaration, the operations in such commodity authorized by this act: *Provided*, That in any State where not as many as 50 per cent of the producers of the commodity are members of such cooperative associations or other organizations, an expression from the producers of the commodity shall be obtained through a State convention of such producers, to be called by the head of the department of agriculture of such State, under rules and regulations prescribed by him. Such operations shall continue until terminated by the board. Any decision by the board relating to the commencement or termination of such operations shall require the affirmative vote of a majority of the appointed members in office, and the board shall not commence or terminate operations in any basic agricultural commodity unless members of the board representing Federal land-bank districts which in the aggregate produced during the preceding crop year, according to the estimates of the Department of Agriculture, more than 50 per cent of such commodity, vote in favor thereof and until the board shall become satisfied that a majority of the producers of such commodity favor such action.

(d) During the continuance of such operations in any basic agricultural commodity, the board is authorized to enter into agreements, for the purpose of carrying out the policy declared in section 1, with any cooperative association engaged in handling the basic agricultural commodity, or with a corporation created by one or more of such cooperative associations, or with processors of the basic agricultural commodity.

(e) Such agreements may provide for (1) removing or disposing of any surplus of the basic agricultural commodity, (2) withholding such surplus, (3) insuring such commodity against undue and excessive fluctuations in market conditions, and (4) financing the purchase, storage, or sale or other disposition of the commodity. The moneys in the stabilization fund of the basic agricultural commodity shall be available for carrying out such agreements. In the case of any agreement in respect of the removal or disposal of the surplus of a basic agricultural commodity, the agreement shall provide both for the payment from the stabilization fund for the commodity of the amount of losses, costs, and charges, arising out of the purchase, storage, or sale or other disposition of the commodity or out of contracts therefor, and for the payment into the stabilization fund for the commodity of profits (after deducting all costs and charges provided for in the agreement) arising out of such purchase, storage, or sale or other disposition, or contracts therefor. In the case of agreements insuring such commodity against undue and excessive fluctuations in market conditions, the board may insure any cooperative marketing association against decline in the market price for the commodity at the time of sale by the association, from the market price for such commodity at the time of delivery to the association.

(f) If the board is of the opinion that there is no such cooperative association or associations, or corporation created by one or more cooperative associations, capable of carrying out any such agreement, the board may enter into such agreements with other agencies.

(g) If the board is of the opinion that there are two or more cooperative associations capable of carrying out any such agreement, the board in entering into such agreement shall not discriminate unreasonably against any such association in favor of any other such association.

(h) During any period in which the board is engaged under this act in operations in any basic agricultural commodity other than cotton, or tobacco, the provisions of subdivisions (d), (e), and (f) of this section shall have the same application in respect of the food products of the commodity as they have in respect of the commodity.

Mr. GARRETT of Tennessee. Mr. Chairman, I move to strike out the last word. I want to get the attention of the gentleman from Iowa for the purpose of securing some information. On page 8, beginning in line 10, there is a definition of basic commodities and it provides that as to tobacco the board may treat as basic each different type that is now recognized by the Department of Agriculture. May I ask the gentleman why it is the same rule can not apply to cotton?

Mr. HAUGEN. Will the same rule apply?

Mr. GARRETT of Tennessee. No; why can not the same rule apply to cotton?

Mr. OLIVER of Alabama. May I answer the gentleman? Middling is the basic grade on which all cotton is based. That is not true, as I understand, of tobacco, and the gentleman from Tennessee knows more about tobacco than I do.

Mr. WHITTINGTON. If the gentleman will yield, as to long staple cotton, there are no exchange quotations for such cotton anywhere in the country.

Mr. GARRETT of Tennessee. But there are staples recognized in the Department of Agriculture.

Mr. WHITTINGTON. Undoubtedly; but, as the gentleman from Alabama stated, everything is based on the middling short staple.

Mr. OLIVER of Alabama. Everything is based on one grade, and that is not true of tobacco.

Mr. WILLIAMS of Illinois rose.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois, a member of the committee.

Mr. WILLIAMS of Illinois. Mr. Chairman, I ask recognition in opposition to the pro forma amendment, and ask to have read in my time a short resolution passed by the Kansas Legislature indorsing the pending bill.

The CHAIRMAN. Without objection, the Clerk will read the resolution.

There was no objection.

The Clerk read as follows:

Senate Concurrent Resolution 4, relating to equality for agriculture

Whereas the question of equality for agriculture is a national problem that can never be settled by means of subsidies; and

Whereas the equalization fee would make the tariff effective on farm products, thereby giving agriculture the same relative advantages possessed by manufacturing and industry:

Be it resolved by the Senate of the State of Kansas (the House of Representatives concurring), That the Congress of the United States, at its present sitting, be, and the same is urgently petitioned and requested to enact such legislation, that will extend the protective system so that it may apply to American agriculture as well as to manufacturing and industry; be it further

Resolved, That this resolution be engrossed by the secretary of the senate and the chief clerk of the house of representatives of the State of Kansas, and signed by the lieutenant governor and speaker of the house of representatives, and copies thereof transmitted by the secretary of state to President Calvin Coolidge and to the Secretary of Agriculture, William Jardine, and to each Member of the Senate and House of Representatives of the United States.

I hereby certify that the above concurrent resolution originated in the senate and passed that body January 19, 1927.

D. A. N. CHASE,
President of the Senate.
ARTHUR S. MCNAY,
Secretary of the Senate.

Passed the house January 19, 1927.

JOHN HAMILTON,
Speaker of the House.
O. H. HATFIELD,
Chief Clerk of the House.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that all debate on the section and all amendments thereto close in 10 minutes.

Mr. LAGUARDIA. I object.

Mr. HAUGEN. Then I move, Mr. Chairman, that all debate on the pending section and all amendments thereto close in 10 minutes.

Mr. BANKHEAD. Whom does that include?

Mr. LAGUARDIA. The gentleman can not allot the time.

Mr. HAUGEN. I understand there are several Members who want recognition.

Mr. BANKHEAD. Mr. Chairman, I would like to be recognized if the motion prevails.

Mr. BOX. Mr. Chairman, I have not taken up any of the time of the committee since this bill has been under consideration and I would like to be recognized on this section.

The CHAIRMAN. The gentleman from Iowa moves that all debate on this section and all amendments thereto close in 10 minutes.

The question was taken; and on a division (demanded by Mr. STRONG of Kansas and Mr. RAGON) there were—ayes 143, noes 51.

Mr. EDWARDS. Tellers, Mr. Chairman.

The CHAIRMAN. The gentleman from Georgia demands tellers.

Mr. EDWARDS. I withdraw the demand, Mr. Chairman.

Mr. LAGUARDIA. I renew it, Mr. Chairman.

Tellers were ordered; and the Chair appointed as tellers the gentleman from Iowa [Mr. HAUGEN] and the gentleman from New York [Mr. LAGUARDIA].

The committee again divided; and there were—ayes 130, noes 46.

So the amendment was agreed to.

Mr. LUCE, Mr. NEWTON of Minnesota, and Mr. BANKHEAD rose.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LUCE: Amend subsection (e) of section 6, by striking out the period after the word "therefor" in line 5, on page 11, substituting a semicolon therefor, and inserting, "*Provided*, That no payment shall be made out of the stabilization fund on account of any loss, cost, or charge arising out of the sale of cotton to or for a foreign buyer or out of contracts therefor, at a price below that prevailing in the port whence the cotton concerned would naturally be exported, due account being taken of the cost of transportation to such port."

Mr. LUCE. This is a bona fide amendment, offered with no desire to harass or to delay, but to represent the interests of an industry employing 500,000 wage earners, consuming more than a billion dollars a year of cotton, now in distress by reason of fashion and the use of substitutes, and further threatened with ruin by the passage of this bill.

It is an antidumping amendment, and contemplates that a surplus of cotton shall not be sold to the cotton spinner in England, France, or Germany at a lower price than it is sold to the spinners in the mill within a quarter of a mile of my house or the mill 2 miles away, where the first power loom was operated in this country. It is an amendment offered for the safety, perhaps the salvation, of the cotton spinners of Lowell and Fall River and New Bedford, of Manchester and Nashua, of Biddeford and Lewiston, of Pawtucket and Woonsocket, of Putnam and Willimantic. If there be Members prejudiced against those who toil for a wage in my part of the country, let it be considered that this is offered also for the men and women who work in the cotton and cotton-goods factories of New York and New Jersey and Pennsylvania. If still such Members are determined to look with some strange doubt upon the interests of the northeastern part of this country, yet note that the situation remains of vital concern to the newer cotton mills springing up in North Carolina and South Carolina and Georgia.

The cotton industry, one of the greatest industries of the country, is threatened by this bill with a differential of from 2 cents to 5 cents a pound in favor of the textile manufacturers using cotton in England and Germany and France. By so much will be improved the opportunity for the manufacturers of Europe to compete with those on our Atlantic seaboard.

The half million people who are here engaged in this industry are the customers of the farmer. They make the goods that are sold in exchange for the food that the farmer produces. Let the farmer beware lest he kill the goose that lays the golden egg.

Surely I have the right, even though the parliamentary situation be such as it is, to raise my voice in protest against giving our competitors in England, France, and Germany this unholy advantage.

Also, I wish to point out that the bill as it stands will permit the creation of corners in classes and qualities of cotton whenever there may be a scarcity of this or that grade. This feature of the bill has not been discussed in debate save incidentally. It has not been brought out what enormous, tremendous, and perilous power this will put into the hands of a few men to create what so many abhor—monopoly. To show the danger, I will insert in the RECORD at the close of these remarks a letter from a clear-headed, far-sighted expert in these things.

It may be that this amendment will be voted down, in view of the determination to permit no change whatever in the bill, but at any rate, in behalf of the cotton workers of this country, I have entered my protest against a measure that threatens the completion of their ruin. [Applause.]

The letter is as follows:

TEXTILE WORLD,
Boston 9, Mass., February 15, 1927.

Hon. ROBERT LUCE,
House Office Building, Washington, D. C.

DEAR SIR: I have been unable to find in reading the Senate debate on the McNary-Haugen bill, as reported in the CONGRESSIONAL RECORD to and including the issue of February 10, any recognition of the apparent

fact that the bill would legalize a temporary "corner" in certain grades of the basic commodities that are covered by the bill, although some of the opposing Senators spoke of its monopolistic character. This "cornering" is made possible by the fact that in its operation "in the orderly marketing and the control and disposition of the surplus of agricultural commodities" covered by the bill it recognizes no difference in the grades of the commodities covered. For instance, the bill refers to cotton as cotton, despite the large number of grades tenderable and untenderable on futures contracts, their wide difference in value, and their varied uses in spinning and manufacturing.

Were the law now in operation, then under section 6, paragraph (c), of H. R. 15474, the board could not fail to declare "a surplus above the requirements for the orderly marketing of cotton," and under section 12 could authorize loans out of the revolving fund to any cooperative association engaged in the purchase, storage, or sale or other disposition of cotton, for the purpose of assisting such cooperative association in controlling the surplus of such commodity in excess of the requirement for orderly marketing.

For instance, if the Staple Cotton Cooperative Association of Greenwood, Miss., applied for a loan on 100,000 bales of cotton and qualified under the terms of the bill to receive such a loan, then it is to be assumed that the loan would be authorized without any consideration of whether this 100,000 bales was all or a major part of the unsold stock of certain grades of cotton held in this country. If this imaginary 100,000 bales of cotton were to consist entirely of hard western cotton of staple longer than 1 1/16 inches and of grades higher than low middling, it would, under present conditions, corner that character of cotton, would enable all shippers holding such cottons to exact an unwarranted advance in price, and be the result of serious loss to domestic spinners requiring such cottons. Furthermore, because there would be a surplus of all cottons, it would be legal to sell part of this scarce cotton for export and thus render the domestic scarcity more acute and advance the price to domestic spinners.

Incidentally, it may be stated that there is no evidence of recognition in the McNary-Haugen bill of the fact that in excess of $25,000,000 has already been advanced to cotton cooperatives and financing associations by the Government through the Federal intermediate credit banks. Apparently those cotton cooperatives which already hold loans of the intermediate credit banks could qualify for additional loans under the terms of the McNary-Haugen bill, thus compounding the danger of "corners" being manipulated in certain comparatively scarce grades of cotton. The financial statement of the Staple Cotton Cooperative Association, Greenwood, Miss., of October 31, 1926, showed that at that time they had borrowed from the Federal intermediate credit banks of New Orleans $5,100,000. It is my understanding that such loans may be renewed at the end of 6 and 12 months, and run as long as 18 months.

This is only one of the dangerous features of the bill, but is one that has not been referred to to my knowledge. It affords striking evidence of the loosely drawn character of the bill and of the probability that it has other equally dangerous defects that have not been discovered. It is possible that these and other defects might be eliminated or partially removed if its administrative features were clearly and properly defined.

It is possible, of course, that an honest, expert, and conservative Federal farm board, having expert and intimate knowledge of the handling and marketing of basic commodities affected by the bill, could be depended upon to administer the bill fairly, but in its interpretation the United States courts, and not the Federal farm board, would be the final arbiter. Congress writes and passes laws, but the courts make them.

The McNary-Haugen bill should be defeated, not so much because of its economic unsoundness as because of its indefiniteness, its liability to varied interpretation, its encouragement of monopoly of basic farm commodities, and its lack of administrative definement.

Yours very truly,

C. H. CLARK, *Editor.*

P. S.: Since writing the above, I have received copy of the McNary-Haugen bill as it was passed by the Senate, and which included an amendment that was added at the last minute, and that makes it stand out even more boldly than before as one of the rankest pieces of class and discriminatory legislation that was ever introduced in Congress. I refer to the insurance provision of section 12 that guarantees contracting cooperative marketing associations "for periods of 12 months against decline in the market price for such commodity at the time of sale by the association from the market price for such commodity at the time of delivery to the association." Assuming that it is wise or necessary for the Government to enter into competition with existing insurance companies for such business, then the Government should make such insurance available to any individual, firm, or corporation desiring and qualifying for such insurance.

If the cooperatives are to be guaranteed by the Government against losses arising from a possible decline in market prices, and will also extend to all cooperative associations engaged in the orderly marketing of basic agricultural commodities the same loan and credit privileges that are now made available to the cotton cooperatives through the Federal intermediate credit banks, what is the need of the McNary-Haugen bill or any other farm-relief measure, with their intricate and expensive administrative machinery?

Mr. NEWTON of Minnesota. Mr. Chairman, there are amendments that have been presented at the desk—germane amendments. Are we to understand that debate is limited and we are not to have the right to discuss amendments to this section? Do gentlemen think that that is carrying out the agreement that was entered into when we had the understanding as to general debate that we were to have ample time for debate under the five-minute rule?

The CHAIRMAN. That is a matter for the committee.

Mr. FULMER. Mr. Chairman and gentlemen of the committee, I want to say to you that the gentleman from Massachusetts is unduly alarmed in connection with the amendment that he offers in relation to cotton. The statement was made by the gentleman from Louisiana [Mr. ASWELL] that under the Haugen bill they propose to dump in Europe cotton at a cheaper price than the price in America. As a matter of fact we export about 60 per cent of the cotton, and use in America about 35 or 40 per cent. We could not do that and make it profitable at all. There is nothing in the bill that proposes to do a thing of that kind. The gentleman from Massachusetts and his people seem to be so used to dumping under the tariff act which we now have that he seems to think that we can not pass any farm legislation unless we propose to dump something. [Laughter]. So he can tell the manufacturer in the New England States there is nothing in the Haugen bill that will provide for the dumping of cotton in European countries.

Mr. BULWINKLE. Will the gentleman yield?

Mr. FULMER. Yes.

Mr. BULWINKLE. If you do not intend to do that, what harm is there in adopting the amendment?

Mr. FULMER. It is useless.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken; and on a division (demanded by Mr. LUCE) there were 61 ayes and 85 noes.

Mr. LUCE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. LUCE and Mr. HAUGEN as tellers.

The committee again divided; and the tellers reported that there were 55 ayes and 119 noes.

So the amendment of Mr. LUCE was rejected.

Mr. BANKHEAD. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 11, line 24, strike out the words "cotton or"

Mr. BANKHEAD. Mr. Chairman, I realize the futility of offering an amendment under present circumstances. While it is true I may vote for the bill on final passage, after I vote for Mr. ASWELL's motion to recommit, I have not reached the conclusion that we ought to surrender our opportunity to help correct the bill on its passage if possible.

The purpose of the amendment is to make the bill applicable to the processing of food products and cotton. We produce in the South $320,000,000 worth of cottonseed, and its value is for food products. Under this bill by indirection it forbids the processing or handling of cottonseed products, and for that reason I have offered this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The question was taken; and on a division (demanded by Mr. MCDUFFIE) there were—ayes 47, noes 92.

So the amendment was rejected.

Mr. FORT. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. FORT: Page 8, line 9, after the word "corn" strike out the word "rice."

Mr. FORT. Mr. Chairman, this bill has been before the House of Representatives for three months and before the Senate for approximately the same period. Neither in the hearings in either House nor in the debate in either House has any reason been given to the Senate, to the House, or to the people of the United States for the inclusion of rice as a basic agricultural product. I have offered this amendment because no such reason exists and because it is a travesty on legislation for the Senate and the House of Representatives to vote such a thing without any evidence of any sort or description in the RECORD.

Mr. NEWTON of Minnesota. The reason for its inclusion, I will say to the gentleman from New Jersey, is votes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey.

The question was taken; and on a division (demanded by Mr. NEWTON of Minnesota) there were—ayes 50, noes 88.

So the amendment was rejected.

The CHAIRMAN. The Clerk will report the various amendments at the Clerk's desk.

The Clerk read as follows:

Amendment by Mr. TINCHER: Page 8, line 9, after the words "tobacco and," strike out the word "swine."

The CHAIRMAN. The question is on the amendment.

The amendment was rejected.

The Clerk read as follows:

Amendment by Mr. TINCHER: Page 8, line 13, after the word "tobacco," insert a comma and the word "wheat."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas.

The amendment was rejected.

The Clerk read as follows:

Amendment by Mr. TINCHER: Page 8, line 24, strike out the word "swine."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was rejected.

The Clerk read as follows:

Amendment by Mr. TINCHER: Page 8, line 25, after the words "tobacco or," strike out the word "swine."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was rejected.

The Clerk read as follows:

Amendment offered by Mr. TINCHER: Page 9, line 11, after the word "associations," strike out the words "or other organizations."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was rejected.

The Clerk read as follows:

Amendment by Mr. TINCHER: Page 10, line 17, after the word "commodity," insert "*Provided*, That the board in entering into any agreement with a packer for the processing of swine shall not contract to pay to said packer as profit more than 25 per cent of the amount actually paid the producer for such swine."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. TINCHER) there were—ayes 42, noes 82.

So the amendment was rejected.

The Clerk read as follows:

Amendment by Mr. TINCHER: Page 11, line 24, after the word "than," strike out the word "cotton."

The CHAIRMAN. The question is on the amendment.

The amendment was rejected.

Mr. NEWTON of Minnesota. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. NEWTON of Minnesota: Page 8, line 10, after the word "commodities," strike out the balance of the line and all of lines 11, 12, 13, and 14.

The CHAIRMAN. The question is on the amendment.

The amendment was rejected.

Mr. FORT. Mr. Chairman, I have some amendments which I desire to offer.

The Clerk read as follows:

Amendment by Mr. FORT: Page 8, line 23, after the word "corn," strike out the word "rice."

The CHAIRMAN. The question is on the amendment.

The amendment was rejected.

The Clerk read as follows:

Amendment by Mr. FORT: Page 8, line 23, after the word "corn," strike out the word "rice."

The CHAIRMAN. The question is on the amendment.

The amendment was rejected.

Mr. DEAL. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. DEAL: Page 8, line 9, after the word "tobacco" and the comma, insert "peanuts."

The CHAIRMAN. The question is on the amendment.

The question was taken; and there were on a division (demanded by Mr. DEAL)—ayes 83, noes 121.

Mr. DEAL. Mr. Chairman, I demand tellers.

The CHAIRMAN. The gentleman from Virginia demands tellers. Those in favor of ordering tellers will rise and stand until counted. [After counting.] Not a sufficient number, and tellers are refused.

So the amendment was rejected.

Mr. TREADWAY. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. TREADWAY: Page 8, line 9, after the word "tobacco," insert "hay, apples, potatoes, vegetables, cranberries, onions, all dairy products, coal."

Mr. BLANTON. Mr. Chairman, I make the point of order that that amendment is frivolous and dilatory. That is not a bona fide amendment and I submit in all seriousness to the Chair that the time has come when the Chair ought to pass on that question, and stop this organized filibuster against this legislation. These frivolous and dilatory amendments may keep us here all night. There could be no end to them.

Mr. TREADWAY. There are many products in New England, and in addition to those is coal.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. HILL of Maryland. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from Maryland offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HILL of Maryland: Page 8, line 9, after the word "tobacco," insert "lumber."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. McDUFFIE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McDUFFIE. Has the time expired under this section?

The CHAIRMAN. It has, by the action of the committee.

Mr. McDUFFIE. I ask unanimous consent that the Clerk read the amendment that I send to the Clerk's desk.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Alabama.

The Clerk read as follows:

Amendment offered by Mr. McDUFFIE: Page 9, line 13, after the word "through," strike out "State convention" and insert in lieu thereof "county convention."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Alabama.

The question was taken, and the amendment was rejected.

Mr. SCHAFER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SCHAFER: Page 8, line 9, after the word "tobacco," insert the word "barley."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. LaGUARDIA. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LaGUARDIA: On page 12, after line 2, insert the following as a new section:

"It is hereby made unlawful for any person, other than a cooperative association engaged as in this act described, willfully to destroy any agricultural commodity for the purpose of enhancing the price or restricting the supply thereof, knowingly to commit waste or willfully to permit preventable deterioration of any agricultural commodity in or in connection with their production, manufacture, or distribution; to hoard any agricultural commodity; to monopolize or attempt to monopolize, either locally or generally, any agricultural commodity; to engage in any discriminatory and unfair, or any deceptive or wasteful practice or device, or to make any unjust or unreasonable rate or charge in handling or dealing in or with any agricultural commodity; to conspire, combine, agree, or arrange with any other person (a) to restrict distribution of any agricultural commodity; (b) to prevent, limit, or lessen the manufacture or sale of any agricultural commodity in order to enhance the price thereof; or (c) to exact excessive price for any agricultural commodity; or to aid or abet the doing of any act made unlawful by this section."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York.

The question was taken, and the amendment was rejected.

Mr. FISH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. FISH: On page 8, line 9, after the word "rice," to insert the words "hay, apples, potatoes, onions, celery, all dairy products, poultry and poultry products"; and on page 8, line 23, after the word "rice," to insert the words "hay, apples, potatoes, onions, celery, all dairy products, poultry and poultry products."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. TYDINGS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Maryland offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. TYDINGS: Page 9, line 21, after the word "any," strike out "basic" and insert "fundamental."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. NEWTON of Minnesota. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. NEWTON of Minnesota: Page 8, line 9, after the word "swine," insert "soy bean."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. BLANTON. Mr. Chairman, it is very evident that it will take at least an hour to vote on this bill after we finish it. I ask unanimous consent that the balance of the bill be considered as having been read.

Mr. SCHAFER. I object.

Mr. DEAL. I object.

The CHAIRMAN. The Chair thinks that ought not to be done under the rule. The Clerk will read.

The Clerk read as follows:

COMMODITY ADVISORY COUNCILS

SEC. 7. (a) The board is hereby authorized and directed to create for each basic agricultural commodity an advisory council of seven members fairly representative of the producers of such commodity. Members of each commodity advisory council shall be selected annually by the board from lists submitted by the heads of the agricultural departments of the several States within the Federal land bank district and from lists submitted by cooperative marketing associations and farm organizations determined by the board to be representative of the producers of such commodity. Members of each commodity advisory council shall serve without salary but may be paid by the board a per diem compensation not exceeding $20 for attending meetings of the council and for time devoted to other business of the council and authorized by the board. Each council member shall be paid by the board his necessary traveling expenses to and from meetings of the council and his expenses incurred for subsistence, or per diem allowance in lieu thereof, within the limitations prescribed by law, while engaged upon the business of the council. Each commodity advisory council shall be designated by the name of the commodity it represents, as, for example, "the cotton advisory council."

(b) Each commodity advisory council shall meet as soon as practicable after its selection at a time and place designated by the board and select a chairman. The board may designate a secretary of the council, subject to the approval of the council.

(c) Each commodity advisory council shall meet thereafter at least twice in each year at a time and place designated by the board, or upon a call duly signed by a majority of its members at a time and place designated therein.

(d) Each commodity advisory council shall have power, by itself or through its officers, (1) to confer directly with the board, or to make oral or written representations concerning matters within the jurisdiction of the board, (2) to call for information from the board and to make representations to the board in respect of the commodity represented by the council in regard to the time and manner of operations by the board, the amount and methods of collection of the equalization fee, and all matters pertaining to the interest of the producers of the commodity, and, (3) to cooperate with the board in advising producers and cooperative associations and farm organizations in the adjustment of production in order to secure the maximum benefits under this act.

Mr. CANNON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CANNON. Has consent been given for the general extension of remarks?

The CHAIRMAN. Yes; under the order of the House.

Mr. CANNON. Mr. Chairman, a question is never settled until it is settled right.

Twice in the last three years bills embodying the McNary-Haugen principle have been considered by Congress and defeated. Even at the beginning of the present session prospects for farm relief legislation were decidedly unpromising. The powers that be in both House and Senate had turned down their thumbs. The President's opening message to Congress gave no indication of any change of sentiment from that expressed in his speech delivered at Chicago the year previous. A pseudo farm journal, catering to its advertisers rather than its subscribers, announced a straw vote of three to one against a garbled version of the McNary-Haugen bill. All opponents of farm relief, including the steering committee of the House, the Secretary of Agriculture, the United States Chamber of Commerce, and the boards of trade representing speculators in agricultural products, agreed unctuously and unanimously that hope of farm relief was dead, and the present happy arrangement, under which the farmer receives less than cost of production for what he sells and pays war-time prices for what he buys, would be continued indefinitely.

But it is now evident that they reckoned without their host. They failed to take into consideration the rankling sense of wrong pervading the rural sections of the country, the flagrant injustice of the economic system which occasions it, and the rapidly spreading organization of farm forces which are giving it expression. The obvious unfairness of this system is its own undoing. For seven years the farmer has operated at a loss, while every other industry has enjoyed unexampled prosperity. During these seven years, while industry has steadily increased its profits and labor has continuously advanced its wage scales, agricultural incomes have fallen year by year and month by month, until to-day—at a time when the industrial and commercial assets of the Nation break all records and labor commands the highest wage ever received—agriculture is receiving the lowest relative price ever paid for farm products and is on the verge of bankruptcy.

Between the census of 1920 and 1925 the farmers of America lost $20,000,000,000 in the value of their farm lands—a third of their capital investment. During that period their mortgage indebtedness doubled and their taxes increased more than 200 per cent. Their freight rates and all costs of production advanced exorbitantly; the fertility of their land declined; their equipment deteriorated; their livestock shrunk in value $6,000,000,000; and the standard of living on the American farm declined to the irreducible minimum. Never were prosperity and luxury so universal in the city, and never were want and poverty so prevalent on the farm. And rural resentment at the contrast grows as it becomes more and more apparent that this superprosperity of industry and labor is the direct outgrowth of privileges conferred by enactments of Congress, and that the distress of agriculture is the immediate result of Congress's refusal to give the farmer the same legislative privileges so long enjoyed by every other class and industry. It is further accentuated by the fact that this discrimination against the farmer has taken advantage of his patriotic contribution to the winning of the war and the generous prodigality with which he has since supplied the wants of the Nation in the time of peace.

When America entered the war the Government, realizing that the vital problem was to feed the Army and Navy and the people of our cities, sent out the message everywhere until it became a slogan, "Food will win the war." Farmers were urged to seed every available acre. The Food Administration promised for every 100 pounds of pork thirteen times the cost per bushel of the corn fed to the hogs. Every inducement was offered to secure maximum food production. And the farmers of America, in response to that call for help, went into the fields—men, women, and children—and, producing as no people ever produced, supplied food not only for our own needs but for the military and civil commissaries of the allied nations of Europe.

The first discrimination leveled at the farmer came when Congress arbitrarily fixed the price of wheat. Copper, steel, oil, and numerous manufactured products were just as essential and just as necessary to the winning of the war as was wheat, but the farmer was made the goat and the price of his product was fixed at a third the price he could have obtained in the open markets while the price of every other war essential went sky high. Wheat bought by Mr. Hoover's Export Grain Corporation for $2.10 a bushel, entailing a loss to the farmer of $3,500,000,000, was sold to the French, English, and Italian

Governments at a profit of $70,000,000 and by them retailed at $4 to $5 a bushel, giving these Governments an enormous profit, taken from the pockets of the American farmer.

Then came the armistice, and with it an orgy of prodigality on the part of Congress—to everybody except the farmer. Both Democrats and Republicans voted practically unanimously to reimburse every industry that was producing goods for war purposes, and as most of them were supplying war materials in one way or another great numbers lined up at the Public Treasury and were paid fabulous sums. So ill conceived was this legislation that many firms, to their everlasting credit, refused to take the gratuity. The Eastman Kodak Co., for example, sent back to the Treasury a check for $60,000, and Henry Ford, who was down on the books to receive millions, refused to take a cent. But most of them took all they could get. The railroads alone grabbed off half a billion dollars. What amends were made to the farmer, who had also depended on the Government's representations in producing war supplies? While industry and labor were working under a cost-plus system and making unheard-of profits, he was working under incredible handicaps. The young men were gone. Farm labor could hardly be secured at any price. Costs of production climbed to dizzy figures. Utilizing every resource and taxing every energy, the farmer produced food at steadily mounting expense, under the Government's promise that he would be paid for it. He carried out orders. He made victory possible. American food produced by American farmers on American farms was a vital factor in winning the greatest conflict in all history, and his loss occasioned by the sudden cessation of the war was as great as that suffered by industry. But the attitude of the Government toward the farmer was quite different from that exhibited toward industry and big business. No provision was made to compensate him for his loss, and he received about the same gratitude that the United States is receiving from Europe to-day. Hardly had the war closed before the Government, moving deliberately, threw into the market enormous quantities of food and supplies which might have been released only as required or exported; and the market promptly collapsed. Food produced at exorbitant expense in costly machinery, fertilizer, labor, and manufactured supplies, was sacrificed at half its cost. Mr. Hoover's food administration, in violation of its solemn agreement to pay for pork at the widely advertised 13 to 1 ratio, refused to liquidate at a higher ratio than 11 to 1. Every promise made to manufacturers and contractors was kept, at an enormous cost to the Government, while the contract with the farmer was deliberately violated in order to furnish ruinously cheap food for both European and domestic consumption.

But this was merely the beginning of the legislative exploitation of the farmer. No sooner had peace negotiations been finally concluded and all danger of further conflict removed than the great industrial leaders began to agitate for a return to a "pre-war basis," a "deflation of prices." "Back to normalcy" was the cry, and at the earliest opportunity governmental agencies, created and empowered by law, loosed upon the helpless farmers a further ruthless and merciless reduction in prices and income.

Federal reserve banks not only raised the discount rate abnormally but directed member banks that where agricultural products were being held off the market for the purpose of procuring a fixed price, such paper should no longer be discounted. Incidentally, this is an interesting sidelight on the attitude of one of these great law-established, Congress-created agencies toward the cooperative movement so strongly commended to the farmers by the Agricultural Department and administration economists as the ideal panacea for all farm ills.

The effect of this program of deflation on farm prices was instantaneous and drastic. The price of wheat fell from $2.40 to 75 cents per bushel; corn from $1.73 to 64 cents per bushel; hogs from $15.88 to $9 per hundredweight; cattle from $15.78 to $8.66 per hundredweight; and all other farm products in proportion. In striking contrast, industrial products not only remained at war-time prices but actually advanced, until the Secretary of Commerce last year reported that manufactured products had increased in price 65 per cent since the close of the war. Labor, compactly organized and equally favored by fostering legislation, not only resisted fiercely any suggestion of a reduction in war-time wages, but actually advanced its wage scales, until the Secretary of Labor announced recently that organized labor in the United States is to-day enjoying a wage of greater purchasing power than any ever previously paid in the history of the world.

The farmer has been left with the bag to hold. He has produced more efficiently and fed the world more generously in the last seven years than ever before. But it has been a thankless and unrequited service. The truth is that he has been too generous. When he raised a small crop he has been better paid than when he produced a surplus. Bigger and better crops have merely meant bigger and better debts and bigger and better mortgages.

In 1925 he raised 558,000,000 bushels of corn more than he raised in 1924, and yet he was paid $314,000,000 more for the small crop than for the large crop. In 1925 he raised 100,000,000 bushels of potatoes less than he raised in 1924 and yet he received $350,000,000 more for them than he received for the big crop of the previous year. It is not unsual to hear denizens of the great city office buildings, who spend two hours in their office and four hours on the golf links, announce oracularly that if the farmer would work more and spend less time in his flivver there would be no agricultural problem. As a matter of fact, if the farmer had worked less and loafed more and raised half the crop he produced last year, he would have doubled his income. It is the bumper crop—the surplus above the requirements of the domestic market—that demoralizes farm prices, and as it is utterly impossible for farmers to adjust one year's production to one year's demand, a surplus in average years is inevitable. It is now universally admitted that even a small surplus fixes the price of the farmer's entire crop, and it is this ruinous surplus that the McNary-Haugen bill proposes to affect.

At the risk of being tedious, I wish to show just how the Senate bill which has been substituted for the House bill will operate, and how it will serve both the consumer and the producer by removing from the domestic market unneeded surplus supplies and thus leave supply and demand fairly and evenly balanced in the home markets.

The bill proposes to do this by creating a farmer-controlled Federal board which operates through producers' cooperatives and other agencies which will, by sound commercial methods, remove the surplus from the domestic market by storage or export. These large-scale market operations involve possibilities of loss, which under the bill will be paid out of funds derived from the commodity itself and assessed ratably against the total production—thus distributing the costs as widely as the benefits.

When the board through producers and other agencies shall have removed the surplus from the market, by storage or export, the regular supply will remain, and being in fair balance with demand, fair and equitable prices will result through the normal operations of the law of supply and demand.

It should be borne in mind that the Federal farm board and the agencies through which it will operate will be authorized by this bill to deal only with the surplus. This will leave the regular supply to be handled by regular agencies in the regular way.

There is nothing mysterious or esoteric about this legislation. It simply creates an opportunity for millions of scattered producers to act unitedly in dealing with an economic problem beyond the capacity of the individual acting separately. It has just one aim—to prevent an unneeded supply from breaking the market below the cost of production for the whole crop.

Farmers are amply protected by provisions of this bill which prevent the application of the plan until operations are favored by a majority of the producers. Legitimate private agencies of trade are protected by the fact that the board will deal only with a surplus, leaving the regular supply to be handled by private agencies, cooperatives, or otherwise. This will result in the development of producers' cooperative associations, provided they can handle the marketing and distribution of the regular supply more efficiently and economically than private commercial agencies. If the latter can perform this service more efficiently and economically than the cooperatives, they will survive and the latter will fail.

Consumers of farm products are amply protected against extortionate prices by our present antitrust laws and by the provisions of the Capper-Volstead law, which forbid undue enhancement of prices by farmers' cooperatives. This law further provides that if at any time producers' cooperatives unduly enhance prices, the courts shall interfere and prevent it.

Now, let us presume conditions under which the benefits of the law might be invoked. Suppose, for example, that producers' organizations representing the majority of wheat producers would come to the farmer-controlled board, or would be sent for by the board, to consider an operating period in wheat. The best information obtainable indicates that there will be a surplus of wheat. The wheat advisory council of seven, selected by the board from lists of names submitted by farm organizations and cooperative associations, agree with the board and the farmers' organizations that operations in wheat are necessary. Members of the board representing land-bank districts producing more than 50 per cent of the wheat vote for operations and a majority of the board concur in these find-

ings. The board will then publicly declare its findings and commence operations upon a date to be fixed by it. In this announcement the board will publish the amount of the equalization fee to be collected during the period and the point at which it will be collected. Conditions precedent have now been complied with; it has been decided that there is a surplus of wheat and that operations shall commence.

The problem now is to remove this surplus from the domestic market by storage or export, or both, either in the form of wheat or its manufactured products, leaving domestic supply and demand evenly balanced. It is not expected that the surplus can be acquired at once, but it will be controlled by the acquisition from time to time of supplies coming into the market. It may be decided by the producers' organizations, the advisory council, and the board that it is desirable to remove as much as possible of the wheat in the form of flour, and an agreement to that effect may be entered into with millers at the request of the producers' advisory council. Included in this contract with millers may be provisions to aid the extension of American flour exports by finding outlets in new and previously unoccupied foreign markets, which millers by individual initiative have not been able to enter.

Nothing in the bill gives any justification for the charge that the board will guarantee that the business of a miller shall be conducted at a profit. The board is given the authority to enter into an agreement to secure the handling of the surplus in the interest of the producer. The board will, of course, enter into an agreement with the miller to pay him an agreed amount for the service of milling and exporting the agreed quantity of wheat. The amount agreed upon is taken out of the stabilization fund made up from the collection of the equalization fee on wheat. With the surplus out of the way, demand will absorb the remaining supply in the domestic market at prices justified by balanced supply and demand and in line with general domestic business conditions.

That the law is both workable and practicable, and that its operation would be successful, is indicated by the experience of the California rice growers, who have worked out for themselves an export scheme for handling their surplus strikingly similar to the plan provided in the pending bill. Eighty per cent of the rice growers of California are in their own cooperative. Last year the California market was overstocked with their rice. Something had to be done with the surplus. Every member of the rice cooperative agreed to bear his pro rata share of the loss if the surplus were shipped to Japan and sold there for what it would bring. In other words, they agreed to the imposition of an equalization fee. The dumping was carried out successfully and the Pacific coast rice market was helped tremendously. The members of the cooperative were paid several times over for the loss which they took on the rice dumped in Japan. Not a single member of the cooperative objected to the fee as a tax, and up to this time no one has been heard to suggest that the plan was uneconomic. Of course, the 20 per cent of the rice growers which are not in the cooperative benefited even more, because they got the increased price and were not required to contribute to the loss on the surplus. Unfortunately there are always those willing to profit at their neighbor's expense. Under the pending legislation, all producers will share equally in the expense of the plan and in the benefits derived from its operation, which is only just and fair, and is in keeping with the Jeffersonian doctrine of equal rights to all and special privileges to none.

Now, let us consider some of the objections so industriously urged against the bill by its opponents both in and out of the House. Foremost among them is the charge that it is uneconomic—that it interferes with the sacred law of supply and demand. This cry was raised at the first suggestion of farm-relief legislation, and has been repeated parrot-like in the criticism of every farm bill that has since been brought before Congress. Those interests which themselves have profited most by the same class of legislation seem to be most vociferous in their assertion that it is "uneconomic."

The interpretation of the law of supply and demand as applied to present conditions and invoked in opposition to this bill, is the most monumental sophistry of the age. Industry and labor have defied the law for years. When the first tariff was passed the law of supply and demand was modified. When Congress passed the Fordney-McCumber Tariff Act, shutting out the supply of manufactured commodities from abroad; when it passed the Webb-Edge-Pomerene Act, giving immunity from persecution as trusts to all associations or combinations engaged in export trade; it drastically curtailed the operation of the law of supply and demand and promoted the welfare of the manufacturing interests at the expense of the farmer and other consumers who must pay the extra dividends which these great industries have been declaring every year since these laws went into effect.

When Congress passed the immigration act, restricting the flow of labor into the United States; when it passed the Adamson Act, advancing railroad salaries and increasing freight and passenger rates to pay them; when it passed the eight-hour law, decreasing the hours of labor from 10 and 12 hours per day to 8 hours per day, thereby increasing the wages paid labor $237,000,000 the first year it was in operation, it decreased supply and increased demand in the labor markets of the country and charged the increased expense, as usual, to the farmers and other consumers.

When Congress passed the Esch-Cummins Transportation Act, insuring railroads a return of 5¼ per cent on a valuation of $18,900,000,000, of which $7,000,000,000 was water; when it passed the interstate commerce act, establishing a commission to regulate rates which always regulates them upward, and which has made millions for the railroads; it drastically interfered with the operation of the much vaunted law of supply and demand, and, of course, at the expense of the farmers who pay the freight on all they ship out and on all they ship in.

When Congress passed the Federal reserve act, giving the great banks of the country a wider control over money and credits, and creating an agency which was the direct instrument utilized by big businesss in deflating farm prices in 1920, it did for finance and commerce exactly what the farmers are asking Congress to do for them in the enactment of the McNary-Haugen bill.

When Congress passed these laws stabilizing the manufacturing interests, the labor interests, the railroad interests, and the banking interests; when it benevolently placed its sheltering arms about these infant industries, leaving the farmer, who as the ultimate consumer, must pay for the special privileges granted them by virtue of law, its enactments were, in the opinion of these great interests, both constitutional and economically sound. It is only when agriculture, the last great industry in the country left to shift for itself, and the one least prepared to take care of its interests through organization, asks for a helping out of the same dish, that such legislative favors become "uneconomic." Every agency of business and financial activity except agriculture has been aided by Congress at one time or another through enactments interfering with the law of supply and demand. And yet when the farmer presumes to ask for similar modifications of the law in the interest of agriculture, a great many of our protected industries think he got the notion from Moscow. He did not. He got it from Massachusetts. Are our friends who cry "uneconomic" at the McNary-Haugen bill willing to wipe off the statute books our tariff act, our immigration law, our Federal reserve act, our Adamson Act, and our other acts modifying economic law? They should at least be consistent. They should be willing to give up their enactments modifying economic law in their favor or they should be willing to accept the alternative and allow the farmer the same privilege.

Equally popular among opponents of farm legislation with the theory that the McNary-Haugen principle is subversive of economic law, is the contention that it is unconstitutional. I have been on the floor of the House for 16 years, and one of the first things I learned was that when a Member opposed a measure but for some good reason preferred not to state his real objection, he took refuge in the hackneyed charge that it was unconstitutional. Long observation has confirmed that deduction, and it is possible that the debate on the present bill is no exception to the rule. Laws granting special legislative privilege to other great business interests of the country when presented on this floor are characterized as triumphs of statesmanship; they are both economic and constitutional, but when the farmer, impoverished by high tariffs, burdened with exorbitant freight rates, exploited by deflation of the prices of his products, and penalized for efficiency and industry in the production of a surplus food supply for the Nation, makes a belated appeal to Congress for legislation granting him exactly the same privileges, the high priests of big business, lifting their faces to Wall Street whence cometh their strength, make the welkin ring with the cry that it is "unconstitutional."

If these learned gentlemen had read that historic document since leaving the grade school they would know that it is not the duty of Congress to interpret the Constitution. That is not a function of the legislative branch of our Government. When the fathers wrote that immortal instrument they wisely provided that the legislative branch of the Government should enact the laws; that the executive branch of the Government should enforce the law; but that the judicial branch of the Government should pass upon their constitutionality. A majority of the lawyers in both the House and the Senate believe

this law, if enacted, is constitutional, but that is a question for the Supreme Court to decide—opinions of gentlemen who are willing to assume the prerogatives of both the legislative and judicial branches of the Government on their Atlas-like shoulders to the contrary notwithstanding.

However, there is not one of these supertechnical hair-splitting barristers who would not concede that every party litigant is entitled to his day in court. Surely the farmer is entitled to equal rights with a criminal at the bar. He is entitled to have the court pass upon his contention and determine the constitutionality of this bill. Those who refuse to pass the bill on the ground that it is unconstitutional would forever deny the farmer his day in court. They would refuse him the poor privilege which has been the universal right of even the lawbreaker for time immemorial. Let us have done with this byplay and sweep aside this camouflage. Let us do what we can to alleviate the distress of the most wronged and most deserving class in America to-day, and leave the question of constitutionality to the great court to which it properly belongs.

We come now to an objection on which there is, perhaps, room for an honest difference of opinion—the claim that the passage of this bill would raise the price of food and increase the cost of living. It is, perhaps, the impelling reason behind much of the opposition to this measure. Let me reassure any anxious consumer who fears to give the man who feeds him as good a wage as he himself receives. A careful study of the McNary-Haugen bill will convince even the most timorous that, once in operation, it will, through improved service and stabilized markets, benefit the consumer as well as the producer.

It may surprise the average consumer to learn that the price of wheat has practically no influence on the price of bread, and that the price of cattle has little or no relation to the price of beef. Fluctuations of 100 per cent in the price received by the farmer for his wheat do not change the price of bread one penny. In fact, variations in the price of wheat greater than 100 per cent have in the last seven years exerted no appreciable effect on the price of a loaf of bread.

In the spring of 1920, when wheat sold for $2.80 per bushel, the price of bread was 10 cents per loaf, and in the fall of 1921, when wheat was selling for 75 cents per bushel, the price of bread was still 10 cents per loaf. To-day, with wheat selling at $1.20 per bushel, the price of bread in my home town, in the heart of the wheat belt, is still 10 cents per loaf. In Kansas City, one of the great wheat centers of the world, the Government's statistical bureau reports that while the wheat-price levels have dropped more than 25 per cent since the war, the price of bread in that city has increased 66⅔ per cent. It is evident that both the producer and the consumer are being mulcted under this worthy system which some of our friends are so anxious to retain. If the cost of a loaf of bread fluctuated in response to the rise and fall of the price of wheat, the price of bread would be quoted every morning in the daily papers, announced every day over the radio, and posted every hour on the bulletin boards. You would never know until you got to the bakers the price you were to pay for the staff of life. As the price of bread remains stable, no matter what the price of wheat may be, it is quite evident that it is controlled by influences entirely outside of the cost of the wheat, which enters into its production and which is its principal ingredient. And this when they are turning out bread cheaper than ever before. They have organized and standardized the process and have adopted Henry Ford's plan of mass production. They can bake and market a loaf at less cost to-day than it has ever been baked and marketed since Joseph garnered the wheat of Egypt for the seven years of famine. And yet the price of wheat goes down and down and down while the price of bread goes up and up and up. The farmer could be paid 50 cents or even a dollar more per bushel for his wheat, and his prosperity and buying power restored, and the added cost per loaf would be so infinitesimal that it would not be reflected in the price at the bakery. As a matter of fact, the standardization of the price of wheat throughout the year and the institution of direct service which would naturally follow would work such material economies that the farmer could be paid a living price for his grain and the consumer buy bread at less than the price paid to-day under the present antiquated and wasteful system.

Similar economies would be effected in the production and distribution of meats. On December 20, 1926, prime steers sold in the National Stockyards at East St. Louis for $9.50 per hundredweight. On the following Monday they sold at $8. In January, 1927, the same steers brought $10.25. I know because I had steers from the same herd on the market on these dates. And yet a survey of the markets in both St. Louis and Washington showed that the price of beef on the block did not vary a fraction of a cent on those three dates. On another occasion the price of sliced bacon advanced 6 cents per pound on the retail market simultaneously with a drop of $2 per hundredweight in the price of hogs in the stockyards. The consumer can draw his own conclusions.

Again, the price of raw cotton dropped from 30 cents per pound to 11 cents per pound during a recent period of readjustment in cotton prices, apparently without a benefit of anything like that amount to the ultimate consumer. And while the farmer received $1.74 for his rice in 1925 and only $1.19 for it in 1926, and notwithstanding rough rice was quoted last year at $6.50 per barrel and this year at $4 per barrel, a careful inspection of most of the retail stores within walking distance of the Capitol, including several chain stores, shows that the retail price of polished rice had not changed a penny in the last 12 months.

There is a spread of $20,000,000,000 between the field and the dinner table. Last year, according to the estimates of the Department of Agriculture, the farmers received approximately $10,000,000,000, while the consumer paid $30,000,000,000 for the same products. A charge of $20,000,000,000 to distribute $10,000,000,000 worth of commodities is too much, and the orderly and efficient marketing of farm products provided for in the McNary-Haugen bill will take up the slack and pay the farmer a reasonable price without increasing the cost to the consumer.

The bill will further benefit both the producer and the consumer and bring them closer together, to their mutual advantage, by initiating economies and eliminating many unjustifiable practices.

There are at present 30 marketing agencies selling our surplus products abroad. Under the bill the surplus would be sold through a single agency, at an obvious saving to the farmer, and under advantageous conditions which would naturally follow the removal of 29 concerns in competition in the same market.

The coordinated system of marketing provided by the bill would also weed out many objectionable practices now followed in grading. It not infrequently occurs that grain is bought at a low grade and sold at a higher grade, to the manifest disadvantage of both the producer and the consumer, and there have been numerous instances in which low grades, and even screenings, have been mixed with higher grades and sold as No. 2 grain. One company is said to have exhausted an entire sand pit mixing it with grain to increase the weight, and many European buyers discriminate against American products because they have found screenings and sweepings in shipments billed to them as prime grain.

A Federal marketing board would also secure immediate advantages by routing commodities to their most accessible market. Buffalo is across Lake Erie from the great potato-growing State of Michigan, but buys seven times as many potatoes from North Carolina as from Michigan, and more from Virginia than from any other State. Washington, D. C., just across the Potomac from Virginia, buys potatoes from 13 different States, and more of them from Michigan than from Virginia. The routing of apples and other farm products is just as irrational and wasteful and expensive. A Federal board charged with a general oversight of national marketing would promptly readjust such costly crosshauls, retracings, duplications of service, and useless dealings.

The stabilization of price provided for by the bill would effect immediate savings both in the field and in the market. The violent fluctuations in prices inevitable under the present system is the source of loss to both farm and city. In 1924 the short corn crop sent the price of corn up to $1.25. Hogs were plentiful, but corn was too high to feed, and the farmer sold his hogs as low as 7 cents and 8 cents. Even immature pigs were thrown on the market at tremendous economic waste. Then came the great corn crop of 1925, but there were no hogs to eat it. They had been sacrificed in the price debacle of the previous year. Naturally corn went down to half price and hogs took a corresponding jump, and the farmer was unable to secure hogs to feed or to market his corn at what it had cost him to grow it. The result was a loss to both the farmer and the consumer. The present outgrown system encourages just such economic wastes—wastes which no other industry would tolerate.

Closely connected with the violent fluctuations in the prices of farm products, and serving both as cause and effect, is the speculative operations of the market gamblers on the boards of trade. During the calendar year of 1925 more than 21,000,000,000 bushels of wheat were sold on the wheat exchanges—more than thirty times as much wheat as was produced that year in the entire United States. Under these circumstances it is apparent that legitimate supply and demand are largely

superseded by these fictitious operations on the exchange. Both the farmer and the consumer lose, and the gambler is the only beneficiary.

This rigging of the wheat market is not confined to our own speculators, but is extensively followed by foreign manipulators. The reporting of misleading estimates and summaries by foreign government officials has become notorious. Russia in the spring of 1925 reported that she had once more reached an export basis and would that year put some millions of bushels on the market. As a matter of fact, she did not have a single bushel to sell, and Bolshevist officials in the frame-up made large sums on the Liverpool, New York, and Chicago markets selling wheat on the rise occasioned by the report.

In December, 1925, the official report from the department of agriculture of the Argentine Republic was that Argentina had a crop yield of 215,000,000 bushels of wheat, permitting an exportable surplus of 141,000,000. As a matter of fact it later appeared that the Argentine crop was less than 180,000,000 bushels with a marketable surplus of less than 93,300,000 bushels, and the misleading reports were made in order to permit the cashing of enormous profits by certain Argentine officials on the boards of trade of the United States.

On another occasion, also in December, 1925, the official government report fixed the damage to portions of the Argentine wheat crop at 18.6 per cent in certain provinces, whereas private and reliable reports indicated that it would run as high as 70 per cent. As usual, large sums were made on the manipulation of wheat futures influenced by the misleading report.

It will also be remembered that early in the war the Italian Government profited to the extent of millions of dollars by unexpectedly releasing options on large quantities of wheat on the American exchange. The American markets, as usual, paid the price of this clever raid, and American farmers lost it. The enactment of the McNary-Haugen bill and the consequent stabilization of prices on the boards of trade would protect both the American farmer and consumer from such raids by foreign manipulators as well as against the depredations of our domestic buccaneers.

The last objection urged against the bill is that it will result in overproduction and so glut the market that in the end the price of farm commodities will be lower than ever and the condition of the farmer worse, if possible, than at present. This argument diametrically contradicts the objection that the bill will increase the cost to the consumer. One argument refutes the other. If there is overproduction, a glut of the market and lower prices will inevitably follow and the cost of living will be lowered instead of raised. You can not have overproduction and higher prices simultaneously, and the inconsistent gentlemen advancing these two plausible objections against the McNary-Haugen bill are in error on either one or the other of them. As a matter of fact they are wrong on both of them. The bill will neither unduly increase production nor increase the cost of living. Low prices tend to increase rather than decrease both acreage and production. Observation has shown that the farmer works 16 hours a day when in stringent financial circumstances and 10 hours a day when prosperous. When the price of his product declines to the point where his income will not take care of taxes, interest, insurance, and other indispensable overhead expenses, he must, of necessity, strain every resource to increase acreage and production to meet these fixed charges. When his prices return him an income sufficient to carry the overhead, he plants a moderate crop.

The records show that increased acreage and high production are coincident with low prices, and that moderate acreage and average production follow in the wake of fair prices. This principle governs in all lines of business activity. Labor has decreased instead of increased production since the 14-hour day became an 8-hour day. Men will not work 16 hours a day when they can secure a fair income by working 10 hours a day or less, and the farmer is no exception to the rule. With the necessity of increasing production to meet fixed charges removed, with the variation in the equalization fee automatically regulating prices, and with the farm organizations cooperating to maintain production at a level warranted by market requirements, there need be no fear of a permanent state of overproduction.

The text of the bill itself answers all objections. It will neither glut the market nor inflate the cost of living. It is not a subsidy, for under its provisions the farmer pays his own way as he goes. It does not put the Government in business, but merely gives the farmer control of his own business. It is not a price-fixing proposition, but merely gives the farmer the same right to collectively bargain for fair prices that the tariff act, the Federal reserve act, the Adamson law, the transportation act, and similar laws already on the statute books have given every other industry and by virtue of which they have long enjoyed unexampled prosperity at the farmer's expense.

In fact, the bill is in effect a measure designed to promote fundamental national welfare. Slowly but certainly the baleful effects of farm insolvency are spreading upward through the business structure of the country. Country merchants and local bankers have been the first to feel its blighting influence. Four thousand country banks have failed in the last five years, and the number of bankruptcies among local tradesmen surpasses all previous records. The purchasing power of agriculture is a vital factor in the industrial and commercial life of the Nation. The American farmer normally buys from American industry about $6,000,000,000 worth of manufactured goods annually, and in addition pays ordinarily about $4,000,000,000 for other American service each year. And he supplies a large part of the tonnage carried by our railroads. It is self-evident that if his prices remain below the cost of production and his purchasing power continues to fall, or even remains at its present low level, the entire economic and business structure of the country must eventually and inevitably suffer with him.

It is not farm legislation only. It is not class legislation. It is not merely vocational legislation. It is national legislation—legislation which must be enacted and enacted immediately if we are to avoid national catastrophe. Let us live up to the American ideal of the square deal. Let us make it possible for the farmer to enjoy, along with other industries, the assured fruitage of honest toil. Let us protect the farm as well as the factory, and in insuring farm prosperity we will insure national prosperity.

Mr. BLACK of New York. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLACK of New York: Page 12, line 7, after the word "commodity," insert "and seven members fairly representative of the public, selected by the President of the United States."

Mr. BLACK of New York. Mr. Chairman and comrades—now that Congress has become a soviet I shall have to address you as comrades—the farmer who drafted this bill certainly knew his groceries. The ethics of the bill are only equaled by the ethics of its promotion and legislative manipulation. The bill is to raise the price of products; and so it is not price fixing, because there is no top to the prices. It is the new blue sky bill; the sky is the limit for farm prices. While it creates a charge on all the people through a Government superagency, it is not a tax, because the farmers get it.

The Haugenites tell us they weeded the bill of old objections. For instance, they say the old equalization fund does not exist in the current edition of "Congressmen Prefer Farmers," because it is now called the stabilization fund. It will be the hallucination fund as far as the Government is concerned. We are told that the farmers are so broke that they can not pay their current bills, but if Uncle Sam loans them $250,000,000 more he will surely get it back. No; it is not a subsidy, not a bounty; it is just a sound investment in a surplus that we are going to give away to Europe.

It creates a farm board with more power than the official spokesman, because it absolutely controls the food supply of the country. It throws the Constitution in the silo and the bill of rights in the ditch. We have minority control of morals, and now we are to have minority control of economics. The American farmer is to gouge the American consumer to play Santa Claus to the Europeans. It is the anti-antitrust law.

If this becomes a law, rice will actually become a basic commodity. Why did not they put beans in the bill and line up GALLIVAN and TINKHAM? [Laughter.]

The Democrats think they will put "Cal" in a hole; well, that is the little hole through which he will crawl to a third term while Professor Butler tears his hair. [Applause.]

The Anti-Saloon League told the farmer he must not turn barley and hops into beer and corn into liquor, so he turned out too much wheat and too much mortgage with too much interest; now he is trying to turn out too much law to get too much money for too much commodity. It is much too much. [Applause.]

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in five minutes.

Mr. BLACK of New York. I have an amendment pending.

Mr. GARRETT of Tennessee. Mr. Chairman, I have an amendment to offer that is vital to the bill.

Mr. HAUGEN. How much time does the gentleman from Tennessee desire?

Mr. GARRETT of Tennessee. I do not desire any time, except that I want to offer an amendment. I should like to have five minutes on it.

Mr. BLACK of New York. I understand I have a couple of minutes left of my time. I would like to yield it to the gentleman from Tennessee.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in five minutes.

Mr. MACGREGOR. I want five minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that all debate on this section and all amendments thereto close in five minutes. Is there objection?

Mr. SCHAFER. A point of order, Mr. Chairman.

Mr. GARRETT of Tennessee. Will the gentleman from Iowa [Mr. HAUGEN] withhold his request until the amendment I have offered is read?

Mr. HAUGEN. I will withhold it; yes.

The CHAIRMAN. Is the gentleman's amendment an amendment to the amendment offered by the gentleman from New York?

Mr. GARRETT of Tennessee. No; it is not.

The CHAIRMAN. The Chair suggests that we dispose of the amendment offered by the gentleman from New York. The question is on agreeing to the amendment offered by the gentleman from New York [Mr. BLACK].

Mr. SCHAFER. Mr. Chairman, I rise in opposition to the pro forma amendment.

The CHAIRMAN. The Chair does not think he can recognize the gentleman under the circumstances. The question is on agreeing to the amendment offered by the gentleman from New York [Mr. BLACK].

The amendment was rejected.

Mr. GARRETT of Tennessee. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Tennessee offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GARRETT of Tennessee: On page 13, line 19, after the word "board," strike out "the amount and methods of collection of the equalization fee."

Mr. GARRETT of Tennessee. Mr. Chairman, if this amendment should prevail I shall then move to strike out the equalization fee provision at every other point in the bill. This is the heart, in a way, of the measure. This is the revolution. This is the thing that is going to cause the trouble. This is the thing that will—well, I do not know what it will do. I know it is a departure from all sound constitutional principles and from all sound economic principles. Many gentlemen do not agree with me. It is the thing that is going to create trouble possibly 10 years from now if the bill passes. Of course, I have a motion to strike out the equalization fee in all other parts of the bill, but that is not interesting at this particular time. The thing I am striking at here is the vital principle of the bill.

Mr. BOX. Will the gentleman yield?

Mr. GARRETT of Tennessee. I will.

Mr. BOX. May I read in the gentleman's time a statement by the head of the agricultural department of Texas on the very subject which the gentleman is talking about?

Mr. GARRETT of Tennessee. Yes.

Mr. BOX. This is the statement to which I desire to call attention:

I have written to you heretofore that I was opposed to this bill, and it is my candid judgment that practically all the farmers in Texas oppose it except the members of the farm bureau and Texas Farm Bureau Cotton Association. These people have been very active in its support, but they constitute a very small percentage of the people of Texas.

I do not believe this bill will be of any benefit to the producers in the marketing of their surplus crops, and I believe that it will be impossible to collect the equalization fee.

And may I state that I know this gentleman. He is an honest-to-God farmer; he does not live around the towns and cities and lobby for measures in order to get to live off of the victimized farmers. [Applause.]

Mr. GARRETT of Tennessee. Mr. Chairman, that letter is fine. Here is the evil thing about this bill, that it is going to change the whole agricultural life of this country without knowing where you are going. I do not want to make any parliamentary effort to defeat the gentleman's bill but I wonder whether the gentleman from Iowa would be willing for the committee to now rise——

Mr. HAUGEN. No; I would not be willing to do that.

Mr. GARRETT of Tennessee. Then, Mr. Chairman, I will insert at this point the amendments I will offer in the event this amendment prevails.

The matter referred to follows:

Page 13, line 19, strike out "the amount and methods of collection of the equalization fee."

Page 14, strike out section 8.

Pages 14 and 15, strike out section 9.

Pages 15 and 16, strike out section 15.

Page 16, line 25, strike out "and the equalization fees."

Page 17, line 3, strike out "the collection of the equalization fees and."

Page 17, line 16, strike out "to equalization fees collected by any person and."

Page 18, line 17, strike out "fees or."

Page 18, line 9, strike out subdivision (e).

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. HAUGEN. Mr. Chairman, I renew my request that all debate on the pending section and all amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that all debate on this section and all amendments thereto close in five minutes. Is there objection?

Mr. SCHAFER. I object.

Mr. HAUGEN. Then, Mr. Chairman, I move that all debate close in five minutes.

The CHAIRMAN. The gentleman from Iowa moves that all debate on this section and on all amendments thereto close in five minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. MACGREGOR].

Mr. MACGREGOR. Mr. Chairman and members of the committee, I have not taken any time on this proposition. I think it is going to be very disastrous to our Nation. It is not called for by the so-called dirt farmers, but by the farmers of the farmers. I can not express my opinion more clearly with reference to it than by quoting the poem of a poet who is quite familiar to you, Sam Walter Foss. It seems so apropos that I want to read it to you:

ON TO WASHINGTON

By Sam Walter Foss

Oh, let us march to Washington
And ask for legislation,
To make the trees grow greenback leaves,
To make the clouds rain pure milk,
To make nutritious, wooden beeves,
And strong, tenacious cobweb silk,
For each man in the Nation.

Oh, let us march to Washington
With a polite petition,
That Congress change red sand to meal,
And make the pieplant bloom with pie;
Or else make all the common weal
Be satisfied and nourished by
Spontaneous nutrition.

Oh, let us march to Washington
And ask our legislators
To make pure air a legal food,
To make all apples without core,
And that all pebbles that are strewed
Along the misty ocean shore
Be changed into potatoes.

Oh, let us march to Washington
And urge with force and reason
That Congress make all labor crime,
And abrogate old Adam's fall,
And make all hours dinner time,
All work unconstitutional
And industry high treason.

[Applause.]

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Tennessee to strike out the equalization provision.

The question was taken; and on a division (demanded by Mr. ABERNETHY) there were—ayes 87, noes 116.

Mr. GARRETT of Tennessee. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers the gentleman from Iowa [Mr. HAUGEN] and the gentleman from Tennessee [Mr. GARRETT].

The committee again divided; and there were—ayes 114, noes 139.

So the amendment was rejected.

The Clerk read as follows:

SEC. 8. In order that each marketed unit of a basic agricultural commodity may contribute ratably its equitable share to the stabilization fund hereinafter established for such commodity; in order to prevent any unjust discrimination against, any direct burden or undue restraint upon, and any suppression of commerce with foreign nations in basic agricultural commodities in favor of interstate or intrastate commerce in such commodities; and in order to stabilize and regulate the current of foreign and interstate commerce in such commodities—there shall be apportioned and paid as a regulation of such commerce an equalization fee as hereinafter provided.

Mr. NEWTON of Minnesota. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. NEWTON of Minnesota: Page 14, line 3, after the word "commodity," insert the words "except wheat."

Mr. NEWTON of Minnesota. Mr. Chairman, the purpose of this amendment is to except wheat from the payment of any equalization fee. Something like ten days or two weeks ago, I endeavored to show the House by reliable tables and charts that this legislation discriminated against the spring-wheat farmer. The average annual wheat crop in the United States for the years 1920 to 1924, inclusive, amounted to 834,900,000 bushels. About 20 per cent or, to be exact, 153,800,000 bushels, was red spring wheat, which is grown in my part of the country. This spring wheat is practically all raised in Minnesota, the two Dakotas, and Montana. What is done with it? All but 11,300,000 bushels per annum were consumed in this country. In other words, the average export of red spring wheat during that period was 11,300,000 bushels per annum. The average total wheat exports of all kinds during the same period was 186,200,000 bushels annually. It will, therefore, be seen that, while spring wheat constitutes about 20 per cent of our production, it only constitutes about 6 per cent of our total wheat exports. Red spring wheat stands on a different basis than some of the other wheats produced in this country. Most of our wheat, which is exported, comes from either the Pacific coast or certain portions of the Southwest. Most of the exported wheat is produced for export. Practically all of this spring wheat is produced for consumption in this country. Why should the spring-wheat farmer then be called upon to pay the same as his competitor who, with knowledge, produces primarily for export? He knowingly produces a surplus.

When tobacco was included in this legislation over in the Senate a special provision was inserted making it possible to levy the equalization fee on one type or class of tobacco and to leave it off from the others. No such exception has been made in reference to wheat, and presumably if any such exception was intended, it would have been included in the bill. Otherwise special pains would not have been taken to make an exception in reference to certain types and classes of tobacco.

This is just another evidence of the discrimination that is being made in order to get this bill passed regardless of what provisions it may contain or how unfair it may be to certain parts and portions of the country. I offered an amendment to strike this exception pertaining to tobacco from the bill, but it was defeated just like some of the other amendments were defeated.

I showed by the tables and charts and using the last three years of 1923 to 1926, inclusive, that the tariff of 42 cents per bushel on wheat was substantially effective during that period. The yearly averages showed No. 1 dark northern to have been 34½ cents, 26 cents, and 36½ cents, respectively, above No. 3 Manitoba at Winnipeg. I said that the spring wheat farmer would have to pay the equalization fee and would derive no benefit from those payments. I shall now show just how it would work out. Of the total production of spring wheat, amounting to 153,800,000 bushels, let us assume that the spring wheat farmer uses up in seed, and so forth, 28,800,000 bushels. He would have left to sell in the market 125,000,000 bushels. Suppose he is called upon to pay an equalization of 10 cents per bushel. This would be a very modest fee, and the chances are it would be double that amount, but we will assume this for purposes of illustration and to be conservative. On this basis the spring wheat farmer would pay in $12,500,000. His small surplus is sold abroad for no more than it is now sold, and as he obtains substantial benefit from the tariff already, he would receive little or no more for the wheat sold in this country than he is now receiving. However, at the end of the year he will find that he has paid out $12,500,000 in equalization fees and that it is all practically a distinct loss to him. I wonder how long the spring wheat farmer would stand for this?

The gentleman from North Dakota [Mr. BURTNESS] said I should have used the average weekly cash price instead of the average weekly high cash price. I used both. In the tables and charts making the comparison with the Canadian, Minneapolis, Kansas City, and St. Louis markets for the years 1925–26, I used the average weekly cash price and not the average weekly high price. The differential throughout the year was 27 cents in favor of the spring-wheat farmer. I used the average weekly high price for the comparison of Minneapolis and Winnipeg markets, because Minneapolis is a premium market and bids high for high-protein content wheat. It is obvious that the "high price" tempts the Canadian wheat over the line. The tables and charts used therefor showing the average weekly high price are fair because, as I have said, it is the high price that brings the wheat over.

However, let us consider the average weekly cash price between the Minneapolis and Winnipeg markets. For figuring on this basis, as the gentleman from North Dakota frankly stated, substantial benefit is received from the tariff.

Suppose the spring wheat farmer as a result of this control and the payment of a 10-cent equalization fee gets 10 cents per bushel more on the spring wheat sold and consumed in this country. If 11,300,000 bushels were shipped out there would be consumed in this country following sales 113,700,000 bushels. At 10 cents more per bushel this would mean $11,370,000 to the spring-wheat farmer. But in the meantime in order to get this he pays out in equalization fees $12,500,000. He certainly would lose on this transaction.

Suppose he received 15 cents more in this country—this would be the difference between the average weekly cash price for the year 1925–26 of 27 cents and the tariff of 42 cents—he would then receive less than 3 cents per bushel more than he is now receiving and that is figuring nothing for the payment of expenses of administration of the board and for the losses sustained in exporting the surplus.

Gentlemen, the spring-wheat farmer can not make anything on this plan. My amendment taking this wheat out should be accepted by this committee, for you accepted the provision without debate or discussion in your committee of the provision in the Senate bill which makes it possible to levy an equalization fee on one kind of tobacco and not on another.

I have a chart prepared, which graphically shows just what the spring-wheat farmer would lose if the provisions of this bill were put into effect on wheat. However, the committee has seen fit to practically foreclose any debates on the sections as they are read, and as a result there is no time to exhibit and discuss the chart.

The gentleman from North Dakota [Mr. BURTNESS] questioned my statement that No. 3 Manitoba northern wheat was comparable to No. 1 dark northern. The railroad and warehouse commission of the State of Minnesota is one authority for my statement. Another authority is the Wheat Studies of the Food Research Institute of Stanford University. On pages 10 and 11 of their November, 1926, number, in comparing the relative qualities of Canadian and American wheat, they say:

Apart from cleanness, high percentage of vitreous kernels, and low count of deteriorated kernels, the chief superiorities of Canadian wheat for millers lie in the heavy weight and the high protein content. On the average, Canadian hard spring wheat is several pounds heavier per volume bushel than American hard spring wheat. Hard spring wheats sold on the sample market in Minneapolis are in ordinary years rarely overweight; at Winnepeg elevator-run wheats are often, indeed in good years usually, overweight, the exact weight, however, being known. This high weight finds direct expression in a heavier yield of flour, which has the effect of making the heavier wheat cheaper for the miller.

Average No. 1 Manitoba northern will yield per 5 bushels in different years from 11 to 15 pounds more straight flour than may be secured from average No. 1 dark northern spring; average No. 3 Manitoba northern will yield about 4 to 6 pounds more straight flour per 5 bushels than average No. 1 dark northern. Not only are the specifications for weight consistently higher in the case of Canadian wheat, but overweight is common in Canadian wheat and uncommon in American wheat. The high-protein wheat gives stronger flour so that the net result is a larger yield of a stronger flour to the unit of wheat. For practical purposes, we may say that Manitoba

northern wheats are purchased and milled on the basis of official grades, whereas most dark northern wheats are purchased and milled on the basis of premiums for qualities lying outside of the grades. The influence of this state of affairs on merchandising practices is obvious.

Within the official grades, year in and year out, No. 3 Manitoba northern is comparable with average No. 1 dark northern, usually with a slight superiority on the side of the Canadian wheat. It is commonly heavier, has a higher percentage of vitreous kernels, is cleaner, and gives a somewhat larger outturn of comparable flour. When an American miller contemplates an importation, he first considers No. 3 Manitoba northern as alternative to average No. 1 dark northern spring.

It will appear, therefore, that as a matter of fact for milling purposes over a period of years, that No. 3 Manitoba northern is a slightly better milling wheat than No. 1 dark northern. In other words, the grades were fairly comparable but with the advantage to the Canadian wheat. My comparison, therefore, according to these two authorities, was a very fair one.

But, Mr. Chairman, I am opposed to this equalization fee for another reason, because, in my judgment, it is clearly in violation of the Constitution. There appears to be some question as to whether or not the equalization fee is a tax. A year ago it was quite generally claimed by the advocates of the bill that it was a tax. Now, this position appears to be abandoned to a considerable extent by supporters of the bill. In my judgment, the equalization fee is a tax. The purpose of the collection of this equalization fee is to raise revenue to be used to reimburse the stabilization fund, which in the first instance is created by moneys from the Federal Treasury. The proceeds of this fee are to be used to pay the general expenses of the Federal farm board, its employees, and so forth. Included among these expenses are the costs, losses, and charges of handling the surplus.

Congress is given the power to levy and collect taxes. In the exercise of this sovereign power to levy taxes it can not delegate that power in the manner set forth in the terms and provisions of this bill. The failure to set forth this delegation of power to the Federal farm board to fix, levy, and collect this tax in appropriate and well-defined terms and limitations vitiates this important portion of the bill.

Some say that this equalization fee can be levied under the commerce clause of the Constitution. Congress has power to regulate commerce with foreign nations and among the several States. It has no power to regulate commerce wholly within a State. The levying of the fee under the terms of the bill is upon the "sale, process, or transportation" of the commodity. No distinction is made as to sale or transportation in interstate and foreign commerce. A sale can be a wholly intrastate transaction or it may involve a transaction in interstate or foreign commerce. Under the terms of this bill the board is given the right to collect the fee on any sale, whether involving intrastate, interstate, or foreign commerce.

Processing is manufacturing. The Supreme Court has repeatedly held, from the Knight case (156 U. S. 1) on down, that manufacturing is not interstate commerce. I quote:

> The fact that an article is manufactured for export to another State does not of itself make it an article of interstate commerce, and the intent of the manufacturer does not determine the time when the article or product passes from the control of the State and belongs to commerce.

As manufacturing is intrastate commerce, Congress is without jurisdiction to regulate it by equalization fee or otherwise.

The fee may be levied on the transportation of the commodity. This, of course, is a wholly impractical proposition as I explained the other day. So far as the bill is concerned, the board is given the right to levy the tax, whether the transportation is intrastate, interstate, or foreign commerce. Any effort to levy this tax upon intrastate transportation would be in violation of this same constitutional provision.

There is one further point in connection with this section. The equalization fee provision is as follows:

> SEC. 8. In order that each marketed unit of a basic agricultural commodity may contribute ratably its equitable share to the stabilization fund hereinafter established for such commodity; in order to prevent any unjust discrimination against, any direct burden or undue restraint upon, and any suppression of commerce with foreign nations in basic agricultural commodities in favor of interstate or intrastate commerce in such commodities; and in order to stabilize and regulate the current of foreign and interstate commerce in such commodities—there shall be apportioned and paid as a regulation of such commerce an equalization fee as hereinafter provided.

One of the purposes herein announced for the levying of the fee is to prevent any unjust discrimination against interstate or foreign commerce. There has been no claim in this debate that there is any unjust discrimination against interstate or foreign commerce. The primary purpose of this bill as the debate shows, from beginning to end, is to effect the price of these commodities wherever they are sold or manufactured in this country. The purpose is to get better prices, not to remove any discrimination. Congress has the right to regulate intrastate commerce when necessary to remove a direct burden or undue restraint upon interstate or foreign commerce, but there is no contention other than what was in this declaration that there is any such burden or restraint. Neither is there any claim that there is suppression of foreign commerce to be removed. The fact is that the levying of this equalization fee will constitute a burden and a restraint upon both intrastate and interstate commerce. The foreign buyer will probably purchase his commodities cheaper, but that is not removing a suppression that exists in foreign commerce. There is none. Furthermore, if manufacturing is interstate or foreign commerce merely because eventually it may reach those channels so would the growing and production of grain be interstate or foreign commerce, and thereby subject to the regulation of Congress. I can not assent to any such proposition. The entire section should go out of the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. NEWTON].

The question was taken; and on a division (demanded by Mr. NEWTON of Minnesota) there were—ayes 47, noes 90.

So the amendment was rejected.

Mr. BOX. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

> Page 14, line 3, after the word "commodity," insert the words "except cotton."

Mr. BOX. Mr. Chairman and gentlemen, this is the third extended period of serious, earnest discussion of the distressing plight of the American farmer and of this line of proposed remedies for his condition. Some of this discussion has been unprofitable, but much of it has helped to bring out important facts and principles.

One thing has become better known to the American Congress—that is, that American agriculture is in dire distress. I wish this tremendously important fact could become still better known. My own conviction is that this part of the situation has not been overstated in this debate. I doubt if these facts, with all their meaning and consequences, are yet fully appreciated.

The vitality of America is now such that a full recognition of this apalling fact may make an intelligent people look ahead for the consequences. The results may be more frightful to a patriotic man than the present situation, bad as it is.

Anything like an adequate recognition of the seriousness of these developments to date should make such a people as ours search for their cause. I doubt if anything else but dire distress will compel a sufficient measure of attention to make the public mind search out and fix upon the things which brought this situation into existence. It is to be hoped that this distress may arrest the attention of the American people and direct it to the things which have produced this widespread, continuing, and increasing calamity. If it continues, this condition will produce a train of consequences more dreadful still.

I have not now the time to attempt a full discussion of these causes and probable consequences, but I feel impelled to make some pertinent observations.

American farmers have been falling deeper and deeper into comparative poverty for many years. There have been fluctuations in the tide which have for brief times or in restricted areas lifted them on their temporary or local waves, but the main course of agricultural life has shown a comparative decline through succeeding decades. This decline has been evidenced by a relative decrease in farm population, which has gone forward until what was an overruling majority has become a weakening minority of our population. Socially and politically, the agricultural element has steadily fallen behind. Financially, its position has become still more disadvantageous. The great number of abandoned farms; the dilapidation of many farms still cultivated after a fashion; the drift of many of the brightest of American youth of both sexes to the towns and cities—all evidence the relative deterioration of American farm life. I regret that circumstances do not permit me to make something like a report of the survey of all phases of the condition of American farm life, which I have attempted in my study of this momentous question. Tested by nearly all the main standards of American life, our farmers have been losing ground.

Reduced to details, the causes of this relative decline of American agricultural life are many; but nearly or quite all of these particular causes are embodied in one system which was gradually adopted many years ago and became a para-

mount element of American political and economic policies some decades back. That policy is one of overbuilding, at the expense of agriculture, the industrial and financial elements of the Nation's life. We have given unfair advantage to manufacturing, banking, railway, and other fortunate and favored interests, until they have acquired much more than their proportionate share of the numbers, wealth, and social, economic, and political power. This overstimulation of one side of the Nation's life has been accomplished by drawing the substance from the life of agriculture and giving it to these favored interests. The Government has had no wealth to bestow on its favorites except such as it has taken from victims among its own people. Agricultural people have been the main victims. The interests mentioned have been the favorite "big boys" who have been fattened and overgrown on the substance taken from the less organized and now weaker and less numerous element of our population.

I enumerate some of the specific causes of the farmer's impoverishment and of the overfattening of the industrial, financial, transportational, and commercial groups:

First. Our so-called protective-tariff system is intended and has operated to enrich manufacturers by making consumers, the greater portion of whom were farmers and their families when the system was inaugurated, pay higher prices to the interests favored by the system. The American farmer will never be redeemed from his poverty and given his rightful place so long as this system stands.

Second. The banking and financial system of the Nation is organized and conducted and favored by law in such a manner as to give and continue to it undue advantage over the classes of which the farmer has always been a major element. The farmer's credit, interest rates, and many other elements could be reviewed as a part of this phase of the great régime under which he grows relatively poorer, while his favorite big brothers grow unjustly and dangerously rich. The Federal reserve system and farm-land banks, as originally designed and established, marked a turn for the better in this respect, but there is now an effort, meeting with some success, to pervert these institutions and defeat their purposes. The intermediate-credit banks should be credited with substantial service in the right direction.

Third. Freight rates made too high by law and boosted by computation on fabulous amounts of capital never invested in transportation lines, and in many other ways, make their big contribution to the great régime of favoritism under which the group of favorite interests are enriched and farmers are impoverished. The so-called Esch-Cummins Act of 1920 pushed further the system of injustice inflicted upon the people by the great systems of railway carriers of which I am complaining in behalf of farmers and others situated like them. I said at the time:

> It [the Esch-Cummins Act] lays heavy and unjust burdens on the public for the financial advantage of the owners of railway investments. * * * (CONGRESSIONAL RECORD, 66th Cong., 2d sess., vol. 59, p. 8851.)

I said that seven years ago. Since then I have seen the Fordney-McCumber Tariff Act passed and many other bad things done which have carried the system of favoritism forward by giving privilege to the favorites and adding to the burdens of farmers and other consumers.

Fourth. Taxes are progessively oppressing the farmer, because they are becoming more numerous and their rates are increasing. Road taxes, school taxes, city taxes, State taxes, and, greatest of all, Federal taxes, are sapping the substance of the people. The farmer pays more than his share of the direct taxes because his farm and livestock are visible and harder to hide than stocks, bonds, and intangible values. Many of the indirect taxes levied by the Federal Government operate more or less unfairly to the disadvantage of farmers and other consumers. All of these taxes together are exceedingly burdensome. Heavy taxes are felt most keenly by those whose margins of income are narrowest.

Increasing extravagance in government contributes to all this. Municipal, State, and National Governments continuously join in it. For instances, during 1925 Congress increased the salaries of Members of the House of Representatives and of the Senate from $7,500 to $10,000 per annum, and increased the salaries of Cabinet members, the Speaker of the House, and the President of the Senate, from $12,000 to $15,000 per annum. The first bill passed by this session of Congress increased the salaries of the Chief Justice of the Supreme Court of the United States from $15,000 to $20,500 per year; that of Associate Justices of the Supreme Court of the United States from $14,500 to $20,000; the circuit judges from $8,500 to $12,500; the district judges from $7,500 to $10,000; the chief justice of the Court of Claims from $8,000 to $12,500; other judges of the Court of Claims from $7,500 to $12,500; the chief justice of the Court of Appeals of the District of Columbia from $9,000 to $12,500; other justices of the Court of Appeals of the District of Columbia from $8,500 to $12,500; that chief justice of the Supreme Court of the District of Columbia from $8,000 to $10,500; the associate justices of the Supreme Court of the District of Columbia from $7,500 to $10,000; the presiding judge of the United States Court of Customs Appeals from $8,500 to $12,500; other judges of the United States Court of Customs Appeals from $8,500 to $12,500; and members of the Board of General Appraisers, which board functions as the customs trial court, from $9,000 to $10,000 per year.

In an effort to help check this oppressive tendency of the National Government I opposed the two bills just mentioned and have taken the same attitude on kindred measures. Before the World War the expenses of the National Government ranged around $1,000,000,000 per year. Though the World War closed more than eight years ago, present governmental expenses amount to more than $4,000,000,000 annually, an increase of peace-time expenditures by fourfold in about 10 years. They are now steadily increasing. The same tendency is shown by State legislatures and governments.

Fifth. Frankness compels me to say that America's growing habit of extravagance has not been escaped by the farmer. He has not been as prodical as other classes, but his more limited expenditures have hurt him worse, because his other burdens and the limitations upon his income have made even small extravagance more hurtful to him than the larger wastes have been to more prosperous people.

Sixth. The policies of the National Government, diplomatic and legislative, have much to do with foreign markets. A conflict has developed between agricultural producers and manufacturers for the advantage in the policies of the Government influencing foreign markets. The strong favorite elements in our financial and political life have gotten the advantage of the farmer in this struggle as elsewhere. In making sure that American manufacturing interests should profiteer upon the farmers as a major element of American consumers our "tariff-wall" policies have seriously impaired the foreign markets for American agricultural products. The same disadvantage has been suffered by farmers as a result of the diplomatic policies of the country during the last half dozen years. These things have resulted in a serious impairment of the farmer's foreign market.

Seventh. Under the inexorable law of supply and demand overproduction of many agricultural commodities has helped to bring the American farmer to grief. This is true of cotton and rice. Though overproduction is already causing distress, the Government is being asked to spend enormous sums on new irrigation and reclamation projects. It unwisely gives preference to "skilled farmer" immigrants trying to come from Europe. I have helped to prepare and report and hope to help pass an amendment to the immigration law checking this folly. I would end it if I could.

Tens of thousands of Mexican peons are being brought to grub and break and cultivate semiarid and other western and southwestern lands to raise cotton. This produces a situation in which, if the farmer who lives with his family on the farm would raise his price by limiting his own production, peon and serf labor, working for absentee landlords, will raise hundreds of thousands of bales at a price on which the American farmer and his family can not live, and thus destroy the rewards of the farmer's own self-restraint. If you take money from the Treasury and make the farmer pay an equalization fee of $5, $10, or $15 on each bale of cotton to increase or hold up the price, and it results in any net profit, you will only encourage more of this kind of cotton production and aggravate present bad conditions.

The foregoing partial enumeration of the many causes of the impoverishment of American agriculture omits many contributing causes. Neither enumeration of all of them nor an elaboration of each of them is possible here.

What will be the consequences of the decay of American agriculture I do not wish to forecast. No patriotic American should want to see them. They do and will involve lasting injustice to the element which has contributed most to the Nation's life. Farmers and their sons won the Revolution, fought the early wars of the Republic, and made the larger contributions to its statesmanship and all lines of its beneficial leadership. In the meantime they have opened the farms, pioneered the ways for railways and commercial centers, have fed and clothed the Nation, helped largely to feed and clothe the world, and contributed mightily to the Nation's development, commerce, and wealth. It is cruelly unjust for a people

who have contributed so much to the Nation's development and life for it to oppress them or permit them to be oppressed now.

I fear that our Constitution, written and made good in legislative halls, on battle fields, and in the life of the Republic, will be irreparably injured, if not ultimately destroyed, by this course. The Constitution was not written for a great aggregation of industrial and metropolitan centers filled with mongrel mobs, sensational pleasure seekers, mammon worshippers, paupers, millionaires, and billionaires, threatening to overbalance their wholesome life. When these are further overbuilt and the American farmer is changed into a peon or a peasant, America will become a different country, nothing like so good as it is. Both love of justice and patriotism demand that our main course in dealing with agricultural interests be reversed.

The Haugen bill has been abandoned and the Senate, or McNary bill, originally identical with it but materially changed in the Senate, has been substituted in its place.

Does this bill propose that? Nothing like it. It proposes to continue everyone of the bloodsucking processes by which the substance of agriculture is drawn from it and injected into the favorite groups which I have named. With these causes in continuing operation, it is pretended that this is a relief measure. I am convinced that this bill would never pass through Congress but for a belief that it can not become a law. This belief on the part of Members is based partly upon a conviction that its unconstitutionality will destroy a substantial part of it, and partly upon a belief that the President will veto it. In this situation men can seem to be granting relief with not much prospect that their so-called relief measure will end in anything but a legislative fizzle.

As showing the views held by other thoughtful friends of agriculture as to this phase of the bill I quote a paragraph from a letter written to me by Hon. George B. Terrell, commissioner of agriculture of the State of Texas, under date of February 14, 1927:

> Furthermore I believe that this fee or tax is contrary to the Federal Constitution, as it is nothing but a tax upon farm products, and there is not a syllable or line in the Constitution authorizing the collection of such a tax on farm products, and I believe it will be declared unconstitutional should it ever reach the Supreme Court of the United States.

If circumstances permitted I would like to discuss in detail the provisions of this bill, but I can not do that. I must content myself with making a few observations about it.

I sincerely hope that no farmer, especially no Texas farmer, will be mislead, by the propaganda that has gone out or by the procedure here, into taking this legislation seriously as promising to raise the price of cotton and sustain it at a profitable figure. The farmers are now preparing their lands for planting. They are working down there in the dust or mud, heat, cold, dew, or rain, not living at high-priced hotels and getting their expenses paid, as are some now engaged in working farmers and working Congressmen. [Laughter.] If they take this legislation seriously, they will increase their acreage, and if they do that it will be a serious calamity.

One other protest I must make, and that is against the effort to conceal the equalization fee. If you mean to levy a tax against the farmer, tell him so. There have been two methods proposed here to hide that; one was to defer it and get him into the trap and then do it, but they want the money sooner and probably will not defer the tax. Another has been a very thin and transparent effort to hide the equalization fee on cotton in the bill that comes to us. That will probably be followed.

Gentlemen, the farmer has been victimized for a long time and this shows that the game is still on. If you are going to tax him, look him in the face like a man and tell him so. [Applause.] This is adding insult to injury. The American Congress ought not to stoop to such a thing.

On the political phase of our action and the situation created thereby, I take the liberty to address myself to men of my own party who are more practiced and skillful in the great game of politics than I am. My judgment is that there are many men in this House—and I have heard much talk, because you are very frank with your colleagues—who would not vote for this bill but for the belief that the President will veto it. [Applause.]

Gentlemen, I was elected to fill a very high place here, but I would voluntarily assume a very lowly place if I voted on the people of America, including the people who have trusted me, legislation that is unsound and dangerous, hoping that the President would protect them and the country from my folly and from so little a game of politics. [Applause.] The condition of farmers and the interests of the Nation are too serious to permit me to engage in any such a play.

It is my judgment that President Coolidge is one of the luckiest of men, and that he is lucky in the kind of game you are putting up to him now. The American people have sound sense and judgment. We have periods of agitation, produced in part by unjust and unsound policies and in some measure by unpreventable causes. The protests which such conditions and periods provoke are usually made futile by a lack of soundness and sanity in their leadership. After all this agitation and noise and after the attendant foolishness shall have passed away and the President shall have written a clear message reminding us and the country that this act vainly pretends to repeal economic law and that the provisions of the bill are contrary to the spirit of our institutions and our Constitution he will be exalted and we will be abased. [Applause.] Then American farmers will wonder whether we tried to remedy their condition or played a little game of politics here in passing an act which we believed the President would veto and which could not be passed over his veto, and which we further believed would be nullified by the Supreme Court of the United States because of its violation of the Nation's fundamental law, its Constitution, which farmers, like other patriots, love and revere.

I oppose this measure because it does not go to nor seek to deal with the causes of the trouble nor intelligently try to counteract them. It is contrary to every principle of economic law and constitutional government, as I conceive them. It will not increase or hold up to a profitable figure the price of the products named in it. This is especially true with the price of cotton. It will, if it works at all, tend to increase overproduction and its bad consequences, and expose growers to a burdensome tax on these products. Strife, bitter disappointment, a demoralized market, and serious injury to agriculture would result from its enactment and attempted enforcement. It tries to deceive the farmer by pretending to give him relief, when it is improbable that even this pretense at relief can ever reach him, serving only as an excuse for failure to do what might be done in his behalf. It tries to deceive him by hiding the tax on cotton which he is to pay. The farmer has asked bread and been given a stone. He has asked for a fish and, upon the urgings of self-serving lobbyists, been offered a serpent, which, unless the President interferes, will disappoint and bite him.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that all debate upon the paragraph and all amendments thereto close in five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. Box].

The question was taken, and the amendment was rejected.

Mr. BULWINKLE. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

> Page 14, line 13, after the word "collection" strike out the period and insert a colon and add the following: "*Provided*, That in the case of cotton the equalization fee levied herein shall in no event exceed the sum of $5 a bale per year."

Mr. ALMON. Mr. Speaker, I make the point of order that that would properly come in at the end of section 10, and not section 8. I have a similar amendment to offer at the end of section 10. That is where it was in the Haugen bill of 1926.

Mr. BULWINKLE. It is offered in the right place, limiting the equalization fee. I am not speaking of the collection, I am speaking of the levying.

The CHAIRMAN. The Chair thinks it is germane to this section.

Mr. BULWINKLE. Mr. Chairman, last Saturday I spoke in the House and stated that the equalization fee exclusive of transportation would be $9.45 on a bale of cotton. Shortly thereafter word came to me from one of the cooperatives through another Member that it would never be over $5 a bale. In order that I may take him at his word I wanted the House to adopt this amendment because it is useless in having an unlimited tax when it is unnecessarily placed on the farmers of the South.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The question was taken; and on a division (demanded by Mr. BULWINKLE) there were—42 ayes and 112 noes.

So the amendment was rejected.

The Clerk proceeding with the reading of the bill, read as follows:

AMOUNT EQUALIZATION FEE

SEC. 9. Prior to the commencement of operations in respect of any basic agricultural commodity, and thereafter from time to time, the board shall estimate the probable advances, losses, costs, and charges to be paid in respect of the operations in such commodity. Having due regard to such estimates, the board shall from time to time determine and publish the amount for each unit of weight, measure, or value designated by it, to be collected upon such unit of such basic agricultural commodity during the operations in such commodity. Such amount is hereinafter referred to as the "equalization fee." At the time of determining and publishing an equalization fee the board shall specify the period during which it shall remain in effect, and the place and manner of its payment and collection.

Mrs. ROGERS. Mr. Chairman and members of the committee, I am sorry to take up your time, but I can not let the opportunity pass to make my plea for my own district which I believe has been harder hit industrially than any other district in the United States. I am also making my plea for the textile industries all over the United States. [Applause.]

I like my western colleagues so much that I wish that I could vote for their bill. They are trying to help the farmer. I can not see what the farmers are going to get out of it. They are going to lose the cotton trade. Their domestic trade is by far the largest trade the cotton growers and the merchants now have. You all realize that we have over seventeen and one-half million spinning spindles in this country. Millions of dollars are being expended. They have a tremendous activity. Think of the hundreds of thousands of people employed in these mills. I have lived all my life in an industrial city, and I know what it means when spindles are idle. It is like going through a city of the dead when you go through one of our closed mills.

How are you people that come from a State that has the cotton industries going to answer your people? You know that there are 191 of you that can not go back to the so-called cotton textile States—Pennsylvania, Connecticut, Rhode Island, Alabama, Maine, Georgia, New York, New Jersey, Massachusetts, Tennessee, South Carolina, North Carolina, Texas, Virginia, and other States and satisfy these employees in the cotton industry? You can not answer your people when they are out of work, and when they have to pay more for their bread than they have ever paid before. [Applause.]

I have lived all my life in manufacturing cities and I know only too well what it means. There was production above normal in all our industrial plants during the war, just as there was production above normal in our agricultural products.

I believe the solution of our trade problem is to develop our export trade in every foreign country.

In New England we have the humane 48-hour law for women and children and as a result we can not compete on even terms with the West and the South that have longer hours of labor. We are also farther away from the raw materials. But New England will not be the only part of the country to suffer if the McNary-Haugen bill goes into effect. You all know that for the past three years the American textile industry has been very unsatisfactory. I believe the enactment of this law might almost completely wreck it. I will give you some of my reasons for this belief.

If American cotton could be purchased by foreign mills for less per pound than American mills would pay it would very much disrupt the manufacturing situation here. Do you relish the possibility of our cotton being sold to foreign countries, then resold to us? That could easily happen and the foreigner would make a handsome profit on the transaction. And the cotton farmers and merchants would lose our domestic trade.

If cotton were selling, let us say, for 15 cents a pound and some plan were to go into operation by which foreign mills could buy at 12 cents a pound it would mean that the difference in price would have to be made up in the sales to our domestic mills, so that they would have to pay at least 18 cents for their cotton. As a matter of fact, the differential would even be higher than that for our exports of cotton are between 40 and 50 per cent more than is consumed by our domestic mills. In addition to the domestic price then to make up for the lower price received for exports the difference in price would have to be assessed against the smaller proportion used by our domestic mills. You will readily realize then that the disproportionately higher price of domestic cotton would materially affect the cost of production and consumption of goods.

Furthermore, foreign mills could make cloth out of their cheaper cotton at a price which would enable them to increase their exports of cloth to this country to an extent which might prove ruinous to an already harassed and distressed industry. Think of the joy the enactment of this measure would cause foreign cotton textile countries.

Another even more dire result would be that foreign mills could sell their cloths to the world's consuming markets at prices very much below ours, thereby practically ruining our own export business in cotton cloths which in recent years has ranged between five hundred and six hundred million square yards annually.

The American textile industry has been for several years in a very unsatisfactory condition and such added handicaps as outlined above would come very near to ruining it altogether.

Our annual exports of cotton cloth approximate six to eight per cent of our total production. Some mills of course export nothing while others ship abroad a much larger proportion of their production than six or eight per cent. The loss of such business would in many instances undoubtedly so add to their troubles that they would have to shut down.

After all, our cotton farmers and merchants have a more intimate relationship with our domestic mills than they realize, and a manufacturing industry like this one which employs many hundreds of thousands of people and has a capital investment of several billions of dollars should be seriously considered in relation to any plan which might disastrously affect the industry.

After listening to the speeches of my colleagues I am convinced they can not realize the intimate relationship that our cotton farmers or merchants have with our domestic mills. The life of a great textile manufacturing industry like this ought not to be jeopardized to make a middleman's holiday. And how could anybody but the middleman profit by this bill?

The textile industry has a capital investment of several million dollars and employs many hundreds of thousands of human beings.

The December report from the Department of Commerce shows the country has in place 37,404,472 spinning spindles.

Seventeen million nine hundred and thirty-six thousand two hundred and forty-six spindles are in cotton-growing States.

Seventeen million seven hundred and fifty-one thousand five hundred and twenty-six spindles are in the New England States.

One million seven hundred and sixteen thousand six hundred and eighty-two spindles are in all other States.

Eleven million three hundred and forty-four thousand five hundred and twenty-six of these spinning spindles are in my own State of Massachusetts.

The people of every State in the Union ought to realize just what it would mean to have over 37,000,000 spinning spindles practically idle.

Those of you that have cotton mills in your cities and towns, I believe, can not turn deaf ears to the cry for work of your people. [Applause.]

Much as I like and respect my western colleagues, and as much as I should like to support their farm legislation if I conscientiously could, I believe this farm relief bill of theirs, if it should become law, will prove to be stuffed with sawdust in a year's time. I can not see how it can possibly serve the farmers that the measure is supposed to help. My own fifth Massachusetts district is half industrial and half agricultural. Neither my industrial workers nor my farmers want the passage of the McNary-Haugen bill.

If this bill should become law the cotton farmers will lose their domestic trade, the mills will lose their export trade, and the consumers will have to pay more than ever before for their textiles and the other necessities of life. [Applause.]

Mr. TILSON. Mr. Chairman and gentlemen, I wish at this time to appeal to the good nature and good sense of the membership of the House. This has been a rather strenuous bill in its passage through the House. To-day has been an unusually strenuous day. Another day is coming to-morrow, in which, so far as the program of legislation is concerned, there is nothing pressing. I wonder if the Members of the House would not rather quit now at a reasonable hour and come back to-morrow, when we may all feel better and go on with the consideration of the bill? [Applause.] Nothing has been or will be placed as an obstacle in the way of the consideration of the bill. Let the committee rise, and let us go home and come back to-morrow, when we can have plenty of time. This bill will then have the same privilege as it has to-night.

Mr. McDUFFIE. I suggest that we might meet at 11 o'clock to-morrow.

Mr. TILSON. It will not be necessary to do that.

Mr. GARRETT of Tennessee. I suggest to the gentleman that all that is necessary is that the gentleman from Iowa [Mr. HAUGEN] make the motion to rise.

Mr. TILSON. If the gentleman from Iowa is not willing to make the motion, I am going to take that liberty. I hope the gentleman from Iowa will make the motion.

Mr. HAUGEN. Let us get finished with the equalization feature of the bill.

Mr. SCHAFER. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes.

Mr. SCHAFER. The gentleman said that we would have to-morrow in which to consider the bill. How can we have any time to consider it when the gentleman in charge of the bill always moves that debate be closed?

Mr. TILSON. I can not control the gentleman in charge of the bill. Certainly no one who is opposed to the bill has tried to obstruct its progress to-day. If the gentleman from Iowa is not willing that the committee do now rise, I think I owe it to the membership of the House to make the motion myself, thus giving the Members a chance to decide the matter. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. The question is on the motion of the gentleman from Connecticut that the committee do now rise.

The question was taken; and on a division (demanded by Mr. TILSON) there were—ayes 151, noes 135.

Mr. KINCHELOE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. TILSON and Mr. KINCHELOE to act as tellers.

The committee again divided; and the tellers reported—ayes 153, noes 150.

So the motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MAPES, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (S. 4808) to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities, and had come to no resolution thereon.

ADJOURNMENT

Mr. TILSON. Mr. Speaker, I move that the House do now adjourn.

The question was taken.

Mr. DICKINSON of Iowa. Mr. Speaker, I demand a division.

Mr. CARTER of Oklahoma. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 171, nays 198, not voting 64, as follows:

[Roll No. 29]

YEAS—171

Ackerman	Crumpacker	Kurtz	Scott
Aldrich	Dallinger	LaGuardia	Sears, Fla.
Allgood	Darrow	Lanham	Seger
Almon	Davenport	Leatherwood	Shreve
Andrew	Deal	Lehlbach	Smithwick
Appleby	Dempsey	Lineberger	Snell
Aswell	Denison	Linthicum	Sosnowski
Bacharach	Dominick	Lowrey	Spearing
Bachmann	Doughton	Luce	Sproul, Ill.
Bacon	Douglass	McDuffie	Stalker
Bankhead	Drane	McFadden	Stevenson
Barbour	Dyer	McLaughlin, Mich.	Stobbs
Beedy	Ellis	McLeod	Taber
Beers	Fenn	McMillan	Taylor, W. Va.
Begg	Fitzgerald, Roy G.	Magee, Pa.	Temple
Black, N. Y.	Fort	Mapes	Thatcher
Black, Tex.	Foss	Martin, Mass.	Tilson
Bland	Free	Merritt	Tincher
Bowles	Freeman	Michener	Tinkham
Bowman	French	Montague	Tolley
Box	Frothingham	Montgomery	Treadway
Briggs	Garrett, Tenn.	Mooney	Tucker
Brigham	Gasque	Moore, Ohio	Tydings
Brumm	Gifford	Moore, Va.	Underhill
Buchanan	Gilbert	Morgan	Underwood
Bulwinkle	Glynn	Morin	Vaile
Burdick	Hale	Nelson, Me.	Vare
Burton	Hardy	Newton, Minn.	Vestal
Busby	Hare	O'Connell, R. I.	Vincent, Mich.
Butler	Hersey	O'Connor, La.	Voigt
Carpenter	Hill, Md.	Oliver, N. Y.	Warren
Chalmers	Hooper	Parker	Wason
Chindblom	Houston	Parks	Watres
Cochran	Huddleston	Patterson	Watson
Colton	Hudspeth	Peery	Weaver
Connally, Tex.	Hull, Tenn.	Perkins	Welsh, Pa.
Connery	Hull, Morton D.	Porter	White, Me.
Cooper, Ohio	Jacobstein	Ransley	Whitehead
Cox	Jenkins	Rayburn	Wilson, La.
Coyle	Johnson, Wash.	Reed, Ark.	Woodrum
Crisp	Kahn	Reed, N. Y.	Woodyard
Crosser	Kearns	Rogers	Wright
Crowther	Kless	Sandlin	

NAYS—198

Abernethy	Bailey	Browne	Chapman
Adkins	Barkley	Browning	Christopherson
Allen	Beck	Burtness	Clague
Andresen	Berger	Byrns	Cole
Arentz	Blanton	Cannon	Collier
Arnold	Bloom	Carew	Collins
Auf der Heide	Bowling	Carter, Calif.	Cooper, Wis.
Ayres	Brand, Ohio	Carter, Okla.	Cramton
Cullen	Holaday	MacGregor	Sinnott
Davey	Howard	Major	Smith
Davis	Hudson	Manlove	Somers, N. Y.
Dickinson, Iowa	Hull, William E.	Mansfield	Speaks
Dickinson, Mo.	Irwin	Martin, La.	Sproul, Kans.
Dowell	James	Menges	Steagall
Doyle	Jeffers	Miller	Stedman
Drewry	Johnson, Ill.	Milligan	Strong, Kans.
Driver	Johnson, Ind.	Moore, Ky.	Sullivan
Edwards	Johnson, Ky.	Morehead	Summers, Wash.
Elliott	Johnson, S. Dak.	Nelson, Mo.	Sumners, Tex.
Englebright	Johnson, Tex.	Nelson, Wis.	Swank
Eslick	Jones	Newton, Mo.	Swing
Esterly	Keller	Norton	Taylor, Colo.
Evans	Kemp	O'Connell, N. Y.	Taylor, Tenn.
Faust	Kendall	Oldfield	Thomas
Fitzgerald, W. T.	Kerr	Oliver, Ala.	Thompson
Fletcher	Ketcham	Peavey	Thurston
Fulmer	Kiefner	Prall	Tillman
Funk	Kincheloe	Purnell	Timberlake
Furlow	Kindred	Quayle	Updike
Gambrill	Kirk	Quin	Upshaw
Garber	Knutson	Ragon	Vinson, Ga.
Gardner, Ind.	Kopp	Rainey	Vinson, Ky.
Garner, Tex.	Kvale	Ramseyer	Wefald
Garrett, Tex.	Lampert	Rankin	Weller
Goodwin	Lankford	Rathbone	Wheeler
Green, Fla.	Larsen	Reece	White, Kans.
Green, Iowa	Lazaro	Reid, Ill.	Whittington
Greenwood	Lea, Calif.	Robinson, Iowa	Williams, Ill.
Hadley	Leavitt	Robsion, Ky.	Williams, Tex.
Hall, Ind.	Letts	Romjue	Williamson
Hall, N. Dak.	Lindsay	Rowbottom	Wilson, Miss.
Hammer	Little	Rubey	Winter
Harrison	Lozier	Rutherford	Wolverton
Hastings	Lyon	Sanders, Tex.	Wood
Haugen	McClintic	Schafer	Woodruff
Hayden	McKeown	Schneider	Wurzbach
Hickey	McLaughlin, Nebr.	Sears, Nebr.	Wyant
Hill, Ala.	McReynolds	Shallenberger	Yates
Hoch	McSwain	Simmons	
Hogg	McSweeney	Sinclair	

NOT VOTING—64

Anthony	Eaton	Kelly	Pratt
Bell	Fairchild	King	Rouse
Bixler	Fish	Kunz	Sabath
Boies	Fisher	Lee, Ga.	Sanders, N. Y.
Boylan	Frear	Madden	Strong, Pa.
Brand, Ga.	Fredericks	Magee, N. Y.	Strother
Britten	Gallivan	Magrady	Swartz
Campbell	Gibson	Mead	Sweet
Canfield	Golder	Michaelson	Swoope
Carss	Goldsborough	Mills	Taylor, N. J.
Celler	Gorman	Morrow	Wainwright
Cleary	Graham	Murphy	Walters
Connolly, Pa.	Griest	O'Connor, N. Y.	Welch, Calif.
Corning	Griffin	Perlman	Wingo
Curry	Hawley	Phillips	Zihlman
Dickstein	Hill, Wash.	Pou	

So the motion to adjourn was rejected.

The Clerk announced the following pairs:

To adjourn:

Mr. Gallivan (for) with Mr. Griest (against).
Mr. Magee (for) with Mr. Brand of Georgia (against).
Mr. Eaton (for) with Mr. Anthony (against).
Mr. Dickstein (for) with Mr. King (against).
Mr. Connolly of Pennsylvania (for) with Mr. Canfield (against).
Mr. Golder (for) with Mr. Walters (against).
Mr. Fairchild (for) with Mr. Celler (against).
Mr. Graham (for) with Mr. Strong of Pennsylvania (against).

General pairs until further notice:

Mr. Madden with Mr. Cleary.
Mr. Sweet with Mr. Pou.
Mr. Zihlman with Mr. Rouse.
Mr. Boise with Mr. Mead.
Mr. Britten with Mr. Hill of Washington.
Mr. Fredericks with Mr. Bell.
Mr. Hawley with Mr. Corning.
Mr. Michaelson with Mr. Griffin.
Mr. Perlman with Mr. Morrow.
Mr. Mills with Mr. Sabath.
Mr. Murphy with Mr. Wingo.
Mr. Gibson with Mr. O'Connor of New York.
Mr. Campbell with Mr. Kunz.
Mr. Pratt with Mr. Lee of Georgia.
Mr. Kelly with Mr. Fisher.
Mr. Magrady with Mr. Carss.
Mr. Swoope with Mr. Boylan.
Mr. Wainwright with Mr. Goldsborough.

Mr. CONNERY. Mr. Speaker, my colleague, Mr. GALLIVAN, was called away on important business. He asked me to state that if he were here, he would vote "aye."

The result of the vote was announced as above recorded.

M'NARY FARM RELIEF BILL

Mr. HAUGEN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill S. 4808.

The SPEAKER. The gentleman from Iowa moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill S. 4808. The question is on agreeing to that motion.

The question was taken.

Mr. SPROUL of Illinois. A division, Mr. Speaker.

The SPEAKER. The gentleman from Illinois calls for a division.

The House divided; and there were—ayes 162, noes 121.

Mr. NEWTON of Minnesota. Mr. Speaker, I ask for the yeas and nays. I would like to get time to get a little something to eat. I have not had a chance yet.

The SPEAKER. The gentleman from Minnesota demands the yeas and nays. Those in favor of taking the vote by yeas and nays will rise and stand until they are counted. [After counting.] Seventy gentlemen have risen—not a sufficient number. The gentleman from Michigan [Mr. MAPES] will please take the chair.

Thereupon the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill S. 4808, with Mr. MAPES in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill S. 4808, which the Clerk will report by title.

The Clerk read as follows:

A bill (S. 4808) to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities.

Mr. TINCHER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Kansas, a member of the committee, offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. TINCHER: Page 15, line 4, after the word "collection," insert——

Mr. HASTINGS. Mr. Chairman, a parliamentary inquiry. Has that section been read? I do not think section 9 has been read.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. TINCHER: Page 15, line 4, after the word "collection," insert "*Provided*, That no part of any equalization fee levied on wheat grown in the State of Kansas shall be used to defray losses on nonmilling wheat grown in the State of Washington or any other Pacific Coast State."

Mr. HASTINGS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HASTINGS. Has section 9 been read?

The CHAIRMAN. The Chair is informed that it has been.

Mr. JOHNSON of Washington. Mr. Chairman, I would like to know why discrimination is made against the State of Washington? It has special benefits in this bill. I make the point of order against the amendment.

Mr. BLANTON. It is too late.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Kansas.

The question was taken; and on a division (demanded by Mr. TINCHER) there were—ayes 14, noes 80.

So the amendment was rejected.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that all debate on the section and all amendments thereto be closed in five minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that all debate on the section and all amendments thereto close in five minutes. Is there objection?

There was no objection.

Mr. TINCHER. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The gentleman from Kansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. TINCHER: Page 15, line 4, after the word "collection" insert: "*Provided, however*, That no equalization fee shall be levied on milling wheat having a protein content greater than 12 per cent, for the purpose of defraying losses on export wheat, unless the protein content of said export wheat is not less than 3 per cent."

The question was taken; and on a division (demanded by Mr. TINCHER) there were—ayes 11, noes 60.

So the amendment was rejected.

Mr. TINCHER. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The gentleman from Kansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 15, line 4, after the word "collection" insert: "*Provided*, That the board shall in no instance levy an equalization fee upon wheat grown in the United States unless at the same time there is levied and collected upon imported wheat the same fee: *And provided further*, That such equalization fee upon imported wheat shall be in addition to any existing customs duty thereon."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Kansas.

The amendment was rejected.

Mr. TINCHER. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The gentleman from Kansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. TINCHER: Page 15, line 4, after the word "collection" insert: "*Provided*, That the equalization fee levied on the milling wheat of the United States having a protein content of more than 12 per cent shall not exceed 25 cents per bushel."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Kansas.

The amendment was rejected.

Mr. TINCHER. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The gentleman from Kansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. TINCHER: Page 15, line 4, after the word "collection" insert: "*Provided*, That the board shall levy no equalization fee on the wheat in the United States that contains more than 13 per cent protein."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Kansas.

The amendment was rejected.

Mr. WRIGHT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Georgia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WRIGHT: Page 15, line 4, after the word "collection," insert: "*Provided*, That the equalization fee on cotton shall not exceed $10 per bale."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Georgia.

The amendment was rejected.

Mr. WRIGHT. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The gentleman from Georgia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WRIGHT: Page 15, line 4, after the word "collection," insert: "*Provided*, The equalization fee on cotton shall not exceed $25 per bale."

Mr. CONNALLY of Texas. Mr. Chairman——

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Georgia.

Mr. GARRETT of Tennessee. Mr. Chairman, I do not think debate was closed.

Mr. CONNALLY of Texas. I asked for recognition and have been trying to get the floor.

Mr. GARRETT of Tennessee. The gentleman from Texas asked recognition in order to debate the amendment.

The CHAIRMAN. There are five minutes remaining. The gentleman from Alabama [Mr. MCDUFFIE] has been trying for an hour to get recognition and the Chair had expected to recognize the gentleman from Alabama, but will now recognize the gentleman from Texas.

Mr. RAMSEYER. Mr. Chairman, a point of order. Was not the committee dividing?

The CHAIRMAN. The gentleman from Texas was seeking recognition and the Chair thinks he has the right to recognize the gentleman.

Mr. KINCHELOE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KINCHELOE. Did not the chairman of the committee a little while ago get consent to close debate on this section?

The CHAIRMAN. There are five minutes remaining under the action of the committee. The gentleman from Texas is recognized.

Mr. CONNALLY of Texas. Mr. Chairman and gentlemen of the committee, I appreciate the anxiety of the House to conclude action on this bill. I know that the order has gone forth that this bill must be passed to-day and that it must be passed without any amendment whatever. I hold in my hand an amendment which I purposed to offer providing that the Federal board sitting in Washington should have no power in the case of cotton to levy an equalization fee of more than $15 a bale. The amendment offered by the gentleman from Georgia provides that such fee shall not be in excess of $25 a bale. Of course, if that amendment is voted down there will be no occasion for me to offer mine. The Wright amendment will be killed because the "Iowa plan" is to kill all amendments that limit the power of the Federal board to tax the farmers' prod-

ucts. Gentlemen of the House, I want to call your attention to the tremendous powers which you are vesting in this Federal board. The Constitution of the United States is a limitation upon the powers of the Congress, and beyond the limitations in that instrument we can not go. But you are creating a board under this bill with powers more unlimited than the Congress itself possesses. You are giving this board the power, through the levy of an equalization fee upon cotton, wheat, corn, hogs, rice, and tobacco, to fix the number and the salaries of its own employees, to erect a great machine, with a tremendous overhead, and whenever it needs more money with which to pay these salaries all the board has to do is to issue an edict and levy by the strong arm of the law a fee upon every agricultural product with which it deals.

Gentlemen, I ask you to pause and to contemplate whether the necessities of agriculture shall be made the excuse for this Congress to give to a board the power to extinguish agriculture, if its folly and mismanagement may cause it to do so. If this House refuses to put any limitation on the power of the board, does anyone suppose that the board itself will limit its own power? This House has already killed an amendment which would prohibit members of the board from buying and selling on the future market, or what is commonly known as "future gambling." If such amendments are to be killed it is apparent that this bill is to be passed under whip and spur and a board is to be created with unlimited and unchecked taxing power.

GAG RULE

We are about to vote on the McNary-Haugen so-called farm relief bill. It has been brought from the Senate and the gentleman from Iowa [Mr. HAUGEN] has issued orders that no amendment shall be considered. It must be passed without dotting an "i" or crossing a "t." He and his followers tell those of us who are anxious to vote for real, helpful farm relief that we must take the McNary-Haugen bill or nothing. It is well known that the President will veto the bill. A vote for the McNary-Haugen bill means absolutely no relief for agriculture. It means nothing for agriculture. It means that the bill will either be vetoed by the President or, because of its unconstitutional and unlimited equalization fee or tax on cotton, corn, wheat, hogs, and other products, the Supreme Court will declare it unconstitutional and void. Those who demand the McNary-Haugen bill can tell the farmers that they voted for "farm relief," but that it was vetoed by the President. If any there be who vote for this bill hoping that the President will veto it, they are not serving the farmer, but are, in fact, seeking to serve themselves politically by deluding and deceiving him.

DISTRESS OF FARMERS

Mr. Speaker, no one in this House is more anxious than I to vote for some sound bill that will be helpful to agriculture. I know the distress of the cotton farmer. I know how the price of cotton has been forced down by an 18,000,000-bale crop. I represent an agricultural district. I am personally and financially interested in raising cotton and corn. What little property I have is invested in farms that produce cotton and corn. All members of my family are engaged in farming. I know the distressing conditions that exist in my State. I know the hardships of the farmer. I was raised on a farm and I know what it is to chop and pick cotton in the sun. I am anxious to vote for some measure that will give real relief, sound relief, workable relief, relief that will not be vetoed by the President, relief by a bill that will not be declared unconstitutional, relief that will not tax the farmer into still greater distress by equalization fees levied by a Federal board, for a plan that does not provide for a swarming army of officials, inspectors, and collectors whose salaries and expenses will be paid by the farmers out of equalization fees. I want to vote to help the farmer. I am not willing to vote for a bill that my judgment tells me will bring him disaster instead of aid; that will bring him ruin instead of relief.

OTHER RELIEF BILLS

Either the Crisp or the Aswell farm relief bill could have been substituted for the McNary-Haugen bill, if a small number of those who insisted upon "the McNary-Haugen bill or nothing" had consented. In the Committee on Agriculture the Crisp bill lacked only one vote of adoption. In the House the Aswell farm relief bill lacked only a few votes of being adopted. Neither of them carries the unconstitutional equalization fee. Both are workable. Neither bill provides for an army of officials, inspectors, collectors, and "experts."

CRISP FARM RELIEF BILL

This bill provides a revolving fund of $250,000,000 and for the organization of export corporations to purchase and export cotton, wheat, and other farm products. Its plan is to endeavor to stabilize price against violent fluctuations at marketing periods. When it appears that a surplus above normal demands is about to be produced and the price to the producer about to be unduly lowered, the cotton or other export corporation shall enter the market and purchase at a fair price sufficient amounts of the surplus to prevent ruinous decline in prices. By carrying the surplus and gradually feeding it into the export market in the following years and by encouraging reduction of production, it plans to spread out the surplus over a long period.

The Crisp bill provides no equalization fee or tax upon farmers. The author of the bill, the gentleman from Georgia [Mr. CRISP], comes from a cotton State and is himself a cotton grower and the son of a great Democratic Speaker of this House. He is a real friend of agriculture and is anxious to relieve its distress.

THE ASWELL FARM RELIEF BILL

The gentleman from Louisiana [Mr. ASWELL] represents a cotton district. He has for years been a Member of the Committee on Agriculture. He has studied cooperative marketing in Europe. He is himself a cotton farmer. The bill is the result of long study and observation.

It provides for farm export corporations and appropriates $250,000,000 as an operating fund. A cotton export corporation is authorized to purchase surplus cotton at a fair price, to withdraw it from the market, and to gradually place it on the market when conditions improve. The export cotton corporation would keep advised as to acreage, crop production, probable yield, warehouse and mill stocks, probable surplus and other factors entering into the marketing problem. Such information would be furnished to producers to aid them, in so far as possible, to regulate production by decreased acreage and diversification, and to thus balance production and demand. When a large surplus of cotton is produced in one year and carried over into the next, unless there is substantial reduction of production in the following year, prices will go still lower. Instead of one surplus there will be two surpluses. The price of cotton depends upon the world demand. We export nearly two-thirds of our annual crop. We can not by law force Europe to buy more cotton than she wants to buy. If we raise 18,000,000 bales and the world wants only 15,000,000 bales, we should finance and carry over into the next year 3,000,000 bales. But if we raise 18,000,000 bales again we shall have a surplus of 6,000,000 bales. Instead of doing that we should reduce production to 12,000,000 bales the following year.

It is ruinous to raise more cotton than the world will use. It is a waste of soil, and toil, and money. It is imperative that we must strive to reduce production through diversification and reduced acreage in cotton. The extra acreage had better "lie out" and replenish its fertility by rest than to be devoted to raising another surplus. In the case of cotton, the problem of marketing is to spread out the surplus over a long period and adjust sale to demand instead of dumping the entire crop on the market during three or four months of the picking season. The carry over of a surplus, even if withdrawn from the market, will tend to depress the price unless steps are taken to reduce production.

The Aswell bill is the best that is offered and more nearly meets the situation than any other. It imposes no equalization fee. It does not say to the farmer that, though he may raise cotton and wheat and corn and hogs by his own toil, before he can sell them or ship them he must pay a tax in any amount the board may fix, a tax not paid by other producers or manufacturers on their products. The Aswell bill does not confiscate the farmer's property. It is practical farm relief. It puts no increased burden on the farmer. It does not provide for "losses" to be taken out of the farmers' pockets. It is workable. It does not provide for an army of officials, inspectors, and tax gatherers to go about the country at the expense of the farmers to check up equalization fees on each bale of cotton and bushel of corn and wheat and each hog marketed for slaughter.

Mr. Speaker, I voted for the Aswell bill. I voted to substitute it for the McNary-Haugen bill. If 25 Members who are ramming the McNary-Haugen bill through this House would vote for the Aswell bill, it could be substituted and could become a law. The Aswell bill provides an export corporation in response to the platform of the Democratic National Convention. I prefer to take my stand with the Democratic Party and a practical cotton grower, the gentleman from Louisiana [Mr. ASWELL] instead of the gentleman from Iowa [Mr. HAUGEN], whose Republican high-tariff doctrine has profiteered on agriculture and given the profits to manufacturing industries.

The gentleman from Iowa [Mr. HAUGEN] says that his bill is an experiment and that the farmer ought to bear the expense of the experiment; that he ought to pay the bill though he is already in dire distress. If "farm relief" is an experiment, if the farmer, because of favoritism by the Government to manu-

facturing and railroad corporations, has been injured, why should the farmer bear the hazard and expense of the "experiment" to accord him justice? Agriculture is a national necessity. The farmer feeds and clothes the people of the United States. The export of cotton and wheat annually brings hundreds of millions of dollars, to the United States.

That money goes into the channels of trade and commerce and benefits every business and industry in America. Agriculture must be maintained. America is dependent upon it. It is a national asset. If it is ruined, the business of the whole country will suffer. The whole country can afford to bear the expense of any "experiment" to solve the problem. It is not just to tax the already impoverished farmer to "experiment" on him without his consent. It is not believed that any loss will be incurred under the Aswell bill.

M'NARY-HAUGEN BILL RUINOUS

The McNary-Haugen bill is absolutely hopeless. It may pass the House, but before it is passed it is known that it will be vetoed by the President. If approved, the courts will declare it unconstitutional.

The bill is the product of what is known as the Corn Belt. It is built around a desire to perpetuate the high-protective tariff which has robbed the American farmer. The authors of the McNary-Haugen bill are supporters of high-protective tariffs on manufactures.

There is now a tariff of 15 cents per bushel on corn and 42 cents per bushel on wheat. That tariff has not been effective. The purpose of this bill is to make it effective, and try to tie the farmers to a high-protective tariff. The McNary-Haugen bill proposes to shut-out wheat and corn imports, and to then buy up the amount ordinarily exported. Such surplus would be sent abroad and dumped for any price obtainable. The loss would be paid by the farmers out of equalization fees. Under such a plan foreign countries could buy American flour cheaper than our own people. By law the American consumer of bread would be condemned to pay more for American flour at home than the foreigner would pay for American flour in Europe. That is a vicious effort at artificial price fixing.

Of course, in the case of cotton, upon which there is no tariff, the scheme will not and can not work. A tariff would not aid cotton. We export cotton. The domestic price of cotton is controlled by the world price. Its price is fixed by the world demand. The pretended principle of the Haugen bill can not help cotton, if it were possible to apply it to corn or wheat. But the Corn Belt advocates of the Haugen bill in a desperate effort to secure votes from the cotton States, have taken advantage of the present distressed condition of the cotton growers and by crying "the Haugen bill or nothing," and by an aggressive campaign and persistent propaganda, have induced the leaders of one of the great cotton cooperative associations to support this bill. Believing that it will increase and deepen the distress of the farmer, I do not propose to be stampeded into completing the farmers' ruin by the demand to take "the McNary-Haugen bill or nothing."

M'NARY-HAUGEN FEDERAL BOARD

The bill creates a Federal farm board of 12 members, one from each Federal farm-land bank district, with the Secretary of Agriculture the thirteenth member and chairman. Only 3 of the 13 will come from cotton-growing States. The President can appoint only those persons recommended by a nominating committee of seven in each land-bank district. Four or a majority of the members of the nominating committee in each district shall be elected by the bona fide farm organizations and cooperative associations in such district. It is provided that only those organizations designated by the Secretary of Agriculture shall participate. Two members are selected by the heads of the agricultural departments of each land-bank district, and the seventh is selected by the United States Secretary of Agriculture. It is said that only about 8 per cent of the farmers of the United States belong to cooperative associations. Under this plan it will be possible for 8 per cent of the farmers to select members of the Federal farm board, while the President can not appoint any farmer from the 92 per cent which have no voice in such selection. The board, however, when selected will have power over all farmers raising cotton, corn, wheat, rice, tobacco, or hogs whether members of cooperative associations or nonmembers.

ARMY OF EXPERTS, EMPLOYEES, AND COLLECTORS

The board is not limited as to the number of employees, inspectors, officials, and collectors of fees and experts which it may appoint. It will sit in Washington. To collect fees on every bale of cotton, bushel of wheat, rice, and corn, and each pound of tobacco sold or shipped and each hog sold for slaughter will require thousands of employees, tax gatherers, and spies, who will harass and annoy the farmers of the United States. This vast expense must come out of the pockets of the farmers themselves.

EQUALIZATION FEE OPPRESSIVE TAX

The board has the power to assess equalization fees in any amount upon every bale of cotton, every bushel of corn, every bushel of wheat, every pound of rice and tobacco that may be sold, and upon every hog that may be sold for slaughter. An amendment to limit the equalization fee on cotton to $5 per bale was voted down. Another amendment to limit the fee to $10 was defeated. The amendment now pending to limit the fee to $25 per bale will be defeated.

The fee is a direct Federal tax. It is not to be used for a Government purpose but for the board's purposes. It is a charge, however, laid by law upon the citizen. It is not laid on manufacturing industries, nor railroads, but upon one class, the farmers. I do not believe Congress has any power under the Constitution to levy such a tax on the farmers. The equalization fee is the very heart of the McNary-Haugen plan. It is the forcible taking of the farmers property and turning it over to a board to spend, without his consent. I do not believe that Congress can delegate to a Federal board the power to levy such a tax whenever it may desire and in any amount it may desire.

OPERATIVE PERIOD

Whenever the board may declare an "operative period" it must levy the equalization fee. In times of distress, the equalization fee will fall heavily on the farmer. With prices depressed to the point of ruin, the fee will increase his misfortune. The farmer who must sell his cotton to pay his indebtedness must pay the fee. If the fee is $15 per bale, he will get $15 less money for his cotton. The banker, or the merchant whom he owes, will get $15 or $25 less on his debt, as the case might be. But it is argued that the board must levy the fee to discourage production. Are not the already ruinous prices of cotton and other farm products sufficient punishment for over-production? Is the farmer to be further punished in order that the board may display its power? But it is said that he may get something back on his receipt for the fee. After the expenses of the board are paid, like the boy's apple, "there ain't going to be no core." Gentlemen privately so admit, though they do not publicly avow it.

OPERATIONS OF THE BOARD

The board is authorized to employ the revolving fund of $250,000,000 and the fund created from the collection of equalization fees, not directly but "the board is authorized to enter into agreements for the purpose of carrying out the policy declared in section 1, with any cooperative association engaged in handling the basic agricultural commodity or with a corporation created by one or more of such cooperative associations or with processors of the basic agricultural commodity." In short, while every producer of cotton will be forced to pay equalization fees, the funds so collected can only be expended through farmers' cooperative associations or processors or their corporations. Processors are millers, packing houses and cotton mills.

The board may contract with millers and with meat packers and with cotton mills, and may guarantee a profit to such cotton spinners, packers, and millers and other processors. This profit must come out of the equalization fees paid by the farmers. The farmers themselves have no assurance of any profit whatever. While all of the farmers must pay the fee, only the cooperative associations selected by the board will be allowed to handle funds by contract with the board. It has been argued that one purpose of the bill is to force farmers to join cooperative associations. The bill does not in so many words declare such to be its purpose. But it is argued that by allowing cooperatives to nominate the members of the farm board and by directing the board to carry on its operations exclusively through cooperatives, millers, packers, and processors, and by using the equalization fees collected from all the farmers to finance such operations, farmers will be indirectly forced to join the cooperatives. I believe in farmers' cooperative associations. I believe they have done much good. Where their members voluntarily join and cooperate, they can and will do much more. Their success, however, can not be founded on force. I am unwilling, by taxing farmers, to indirectly coerce them to become members.

There are many theorists and dreamers who have utterly failed in their own business who think that they can run the farmer's business better than the farmer himself. If he will not willingly permit them to run it for him, they are anxious to have a law to force him to do so.

JOBS UNDER THE BILL

It is said there are a number of persons now in Washington lobbying for the McNary-Haugen bill and claiming to represent the farmers who are expecting to be appointed to the board, at $10,000 a year, or who expect to be selected as "experts" or inspectors or officials of the board. The bill limits the choice of the board in such a way that they feel assured of jobs. They drew the bill. The idea is theirs. If they can secure unrestrained power, they can compel the farmer to run his business according to their idea and their interests. If he does not respond, they can clap on him higher equalization fees to cover their loss and expenses.

SOME CAUSES OF AGRICULTURAL DEPRESSION

The Middle West advocates of the McNary-Haugen bill argue that the distress of agriculture has been caused by Government favoritism to the manufacturing industries and to railroad companies. In that contention they are substantially correct. The Middle West voted for the Fordney-McCumber tariff bill. They voted for the railroad bill. Here in this Chamber I voted and spoke against both of those measures. I warned the representatives of the Middle West that the Fordney-McCumber tariff would rob their farmers. I warned them that the railroad act of 1920 would raise their rates to higher levels.

Agriculture can never be placed upon a parity with the tariff-protected industries or with the favored owners of railroad properties until the high tariff rates and freight rates are reduced. High tariffs and high freight rates were made to give their beneficiaries an advantage. If they did not get an advantage, they would not want them. There can be no equality while those favored interests enjoy those advantages over farmers. Equality would destroy those advantages.

EXPORT DEBENTURES FOR AGRICULTURE

The American farmer must export his cotton and wheat and sell it abroad in a free market in competition with the whole world. The American farmer is forced to buy his goods in a tariff-protected, restricted domestic market. He must sell in a competitive market. He must buy in a noncompetitive market. I favor the establishment of an agricultural export corporation such as that proposed in the Aswell bill. I favor coupling with it a provision that whenever such corporation shall export a substantial amount of agricultural products the Treasury Department shall issue to the corporation a debenture certificate, which shall entitle the corporation or any assignee to import into the United States manufactured goods of equal value free of duty. The corporation could sell debentures to importers and place the funds in its operating capital or could itself import manufactured goods and sell them in the United States. The export corporation could not only give the farmer a better market in which to sell but could secure him a better market in which to buy.

CONCLUSION

Mr. Speaker, when this bill was before the Senate many southern Senators voted against it because they considered it injurious to the southern farmer. The following Senators from cotton-producing States regarded it as dangerous and ruinous to our people: Senators GEORGE and HARRIS, of Georgia; Senator BLEASE, of South Carolina; Senator OVERMAN, of North Carolina; Senators SWANSON and GLASS, of Virginia; Senators PAT HARRISON and HUBERT STEPHENS, of Mississippi; and Senators HEFLIN and UNDERWOOD, of Alabama. These Senators, devoted to the interests of the southern farmer, opposed the bill as a hopeless and impossible measure that promised no real relief, but offered only increased distress and depression. When the roll is called in this House it will be found that many Members from great cotton-growing States and many Members from Texas will oppose it as vicious and ruinous. My conviction and conclusion that I am right is confirmed by the attitude of these distinguished leaders and southerners. Mr. Speaker, I voted for the Crisp bill. I voted for the Aswell bill, which I prefer above the others. But believing that the McNary-Haugen bill will prove ruinous to the great farming district which has honored and trusted me, believing that it will prove ruinous to the farmers of my great State, believing that it will prove ruinous to the farmers of the United States, believing that it is unsound, unworkable, and unconstitutional, I must vote against it.

Mr. Speaker, tremendous political pressure has been brought to bear upon Members of Congress from agricultural States to vote for this bill. In Texas, persistent propaganda has been spread among the people, denouncing those who refuse to accept the McNary-Haugen bill. It is being charged that we are not friends of the farmer, because we believe that the Haugen bill will not help the farmer, but will in fact hurt him. If I considered the McNary-Haugen bill to be sound, and would help the farmer, I would cheerfully and gladly support it. But my convictions tell me that it is not sound and that it will prove a disaster to the farmers.

Mr. Speaker, I believe the people whom I have the honor to represent want me to vote my honest convictions on public questions. During my service in Congress I have endeavored to devote whatever of intellect I may possess to the careful and painstaking study of public questions. I have endeavored to vote in accordance with what my convictions told we were the best interests of the people of my district and of my country. I have the honor to represent a great district in the very heart of Texas. Its people have been kind to me. I owe them the duty of casting a vote on this measure that is in accordance with my deliberate judgment. I owe them the duty to cast such a vote in spite of the threats that have been made against me unless I shall vote for this bill. I owe them the duty to cast such a vote, regardless of political considerations. I owe them the duty to vote for their welfare as I see it without consulting my fears. It has been suggested to me that it is good politics to vote for the bill, because the President will veto the measure. To do that would be to dodge my own responsibility for political expediency.

Gentlemen of the House, before a vote is had I want to warn you that the board you are about to create will have greater power than any board ever created by this Government in all of its history—a board to control the agriculture of the United States. You are giving this board the power, without any limitation, without any equivocation, without any qualification whatever, to bring upon agriculture economic ruin and economic chaos. I appeal to you, gentlemen of the House, to set some limitation upon the power of this board; let us set some limitation upon its power to name and nominate the number of its employees; let us set some limitation upon the power of this board to crush, not because it wants to, perhaps, but to crush through its folly and through its mismanagement and bad judgment the great industry which you profess to desire to aid and assist. [Applause.]

The question was taken; and on a division (demanded by Mr. WRIGHT) there were—ayes 42, noes 80.

So the amendment was rejected.

Mr. WRIGHT. Mr. Chairman, I demand tellers.

The CHAIRMAN. The gentleman from Georgia demands tellers. Those in favor of taking this vote by tellers will rise and stand until counted. [After counting.] Twelve Members have arisen, not a sufficient number.

So tellers were refused.

Mr. HARE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from South Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 15, line 4, after the word "collection," strike out the period, insert a colon, and add: "*Provided*, That no equalization fee shall be levied or collected on cotton until further and affirmative action of Congress."

The question was taken; and on a division (demanded by Mr. HARE) there were—ayes 27, noes 70.

So the amendment was rejected.

Mr. McDUFFIE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Alabama offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. McDUFFIE: On page 14, line 21, after the word "weight," insert a comma and add the word "grade"; and in line 23, before the word "of," insert the words "or grade of such unit."

The amendment was rejected.

The Clerk read as follows:

PAYMENT AND COLLECTION OF EQUALIZATION FEE

SEC. 10. (a) Under such regulations as the board may prescribe there shall be paid during operations in a basic agricultural commodity and in respect of each unit of such commodity an equalization fee upon one of the following: The transportation, processing, or sale of such unit. No more than one equalization fee shall be collected in respect of any unit. The board shall determine in the case of any class of transactions in the commodity whether the equalization fee shall be upon transportation, processing, or sale.

(b) The board may by regulation require any person engaged in the transportation, processing, or acquisition by sale of a basic agricultural commodity—

(1) To file returns under oath and to report in respect of his transportation, processing, or acquisition of such commodity, the amount of equalization fees payable thereon, and such other facts as may be necessary for their payment or collection.

(2) To collect the equalization fee as directed by the board and to account therefor.

(3) In the case of cotton to issue to the producer a serial receipt for the commodity, which shall be evidence of the participating interest of the producer in the equalization fund for the commodity. The board may in such case prepare and issue such receipts and prescribe the terms and conditions thereof. The Secretary of the Treasury, upon the request of the board, shall have such receipts prepared at the Bureau of Engraving and Printing.

(c) Every person who in violation of the regulations prescribed by the board fails to collect or account for any equalization fee shall be liable for its amount and to a penalty equal to one-half its amount. Such amount and penalty may be recovered together in a civil suit brought by the board in the name of the United States.

Mr. TINCHER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Kansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. TINCHER: Page 15, line 24, strike out lines 24 and 25.

The amendment was rejected.

Mr. TINCHER. Mr. Chairman, I have another amendment.

The CHAIRMAN. The gentleman from Kansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. TINCHER: Page 16, line 1, after the word "cotton," insert the word "wheat."

The amendment was rejected.

Mr. TINCHER. Mr. Chairman, I have another amendment.

The CHAIRMAN. The gentleman from Kansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. TINCHER: Page 16, line 12, after the words "its amount," insert: "*Provided*, That any person may purchase and butcher for home consumption as many as two hogs per annum, without becoming liable in any way, under the provisions of this act, for the payment of fees or charges."

Mr. JOHNSON of Washington. Mr. Chairman, I move to strike out the last word for the purpose of asking a question. I would like to ask some member of the Committee on Agriculture what is meant on page 15, line 18, by the use of the word "sale"? The language is that the board may, by regulation, require any person engaged in the transportation, processing, or acquisition by sale of a basic agricultural commodity, and I would like to know why the word "sale" is used rather than the word "purchase."

Mr. TINCHER. I do not know. I have not the same copy of the bill that the gentleman is using.

Mr. JOHNSON of Washington. I was quite curious to know about that.

Mr. TINCHER. Nobody knows what the bill means.

The amendment was rejected.

Mr. TINCHER. Mr. Chairman, I offer the following amendment:

The Clerk read as follows:

Page 16, line 12, after the words "its amount" insert: "*Provided*, That no farmer raising less than four hogs per annum shall be liable under the provisions of this act for not paying equalization fees on said hogs if he produces said hogs for home consumption."

Mr. HAUGEN. Mr. Chairman, it seems to me that these absurd amendments are entirely out of place. The bill provides that you may kill 100 hogs if you want to. Are we to take up time in discussing these amendments. I move that all debate on this section and amendments thereto close in 10 minutes. The gentleman from Kansas to have five and the gentleman from South Carolina five.

Mr. KINCHELOE. Will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. KINCHELOE. Will the gentleman agree with the other friends of the bill to stay here until the sun rises in the morning to pass this bill?

Mr. HAUGEN. Absolutely. [Applause.]

The CHAIRMAN. The gentleman from Iowa moves that all debate on the section and all amendments thereto close in 10 minutes.

The question was taken, and the motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas.

The question was taken, and the amendment was rejected.

Mr. TINCHER. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 16, line 12, after the words "its amount" insert: "*Provided*, That no producer of swine shall be held to have violated this act, or any of the provisions thereof by the sale, without the payment of the equalization fee thereon, of any portion of the pork products, or lard, from any hogs butchered by the producer."

Mr. TINCHER. Mr. Chairman and gentlemen of the committee, I have not taken any time considering the number of amendments I have. I resent the insinuation that my amendments are silly. It might be that some amendments I have offered would be considered silly if we were considering anything but silly legislation. This bill was written by some one out of Congress. It was prepared by some one who never had any experience in preparing bills. Every amendment I have offered not in the hope of having it adopted, because I know a steam roller when I see one, but in the hope of calling your attention to this monstrosity that we are going to send to the other end of the avenue. [Applause.]

I want to suggest that it may be silly to employ a limit of $25 equalization fee, it may be silly to-day to say that the hard wheat of this Nation will not be taxed and bring wheat down in price, but it will not be silly next fall. [Laughter and applause.]

I want to make an announcement as there seems to be some misunderstanding. I am quitting Congress, quitting public office, but I am not going to quit politics or public affairs. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas.

The question was taken, and the amendment was rejected.

Mr. FULMER. Mr. Chairman, I offer the following amendment:

The Clerk read as follows:

Page 15, line 15, at the end of the line, insert: "No equalization fee shall be paid in respect of cotton prior to the expiration of two years from the date of the approval of this act, and the equalization fee in respect of cotton shall not exceed at any time the equivalent of $5 a bale. If by reason of unforeseen conditions a loss is sustained in the disposition of cotton purchased under the provisions of this act during the first two years, such loss may be assessed against the succeeding operations in connection with cotton."

Mr. FULMER. Mr. Chairman and gentlemen of the committee, I am offering this amendment in good faith, and I want to say to the Members on my side of the House, as well as to my friends on the other side, that I am offering this amendment because it is absolutely fair. I resent the remarks on the part of some gentlemen on the floor of this House that because a Member anxious to do that which is right for the agriculturists of this country, anxious to be fair to my people in the South as well as you people in the West, when I stand up on the floor and offer an amendment, a legitimate amendment, to be met with the assertion that it is offered to kill the bill.

A year ago we worked this legislation out to a successful conclusion. My good friends from the West say that they want the equalization fee now, and I am willing for them to have it, but our people of the South at this time do not want it, because we do not have to have it, because in the matter of cotton it will be almost impossible to have a loss. The gentleman from Kentucky [Mr. KINCHELOE] says that the tobacco people want it. Then, my friends, I want your tobacco people to have it. As I said the other day, I want to be fair with the Members on both sides, because this is a new scheme. It is an untried proposition. You do not know whether it is going to work or not.

I believe the Government, with the great amount of money now in the Treasury, should take this scheme to the country without the equalization fee and without expense to the producers, try it out, and if it is good they can turn it over to the producers. If my amendment carries, I propose to offer an amendment to take the equalization fee off all commodities and let the Government stand the expense of trying it out. When I do that I realize, if you make the tariff apply, there will be certain losses to the Treasury, but we of the South are perfectly willing to have these losses come out of the Treasury and try to help the agricultural interests out of its present deplorable condition. I am now offering you an amendment that will limit the fee on cotton not to exceed $5 and not to be put on for two years. In the meantime, if we should have losses, it will be assessed back on the operation of cotton in the future; but we would not have any losses. I hope both sides of the House will vote for this amendment, because I do not believe it will interfere with the passage of this bill.

The CHAIRMAN. The time of the gentleman from South Carolina has expired. The question is on the amendment offered by the gentleman from South Carolina.

The question was taken; and on a division (demanded by Mr. FULMER) there were—ayes 37, noes 82.

So the amendment was rejected.

Mr. ALMON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. ALMON: On page 15, at the end of line 15, insert the following: "No equalization fee shall be paid in respect of cotton prior to the expiration of two years from the date of the approval of this act, and the equalization fee in respect of cotton shall not exceed at any time the equivalent of $2 a bale."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. ALMON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. ALMON: On page 15, at the end of line 15, insert the following: "No equalization fee shall be paid in respect of cotton prior to the expiration of one year from the date of the approval of this act, and the equalization fee in respect of cotton shall not exceed at any time the equivalent of $2 a bale."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. ALLGOOD. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. ALLGOOD: Page 15, line 15, after the word "sale," strike out the period, insert a colon and the following: "*Provided further*, That when the equalization fee on cotton goes into effect, that the same fee shall be collected on each bale of cotton sold and bought on future contract through cotton exchanges in New York, N. Y., New Orleans, La., and Chicago, Ill."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. NEWTON of Minnesota. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. NEWTON of Minnesota: Page 15, line 10, strike out the word "transportation."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was rejected.

The Clerk read as follows:

STABILIZATION FUNDS

SEC. 11. (a) In accordance with regulations prescribed by the board, there shall be established a stabilization fund for each basic agricultural commodity. Such funds shall be administered by and exclusively under the control of the board, and the board shall have the exclusive power of expending the moneys in any such fund. There shall be deposited to the credit of the stabilization fund for a basic agricultural commodity, advances from the revolving fund hereinafter established, premiums paid for insurance under section 12, and the equalization fees and profits in connection with operations by the board in the basic agricultural commodity or its food products.

(b) The board, in anticipation of the collection of the equalization fees and the payment of premiums for insurance under section 12, and in order promptly to make the payments required by any agreement under section 6 or by the insurance contracts under section 12 and to pay salaries and expenses of experts, may, in their discretion, advance to the stabilization fund for any basic agricultural commodity, out of the revolving fund hereinafter established, such amounts as may be necessary.

(c) The deposits to the credit of the stabilization fund shall be made in a public depositary of the United States. All general laws relating to the embezzlement, conversion, or to the improper handling, retention, use, or disposal of public moneys of the United States, shall apply to equalization fees collected by any person and to profits payable to the credit of a stabilization fund, whether or not such fees or profits have been credited to the appropriate stabilization fund, as well as to moneys deposited to the credit of the fund or withdrawn therefrom but in the custody of any officer or employee of the United States.

(d) There shall be disbursed from the stabilization fund for any basic agricultural commodity only (1) the payments required to be made by any agreement under section 6 or by an insurance contract under section 12, (2) the salaries and expenses of such experts as the board determines should be payable from such fund, and (3) repayments to the revolving fund of any amounts advanced in respect of the agricultural commodity from the revolving fund to the stabilization fund and remaining unpaid, together with interest on such amounts at the rate of 4 per cent per annum.

(e) When the amount in the equalization fund for cotton is, in the opinion of the board, in excess of the amount adequate to carry out the requirements of this act in respect of such commodity, and the collection of further equalization fees thereon is likely to maintain an excess, the board may retire in their serial order as many as practicable of the outstanding receipts evidencing a participating interest in such fund. Such retirement shall be had by the payment to the holders of such receipts of their distributive share of such excess as determined by the board. The amount of the distributive share payable in respect of any such receipt shall be an amount bearing the same ratio to the face value of such receipt as the value of the assets of the board in or attributable to the fund bear to the aggregate face value of the outstanding receipts evidencing a participating interest in such fund, as determined by the board.

Mr. WHITE of Kansas. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Kansas moves to strike out the last word.

Mr. WHITE of Kansas. Mr. Chairman and gentlemen of the committee, I have not spoken hitherto upon this bill. I am recognized for five minutes. I shall not exceed that limit. I shall make but one or two statements.

I know of no reason, and I can think of none, why the farmers of America, the farmers of the United States, should not, through their organization in cooperation with their Government, do that which the manufacturing industries of this country have been doing for 50 years; a thing that has been notoriously true, and it is practically impossible for them to do this through their own organizations. Why should not the farmers have the cooperation of their Government?

This bill may be to an extent experimental, but certainly it is not a theory.

Mr. Chairman, the Ames Manufacturing Co., 50 years ago, was doing the very thing that it is proposed to do under the provisions of this bill. It has been suggested and some Members have expressed some apprehension as to what it may do to the consumers. There is no question, Mr. Chairman, as to what the employment of this practice for 50 years has done for the great industrial organizations of this country.

Every important manufacturing industry has now or has had throughout the past 60 years ample and consecutive protection of their interest under the protective tariff. The American laborer is protected through the operation of our immigration laws. I am constrained to feel that our Members from the industrial centers do not appreciate either the importance or the seriousness of this great question. Our colleagues from these sections certainly do not look at this problem from the farmer's viewpoint and in their voting indicate but little interest or sympathy therewith. In any public discussion outside of Congress those industrial experts are prompt to admit—aye, they proclaim—that agriculture is the backbone of American strength and progress, but when we tell them that this backbone is dislocated they do not seem to think that fact to be at all serious or important. How often has it been pointed out that if throughout the vast agricultural expanse of this country if the farmer can not buy goods freely then the retail merchant's trade suffers and is soon paralyzed, and this situation is promptly reflected on the business of the wholesaler and then upon the manufacturer and laborer? All this is admitted, and is not and can not be denied. Now, as to the righteousness and morality of this proposed law there is and should be no question. Almost the entire list of commodities in constant use are monopolistically controlled and the price stabilized from the factory to the consumer. Whether this is done entirely through organization or through the exercise of a common and well-understood purpose is of little consequence; the fact remains and is undisputed. The prices of implements and machinery essential to the conduct of the farmer's business are all of them absolutely under the control of the manufacturer. The industrial East, after 60 years of protection, under which it has prospered as no other section of the world has prospered, is utterly inconsistent in seeking to withhold from agriculture the same means of achieving prosperity which the East has employed so successfully in the past. My time is expiring. There is much more I could say, but the hour is late. We should pass this bill this evening, resisting every attempt to adjourn until the vote is taken. [Applause.]

The CHAIRMAN. Without objection, the pro forma amendment of the gentleman from Kansas will be withdrawn.

There was no objection.

Mr. LEAVITT. Mr. Chairman, I have an amendment.

The CHAIRMAN. The gentleman from Montana offers an amendment, which the Clerk will report.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that the debate on the section and all paragraphs relating thereto close in five minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the debate on this section and all amendments thereto close in five minutes. Is there objection?

There was no objection.

Mr. LEAVITT. Mr. Chairman, I move to strike out the last two words, in order to request that a telegram from the joint committee on agriculture of the Montana Legislature, reading as follows, may be included as a part of my remarks:

HELENA, MONT., *February 8, 1927.*

Congressman SCOTT LEAVITT,
Washington, D. C.:

We the joint senate and house committee on agriculture of the twentieth session of the Montana Legislature respectfully urge you to support the McNary-Haugen farm relief bill.

Elmer Johnson, Ralph C. Bricker, Albert Budas, L. N. Erickson, Elias Rorvik, Geo. W. Gustafson, S. C. Arnold, D. A. Delliwo, J. T. Sparling, Ben N. Benson, Chas. Akofer, C. R. Prescott, Ben Nelson, Joint House Committee on Agriculture.

Geo. McCone, L. F. Greenup, Walter D. Kemmis, W. T. Cowan, Christian F. Gilboe, Ralph R. Tower, J. W. Schnitzler, I. S. McQuilty, Wm. H. Buttleman, Joint Senate Committee on Agriculture.

[Applause.]

Mr. FORT. What is the date of that vote?

Mr. LEAVITT. The date of the telegram is the 14th of this month.

Mr. FORT. What was the date of the vote?

Mr. LEAVITT. This is from the joint agricultural committee of the house and senate of Montana. There had been a resolution.

Mr. FORT. Had a copy of the bill reached them by that time?

Mr. LEAVITT. Indeed it had, the original bill.

Mr. WILLIAMSON. I may state for the benefit of the House, if the gentleman will permit, that the Legislature of South Dakota recently passed a joint resolution, without a dissenting vote, indorsing the McNary-Haugen bill. [Applause.]

Mr. FORT. It is the McNary bill that we are debating now. They have indorsed the wrong bill.

Mr. LEAVITT. Mr. Chairman, I had not intended to take any time except to offer the telegram, and would not have done so if these questions had not been asked. The situation in Montana is that the idea underlying this bill very largely originated in discussions in Montana and that the people of Montana and the members of the legislature who have sent this telegram are fully in touch with the general underlying principles of the McNary-Haugen bill.

Of course, in reply to the gentleman from New Jersey [Mr. FORT] the Senate bill could not have reached them at the time of the date of this telegram; but all the underlying principles of the McNary-Haugen bill are included in their understanding of this measure, and it is a measure that as a State Montana is very thoroughly behind.

The CHAIRMAN. Without objection, the pro forma amendment of the gentleman from Montana will be withdrawn. The Clerk will read.

The Clerk read as follows:

LOANS AND INSURANCE

SEC. 12. (a) The board is authorized, upon such terms and conditions and in accordance with such regulations as it may prescribe, to make loans out of the revolving fund to any cooperative association engaged in the purchase, storage, or sale or other disposition of any agricultural commodity (whether or not a basic agricultural commodity) for the purpose of assisting such cooperative association in controlling the surplus of such commodity in excess of the requirements of orderly marketing.

(b) For the purpose of developing continuity of cooperative services, including unified terminal marketing facilities and equipment, the board is authorized, upon such terms and conditions and in accordance with such regulations as it may prescribe, to make loans out of the revolving fund to any cooperative association engaged in the purchase, storage, sale, or other disposition, or processing of any agricultural commodity, (1) for the purpose of assisting any such association in the acquisition, by purchase, construction, or otherwise, of facilities to be used in the storage, processing, or sale of such agricultural commodity, or (2) for the purpose of furnishing funds to such associations for necessary expenditures in federating, consolidating, or merging cooperative associations, or (3) for the purpose of furnishing to any such association funds to be used by it as capital for any agricultural credit corporation eligible for receiving rediscounts from an intermediate credit bank. In making any such loan the board may provide for the payment of such charge, to be determined by the board from time to time, upon each unit of the commodity handled by the association, as will within a period of not more than 20 years repay the amount of such loan, together with interest thereon. The aggregate amounts loaned under this subdivision and remaining unpaid shall not exceed at any one time the sum of $25,000,000.

(c) Any loan under subdivision (a) or (b) shall bear interest at the rate of 4 per cent per annum.

(d) The board may at any time enter into a contract with any cooperative marketing association engaged in marketing any basic agricultural commodity insuring such association for periods of 12 months against decline in the market price for such commodity at the time of sale by the association from the market price for such commodity at the time of delivery to the association. For such insurance the association shall pay such premium, to be determined by the board, upon each unit of the basic agricultural commodity reported by the association for coverage under the insurance contract, as will cover the risks of the insurance.

Mr. NEWTON of Minnesota. Mr. Chairman, I offer an amendment.

Mr. FORT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New Jersey offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. FORT: On page 20, beginning in line 13, strike out paragraph (d).

Mr. FORT. Mr. Chairman, I think it will be admitted that I have not offered any frivolous amendments to this legislation. I am now moving to strike out the so-called insurance clause, which appeared in this legislation for the first time on the floor of the Senate.

There was presented to the Senate a fairly intelligent insurance proposal as it would relate to cotton. No word was presented to the Senate committee or to any other body connected with the Government of the United States relating to insurance on any other product of agriculture. The proposal in this provision of the bill is that any cooperative—let us say one engaged in the business of wheat—may, when its member brings in his wheat to it, go to the Government board and on that day and date secure from that board an insurance policy to the effect that at no date within one year from that day that wheat will resell for a less price than it does on that day.

Now, my friends, wheat two years ago varied 70 cents a bushel within a period of three months; within a period of three months 70 cents a bushel on a wheat crop of from 700,000,000 to 800,000,000 bushels. And under this provision, without a word of proof to the Congress of the United States, without a calculation of the possible cost, without any consideration as to whether we desire to make the Government of the United States an insurance company, we are here told that, because on the floor of the Senate practically without debate and without consideration, this provision was put into this legislation we must swallow it or be put in the position of denying farm relief.

My friends, there is not a man on this floor who has reasoned out the possible implications in that paragraph of this bill. Not one. There is not a man in either House of Congress who could have, within the week this matter has been pending, figured or even guessed at the hazard we are here asking the Government of the United States to assume—not only to assume the hazard but to start in an entirely new line of business. I call your attention, my friends, to the fact that this proposal is putting the Government in the insurance business. This is no contract to be fulfilled by a processer. This is no contract to be fulfilled by an agency. This is a direct proposal that the Government of the United States go into the business of insuring prices. And do you mean to tell us—the gentleman from Montana or the gentleman from Kansas or any of these other men who have introduced resolutions here to-day from their State legislatures indorsing the so-called Haugen bill—do you mean to tell us that those State legislatures want to indorse a proposal for the Government of the United States to go into the business of insuring prices?

Mr. LEAVITT. Will the gentleman yield?

Mr. FORT. Yes.

Mr. LEAVITT. If I can get the time after the gentleman has concluded, I would like to make a brief statement as to why I think our State legislature would have approved this bill with this feature in it.

Mr. FORT. Well, that is a matter of opinion. I want to state to the House that if you are going to vote on this amendment, you vote with your eyes open to the fact that you are

putting the Government of the United States in the insurance business on a surely losing basis.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto do now close.

Mr. JOHNSON of Washington. Mr. Chairman, reserving the right to object, I want three minutes because I have a serious amendment to offer.

Mr. PURNELL. What does the gentleman mean by a serious amendment?

Mr. NEWTON of Minnesota. Mr. Chairman, reserving the right to object——

Mr. HAUGEN. Mr. Chairman, I amend my request by making it seven minutes.

Mr. NEWTON of Minnesota. Reserving the right to object, will the gentleman yield?

Mr. HAUGEN. I will make it 10 minutes.

Mr. NEWTON of Minnesota. Reserving the right to object, will the gentleman yield?

Mr. BLANTON. Mr. Chairman, I ask for the regular order.

Mr. HAUGEN. Mr. Chairman, I modify my request to make it 10 minutes.

Mr. SCHAFER. Mr. Chairman, I object, and ask for the regular order.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that all debate on this section and all amendments thereto close in 10 minutes. Is there objection?

Mr. WHITTINGTON. Reserving the right to object, I should like to have five minutes on this insurance plan.

The CHAIRMAN. Is there objection?

Mr. SCHAFER. I object.

Mr. HAUGEN. Then, Mr. Chairman, I move to close debate in 10 minutes.

Mr. BLANTON. Close it now.

Mr. SCHAFER. Mr. Chairman, a parliamentary inquiry. When will the caucus, being held by the gentleman from Iowa, adjourn?

Mr. BLANTON. Mr. Chairman, I offer a substitute to the motion made by the gentleman from Iowa that the debate close now.

Mr. SCHAFER. Mr. Chairman, I ask for the regular order.

The CHAIRMAN. Does the gentleman from Iowa desire to make a motion?

Mr. HAUGEN. I move that all debate on this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. The gentleman from Iowa moves that all debate on this section and all amendments thereto close in 10 minutes.

The question was taken; and on a division (demanded by Mr. SCHAFER) there were—ayes 80, noes 4.

So the motion was agreed to.

Mr. JOHNSON of Washington. Mr. Chairman, I desire to congratulate the House Committee on Agriculture that it did not prepare and did not indorse in committee the paragraph found on page 19 of this bill, relating to the loan without security of $25,000,000 for purchase of warehouses, terminals, and for the processing of all agricultural products, whether basic or not. That paragraph is a trouble maker. Where shall the title lie? The language reads:

> For the purpose of developing continuity of cooperative services, including unified terminals, marketing facilities, and equipment, the board is authorized * * * to make loans out of the revolving fund to any cooperative association engaged in the purchase, storage, sale, or other disposition or processing of any agricultural product.

Mr. FULMER. What is wrong with that? [Laughter.]

Mr. JOHNSON of Washington. I am not surprised at the laughter. A mere $25,000,000 to be disposed of that way seems to cause uproarious laughter these days.

Mr. PURNELL. Will the gentleman yield?

Mr. JOHNSON of Washington. No; I can not yield.

Mr. PURNELL. The gentleman has plenty of time and ought to yield.

Mr. JOHNSON of Washington. On the contrary, there is not even time to offer an amendment to perfect this paragraph. When gentlemen of this House find out, if this bill becomes a law, the difficulties that will arise over the title to property, including terminals purchased by cooperative organizations, they may regret such a loosely drawn paragraph. I presume that they are sitting snugly now, happy in the hope that each county seat cooperative may borrow from the board and buy or build a warehouse, buy or build a flour mill. Hundreds of places will want to have warehouses established for the purpose of storing grain. But it will not be the county seats that your grain will go for storage, but to the terminals—the great cities. And even in these cities the cooperatives are likely to flourish like green bay trees on money borrowed from the board and brought into the fund—the fees to be levied after the first $25,000,000 of Government money is gone. What a demand there will be! How long will it be before the pressure will be on Congress itself for funds, more funds, and still more funds? No provision has been made for the taking over of buildings, terminals, and warehouses by gift. No statement as to where title shall lie, and no provision as to security. There is no limitation as to the amount of aid for processing. Well may the House Committee on Agriculture congratulate itself that it did not originate, devise, or indorse this particular paragraph. Some will contend that the property to be acquired by the cooperatives, with the approval of the board, will be then owned by the Federal Government. Will it? If not, who will own it?

Mr. WOODRUFF. I have voted for the McNary-Haugen bill at every opportunity presented to me since I have been in Congress. I have voted for all other measures which would tend to improve the condition of the American farmer. It occurs to me that there is no other class of our citizens who are compelled to transact their business under the handicaps the farmer has to contend with. He is at the mercy of the man to whom he sells. He is at the mercy of the man from whom he buys. He must necessarily accept the price offered him for his products and he must necessarily pay the price demanded when he purchases the things he must have. He is at the mercy of floods, of droughts, of hurricanes, of blights and pests which at times destroy the crops before or at maturity. In addition to this, he always pays the freight. He pays the freight upon the things he produces, from his farm to the point of consumption, and he pays the freight upon the things which he purchases, from the place of production to the place where he makes the purchase. When the farmer sells a bushel of wheat or other products of his farm he is not paid the price quoted in the great consumption markets of the country. He is paid the price less the freight to that point. He is the only individual, I think, who is compelled to meet so many adverse conditions in the transaction of his business.

The farming population of the United States constitutes one-third of our entire population. When the buying power of this great class is restricted, every man in the city immediately feels the effect. Business slows up, with a consequent loss of profits. Labor is unemployed to a greater or less extent, and as a result of this the business of the merchant and the manufacturer in turn again slows up, and we have what has come to be regarded as the periodically inevitable panic. This always results, as we know, in business and banking failures, misery and suffering throughout the land. It must not be forgotten that upon the buying power of the people as a whole depends the maximum prosperity of every line of industry. It has been demonstrated since the war that certain lines of industry can enjoy some measure of prosperity even when all our people do not have a like buying power, but will anyone argue that the prosperity we have enjoyed during the past four years even approaches what it would have been had the great agricultural class possessed a normal purchasing power during this time?

Many lines of industry have flourished to some degree during this time, but not all. I have in mind particularly an industry which has known little prosperity during this period, and it is the lumber industry. Owing to the fact that building for peace-time purposes was practically suspended during the war, one would naturally suppose that immediately following the establishment of peace, building would at once commence on a scale that would tax the efforts of our great lumber-producing concerns. Buildings of every kind and description were needed, and sorely needed, in the cities and on the farms. Construction began immediately in the former, but not on the latter. There has been little construction of buildings there during the past five years. Statistics tell us that the amount is but 10 per cent of the normal. It is not because the farmer does not desire or need to build the buildings to house his family, his stock, his crops, or his implements. It is because he does not have the money with which to do this very necessary thing. Building in the cities has been during this period on a basis of 90 per cent of a normal program. If building on the farms had been on the same favorable basis, the lumber industry would be prospering to-day instead of being in the very uncomfortable situation it finds itself in. This is the direct result of the failure of such prosperity as we have had to reach out into the agricultural regions. One-third of our entire population has had only a subnormal buying power, and when this condition exists it is inevitable that every industry should feel its effect. It applies to all alike. Upon the welfare of one

depends, to some extent at least, the welfare of all others, and particularly does the welfare of our urban population depend upon the welfare and prosperity of agriculture. [Applause.]

If this bill is beaten and relief is denied the farmers of the country, it will be by the votes of you men who represent city districts. How you can deliberately close your eyes to the benefits which would accrue to you and your constituents by the enactment of this measure is more than I can understand. You must remember that when the farmer has money in his pocket he necessarily spends it in the towns and cities for the things which your constituents produce. He can not spend it elsewhere. His prosperity means the continuous and increased prosperity of the people you represent, and it seems to me that if you can not consider and vote for this bill on a basis of plain, everyday fairness and justice, you can consider it upon a more selfish basis and vote for it upon those grounds.

The Constitution of the United States contemplates like treatment for all classes of our citizens. Heretofore we have put much class legislation upon the statute books. A protective tariff policy has become the established American policy. It was originally placed upon the statute books for the purpose of aiding and making prosperous American industry. No one can deny the many benefits accruing to the country as a whole as a result of this legislation. The immigration laws were placed upon the statute books for the purpose, namely, of aiding American labor. Prior to the enactment of the Johnson immigration act great hordes of foreigners were coming yearly to our shores, entering the labor markets and competing at an unfair price with American labor. As a result of this and the tariff law, American labor to-day enjoys the highest wage of any labor in the world, and as a result his purchasing power has increased, and a larger measure of prosperity has come to the country generally.

Many people have argued that the increased wage means nothing, for the reason that the cost of living has kept pace with the price of labor. That this is not true is indicated by the fact that statistics show that in the United States a day's wage buys more of the comforts and necessities of life than a day's wage will buy anywhere in any other country in the world. Everyone realizes that ordinarily when one class increases its prosperity all other classes enjoy some additional measure of prosperity as a result of this condition. This has not been true of the farmer, for the reason that he to-day is compelled to compete with the industries of the city in the labor market. When a farmer needs help on his farm for his planting or harvesting or cultivating he finds himself in a position where he must pay a wage which will attract men from the cities to work upon the farms. If the farmer were permitted to receive for his products the American price, instead of the world price, the situation he would find himself in would be equitable. However, this still being an agricultural country, we produce a surplus of many of our farm crops. Owing to the fact that we are compelled to sell this surplus in a world market, and to compete in that world market with other countries where the cost of land, machinery, and labor is far below what it is in this country, the price we receive for this surplus fixes the price of many farm products in this country on a parity with the price received for these products in the world market. This obviously is unfair to the American farmer.

It is estimated that there is a difference of $15,000,000,000 between the price paid by the American consumer and the price paid to the farmer for his products consumed in the United States. This wide spread between these prices is brought about by the fact, largely, that the American farmer has not been in a position to market his crops in an orderly, businesslike way for the benefit of himself and the consuming public. Purchasers of farm crops at the time of harvest buy them at a low price and sell them at an exorbitant price when the market is right. I have in mind a condition that came to my personal attention three or four years ago. The farmers in my district received for their potatoes 40 cents per hundred pounds. That same year in Washington I paid at the rate of $5 per bushel for these same potatoes. Had the Michigan and other potato growers of the country been in a position to handle their own crop in an orderly, businesslike way; had they been in a position to hold the crop until the market could absorb it, naturally and normally, they could easily have received profitable prices for these potatoes and the consuming public could have purchased the same for a reasonable, instead of an exorbitant price.

One of the things that the McNary-Haugen bill proposes to do is to enable the American farmer to handle his crops in the way any business man should handle his products. It will encourage the organization of the farmers of the country; it will tend to reduce the spread between the price the farmer receives and the price the consumer pays, and in my opinion will be of great benefit to all classes. The bill proposes to reduce this spread by elimination, through the organizations of farmers and their ability to do much of the work in handling crops that is now done by many so-called middlemen. If the handling of farm products could be put upon the efficient basis manufactured products are now handled, it can easily be seen that great benefits would be derived both by the people who produce farm products and by the people who consume them.

It has been argued by some that the bill will benefit only those farmers producing the so-called basic products named in the bill. As a matter of fact, if one will read section 12 of the bill, he will very quickly realize that the benefits of the bill are extended to all other farm products. For the benefit of the Members of the House who have not read the bill—and there are some—I will put in the RECORD, section 12, which is as follows:

SEC. 12 (a) The board is authorized, upon such terms and conditions and in accordance with such regulations as it may prescribe, to make loans out of the revolving fund to any cooperative association engaged in the purchase, storage, or sale or other disposition of any agricultural commodity (whether or not a basic agricultural commodity) for the purpose of assisting such cooperative association in controlling the surplus of such commodity in excess of the requirements for orderly marketing.

(b) The board is authorized, upon such terms and conditions and in accordance with such regulations as it may prescribe, to make loans out of the revolving fund to any cooperative association engaged in the purchase, storage, sale, or other disposition, or processing of any agricultural commodity, for the purpose of assisting such cooperative association in the purchase or construction of facilities to be used in the storage or processing of such agricultural commodity. In making any such loan the board may provide for the payment of a fixed number of annual installments which will, within a period of not more than 20 years, repay the amount of such loan, together with the interest thereon. The aggregate amounts loaned under this subdivision and remaining unpaid shall not exceed at any one time the sum of $25,000,000.

(c) Any loan under this section shall bear interest at the rate of 4 per cent per annum.

It will be seen by reading this section that the cooperative associations producing potatoes, for instance, would be enabled to handle their crop in the way it should be handled; that whatever benefits are derived from the production and sale of this or other commodities should be, and may be, under the provisions of the McNary-Haugen bill, reserved very largely to the man who produces the commodity and the people who consume the same.

It must be remembered that the purpose of the bill as a whole is simply to give to the farmer the American price for his products consumed in this country. The American manufacturer receives an American price for his products; the professional and the business man receive an American price for their services. The American laboring man receives an American price for his labor. He is not compelled to compete with cheap foreign labor in his everyday life.

One of the most wholesome things which has occurred in connection with the consideration of this bill has been the appearance before the Agricultural Committee of the representatives of the American Federation of Labor, who unqualifiedly indorsed the bill and asked its enactment. They asked this, stating that they believed it was possible there might be some slight increase in the cost of living for them and their families, but that they believed, in justice to the American farmer, he should be enabled to live and produce under the same conditions applying to all other classes of American citizens.

Congress in enacting the Fordney-McCumber tariff law placed nearly all of the farm products upon the protected list. Certain definite rates were written into the bill on these different products, and it was the purpose of Congress in writing these rates into the bill to give to the farmers of the country the benefit of these rates. Inasmuch as the surplus controls the domestic price, as I have said before, many of these rates have been noneffective. It seems to me that if the Members of this House who believe in a protective tariff are to be consistent, they will vote for this bill, which proposes to give to the American farmer the benefits of rates already written into the tariff law.

There is much misunderstanding as to just what the bill means, but briefly it is this: It proposes to give to the American farmer the complete benefit of the tariff rates written into the tariff law. Under present conditions the farmer producing wheat in this country finds himself in this condition: The London, or world price, fixing the American price, is, we will say

for the purpose of argument, $1 per bushel. Does the farmer in the Middle West receive a dollar for his bushel of wheat? He does not. He receives a dollar, less the cost of transporting that bushel of wheat from his farm to London, and this cost is approximately 10 cents. So, instead of receiving a full dollar for his bushel of wheat, he receives a dollar, less 10 cents, or 90 cents. It is believed that under the McNary-Haugen bill the farmer would receive $1, the world price, plus the tariff, which is 42 cents, plus 10 cents, the cost of transporting a bushel of wheat from London to this country—in all $1.52, less the equalization fee, which might possibly be anywhere from 12 to 15 cents. So, instead of the American farmer receiving 90 cents for his bushel of wheat, under the Haugen bill, if it works as its proponents believe it will work, the farmer would receive from $1.37 to $1.40 per bushel. The same principle applies to other basic commodities named in the bill, and under section 12 relief can be extended to the marketing of all other farm crops.

Now, some people are fearful that this increased price to the farmer is going to mean an increase in the cost of flour and bread. I have had communications from baking concerns asking me to vote against the bill upon the theory that an increase in price to the farmer will mean an increase in the price of a loaf of bread. It is interesting to note that during the past four years the price of wheat has fluctuated between 85 cents and $1.90 per bushel and during this time there has been little, if any, change in the price of bread. I have been buying bread daily during these years. I am paying 8 cents per loaf to-day, and I have paid 8 cents a loaf every day for the last four years. Some way, some how, the slack between the price of 85 cents and $1.90 a bushel for wheat has been absorbed by the institutions which have handled and processed this commodity. I believe, and the Members of this House who favor this bill believe, that there will be no increase in cost to the consumer.

I have been amused at some of the arguments advanced against this bill. One Member argued that it was wrong to "dump" our surplus farm products on the foreign markets; that the foreign countries to which we send this surplus would object; that we had laws which prevented the dumping of their manufactured and other products on our markets, and that they would not tolerate it, and so forth. He completely closed his eyes to two very pertinent facts. First, one of the fundamental purposes of the bill is to enable our farmers to sell this surplus in the foreign markets in a businesslike, orderly way. To hold it until it can be absorbed gradually at good prices. "Dumping" contemplates throwing it all on the market at one time for anything it will bring, and under this bill this would not be done. Second, the Member evidently lost sight of the fact that we do not ship our food products to those countries which produce a surplus of the products. We do not ship our wheat to Argentina or India or Russia. We ship it to London and other great consuming centers. Does anyone imagine that Great Britain or the English people, who produce practically no wheat, would object if we were to dump all our surplus wheat upon their market at one time and sell it to them at any price they might see fit to pay? On reflection, I think we will all agree that they would not.

Another argument advanced against the bill is that it interferes with the law of supply and demand. There is no question but that it will do exactly this, but while doing so would do no more for the farmer than the tariff has done for the manufacturer, and the immigration law has done for labor. The law of supply and demand contemplates the free and unrestricted opportunity to supply the demand wherever in the world it may exist. It does not begin or end at the boundary line of any State or any nation. I think we will all agree that the tariff interferes with supplying the demand for foreign-made goods in this country. I think we will all agree, also, that the immigration law interferes with supplying the demand for cheap foreign labor in this country. To be consistent those of you who are opposing the bill upon these two grounds should at all times as vigorously oppose the two laws I have just mentioned, and that I know you will not do.

In connection with this particular question, it is interesting to consider the views of one of the foremost authorities on business and economics in the world, Mr. Otto H. Kahn, New York and London banker, whose views on business questions are eagerly sought by all. In an address delivered before the Kiwanis Club of New York City at the Hotel McAlpin, New York, on December 22, 1926, he said:

> You may have heard the story of the preacher, who, coming upon a certain passage in the Bible, said to his congregation: "Now, this is a knotty point. Let us look it straight in the face, and pass on." Well, we must look the farming problem straight in the face, but we can not afford to pass on. We must stop and see what is to be done about it.
>
> It is no use asserting, as some people do, that there really is no farming problem which calls for action, that in certain sections the farmer is doing very well, and that the thing to do is to leave him alone, let him work out his own destiny, and rely upon the action of economic forces to bring things to a head according to the law of supply and demand and the doctrine of the survival of the fittest. The social conceptions of the day have passed beyond such an attitude. In many ways, for reasons rightly deemed valid by public opinion, we have interfered with the untrammeled workings of that law and of that doctrine.
>
> The authoritative figures showing the average yield of the farming industry are public property. They prove beyond question that there is a farming problem. They demonstrate irrefutably that the farmer for years has not received reasonable compensation for his toil, let alone participating in the great prosperity which has come to other callings. They explain all too convincingly why millions of our farming population are gravely discontented and under a sense of grievance with the existing order of things.
>
> I am not competent to say what remedy should be applied. But I do feel very strongly that the farmer's problem is part of our problem, and that both justice and enlightened self-interest demand of the community at large, and especially of the business community, that every legitimate and promising endeavor be put forth, to the end that the farmer's grievances be redressed. It is for those who are best informed as to the farming industry to get together and formulate and propose measures which the prevailing opinion among them holds to be effective to that end. It is for the business community to approach such proposals with an open and sympathetic mind, even though they be of a novel or unusual character, and to do their best to help to have them enacted (unless it be demonstrable that they run counter to economic soundness, and therefore, in the long run, would do more harm than good) and to aid in carrying them into effective operation.
>
> I would earnestly urge that the business community put forth its best efforts to aid the farmer, and—what is still more important—prove to him that it means to aid him; that it is sincerely interested in his well-being; that it is not sitting comfortably wrapped in the mantle of its own prosperity and callously disregarding the plight of the farmer, but that it is genuinely concerned to see to it that good times, which too long have passed him by, shall enter the farmer's door and abide at his hearth.

If the business men generally throughout the country would take the same fair attitude toward this great problem, the way would be made easy for the enactment and practical and satisfactory working of this measure. After stating he was not competent to say what remedy should be applied, Mr. Kahn said:

> It is for those who are best informed as to the farming industry to get together and formulate and propose measures which the prevailing opinion among them holds to be effective to that end.

Mr. Chairman, this is precisely what has been done in the drafting of this bill. It incorporates the best thought of the great farm leaders of the country. It is indorsed by all farm organizations except the Grange—and it has not come to my attention that this organization has condemned it. It is indorsed by the Vice President of the United States, and everyone will concede that in the past he has contributed considerably to the solution of the economic problems of the world. It is indorsed by the Hon. Frank O. Lowden, ex-Governor of the great State of Illinois, and to-day one of the recognized authorities on farm problems. It has been given the indorsement of the Michigan and other State legislatures and many chambers of commerce throughout the country.

Of course, no man knows definitely whether the bill will do quite all its proponents expect it to do, but everyone will concede, I think, that it will be helpful to some extent, at least. The farmers want it, labor wants it, and the business and professional men ought, and I believe would want it, if they understood how much of happiness and prosperity would come to them and everyone else as a result of it.

The bill, through the equalization fee, fully protects the $250,000,000 revolving fund. If there is a loss in the handling of the surplus, such loss is made good by the farmers themselves and not by the Treasury of the United States. It is the only bill presented to this body which so protects the Treasury. It is not a subsidy in any sense of the word, and it is to the everlasting credit of the farmers of the country that they have gone on record as opposed to any form of subsidy in farm legislation.

The law will be administered by the men whom the farmers recommend for this purpose, and as a result the administration will be in the hands of those in sympathy with the provisions and purposes of the bill. It may not be a perfect measure.

It probably is not, but experience has taught us here that rarely do we pass a great measure which is a perfect one. It usually is necessary to amend it in order to accomplish all Congress seeks to accomplish. It may be necessary to do the same in this instance, but the fact that this may be a possibility does not, to my mind, justify a vote against it.

The opponents of the bill argue that the law, if successful at all, will result in a vast increase in the production and consequent increase in the surplus of the basic commodities named in the bill. They overlook, or minimize, the effect of the aid to the producers of all other products extended in section 12 of the bill, which I believe will tend to make the production of all farm crops profitable to a like degree. If, however, the farmers turn their attention and their efforts to the production of these basic commodities to such an extent as to vastly increase the surplus, the bill will prove a disappointment to them, and the business of farming will be no more prosperous than it is to-day. I hope and believe that if this bill becomes a law the good horse sense of the American farmer will cause him to handle the crop question in a way which will keep the average production of these basic commodities where it is to-day, and if this is done, it will result in increased prosperity to all classes of our people, and contentment and happiness throughout the land. [Applause.]

Mr. WHITTINGTON. Mr. Chairman, I want to say a word with reference to the insurance feature. The gentleman from New Jersey [Mr. FORT] evidently does not understand the insurance provisions. They provide against a seasonal decline. It is a question of the average seasonal price, rather than the highest price during the season. The insurance provides for average weighted price during the entire season if in excess of the average weighted delivery price.

THE INSURANCE FEATURE OF THE M'NARY-HAUGEN FARM SURPLUS CONTROL BILL

I desire to make brief answer to the criticisms of the insurance feature of the pending legislation made by the gentleman from Kansas [Mr. TINCHER], the gentleman from Minnesota [Mr. NEWTON], and the gentleman from New Jersey [Mr. FORT].

The gentleman from Kansas stated that the insurance proposition was so delicate that it could not be considered in committee, that no witnesses ever testified concerning it, and that it had been rejected by Lloyd's. Substantially the same criticism was made by the gentleman from Minnesota.

I reply by saying that there have been more hearings on the insurance feature of the McNary-Haugen bill than there have been on the Curtis-Crisp bill, advocated by the gentleman from Kansas. Let the records speak. I understand that in the hearings of the House Committee on Agriculture, the author of the bill [Mr. CRISP], made substantially the same statement that he delivered on the floor of the House, and that the gentleman from Kansas and the gentleman from New Jersey, as if unfamiliar with the Curtis-Crisp bill, but pleased with its terms, were so delighted after Mr. CRISP's statement that they asked for his testimony to be printed and asked him to insert it in the RECORD. Thus ended the hearings on the Curtis-Crisp bill. The only hearing in the House committee was the statement of Mr. CRISP. There were no hearings on the Curtis-Crisp bill in the Senate.

I call attention to the fact that on January 31, as shown by page 2631 of the RECORD, I presented to the House the insurance plan, outlined its principal features, gave the facts and statistics upon which my conclusions were based, and called attention to the fact that Mr. O. F. Bledsoe had offered to appear before the House committee, but was informed that there really were no hearings before the House committee on any of the bills at the present session. I stated that Mr. Bledsoe had appeared before the Senate Committee on Agriculture, that he had presented the plan of insurance, and I called attention to the fact that the hearings on the insurance plan might be found in the hearings on January 18, 1927, of the Senate Committee on Agriculture on the McNary-Haugen bill.

I believe, therefore, that I am justified in saying that there have been more hearings on the principle of the insurance plan than have been held for the bill advocated by the gentleman from Kansas, or on any of the features of any of the bills.

The insurance plan has been submitted to Lloyd's; they have not rejected it, but say that they have it under consideration. If the insurance could be obtained elsewhere, we would not be asking for it in the pending bill. If the relief demanded by agriculture could be obtained elsewhere, there would be no reason for passing any of the bills. There is just as much justification for passing the insurance plan as there is for passing any of the bills.

I repeat that of all the hearings at the present session of Congress, within my knowledge, on the details of any features of the bills where facts and statistics and the results of investigations were given to support the plan of the bill, the hearings on the insurance plan are more thorough and extensive than those on any other feature of any of the bills.

CRITICISMS ANSWERED

Having exhausted his ammunition against the Haugen bill, the gentleman from New Jersey launches an attack upon the bill as amended by the Senate. It will be recalled that under his leadership, and that of his allies, during the first session of the present Congress, the Members of Congress who favored farm relief and who desired to vote on farm relief were denied the privilege of even voting for the bill, then advocated by the gentleman from Kansas and the gentleman from New Jersey. He did not even offer the bill that he now espouses. The same tactics are being invoked this session. It is evident that the plan of the opposition is to defeat agricultural legislation.

The gentleman from New Jersey characterized the insurance plan as a half-baked scheme. He stated that he was in the insurance business; he proclaimed that he was an authority on insurance. What proof did he offer that the insurance plan is ill-advised? What facts did he submit in support of his assertions that the plan was unsound from an insurance standpoint?

I answer that the insurance plan was embodied in the bill by the Senate, after careful investigation and consideration. All insurance is based on investigations and facts. I call attention to the fact that the Senate did not adopt the amendment until after careful investigation. Statistics covering a period of 20 years, in the case of cotton, were submitted in the hearings.

The investigation disclosed that there is an insurable risk. Did the gentleman from New Jersey say that the investigations are insufficient; did he charge that the statistics are incomplete; did he submit any proofs to show that the insurance plan is not entirely sound and practicable and feasible? He announced that he is familiar with insurance; I maintain that we have a right to an analysis and to his presentation of his ideas to show that the plan as insurance is unsound. I may add that while the plan as adopted by the Senate is not identical with the plan proposed in the hearings, yet the plan was substantially adopted. The advocates of insurance asked for a plan covering cotton; the Senate considered it. The advocates of farm legislation said that if the plan was good for cotton, it ought to be good for wheat and other basic commodities. They said that if the principle was sound, instead of embodying the details of the plan in the legislation, the details should be left to the farm board. The advocates of the insurance plan were confident of their position, and they agreed to the Senate amendments because they believe the principle is sound. They were willing for the insurance feature to be optional with the farm board, and willing for the farm board to make any and all investigations that might be necessary before the farm board engaged in carrying out the insurance feature.

I maintain that the insurance feature is directly and indirectly involved in all of the pending bills. Without some kind of insurance, warranty, or guaranty of price, there is no relief in any of the bills. The Curtis-Crisp bill proposes to insure prices, proposes to stabilize prices at the point of efficient production. In some form or other, all of the legislation must, in the very nature of the case, provide for insurance, and I submit that the characterization of the insurance plan as half-baked, without any proof in support of his statement, is not worthy of the gentleman from New Jersey.

But I am not in the insurance business. The plan is not new. It has been considered for months. Congress has facts and statistics on the plan, and the farm board will secure any other statistics that may be desired. The plan has been submitted to some of the leading insurance experts of the country. I understand that if there is one man familiar with insurance, particularly relative to cotton, in the country it is Mr. Edwin G. Seibels, of New York City, who is with the Cotton, Fire, and Marine Underwriters. I quote from this authority on insurance:

> It seems to me to be a fair underwriting proposition.

Is the scheme half-baked? Is it ill-advised? Has it been considered? I quote from Mr. Seibels again:

> This appears to me to be a sufficiently definite proposition to calculate a fair rate for the risk involved, and the statistics and records seem to me to be in better shape than a great many propositions which underwriters are willing to undertake.

I may say that substantially the same statement and the same records were submitted to Mr. Seibels as were submitted to the Senate committee.

Again, I quote from Mr. Seibels:

I would suggest putting the proposition before the underwriters on a similar basis to that of our Shore Fire Covers.

I am not giving you my language; I am giving you the well considered language of one of the leading insurance men of the United States when he was asked for an opinion and a conclusion on the insurance plan. Again I quote from Mr. Seibels:

I think the proposition is not only sound in itself, but it is particularly attractive from an underwriting standpoint at the present moment.

Again, I quote from Mr. Seibels:

It will be interesting to note that this uniform trend of prices is found in wheat as well as cotton. This result, of course, is in strict conformity with the logic of the situation.

I submit that the language of Mr. Seibels, and I have quoted his exact words, given to Mr. O. F. Bledsoe, who had asked his opinion on the plan of October 15, 1926, betrays a familiarity with the underlying insurance principles involved that is quite lacking in the unfounded criticism of the gentleman from New Jersey.

INSURANCE VOLUNTARY AND APPLICABLE WITH OR WITHOUT OPERATING PERIOD

I refer to another criticism of the gentleman from New Jersey. It is typical. He states that under the bill insurance only applies in the operating period. In answer to the gentleman from Alabama, who asked if the insurance is not optional, Mr. FORT replied that it was optional with the board. I answer that it is optional with the cooperative. The bill so provides. If a cooperative association does not want the insurance that may be provided by the board, it need not take it. If the insurance plan worked out by the board does not appeal to the cooperative, they are not compelled to accept the plan. The gentleman from New Jersey, to support his criticism that insurance applies only during the operating period, again offers a sample of his proof to support his assertions. He asks the Members to read the bill. Evidently he has not read it. I accept his challenge. I maintain that the equalization fee only applies during the operating period, but I assert that the plain, unmistakable language of the bill is that insurance may apply with or without the equalization fee, with or without the operating period.

Is Mr. FORT right? I quote from the bill, page 22, paragraph (d), under section 12:

The board may, at any time, enter into a contract with any cooperating marketing association engaged in marketing any basic agricultural commodity.

I submit that if the gentleman from New Jersey knows as little about the remainder of the bill, and of the principles of this legislation, as he does about the insurance feature, his criticisms will continue to carry but little weight.

The gentleman from New Jersey takes a fling at the cotton cooperatives. Is not the declared purpose of the Curtis-Crisp bill, supported by him, to promote cooperative marketing? Why try to frighten the cotton growers by saying that the farm board, created by the farmers themselves, will impose a premium under the insurance plan that is more inequitable than the fire or life-insurance companies, in which the gentleman from New Jersey may be interested? Surely the fire-insurance companies and the life-insurance companies have not an absolute corner on all the unselfish principles of the insurance.

It does not lie in the mouth of the gentleman from New Jersey to criticize those who vote for the bill as amended by the Senate. They are voting for a bill that differs from the Haugen bill of last session. The gentleman from New Jersey is not offering nor is he supporting the same bill that he offered last year. He supported the Tincher bill last year, and he is supporting the Curtis-Crisp bill this year. He and all the advocates of the Curtis-Crisp bill maintain that it is different from the Tincher bill of last year. Oh, consistency, thou art a jewel! Let me add that under section 12(a) the McNary-Haugen bill has all the good features of the Tincher or Fess bill of last session, for loans amounting to $250,000,000 can be made to cooperatives.

UNCONSTITUTIONALITY

In criticism of the insurance plan the gentleman from New Jersey has become desperate. He invokes the question of constitutionality. Much has been said about the constitutionality of the Haugen bill. The criticism of the gentleman from New Jersey is a fair sample. He announces that insurance is not interstate commerce and that it is not commerce at all. He then proceeds to further announce that, inasmuch as insurance is not interstate commerce, the Federal Government is without authority to enact the pending bill with the insurance feature embodied therein. I reply by saying that there is no dispute among the members of the bar. Insurance is neither interstate commerce nor commerce at all. That is not the question. The business of insurance is not confined to the States, and yet it is not interstate commerce. It is not a transaction in commerce. Neither is the business of slaughtering and packing cattle and hogs intended for transportation and sale in other States within the State. The business of manufacturing is not commerce. This is not the question involved. If the argument of the gentleman from New Jersey is a fair sample of the argument of the unconstitutionality of the bill, it is no wonder that such arguments have fallen on deaf ears.

In the language of the bill itself, the purpose of insurance, as provided by paragraph d of section 6, is to carry out the policy of enabling the producer to provide for the control and disposition of the surplus of the commodity and to enable producers of such commodities to stabilize their market against undue and excessive fluctuations. It is not a question of commerce at all. It is the matter of the Government appropriating $250,000,000 and providing means in aid of agriculture.

From the very earliest years of the history of the country Congress has repeatedly made appropriations relating to subject matter which it is not entitled to regulate. The Constitution was so interpreted by the First Congress, and it has been so interpreted in innumerable instances since then. Such appropriations are made under the provision for the general welfare, and under our dual form of Government, involving as it does a dual citizenship, the question of whether such appropriations are for the general welfare is not a judicial question.

If the Federal Government has no authority to provide for insurance against a seasonal decline in price, I respectfully submit that it has no authority to appropriate money for the salvation of any commodity by stabilizing or insuring the price at the point of efficient production.

Congress makes appropriations for the improvement of grades of cattle, for the standardization of products, and for the promotion of health. The lawyers of the House are familiar with the fact that there is a great difference between undertaking to regulate the business of insurance, and making an appropriation to stabilize, insure, or warrant prices that must obtain in any program adopted by Congress in aid of agriculture.

The insurance feature involves the use of Federal money, the grant of a privilege, and machinery by which the Federal Government can really aid agriculture. [Applause.]

I requested Mr. Frederick P. Lee, legislative counsel, to give me an opinion on the insurance features, and I quote his memorandum, as follows:

MEMORANDUM UPON CONSTITUTIONALITY OF INSURANCE FEATURES OF THE M'NARY-HAUGEN BILL

The McNary-Haugen bill (S. 4808, as passed by the Senate) provides a system for regulating the marketing of basic agricultural commodities in interstate and foreign commerce. The current of commerce regulated is one continually flowing from one part of the country to another or to foreign countries. As Chief Justice Taft has said, such a current of commerce is in itself the very essence of "the commerce among the States and with foreign nations which historically it was one of the chief purposes of the Constitution to bring under national protection and control." In order to accomplish this regulation of the current of interstate and foreign commerce the bill provides certain machinery or means whereby the regulatory effects are to be achieved. Among these means are:

(1) Agreements (to be made by the Federal farm board with cooperative associations or corporations created by them) for removing and disposing of the surplus in any basic agricultural commodity, paying from the commodity stabilization fund losses incurred by the associations or corporations, and paying into such funds profits made by the associations or corporations. (See sec. 6 (e).)

(2) Agreements (to be made by the Federal farm board with such cooperative associations or corporations) for withholding the surplus in any basic agricultural commodity and paying from the stabilization fund to such associations or corporations losses incurred by reason of decline in the market price of the commodity. (See sec. 6 (e).)

(3) Agreements (to be made by the Federal farm board with such cooperative associations or corporations) for withholding the surplus in any basic agricultural commodity and paying to such associations and corporations from the fund created by the insurance premiums paid by them losses incurred by reason of decline in the market price of the commodity. (See sec. 12 (d).)

The argument has, as I understand it, been advanced that these agreements for paying losses, particularly losses occasioned by price decline, are insurance contracts; that insurance is not commerce; and that therefore the making of the contracts can not be sustained as a valid regulation of interstate and foreign commerce.

It is true that under the commerce clause Congress can not regulate insurance contracts. Under the bill, however, Congress does not

attempt to regulate insurance contracts. The bill provides for a Federal agency, the Federal farm board, to enter into the insurance contracts as a means of regulating the current of commerce. Contracts made by a Federal agency on behalf of the Government are the only contracts involved. What Congress is doing in the bill, is to regulate the current of commerce using these insurance contracts made by the Federal farm board as the means of accomplishing the regulation.

In choosing the means by which it may accomplish any of its specified powers, including the power to regulate commerce, Congress has full discretion. This follows from the "necessary and proper" clause in the Constitution.

The Supreme Court has said that the legislative powers conferred upon the Congress by the "necessary and proper" clause are not limited to providing such means as are absolutely and indispensably necessary, without which the specific powers granted must fail of execution; but they include all appropriate means which are conducive or adapted to the end to be accomplished and which in the judgment of Congress will most advantageously effect it. It is well settled that where the means adopted by Congress are not prohibited and are calculated to effect the object intrusted to it, the courts will not inquire into the degree of their necessity, as this would be to pass the line which circumscribes the judicial department and tread upon legislative grounds. (McCulloch *v.* Maryland, 4 Wheat. 316, 423; Legal Tender Cases, 110 U. S. 421, 440; Legal Tender Cases, 12 Wall. 457, 536; Fong Yue Ting *v.* United States, 149 U. S. 698, 713; Everard's Breweries *v.* Day, 265 U. S. 545, 559.)

As a means for regulating commerce Congress has, for instance, made certain acts unlawful and imposed criminal and civil penalties for their commission; it has imposed fees; it has created corporations; it has prescribed bills of lading; it has created Government bureaus, commissions, and other agencies; it has entered into contracts with carriers; and in the instant case it enters into insurance contracts with certain private agencies marketing in interstate and foreign commerce.

The arguments advanced against the validity of the insurance contracts confuse the regulation of commerce with the means of regulation. Far from attempting to regulate private insurance business or contract, the Congress provides that the United States shall itself engage in the insurance business as a means for effecting the regulating of interstate and foreign commerce.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. LEAVITT. Mr. Chairman, both party platforms, and every party leader from the President of the United States down, are on record as favoring a national policy to hasten the development of cooperative marketing associations.

The so-called "insurance amendment" which was added in the Senate is a practical provision, which will do much to accomplish this end. It does not change or limit any power which the Haugen bill confers on the board. It is merely a definite statement of one of the kinds of contracts which the board is empowered to enter into with cooperative-marketing associations, to accomplish the policies declared in this bill.

Everyone familiar with large-scale cooperative associations knows that one major disadvantage which they are subject to is their inability to advance to their members, at the time of delivery of the wheat or tobacco or cotton anywhere near the current market price for the commodity as a result, the farmer who is hard pressed and needs all the money he can get his hands on when he delivers his crop feels constrained to sell it outside the association, and for cash.

The cooperative association can not borrow full value, nor advance more than 65 to 75 per cent of the current value of a commodity, because of the risk of market decline. An overadvance is disastrous.

The insurance plan is intended only for staple commodities regularly quoted in established markets like Chicago for grain or New Orleans for cotton. The board is empowered to insure a cooperative association handling cotton, for example, against its loss if the quoted market price for a standard grade in a standard market, should be lower on the days when the association sells its cotton than on the days when the members delivered the cotton to the association.

With such an insurance agreement in effect a cooperative association would be justified in advancing to its members on delivery very nearly the entire market value on the delivery days. If the market arose the members would receive the benefits; if it fell, the association would be protected against loss by the insurance agreement.

Since such an agreement would help accomplish the object of the bill by enabling cooperative associations to handle the surplus without breaking down their organizations, the board is empowered to back up such agreements with the stabilization fund for the commodity. If no equalization fees were being collected, the cooperative association and the board could negotiate a contract on the basis of premiums payable to the board by the cooperative. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. Fort].

The question was taken, and the amendment was rejected.

Mr. NEWTON of Minnesota. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 19, line 11, strike out lines 11 to 23, inclusive, and the words 'cooperative association," in line 24.

Mr. NEWTON of Minnesota. Mr. Chairman, the amendment I have offered strikes out a provision that has never been considered in a committee of the House or in the Senate. Some two or three years ago there was formed an organization of a so-called grain marketing company in Chicago that took over the elevators and other facilities of Armour Grain Co., J. Rosenbaum & Co., and Rosenbaum Bros.

Some of the facilities were out of date, poorly located, and nonfireproof in construction. The total elevator capacity was upward of 20,000,000 bushels. The literature gotten out by this grain-marketing company described the property as being worth, at a fair appraisal, $17,000,000. One of the properties was sold to Armour years ago at a knockdown price of $325,000. My understanding is that this particular property was valued in this appraisal at between one and one-half and two million dollars. Just how far the other units were overvalued I do not know.

I do know that they did not make a success in their efforts to induce the farmers of the country to subscribe to the stock of this company. After one year of operation the properties went back to those who were trying to unload them. The then head of this Grain Marketing Corporation is still its president. He has been active at the other end of the Capitol in endeavoring to get this provision into the bill, and the only conclusion is that this fund of $25,000,000 will be put at the disposal of this organization for the purpose of acquiring this property at an excessive price. I would like to know why the Committee on Agriculture of the House is supporting a provision of that kind.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The question was taken, and the amendment was lost.

The Clerk read as follows:

DEFINITIONS

SEC. 15. (a) As used in this section and in section 10 (relating to the equalization fees)—

(1) In the case of wheat, rice, or corn the term "processing" means milling for market of wheat, rice, or corn, or the first processing in any manner for market (other than cleaning or drying) of wheat, rice, or corn not so milled, and the term "sale" means a sale or other disposition in the United States of wheat, rice, or corn for milling or other processing for market, for resale, or for delivery by a common carrier—occurring after the beginning of operations by the board in respect of wheat, rice, or corn.

(2) In the case of cotton the term "processing" means spinning, milling, or any manufacturing of cotton other than ginning; the term "sale" means a sale or other disposition in the United States of cotton for spinning, milling, or any manufacturing other than ginning, or for delivery outside the United States; and the term "transportation" means the acceptance of cotton by a common carrier for delivery to any person for spinning, milling, or any manufacturing of cotton other than ginning, or for delivery outside the United States; occurring after the beginning of operations by the board in respect of cotton.

(3) In the case of swine the term "processing" means slaughter for market by a purchaser of swine and the term "sale" means a sale or other disposition in the United States of swine destined for slaughter for market without intervening holding for feeding (other than feeding in transit) or fattening—occurring after the beginning of operations by the board in respect of swine.

(4) In the case of tobacco, the term "sale" means a sale or other disposition to any dealer in leaf tobacco or to any registered manufacturer of the products of tobacco.

(5) The term "transportation" means the acceptance of a commodity by a common carrier for delivery.

(6) The term "sale" does not include a transfer to a cooperative association for the purpose of sale or other disposition by such association on account of the transferor; nor a transfer of title in pursuance of a contract entered into before, and at a specified price determined before, the commencement of operations in respect of the basic agricultural commodity. In case of the transfer of title in pursuance of a contract entered into after the commencement of operations in respect of the basic agricultural commodity, but entered into at a time when, and at a specified price determined at a time during which a particular

equalization fee is in effect, then the equalization fee applicable in respect of such transfer of title shall be the equalization fee in effect at the time when such specified price was determined.

(a) As used in this act—

(1) The term "person" means individual, partnership, corporation, or association.

(2) The term "United States," when used in a geographical sense, means continental United States.

(3) The term "cooperative association" means an association of persons engaged in the production of agricultural products, as farmers, planters, ranchers, dairymen, or nut or fruit growers, organized to carry out any purpose specified in section 1 of the act entitled "An act to authorize association of producers of agricultural products," approved February 18, 1922, if such association is qualified under such act.

(4) The term "tobacco" means leaf tobacco, stemmed or unstemmed.

Mr. NEWTON of Minnesota. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. NEWTON of Minnesota: Page 23, line 11, strike out the paragraph.

Mr. NEWTON of Minnesota. Mr. Chairman, the original Haugen bill, as I recall, provided for the levying or collecting of the equalization fee on the ginning of the cotton. As I gather from the Senate bill it is now levied upon the milling of the cotton.

Mr. HAUGEN. Or other manufacture, other than ginning.

Mr. NEWTON of Minnesota. What was the purpose of the change? Why levy it at the cotton mill instead of at the point of ginning?

Mr. HAUGEN. The cotton provision has been left entirely to the growers of cotton.

Mr. BULWINKLE. Mr. Chairman, will the gentleman permit me to give him an explanation?

Mr. NEWTON of Minnesota. I yield to the gentleman from North Carolina.

Mr. BULWINKLE. The purpose was just to have a subterfuge, so that they could say that the farmer was not paying; but they forget that the farmer, when he takes that cotton there to the local merchant, to whom he owes something, will then have to pay to that man.

Mr. McSWAIN. Will the gentleman permit me to explain?

Mr. BULWINKLE. It is just a substitute to give him a sugar-coated pill.

Mr. McSWAIN. Would the gentleman like to hear the real truth of it?

Mr. NEWTON of Minnesota. I am sorry I can not yield now. Mr. Chairman, I have a recollection of hearing some one across the aisle a year or two or three years ago make the statement that if any collector of an equalization fee met a cotton farmer he would probably be met with a shotgun, and, recalling that, I have concluded that in this bill it was transferred from the process of ginning to the mill, so that it would be safer for the collector to gather his equalization fee. Is that correct?

Mr. BULWINKLE. In substance, it is nothing but a sugar-coated pill.

Mr. NEWTON of Minnesota. Now I shall be very glad to yield to my friend from South Carolina.

Mr. McSWAIN. Mr. Chairman, I want to say that the proposition that the shift of the collection of the equalization fee from the ginning to the milling is not a subterfuge, because the great purpose of this bill is to enable the farmer to hold his cotton rather than to force him to sell. Ordinarily, at the time that he gins his cotton, he has not then the cash to pay the equalization fee. The fact that our cotton farmers have not then got the money to pay such fee is no subterfuge. It is a sad and solemn fact. They never get any money until they are forced to sell by the mortgage that may be on their cotton or over their lands, in an effort to pay the interest on the mortgage. When they sell the cotton to the cotton mill, then and not until then the money arrives. [Applause.] To collect the fee when the cotton is ginned, would force the farmer to sell at least part of his cotton then, to raise the cash, and we wish by this bill to enable him to hold his cotton.

Mr. BULWINKLE. Mr. Chairman, my colleague says that all he would have to do would be to hold his cotton and he would not have to pay.

Mr. NEWTON of Minnesota. Of course, the scheme of the whole bill is to figure out how you can do something that you can not do.

Mr. McSWAIN. I know he will have to pay, but he ought not to have to pay until he has the money. He can not get the money till he sells his cotton. Why force him to sell his cotton when it is ginned?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was rejected.

The Clerk read as follows:

SEPARABILITY OF PROVISIONS

SEC. 17. If any provision of this act is declared unconstitutional or the applicability thereof to any person, circumstance, commodity, or class of transactions in respect of any commodity is held invalid, the validity of the remainder of the act and the applicability of such provision to other persons, circumstances, commodities, and classes of transactions shall not be affected thereby.

Mr. JOHNSON of Texas. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Texas: Page 26, after line 13, insert a new section, section 17a, as follows:

"SEC. 17a. The provisions of this act shall expire five years from the date of the approval thereof, unless extended by joint resolution of the Congress, except that such provisions shall remain in effect solely for the purpose of enabling the board to adjust, settle, liquidate, and wind up its affairs during such additional period as the President, by Executive order, designates is necessary for such purpose. At the expiration of the additional period designated by the President any money then remaining in the stabilization fund or revolving fund shall be covered into the Treasury."

Mr. JOHNSON of Texas. Mr. Chairman and gentlemen of the committee, the amendment offered by me, fixing a time limit upon the existence of the proposed law, embraces the suggestion which I made to the House some two weeks ago.

I gave notice then that I would offer it, and notwithstanding the fate the amendment will likely receive at your hands, still believing it to be a good amendment and also in order to make good my promise, it is offered for your consideration.

Since my suggestion was first made to the House, the Senate bill (S. 4808) has been substituted for the House bill (H. R. 15474), and I am aware that a majority of the House has determined to reject all amendments, regardless of their merit, fearing that the adoption of any amendment might give the opponents of the bill in the Senate opportunity to defeat its final passage by delaying the vote upon the bill as amended. If this condition did not exist, I doubt not that my amendment would be adopted. I believe that it reflects the sentiment of this House. The proposed legislation is an experiment, as all will admit, and the bill should so declare by placing a time limit upon its existence.

Many Members are going to vote for this bill not because they think it a perfect measure but because of the distressed condition of agriculture and the emergency condition which confronts that great industry at this time. I am among that number and have decided to vote for this bill. [Applause.]

That there is an agricultural problem in the United States no one in this House will deny. In all of the debate upon the proposed legislation, participated in by Members from nearly every State in the Union, no one—not even the bitterest opponent of farm relief legislation—has dared to contend that the farmers in any section of the United States are prosperous.

Notwithstanding the plea of prosperity urged by the Republican Party in the election last November, why they should be returned to power, not one Republican has had the temerity to face these Representatives of the American people and assert that agriculture is prosperous. On the other hand, the CONGRESSIONAL RECORD has been filled with speeches containing facts and many figures which show conclusively that the farmers of America have been growing poorer each year, and in many sections a majority of them are already bankrupt and have lost their all. In many of those sections where farming is the chief industry not only have the farmers gone into bankruptcy but merchants and bankers as well. In many other sections they are on the verge of doing so.

To confirm these statements, I desire to quote from the report of the Committee on Agriculture the following statistics. While I have not verified them, I assume they are correct, since they were made by the committee in their report of this bill to the House.

FARM BANKRUPTCIES INCREASE

The rate of farm failures from 1910 to 1924 shows an increase of over 1,000 per cent. Capital invested by farm operators decreased from $47,000,000,000 in 1920 to $32,000,000,000 in 1925, a loss of approximately $3,000,000,000 per year.

INCREASE OF FARM INDEBTEDNESS

As a result of high costs and impaired income of the farmer, the total farm indebtedness in the United States, which was

estimated at $4,320,000,000 in 1910, had grown to $12,250,000,000 in 1920, and stands at approximately that figure to-day.

DISPARITY IN AGRICULTURAL INCOME AND OTHER PURSUITS

For $100 that went to each person in all other branches of our productive life each person engaged in agriculture received $46 in 1900. It had gone down in 1910 to $40, and in 1920 to $39. We find that the percentage of the total national income which has gone to agriculture has steadily declined since 1920 from 13.8 per cent in 1920 to about 7.5 per cent in the last fiscal year, 1925–26. Whereas the percentage of our total population in agriculture to-day is 26 per cent or 27 per cent of our total population; this portion receives about 7.5 per cent of the total national income.

The per capita income of the nonfarm population was for 1919 $723; in 1921, the year of the depression, $701; whereas the per capita of the farmers' current income was $362 in 1919, and in 1921, $186—that is, between the peak and the depression of this tremendous upheaval in general economic conditions in the United States—the per capita income of people who did not live on farms decreased about 3 per cent, and the per capita income of the farm population fell about 50 per cent, or about one-half. Of course, that disparity or effect of depression is shown very much more strikingly in different States. In Minnesota we find the per capita income of nonfarm population decreased only 3.1 per cent, while that of the farm population decreased 65 per cent.

CONDITIONS GREW WORSE IN 1926

During 1926 the condition of agriculture passed from bad to worse. The year closed with the farmers' purchasing power lower than the average for 1923, 1924, or 1925. The exchange value of the products of the farm in November was only 80 per cent of pre-war value, 7 per cent lower than the averages for 1924 and 1925, and a drop of 8 per cent in six months.

Total farm-crop value in 1926 was $1,148,000,000 less than that of 1925 and $1,532,137,000 less than that of 1924. The cotton crop alone showed a decline in value of $581,324,000 compared with the year before, according to estimates of the Department of Agriculture. The corn crop decreased in value $263,331,000 and the spring-wheat crop value dropped $125,899,000.

The index of grain prices in December, 1926, was 20 points lower than in December, 1925; the cotton index for December was 58 points lower than it had been one year before.

In its value for the purpose of paying for the goods and services which cotton farmers buy, cotton is bringing about one-half its average value the five years preceding the war.

I could quote other statistics, but I deem these appalling figures sufficient to convince the most skeptical that agriculture is doomed unless something is done in its behalf. While all are agreed as to existing conditions, differences of opinion exist both as to the cause and the cure.

Personally I have no doubt that the high protective tariff has had much to do with producing this result. Under the Fordney-McCumber tariff, which passed Congress in July, 1921, and imposed the highest rates ever known in our history, the farmer has been paying tribute to the manufacturing interests of the East on practically all of the commodities he has bought.

There is prosperity in some sections, but it is only those where the law has artificially stimulated prices upon the commodities there produced. The farmer has been buying in a protected market and selling in an unprotected one. The tariff has certainly been a delusion and a snare in so far as the farmers are concerned. The tariff on wheat and corn and other agricultural products has availed nothing.

If we could materially reduce the tariff upon many of the necessities of life, I doubt not that a measure of relief would be afforded. This is what I should like most of all to do. But there is no hope of doing that at this or the coming session of Congress, for the Republicans at the next session, as in this, will have a majority in both Houses, and the same President who now occupies the White House will serve for two more years. No one, not even the wildest optimist, would for one moment believe that a Republican Congress and a Republican President would reduce the tariff in the slightest degree. And so, in the language of Grover Cleveland, it is a "condition and not a theory that confronts us."

What shall we do? Shall we do nothing and thereby turn a deaf ear to the cry for relief that is going up from every agricultural section of this land?

Many remedies have been proposed. Since I became a Member of Congress I have preserved in a file the multitude of plans sent me. They have come from every section and from men in every walk of life. They are varied both in plan and scope. The fact that they are so numerous and so varied only serves to prove and emphasize the universal conviction that something must be done.

One of the plans which especially appealed to me is what is known as the export debenture plan, which was indorsed by the National Grange, the largest and oldest farm organization in America. My colleague from Texas [Mr. JONES], a member of the Agricultural Committee of the House, offered an amendment to this bill, substituting the export debenture plan for the Haugen bill, and I voted for it, believing it to be the simplest and most direct remedy. His bill, which he offered to substitute for the pending bill, is H. R. 17025.

Under its terms the Secretary of the Treasury would issue debentures to persons exporting farm products. For instance, upon all cotton exported from the United States there would be an export bounty of 2 cents per pound, which would mean $10 a bale on all cotton exported. The sixth congressional district of Texas, which I represent, produced in 1926 over 400,000 bales, and an increase in price of $10 a bale would mean an increase in value of the annual cotton crop of our congressional district of over $4,000,000.

These export debentures would be redeemable and payable out of the import duties received from the tariff duties collected by the Government. The Secretary of the Treasury would limit the total amount of the debentures so issued not to exceed 75 per cent of the amount of import duties paid during the current fiscal year.

According to the Secretary of the Treasury's report, the estimated customs receipts for the last fiscal year amounted to $615,000,000. Seventy-five per cent of this sum would be $461,250,000, which would be available in paying export debentures to the exporters of agricultural products. The producers of agricultural products would receive from the tariff duties these sums so as to place such producers on a more equitable basis of competition and give the farmers of the country some of the benefits which the protected manufacturers of the East have been receiving for many years.

Since the farmers are paying tribute to the tariff barons at the behest of the Government, in an amount many times greater than this sum, and are struggling for existence, should not the Government, which is interested in seeing that this great industry is not destroyed, contribute of its resources to its preservation? The prosperity of agriculture would benefit not alone those engaged therein but millions of others whose prosperity is dependent thereon. The general welfare of the country would certainly be conserved in preserving the industry which most vitally affects the prosperity of the entire Nation.

Under this plan it would not be necessary to create any new boards or bureaus. I would much prefer to solve the agricultural problem, if possible, without the creation of additional bureaus.

I shall not discuss this plan further, for the substitute so offered by my colleague [Mr. JONES] was defeated.

Three other bills have been considered and discussed at this session—the Crisp bill, the Aswell bill, and the Haugen bill—the last named having been favorably reported by the Agricultural Committee and having only last week passed the Senate by a majority of 8 votes. The Haugen bill having passed the Senate, and the date of adjournment of Congress being only about two weeks distant, it would seem that the only one of these bills which has any chance for passage is the Haugen bill.

Two prior measures known as the Haugen bill have been heretofore voted upon by Congress, but they are different in many respects. The first, H. R. 9033, was defeated in the Sixty-eighth Congress on June 3, 1924, by a vote of 155 for and 223 against. It promised no relief whatever to cotton, and most of the Members from the cotton-producing States therefore voted against it.

The Haugen bill of 1926, H. R. 11603, was defeated in both the Senate and House, being defeated in the House on May 21, 1926, by a vote of 167 to 212, and was also defeated in the Senate.

The Haugen bill we are now considering, while containing many features of the bill of last session, differs in a number of respects. Among such differences are the following:

CHANGES IN 1927 HAUGEN BILL FROM THAT OF 1926

First. This is not a price fixing bill, as was the prior measure.

Second. The tariff is not used as a measuring rod in fixing prices of agricultural commodities, as was done in the previous bill. Under the 1926 plan, wheat and corn were guaranteed an increase in price equal to the tariff and transportation, which amounted to an increase in wheat of 42 cents per bushel and in corn of 15 cents per bushel, and one of the reasons I pointed out in opposition to that bill in the last session was that it was unjust to cotton, since it contained no guaranteed increase in prices to cotton, and therefore discriminated in favor of the producers of wheat and corn.

Third. This bill omits cattle and butter, contained in last year's bill, and I think very properly so. As I understand, the

cattle industry does not desire to be placed therein, and butter is not a basic agricultural commodity, as I pointed out at the last session in my opposition to the old Haugen bill.

Fourth. This bill provides that operations in a basic agricultural commodity shall not be commenced or terminated unless members of the board representing Federal land-bank districts, which in the aggregate produced during the preceding crop year more than 50 per cent of such commodity, vote in favor thereof. The old bill had no corresponding provision. This means that operations on cotton will not be begun by the board until the representatives of cotton-producing sections so determine.

Fifth. This bill provides for a commodity advisory council for each basic agricultural commodity. There was no corresponding provision in the old bill.

Sixth. The old bill provided that the board might require a person engaged in the processing or purchasing of a basic agricultural commodity to collect the equalization fee from the producer. This bill provides that the board may require any person engaged in the transportation, processing, or purchasing to pay the equalization fee on the commodity as it passes through his hands. And as amended by the Senate, the equalization or stabilization fee would not be collectable at the gin but at the time of transporting or manufacturing same.

Seventh. Issuance of serial receipts evidencing a participating interest in an equalization fund is limited to cotton in this bill. In the old bill such receipts could be used in respect of all basic agricultural commodities.

The following additional amendments were added by the Senate and are now contained in the bill upon which we are voting:

Eighth. That in any State where not as many as 50 per cent of the producers of agricultural commodities are members of a cooperative association or other organization, an expression from the producers of such commodities shall be obtained through a State convention of such producers, to be called by the head of the department of agriculture of such State, under rules and regulations prescribed by him.

Operations on cotton would not be begun until organizations representing that commodity or, if such organizations contain less than 50 per cent of the producers, until the will of the producers has been ascertained, and they favor the beginning of operations by the board, and only then at such time as was determined by the board that a surplus above requirements for orderly marketing existed.

Ninth. The board is authorized to enter into a contract with any cooperative marketing association engaged in marketing any basic agricultural commodity, insuring such associations for 12 months against decline in the market price for such commodity at the time of sale by the association from the market price for such commodity at the time of delivery to the association. (See page 20, subdivision (d).) This insurance feature will be very valuable in protecting against decline in the market after the sale of cotton has been made.

Tenth. The nominating committee of each Federal land district, who name persons from whom members of the farm board are chosen, shall be composed of seven members, four nominated by the bona fide farm organizations, two by the head of the State agricultural department, and one appointed by the Secretary of Agriculture.

I shall not undertake to analyze or discuss all of the provisions of this bill.

Briefly, it creates a Federal farm board of 12 members, 1 from each of the 12 Federal land bank districts. The board is authorized to deal with the surplus of wheat, cotton, rice, hogs, corn, and tobacco, designated as basic agricultural commodities, and there is an authorized appropriation of $250,000,000 from the Federal Treasury. This may be used by the board in assisting cooperative associations and producers in buying, storing, and selling such agricultural products when a surplus production thereof exists.

The board, when carrying on operations with reference to any of these commodities, is authorized to levy an equalization or stabilization fee on such products, to be collected and used by the board to finance its operations. The board is also authorized to make loans, and it may enter into a contract whereby cooperative associations may be insured for 12 months against decline in market prices from the price of agricultural products at the time of their sale.

Two chief objects are sought to be accomplished by the bill, first, to give producers of farm crops power to influence their markets as effectively as other industrial groups; second, to afford all the advantages of orderly marketing through control of surplus to the producers of a crop like cotton, of which the American supply is the dominant factor in the world price.

While I do not believe that controlling the surplus will by any means solve all of the economic problems of the farmer, many of these he must solve for himself, yet a proper marketing when such surplus exists will afford a large measure of relief. It should certainly insure a better price. If some vast corporation, adequately financed, actuated by the beneficent purpose of seeing that the farmers received a better price for their products should, when a surplus of cotton existed, go upon the market and buy a large quantity of cotton, even the purchase of this cotton would immediately cause the price to advance, and, if after buying they should take it off the market and store it, the price would still further advance. This bill creates the machinery whereby the farmers can, through their own organizations and cooperation, do this very thing, and the Federal Government starts them with $250,000,000 and furnishes the instrumentalities through which they may act.

The size of the cotton crop is always one of great uncertainty. While, of course, acreage in a large measure determines the volume of production, it is not alone controlling. The same acreage one year may produce a crop next year vastly larger, due to improved seasons and weather conditions and absence of insects.

The average United States cotton acreage for the years 1921–1924 was 35,000,000 acres. The 1921 yield was 124.5 pounds per acre; in 1924, 156.8 pounds. The cotton-yield variation in those years due to uncontrollable influences amounted to 2,250,000 bales on the average acreage.

Statistics show that some years we have a shortage and some years a surplus. It is only during those years when a surplus exists that this board would operate.

The insurance feature against decline in price after same is marketed should be of value. The problem of marketing is of vital importance to the farmers at all times, since ordinarily the lowest price is received at the time the farmers are selling their cotton, and the price frequently advances thereafter. For instance, this year the price has advanced some $15 or $20 a bale since the bulk of the crop has been marketed by the producers. If the producers could through cooperation market their cotton in an orderly manner, they should receive a fair average price and the speculators would not be able to reap a profit, as is now done.

The immense cotton crop of 1926 and the low price received therefor emphasizes the need of some such governmental agency whereby the farmers may help themselves by orderly marketing and prevent bankruptcy to those engaged in this greatest of all industries.

According to figures furnished me by the Department of Agriculture, the 1925 crop was 16,103,679 bales, and the value thereof was $1,464,032,000, while the 1926 crop, as estimated, is 18,618,000 bales, valued at $1,016,346,000. In other words, the 1926 crop, which is approximately two and a half million bales larger than the 1925 crop, brought approximately half a million dollars less.

A system which permits this gross injustice to be done to the farmers of America should be remedied.

The Federal Government has legislated for the railroads, the banks, the manufacturing interests, and the labor organizations, and the last great class to knock at the door of Congress for relief are the farmers of America, and they have only come when impelled by necessity so to do.

While there are features of this bill that I do not like, and I am not sure that it will accomplish all that is claimed for it, at least it gives recognition to the great need of agriculture and is an effort to alleviate the deplorable condition in which the tillers of the soil find themselves at this time. If I err in voting for it, I shall err in trying to do something, rather than nothing, for the farmers of America at this the hour of their greatest need.

It is said that some Members of this House are going to vote for this bill with the expectation that the President will veto it. I am not of that number. I am going to vote for it with the expectation that he will approve it. [Applause.] When the Haugen bill was being considered by Congress at the last session word went out from the White House that the President would veto it if it passed Congress, and many Members were doubtless deterred from voting therefor, not wishing to do a vain thing. This time, however, there it utter silence at the White House, and no one knows what the President will do with this bill if we pass it.

I base my belief that he will approve it on two grounds:

In the first place the President surely would not turn a deaf ear to the great agricultural sections of America who are in dire distress at this time. The industrial East, from whence he comes, and which is already protected by the tariff, may oppose, but his sense of hearing is so keenly developed that

these voices from the East can not drown the sounds of distress that come from the agricultural West and South.

In the second place, I base my belief upon a declaration and promise contained in the annual message which he delivered in this House at the beginning of the first session of the Sixty-ninth Congress, in December, 1925. In discussing the subject of agriculture, President Coolidge said that it was in a distressed condition, but he closed that portion of his message with this inspiring sentence and promise:

> There is every reason to suppose that a new era in agricultural prosperity lies just before us, which will be unprecedented. [Applause.]

That era of prosperity is still lying just before us, and I think that the President will realize that the condition of agriculture has been growing worse since that prophetic utterance was made, and that something must be done to have his promise fulfilled, and this bill is the only hope of the fulfillment of that promise that can come at the hands of this Congress to relieve those sections of the country desiring some part of that prosperity of which we heard so much in the last campaign. [Applause.]

I shall not take the time to discuss my amendment, because I discussed it fully on the floor of the House two weeks ago. It simply declares that the policy of Congress in regard to this bill is that at the expiration of a five-year period it shall be repealed unless an act of Congress shall extend it. The first McNary-Haugen bill had a provision declaring that the emergency period should exist for only five years unless extended by Congress. This law will be an experiment, and I want it expressed in the terms of the bill.

Mr. BLANTON. And if it proves good, as we hope it will, then Congress will extend it.

Mr. JOHNSON of Texas. It certainly would be done. I thank the House for the attention you have given me. [Applause.]

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SHORT TITLE

SEC. 18. This act may be cited as the "Surplus control act."

Mr. McDUFFIE. Mr. Chairman, I have an amendment.

The CHAIRMAN. The gentleman from Alabama offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McDUFFIE: On page 26, line 16, after the word "act," insert the following:

"SEC. 19. Any member of the board, nominating committee, advisory council, or any employee under the terms of this act who buys or sells or in any wise deals in future contracts or on exchanges dealing in any of the commodities affected by this act shall, upon conviction, be fined not less than $5,000 and imprisoned for not less than six months nor more than 20 years."

Mr. DOWELL. Mr. Chairman, I make the point of order that the amendment is not germane.

Mr. BLANTON. It is germane.

The CHAIRMAN. The gentleman from Iowa makes a point of order against the amendment. The Chair will hear the gentleman from Alabama.

Mr. McDUFFIE. Mr. Chairman, I shall not detain the House but a moment. Certainly this amendment is germane. We have provided in this legislation for defalcation or misappropriation of funds in the handling of the stabilization fund. I take it that in every act of this kind the Congress should, and this amendment would, properly protect the industry, and the country, for that matter, from any misconduct on the part of any employee of the Government or anyone connected otherwise with the provisions of this act or affected thereby from gambling upon the exchanges in wheat or cotton or any other product, for that matter. I can not imagine on what grounds a provision such as this could be held out of order. I submit that it is necessary that the public should be protected.

It is not offered for the purpose of killing this bill. Nobody in the world wants the farmer to have relief more than I. I have been a farmer most all my life. My own family and my friends are farmers. I appreciate the distressing condition of agriculture throughout the cotton section. But I do want to do something effective for the industry during this session. This bill, if you please, will not become a law, in my opinion as well as in the opinion of many men on this floor, and we are not affording immediate relief for distressed agriculture, and that is what the cotton farmer is asking for to-day.

Why should we trifle with the interests of the farmer? It is a travesty and a sad commentary upon this Congress that they rush through this legislation under gag rule, without permitting even the crossing of a "t" or the dotting of an "i." Believing, as many men do, that this bill will never become operative, yet voting for all its provisions, wise or unwise, is not being fair with the farmer. Why make his interests a football of politics? I resent such treatment in behalf of the farmers who have honored me with their high commission. Must you refuse again to amend this bill so as to prevent speculation and gambling by the board, committee, and council members and employees because of a desire on the part of some Members to put this bill up to the President? This bill could and should have been amended in many particulars, and if the Senate is sincere that body could well have agreed to several wise amendments and passed this bill on to the White House. Our great desire to pass this or any other bill should not preclude our offering and adding certain wise provisions after a full discussion. We have had little information as to the merits of this bill.

I think certainly the equalization fee in this bill is unconstitutional. I do not know how the people I represent feel about this proposed tax on their products. I would rather defer this fee for two years or wait and consult their wishes about that problem. Here we have offered to limit this board of such broad and unusual powers in providing a fee on cotton.

We have offered amendments providing that the fee could not be more than $2, or $5, or $10 per bale, but the House very promptly voted such amendments down. An amendment was offered limiting the fee to $25 per bale, and even that was voted down. The board is unlimited in its power as to levying a fee on any commodity whether the farmer likes it or not. He may vote it on himself, it is true, but the amount of the fee is left to the will of the board.

I have offered several amendments hoping that I might be able to help the bill or make its provisions more acceptable to the farmers. All amendments have met the same fate and the one I now offer will likewise go as all other amendments have gone. I would like to see this Congress provide legislation for the relief of the farmers of the country, but by railroading this bill as you are doing you are absolutely closing the door of hope in the face of the farmer during this session. I only hope that upon our return here the next Congress will divest this serious problem of all politics and do some real constructive legislating for the agricultural interests of the country.

It is a sad commentary upon this Congress and the country at large is properly criticizing Congress because it has not settled the great problem of Muscle Shoals. If you had followed section 124 of the national defense act and provided for the manufacture of fertilizer at Muscle Shoals during peace time, you would have then done something helpful to the farmer. His fertilizer bills are his greatest burdens to-day. Many are not able to buy fertilizer now. If you would do something really helpful, accept the suggestion of the gentleman from Iowa, Mr. DICKINSON, that the farmer is staggering under the terms of the highest protective tariff law ever written, and that accounted for the low purchasing power of his dollar to-day. Reduce that tariff on the many articles the farmer has to buy and you would accomplish much for stricken agriculture. Yes, this Congress is very properly criticized for its failure to settle the Muscle Shoals problem.

I have voted for the Aswell bill and the Crisp bill to-day believing they would better serve the interests of agriculture at this time. I can not support this bill with its provisions for an equalization fee. I voted for the Jones bill, which would equalize the effects of the tariff on our people who produce a surplus. Of course, it had no chance before this Congress of high protectionists. We can write legislation that will help the farmer if the leadership of this House and this administration will get down to business and try to really do something for agriculture.

The people I represent are an honest and intelligent people. I am not going to try to fool them by voting for something I am sure will never be the law. I will not trifle with them. I have never tried to mislead them, and could not do so if I wished. God knows I would not intentionally do anything against the welfare of the agricultural interests of my district or my State. I may be making trouble for myself in voting against this bill. The line of least resistance may be to vote for this bill, since it will never become the law, and then try to even fool myself into the position that I had voted for the best interests of my people. Understand me, I do not question the position of any man here. Many gentleman are sincerely and honestly trying to help the farmer by supporting this bill and voting down every amendment. Of course, they will be disappointed when the President vetoes it. As for myself, though I may be wrong—the best of

us fall into error sometimes—I shall vote according to my best judgment of what is right, having due regard for the oath I took upon assuming this high office and with full appreciation of the obligations I owe to as high a type of splendid intelligent citizenship as any man ever had the honor to represent in the Halls of Congress—the people of the first district of Alabama. Oh, they may differ with me in this stand I am taking, but, thank God, I believe I can vote my honest convictions on this bill and still retain their respect and confidence which I so greatly cherish.

The CHAIRMAN. Does the gentleman from Iowa [Mr. DOWELL] desire to discuss the point of order?

Mr. DOWELL. The amendment is clearly not germane.

The CHAIRMAN. Does the gentleman from Alabama contend that it is germane?

Mr. McDUFFIE. It is a new section.

Mr. BLANTON. Any amendment affecting the bill would be germane.

The CHAIRMAN. The Chair does not think this is the proper place for the gentleman's amendment.

Mr. BANKHEAD. Mr. Chairman, as I understand it, my colleague is offering this amendment as a new section of the bill. It would be germane at any point in the bill after the machinery is set up.

The CHAIRMAN. The section which the gentleman proposes follows the definitions in the bill and also the section naming the short title of the act. It seems to the Chair it is not germane at this point.

Mr. McDUFFIE. Well, Mr. Chairman, appreciating the fact that the steam roller is well oiled and is moving beautifully, I am sure the amendment will not be adopted, but I do want to ask unanimous consent to return to the section of the bill where it will be germane.

Mr. DOWELL. What was the gentleman's request?

Mr. McDUFFIE. I ask unanimous consent to return to the section of the bill where it will be germane.

Mr. DOWELL. I am very sorry, but we can not return now.

Mr. GARRETT of Tennessee. Will the gentleman from Alabama yield?

Mr. McDUFFIE. Yes.

Mr. GARRETT of Tennessee. It is so manifest that the gentleman from Iowa [Mr. DOWELL] desires to protect the right of the members of this board to gamble in cotton that I think the gentleman ought not to insist upon the amendment.

Mr. DOWELL. No; but it is not my desire to have an amendment considered that is not germane to the bill.

Mr. McDUFFIE. I think the amendment should be adopted. Does the gentleman object?

Mr. DOWELL. I object.

The CHAIRMAN. The Chair sustains the point of order.

Mr. HAUGEN. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MAPES, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (S. 4808) to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities, had directed him to report the same back to the House without amendment, with the recommendation that the bill do pass.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, and was read a third time.

Mr. ASWELL. Mr. Speaker, I move to recommit the bill to the Committee on Agriculture.

The SPEAKER. The gentleman from Louisiana offers a motion to recommit which the Clerk will report.

The Clerk read as follows:

Mr. ASWELL moves to recommit the bill to the Committee on Agriculture with instructions to report the bill back to the House forthwith with the following amendment: Strike out all after the enacting clause and insert——

Mr. ASWELL. Mr. Speaker, I ask unanimous consent that the matter be considered as read, as it was printed in the RECORD two days ago. May I explain further that it is the Aswell bill exactly, without change.

The SPEAKER. The gentleman from Louisiana asks unanimous consent that his motion to recommit be considered as having been read, it having been published in the RECORD, and being entitled the "Aswell bill." Is there objection?

There was no objection.

Mr. HAUGEN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

Mr. ASWELL. Mr. Speaker, I ask for the yeas and nays on the motion to recommit.

The yeas and nays were ordered.

The question was taken; and there were—yeas 175, nays 215, not voting 42, as follows:

[Roll No. 30]

YEAS—175

Ackerman	Dallinger	Kemp	Scott
Aldrich	Darrow	Kiess	Sears, Fla.
Almon	Davenport	Lanham	Seger
Andrew	Deal	Lankford	Shreve
Aswell	Dempsey	Lehlbach	Smithwick
Bacharach	Dominick	Linthicum	Snell
Bachmann	Doughton	Luce	Sosnowski
Bacon	Douglass	McDuffie	Spearing
Bankhead	Doyle	McFadden	Sproul, Ill.
Beedy	Drane	McLaughlin, Mich.	Stalker
Beers	Drewry	McMillan	Stevenson
Begg	Edwards	MacGregor	Stobbs
Bell	Ellis	Madden	Sweet
Black, N. Y.	Fairchild	Magee, N. Y.	Taber
Bland	Fenn	Magee, Pa.	Taylor, W. Va.
Blanton	Fish	Mapes	Temple
Bowles	Fletcher	Martin, Mass.	Thatcher
Bowling	Fort	Merritt	Tilson
Box	Foss	Michaelson	Tincher
Brand, Ga.	Free	Mills	Tinkham
Briggs	Freeman	Montague	Tolley
Brigham	Frothingham	Montgomery	Treadway
Britten	Garrett, Tenn.	Mooney	Tucker
Browning	Gasque	Moore, Ohio	Tydings
Buchanan	Gibson	Moore, Va.	Underhill
Bulwinkle	Gifford	Morgan	Underwood
Burdick	Glynn	Nelson, Me.	Vaile
Burton	Green, Fla.	Newton, Minn.	Vare
Busby	Griffin	O'Connell, R. I.	Vincent, Mich.
Butler	Hale	O'Connor, La.	Voigt
Carpenter	Hardy	Parker	Wainwright
Chalmers	Hare	Patterson	Warren
Chapman	Hersey	Peery	Wason
Chindblom	Hill, Md.	Perkins	Watres
Cochran	Houston	Porter	Watson
Connally, Tex.	Hudspeth	Pratt	Weaver
Connery	Hull, Tenn.	Rankin	Welsh, Pa.
Cooper, Ohio	Hull, Morton D.	Ransley	White, Me.
Cox	Jeffers	Rayburn	Whitehead
Coyle	Jenkins	Reed, N. Y.	Wilson, La.
Crisp	Johnson, Wash.	Rogers	Wilson, Miss.
Crosser	Jones	Rouse	Woodrum
Crowther	Kahn	Sanders, N. Y.	Wright
Crumpacker	Kearns	Sandlin	

NAYS—215

Abernethy	Fitzgerald, W. T.	Kurtz	Romjue
Adkins	Frear	Kvale	Rowbottom
Allen	French	LaGuardia	Rubey
Allgood	Fulmer	Lampert	Rutherford
Andresen	Funk	Larsen	Sabath
Arentz	Furlow	Lazaro	Sanders, Tex.
Arnold	Gambrill	Lea, Calif.	Schafer
Auf der Heide	Garber	Leatherwood	Schneider
Ayres	Gardner, Ind.	Leavitt	Sears, Nebr.
Bailey	Garner, Tex.	Letts	Shallenberger
Barbour	Garrett, Tex.	Lindsay	Simmons
Barkley	Gilbert	Little	Sinclair
Beck	Goodwin	Lozier	Sinnott
Berger	Green, Iowa	Lyon	Smith
Black, Tex.	Greenwood	McClintic	Somers, N. Y.
Bloom	Griest	McKeown	Speaks
Boles	Hadley	McLaughlin, Nebr.	Sproul, Kans.
Bowman	Hall, Ind.	McReynolds	Steagall
Boylan	Hall, N. Dak.	McSwain	Stedman
Brand, Ohio	Hammer	McSweeney	Strong, Kans.
Browne	Harrison	Major	Sullivan
Burtness	Hastings	Manlove	Summers, Wash.
Byrns	Haugen	Mansfield	Sumners, Tex.
Cannon	Hawley	Martin, La.	Swank
Carew	Hayden	Menges	Swing
Carss	Hickey	Michener	Taylor, Colo.
Carter, Calif.	Hill, Ala.	Miller	Taylor, Tenn.
Carter, Okla.	Hill, Wash.	Milligan	Thomas
Christopherson	Hoch	Moore, Ky.	Thompson
Clague	Hogg	Morehead	Thurston
Cole	Holaday	Murphy	Tillman
Collier	Hooper	Nelson, Mo.	Timberlake
Collins	Howard	Nelson, Wis.	Updike
Colton	Huddleston	Newton, Mo.	Upshaw
Cooper, Wis.	Hudson	Norton	Vestal
Corning	Hull, William E.	O'Connell, N. Y.	Vinson, Ga.
Cramton	Irwin	Oldfield	Vinson, Ky.
Cullen	Jacobstein	Oliver, Ala.	Wefald
Davey	James	Oliver, N. Y.	Welch, Calif.
Davis	Johnson, Ill.	Parks	Wheeler
Denison	Johnson, Ind.	Peavey	White, Kans.
Dickinson, Iowa	Johnson, Ky.	Prall	Whittington
Dickinson, Mo.	Johnson, S. Dak.	Purnell	Williams, Ill.
Dowell	Johnson, Tex.	Quayle	Williams, Tex.
Driver	Keller	Quin	Williamson
Dyer	Kendall	Ragon	Winter
Elliott	Kerr	Rainey	Wolverton
Englebright	Ketcham	Ramseyer	Wood
Eslick	Kiefner	Rathbone	Woodruff
Esterly	Kincheloe	Reece	Wurzbach
Evans	Kindred	Reed, Ark.	Wyant
Faust	Kirk	Reid, Ill.	Yates
Fisher	Knutson	Robinson, Iowa	Zihlman
Fitzgerald, Roy G.	Kopp	Robsion, Ky.	

NOT VOTING—42

Anthony	Eaton	Lineberger	Strong, Pa.
Appleby	Fredericks	Lowrey	Strother
Bixler	Gallivan	McLeod	Swartz
Brumm	Golder	Magrady	Swoope
Campbell	Goldsborough	Mead	Taylor, N. J.
Canfield	Gorman	Morin	Walters
Celler	Graham	Morrow	Weller
Cleary	Kelly	O'Connor, N. Y.	Wingo
Connolly, Pa.	King	Perlman	Woodyard
Curry	Kunz	Phillips	
Dickstein	Lee, Ga.	Pou	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Gallivan (for) with Mr. Kunz (against).
Mr. Mead (for) with Mr. Walters (against).
Mr. Golder (for) with Mr. Celler (against).
Mr. Eaton (for) with Mr. Anthony (against).
Mr. Dickstein (for) with Mr. King (against).
Mr. Connolly of Pennsylvania (for) with Mr. Canfield (against).
Mr. Graham (for) with Mr. Strong of Pennsylvania (against).
Mr. Pou (for) with Mr. Wingo (against).
Mr. McLeod (for) with Mr. Lowrey (against).

Until further notice:

Mr. Perlman with Mr. Goldsborough.
Mr. Morin with Mr. Lee of Georgia.
Mr. Fredericks with Mr. Cleary.
Mr. Brumm with Mr. Morrow.
Mr. Campbell with Mr. O'Connor of New York.
Mr. Lineberger with Mr. Weller.

Mr. DOUGLASS. Mr. Speaker, my colleague, the gentleman from Massachusetts, Mr. GALLIVAN, is absent on account of important business. If the gentleman were present he would vote "aye."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. HAUGEN. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 214, nays 178, answered "present" 1, not voting 39, as follows:

[Roll No. 31]

YEAS—214

Abernethy	Fitzgerald, W. T.	Knutson	Romjue
Adkins	Frear	Kopp	Rowbottom
Allen	French	Kurtz	Rubey
Aligood	Fulmer	Kvale	Rutherford
Almon	Funk	LaGuardia	Sabath
Andresen	Furlow	Lampert	Sanders, Tex.
Arentz	Gambrill	Lankford	Schafer
Arnold	Garber	Larsen	Schneider
Ayres	Gardner, Ind.	Lazaro	Sears, Nebr.
Bailey	Garrett, Tex.	Lea, Calif.	Shallenberger
Bankhead	Gasque	Leatherwood	Simmons
Barbour	Gilbert	Leavitt	Sinclair
Barkley	Goodwin	Letts	Sinnott
Beck	Green, Fla.	Little	Smith
Berger	Green, Iowa	Lozier	Sproul, Kans.
Black, Tex.	Greenwood	Lyon	Steagall
Blanton	Griest	McClintic	Stedman
Boies	Hadley	McKeown	Strong, Kans.
Bowling	Hall, Ind.	McLaughlin, Nebr.	Summers, Wash.
Bowman	Hall, N. Dak.	McReynolds	Sumners, Tex.
Brand, Ga	Hammer	McSwain	Swank
Brand, Ohio	Harrison	McSweeney	Swing
Browne	Hastings	Major	Taylor, Colo.
Browning	Haugen	Manlove	Taylor, Tenn.
Burtness	Hawley	Mansfield	Thomas
Busby	Hayden	Martin, La.	Thompson
Byrns	Hickey	Menges	Thurston
Cannon	Hill, Ala.	Michener	Tillman
Carss	Hill, Wash.	Miller	Timberlake
Carter, Okla.	Hoch	Milligan	Updike
Chapman	Hogg	Moore, Ky.	Upshaw
Christopherson	Holaday	Morehead	Vestal
Clague	Hooper	Morgan	Vinson, Ga.
Cole	Howard	Murphy	Vinson, Ky.
Collier	Hudson	Nelson, Mo.	Warren
Collins	Hull, William E.	Nelson, Wis.	Wefald
Colton	Irwin	Newton, Mo.	Welch, Calif.
Cooper, Wis.	Jacobstein	Oldfield	Wheeler
Cramton	James	Oliver, Ala.	White, Kans.
Davey	Jeffers	Parks	Whittington
Davis	Johnson, Ill.	Peavey	Williams, Ill.
Denison	Johnson, Ind.	Purnell	Williams, Tex.
Dickinson, Iowa	Johnson, Ky.	Quin	Williamson
Dickinson, Mo.	Johnson, S. Dak.	Ragon	Wilson, Miss.
Dowell	Johnson, Tex.	Rainey	Winter
Driver	Jones	Ramseyer	Wolverton
Dyer	Keller	Rankin	Wood
Elliott	Kemp	Rathbone	Woodruff
Englebright	Kendall	Rayburn	Wurzbach
Eslick	Kerr	Reece	Wyant
Esterly	Ketcham	Reed, Ark.	Yates
Evans	Kiefner	Reid, Ill.	Zihlman
Faust	Kincheloe	Robinson, Iowa	
Fisher	Kirk	Robsion, Ky.	

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Ackerman	Beedy	Box	Burton
Aldrich	Beers	Boylan	Butler
Andrew	Begg	Briggs	Carpenter
Aswell	Bell	Brigham	Carter, Calif.
Auf der Heide	Black, N. Y.	Britten	Chalmers
Bacharach	Bland	Buchanan	Chindblom
Bachmann	Bloom	Bulwinkle	Cochran
Bacon	Bowles	Burdick	Connally, Tex.
Connery	Glynn	Montgomery	Stalker
Cooper, Ohio	Griffin	Mooney	Stevenson
Corning	Hale	Moore, Ohio	Stobbs
Cox	Hardy	Moore, Va.	Sullivan
Coyle	Hare	Morin	Sweet
Crisp	Hersey	Nelson, Me.	Taber
Crosser	Hill, Md.	Newton, Minn.	Taylor, W. Va.
Crowther	Houston	Norton	Temple
Crumpacker	Huddleston	O'Connell, N. Y.	Thatcher
Cullen	Hudspeth	O'Connell, R. I.	Tilson
Dallinger	Hull, Tenn.	O'Connor, La.	Tincher
Darrow	Hull, Morton D.	Oliver, N. Y.	Tinkham
Davenport	Jenkins	Parker	Tolley
Deal	Johnson, Wash.	Patterson	Treadway
Dempsey	Kahn	Peery	Tucker
Dominick	Kearns	Perkins	Tydings
Doughton	Kiess	Porter	Underhill
Douglass	Kindred	Prall	Underwood
Doyle	Lanham	Pratt	Vaile
Drane	Lehlbach	Quayle	Vare
Drewry	Lindsay	Ransley	Vincent, Mich.
Edwards	Linthicum	Reed, N. Y.	Voigt
Ellis	Luce	Rogers	Wainwright
Fairchild	McDuffie	Rouse	Wason
Fenn	McFadden	Sanders, N. Y.	Watres
Fish	McLaughlin, Mich.	Sandlin	Watson
Fitzgerald, Roy G.	McMillan	Scott	Weaver
Fletcher	MacGregor	Sears, Fla.	Weller
Fort	Madden	Seger	Welsh, Pa.
Foss	Magee, N. Y.	Shreve	White, Me.
Free	Magee, Pa.	Smithwick	Whitehead
Freeman	Mapes	Snell	Wilson, La.
Frothingham	Martin, Mass.	Somers, N. Y.	Woodrum
Garner, Tex.	Merritt	Sosnowski	Woodyard
Garrett, Tenn.	Michaelson	Speaks	Wright
Gibson	Mills	Spearing	
Gifford	Montague	Sproul, Ill.	

ANSWERED "PRESENT"—1

Strong, Pa.

NOT VOTING—39

Anthony	Curry	King	Perlman
Appleby	Dickstein	Kunz	Phillips
Bixler	Eaton	Lee, Ga.	Pou
Brumm	Fredericks	Lineberger	Strother
Campbell	Gallivan	Lowrey	Swartz
Canfield	Golder	McLeod	Swoope
Carew	Goldsborough	Magrady	Taylor, N. J.
Celler	Gorman	Mead	Walters
Cleary	Graham	Morrow	Wingo
Connolly, Pa.	Kelly	O'Connor, N. Y.	

So the bill was passed.

The Clerk announced the following additional pairs:

On this vote:

Mr. Kunz (for) with Mr. Gallivan (against).
Mr. Celler (for) with Mr. Golder (against).
Mr. Anthony (for) with Mr. Eaton (against).
Mr. King (for) with Mr. Dickstein (against).
Mr. Canfield (for) with Mr. Connolly of Pennsylvania (against).
Mr. Lowrey (for) with Mr. McLeod (against).
Mr. Walters (for) with Mr. Mead (against).
Mr. Strong of Pennsylvania (for) with Mr. Graham (against).
Mr. Wingo (for) with Mr. Pou (against).

Until further notice:

Mr. Appleby with Mr. Lee of Georgia.
Mr. Perlman with Mr. Goldsborough.
Mr. Fredericks with Mr. Cleary.
Mr. Brumm with Mr. Morrow.
Mr. Campbell with Mr. O'Connor of New York.

Mr. STRONG of Pennsylvania. Mr. Speaker, I voted "aye" when my name was called. I am paired with the gentleman from Pennsylvania, Mr. GRAHAM, and therefore I withdraw my vote of "aye" and answer "present."

Mr. CONNERY. Mr. Speaker, my colleague, the gentleman from Massachusetts, Mr. GALLIVAN, was called away on important business. He asked me to state that if he were here he would vote "no" on the passage of the bill.

Mr. WRIGHT. Mr. Speaker, I desire to state that if my colleague, the gentleman from Georgia, Mr. LEE, were here, he would vote "no."

The result of the vote was announced as above recorded.

On motion of Mr. HAUGEN, a motion to reconsider the vote by which the bill was passed was laid on the table.

A similar House bill was laid on the table.

Mr. BULWINKLE. Mr. Speaker, my colleague, the gentleman from North Carolina, Mr. POU, is sick to-night and unable to be present. If he had been here, he would have voted against the McNary bill and for the Aswell bill on the motion to recommit.

FARM RELIEF LEGISLATION

Mr. HARE. Mr. Speaker, under leave granted to extend my remarks, I want to make clear at the outset that I yield to no one a greater interest in agriculture and a more earnest desire to give relief to that great basic industry than myself. This interest and desire has just been demonstrated by casting my vote in favor of all three of the farm relief bills just considered, to wit, the Aswell bill, the Crisp bill, and the Jones bill. We now have for consideration what is commonly called the McNary-Haugen bill, and I am exceedingly anxious to see it

amended so that I might be able to give it my conscientious support, but before committing myself to vote for it I am equally anxious to see that certain amendments thereto be made. I therefore offered the following amendment:

Amendment offered by Mr. HARE: On page 6, line 21, add the following section:

"(f) It shall be unlawful for any member of said board, or any employee thereof, or any member of the advisory council hereinafter provided, or any employee, agent, or other person directly or indirectly connected with said board or council to purchase or sell for future delivery on any exchange any or either of the commodities or the products thereof named in section 6 of this act, and it shall be unlawful for any person to divulge or furnish information to any other person for such purposes, and any such person being found guilty of violating this provision of this act shall be subject to a fine not exceeding $100,000 or imprisonment for a period not exceeding 20 years, or both."

I think I can say without fear of successful contradiction that there has been more gambling and speculation in cotton than any other farm crop, and I think I am safe in saying that the cotton farmers of the South have felt and realized for years that they have suffered more from price fixing and market manipulation by speculators than from any other cause, not excluding drought and boll weevil. Yet this bill which you are preparing to pass will give a governmental board or organization the privilege and unlimited right to gamble and speculate on the very crop that you expect to handle for the benefit of the farmer. The purpose of this amendment is to prevent speculation by members of this board or persons to whom they may furnish confidential information, because I am sure the temptation will be so great that some of them will be guilty unless such amendment is added. The board and council will probably know several days in advance the date when the operating period for a particular crop provided for in the bill will begin and they will know in advance when the operating period will terminate. There is nothing to prevent them from going into the market on the exchange and buy or sell the crop or commodity for their own use or benefit and against the interest of those for whose benefit the operating period was instituted. I understand that upward of 50,000,000 bales of cotton were bought and sold on the exchange last year, and I predict that if this bill becomes a law, without this amendment, there will be more than 100,000,000 bales sold within less than one year after it goes into effect, and those selling this cotton will not be paying an equalization fee.

[The question was taken; and on a division (demanded by Mr. HARE) there were—ayes 61, noes 90. So the amendment was rejected.]

Mr. HARE. I then offered another amendment.

Page 15, line 4, after the word "collection," strike out the period, insert a colon, and add: "*Provided*, That no equalization fee shall be levied or collected on cotton until further and affirmative action by Congress."

Mr. Speaker and gentlemen, I think it is considered by everyone that if this bill is enacted into law and becomes operative it will be an experiment. As a matter of fact, it is considered that if either of the bills we have just voted on had become a law, it would have only been an experiment. Now, if all of this legislation is to be an experiment, I take the position that there is no good reason why the farmer should be called upon to foot the bills, because it is not in keeping with the past history of similar legislation. When the Congress of the United States first placed a tariff on shoes it was an experiment, but the law did not require the manufacturers to pay a tax or equalization fee to try out the experiment or insure the success of their business.

It was also an experiment when you placed a tariff on woolens, but you did not place a tax or equalization fee on the manufacturer when you placed that tariff on woolen goods. Nor did you place a tax or equalization fee on the manufacturer when you provided for a tariff on hats to insure the success of his business. Then, I want to ask in all fairness, why should the farmer be burdened with this tax or equalization fee when you are going to conduct an experiment in trying to insure the success of his business? I think the experiment could have been conducted just as well under the provisions of the Aswell bill, the Crisp bill, or the Jones bill, and the farmer under either would have been relieved of this tax or equalization fee. I am in favor of making the experiment, but I am also in favor of the Government paying the bill and not charging it up against the individual farmer.

[The question was taken; and on a division (demanded by Mr. HARE) there were—ayes 27, noes 70.]

Mr. HARE. Now, Mr. Speaker and gentlemen, since you have failed to accept this amendment and rejected a number of others, I wish to give it as my opinion that if the bill passes and becomes a law, and some of its proponents are praying that it will not, you will be fastening a colossal millstone around the neck of the cotton farmer from which he will never be able to divorce himself, especially since you have rejected the amendment offered by the gentleman from Georgia [Mr. WRIGHT] providing for a limitation of the tax on cotton. The amendment as read by the Clerk is as follows:

Amendment offered by Mr. WRIGHT: Page 15, line 4, after the word "collection" insert: *Provided*, That the equalization fee on cotton shall not exceed $10 per bale.

The other amendment as reported by the Clerk reads:

Amendment offered by Mr. WRIGHT: Page 15, line 4, after the word "collection" insert: "*Provided*, That no equalization fee on cotton shall exceed $25 per bale.

Another amendment I wish to quote is one reported and read by the Clerk as follows:

Amendment offered by Mr. TINCHER: Page 7, line 17, after the word "board" insert a colon and add the words: "*Provided*, That the board shall not appoint more than 25 experts for any one commodity, and in no case shall the salary of any expert exceed $10,000 per annum."

This amendment was also rejected. It is clear, therefore, that the board will have the unlimited right to employ as many experts as it desires, and pay them any salary it wants to and then fix the tax or equalization fee on the farmer high enough to pay the bills. Under these circumstances I will be compelled to vote against the bill.

ENROLLED BILLS SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House with the following title, which was signed by the Speaker.

H. J. Res. 359. Making an appropriation for the eradication or control of the European corn borer.

The SPEAKER announced his signature to bills of the following titles:

S. 68. An act authorizing Dominic I. Murphy, consul general of the United States of America, to accept a silver fruit bowl presented to him by the British Government;

S. 545. An act for the payment of damages to certain citizens of New Mexico, caused by reason of artificial obstructions to the flow of the Rio Grande by an agency of the United States.

S. 598. An act for the relief of Alexander McLaren;

S. 612. An act for the relief of Elizabeth Wooten;

S. 867. An act authorizing the Secretary of the Treasury to pay the Columbus Hospital, Great Falls, Mont., for the treatment of disabled Government employees;

S. 1304. An act for the relief of Hunter-Brown Co.;

S. 1456. An act authorizing the Court of Claims of the United States to hear and determine the claim of H. C. Ericsson;

S. 1860. An act for the relief of F. G. Proudfoot;

S. 2302. An act for the relief of Elisha K. Henson;

S. 2618. An act for the relief of the National Surety Co.;

S. 3064. An act for the relief of the Capital Paper Co.;

S. 3462. An act for the relief of Homer H. Hacker;

S. 3918. An act for the relief of Robert R. Bradford;

S. 4268. An act for the relief of H. W. Krueger and H. J. Selmer, bondsmen for the Green Bay Dry Dock Co., in their contract for the construction of certain steel barges and a dredge for the Government of the United States;

S. 4669. An act for the relief of the Kentucky-Wyoming Oil Co. (Inc.);

S. 4756. An act for the relief of Capt. Ellis E. Haring and Edward F. Batchelor;

S. 4933. An act authorizing an appropriation for public highways in the Virgin Islands of the United States;

S. 4943. An act for the relief of George H. Cecil; and

S. 5084. An act to provide for the payment of the amount of an adjusted-service certificate to Irving D'Forrest Parks, beneficiary designated by Corpl. Steve McNeil Parks, deceased.

ADJOURNMENT

Mr. HAUGEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 20 minutes p. m.) the House adjourned until to-morrow, Friday, February 18, 1927, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Friday, February 18, 1927, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON APPROPRIATIONS

(10.30 a. m.)

Second deficiency bill.

COMMITTEE ON BANKING AND CURRENCY

(10.30 a. m.)

To incorporate the Federal reserve pension fund, to define its functions (S. 3657).

COMMITTEE ON LABOR

(10.30 a. m.)

To require contractors and subcontractors engaged on public works of the United States to comply with State laws relating to hours of labor and wages of employees on State public works (H. R. 17069).

COMMITTEE ON NAVAL AFFAIRS

(10.30 a. m.)

To authorize the Secretary of the Navy to modify agreements heretofore made for the settlement of certain claims in favor of the United States (H. R. 15131).

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

(10 a. m.)

To extend the benefits of the World War veterans' act, as amended, to Jerry Tarbot (H. J. Res. 237).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

994. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the Bureau of Immigration, Department of Labor, for the fiscal year ending June 30, 1927, amounting to $200,000 (H. Doc. No. 733); to the Committee on Appropriations and ordered to be printed.

995. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the Bureau of Immigration, Department of Labor, for the fiscal year ending June 30, 1927, to remain available until June 30, 1928, amounting to $237,000 (H. Doc. No. 734); to the Committee on Appropriations and ordered to be printed.

996. A letter from the Secretary of the Navy, transmitting proposed draft of a bill "to enable electricians, radio electricians, chief electricians, and chief radio electricians to be appointed to the grade of ensign"; to the Committee on Naval Affairs.

997. A letter from the Acting Secretary of Commerce, transmitting report of an accumulation of documents and files of papers which are not needed nor useful in the transaction of current business, which may be sold as waste paper or otherwise disposed of according with law; to the Committee on Disposition of Useless Executive Papers.

998. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of Agriculture for the fiscal year 1927, for enforcement of the milk importation act, approved February 15, 1927, $15,000, and for furnishing meteorological data to Army and Navy aviation fields, $11,560, and for the fiscal year 1928, for further development of the blueberry, $2,400, and for an additional amount for inspection and quarantine, Bureau of Animal Industry, $25,000; in all, $88,960; also a draft of proposed legislation affecting existing appropriation (H. Doc. No. 735); to the Committee on Appropriations and ordered to be printed.

999. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the fiscal year ending June 30, 1927, for the Department of the Interior, Bureau of Indian Affairs, amounting to $28,000, from the tribal funds of the Navajo Indians (H. Doc. No. 736); to the Committee on Appropriations and ordered to be printed.

1000. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Navy Department for the fiscal year ending June 30, 1927, consisting of three items amounting to $1,730,000 (H. Doc. No. 737); to the Committee on Appropriations and ordered to be printed.

1001. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the District of Columbia for the fiscal year ending June 30, 1927, for the payment of judgments of $4,110.40, and for repairs and improvements of the courthouse $3,300.40, in all $7,410.80; also, draft of proposed legislation to authorize the use of the present appropriation for the extension, etc., of streets and avenues, District of Columbia, for the payment of awards and expenses arising out of Public, No. 608, Sixty-ninth Congress (H. Doc. No. 738); to the Committee on Appropriations and ordered to be printed.

1002. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the fiscal year ending June 30, 1927, for the War Department, amounting in all to $146,135; also draft of proposed legislation affecting an existing appropriation of the War Department (H. Doc. No. 739); to the Committee on Appropriations and ordered to be printed.

1003. A letter from the Secretary of the Interior, transmitting report of November 17, 1926, and supplemental report of November 27, 1926, submitted by the Director of the Geological Survey with statement of expenditures on tribal or allotted Indian lands during the fiscal year 1926; to the Committee on Indian Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. UNDERHILL: Committee on Claims. H. R. 13457. A bill to provide a method for compensating persons who suffered property damage or personal injury due to the explosions at the naval ammunition depot, Lake Denmark, N. J., July 10, 1926; with amendment (Rept. No. 2134). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. H. R. 17138. A bill authorizing an appropriation to enable the Secretary of Agriculture to cooperate with the South Carolina Agricultural Experiment Station; without amendment (Rept. No. 2135). Referred to the Committee of the Whole House on the state of the Union.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 17131. A bill authorizing the construction of a bridge across the St. Lawrence River near Alexandria Bay, N. Y.; with amendment (Rept. No. 2136). Referred to the House Calendar.

Mr. ZIHLMAN: Committee on the District of Columbia. S. 5213. An act for the relief of the Lucy Webb Hayes National Training School for Deaconesses and Missionaries; without amendment (Rept. No. 2139). Referred to the House Calendar.

Mr. HILL of Maryland: Committee on Military Affairs. H. R. 17201. A bill authorizing the erection of a sanitary fireproof hospital at the National Home for Disabled Volunteer Soldiers at Dayton, Ohio; without amendment (Rept. No. 2142). Referred to the House Calendar.

Mr. HOWARD: Committee on Indian Affairs. H. R. 10977. A bill authorizing an appropriation of $70,000 for the construction of a bridge across the Trinity River and a road to connect therewith within the Hoopa Valley Indian Reservation, Calif.; with amendment (Rept. No. 2152). Referred to the Committee of the Whole House on the state of the Union.

Mr. KNUTSON: Committee on Indian Affairs. H. R. 16292. A bill to appropriate treaty funds due the Wisconsin Pottawatomi Indians; with amendment (Rept. No. 2153). Referred to the Committee of the Whole House on the state of the Union.

Mr. HOWARD: Committee on Indian Affairs. H. R. 16918. A bill to authorize the city of Niobrara, Nebr., to transfer Niobrara Island to the State of Nebraska; without amendment (Rept. No. 2154). Referred to the House Calendar.

Mr. HILL of Washington: Committee on Irrigation and Reclamation. H. J. Res. 346. A joint resolution extending the provisions of the acts of March 4, 1925, and April 13, 1926, relating to a compact between the States of Washington, Idaho, Oregon, and Montana for allocating the waters of the Columbia River and its tributaries, and for other purposes; with amendment (Rept. No. 2155). Referred to the Committee of the Whole House on the state of the Union.

Mr. NEWTON of Minnesota: Committee on Interstate and Foreign Commerce. H. R. 17181. A bill to extend the time for constructing a bridge across the Rainy River, approximately midway between the village of Spooner, in the county of Lake of the Woods, State of Minnesota, and the village of Rainy River, Province of Ontario, Canada; without amendment (Rept. No. 2156). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. UNDERHILL: Committee on Claims. H. R. 1564. A bill for the relief of Lewis H. Francke and Blanche F. Shelley, sole legal heirs of Ralph K. Warrington; with amendment (Rept. No. 2137). Referred to the Committee of the Whole House.

Mr. VINCENT of Michigan: Committee on Claims. S. 105. An act for the relief of Arthur E. Colgate, administrator of Clinton G. Colgate, deceased; with amendment (Rept. No. 2138). Referred to the Committee of the Whole House.

Mr. BOX: Committee on Claims. H. R. 5787. A bill for the relief of J. C. Herbert; with amendment (Rept. No. 2140). Referred to the Committee of the Whole House.

Mr. BOX: Committee on Claims. H. R. 13091. A bill for the relief of Ellen B. Monahan; with amendment (Rept. No. 2141). Referred to the Committee of the Whole House.

Mr. REECE: Committee on Military Affairs. H. R. 3464. A bill for the relief of John M. Andrews; with amendment (Rept. No. 2143). Referred to the Committee of the Whole House.

Mr. JOHNSON of Indiana: Committee on Military Affairs. H. R. 5179. A bill to correct the military record of John W. Siple; with amendment (Rept. No. 2144). Referred to the Committee of the Whole House.

Mr. REECE: Committee on Military Affairs. H. R. 7146. A bill for the relief of William L. Trott; without amendment (Rept. No. 2145). Referred to the Committee of the Whole House.

Mr. WHEELER: Committee on Military Affairs. H. R. 7211. A bill for the relief of James W. Kingon; without amendment (Rept. No. 2146). Referred to the Committee of the Whole House.

Mr. GLYNN: Committee on Military Affairs. H. R. 9927. A bill to correct the military record of James P. Davis; with amendment (Rept. No. 2147). Referred to the Committee of the Whole House.

Mr. GLYNN: Committee on Military Affairs. H. R. 11433. A bill for the relief of Theodore Herbert; with amendment (Rept. No. 2148). Referred to the Committee of the Whole House.

Mr. GLYNN: Committee on Military Affairs. H. R. 14161. A bill to correct the military record of Alexander Ashbaugh; with amendment (Rept. No. 2149). Referred to the Committee of the Whole House.

Mr. GLYNN: Committee on Military Affairs. H. R. 14312. A bill for the relief of Charles A. Black, alias Angus Black; with amendment (Rept. No. 2150). Referred to the Committee of the Whole House.

Mr. WAINWRIGHT: Committee on Military Affairs. H. R. 15792. A bill to correct the military record of Alfred St. Dennis; with amendment (Rept. No. 2151). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 17107) granting a pension to Margaret Crawford, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SCHAFER: A bill (H. R. 17207) to authorize the Comptroller General of the United States to audit post funds of the National Home for Disabled Volunteer Soldiers and its branches, and for other purposes; to the Committee on Military Affairs.

By Mr. GASQUE: A bill (H. R. 17208) to provide for the acquisition of certain land in the District of Columbia and the establishment and operation of a municipal air port thereon; to the Committee on the District of Columbia.

By Mr. DEAL: A bill (H. R. 17199) granting the consent of Congress to the James River Bridge Corporation, its successors and assigns, to construct, maintain, and operate bridges across the James River, Chuckatuck Creek, and Nansemond River; to the Committee on Interstate and Foreign Commerce.

By Mr. HUDSPETH: A bill (H. R. 17200) to prevent gambling in cotton futures and make it unlawful for any person, corporation, or association of persons to sell any contract for future delivery of any cotton within the United States, unless such seller is actually the legitimate owner of the cotton so contracted for future delivery at the time said sale or contract of sale is made; to the Committee on Agriculture.

By Mr. ROY G. FITZGERALD: A bill (H. R. 17201) authorizing the erection of a sanitary fireproof hospital at the National Home for Disabled Volunteer Soldiers at Dayton, Ohio; to the Committee on Military Affairs.

By Mr. BUTLER: A bill (H. R. 17202) to enable electricians, radio electricians, chief electricians, and chief radio electricians to be appointed to the grade of ensign; to the Committee on Naval Affairs.

By Mr. McLEOD: A bill (H. R. 17203) authorizing a national referendum on the repeal of the eighteenth amendment; to the Committee on the Judiciary.

By Mr. COLTON: A bill (H. R. 17204) to amend section 2240 of the Revised Statutes of the United States; to the Committee on the Public Lands.

By Mr. SUMMERS of Washington: A bill (H. R. 17205) to authorize advances by disbursing officers of the Treasury Department; to the Committee on Ways and Means.

By Mr. YATES: A bill (H. R. 17206) to create a national memorial military park at and in the vicinity of Kennesaw Mountain, in the State of Georgia, and for other purposes; to the Committee on Military Affairs.

By Mr. SINNOTT: Joint resolution (H. J. Res. 363) amending the joint resolution entitled "Joint resolution directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes," approved June 5, 1924; to the Committee on the Public Lands.

By Mr. BEERS: Resolution (H. Res. 430) to print the prayers of the Chaplain of the House of Representatives offered at the daily sessions of the Sixty-eighth and Sixty-ninth Congresses; to the Committee on Printing.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the Legislature of the State of North Carolina, urging that the development of Muscle Shoals be used for the public and not leased to private corporations; to the Committee on Military Affairs.

By Mr. BULWINKLE: Memorial of the Legislature of the State of North Carolina, in regard to the manufacture, etc., of fertilizer at Muscle Shoals; to the Committee on Military Affairs.

By Mr. SNELL: Memorial of the Legislature of the State of New York, favoring passage of House bill 6238; to the Committee on Immigration and Naturalization.

By Mr. BLOOM: Memorial of the Legislature of the State of New York, regarding immigration legislation; to the Committee on Immigration and Naturalization.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEERS: A bill (H. R. 17209) granting an increase of pension to Isabella Daughenbaugh; to the Committee on Invalid Pensions.

By Mr. BLOOM: A bill (H. R. 17210) for the relief of F. A. Brady (Inc.); to the Committee on War Claims.

By Mr. CONNERY: A bill (H. R. 17211) granting a pension to Abbie F. Daniels; to the Committee on Pensions.

By Mr. EATON: A bill (H. R. 17212) granting a pension to Lydia A. P. Conover; to the Committee on Invalid Pensions.

By Mr. PHILLIPS: A bill (H. R. 17213) granting an increase of pension to Emma M. Richards; to the Committee on Invalid Pensions.

By Mr. SPROUL of Illinois: A bill (H. R. 17214) to provide for the reincorporation of the Delta Alpha Sorority; to the Committee on the Judiciary.

By Mr. STALKER: A bill (H. R. 17215) granting an increase of pension to Lucinda Johnson; to the Committee on Invalid Pensions.

By Mr. SUMMERS of Washington: A bill (H. R. 17216) granting an increase of pension to Laura T. Carter; to the Committee on Invalid Pensions.

By Mr. TOLLEY: A bill (H. R. 17217) granting an increase of pension to Eliza W. Bowker; to the Committee on Invalid Pensions.

By Mr. WRIGHT: A bill (H. R. 17218) granting an increase of pension to Arthur F. Truitt; to the Committee on Invalid Pensions.

By Mr. YATES: A bill (H. R. 17219) granting an increase of pension to Mary J. Finney; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6926. Petition of B. O. Sweet, president of the Dows Commercial Club, of Dows, Iowa, urging an increase in the tariff on molasses imported into the United States; to the Committee on Ways and Means.

6927. By Mr. ARNOLD: Petition from Lula Parsons and Sarah A. F. Miller, Mount Vernon, Ill., favoring the passage of the Civil War pension bill; to the Committee on Invalid Pensions.

6928. By Mr. BEERS: Petition of citizens of Juniata County, Pa., favoring passage of the pension bill indorsed by the National Tribune; to the Committee on Invalid Pensions.

6929. Also, petition from citizens of New Granada, urging passage of pension bill which is sponsored by the National Tribune; to the Committee on Invalid Pensions.

6930. By Mr. BERGER: Petition of various and sundry citizens of the United States, residents of the city of Milwaukee, opposing the Sunday closing law for the District of Columbia, or any other bill relating to the observance of the Sabbath; to the Committee on the District of Columbia.

6931. By Mr. BLAND: Petition of voters of Spotsylvania County, Va., urging that early steps be taken to bring to a vote a Civil War pension bill carrying rates proposed by the National Tribune, Washington, D. C., and urging support on part of Representatives and Senators; to the Committee on Invalid Pensions.

6932. By Mr. BRIGHAM: Petition of M. A. Regan and 29 other citizens of Bakersfield, Vt., favoring the passage of legislation for the relief of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6933. By Mr. CANNON: Petition of Mrs. Anna Goodrich and seven other citizens of Villa Ridge, Mo., indorsing enactment of pension legislation; to the Committee on Invalid Pensions.

6934. Also, petition of Mrs. Lucretia Eubanks and 27 other citizens of Kansas City, Mo., indorsing enactment of pension legislation; to the Committee on Invalid Pensions.

6935. By Mr. CARTER of California: Petition of Mrs. Frances Allen and 37 other voters of Berkeley, Calif., urging the passage of legislation increasing the pensions of the Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6936. Also, petition of Mrs. B. Webster and 21 other citizens of Alameda County, Calif., urging the passage of legislation increasing pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6937. Also, petition of Mrs. Nancy Mills and 14 other citizens of Alameda County, Calif., urging the passage of legislation increasing pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6938. Also, petition of Mrs. Caroline A. Beaven and 68 other residents of Oakland, Calif., urging the passage of legislation increasing pensions of veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6939. By Mr. CARSS: Petition of 62 residents of Duluth, Minn., advocating the National Tribune's Civil War pension bill; to the Committee on Invalid Pensions.

6940. Also, memorial of Senate of the State of Minnesota, the House of Representatives concurring, that farmers of Minnesota are in dire need of farm-relief legislation and the same should be speedily enacted into law; to the Committee on Agriculture.

6941. By Mr. CHALMERS: Petition signed by 25 constituents, protesting against war with Mexico and Nicaragua; to the Committee on Military Affairs.

6942. By Mr. CLAGUE: Petition of 24 property owners and business men of Minneapolis, Minn., petitioning Congress to pass the McNary-Haugen agricultural relief bill; to the Committee on Agriculture.

6943. Also, petition of 90 property owners and business men of Minneapolis, Minn., petitioning Congress to pass the McNary-Haugen agricultural relief bill; to the Committee on Agriculture.

6944. Also, petition of 34 property owners and business men of Minneapolis, Minn., petitioning Congress to pass the McNary-Haugen agricultural relief bill; to the Committee on Agriculture.

6945. Also, petition of 44 property owners and business men of Minneapolis, Minn., petitioning Congress to pass the McNary-Haugen agricultural relief bill; to the Committee on Agriculture.

6946. Also, petition of 43 property owners and business men of Minneapolis, Minn., petitioning Congress to pass the McNary-Haugen agricultural relief bill; to the Committee on Agriculture.

6947. Also, petition of 184 property owners and business men of Minneapolis, Minn., petitioning Congress to pass the McNary-Haugen agricultural relief bill; to the Committee on Agriculture.

6498. Also, petition of 52 property owners and business men of Minneapolis, Minn., petitioning Congress to pass the McNary-Haugen agricultural relief bill; to the Committee on Agriculture.

6949. By Mr. CORNING: Petition of sundry citizens of Albany, N. Y., urging the enactment of legislation for the purpose of granting increases of pensions to the veterans of the Civil War and their dependents; to the Committee on Invalid Pensions.

6950. By Mr. CURRY: Petition of residents of the third California district, requesting Civil War pension legislation; to the Committee on Invalid Pensions.

6951. By Mr. DENISON: Petition of various citizens of Williamson County, Ill., urging that immediate steps be taken to bring to a vote a Civil War pension bill carrying the rates proposed by the National Tribune in order that relief may be accorded to needy and suffering veterans and the widows of veterans; to the Committee on Invalid Pensions.

6952. Also, petition of various citizens of Christopher, Ill., urging that immediate steps be taken to bring to a vote a Civil War pension bill in order that relief may be accorded to the needy and suffering veterans and the widows of veterans; to the Committee on Invalid Pensions.

6953. By Mr. EATON: Petition of Mary E. Heath, South Trenton Avenue, Frenchtown, N. J., and 73 other citizens of Frenchtown, urging immediate steps be taken to bring Civil War pension bill to vote and urging support by Members of Congress; to the Committee on Invalid Pensions.

6954. By Mr. FENN: Petition of 23 voters of East Hartford and Hartford, Conn., and 60 voters of Windsor, Conn., favoring the passage of legislation increasing the pensions of veterans of the Civil War, their widows, and orphans; to the Committee on Invalid Pensions.

6955. By Mr. W. T. FITZGERALD: Memorial of the Ohio State Senate under Joint Resolution 16, relating to the ship canal connecting the Great Lakes and the Atlantic Ocean by way of the St. Lawrence River, and urging development and construction of the same jointly with the Dominion of Canada, to open Ohio and Middle West to ocean, and afford farmers and manufacturers a better outlet for their crops and production in the world's markets; to the Committee on River and Harbors.

6956. By Mr. GALLIVAN: Petition of Massachusetts State Branch, American Federation of Labor, Martin T. Joyce, 818 Lawyers Building, 11 Beacon Street, Boston, Mass., secretary-treasurer-legislative agent, urging early and favorable consideration of Senate bill 3170, longshoremen's compensation bill, and opposing any amendment fixing definite maximum amount of death of permanent total disability benefit; to the Committee on the Judiciary.

6957. By Mr. GIBSON: Petition of citizens of Northfield, Vt., favoring legislation for the relief of veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6958. Also, petition of citizens of Cabot, Vt., favoring legislation for the relief of veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6959. Also, petition by citizens of Irasburg, Vt., favoring legislation for the relief of veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6960. By Mr. HALL of Indiana: Petition of Edward J. Blonser and 121 citizens of Cass County, Ind., asking for legislation in behalf of widows of Civil War veterans; to the Committee on Invalid Pensions.

6961. Also, petition of W. A. Fankboner and 110 other citizens of Marion, Ind., asking for legislation in behalf of widows of Civil War veterans; to the Committee on Invalid Pensions.

6962. Also, petition of Mrs. Clarence Sutton and 48 citizens of Hartford City, Ind., asking for legislation in behalf of widows of Civil War soldiers; to the Committee on Invalid Pensions.

6963. By Mr. HAWLEY: Petitions of residents of Portland, Monmouth, and Corvallis, Oreg., and Columbia and Josephine Counties, Oreg., to Congress to bring to a vote legislation granting further relief to veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6964. By Mr. HICKEY: Petition of Malinda Shroyer and other citizens of St. Joseph County, Ind., urging the passage of a bill increasing the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

6965. By Mr. HUDSPETH: Petition of the El Paso Chamber of Commerce, of El Paso, Tex., indorsing legislation in behalf of irrigation along Canadian River; to the Committee on Irrigation and Reclamation.

6966. By Mr. WILLIAM E. HULL: Petition of Mrs. Emily Challacombe and Catharine R. Middleton, of Princeton, Ill., urging immediate and favorable consideration of the Elliott pension bill for the relief of Civil War veterans and their dependents; to the Committee on Invalid Pensions.

6967. By Mr. JOHNSON of Indiana: Petition of John McKinney and others, of Vigo County, Ind., for the increase of Civil War pensions; to the Committee on Invalid Pensions.

6968. By Mr. KELLER: Petition signed by residents of St. Paul, Minn., urging increase in pensions for Civil War veterans, their widows, and dependents; to the Committee on Invalid Pensions.

6969. By Mr. KING: Petition signed by Mr. R. F. Morris and 34 other citizens of Ray, Ill., urging the immediate passage of legislation granting relief to the veterans and the widows of veterans of the Civil War; to the Committee on Invalid Pensions.

6970. Also, petition signed by Mrs. Mary S. Ellingsworth and 79 other citizens of Geneseo, Ill., urging the immediate passage of a bill granting additional relief to the veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

6971. By Mr. MAPES: Petition of 36 residents of Grand Rapids, Mich., recommending the enactment by Congress of additional legislation for the benefit of veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6972. Also, petition of Rev. R. G. Klingbell and 60 other residents of Holland, Mich., and vicinity, in opposition to the enactment by Congress of the Sunday closing legislation now pending; to the Committee on the District of Columbia.

6973. By Mr. MICHAELSON: Petition from citizens of Chicago, Ill., advocating a Civil War pension bill carrying increased rates; to the Committee on Invalid Pensions.

6974. By Mr. MILLIGAN: Petition signed by citizens of Caldwell County, Mo., urging the early consideration of Civil War pension legislation; to the Committee on Invalid Pensions.

6975. By Mr. MURPHY: Petition by the members of the First United Presbyterian Church of St. Clairsville, Ohio, consisting of 400 members, urging the passage of the Lankford Sabbath bill, known as House bill 10311, for the District of Columbia; to the Committee on the District of Columbia.

6976. By Mr. NELSON of Maine: Petition of the citizens of Augusta and Ellsworth, Me., urging the passage by Congress of a bill granting increased pensions for Civil War veterans and dependents; to the Committee on Invalid Pensions.

6977. Also, petition of the citizens of Brooksville and Vanceboro, Me., urging the passage by Congress of a bill granting increased pensions for Civil War veterans and dependents; to the Committee on Invalid Pensions.

6978. By Mr. NELSON of Missouri: Petition signed by Lon King and others of Camden County, Mo., in behalf of the Civil War increase bill; to the Committee on Invalid Pensions.

6979. By Mr. O'CONNELL of New York: Petition of representative business men of Minneapolis, Minn., opposing the passage of the McNary-Haugen bill; to the Committee on Agriculture.

6980. Also, petition of the Quentin Roosevelt Chapter, No. 3, Disabled American Veterans of the World War, favoring the passage of House bill 4548 and Senate bill 3027; to the Committee on World War Veterans' Legislation.

6981. By Mr. PATTERSON: Petition of 22 residents of Camden County, N. J., favoring increase of pension for veterans of the Civil War and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

6982. Also, petition of 24 residents of Salem County, N. J., favoring increase of pension for veterans of the Civil War and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

6983. By Mr. PHILLIPS: Petition of Philadelphia (Pa.) Chapter, No. 329, of the Associated Master Barbers of America, urging Congress to pass Senate bill 4821, introduced by Senator Copeland, making it unlawful for barber shops to remain open on Sunday; to the Committee on the District of Columbia.

6984. Also, petition of citizens of Beaver County, Pa., urging the passage of House bill 10311, known as the Lankford Sunday rest bill for the District of Columbia; to the Committee on the District of Columbia.

6985. By Mr. PRALL: Petition from voters of Staten Island, urging that immediate steps be taken to bring to a vote a Civil War pension bill carrying the rates proposed by the National Tribune; to the Committee on Invalid Pensions.

6986. Also, petition against compulsory Sunday observance from citizens of Staten Island, N. Y.; to the Committee on the District of Columbia.

6987. By Mr. PRATT: Petition of citizens of Napanoch, Ulster County, N. Y., urging legislation to increase the pensions of Civil War veterans and widows; to the Committee on Invalid Pensions.

6988. By Mr. ROBINSON of Iowa: Petition from the citizens of Hampton, Franklin County, Iowa, against compulsory Sunday observance laws; to the Committee on the District of Columbia.

6989. By Mr. ROWBOTTOM: Petition of Julia Baldwin and others, of Posey County, Ind., that the Civil War pension bill granting increases of pensions to widows of Civil War veterans be enacted into law at this session of Congress; to the Committee on Invalid Pensions.

6990. Also, petition of Mary H. McAlpin, of Evansville, Ind., that the bill granting increases of pensions to Civil War widows be enacted into law at this session of Congress; to the Committee on Invalid Pensions.

6991. By Mr. SANDERS of New York: Petition of J. M. Winch and 52 other residents of Java Village, N. Y.; urging Civil War pension legislation; to the Committee on Invalid Pensions.

6992. Also, petition of 55 ladies of the Relief Corps of Batavia, N. Y., urging Civil War pension legislation; to the Committee on Invalid Pensions.

6993. By Mr. SANDERS of Texas: Petition from citizens of Kaufman County, Tex., asking for increase of pensions for the relief of suffering veterans and widows of the Civil War; to the Committee on Invalid Pensions.

6994. Also, petition from citizens of Wood County, Tex., asking for increase of pensions for the relief of suffering veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

6995. By Mr. SINCLAIR: Petition of 21 residents of Beulah, N. Dak., urging the passage of the Civil War pension bill; to the Committee on Invalid Pensions.

6996. By Mr. SINNOTT: Petition of certain citizens of Arlington, Oreg., in behalf of a further increase of pensions for veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6997. By Mr. STALKER: Petition signed by citizens of Addison, Steuben County, N. Y., urging the passage of further legislation providing increases in pensions for veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

6998. Also, petition signed by sundry citizens of Newark Valley, Tioga County, N. Y., favoring the passage of a bill granting additional relief to the veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

6999. By Mr. SWING: Petition of certain residents of San Diego County, Calif., urging the passage by Congress of a bill granting increased pensions to Civil War veterans and the widows of Civil War veterans; to the Committee on Invalid Pensions.

7000. Also, petition of certain residents of San Diego County, Calif., urging the passage by Congress of a bill granting increased pensions to Civil War veterans and the widows of Civil War veterans; to the Committee on Invalid Pensions.

7001. By Mr. THURSTON: Petition of citizens of Page County, Iowa, relating to legislation in favor of veterans of the Civil War and their dependents; to the Committee on Invalid Pensions.

7002. By Mr. UNDERHILL: Petition of B. W. Lewis and others, favoring Civil War pension legislation; to the Committee on Invalid Pensions.

7003. By Mr. UNDERWOOD: Petition of Beulah Waldo et al., of Rushville, Ohio, favoring Civil War pension legislation; to the Committee on Invalid Pensions.

7004. Also, petition of Ota Mercer et al., of West Rushville, Ohio, favoring Civil War pension legislation; to the Committee on Invalid Pensions.

7005. Also, petition of H. R. Carnicom et al., of Glenford, Ohio, and vicinity, in favor of Civil War pension legislation; to the Committee on Invalid Pensions.

7006. By Mr. VINSON of Kentucky: Petition signed by numerous residents of Bath County, in the ninth congressional district of Kentucky, urging the passage before adjournment of Congress of a bill for the relief of needy and suffering veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

7007. By Mr. WASON: Petition of Ellen C. Whitney and 26 other residents of Marlboro, N. H., urging that immediate steps be taken to bring to a vote a Civil War pension bill in order that relief may be accorded to needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

7008. Also, petition of Amanda L. Bates and five other residents of Gilsum, N. H., urging that immediate steps be taken to bring to a vote a Civil War pension bill in order that relief may be accorded to needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

7009. By Mr. WATRES: Petition of residents of Elmhurst, Pa., favoring legislation to increase pension for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7010. Also, petition of residents of Taylor, Pa., to increase pension of Civil War soldiers and widows of soldiers; to the Committee on Invalid Pensions.

7011. Also, petition of residents of Carbondale, Pa., favoring legislation to increase the pension of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7012. Also, petition of residents of Moscow, Pa., favoring legislation to increase the pension of Civil War soldiers and widows of soldiers; to the Committee on Invalid Pensions.

7013. By Mr. WOODYARD: Petition of citizens of Pleasants County, W. Va., favoring additional pension legislation for widows, etc., of soldiers of Civil War; to the Committee on Invalid Pensions.

7014. Also, petition of citizens of Huntington, W. Va., relative to additional pension legislation for widows, etc., of soldiers of Civil War; to the Committee on Invalid Pensions.

7015. By Mr. WURZBACH: Petition of N. Altermann, H. C. Brown, and other citizens of San Antonio, Tex., advocating the passage of a bill increasing the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7016. By Mr. WYANT: Petition of citizens of Derry, Westmoreland County, Pa., urging passage of an amendment to House bill 120 (Public Law 148) to increase the salaries of Federal jurors; to the Committee on the Judiciary.

SENATE

FRIDAY, *February 18, 1927*

(Legislative day of Thursday, February 17, 1927)

The Senate reassembled at 12 o'clock meridian, on the expiration of the recess.

PRAYER

Mr. NORRIS. Mr. President, since we have taken a recess we do not have what possibly we need very much, and that is the services of the Chaplain. Because that service is omitted to-day, I ask unanimous consent to have the clerk read at the desk a prayer recently delivered by the president of the University of Wisconsin before the Senate of Wisconsin at the opening session of the legislature of that State.

The VICE PRESIDENT. The clerk will read as requested.

The Chief Clerk read as follows:

Almighty God, Lord of all governments, help us in the opening hours of this legislative session to realize the sanctity of politics. * * *

Give us the insight and grant us the power to lift this business of government into an adventure that we may with reverence call the politics of God, because by it we shall seek to fashion the life of this Commonwealth in the likeness of that city of God which has been the dream of saints and seers for unnumbered centuries.

Save us from the sins to which we shall be subtly tempted as the calls of parties and the cries of interests beat upon this seat of government.

Save us from thinking about the next election when we should be thinking about the next generation.

Save us from dealing in personalities when we should be dealing in principles.

Save us from thinking too much about the vote of majorities when we should be thinking about the virtue of measures.

Save us in crucial hours of debate from saying the things that will take when we should be saying the things that are true.

Save us from indulging in catchwords when we should be searching for facts.

Save us from making party an end in itself when we should be making it a means to an end. * * *

May we have greater reverence for the truth than for the past. Help us to make party our servant rather than our master.

May we know that it profits us nothing to win elections if we lose our courage.

May we be worthy of the high calling of government. Amen.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed without amendment the bill (S. 4808) to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were thereupon signed by the Vice President:

S. 68. An act authorizing Dominic I. Murphy, consul general of the United States of America, to accept a silver fruit bowl presented to him by the British Government;

S. 545. An act for the payment of damages to certain citizens of New Mexico caused by reason of artificial obstructions to the flow of the Rio Grande by an agency of the United States;

S. 598. An act for the relief of Alexander McLaren;

S. 612. An act for the relief of Elizabeth Wooten;

S. 867. An act authorizing the Secretary of the Treasury to pay the Columbus Hospital, Great Falls, Mont., for the treatment of disabled Government employees;

S. 1304. An act for the relief of Hunter-Brown Co.;

S. 1456. An act authorizing the Court of Claims of the United States to hear and determine the claim of H. C. Ericsson;

S. 1860. An act for the relief of F. G. Proudfoot;

S. 2302. An act for the relief of Elisha K. Henson;

S. 2618. An act for the relief of the National Surety Co.;

S. 3064. An act for the relief of the Capital Paper Co.;

S. 3462. An act for the relief of Homer H. Hacker;

S. 3918. An act for the relief of Robert R. Bradford;

S. 4268. An act for the relief of H. W. Krueger and H. J. Selmer, bondsmen for the Green Bay Dry Dock Co., in their contract for the construction of certain steel barges and a dredge for the Government of the United States;

S. 4669. An act for the relief of the Kentucky-Wyoming Oil Co. (Inc.);

S. 4756. An act for the relief of Capt. Ellis E. Haring and Edward F. Batchelor;

S. 4933. An act authorizing an appropriation for public highways in the Virgin Islands of the United States;

S. 4943. An act for the relief of George H. Cecil;

S. 5084. An act to provide for the payment of the amount of an adjusted-service certificate to Irving D'Forrest Parks, beneficiary designated by Corpl. Steve McNeil Parks, deceased;

H. R. 2. An act to further amend the national banking laws and the Federal reserve act, and for other purposes; and

H. J. Res. 359. Joint resolution making an appropriation for the eradication or control of the European corn borer.

EXPENDITURES OF GEOLOGICAL SURVEY FOR INDIAN TRIBES

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, submitting, pursuant to law, a report of November 17, 1926, and a supplemental report of November 27, 1926, by the Director of the Geological Survey relative to expenditures made by that survey for the benefit of Indian tribes, which, with the accompanying papers, was referred to the Committee on Appropriations.

INHABITANTS OF THE VIRGIN ISLANDS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2770) to confer United States citizenship upon certain inhabitants of the Virgin Islands and to extend the naturalization laws thereto, which was on page 4, after line 2, to insert the following:

SEC. 5. Section 4 of the act entitled "An act to provide a temporary government for the West Indian Islands acquired by the United States from Denmark by the convention entered into between said countries on the 4th day of August, 1916, and ratified by the Senate of the United States on the 7th day of September, 1916, and for other purposes," approved March 3, 1917, is amended by striking out the figure "8" and inserting in lieu thereof the figure "6."

Mr. WILLIS. Mr. President, I move that the Senate concur in the amendment made by the House of Representatives. I can explain it in a moment.

Under the present law there is an export duty of $8 per ton on sugar from the Virgin Islands. The House were of the opinion, after extensive hearings, that there ought to be a very considerable reduction in that duty. They favored a much larger reduction than is here proposed, but the members of the Senate committee were not agreeable to so large a reduction, though they were agreeable to a reduction of 25 per cent. The amendment provides for a reduction in the export duty on sugar from the Virgin Islands from $8 per ton to $6 per ton.

I move that the Senate concur in the amendment made by the House of Representatives.

The amendment was concurred in.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following resolutions of the Legislature of the State of North Dakota, which were referred to the Committee on Commerce:

A resolution adopted by a joint committee of the House and Senate of the Twentieth Legislative Assembly of the State of North Dakota relative to the Great Lakes-St. Lawrence seaway, memorializing the President of the United States relative to such seaway

Whereas a joint board of engineers representing the United States and Canada have officially and unanimously declared ship-channel connection between the Great Lakes and the Atlantic by way of the St. Lawrence to be practical; and

Whereas the St. Lawrence Commission of the United States appointed to determine the need of such a seaway has unanimously declared, in its report to the President made December 27, 1926, that—

"The construction of the shipway from the Great Lakes to the sea is imperative both for the relief and for the future development of a vast area in the interior of the continent"; and that—

"It has been estimated that the value in a single year to the farmers alone would equal the capital cost of the waterway"; and that—

"The economic importance of the improvement would be far greater than the savings made upon the actual tonnage transported, important though that would be"; and

Whereas the extension of the commerce of the State of North Dakota, the development of her resources, her present prosperity, and her future welfare all demand world-trade contracts by way of direct low-cost ocean transportation to and from the markets of the world; and

Whereas the St. Lawrence seaway would give to the State of North Dakota ocean ports on the Great Lakes practically at her front door; would give direct ocean transportation with wider and lower cost of movement to world markets; would increase the demand for her products, and would thereby assure to her agriculture, now depressed, and in particular to her grain, dairy, and livestock producers, a marked degree of permanent relief from present excessive transportation costs and a more favorable basic price for all farm production; and

Whereas such seaway would permanently lower her transportation charges both on exports and on imports and would thereby stimulate the development of her present industries, invite new enterprise, and would generally assure to her citizens an enlarged and abiding prosperity: Therefore be it

Resolved by the House of Representatives of the State of North Dakota (the Senate concurring), That we do most earnestly urge upon the President of the United States the imperative national need of the St. Lawrence seaway, and further express to him the earnest desire of this State that immediate steps be taken for the negotiation of a treaty with Canada to that end; and be it further

Resolved, That a duly authenticated copy of this resolution be transmitted to the President of the United States, the Secretary of State, the Presiding Officers of the Senate and House of Representatives, the chairman of the St. Lawrence Commission of the United States, and to each of the Senators and Representatives from the State of North Dakota in the Congress.

WALTER MADDOCK,
President of the Senate.
W. D. AUSTIN,
Secretary of the Senate.
JUAN SAN,
Speaker of the House of Representatives.
C. E. VEVOY,
Chief Clerk, House of Representatives.

Mr. WARREN presented the following joint memorial of the Legislature of the State of Wyoming, which was referred to the Commitee on Agriculture and Forestry:

THE STATE OF WYOMING,
OFFICE OF THE SECRETARY OF STATE.

UNITED STATES OF AMERICA,
State of Wyoming, ss:

I, A. M. Clark, secretary of state of the State of Wyoming, do hereby certify that the annexed is a full, true, and correct copy of the enrolled Joint Memorial No. 1, of the Senate of the Nineteenth Legislature of the State of Wyoming, being original Senate Joint Memorial No. 2, as approved by the Governor of the State of Wyoming.

In testimony whereof, I have hereunto set my hand and affixed the great seal of the State of Wyoming. Done at Cheyenne, the capital, this 15th day of February, A. D. 1927.

[SEAL.] A. M. CLARK, *Secretary of State.*
By H. M. SYMON, *Deputy.*

Enrolled Joint Memorial 1, Senate of the Nineteenth Legislature of the State of Wyoming, memorializing Congress to prevent the increase of grazing fees on the national forests

Whereas an increase in the grazing fees in the national forests seem imminent from reports received; and

Whereas the livestock industry, together with agriculture, is the basic industry of our State, upon which all other industries are largely dependent; and

Whereas the livestock industry has not recovered from the recent overwhelming disaster, which has extended to every agricultural enterprise in this State, whereby every business in the State has suffered, and is still suffering almost beyond endurance; and

Whereas the stockmen of this State are overburdened at this time with excessive forest fees, for grazing stock on ranges which should properly belong to the State; and

Whereas any further advance in fees will be ruinous to stockmen at this time and for many years to come; and

Whereas the Department of Agriculture is commercializing our national forests at the expense of the business interests of the State; and

Whereas the comparison of rentals from the national forest grazing permits with the rentals from privately owned pasture and range is misleading and erroneous in that the privately owned pastures and ranges permit the building up of purebred herds and the grazing of same during the whole year as against a short period of time on the national forest grazing permits; and

Whereas more protection is furnished in the privately owned pastures as against that furnished in the national forest grazing permits in that they are equipped with sheds, corrals, and fences; and

Whereas the dates of ingress to the national forest and egress therefrom are fixed dates; and

Whereas the cost of the use of same is paid in advance; and

Whereas severe storms and heavy snows compel the removal of stock therefrom before expiration of the allotted time which thereby reduces the value of grazing permits; and

Whereas the National Government is benefited to a great extent by the control and prevention of forest fires by the grazing of livestock in said national forests: Therefore be it

Resolved by the Senate of the State of Wyoming (the House of Representatives concurring), That the Congress of the United States be memorialized to prevail upon the Secretary of Agriculture to prevent the increase of forest fees in the several grazing districts in the grazing States, and to the effect that they remain as they now are for the next ensuing 10-year period; be it further

Resolved, That copies of this memorial be sent to our Senators, Hon. FRANCIS E. WARREN and Hon. JOHN B. KENDRICK, and our Representative, the Hon. CHARLES E. WINTER, and to the honorable Secretary of Agriculture, William M. Jardine, and the governors of all Western States that have national forests within their boundaries, urging their cooperation.

PERRY W. JENKINS,
President of the Senate.
A. W. MCCOLLOUGH,
Speaker of the House.

Approved, 2 p. m., February 14, 1927.

FRANK C. EMERSON, *Governor.*

Mr. WARREN also presented a memorial of sundry citizens of Upton, Wyo., remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, or any similar Sunday observance legislation, which was referred to the Committee on the District of Columbia.

Mr. KENDRICK presented a joint memorial of the Legislature of the State of Wyoming, relative to the matter of the increase of forest fees in the several grazing districts in the grazing States, and favoring their remaining as they now are for the next ensuing 10-year period, which was referred to the Committee on Agriculture and Forestry. (See joint memorial printed in full when presented to-day by Mr. WARREN).

Mr. HALE presented the following resolutions of the Legislature of the State of Maine, which were ordered to lie on the table:

STATE OF MAINE, 1927.

Resolutions favoring the passage by Congress of legislation relative to the retirement of disabled emergency officers of the United States Army

Whereas there is pending before Congress of the United States Senate bill No. 3027, known as the Tyson bill, and House of Representatives bill No. 4548, known as the Fitzgerald bill, these bills making eligible for retirement under certain conditions officers of the Army of the United States other than officers of the Regular Army, who incurred physical disability in line of duty while in the service of the United States during the World War; and

Whereas such proposed legislation is equitable and seeks to do justice to a class of worthy disabled officers entitled, because of their service, their wounds, and disabilities incurred therefrom, to the same consideration and privileges as men of their rank who performed the same service, but were of the Regular Army; and

Whereas officers of such class are only disabled officers to which the privileges of retirement have been extended, the same class of officers

of the Navy and Marine Corps already being retired under law: Therefore be it

Resolved, That the Legislature of the State of Maine urges upon Congress the importance and desirability of speedily passing such legislation; and be it further

Resolved, That copies of these resolutions be sent to the President of the United States and each Senator and Representative in Congress from the State of Maine.

HOUSE OF REPRESENTATIVES.

On motion of Mr. Varnum, of Westbrook, adopted February 10, 1927. Sent up for concurrence.

CLYDE R. CHAPMAN, *Clerk.*

IN SENATE, *February 11, 1927.*

On motion of Mr. Slocum, of Cumberland, adopted in concurrence.

ROYDEN V. BROWN, *Secretary.*

UNITED STATES OF AMERICA,
STATE OF MAINE,
Office of Secretary of State.

I, Edgar C. Smith, secretary of state of the State of Maine, and custodian of the seal of said State, do hereby certify:

That I have carefully compared the annexed copy of joint resolution of the Senate and House of Representatives of the State of Maine in legislature assembled with the original thereof, and that it is a full, true, and complete transcript therefrom and of the whole thereof.

In testimony whereof I have caused the seal of the State to be hereunto affixed. Given under my hand at Augusta, this 15th day of February, A. D. 1927, and in the one hundred and fifty-first year of the independence of the United States of America.

[SEAL.] EDGAR C. SMITH,
Secretary of State.

Mr. HALE also presented a petition of sundry citizens of the State of Maine, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which was referred to the Committee on Pensions.

Mr. GOULD presented resolutions adopted by the Legislature of the State of Maine, favoring the passage of legislation providing for the retirement of disabled emergency officers of the Army, which were ordered to lie on the table. (See resolutions printed in full when presented to-day by Mr. HALE.)

Mr. ERNST presented memorials numerously signed by sundry citizens of the State of Kentucky, remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, or any other legislation religious in character, which were referred to the Committee on the District of Columbia.

Mr. DENEEN presented petitions numerously signed by sundry citizens of Chicago, Mount Sterling, and other cities and towns in the State of Illinois, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows and for the removal of the limitation on the date of marriage of Civil War widows, which were referred to the Committee on Pensions.

He also presented memorials of sundry citizens of the State of Illinois, remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday or any other legislation religious in character, which were referred to the Committee on the District of Columbia.

Mr. CAPPER presented a memorial of sundry citizen of Galena, Kans., remonstrating against the passage of legislation providing for compulsory Sunday observance in the District of Columbia, which was referred to the Committee on the District of Columbia.

He also presented petitions of sundry citizens of Topeka and Scammon, in the State of Kansas, praying for the prompt passage of legislation regulating radio broadcasting, which were ordered to lie on the table.

Mr. WILLIS presented the memorial of Joseph B. Hagman, of Lagrange, and other memorials numerously signed by sundry citizens of Columbus and Lorain County, all in the State of Ohio, remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, or any other legislation religious in character, which were referred to the Committee on the District of Columbia.

Mr. COPELAND presented petitions of sundry citizens of the State of New York, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

He also presented letters, in the nature of petitions, from sundry citizens of New York City and Brooklyn, N. Y., praying for the prompt passage of legislation creating a commission to make a survey and study of the civil service retirement law, which were referred to the Committee on Civil Service.

Mr. JONES of Washington presented a memorial of sundry citizens of Wapato, Wash., remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, or any other legislation religious in character, which was referred to the Committee on the District of Columbia.

He also presented a memorial of the Society of Friends at Everett, Wash., remonstrating against the present policy of the United States Government in connection with Mexican and Nicaraguan affairs, which was referred to the Committee on Foreign Relations.

He also presented a memorial of sundry citizens of Centralia, Wash., remonstrating against the present policy of the United States Government in connection with affairs in Mexico and other Latin American countries, which was referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 15539) relating to certain cotton reports of the Secretary of Agriculture, reported it with amendments.

Mr. SWANSON, from the Committee on Naval Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 5699) relating to the admission of candidates to the Naval Academy (Rept. No. 1510); and

A bill (H. R. 9030) for the retirement as ensign of Hampton Mitchell (Rept. No. 1511).

Mr. CAPPER, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 5263) to provide for the further development of agricultural extension work between the agricultural colleges in the several States receiving the benefits of the act, entitled "An act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts," approved July 2, 1862, and all acts supplementary thereto, and the United States Department of Agriculture, reported it with amendments and submitted a report (No. 1512) thereon.

Mr. FRAZIER, from the Committee on Pensions, to which was referred the bill (S. 5443) granting pensions and increase of pensions to widows and former widows of certain soldiers, sailors, and marines of the Civil War, and for other purposes, reported it with amendments and submitted a report (No. 1513) thereon.

ENROLLED BILLS PRESENTED

Mr. GREENE, from the Committee on Enrolled Bills, reported that on February 18, 1927, that committee presented to the President of the United States the following enrolled bills:

S. 68. An act authorizing Dominic I. Murphy, consul general of the United States of America, to accept a silver fruit bowl presented to him by the British Government;

S. 545. An act for the payment of damages to certain citizens of New Mexico caused by reason of artificial obstructions to the flow of the Rio Grande by an agency of the United States;

S. 598. An act for the relief of Alexander McLaren;

S. 612. An act for the relief of Elizabeth Wooten;

S. 867. An act authorizing the Secretary of the Treasury to pay the Columbus Hospital, Great Falls, Mont., for the treatment of disabled Government employees;

S. 1304. An act for the relief of Hunter-Brown Co.;

S. 1456. An act authorizing the Court of Claims of the United States to hear and determine the claim of H. C. Ericsson;

S. 1860. An act for the relief of F. G. Proudfoot;

S. 2302. An act for the relief of Elisha K. Henson;

S. 2618. An act for the relief of the National Surety Co.;

S. 3064. An act for the relief of the Capital Paper Co.;

S. 3462. An act for the relief of Homer H. Hacker;

S. 3918. An act for the relief of Robert R. Bradford;

S. 4268. An act for the relief of H. W. Krueger and H. J. Helmer, bondsmen for the Green Bay Dry Dock Co., in their contract for the construction of certain steel barges and a dredge for the Government of the United States;

S. 4669. An act for the relief of the Kentucky-Wyoming Oil Co. (Inc.);

S. 4756. An act for the relief of Capt. Ellis E. Haring and Edward F. Batchelor;

S. 4933. An act authorizing an appropriation for public highways in the Virgin Islands of the United States;

S. 4943. An act for the relief of George H. Cecil; and

S. 5084. An act to provide for the payment of the amount of an adjusted-service certificate to Irving D'Forrest Parks, beneficiary designated by Corpl. Steve McNeil Parks, deceased.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PHIPPS:

A bill (S. 5760) to suspend the issuance of water-power licenses on the Colorado River until ratification of the Colorado River compact, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. FLETCHER:

A bill (S. 5761) granting an increase of pension to Caroline E. Spencer; to the Committee on Pensions.

By Mr. WILLIS:

A bill (S. 5762) to amend sections 4 and 5 of the act entitled "An act granting the consent of Congress to the Gallia County Ohio River Bridge Co. and its successors and assigns to construct a bridge across the Ohio River at or near Gallipolis, Ohio," approved May 13, 1926, as amended; to the Committee on Commerce.

By Mr. MOSES:

A bill (S. 5763) granting an increase of pension to George N. Julian (with accompanying papers); to the Committee on Pensions.

By Mr. DENEEN:

A bill (S. 5764) granting an increase of pension to Ann Anderson (with accompanying papers); to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 5765) granting an increase of pension to Josephine M. Canright (with accompanying papers); to the Committee on Pensions.

A bill (S. 5766) to amend the act of February 9, 1907, entitled "An act to define the term of 'registered nurse' and to provide for the registration of nurses in the District of Columbia; to the Committee on the District of Columbia.

By Mr. SMITH:

A bill (S. 5767) authorizing an appropriation to enable the Secretary of Agriculture to cooperate with the South Carolina Agricultural Experiment Station; to the Committee on Agriculture and Forestry.

By Mr. MOSES:

A bill (S. 5768) granting an increase of pension to Isabella Parsons (with accompanying papers); to the Committee on Pensions.

By Mr. DENEEN:

A bill (S. 5769) to prevent fraud in respect to the sale or disposition of securities through agencies of interstate or foreign commerce and to provide a summary proceeding therefor and penalties for the violation thereof; to the Committee on the Judiciary.

By Mr. COPELAND:

A joint resolution (S. J. Res. 165) authorizing the Secretary of Commerce to regulate radio broadcasting stations, and for other purposes; to the Committee on Interstate Commerce.

By Mr. STANFIELD:

A joint resolution (S. J. Res. 166) amending the joint resolution entitled "Joint resolution directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes," approved June 5, 1924; to the Committee on Public Lands and Surveys.

PUBLIC BUILDINGS IN THE DISTRICT OF COLUMBIA

Mr. McKELLAR submitted two amendments intended to be proposed by him to the bill (S. 4663) authorizing the Secretary of the Treasury to acquire certain lands within the District of Columbia to be used as sites for public buildings, which were ordered to lie on the table and to be printed.

AMENDMENT TO SECOND DEFICIENCY APPROPRIATION BILL

Mr. KEYES submitted an amendment intended to be proposed by him to the second deficiency appropriation bill for the fiscal year 1927, which was referred to the Committee on Appropriations and ordered to be printed:

On page —, line —, insert the following:

"For the acquisition of additional lands at headwaters of navigable streams to be expended under the provisions of the act of March 1, 1911 (36 Stat. L. p. 961), as amended, $1,000,000, which amount shall continue available for expenditure during the fiscal year 1928."

VETERANS' HOSPITAL AT SOAP LAKE, WASH.

Mr. DILL. I submit a resolution and ask that it be read and lie on the table.

The resolution (S. Res. 359) was ordered to lie on the table and read, as follows:

Resolved, That the Director of the United States Veterans' Bureau is hereby directed to investigate the advisability of establishing a Veterans' Bureau hospital at Soap Lake, in the State of Washington, and to report to the Senate at the beginning of the first regular session of the Seventieth Congress.

INSURANCE OF THE FARMER

Mr. BRUCE. Mr. President, I submit a resolution and ask that it be read, but that no action be taken on it except to refer it to the committee.

The resolution (S. Res. 360) was read and referred to the Committee on Agriculture and Forestry, as follows:

Resolved, That the Secretary of Agriculture is hereby requested to report to the Senate at the beginning of the first regular session of the Seventieth Congress his views as to whether the insurance of the farmer by the Federal Government against droughts, floods, and storms would be consistent with sound, governmental, and economic policy; and, if so, under what conditions such insurance should be issued.

HON. MAGNUS JOHNSON

Mr. ERNST submitted the following resolution (S. Res. 361), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for expenses of inquiries and investigations, contingent fund of the Senate, fiscal year 1926, to Hon. Magnus Johnson the sum of $2,500, in full payment for all expenses, including fees and expenses of his attorneys, incurred in prosecution of his claim to a seat in the Senate in the contest of the election of a Senator from the State of Minnesota in 1924.

TAX ON AMERICAN LEGION PASSAGE TICKETS

Mr. EDGE. Mr. President, I ask unanimous consent for the present consideration of Order of Business 1510, the bill (H. R. 16775) to limit the application of the internal-revenue tax upon passage tickets. This is a bill passed by the House which waives the head tax of $5 on steamship transportation tickets for the members of the American Legion in attendance at the Legion convention in Paris the coming summer. I may say that the French Government has waived all passport and visa regulations, and it is my opinion that we should concur in the action of the House in waiving the head tax of $5.

Mr. SMOOT. Mr. President, I desire to say that the Committee on Finance reported the bill unanimously.

The VICE PRESIDENT. Is there objection to the request of the Senator from New Jersey?

There being no objection, the bill was considered as in Committee of the Whole and it was read, as follows:

Be it enacted, etc., That under regulations prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, the provisions of Title VIII of the revenue act of 1926 imposing a tax on passage tickets shall not apply to any round-trip passage ticket issued to any individual if—

(1) Such individual is certified, by such national officer or officers of the American Legion and in such form and manner as the Commissioner of Internal Revenue may by regulations prescribe, as authorized to participate in the 1927 national convention of the American Legion or of the American Legion Auxiliary, to be held at Paris, France; and

(2) The eastbound portion of the passage covered by the ticket is upon a vessel certified, by such national officer or officers of the American Legion and in such form and manner as the Commissioner of Internal Revenue may by regulations prescribe, as having been designated by the American Legion France convention committee as an official ship, and such vessel is scheduled to sail on or after June 1, 1927, and not later than September 15, 1927.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CALL OF THE ROLL

Mr. PITTMAN obtained the floor.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Edge	Hawes	Neely
Bingham	Edwards	Heflin	Norris
Blease	Ernst	Howell	Nye
Borah	Ferris	Johnson	Oddie
Bratton	Fess	Jones, Wash.	Overman
Broussard	Fletcher	Kendrick	Phipps
Bruce	Frazier	Keyes	Pine
Cameron	Gillett	King	Pittman
Capper	Glass	La Follette	Ransdell
Caraway	Gooding	Lenroot	Reed, Mo.
Copeland	Gould	McKellar	Reed, Pa.
Couzens	Greene	McMaster	Robinson, Ark.
Curtis	Hale	McNary	Robinson, Ind.
Dale	Harreld	Mayfield	Sackett
Deneen	Harris	Metcalf	Schall
Dill	Harrison	Moses	Sheppard

Shipstead	Stephens	Underwood	Wheeler
Shortridge	Stewart	Wadsworth	Willis
Smith	Swanson	Walsh, Mass.	
Smoot	Trammell	Warren	
Steck	Tyson	Watson	

Mr. ODDIE. Mr. President, I desire to announce that the Senator from Oregon [Mr. STANFIELD] and the Senator from Montana [Mr. WALSH] are holding a hearing as a subcommittee of the Committee on Public Lands and Surveys.

Mr. PITTMAN. I wish to announce that the Senator from Rhode Island [Mr. GERRY] is absent from the Senate because of a death in his family.

The VICE PRESIDENT. Eighty-one Senators having answered to their names, a quorum is present.

REGULATION OF RADIO COMMUNICATIONS

The Senate resumed the consideration of the report of the committee of conference on the bill (H. R. 9971) for the regulation of radio communications, and for other purposes.

Mr. PITTMAN. Mr. President, I am satisfied that two-thirds of the Members of the Senate are trying to live up to the prayer which was read earlier in our proceedings.

I believe we are about to vote on the conference report on the radio bill. I think that more advice has been given from the country with regard to this proposed legislation and that there is less knowledge in the country with regard to it than as to any legislation I have ever known in all the 14 years I have been here. It is certainly impossible to expect the people of the country to understand what is pending here when it would be safe to say that not half the Senators have read the bill which they are asked to adopt. I am always pleased to receive petitions from the people of the country with regard to legislation, particularly with regard to those matters about which the petitioners are supposed to know something, and about which they generally do know more than those who are attempting to legislate.

The telegrams which I have received have stated nothing with regard to the pending legislation except that some legislation should be passed so as to avoid confusion. I wish to charge—and I have the evidence to sustain the charge—that during the discussion of this conference report broadcasting stations throughout the United States have deliberately, by changing their wave lengths, brought about the confusion, and then, after having brought about that confusion they have, over the same broadcasting stations, said, "This is what will continue unless Congress shall pass the radio bill."

Mr. President, there is no Senator or Representative but desires to have legislation to control radio. The question is, Shall we pass any bill that the conferees hand to us under the fear that it is the only legislation we can get? That is the exact position in which we are put at the present time.

I have no desire to kill this legislation; I am as anxious as is anyone for its passage. What I do desire, however, is that the Senate shall send back to conference this conference report with the suggestion that the conferees remedy certain defects in the bill that are due to the action of the conferees and not to the action of the Senate or House of Representatives.

I have prepared and written out the objections which I have to this conference bill. I have done so in order that they may be stated definitely and briefly, and I will now read those objections. The chief objections are these:

(a) Both the Senate bill and the House bill asserted the absolute and exclusive right of the United States to use and control the ether and radio channels for wireless and other purposes and denied the right of any individual or corporation to acquire any right in the use of the ether or radio channels as against the United States. The substitute bill reported by the conferees of the two Houses only claims the right of the United States—

> to regulate all forms of interstate and radio transmissions * * * and to provide for the use of such channels, but not the ownership thereof, by individuals, firms, or corporations for limited periods of time under license granted by Federal authority * * *.

(b) The Senate bill provided—

> No license shall be granted until the applicant, either for a license or for a renewal of license, has signed under oath a waiver of any claim of right to any wave length or to the use of the ether because of any previous use of the same whether by license or otherwise.

This requirement has been eliminated from the legislation and is not contained in the conference bill.

(c) The House bill and the Senate bill each contained an identical provision as follows:

> Determine the location of classes of stations or individual stations (with due consideration of the right of each State to have allocated to it or to some person, firm, or company or corporation within it the use of a wave length for at least one broadcasting station located or to be located in such State whenever application may be made therefor) and the kind of apparatus to be used with respect to its external effect.

In the House bill this determination was to be made by the Secretary of Commerce, while in the Senate bill such determination was to be made by the radio commission. This legislation has been entirely eliminated and no such provision appears in the conference bill.

(d) The Senate bill in section C, subdivision K, protects against and prohibits all unjust and unreasonable charges to listeners. This legislation is eliminated and no such protection is included in the conference bill. It is admitted that, under the bill, broadcasters have the authority and power to charge for listening in.

(e) The Senate bill provided, among other grounds, that the commission might revoke a license if the licensee—

> has failed to provide reasonable facilities for the transmission of radio communications, or has made any unjust and unreasonable charge, or has been guilty of any discrimination, either as to charge or as to service or has made or prescribed any unjust and unreasonable classification, regulation, or practice with respect to the transmission of radio communications or service.

This authority granted to the commission in the Senate bill is eliminated in the conference bill. In the conference bill neither the radio commission or the Secretary of Commerce has authority to investigate any charges or protests made against a licensee on such grounds. According to the provisions of the conference bill before the Secretary of Commerce or the radio commission can consider any protests or charges upon such grounds the Interstate Commerce Commission must first have found that such charges are well founded. In other words, in the conference bill the radio commission that has the power to revoke has not the power to consider or determine such charges. There is a serious doubt whether the Interstate Commerce Commission has been granted authority to make such investigations. It is evident that the Interstate Commerce Commission has no knowledge concerning the radio industry and science and has not time to acquire such knowledge. It is well known that the Interstate Commerce Commission, which was established for the purpose of regulating common carriers by land and by telephone and telegraph, has more work already imposed upon it than it can perform.

(f) The Senate bill provided for the control and regulation of the ether, radio channels, wave lengths, and the radio industry by a permanent bipartisan commission selected from various sections and zones of the United States, a majority of whose members would be constantly in office. The House bill provided for such control by the Secretary of Commerce. In the natural course of events Secretaries of Commerce change. It is reasonable to expect that the benefits to be obtained from the services of a constant and permanent regulatory body can not be expected from a Secretary of Commerce. The conference bill limits the exclusive authority of the radio commission to one year. After that primary authority is granted to the Secretary of Commerce while certain appellate power is still retained in the commission. The salary of the commission ceases after one year and only a per diem is allowed when they are called together. No satisfactory commission can thus be maintained.

(g) Section 27 of the conference bill provides that—

> * * * no person not being authorized by the sender shall intercept any message and divulge or publish the contents, substance, purport, effect, or meaning of such intercepted message to any person; * * *.

This language does not limit such message to one of a private or personal nature, and therefore must apply to all messages. The language in its uncertainty is dangerous. It might be construed to prohibit the interception and publication of a speech by the Premier of England sent by the broadcasting corporation of England to the Radio Corporation of America. It might be construed to prevent the interception and publication of a speech by the President of the United States sent by one radio corporation to another radio corporation.

(h) No authority is given to the commission or the Secretary of Commerce to limit the extent to which broadcasting stations may be utilized for purely advertising purposes. The owners of the 15,000,000 purchased radio receiving sets in the United States are interested in the character of matter that is broadcast. This subject becomes particularly material when it is understood that there are only 89 effective broadcasting channels.

Mr. President, those are the chief objections that I find to this legislation. I wish to say now that the Senate and the House had a right to prepare such legislation; but such legislation was not prepared either by the United States Senate or by the House of Representatives. There are many provi-

sions in this bill which have been prepared by the conferees that do not appear in either House or Senate bill, and there are provisions in identical language in both House and Senate bills that do not appear in this conference bill.

It has always been understood in this body that matters agreed on by both Houses in separate bill should not be disturbed by conferees. It is very natural that the people of the country should not understand the functions of conferees when there is such a difference of opinion in the United States Senate with regard to the functions of conferees. Under our form of government it is essential that a bill pass both Houses of Congress before it is signed and becomes a law. There are two separate bodies. If a bill originates in the House, as did this radio bill, when it comes to the Senate the Senate is at liberty to use the House bill as the foundation for its legislation, to adopt the House bill as it is, or to strike out certain provisions of the House bill and add provisions of its own, or the Senate has the power to strike out all after the enacting clause of the House bill and write its own bill. If that is done, the Senate bill goes back to the House in that form as an amendment to the House bill. The House may accept the amendment of the Senate—which means to accept the Senate bill—or it may ask for a conference; and it will appoint, we will say, three Members of the House, and the Senate will appoint three Members of the Senate, and they will then take the two bills and try to adjust the differences in the legislation.

From time immemorial, since conferees have been known, it has been understood that their functions were limited to dealing with the subject matter of the two bills in the first place, and making only such changes as were essential to adjust the differences between the two Houses. That was violated more or less, however; so in 1918 the Senate of the United States adopted this rule. I read the second paragraph of Rule XXVII:

> Conferees shall not insert in their report matter not committed to them by either House, nor shall they strike from the bill matter agreed to by both Houses. If new matter is inserted in the report, or if matter which was agreed to by both Houses is stricken from the bill, a point of order may be made against the report, and if the point of order is sustained, the report shall be recommitted to the committee of conference.

I have just called attention to the fact that there are several provisions in identical language in the House bill and in the Senate bill that do not appear in this conference bill. With regard to one of them—subdivision (d) of section C, as it appears in the Senate bill—a provision guaranteeing to each State the allocation of at least one wave length for broadcasting purposes, I raised the question here on the floor on a point of order made by the Senator from Nebraska [Mr. HOWELL]; and the Senate sustained the Chair in holding that the conferees had not violated Rule XXVII by leaving out that identical paragraph in both bills.

Whether or not the Senate be right in its ruling, that omission still stands as an objection to this bill. I am not interested in the Radio Corporation of America, nor am I interested in any broadcasting concern. I am interested, of course, as a listener-in. I am interested with those who have purchased the 15,000,000 radio-receiving sets in the United States. I am one of them. I understand what they wish from personal experience and from conversations with them. I know that this bill, written by the conferees, makes no provision whatever against charging for listening in. I know that this bill makes no provision whatever against charging for patented devices which will be essential to listening in. I know that there is nothing in this conference bill that gives the licensing authority and the authority that has the right to revoke licenses any power to fix charges, any power to regulate charges, any power to prohibit charging for listening in, any power to revoke a license for putting a charge on listening in.

I tell you, sir, that the 15,000,000 listeners-in of this country are being ruthlessly deceived by the broadcasting corporations of this country. It would seem that the 15,000,000 listeners-in would at least have some suspicion with regard to the wholehearted sympathy of the broadcasting concerns for them.

Broadcasting concerns can not make money out of the broadcasting business from now on unless they charge those who listen to them. Why? Up to the present date the broadcasting concerns have earned their money through the sale of receiving sets. They have sold nearly a billion dollars' worth of receiving sets, and they could afford to hire entertainers to broadcast, because it encouraged the purchase of radio sets. But now that the country is saturated to a great extent with radio sets—15,000,000 sets have been purchased and probably as many more have been manufactured by individuals—they must look to some other source to justify their continuance in operation. No one objects to that, but they should not be allowed to charge unlimited sums for listening, should they?

Everyone knows that this has got to be a monopoly. It is a natural monopoly. The Secretary of Commerce states that he believes that the best service will be given by a few superpowerful broadcasting stations. He is probably right. A great many persons who have studied the matter believe that greater service can be rendered in that way; but that makes the power of regulation all the more necessary.

What powers of regulation has this bill in it? It is the most astounding thing you ever read. It does not give to the officer that licenses and the commission that may revoke licenses the power to fix charges. It does not give either the Secretary or the commission the power to investigate charges. It does not give either the power to investigate discriminations. It does not give either the power to investigate lack of service.

Think of such a bill! Here you are seeking now to regulate a known monopoly, an inevitable monopoly, and yet you give to one man after a year the power to issue these licenses; you reserve the power to a commission to revoke them; and yet you do not give either one of those the authority to regulate the charges. There is no power in the bill to fix charges. You do not give them any power to regulate service. You do not give them any power to prevent discriminations.

That must appear to be a great mistake. You will have to have a firm control over this industry. If it is better to put it in the hands of one man, like the Secretary of Commerce, instead of in the hands of a commission, all right; but when you recognize the fact that this industry has to be controlled by a strong hand, why do you withhold from that strong hand the power to regulate? If there ever was a bill manufactured for the very purpose of preventing regulation, it is this bill.

The Senate bill, which we considered carefully here, gave to a commission constituted like the Interstate Commerce Commission the same powers that the Interstate Commerce Commission has, and those powers would have included the power to fix rates and charges and prohibit discriminations. They would have included the power to determine what service was essential to every State in this country. They would have included the power to determine whether or not there was discrimination in favor of A as against B.

That was what the Senate wanted; but what do the conferees want? The conferees have destroyed the initiative of the commission after one year, and put the initiative in the Secretary of Commerce, and leave the appellate authority in a commission whose members do not draw salaries, and who will be scattered to their homes. But suppose they do put it entirely in the hands of the Secretary of Commerce: Why should they take out of the hands of the Secretary of Commerce the power to investigate excessive charges, the power to investigate discriminations, the power to investigate monopoly, the power to investigate lack of service? Yet they have done it. They have expressly taken that power out of the hands of the licensing power and the power that revokes licenses.

Mr. KING. Mr. President, will the Senator permit an inquiry?

Mr. PITTMAN. Yes.

Mr. KING. As I understand this bill—and I ask for information; I am very much interested in the able presentation being made by the Senator—the charge is made, and I think with very much force, that there is a monopoly, or at least a potential monopoly, existing now in this important industry. This bill affords no means of restricting or curbing the monopoly. It is contemplated that these high-powered organizations that now have the licenses will charge the multitude for listening in; and, notwithstanding that fact, notwithstanding the potential if not actual monopoly, this bill provides no means by which the public may be protected, and therefore is confirmatory of the monopolistic power which already exists. Is that the interpretation of the Senator?

Mr. PITTMAN. Mr. President, let me read from the conference bill itself. Under the bill which passed the Senate there would be no question but that the commission had full power to investigate charges of discrimination, monopoly, lack of service, or any other wrong, and would have a right to revoke a license when they found any of those wrongs to exist. But let us see what is in the conference report bill. Section 14 of the conference bill states when licenses may be revoked. It mentions two or three things among the grounds on which they may be revoked, and provides:

> Or whenever the Interstate Commerce Commission, or any other Federal body in the exercise of authority conferred upon it by law, shall find and shall certify to the commission that any licensee bound so to do, has failed to provide reasonable facilities for the transmis-

sion of radio communications, or that any licensee has made any unjust and unreasonable charge, or has been guilty of any discrimination, either as to charge or as to service or has made or prescribed any unjust and unreasonable classification, regulation, or practice with respect to the transmission of radio communications or service.

That, sir, is the provision of the conference bill that we are asked to adopt. In other words, the men who have charge of this industry under this bill are the members of the radio commission and the Secretary of Commerce. They are the ones who grant the licenses. They are the ones who determine when and if a license shall be revoked. The Interstate Commerce Commission has no power to revoke a license. Mind you, the very power upon which is imposed the duty to revoke a license if there is a wrong is not given the authority to investigate the wrong. Can there be any greater absurdity? The only reason a person can conceive of for such a provision is that it is intended to be made so difficult to find out the facts that nobody will ever find them out. Does not everyone know what would happen?

We will assume, for instance, that one of the radio fans who wires in here anonymously should find that he lived in a certain section of the country that was not being served by the superpower broadcasting company. Where would he make his protest? He would naturally write to the Secretary of Commerce, and the Secretary of Commerce would say, "I have no authority over that." Then he would write to the radio commission, and the radio commission would say, "We have no authority over that. You will have to lay your protest before the Interstate Commerce Commission." Then he would lay his protest before the Interstate Commerce Commission, and what would happen to him? There are protests before the Interstate Commerce Commission with regard to railroad discriminations that have been lying there for years and years. That is not the fault of the Interstate Commerce Commission. They are only a certain number of human beings, and they have imposed on them too much work. They are supposed to value all the railroads of this country. They are 10 years behind in that. They are supposed to settle every protest over a discrimination in freight rates in this country. There are thousands of cases of that kind pending. Yet by this conference bill we are asked to say to this poor, unfortunate human being out in the woods somewhere, who never can get any service, "Go to the Interstate Commerce Commission and file a protest, and try your case to see whether or not you are getting service."

Mr. DILL. Mr. President——

Mr. PITTMAN. Just wait a minute until I get through with this line of thought, unless the Senator wants me to talk all day, and I am not going to do that. I am going to finish, as I told the Senator.

Let me go just a little further. A preacher representing the church to which the Senator from Washington belongs desires to preach a sermon over the radio. He preaches the sermon over the radio, and his church is charged $100 a minute. The preacher of another church goes to the broadcasting station and preaches, and he is charged $100 for 10 minutes. Is that fair? That is a discrimination. Is there anything in this bill to prevent that?

Suppose the preacher representing the church of my friend from Washington should go to the Secretary of Commerce and say, "I have been treated unfairly. There has been a discrimination against me as to charges." The Secretary of Commerce would have to say, "I have no jurisdiction over the matter." Then he would go to the radio commission, and the members of the radio commission would say, "We have no jurisdiction over this matter. You will have to go to the Interstate Commerce Commission." He goes to the Interstate Commerce Commission and files his protest to the effect that he has been charged ten times as much as some other preacher for talking over the radio, with the use of exactly the same facilities. What happens? He may get a decision in 5 or 10 years, or the Radio Corporation of America may appear before the Interstate Commerce Commission and say, "There is no authority under existing law for you to fix rates on radio"; and there is a grave doubt as to whether there is. If there is any power under which the Interstate Commerce Commission can fix charges on radio, we know that they know nothing about radio, and they have not time to learn anything.

The thing that was wrong with this whole proposition was this: This new industry, this growing science, this far-reaching power, should be handled as we handle the railroads. We established an Interstate Commerce Commission to handle railroad questions, and yet the railroad problem had been with us for nearly a hundred years, and was a simple problem by comparison with this. What do we have to do with this problem? The conference bill would do everything on God's earth it could to confuse the problem. It has it messed with by the Secretary of Commerce and fooled with by a body that draws no salary, called a radio commission, and neither one of them has jurisdiction to investigate and determine the most important disputes that will arise under the operation of radio.

Oh, yes; of course the radio broadcasters of this country want this bill passed. Does anyone doubt that? Do not Senators know that nearly every telephone company in the United States in every little town is getting some one to send a telegram saying, "Pass this bill"? What do the senders of those wires know about it? Why was it that just recently the broadcasting concerns of the West all changed their wave lengths, sometimes a hundred degrees, to have them conflict, and the next day said, "If you do not pass this bill, you will have that same condition for another year"? Why have we not had that for a year? Why does it happen just now?

Mr. President, I do not believe I am naturally suspicious, but when telegrams pour in from all over the United States to Senators from people who know nothing about this legislation, and can not know anything about it, urging its passage, I know the stimulus comes from somewhere, and where should the stimulus come from for the passage of this bill?

This bill is fair to only one institution. It is fair to the monopoly that will be created under it. The monopoly that may be created under it is practically free of control. There is nothing in the bill about charges, there is nothing in it about service, there is nothing in it about discrimination, unless a complainant goes to another body created by another law for another purpose and there makes his protest.

Mr. DILL. Mr. President, will the Senator yield?

Mr. PITTMAN. Yes.

Mr. DILL. I know the Senator does not want to make a misstatement. He says there is nothing in this bill that would empower the radio commission to compel radio broadcasters to give service. I think he did not mean to say that.

Mr. PITTMAN. I did mean to say that.

Mr. DILL. Then the Senator is mistaken.

Mr. PITTMAN. The Senator can answer me in his own time.

Mr. DILL. I just wanted to call attention to the fact that the whole basis of the bill is public service to the listeners in.

Mr. PITTMAN. Mr. President, that statement of the Senator from Washington would be as absurd as this bill if the bill were not tragic. The whole basis of this bill is service? I know the Senator thinks that. Of course, he does. We all admire the honesty and the seriousness of the Senator from Washington. He believes that the whole basis of this bill is service, and I do not, and I am arguing my side of it.

I say that there is no legislative body on God's earth that was intending to give control of an industry such as this to a commission, or to the Secretary of Commerce, that would ever have prepared a bill like this. Can anyone think for one moment of saying there must be a powerful control over a future monopoly, and then not give to the party who is supposed to give the license and revoke the license the power to investigate monopoly, the power to investigate discrimination, the power to investigate overcharges, the power to investigate lack of service? Can we think of any legislative body creating a radio commission and not giving them the right to determine those questions?

We gave the power to the Interstate Commerce Commission over railroads to fix their rates. Of course, we did. We gave the power to the Interstate Commerce Commission to compel railroads to give exactly the same service and the same charges to every shipper. Read the interstate commerce act and you will find the power that we gave the Interstate Commerce Commission over railroads. Read this thing which the Senator says is based on service. The only service in this whole thing is service to a future monopoly; that is all.

It is the greatest outrage on the listeners-in of this country, because it allows the charging of any price, either directly or through a subterfuge of allowing the use of a patent. That is the outrage in that.

It would permit the monopoly to cut off the listeners of a whole section of the country if it saw fit to do it. It would allow them to select those who may use their broadcasting station as far as the regulatory body is concerned, as far as the Secretary of Commerce is concerned, or as far as the commission is concerned.

They do not even retain in this so-called regulatory body any power of limitation of the character of stuff that they will use the broadcasting facilities for. If you could have as many broadcasting stations as telephone companies, or if you could have as many broadcasting stations as railroad companies, competition would settle a great many things, but there are only 89 effective wave lengths, and the Secretary of Commerce, who is to become the primary mover in this control at the end of

one year, has already announced it as his opinion that the best service can be obtained through superbroadcasting stations.

As I said before, probably he is right. Perhaps the best service to the listeners-in can be obtained in that way. But when that idea is followed out, you cut out competition; there is no such thing as competition under those circumstances. Whenever you realize that you are building up something where there will be no competition, where there is a single power, you do not start in to grant that power, and not reserve definitely every power of control over it that is essential to the welfare and safety of the people of this country. It is not done.

Those behind this legislation are counting on passing it through a tremendous propaganda. They have thrown their thousands and hundreds of thousands of telegrams in on Senators advising them to vote for a bill about which the sender of the message knows nothing, and some Senators are paying attention to those telegrams and are not looking at the bill, because they do not want to look at it; they do not want to understand it.

There is one thing which you will find out, that if it becomes necessary to make money out of broadcasting, the broadcasting concerns, when they have sold all of the receiving sets they can, will shoot out through this country every night magnificent, interesting statements with regard to sausage and pig's feet. Why not? If they can be paid to broadcast advertising matter throughout the country, why should they not do it? It is fair to the broadcaster, but is it fair to the 15,000,000 people who have bought receiving sets? There should be some power in the hands of the Secretary of Commerce or the radio commission, or both of them, who have the power to grant and revoke licenses, to place some reasonable limitation on the use of the broadcasting stations so that they might be enjoyed by and be beneficial to the people of the country. But the conferees' bill does not propose to do any such thing.

Another proposition is this: It is made unlawful to intercept a message and to publish it without the consent of the sender. Such a law was enacted by Congress in connection with telegraph companies. A telegraph company is a different thing from a broadcasting company. A telegraph company owns its own wires. A broadcasting company owns nothing except the sending apparatus. What is the result? If they have no vested rights in the use of the ether, then that provision will absolutely fail. On the other hand, as I said, a great speech may be made by some statesman in England on some subject of world-wide interest and the broadcasting company of England may send it out to the Radio Corporation of America in New York. It may be intercepted by the New York Times or Herald or some of the other great papers of the country, but they would be prohibited under the provisions of the bill from publishing it without the consent of the sender. If we carry that proposition to its legitimate end throughout the country, let us see where we wind up.

Of course, the newspapers have announced that they intend to violate any such absurd proposition. But when we are constructing a law of this importance, dealing with one of the great powers which has so recently come into existence, one which we have just discovered, why should we not give some thought to it? Why should we not realize that it is bound to be a monopoly and that the power in the hands of that monopoly, unless it is under the strictest control, may be used for the oppression of the people of the country?

Mr. President, this thing is an outrage. I want to read into the RECORD a part of the various bills, not for the benefit of the present but for the future, because there is going to be a future and a terrible future from the effect of the provisions of the bill.

What was provided in the House bill with regard to title when it came over to the Senate? Mind you, when the bill was considered in the House Committee on Interstate Commerce the committee came to the conclusion not only that the Government was the exclusive controller of the ether but that it should be asserted as such controller and that we should assert our right over it so that no private corporation or individual could obtain any vested right in the use of the ether or wave channels as against the United States.

Here is what the House bill provided and here is what the House of Representatives adopted unanimously:

> That it is hereby declared and reaffirmed that the ether, within the limits of the United States, its Territories and possessions, is the inalienable possession of the people thereof.

Is there any such declaration in the conferees' bill? There is nothing of the sort that I can find. Let us go a little further. The bill came over to the Senate and was referred to the Committee on Interstate Commerce of the Senate and here is what that committee put in the bill. It is found in section 24 of the Senate bill:

> That the Federal Government intends forever to preserve and maintain the channels of radio transmission as a perpetual medium under the control and for the people of the United States.

Is there any language like that in the conferees' bill? I wonder why the conferees objected to that language. I would like to know why. Here was a great House committee which adopted that language. Here was the whole House which adopted that language. Here was a great committee of the United States Senate which adopted it, and here was the Senate itself which adopted it. Why was it not satisfactory to the conferees on behalf of those two bodies? The reason why it was not satisfactory was because, they have stated, it was urged that it was unconstitutional. Eternal heavens, here were six conferees on the part of the two Houses listening to evidence and matter that came out after the bill had passed both Houses, listening to some lawyer possibly on behalf of the Radio Corporation of America claiming that we can not leave that kind of an assertion in the bill because it is asserting something unconstitutional. Would it not be well, when both of the bodies and two of their great committees have asserted the title of the United States and its superior right to the ether, to leave that language in the bill and let the Supreme Court of the United States decide that it was an unconstitutional allegation, if we ever wanted to do it?

Going a little further, there seemed to be a great fear of stepping on some of the constitutional rights of the broadcaster. We will turn now to the waiver provision. In the Senate bill the Senate committee and the Senate evidently had some purpose in requiring that a waiver should be contained in the license. They had some purpose in doing that. There is no doubt what the purpose was. They knew there were certain attorneys for the broadcasting companies who were contending that we could not put them out of business, who were contending we had to give them a license. We know that we can not give all of them licenses. Somebody has to be denied a license, and unless we have some authority beyond regulatory power, unless we have a prior right in the ether, we can not stop a company that is operating; so we put in this safeguard. We knew that we wanted to license some of them, and we said to them, "When you take out a license you must sign a waiver." What was that waiver?

> No license shall be granted until the applicant either for a license or for a renewal of a license has signed, under oath, a waiver of any claim of right to any wave length or to the use of the ether because of any previous use of the same, whether by license or otherwise.

That provision was in the Senate bill, and it was adopted by the Senate, but what happened when it got to conference? The conferees do not have the broadcasters waive any claim of right as against the United States, but they must waive a right of claim against the "regulatory power" of the United States. Instead of waiving any claim as against the title of the United States, they only waive a claim as against the right of the United States to regulate.

Everyone who has the slightest knowledge of constitutional law knows that the Supreme Court has held time and time again the absolute power of the Federal Government to regulate common carriers in interstate commerce. Why should we want a waiver of that power? What we want them to waive is any claim of a vested right to the use of the ether or wave channel, because they have been using either. We want them to waive that claim because we do not want any litigation.

A railroad company may sign a waiver against the regulatory rights of the United States, but it does not sign a waiver of title. If there were dispute over a right of way and the Government would say, "Before we grant you certain privileges you will have to waive any claim of title as against the United States of that right of way," that would be a matter of title; but when they waive any claim of right against the regulatory power of the United States they are waiving nothing, because there is no dispute over that right at all.

For instance, the radio commission under the terms of the bill may find it necessary to cut out of the State of New York 100 broadcasting stations, which have been operating two years. What question then arises? Is it a question of power to regulate? No; that question does not arise. If they want to cut out those hundred stations, they must say, "No; we are not going to give you a license; we are not going to let you operate; we are going to put you out of business." What power has the United States Government to put them out of business? Does the regulatory power give the Government the right to take

their property? Certainly not. The power to regulate must be reasonable; the power to regulate can not be confiscatory.

We can not take property away from a person through the power of regulation. We can not, through the power of regulation, stop a railroad which is operating. We can not stop 100 broadcasting concerns in New York from operating by the power of regulation. The only way we can stop them is to have inalienable control over the ether that surrounds the country. If we have not got that power, we can not stop them; and yet the bill intends to stop some of them. It means to stop some of them if the regulations are to be of any consequence at all. But they have emasculated the waiver provision in the Senate bill by putting in the words "regulatory power" when the waiver was originally against claim of title. They not only cut out of the conference bill the two assertions of title which were in the House bill and the Senate bill, respectively, but they cut out the waiver powers to conform to it. It seems to me that this was evidently reviewed by a very able lawyer before it was finally adopted.

Let us see what was in the Senate bill with regard to revocation. I am reading from section 8. This gives the ground on which the radio commission may revoke a license, and it is not in the conference bill. Here is what was provided in the Senate bill. A license may be revoked when—

any licensee bound so to do has failed to provide reasonable facilities for the transmission of radio communications, or has made any unjust and unreasonable charge, or has been guilty of any discrimination, either as to charge or as to service, or has made or prescribed any unjust or unreasonable classification, regulation, or practice with respect to the transmission of radio communications or service.

That was the power of the radio commission under the Senate bill. If the conferees wanted to give power to the Secretary of Commerce, why did they not transfer that same power to him? But no, they did not do it. They did not even transfer the power to the Interstate Commerce Commission. They still left the power of revoking to the original radio commission or Secretary of Commerce, but under the terms of the conference bill they can not investigate these charges. They can not make any findings under the conference bill. They can not take any action whatever until after the Interstate Commerce Commission shall have found that the charges are well founded:

Listen to what we provided in the Senate bill with regard to listeners-in. This is subdivision (k) under Article C:

(k) Regulate and control any and all methods of transmitting energy, communications, or signals by radio where a charge is made to the listeners by the use of any apparatus, device, or connection by wire, and prohibit all unjust and unreasonable charges to listeners.

There was provided a commission with a proper power to protect listeners-in. Now the power to protect listeners-in is given to the Interstate Commerce Commission, which has no power to revoke a license.

A provision to protect States appeared in identical language in both the House bill and the Senate bill. I read from subdivision (d), paragraph C, as follows:

(d) Determine the location of classes of stations or individual stations (with due consideration of the right of each State to have allocated to it, or to some person, firm, company, or corporation within it, the use of a wave length for at least one broadcasting station located or to be located in such State, whenever application may be made therefor) and the kind of apparatus to be used with respect to its external effects.

In the House bill the right of a State was to be enforced by the Secretary of Commerce, and in the Senate bill that right was to be enforced by the radio commission; but the rights of the States were set forth in identical language; and yet the conferees in preparing their bill have absolutely left that out entirely. There is no provision whatever of that kind included.

Now let me call the attention of Senators to the provisions which deal with the commission. As I have before stated, paragraph B of the Senate bill provided for the creation of a commission to control this industry. That commission was to consist of five men, bipartisan, to be appointed from five separate zones in the United States, the zones taking in the whole country. In the conference bill we find that section 5 as prepared by the conferees does this to the commission:

SEC. 5. From and after one year after the first meeting of the commission created by this act, all the powers and authority vested in the commission under the terms of this act, except as to the revocation of licenses, shall be vested in and exercised by the Secretary of Commerce; except that thereafter the commission shall have power and jurisdiction to act upon and determine any and all matters brought before it under the terms of this section.

Then follow certain things which may be brought to the attention of the commission by the Secretary of Commerce. So the result of the situation is that the Senate has failed to obtain what it most sought, which was the absolute control of a future monopoly by a bipartisan, permanent, intelligent, well-informed commission; it has lost that, and that power goes to the Secretary of Commerce. The present Secretary of Commerce is an admirable man and no doubt would exercise these duties with great ability, but even Secretaries of Commerce change. He may be promoted and, of course, there is a possibility that he may be demoted. It is not necessary to deal with those possibilities. The fact is that an unstable body is being created in this bill. Then, after having destroyed the chief thing that the Senate fought for, which was the commission, and having given the power to the Secretary of Commerce, it is proposed to strike from the hands of the Secretary of Commerce and the commission the essential power to investigate monopolies and discriminations, overcharges, and lack of service, which was provided for in the Senate bill.

Mr. President, I have no desire to destroy this proposed legislation; I never have tried to destroy it, and that fact would have been known except for the misrepresentations that have been scattered over the country by those who are trying to intimidate us into passing ill-advised legislation.

I first offered a motion directing that the bill be recommitted to the conferees and that the House be asked for a further conference. That motion was defeated. I then argued the point of order that the conferees had no right to eliminate identical sections in the House and Senate bills. In the whole time that this subject has been before the Senate an examination of my remarks will show that I have not taken up on the floor over two hours in my time. It is true, when I first raised this question many Senators asked me to yield, not for the purpose of interrogating me but for the purpose in my time of interrogating the Senator from Washington [Mr. DILL]. There has been no filibuster on this matter; but I have attempted to induce the Senate to reconsider what I believe to be very unfortunate legislation.

It will not kill the bill to have the conference report go back to the House of Representatives and ask for a further conference with that body. That is not an unusual proceeding. We have had several conference reports come before the Senate in the last week or two as to which that very procedure has been followed, and the Senate has asked for a further conference with the other House. Why should we not do so in this instance? The bill could have gone back to the conferees two weeks ago, when the matter first came up, and a new report could have been submitted to the House and to the Senate by this time. Why has not that been done? Is it because the conferees believe this bill is perfect, or is it because they believe the House will not yield anything? I know well enough that the Senator from Washington does not believe the bill is perfect because he did more than anyone else to prepare the Senate bill which has been emasculated in the conference report which is now before us, and he can not believe that bill is perfect. If he believes that the House of Representatives will not yield anything, then I have no sympathy with that position, because it is our duty to ask the House to consider things that are reasonable. Not in a spirit of criticism of this particular matter, but in comment upon the general tendency of conferees of the Senate, may I say that too frequently in the last few years we have had conferees come back here after having abandoned the crucial principles for which we fought in this body, on the ground that if we did not take what the House conferees would give we could not get anything. That argument carries no weight whatever with me. I think sometimes we had better get nothing than to take things that are dangerous in their construction and in their effect.

I would not be standing here arguing this question if I did not consider certain provisions in the conference report dangerous. I think the confusion that exists now will be as molehill to a mountain by comparison to that which will exist a year from now if this conference bill passes as it is. I feel pretty confident that the listeners-in in this country are now just entering that stage where they have got to suffer for their ignorance with regard to this legislation in their servitude to the very interests which are going to impose on them; but such an experience may be necessary.

The idea of a man telegraphing me from my State saying, "The radio bill is a good bill; vote for it." I know he does not know what is in the radio bill; I know that he has never seen it, and the chances are if he saw it he would not know what it meant, as it is very complicated. That character of petition is disgusting; it is not the character of petition that was contemplated in the Constitution of the United States; it is not the

character of petition that should have influence upon any man who is worthy to sit in this body.

WAR SITUATION IN MEXICO

Mr. HEFLIN resumed the speech begun by him yesterday. The entire speech is as follows:

Mr. President, I agree with a great deal that the Senator from Tennessee [Mr. McKELLAR] has said. My State has not been treated right in this matter, and I want time to talk to the Members in charge of this measure before we take a vote on it.

I am going to discuss now a measure in which the people of the United States are more interested than they are in a few public buildings.

Every indication in the press now is to the effect that war is coming on. Nicaragua is setting the stage. The Washington Post is breathing out the prophecies of war. On yesterday morning we find in the Post this article from Nicaragua:

February 14.—An automobile flying the American flag, in which Lawrence Dennis, the American chargé, and the correspondent of the Associated Press had traveled from Managua to Matagalpa was fired on during the disturbance. No one in the automobile was injured, although one bullet lodged in the upholstering.

I have seen so many of these war programs laid down that I believe I know them when I see them. I predict that a little more and more articles like that will appear, and when Congress adjourns and the people's representatives have gone home, as I said before, something will happen here at Washington or down there, and the matter will have proceeded so far that probably there will be nothing to do but to go to war with Mexico, as the Knights of Columbus planned in Philadelphia last August.

Here is an editorial from Mr. Ed McLean's paper here in Washington, in which this language is used:

In view of the constant danger to Americans and other foreigners for whom the United States is responsible, it would seem necessary to take a further step. The revolutionists should be commanded to quit.

What business is it of ours what government they set up down there? They are fighting amongst themselves. Why have we gone down there with our implements of war?

Again, Mr. President, in that paper it is said:

The half-way measures thus far taken by the United States are not bringing peace in Nicaragua.

What does that mean but a suggestion for war?

On January 14 I made a speech upon this subject, just after the New York World, in an editorial of the 13th, had said that the people of the United States are more nearly in war with Mexico than they have any idea.

Mr. President, I trust that the Senators on the other side of the aisle, if they want to carry on conversation, will go to the cloakroom. I am discussing a matter in which ninety-odd millions of people are interested, and they have to rely upon the CONGRESSIONAL RECORD to get the absolute truth as to what transpires here. Some of the press is free, and some of these boys who write for the press are honest; but they cut down their reports, and so garble them that the people do not get what transpires here. It is an awful and a sad and a lamentable situation that we labor under at the Capitol when special privilege is back of a movement that the Representatives of the people oppose.

I have been slandered and vilified because I dared to speak against the program of the Knights of Columbus, citizens of the United States. Why should I not speak about the Knights of Columbus if they are doing something that they ought not to do? Why should I not speak about them as I should about any other class of American citizens? What is it about their peculiar relation to some foreign potentate and power that makes them so extremely sensitive that they are ready to denounce, in the vilest language they can employ, a United States Senator who dares to denounce their efforts to plunge us into war?

I never had the slightest conception of the political activities of the Catholic clergy, of the Catholic hierachy, of the Knights of Columbus, until I raised this issue in behalf of my country. The Catholic press from one end of the country to the other has assailed me, slandered me, vilified me, because I have dared to bring to the light a deep-laid plan to involve my country in war at the instance of the Knights of Columbus, speaking for the Catholic hierarchy of the United States.

I am going to undertake to prove my case to-day, and I am going to leave it to sympathetic Senators—and they are here, three-fourths of them—as to whether or not I prove my case; and I am going to leave it to the 100 per cent American people, Jew and gentile, who do not want war with Mexico, as to whether or not I prove my case.

I want to read, in the outset, a statement made by a Mr. Flaherty. He is the supreme head of the Knights of Columbus of the United States. This statement appeared in the Washington Post on January 15, after I had spoken on the 14th. Here is his language:

The Knights of Columbus do not urge intervention in Mexico. The Knights of Columbus do not plead for the United States help for the Catholic Church in Mexico. The issue is not the Catholic Church.

Now let me submit the proof.

The Senator from Maryland [Mr. BRUCE] is the first Protestant American Senator to denounce me upon this floor for raising a religious issue which I never raised. He deplored the fact that I had dared to bring to this floor this question, when all I did was to read from the resolution passed by the Knights of Columbus their purpose to involve us in war—a resolution which denounced the American Government for the position it had taken toward Mexico; a resolution which told the President, "Watchful waiting is a thing of the past; we demand action." What is that action except war? When peaceful means are no longer employed, war is resorted to.

I showed that at that meeting in Philadelphia the religious question was the main question considered. I showed that a few weeks after that resolution was adopted Bishop Dougherty, a Catholic of Philadelphia, congratulated the Knights of Columbus for having waked up a portion of the people who apparently had been dormant, and notified them that they could not mistreat Catholics or treat Catholics with indifference. The Catholic idea was back of it all. The Catholic idea runs through it all. It was a Catholic movement from the outset, and I am going to prove it to-day by their own utterances.

The Senator from Maryland [Mr. BRUCE] was the first to come forward; and then the big voice from Missouri came in and had to express his views and announce his candidacy for the Presidency, hoping to get the Catholic hierarchy to support him. But back to Maryland: God bless that old State! I have loved it from my youth time. I regret to see the Senator from Maryland taking the stand that he is taking against an American Senator who is fighting an interest which would involve his country in war.

Mr. BRUCE. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Alabama yield to the Senator from Maryland?

Mr. HEFLIN. I yield for a question.

Mr. BRUCE. I should just like to say that I regret that the feeling of affection which the Senator entertains for Maryland, I am afraid, is a case of unreciprocated affection.

Mr. HEFLIN. I deny that. I can beat the Senator in the State of Maryland to-day. That is a broad statement, but I can defeat him myself in the State of Maryland. If the Senator knew how low his stock has gone politically in the last two or three weeks, we would not hear much more from him in this Chamber. So I deny that the Senator speaks for Maryland in regard to that. Hundreds of letters from his State have indorsed my course. Citizens of his State have even written to me swearing that if I was harmed others would die to pay the penalty. When a man is willing to die for you, he cares something about you and the fight that you are making.

But let me get back to the issue; and let Senators listen to this, and the press gallery, too, because it would be glorious news to the country, in view of the Senator's stand that I had injected the religious issue:

Knights of Columbus, Maryland State Council, Baltimore, Md., March 25, 1926.

Preceding the convention in Maryland.

To the honorable the chairman of the Committee on Foreign Affairs of the United States House of Representatives—

And so forth.

Subject: Resolutions of protest against religious persecution in Mexico, from the Knights of Columbus of the State of Maryland.

Whereas the Government of the United States has admitted Mexico and its Government into its circle of international friendship and continues to recognize this Government, in spite of its indecent and degrading acts toward priests and sisters of the Catholic Church and its efforts to destroy the Catholic Church in Mexico; and

Whereas decent and liberty-loving citizens of the United States can hope for no relief from this unjust and degrading spectacle, from this or any other administration in Mexico, because the persecution of Catholics and the plan to destroy the Catholic Church in Mexico is provided for in the provisions of the Mexican constitution of 1917—

And so forth.

Now, therefore, be it resolved by the Knights of Columbus of Maryland, That we, as citizens of the United States, do earnestly protest against the continued recognition of the Government of Mexico.

GEORGE R. CALLIS, Jr., *State Deputy.*
WILLIAM H. TIBBETS, *State Secretary.*

Now, let me submit some more proof along that line. Here is a statement of a Catholic priest of Washington, Priest Ripple.

I read:

Statement of Rev. Father M. J. Ripple, Holy Name Society.

A religious and Catholic institution. Priest Ripple says:

Mr. Chairman and gentlemen of the committee, I do not want to keep you more than a few minutes. I am the national director of the Holy Name Society, concerning which you have all heard, which enjoys a membership of 6,500 organizations, with a total membership of about 2,000,000 men.

Catholic institutions. He is speaking only for Catholics.

The men of the Holy Name Society have instructed me to register their protest against the laws of Mexico; against recognition by this Government of Mexico.

There is a Catholic priest claiming to speak for 2,000,000 Catholics regarding the religious situation in Mexico.

Let me read again from the hearings before the House Foreign Affairs Committee, which, strange to say—and I want the country to know it—have never been printed. Hundreds of requests have come for this document, and people have not been allowed to read it. It has been tucked away in the House committee until to-day when I got hold of the hearings, and I am now reading from them. I am giving what transpired at the beginning, and showing you who was supporting the resolution declaring for a severance of diplomatic relations with Mexico—a resolution introduced by a Roman Catholic, Mr. BOYLAN, of New York. These hearings were had upon that resolution, and since certain Senators have accused me of injecting the religious issue, I am going to establish to the satisfaction of every honest man that the religious issue raised in this Mexican situation was not raised by me, but that they raised it, and that it was and has been a Catholic move from the beginning.

Here is another statement filed with the House committee, referring to letters and telegrams representing the Holy Name Societies mentioned by the Catholic priest, Ripple. After compiling figures, it is said:

These figures total 1,656,711, with branches numbering 3,960.

Remember, these are all Catholic religious organizations.

This forms the protest of the Holy Name Society against laws against religious liberty in the Mexican situation.

Let me read again:

March 28, 1926. Minot, N. Dak. Rev. Michael Ripple—

That is the priest here in Washington, to whom all these telegrams were sent here in Washington—

515 Sixth Street SW., Washington, D. C., whereas during the past year—

Mr. President, before I read that, let me say that there was concerted action between these societies and this priest in Washington, there can be no doubt, because they all sent their telegrams on the same day urging this action before the House committee on that very day, and this is one of the communications addressed to this priest requesting him to enter their protest to the committee.

I read:

Whereas during the past year the Government of Mexico has supported and protected a well-organized movement for the persecution and destruction of the Catholic faith in Mexico—

And so on. Then again:

Be it resolved by the members of St. Leo's Catholic Church of Minot, N. Dak., consisting of some 1,200 members, That the congressional committee of our Government before whom this matter is now pending do vigorously protest against further persecution of the Catholic faith in Mexico and demand of said Government freedom of religious belief, and upon failure of such Government to comply therewith that such committee do recommend the immediate severance of diplomatic relations between our Government and the Government of Mexico.

ST. LEO'S CONGREGATION OF MINOT, N. DAK.

What does that establish, Mr. President?

These letters are not coming in from citizens generally, and they are not asking that the protests be read in the names of "American citizens." They are asking that the protests of the members of the Catholic Church be read, and that is what was done at the hearings before the House committee.

Let me submit some excerpts from an interesting document, the Western Christian Advocate:

A widely known student of Mexican affairs, who has spent 10 years in close touch with the movements of our neighboring Republic, declared last week that there were three forces which would welcome a war against Mexico—certain of the oil interests, certain of the land interests, and the Roman Catholic Church. It would hardly seem that a church claiming to represent Christ would urge nations into acts of unfriendliness and violence. Not a single Protestant coming out of Mexico whom we have questioned has stated that the Government there is carrying on opposition to Christianity or to religious schools as such. Yet at this very hour Roman Catholic representatives in Congress are endeavoring to have this country break relations with Mexico on these grounds.

Let me read some more in this connection from the hearings which have been hid away from the public in a House committee. Bishop Matthews, a Roman Catholic bishop, closes his statement to the committee by protesting against brutal treatment received by priests and nuns in Mexico. Is he not raising the Catholic question?

Now, I want to read a statement from the Knights of Columbus pamphlet called "Red Mexico," which they are sending throughout the country. By the way, I have received probably two dozen copies of that pamphlet from the South in the last two or three days, one gentleman writing across the back of the pamphlet, "The South is being flooded with this pamphlet." Remember, that pamphlet is still being sent broadcast, even since the Senate passed a resolution declaring in favor of arbitrating our differences with Mexico.

The Knights of Columbus in their resolution at Philadelphia pledged their continued effort along the lines indicated by that resolution, aid to the Knights of Columbus of Mexico, and these pamphlets being sent out now indicate that they are keeping their promise to continue their propaganda in spite of the stand taken by the Government of the United States.

In the Knights of Columbus pamphlet called "Red Mexico," now being circulated throughout the South, I find this language on page 24:

Heretofore there has been a disposition to look upon this as a controversy between the Catholic Church and the Mexican Government.

On page 28 we find the language I shall read directly from a gentleman who says he is non-Catholic. I said before, and am going to repeat, Mr. President, that I never knew of the intricate workings of the Catholic hierarchy until this issue arose; I never knew how completely they dominated and controlled certain weak-kneed Protestants until this question came up. A gentleman wrote me a letter, which I have read into the RECORD heretofore, in which he stated that frequently the Catholics would vote for a weak-kneed Protestant because they could use him for certain purposes better than they could use a Catholic, and when one of them rises and declares that he is a Protestant and straightway proceeds to carry out their propaganda to do their bidding, I have my opinion as to the kind of Protestant American he is.

This man, who says he is a non-Catholic, in an article in this pamphlet, has this to say about the situation down in Mexico:

Calles is on top—

Referring to the President of Mexico—

and he is grinding the faces of the Catholics in the grit because he can, and he does not like them anyway.

Listen to this, Senators:

If the Mexican Catholics were in the driver's seat, they would be putting the bud to Calles as he is lacing it into them.

Here is an admission that the Roman Catholics want this Government to help them get the upper hand of Calles, and what do these resolutions speak of? Persecution of the Catholic Church. From whom are these protests coming? Societies of the Catholic Church. Who is wiring to Washington to report out the resolution of Mr. BOYLAN? Catholic priests throughout the country. Who later initiated the move and started on a nation-wide drive to force this Government to break diplomatic relations with Mexico? The Knights of Columbus of the United States. And because I brought into the Senate a resolution they passed, which suggested a course that would inevitably result in the killing of many American boys in an unjustified war, I have been accused of injecting into this matter a religious discussion.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished busi-

ness, which is the conference report on House bill No. 9971, the radio bill.

Mr. HEFLIN. Mr. President, I was about to say that because I, an American Senator from a sovereign State, dared to come into this Chamber and bring the written evidence of an effort to involve us in war by a secret order of the Catholic Church, I was pounced upon by the Senator from Maryland [Mr. BRUCE] and the Senator from Missouri [Mr. REED]. Of course, I did not expect anything except that those who belonged to the Roman Catholic Church would say something. If they had not said something probably they would have been lectured severely by those in authority over them. But for these other two Senators to stand here and undertake to lecture me because I had discussed a question involving the activities of members of the Roman Catholic Church seemed out of place and entirely inappropriate. Are there any questions affecting this Government and the lives of its citizens that can not be discussed in the Senate of the United States? The intolerance I have seen displayed on the part of the Roman Catholic clergy and on the part of the Roman Catholic press toward me has convinced me that if there were 60 Catholic Senators in this body I could not make the speech I am making to-day, nor could I have made the speech I made here a few days ago. If they had a majority of Roman Catholic Senators in this Chamber, the Roman Catholic hierarchy would call on them to expunge my speech from the RECORD. I believe that as I live and God reigns.

I have never come in contact with such a narrow-minded, intolerant, and bigoted bunch as the Roman Catholic clergy and the Roman Catholic press. The mildest language they use toward me is denouncing me as a liar and a bigoted ass. One of their papers, the Irish World, started out by saying that "Senator REED answered HEFLIN's lies." They are feeding that kind of intemperate and slanderous stuff to the country. I have not told any falsehood on them. I have told the plain truth, and there are not enough of them in the United States to prevent me from continuing to give that truth to the country. They may do something to me, as they have done to other men who have crossed their paths and interfered with their plans, but if they do I will go down to death with the conscious feeling that I died in the service of my country. The people who have followed my course will know that I was assassinated because I was serving my country and seeking to protect it against the enemies of my country. Let me read now what was said in the resolution referred to a moment ago. This resolution was filed with the House Committee on Foreign Affairs, adopted by the Ascension Branch of the Holy Name Society of the Archdiocese of New York, from Al Smith's home State, and I will have something to say about that gentleman before I finish my remarks. On the Mexican situation it said, in part, in the preamble:

> Whereas the Republic of Mexico has enacted laws which in effect deny property rights and religious liberty and freedom of conscience and declare the property owned by persons engaged in teaching religion to be the property of the public; and
>
> Whereas among those deprived of these rights are a large number of Catholics—

And so forth.

Why, Mr. President, have I raised a religious issue? Who started this move to involve us in war with Mexico? Who introduced that House resolution? A Catholic Member of Congress. Who sent their messages of support by telegrams to be presented to the House committee? Catholic religious societies. Who wrote the resolution at Philadelphia? The Knights of Columbus, a Roman Catholic organization. Who raised a million dollars to carry on their propaganda against the announced course of this Government with regard to Mexico? The Catholic Knights of Columbus. Who is flooding the country now with pamphlets on "Red Mexico," assailing and contradicting the Government's position and its information on the subject? The Knights of Columbus.

When they brought out the Senator from Maryland [Mr. BRUCE]—"Old Pericles," as I sometimes call him—they thought they had trotted out the ablest scholar and the most classical gentleman among their friends in the Senate to deliver a rebuke to a plain Democratic patriot from another one of the sovereign States, who had dared to speak about the un-American conduct of some of his constituents. I never dreamed that the resolution written by the Knights of Columbus in his own State would furnish me the proof needed to annihilate the untenable position of the Senator from Maryland. I have read it here. The resolution passed by the Knights of Columbus of Maryland raised the religious issue. They protested against the persecution of Roman Catholic priests and nuns and against the efforts to destroy the Catholic Church. And yet the Senator from Maryland said that I injected the religious issue; but I did not do it. The Knights of Columbus of the Senator's own State raised in their resolution the religious issue. The Senator from Maryland and the snow-white-haired Senator from Missouri, JAMES A. REED, came in and they both looked very solemn and grave and both undertook to deliver a lecture to me for bringing into the discussion a religious issue. Who injected the religious issue? Here it is in the resolution which I have read. Whose movement is it? It is not that of the Jews. They are against war with Mexico. They indorse my position. It is not that of the Protestants. They are against it. They indorse my position. In fact, all denominations except the Roman Catholics, so far as I know, are against war with Mexico. Mr. President, this is purely and wholly, singly and solely, a Catholic movement, and I have shown it by their resolutions which I have read as presented in the hearings in the House of Representatives on the Boylan resolution, which seeks to have this Government back off from the position it has taken and break diplomatic relations with the Republic of Mexico.

I read again the resolution from which I was reading. I found this resolution in the files of the hearings on the Boylan resolution before the House Committee on Foreign Affairs, with the notation at the top "Introduce this." I read:

> Whereas the present authorities in Mexico have inaugurated a policy which has for its object not only the destruction of the Catholic faith, but the wiping out of all religion among the people of that country; and
>
> Whereas in pursuance of that policy, church property has been confiscated, innocent nuns and venerable priests have been driven from that country—

And so forth.

Mr. President, inch by inch and step by step I am proving that this whole thing is a Catholic move in the interest of the Catholic Church in Mexico. I ask the American people to be the judges, to sit as a jury to decide the question as to who brought the religious question into this Mexican situation.

Again I found this resolution from the State council of the Knights of Columbus of the State of Minnesota, May 25, 1926, shortly after the Philadelphia convention of the Knights of Columbus, in which it said:

> Whereas the said articles of the Mexican constitution for some unaccountable reason are now being enforced in a ruthless and diabolical persecution of clergy and laity of the Catholic Church—

And so forth.

Senators, would you think there was a religious body in the United States which would indulge in the vicious and slanderous attacks they have made upon me in their press, when the only thing I have done was to tell the naked truth about their conduct in this Mexican situation? I will tell you why they attack me. They are doing it for two reasons—to intimidate me and to frighten you. They want to impress you with the power and the vengeance of the Roman Catholic clergy. They want to impress you with their determination to crush anybody who dares to stand up in the open and question the programs of the Pope. There is no getting around that fact.

I found in the files of the hearings a letter on the letter from 21 Park Road, New York, dated March 30, 1926, and addressed to the chairman of the Committee on Foreign Affairs of the House, Washington, D. C.

> HONORABLE AND DEAR SIR: Permit me to express my indignation at the treatment of Mexican and American Catholics by the American Government and to strongly urge your committee to recommend that the United States sever diplomatic relations with Mexico.
>
> Very respectfully yours,
>
> FRANCIS X. DINEEN.

I also found this letter:

> WASHINGTON, *April 29, 1926.*
>
> Hon. JAMES J. CONNOLLY,
> *House of Representatives, Washington, D. C.*
>
> MY DEAR MR. CONNOLLY: This office is in receipt of your letter of the 24th accompanied by a number of communications received by you in protest against the "religious" persecution in Mexico and asking that our Government intercede in the matter—

And so forth.

> Yours truly,
>
> CLERK OF THE COMMITTEE.

I have read from Mr. Flaherty's statement where he said they did not want any interference; that they wanted no intervention and wanted no help for the Catholic Church. He is the head of the Knights of Columbus.

Now, Mr. President, let me read some more interesting letters, telegrams, and resolutions.

I have shown that Judge Talley, a Roman Catholic, an able judge in New York, came before that committee and said that he was speaking only for the members of the Catholic Church in the city of New York, the Catholic laity. None but Catholics have appeared before the House Committee on Foreign Affairs to urge war with Mexico; none but them have gone on record protesting against the government of Calles in Mexico. Then, why should four or five Senators here undertake to deceive the public and misrepresent the facts by accusing me of injecting the religious issue into this Mexican situation? Truth can not yet be suppressed in the Senate of the United States; and I pray God the day will never come when an American Senator worthy of the name will fear to stand in his place in this body and say what the facts justify him in saying about the Catholic hierarchy, about Protestant churches, about Jewish churches, about any other church beneath the Stars and Stripes. Is not that good Americanism? I do not want the friendship of anybody here or elsewhere who does not believe that it is.

Let me remind you again just here what Mr. Flaherty, head of the Knights of Columbus, said:

The Knights of Columbus do not urge intervention in Mexico. The Knights of Columbus do not plead for the United States to help the Catholic Church in Mexico. The issue is not the Catholic Church.

Here is a statement by Francis J. Sullivan, of New York, in a letter to the Committee on Foreign Affairs:

Let me say that I, as president, write you on behalf of the Brooklyn Alumni Sodality, an aggregation of 200 Catholic men in Brooklyn, N. Y.

And so forth. He is a Catholic writing in behalf of Catholics. Here is another letter:

ST. IGNATIUS HOLY NAME SOCIETY,
Hicksville, Long Island.

Hon. ROBERT L. BACON, M. C.,
Washington, D. C.

DEAR SIR: This society, composed of 182 members, wishes you as Representative of this district to protest against the treatment accorded to Catholics in Mexico by the Calles government.

A. PAUL STABLER, *Secretary.*

Here the religious issue is raised again.

Here is what Mr. BACON, the man to whom they were writing, indorsed on the paper:

A petition of the St. Ignatius Holy Name Society protesting against the action of Mexico in the treatment accorded to Catholics.

That is his statement, and that was filed with the committee.

Referred to Foreign Affairs.

Justice Joseph T. Ryan, of New York, in a letter to the chairman of the House Committee on Foreign Affairs on the Boylan resolution, says:

Our Government should withdraw its approbation of the so-called Mexican constitution, particularly with respect to its unjust, un-American provisions relative to religion.

That looks like it is a religious issue. If it is, who injected it? Who raised the religious issue? These letters were written long before the Knights of Columbus acted at Philadelphia; long before I had any knowledge of what steps were being taken by these people to involve our country in war. Listen to this, Senators: Charles T. Rice, attorney, 110 West Forty-second Street, New York City, said in a letter to the chairman of the Foreign Affairs Committee of the House:

As a citizen of the United States and resident of New York City, I want to enter a very strong protest against the treatment which the present Mexican Government has meted out to the Roman Catholic institutions and orders.

I am anxious to see what kind of report the press will give this speech on to-morrow. I am anxious to know how much of this truth they will give to the country.

I am afraid that they will refuse to give to the public the astounding truths that I am bringing to the attention of the Senate to-day.

Mr. ASHURST. Mr. President, will the Senator from Alabama yield?

The PRESIDING OFFICER (Mr. WATSON in the chair). Does the Senator from Alabama yield to the Senator from Arizona?

Mr. HEFLIN. I will yield for a question. I had hoped the Senator from Arizona would not get into this.

Mr. ASHURST. I can not refrain.

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Arizona?

Mr. HEFLIN. I yield for a question.

The PRESIDING OFFICER. The Senator from Alabama yields for a question.

Mr. ASHURST. The press ought to say in response to the Senator's invitation that they saw a man windy and foggy at the same time.

Mr. HEFLIN. That is about what I would expect from the wind-jamming Senator from Arizona. The only contribution that he could make to this discussion is wind; he has made it and I trust he feels better.

I have here some more letters showing that the Roman Catholic religion is back of this whole thing.

202 E. MADISON STREET,
Philadelphia, April 14, 1926.

Hon. JAMES J. CONNOLLY,
Congressman from Pennsylvania.

DEAR CONGRESSMAN: As a loyal citizen, I, with thousands of others from our great State of Pennsylvania, strongly protest against the persecution of the Catholics in Mexico by that tyrannical Government.

I will say for the benefit of the Senator from Arizona that I started my speech by stating that I had not raised the religious issue. The Senator from Maryland [Mr. BRUCE] and the Senator from Missouri [Mr. REED] accused me of that; but for nearly an hour, by resolutions of Holy Name societies, by messages from Catholic priests, by the resolution of the Knights of Columbus of Maryland, all speaking of the Catholic religion and of the Catholic Church, and by letters and telegrams to the Committee on Foreign Affairs supporting a resolution introduced by a Roman Catholic Representative in Congress, I am showing by the facts that not I, but that they, the Roman Catholic clergy, the Catholic hierarchy, and the Knights of Columbus have raised this issue. However, since they have raised it, and since they have turned loose their venom upon me in a lying press, I intend to give the whole truth to the country. The people should know the truth; they are entitled to know it; and I am entitled to place the truth of my position before them, and I intend to do it.

Here is another interesting letter I read:

As a loyal citizen, I, with thousands of others from our great State of Pennsylvania, strongly protest against the persecution of the Catholics in Mexico by that tyrannical government. Will you not use your kind offices for the purpose of inducing our Government to denounce such outrages?

Yours respectfully,

JOHN F. HERRON.

I read another letter as follows:

431 LOCUST STREET, PHILADELPHIA.

DEAR CONGRESSMAN: In common with thousands of other loyal citizens of this great State of Pennsylvania, I wish to register a strong protest against the persecution of Catholics in Mexico by that tyrannical government.

Then the same expression follows—

Will you not use your kind offices—

And so forth. Here is another letter. This is also addressed to Mr. CONNOLLY.

3127 LONGSHORE STREET, PHILADELPHIA.

DEAR CONGRESSMAN: As an American and Roman Catholic, I protest against the barbarous treatment being given the Mexican Catholics by the Mexican Government.

In the face of these unchallenged facts no brave man, no honest man, will charge me with injecting the religious issue into the Mexican situation. The last letter was signed by Catherine Ryan. Here is another letter from Philadelphia, dated April 14, 1926, addressed to Hon. JAMES CONNOLLY:

DEAR CONGRESSMAN: As a loyal citizen of Pennsylvania, I wish to protest strongly against the religious persecution now taking place in Mexico. As I am a firm believer in religious toleration as extended to us by our Constitution, I earnestly request you to use your influence in bringing about a strong protest from our Government to that of Mexico denouncing such barbarism.

Respectfully yours,

JOSEPH V. LAMBERT.

All of them are touching on and raising nothing but the religious question—the Catholic religious question. Here is another letter. It is addressed to the same Representative.

3155 LIVINGSTON STREET,
Philadelphia, April 15, 1926.

Honorable REPRESENTATIVE: A most sincere protest against the persecution of Catholics in Mexico comes from me and thousands of others. Therefore I beseech you to do all in your power to put a stop to these atrocious activities.

Yours respectfully, THOMAS FAURAK.

Another letter from Philadelphia, addressed to the same Representative, reads:

I make an appeal to you to try by means of your influence to induce the Government to denounce such barbarous tactics such as the Government of Mexico is exercising upon the Catholics of that territory.

Respectfully,

CLARA E. DOUGHERTY.

She has the same name as the bishop there, and it is spelled in the same way.

I read another letter from Philadelphia:

As a loyal citizen, I, with thousands of others from our great State of Pennsylvania, urgently remonstrate against the persecution of Catholics in Mexico by that tyrannical Government. Will you not employ your kind offices for the purpose of persuading our Government to denounce such outrages?

Yours respectfully, RAYMOND FARRELL.

Here is another letter from Philadelphia, addressed to the same Representative:

As a loyal citizen, I, with thousands of others of our great State of Pennsylvania, strongly protest against the persecution of Catholics in Mexico. Will you not use your kind offices—

And so forth.

Respectfully. FRANCIS J. MCNALLY.

Here is another one from Philadelphia:

As a loyal citizen, I, with thousands of others of our great State of Pennsylvania, strongly protest against the persecution of the Catholics of Mexico by that tyrannical Government—

And so forth.

The remainder is exactly the same as the other letters.

Here is a letter from William S. Murphy, of Philadelphia:

As an American citizen and Roman Catholic, I strongly protest the treatment being given the Mexican Catholics by the Mexican Government.

Yours respectfully, WILLIAM S. MURPHY.

Do these letters sustain the charge that I raised the religious issue? These letters are dated last spring and were mailed to the Committee on Foreign Affairs of the House and buried in the files of that committee, and I did not know about them until right recently. The Republican House of Representatives never had those hearings printed. Think of that, Senators! A movement to plunge our country into war for the purpose of crushing a Republic that is trying to be delivered from the weight and ignorance of a Catholic hierarchy never being put in print, never issued in pamphlet form where the citizens of the United States could get hold of the hearings and read them. Is that some more of the secret and insidious work of the Catholic clergy and the Catholic hierarchy in the United States? Can they do a thing like that and get away with it in the United States? Can they stage a hearing in the Capitol—a Catholic hearing, where nobody is heard but Catholics—and then have the statements taken down and put away, hidden in the archives of the Republican committee, never printed and given to the public? The public has never seen them. I am the first Member of Congress who has ever brought them to public notice. I am doing that to-day. I am reading from them now, because, thank God, I had a right to demand to see them. They are a part of the records of Congress, and the public is entitled to know the truth concerning them; and yet I have been assailed by the Senator from Maryland [Mr. BRUCE] and the Senator from Missouri [Mr. REED], who imagines he is running for President. [Laughter.] He was being considered a little until he came in here one day and became the senatorial mouthpiece of the Catholic clergy; but when he took up their campaign and tried to lecture an American Senator because he told the truth about the Knights of Columbus and because he exposed the effort of the Knights of Columbus to involve us in war with Mexico the Senator from Missouri quickly turned the toes of his presidential boom to the daisies. [Laughter.]

As I said on a former occasion, I was in Washington when the Knights of Columbus passed that Mexican war resolution in Philadelphia, and when I read it in the Washington Post I gave out a statement against it, urging the President not to be misled by it nor to permit anybody to get us into war. And one day, when the able Senator from Idaho [Mr. BORAH] was speaking in behalf of peace, I recalled that resolution, and I sent over to the Library and got it and I read it to the Senate—not what I had written but what the Knights of Columbus had written—and it went out in my speeches to the people of the Nation; and I have received over 3,000 letters, 1,500 of which I have not yet read, indorsing what I had done, commenting upon the expressions used in the resolution and scores of them denouncing the Senator from Missouri [Mr. REED] and the Senator from Maryland [Mr. BRUCE].

And when I read and discussed that resolution the Roman Catholic press viciously attacked me. One of these little squirrel-headed fellows up there in the Senate press gallery, who is either a Catholic himself, or has married a Catholic, or his father or mother is a Catholic—and you had better be on the lookout and beware of them whenever they are tied up, so I have been told, because they are the fellows "they" sometimes get to join the Masons and other fraternal orders so as to keep the Catholic clergy informed on vital matters with regard to American Protestants and Jews. If you find one of them that is tied up by blood or marriage with the Catholics, it is strange, but somehow or other it seems they dominate him. There is a deep and strange tie that binds. They have a secret hold on him, somehow, that enables them to use him in an emergency. They have some mysterious order, I have heard, into which they initiate one of that type. Why, I have even known a peculiar kind of Mason to quit the Masonic fraternity and become a Catholic and a Knights of Columbus, and I have heard that there are one or two of them in this Chamber. That is plain talk, too. Will I be again accused of being a religious bigot for telling the truth?

Here is a letter from Mrs. Mary R. Conroy about this war promoting resolution:

I wish to enter a strong protest against the barbarous treatment of Catholics in Mexico.

Then she asks the man to whom she wrote to use his influence for the resolution.

The same thing in another letter from Pennsylvania.

I protest against the persecution of the Catholics of Mexico by that tyrannical government.

Are they asking here to prevent the Mexican Government from trampling on American rights and liberties? Are they asking for a nation-wide movement, joined in by Gentiles and Jews alike? Oh, no; it is a Catholic movement pure and simple. It was started by them, carried on by them, the resolution was introduced by one of them, the indorsements of the resolution came from nobody else, and I think that they kept the hearings from being printed.

God save our country if any religious sect can slip into this Capitol and pull off a private hearing, in favor of war, with a room filled only with their members and the statements made kept secret from the public! That is what appears to have been done by the Catholic Clergy. I am going to read about what occurred in that room in a minute. If they can pull that sort of thing off, and so influence a Republican Congress as to keep it from printing it, it looks suspicious and dangerous to me. I wonder if the Republicans are flirting and dickering with the Catholic hierarchy? If you are, as a Democrat, after the fashion of Jefferson and Jackson, I wish to say that you are entirely welcome to all the recruits that you are now bidding for. I wish here to declare that the Democratic Party shall not be used as a tail to a Roman Catholic kite—if I can prevent it.

Here is another letter supporting the Boylan resolution:

As a loyal citizen of your congressional district, I urgently ask you to use your kind influence in a protest to the American Government against the barbarous treatment accorded the Catholics of Mexico.

Yours respectfully,

J. THOMAS HAUGHEY.

Here is another from Philadelphia to Mr. CONNOLLY of Pennsylvania:

I, as a loyal citizen of the United States, ask you, by virtue of your office, to consider the persecution of "our Catholic fellow citizens" in Mexico unfriendly.

Very respectfully yours,

MARIA SCHUMACHER.

Now a word about the hearing involving a religious issue that a handful of Senators have said was injected by "the Senator from Alabama." That is what the white-haired old Senator from Missouri [Mr. REED] said. Why, it is said that he has been a terror for a long time politically. I do not know about that, but I do know that he made a great mistake when he came into this Chamber and criticized me for bringing to the attention of the Senate the organized effort of the Knights of Columbus to involve our country in war with Mexico. Loyal American citizens everywhere resent that. His speech here the other day was the speech that he has made—part of it—frequently about the World War, how Jew and Gentile, Catholic and Protestant, fought side by side. Senators have heard him make parts of it here before. He made it a night or two later in New York; and "Marcus Aurelius Sullivan"—poor Mark!—

whenever they throw enough coin in Mark's direction favorable results will follow. Mark loves the chink of the coin. He wrote a letter to the papers praising REED and the "masterful speech" that he made, and how impromptu and yet masterful it was. I had read part of it several times myself; and a part of it was made in New York the other night, as I said a moment ago. Mark writes a good deal, and Mark knows how to write. He is a good writer, and he knows who to write for, because "the ox knoweth his owner, and the ass his master's crib." [Laughter.]

He also said the Senator from Missouri had nothing to fear about the situation; that it was not the Senator's business to look after the Catholic side of the matter.

Well, Mr. President, many Senators and a lot of people think that he was doing that precise thing, and I am one of them, because I know the Senator's record. He has always opposed our immigration measures, and the Catholic hierarchy has fought them from the beginning. The Catholic clergy is opposed to restricted immigration. Roosevelt once said, according to Archie Butt's letters—and he, Archie Butt, was a Roman Catholic—that "the Catholic Church was out of place in the United States; that it could not hope to grow; it was out of sympathy and harmony with our free institutions; the only way it could hope to grow was through immigration." So the Senator from Missouri, when he opposed, as he always has, restricted immigration, was doing precisely what the Catholic hierarchy wanted him to do.

So Mr. Mark Sullivan—dear and magnificent Mark [laughter], with his pen-pushing proclivities—is magnifying the effort and praising the Senator from Missouri for what he calls a great speech made in the Senate in reply to me. Well, now, just between us, other Senators agree with me that it was not a great speech. And they agree with me that it in no sense replied to my speech. One thing about it is certain, it pleased all the Catholic priests in the country. They clapped their hands for joy and poured out copious Catholic eulogies upon his old white head [laughter], and they are almost persuaded to tell him that he can have the Catholic vote for President.

Senators, have you ever seen one of these old swamp rabbits run in the canebrake? Well, they cut their own path through the canebrake, and it is just big enough for them to travel in, and a dog has difficulty, in chasing them, to get through the canebrake in the path they have cut. Every now and then a sharp piece of cane will prick him and you will hear him holler, and the rabbit keeps just far enough ahead to stay out of his way. He thinks he is smart. He travels the path he has cut for himself.

When the cane pricks the dog he hears the dog howl and he knows just how fast to move to keep in front of him. But we boys that knew how to hunt those swamp canebrake rabbits would find where he came out in the open on the edge of the swamp; he would run up a little piece, 30 or 40 yards, and then get in another path that he had cut out for himself and go back into the canebrake. He would come out to get a breath of air and view the situation, to "look the landscape o'er"; and we would go to where his path came out to the edge, and one on one side and one on the other, when he came out we shooed him out into the open field, and the dogs would catch him before he ever got back to the swamp. Now, when we get JIM out of the paths cut by himself in the Catholic canebrake, out in the open field where whole-hearted Americans can see him, we will catch him before he ever gets back. [Laughter.]

Now, I will read to you a statement about the Republican House committee hearing upon the Boylan resolution. Listen to this, Senators:

> At that time we reported the hearing as packed by Roman Catholics, as being an attempt on the part of the Romanists to use the United States Government to accomplish its sectarian ends and stem the advance of liberty in Mexico.
>
> The statements then made before the committee were false, and when we indicated—

Listen to this—

> When we indicated our disbelief in the committee room, we were set upon by a number of those who were trying to have our Government commit an unfriendly act toward the people of Mexico in their struggle to escape the oppressive political and educational yoke of Roman priestcraft.

Can you visualize the situation in that room? A few Protestants had slipped in, and when they indicated that what the others were telling the committee about the Mexican situation was not true they were turned upon and stared out of countenance. A hostile attitude was displayed toward them in the committee room, where the hearing was that of Catholics and Catholics only, and a Protestant who made a protest was looked upon with daggers in the eyes of the Catholics present. He was offending them, because he was interfering with their war program.

Listen to this, Senators; I am reading from the same article:

> For over a week we have endeavored to secure a copy of this hearing which the Roman Catholics obtained before the standing Committee of the House on Foreign Affairs. The report of this hearing may as well have been in the treasure house of the Vatican.

Do you get that? Right here in the Capitol of the United States a solemn hearing had, involving a question of two nations going to war, involving the relationship of the greatest Government in all the world with that of a sister Republic struggling amidst great difficulties to get on her feet and become one of the great republics of the earth, our Government lending friendly assistance and bidding her Godspeed; a hearing held in the Capitol of the United States, the statements made never given to the public. I am giving them publicity for the first time to-day.

Here we are, right on the verge of war with Nicaragua. Anybody who knows anything knows what our activities down there mean.

Diaz, the President of Nicaragua, is a Catholic and is not in fact and not by right President at all. According to the statements of the able Senator from Idaho [Mr. BORAH], a Republican, Diaz has no right to occupy the Presidency. That is the situation reaching from the Knights of Columbus to the committee room in this Capitol; and the Catholic President Diaz, of Nicaragua, and this Republic—God help us—is held in the balance in a situation like that. God give our President courage to resist the pressure being brought upon him to go to war with Mexico.

This article continues:

> To our repeated efforts—

To get these hearings the writer of that article means—

> the reply has been that the committee voted not to publish them, and that they could not be seen without the order of the chairman of the committee, and what his order might be we were left to judge, as he would not be in the Capital for some days. It is the usual custom to publish such hearings. We have never before been denied the right of consulting the records of a public hearing before any congressional committee, whether published or not.

Have we reached the time when we are going to depart from the old American custom? Have we reached the time when the report of a hearing of this important and serious character, brought about by a resolution introduced by a member of the Catholic Church in the House, a resolution supported only by Catholic religious societies through the Nation and Catholic priests and Catholic bishops; can be hid away locked up in a desk and nobody but Catholics know what is in the record? Are the American people, whose peace and happiness and lives would be at stake in a war, to be denied the right to know the facts in this particular grave and threatening situation?

Senators, you are going to hear from this matter. As you live and there is a just God above us, you can not get away with that sort of thing in the Congress of the United States, in this American Republic of ours. Republicans or Democrats have no right to have a hearing like that behind closed doors, for that is what it amounts to if you do not publish it—star-chamber procedure, "speakeasy," whispered conversations on the part of one religious group engineering a war to aid a similar religious group in another country.

The Knights of Columbus in their resolution, in spite of this Government's position, pledged support of 800,000 Knights of Columbus to the Knights of Columbus in Mexico. What did that mean, and what are the Knights of Columbus over there doing? They are trying to overthrow the Government which this Government has recognized. Are the Knights of Columbus here who are doing that loyal? Are they upstanding and absolutely loyal American citizens? Can they support this Government truly, loyally, and at the same time extend encouragement to a rebellious army in Mexico, pledging them their strength and their all—800,000 men to participate in battle if necessary? That is the truth; and yet they and their friends here assail me for coming into the Senate and saying what I have said.

One of these Catholic papers said there was one encouraging sign about this thing, that I was alone in my stand in this matter, and that the other Senators seemed to be against me. That is not true. It is absolutely false. Four-fifths of the Members of this body are with me in the fight I am making.

Three-fourths of the Members of this body are ready to say now that I have committed no offense against my country and violated no propriety when I dared to tell the Senate and the

country about the Mexican war activities of the Knights of Columbus of the United States. If you believe they do not agree to it, let your Catholic press agents here go and ask them, because the day is not far distant when Senators are going to be asked on the stump in their respective States whether they indorse my stand or not. If we must have a war of spoken and written words on this great question, let us have it to the end that the whole truth may be known. There is no letting up on a matter where truth and light and life and death are at stake. The call of duty, the love of country, and the interests of humanity impel you to carry on if you are a real American.

Mr. President, I want to read another line or two from this article on the hearings before the House committee. Speaking about the failure to get a copy of these hearings, this article goes on to say:

> This is a strange procedure and most uncommon in a democracy.

And I ask you Senators, is it not? I ask Democrats and Republicans alike, is it not a strange procedure? I am a Protestant. I am a member of the Methodist Church. I have two brothers who are Methodist preachers. I would not any more permit the Methodist Church to carry on as the Catholics have carried on in this thing and remain silent than I would jump off the Washington Monument. No church society, no religious organization, no religious sect has the right to slip up to this Capitol and inaugurate a movement which would start the tread of armies, the shedding of blood, the giving up of human life to further the religious cause of any group of people in these United States. We are not going to do it. This Government will not go to war for the Catholic Church, and it will not go to war for any other church now in existence or hereafter to come into existence.

Any question about which we go to war must be an American question. It must affect genuine American rights, and bona fide interests, and real American liberty.

Mr. President, I never dreamed, until this Catholic-Mexican war controversy came up, about the pernicious and insidious activities of the Pope of Rome in America. I never knew what power he had politically over the Catholic hierarchy and clergy in the United States. I have been receiving letters from every nook and corner of our country, from Democrats and Republicans alike. They have given me information, they have sent me pamphlets and books to read that have opened my eyes. They have sent me periodicals from Catholics carrying bitter attacks upon me. I never dreamed, I repeat, until this controversy arose, that they were doing the things that I have found them doing in the United States.

When I dared to come in here and speak, as I have a right to speak, about the Knights of Columbus, the head of that order came out and practically denied that what I had said here was in the Knights of Columbus resolution, and I read the resolution to the Senate again. He issued a statement in which he said the Catholic Church was not involved, that it was not that at all. I have shown by Catholic priests, Catholic judges, Catholic nuns, Catholic societies, that it is the Catholic Church, and nothing but the Catholic Church behind this particular phase of the program to involve us in war with Mexico.

Are Senators going to be fair-minded enough to pass judgment on the question as to who is responsible for raising this Catholic religious issue—myself, or those who are under some kind of obligations to the Pope of Rome? Listen to this:

> If the statements upon which the Romanists would have the United States break with Mexico were sustainable, they certainly would not hesitate to have the hearings published.

Is not that sound and reasonable, Senators? A jury assembled and a case being tried, and the testimony locked up in a desk; somebody making speeches before the jury and passing literature around to induce them to think a certain way, to convince them, in order to make them reach a certain verdict, and somebody coming up and saying, "Why don't you give them the evidence? Why don't you let them know who is back of this? Why not tell them the truth?"

They say, "No; that is locked up. We are not going to let you see the evidence. It has not been printed." Yet the American people, the great jury involved, the great jury most interested, the great jury from whose ranks the boys must come at the beat of the drum and the flying of the flag, who must go into bloody murderous war, if it comes, are not permitted to know what the facts are. The facts are kept pigeonholed and hidden away, and in the meantime the Knights of Columbus flood the country with their pamphlet, "Red Mexico." Read it, get excited, write to Congress to move to break off diplomatic relations with Mexico. Where is the evidence? Why is it locked up? Why will you not let us read it? "We just decided somehow, or somehow else, in this particular Catholic procedure, that the hearings would not be published." God forbid that another such occurrence will ever be recorded again in the history of our country.

I am still reading from the article published by the Western Christian Advocate:

> Not being able to get access to the verbatim report of the hearings, we found a prominent member of the committee and asked him why they were suppressed. He replied that the committee agreed that because of the evident inaccuracies—

Listen to this, Senators—

> and misrepresentations in the testimony of the witnesses, who were excited and sensational, it was better that the hearings be withheld from the public.

God of the Republic, what are we coming to? They are not the judges. They ought to publish the hearings, let the country have them, let the newspapers give the facts, if they will, to the people whose Government this is. Why not publish them? They said the members of the committee decided that the witnesses made misrepresentations to them; in other words, what they were stating as to why the Boylan resolution should be passed was not true but false. Yet at the bottom of it and back of it was a movement to sever diplomatic relations and go to war with Mexico. Senators, all that has transpired behind closed doors and the testimony has never to this day been published.

A paper called the Springfield (Mo.) News, a Catholic sheet, has paid its caustic respects to me. They had an editorial the title of which was, "HEFLIN a bigoted ass," and from that they got more intemperate and slanderous. It is the vilest language, most intemperate and insulting, which causes me to remark again, What is there about this whole Catholic situation in the United States that makes them so sensitive when an American Senator, who has no allegiance but his allegiance to his country, discusses matters that affect the peace and happiness of the United States is compelled in the discharge of his duty to mention the strange and conspicuous doings of the certain Roman Catholics of the United States?

Is a Senator guilty of an un-American act when he tells the Senate about the efforts of the Knights of Columbus to get our country into war?

I do not think so.

This Catholic editor of the Catholic News, of Springfield, Mo., then said, speaking about me:

> His charge that the Knights of Columbus, a church brotherhood, wantonly seeks to provoke war with Mexico could be dismissed as absurd were it not so treasonable.

Treasonable to what? Mr. President, this editor discloses the fact in that statement that he is a subject of the Pope of Rome, and he got me mixed up with himself. He owes allegiance to the Pope of Rome, and yet he is making his living out of the people of the United States. He is writing for a paper in the United States, and, when digging me, he forgets himself, thinking of the Pope, and says that I have committed a crime that is treasonable. Treasonable to what and to whom? Not to my country. I am for my country above everything else. Can the Roman Catholic hierarchy say that? I do not think it can.

Again, he said, speaking of me:

> He offers no proof of the accusations which he makes, and no sensible man will believe he has any to offer.

I have read to-day for an hour and a half the testimony from Catholic sources about a Catholic resolution offered in the House and a Catholic resolution of the Knights of Columbus, and Catholic activities—and nothing but Catholic activities—because there is nobody else in the movement. It is a Catholic program from start to finish; and here is this man saying that I have no proof. He is attempting to mislead and deceive the people who read his paper.

The facts speak for themselves. The resolution passed by the Knights of Columbus in Philadelphia has been read recently by millions of American people. Its meaning is plain to every loyal American. The resolution speaks for itself. Let us inquire, first, Did the Knights of Columbus of the United States pass that resolution? Answer, yes. Did that resolution condemn the United States Government's policy toward Mexico and at the same time encourage the Knights of Columbus in Mexico to continue their activities against the Government which the United States had recognized? Answer, yes. Did the Knights of Columbus pledge a million dollars at Philadelphia to be used in opposition to the position taken by and in opposition to the officially declared policy of the United States Government toward Mexico? Answer, yes. Did the Knights of Columbus, with full knowledge of the expressed desire of the United

States Government to sanction in every way possible the ties of peace, friendship, and good will existing between the two Governments, urge in that resolution the Knights of Columbus of Mexico to continue their opposition to the Mexican Government and pledge them the aid of 800,000 Knights of Columbus in the United States? Answer, yes. That is enough testimony. There are the facts. They can not be denied.

Here is a resolution from the Knights of Columbus later than the one in August, 1926:

KNIGHTS OF COLUMBUS,
New Haven, Conn., November 1, 1926.

DEAR SIR AND BROTHER—

This is from James A. Flaherty, the supreme head of the Knights of Columbus—

At regular quarterly meeting of the supreme board of directors, held on October 9–10, 1926, the following action was taken:

"Voted, that a special assessment of $1.50 be levied on each member of the order as of November 1, 1926, for the purpose of creating a fund to be used in carrying on education, welfare, and relief work in connection with the Mexican situation."

The action taken by the board, as above, is in accordance with resolutions unanimously adopted by the supreme council on August 5, 1926.

Fraternally yours,

JAMES A. FLAHERTY.

[NOTE.—Under section 168 of the laws and rules of the order members have 30 days from November 1, 1926, within which to pay the special per capita assessment for the Mexican fund.]

That is another document from the headquarters of the Knights of Columbus. Notation at the bottom:

Return this card with $1.50 at once to your financial secretary to avoid suspension.

Oh, they mean business. They are hot on the trail of war. They do not intend to let up until their purpose is accomplished. They say, "You must pay this by a certain time into the Mexican fund in order 'to avoid suspension.'"

Mr. President, there never before was such a secretive war movement started and carried on in secret so long without the Jews and the Protestants of America knowing what was going on in their midst. Senators who are so exceedingly fond of the Catholic clergy, like the Senator from Maryland [Mr. BRUCE] and the Senator from Missouri [Mr. REED], eulogize and bill and coo so softy and sweetly when they are trying to please the Catholic clergy. But they turn loose a tirade against an American Senator who dares to stand in his place and speak for his country against the un-American activities of the Catholic clergy. I am going to give my opinion, because I believe in speaking out in meeting. I think some one requested both the Senator from Maryland and the Senator from Missouri to say something in answer to my speech. They know whether that is true or not. I think somebody suggested to them that they ought to get after me and see if they could not stop me. Well, they did not know me. I never started a fight in my life until I was sure that I was right. Right is right as God is God. When I start into a thing and believe I am right, why should I quit because somebody whose political strength and affiliations that I know about and understand dares to stand up here in disguise and speak for the Pope? I should hate for anybody who bears my name ever to think that I had laid my hand to the plow in a righteous cause and quit because I was politically afraid or because my life had been threatened.

I have a letter in my pocket now, an anonymous letter mailed in Boston, from one of those fellows who tells me that he is coming to Washington with 10 others, and that if I do not let up on the Knights of Columbus they would pick me off, and that he won a prize for marksmanship in the marines. A man has but one time to die. Mr. President, I love life, I love humanity, and I love my country. I love the people who have honored me with a seat in the Senate. They have been good to me.

They sent me to this body by a vote of 55 counties out of 67 when there were five candidates in the race, an ex-governor, an ex-Senator, an ex-Member of Congress and a distinguished lawyer at the capital of my State.

I want to tell Senators something of the history of that campaign. Prior to that the Legislature of Alabama had before it a bill seeking to put all educational institutions under the same authority and to permit an inspection of those institutions by State authority. But the Catholic clergy rose up in their wrath and protested. They said "You may inspect the other schools, but you must not inspect the Catholic convents." One of the men who ran against me appeared before a committee of the legislature with some of the sisters opposing that legislation. I learned about that. He had attacked me in the campaign. I replied that I differed from him on a great many questions and that was one of them. I said, "What right has the Pope of Rome or the Catholic clergy in the United States to set up an institution of learning in my State and put it beyond the jurisdiction of the lawful authorities of Alabama, to admit that we may require inspection of Presbyterian schools, Methodist schools, Baptist schools, Jewish schools, Protestant schools, but that we can not inspect the Catholic schools, claiming that they are out of our jurisdiction, that their control belongs to the Pope of Rome." I said, "I do not stand for that doctrine. I am in favor of putting them all on a common level; inspect Catholic, Protestant, Jewish institutions alike. That is the distilled essence of democracy." I have no apology to make for my stand then and I have no apology to make for the stand I am taking here now. I was right then; I am right now.

Do Senators know what happened to me? Every Catholic in my State voted against me because of that. They flashed word over the State, almost in the twinkling of an eye, to vote against HEFLIN and I heard of one Catholic priest, whom I had never seen, denouncing me. The Catholics marshaled their vote against me because I dared to take an American stand. This is not the first time I have been opposed by the Roman Catholic clergy, but this time it is on a much larger scale. I confess to you that I never dreamed of the nation-wide activities of the Roman Catholic clergy as I have found it to exist to-day. I never dreamed that there was so much intolerance, intemperance, and religious bigotry amongst one group of people as I have found in the Roman Catholic clergy and the Roman Catholic press. They seem to care nothing about the facts and the decent proprieties of the matter.

Think of a Roman Catholic priest claiming to represent Jesus Christ indulging in the intemperate and insulting language that some of them have used against me. The spirit that they have displayed in this matter is more of the spirit of Satan.

It is time somebody was taking the mask off them, and I am in the humor to do it.

Why, Mr. President, there are other religious denominations in the United States. Since the Catholics have raised this question, I do not believe that I would be doing wrong to read a statement from some Protestant Christians. They are interested; their boys would have to fight if we have war.

I am going to read this, even if I offend some of the Roman Catholic clergy who are sitting in the galleries, and some of their agents who have been here for a week or more to report what I do and say against their miserable attempt to plunge us into war. Let me read this:

LINDSEY, OHIO, *February 13, 1927.*

The letter is addressed to me—

DEAR SENATOR: A resolution has been passed in our Bible school, which has a membership of 300, sanctioning your attitude and stand you are taking in regard to the Mexican situation.

I have been asked to mail a copy of this resolution assuring you of our prayers and support.

Sincerely yours,

FRED C. MAGSIG,
Superintendent Christian Citizenship Evangelical Bible School.

Here is a resolution from Kalamazoo, Mich.:

Whereas the United States of America has been facing a grave crisis in the matter of being drawn into war with Mexico; and

Whereas we believe that there is no doubt whatever that the crisis has been brought about by propaganda spread by the Roman hierarchy and the Knights of Columbus to precipitate such a war, for the sole purpose of establishing the rule of the Roman Catholic Church over the country of Mexico—

Is there anything in that resolution in conflict with the evidence I have presented?

Whereas this country as a Nation can have no interest in the internal affairs of Mexico; and

Whereas a United States Senator, one J. THOMAS HEFLIN, of Alabama, has had the wisdom and courage to understand the situation and denounce the scheme on the floor of the Senate: Therefore let it be

Resolved, That this organization, composed of several hundred women, hereby express our gratitude and appreciation to Senator HEFLIN for his public stand on this matter and for the masterly and inspiring address made by him and recorded in the CONGRESSIONAL RECORD; and let it be further

Resolved, That a copy of this resolution be placed upon the minutes of this meeting and a copy be mailed to Senator HEFLIN.

And so forth.

Betsy Ross Club.

Is not that a good old American name? It was Betsy Ross who cut the pattern of the flag. George Washington seeking a banner to be borne in battle, wanting a design for a flag, some suggested a beast of prey—a lion, a bear, or some other ferocious animal—but none of these represented the lofty purpose and ideals of those who were staking their all for liberty; and a small voice told Washington to look up. He lifted his eyes toward the sky, the land of the stars. God gave him a vision of heavenly blue with stars peeping through; of rainbow bars—golden stars. Washington sketched the vision and Betsy Ross made the Stars and Stripes. Flag of our country, flag of our Union, representing liberty, freedom of speech, freedom of press, free American institutions, all.

There is not room enough here for the Roman Catholic clergy and the Roman Catholic hierarchy if they hold allegiance to the Pope of Rome. That flag must never be used as a banner in battle to further the cause of the Roman Catholic Church.

Senators, you are going to hear from this issue in America. A secret, behind-closed-door proceeding hatching out a war in a Republican committee room and none of the proceedings published, everything kept hidden; the Knights of Columbus flooding the country with their pamphlets and just ready to sound the call to arms when we stopped them by our righteous protest in the open Senate! Senators, you know that is true. I am getting thousands of letters from all over the Nation saying that the fight we made here stopped this war. So, Mr. President, you can understand how and why they hate me. It is because I have led the fight; because I knew of that Knights of Columbus resolution, and I am the man who brought it to this floor. Therefore they have leveled their guns on me; they have written untruthful stories about me; they have attacked and slandered me from one end of this country to the other. Why? Because I interfered with the war program of the Pope, because I exposed the efforts of the Knights of Columbus to involve my country in war. Is there any getting away from that fact? There is not.

What else, Mr. President? The intemperate and vicious attacks made upon me by the Roman Catholic press and Roman Catholic priests for exposing the miserable Mexican-war scheme of the Knights of Columbus have convinced me of two things—first, that they are the most narrow-minded, intolerant, bigoted people in the United States, and that they place their allegiance to the Roman Catholic hierarchy above their allegiance to the United States. Instead of discussing my position in a calm and dispassionate way and undertaking to answer my arguments with facts, they assail me in the most undignified, vicious, and insulting language they can employ. They seem also to be trying to terrorize other American Senators by showing them how dangerous it is for any Senator to incur the displeasure of the Roman Catholic hierarchy. That is surely the purpose of it, Mr. President.

I repeat, from one end of the country to the other they have attacked me most viciously; they have mailed their venomous attacks to other Senators for the purpose of letting them know that if anyone of them ever dares to speak in the American Senate against the program and purposes of the Pope the Roman Catholic press and priests will vilify and slander them just as they have vilified and slandered me. Their attitude in this matter shows that they are in no sense governed by the spirit of justice and fair play; that the welfare of this country is not the thing uppermost in their minds; that they would, if they had the power, deny to me or to any other American Senator the right to stand here and discuss and expose the efforts of certain Roman Catholics to involve the United States in war. They have misrepresented and slandered me in the Catholic press and in near-Catholic papers which they control, and here in the twentieth century, in free America, a Roman Catholic priest in the Senate gallery hissed me while I was speaking in the Senate of the United States. Couple that, if you please, with the star-chamber proceeding in the House committee, the hearings of which were never printed, with the threats to take my life that have emanated from Roman Catholics. Think of a Catholic priest hissing a United States Senator in the American Senate—all this under Republican rule—for daring to tell the truth about the Roman Catholic hierarchy, and another Roman Catholic priest, a villainous little counterfeit of a man up in New York by the name of Belford, suggesting that they hire a thug and attack me and "beat me up," to use his language!

Senators, I want you to get in your minds the intemperate, intolerant, and vicious spirit that is in those people. I want you to get their viewpoint for a minute—how hateful, how miserably mean and venomous they are toward a man who will dare to speak out against their purposes in the United States. That is all they have against me. If I were as friendly and useful to them as the Senator from Maryland and the Senator from Missouri they would praise me, just as they praise them. Since this controversy has arisen I have denounced their un-American conduct. I have dared to oppose their fixed purpose to plunge my country into war. I have shown the Senate, as I am showing the country, that this was a Roman Catholic move from the outset.

I inquire again who was it that was sending these telegrams to the committee that are incorporated in the stenographic report of the hearing? Roman Catholics; Catholic societies and Catholic priests. Who introduced the war resolution in the House? A Roman Catholic Member of Congress. Who passed the war-promoting resolution at Philadelphia? Roman Catholics; Knights of Columbus. Who was it that pronounced his blessing upon the good effect it was having amongst Protestants? Bishop Daugherty, a Roman Catholic. There you are; and yet they try to deceive the public into believing that I have misrepresented the facts. I read:

It is highly encouraging to note that the Federated Council of Churches in the United States (Protestant) has gone on record against applying undue pressure on Mexico; and that the American Federation of Labor, through its president, William Green, has expressed the wish that the United States "will not play the part of an imperialistic autocrat in its relations with Latin-American countries, but will prove itself to be, by practice and precept, an advocate and proponent of self-government and democratic freedom," and that all over our land many of our best and finest men and women have already protested against the coercion of Mexico.

Am I doing anything wrong in reading that? Following all those messages about the Roman Catholic religion in Mexico, should I not bring to the knowledge of the Senate and the country the fact that the Protestant people and the Jewish people of this Nation are against this insidious movement to involve us in war with Mexico?

Here is a little sheet I want to read to you. I want the boys in the press gallery to hear this, especially those who are still free to act as real Americans, who have no foreign attachments, who are at liberty to write as American citizens writing to an American paper, giving the truth to American people about an American question. I am now talking particularly to them.

You know I read a letter here from a gentleman in Baltimore, in which he said that his old friend who had been a newspaper man had read a number of Roman Catholic newspapers and said, "They have passed the word to the chain of Roman Catholic papers to go after HEFLIN," and what do you reckon these Roman Catholic press fellows did? Why, they came back and said there was no such thing. Now, I will give you the proof showing that there is a Roman Catholic press in the United States. Listen to this:

Newspaper men generally are not aware that any chain of Catholic newspapers exist.

Well, now, let us see about that.

[From the Catholic Press]

ARMED RESISTANCE BY MEXICAN CATHOLICS DECLARED LEGITIMATE

ROME, January 24.—Mexican prelates now in Rome have consulted with professors of theology of the Society of Jesus at the Gregorian University and of the Dominican Order at Angelico College about armed opposition to the Government in Mexico as it affects Catholics.

They have gone to Rome to consult the Pope of Rome, way off in another country, far from Mexico; they have gone to see him to ask him about armed resistance in a country and against a Government that this Government has recognized and is trying to help get on its feet.

Listen:

These professors unanimously declared such opposition to be legitimate, and even dutiful defense, because there is in question an order of extermination issued by President Calles against the Catholic religion, for which there is no other remedy than armed defense.

That is from the same paper. Now, what about the Catholic press?

It can be safely asserted that the Catholic press alone presents to the public the full and accurate story of those happenings which, in various nations, affect profoundly the interests of the Catholic Church and the welfare of her members. A pertinent illustration of the specific service which the Catholic press has rendered in this respect is seen in the present Mexican situation.

How is that, Senators?

Practically the only agency to place before the American people the facts about Mexico has been the Catholic press.

Where are those newspapers who said that they did not have a Roman Catholic press in the United States? And this article is from a Roman Catholic, in the Catholic press.

He continues:

A just appreciation of the work of the Catholic press is now possible through the statements of the Secretary of State of the United States before the Senate Committee on Foreign Relations. Who, after reading the momentous declarations of Secretary Kellogg, can doubt that the radical forces in Mexico, now warring against the church, are one in sentiment and purpose with those in other countries whose objective has been the destruction of all religion?

It is a Roman Catholic religious question; and now he is hinting that they have even got the ear of Secretary Kellogg, that even he is being influenced by the Catholic press.

Listen to this, Senators:

Nevertheless, until the Secretary made his statement, the average reader of our secular newspapers had little or no notion of the radically anti-Christian policy being pursued in Mexico by the present rulers.

Not only has the Catholic press kept the Catholics of America informed about Mexico and other countries where the church is suffering, but it has a part in other praiseworthy movements.

Here is another squib from the same sheet:

In February the Catholfc press with the indorsement of the Holy See calls to you for support and cooperation.

This is from the Morning Star, official journal of the archdiocese of New Orleans and the diocese of Savannah, New Orleans, La., February 5, 1927.

Do you need any more proof to show that there is a Roman Catholic press, and that Roman Catholic press is now hot on my trail? But, Mr. President, every attack they make upon me is testimony to the loyalty of my service to my flag and my country. Every attack they make upon me is proof that I am interfering with their insidious, un-American movements. Every villainous attack they make against me is proof of my undivided loyalty to the Government of the United States, and that is more than they can say.

What else?

Here is the Universe Bulletin, Roman Catholic, July 21. This is published in Cleveland, Ohio.

Random remarks by L. G. W.

He says:

These are exciting days in the United States Senate, from the fear of intervention first in Nicaragua and then in Mexico. * * * Senator HEFLIN, in charging that the Catholics of our country wanted war against Mexico, relying for his proofs upon the strongest paragraphs in the Knights of Columbus resolution and anonymous letters, was left unaided to fight his battles. Six Senators of his own party assailed him and his statements, three Catholics and three non-Catholics.

I invite you, Senators, to watch the political course of all these Senators in the future. The loyal, upstanding, intelligent American people will not tolerate any trifling or uncouth dealing with this Roman Catholic hierarchy that I have exposed in this body. Just remember my statement about that.

There is no denying—

Now, get this language, Senators, from this same Universe Bulletin, Roman Catholic—

There is no denying the fact that the resolutions and attitude of the Knights of Columbus convention looked threatening, and explanation and denial has been the order of the day ever since.

Yet the head of the Knights of Columbus, Mr. Flaherty, stated, over his signature, in a press dispatch that went throughout the country, that no such purpose was in that Knights of Columbus resolution, and no suggestion of intervention; and here is one of his own flock saying that it was threatening, and that they have been put on the defensive ever since.

Let the laity take a lesson from the hierarchy. Take more time preparing resolutions and you will need less time for later explanations.

Do you get that, Senators?

To have erred is no disgrace. To insist that there was not the slightest error in the Knights of Columbus resolution is to claim infallibility.

Now listen—the same writer:

How different are these advanced sociological views, consistent with Leo XIII's encyclicals, with the views expressed by other coreligionists who scramble to be in the very forefront of the red scare.

Listen to this:

One would think they could wait until evidence is available, or perhaps they refuse to be happy unless there is a red menace to play with? We have in mind the renewed firebrand waved by Congressman GALLIVAN. * * *

Here is another interesting statement, in view of the fact that we have exposed the efforts of the Knights of Columbus to involve us in war with Mexico:

COLUMBUS, GA., Wednesday, January 19, 1927.—The Knights of Columbus campaign against radicalism is in full swing. Mr. Collins is one of many noted writers and lecturers now on the platform in the campaign. Three million booklets setting forth facts about Mexico have been printed and are now being distributed in North and South America. Three million more booklets are in preparation. The Knights of Columbus pledged themselves at their supreme convention in Philadelphia to pursue this campaign against sovietism in America.

The campaign they are making is against Mexico and the policies of the President of the Mexican Republic.

Here is one from the Duluth News-Tribune:

We don't owe them [the Roman Catholics] a war.

Here is the note the gentleman who mailed me that wrote. Listen to this:

Could it be possible, that on account of Mr. Doheny, who is a Roman Catholic, who has refused to comply with the Mexican oil laws, thereby aiding his (Roman Catholic) church in getting the United States involved in the issue which the Knights of Columbus are pushing?

To a man up the tree it looks very much so, since he holds 46 per cent of the unsettled or noncompliance oil interests with the Mexican Laws.

Mr. President, there is no escape from the fact that the Roman Catholic question is one of the big questions in this Mexican controversy. Here is a statement from the New York Times, mailed to me by a friend, telling why a Catholic priest quit the Knights of Columbus, and which one do you suppose he is? He is the poor, miserable, intellectually impoverished priest who wrote the letter suggesting that a thug should be hired to attack me. He is Priest Belford, and here is what he says:

I withdrew from the Knights of Columbus many years ago because of this obnoxious practice. This situation was one which seemed to leave no other course open. I knew for a certainty that a prominent officer of the organization was using his position to advance himself politically and demanded that he be brought to trial.

The trial was ordered. I had two witness, but this man was so strongly intrenched that he induced the employers of both these witnesses to threaten to discharge them if they testified. Thereupon I tendered my resignation.

That gives you an idea of the tremendous power of that organization. There is a Roman Catholic priest who said and was ready to prove that he had caught them red-handed in wrongdoing, this secret fraternal Christian order of the Roman Catholics, and when he forced them to trial the Roman Catholic hierarchy got busy. The word was passed around, Catholic influence was brought to bear, and the two witnesses who were ready to swear and tell the truth were threatened and frightened by those who employed them and paid them their wages. They made them back off and decline to stand up and tell the truth, and this miserable specimen of humanity, a Roman Catholic priest, gives that as his reason for quitting the order. If one of his type can not stand for the Knights of Columbus conduct, what about those of the more decent type? I read again about the Knights of Columbus in Philadelphia:

[From the Chicago Tribune, 1926]

POPE CONFERS ON CRISIS IN MEXICAN CHURCH—DISAPPOINTMENT OVER UNITED STATES RETICENCE

(By John Clayton, Chicago Tribune Press Service)

The Mexican Catholics are greatly disappointed by their failure to receive assistance from the United States.

Senators, do you get the significance of that language? Let me read it again:

The Mexican Catholics are greatly disappointed by their failure to receive assistance from the United States. They feel that Washington is supporting the Calles government in its fight against the church.

That shows that they were expecting favorable results from the activities of the Knights of Columbus in the United States. I am disclosing some astounding facts to you Senators, and they will be more astounding to the intelligent, patriotic citizens of the country, many of whom have not the slightest conception of what we are up against here in the Nation's Capital in keeping this country out of war. Anybody who has any intelligence knows that the trap is being set, the stage is being

fixed, the fireworks are almost ready to be set off in Nicaragua. War with Mexico by way of Nicaragua. Let the President beware! Let the American people write to him and write to their Members of Congress urging them to be on guard against the insiduous effort to plunge our country into war. Listen to this:

Rome awaits new pronouncement from the Vatican on Mexican affairs.

Well, it is none of our business in the United States, is it, what they do amongst themselves over there regarding the Roman Catholic Church?

Mr. President, one of the witnesses before that Roman Catholic hearing in the House, a mother superior, I believe they called her, testified that Mr. Sheffield, the ambassador from our country to Mexico, seemed to be in sympathy with her and what she was saying, but his hands seemed to be tied, and that she could say more than he was willing to say; but that when she left he told her to go back to the United States and tell what she knew, and to speak long and loud.

Now, I want to ask the question which I asked here once before. Is Mr. Sheffield in sympathy with this Roman Catholic movement to involve our country in war with Mexico? I am going to cite you to two instances which seem to show that he is to some extent. Just before that Knights of Columbus convention met at Philadelphia, August 5, 1926, when Roman Catholic newspaper correspondents from this country were over in Mexico to write articles for American papers to get the American mind ready for the movement launched by the Knights of Columbus in Philadelphia, what happened? An article appearing in the Chicago Tribune, telling about what was going on over there, about what the notes contain that have passed from our Government to the Mexican Government, showing a familiarity with them, things that nobody had a right to know except those on the inside of this Government. That article appeared on the 8th of August, just after this resolution of the Knights of Columbus was passed on the 5th, and following these disclosures, whooping up war with Mexico, denouncing the Mexican Government, seeking to inflame the American mind. And then in a few days, on the 13th of August, Mr. Sheffield left Mexico for Washington, just after the resolution was passed at Philadelphia, and just after these suggestions of inside information came out from Mexico on the 8th of August, 1926. All of these things happened within the same week. Is not that a little strange?

Mr. WADSWORTH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from New York?

Mr. HEFLIN. I yield for a question.

Mr. WADSWORTH. Do I understand the Senator from Alabama states that the American ambassador to Mexico, Mr. James R. Sheffield, has been a part of a plan to encourage propaganda in this country?

Mr. HEFLIN. I do not know; I am just submitting the facts as I find them.

Mr. WADSWORTH. The Senator just said that he was a part of a plan, and linked his name in that utterance.

Mr. HEFLIN. Well, what of it?

Mr. WADSWORTH. I want the Senator to be frank about it. Does he believe, or does he intend the Senate to believe, either by a direct statement or by innuendo, that the American ambassador to Mexico has been a part of this plan?

Mr. HEFLIN. I am going to be frank with the able and distinguished Senator from New York. I think that Mr. Sheffield has listened a little too much to their propaganda and that he has encouraged them somehow to feel that he was in sympathy with what they were trying to do. I am afraid that he is not as strongly opposed to war with Mexico as the American people are and would like for him to be. That is my position.

Mr. WADSWORTH. That is all by inference, is it not?

Mr. HEFLIN. That is my judgment, and I am telling the Senator that I am giving the facts that I am basing that judgment upon. I am telling the Senate what occurred in the House hearings, what appeared in these newspaper articles, what the notes between the two governments contained. How did that Chicago newspaper man know unless Mr. Sheffield told him?

Mr. WADSWORTH. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from New York?

Mr. HEFLIN. I yield for a question, and then I do not want to yield any more. I have been speaking at great length and I want to get through.

Mr. WADSWORTH. I shall not object at all when the Senator gets through.

Mr. HEFLIN. I am satisfied the Senator will not. The Senator is in the same situation with a handful of others that I could mention.

Mr. WADSWORTH. Will the Senator yield to me to make a statement concerning the American ambassador to Mexico?

Mr. HEFLIN. Not now. I would rather the Senator would make it in his own time——

The PRESIDENT pro tempore. The Senator declines to yield.

Mr. HEFLIN. Because I have been speaking for more than two hours already and I am anxious to get these facts into the RECORD so that the American people can know the truth. I want the whole truth to appear in the RECORD and I am willing to let the American people decide for themselves. I do say that I think that the Secretary of State, Mr. Kellogg, became influenced somehow by this propaganda of the Knights of Columbus and the Roman Catholic hierarchy. I do not say corruptly, of course, but that somehow they got him to wobbling on the Mexican subject, I say that because right after the Knights of Columbus met at Philadelphia and passed their resolution about Mexico he gave out a statement saying there was no excuse for severing diplomatic relations, and that all that talk about religious persecution was false.

About the time I got into this debate in the Senate he seemed to have changed his position and was wobbling considerably, and his conduct was being criticized severely by the brave and able American Senator from Idaho [Mr. BORAH], and other people through the country were taking Mr. Kellogg to task. They were condemning him because he seemed to be wobbling, and the New York World, in the Senator's own State, published an editorial severely arraigning Mr. Kellogg and saying that this old man was about to blunder into war. This is a matter in which the American people are vitally interested. Mr. Sheffield is their servant.

Mr. WADSWORTH. Mr. President——

Mr. HEFLIN. Mr. Sheffield is not a king.

Mr. WADSWORTH. He is an honorable American gentleman——

Mr. HEFLIN. He may be. I am not saying that he is not.

Mr. WADSWORTH. As I happen to know; and for one, as his friend and fellow citizen in the State of New York, I resent the innuendo that he has been faithless to his trust by divulging confidential dispatches, as the Senator has sought to make the Senate and the public believe.

Mr. HEFLIN. I do not know whether he has disclosed them or not.

Mr. WADSWORTH. The Senator has said he does not know, but he is insinuating that he has done so.

Mr. HEFLIN. If it be an insinuation, I insinuate it again; and the Senator from New York can not by what he has said change my opinion. Sheffield's conduct speaks for itself. If what I have heard is true, he has wobbled; and I believe that he has been flirted with and that he has grown weaker on the subject. I am frank to say that his coming to Washington at the time all of this Mexican war propaganda was being turned loose in such a rush last August on America does not look good for Mr. Sheffield.

Mr. WADSWORTH. He was sent for——

Mr. HEFLIN. Yes.

Mr. WADSWORTH. By his chief, the President.

Mr. HEFLIN. All right. Whether he was sent for or not, he came at that particular time and he came here right after all that; but it was after Mr. Kellogg had made the statement that there was no truth in the tale of religious persecution, that there was no reason to sever diplomatic relations with Mexico as the Knights of Columbus had demanded. Yet a newspaper correspondent of the Chicago Tribune told in his statement, sent all over the country by the Knights of Columbus, about many things that nobody here knew, not even Members of the United States Senate. I talked to other Senators about it. I never knew about the things stated in that war-breeding newspaper article sent out by the Knights of Columbus.

He wrote an article setting forth things, if true, that belonged only to the diplomatic agencies of the Government. The article was an inspired effort to stir up a war spirit in America toward Mexico, and we do not want any war with Mexico. It has been eight months or more since that wild story was written, and the situation is not really serious yet.

This lady who testified before the committee said that Mr. Sheffield impressed her that he wanted to say more, but he dared not, and that he told her to go to the United States and speak long and loud. What was that for? She was complaining about our policy toward the Government of Mexico. She was strong against the Government of Mexico. She was protesting against Calles and his régime, and our ambassador impressed her that he was in sympathy with her position and

told her to come back to the United States and speak long and loud. What does that mean if it does not mean encouragement to the Roman Catholic attack upon the Mexican Government already recognized by the Government of the United States?

No; the Senator from New York can not intimidate me or break the line of my argument on this subject.

The Senator from New York is situated like two or three other Senators here. The Senator from New York has already gone up against the papal machine in New York. The Senator knows perhaps that the Roman Catholic Archbishop Hayes in New York absolutely controls all of the Republican Catholics and Democratic Catholics in the State, and whatever he says goes, even against a personally very clever fellow like the Senator from New York—and he is an able and clever Senator even if he did get excited this afternoon on the Catholic situation when I mentioned his friend Sheffield. I will say this: The Senator is one of the most popular Republicans that ever came to the Senate from the State of New York. But when Al Smith was in the race for reelection for governor and the machine that I have spoken of was working, the Senator went down, and he went down before an avalanche of those ballots. They never supported him. Oh, no; he is a Protestant. They are going to do the same thing to the junior Senator from New York [Mr. COPELAND] when he comes up for reelection. They are going to put the touch of their dreamless slumber to his eyelids and he will fall asleep. So you can try to please them all you can, but your days are numbered.

Let me read from the Catholic Union and Times, of Buffalo, N. Y., January 22, 1927, an editorial:

> It is reported that Calles is anxious to arbitrate his difficulties with the United States. That is a strange statement, if it is true. Calles was unwilling to arbitrate his difficulties with the Catholic Church in Mexico.

Is the Roman Catholic Church a government in the sense that the United States is a Government?

Who said this was not largely a Catholic religious issue from the outset? Who charged me with bringing a religious issue into this body? The Senator from Maryland [Mr. BRUCE] and the Senator from Missouri [Mr. REED]. Here is this editorial writer for the Catholics saying that the President of Mexico would not arbitrate a question with the Roman Catholic hierarchy in Mexico. The Roman Catholic situation in Mexico was the thing uppermost in his mind.

> Why? Is it because Calles fears that the United States will send armed forces into Central America? Presumably so. But the State Department will have to move cautiously in arbitrating whatever differences exist with the Mexican Government.

Let me read further:

> It is either a case of stalling for more time, knowing the impatience of the State Department, or it is a case where Calles hopes by mediation to elicit sympathy and support from other quarters. Arbitration will simply defer the date—

Listen to this, Senators. I am going to express another opinion for the Senator from New York [Mr. WADSWORTH] to think about. I am going to make the suggestion that I believe somebody has encouraged the Knights of Columbus and the Roman Catholic clergy to believe that we would intervene in Mexico some time this year or early in the spring or summer of next year. I want Senators to listen to this reading, and see whether there is reason for my statement. I have urged that we settle our differences by arbitration. This is an editorial from the Roman Catholic Union and Times of Buffalo, N. Y.:

> Arbitration will simply defer the date when the United States will have to intervene in Mexican affairs.

Listen to this, Senators:

> Now it is Mr. Coolidge's turn to clean Mexico of governmental banditry. He knows that it will have to be done. Every thinking man knows it. How well he does the work "cut out for him" remains to be seen.

Think of that, Senators. Ah, there is a heap of meaning in that last sentence and a political threat hid away behind it. I will read it to you again:

> How well he does the work "cut out for him" remains to be seen.

Who cut out that work? How many Roman Catholics were in motion when that war-promoting resolution was put before the Republican committee of the Republican House? Two million, the priest from Washington said. How many Roman Catholic society members were indorsing that resolution? One million six hundred thousand, they claimed. How many Roman Catholic Knights of Columbus were ready to go out and give aid to the Knights of Columbus of Mexico? Eight hundred thousand, the Knights of Columbus said. I will read that sentence again, because it is full of deep meaning:

> How well he, the President, does the work "cut out for him" remains to be seen.
>
> Listen!
>
> Will he consent to arbitrate?
>
> Listen!
>
> We believe not. Unless he has in mind to will a "bad penny to a future administration."

There, couched in cunning and clever language, is a threat against President Coolidge that if he does not go to war with Mexico he will not get the vote of the Roman Catholic Church. Is the President of the United States ready to do the work "cut out for him" by the Roman Catholics, or is he going to get out of the way and permit somebody else to be elected President? That is the implied threat. There it is in plain language. Let the people think seriously and then think again. I read it again:

> Unless he has in mind to will a "bad penny to a future administration." So far Mr. Coolidge has not been "a buck passer."

What does "that" mean? Does it mean that there is still hope that Mr. Coolidge will come through? Do they, because of "something," still hope that he will intervene and go to war with Mexico? Strange to say, this Roman Catholic paper still expresses the hope, after making the threat that unless he does the work "cut out for him," another administration will succeed him.

Senators, there are so many pertinent things in this case that no man can read or discuss them all in the course of any one speech, and I fear I shall have to conclude my remarks at some future time.

On August 16 Mr. Kellogg made a statement, and this was after the Knights of Columbus resolution was passed at Philadelphia on August 5. This was after the blood-curdling stories were published throughout the Nation by the Mexican correspondent inspired by the Roman Catholic hierarchy and after Mr. Sheffield came to Washington. Mr. Kellogg made this significant statement on August 16, 1926:

> Paul Smiths, N. Y., August 16.

Up there in New York at the President's summer camp, where the President was hobnobbing with Al Smith, a "top-notch" Roman Catholic and Governor of the State of New York—"Cal and Al"—it will be remembered that they were up there fishing together when the President presented Al Smith with a 3-pound fish, some little "squirrel-headed" correspondent here said that I said the President had bought and bribed "Al" with a fish.

I never said anything of the kind, and that little pen pusher knew he was telling something that was not true, and yet that is what he said, which shows that they are after me. They will tell anything they can think up on me, and they have gotten the honest and patriotic American people to where they would not even believe the truth if told on me. Listen to this—it is from the Washington Post of August 17, 1926. It knocks down and tramples in the dust the Knights of Columbus resolution passed at Philadelphia:

> One of the developments is said to have been a statement by Secretary Kellogg positively assuring the President that "no Americans have suffered indignities or injuries in person or property as a result of the dispossession and expulsion decrees against the clergy of Mexico and other measures for the regulation of worship carried into effect by the Calles government"

So, Mr. President, after all of this grandstand play, after the star chamber proceedings in the Republican House committee, after flooding the committee with these false reports about Mexican conditions, after the passage of the Roman Catholic war-inspiring resolution by the Knights of Columbus, and after the coming of Mr. Sheffield to the Capital, the Secretary of State issued a statement saying that there is "no truth in the talk about religious persecution."

In view of that strong statement and in view of the conduct of the Secretary of State between the 1st and 14th of January, I am justified in saying that the Secretary of State wobbled, because he seemed in his recent meanderings to be trying to pacify the Roman Catholic hierarchy of the United States. He seemed to be listening to the tales told by the Roman Catholic clergy. It seems that he was being influenced by the periodical circulated throughout the country called "Red Mexico," issued by the Roman Catholic Knights of Columbus. Am I not justified in drawing that conclusion? I think I am, and I have drawn it.

I read further Mr. Kellogg's statement last August:

In some cases the alleged victims were found not to suffer injury in person or property, while in others the clergymen and teachers who had suffered indignities were found to be other than American citizens.

So, according to Mr. Kellogg, there was no occasion at all for us to intervene or to marshal our Army and go across the Mexican border to engage in a long, unjustified, and bloody war.

Now, listen to this, because I want the people of America to have the whole story:

Mr. Kellogg now informs the President, in effect, that "the Knights of Columbus appeal lacks the foundation claimed for it."

Do you get that, American Senators? Listen:

It is also expected that James A. Flaherty, supreme knight of the Catholic order, will lose no time in coming here to appeal from Secretary Kellogg to the President. Mr. Flaherty originally asked for an appointment with the President here for the purpose of presenting formally the demands of the knights adopted at Philadelphia.

Do you get the force of that, Senators? Not the request of the knights, not the plan of the knights, not the petition of the knights, but the "demand" of the Roman Catholic Knights of Columbus. He wanted to present that demand in person at once, yet I am criticized by the Senator from Maryland [Mr. BRUCE] and the Senator from Missouri [Mr. REED] for injecting a religious question into this body, when the whole thing has been a Roman Catholic religious movement from the start. The resolutions and the telegrams and the letters I have read and the resolution of the Knights of Columbus of Maryland, all set out that it grows out of and is related to the persecution of the Roman Catholic Church in Mexico.

Again that article says:

Mr. Flaherty, head of the Knights of Columbus, was informed that his proper course would be to present the resolution of the Knights of Columbus to Secretary Kellogg and discuss the situation with him. Then, if Mr. Flaherty was not entirely satisfied with his conference with Mr. Kellogg, he was informed he could come here and the President would be glad to receive him.

So the whole farcical and infamous business went up in smoke for the time being. And the active agencies were mad and sore. These Roman Catholic Knights of Columbus did not want to stop with the Secretary of State, but they demanded an immediate audience with the President—to do what? To lay before him the "demand" of 800,000 Roman Catholic Knights of Columbus in the United States. Senators, I hope it will be a long time before another such movement as this is attempted in the United States, and I want to see more courage get into the backbones of supposed-to-be American Senators here. I know, perhaps, that two-thirds of them have told me in private that they indorse my course; but the time has come to stand up and speak out. Let the American people know where we all stand. This country, I repeat, is not to be forced into war for any religious denomination.

Here is a newspaper article from little Bobby Barry. He occupies a place here in the press gallery, I think. Bobby has got some Roman Catholic attachments also, so I have been told. I do not know exactly under which one of the classes he comes, but I described them all in the outset. Now, listen to what he says. Senators probably recall—of course, you do not—how much gloom there was in Washington when I told the Senate and the country about the effort of the Knights of Columbus to get us in war with Mexico. Was there any objection on the part of Americans? Well, you will be amused by the article that I am now going to read to you.

WASHINGTON, January 19.—Dismay in Washington over Senator HEFLIN'S selection of religious bigotry as inspiration of the latest of his senatorial tirades is tempered by the fact that the worst public spanking ever administered to him was at the hands of his "Democratic colleagues."

Who were "they" who responded to the call of the "Roman Catholic hierarchy"? Take their names and remember them. I mean those who bitterly criticized me. Some of the truest and best personal friends I have ever had are here on both sides of the Chamber. If Senators could read the letters—between three and five thousand—which I have received from every State in the Union indorsing the things I have said here they would see that the American people—Democrats and Republicans—are resolved that this country shall not be used as a cat's-paw by the Roman Catholic hierarchy of the United States, and that its Army shall not be used to carry out the purposes and programs of the Roman Catholic Pope. What I am talking into this RECORD to-day, what I have already said, will be an issue in every Senator's race for reelection until the people have enough men in this body to stand up and dare to tell any group of religionists, "You can not use this country for such a purpose."

I do not fear their opposition. I welcome it. They have already started their campaign against me in Alabama. They are sending their articles to Alabama now and are having them reproduced in Roman Catholic controlled newspapers. They are belittling me; they are nagging at me; they are misrepresenting me; they are slandering me; they are vilifying me in every way that they can, but they are not hurting me. I can beat any candidate in my State, if I am living, that they can put up against me; I do not care who he is. I am not boasting when I say that; but I know in my heart that I speak the language of nine-tenths of the people of my State.

They are with me because they are red-blooded Americans; they are 100 per cent Americans; they are not intolerant toward any religion, but I want to tell Senators if what I have experienced with the Roman Catholic clergy and the Roman Catholic hierarchy is a sample of what the Roman Catholic Church is doing in the United States we have got to meet the issue.

Take Dubuque, Iowa, a community in which the Catholics have a small majority. They used to control half the board operating the public schools and the Protestants controlled the other half, but recently the Catholics took five out of the seven, turned out the Protestant teachers and put Catholic teachers in their places; and the Catholic members of the board did not even send their children to the public schools; they sent them to the parochial Catholic schools; and yet they are governing public schools to which the Roman Catholic hierarchy is deadly opposed. They hate the public-school system of the United States. We have that situation in this country. I did not know that until a patriarch from out there wrote me and gave me the facts about the situation. He said:

Senator, you have uncovered a condition that should have the attention of the American people; I have no prejudice against the individual Catholic; many Catholics are good, clever fellows; but the Catholic clergy, the Catholic hierarchy, are deadly enemies of free institutions, and they hate the public-school system of the United States. Their priests have denounced it.

I am not going to take the time to read this until to-morrow. I have statement after statement from priests and Pope denouncing the public-school system. They abhor it; they are at war with it; and, Mr. President, I have here in my files a copy of a Roman Catholic periodical published in Chicago by the bishop of the Catholic diocense there which contains the most vicious attack ever made by anybody against Freemasonry.

"Freemasonry"—the open road to damnation.

That is the way this so-called mild-mannered and tolerant group refer to organizations that they do not like in the United States. They, who claim the right from Almighty God to "direct souls to heaven," denounce Freemasonry, an institution that was established under the inspired word of God. David wanted to establish the house of the Lord, which was the birthplace of the Masonic fraternity, but God would not permit him to do so because he had been a man of war; he had shed human blood; but God promised him that his son Solomon should found the Masonic fraternity; that he should have a reign of uninterrupted peace. He had such a reign, and he set up the Masonic order, God bless it, in the temple at Jerusalem over 5,000 years ago. The tenets and principles of that immortal order have come down to us by word of mouth. You can not kill that institution; it is a humane institution, the work of the Almighty Himself, and yet the Roman Catholic bishops have denounced it. Listen at their ignorant and brutal attack:

(Copied by permission from "Life and Action," Knight Templar Conclave souvenir number, vol. 11, no. 2)

CHICAGO, ILL., *August, 1910.*

The following article, under the title "Freemasonry," we reproduce from the March 26, 1910, issue of the New World, the official organ of the Roman Catholic Church for the powerful diocese of Chicago:

Reasons are given for the publication, as follows:

We give it place in this special issue of Life and Action for a number of important reasons, each and all of which should be of special interest and definite value to our readers—more especially those who have any thought or consideration for the life [or death] or future welfare of the Masonic order in this country. Here are some of the reasons that impel us:

1. Because the article is false from beginning to end. It would be difficult to conceive of any article of equal length containing a larger number and volume of falsehoods, nor uttered with more destructive purpose and intent.

2. Because the article was written for and published in the official organ of the Catholic Church in Chicago, and represents the position of

that great and powerful church toward the Masonic fraternity—not at some remote period in the past when the church might plead "ignorance" as an excuse, but in the immediate present, when it should be able to speak from the fullness of its wisdom and in the spirit of truth

Mr. President, without taking the time to read it, but I wish to read some of the infamous attacks made in this Roman Catholic publication. They say:

But the fact that an unnecessary, unlawful, and immoral oath is required—

That is what they say about the Masonic fraternity.

I am a thirty-second degree Mason, and there is not anything but sublimity from the first degree to the last. There is not anything except something that is uplifting and ennobling; there is not anything except something that contributes to patriotism and good citizenship in all those degrees. It lifts any man higher and higher in the scale of being; and yet this article denounces it and misrepresents it in the fashion which I have indicated.

* * * The fact that an oath is demanded ought to excite the suspicions of well-meaning men as to the real and ultimate purposes of the oath-bound cult.

Listen to this:

The Masonic oath is more sacred than the Bible or the church.
The Masonic oath is more sacred than religion or God.
The Masonic oath is the only absolutely necessary religion.

Now, think of that—that these Roman Catholic bishops and priests are saying that Masons are setting up the Masonic fraternity against religious institutions! Every Mason knows that that is not true, that it is absolutely false and unfounded.

The Freemason's duty to the Masonic "craft" is the highest duty of man.

That is not so and every Mason knows it. There is not a single duty in a Mason's obligation or a service in a single service in his fraternity that conflicts with the duties of the highest and most honorable citizenship—not one. I will say this—that it is impossible for anyone, gentile or Jew, to be a good Mason without being a good man and a good citizen. I recall, Mr. President, what happened with an old Mason in my State who was lying on his deathbed. He lifted his feeble hand and pointed toward a closet and told his wife to bring him his old, faded vest. He had a Masonic badge that he wore on the lapel of that vest. He had worn it there for years, it had a brass pin, and he had worn it there so long that the green coloring of the brass pin had considerably colored the cloth. He took that vest when his faithful wife had brought it to his bedside, and said: "My dear, I want you to take this badge; and if misfortune ever comes to you, pin it on your bosom and call on some Mason and tell him that you are in distress, and that your husband was a Mason." And then he said: "My son, I have nothing to leave to you of this world's goods. I want you to keep that old worn and faded vest, and I want you to look at the green spot made in the cloth where the pin was worn. Look at it often for just as that old brass pin colored that cloth, the principles of Freemasonry have colored my life and helped me to meet the hour that comes to me now. I must leave you, my boy, but always remember and point with pride to the fact that your father was a Master Mason."

And yet this vile Roman Catholic document that I hold in my hand denounces the great Masonic order. Listen; it says:

Does any one of the inferior brethren know who is the head of Freemasonry? Not one! But who can believe that an organization so extensive as this could continue to exist without a head? It is not possible to accept that opinion. The Masonic "craft" has a head undoubtedly. Why, then, is the fact always denied and concealed?

Listen:

It is because there are very grave considerations which make its concealment imperative.

Listen, Senators:

By no other means can the venemous serpent which has crawled its slimy way to that accursed eminence escape the vengeance of mankind. The head of the Masonic "craft" is a monster, who, if known, could not save himself from the hangman. He would be outlawed in any country in the world.

That comes from this so-called tolerant, temperate, and inoffensive smooth-going Christian institution called the Roman Catholic hierarchy.

Listen to this, American Senators:

As compared with the real Freemasonry, the "black hand" society of the Italian Mafia is a praiseworthy organization.

That is enough to read of that vile and lying article. I have never in all my life read such a nasty and mean arraignment of any Catholic fraternal order by any Protestant or Jewish organization.

American Masons have not bothered very much about the Roman Catholic Knights of Columbus. They have let them go their way; but here "they" are in their Roman Catholic periodical denouncing the Masonic order, and saying that the criminals in the Mafia band are good citizens compared with those who make up the great Masonic fraternity of the United States.

Mr. President, George Washington was a Master Mason. He wore his Masonic apron and he used the Masonic trowel when he laid the cornerstone of this Capitol. He was worshipful master of the Masonic lodge at Alexandria. I have had the honor to address that lodge 15 or 20 times during my service in Congress. I have sat in the chair that he occupied as worshipful master. I have used the gavel that he used. I have had upon the lapel of my coat the insignia that he wore. I have seen the paraphernalia that adorned him, great Masonic father of his country. Most of his staff in the Continental Army during the War of the Revolution were Master Masons. Four-fifths of the brave and undaunted spirits of those who signed the Declaration of American Independence were Masons, and history records the fact that only one Roman Catholic signed it; and yet in this enlightened day the great Masonic fraternity is traduced and slandered by this Roman Catholic magazine.

Listen to what Washington said about Freemasonry, Senators. This article reads:

Washington, a master Mason, thoroughly imbued with its broad American teachings, said:

"Freemasonry is a fraternity whose liberal principles are founded upon the immutable laws of truth and justice, and whose grand obligation is to promote the happiness of the human race."

Mr. President, when that sheet of the Roman Catholic diocese of Chicago attacks Freemasonry in our country it attacks one of the most illustrious Masons that ever lived, George Washington, first President of the United States. They denounce this institution that is so close to the hearts of millions of patriotic Americans. Are they contributing by such villianous tactics to a closer and more cordial relationship between Roman Catholics and Masonic gentiles and Jews? They know that the Masonic fraternity is a whole-hearted, thoroughly loyal American institution. They know that it stands with drawn sword always on the dividing line twixt church and state, and that is why the Roman Catholic hierarchy hates the Masons of America.

The Roman Catholic clergy and the Roman Catholic press cry "intolerance" and "religious bigotry" when I bring to the attention of the Senate and the country a Roman Catholic conspiracy to embroil our country in war. Then the Senator from Maryland and the Senator from Missouri give voice to the same cry in this Chamber and accuse me of injecting religion into the Mexican situation. I deny it, and I resent the charge. It is not true. I have shown to-day to every man and woman of intelligence and common honesty that they injected this issue, and not myself.

The only thing I have done was to uncover and bring to light Mexican war propaganda wherever found. In doing that I brought forth a Mexican war-promoting resolution passed by the Roman Catholic Knights of Columbus of the United States. It boldly and arrogantly demanded that this Government immediately abandon its present peaceful policy toward Mexico.

Let me read you what the great author of the Declaration of Independence and the father of the Democratic Party said about the Roman Catholic hierarchy. Thomas Jefferson said on December 6, 1813:

History, I believe, furnishes no example of a priest-ridden people maintaining a free civil government. This marks the lowest grade of ignorance, of which their civil as well as religious leaders will always avail themselves for their own purposes.

I have seen enough since this controversy arose to convince me that that is true. For the first time in my life I have been accused of religious prejudice. For the first time in my life I have been charged with being a religious bigot. Nobody in the State where I was born and reared and in whose soil my ancestors sleep ever hinted that I had any religious prejudice

at all. I have not, if I know my own heart. There is nothing of religious bigotry about me.

But, Mr. President, I have learned that if an American Senator in the discharge of his duty to his country catches a Roman Catholic Knights of Columbus promoting a scheme to plunge our country into war and dares to tell it to the American people, he is immediately denounced by the emissaries of the Pope of Rome as a "religious bigot."

Senators recall that when I dared to come in here and tell the truth about the Knights of Columbus and their efforts to involve our country in war, the Senator from Maryland [Mr. BRUCE] and the Senator from Missouri [Mr. REED] took the side of the Knights of Columbus and accused me of injecting a "religious" issue into the controversy and had much to say about religious intolerance and religious bigotry.

Mr. President, it will be a long time before these two gentlemen will be able to get away from and forget the stand they took on that occasion. Mark that prediction. There are people in Maryland and Missouri who are as brave and true American patriots as ever drew the breath of life. They are like the loyal, upstanding Americans of my State. I speak for the South. Talk about religious bigotry and prejudice! We have not got it in the South. It is true that those who serve a foreign potentate and hold allegiance to the Pope of Rome accuse us of intolerance and religious bigotry, when we get in the way of their un-American programs. We will not sit by silently and permit the Pope's program to go through in the American Senate, where real Americans should sit and where real Americans should speak; American statesmen who are not afraid of the underhand and insidious power of the Roman Catholic hierachy here in the United States.

I have been reminded a number of times that the disclosures I have made are exceedingly dangerous for me personally. I know it is dangerous.

It was a Roman Catholic that shot Roosevelt in the 1912 presidential campaign. Taft was a candidate. Taft had appointed to the Supreme Court bench, as Chief Justice, an able man from the South, a Roman Catholic. He had appointed him Chief Justice of the United States, and had greatly pleased the Roman Catholics; Taft was a candidate for reelection, and Roosevelt was a formidable candidate, and the bullet of a Roman Catholic gun brought him down, but it did not kill him. Roosevelt had offended the Roman Catholic hierarchy. He told Archie Butt, who was associated with him at the White House, that the Roman Catholic Church was out of place in the United States; that it could not grow here; that it was not in harmony with American institutions; that it could grow only by immigration; and in the campaign against Taft he paid for his utterance by being shot by a Roman Catholic.

I know it is dangerous. I suppose I am doing a dangerous thing now, but I am going to tell you another thing: Some of the citizens of the State of Maryland have pledged me that if I was assassinated a number of Roman Catholic priests would suddenly cease to live and that the "political higher-ups" of the Roman Catholic faith would be attended to first.

Mr. President, I am not in favor of using such methods except in extreme, nation-wide emergencies, where a great American question vital to the welfare of the Nation is at stake and foul means have been employed to put out of the way those who espouse the cause of their country. Then it becomes the duty of every brave American patriot to act. In view of the fact that a Roman Catholic tried to kill ex-President Roosevelt and that three Presidents of the United States have been killed by Roman Catholics I am going to make this statement on the floor of the Senate: If anything happens to me, I want what has been written to me from Alabama, Maryland, Texas, and South Carolina to be carried out.

It is not the business of the Senate to know what that particular correspondence is about. It affects me personally because of the fight I am making here as an American Senator to prevent the Roman Catholic hierarchy from using the United States Army to restore the Roman Catholic Church to power in Mexico. If anything happens to me, it will be at the instance of this power and under the direction of that power. It will be planned, all arranged, and ordered. It may not be here. It may be somewhere else. They may plan for it to be under such circumstances that the public would say "they" had nothing to do with it; but I have written and mailed to my friends just what my desires are and just what I would have those whose battle I am fighting to do; and if anything did happen to me, to carry out the program made by loyal Americans.

I am a soldier in the service of the Government of the United States. I have enlisted for life, and I have recently exposed a Roman Catholic war program that gravely concerns the whole population of the United States. Is it fair to me, is it fair to the country, to permit that "insidious and un-American power" to assassinate me in the United States because I have interfered with the war plans of a Roman Catholic Pope? If a Roman Catholic priest will sit in this gallery and hiss a United States Senator on this floor, while he is speaking against the Roman Catholic war program, if a Roman Catholic priest in New York will print in a so-called Roman Catholic religious paper the bold suggestion that a thug ought to be hired to attack me, if Roman Catholics will write letters to me threatening my life as they have done—one from Boston saying the writer was coming here with 10 others and that they were going to silence me—it shows how mean and murderous the un-American feeling back of all this is. They do not frighten me. Of course, they give me concern, and I have written to these friends who have written to me, in the States I have mentioned, and I have suggested the course I wished pursued in connection with their own suggestion.

Mr. BRUCE. Mr. President, do I understand the Senator from Alabama to say that he has received statements from citizens of Maryland that if he is killed, I, too, will die?

Mr. HEFLIN. Oh, no; the Senator from Maryland was not even mentioned in those communications. He has been mentioned and criticized in many others from Maryland.

Mr. BRUCE. I was going to say, "Then let me die." [Laughter.]

Mr. HEFLIN. No; these brave American patriots did not mention the Senator. The Senator from Maryland is already dead. [Laughter.] The Senator is "deader" politically in Maryland than he has any idea of. In view of his recent conduct here, all that is necessary to do in his case is to cross his hands on his chest and put a lily on his breast. [Laughter.] He has done all of that for himself. Sleep on, sweet old admirer of Pericles and John Randolph of Roanoke. Their spirits will keep vigil over thee after the next Senatorial election in Maryland. [Laughter.]

Let me proceed with these statements I was making when the Senator from Maryland interrupted me. It is not a very pleasant thing to be constantly reminded that "certain people" in our midst have designs on my life. It is not pleasant to have them try to get you on the phone to tell you what they think of you. They have tried a number of times to call me at my office, but my red-headed secretary has "cussed" them out and relieved me of that annoyance. They wanted to tell me "just what they thought of me." All these things are annoying and unpleasant, but they will not prevent me from doing my duty as I see it.

Mr. President, all these attempts to embarrass and intimidate me have come about because I dared to read a resolution in the Senate passed by the Roman Catholic Knights of Columbus, have it printed in the RECORD, and have helped to defeat so far the Roman Catholic program for war with Mexico. If "they" will do these bold and wicked things now, in this enlightened age, what will they do later on if their numbers increase in the United States and in the Senate?

What do you think would happen to me, Mr. President, if there were a majority of Roman Catholic Senators in this body? They would expel me for disclosures I have made. They would change the rules of the Senate, and they would expunge from the RECORD a speech like the one I am now making if an American Senator dared to make it. It would be dangerous. Even now, with 90 "so-called" Protestant Senators in this body, it is in a sense unpleasant to stand up and assail the infamous and insidious program of the Roman Catholics to plunge this country into war. Yes, it is in a way unpleasant and dangerous now for an American Senator to stand here day after day and defy and fight their insidious maneuverings. They not only employ the Roman Catholic press, they not only use their weak-kneed Protestant friends on this floor, but they employ the anonymous letter writing thugs to threaten me and to frighten me into silence and submission.

But my answer is—

> Rather cast me back into pagan night
> To take my chances with Socrates for bliss
> Than be the Christian of a faith like this.

I do not intend to yield to it and the country is not going to yield to it. The Roman Catholic hierarchy should dissolve. The Roman Catholic Church in the United States must be born again. It must conform to the rules and regulations of our free institutions or have itself declared as an enemy to them. The independent and individual Catholic, who is already rebelling in some places, according to the article written by the Roman Catholic newspaper man at Cleveland, Ohio, should shake off the shackles of the Roman Catholic clergy and the

Roman Catholic hierarchy and demand that the Roman Catholic Church come out in the open and be in deed and in truth a real American religious institution.

No religious denomination whose presence constitutes a danger and menace to our free institutions has any right to exist in the United States. The Roman Catholics can not lord it over the loyal Protestant and loyal Jewish people of the United States. They can not use the United States Army to fight the battles of the Roman Catholic Church. You must give your allegiance to the United States or keep very quiet when real Americans are insisting on the right and duty to give whole-hearted service to their country.

Now, Mr. President, here is another one of those articles sent out from Washington. It is from George R. Holmes, staff correspondent, Washington, D. C., dated January 19, 1927:

> The danger of war with Mexico which has been lurking in the shadows of the land-law dispute has virtually been dispelled.

Thank God! If I have been instrumental in helping to prevent war, I ought to be happy, and I am, for the humble part that I have played. From the letters I have received from all over the country indorsing and praising my stand I feel that I have rendered some service to my country, although I have been slandered and traduced by those whose purposes have been defeated by the work that I have helped to do in this body.

Here is what the New York World said in an editorial on January 13, 1927. The title is, "If you want peace," and it reads:

> The extreme gravity of the Latin-American crisis can no longer be doubted. The United States is nearer to war with Mexico than it has been since Pershing's expedition and the landing at Vera Cruz.
>
> If the American people desire to preserve the peace, they have no time to lose in making their will known to the President, his Secretary of State, and to the Congress of the United States.

Senators, it is a praiseworthy work for us to be engaged in an earnest effort to prevent war, to remain at peace with a friendly nation, and to use our efforts and influence to permit our fine American boys to stay in the peaceful pursuits of life in America, living their own lives and solving their own problems unmolested in the paths of peace. We have rendered signal service to our country by letting all those who have and hold secret allegiance to the Pope of Rome know once and for all time that they can not and shall not use the United States Army to fight the battles of the Roman Catholic Church. I have convinced everybody who has sat in the gallery who has listened to me, except about a dozen—and you could not get an idea into their heads with a drill—that this whole Mexican war proposition was a Roman Catholic move. Nobody can deny that. These resolutions that I have read show it. All the correspondence shows it. The statements of Roman Catholic societies and Roman priests and Roman Catholic Knights of Columbus all show it.

Wherein, then, have I offended? Am I to be attacked and lectured by certain ambitious Senators who would like to put a little Roman Catholic oil on the wheels of their presidential candidacy? Are they seeking Al Smith's Roman Catholic strength? The Senator from Maryland has brought Governor Smith's campaign to the floor. He has made the CONGRESSIONAL RECORD the vehicle, at the expense of the American taxpayers, to carry through the country a political propaganda for Al Smith. He had printed in the RECORD an article written by some Roman Catholic and signed by George Gordon Battle, of New York, formerly of Virginia. Mr. Battle says in the article that he is a Protestant. There is not a Protestant living who knows that much in the detail about Roman Catholic history. A Roman Catholic wrote that article, I think, and got Mr. Battle, a Protestant—and he says he is a Protestant—to sign it, and they sent it down here and got the Senator from Maryland, who says he is a Protestant, to put it in the RECORD. So a a Protestant up in New York "daddied" it and a Protestant from Maryland prints it in the CONGRESSIONAL RECORD. Now, since they have brought Al Smith's candidacy to this floor, and now, since it has been deliberately brought in here by the Senator from Maryland [Mr. BRUCE], I feel that I should and I know that I will pay my respects to it.

Mr. BRUCE rose.

Mr. HEFLIN. The Senator need not rise. I am not half through. It will take me all day to-morrow perhaps to finish.

Mr. WADSWORTH. Oh, no!

Mr. HEFLIN. I know that announcement is not pleasant to the Senator from New York, but it does not hurt him half so much as it does the uneasy and restless Senator from the State of Maryland.

Mr. BRUCE. Mr. President——

Mr. HEFLIN. I can not yield now.

Mr. BRUCE. I was going to ask the Senator to yield to me.

Mr. HEFLIN. I can not yield to the Senator now. I said a little while ago that he was "dead," and he can not come back to life in such a short time. [Laughter.]

Mr. President, my good friend from New Jersey [Mr. EDWARDS]—and a very able and clever gentleman he is—was deploring the fact here the other day that McAdoo was still talking about prohibition and that I was injecting the religious issue into the political situation and that I would offend Roman Catholic Democrats and hurt the Democratic Party. I know the Senator has the Democratic Party's good at heart. Mr. President, I am a Democrat and I love the great Democratic Party, but I always put my country's cause above my party's cause. My country comes first with me. If any Roman Catholic who calls himself a Democrat gets mad with me and quits the Democratic Party because an American Senator has opposed the efforts of the Roman Catholic Knights of Columbus to involve our country in war with Mexico, let him get mad and let him get out of the party, because the Democratic Party is in every sense of the word truly an American party.

Let me remind the Senator from New Jersey that I know something about how certain so-called Roman Catholic Democrats have used, when they could and betrayed when it was profitable, the great Democratic Party. I was not a delegate but was present at the Democratic National Convention in New York City in the summer of 1924. I occupied a seat on the platform where I could see all over the convention hall. I saw and heard the Roman Catholic advocates of Al Smith in action. They demanded that a Protestant fraternity, known as the Ku-Klux Klan, be condemned and denounced by the Democratic National Convention. They were told that that question should not even be taken up for consideration by the convention—that it would cause friction and division among Democrats and would endanger party success at the national election. They paid no attention to those appeals. They showed no real interest in and no sincere consideration for the Democratic Party then.

I told a number of them that they would disrupt the party and destroy its chance of success, and they said, "To hell with the party if it will not denounce the Ku-Klux Klan." I said, "That is not a question for this convention to consider. It has no place in its proceedings. If you put a plank in the platform denouncing the Ku-Klux Klan, they will amend that provision with another one denouncing the Knights of Columbus."

Nothing would stop them. The Roman Catholic army of Al Smith was on the warpath. They sat up at night working and scheming to have the Democratic platform declare against the Ku-Klux Klan. Party welfare was thrown to the four winds then. Keep in mind the fact that Roman Catholic delegates at the Cleveland, Ohio, Republican National Convention had let the klan subject go by. They did not even raise that question there. Oh, no; they held it back to unload it and explode it in a Democratic National Convention in New York, to help elect a Republican President of the United States. I saw some of the most disgusting, disgraceful, and humiliating things in that New York convention. The Roman Catholic program to denounce the Ku-Klux Klan was nearer and dearer to the Al Smith advocates than was the welfare and success of the Democratic Party. They insisted on carrying the klan issue to the floor of the convention. The committee on platform and resolutions refused to put in the klan proposition, and then the enemies of the Democratic Party, for that is what they were, insisted on having the convention put it in the platform. I saw that grizzled old warrior from Nebraska, grown gray in the service of his party and his country, three times the national standard bearer of the Democratic Party, pleading for party, peace, and harmony, pleading for unity of purpose and party solidarity. I heard him plead with those seeking to destroy the party to withdraw their demand to make the Ku-Klux Klan an issue in the Democratic convention.

But he appealed in vain. When he came up on the platform to make his speech I saw an unruly mob of hoodlums from Tammany hiss him and holler at him, and for some minutes they would not permit him to speak. They insulted and sought to humiliate that great champion of democracy, that great western Democrat. Al Smith's advocates were in the saddle. The Romanists were rampant and on the rampage. I talked to scores of them. "Do not do that," I said. "Let the States handle that question. It has no business here." But they paid no attention to any appeal for the welfare of the Democratic Party. The Senator from Massachusetts [Mr. WALSH] made a speech in the convention in favor of denunciation in the Democratic platform. The roll was called on the question about 2 o'clock Sunday morning. When my State, the State of Alabama, with 24 delegates, cast her vote in favor of the Al

Smith program to make the klan an issue in a Democratic convention, I took my hat and left the convention, because I was disgusted and because I knew that my State would not sanction that action. I would not stay there any longer and witness such a disgusting spectacle. I repeat, the Roman Catholic Republican delegates at Cleveland, Ohio, in 1924, did not even mention the klan issue. That "issue" was kept and unloaded on the Democratic convention in New York. Nobody can ever make me believe that the Roman Catholic, Al Smith, and others under his control, did not have a distinct understanding with certain leading Republicans to do just what they did do in the convention in New York City in 1924.

Mr. President, it does not lie in the mouths of Al Smith and his cohorts to lecture me about the wisdom or propriety of my efforts here to prevent the Roman Catholic Knights of Columbus from driving this country into war.

Finally, when the delegates of the convention voted, the motion to denounce the klan was defeated by four votes. The convention adjourned over to Monday. Listen, Senators, because I am going to give you some inside political history now.

Mr. WADSWORTH. Mr. President——

Mr. HEFLIN. I have not time to yield now. Sunday morning I went down into the McAlpin Hotel lobby and was talking to various delegates. I found a bunch of Roman Catholics hot on the klan trail again. I said, "What is up now?" They said, "We are going to have a motion to reconsider the vote by which this thing was lost and we are going to have enough votes now to put it over." I said, "Let me tell you something. If you raise that question again, we will not have a shadow of a chance to elect our ticket when this convention adjourns." I then met some of the delegates from my own State and said to them, "Boys, I have not said anything to you about your vote last night to make the klan an issue in the Democratic National Convention, but if you vote to reconsider the vote by which that proposition was defeated I will denounce the delegation over my signature in a statement in Alabama, and I will go to the mat with all of you." So a majority of the Alabama delegation would not agree to vote to reconsider the motion. I am giving Senators some inside history. They were going to move to reconsider that motion Monday morning and go on with their work of division and destruction. What did those rampant Romanists care about the Democratic Party? This is a part of the history of their attempt to destroy the Democratic Party. Let me give you a little more of it.

Al Smith is a candidate for governor of the State of New York, and his political strength in New York is of course the Roman Catholic vote. Everybody knows that. And he has no strength outside in the other States except the Roman Catholic vote. He is their "picked man" and best hope, they think, and they have been praising and boosting him and voting for him for governor with another and a higher object in view. They never would have beat "JIM" WADSWORTH if it had not been for the Roman Catholic deal. So when Al Smith's race came on for governor, let me show you what happened. Mr. Gerard, Al Smith's Roman Catholic right-hand man, was secretary and treasurer of our Democratic national campaign committee, so the funds were handled "amongst friends" in New York, while Al Smith was running for governor. What do you suppose happened?

Listen, Senators! On the day of the election when Al Smith was running for governor, the Democratic nominee and standard bearer for the Presidency, John W. Davis, then living in New York, was traded off and thrown down, while Tammany leaders—Roman Catholics—had on badges, "Al and Cal," "Cal and Al." A Democratic Congressman from New York told me that. He met one of them on the street and said, "What does that mean?" He said, "It means business. We are putting Al and Cal over." That is what it means. And yet the Roman Catholic press warns me to cease my opposition to their war program lest I offend and drive out of the party certain Roman Catholics. Al Smith's crowd will vote the Democratic ticket if they can use the Democratic officials when elected. They will throw the presidential nominee down any time to carry out their plans and purposes in New York City and State. They want control of the city, they want the governorship of the State, and they will trade with the Republican Party at any time to carry New York under those conditions. They have done it time and time again.

I am going to have something to do with the next campaign, and we do not expect to lose much time on New York. We can win the next presidential election without New York. I saw an editorial written by one of the Roman Catholic editors who said that I suggested that Al Smith could not be nominated, and that editor said he wanted to inform me that if he was not nominated, whoever was nominated would not be elected. That proves what I have already said. They are not for the Democratic nominee unless he suits them, unless they can use him. So it does not frighten me for such Democrats to say that when I am trying to keep my country out of war that I am rocking the Democratic boat. I am going to help to rid my party of all disloyal Democrats. I want to speak for the party now, and I say to any man from the South who challenges this that I will debate the subject with him in his own State. Here it is, the Democratic Party does not intend that the Roman Catholic hierarchy shall use the party as a tail to the Catholic kite. Roman Catholic Democrats of New York must prove their democracy by voting for a Democratic nominee coming from some other State, and they must carry New York State for him.

Mr. President, I said that on account of Al Smith's wet record as governor, having signed an act which virtually withdrew the State of New York from the Union he could not hope to be our presidential nominee. He withdrew State enforcement aid and said, in effect, to the Federal Government, "We have no sympathy with your eighteenth amendment and no support for it." A man who signs a bill like that ought not to be governor much less President. Think of the Christian patriots, the upstanding Americans of the country putting the standard of the Democratic party in his hands to lead our party in the presidential campaign! It will never be the deliberate judgment of American Democrats, mark that.

New York is a liability to the party the way it is run. If Roman Catholic Democrats can not stand up and take their medicine and be loyal Democrats and 100 per cent Americans, let them get out. The presence of some of them in the party is not going to prevent me, as a Democrat, from denouncing their un-American conduct whenever and wherever I find it. I do not care whether a man is a Democrat or a Republican, if he is doing an un-American thing I ought to denounce him, and more particularly if I find him in the ranks of my own party. Any good Democrat will agree to that.

Friday, February 18

Mr. HEFLIN. Mr. President, the press reports of my speech yesterday are, in the main, misleading and false. Before I take them up in their order, I call attention to the Washington Post, which has an item reading:

> Senator WADSWORTH (Republican), New York, last night called upon newspapers to squelch the religious poison which is being spilt in the Senate.

The Catholic-controlled press, whose representatives sit in this gallery day after day, by leave of a Protestant American Senate, do not need any suggestion on that line from the Senator from New York. They will not print the truth regarding the issues discussed in this Chamber. I want to read to the Senate what some real Americans, outside of Washington, think about this thing. Everyone should know what is contained in the following statement, which is taken from an address delivered at Christ Mission, New York, December 7, 1924, by Rev. A. Melburnie.

> Two years ago an aggressive Roman Catholic propaganda was made in advertisements in the newspapers of Pittsburgh, Pa., and when the Protestants asked for paid space, in the same newspapers, to defend the evangelical position their articles were refused.
>
> Second. That here in America the public press is largely under the control of the influence of Romanism.

Mr. President, the next paper to which I wish to pay my respects is the Baltimore Sun, which is controlled by this Roman Catholic hierarchy. Here is an article in the Sun about a column and a half in length; and I charge that this Roman Catholic-controlled sheet purposely refused to tell the truth contained in my speech of yesterday. The burden of my speech, the main point running through it, was that this resolution to sever diplomatic relations with Mexico was introduced in the House by a Roman Catholic Congressman from New York, and that at the hearings only Roman Catholics were heard, and that the telegrams and the letters and the resolutions offered in support of it were all from Roman Catholics, and that the thing they mention and complain about is Roman Catholic persecution in Mexico and attacks on the Roman Catholic Church in Mexico; and not one of these lying sheets that have gone out from this Capitol, so far as I have yet seen, has given that point to the American people. They have purposely kept it from them.

Mr. President, I am going to raise an issue with a large portion of the press here at the Capitol. If these newspaper men will not give the truth to the country, they ought not to be permitted to sit in that press gallery. If they are to be controlled by an "insidious" influence that will pervert the truth or suppress the truth of what is said here, we have no free press in America.

Listen to this Baltimore Sun article. I had been speaking of the resolution passed by the Knights of Columbus, of the State of Maryland, in which they said their reason for protesting against the Mexican Government was the persecution of Catholics and against the efforts to destroy the Catholic Church. He had not dreamed the Knights of Columbus had adopted a resolution on the subject. The Sun quotes me as saying:

When Senator BRUCE protested he had voiced his own opinion and not that of anybody else.

Senator HEFLIN replied:

I can defeat the Senator in the State of Maryland myself.

See how they have confused and garbled what I did say.

Right there, Mr. President, I read the resolution from the Knights of Columbus, of Maryland, and they make a reference to it, and then deliberately refuse to tell what it was; and that resolution said the Knights of Columbus, of Maryland, were protesting against "the persecution of Catholics and the attempts to destroy the Roman Catholic Church in Mexico." Why did not the Baltimore Sun publish that part of the resolution right there?

Mr. BRUCE. Mr. President——

The PRESIDING OFFICER (Mr. ODDIE in the chair). Does the Senator from Alabama yield to the Senator from Maryland?

Mr. HEFLIN. I yield to the Senator.

Mr. BRUCE. Will the Senator from Alabama tell me what his authority is for stating that the Baltimore Sun is Catholic controlled?

Mr. HEFLIN. I am judging by its Roman Catholic subserviency; by its reporting everything in favor of the Roman Catholic hierarchy and attacking everything that is said here by American Senators in behalf of America, to keep America out of war for the Roman Catholic hierarchy.

Mr. BRUCE. Mr. President, has the Senator from Alabama ever seen a list of the stockholders of the company that publishes the Sun?

Mr. HEFLIN. I do not care anything about the list of stockholders. There are so many week-kneed, miserable Protestants who are afraid to lift their voices against this Roman Catholic hierarchy in the United States that I do not care what names the list shows. I am talking about what that paper is doing; and the Bible says, "By their fruits ye shall know them."

Mr. BRUCE. It is not the purpose of the Senator, then, to state that the Baltimore Sun is owned by Catholics?

Mr. HEFLIN. I do not know who owns it. I am talking about the dominating power, the controlling influence back of it. They may be like some politicians that I know who are playing with "that power" and bowing and doing obeisance to it and hoping to gain favor with it, and not having the courage and the Americanism to stand up and fight it, although the killing of American boys on foreign soil may be involved in their miserable program. That is what I am getting disgusted with. These miserable sheets send out a story and never tell the main thought that ran all through the argument made here. I took two hours and more reading resolutions from Roman Catholics suggesting that they were protesting against the Calles government in Mexico because of the persecution of Roman Catholics, because of an effort to destroy the Roman Catholic Church over there. I read the resolution from the Senator's own State of Maryland, the resolution of the Knights of Columbus, and the burden of that resolution was Roman Catholic persecution, and an attempt to destroy the Roman Catholic Church; and not one of these sheets that I have seen has told that to the country.

Senators, you are going to wake up one of these days to what is going on here at the Capitol. If "this influence" is so dangerous and powerful now, what will it be 25 years from now? If Senators now will "truckle to it" or "flee from it" when it raises its hand, and seek cover whenever the issue is brought into the open, what will happen if the power of the Pope is increased about the press gallery and in this body?

I will tell you what is going to happen. The American people are waking up, and I want them to wake up. I want every Senator who comes up for reelection next year to be asked, "Were you in sympathy with Senator HEFLIN or were you against him when he was fighting to prevent the Roman Catholic hierarchy from driving us into war with Mexico? Were you giving him encouragement and support or were you bowing and smiling to the Pope?"

The Baltimore Sun has been a great paper in the past. It is no longer that. The influence that dominates it now is un-American. It is dangerous to the genius of free institutions. It suppresses the truth. It is against the best interests of the Government. It lies in its report of to-day about my speech of yesterday.

Mr. BRUCE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Maryland?

Mr. HEFLIN. If the Senator wants me to yield again, I yield.

Mr. BRUCE. Does the Senator think that tolerance is un-American?

Mr. HEFLIN. Tolerance?

Mr. BRUCE. Yes.

Mr. HEFLIN. My God! Tolerance with your Roman Catholic friends means meek and humble submission to everything the Roman Catholic hierarchy does or says. It means silence and cowardice on the part of real Americans when the "righteous" power of the Pope is in question.

Mr. BRUCE. I think such language as that is unworthy of an answer.

Mr. HEFLIN. The Senator from Maryland can not make any answer to it. There are those here and elsewhere who do truckle to this power. There are those who are as afraid of "it" as they are of death. There are those who court favor with "it" all the time, and I regret to say that there are those who are just as much under "that control" as if they were Roman Catholics themselves. Now, that truth will go to the country. It will go in this RECORD if it can not go in the newspapers.

Here is another one—the New York Times. Listen: Here are the headlines:

Catholics assailed again by HEFLIN.

In three-hour speech he denounces church, charging it sought war with Mexico.

Links Sheffield to "plan."

Envoy defended by WADSWORTH—Cardinal controls candidates of both parties, Alabaman asserts.

And not once do they state that I read to the Senate telegrams from Roman Catholic priests, resolutions from the Holy Name Society and other Roman Catholic organizations, resolutions from the Roman Catholic Knights of Columbus of Maryland, letters galore from Roman Catholics to the committee, all pointing out that Roman Catholics as Roman Catholics were protesting because of Roman Catholic persecution and an attempt to destroy the Roman Catholic Church in Mexico.

Why will not these papers tell the truth? What influence is it that will prevent a paper like the New York Times from telling the truth? What will make that paper truckle, dodge, evade, and become the tool of this insidious power? And yet its representatives are here.

Mr. President, the people will have to arrange a different situation with regard to getting the truth to the country from the press gallery at the Capitol. This influence is too strong up there. There are some men up there who are honest and who are brave, but some of them can not write what they want to write. This "insidious power" is reaching its hands into every nook and corner of the country, and scores and scores of papers are not permitted to tell the truth about what takes place here. Senators, that is a very serious situation.

Why did not the New York Times say that "Senator HEFLIN showed by the facts that this was a Roman Catholic movement?"

The Senator from Maryland [Mr. BRUCE] helped to raise this issue with me, and the Senator from Missouri [Mr. REED]. They said that I had injected the religious issue because I discussed the position taken by the Roman Catholic Knights of Columbus, discussed their resolution; and when I came here yesterday and proved that not I but that they injected the religious issue, and that the "religious issue" really was at the bottom of the Roman Catholic movement for war with Mexico, these papers refused to tell the truth to the American people. And yet the people continue to support these unfair and untruthful papers.

Let me appeal to the Protestants and the Jews of America who believe in fair play, and who are opposed to this sort of crooked and corrupt control of our press, to quit supporting these papers. Let me tell you what happened to one paper in Missouri the other day, the one I read about yesterday, the one that called me a bigoted ass, the Springfield News, a newspaper took issue with them, called them to task; scores of Protestants wrote in and stopped their subscriptions, nearly half of them, I am told, in a week; and then the paper came out and filled nearly its whole front page with my speech without comment. That is what you have got to do. You have got to assert yourselves. You have got to quit supporting such papers, I am speaking now to the people who are reading this RECORD:

Quit taking these papers. Make your influence felt. Do not support papers that tell lies, suppress the truth and injure your country. Let this insidious Roman Catholic hierarchy support them and keep them up. Start another paper against them. They are not giving us a fair deal at Washington. They are suppressing the truth. They just will not tell the truth.

Now, I will take up another one.

Mr. BRUCE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Maryland?

Mr. HEFLIN. I do.

Mr. BRUCE. I should like to ask the Senator from Alabama what he means by saying that the Baltimore Sun is Catholic controlled. Does he mean that the holders of the stock of the publishing company of the Baltimore Sun, or a majority of them, are Catholics? Does the Senator mean that?

Mr. HEFLIN. I do not know anything about that, and I do not care.

Mr. BRUCE. What does the Senator mean? It is hard for me to find something the Senator does know something about.

Mr. HEFLIN. I know by its acts that this influence is controlling the Sun. The stockholders are not caring about anything except clipping coupons. Those who write the stories that appear in the paper are the people who control its news policies. They shape its policies. They are making the paper do what they want it to do, that is what I am talking about.

Mr. BRUCE. Does the Senator mean, then, that expressions of tolerance on the part of a newspaper are evidence that it is controlled by the Catholic Church? If that is what the Senator means, so much the better for the Catholic Church.

Mr. HEFLIN. Tolerance! There goes the Senator from Maryland on tolerance again! The Senator is still harping on "tolerance," as he has come to understand it from his Roman Catholic environment, and he is still criticizing the position of an American Senator who has dared to expose the miserable and mean war program of the Roman Catholic Knights of Columbus.

Mr. BRUCE. May I ask the Senator another question?

Mr. HEFLIN. No; I can not yield to the Senator.

Mr. BRUCE. Just one more.

Mr. HEFLIN. Well, ask that one more.

Mr. BRUCE. Does the Senator mean, then, that he thinks the Baltimore Sun is Catholic controlled because it condemns the language of squalid and inflammatory bigotry upon the floor of the Senate?

Mr. HEFLIN. Mr. President, what I mean is exactly what I say, that I know this paper is now dominated by this "insidious influence" because it would not tell the truth about the speech that I made here yesterday when I discussed a thing of vital interest to ninety-odd million American people. I told the truth, and they would not publish it. No man on this floor, not even the intolerant and bigoted Senator from Maryland, challenged the truth of my statements.

I fear the trouble about the Senator from Maryland is that the bent of his mind and the trend of his sympathies are toward the altar place of the Roman Catholic hierarchy, while mine are on the side of my country. I dared, in my place as a Senator, to expose this miserable effort to involve us in war, and for doing that the Senator from Maryland was first to rise in this body and criticize and condemn my utterances. I knew why the Senator did that. The Roman Catholic vote controls the city of Baltimore, and no Protestant can be elected there in opposition to that vote, and I have but little respect for an "American" who will shape his creed for his craving and swallow his convictions for a job.

Is that bigotry? Is that religious intolerance? It is truth. The time is coming, if it is not already here, when Americans at the ballot box, the ark of the covenant in our civic affairs, must say, "Are the candidates able, honest, capable Americans? Is there any power on earth that they put above that of the United States in their heart of hearts? Have they any divided allegiance? We wish to put none but Americans on guard.

Are they for America first, last, and all the time? Are their secret obligations to the Roman Catholic hierarchy in conflict with their duty to the United States Government? Have they ever been initiated into what is called "the honorary inner circle"—a secret order in the hierarchy where it is said they confer a degree upon "desirable Protestants"? In other words, are those who are running for office, by blood or otherwise, tied in any way to the Roman Catholic hierarchy?

Mr. President, I have never been accused of having any religious prejudices in all of my life until the charge was made by the Senator from Maryland, who is now serving his last term in the Senate. [Laughter.] Do not laugh at that. It is too serious a thing to laugh at. His political days are numbered, and he caused them to be numbered himself. I know his State. The rank and file of the Democratic Party outside of the city of Baltimore are already up in arms against his attacks upon me, and the cause that I represent in this body. They are not ready to march the soldiers of Maryland to the Mexican border to prevent Mexican attacks upon the Roman Catholic Church; and when I denounced the un-American effort to do that the Senator from Maryland attacked me, and I am going to suggest to Governor Ritchie that he had better silence the Senator from Maryland.

The Senator from Maryland is not in any way helping the distinguished Governor of Maryland by insisting on injecting his defense of the Roman Catholic hierarchy into an American Senator's speech.

But, Mr. President, I was about to pay my respects to the New York World. [Laughter.] That Roman Catholic editor up there has attacked me viciously several times since I exposed the efforts of the Knights of Columbus to involve us in war with Mexico. Listen to this plain, unvarnished falsehood:

When HEFLIN finished his speech, he said something about "I will 'git' the floor to-morrow."

They have quotations around the statement that I said that "I will 'git' the floor to-morrow"; with emphasis on the "git." They state that I said "I will 'git' the floor."

Why do you suppose that Roman Catholic writer wanted to put that lie in the paper? I did not say that. Every Senator here knows that I did not say it. And they say that when I said that I would get the floor if I wanted it, "There were groans from the floor and in the galleries." That is not true. It is absolutely false. No such thing occurred.

There was not a groan upon the floor, nor was there a groan in the galleries, nothing but approval of my course from the galleries at any time during my speech. But that false statement has gone out in the New York World. That appears in the New York World, up in Al Smith's home State, and the Senator from Maryland has not condemned that falsehood which was told on me and told on the Senate and told on the unterrified Americans who sit in this gallery and hear debates for the purpose of getting the truth, because they can not get it in the Roman Catholic controlled press.

The Washington Star, a Republican paper, has in times past been, I thought, very fair.

Mr. BRUCE. Mr. President——

Mr. HEFLIN. I can not yield to the Senator from Maryland any more.

Mr. BRUCE. I just wanted to ask a single question. I simply wanted to ask the Senator from Alabama whether the entire enlightened press of the country are against him?

Mr. HEFLIN. All those newspapers, like the Roman Catholic controlled Senators, who I know are against me. Those who are controlled by the Roman Catholic influence, as some Senators, I think, are controlled by that influence, are against me. I hope that will satisfy the long-time disciple of old Pericles.

Here is the Washington Star. It goes on to tell a little running story of some of the things of minor consequence, but it does not mention the main point in the speech, the thought that ran all through it, and that is that the whole scheme was started and carried on by Roman Catholics and that it was because of so-called persecution of Roman Catholics in Mexico, and about an attempt to destroy the Roman Catholic Church in Mexico. Even the Washington Star has left that out and has not given its readers a single line about it. What influence is it that has caused that paper to change? It used to be a very fair paper. It would give both sides and give the things as they occurred; but it has changed.

Now I come to the Washington Herald, a story written by Fraser Edwards, a very clever writer, and a very clever boy, a son of my old-time friend, Charlie Edwards. I take it that they cut out a part of his story, because nothing appears in this report which carried the real point in my speech. I made it as plain as language could make it, backed up by evidence coming from Roman Catholic sources, that this whole movement was started by them, and that all of these telegrams and resolutions referred to Roman Catholic activities and the effort to destroy the Roman Catholic Church in Mexico; but not a line of it appeared in the Washington Herald—a Roman Catholic controlled paper.

Senators, are we going to submit in silence to these things? Some of you may not be thinking much about this now, but when you get home and your people begin to talk to you, you will think about it when you are making your speeches and some man or woman rises in the audience and says, "Senator, may I ask you a question?"

"Yes."

"Were you in the Senate when Senator HEFLIN read the resolution of the Knights of Columbus in Philadelphia demanding that the President sever diplomatic relations with Mexico?"

"Yes."

"Were you there when he read where they denounced this Government for its policy toward Mexico?"

"Yes."

"And where they demanded that this policy must immediately cease?"

"Yes."

"And where they pledged the support of 800,000 Knights of Columbus to aid the Knights of Columbus in Mexico who were trying to overthrow the Government which this Government had recognized?"

"Yes."

"And where they pledged themselves to raise a million dollars to help carry on propaganda aiding the Knights of Columbus over there against the position taken by their government here in the United States?"

"Yes."

"Were you there when Senator HEFLIN commented on that, and said the Government should not be used to fight the battles of any religious group in a foreign country, that the United States Army should not be used to further the cause of the Roman Catholic Church in Mexico?"

"Yes."

"That it ought to be used only to uphold American rights and interests and American principles?"

"Yes."

"Do you subscribe to his position on that? Were you with him in that controversy? Do you not think he took the American stand?"

Those are the questions that are going to be asked you, and I am making them so simple that all they will have to do is to cut them out of the RECORD. Then they will say more to you:

"Were you there when Senator HEFLIN *spoke* three hours and a half and read into the RECORD all those letters from members of the Roman Catholic Church complaining about the persecution of Roman Catholics, and an effort to destroy the Roman Catholic Church in Mexico, showing that it was a Roman Catholic move entirely?"

"Yes."

"Were you there when he read those messages from Roman Catholic priests on the same line?"

"Yes."

"And all those telegrams from the Holy Name Society, a Roman Catholic institution?"

"Yes."

"Don't you think he proved his case that it was a Roman Catholic movement from the beginning, and that no Protestant or Jew had engaged in it, but that it was solely a Roman Catholic movement vigorously pressed forward by the Roman Catholic Knights of Columbus in the United States?"

"Yes."

"Are you with him on that proposition, Senator? Did you not hear him read in the Senate the press statement that the Roman Catholic priests of Mexico were disappointed because they were not going to get military help from the United States?"

"Yes."

"Then finally are you a whole-hearted, 100 per cent American? Did you support Senator HEFLIN? Do you mind my writing a letter to him and asking him if you gave him encouragement or if you tried to hinder him in the American fight that he was making?"

Those are some of the questions which will be propounded to you, and if you have told me, as many of you on both sides have and congratulated me on my speech and on my stand, that you were with me and encouraged me, I am going to write a good letter and tell them the truth about it, and if you have not done that I am going to tell the truth about your position and lay your record bare, and, oh Lord! will not it be a scorching letter when I come to write about the Senator from Maryland? [Laughter.] Brilliant and able Senator that he is, what a pity that in his old age he should be found indulging in the tactics in which he is indulging to-day.

Mr. PHIPPS. Mr. President, would it interrupt the Senator if I inquire about how long he expects to speak this afternoon? We are very anxious to pass the District of Columbia appropriation bill, which has been before the Senate now for nearly a week. We did not have any opportunity to proceed with it on yesterday and the bill really should be considered, passed, and sent to conference.

Mr. HEFLIN. I think I can finish in four hours.

Mr. PHIPPS. I presume the Senator's estimate is no more accurate than his estimate was yesterday when he told me he would speak one hour, and then occupied four hours without finishing.

Mr. HEFLIN. Since the Senator has made his statement I probably will now speak only a couple of hours.

Mr. PHIPPS. I thank the Senator for the information.

Mr. HEFLIN. The Senator came to me yesterday and made some inquiry about how long I would speak. I said probably an hour or a little more, but I had no idea that it would take me as long as it did, and I did not get half through with the facts which I had to submit for the RECORD so that the people could read them. I had not intended to speak as long as I did, but I was interrupted three or four times, and that caused me to speak more at length. I shall not occupy the floor very much longer to-day.

I want to bring to the attention of the Senate just what the Government of the United States is up against right here with a subsidized and Roman Catholic controlled press. To-day we are in the grip of a power which so controls the situation that we can not get the truth to the country through the press. It is an alarming situation, and something has got to be done. Why should we submit to it? It may be that the Government will have to adopt the plan of printing a bulletin every day. Let the Government publish each day a bulletin; and let the people of the United States subscribe for it at a dollar a year; and let both sides of the question be printed each day in the bulletin in order that the people who are not able to pay for the CONGRESSIONAL RECORD may have the truth come to them from the Capitol in such a congressional bulletin.

Mr. President, I have about finished what I desire to say. In fact, I would not have spoken as long as I have, but for the Senator from Maryland [Mr. BRUCE]. I have no apology to make for anything I have said. I have told the whole truth and I intend to see that the people of the country get that truth. I would not submit to a protestant secret hearing at the Capitol. I would not submit to a protestant movement to involve my country in war without denouncing that movement.

I repeat, I commit no sin, I do not care what the Roman Catholic Pope says, when I prefer to serve my country rather than "that influence." I do no un-American act when I stand and plead for my country against the insidious workings of those who would involve it in war to aid the Pope of Rome in Mexico. And I do not apologize to anybody for that statement.

Of course, I knew that I would be attacked by the Roman Catholic press, as I have been. They have already threatened me in various ways—threatened me politically. I have always done what I thought was right in politics. I have never been controlled by a local machine, nor by a State machine, nor by a national machine of any character. I have always fought for what I believed was right. I have taken my political life in my hands whenever I did it, and I am willing to take the consequences of my acts now. I know when my conscience and judgment tell me that I am right that I ought to rise and speak.

The villainous New York World said in an editorial the day before I disclosed this Roman Catholic movement to put us into war:

> Wake up! You are nearer to war than you have any idea.

I rose and spoke, and when I did so the Senator from Maryland, able and learned Senator that he is—he was once a very courageous and brilliant man, but now how the mighty have fallen—came in and assailed me for the stand that I took, as did the Senator from Missouri [Mr. REED], attacking me for "raising a religious issue."

On yesterday for two hours I read Roman Catholic documents sent to the committee of the House in the hearings, reciting that their grievance was the persecution of Roman Catholics in Mexico and the effort to destroy the Roman Catholic Church; the resolution of the Roman Catholic Knights of Columbus in Senator BRUCE's own State raising the question of the persecution of Roman Catholics and of the efforts to destroy the Roman Catholic Church, showing that nobody but Roman Catholics were heard by the committee; that all the letters and all the telegrams and all the resolutions were written and passed by Roman Catholics; that it was a Roman Catholic movement; that the resolution was introduced in the House by a Roman Catholic. I told the Senate on yesterday that I did not inject the issue, but that they had done it themselves, and yet not one newspaper so far as I can find to-day has told that simple truth to the country. Senators, what are we coming to here at the Capitol?

EXHIBITS

BIRMINGHAM, ALA., *February 9, 1927.*

Senator J. THOMAS HEFLIN,
Washington, D. C.

DEAR SENATOR: I have just finished reading your messages to Congress in which you so gloriously had the courage to beard the Knights of Columbus lion in his den and exposed their hellish plot that I am prompted to say: Hail to thee, courageous spirit! Martin Luther of the twentieth century!

What a joy it was to know that at least one Senator in Washington has had the manly courage to tell the truth; for the truth it was. Perhaps now, since you have blazed the trail, other formerly cowardly Senators will have the nerve to get up and speak what they know to be the truth. No longer can the Roman Catholic gang boast, "Although the Roman Catholic population of the United States numbers only one-fifth of the entire population, yet they fear us," as they have boasted in one of their church periodicals. I cordially detest those of our Protestant clergy who are always harping on toleration and boasting of the fact that their "dearest bosom friend is a Roman Catholic priest." * * * Bah! The cowards! * * * I am glad to read that the Pope of Rome, figuratively speaking, slapped old Bishop Brent, the Episcopalian bishop, in the face when he refused his invitation to attend the world conference on faith and order to be held in Switzerland within a few months. Bishop Brent humbly begged him to attend, and he refused. During the eucharistic show in Chicago Cardinal Mundelein invited the Protestant (?) ministers to attend the show, and the poor, craven creatures accepted.

There is the difference. Our ministers are humble and cowardly, while the Roman Catholic hierarchy is arrogant and dominating.

When will they wake up? Dear Senator, a man of your courage is what this country needs at its head in the presidential chair. Keep up the good work.

Sincerely yours,

HARRIET FIELD.

TEXARKANA, ARK.–TEX., *January 31, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

Dear SENATOR HEFLIN: I want to congratulate you in the stand you took and the information you gave the Senate in the Nicaragua-Mexican situation.

The heart of every true American goes out in gratitude to you. You have rendered your country a valuable service. The country was slow in believing that the present administration was bent on carrying out the dictates of Catholicism and capitalism to break with and make war on Mexico, that capitalism might continue to despoil Mexico and that Catholicism might continue its strangle hold upon that ignorant, debased, and priest-ridden people. Oh, how a Tom Watson was needed there to stand by you.

Will Senators and Congressmen, and supposedly good American citizens, never awake to the danger that confronts our country? Can't they see that there is no Christianity in Catholicism, that it is simply a great political system, masquerading under the guise of religion, using every means, fair and foul, to capture America for the Pope? To this end they are moving earth and hell to elect Al Smith president. The fight against Alcohol Smith must be made now, we can't afford to wait until the convention meets, and let the two-thirds rule be abrogated. If so, he is sure of the nomination. While he would not be elected, yet, his nomination would wreck the Democratic Party. Your speech has done more to put a crimp in Smith's candidacy than anything that has as yet occurred.

Again thanking you, I am with great respect.

Sincerely yours,

LEGRAND W. JONES.

MINNEAPOLIS, MINN., *February 2, 1927.*

Hon. J. THOMAS HEFLIN,
Senate Chamber, Washington, D. C.

DEAR SENATOR HEFLIN: The writer wishes to congratulate you on your able and valiant defense of Americanism.

The following quotation of Abraham Lincoln shows clearly how well Lincoln understood the enemy: "Neither let us be slandered from our duty by false accusations against us, nor frightened from it by menaces of destruction to the Government nor of dungeons to ourselves. Let us have faith that right makes might, and in that faith let us to the end dare to do our duty as we understand it."

This quotation appeared in the 1927 Everyman's Almanac, published by the Missouri Pacific Railroad Co.

If you are not already familiar with it, I hope it will be interesting and of value.

Yours truly,

H. A. ANDERSON.
70 North Thomas.

DE KALB, ILL., *January 31, 1927.*

Hon. J. THOMAS HEFLIN,
Senator from Alabama,
United States Senate, Washington, D. C.

MY DEAR HON. J. THOMAS HEFLIN: I wish to congratulate you on your grand and noble stand in exposing before Congress the scheming of the Knights of Columbus to drag this country into war with Mexico. It is a time when all true Americans must be on guard against the enemy that would destroy our God-given liberties that have been so dearly bought and paid for by our forefathers. We must keep secure the liberties they have given us, so that we may pass them on to our children and to generations to follow. No greater foe have we to contend with than the Roman Catholic Church. It is the same to-day as it has been in the ages past. It is beyond redemption.

I regret exceedingly that there were not other men in Congress with true American blood in their veins to stand by you in your brave stand. You have shown yourself a man among men to expose yourself to such slander and persecution that the Roman Catholic Church will undoubtedly put against you. But be not afraid. The American people are behind you to the last ditch and will stick with the guns. Keep the good work going. This country needs a leader that will fearlessly bring the battle into the camps of the real enemies of this country. You have proven yourself a faithful patriot to your country, and the American people are thanking God for such a man as you.

With faith in Almighty God, and Him to guide and lead you, victory will be yours. God bless you.

For America first, last, and always,

AXEL RYDEN.

JAMESTOWN, N. Y., *February 1, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

MY DEAR SIR: I have noticed lately in the public press several articles regarding your speeches before the Senate regarding the Mexico affair. Of course, the press does not print much of those speeches, or print them in full as they should. However, in one of the Washington papers I notice a very complete account of one of your speeches, and I want to congratulate you on your American courage. You realize that there are few men in public life to-day who have courage to stand up and tell the things that they really know about that un-American bunch. I am satisfied that you have their number and to the mind of any reasonable person and one who keeps in touch with their doings, you certainly only said what were the facts in the case.

Of course, you must realize that it will mean almost retirement for you. That crowd of outlaws will get you some way. They will first declare a political boycott against you. They will harass you in every method known to their craft, even to assassination if that will be the only means to get rid of you. They won't, of course, stab you in front, but they might do so in the back as that is their method of doing business. You will, of course, never get another Catholic vote in the State of Alabama, and there are perhaps some jelly-fish Protestants who will vote against you in sympathy with the Pope's crowd. But it is more honor to be defeated by Americans than to be elected by the help of that crowd. However, you can now expect the fate of poor old Thomas Watson, who they hounded till he died, and at that he was worth more than all the subjects that the holy Pope has in this country. He was sure a 100 per cent American.

I have always voted the Republican ticket, but I would want no greater privilege than to be able to cast a vote for you, and I would not care what ticket you run on or what office you wanted, as you are the brand of American that I admire.

Sincerely yours,

CHARLES F. MOYER.

KERRVILLE, TEX., *February 9, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

DEAR SENATOR: I wish to congratulate you on your speech in the United States Senate on the Mexican situation. It is doing more to bring to light the real situation than all else that has been said on the subject to date. I inclose a page taken from the last issue of Columbia, the official organ of the Knights of Columbus, published at New Haven, Conn. It explains the work of that organization and what they are doing with the million dollars raised to crush the Calles government in Mexico. It confirms your statement in the Senate and shows conclusively what they are doing to fool the people.

May God bless your good work in the furtherance of preserving our American institutions.

Yours truly,

D. R. LEWIS.

POTWIN, KANS., *February 10, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

DEAR SENATOR HEFLIN: I am deeply interested in you and admire you for the stand you have taken upon the Senate floor in defense of your country and my country.

I want to congratulate you, and thank you for the manly expression of thought you gave before the Senate in behalf of the people of the United States, the interest displayed in keeping our country out of war with Mexico. Do not let the Pope's militia, the Knights of Columbus, bring war upon us if it is in your power to prevent it.

Let not your thoughts be intimidated by them. Millions of people are watching you. Hundreds of thousands of praying people are asking the one God to bless your mind and fill it with wisdom and give you strength to endure. The people of our land have been praying: God give us men; men who dare to think. It is your type of manhood this country needs for President of our United States.

When a country needs a man to save it, God raises up just such a man as you and Lincoln to save it. I hope to see you elected President of our glorious Nation.

Respectfully yours,

U. G. RUSSELL.

SPRINGFIELD, MO., *February 5, 1927.*

Senator J. THOMAS HEFLIN,
Washington, D. C.

DEAR SIR: I wish to congratulate you for your fearless stand you have taken in the United States Senate for Americans in regard to the Mexican situation and the Knights of Columbus request to intervene on behalf of their religion.

Let me further state that if I personally had the time I could get at least 10,000 signatures to this letter here in Springfield, Mo.

Hoping that you keep up your good work, no doubt you will be repaid.

I am, as all God-fearing Americans,

FLOYD JONES.

P. S.: General Washington once said, "Put only Americans on guard."

F. J.

CEDAR RAPIDS, IOWA.

Hon. J. THOMAS HEFLIN, M. S.,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR: Undeniably, the great need of the hour is the presence in the Congress of statesmen who have the ability to discern, and the courage to strike, the insidious enemies of our country.

I desire, therefore, to commend your recent expose in the Senate of the Roman Catholic intriguing; to compliment you on your courage and patriotism, and to assure you that four-fifths of the people of the country are with you. Concensus of opinion throughout the Middle West is that our United States troops have about as much business in Nicaragua or Mexico as Kellogg—with his "Bolshevik" nightmare—has in heaven.

Since the press virtually ignored your wonderful senatorial addresses, as it does all 100 per cent American matter, don't you think the Government should erect a broadcasting station at the Capital and require all speeches delivered in the House and Senate to be put on the air so that the American people could get the facts and information available there, and not be choked off by a "kept" press as they are now?

Due to your courage and 100 per cent Americanism, thousands upon thousands of Iowa Republicans would welcome an opportunity to vote for you for President of the United States, not the least among them being,

Yours very truly,

DAN W. RICHARDS,
1201 South Second Street West.

BALBOA, CANAL ZONE,
Monday, January 31, 1927.

Senator J. THOMAS HEFLIN,
Washington, D. C.

DEAR SIR: While reading our local paper the Star and Herald of Panama City, I read where you claimed the Knights of Columbus were spending money to spread propaganda to cause war with Mexico.

Inclosed find three pamphlets that were mailed to me by some one on the Canal Zone, no name signed.

I am the wife of a Shriner and a Christian Scientist in faith and religion. Perhaps they think to catch the unwary Protestant into donating to their cause, as many of them do without even inquiring the cause, or reading their literature. I do not think that Mexico wants war with the United States, or anyone, but I do think the Pope of Rome does. It looks a great deal like the spark that started the World War, that spark was small also. It seems only a small excuse is needed to sacrifice our sons for no gain or reason at all.

Sir, we of the Canal Zone admire and laud your stand, and although we have no vote we are interested in all red-blooded American efforts to save our great country and her sons.

Sincerely yours,

NILES, MICH., *February 5, 1927.*

The Hon. J. THOMAS HEFLIN,
Senate Building Washington, D. C.

MY DEAR MR. HEFLIN: I, as an American citizen of the United States of America, wish to express my sincere appreciation of your fearless stand you are taking for the cause of America and pure Americanism, and in expressing my sentiments here I wish also to include the same sentiments of a host of real red-blooded Americans of Niles, Berrien County, Mich. Go to it, and we as Americans will stand behind you until the walls around the Pope of Rome crumble into dust.

May Almighty God give you strength to carry on in your good work.

Yours sincerely,

CHAS. C. MCINTYRE.

KEWANEE, ILL., *February 5, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

DEAR SIR: Inasmuch as I have been reading different parts of your talks in Senate through the papers I can not help but writing you in regards to the fearless stand you are taking against the Mexican situation, whereby the Knights of Columbus are trying to get this Nation to declare war on Mexico.

You are to be congratulated, and you surely have a big host of people supporting you throughout the United States. You need all the encouragement in the world, and I hope the Protestant organizations will back you up as the Knights of Columbus and organizations of their kind back up the Senators opposed to you and the thing that you are doing.

Yours respectfully,

DON C. MAYHEW.

P. S.: We need more Senators with the backbone like yours—one of marrow and not of jelly.

JACKSONVILLE, ILL., *February 5, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

DEAR SIR: Please accept congratulations in the stand you have taken in keeping us out of war with Mexico.

Yours sincerely,

EDNA LONGHAVY.

PITTSFIELD, MASS., *January 31, 1927.*

Senator J. THOMAS HEFLIN,
United States Senate, Washington, D. C.

HONORABLE SIR: We, as Protestant American citizens, who are ever alert to the dangers which you have so fearlessly made known to the American public, desire to extend our manifold appreciation of your love and patriotism toward our glorious country.

May your stirring remarks take their place with those of other patriots whose words have outlived them. May they be preserved for future generations to read. May they be an inspiration to Senators of other States, that they, too, may rally to the support of our God-given ideals as set forth in the Constitution of the United States.

If ever our country needed men of courage and sterling character, it needs them now. You have proven yourself to be one of these, and it is our sincere wish that there may in the near future be more Heflins in the United States Senate.

With hearty approval and west wishes, we are,

BERKSHIRE KLAN, NO. 9,
Knights of the Ku-Klux Klan.

Attest:

J. C. KILMER, *Secretary.*

BLOOMINGTON, ILL., *February 6, 1927.*

Senator J. THOMAS HEFLIN,
Senate Building, Washington, D. C.

DEAR SENATOR: I am writing you a line congratulating you on the patriotic stand you have taken in reference to the Mexican affair.

Thanks to God that we have at least one Senator who deems it unnecessary to knuckle down to Romanism. God be with you in your difficult task.

Very truly yours,

ED H. VISSERING,
1204 North Park Street.

MENDOTA, ILL., *February 7, 1927.*

Hon. J. THOMAS HEFLIN,
United States Senator from Alabama,
Washington, D. C.

DEAR SENATOR: Permit me at this time to compliment you on the stand you have taken in the Senate on the Mexican question. I think you have shown yourself to be a real American, and that you are interested in our country first, and even with the strong anti-American talking was not able to swing you from what you thought was your duty to tell the people of this great country.

I feel sure that you can be depended on to stand for the bill which is in the Senate regarding that only native-born Americans be allowed to hold the offices of Senators and Congressmen.

Let me again thank you for the stand you have taken, and it is a pleasure to me to let you know that the public is surely back of you in all such moves you make in the Senate. I remain,

Yours very truly,

JAS. C. BRIGGS,
P. O. Box 61½.

WAUKEGAN, ILL., *February 7, 1927.*

Hon. J. THOMAS HEFLIN,
Member of United States Senate, Washington, D. C.

DEAR SIR: I am one just like the vast majority of honest and loving American citizens who in memory of the fathers that laid the cornerstone of this our great American Government and love their country above any country on earth—we yell, hurrah!—and the stand you have taken against the Roman hierarchy and that American gang of Knights of Columbus who want to embroil us into a war with Mexico to benefit the Roman hierarchy.

I want to thank you as an American for your fearlessness on the floor of our United States Senate to tell that sleeping body of United States Senators facts—the truth and nothing but the truth. Oh, I wish God would let in the light of true Americanism into the hearts of your brother Senators to rid our country forever from Roman propaganda, who want to kill the principles that our fathers fought and bled and died for.

In closing I want to say, "Keep on, you good Americans; up and on to save our country." Hope and my blessing that the Almighty God will always be with you and keep your precious life for our Nation in this tragic hour.

Yours,

ROSS C. COAN,
2000 West Washington Street.

CHICAGO, ILL., *February 5, 1927.*

Senator J. THOMAS HEFLIN,
United States Senator from Alabama, Washington, D. C.

DEAR SENATOR HEFLIN: May I at this time offer to you my felicitations in the stand taken by you on the Senate floor recently in regard to the present situation between the state and church of Mexico, and the Knights of Columbus in our great country.

I am satisfied that it takes a big man to stand where you did and say the things that were heard there at that time regardless of what persecution may befall you.

Keep up the good work, Senator, and some day the populace may awaken to the fact that their country is being slowly but surely moved to the papal gardens in Rome. It will be a hard fight for those awake, but these broad-minded persons can be bumped good a few times and then the battle will be won.

If in printed form, I would appreciate any reading matter on the subject that you have. In other words, the records of your speeches.

Truly,

J. L. BRENNAN,
7055 St. Lawrence Avenue.

PUEBLO, COLO., *February 1½, 1927.*

Hon. J. THOMAS HEFLIN,
United States Senator from Alabama, Washington, D. C.

DEAR SIR AND HONORABLE CITIZEN: As I have been reading your speeches on the floor of the United States Senate regarding the policy of the United States toward old Mexico, I want to extend my hearty congratulations for same. I regard those speeches you have made as an eye opener to some of the American people. I hope there is a time coming when I can vote for you for President of these old United States of America, to extend to you my appreciation for what you are doing for your and my country.

I will say I am a Republican, but the kind of a Republican that will vote a Democratic ticket, which I have done in the past, and expect to do in the future. As words will not express my respect for you, I will extend my very best wishes to you a long and prosperous happy life to you and family, and all who are near and dear to you.

Your friends and admirers,

MR. and MRS. F. E. HICKS,
1351 East Second Street.

HARRISBURG, ILL., *February 5, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

DEAR SIR: As I am a 100 per cent American and a loyal voter for the right man in the White House, I ask you to go your length in keeping out those foreigners, both women and children and men, from America. Keep them out of here.

Also make the prohibition law stronger, as the people are very much interested in those two laws.

Yours truly, voters of Illinois,

MRS. and MR. W. W. FLEMING.

SELLECK, WASH., *February 1, 1927.*

Hon. J. THOMAS HEFLIN,
Senator from Alabama, Washington, D. C.

DEAR SIR: I want to tell you that you are 100 per cent American. You are the real thing. Have guts. And I only wish you have Tom Watson, of Georgia, to stand with you (old Tom that was).

I am referring to that speech you made in the Senate, when you said "the Catholic Church wanted war with Mexico."

Now, I am not going to take up your time with a lot of guff. You and BORAH would be my choice for President and Vice President next year. Let me add that our ship of state is in pirate hands. Coolidge is a wooden man. Wall Street and the Pope run the United States. Mr. HEFLIN, you have courage. I will take off my hat to you. I wish I knew you. There is one man in this county that knows you.

With best wishes, I am,

Yours,

F. B. SIDELINGER.

I am a Mason and Moose.

EAST CANTERBURY, N. H., *February 8, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

DEAR SIR: I wish to congratulate you on your stand on the Mexican question and to thank you for your speeches.

I hope, for the sake of these good old United States, that you will fight it to a finish.

I surely wish when we next vote on a President I could have the extreme pleasure of voting for you, and I am usually on the Republican side.

I wish our Senator MOSES had half of your courage on this question.

Yours,

EUGENE G. HAIGHT.

NATIONAL CITY, CALIF.

Hon. J. THOMAS HEFLIN,
Senator from Alabama, Washington, D. C.

DEAR SIR: Many, many thanks for your stand in the Senate against the growing menace of the Roman Catholic Church.

May God bless you.

We need a man like you for President of the United States.

JAMES LYON.

KNOXVILLE, TENN., *February 2, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

DEAR SIR: I am a Republican and an ex-Union soldier, but I want to approve every word you have uttered concerning the Knights of Columbus and Catholics.

I would like to vote for you for President.

AN AMERICAN.

WHITE PIGEON, MICH., *February 16, 1927.*

Senator J. THOMAS HEFLIN,
Washington, D. C.

HONORABLE SIR: It gave me a great deal of pleasure when I read your speech and the stand you took in the Senate and defended our American principles and showed to the world that America was not to be dominated by Roman rule.

I am glad to know that we have such men as you in our Senate Hall at Washington, and I feel that you have a host of Americans who honor you in the stand you have taken, and that they are asking God to give you strength and courage to stand by your guns.

Allow me to congratulate you.

I hope you will realize that you have millions who are anxious for your success.

America needs at this time men of your type, and I hope that your own State will see to it that you are kept in the honorable seat that you now have.

If you have any tracts on the Mexican situation I would be glad to receive some.

Never lower your standard.

Yours very sincerely, E. C. BROOKWAY.

ELGIN, ILL., *February 14, 1927.*

Senator J. THOMAS HEFLIN,
Washington, D. C.

DEAR MR. HEFLIN: I was so glad to read of your speech to the Senate; and if only more men who call themselves true Americans would be strong to stand against the many foes of our Government and our home life we might feel safer.

I am glad you have the courage of your convictions and are not afraid to stand for what you know is right. It does take courage, as we all realize; and perhaps it will help you and strengthen you to know that you have the prayers and backing of many thousands of people who can see the many subtle foes that attack us on all sides, but who are not in authority to strike at these except by our vote, and to cheer you who are fearless to speak the truth. Many who have seemed indifferent and skeptical were stirred to action by your speech.

May God give you added strength and courage to stand for right always.

Yours truly,

E. W. MASON.

WHITE PIGEON, MICH., *February 16, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

MY DEAR SIR: Have been reading several accounts of your stand on the Mexican situation and wish to commend you for same.

I am heartily in accord with you and can not help but believe that there are some direct representatives of the Pope of Rome back of the movement to try to get the United States in war with Mexico.

More power to you.

Respectfully yours,

CHARLES SISSON.

CHICAGO, ILL., *February 15, 1927.*

Hon. J. THOMAS HEFLIN,
United States Senator from Alabama,
Washington, D. C.

HONORABLE SIR: We as American citizens are indebted to you for the noble stand you are so ardently taking in upholding the principles upon which our country was founded. We regret that our fair State of Illinois which produced such noble men as Lincoln, Grant, and Logan has not at this time a Representative who could stand by you and assist you in this great patriotic work you are so nobly doing.

May Divine Providence guide and protect you until you have accomplished your God-given mission and success has crowned your efforts.

With deepest gratitude to you, our country's defender, we are

Most sincerely yours,

DR. and MRS. O. L. MEDSKER,
1074 South State Street.

ST. JOHNS, MICH., *February 15, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

ESTEEMED FRIEND AND TRUE AMERICAN: I wish to congratulate you for the courageous stand you have taken in the Senate in regard to the Mexican trouble, and other true American ideals.

I pray and hope other Senators will have the backbone to take the stand that you have.

Wishing you Godspeed in your work, I remain faithfully ever to assist you.

CHARLES MUNGER.

[Telegram]

SCOTTDALE, PA., *February 18, 1927.*

Senator J. THOMAS HEFLIN,
United States Senate, Washington, D. C.:

Hearty congratulations on your stand on the Mexican situation. One thousand voters, both men and women, in this vicinity applaud your stand.

J. A. KELLEY.

CHICAGO, ILL., *February 15, 1927.*

United States Senator J. THOMAS HEFLIN,
Senate Chamber, Washington, D. C.

MY DEAR SENATOR: May I be permitted to express to you my sincere approval and thanks for your stand on the Mexican situation.

We need more men like you who have the courage of their convictions.

Let us keep our hands off in other country's internal affairs. We have had enough of war. Let us live in peace with our neighbors.

I am, at your service, sir, a soldier.

Sincerely,

G. H. ALEXANDER.

MILES CITY, MONT., *February 15, 1927.*

Hon. J. THOMAS HEFLIN, *Washington, D. C.*

DEAR SIR: If you have the speech you made exposing the Knights of Columbus and their propaganda, will you please send me a big bunch of them?

I have just received 100 copies from Senator WHEELER and his speech on Nicaragua, and I have asked him for 100 more.

You have no idea how you are appreciated among the real Americans. We begin to realize what you and BORAH and WHEELER and a few others have done for America. If it had not been for you fellows putting the brakes on some of those un-American Senators, we would now be at war with Mexico and Central America. Our immigration law would have been torn to pieces and many of the measures that have been introduced that are not for the welfare of America.

We need lots of watch dogs like you fellows. The trouble is we don't appreciate you enough. But pay no attention to that; continue being Americans.

Sincerely yours,

WARNER FIELD.

LAKE CHARLES, LA., *February 15, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

DEAR SENATOR: Wish to congratulate you on the speeches you made and stand you took on the Mexican question.

Burn them up, Tom.

We people of Louisiana that are not Catholic are with you to a finish.

If possible to have your speeches published in pamphlet form, would like to get about a hundred copies to distribute.

Attach a clipping from the Beaumont (TEX.) Enterprise of the 15th of February.

The New Orleans papers are too much Catholic. They won't publish anything that is against the Catholic Church. They only give your speeches a few lines and twist it up so that you would think all the Senate was against you. At the same time they publish a column and a half interview of a Catholic priest that arrived in New York who had been run out of Mexico.

Tom, we are all with you and suppose the Alabama people are also, or they have changed since I left the old State.

With best wishes,

Yours truly,

THOMAS S. TYLER.

READING, PA., *February 13, 1927.*

Senator J. THOMAS HEFLIN,
Washington, D. C.

DEAR SIR: As a subscriber of the Fellowship Forum and a keen observer of Roman Catholicism (political) I have noticed with much admiration your brave stand before men against one of this country's worst enemies—Jesuitical Romanism.

All honor to you.

Let me say that my brother-in-law is a Regular Army man now stationed in Texas, and a former Roman Catholic, a member now of the Lutheran Church, and I can tell you for him. He does not desire to outrage by force a weaker people and nation whose principal offense against this country seems to have been to displease a few American oil capitalists (many of whom are Roman Catholic) and the fact that she has thrown off the yoke of political Romanism. Nor do I care to see Mexico invaded by the United States. My wife was raised in a Roman Catholic institution in Philadelphia, although born a Lutheran, and her brother also went through a similar experience, and they are both very well satisfied to be dissociated with the one big church, as it is sometimes called—a system political and penurious, misnamed perhaps, but a system just the same.

If you are knifed in the back, or your life is taken in some other way, there are thousands upon thousands of real Americans who stand for flag and country first who will avenge you and carry on.

I am a taxpayer and a property owner in two cities of this great country of ours and have a family of three girls and one boy who are all able to salute the flag and say they owe allegiance to none other nor to any foreign power.

I was raised in the public schools and so will my children be raised, and if Mexico is now going in strong for public schools, I would say that alone shows well-balanced political and educational minds in back of the destinies of Mexico.

I would gladly sacrifice all I have to the cause you represent if ever the time comes when a choice must be made between America or the Pope.

I am not alone in these principles for there are millions of good Americans who feel likewise, but do not write it.

Do not worry about idle threats or taunts from a gang of thugs and cross backs for in their hearts they are all yellow. It is true there are a few exceptions.

Yours for God, home, and country,

EDWARD RIDDELL CONLEY,
Republican.

Having several good Americans at hand while I write this letter, I have asked them if they care to express to you their approval of my sentiments by their signatures below. (Nine others.)

P. S.: Most of the signatures to this letter are Republicans as I am, but Protestants first, last, and always, and if Smith of New York is defeated for the Democratic nomination by McAdoo, then three cheers for our next President for he will get as many Republican votes as President Wilson received.

The names I wish you would keep in your confidence. As for mine, I do not care, but the others could be affected more or less.

URBANA, ILL., *February 15, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

DEAR SIR: I take great pleasure in thanking you for the stand you have taken in regard to the Mexico situation.

I again congratulate you for standing for what is right and just.

If we only had more Senators like you, this country would have no fear.

May God bless you is my earnest prayer.

Ever your friend,

GEORGE W. JOHNSON.

HONCUT, BUTTE COUNTY, CALIF.,
February 5, 1927.

Hon. J. THOMAS HEFLIN,
Washington, D. C.

DEAR SIR: The consensus of opinion with Protestant Democrats in this section is, you should hold your own, HEFLIN. "Don't give it up to slaves." * * * That this Nation, the best in all creation, if it was not for HEFLIN and men such as he, would go to the devil sure. That JIM REED by change about has proved his undoing. That we have got his number now; that he is a wolf in sheep's clothing, and we have no further use for him now; that he won't be one of the immortals to reach the heavenly shore. So hold your own, HEFLIN.

JIM REED's political career is ended here forevermore. JIM REED probably thought in case he was nominated for President he might obtain Catholic votes in this section. Some Democrats here seem to think JIM is an Irishman. I asked several of them what made them think so, and they said JIM was "agin" the Government on the Mexican situation, and that every Irishman that came to our shores was "agin" the Government; and JIM's associates are Irish.

* * * JIM is in a bad fix here, and if things are in as bad shape over the rest of the country JIM never could be elected if he succeeded in getting the nomination. Why, there are Democrats here—wets—who say they would not vote for JIM if they never had another drink. I am going to write to JIM and tell him what the Democrats here think of him, and advise him instead of trying to secure the nomination for himself to use his influence to secure the nomination of some 100 per cent American. My choice for President, Senator HEFLIN; Vice President, Senator EDWARDS, of New Jersey.

Yours truly,

LE ROOY PICKERING.

P. S.: I don't belong to any fraternal organization, so no one can think there is any Ku-Klux Klan about this.

DAVIS, S. DAK., *January 31, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

DEAR SIR: I want to write you a few lines of thanks for the stand you have taken in the Mexican and Nicaraguan affair.

Our Senator, Mr. NORBECK, sent me the CONGRESSIONAL RECORD of January 13 and 14; part of your speech was in it. It says you spoke further and your remarks were in the Appendix. I did not get that part, but I know it was equally as good.

* * * (Hats off to Mr. HEFLIN.) I am glad there is at least one that will stand up for the truth. I only hope you can wake up some of the other fellows and get them to back you up. For if we don't get some action, I am afraid in the time to come we will have a government like Mexico. May the people of your State see fit to keep you in the Senate or put you in the presidential chair, and may God give you the strength and courage to stick to the truth and our Constitution.

Very sincerely yours,

E. C. DE VRIES, *Box 54.*

BYRON, ILL., *February 5, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

DEAR SENATOR: I note with great satisfaction your speech in the Senate. If only Illinois had one Senator who had the nerve to speak the truth as we know the facts to be. I certainly admire men of your make-up and regret only a very few take the time to write you saying how pleased they were with your speech. Yet I know millions in their own minds say, "Hurrah for HEFLIN!" I only wish we could get a candidate of your caliber for President.

While you are from Alabama, I just felt I must write and tell you how pleased I was.

Respectfully yours,

JOHN W. COOPER.

JONESBORO, IND., *February 10, 1927.*

Hon. Senator J. THOMAS HEFLIN,
Washington, D. C.

DEAR SIR AND PATRIOT: I have read your last speech on the floor when you again exposed the Knights of Columbus, and I want to say it was wonderful and what we have needed for several years. Oh, if we just had more men down there with a like amount of backbone. Then to think that a dirty, fat-bellied priest would be allowed to sit in the gallery and hiss you—it makes a real American boil.

The attached clipping will show you that the man Chipps who threatened Reverend Norris was a Knight of Columbus of the dirtiest type. This is something the cowardly daily press never gave to the public. However, had he been a Mason or Knight of Pythias the fact would have been spread nation-wide.

In the Terre Haute Star Everett Watkins called you the greatest demagogue of all time and the greatest embarrassment of the Democratic Party. I say he is off his base. Mr. HEFLIN, I have been a Republican all my life and my father and grandfather were before me, but it has arrived at the place now where I say to hell with the party. I am now for the man who will do his best to save this glorious country from the clutches of the Pope, the greatest enemy of all.

If the Democrats will put up some one for President who is anti-Catholic, they can defeat Coolidge. I could never vote for him again.

Yours for more power,

H. H. PETTY.

P. S.: You were right; if they ever stab you, it will be in the back. Be careful; you know they got Lincoln, McKinley, grand Mayor Gaynor, and many others.

H. H. P.

Hon. J. THOS. HEFLIN,
Senator from Alabama.

DEAR SIR: I write to say I am a Republican—get that. But by the eternal gods, I vow—swear—promise, and proclaim that if the Democratic Party will nominate you in 1928 for the presidency, I'll vote and support you and do my best to elect you—get that, too—and I voice the sentiments of millions who (like yourself) are American enough to put patriotism above party.

With best wishes, I am

Very truly yours,

O. P. MEGAHAN,
Box 445, New Castle, Pa.

FEBRUARY 5, 1927.

CHICAGO, ILL., *February 10, 1927.*

Hon. J. THOMAS HEFLIN,
United States Senate, Washington, D. C.

DEAR HONORABLE SIR: I, and all our grand lodge of Masons, rejoice and glory in your glorious, gallant, and truly patriotic stand you have taken on the Mexican trouble and other causes you have espoused for the greater good and justice of the American people.

The dreadful Catholic hierarchy should no longer crush and degrade poor Mexicans. Enough said is sufficient unto the day thereof. May your star rise like that of Napoleon, but never fall like his. Yours is of the soul brotherhood of Cæsar, Cromwell, Gustavus Adolphus, Gambetti, Mirabeau, Garibaldi, Kosciusko, Simon Bolivar, William Lloyd Garrison, Washington, Jefferson, Jackson, Lincoln, Lee, Tilden, Bryan, the fearless defender of the faith of the righteous.

I venture that 6,000,000 Masons would gladly proclaim you the next President of these United States if they could.

Bless you and your work,

ROY IGO,
4421 North Racine Avenue.

EVANSVILLE, IND., *February 3, 1927.*

Senator J. THOMAS HEFLIN,
Washington, D. C.

DEAR SIR: I have read in the daily paper of your noble defense of our beloved country in behalf of our sister Republic, Mexico, for which

I thank you. You deserve great praise and admiration. Everyone I meet is speaking in praise of you, except the Catholics, and they are not saying much.

I hope some time you will be President of these United States. Alabama is my native State, but I have been living in Indiana for 30 years.

I wish you great success and boldness in righteousness.

S. A. BALLARD,
1003 West Iowa Street.

PONTIAC, MICH., *February 5, 1927.*

Hon. SENATOR HEFLIN,
Washington, D. C.

DEAR SENATOR: As an American, a Protestant, and a believer in democracy, I wish to commend you in your defense of the truth in showing up the Knights of Columbus and the Catholic hierarchy in their effort to embroil this country in war with poor old Mexico—Mexico, that has been exploited by high finance and kept in subjection and ignorance for hundreds of years by Catholicism, the father of slavery and superstition. I would to God that we had more Senators that had the backbone to stand for the best interests of our beloved homeland. I would like to invite the Senators of our United States of America to listen to a verse of Longfellow's:

"In the world's broad field of battle,
In the bivouac of life,
Be not like dumb-driven cattle,
Be a hero in the strife."

How many Senators are playing the rôle of "hero"? How many are on the firing line to free this Nation from the influence of the Pope and his followers—the Catholic priests? Let us ask ourselves: Are we going to be like "dumb-driven" cattle (driven to the slaughter without a protest), or are we going to be a "hero" in the strife? If we are Protestants, let us protest; if we believe in democracy, let us fight its enemy (with the truth), Catholicism.

Yours for the United States of America; let her be helpful to her weak neighbors, not detrimental.

JOHN H. GARRETT,
198 Willow Avenue.

BROWNSVILLE, TEX., *January 28, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

DEAR SENATOR HEFLIN: I would like to shake your hand as the greatest patriot to-day in the United States Senate. I thank God for one honest man not afraid to champion the right.

War with Mexico would be the greatest sin we could engage in. We would only be defending the Pope and his cohorts in Mexico against an inoffensive, helpless people struggling for freedom, liberty, and education.

May God bless you in your efforts for your people.

Most respectfully,

J. H. DRIVER,
A retired medical doctor.

JANUARY 31, 1927.

Hon. J. THOMAS HEFLIN,
Washington, D. C.

DEAR SIR: Thank you for your timely and forceful utterances on Rome's effort to get us into war with Mexico.

We are all for you in your fearless attacks on Roman Catholicism's bold efforts to Romanize the Republic. The country's deepest need is more men in Congress with your foresight and patriotism.

Success to you.

Millions of loyal patriots back you up.

Yours sincerely,

A. A. DELARM,
Pastor First Baptist Church, Omaha, Nebr.

MINNEAPOLIS, MINN., *February 2, 1927.*

United States Senator J. T. HEFLIN,
Washington, D. C.

DEAR SENATOR: Is it possible for you to furnish me with a number of copies of your speech on the Mexican war situation, which was printed in the CONGRESSIONAL RECORD on January 25? A friend showed me the RECORD last night and after showing that copy to the Episcopal bishop from Chattanooga, Tenn., Rev. James M. Maxon, who happens to be lecturing here, he asked to keep that copy and expects to use it in helping to drive out the present war devil that seems to possess certain people. I could use 1,000 copies of that speech if you had them to spare.

Every citizen of the United States is to be congratulated that we have to-day, in this national crisis, in the United States Senate a man of your courage and stamina, who is not afraid to speak the truth even if it strikes at the most powerful influences on earth.

Very truly yours,

PAUL F. DEHNEL.

MANAWA, WIS., *January 29, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

DEAR SENATOR HEFLIN: I am sending you this card in behalf of myself and a number of other citizens here; and we want to congratulate you on your speech in which you expose the underhanded work of the Knights of Columbus trying to involve this country in war with Mexico, in behalf of the Pope and the Catholic Church.

We take off our hats to you, Senator HEFLIN, and may God be with you.

Very sincerely,

HI COLWELL.

BILLINGS, MONT., *January 27, 1927.*

Hon. J. THOMAS HEFLIN,
Member of Congress, Washington, D. C.

DEAR SENATOR: Inclosed please find a short testimonial signed by 19 representative citizens of Billings.

These few men constitute but a very small number of the local people who heartily indorse your stand on the problems of Central America.

I have been pleased to sign it and, at their request, to forward same to you.

Sincerely yours,

EARL V. CLINE,
Secretary, Ancient and Accepted Scottish Rite of Freemasonry.

AVENEL, N. J., *January 30, 1927.*

Senator J. THOMAS HEFLIN,
Washington, D. C.

DEAR SIR: This afternoon I attended a religious service, where there was a large gathering of people, and I heard your remarkable speech read, which you gave at the Senators' meeting. This was read from a newspaper clipping.

I want to take this occasion to thank you for this wonderful speech, for it shows that you are a man of grit and courage.

I am thankful that we have such a man as you for a Senator, for God knows we need you.

Respectfully yours,

MR. AND MRS. ALBERT ALBERTSEN,
MR. AND MRS. EDWARD WALTERS,
6 Fifth Avenue.

One hundred per cent Americans.

MAQUOKETA, IOWA, *February 9, 1927.*

Hon. J. THOMAS HEFLIN,
Member of Congress, Washington, D. C.

MY DEAR SENATOR: After reading the last two issues of the Fellowship Forum I can not help but think that it is my patriotic duty to commend you for the noble work that you are doing.

I believe that you have done more to uphold the principles of our forefathers, and to expose the rottenness of those who pledge allegiance to a foreign foe, than any other man that ever stood on the floors of Congress.

The threatening letters that you have received are but evidence of the tactics they will pursue in order to either rule or ruin, and is the strongest argument in favor of a deportation bill and the tightening of our immigration laws.

Keep up the good fight and rest assured of the approval of millions of loyal American citizens. I only wish that we had a man like you in the White House.

Yours in unfailing bonds,

W. W. OGDEN.

TACOMA, WASH., *January 31, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

DEAR SENATOR HEFLIN: This is just a word of encouragement to you for your stand recently taken in the Mexican question.

The Protestant world ought to know by this time what the real trouble in that poor benighted country is, and certainly we as citizens of a freedom-loving United States ought to be the last to oppose them in gaining for themselves the freedom we ourselves have demanded.

Glad you made the exposure, and I am writing to say that you do not stand alone and you have the admiration of countless thousands who glory in your courage to tell the truth of the matter as you see it. Would that we had a few more men who would stand by their convictions and say the thing they know to be true.

More strength to your arm.

Fraternally yours,

Rev. GEORGE F. POLLOCK, *M. E. Pastor.*

PORT GIBSON, MISS., *February 2, 1927.*

Senator J. THOMAS HEFLIN,
Washington, D. C.

DEAR SENATOR HEFLIN: We want you to know that we appreciate what you are doing for your country right now. We hail you as one of the bravest patriots our land has ever known for you must realize you are placing your life in jeopardy as long as you keep the stand you have taken.

We thank God for you and trust that you may be spared to see the results of your courageous attack on the greatest enemy our country has ever known.

Your very sincerely, Mr. and Mrs. R. L. JAMES.

EL PASO, TEX., *February 2, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

DEAR SIR: I am writing to thank you for your upstanding fight in this critical hour of our country's peril.

The subsidized press gives us very little of your speeches, but enough for us to realize that in you we have one patriot who is not afraid to speak the truth.

"God give us more men" like yourself is the prayer of,

Yours sincerely,

J. C. ZIMMER,
1514 Lawton Avenue.
(Aged 90 years.)

KALAMAZOO, MICH., *February 3, 1927.*

Hon. J. THOMAS HEFLIN,
Senate Chamber, Washington, D. C.

DEAR SIR: Please permit me to congratulate you on the stand you have taken, and your courage in telling the truth of the Mexican trouble in a way that will go down in history. There is no doubt that you will be persistently persecuted by the enemies your speech will have made, and it is my earnest wish that your spirit may be kept courageous by expressions of confidence and approval from all over the country.

We get none of the vital truths of this nature in our local paper, and it is a pleasure to find from some source that we have some men in our Senate who are awake to the dangers that threaten our governmental structure.

Sincerely yours,

L. O. MILLER,
124 Fellows Avenue.

ELDORADO, KANS., *February 2, 1927.*

Senator HEFLIN,
Washington, D. C.

MY DEAR SENATOR HEFLIN: Out here in Kansas a great many men and women are indorsing your recent speeches before the Senate.

May God give you strength and courage to tell the American people the truth.

Very truly yours,

LULA BENTON,
Chairman Women's Council of the Republican County Central Committee.

WATERVILLE, ME., *January 30, 1927.*

United States Senator HEFLIN,
Washington, D. C.

DEAR SENATOR: I take much pleasure in writing you these few words expressing my personal approval of your splendid stand and courage against the Knights of Columbus propaganda that is being broadcasted throughout this country for war with Mexico. There are many speakers that are doing their utmost to persuade the public mind their way, but thank God the Orange Order and Ku-Klux Klan—and your honorable stand of a few days ago—has enlightened the minds of the people to a point where Scott or any other lecturer can not sway them.

This is a personal letter from just a common day laborer, but I express the feelings of thousands of Maine's best citizens, millions of Protestants in this fair country of ours.

The people are following this Mexico question very closely. Your debates, also, those of Senators BORAH, LA FOLLETTE, and Congressman HUDDLESTON, are read in many lodge rooms.

I trust that you and other Representatives will carry on to the very last until truth and light will be the blessings unto all the poor Mexicans and the Word of God will be free to all.

Very sincerely yours,

ARCHIE E. SMITH.

SCHILLER PARK, ILL., *February 12, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

HONORABLE SIR: It takes a man to do a man's work. * * * The public in general had its eyes opened by your wonderful exposure in the Senate recently underlying the true motives for all the trouble in both Mexico and Nicaragua, both friendly countries, glad and willing to live at peace with us if we but mind our own business and keep on our side of the fence.

The great rank and file of Americans do not understand fully what is at the bottom of all the trouble with Mexico, namely, the Catholic Church, and more particularly its priesthood, with its pernicious interference in governmental matters, and so the Knights of Columbus are willing to spend millions to embroil this country in war with a friendly national that Uncle Sam might pull the Pope's chestnuts out of the fire.

Real Americans appreciate and are thankful that men like you, Senator HEFLIN, stand on guard to keep the country informed; a man that is brave enough to come right out in the open and put your finger on the sore spot and call it by its right name. I am speaking only for myself but you can rest assured that your gallant action will be cherished and rewarded by millions of real Americans even if they do not write you or congratulate you in person. True, you are not making a lone stand in this matter as you have a number of able comrades in both House and Senate, but nevertheless I wish to thank you.

There is nothing wrong in the people having a perfect right to petition Members of Congress, but it is criminal for any sect or society to try, through propaganda, to throw a country into war through lying and deceit.

Respectfully yours,

O. E. LOEK.

REDONDO BEACH, CALIF.,
February 10, 1927.

United States Senator J. THOMAS HEFLIN,
Washington, D. C.

HON. MR. HEFLIN: The Redondo Beach Men's Club, in meeting assembled on last Wednesday evening, February 9, unanimously approved the wonderful stand you have taken on the floor of the Senate on the Mexican question and the spirit of true Americanism shown in your attitude.

Peoples possessed with the spirit of 100 per cent Americanism can and should appreciate the worth of men like you, who dare to stand for the right.

God give us men.

Yours sincerely,

C. C. CRIBBS, *Secretary.*

CHICAGO, ILL., *January 6, 1927.*

Hon. J. THOMAS HEFLIN,
United States Senator, Senate Building, Washington, D. C.

HONORABLE SIR: I extend to you my sincerest congratulations for the stand you have taken on the Mexico and Catholic situation.

It is comforting to know there are still a few red-blooded Americans in our beloved Capitol with backbone enough to stand up for what our forefathers fought for.

It is too bad that the majority of the Protestant population has acquired the sleeping sickness.

Keep up the good work. I am,

Yours very truly,

A. L. SUGGETT, *1469 Carmen Avenue.*

EVANSTON, ILL., *February 7, 1927.*

Hon. J. THOMAS HEFLIN,
United States Senator, Washington, D. C.

DEAR MR. SENATOR: Please accept my heartiest congratulations for the frank and honorable stand you have taken on Americanism.

There is no alternative for a real American.

You are not alone in your convictions and it would please me to know that our honorable Senator from Illinois would see the light and help shoulder the fight with you.

Again extending my congratulations, and best wishes, I am

Yours very truly,

A. A. BERNAHL.

BUFFALO, N. Y., *February 14, 1927.*

Senator HEFLIN,
Washington, D. C.

MY DEAR SENATOR: You and I are on different sides of the fence politically, but I want to thank you most heartily for your stand on the Mexican matter. It is time some one spoke up in meeting and had the courage of his convictions. There is absolutely no doubt that

the Knights of Columbus would gladly push us into a war for the sake of their damnable superstition. P. S., miscalled "religion."

Of course, in this priest-ridden city we have seen nothing of what you said, except a short report, which probably got through by accident, and which doubtless makes for a bad time for the offender.

If a man is arrested in this city for some trivial offense, the newspapers will headline "Klansman accused of crime," and in the body of the article will say "The accused is believed to belong to the Ku-Klux Klan." But a Romanist is accused of murder, convicted, and appeals. The papers refer to him as "the accused cleric."

I have made this suggestion to several Knights of Columbus: "If you want to clean up Mexico," their phrase, "why not send down your gallant knights, with their cocked hats and tin swords, and show them what you are worth?" Not them!

It is said your life is threatened. Threatened men live long, and those fellows are too wise to try anything of the sort. It would stir things up—the last thing they want.

With best wishes.

Very truly yours.

F. E. WILLIAMS.

LEOMINSTER, MASS., *February 15, 1927.*

Hon. J. THOMAS HEFLIN,
Senator, Washington, D. C.

DEAR SIR: Words can not express the high admiration I have for you in regard to the Mexican situation. Anyone who isn't afraid to get up and tell the truth, no matter how much opposition, certainly deserves commendation.

I only wish we had more men like you at the head of our great country. I have many friends and relatives here that have voiced their opinions, and they feel exactly as I do about it.

Please keep up your good work. Surely God will be with you, and you will win in the end.

Very truly yours,

Mr. and Mrs. HAROLD E. POWERS,
18 Bowen Place.

AMBOY, MINN., *February 14, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

DEAR SIR: I am writing you this to show that some of us appreciate the stand you have taken in the Mexican situation. Although the papists and Knights of Columbus may be making a lot of noise, the real Americans are behind you.

There are 6 votes at our house. Should you ever aspire for something more than Senator you can count on us. And lots of friends and neighbors think the same as we do.

May God bless you and all your interests. May He also give more men at Washington the courage to stand up for the best interests of the good old United States of America.

I remain,

Yours very truly, JOSEPH C. DETHLOFF.

TOPEKA, KANS., *February 14, 1927.*

Senator J. THOMAS HEFLIN,
Washington, D. C.

MY DEAR SENATOR HEFLIN: I want to congratulate you on your recent speeches in the Senate.

I understand thoroughly just how much courage it took to make those speeches. I understand this because I have watched eagerly in the press and also in the CONGRESSIONAL RECORD to find some such stand by our own Kansas statesmen, and found nothing.

It was a matter which required courage to discuss frankly and sincerely from all angles.

Your speech was pretty well covered by the Fellowship Forum, and your stand will be approved and appreciated by loyal American citizens all over the country.

Thanking you for your stand and splendid courage in this matter, I am

Yours most sincerely,

LILA DAY MONROE,
Editor Kansas Woman's Journal.

ROSELLE PARK, N. J., *February 6, 1927.*

Senator J. THOMAS HEFLIN,
Washington, D. C.

DEAR SIR: Thank God for men like you. Let us hope others will soon follow in your footsteps and not be afraid to speak the truth.

For every hiss of the Roman Catholic priest, remember you have the blessings and prayers of a million Protestant Americans.

You have started the good work. Keep it up.

Sincerely,

Mrs. JENNIE A. CHRISTIAN.

PHILADELPHIA, PA., *February 7, 1927.*

Hon. J. THOMAS HEFLIN,
United States Senate, Washington, D. C.

DEAR SIR: I congratulate you on your stand for Americanism.

Thank God that at least one State will elect a man who is not afraid to tell the truth.

More power to Alabama and to her Senator, J. THOMAS HEFLIN.

Respectfully yours,

W. L. MCCONOMY,
1417 Jerome Street.

BRIDGEPORT, CONN., *February 7, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

DEAR SENATOR: I have read with great concern several accounts of the religious issue and debate on the Mexican policy between you and Senator COPELAND.

And I wish to say I agree with you on every point on this subject. The Knights of Columbus are the most egotistical, flamboyant, untrue, and destructive organization we have on our shores of America to-day. And they are working day and night to put their "Faithful" Al Smith up for nomination for President in the coming election.

* * * * * * *

I take great pleasure in writing you that I admire you as a "two-fisted, red-blooded, full-fledged, fighting American," and you make a good example for other Senators to follow. And the good people back home in Alabama, your State, can feel proud and look upon you with much pride in presenting you with this office of high honor, as you are now engaged in the most serious fight of your life of which you are and will be successful.

Wishing you all the success and good health there is in this world and that some day the White House may be your home.

Yours very respectfully,

HOWARD E. GREY,
146 Washington Avenue.

LOS ANGELES, CALIF., *January 29, 1927.*

Hon. J. THOMAS HEFLIN,
Senator from Alabama, Washington, D. C.

DEAR SIR: Please be advised that your stand on the present Mexican situation, as reported in our local press of to-day, has struck a responsive chord of approval at this distant point.

The undersigned feel that it is about time that some of our representatives who are fortunate enough to possess a degree of what may be called "abdominal fortitude" in lieu of the more popular expression, to publicly declare some of the real facts in connection with this situation.

We offer this, therefore, as our expression of approval, encouragement, and moral support.

Respectfully submitted.

FIRE DEPARTMENT,
I. B. TRUESDEL,
First Assistant Chief.
B. M. BLAKE,
Second Assistant Chief.
F. SHIRLEY,
Executive Clerk.

SIDNEY, NEBR., *February 12, 1927.*

Senator J. THOMAS HEFLIN,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Only wishing I could pat you on the back for your stand in the Mexican situation. I just want to tell you that Nebraska stands all most solid with you.

You surely have the moral support of the Nebraska Protestant people.

Yours very truly,

J. M. NELSON.

SANTA CLARA, CUBA, *February 12, 1927.*

Hon. J. THOMAS HEFLIN,
United States Senate, Washington, D. C.

MY DEAR BROTHER: I note that you have done your plain simple duty when such work was needed. I thank you for it. I was required to close my Methodist school, The Peoples Institute last February, in Piedras Negras, Mexico, and have had some opportunity to study Romanism in Mexico, the United States, and now in Cuba. I hope you will keep clear of the foolish notion that Romanism is better in the United States than in Catholic countries. I think it is more impudent there than anywhere.

What I started out to say is this: I can give you the law of the Catholic Church, up to date, authoritative, imperative to the effect that it is a mortal sin generally for a Catholic to vote for any man who defends liberty of conscience, liberty of worship, liberty of the

press, and that it is the duty of all good Catholics to extirpate any newspaper that defends liberty of worship, liberty of conscience, or liberty of the press. I can show you where it is a fundamental law of the Catholic Church to lie and commit perjury in the interests of the church, and where the Catholic Church has the right to authorize the killing of a contumacious heretic.

When a Catholic Senator objected to your accusations by stating that he voted as he pleased he did not touch sides nor bottom of the issue. The Catholic scheme makes deliberate provisions for granting freedom to any prominent member, so that he may not be called to account by his priest; that does not touch the question as to the authority of the priests over their members. I can give the published law on that. You will find my name in the report I gave in the Fellowship Forum some three weeks ago as to Mexico.

I shall be glad to hear from you.

Very sincerely yours,

J. A. PHILLIPS,
Pastor, Santa Clara Charge, Cuban Conference, Methodist Episcopal Church South.

CLARENDON HILLS, ILL., *February 14, 1927.*

Senator J. THOMAS HEFLIN,
Washington, D. C.

DEAR HONORABLE SIR: I wish in this manner to congratulate you on the splendid speech which you made on the Mexican situation on January 21, 1927, and to assure you that all good American citizens appreciate that we have men of your type in the Congress of this great United States of America.

A man who can unflinchingly stand before the assemblage of our Representatives in Congress and let the truth be spoken is to my mind the type that is needed in our country to-day.

You can well be assured that you are merely reviving the spirit of the Father of our Country, George Washington, whom we will soon honor the birth anniversary of, and it is indeed fitting at this time to pause and try to perpetuate the visions of the character and loyalty of the first President of the United States of America.

The Monroe doctrine can be applied also to selfish individuals who will barter our freedom for political reasons in the guise of a sacred religion.

May God bless you in your stand in that which history has proven is the foundation of our peaceable liberty.

Yours sincerely,

P. T. LINDEN.

MIAMI, ARIZ., *February 5, 1927.*

Hon. J. THOMAS HEFLIN,
Senate Chamber, Washington, D. C.

DEAR SIR: We, the undersigned citizens of the State of Arizona, wish to extend our congratulations and hearty indorsement of your stand in the Senate relative to controversy between our Government and the Government of Mexico.

You certainly expressed our ideas and beliefs in the matter.

Yours very truly,

C. O. GLOVER
(And 19 others).

HAVERHILL, MASS., *February 15, 1927.*

Hon. J. THOMAS HEFLIN,
United States Senate, Washington, D. C.

DEAR SIR: To congratulate you upon your fearless and courageous stand that you have taken toward Americanism would indeed be a mild form of appreciation.

Your endurable courage, and your excellent ability to voice that courage, will go far toward saving America for Americans.

Sincerely yours,

W. E. D.

MINNEAPOLIS, MINN., *February 13, 1927.*

Senator J. THOMAS HEFLIN,
United States Senate, Washington, D. C.

HONORABLE SIR: It is with grateful appreciation that I read in the January 29 issue of the Fellowship Forum your speech before the Senate in regard to the war propaganda put forth by the Roman Catholic organization with respect to the Mexican question.

The searchlight of truth, which was so turned on the darkest of manipulations and human policies, brings to the slowly awakening American mind the necessity of more light. That you should be flooded with threats is only natural, and that you may be assured of support, so far as you walk in the light of principle, from every righteous thinker I want to contribute my word of encouragement.

Remember that the keynote of the last beatitude is "rejoice" in persecution, and Jesus's words "If a man keep my saying, he shall never see death," is an answer to every threat against your life, and your endeavors toward a righteous government will be fruitful.

Very respectfully,

EDITH F. FONTAINE.

ST. LOUIS, MO., *February 2, 1927.*

Hon. J. THOMAS HEFLIN,
United States Senate.

DEAR SIR: In these trying times when one like yourself is frequently maligned and misrepresented by the foes of liberty and friends of Rome, I wish to simply state that although not a resident of your State (I am from New York) I want to say that I have heard you speak in the Senate Chamber, and while sitting there I could not help but admire the manner in which you stood up for the truth. You have, I assure you, many, many admirers throughout the land who, with myself, would consider it a distinct honor to be able to cast a ballot for you should opportunity ever present itself so to do.

Yours truly,

H. ROBERT FETTEROLL,
Box 126, Summit Avenue, New Drop, Staten Island, N. Y.

LANCASTER, S. C., *February 1, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

DEAR SENATOR: We, the members of Unity A. R. P. Sabbath School, congratulate you on the stand you have taken against the underminded organization that have been plotting to hurl our country into war. We thank God that there is one man in the Senate who is not afraid to stand, seemingly alone, and tell the truth; but you have the people at your back.

May success and honor be yours in the great fight that you have launched for peace.

We admire your courage; keep up the fight.

Very sincerely,

J. D. and SHIRLEY B. NISBET, *Committee.*

TRENTON, MISS., *January 29, 1927.*

Hon. TOM HEFLIN,
Washington, D. C.:

Would you mind sending me the CONGRESSIONAL RECORD carrying your remarks made recently touching the Catholic question?

I am with you and glad Alabama has a man in Congress who has the courage of his convictions.

Thanking you in advance, I am

Very respectfully yours,

J. C. BELL.

P. S.: If Al Smith is put on Democratic ticket I won't vote it, though it has been the political faith of my ancestors as far as I have any record.

J. C. B.

LINDEN, N. J.

Hon. T. R. HEFLIN, *Senator.*

DEAR SIR: We note with pleasure your courageous stand in the Senate for pure Americanism, pure Protestantism, and for God, country, and free public schools, unhampered by the Knights of Columbus or Rome, from any angle.

Keep up the good work.

God always provides a man in time of need.

Very truly yours,

MR. AND MRS. B. B. PHILLIPS,
115 Elizabeth Avenue.

FEBRUARY 1, 1927.

Mr. HEFLIN.

DEAR SENATOR: At our last regular meeting, held January 20, 1927, we the members of the Ossining Circle Club wish to commend you upon the action which you took in regards to the Mexican situation.

Yours in loyalty,

GEORGE G. WALKER,
179 Grove Street, Mount Kisco, N. Y.

FEBRUARY 11, 1927.

Senator THOMAS J. HEFLIN,
Washington, D. C.

MY DEAR MR. HEFLIN: For your private information, I want you to know that your voice has been the voice of practically all of the citizens of Alabama, as well as of the overwhelming majority of the citizens of the entire United States, as you have so courageously protested in the Senate against the efforts of Romanists and certain internationally minded capitalists to plunge our Nation into war with Mexico. And I want to congratulate you on the courage and intelligence and forcefulness of your utterances and on the stabilizing effects of those utterances upon our foreign relations.

As I have on scores of occasions recently spoken regarding the Mexican crisis and the causes therefor, and have referred extensively to your commanding leadership in the Senate as affecting this situation, I have had unusual opportunity of noting the reaction of the masses of our voting populace. From the Gulf of Mexico to the Tennessee

line and from our Mississippi border to the Georgia boundary—everywhere in Alabama—our people are proud of you and indorse your stand.

Keep up the good fight; your labors are not in vain. Millions upon millions of Americans are fervently saying "Amen" to your words, and thank God that the voice of patriotism is not silent in the Senate of the United States.

With best wishes, I am,

Sincerely yours,

———— ————,

Birmingham, Ala.

———

NEW YORK CITY, *February 1, 1927.*

United States Senator HEFLIN,

Washington, D. C.

DEAR SIR: Good for you!

In your speeches in the Senate exposing the efforts of the Knights of Columbus you have rendered a signal service to your country.

Here in New York City the Roman Catholics have got a strangle hold on the city government.

They oppose the public school, their priests saying that the teaching of children that is not supervised by priests and nuns is the devil's work; yet Romanists control education and have 75 per cent of the positions as teachers.

There are no end of big firms in this city where the heads of departments, heads of personnel, secretaries of the heads of the concerns are Roman Catholics, and they make it their business to see that the best jobs are given to members of their own faith.

A man who is married and employed in one of these places is afraid to say a word in defense of Protestantism. And to think that the Declaration of Independence was signed by but one Catholic!

I am told that the superintendent of the Woolworth Building has boasted that every one of the hundreds of employees is a Roman Catholic. One of the daughters of Woolworth married a Roman Catholic.

Speaking of Mexico, over station WHAP, in this city, last Saturday night, the secretary of the Mexican Chamber of Commerce of the United States stated that in one day in the Alameda—what is now the public park of Mexico City—139 men and women were burned alive by order of the inquisition, Dominican fathers being responsible for this terrible deed.

The Knights of Columbus are putting forward preposterous claims in regard to the immigration quota of the Irish Free State. A letter in the New York Herald-Tribune of last Sunday, giving figures and dates, says that Great Britain—not the Irish Free State—is discriminated against, as the greater portion of the Irish in the United States in 1790 were from the north of Ireland and Protestant.

John Carroll, bishop of Baltimore in 1789, estimated the entire Catholic population of the United States at 30,000, of whom 3,000 were colored. Many of the 30,000 were of French and German origin.

Keep up the good work, Senator. You have behind you a tremendous following.

AN ADMIRER.

P. S.: I know Freemasons in this city who are afraid to say that they belong to the Masonic Order. The Roman Catholics are so strong and so resentful here.

———

TACOMA, WASH., *February 8, 1927.*

Hon. J. THOMAS HEFLIN,

Washington, D. C.

MY DEAR SENATOR: I wish to congratulate you and extend to you my appreciation for the stand that you have taken in the Senate regarding the Mexican situation. You are doing our country unmeasurable good work.

Sincerely yours,

GAEL M. KENNEDY,

12½ East Sixty-ninth Street, Seattle, Wash.

———

MILLSBORO, PA., *February 13, 1927.*

Hon. THOMAS HEFLIN,

Senate Chamber, Washington, D. C.

DEAR SIR: I have read with much pleasure of your firm and decisive stand in matters pertaining to our relations with Mexico and the insidious activities of the Roman Catholic Church and its affiliated organizations in their endeavor to embroil the United States in war with Mexico.

I can truthfully say with thousands of others that "we thank God that there are yet a few men who help control the affairs of our Government who have the vision of right, justice, and love of country sufficiently strong in their hearts; that we can yet live in peace and not hear the cannon's opening roar of conflict."

Dear Senator, we thank you for your service to "our country," and may God ever give you the strength to fight on.

Very truly yours,

J. A. HARSHMAN.

LEXINGTON, N. C., *February 11, 1927.*

Hon. J. THOMAS HEFLIN,

Washington, D. C.

HONORABLE SIR: We have noted with sympathetic interest the sane and sensible stand you have taken in regard to our conduct in China and Central America, and we want you to know that we are with you to the last man. We are unable to see how any sane, patriotic American can find fault with your diagnosis of the situation.

We love our country. We give it first place on every program, and we never forget the men who dare to take the stand you have taken. If there is at any time anything we can do to strengthen your arm, let us know.

We are,

Faithfully yours,

LEXINGTON KLAN, NO. 25, REALM OF NORTH CAROLINA.

———

CHICAGO, ILL., *February 1, 1927.*

Hon. Senator HEFLIN,

United States Senate Chamber, Washington, D. C.

DEAR SIR: It is with sincere admiration that I congratulate you for the stand that you have taken in the protection of the interests of the American people, not only of your own State but of the one great Nation of which we Americans feel so proud.

It has come to the time when the interests of the Americans must be protected from the degrading element that is fast becoming a menace to our welfare and the urgent need of men like you to stand up and demand that the rights of the American people be protected from an un-American, apparently uncivilized class of degenerates that are trying to run the affairs of this country.

Wishing you a success in your undertaking.

Very truly yours, L. E. GRIBBENS.

———

ROANOKE, VA., *February 2, 1927.*

Senator THOMAS HEFLIN,

Washington, D. C.

DEAR SIR: You probably remember addressing a Bible class here a few years ago at their banquet, which was held at the Elks' Club. I happened to be a member of this class and there is where I met you.

I want to state with all earnestness that I appreciate the stand you have taken and the courage you are showing regarding Mexico. Let some of the officials there and some of the people here or anywhere else make a joke of what you say. I want you to know, and know you do know, that millions of people, and among them the very best, are right back of you. If weak-kneed politicians and the Catholic press does not get us in trouble in some way sooner or later, I am fooled. I think it is great to have a man in your position that is not afraid to say "Catholic" or "Knights of Columbus" when it is necessary.

I live in America, the part of it we call the United States, the greatest country on earth, and I am proud to be its honored citizen, and I am looking to such men as you, down there in Washington, to see to it that this country continues to be well worthy for the abiding place for the best people on earth. If I wanted to serve the Pope, Mussolini might furnish space and a few onions in Italy for me.

Please pardon me for intruding, however. I just wanted you to know I am by your side.

Yours very truly,

W. T. BRODIE.

———

MOUNT GREENWOOD, ILL., *February 2, 1927.*

Senator HEFLIN.

SIR: For the first time last night I heard a part of your speech read and have been unable so far to get to read it all, but that part which I have heard is all there and then some, and I certainly admire any one that has enough backbone to get up and tell what you have and you certainly can feel sure that you have a couple of people that are backing you up to the limit and will continue to do so as long as the writer is living.

I only wish that I were better educated and could get out and express my views as I see them. I would do so on every occasion possible.

Stick to what you have started, and you certainly will get the backing.

Sincerely yours, IRVIN HOEPER.

———

SIDNEY, NEBR., *January 31, 1927.*

Senator HEFLIN,

Washington, D. C.

DEAR SIR: I have noticed through the public press your remarks in the Senate relative to the Nicaragua and Mexican situations. I want to commend you for your courage in this matter in which you have placed the blame on a lot of this trouble just exactly where it belongs. I have always been a Republican, so that my writing you is not a matter of politics; but to let you know that I agree with you that a spade might as well be called a spade and blame placed exactly where it originated.

It may be a matter of encouragement to you to know that there are hundreds and probably thousands in the State of Nebraska that will commend your action.

Yours very truly,

W. K. HODGKIN, *Lawyer.*

PITTSBURGH, PA., *January 29, 1927.*

Hon. J. T. HEFLIN,
Congress Hall, Washington, D. C.

DEAR SIR: May I express my appreciation of the courageous stand you have taken in the Senate debates on Mexico?

We have been following your speeches and those of the Senators in opposition in the CONGRESSIONAL RECORD. We think that your leadership has aroused public opinion to such an extent that the administration would not care to wage war in behalf of a minority in face of such determined opposition of the numerical majority.

Yours sincerely,

MISS IRENE E. WILLIAMS,
169 Clearview Avenue, Crafton Heights.

422–424 ASHLAND BLOCK,
Chicago, Ill., February 1, 1927.

Hon. JAMES T. HEFLIN,
United States Senator, Senate Chamber,
Washington, D. C.

MY DEAR SENATOR: This is to tender you my vote and voice of approval of your fearless attitude and utterances on the Mexican question.

Voting right is, of course, something, but there is no substitute for the courage to voice openly the reasons for one's vote as you have done. This is where you have rendered an outstanding service to this Anglo-Saxon Protestant Nation of ours. In calling a spade a spade, you have publicly slammed the red hot branding iron of Americanism on the hide of this Hibernian bloc, and all of us should keep it up until the flesh sizzles to the tune of the Red, White, and Blue. The squeals from these seared sons of the "Howly Father" is somewhat of a contrast to the usual blatant litanys of villification, requiems of vituperation, and pontifical profanity, indicating that your shots registered hits.

With best wishes, I am

Yours truly,

WM. J. MOORE,
Attorney at Law.

JERSEY CITY, N. J.

Senator HEFLIN,
United States Senate, Washington, D. C.

MY DEAR SENATOR: It gives me great pleasure in sending to you this American message.

Your stand on the ideal that this great country has made its wonderful progress in justice to all, brought about by religious liberty to all, and your stand to lift up the weak and to assist the weak, as we have grown strong in it. May God help you in the success in reaching out your hand to Mexico in its weakness, and by your act will strengthen it in the same rights and religious liberty that we enjoy.

Yours very truly,

J. LAVULLEN BARRY,
211 Clinton Avenue.

EDGEWOOD, R. I.

DEAR SENATOR: Please let an "unknown" compliment you upon your stand in the Mexican situation.

I am a lifelong Republican in National politics, but my hat is off to you as any man who dares to tell the Catholic Church where it gets off when mixing up in politics.

I am not a bigot against Catholicism, but I can never stand to see any church (and I am a church member) hold control over the United States Government, as the Pope would do if Al Smith were President, as the Knights of Columbus could embroil us with Mexico or Nicaragua.

I admire any man who has a faith in God and the only thing I have against a Roman Catholic in high office is, that with all Catholics, church comes first, State second.

Keep it up!

Yours sincerely,

S. A. WINING,
136 Wheeler Avenue.

GRAND JUNCTION, MICH., *February 1, 1927.*

Hon. J. THOS. HEFLIN,
Washington, D. C.

MY DEAR SENATOR: I want to say a word of encouragement to you for the wonderful courage you have shown in standing by American principles.

Oh, how I wish Michigan had a man of your type in the Senate.

I am a Republican, but if you were running for office in or from this State I surely would split my ticket. I do hope you fellows will force arbitration of this Mexican question. I can see no other way. We were very anxious to arbitrate a similar question with Japan. You remember that California land-holding question of the Japanese.

Now, Mr. HEFLIN, do not get discouraged; there are millions of good people with you. You are considered one of our very best soldiers.

From your very good friend,

ALFRED SIMONS.

COLUMBUS, OHIO, *February 1, 1927.*

Hon. J. THOMAS HEFLIN,
Congress Hall, Washington, D. C.

MY DEAR SENATOR HEFLIN: It is with great pleasure and interest that I read the CONGRESSIONAL RECORD daily. I have been much interested in the statements you make in the Senate, and in behalf of our organization I am watching closely the stand taken by various Senators on American affairs with Mexico and Nicaragua.

After reading your statements printed in the issue of January 25, I can not refrain from congratulating you upon your Americanism and the fearless repudiation you make to the tactics used by our Roman Catholic friends. America needs men like you to defend her from the uncanny serpent-like fangs of the Roman Catholic dictators and those who would ignorantly do their bidding. I wish to reiterate my congratulations and say that I know several thousand women in Ohio join me in this expression.

With all good wishes, I am,

Most sincerely,

RITA SHAFFER,
State Secretary of Ohio,
Women of the Ku-Klux Klan.

BROOKINGS, S. DAK., *January 31, 1927.*

Hon. J. THOMAS HEFLIN,
Washington, D. C.

MY DEAR SENATOR: Protestant America is very proud of you and very grateful to you for the stand you have taken on the religious question, or rather the papal sedition program in Mexico.

It is quite a novelty to read of a man with the courage to stand on his own feet and state facts as they are and not what a certain faction would like to have us think they are.

Your name is mentioned with great respect in this State, which is not so far from the Canadian border and I want you to know that you have lots of friends and admirers in this section of the United States of America.

Papal interference, in the world in general and America in particular, is not only a detriment but a curse, and men who have the courage to denounce this meddling are few. On the other hand, there are too many seeking papal patronage.

A Protestant who does so, sells his birthright for a mess of "Spaghetti" and no more sickening sight exists than a Protestant fawning at the feet of an un-American priest, who owes allegiance to the "warped mind of the tiber."

If I ever have a chance to give you a vote in any way, it is yours from a 100 per center.

ORVILLE MCCOUN.

WESTON, MASS., *February 12, 1927.*

Hon. J. THOMAS HEFLIN,
United States Senator from Alabama,
United States Senate Building, Washington, D. C.

DEAR SIR: I have watched you with great interest and wish to congratulate you on the wonderful stand you have taken.

I am a citizen behind you.

Sincerely yours,

FRED V. RICHARDS,
Concord Road.

DETROIT, MICH., *February 21, 1927.*

Senator J. THOS. HEFLIN,
United States Senate, Washington, D. C.

DEAR SIR: This is to bring to you my thanks and congratulations on your attitude on the Mexican situation.

Of course, the religious question is always injected by that quasi-religious-political organization which perpetually tries to run church and state affairs. I am glad you have the courage to throw it in their faces in the Senate. This immoral, law-defying, and Constitution-nullifying, pagan outfit needs exposure of its subtle and insidious efforts to involve the United States Army and Navy to kill liberty in that parochial, benighted country.

I inclose a clip from our Hearst Detroit Times of August 23, 1926, in which the bishop speaks his threat of what 800,000 Knights of Columbus will do to Coolidge.

Also a clip from the Detroit News of January 31, 1926, an editorial from the New York World, which shows the "oil" part of the question

to be almost eliminated, but that Doheny is still involved and with him, you can see; he has also involved the question of using the administration against the law and administration of Mexico. I have thought it possible you had not seen this World editorial, which seems brief and conclusive. More power to you. Keep it going.

Respectfully,

T. P. SCHOOLEY, *Attorney,*
3½ Portage Avenue.

JACKSON, LA., *February 12, 1927.*

Senator J. THOMAS HEFLIN,
Washington, D. C.

HONORED SENATOR: Your speech in regard to the Romanist trying to involve us in war with Mexico is the best and most convincing we have ever read.

It is a pity that there are not more who have the courage to stand up for pure Americanism. And just why so many Protestants fear the Pope's army of underlings it is astonishing to us.

We have all wanted to write to you (about 200), but will not take up your valuable time to read same.

Keep up the good work, and when Congress is adjourned open a speaking bureau and tell some of these "benighted hindoos" the truth.

With all kinds of good luck to you.

JACKSON KLAN, No. 25,
Jackson, La.

RALEIGH, N. C., *January 28, 1927.*

Senator J. THOS. HEFLIN,
Senator of United States, Washington, D. C.

DEAR SENATOR: By order of the Klan in Klonklave assembled, I, R. A. Wadsworth, kligrapp of Raleigh Klan No. 1, Knights of the Ku Klux Klan, am instructed to write you the appreciation of the Klan of your stand in the Senate of the United States with reference to the Mexican situation.

No Klansman, and, as for that, no true American citizen, can but be proud of the courage that enabled you to speak with such candor and with such convincing force, the true patriotism and love for our country that was breathed into your every sentence and the directness with which you called to account those who would put other allegiance above that which every citizen owes to the Stars and Stripes.

We have no quarrel with those who differ with us, but we are at everlasting enmity with all and all who would lay profane hands upon our institutions, set at naught our Constitution, destroy our traditions, or make meaningless our hard-won heritage.

We desire that you know of our thanks to you, our pride in your manhood, our belief in your cause, and our determination to stand with you until the victory is won.

Very truly yours, in the sacred unfailing bond,

R. A. WADSWORTH,
Kligrapp, Raleigh Klan No. 1, Realm of North Carolina.

INDIANAPOLIS, IND., NO. 10 MANSUR BLOCK,
CORNER ALABAMA AND WASHINGTON STREETS,
January 21, 1927.

Senator J. THOMAS HEFLIN,
United States Senate, Washington, D. C.

HONORABLE SENATOR: We, the women of Hoosier Capitol Klan, No. 12, Indianapolis, Ind., wish to extend to you our congratulations on the wonderful message you delivered before the Senate on January 18, and wish to take this means of letting you know we are with you in the sentiments expressed and are very grateful for a Member of the United States Senate who has the strength of his convictions and is not afraid to voice them.

Sincerely,

HOOSIER CAPITOL KLAN, No. 12,
Indianapolis, Ind.
LILLIAN G. SEDWICK,
Excellent Commander.
MARAH SHAFFER,
Secretary.

NELIGH, NEBR., *January 21, 1927.*

Hon. J. THOS. HEFLIN,
Washington, D. C.

MY DEAR SENATOR: At a meeting of our organization last night the matter of the Mexican question came up, and many of the members expressed their approval of the position you have taken in the matter, and we desire to express our appreciation of your stand which represents our views. We wish you success in making others see it as you do. We are strong for you.

Yours for business,

ANTELOPE COUNTY, NEBR., KU-KLUX KLAN,
Lock Box 237, Neligh, Nebr.

P. S.—Have you any data at your disposal that we are not able to get from the public press that would be of value to us? If you have, we would highly appreciate such a favor.

J. A. M.

WATERBURY, CONN., *January 24, 1927.*

Hon. TOM HEFLIN,
United States Senator from Alabama,
Washington, D. C.

DEAR SIR: We congratulate you on your outspoken exposure of the Knights of Columbus propaganda in regard to Mexico.

We thank the Lord that there are still some real Americans who have the undiluted patriotism to tell the unbiased truth, even when it is condemning of our internal enemies.

May God protect you and yours, and give you strength to carry on the great fight for our American ideals.

Yours for Americanism,

WATERBURY KLAN, No. 14.

ENNIS, TEX., *February 12, 1927.*

Hon. J. THOS. HEFLIN,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HEFLIN: We, the membership of Ennis Klan No. 79, Knights of the Ku-Klux Klan, Realm of Texas, take this method of commending you and Senator BURTON K. WHEELER, of Montana, on your stand taken last month, openly, on the Nicaragua and Mexico controversies. And extend to you our unceasing support; that you stay right up there on the firing line—that does not spill nearly so much human blood—for the cause of our country, our homes, and humanity.

We hope that many more from both the House of Representatives and Senate will join you and Senator WHEELER in giving this matter of war with Nicaragua and Mexico a death blow every time it comes before you.

The majority away down here in this good old Southland understand this old propaganda. And every honest-to-goodness American citizen knows that war with either of these countries, over their internal affairs, would be all loss, and no gain.

Yours for the cause of our Nation and humanity.

J. K. DONNELL,
F. V. LAUDERDALE,
H. F. VERNER,
Committee.

"Whereas there has been a considerable amount of propaganda spread over the United States for the purpose of creating a sentiment in favor of war with Mexico; and

"Whereas we believe that this propaganda originated in the hierarchy of the Roman Catholic Church, and that the sole purpose of creating a war with Mexico is to regain for the church those civil powers taken from them under the present administration in Mexico; and

"Whereas our Senators and Representatives have heretofore apparently feared to speak the truth regarding this matter for fear of persecution: Now, therefore, let it be

"*Resolved*, That inasmuch as Senator J. THOMAS HEFLIN, of Alabama, has had the courage and integrity to live up to his oath of office in defending our Nation against the treacherous plottings of its enemies, we hereby express our hearty approval and appreciation to Senator HEFLIN for his brave stand; and be it further

"*Resolved*, That we forward a copy of this resolution to Senator HEFLIN as an evidence of the good will and gratitude of several thousand Klansmen of Kalamazoo County, State of Michigan."

Adopted in regular klonklave assembled this 11th day of February, 1927.

KALAMAZOO KLAN, NO. 126, REALM OF MICHIGAN,
By ITS SECRETARY.

HICKORY, N. C., *February 7, 1927.*

Senator J. THOMAS HEFLIN,
Washington, D. C.

DEAR SIR: I want to congratulate you on some speeches I read in the Fellowship Forum you have made in the United States Senate in regard to this Catholic and Knights of Columbus organization.

If we don't stand up for Americanism this country is gone. For the sake of the rising generation please vote for any measure that stops foreigners from coming to our shores, and to deport any who are here and do not naturalize and live like Americans.

Yours as a "one hundred per cent,"

J. S. SEABOCK,
621 Chestnut Avenue.

KNIGHTS OF THE KU-KLUX KLAN,
Aberdeen, S. Dak., February 11, 1927.

Hon. J. THOMAS HEFLIN,
United States Senator,
Senate Office Building, Washington, D. C.

DEAR SENATOR: Permit me to say that your stand upon the Mexican question is bringing favorable comment from all the real Americans out this way.

My work for this order is in the same line as that disclosed by your record of public service. Therefore, in the name of a common cause, for the safety of our country and civilization, may you be strengthened to lay on.

Sincerely yours,

JOHN A. JEFFREY,
Imperial Representative for
North and South Dakota, Utah, Idaho, and Nevada.

Mr. BRUCE. Mr. President, of course I have no idea of making any general reply to the Senator from Alabama. To do so I should have to transport myself backward at least to the fifteenth or sixteenth century. Nor do I propose to comment on anything that he said with reference to me personally. That passes by me like the idle wind, which I regard not.

But I do wish to say just a word with regard to the Baltimore Sun, because the Sun in the State of Maryland is not simply a newspaper organ—it is an institution. It was founded in the first half of the last century. It is bone of our bone and flesh of our flesh. It has been a source of enlightenment, of instruction, and of pleasure to the people of Maryland ever since that time. There are some of us who could just as well get along without the sun that rises above the horizon every morning as without the Sun that is laid upon our doorsteps every morning. Its editorial columns have always been conducted in keeping with the very highest standards of disinterestedness and ability. Its news columns have always been singularly free from smut and scandal—indeed, from everything that is capable of contaminating a newspaper. It is a source of pleasure to us to feel that not only is this great newspaper held in the highest esteem by the people of Maryland, but that it is held in the highest esteem by thousands of individuals beyond its borders.

Several years ago Mr. Charles R. Crane, one of our recent ministers to China, passed through Baltimore, with which he had never had any familiarity. He said to me:

Mr. BRUCE, will you not do me the kindness to take me down to the editorial rooms of the Baltimore Sun and introduce me to the managers and members of the editorial staff of that newspaper? I read a considerable number of newspapers, American and foreign. As you know, I have been very much of a traveler in the course of my life. There are few parts of the world with which I am not more or less conversant, and I do not hesitate to say that the Baltimore Sun is not only one of the best newspapers in the United States, but one of the best newspapers in the world.

It so happens that there was a time when the Baltimore Sun was owned and controlled by Catholics, a fact which no reasonable mind would unduly stress. It then spoke the language of religious tolerance and political enlightenment, which I flatter myself is the ordinary language of the State which I have the honor to represent in part in this body. Now it happens to be owned and controlled by Protestants, and it still speaks the language of religious tolerance and political enlightenment, because since the very first establishment of the Commonwealth of Maryland that has been the prevailing language of its people. Religious tolerance is our noblest tradition. It is the most lustrous jewel in the crown of our good fame. I am delighted to say that I live in a State where it is not only considered unpatriotic but very bad manners for any man to give expression to sectarian prejudices.

Mr. HEFLIN. Mr. President, will the Senator yield?

Mr. BRUCE. If I were to speak in slighting terms, in the social circles in which I move, of a Methodist, a Baptist, a Presbyterian, or a Catholic, my friends and acquaintances would begin to raise their eyebrows and shrug their shoulders and ask, "What sort of ill-mannered fellow is this?"

I yield to the Senator from Alabama.

Mr. HEFLIN. Does the Senator believe that I was guilty of religious intolerance when I rose on the floor of the Senate and read and discussed the resolution of the Knights of Columbus, in which they denounced our Government's position and demanded that the policy cease, and that we should pledge support to the Roman Catholic Knights of Columbus in Mexico, and proposing to raise a million dollars to carry on their propaganda against the Government's position? Did I do wrong in doing that?

Mr. BRUCE. I think it is not unlikely that the Senator did not realize the full significance of his bigoted language. He belongs to that class of which Jesus said, "Father, forgive them; for they know not what they do." But I do say——

Mr. HEFLIN. The Senator from Maryland has not answered my question.

Mr. BRUCE. The whole tenor of his remarks is to renew the bitter feeling——

Mr. HEFLIN. Did I do right in bringing that matter here and discussing it?

Mr. BRUCE. You did wrong.

Mr. HEFLIN. That is what I thought the Senator would say.

Mr. BRUCE. Because you attached an extravagant degree of significance to those things that you should not have attached to them.

Mr. HEFLIN. I am glad that the Senator has let Maryland know that he feels that way in advance.

Mr. BRUCE. Mr. President, I do not happen to be a member of the Catholic Church. I am a member of the church that, perhaps, is the next thing to it—the Protestant Episcopal Church, though in boyhood I was reared in the Presbyterian Church; and if it will give an opportunity to the Senator from Alabama for further vituperation, I will say to him that I have more than once knelt at a Catholic altar; that I have even had a Catholic priest lay his hand upon my head when invoking the blessings of heaven upon me, and that I felt the better for it.

Mr. HEFLIN. If the Senator from Maryland was once a Presbyterian, he has strayed a long way from home. [Laughter.]

Mr. BRUCE. No; not at all. The Senator from Alabama does not know the spirit of our people. A few days ago a public-school functionary in one of the counties of Maryland dismissed a young girl from her position, and it was strongly suspected that she was dismissed because she was a Catholic. Perhaps she was dismissed because the breast of her superior had become fired with wretched bigotry by some of the utterances of the Senator from Alabama. The very first man to raise his voice in unqualified denunciation of the act was a Protestant clergyman.

Ah, the Senator little knows how many letters I, too, have received since he has been indulging in these tirades against the Catholic Church, and how many of them have proceeded from Protestants, including Protestant clergymen, deeply deploring the fact that such invectives could be spoken by anybody upon the floor of the Senate as those that have been spoken by the Senator from Alabama.

No; we do not want any return to the Know-Nothing period in the history of this country. All of us are familiar enough with that period when a wave of religious prejudice swept over this country, and was finally stayed, I am glad to say, in my native State, Virginia, by the eloquence of Gov. Henry A. Wise, a Protestant. That movement, which was born mainly of rowdyism and ruffianism soon ran its course; and so I believe will every similar movement.

Mr. HEFLIN. Mr. President, will the Senator yield right there?

Mr. BRUCE. Another thing. If for no other reason, it does seem to me that the Senator from Alabama, as a matter of common party gratitude, ought to still his tongue, if it is possible for him to still it. I am afraid it never will be stilled until he has worn it down to the tonsils. [Laughter.]

Mr. HEFLIN. If I should wear my tongue down to my tonsils, it will be in the cause of my country and not in the interest of the power that the Senator from Maryland is serving.

Mr. BRUCE. Has the Senator from Alabama forgotten that perhaps 50 or 60 per cent of the entire membership of the Democratic Party of this country north of the Potomac River is Catholic? Has he forgotten that in the dark hours of reconstruction, when nothing less than a vulture was eating into the very vitals of the South, it was those Irish Catholics who were the first to come to our rescue and to begin the great movement, that with the subsequent assistance of the liberal Republicans, ended in our disenthraldom?

Mr. HEFLIN. Before the Senator gets away from the Know-Nothing period, I should like to ask him another question.

Mr. BRUCE. I rejoiced the other day as a southerner, though I hesitated to speak in a sectional vein, because I despise sectionalism and love my whole country—every part of it—when I had an opportunity to have inserted in the CONGRESSIONAL RECORD that beautiful and eloquent tribute paid by George Gordon Battle, not a native of the State of Virginia, as the Senator from Alabama said on yesterday, but of North Carolina—to the Catholic element in the South.

As I have said on a previous occasion, that element is associated with all that is best in the history, the traditions, and the spirit of the South. During the Civil War it gave of its blood to the cause of secession as freely as any other element

in the South. One of the most beautiful poems in which a sacred memory has ever been embalmed was that written by Father Ryan, an Alabama priest, entitled "The Sword of Robert E. Lee."

Some of the remarkable men in the political history of the South, as George Gordon Battle points out, were Catholics. A few years ago, when that noble and venerable institution of which I am proud to be an alumnus, the University of Virginia, founded by the leading apostle of human freedom, Thomas Jefferson, held its great anniversary, attended by a vast concourse of distinguished men and women, made up of visitors from every part of the world, its authorities looked over the face of the South to select the servant of God that would, in their opinion, be best fitted to open the exercises of the occasion, and whom did they select but Archbishop O'Connell, the Catholic prelate of the city of Richmond, Va.! That was the true South, not the spurious South that seeks to revive religious bigotry and to stir up fraternal hatred.

Mr. HEFLIN. Mr. President, before the Senator gets away from the subject, I should like to ask him a question.

Mr. BRUCE. When I began, I really had no idea that I was going to say as much as I have said.

Mr. HEFLIN. I should like to have the Senator discuss the Catholic inquisition and the massacre of St. Bartholomew.

Mr. BRUCE. The Catholic inquisition! Surely the Senator is put to dire extremities when he has to go back for centuries.

Mr. KING. Why not discuss witchcraft in Massachusetts?

Mr. HEFLIN. I should like to have the Senator discuss those subjects.

Mr. BRUCE. Yes; as suggested by the Senator from Utah, I might as well discuss witchcraft in the State of Massachusetts during the colonial period or superstitions in other parts of the United States that flourished for a time, shriveled up in the light of advancing civilization, and passed away. Nothing is to be gained by such talk as that in which the Senator from Alabama has indulged. It simply tends to set brother against brother and to curdle the more generous and kindlier feelings of human nature and to falsify the very best expectations of the framers of the Federal Constitution.

Mr. HEFLIN. Mr. President, I should like to ask one other question. I should like to ask the Senator if he had been the only Senator to discover the resolution passed by the Knights of Columbus at Philadelphia suggesting this war propaganda, would he have brought it to the attention of the Senate and the country?

Mr. BRUCE. In any period of excitement there are always extremists who give expression to ideas and feelings that do not meet with the approval of the mass of human beings whom they purport to represent. I have not the slightest doubt that some indiscreet and hasty things were said by Catholics throughout this country at the time when the Mexican situation was the most tense; but suppose the millions of men and women in Mexico had not been Catholics but had been Methodists or Presbyterians, do you suppose for a moment that the hearts of their coreligionists in the United States would not have been stirred to their profoundest depths and that among those coreligionists at times some voice or voices would not have been raised in immoderate terms of protest? All Senators will recollect that some years ago the Boxer disorders broke out in China. At that time it was not so much Catholics whose lives or safety were endangered as it was Protestants. Naturally enough, from the coreligionists in the United States of those people arose a most earnest demand upon the Government that it should take steps, and prompt steps, for the purpose of safeguarding Americans in China.

But, Mr. President, I have said entirely too much. Sometimes one of the greatest mistakes that we can make is to speak too fully in reply to something which has been said and which does not deserve a full reply. In my humble judgment—and I say it with respect to the Senator from Alabama—he has, since his attention has been turned to Catholicism, placed himself entirely beyond the pale of responsible statesmanship, to say the least, and my only hope is that in the course of a few days he will pass through a due process of contrition and succeed in bringing himself back to the point where his feet were first diverted into the paths of error.

ORDER OF BUSINESS

Mr. PHIPPS, Mr. HEFLIN, Mr. DILL, and Mr. FLETCHER addressed the Chair.

The VICE PRESIDENT. The Senator from Colorado is recognized.

Mr. PHIPPS. I should like to ask the Senator from Washington [Mr. DILL] a question.

Mr. HEFLIN. I suggest the absence of a quorum.

Mr. PHIPPS. I ask the Senator from Washington if he would be willing——

Mr. HEFLIN. I suggest the absence of a quorum.

The VICE PRESIDENT. Does the Senator from Colorado yield for the purpose of having a call for a quorum?

Mr. PHIPPS. I do not. Mr. President, it seems to me evident that a quorum is present.

The VICE PRESIDENT. The Senator from Colorado declines to yield.

Mr. HEFLIN. Then I make the point of order that there is no quorum present.

Mr. PHIPPS. Mr. President, I am attempting to make an inquiry of the Senator from Washington in regard to procedure.

The VICE PRESIDENT. The point can not be made when a Senator has the floor.

Mr. HEFLIN. But if a quorum is not present and a point of order is made, the Senate can not proceed.

The VICE PRESIDENT. A quorum is always presumed to be present.

Mr. PHIPPS. Mr. President——

The VICE PRESIDENT. The Senator from Colorado.

Mr. PHIPPS. I should like to inquire of the Senator from Washington if he is willing to lay aside the unfinished business in order that we may make a little progress with the bill making appropriations for the District of Columbia?

Mr. DILL. Mr. President, I recognize the position of the Senator from Colorado, and I am sympathetic with him, but the Senator from New York [Mr. COPELAND] has been sitting here all morning with the hope of getting the floor to talk for 10 or 15 minutes upon the conference report on the radio bill.

Mr. COPELAND. Mr. President, if the Senator will yield, I have no desire to hold up the appropriation bill.

Mr. DILL. The point is this: The Senator from Nebraska [Mr. HOWELL] is ready to speak, as well as the Senator from New York, and I hesitate to lay the bill aside at this moment, but a little later, if I can do so, I will give the Senator an opportunity for the consideration of the appropriation bill. I would not, however, wish to make the request now.

Mr. PHIPPS. May I ask the Senator if it would not be agreeable to have the Senator from New York speak and then take up the appropriation bill? I am fearful that if a number of Senators discuss the radio bill, I shall have to ask that the Senate remain in continuous session to-night until we pass the appropriation bill.

Mr. DILL. I am with the Senator in that suggestion.

Mr. PHIPPS. I do not think that should be necessary. I do not want to inconvenience Senators, but I have been very patient with this measure, and if it is agreeable to the Senator that we may consider the appropriation bill after the Senator from New York shall have concluded his remarks, I shall be entirely satisfied.

Mr. BRUCE. Mr. President, may I interrupt the Senator?

Mr. PHIPPS. I yield.

Mr. BRUCE. I will ask the Senator from Washington, however, to bear in mind the fact that I am strongly opposed in no less than three different respects to the action of the committee that is handling the appropriation bill. I think that the committee has not done justice to the people of my State, and I expect to take the time to tell the Senate why I think that. So, if the Senator lays aside this bill in the expectation that the bill in which the Senator from Colorado is interested will be very speedily disposed of, he is mistaken. I do not expect to speak at any great length, however, and certainly I have no disposition in the world to filibuster against the bill.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from Colorado yield?

Mr. PHIPPS. I will.

Mr. ROBINSON of Arkansas. I call to his attention the fact that the discussion to-day, as of yesterday, with the exception of the address of the Senator from Nevada [Mr. PITTMAN], has not related to any subject matter directly before the Senate.

Mr. PHIPPS. That is correct.

Mr. ROBINSON of Arkansas. In all probability the debate would have proceeded just as it has proceeded if the District appropriation bill or any other measure than the radio bill had been before the Senate; so I do not think, in justice to the Senator from Washington, that he should be asked to lay aside the radio bill upon any theory that a filibuster is in progress against the radio bill, or that the general business of the Senate would have been facilitated if there had been nominally before the Senate another measure than the radio bill. I make that suggestion to him in fairness, as I believe, to the Senator from Washington.

Mr. DILL. Mr. President——

Mr. PHIPPS. I have the Senator's answer. I will wait for a later opportunity.

Mr. HEFLIN. Mr. President——

The VICE PRESIDENT. The Senator from Alabama.

Mr. HEFLIN. I only want to consume about four minutes in reply to the Senator from Maryland [Mr. BRUCE].

Mr. DILL. Mr. President, I rise to a point of order. I feel some responsibility to keep the radio conference report before the Senate. The Senator from Alabama has already spoken twice on this conference report at great length; and I shall feel constrained to apply the rule in this matter in the interest of the expedition of public business.

Mr. HEFLIN. Mr. President, I have not spoken on it at all.

Mr. DILL. The Senator has spoken in the time of the conference report.

Mr. HEFLIN. Not to-day. The rule reads, "on any day when the matter is up."

Mr. DILL. The Senate recessed last night.

Mr. HEFLIN. If the Senator is not willing for me to have four minutes, I promise him that I shall speak at length, and he will not pass the bill to-day.

Mr. ROBINSON of Arkansas. Mr. President, may I make a suggestion to the Senator from Alabama? The Senator from Alabama did consume the entire day yesterday, and he has consumed the larger part of the day to-day, in the discussion of a matter that is not directly before the Senate. In fairness to the Senator from Washington, who has a bill before the Senate, he ought to be permitted to consume a little time in the discussion of the measure that the Senate has before it without being subject to the threat which the Senator from Alabama has made.

Mr. HEFLIN. I am willing for him to do that, and I asked him for four minutes in which to make just a brief reply to the attack upon me by the Senator from Maryland in the closing part of his remarks. If the Senator from Washington does not want to grant me that time I know what my rights are as a Senator, and I am not speaking for myself alone. I am speaking for ninety-odd millions of American people in my speeches.

Mr. DILL. We recessed yesterday evening and I make the point of order that the Senator has spoken twice on this bill, once during the calendar day of yesterday and once to-day. If the Senator threatens things here, I do not propose to be intimidated.

The VICE PRESIDENT. The Chair rules that the point of order is well taken, unless by unanimous consent the Senator from Alabama is given time to proceed.

Mr. HEFLIN. Then I ask unanimous consent to speak for four minutes.

Mr. MOSES. I object, Mr. President.

The VICE PRESIDENT. Is there objection?

Mr. MOSES. I object, Mr. President.

Mr. HEFLIN. Then, Mr. President, the Senator from New Hampshire [Mr. MOSES] has gone on record as opposing my efforts to prevent war with Mexico at the instance——

Mr. PHIPPS. I call for the regular order.

Mr. MOSES. Mr. President, a point of order. The Senator from Alabama should take his seat.

The VICE PRESIDENT. The point of order is well taken. The Senator will take his seat.

Mr. PHIPPS. Mr. President——

The VICE PRESIDENT. The Senator from Colorado.

Mr. COPELAND. Mr. President——

Mr. PHIPPS. I yield to the Senator from New York.

REGULATION OF RADIO COMMUNICATIONS

The Senate resumed the consideration of the report of the committee of conference on the bill (H. R. 9971) for the regulation of radio communications, and for other purposes.

Mr. COPELAND. Mr. President, I should like to say before making any remarks on the radio bill that I feel embarrassed. I should be very glad, indeed, to waive any rights that I have to the floor if we could go on with the appropriation bill; but the Senator in charge of the radio bill insists that we go forward with it, so I will proceed.

After all the exciting incidents of the afternoon, I fear, too, that any discussion in a plain way of this particular bill will seem dull and colorless. However, it is before us and must be given consideration.

I want to say, first, Mr. President, that there is no doubt in my mind of the necessity of some sort of constructive action regarding the matter of radio control. I am receiving an endless number of letters and telegrams from constituents of mine who are unhappy over the present situation. To show that I have no desire whatever to defeat radio legislation, I call the attention of the Senate to the fact that I have presented a joint resolution which, in my judgment, would cover the transition period between to-day and the time when we can pass effective legislation. This joint resolution is very brief. It reads:

Resolved, etc., That, first, the Secretary of Commerce be, and he hereby is, directed to issue no licenses to operate any broadcasting stations not in operation at this time.

Second. That the Secretary of Commerce be, and he hereby is, empowered and directed to prohibit any and all existing and licensed radio broadcasting stations from in any manner changing or modifying any wave lengths or using any other than those originally assigned to them by the Secretary of Commerce.

Third. That the foregoing provisions be in force and effect until such time as Congress may permanently legislate upon the foregoing subject.

As I see it, the passage of this resolution would provide a legal way of controlling the air and the radio problem until there could be some permanent and more effective legislation. My thought about it is that this conference report should be defeated; but, if it is, that something in the way of this particular joint resolution must be enacted in order that the present chaotic conditions may not continue or grow worse.

I desire to commend the Senator from Washington [Mr. DILL]. I think the Senate owes him a great debt. He has gone forward patiently and diligently in an effort to pass through this body a conference report which I venture to say, although I have no authority for saying so, probably he does not approve in his heart. But he is anxious to facilitate the passage of radio legislation.

This is not a good bill. This conference report does not safeguard the rights of our country as regards radio control. Every speaker who has risen to talk at all on the subject has apologized for the conference report. Nobody has undertaken to say that it is a perfect bill; and, as I see it, it is a very dangerous measure.

Have you stopped to think, Mr. President, what this great radio enterprise is? To begin with, it is the most wonderful invention, I suppose, of this wonderful generation; and more and more, as time goes on, the American people will be dependent upon it for the dissemination of information and for entertainment.

Mr. President, I can not blame Senators for being restless, but I assure them that I take no more pleasure in presenting this matter than Senators do in listening. I have a sort of conviction that if one feels as I do about this measure he ought to say publicly what he thinks about it, and I shall attempt to say what I have to say in the briefest manner. I have no doubt that the capacity of men to listen is somewhat controlled by the barometric conditions. The barometric conditions to-day are such that nobody wants to listen to anything, and they are certainly such, so far as I am concerned, that I do not want to say anything.

We have before us, however, a measure which in my judgment is so defective that it may defeat future control of the ether. If there is any such suspicion in the mind of any Senator, as I view it, he has no business to vote for the conference report.

Let me call your attention to several matters. They have been ably presented, far more ably presented by the Senator from Nevada [Mr. PITTMAN] than I can present them; but, still, I desire to recall them once more to your attention.

In the first place, the conference report fails to include any affirmation of ownership of the ether, or any declaration of policy on the part of the United States to exercise jurisdiction over the ether. It is too bad that this is the case. I think it was the House bill that had the affirmation of ownership, where this language was used:

It is hereby declared and reaffirmed that the ether within the limits of the United States, its territories and possessions, is the inalienable possession of the people thereof.

In the Senate bill it is provided that—

The Congress hereby declares, asserts, and reaffirms that it is the policy of the United States to exercise jurisdiction over all forms of interstate and foreign transmission of energy, communications, or signals by radio within the United States, its territories, and possessions; that the Federal Government intends forever to preserve and maintain the channels of radio transmission as perpetual mediums under the control and for the people of the United States.

These are positive statements on the part of the House in the bill passed there, and on the part of the Senate in a bill which was passed by this body under the able leadership of the distinguished Senator from Washington [Mr. DILL].

As I see it, we should not put ourselves in the position of giving an opportunity to users of the ether to claim vested rights. We should here and now affirm, reaffirm, and declare our ownership of the ether in order that we may make certain that in the future one who uses it without permission of some body or individual granted power by the Congress shall not have a right vested.

As I see it, this conference report is defective from its very beginning. There should be no action by the Congress which omits such an affirmation or declaration as I have suggested.

Taking up the bill—and when I speak of the bill I refer, of course, to the conference report as presented to us by the conference committee—the language is as follows:

> No station license shall be granted by the commission or the Secretary of Commerce until the applicant therefor shall have signed a waiver of any claim to the use of any particular frequency or wave length or of the ether as against the regulatory power of the United States because of the previous use of the same, whether by license or otherwise.

That afforded protection to the people of the United States forever against anyone claiming a right superior to the right of the Government to regulate.

Let me call attention to page 2, lines 17 and 18, where the report seeks to control—

> the transmission or reception of such energy, communications, or signals from and/or to places beyond the borders of the United States.

In connection with that I turn to page 13, line 15, where it is stated that—

> no license so granted for any other class of station shall be for a longer term than five years.

The licenses which are proposed to be granted under this conference report are of two types. One is a simple broadcasting license, where the license is given for three years, and then there is one which has to do with the control of energy, communications, or signals, where it is proposed to give a license for five years.

I am very suspicious about that provision. There are well-defined rumors that radio science has progressed to the point where there is every reason to believe that heat, light, and power will be influenced by further invention. I do not think I would be satisfied to permit the giving of a license for a period of five years where there was a possibility that tremendous development having to do with the common welfare may go on to the extent of actually supplying our people with heat, light, and power. I am not a prophet, or the son of a prophet, but who would venture to say, in the light of the progress which has been made in the scientific world in the last few years, that we may not, through the development of this science, find applications of it, in other directions, that will make for the happiness and comfort and welfare of the people in the future? If there were no other reason for declaring our ownership of the ether, reaffirming our right in it, making as sure as may be that licenses now granted may not become vested rights, that very possibility would determine me to be in opposition to this bill.

To go further, this conference report provides for the creation of a commission. I would like to ask the American people if they want another commission. If there is one thing that I am convinced of it is that the American people are sick and tired of commissions. They do not want any more commissions. Yet this conference report provides for a commission which will function very actively for a period of one year, and then have some very uncertain and indefinite functions forever afterwards.

That leads me to say that in section 5 it is proposed after the first year to turn over certain functions, practically all the functions, to the Secretary of Commerce. Why not do that in the beginning, if we are to do it at all?

Let me call the attention of the Senate to what has been developed so well by the able Senator from Nevada, that this commission has the right to regulate the kind of apparatus to be used, and all through it is the suggestion that the commission, and even the licensee, has the power to change the sort of apparatus which shall be used.

A week or so ago I asked the Senator from Washington, in charge of the bill, if he had the feeling that the licensee might, under certain conditions, require the use of a specific sort of apparatus, and the reply was that he did think so. I remember that at that time the Senator from Montana [Mr. WALSH] said it would be absurd to have any such change made in the required apparatus, because immediately the users of the radio receivers would turn to some other station.

I suggest that the power of advertising is remarkable, and the owner or licensee of a radio station has tremendous power to advertise, to spread the knowledge that a certain form of entertainment is to be given, that a certain great artist is to broadcast, or that a certain series of illuminating addresses are to be given by a certain broadcasting station, but that in order to pick it up a different style of apparatus must be used. I am sure that no Member of the Senate is willing to have a situation created which may make possible the imposition upon the people of this country the necessary for the purchase of thousands and perhaps millions of dollars worth of new apparatus.

I assume that the Vice President, now presiding over the Senate, is a radio fan. I do not know anybody nowadays who is not one. If the Vice President's experience has been like mine, he is now using about his fifth or sixth radio set. I think I am now using my fifth. Changes have taken place, improvements have been made, and, of course, more improvements will be made, and those we welcome, but if the time comes when anybody can say to those who desire to use radio-reception machines that they must have a certain type in order to get the benefit of broadcasting, then we will have developed a situation which certainly will be intolerable, and I doubt if it would meet the approval of the citizens of this country.

On page 19, at the top of the page, where it speaks about the relation of the commission with the licensee, it speaks of what may be done if the licensee fails to provide reasonable facilities for the transmission of radio communications, where a licensee has made any unjust or unreasonable charge, or has been guilty of any discrimination.

I think the Senator from Washington will admit that this language, and other language in the bill, indicates that a charge may be made, and if a charge may be made there is no manner of doubt that a charge will be made, and pretty soon those who desire to make use of their radio outfits will find that in order to do so they must pay a fee.

I want to ask this: What is there to prevent a combination of licensees in a district requiring new apparatus or some special device? I think it is reasonable to expect that that may happen.

There is further evidence to the same effect found on page 22 of the bill, line 13, where it speaks of receiving for hire energy, communications, or signals by radio. I have had innumerable letters and telegrams, as I have already said, but no one of the persons sending me messages of that sort has had knowledge that this particular legislation, if put into effect, may impose upon the particular listener-in the necessity of paying money in order that he may hear. We can not afford to disregard these things. We have no right to impose upon the citizens of the country such a defective control of the ether as to make possible the calamitous things I have mentioned.

On page 20 of the bill, at the top of the page, we have a hint of the various lawsuits which are probable, which at least are contemplated by the bill, where reference is made to the necessity of appealing to the Federal Trade Commission and, as the Senator from Nevada [Mr. PITTMAN] pointed out, to the Interstate Commerce Commission under certain conditions. Why invite these lawsuits? When we have enacted effective radio legislation there will be provision made, as it was made in the splendid bill written by the Senator from Washington and the Interstate Commerce Committee, that the rights which those licensees may have now will be waived in order that their licenses may be continued.

I call attention to page 22, beginning in line 20, where it is said:

> Or shall acquire, own, or control any part of the stock or other capital share of any interest in the physical property or other assets of any such cable, wire, telegraph, telephone line, or system.

What does that mean? Why should not the radio licensee have a right to acquire wires and to make use of them? We can not chain or hitch up a series of broadcasting stations unless we have wires to use. If this feature was not born in the brains of the directors of the telephone and telegraph companies of the country, I am badly mistaken. Of course, they do not want any wires to be owned by the broadcasting stations. If there is any profitable business in the world outside of the automobile business, it must be in the profits which have come to the telegraph and telephone companies by reason of the advertising through the radio of contests of one sort and another. An automobile is to be the prize, and where the first person to guess the population of Nevada on the 25th of December of a certain year would be given an automobile. This is the present method of putting money in the coffers of the telegraph companies.

Mr. President, I hold in my hands the hearings of the Committee on Patents on the bill by which it was proposed to amend the copyright act relating to the broadcasting of music. The statement was made there by the chairman of the administrative committee of the American Society of Composers that as a result of messages sent out through the radio 167,000 telegrams were sent to Members of Congress, representing fees to the telegraph companies of $90,000 for that one purpose.

Of course, the telegraph and telephone companies of the country do not want any competition in the transmission of messages of that sort, and so it is written into the proposed law that the broadcasters must not own and operate independent wires.

These are some of the things which have occurred to me in connection with the conference report. I desire to call particular attention to section 40, on page 36, the last page of the conference report.

> This act shall take effect and be in force upon its passage and approval, except that for and during a period of 60 days after such approval no holder of a license, etc.

In other words, the licensees are given 60 days in which to close up their affairs and get new licenses. It is perfectly absurd to think that in 60 days or six months or a year this matter could be properly arranged for.

Just now, as I understand it, there is a great lawsuit pending between the independent wireless organizations and the Radio Corporation of America about the use of tubes. If the Radio Corporation's contention should be upheld, it would create a monopoly. There should be no conclusive end of the matter until we have time to work out a plan and an effective plan. Certainly to think about being able in 60 days to control the whole great business is an absurdity beyond expression.

I saw a statement made by one of my congressional colleagues, Congressman BLOOM, of New York, in which he said that the radio business is more profitable and brings in more money than is represented by the receipts for sales of all the organs and pianos, all the sheet music, all the harps, horns, violins, banjos, talking machines, saxophones, and drums, so it must be a very profitable business. It is going to be more and more profitable, and we are going to be more and more dependent upon the radio. The newspapers of the country have a great problem to face in the development of the radio. There are other rights to be considered than those of the radio broadcasters.

We can not afford, as I see it, Mr. President, to take definite action now. I should be satisfied to have the matter go back to the able Senator from Washington [Mr. DILL] and the Interstate Commerce Committee, because we know from experience how fine a bill they brought out last year.

I venture to believe that no member of the committee feels in his heart that the conference report presents a proper bill, and, of course, it does not. Let us not be put in the position of passing now upon the greatest invention or discovery of the ages. We can not afford in the final days of the session to pass such a bill without making a very careful study of it and of its significance to the country. It is too serious and too important a matter to be done in that short time. Let us either refer back to the committee the conference report, or else let us reject it entirely, pledging ourselves at the same time to pass some such measure as the resolution which I have presented, in order that we may make sure that no new licenses shall be granted, in order that we may make sure that no rights are vested more than they have been, in order that we may protect the millions of users of radio sets in the country, in order that we may protect our newspapers, in order that we may protect the public against a hasty and inconsiderate action.

Therefore, Mr. President, I beg that the Senate will not take favorable action upon the conference report, but will wait for a more acceptable time to pass a finished and more nearly perfect measure.

Mr. HOWELL obtained the floor.

Mr. PHIPPS. Mr. President, may I ask the Senator from Nebraska a question?

Mr. HOWELL. I yield.

Mr. PHIPPS. Can the Senator give me any information as to what length of time he will probably occupy?

Mr. HOWELL. I doubt if I will occupy more than half or three-quarters of an hour.

Mr. PHIPPS. I thank the Senator.

Mr. KING. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Nebraska yield for that purpose?

Mr. HOWELL. I yield.

The PRESIDING OFFICER. The absence of a quorum is suggested. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Caraway	Edwards	Gooding
Bingham	Copeland	Ernst	Harris
Blease	Couzens	Ferris	Harrison
Bratton	Curtis	Fess	Hawes
Broussard	Dale	Frazier	Heflin
Bruce	Deneen	George	Howell
Cameron	Dill	Gillett	Johnson
Capper	Edge	Glass	Jones, Wash.
Keyes	Moses	Sackett	Trammell
King	Neely	Schall	Tyson
La Follette	Oddie	Sheppard	Wadsworth
Lenroot	Overman	Shipstead	Walsh, Mass.
McKellar	Phipps	Shortridge	Warren
McMaster	Pittman	Simmons	Watson
McNary	Ransdell	Smith	Willis
Mayfield	Reed, Pa.	Smoot	
Means	Robinson, Ark.	Steck	
Metcalf	Robinson, Ind.	Stewart	

Mr. McMASTER. I desire to announce that my colleague the senior Senator from South Dakota [Mr. NORBECK] is unavoidably absent from the Senate owing to an injury received in an automobile accident.

Mr. JONES of Washington. I wish to announce that the Senator from Oregon [Mr. STANFIELD], the Senator from North Dakota [Mr. NYE], the Senator from Wyoming [Mr. KENDRICK], and the Senator from Nebraska [Mr. NORRIS], who are absent from the Chamber, are attending a meeting of a subcommittee of the Committee on Public Lands and Surveys.

The PRESIDING OFFICER. Sixty-nine Senators having answered to their names, a quorum is present. The Senator from Nebraska will proceed.

Mr. HOWELL. Mr. President, the pending measure, if enacted into law, will determine the principle that will govern respecting the right to use the ether for communication by signals, voice, or radio vision when perfected; the broadcasting of music; and the possible transmission of energy for the development of mechanical power. It will also prescribe rules regulating such use of the ether. And, finally, it will designate the authority or authorities upon whom will devolve the duties of administration and regulation.

Each of these objects is highly important, but of widely varying degrees of importance. The character and powers of the commission and officials that are to administer the proposed law are necessarily a matter of no little moment to station owners and those seeking the privilege of establishing new transmitting stations.

To radio listeners the "clearance of the air" seems the important feature of this legislation, but to the Nation at large the importance of all other objects of the pending measure is overshadowed by this question: Who is to own the right to use the ether—all of the people or just a few of the people who have been fortunate enough to acquire radio transmitting stations?

In short, matter contained in the proposed legislation, which may be altered or repealed by Congress at any time, is of minor moment, but that which may irretrievably affect the people's proprietary interest in the ether is of tremendous importance.

Whether the administration of this remarkable development shall be under one official, or under a commission composed of several individuals, is a matter that may be determined now and altered by Congress at any time. Again, so far as regulatory rules are concerned, they may be enacted to-day and amended or repealed to-morrow. But, Mr. President, if the theory of vested rights to the use of the ether is once accepted by Congress, even though by mere implication, and the same theory, in effect, is upheld by the courts, as it probably would be, this principle will be established, to wit, that the mere use of the ether may constitute a property right. If this should result, such property of the ultimate value of hundreds of millions of dollars will be found in possession of a few only, while the many—generations unborn—may in the future be compelled to pay dividends, without end, upon the value of such property. Thus will be developed the possibilities of a far-reaching monopoly, and we know only too well that such possibilities sooner or later are likely to end in monopoly.

The pending bill, as it comes from the conferees, is in consonance with the theory of such vested rights—a theory that has been subtly inculcated in the public mind not only by the great radio interests in the United States but elsewhere in the world.

The attitude of these interests is essentially human and appeals to the property instincts of many, especially those who consciously and unconsciously indorse, as in accord with the eternal fitness of things, that—

> unto everyone that hath shall be given, and he shall have abundance; but from him that hath not shall be taken away even that which he hath.

The radio interests contend: "Having established a station and operated it in accord with legally established regulations, we, of course, naturally have the right to continue to operate such station in perpetuity, and also to sell and transfer the station and license at any time we see fit." Acting upon this theory as an accepted fact, radio interests have been buying and selling radio stations, together with their licenses, upon the basis of values far in excess of that of the mere apparatus.

Moreover, in recognizing these sales by transferring the licenses involved, the Department of Commerce has practically approved the theory of vested rights, and in nearly every case the purchasers, instead of filing applications and taking their turn with scores of others, have been, by transfer, afforded licenses immediately. Why? Because evidently they have been deemed to have purchased something. And that "something," they are now urging, was not merely an apparatus, but additional property in the form of a right to use the ether therewith.

As a concrete example, if at any time during the past two or three years I had applied, in due form, for a radio license, I might have waited in vain for its issuance because of the number of unsatisfied applicants ahead of me. However, months after the filing of my application, my neighbor might have purchased a station and its license, in which case Secretary Hoover would have allowed the latter's transfer. Thus my neighbor might have begun broadcasting at once, although the idea of doing so might not have occurred to him for months after the filing of my application.

In this manner stations and licenses have been transferred in consideration of the payment of large sums of money. The highest price thus far recorded was in the case of station WEAF (New York), the consideration in connection with the transfer being $1,000,000.

In view of these facts, can we doubt the confidence of the big radio interests in the ultimate approval of the theory of vested rights to the use of the ether? And remember these great interests are solidly behind this bill as it comes from conference.

The evidence of this is the innumerable telegrams that have been flooding the Senate for days urging the immediate passage of this measure. During the past week or 10 days great broadcasting stations, dotting the country from the Pacific to the Atlantic, have been urging their listeners—who necessarily know little about the pending legislation—to wire their Senators for immediate action.

The following is a quotation from the Omaha World-Herald of February 11:

HOWELL ASSAILED FOR ATTITUDE ON RADIO CURB BILL—LISTENERS DEMAND SENATOR CEASE OBSTRUCTION TO RELIEF PLAN—FLOOD OF MESSAGES FROM OVER THE LAND

Speaking over WOW station Thursday night, Hal Edwards, president of the Omaha Radio Trade Association, after asking voters to besiege Senator HOWELL with telegrams asking for the passage of the bill, declared that the Senator, in his opinion, is offering only evasions in declaring his position in opposition to the bill. * * *

Telegrams from cities all over the United States poured into Omaha yesterday urging action to force HOWELL to make a change in his attitude toward the radio bill, Edwards stated. Among them was the following from the St. Louis Radio Trade Association:

"Senator HOWELL, of Nebraska, is consistently blocking every attempt to bring the radio bill to a vote. Will you have all radio interests in Omaha wire him immediately that he is standing in the light of industry? Ask him to let the bill be voted on by Senate at once. Delay means no radio law and continued broadcasting chaos."

Edwards was bitter in commenting on Senator HOWELL'S action in his speech over WOW. "He has entirely forgotten that he is in the Senate to carry out the wishes of the voters of the State," Edwards stated. "The whole country is watching the situation with interest and expecting Nebraska radio listeners to deliver HOWELL'S vote for the bill on Friday."

This was supplemented by the following:

STRONG RAPS HOWELL—SAYS NEBRASKAN TRYING TO "HORN IN" ON SENATE RADIO BILL

CHICAGO, ILL., February 10.—Efforts of certain Senators to delay action on the proposed radio measure, already passed by the House, are condemned as "political" by Walter Strong, chairman of the radio coordinating committee which has been active in pushing this measure. He scored Senator HOWELL (Republican, Nebraska) as "trying to horn in on the Senate's radio program."

I think there is not a Senator here who will charge that whatever protest has been made respecting this radio conference report has been based upon political reasons.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Utah?

Mr. HOWELL. I yield.

Mr. KING. I am rather amazed at the statement made that the protest should be charged to political motives. I am quite curious to know what the writer or the speaker means by "political." It is well known that those who have been opposing this conference report—and I am among the number—have done so because they believed that it tended to perpetuate a monopoly, or, if a monopoly did not now exist upon this great factor for intelligence and civilization and the spread of knowledge, that this bill as it comes from the conferees would tend to increase the power of a potential monopoly.

My objection to the conference bill—and I am sure it is the objection of all who are opposing the conference report—is based almost entirely upon the ground that we see in the conference bill a monopoly that will prove injurious to the American people; and when that speaker or writer denominates the opposition as founded upon political considerations, he states what is obviously an untruth. That, however, is the way of the monopolists. Any objection to monopoly—and we have monopolies here that are threatening the very industrial and economic and political life of the Republic—is met by the allegation that it is a political consideration rather than an economic one; and, as suggested sotto voce by a distinguished Senator, those who oppose measures monopolistic in character are denominated socialists.

I commend the Senator from Nebraska for his courage in opposing this conference report; and I am sure that the people of Nebraska, when they learn the facts, will indorse his course.

Mr. HOWELL. Mr. President, this is, indeed, evidence of the intolerance for which radio may be made the vehicle. I early took a deep interest in the development of radio and especially its broadcasting features. In 1921 I served as chairman of the radio service commission of the Post Office and Agriculture Departments, and as a member of the first radio conference called by Secretary Hoover. Naturally my interest has continued during my service in this body.

At the time of the passage of the pending radio bill during the last session I felt that its provisions protected the interests of the public so far as the alienation of the use of the ether was concerned, and, as there was little opposition to the measure, I did not occupy the time of the Senate with remarks prior to its passage. However, when this bill was received by this body from the conferees with provisions practically eliminated that had been inserted to the end of preventing the acquisition of vested rights to the use of the ether, I did take the floor in protest; and though altogether I have occupied a total of but 48 minutes of the Senate's time thus far in connection with this conference report, I have been subjected to intolerant attacks from broadcasting stations in the West, conveying the impression that I have been filibustering against the pending measure.

Mr. President, it is time for Senators to stop, look, and listen respecting the possibilities of radio attacks and the impossibilities of adequate reply.

Some two years ago I introduced in the Senate a resolution asking for an investigation by radio technicians employed by the Government to determine what it would cost to have the proceedings of the Senate broadcast, so that the public should not receive second-hand information of what takes place on this floor. I proposed that the Army stations throughout the country should be utilized for this purpose, because they must be maintained, are adequately equipped, and the personnel is there for service. Several days after I introduced the resolution I was called upon by representatives of the telegraph and telephone company and asked why I proposed the Army should perform this service.

My answer was that I believed it could do it more cheaply than otherwise. They thereupon furnished me a copy of a letter that had been forwarded to the committee of the Senate having under consideration my resolution, in which the company offered to broadcast across the country the proceedings of Congress without any charge whatever.

In order that Senators may be treated fairly, we shall have to come to something of this kind. Otherwise we will be at the mercy of broadcasting stations, because the conferees have eliminated the provisions introduced in the Senate bill providing for a measure of protection under such circumstances.

Mr. President, in section 4, on page 50 of the Senate bill, we have this language:

SEC. 4. All matter broadcast by any radio station for which service, money, or any other valuable consideration is directly or indirectly paid, or promised to or charged or accepted by, the station so broadcasting, from any person, firm, company, or corporation, shall, at the time the same is so broadcast, be announced as paid for or furnished, as the case may be, by such person, firm, company, or corporation.

If any licensee shall permit a broadcasting station to be used as aforesaid, or by a candidate or candidates for any public office, or for the discussion of any question affecting the public, he shall make no discrimination as to the use of such broadcasting station, and with respect to said matters the licensee shall be deemed a common carrier in interstate commerce: *Provided*, That such licensee shall have no power to censor the material broadcast.

Mr. President, that was the section as passed by the Senate; but what have the conferees done? They have eliminated it from the present bill, and substituted the following:

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Utah?

Mr. HOWELL. I do.

Mr. KING. The statement just made by the Senator obviously is of great interest; and I was wondering what explanation was made by the conferees, or by any member of the conference committee, of the elimination of that provision. There must be some reason for it. Otherwise, it would seem to place their seal of approval upon the power being vested in those who have these licenses to discriminate, and to use their power to the advantage of those who have wealth as against those who may not have the means of purchasing the right to broadcast their intellectual matter, their speeches, or otherwise.

Mr. HOWELL. Mr. President, I am a member of the Interstate Commerce Committee, which reported this bill to the Senate; and I know that the conferees were fully in accord with the bill as it came from the committee.

Mr. KING. The Senator means the Senate conferees?

Mr. HOWELL. Yes; the Senate conferees and they are still in favor of these provisions; but I am informed that at least two of the House conferees insist that if these provisions are reinserted the bill will be killed.

Now, Mr. President, I will read the corresponding section in the report of the conferees:

SEC. 18. If any licensee shall permit any person who is a legally qualified candidate for any public office to use a broadcasting station, he shall afford equal opportunities to all other such candidates for that office in the use of such broadcasting station, and the licensing authority shall make rules and regulations to carry this provision into effect.

Mr. President, it will be noted that under the provisions of this latter section if a candidate is allowed to use a station, other candidates for the same office must be allowed the same privilege, however, if a representative of a candidate is allowed to use a station, there is no provision that the representatives of other candidates must likewise be allowed to broadcast. Moreover as to public questions, censoring discrimination generally and declaring the licensee to be a common carrier, this substitute section is silent.

Mr. President, in framing this section, the Senate committee had in mind reported experiences during the last campaign. In one case a distinguished Member of this body, who had been invited to speak to his constituency by radio, was asked to submit his manuscript for censoring. It is needless to say he not only refused but canceled his engagement. In another previous instance the Westinghouse station in Hastings, Nebr., after extending an invitation to a public official to speak, required him to submit his manuscript, and all contained therein in criticism of "Pittsburgh-plus" was perforce deleted.

We are building up in this country a tremendous, irresponsible, publicity power, unregulated, of which Members of Congress and many other public officials may find themselves not only early victims, but practically without redress.

It is well known that you can not convict a proprietor of a newspaper for printing a criminal libel even in the form of an open letter followed by his name as the signature of the writer unless you are able to prove that he actually signed such letter—a practically impossible thing in any well-regulated newspaper office. Evidently it is much easier and safer to commit such a crime by radio, because unless it so happens that the libelous statement is reported verbatim by some listening stenographer it will be almost impossible to prove the criminal character thereof, to say nothing of satisfying a jury as to who was speaking at the time of its utterance. These considerations were weighed by the Senate committee and a provision inserted in the bill requiring every radio station affording programs to keep an accurate official log of its broadcasting. Naturally the big radio interests are opposed to anything of such character, calculated, as it is, to render more certain the responsibility of a station operator and anyone speaking into the microphone. As a consequence, though the bill passed the Senate providing for the keeping of logs and imposing the added responsibility of a common carrier, these provisions have been stricken out by the conferees with the consent of the Senate Members; and why? Because we are informed that the ultimatum of the House Members is that the bill must go through in its present identical form or else it will be killed, and, moreover, there shall be no radio legislation at this session of Congress. Considering the character of these changes, is not this attitude of challenging significance?

However, Mr. President, these are details to which I have previously referred as changeable by Congress at any time, hence of minor importance. The great, tremendous question is that of the proprietorship of the ether. In comparison with this all other questions dealt with sink into insignificance, as Congress is at liberty to settle them one way or the other now, and quite in some other manner at any future time. Such, however, is not the case so far as the proprietorship of the ether is concerned. What Congress does now in this connection may result in property rights which Congress can not hereafter revoke or alter.

From a property point of view there are two theories respecting the ether and its use. The first theory is that supported by the great radio interests and which leads to vested rights. Under this theory anyone who has been in consecutive use of the ether for a period of time is deemed to have acquired a right to such use in perpetuity, subject, of course, to the regulatory power of Congress, and hence may sell and dispose of such right as in the case of other property. The second theory holds that whoever uses the ether acquires no rights except those enjoyed by a tenant at will. In short, that no one shall ever acquire, in perpetuity, any rights to the ether or its use.

The Senate committee, opposed to the theory of vested rights, has fought for this second theory. We have believed it unthinkable that anyone should ever gain a right to use the ether in perpetuity and, as a consequence, the bill as it went to the conferees, after passing the Senate, was in consonance with the tenant-at-will theory. However, before I develop this fact, by reference to the text of the Senate bill, let us consider some previous history.

In 1924, during the first session of the Sixty-eighth Congress, I introduced a radio bill, which I quote in part as follows:

Be it enacted, etc., That the ether and the use thereof for the transmission of signals, words, energy, and other purposes, within the territorial jurisdiction of the United States is hereby reaffirmed to be the inalienable possession of the people of the United States and their Government, but privileges to enjoy such use may be granted as provided by law for terms of not to exceed two years.

* * * * * * *

All such licenses heretofore granted by authority of Congress shall terminate within two years (if not sooner under the terms thereof) from the date of the approval hereof, and no such license shall be renewed, or any additional license granted, except upon the filing with the Secretary of Commerce of an application by such licensee or applicant, executed under oath, setting forth, in the form prescribed by the Secretary of Commerce, that the claims of such licensee or applicant to the use of the ether are in consonance with and limited to the recitations and provisions of this act.

As is evident, the purpose of this bill was to establish a policy to the effect that the ether and the use thereof should forever be the property of all of the people and not ultimately become the possession of but a few of the people. Moreover, it was so framed that if anyone using the ether dissented from this view, it would be necessary to recant by signing a waiver, as provided, or resort to a mandamus and thus litigate his claims to vested rights at once and not years—possibly a generation—hence.

This bill was favorably reported by the Committee on Interstate Commerce and passed by the Senate. However, when this measure reached the House, it was opposed by some of the present House conferees, and all after the enacting clause stricken out, causing, of course, the bill to fail. Notwithstanding, however, there was inserted in the pending bill as it passed the Senate, early last year, similar language as follows:

And no license shall be granted until the applicant either for a license or for a renewal of a license has signed under oath a waiver of any claim of right to any wave length or to the use of the ether because of any previous use of the same, whether by license or otherwise.

In short, the Senate reaffirmed its adherence to the tenant-at-will theory respecting the use of the ether.

The House disagreeing in some respects with the bill as passed by the Senate, the present conferees were appointed, but to no immediate avail, as the conference was unable to reach common ground before adjournment. As a consequence, for the protection of the public interest, during the period between the sessions of Congress, a stop-gap, reaffirming the tenant-at-will theory, was adopted by both Senate and House in the form of a joint resolution reading in part as follows:

And no renewal of the license for an existing station of any other class than a broadcasting station shall be granted for longer periods than two years; and that no original radio license or the renewal of an existing license shall be granted after the date of the passage of this resolution unless the applicant therefor shall execute in writing

a waiver of any right or of any claim to any right, as against the United States, to any wave length or to the use of the ether in radio transmission because of previous license to use the same or because of the use thereof.

This resolution, however, failed to receive the signatures of the Speaker of the House and the President of the Senate prior to adjournment, and therefore did not become a law until Congress again assembled last December. This resolution, now a law, unquestionably put the stamp of approval of both Congress and the President upon the tenant-at-will theory so far as the ether and its use is concerned. But, Mr. President, notwithstanding all this, it is an amazing fact that the bill now before us, as reported by the conferees, leaves us at the mercy of vested rights by virtually abandoning the tenant-at-will theory. As evidence that such is the case, consider the following facts:

First. The conferees have stricken out the corresponding tenant-at-will provision in the Senate bill and substituted the following:

No station license shall be granted by the commission or the Secretary of Commerce until the applicant therefor shall have signed a waiver of any claim to the use of any particular frequency or wave length or of the ether as against the regulatory power of the United States.

Mark the words—

the regulatory power of the United States.

No one questions the right of Congress to regulate the use of radio. Therefore no licensee would renounce anything of value by signing such a waiver. What we have been fighting for is not a waiver against "the regulatory power of the United States" but for a waiver of any right to use the ether—an entirely different thing. Of course, the great radio interests wanted the conferees' wording. They are prepared to claim vested rights and desire to avoid litigating the question at this time, as, under the Senate bill, they would be compelled to do, should they refuse to sign the waiver provided for therein. What they want is time for the seasoning of their claims.

Why did the Senate members of the conference agree to this fundamental change? Because, we are informed, that the ultimatum of some of the House conferees is that the bill must go through in its present identical form or else it will be killed, and, moreover, there will be no other radio legislation at this session of Congress. Is not this attitude significant?

Second. The bill as passed by the Senate provided that the sale of any radio station should not be approved by the Secretary of Commerce if the price paid therefor should exceed the physical value of the property transferred. The purpose of this provision was to emphasize that nothing of value—such as a vested right—might be conveyed in the transfer of a radio station other than the physical property. This provision is stricken out of the Senate bill as it comes from conference. Why? Because it negates the idea of vested rights, and the great radio interests believe that the measure, in the form in which it is now before us, if it does not openly approve the theory of vested rights, at least implies a denial of the tenant-at-will theory.

Of course, the Senate members of the conference have also agreed to this change; and why? Because, we are informed, some of the House conferees have delivered themselves of an ultimatum to the effect that the bill must go through in its present identical form or else it will be killed, and there shall be no radio legislation. Indeed, is not this attitude significant?

Third. The Senate bill as it went to conference provided that in case of war or other emergency, should the Government see fit to close any radio station, that, under the terms of its license, the Government should not be liable for damages because of such mere closing. This provision is absolutely in accord with the tenant-at-will theory and was inserted in the bill because of that fact, but, Mr. President, the bill now before us, as it comes from the conferees, no longer contains this provision. Why? Because it negates the theory of vested rights.

This, too, has been agreed to by the Senate conferees because of the ultimatum of some of the House Members of the conference to the effect that this bill must be approved by the Senate in this identical form or else it will be killed, with no hope of other radio legislation during this session. What could be of greater significance?

Fourth and finally. The pending bill as it comes from the conferees includes new matter in the form of a repeal of the present law. I refer to the joint resolution adopted just before the adjournment of the last session of Congress and signed by the President in December, 1926, which provides for—

a waiver of any right, or of any claim to any right, as against the United States, to any wave length or to the use of the ether in radio transmission because of previous license to use the same or because of the use thereof.

In lieu thereof this bill, as it comes from conference, requires merely—

a waiver of any claim to the use of any particular frequency or wave length or of the ether as against the regulatory power of the United States—

something entirely different, indicating an evident intention to abandon the tenant-at-will theory which is now the law of the land.

You may well ask why the Senate conferees agreed to this repeal—a practical capitulation. Again we are told that it is the ultimatum of some of the House conferees that this law should be repealed, otherwise there will be no radio legislation during this session of Congress. Had the conference included the great radio interests, this ultimatum would not be surprising. As it is, however, in view of what has gone before, its significance is overpowering.

Mr. President, three times has the Senate gone on record approving the tenant-at-will theory respecting the use of the ether; first, in 1924, when the bill which I introduced during that session was passed and sent to the House; a second time when the Senate passed the pending radio bill as it came from the Interstate Commerce Committee; and finally when it adopted, in conjunction with the House, the joint resolution which became a law last December. Notwithstanding, however, the Senate is now asked not only to abdicate this reiterated position but to repeal the tenant-at-will theory now on the statute books. Moreover, the Senate is asked to abdicate its previous position, not because the Senate conferees have been convinced but because the House conferees have threatened to defeat any radio legislation at this session unless the bill as it comes from conference is accepted by the Senate.

Mr. President, this is not merely a matter of pride or stubbornness on the part of these conferees. The attitude adopted is for a purpose, and that purpose is to prevent, in my opinion, the enactment into law of provisions in this bill which negate the theory of vested rights in favor of the tenant-at-will theory. In view of this fact we should stand unmoved.

So far as we now know, the number of usable channels in the ether is limited, and they should be preserved for all time not for merely a handful of people but for all of the people.

As this bill now stands it is what the great radio interests want. They are supporting it from every corner of the United States. They are telling their listeners, necessarily unacquainted with its details, that a filibuster is in progress against the measure, that it is in danger, and that if their listeners want the air cleared up, to wire their Senators immediately to pass the bill. Not stopping there, they are charging individual Senators, including myself, with attempting to kill the bill through filibuster, although, as previously pointed out, up to to-day I have occupied the Senate floor upon this subject, from the time the bill was introduced in 1925 until now, but 48 minutes. Why such misrepresentation? Merely a determination to leave no stone unturned to force through this bill as reported by the conferees, and thus preserve, if possible, their claimed vested rights.

Indeed, we should stand unmoved. We should send the bill back to conference with instructions to make such changes as are necessary for the protection of the public. There is plenty of time. There is no danger that the bill will not ultimately pass.

Mr. BLEASE. Mr. President, I hold in my hand a magazine which is entitled "Radio Doings," and on the sixteenth page I find this article:

HERE'S HOW

By Maj. Lawrence Mott, KFWO

[Editor's note.—A few suggestions on the puzzling radio situation as offered by a station owner.]

I do not know what the letters KFWO stand for.

During a program over my little station, latterly, I chanced to make mention of the fact that I had been asked by Senator DILL, father of the bill now in Congress, to let him have my views on the radio situation, and any suggestions that occurred to me. Listeners to KFWO have asked that I set forth my suggestions in our pages. Perhaps mine editor will permit?

Briefly: Put all stations off the air under at least 100 watts! And on the very reasonable theory that the man who can not afford the upkeep of that amount of power can not, ipso facto, afford the cost of good orchestras, artists, etc., for his microphones! I do not know if my readers are aware of it, but the ridding of the overburdened airs of everything up to 100 watts would release at least 25 per cent of the congested air channels! It is all very well to say that these

little fly-by-night 5, 10, 20, 50, and 100 watt stations (of which there are a vast quantity infesting—

I should like to call the Senate's attention to the word "infesting"—

the broadcast channels) do not reach out! Their programs may not, but their carrier waves do, and that is what causes the pestilential whine and squealing so obnoxious to listeners-in. I suggested to Senator DILL that if a cleaning out up to 100 watts did not have the desired results, keep on cleaning up to 250 watts! And if there were still interference, clean out to 500 watts.

They do not want to give any chance at all to the poor man, to whom God Almighty has given the free air—or at least we had presumed so up to now—when the Senate seems to think that it should be taken away from him and is possibly in a mood of mind to do it; but they want to turn the air over only to the rich, the powerful, and the mighty, to the men who have money, who are able, if you please, to purchase expensive and fine equipment. So the little farmer out in the country, who really needs the service, who is not able to take his family to town to the big operas—"grand operas," I believe they are called—or to the big moving-picture shows, or to some other kind of amusement, because he is not rich, because he does not own an automobile, and because he lives out on a farm and is poor, must not have a radio. This "Big Ike" says "steal it from him; take it away from him." I want to know if the Senate means to indorse that kind of proposition.

Mr. DILL. Mr. President, will the Senator from South Carolina yield?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Washington?

Mr. BLEASE. Yes, sir; what I am reading from is the Senator's mouthpiece, and I will yield to the Senator.

Mr. DILL. Oh, no.

Mr. BLEASE. That is what the writer says.

Mr. DILL. The writer states he made those suggestions to me. I wish to tell the Senator from South Carolina, however, that this bill does not carry out those suggestions; it does not provide for the limiting of stations as this man has suggested. I was very glad to have his suggestions, but I did not follow them nor did the committee.

Mr. BLEASE. It will not take more than about 15 minutes after the President signs this bill to bring about the condition to which the magazine article refers.

With this much accomplished, fix the "ceiling" of power at 1,000 watts.

I am very frank in the prophecy that if all stations were compelled by law to use master-oscillators in their transmitters (thus absolutely fixing their wave and keeping it sharp, withal); if, shall we say, everything under 250 (or 500) watts, and over 1,000, were legalized off the air, then, O air pals o' mine, you would have splendid radio reception!

I can hear the yell from the smaller station owners as I write: "It's all very well for you, with plenty of money, equipment, to go to 500 watts, etc., to talk. But how about us who have also spent money in our equipment?" A very reasonable yell, I admit. But the laws of progress are immutable and unchangeable. Private property is condemned for improvements in cities, for instance. A board of appraisers decides what a just and fair price would be for the condemned property and, willy-nilly, the owner of it must conform—for the good of the whole. I suggested the same thing to Senator DILL, i. e., appraise all stations up to 100 watts (to begin with), legislate them off the air, and pay their owners. We are at once rid of a lot of troublesome mosquitoes. To be redundant, carry this scheme to 250 watts, or 500, if it is necessary to clear the air.

I see that Senator WALSH and a few others are holding up the bill in the Senate. If some sort of a bill does not pass at this session, everything except the most expensive superselective sets with loops, chiefly, might as well be used to light the morning fire, in so far as any use that their owners will get out of them.

The man who wrote that article expresses exactly what this bill means; he expresses an idea which is too prevalent in this country to-day, according to which every man would be deprived of rights unless he has ample means. That is what this bill means and nothing else. It does not say so; certainly not; only a fool would come here and bring in a bill which applied only to the rich; but this bill applies to them, and the author of the article in this radio magazine writes to that effect, and in a footnote says that a copy of it has been sent to the Congressmen and the Senators from the State of California.

Mr. President, has the Senate reached the point that it is not only willing to deprive the people of the country of their personal liberty, deprive the poor man of the right to take a drink, but to go further than that and deprive them of the benefit of using the air. Of course the rich people have plenty of liquor; everybody who has any sense knows that. All the prohibition law does is to deprive the poor devil of a drink. It does not deprive any man of it who has $2.50 and is able to spend it in that way; we all know that; and this bill deprives him of other privileges. It seems to me that we are trying to take from the people of this country almost every privilege or right, for now the Senate has reached the point where it actually wants to place the air, the God-given air, in the control of a few and refuse it to the poor people of this country.

Mr. BRUCE. Mr. President, will the Senator yield to me for a moment?

Mr. BLEASE. Certainly.

Mr. BRUCE. Apropos of what the Senator from South Carolina has said about the invidious discrimination worked by prohibition between the rich and the less fortunate members of society, I might say to him that some time ago I asked one of the leading criminal lawyers of Baltimore whose business has been that of defending traverses in prohibition cases whether he could recall the fact that any man of any social standing or influence had ever been convicted in the city of Baltimore of any violation of the Volstead Act. After meditating for a few moments he said that he could not.

Mr. BLEASE. That does not only apply to Baltimore, but it applies all over this country. I know it applies in the State of South Carolina; and I am absolutely certain that it applies in the city of Washington, for I know that there is nobody in the city of Washington who wants liquor who is deprived of it if he has the money with which to buy it. That is proved every day around us, and it is not necessary to go out to hunt it up, either.

I am in favor of radio legislation to regulate in a proper manner the use of the air; but when the editor of a magazine such as that from which I have quoted sets forth the purpose of the pending measure and the purpose of its authors to be to close the service of the air and the use of the air to all the people of this country except those who are able to buy the very finest equipment for their radios in order that they may not be worried, as he says, by the "mosquitoes" buzzing in then I think it is time the Senate should pause to consider where we are going.

The Senator from New York [Mr. COPELAND] admitted that this was a bad bill. Is the Senate to be called upon to pass this bill when the very men who are advocating its passage themselves admit it to be a bad bill? Has the day come in America when the Senate will pass a bill knowing it is a bad bill, admitting it is a bad bill, on the theory of the man from whom I have quoted, "Let us get this measure, and then we will carry out our purpose and get what we really want"? I can not understand, to save my life, why the Senate should consider passing a bill the friends of which themselves admit is a bad bill. Is it only for the purpose of having an entering wedge? Is it only with the idea that if you can not get something better than this take this now and then later amend it so that you can get what you want, so that you deprive all the people of this country from the use of the radio except those who are able to buy the finest equipment and say to them, "You can get your fine grand opera; you can get your fine musicals, and so forth, and nobody else can interfere; nobody else can have the privilege of radio. It is for the select few."

I thought this was a democratic Government; I thought it was supposed to be a Government of the people, by the people, and for the people, but I begin to have a doubt as to that when the Senate, in the face of an article like the one from which I have quoted, and despite the fact that Senators who are advocating this bill admit that it is a bad bill, admit that it is wrong in principle, insist on hurrying it through to-night if necessary. I have no objection to that; I have not anything else to do, and I can stay here just as long as can anybody else. I do not propose to delay its passage, but I want to file my protest against any bill that is admitted by the men who bring it in here to be a bad bill.

Mr. DILL. Mr. President, will the Senator allow me to interrupt him for a moment?

Mr. BLEASE. Yes, sir.

Mr. DILL. I do not want to sit here under the repeated statement of the Senator that those of us who bring in this bill say that it is a bad bill. The Senator from New York [Mr. COPELAND] is opposing the bill, and he said it was a bad bill. Those of us who brought in the bill recognize that it is not perfect; it does not contain all the provisions we want it to contain; but we believe that it is a good bill and that it will be the beginning of the regulation of radio.

In regard to the editorial the Senator has read, I want to say that we can not prevent people from sending us suggestions. We ought to welcome suggestions; but when we did not adopt the suggestions that were made, we should not be charged with the result which he says would follow if we did adopt them.

Mr. BLEASE. Mr. President, I make the prediction on this floor now that if this conference report is adopted it will not be 12 months before men who are voting for it in this Chamber will be deprived of putting their views before the country over the radio. I make the further prediction that in less than two years it will be controlled for partisan political and religious purposes, and that when men want to put their views before the American Nation over the radio they will be deprived of that liberty, and that the select few only will be given the privilege of having the use of that machinery.

Personally, I do not want it. I do not want to talk to anybody I can not see. If I talk to an audience, I want to look at them, and I want them to see me. Then I can come near telling what they want; and if I get on the wrong track, and they begin to squint their faces up, I can go on something else that will please them if it is necessary. But I do not want a machine fixed here for the purposes of the select few, and that is all that this bill means. That is what it is brought in here for. That is its purpose.

I am not responsible for this man who has been referred to. He may be a fool, but I am not responsible for his having little enough sense to parade his ideas in print and get them into the hands of the Senate before they pass on this matter.

Why should we control the air? I have not heard any reason for it yet. I suppose after a while they will fix it so that only certain people can go up in the air in an airship. About that I will never be worried, because I never expect to ride in one. Consequently, that does not worry me the least bit; but I do think that Senators should not sit here as a matter of courtesy and vote for bills to please somebody. I think it is too great a question, and that the Senate should stop and consider before they vote to put the control of the air of this country in the hands of anybody.

Somebody said that this bill puts the control of the air in the hands of Herbert Hoover. Very well; I do not know that that is so bad. I understand that he is the President's legal adviser; that he is his adviser on agricultural matters; that he is his adviser on matters of commerce, and I suppose on theology, too, and everything else connected with the Cabinet; but I do object, so far as I am individually concerned, to turning over to him or any other man or any set of men such control as this bill gives.

I presume the bill is going to pass; but I wanted to go on record just this far, so that when I go back to my people I can say to them that I did all I could, and that was to register my protest. I want to be in a position, when certain things happen in the campaign of 1928, where the finger of scorn can not be pointed at me, and it can not be said, "You kept us from receiving the proper kind of information that would have been given to us by some people had not this bill been enacted into law."

It steals my State's right to control its own, and I object.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 16249) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1928, and for other purposes, and that the House had receded from its disagreement to the amendments of the Senate Nos. 1 and 34 to the said bill, and concurred therein.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 16576) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1928, and for other purposes, and that the House had receded from its disagreement to the amendment of the Senate No. 13 to the said bill, and concurred therein.

NATIONAL PREPAREDNESS AND NATIONAL DEFENSE

Mr. MEANS. Mr. President, on this day there was held in this Capitol a conference of the commanders in chief and the national commanders of the Grand Army of the Republic, the United Spanish War Veterans, the American Legion, the Veterans of Foreign Wars, and the Disabled American Veterans—the first time in our history when we have ever gathered together to cooperate in the expression of the views of the great body of veterans throughout the United States. They have authorized me to be their voice in presenting a memorial to the President, to the Congress, and to the people of the United States.

Therefore, not to take up the time of the Senate, I ask unanimous consent to have made a part of the RECORD their unanimous statement of the matters considered, and their action.

The VICE PRESIDENT. Without objection, the matter will be placed in the RECORD.

The matter referred to is as follows:

This conference is the result of a mutual understanding among the five commanders in chief and national commanders of the war veterans' organizations, after communication one with another; it being decided as a result of this mutual understanding that the time was ripe and the necessity exists for us to declare ourselves upon national preparedness and the condition of our national defenses. This question is much considered by the public generally and by the executive and legislative branches of our Government. It is of peculiar interest and concern to the veterans of all wars.

We are a peace-loving people and earnest supporters of limitation of armament among the nations of the world. We commend any and all efforts toward a mutual understanding between the nations. We desire the settlement of international disputes by methods of arbitration and mutual agreement. The invitation of His Excellency the President of the United States to the nations of the world to meet and discuss proper methods of applying an agreement for limitation of armament must meet the commendation of all people.

The following is the statement of the conference on the subject of national defense:

To His Excellency the President, to the Congress, and to the people of the United States:

The great body of war veterans in this country are sincere advocates of peaceful settlement of international disputes. They know the horrors of war. The Government of the United States has never unfurled its battle flag for conquest or aggression, but only in defense of human rights. It has always led in the matter of armament limitation and has scrupulously adhered to the terms of such treaty arrangements.

The world is troubled with strife and armed conflicts. We have the inescapable responsibility to provide for an adequate national defense.

All of American wars in the past have been fought by its citizen soldiers. In all these wars inadequate preparations needlessly sacrificed the lives of thousands of young Americans, who were forced to fight, insufficiently equipped and trained. This prolonged the wars and greatly increased the public debt. As a result of these experiences, a national defense act was created making provisions for the training and equipping of our citizen soldiers that a needless sacrifice of life could be avoided.

Therefore, we, James Tanner, past commander in chief of the Grand Army of the Republic; RICE W. MEANS, commander in chief of the United Spanish War Veterans; Theodore Stitt, commander in chief of the Veterans of Foreign Wars of the United States; Howard P. Savage, national commander of the American Legion; and John V. Clinnin, national commander of the Disabled American Veterans of the World War, representing millions of men and women of our organizations, in conference assembled, this 18th day of February, 1927, under the very dome of our Nation's Capitol, do unanimously request, yea, demand, the carrying out of the spirit and intent of the national defense act, and providing sufficient appropriations for that purpose. Also the immediate passage of an act providing for sufficient appropriations to build a Navy equal to that of any other country in all the world.

Our national defense must not be crippled under a plea of economy or pacifism.

The enunciations of the several conventions of our organizations pledge us to support and dedicate our endeavors of service to our country, that it may live and prosper in peace, through the maintenance of an adequate Army and Navy.

AMERICANISM

There exist to-day many definitions or explanations of the term "Americanism." Some attempt to determine it in degrees and percentages, and others to meet every condition of life. All veterans realize that one of the essentials to any legitimate definition of Americanism is a willingness or eagerness to defend our country against all its enemies. There is no one better qualified than the war veterans of this country to define Americanism so that the younger generation might have a concrete, clear definition and understanding of the term. This is the definition agreed to:

"Americanism is an unfailing love of country, loyalty to its institutions and ideals; eagerness to defend it against all enemies; undivided allegiance to the flag; and a desire to secure the blessings of liberty to ourselves and posterity."

HOSPITALIZATION

There is pending before the Congress of the United States a reorganization bill which attempts to make a department of welfare and education. There is also pending before one of the branches of the

Congress a bill to transfer the board of governors of the national homes to the jurisdiction of the Veterans' Bureau.

A question which concerns the veterans of all wars at this time is one of hospitalization. The Director of the Veterans' Bureau has definite views upon the subject. It is the desire, where possible, to have all veteran organizations cooperate, with an understanding and mutual regard of the difficulties confronting each of them, and to have a proper administration of the relief extended to all veterans. General Hines accepted an invitation to be present and did express his views to the conference. This is a matter of much concern and should be discussed and determined in the near future. It is of the utmost concern to all veteran organizations.

A plea by Corporal Tanner, past commander of the Grand Army of the Republic, for the consolidation of all agencies of the Government for the relief and hospitalization of veterans of all wars under one Federal head was made to the conference of national commanders of the veterans' organizations. This was discussed at length and it was agreed the commanders would report the subject to their respective organizations for action at their next annual encampment or convention.

EMERGENCY OFFICERS' BILL

The conference unanimously urged upon Congress the enactment of the Tyson-Fitzgerald bill for the retirement of the disabled emergency Army officers.

LOWER COLORADO RIVER BASIN

Mr. JOHNSON. Mr. President——

The VICE PRESIDENT. The Senator from California.

Mr. JOHNSON. I move that the Senate proceed to the consideration of Senate bill 3331, Order of Business No. 666. I will say to the Senators in charge of the appropriation bill that if this motion be agreed to I shall immediately lay aside the bill temporarily in order that they may be heard upon the appropriation bill.

The VICE PRESIDENT. The question is on the motion of the Senator from California.

Mr. BRUCE. What is the motion?

The VICE PRESIDENT. That the Senate proceed to the consideration of Senate bill 3331, to provide for the protection and development of the lower Colorado River Basin.

Mr. ASHURST. Mr. President, the senior Senator from California of course has just moved to proceed to the consideration of Senate bill 3331, which is the Boulder Canyon bill. Am I correct in my understanding of the motion?

Mr. JOHNSON. Yes, sir.

Mr. ASHURST. I am sure the Senator would not attempt to proceed to-night with the consideration of that bill.

Mr. JOHNSON. If the motion be agreed to, I will say to the Senator from Arizona, as I have said to the Senators in charge of the District of Columbia appropriation bill, that I shall immediately lay it aside temporarily, in order that they may take up the appropriation bill.

Mr. ASHURST. Mr. President, I must ask for the yeas and nays on that motion.

Mr. HARRISON. Mr. President, this motion is debatable. I want to see the Senate take up the Boulder dam bill and consider it. I have not given to the bill the study that the question deserves; but if the motion prevails we must not forget that during the remainder of the session we are going to act under unanimous consent here.

I have been very much interested in the Muscle Shoals matter, which has been before the Senate for a long time.

Mr. ASHURST. Mr. President, will the Senator yield to me?

Mr. HARRISON. I yield to the Senator from Arizona.

Mr. ASHURST. I will withdraw the request for the yeas and nays and at the appropriate time simply ask for a quorum.

Mr. HARRISON. The Muscle Shoals matter has been here for a number of years. A joint committee was appointed by the Congress to receive bids. Those bids were received, and the joint committee made their report and recommendation. There is a bill on the calendar dealing with the subject matter. That bill has been recommended for passage. I appreciate the fact that it is going to be very difficult to get the bill up for consideration during the remaining days of this Congress; but it does seem to me that there ought to be given to the Senate an opportunity to vote on whether or not we are going to consider the recommendations of the joint committee.

Mr. WARREN. Mr. President, will the Senator yield to me?

Mr. HARRISON. I yield to the Senator from Wyoming.

Mr. WARREN. If there is prolonged debate in connection with the bill that the Senator from California has moved to take up, I desire to make a motion to take up the District of Columbia appropriation bill; and that, of course, is the senior motion.

Mr. HARRISON. I understood that the Senator from California would not raise any objection to taking up the appropriation bill.

Mr. JOHNSON. Not a bit. I will lay it aside at once temporarily.

Mr. HARRISON. I understood that; but the difficulty, may I say to the Senator from California, is that the Muscle Shoals bill will have to be taken up upon a motion, and if the motion should prevail it would displace the other matter.

Mr. MOSES. Mr. President, with the consent of the Senator from Mississippi, may I propound an inquiry to the Senator from California? The pending appropriation bill is the District bill. We shall have two or three conference reports on other appropriation bills, and we shall also have the general deficiency appropriation bill. Does the generous spirit which the Senator has expressed regarding the pending bill apply to all the appropriation bills?

Mr. JOHNSON. Why, certainly, sir, and I so state now; and I shall be delighted to take up with the Senator from Mississippi the particular question to which he has referred, if this motion shall prevail, and see if some arrangement can not be made by which he may be heard.

Mr. HARRISON. The Senator, of course, realizes that there is a great difference of opinion on the question of Muscle Shoals——

Mr. JOHNSON. Yes.

Mr. HARRISON. And that the bill can not be brought up by unanimous consent. I imagine somebody would object. I am wondering, therefore, if the Senator from California and other Senators would agree, say, that on Monday or Tuesday not more than an hour of the time of the Senate—a certain time—be given to the consideration of the Muscle Shoals bill.

Mr. WARREN. Mr. President, I move that the Senate take up the District of Columbia appropriation bill.

The VICE PRESIDENT. That motion has no preference after 2 o'clock.

Mr. SMOOT. Mr. President, the Senator from California knows, of course, that the matter to which he refers is going to lead to a long-drawn out debate. As far as I am personally concerned, opposed to the bill as I am—and I shall use all the power that I have in my body to see that a vote is not taken—I am going to ask the Senator from Arizona and other Senators who are opposed to the bill to allow the bill to be taken up and then after it is discussed for a day or two, say, I give notice to the Senator that I am going to move to displace the bill.

Mr. JOHNSON. Very well; that is the privilege of the Senator from Utah. I assume, of course, that every bit of power he has in his body, as he states, he will present in opposition to this measure, because it is a human-interest measure; but, nevertheless, let us take up the bill if we can. Then the subsequent matters to which he refers may be ultimately determined.

Mr. SMOOT. Mr. President, if the Senator feels that way, we might just as well discuss the bill at the time of taking it up. I thought I was doing a favor to the Senator.

Mr. JOHNSON. All right; then let us take up the bill.

Mr. MOSES. It can be discussed under the motion which the Senator has just made to take it up.

Mr. SMOOT. Why, certainly. The Senator from California spoke to me about taking up the bill, and I told him I would do what I could to let it come up.

Mr. JOHNSON. All right; let us take it up, then.

Mr. SMOOT. But the lecture the Senator gave me——

Mr. JOHNSON. The lecture that the Senator from California gave to the Senator from Utah was in response to the lecture of the Senator from Utah concerning the bill.

Mr. SMOOT. I did not lecture the Senator from California.

Mr. JOHNSON. I do not know whom the Senator from Utah was lecturing if he was not lecturing me.

Mr. SMOOT. There was no lecture. It was not a lecture at all.

Mr. JOHNSON. All right; let us omit the lectures, then, and allow the bill to be taken up.

Mr. SMOOT. I have no objection to the bill being taken up as I said to the Senator, and I think I promised him.

Mr. JOHNSON. All right.

Mr. SMOOT. I have done what I said I would do. I ask the Senator from Arizona and I ask other Senators who are opposed to the bill to permit it to be taken up.

Mr. JOHNSON. Let me express my gratitude to the Senator from Utah and the Senator from Arizona.

Mr. ASHURST and Mr. HEFLIN addressed the Chair.

The VICE PRESIDENT. The Senator from Arizona.

Mr. BRUCE. Mr. President, I wish it understood that I am not agreeing to anything.

Mr. ASHURST. Mr. President, I assume that the motion of the Senator from California will prevail.

Mr. KING. Do not assume that.

Mr. ASHURST. It seems obvious that the Senate is willing to discuss the bill, but I wish it distinctly understood that I have pending a motion to strike from the bill those portions thereof which I say raise revenue, it being my contention that under the Constitution of the United States a bill to raise $125,000,000 of revenue can not legally be proposed in the Senate and considered. I am notifying the able Senator from California, who will be in charge of the bill, if he will give me his attention, that I wish to be heard on my motion first before the merits of the bill are gone into. I think I have a right, and I think the Senate has a right, to have that question determined first. So to-morrow morning, or as soon thereafter as I may, I shall ask for action on my motion, though I shall not discuss it at any length. I merely wanted to have my position known.

Mr. JOHNSON. Mr. President, the Senator from Arizona, as he states, has made a motion of exactly the character he indicates. If to-morrow morning, when the bill is presented, if it be presented then, the amendment I propose does not meet his objection, he ought to be heard, and I have not the slightest objection and will insist that he shall be heard, as he shall desire.

Mr. WARREN. Mr. President, will the Senator yield to me?

Mr. JOHNSON. Certainly.

Mr. WARREN. If the Senator can get his bill up on motion, I want him to have it taken up, but I do not believe that it is necessary at this time to delay all the appropriation bills that are ready to be taken up. Pretty nearly every Senator in the body is standing on his feet now in opposition to the bill which the Senator is trying to get up, as I understand it. The Senator has been very considerate, and if I make a senior motion to take up an appropriation bill, which under the rule I can do——

Mr. JOHNSON. Mr. President, that is a motion which, as I understand it, does not take precedence at this particular time. If the motion which I have presented be carried, I will do exactly what the Senator from Wyoming asks. He is entirely in error in thinking that the Senators who are upon their feet are opposed to the bill. All Senators are interested in legislation of one kind or another, and we want to accommodate everyone if we can, but here is a bill which is entitled, at least, to a hearing, and I am asking merely for a hearing upon it.

Mr. WILLIS. Mr. President——

The VICE PRESIDENT. Does the Senator from California yield to the Senator from Ohio?

Mr. JOHNSON. I yield to the Senator from Ohio.

Mr. WILLIS. I want simply to say one thing, and I say it because Senators know I am very much interested in at least two other measures, one the bill to reorganize the Commerce Department and the other the customs reorganization bill.

I think we ought to have a vote upon both those measures, but I think the Senator from California, who has waited here since last spring, is entitled to an opportunity to present his measure. While I am for these other bills, and am really more interested in them than I am in the Senator's bill, I shall vote with him for an opportunity to have a hearing upon the bill he desires to bring before the Senate.

Mr. HEFLIN. Mr. President——

The VICE PRESIDENT. Does the Senator from California yield to the Senator from Alabama?

Mr. JOHNSON. I yield to the Senator from Alabama.

Mr. HEFLIN. I do not want to keep the Senator from getting a vote on his bill, but I want to add to what the Senator from Mississippi has said about consideration of the Muscle Shoals legislation that we certainly ought to have a day or part of a day set apart to consider that measure at this session of Congress, and I hope the Senator from California will work with us to that end.

Mr. JOHNSON. Mr. President, I shall do so.

Mr. WATSON. Mr. President, will the Senator yield?

Mr. JOHNSON. I yield to the Senator from Indiana.

Mr. WATSON. It occurs to me that under the existing circumstances the wise thing to do is to adopt the motion made by the Senator from California. He has agreed to lay the measure aside temporarily to permit the appropriation bills to be passed. Undoubtedly this measure is of such importance to the western section of the United States that it should at least be considered by this body. The measure has been on the calendar a long time, the country is more or less familiar with it; there is a demand that the legislation be enacted——

Mr. KING. Mr. President, will the Senator yield?

Mr. WATSON. Yes.

Mr. KING. There may be a demand from a restricted area; but I want to assure the Senator that the demand is not so widespread as he may imagine it to be.

Mr. WATSON. Of course, that is a matter to be thrashed out. It is to be regretted that there is any sort of division among the Western States on the proposition, but whether there be or not, it is a question which really demands consideration by the Senate of the United States. That western section is a part of this country, and it ought to be developed in any and every way in which it can be developed to further the interests of its civilization and its citizenship.

Mr. PITTMAN. Mr. President——

The VICE PRESIDENT. Does the Senator from California yield to the Senator from Nevada?

Mr. JOHNSON. I yield.

Mr. PITTMAN. I realize that there is some difference in the West with regard to the bill in its present form. As to whether there will be differences as to general legislation after amendments shall be adopted by this body is another question. It is absolutely impossible to determine what the form of the bill will be after the Senate acts on amendments. The only way we can find out is to take it up and see what amendments are adopted. I do not know that there will be anyone opposed to the bill if certain amendments shall be adopted. Practically the whole country is anxiously waiting for legislation to control the floods in the Colorado River, so that the imminent danger of destruction in the Imperial Valley will be removed. I certainly would like to know what the amendments are and what we can adopt, and how far we will get.

Mr. JONES of Washington. Mr. President——

The VICE PRESIDENT. Does the Senator from California yield to the Senator from Washington?

Mr. JOHNSON. I yield.

Mr. JONES of Washington. I simply desire to say that I am in favor of the Senator's bill and expect to vote for it. There is another bill on the calendar, however, dealing with what everyone knows is a very important matter, which I think ought to be passed and ought to be passed promptly. I refer to the bill relating to the reorganization of the Prohibition Unit and the Customs Bureau. There is quite a controversy about that measure. There are likely to be several amendments made, and I do not want to see that bill fail. I think we should pass it, and I think we should pass it at the first opportunity. But it seems to be generally considered that this Boulder Dam bill should be taken up now.

What I wanted to say frankly to the Senator from California was that while I am in favor of his bill, if it runs along two or three days and a proposal is made to take up this other bill, I shall vote to take it up. I would not like to vote to take up the Senator's bill and then vote to have it displaced, but I wanted to explain my position with reference to it.

Mr. JOHNSON. I have to take that chance in getting this bill up. I confess.

Mr. MOSES. Mr. President, will the Senator yield?

Mr. JOHNSON. I yield.

Mr. MOSES. I want the Senator from Washington to understand that he is not unique in the position he takes, because there are others of us here who have bills in which we are interested.

Mr. JONES of Washington. I did not assume I was unique, but I wanted the Senator from California to understand, if I asked to have his bill displaced, why I did it.

Mr. HARRISON. Mr. President——

The VICE PRESIDENT. Does the Senator from California yield to the Senator from Mississippi?

Mr. JOHNSON. I yield.

Mr. HARRISON. I have no desire to try to delay this Boulder Dam proposition, but I am intensely interested in the Muscle Shoals measure. Will not the Senator permit me to submit a unanimous-consent request before he presses his motion?

Mr. MOSES. I can say now that I am going to give unanimous consent to nothing until a vote is had on the motion of the Senator from California.

Mr. HARRISON. Then I say now that the motion will not be voted on right now.

Mr. MOSES. In that case we will listen to the Senator from Mississippi.

Mr. HARRISON. There is no use in that. We can get together, because I am asking for nothing exceptional.

Mr. JOHNSON. Mr. President, I think I have the floor, and I beg my friends from Mississippi and New Hampshire not to grind me between the two.

Mr. HARRISON. I hope the Senator will not be ground between the two.

Mr. JOHNSON. I do not want to get into a situation, through a difference between the Senators, whereby my motion

may not be put. What is it the Senator from Mississippi desires?

Mr. HARRISON. If the Senator from New Hampshire will permit me to submit my unanimous-consent request, I will do so. I desire that on next Wednesday or Thursday at 2 o'clock——

Mr. SMOOT. Make it Wednesday.

Mr. HARRISON. Wednesday, say, at 2 o'clock, a motion be considered by the Senate to take up Senate bill 4106—that is, the Muscle Shoals measure—and that it be considered for two hours, one hour of which is to be used by those in favor of the motion and one hour by those against the motion, and that a vote be taken at the end of the time on the motion.

Mr. MOSES. I can not give consent to any agreement of that sort, which looks to a division of time and control of the time on the floor.

Mr. HARRISON. I withdraw the suggestion as to the division of time, and let it end with the provision as to two hours.

Mr. MOSES. Nor do I agree to the fixing of a definite time for taking a vote. If the Senator wishes to have a moot court debate here for two hours on the Muscle Shoals problem next Wednesday, I shall not object.

Mr. McNARY. Mr. President, if the Senator will permit this interjection, the Senator from Illinois [Mr. DENEEN] has discussed this matter with the Senator from Mississippi and with me, as chairman of the Committee on Agriculture and Forestry. It was agreed that I should make a motion to recommit on behalf of the committee. I am willing to withhold that motion if a limited time is taken on the motion presented by the Senator, and I think he ought to be quite content with the modifications suggested by the Senator from New Hampshire that two hours be given to the discussion of the subject next Wednesday. I assure the Senator that during that time I shall not interpose a motion to recommit. It is simply left as an agreement for debate.

Mr. MOSES. If the unanimous-consent agreement should so be drawn as to have it understood that at the conclusion of the two hours' debate the Senator from Oregon would be free to offer his motion to recommit, I would not object.

Mr. KING. Mr. President——

Mr. JOHNSON. I yield to the Senator.

Mr. KING. When the Senator has yielded the floor I shall speak. I do not want to take the Senator from the floor.

Mr. JOHNSON. Will not the Senator from Utah permit my motion to be put?

Mr. KING. After I make an observation or two.

The VICE PRESIDENT. Is there objection to the unanimous-consent request?

Mr. LA FOLLETTE. Let the unanimous-consent agreement be reported.

The VICE PRESIDENT. Will not the Senator from Mississippi state his request again?

Mr. HARRISON. That on next Wednesday, at 2 o'clock——

Mr. JOHNSON. I will agree to anything offered by the Senator from Mississippi in that regard that I can agree to. However, I do not know that an agreement from me at this time would be of any value.

Mr. HARRISON. I was just stating my request at the suggestion of the Senator from Wisconsin. It is that on next Wednesday at 2 o'clock a motion be considered by the Senate to take up Senate bill 4106; that two hours be given for its discussion; and that at the end of that time the Senator from Oregon may, if he desires, make a motion to refer to a committee; and that a vote be taken at the expiration of two hours on the motion to refer; and if that shall be defeated, then the vote shall be taken on the motion to take the bill up.

Mr. WARREN. Mr. President, I do not know that I have ever objected to any unanimous-consent request, but I must object unless these agreements are made subject to the consideration of appropriation bills. It seems to me we have got off the track lately a little too far. I want to ask the Senator from Mississippi——

Mr. HARRISON. If the Senator will permit me, I will step aside any time for the Senator from Wyoming on any proposition.

Mr. BRATTON. Mr. President, may I inquire of the Senator from Mississippi if his unanimous-consent proposal involves voting on the bill at the end of the two hours?

Mr. HARRISON. Either within that time or at the end of the two-hour period; either on a motion to take the bill up or on a motion of the Senator from Oregon to recommit it.

Mr. SMITH. Mr. President, I want to understand the last statement of the Senator. Do I understand his unanimous-consent request to be that at the expiration of the two hours a vote shall be taken on the final disposition of the bill?

Mr. HARRISON. No; on a motion to proceed to its consideration or on a motion, if the Senator from Oregon should elect, to refer it to the Committee on Agriculture and Forestry.

Mr. SMITH. If the Senator will allow me, I want to make this statement: Last year we appointed a committee to study the Muscle Shoals proposition; they have made a report, and I think they are entitled to the respect of the Senate to the extent that some action shall be taken in reference thereto. The recommendation of the committee can not pass this body at this session; but I think the committee is entitled to be heard, and the Senate should be allowed to take such action on their report as the report deserves. I am sure it will be defeated, as it ought to be.

Mr. HARRISON. Mr. President, may I say to the Senator from South Carolina that I am prompted by the same reasons to offer the unanimous-consent request. It is out of respect to the committee that something should be done by the Senate in reference to its recommendation.

Mr. SMITH. That is all right.

Mr. PITTMAN. There should be a provision that any unfinished business then before the Senate should be temporarily laid aside for that purpose.

Mr. HARRISON. Oh, yes.

Mr. WADSWORTH. Mr. President, may I ask the Senator from Mississippi a question? Is it his understanding under his own request, at the end of two hours' debate, if the motion to recommit fails, that thereupon immediately and without further delay or debate a vote shall be taken upon the final passage of his measure?

Mr. HARRISON. Oh, no; but a motion to proceed to the consideration of it.

Mr. MOSES. Let it be stated in form of words.

The VICE PRESIDENT. The clerk will read the proposed unanimous-consent agreement.

The Chief Clerk read as follows:

It is proposed, by unanimous consent, that on next Wednesday, February 23, 1927, at 2 o'clock p. m., a motion to take up Senate bill 4106 be considered, and that at the end of two hours a vote be taken on a motion to recommit or a motion to proceed to its consideration.

Mr. WADSWORTH. Would a motion to recommit be in order at a time when the bill was not before the Senate?

The VICE PRESIDENT. The Chair is informed that such a motion would not be in order if the bill were not before the Senate, unless the unanimous-consent agreement is entered into.

Mr. MOSES. We can move to recommit any measure on the calendar at any time.

Mr. McNARY. It would not operate in that fashion. If the motion to take it up should prevail, then the bill would become the unfinished business. I could move to recommit it, which motion would be in order at that time. If the motion to take it up failed, there would be no need to present a motion to recommit. Hence, either way we look at it, either or both would be proper.

Mr. NORRIS. I would like to call the attention of the Senator from California to the effect of the request. If the unanimous-consent request is agreed to and the motion to take up the Muscle Shoals matter prevails, then the Boulder Dam proposition is set aside. Does the Senator want to enter into that kind of an agreement?

Mr. JOHNSON. No, I do not; but if I can enter into a two-hour agreement, as suggested by the Senator from Mississippi, I am willing to enter into it if, parliamentarily, I do not destroy my position.

Mr. NORRIS. If the Senator enters into the unanimous-consent agreement, assuming, of course, that the motion of the Senator from Mississippi should prevail, then the bill of the Senator from California would no longer be the unfinished business.

Mr. REED of Missouri. It can be covered by simply including in the unanimous-consent agreement a provision that at the hour agreed upon the unfinished business shall be temporarily laid aside for two hours.

Mr. JOHNSON. Will not that accomplish the Senator's purpose?

Mr. NORRIS. It will not do it if the motion of the Senator from Mississippi prevails, because that would mean that the Senate would then proceed to consider the Muscle Shoals measure.

Mr. ROBINSON of Arkansas. Mr. President, I think the Senator from Nebraska is right. I suggest to the Senator from Missouri that we can lay aside the unfinished business temporarily, but when, by motion, we proceed to the consideration of another measure, it automatically displaces the unfinished

business. I would like to see an arrangement of this kind entered into.

Mr. LENROOT. Mr. President, may I suggest to the Senator from California that he could lose nothing by the agreement, because the Senator from Mississippi might, at the end or the two hours, without any agreement whatsoever, make the motion to take up the Muscle Shoals bill, and if that motion should prevail, it would displace the bill of the Senator from California, anyway.

Mr. JOHNSON. That was the thought in my mind, that the right exists to make such a motion at any time.

Mr. NORRIS. Yes; at any time.

Mr. JOHNSON. So that whether we agree that we may have two hours of debate and then have the motion is of no consequence at all, because the Senator from Mississippi may in any event make the motion at any time.

Mr. NORRIS. The only difference is that the Senator, by his unanimous-consent agreement, would limit debate on the motion so it would take only two hours. If he did not make such an agreement, the debate would be unlimited; but if the motion prevails then the bill of the Senator from Mississippi is before the Senate and the bill of the Senator from California is laid aside.

Mr. JOHNSON. That would be the fact as to any motion that might be made and prevail concerning any other bill.

Mr. NORRIS. Oh, certainly.

Mr. JOHNSON. I can not for the life of me see, therefore, that any harm is done by entering into the agreement, although I do not want to jeopardize at all the bill in which I am so deeply interested. I can not see that any harm is done by acceding to the request of the Senator from Mississippi.

Mr. NORRIS. The Senator from California must remember that if the motion prevails to take up the Muscle Shoals bill, he can at the very first opportunity get the floor while it is pending, and make a motion to take up any bill on the calendar that he desires.

Mr. JOHNSON. May I inquire of the Senator from Nebraska, then, if there is any harm or any injury which can result from agreeing to what the Senator from Mississippi asks?

Mr. NORRIS. But what good does it do?

Mr. JOHNSON. It does not do any good, except that it pleases the Senator from Mississippi.

Mr. NORRIS. He can make the motion anyway.

Mr. JOHNSON. The request of the Senator from Mississippi limits debate to a period of two hours upon the matter suggested by him.

Mr. HARRISON. If my motion to proceed to the consideration of the Muscle Shoals bill should prevail and any question should arise because consideration of the Boulder Dam bill was then not finished, I think those in charge of the Muscle Shoals proposition would gladly lay it aside until the measure in which the Senator from California is interested was disposed of.

Mr. NORRIS. Then we reverse the operation. That would make the bill of the Senator from Mississippi the unfinished business and he would lay it aside temporarily, so that the Senator from California might continue the consideration of his bill.

Mr. JOHNSON. I do not intend to reverse operations at all; but I am unable to see that giving the Senator from Mississippi the two hours he suggests would jeopardize the bill in which I am interested.

Mr. NORRIS. I think the Senate ought to dispose of the Muscle Shoals proposition. There is a matter pending before the Committee on Agriculture and Forestry which will probably result in a compromise proposition being reported. So far as taking up the report of the special committee is concerned, while I have not any particular objection to it, there is no doubt that if it prevails there must necessarily be extended debate on a bill of such importance, which has not yet been debated at all.

Mr. JOHNSON. May I ask the Senator from Mississippi if he will not let a vote be had upon my motion? I shall be very glad to meet with the Senator from Mississippi and agree upon any course that will not jeopardize either his interests or mine.

Mr. HARRISON. Because of the present confusion, may I say that if the Boulder dam proposition is still before the Senate on next Wednesday some one—if there is no one else to do it, I shall do it myself—will ask unanimous consent to lay it aside temporarily and proceed with the motion to consider the Muscle Shoals proposition, together with the motion to recommit which will be offered by the Senator from Oregon. Then if the unanimous-consent request is denied, I shall make the motion, if no one else does, to proceed to the consideration of the Muscle Shoals resolution.

Mr. ASHURST obtained the floor.

SEVERAL SENATORS. Vote! Vote!

Mr. ASHURST. Mr. President, I forgive Senators who have just called for a vote. I have been a sinner too often myself in that respect to say anything that might appear to be censorious of any Senator who calls for a vote.

I assure the Senate that I shall take only a few minutes at this juncture, but I ought now to state, and the Senate is entitled to have, in a few brief and bold sentences, a résumé of what this bill is.

First let me say to Senators that not during their entire service will they be called upon to vote upon a measure of more importance, a measure of more complexity, or a measure concerning which there is a more sharply divided public opinion than the particular question they are now invited to consider. I urge Senators to be patient, because I shall take but a few minutes.

The Colorado River drainage basin in area is about 250,000 square miles.

Through this Colorado River drainage basin there flows the Colorado River, about 1,700 miles long. The percentage of water which the States within the Colorado River Basin contribute, respectively, to the Colorado River is as follows:

	Per cent
Arizona	28
California	00
Colorado	53. 7
Nevada	. 3
New Mexico	1
Utah	7
Wyoming	10
Total	100

In 1921 a bill was passed by Congress authorizing a compact among the seven States of the Colorado River Basin looking toward a division of the waters thereof among the seven States; the compact was drawn and thereafter all of the States, but Arizona, ratified the compact. The Arizona Legislature in 1923 refused to ratify the compact as executed; and again in 1925 Arizona refused to ratify the same as executed, and still refuses to do so. No well-informed man would assert that Arizona will ratify the seven-State compact in its present form. Upon Arizona's refusal to ratify, a six-State compact was entered into, and the signatory States were California, Colorado, New Mexico, Nevada, Utah, and Wyoming.

The bill now urged by the Senators from California is predicated upon and bottomed upon the said six-State compact.

When Utah, Wyoming, Colorado, New Mexico, and Nevada ratified the six-State compact they acted in good faith toward one another.

But what did California do as to the six-State compact? California, which contributes no water to the Colorado River, said, "California ratifies upon the condition that the Federal Government expends $125,000,000 to build the Boulder Canyon project." California's ratification is predicated upon the expenditure of $125,000,000 of Federal funds for California's benefit. California's attempted ratification was not a ratification in law. Utah has withdrawn, as she had a right to withdraw her ratification of the six-State compact, after California ratified in that conditional fashion. Utah gave notice that if conditional ratification were attempted by California Utah would withdraw from the six-State compact. Utah acted in superb good faith. California had ample notice as to what would be Utah's action and position if California attempted a conditional ratification.

I am not here to say aught against the State of California. It is a State of large area, of wealth, beauty, growth, public order, and glory. Politically, industrially, socially, economically, and financially, California is one of the most powerful States in the Union. A certain city in the southern part of the State has, within less than a third of a century, grown from a few thousand persons to over a million in population. This city's growth is so enormous as to be bizarre. It is dazzled by its own power and strength, and it is aggressive and dominant. This city is none other than Los Angeles, and with all its prestige and success, it is quite careless in its methods of distributing water which belongs to other States. What is California asking now? She is asking Congress to dip into the Federal Treasury to the tune of $125,000,000 to build the Boulder Canyon project, for California's benefit, to the great harm and deadly injury of Arizona. She proposes a dam at Boulder Canyon in the Colorado River. That dam is proposed to be the highest dam in the world; within five feet as high as the Washington Monument. At Boulder Canyon there will be generated 550,000 primary horsepower. California practically demands the control of all the horsepower there, and if my

friend, the Senator from Nevada [Mr. PITTMAN], is able to secure an amendment giving his State a few horsepower, I shall congratulate him.

Mr. PITTMAN. Mr. President——

Mr. ASHURST. I can not yield at this time.

Mr. PITTMAN. I merely desire to say that I am going to help the Senator secure some such amendment for Arizona.

Mr. ASHURST. The city of Los Angeles says she needs a larger quantity of potable water and it is proposed that of the 550,000 primary horsepower to be generated at Boulder Canyon, over one-third thereof shall be forever dedicated to pumping 1,500 second-feet of water to an elevation of 1,700 feet and on to Los Angeles, 200 miles distant.

We invite Los Angeles to consider a dam higher up the river and thus send down by gravity the same potable water to Los Angeles and thus release this 200,000 horsepower of electrical energy for other purposes.

The logical and practical way to develop a river is to begin at its source and work toward its mouth. This bill proposes to reverse this logical and practical order of development.

ARIZONA

Ninety-seven per cent of the entire area of the State of Arizona is within and constitutes 43 per cent of the total area of the Colorado River drainage basin.

Arizona contributes about 28 per cent of the waters of the Colorado River.

Of the 4,000,000 firm horsepower of potential hydroelectric energy in the lower basin, seven-eighths thereof is in Arizona, but the Boulder Canyon plan of development would allot to Arizona only an insignificant fraction of this hydroelectric power.

Of the lands in Arizona susceptible of irrigation, all thereof to be irrigated must obtain their water from the Colorado River or its tributaries in Arizona; they have no other waters from which to draw.

CALIFORNIA

Only 2¼ per cent of the Colorado River drainage basin is in California.

California contributes no water to the Colorado River.

The Boulder Canyon plan of development allots to California 37 per cent of the waters of the Colorado River.

The Boulder Canyon plan allots to California practically all of the hydroelectric power to be generated in the lower basin of the Colorado River.

California has 18,000,000 acres of land irrigable by waters other than by the waters of the Colorado River.

Of potential hydroelectric energy California has 6,000,000 horsepower which may be developed within her borders on streams other than the Colorado River or its tributaries.

The Boulder Canyon plan allots to California practically all the hydroelectric power developed in Arizona, but California would not permit Arizona to direct the allocation of the hydroelectric power developed on California streams.

The bill is simply, solely, and only a California bill. It is a tribute to the genius and statesmanship of the men whom California has sent to the House of Representatives and to the Senate that they have been able to make such great headway with such an unfair bill. The bill, however, is exempt from the vice of hypocrisy. It plainly and sedulously proposes to sever Arizona's jugular. This bill is an attempt to coerce the State of Arizona into a compact objectionable to her people. It violates the fundamentals of State rights.

I have heard much talk lately, and properly so, regarding State rights. There is a general opinion that the Federal Government is encroaching upon and usurping the reserved rights of the States, and I am curious now to know if Senators, after talking so logically and so inveterately upon State rights will, upon this important question, thunder in the index and then fail in the text.

Arizona by virtue of its admission into the Union as a sovereign State took ownership as of the date of its admission of the waters of the Colorado River from high-water mark to high-water mark and to the bed of the stream thereunder where it lies wholly within the State and to the thread of the stream where it constitutes an interstate boundary in trust for the benefit of the people of Arizona, subject, however, to the jurisdiction of the United States to regulate commerce thereon with foreign nations and among the States.

The ownership of the State in the bed of the Colorado River is different in character from that which the State holds in lands intended for sale and different from that which the United States holds in the public lands which are open to preemption and sale.

The State's ownership in the bed of the Colorado River is held in trust for the people of the State by virtue of State sovereignty.

The ownership of the United States in the waters of the Colorado River and the bed of the stream prior to Arizona's statehood was in trust for the benefit of the people and the State when organized, subject only to the rights vested in the United States by the Constitution to regulate commerce with foreign nations and among the States.

No person or authority, not even the United States, can legally build any dam or other structure in the Colorado River where the same touches Arizona without the consent of Arizona.

Arizona as such owner has the exclusive control over the appropriation, diversion, and use of the waters of the Colorado River within the State, and has the legal right to prevent such waters from being diverted at any point within its borders and transported or taken beyond its borders to other States; neither can any waters of the Colorado River be legally diverted at any point within Arizona for any purpose whatsoever without the consent of Arizona.

Neither the great lawyer, the junior Senator from California [Mr. SHORTRIDGE], nor the great lawyer, the senior Senator from California [Mr. JOHNSON], will rise here and say that the bed of the Colorado River in Arizona belongs to the Federal Government.

The bill is intended to be, and is, an attempt to coerce Arizona. One administration unsuccessfully attempted to coerce Arizona into joint statehood with New Mexico. Another administration unsuccessfully attempted to coerce Arizona upon certain provisions of her constitution, and those of the present administration who are attempting by this legislation to coerce Arizona will ultimately discover that they have simply been standing like large locomotives on a sidetrack, without driving rods, wasting their steam in vociferous and futile sibilation.

Mr. BRUCE. Mr. President, may I ask the Senator from Arizona a question?

Mr. ASHURST. I yield to the Senator from Maryland.

Mr. BRUCE. I have no familiarity with the bill, though I expect to make myself familiar with it before it comes to a vote. I wish to ask the Senator, do I understand that the bill proposes to divert water from the State of Arizona without the consent of the people of the State?

Mr. ASHURST. It does.

Without attempting to anticipate the arguments the able Senators from California will make, I assume they will argue that Imperial Valley is imperiled. The debate on this bill is going to be characterized by proper consideration. We need quite a little noblesse oblige nowadays; and I say that I sympathize with the Imperial Valley; that the State of Arizona is sympathetic toward Imperial Valley, and Arizona's Representative and her Senators are willing and anxious to vote any sum of money, be it $50,000,000, to guard against the floods that might overwhelm Imperial Valley; but we do not intend that California, hiding and concealing herself under the sheep's clothing of a demand for flood control, shall become a wolf to enter into the State of Arizona and appropriate and take from Arizona all but an insignificant fraction of the potential electrical energy that may be developed by water power in Arizona on the Colorado River.

Arizona is a land of slow growth compared with California, and we do not intend that our future and our opportunity to expand and grow shall be foreclosed by the avidity of southern California, which is a country of rapid development.

Mr. KING. Mr. President, will the Senator suffer an interruption?

Mr. ASHURST. I yield.

Mr. KING. I think the Senator might suggest that there can be a dam constructed at a cost of not to exceed $14,000,000 at Topock which will effectually desilt the waters of the Colorado River and give ample protection for many years to come to the inhabitants of the Imperial Valley; but they will not accept such a solution of the problem.

Mr. ASHURST. The Senator has accurately stated the facts.

Arizona's great inheritance is hydroelectric energy, called by imaginative France "white coal," and this brilliant characterization suggests a coal free from dust, easily handled, a supply inexhaustible, which, after being used on one project, flows on to projects below, and may be used again and yet again. This bill would take from Arizona her right to control this potential electric energy.

Mr. BRATTON. Mr. President, will the Senator yield to me?

Mr. ASHURST. I ought to have yielded to the Senator from Nevada if I am going to yield to others, but I will yield to the Senator from New Mexico.

Mr. PITTMAN. I did not desire to do more than to assure the Senator that I am going to help him secure an amendment providing power for Arizona.

Mr. BRATTON. The Senator from Arizona stated at the outset of his remarks that this bill rests upon the so-called six-State compact?

Mr. ASHURST. It is predicated upon the six-State compact.

Mr. BRATTON. Yes. Since this bill was drawn, however, Utah has withdrawn her act of ratification.

Mr. ASHURST. She has.

Mr. BRATTON. Is it the Senator's view that there is any existing compact now with reference to the Colorado River either a seven-State, a six-State, or any other compact?

Mr. ASHURST. There is no compact in existence such as is recognized and contemplated by the Constitution of the United States; indeed, I contend that California's pretended and attempted ratification was not a ratification in fact.

Senators, I thank you for your attention, and I will keep my promise and take my seat, but I shall discuss this bill at length at the earliest opportunity.

SEVERAL SENATORS. Vote!

The VICE PRESIDENT. The question is on the motion of the Senator from California that the Senate proceed to the consideration of Senate bill 3331, the Boulder Canyon Dam bill.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3331) to provide for the protection and development of the lower Colorado River Basin, which had been reported from the Committee on Irrigation and Reclamation with amendments.

NATIONAL-ORIGINS QUOTAS UNDER IMMIGRATION ACT

Mr. CURTIS obtained the floor.

Mr. NEELY. Mr. President——

Mr. CURTIS. I yield to the Senator from West Virginia.

Mr. NEELY. I submit a resolution and ask that it may be read from the clerk's desk and lie over under the rule.

The VICE PRESIDENT. The resolution will be read.

The Chief Clerk read the resolution (S. Res. 362), as follows:

Resolved, That the President be requested, if not incompatible with the public interest, to transmit to the Senate a copy of the memorandum explaining the methods and processes employed by the six statistical experts appointed by the Secretary of State, the Secretary of Commerce, and the Secretary of Labor in determining the quotas on the basis of nationality of origin of the population of the United States, which accompanied the quota board's report to the Secretaries of State, Commerce, and Labor.

The VICE PRESIDENT. The resolution will be printed and lie over under the rule.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were thereupon signed by the Vice President:

S. 4808. An act to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities;

S. 5622. An act authorizing the acceptance by the Navy Department of a site for an aviation training field in the vicinity of Pensacola, Fla., and for other purposes; and

H. R. 16888. An act granting the consent of Congress to the Paducah Board of Trade (Inc.), of Paducah, Ky., its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River.

RECESS

Mr. CURTIS. I move that the Senate take a recess until 11 o'clock to-morrow morning.

The motion was agreed to; and (at 5 o'clock and 30 minutes p. m.) the Senate took a recess until to-morrow, Saturday, February 19, 1927, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES

FRIDAY, *February 18, 1927*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God of mercy, God of might, we thank Thee that love is the eternal pursuit of the Father of us all. In the spirit of expectation and humility we approach Thee, and be gracious to hear our desires. Give us the support of Thy Holy Spirit, who can crush a mountain and yet would not hurt a little child! O come to us, sweet messenger of rest and help divine. Bless our fraternal interest in one another; may we share our burdens; make our toil sweet and satisfying. We commend unto Thee those who lead our thought in our national affairs and those who sit in authority. Amen.

The Journal of the proceedings of yesterday was read and approved.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, several Members of the House have called up the Committee on Rules and asked what rules would be presented to-day and to-morrow. It is the intention, immediately after the conference report on the War Department appropriation bill is disposed of, to proceed with the rule on providing expenses for participation of the United States in the work of a preparatory commission to consider questions of reduction and limitation of armaments and then to take up the rule providing for a national arboretum this afternoon. After that will come the rule for the longshoremen's bill.

Mr. KINCHELOE. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. KINCHELOE. That is a bill to expend $500,000 for a few acres of marsh land.

Mr. SNELL. If I understand correctly, the Government can not live much longer unless we have an arboretum. [Laughter.]

Mr. BLAND. Will the gentleman yield?

Mr. SNELL. I will.

Mr. BLAND. Can the gentleman state whether the longshoremen's bill is in final form? I understood it was to be amended.

Mr. SNELL. It has been definitely agreed by the chairman of the committee that the bill shall eliminate the fishermen.

Mr. MICHENER. The gentleman can get the printed bill in final form.

Mr. BLAND. The printed bill that I have seen does not eliminate persons engaged in the fisheries.

Mr. SNELL. That was the agreement, and if anything is necessary to clean that up——

Mr. BLAND. There is an amendment to take care of that situation which will be offered by the gentleman from Alabama [Mr. BANKHEAD].

Mr. MICHENER. It is the purpose of the bill to eliminate fishermen. If it does not do that, the gentleman will have an opportunity to offer it on the floor of the House; and I, for one, will offer no opposition to it.

Mr. BLAND. Is it contemplated to consider the Senate amendment as one amendment, or will we be given an opportunity to amend the Senate amendment in accordance with the ordinary rules of the House under the five-minute rule?

Mr. SNELL. There will be ample opportunity for amendment.

Mr. MICHENER. It is the intention not to prevent any second amendments, and the ordinary rules of the House will obtain.

Mr. RAMSEYER. Will the gentleman yield?

Mr. SNELL. I will.

Mr. RAMSEYER. This is not a Senate amendment; it is a Senate bill without amendment.

Mr. BLAND. But the amendment strikes out all of the Senate bill.

Mr. MICHENER. The gentleman from Virginia is afraid of an amendment in the third degree and there is a question, but that will be taken care of.

Mr. GARNER of Texas. Mr. Speaker, I wish the majority leader would tell us what we are going to do to-day.

Mr. TILSON. The first thing coming up this morning is a conference report on the War Department appropriation bill. As soon as that is disposed of it is expected that the gentleman from Pennsylvania [Mr. SHREVE] will call up the conference report on the State, Justice, Commerce, and Labor appropriation bill, and then will follow the special rules which have been mentioned by the gentleman from New York [Mr. SNELL].

Mr. GARNER of Texas. And it is anticipated that that will take the day?

Mr. TILSON. We think that will be enough to cover the entire day.

AMENDING THE FEDERAL HIGHWAY ACT

Mr. DOWELL. Mr. Speaker, the Committee on Interstate and Foreign Commerce has just reported the bill H. R. 16551, and has added section 2 to the bill, over which the committee had no jurisdiction and no matter was referred to the committee on that subject. It is also not germane to the other part of the bill. I desire to reserve a point of order on section 2.

The SPEAKER. The gentleman from Iowa reserves a point of order on section 2 of the bill H. R. 16551.

ADDRESS OF FORMER SENATOR ROBERT L. OWEN, OF OKLAHOMA

Mr. HASTINGS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by publishing a speech recently delivered by ex-Senator Robert L. Owen, of Oklahoma.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. HASTINGS. Mr. Speaker, ex-Senator Robert L. Owen, of Oklahoma, recently made an important address before the Women's National Democratic Club outlining the difference between a liberal and a conservative, which I desire to bring to the attention of the people of the country. I have not seen the difference so well defined. I commend it to the thoughtful consideration of the people of the Nation.

The address of Mr. Owen is as follows:

WHAT IS THE DIFFERENCE BETWEEN A LIBERAL AND A CONSERVATIVE?

Organized government ranges from an absolute autocratic, military monarchy to communistic democracy. It shades from the extreme right to the extreme left, passing from absolute monarchy to limited monarchy through various forms, including oligarchies operating through the form of republican governments with very limited suffrage, to a pure democracy with unlimited suffrage.

In a great republican democracy, such as the United States, the overwhelming body of American opinion is represented by the conservatives and the liberals voting as Republicans or as Democrats and crossing party lines. The conservatives themselves may be ultraconservatives, moderate conservatives, or liberal conservatives, and the liberals gradually shade from conservative liberals down to the radicals, to the socialists, and finally to the communists.

The communistic element in America is inconsequential, and the socialist element is comparatively small. The dividing line between the conservatives and the liberals is found in the manner in which they respond to the doctrines of popular government and modern processes for protecting human life when in conflict with the acquisition or preservation of mere property rights.

A liberal would favor the initiative and the referendum, the means by which the people can initiate and pass any law they do want and or by referendum veto any law they do not want. The liberals are for it; the conservatives are against it.

In the matter of the recall, permitting the people to recall an official who is not satisfactory to the general public, the conservatives are against the recall and the liberals are for it.

In the mandatory primary giving the people the right to nominate candidates, the liberals are for it; the conservatives are against it. The conservatives think that the selected few have more sense than the untutored many.

In the preferential ballot, which eliminates minority nominations, the conservatives as a rule will incline against it; the liberals will incline to favor it, because they want majority rule and the conservatives prefer the rule of the minority, because it is to their advantage—on the sagacious doctrine of divide and conquer.

In the matter of direct election of Senators, the liberals were strongly for it; the conservatives were against it, because they do not confide in the wisdom of the common people to the same extent that the liberals do.

In the use of money on wholesale plan to nominate Senators, as in Pennsylvania, the conservatives think it perfectly proper to use whatever amount of money is necessary and they urge it on various ingenious grounds. For example, the education of the people through literature freely sent at whatever expense. The liberals prefer educating the people chiefly by a publicity pamphlet at public expense, rather than having millions of dollars expended by private individuals to influence the primary nominations. They urged this plan in Pennsylvania and were defeated by the conservatives.

The conservatives would favor employing at $10 a day an unlimited number of watchers at the Pennsylvania polling places. The liberals object to this as essentially corrupt and equivalent to buying the nomination through the bribing of an army of watchers—in reality not of watchers but of hirelings. Neither conservatives nor liberals approve corruption. They both condemn it. The conservatives are not much in favor, however, of stringent corrupt practices prevention acts. The liberals are strongly for these acts.

It happens that often an individual is liberal in some respects and conservative in others. No human being can be finally classified as completely one thing or another. Men must be judged by their tendencies and on the principle of the parallelogram of forces and by the line in which they travel, due to their subconscious mentality.

The conservatives were opposed to woman suffrage. The liberals were for it, believing that the influence of women, on the whole, would be exerted along lines of morality and sound ethics and in the preservation of human life as against the modern forces of civilized society that destroy life in the struggle to acquire wealth.

The conservatives incline to favor intensively organized machine politics, while the liberals, believing in legitimate organization, oppose the extreme forms of machine politics, and particularly where there is developed bipartisan machine politics through which ambitious individuals may manipulate for private advantage the governing powers of the people.

The liberals favor cloture in the United States Senate. The conservatives do not favor this and the ultraconservatives hate it. The ultraconservative believes in the minority rule of the highly intelligent element, which he himself represents. The liberal believes in the majority rule, believing with Abraham Lincoln that all the people know more than some of the people, and that the vote of all of the people will result more favorably to the majority than the control of the majority by the minority.

The liberal favors child-labor laws to protect childhood in industry. The conservatives disapprove these laws and argue that parents ought to have the free right to direct the lives of their own children and the children have a right to work for the support of their fathers and mothers. The liberals insist that children should have the opportunity of education and of play during the tender years of childhood, and that on no pretext should this human right be denied for purposes of money making.

The liberal favors the protection of women in industry. The conservative would argue that every woman has a right to work as long as she pleases and make as much money as she can by this process.

The liberals favor a minimum wage. The conservatives oppose it. The liberals favor the eight-hour day. The conservatives oppose it until it is established and opposition becomes in vain. The liberals favor the workmen's compensation act and the insurance of those engaged in industrial labor. The conservatives generally have yielded to this proposal, although at first opposing it.

The liberals favored an income tax. The conservatives opposed it.

The liberals favored a progressive inheritance tax The conservatives opposed it.

The liberals favored farm relief. The conservatives opposed it.

And the liberals will be found favoring the complete recognition of the sovereignty of Nicaragua; while the conservatives would favor sending war vessels and marines to back Diaz, who seized power by means of revolution backed by special interests engaged in exploiting concessions in Nicaragua.

Broadly speaking, the minds of the conservatives have a tendency to regard the conservation of property and the acquisition of property as the most important things to be protected by the Government. The liberals, on the other hand, while conceding the importance of protecting property and the acquisition of property, insist that the preservation of human life, the education of the people, the protection of their lives in industry, and the advancement of their physical and mental well-being, if found in conflict with the rights of property, must be regarded as superior to the rights of property, such as life itself is superior to the possession of material substances.

Many conservatives in politics have shown magnificent generosity in distributing the property acquired by them during a hard life of industrious labor, and even an extreme liberal is compelled to pay a tribute of admiration to the generosity often shown by conservatives who, as private individuals, are generous in the extreme.

Probably 85 per cent of the Democratic membership are liberal and probably a substantial majority of those who vote as Republicans are liberal, but the controlling leadership of the Republican Party is conservative, and such Republican leaders would favor the protection of monopolies in America with the higher prices they can impose on the people. They have prevented the control of such monopolies through the administration of the Department of Justice and have muzzled and broken down the powers of the Federal Trade Commission established by the liberal democracy under the liberal leadership of President Wilson.

They have rendered valueless the Tariff Commission and have deliberately raised the tariff schedules to a point which in many cases have prevented any foreign imports which might compete with monopolies in America, thereby cutting off the tariff revenue on such schedules and protecting monopoly from foreign competition, and thus have perfected the monopoly processes in America, at the expense of the consumer.

These Republican leaders should be held strictly responsible for the deflation of credit in 1920, 1921, and 1922, which bankrupted thousands of banks, bankrupted agriculture, and intensified the industrial depression which naturally followed the World War.

These Republican leaders opposed all of the great reforms put over by the liberals in 1914 to 1918, such as the Federal reserve act, the Clayton antitrust act, which declared that labor was not a commodity, etc.

It is not necessary for a liberal to accuse a conservative of being in bad faith. As a rule the conservatives are not in bad faith. They truly believe in the conservative doctrine and regard the acquisition of property and the preservation of property as the most im-

portant object of government. But the liberals are equally convinced that the preservation of the life, of the happiness, and the advancement of the people physically, morally, and spiritually, are still more important, and on this platform the liberals can afford to stand without apology.

The time has come when the liberals of America of all parties should find a way of sympathetic practical cooperation. The Democratic party seems to present a promising agency through which they might cooperate. The liberal Republicans have struggled for years to make the Republican Party a liberal party—long before the days of Roosevelt's revolt and the days of the La Follette revolt, and the time has come when they should consider how an effective cooperation might be brought about between the liberals of all parties, and put an end to conservative dictation.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, one of its clerks, announced that the Senate had passed without amendment the bill H. R. 16888, an act granting the consent of Congress to the Paducah Board of Trade (Inc.), of Paducah, Ky., its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River.

The message also announced that the Senate had passed bills with the following titles, in which the concurrence of the House was requested:

S. 5585. An act to extend the time for construction of a bridge across the southern branch of the Elizabeth River near the cities of Norfolk and Portsmouth, in the county of Norfolk, State of Virginia;

S. 5602. An act granting the consent of Congress to the city of Blair, in the State of Nebraska, or its assignees, to construct a bridge and approaches thereto across the Missouri River between the States of Nebraska and Iowa;

S. 5603. An act granting the consent of Congress to the department of highways and public works of the State of Tennessee to construct a bridge across the Clinch River, approximately at Kyles Ford, on the Rogersville-Sneedville Road in Hancock County, Tenn.; and

S. 5671. An act to amend paragraph (c) of section 4 of the act entitled "An act to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes," approved June 3, 1924.

ENROLLED BILLS SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2. An act to further amend the national banking laws and the Federal reserve act, and for other purposes; and

H. R. 16888. An act granting the consent of Congress to the Paducah Board of Trade (Inc.), of Paducah, Ky., its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River.

The SPEAKER announced his signature to enrolled bills of the following titles:

S. 4808. An act to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities; and

S. 5622. An act authorizing the acceptance by the Navy Department of a site for an aviation training field in the vicinity of Pensacola, Fla., and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED TO PRESIDENT

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that that committee this day presented to the President of the United States for his approval bills and a joint resolution of the following titles:

H. R. 2. An act to further amend the national banking laws and the Federal reserve act, and for other purposes;

H. J. Res. 359. Joint resolution making an appropriation for the eradication or control of the European corn borer; and

H. R. 11803. An act to authorize the incorporated town of Juneau, Alaska, to issue bonds for the construction and equipment of schools therein, and for other purposes.

BATTLESHIP "MAINE" MEMORIAL EXERCISES

Mr. LEAVITT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing therein the address of the Cuban ambassador at the Maine memorial exercises on Tuesday last, February 15.

The SPEAKER. The gentleman from Montana asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. LEAVITT. Mr. Speaker, under leave to extend my remarks I submit the address of Señor Orestes Ferrara, the ambassador of the Republic of Cuba to the United States, at the memorial to those who died with the *Maine*, delivered at Fort Myer last Tuesday.

It was the twenty-ninth anniversary of the destruction of the *Maine*, on February 15, 1898, and the oration of the ambassador, eloquent and filled with the deepest sincerity, conveyed to the thousands in attendance a message of friendship and good will which should also be known to the Members of the Congress and the people of the United States.

The address of Ambassador Ferrara was as follows:

I am here as the representative of the Republic of Cuba to fulfill a sacred duty, that of participating with you in this act of religious and patriotic commemoration in honor of those who gave up their lives on the night of February 15, 1898, in the harbor of Habana.

The men who perished in the explosion of the *Maine* were not citizens of Cuba by right of birth, but they have been since then by a superior title, by the sacrifice of their lives, truly as rightful citizens of Cuba as the purest of our own native born. Death has made them ours, as much ours as they were yours exclusively while they lived.

They are remembered to-day in Cuba with the same deep feeling that their memory is reverenced here by their fellow countrymen, and as long as gratitude exists in the world, their sacrifice will be recalled by the people of Cuba, who will ever keep alive in their hearts a fervent and inextinguishable sympathy for those gallant sailors.

Many citizens of the United States have died for Cuba. In the verdant revolutionary fields, during the long struggles for independence which we waged, since 1851, noble spirits of your race fell in the cause of my country. Also on the battle grounds of Santiago, on the heights of El Caney, on the hills of San Juan, many Americans gave up their lives, serving at the same time the cause of your country and of mine. The blood shed by your heroes has mingled profusely with ours in the defense of Cuba's ideal. But the men whose martyrdom we recall to-day served even more effectively than the warriors who fought on the fields of battle for the independence of Cuba, because their sacrifice became exalted into a symbol, and out of that symbol came our victory.

In ancient times human lives were proffered to the gods, to obtain their protection; the brave men whose bodies were hurled into eternity on that fateful night, and whose sacrifice we commemorate to-day, were the victims of destiny, of the inscrutable designs of Providence, their lives being offered up in holocaust to the omnipotent and eternal goddess whose name is Justice.

The death of so many men, which seemed at first sight a useless waste of life, and which superficial historians perhaps considered as the painful consequence of a blind decree of fate, has been in fact one of the decisive pages of our history and of yours, and the most important for us on account of its far-reaching results.

Cuba redeemed—Cuba, an independent nation, a sovereign Republic, has erected a monument to perpetuate, in bronze and marble, the martyrdom and glory of the officers and crew of the battleship *Maine*. That monument, reverenced by everyone, stands at the very entrance of Habana, facing the majesty of the ocean. A hurricane recently tore down its massive columns and the cannon which had been raised from the bottom of the sea where the remains of the battleship laid to adorn the beautiful, artistic structure tremored once more. But in 1926, as in 1898, the blind and inhuman forces of nature were able to do less than the will of man, and the Cuban Government, responsive to the expressions of popular sentiment, has restored and is making still more beautiful that monument, which not only transmits to posterity the sorrow experienced by our generation but is at the same time a pact of honor and alliance between our two peoples, whom this tragic episode of their history unites in a common affliction.

Year after year the destruction of the *Maine* will be recalled; to one generation after another the history of the fateful event will be repeated, and time, instead of erasing the memory of it from the mind of man, will cause it to rise into greater prominence. The names of the United States of America and of Cuba will be constantly associated, and with their names the sentiments and ideals of the two peoples will also be intermingled. Success at times separates men; pain alone binds them together forever.

On this occasion I feel it my duty to declare that, although we are your close neighbors, we do not feel the pressure of your great power. The accusations of imperialism, on the contrary, find a palpable refutation in the untrammeled existence of the Republic of Cuba, from which no attribute of its sovereignty has ever been withdrawn, notwithstanding the statements sometimes made by mistaken friends or deceitful enemies.

The people of Cuba, who would be ready to offer up their lives again for the independence of their country and who prize their sovereignty as zealously as any other nation, because they have struggled and suffered more than any other people on earth to achieve it, can all affirm that they enjoy as full freedom as any people can enjoy,

even the most powerful in all the world. The secular ideal of Cuba—to live in political affairs as independent as she is geographically—has not been menaced by your Government; on the contrary, this ideal has always received its decided support. If a different conduct had been followed in the past, or if it were adopted in the future, such action would have meant, and would mean, depriving those who died on the 15th of February, 1898, and so many of the citizens of this country whose blood has been shed, of the essence of their glory.

With a deep feeling of reverence, the people of Cuba offer this prayer to-day: That the souls of the victims of the *Maine* may find in the beyond an eternal peace as deep and absolute as the sacrifice of their bodies was violent and appalling!

ARMY APPROPRIATION BILL—CONFERENCE REPORT

Mr. BARBOUR. Mr. Speaker, I call up the conference report upon the bill (H. R. 16249) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1928, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from California calls up a conference report upon the Army appropriation bill and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The Clerk read the statement of the conferees.

Following are the conference report and accompanying statement:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 16249) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1928, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 16, 18, 27, 38, and 39.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 6, 7, 8, 9, 10, 12, 13, 15, 21, 22, 23, 24, 25, 26, 28, 29, 31, 32, 33, 35, 36, 40, and 41, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$82,400"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$6,370,998"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$124,688,704"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$12,936,034"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$14,683,253"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$504,750"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$10,192,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$858,100"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"SURVEY OF BATTLE FIELDS

"For defraying the cost of studies, surveys, and field investigations authorized in the act entitled 'An act to provide for the study and investigation of battle fields in the United States for commemorative purposes,' approved June 11, 1926, $15,000."

And the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,000,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: ", of which not to exceed $150,000 may be expended for the purpose of riprapping the bank and channel-mattressing the river at Vicksburg, Miss., at such a point and in such a manner as may be necessary to make possible the permanent establishment of an interchange terminal at that point between railways and the vessels of the Inland Waterway Corporation"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 1 and 34.

HENRY E. BARBOUR,
FRANK CLAGUE,
L. J. DICKINSON,
BEN JOHNSON,
T. W. HARRISON,
Managers on the part of the House.

J. W. WADSWORTH, Jr.,
W. L. JONES,
DAVID A. REED,
DUNCAN U. FLETCHER,
WM. J. HARRIS,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 16249) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1928, and for other purposes, submit the following written statement explaining the effect of the action agreed on by the conference committee and submitted in the accompanying conference report:

On No. 2: Appropriates $82,400 for military post exchanges, instead of $82,800, as proposed by the Senate, and $64,140, as proposed by the House.

On Nos. 3 to 14, both inclusive, relating to pay, and so forth, of the Army: Strikes out the increase of $85,500 proposed by the Senate on account of aviation pay for commissioned personnel; strikes out the increase of $20,625 proposed by the Senate on account of a munitions battalion; increases the sum of the reappropriations from $808,961, as proposed by the House, to $1,753,961, as proposed by the Senate, and appropriates in direct appropriations $124,688,704 instead of $123,449,138, as proposed by the House, and $124,794,829, as proposed by the Senate, the net result being that for identically the same objects proposed by the House the reappropriations exceed the House proposal by $945,000 and the direct appropriations by $1,239,566, a total increase of $2,184,566.

On No. 15: Appropriates $100,000 for expenses of courts-martial, as proposed by the Senate, instead of $125,000, as proposed by the House.

On No. 16: Appropriates $17,676,923, as proposed by the House, for subsistence of the Army, instead of $17,700,094.50, as proposed by the Senate.

On No. 17: Appropriates $12,936,034 for regular supplies of the Army, instead of $12,960,779, as proposed by the Senate, and $12,925,279, as proposed by the House, the modified amount providing for 150 additional horses.

On No. 18: Appropriates $3,626,724 for incidental expenses of the Army, as proposed by the House, instead of $3,656,724, as proposed by the Senate.

On No. 19: Appropriates $14,683,253 for Army transportation instead of $14,693,153, as proposed by the Senate, and $14,681,153, as proposed by the House, the increase of $2,100 being on account of 150 additional horses.

On No. 20: Appropriates $504,750 for horses for Cavalry, Artillery, Engineers, and so forth instead of $562,500, as proposed by the Senate, and $480,000, as proposed by the House, the increase of $24,750 being on account of 150 additional horses.

On No. 21: Makes the appropriation for military posts available until June 30, 1929, as proposed by the Senate, instead of "until expended," as proposed by the House.

On No. 22: Appropriates $100,000 for filling and grading the marshlands of the United States military reservation at Fort DeRussey, Hawaii, as proposed by the Senate.

On Nos. 23 and 24, relating to barracks and quarters: Appropriates $27,000 for the purchase of land at Camp Marfa, Tex., as proposed by the Senate.

On Nos. 25 and 26, relating to water and sewers at military posts: Divides the sum made immediately available as between the procurement of fuel and the installation of pipe line at Fort Frank, P. I., as proposed by the Senate.

On Nos. 27: Appropriates $81,223 for engineer operations in the field, as proposed by the House, instead of $96,223, as proposed by the Senate, and transfers the matter proposed by the Senate with respect to the survey of battlefields to take the place of the matter stricken out by the Senate by amendment No. 42.

On No. 28: Appropriates $118,500 for seacoast defenses, insular possessions, Chief of Coast Artillery, as proposed by the Senate, instead of $110,000, as proposed by the House.

On Nos. 29 to 33, inclusive, relating to the National Guard: Appropriates $10,192,000 for field and supplemental training, including construction at camps, instead of $9,952,000, as proposed by the House, and $10,302,000, as proposed by the Senate; appropriates $375,000 on account of military service schools, as proposed by the Senate, instead of $350,000, as proposed by the House; appropriates $350,000 for travel of regular service personnel, as proposed by the Senate, instead of $341,000, as proposed by the House; and appropriates $425,000 for expenses of enlisted men of Regular Army, as proposed by the Senate, instead of $448,720, as proposed by the House.

On Nos. 35 and 36, relating to arms, uniforms, equipment, and so forth, National Guard: Improves the text, as proposed by the Senate and appropriates $4,512,280, as proposed by the Senate, instead of $4,762,280, as proposed by the House.

On No. 37: Appropriates $858,100 for headquarters and camps, Organized Reserves, instead of $981,729, as proposed by the Senate, and $758,100, as proposed by the House.

On Nos. 38 and 39: Restores the proposal of the House that commutation in lieu of uniforms paid to members of the Reserve Officers' Training Corps shall not exceed $7.15, including renovating costs, and appropriates, pursuantly, $2,645,914, as proposed by the House, instead of $2,821,914, as proposed by the Senate.

On No. 40: Strikes out, as proposed by the Senate, the authorization to use not exceeding $500 of the appropriation for military supplies and equipment for schools and colleges, for supplying uniforms and uniform material to worthy military units at educational institutions not affiliated with the Reserve Officers' Training Corps.

On No. 41: Strikes out, as proposed by the Senate, the authorization to use $10,000 of the appropriation for headstones for marking the burial place at Washington Crossing Park, Pa., of soldiers of the Revolutionary War, and appropriates for furnishing headstones $235,000, as proposed by the Senate, instead of $200,000, as proposed by the House.

On No. 42: Appropriates $15,000 for making surveys, etc., of battle fields, in accordance with the act approved June 11, 1926, instead of $3,000, as proposed by the House, and $15,000, as proposed by the Senate, for making such surveys of Kings Mountain and Cowpens battle fields only.

On No. 43: Appropriates $1,000,000 on account of construction and maintenance of roads, bridges, and trails, Alaska, instead of $700,000, as proposed by the House, and $1,060,000, as proposed by the Senate.

On No. 44: Authorizes, as proposed by the Senate, with certain modifications designed to improve the text, the use of $150,000 of the appropriation for flood control, Mississippi River, for making certain improvements at Vicksburg, Miss., with the view to the permanent establishment at that point of an interchange terminal between railways and vessels of the Inland Waterway Corporation.

The committee of conference have not agreed upon the following amendments:

On No. 1, relating to advance payments by military attachés.

On No. 34, relating to the interchange of National Guard appropriations.

HENRY E. BARBOUR,
FRANK CLAGUE,
L. J. DICKINSON,
BEN JOHNSON,
T. W. HARRISON,
Managers on the part of the House.

Mr. BARBOUR. Mr. Speaker, in explanation of the conference report, the bill as it passed the House carried total appropriations of $357,938,518. As passed by the Senate the bill carried $360,503,449.50. This represented an increase in the Senate of $2,564,931, exclusive, however, of $945,000 of reappropriations. The total Budget estimates for the War Department appropriations for the year 1928 were $360,008,797. The bill now carries a total, as agreed to by the conferees, of $359,781,729, and reappropriations of $4,445,000, or in all $364,226,729. The total of direct appropriations carried in the bill is $227,068 less than the Budget estimates.

The Senate increased several of the items in the House bill. The principal increases were in connection with the maintenance of an Army of 118,750 men. After the House passed the bill it was found that the estimates submitted by the War Department were not sufficient to maintain an Army of that strength, and supplemental estimates were submitted. Most of the increases which relate to the strength of the Army are fortified by supplemental estimates of the Bureau of the Budget. Among the principal changes in the House bill, aside from those relating to the strength of the Army, are the sum of $100,000, added by the Senate for the draining of certain swamp lands owned by the Federal Government near Fort DeRussy, in the Hawaiian Islands, and $27,000, added by the Senate for the purchase of land at Camp Marfa, Tex. This purchase was not authorized by law at the time the bill passed the House, but since that time an authorization has been passed, and by the time the bill reached the Senate this appropriation was authorized by law. The Senate incorporated this amendment for $27,000, and the House conferees have agreed to it.

As to the National Guard, there [illegible] slight increase of $280, but there has been a readjustme[illegible] $250,000 in the funds carried in the House bill for the National Guard. Certain funds have been taken from some activities of the National Guard and transferred to other activities, so that the total increase amounts to only $280. The Senate had proposed an increase of $110,000 for National Guard activities, but the Senate conferees have receded as to that increase.

The House bill carried an appropriation of $3,000 for a survey of two Revolutionary battle fields, Kings Mountain and Cowpens. When the bill reached the Senate this item was stricken out. Later an amendment was presented on the floor of the Senate and adopted, which provided $15,000 for surveys of battle fields, but mentioned no particular battle field, leaving the selection of the battle fields to be surveyed to the discretion of the Secretary of War. The bill, as it now comes before the House on the report of the conferees, instead of carrying $3,000 for two battle fields, carries $15,000 which is generally applicable to the survey of battle fields as selected by the Secretary of War.

The sum of $360,000 was added by the Senate for construction of roads and trails in Alaska. The conferees have agreed to an increase of $300,000. The Budget estimate called for $500,000. This was increased by the House to $700,000, and the bill now carries $300,000 more.

Mr. SNELL. That means that there is a million dollars of appropriation in that one item?

Mr. BARBOUR. One million dollars in the Alaskan item for roads and trails and bridges. Those are the principal changes made in the House bill. There is, however, one other change in which some Members of the House may be interested. That is the amount carried for the purchase of headstones for the veterans of all wars. The House increased this item to $200,000, but even with the House increase it was found that there would be a shortage in the number of headstones to be supplied by the end of the fiscal year 1928. In order to take up that shortage and bring the supply of headstones up to the demand, so far as it is possible to estimate the demand during the fiscal year 1928, the sum of $25,000 was added to the bill. There is also the sum of $10,000 which the House bill carried for a monument at Washington Crossing Park, which is the point at which Washington started when he crossed the Delaware. That has been changed by a Senate amendment, and the $10,000 added to the $25,000 makes an additional amount of $35,000 for headstones. The information that we have is to the effect that this will supply all of the headstones for which requests will be received up to the end of the fiscal year 1928.

There are two amendments as to which the Senate and the House are in disagreement.

Mr. MORTON D. HULL. Mr. Speaker, before the gentleman goes to that, will he yield?

Mr. BARBOUR. Yes.

Mr. MORTON D. HULL. The gentleman suggested that there was an appropriation of $1,000,000 for roads and trails and bridges in Alaska.

Mr. BARBOUR. Yes.

Mr. MORTON D. HULL. I remember some items for roads that were before this House in connection with one of the appropriation bills. I think it was the Interior Department bill.

Mr. BARBOUR. That is the railroad, I think, that the gentleman has in mind.

Mr. SNELL. That is another proposition.

Mr. BARBOUR. The Alaska Railroad is under the Interior Department and the roads and bridges and trails in Alaska are under the War Department, while there are certain roads in the forest reserves which are under the Agricultural Department.

Mr. BACON. The bill that the gentleman from Illinois [Mr. MORTON D. HULL] refers to was the authorization bill. I was present on the floor when it came up.

Mr. MORTON D. HULL. That may be true, but the question in my mind was, Why should the appropriations for the various kinds of roads be scattered through the bills providing for three different departments of the Government?

Mr. BARBOUR. It is the same with respect to continental United States. Military roads come under the War Department, other roads come under the Agricultural Department, and roads in national parks come under the Interior Department. It all depends on the character of the roads and where located.

Mr. BURTON. Mr. Speaker, will the gentleman yield in regard to another amendment?

Mr. BARBOUR. Yes.

Mr. BURTON. As to No. 44. The statement as made is, "authorizes, as proposed by the Senate, with certain modifications designed to improve the text," and so forth. And then reference is made to the use of $150,000 of the appropriation for flood control of the Mississippi River for making certain improvements at Vicksburg, Miss., with a view to the permanent establishment at that point of an interchange terminal between the railways and the vessels of the Inland Waterway Commission. The amendment itself does not absolutely square with the statement, or at any rate it is more specific. The amendment reads:

Of which the Secretary of War may authorize the Chief of Engineers to expend not to exceed $150,000 for the purpose of riprapping the bank and channel mattressing the river at Vicksburg, Miss., at such a point and in such a manner as may be necessary to make the permanent establishment of an interchange terminal at that point between rail and water feasible.

What is the idea of the expenditure of this $150,000? Is it to build any part of the terminal, or is it merely to prepare the river by riprapping and otherwise so that the terminal can be constructed by the railways and the Inland Waterway Commission? I would think it going far afield to make an appropriation in this bill for the building of a terminal.

Mr. BARBOUR. The amendment reads that the $150,000 is "for the purpose of riprapping the bank and channel mattressing the river at Vicksburg, Miss., at such a point and in such a manner as may be necessary to make the permanent establishment of an interchange terminal at that point between rail and water feasible."

Mr. CHINDBLOM. We have not a copy of the conference report. Is this in the conference report?

Mr. BARBOUR. Yes. And it is in the printed bill.

Mr. CHINDBLOM. This is not one of the amendments in disagreement?

Mr. BARBOUR. No. The information that came to the conferees was to the effect that the Mississippi River channel is changing at this particular point at Vicksburg, where the terminal is located and is endangering the terminal.

Mr. BURTON. Was there any hearing from the Chief of Engineers or anyone from the War Department?

Mr. BARBOUR. This comes under the Mississippi River Commission.

Mr. WILSON of Louisiana. Will the gentleman yield there?

Mr. BARBOUR. Yes.

Mr. WILSON of Louisiana. This terminal, I will say, was built upon a site selected for the Inland Waterways Corporation soon after it started in operation, and the Government has some $650,000 invested in it. As the gentleman from Ohio suggests, it would be improper to authorize the commission to use that amount for the building of the terminal, but the waterways corporation has expended about $650,000 to build the terminal, which is about to be lost due to change of the channel. What the commission asked to do is make this channel secure as a foundation for the terminal.

Mr. BURTON. Then the terminal has already been constructed?

Mr. WILSON of Louisiana. Yes; the terminal has already been constructed, and is about to go away on account of the change of the channel of the river undermining its foundation.

Mr. BURTON. Is this on the main river?

Mr. WILSON of Louisiana. Yes.

Mr. BURTON. And this improvement would be part of the natural and proper work of riprapping and channel mattressing the channel of the river?

Mr. WILSON of Louisiana. Yes. Last year this same thing came up, and they asked for $25,000, and it was opposed at that time. The commission made a survey, and this $150,000 is the estimate of what it would cost. On account of the waterway transportation it was thought when the Senate put the amendment in that it should remain in order to make this channel permanent.

Mr. BURTON. Was this recommended by the commission?

Mr. WILSON of Louisiana. No. The first amendment was prepared by the Secretary of War. When the committee got through, of course, it was in the form in which it is now. At that time it was thought it would come out of the appropriation of $50,000,000 for rivers and harbors, but it was pointed out that the channel was under the Mississippi River Commission.

Mr. BURTON. There has been no unfavorable report from the Mississippi River Commission on it?

Mr. WILSON of Louisiana. The Mississippi River Commission, as I understand it, took the position that it was not necessary in order to keep the channel of the river open, and it was not necessary for flood control; but inasmuch as the waterways corporation has made such progress and this terminal is so important, and it is the only one owned by the Government, which has this large investment in it, we felt that the opinion of the Secretary about it was correct, and that it ought to be suggested to the commission that this improvement be made.

Mr. BURTON. I shall not offer objection to it, but it does seem to me to be a little doubtful.

Mr. WILSON of Louisiana. There was some doubt in our own minds. We are particularly interested in flood control. But this being a peculiar situation, we felt that there should be some exception there, and it is due to the change of the channel of the river. If you were to say that this is necessary to keep the channel of the river open, I would say it is not necessary, but in order to effect this interchange of rail and water traffic and maintain the channel at this point for that purpose, it is necessary.

Mr. COLLIER. It does not increase the appropriation. It comes out of the $10,000,000. It does not increase the amount due to the building of levees.

Mr. BURTON. Of course, it diverts that much for another purpose.

Mr. BARBOUR. Mr. Speaker, I move the adoption of the conference report.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 1: Page 6, after line 12, insert a colon and the following proviso: "*Provided*, That section 3648, Revised Statutes, shall apply neither to subscriptions for foreign and professional newspapers and periodicals nor to other payments made from appropriations contained in this act in compliance with the laws of foreign countries under which the military attachés are required to operate."

Mr. CHINDBLOM. Will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. CHINDBLOM. What is the effect of section 3648 of the Revised Statutes?

Mr. BARBOUR. Let me explain the purpose of the amendment and then I think that will follow. This language was included in the House bill but went out on a point of order. The purpose of it is to allow our foreign military attachés to buy periodicals and magazines and pay the subscription prices therefor in advance. I am told it is customary in some foreign countries to require payment in advance and this permits them to buy the periodicals and magazines they feel they must have and make payment in advance.

Mr. CHINDBLOM. This does not in any way curtail any authority which they now have to procure periodicals in foreign countries?

Mr. BARBOUR. Not at all. On the contrary, it aids them in securing such periodicals and magazines.

Mr. CHINDBLOM. But sometimes in granting a privilege we also include a limitation. There is no limitation in this amendment.

Mr. BARBOUR. This is not a limitation. If this authority were not granted they would have to advertise.

Mr. CHINDBLOM. I am in perfect accord with the amendment.

Mr. BARBOUR. Section 3648 of the Revised Statutes provides for advertising. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The SPEAKER. The question is on the motion of the gentleman from California to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 34: Page 67, after line 1, insert: "When approved by the Secretary of War 10 per cent of each of the foregoing amounts under the appropriation for 'Arming, equipping, and training the National Guard' shall be available interchangeably for expenditure on the objects named, but no one item shall be increased by more than 10 per cent: *Provided*, That a report of amounts so transferred between appropriations shall be submitted to the Congress at the first regular session after the close of the fiscal year 1928."

Mr. BARBOUR. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

CONFERENCE REPORT—DEPARTMENTS OF STATE, JUSTICE, AND THE JUDICIARY, COMMERCE, AND LABOR APPROPRIATION BILL

Mr. SHREVE. Mr. Speaker, I call up the conference report on the bill (H. R. 16576) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1928, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Pennsylvania calls up a conference report which the Clerk will report, and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

Following are the conference report and accompanying statements:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 16576) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1928, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 9.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 14, 17, 19, 21, 22, 26, 27, 28, 29, 31, 32, and 33, and agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "*Provided*, That traveling expenses of the commission or Secretary shall be allowed in accordance with the provisions of the subsistence expense act of 1926"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert: "$30,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed insert: "$150,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the sum proposed insert: "$700,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed insert: "$3,091,500"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed insert: "$435,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$20,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$810,440"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$2,519,060"; and the Senate agree to the same.

The committee of conference have not agreed on amendment numbered 13.

MILTON W. SHREVE,
GEORGE HOLDEN TINKHAM,
ERNEST R. ACKERMAN,
W. B. OLIVER,
ANTHONY J. GRIFFIN,
Managers on the part of the House.

W. L. JONES,
REED SMOOT,
FREDERICK HALE,
LEE S. OVERMAN,
WM. J. HARRIS,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 16576) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1928, and for other purposes, submit the following written statement explaining the effect of the action agreed on by the conference committee and submitted in the accompanying conference report:

On amendments Nos. 1, 2, 3, and 4, relating to ambassadors and ministers: Inserts language proposed by the Senate providing for ministers to the Dominion of Canada and the Irish Free State and appropriates $631,500, as provided for by the Senate, instead of $611,500, as provided by the House.

On No. 5, relating to clerks at embassies and legations: Appropriates $375,000, as proposed by the Senate, instead of $365,000, as proposed by the House.

On Nos. 6 and 7, relating to contingent expenses, foreign missions: Appropriates $784,500, as proposed by the Senate, instead of $762,500, as proposed by the House; and provides reimbursement, as proposed by the Senate, to Lao Lang Hui, interpreter.

On No. 8: Appropriates $2,930,000, as proposed by the Senate, instead of $2,925,000, as proposed by the House, for salaries of foreign-service officers.

On No. 9: Strikes out the language, as proposed by the Senate, and inserts the language, as proposed by the House, relating to traveling expenses of the Canadian Boundary Commission.

On No. 10: Inserts the language, as proposed by the Senate, making $5,000 immediately available for the International Boundary Commission, United States and Canada.

On No. 11: Inserts the language proposed by the Senate, appropriating $75,000 for the Sixth International Conference of American States at Habana, Cuba.

On No. 12: Strikes out the language proposed by the Senate and inserts the language as proposed by the House, amended so as to provide that traveling expenses shall be allowed for the International Joint Commission.

On No. 14: Appropriates $1,100,000, as proposed by the Senate, instead of $1,175,000, as proposed by the House, for regular assistants to United States district attorneys.

On No. 15: Appropriates $30,000, instead of $50,000, as proposed by the Senate, for the expenses of the probation system, United States courts.

On Nos. 16, 17, 18, and 19, relating to aircraft in commerce: Appropriates $150,000, instead of $165,000, as proposed by the Senate, and $136,230, as proposed by the House, for personal services in the District of Columbia; provides for 10 airplanes, as proposed by the Senate, instead of 5, as proposed by the House; appropriates $700,000, instead of $796,250, as proposed by the Senate, and $556,390, as proposed by the House, for ex-

penses of aircraft in commerce; and makes $168,000 immediately available, as proposed by the Senate, instead of $111,500, as proposed by the House.

On Nos. 20 and 21, relating to air-navigation facilities: Appropriates $3,091,500, instead of $3,219,500, as proposed by the Senate, and $3,011,775, as proposed by the House, for air-navigation facilities; and makes $450,000 immediately available, as proposed by the Senate, instead of $400,000, as proposed by the House.

On Nos. 22, 23, 24, and 25, relating to the Bureau of Foreign and Domestic Commerce: Inserts the language, as proposed by the Senate, limiting expenditures to $77,000 for personal services in the District of Columbia; appropriates $435,000, instead of $515,000, as proposed by the Senate, and $395,000, as proposed by the House, for District and cooperative service, and makes $20,000 available for personal services in the District of Columbia, instead of $25,000, as proposed by the Senate, and $19,000, as proposed by the House; appropriates $810,440, instead of $825,440, as proposed by the Senate, and $770,440, as proposed by the House, for export industries.

On No. 26: Appropriates $9,200, as proposed by the Senate, instead of $7,200, as proposed by the House, for personal services in the District of Columbia in connection with standardization work in the Bureau of Standards.

On No. 27, inserts the language proposed by the Senate making appropriation of $30,000 for fish-cultural station at Leadville, Colo., available during the fiscal year 1928.

On Nos. 28 and 29, relating to the Alaska General Service: Appropriates $332,000, as proposed by the Senate, instead of $322,000, as proposed by the House, for the Alaska General Service; and makes $40,000, as proposed by the Senate, instead of $30,000, as proposed by the House, available for road construction work in Alaska.

On No. 30: Appropriates $2,519,060 instead of $2,549,060, as proposed by the Senate, and $2,489,060, as proposed by the House, for personal services in the Patent Office.

On Nos. 31 and 32, relating to the Bureau of Mines: Appropriates $225,000, as proposed by the Senate, instead of $194,960, as proposed by the House, for economics of mineral industries; and corrects a total in the bill.

On No. 33, inserts the language, as proposed by the Senate, appropriating $1,090,076, for carrying out the provisions of the maternity and infancy act.

The committee of conference have not agreed to the following amendment of the Senate:

On No. 13, preventing the use of any money appropriated for the enforcement of antitrust laws, for use in the prosecution of farm and labor organizations.

MILTON W. SHREVE,
GEORGE HOLDEN TINKHAM,
ERNEST R. ACKERMAN,
W. B. OLIVER,
ANTHONY J. GRIFFIN,
Managers on the part of the House.

Mr. SHREVE. Mr. Speaker, the bill making appropriations for the Departments of State, Justice, and the judiciary, Commerce, and Labor, as it passed the House, carried $83,525,390.91; as it passed the Senate it carried $85,545,991.91; that was an increase of $799,625. The bill as agreed to in conference carries $85,176,741.91, which is only $33,560 over the Budget estimate. The various increases were, first, $57,500 to take care of two items in the Department of State, providing for the pay of our ministers to the Irish Free State and Canada, and additional contingent expenses and clerks. That is an item which came to us from the Bureau of the Budget. There is also an item of $75,000 for the Sixth International Conference of American States. It will be remembered that this organization really antedates the Pan American Union; it was established in 1890. It has meetings at regular intervals, as nearly as possible, but interrupted during the war. However, they usually have a meeting every five years. The next meeting is to be held at Habana and this appropriation is to take care of that meeting. We have also consented to an increase of $30,000 for probation officers in the Department of Justice. We increased the appropriation made by the House for the aircraft program by $223,000. We increased the item for district and cooperative offices in the Department of Commerce by $40,000. We increased the item for export industries by $40,000. We increased the Patent Office by $30,000 and the Bureau of Mines by $32,000. We have also carried a supplemental estimate made by the Bureau of the Budget of $1,252,000 to take care of the maternity act. We were not able to consider that item at the time the bill came before the House because the extension had not been allowed by Congress.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. SHREVE. Yes.

Mr. NEWTON of Minnesota. I notice that $50,000 was put in the bill for probation officers, to which the gentleman has just referred. In accordance with the statement that was made on the floor of the House there appeared to be almost unanimity of opinion among the United States judges that the appropriation was unnecessary. Were there any additional facts developed in the Senate to support this expenditure?

Mr. SHREVE. There were. The facts are that this item was probably not properly presented to our committee. However, we only allowed $30,000 in the conference report. From the best authority we could get it was deemed advisable to carry it along in a small way for a while.

Mr. NEWTON of Minnesota. May I ask the gentleman about the appropriation for assistant United States district attorneys. I notice that appropriation has been cut down from the figure carried in the House bill, and the gentleman will recall there was quite a discussion about that during the debate in the House.

Mr. SHREVE. Yes; I recall. However, when we got into conference and considered the matter very carefully, we receded and allowed the $25,000 additional to stay in the bill.

Mr. CHALMERS. Will the gentleman yield?

Mr. SHREVE. Certainly.

Mr. CHALMERS. As I understand it, you have put in $25,000 more than was in the House bill?

Mr. SHREVE. Yes.

Mr. CHALMERS. Now, I would like to ask the gentleman about another item in the bill. When the bill passed the House I was assured by one of the members of the committee that the appropriation had been increased $7,500 for certain publications in the Children's Bureau in the Department of Labor, for instance, the publication Care of the Infant. I am told by the Secretary that the amount was increased only $5,000 instead of $7,500, and that they did not have enough money to care for this publication. This is a very valuable publication and is an important educational document, and I was hopeful I could supply the needs of my district with this book. I have been informed by the Department of Labor that they can let me have only one-third of the demand.

Mr. SHREVE. I will say to the gentleman that he can do that. We appropriated the $5,000 and there is another $2,500 which is available. They had an original allotment of $2,500, and I am sure the gentleman will have all the service he needs in this connection.

Mr. CHALMERS. I thank the gentleman. That is just what I wanted to know.

Mr. BYRNS. Will the gentleman yield?

Mr. SHREVE. Certainly.

Mr. BYRNS. I notice that the Senate increased certain appropriations for the Bureau of Foreign and Domestic Commerce. The gentleman will recall that when the bill was before the House it was stated there was an understanding with the Department of Commerce and with this bureau that the money appropriated would not be used unduly for any particular industry, but that all industries would be given a fair opportunity by the bureau. I want to say that this agreement was due in large measure to the gentleman from Pennsylvania and the gentleman from Alabama [Mr. OLIVER]. The gentleman knows I am particularly interested in tobacco, and I am anxious, of course, to see that nothing shall be done which will prevent the bureau from giving tobacco that attention which it promised to give when it was before the gentleman's committee. I am also interested in other industries. I do not think the appropriation should be used exclusively or largely for one industry at the expense of another, and I want to ask the gentleman if there has been any change in the attitude of the bureau with respect to this particular amount appropriated particularly for the export industry?

Mr. SHREVE. In reply to the distinguished gentleman from Tennessee, I wish to say there has been no change in the policy, and there will be no change. It is not the policy of this committee to designate any particular locality or any particular item which shall be handled by the Bureau of Foreign and Domestic Commerce. We make our appropriations in lump sums. Of course, in a preliminary way we have some assurance from the department as to how the money is to be used. The gentleman from Alabama [Mr. OLIVER], I am sure, will concur in what I have said about this.

Mr. OLIVER of Alabama. Yes; and I might add to what the gentleman from Pennsylvania has said that the Bureau of the Budget had its attention called to the fact that in some of the estimates sent up it had marked, we might say, a definite amount for certain things, and we discarded that and notified

the Bureau of the Budget we would not approve an estimate in that form, and it has been so understood by our committee, and we notified the Senate conferees to the same effect, and we have notified the Department of Commerce that this is a fund that is to be equitably allotted to these different industries that were mentioned before the committee, and I am sure that will be done.

Mr. SHREVE. That is correct.

Mr. BYRNS. And the gentleman is of the opinion that all these industries will be taken care of?

Mr. OLIVER of Alabama. Unquestionably so.

Mr. SHREVE. Yes; that is correct.

I move the previous question on the conference report, Mr. Speaker.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Amendment No. 13: Page 37, line 11, insert: "*Provided*, That no part of this money shall be spent in the prosecution of any organization or individual for entering into any combination or agreement having in view the increasing of wages, shortening of hours, or bettering the conditions of labor, or for any act done in furtherance thereof not in itself unlawful: *Provided further*, That no part of this appropriation shall be expended for the prosecution of producers of farm products and associations of farmers who cooperate and organize in an effort to and for the purpose to obtain and maintain a fair and reasonable price for their products."

Mr. SHREVE. Mr. Speaker, this item has been carried in the bill for several years, but went out on a point of order when the bill was considered by the House. The Senate put the item back in the bill, and we have no objection to it. I therefore move to recede and concur in the Senate amendment.

The motion was agreed to.

PARTICIPATION IN THE PREPARATORY COMMISSION TO CONSIDER QUESTIONS OF REDUCTION AND LIMITATION OF ARMAMENTS

Mr. SNELL. Mr. Speaker, I call up House Resolution 423.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 352, to provide for the expenses of the participation of the United States in the work of a preparatory commission to consider questions of reduction and limitation of armaments. That after general debate, which shall be confined to the House joint resolution and shall continue not to exceed one hour, to be equally divided and controlled by those favoring and opposing the House joint resolution, the House joint resolution shall be read for amendment under the five-minute rule. At the conclusion of the reading of the House joint resolution for amendment the committee shall rise and report the House joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the House joint resolution and the amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SNELL. Mr. Speaker, I would like to ask the gentleman from Alabama if he desires any time.

Mr. BANKHEAD. I desire about two minutes.

Mr. SNELL. I yield to the gentleman from Alabama.

Mr. BANKHEAD. Mr. Speaker, this resolution and the one to be called up following providing for an arboretum were both reported out of the Committee on Rules by unanimous consent. I thought it proper to say that, although there is no opposition to it on this side of the House at least.

Mr. SNELL. Mr. Speaker, this rule simply provides for the consideration of House Resolution 352 which has for its purpose providing for the expenses of the participation of the United States in the work of a preparatory commission to consider questions of reduction and limitation of armaments. I simply want to say at this time that in January, 1926, we made the preliminary authorization of $50,000 to pay the expenses of that commission. That work has been going on from time to time through subcommittees. As I understand, the subcommittees have completed the work and are ready to report to the full committee. It has been the policy of our Government to do everything we could to favor the limitation of armaments and general peace among nations. It would probably be a mistake if we withdrew at this time. This resolution simply authorizes $75,000 more to pay the expenses of the commission. It is expected that the commission will be busy for several months. I now yield 15 minutes to the gentleman from Ohio [Mr. BURTON].

Mr. BURTON. Mr. Speaker and gentlemen of the House, I trust this resolution will be adopted without opposition. As the gentleman from Alabama [Mr. BANKHEAD] has stated, it has the unanimous indorsement of the Committee on Rules, and I may say also that it has the unanimous indorsement of the Committee on Foreign Affairs.

I regard this time to be opportune to speak at some length on the relations of the United States Government to the League of Nations, because several propositions of a nature similar to this are pending.

First. The United States Government rejected membership in the League of Nations, and I take it for the present at least that may be set down as the policy of this Government.

Second. Under the protocol for the creation of the Court of International Justice the United States was eligible for membership. By a resolution of this House passed by 301 to 28 approval was given to our membership in that court. The question of adherence was taken up by the Senate and two reservations were affixed, one that the United States might have leave to withdraw, and the other that no advisory opinion should be rendered by the court in which the United States had, or claimed to have, an interest.

To this last reservation, especially, objection was made by other nations, members of the court. I take it for the present we can not expect to have membership in that tribunal. Quite a number of persons have expressed their recantation or repentance for having favored our membership in that court. With them I have no sympathy.

I very much regret that a situation has arisen under which we can not be counted as participators in that body. I trust that in the future by further negotiations the way may be paved so that we shall take part in that august tribunal.

Of course, I am for the acts of our own Government; I stand by that always. But I do wish for a minute to dwell on the reservation voted by the Senate, that no advisory opinion should be rendered on a subject in which the United States has or claims to have an interest.

Now, let us for the sake of absolute fairness put ourselves in the place of the other nations members of that court. The rendering of these advisory opinions has been a very important feature of the jurisdiction of that tribunal. Many perplexing questions have been settled by its decisions in which there has been very general acquiescence. There has been no criticism of the fairness or the ability of the court.

But it is proposed by this reservation that if we claimed to have an interest in any question that is presented the court may not consider it. Then if there is a dispute between Germany and France, or between Italy and Yugoslavia, if we claimed an interest, that court could not take up the question and pass upon it. Suppose, for instance, there was an administration here unfriendly to our membership in the World Court, or a Secretary of State, or a Senate, or a Committee on Foreign Relations of the Senate, and they desired not to promote the jurisdiction of that body, but to hamper it.

The result might be that in any case where any advisory opinion was asked they would say, "We claim to have an interest in it," and the question presents itself to us, Is it quite fair for us to reserve the right to destroy that very important branch of the jurisdiction of the Permanent Court of International Justice?

Mr. MONTAGUE. Mr. Speaker, will the gentleman yield?

Mr. BURTON. Yes.

Mr. MONTAGUE. What does the gentleman understand to be the extent and binding force of an advisory opinion? Does it go any further than to give advice?

Mr. BURTON. Practically not, although they have been accepted in perhaps all cases. There is one exception where one country demurred, but the decision was nevertheless accepted.

Mr. MONTAGUE. Has it any binding effect such as an opinion would have in a common-law court?

Mr. BURTON. It has at least a moral effect.

Mr. MONTAGUE. Does the gentleman understand that the advisory opinion is analogous to other opinions that the court might render?

Mr. BURTON. Not of the same rank.

Mr. COLE. Are the advisory opinions rendered for any nation singly or in groups, or are they always rendered to the League of Nations?

Mr. BURTON. I can not answer that question directly. It is expected that it be on the request of two nations or more. It is filed with the League of Nations. The question of where it is filed, however, does not assume any special significance.

Mr. COLE. Do we understand the gentleman to mean that all we have to do is to set up a claim of interest in a question submitted?

Mr. BURTON. That is the language of the reservation.

Mr. COLE. Would it not be necessary for us to prove that we had an interest?

Mr. BURTON. That the gentleman can interpret for himself. The plain, distinct language of the reservation is "Has or claims to have an interest."

Mr. COLE. Might they not call on us to show that we did have an interest?

Mr. BURTON. That would be a question of interpretation.

Mr. Speaker, there are two points of contact between the League of Nations and the United States Government which may be roughly divided under the names of conferences and commissions or committees. When we enter into a conference our delegates have plenipotentiary powers to sign treaties, the same as would be possessed by our Secretary of State or a duly accredited ambassador. We have been members of two of these conferences; first, the so-called opium conference at Geneva in 1924 and 1925, which resulted unfavorably, our delegates withdrawing; though I think the conference was not without beneficial results; second, the conference for the international control of the traffic in arms, which sat for seven weeks at Geneva in May and June, 1925. I can speak of that second conference from the standpoint of membership. The utmost deference was paid to every contention of the American delegation.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. SNELL. Mr. Speaker, I yield 15 minutes additional to the gentleman from Ohio.

Mr. BURTON. Mr. Speaker, not a single provision was inserted in any treaty to which the delegates from the United States objected. We were also in a very favorable position, because on some controverted subjects between various other nations we had no special interest and were relied upon to take the position of arbiters, so that I may say our membership in that conference was extremely gratifying to those who took part in it.

I very much regret to say that the Senate had failed to advise and consent to the treaty for control of international traffic in arms, and also is holding up the treaty for prohibition of the use of poisonous gas in warfare.

In addition to these two conferences we have accepted membership or representation on several committees or commissions. These differ from conferences in that the delegates are limited to recommendations. For example, the Surgeon General of the United States was a member of the international health commission at Paris. The League of Nations for its commission on health selects certain members of this body that centers at Paris for membership upon a similar commission in the League of Nations. Our Surgeon General has been chosen as one of these. He goes, not to bind the United States in any agreement, but to participate in their discussions and make suggestions. There is another advisory committee at Geneva for the protection of women and children. Miss Grace Abbott has attended several of the sessions of this advisory committee, having been designated for that purpose by the Department of Labor, without legislation. There was also a conference in regard to the control of obscene literature, and a representative of our Government attended that conference, but did not sign a proposed agreement. That agreement has been submitted to our State Department, however, and is now pending before the Senate. A committee of experts on double taxation has been called by the League of Nations. For membership in that, Prof. Thomas S. Adams, who has had an important part here at the Capitol in framing revenue laws, is our delegate, and he will attend that in May. The committee met last year; but, as I am informed, Professor Adams, by reason of ill health, was not able to go. There is also an international economic conference under the auspices of the League of Nations. For the sending of delegates to this conference, which I believe reconvenes in May, an appropriation is proposed of $15,000, on which the gentleman from Iowa [Mr. COLE] has filed a report; and, as I understand, intends to bring it before the House at the earliest possible moment.

Mr. COLE. I would say that the Speaker has agreed to recognize me to-morrow to call it up.

Mr. BURTON. The appropriation proposed is $15,000.

I now come to this preliminary commission, under consideration before the House to-day, to present an agenda to the conference, to be held at a later date, for the limitation of armaments among nations. Such a limitation is distinctly forecast in one of the articles of the League of Nations covenant, and I want to say to you all that this assumes the very utmost importance. As I have repeatedly said to the House, if there is one growing need of the world, it is for peace. [Applause.] And every movement in the way of limiting armament on land, on sea, or in the air, promotes that most beneficent object. We have at all times proclaimed our desire to do all that is possible in the way of limitation of armaments. We have reduced our own Army to a figure of less than 120,000 men, and I look with disfavor upon any increase in our Navy, although at the same time I believe it should be maintained at a high stage of efficiency.

I especially favor a bill pending here that provides for the elevation of guns, so that our battleships may be equal in gun power to the battleships of other nations. We should have a Navy which, man for man and gun for gun, will compare favorably with the navies of other nations and be sufficient for our needs.

The commission met at Geneva last summer. And I may say to the gentleman from New York [Mr. SNELL] that it is hardly correct to say that they came to conclusions. They were involved in a controversy between two conflicting schools of thought, as they are termed. For a very concise and adequate statement on that subject I would refer the Members of the House to a letter from the Secretary of State, transmitted on January 11 to the chairman of the Committee on Foreign Affairs [Mr. PORTER] and included in the report on this resolution. Perhaps it is worth while that I should read from it. I read:

> One school of thought, which is representative of the views of a group of governments chiefly situated within a limited area of the European Continent, may be generally indicated by five of its fundamental principles:
>
> (1) That security must be guaranteed by some form of military assistance against aggression as a necessary condition precedent to the reduction and limitation of armaments.

That has been the contention of the French at every conference or convention that I have attended. I read further:

> (2) That agreements for the reduction and limitation of armaments must be guaranteed by an international inspection and control of the military establishments to ascertain whether treaty obligations were being faithfully executed.

The idea of espionage upon other nations to ascertain if they are complying with their agreements is contrary to the fundamental principles of our diplomacy. When we make a treaty reliance for its performance must be on the honesty and good faith of other countries, and any system of spying upon them is offensive not only to their sensibilities but to the best principles of our diplomacy. I read further:

> (3) That there exists a complete interdependence of armaments and that it is impossible to deal with any single category (land, sea, or air) without simultaneously dealing with the others.

Mr. FISH. Mr. Speaker, will the gentleman yield there?

Mr. BURTON. Yes.

Mr. FISH. Will the gentleman explain to the House that if the disarmament conference meets and we are a party to it whether their decision must be by unanimous vote? That is, whether one objection from a small nation out of fifty-odd nations attending the conference would be effective?

Mr. BURTON. The fundamental answer to that is that their decisions are not binding at all, and the objection of one or of a dozen would not be fatal to their reaching conclusions. It is expected that this preliminary commission should make a report, and then the conference would act upon it.

Mr. FISH. I mean when they make their report to the permanent conference when that meets must they have a unanimous vote to decide upon a limitation?

Mr. BURTON. No. The countries, some or all of them, would agree that, whether recommended by the commission or not, they would join in a treaty. Suppose there were 40 nations, and a treaty were framed by the conference, agreed upon by 30 nations, but to which 10 nations would not agree. Those 30 would join in a convention or treaty, and it would not be binding on those outside.

Mr. LAGUARDIA. Mr. Speaker, will the gentleman yield?

Mr. BURTON. Yes.

Mr. LAGUARDIA. Would it be binding on the 30?

Mr. BURTON. Yes. Of course, the mere signature by our plenipotentiaries is not binding upon the Senate.

Now, I regard it as impracticable to make a complete agreement upon all these measures as interdependent. That has been the opinion of our own Government in promoting commissions of this kind. For instance, in 1921–22 we called in only nine nations. The conference consisted of only that number, because we thought the complication, if 40 or more were assembled, would be too great. The time required for their coming together would be so considerable that the plan would be futile. Then we confined the agenda of the conference as far as regards promotion of disarmaments to naval limitations, and on consideration it was still further limited on naval limita-

tions to battleships, especially, although there was a treaty in regard to submarines. In other words, our idea has been to avoid complications, caused by wide differences of opinion, not to undertake too much. I read again:

(4) That it is not sufficient to deal with the actual peace-time armaments of nations, but that industrial, financial, economic, and other factors must be taken into account in any general scheme that may be drawn up.

For instance, certain nations put forward the idea at Geneva last summer that you must take into account all the factories, all the transportation; that you must even take into account the number that had technical ability; lawyers were mentioned; doctors were mentioned. I fear very much that so ambitious an inclusion as this would prevent any agreement. I read further:

(5) That any agreements on the limitation and reduction of armaments in order to be effective must be universal and that there must be a single standard system applicable to all countries of the world.

Well, it is a very large contract to gather together all the nations of the world to consider the proposition of peace or any other proposition. Now, there are certain ideas held by what is termed one school of thought, and if those contentions are enforced at Geneva, I fear very much that no conclusion will be reached. But let us try. The views of the United States will be received, I am sure, with the utmost respect; and I can hardly conceive that a commission will gather together there without accomplishing something or taking some steps of importance in promoting the peace of the world.

They can not do everything that is hoped. They can not do everything that has been suggested in the questionnaire put forward by the League of Nations, but their coming together for consultation and for recommendation to a conference next year must certainly be of utmost importance.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. BURTON. Yes.

Mr. MOORE of Virginia. Does not the gentleman think that if we should fail to make this additional appropriation our actions would be interpreted as meaning a repudiation of what we have already done in the direction of conferring with the League of Nations relative to this important matter?

Mr. BURTON. It would most decidedly. On that point I read from the closing paragraph of the letter written by the Secretary of State on January 11, and I can not express it better than in his words:

I feel very strongly that in view of our consistent advocacy of the limitation and reduction of armaments we can not withhold our full and cordial cooperation in any effort of this sort to explore the subject and facilitate a practical approach to the problem. Furthermore, I desire to point out, for your consideration, that if after participation in the work of the preparatory commission during the six months we now withdraw for lack of necessary funds, it would not be surprising if the inference were drawn in some quarters that we were not sincere in our advocacy of the limitation and reduction of armaments.

Mr. LAZARO. Will the gentleman yield?

Mr. BURTON. I yield.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. SNELL. Mr. Speaker, I yield the gentleman five additional minutes.

Mr. LAZARO. I fully agree with the gentleman in his statement that we should do all that lies within our power to agree to a limitation of armaments, but at the same time does not the gentleman believe we ought to be very careful not to let our Navy drop below the 5-5-3 agreement already made?

Mr. BURTON. I do not believe in keeping up the 5-5-3 proportion on cruisers and other things any more than I do that a man who has a certain allowance for expenses should feel he must necessarily spend all of his funds. [Applause.]. It is a question of safety and national policy.

Mr. BLANTON. May I ask the gentleman a question?

Mr. BURTON. Yes.

Mr. BLANTON. When the Interparliamentary Union met in this House there were resolutions passed along this line. Is this in accord with the tentative agreement that was had at that meeting?

Mr. BURTON. It is in the same line with their resolutions.

Mr. WAINWRIGHT. May I ask whether this proposed appropriation is for the expenses of the delegates to the proposed disarmament conference suggested by the President or to continue our delegates at Geneva?

Mr. BURTON. It is for the purpose of continuing our delegates, although there may be some changes in the personnel. There are, I may say, probably 17, clerical force included, who will go, and $75,000 is thought to be the amount necessary to cover their expenses. Of course, if it is not all expended it will not be needed.

Mr. WAINWRIGHT. It does not contemplate the acceptance of any tentative program?

Mr. BURTON. Not at all. Nothing will be final at the meeting of the preliminary commission. It is all merely preliminary.

Mr. BOYLAN. Will the gentleman yield?

Mr. BURTON. Yes.

Mr. BOYLAN. Is it not a fact that the last conference we had resulted in the United States scrapping ships and other countries scrapping blue prints?

Mr. BURTON. Well, I do not think so. That is one of those exaggerated expressions which has had some general circulation in the newspapers and elsewhere, but I do not believe that at all.

Mr. BOYLAN. I believe the facts show that we scrapped ships while they scrapped blue prints.

Mr. BURTON. I do not think so.

Mr. BLACK of New York. Will the gentleman yield?

Mr. BURTON. Yes.

Mr. BLACK of New York. I wonder if the gentleman would care to state whether, in his opinion, the other powers have violated the spirit of the Washington disarmament conference in their construction programs?

Mr. BURTON. If I thought so, I would not say so here. I do not think so, though.

Mr. KINDRED. Will the gentleman yield?

Mr. BURTON. Yes.

Mr. KINDRED. The gentleman has stated his views as to the question involved from his standpoint. Does not the gentleman think we ought to take into consideration also the dire need for work and for employment in the several national navy yards where the men are losing the opportunity for employment and bread and butter because of the lack of effort to keep up with the terms of the agreement we made?

Mr. BURTON. I think we ought to take into consideration the employment of all our people, whether in navy yards or factories. [Applause.] But let the gentleman bear in mind that the navy yards exist for the people and not the people for the navy yards. [Applause.]

Mr. KINDRED. But may I not suggest to the gentleman that when the guns begin to shoot the navy yards are necessary primarily and ought to be kept up at all times?

Mr. BURTON. I hope the gentleman will live many years yet and not hear any of the shooting he has spoken about. [Applause.]

Mr. KINDRED. I hope I may not, but can the gentleman assure me I will not?

Mr. BURTON. Oh, no; of course, I can not assure the gentleman of that.

The SPEAKER. The time of the gentleman from Ohio has again expired.

Mr. LINTHICUM. Mr. Speaker, I want to ask leave to amend the resolution by making the time 40 minutes on a side. If we do not use all of the time, we can yield it back.

Mr. SNELL. I wish the gentleman would not ask that. We have another resolution to consider this afternoon, and I suggest that the gentleman can get more time when the bill is taken up under the five-minute rule.

Mr. LINTHICUM. It is only a matter of 10 minutes on a side.

Mr. SNELL. I will give the gentleman 10 minutes on the rule, rather than to have any trouble about it. Mr. Speaker, I yield the gentleman 10 minutes.

Mr. LINTHICUM. Mr. Speaker and gentlemen, there is not much I have to say on this rule or on the resolution. I am in favor, as I have always been, of an adequate Navy and a sufficient Army. I want to see the United States Navy well rounded out under the 5-5-3 treaty.

The object of this appropriation and the work to be done is best shown by a letter from the President, which I insert:

To the Congress of the United States:

In a message which I submitted to you on January 4, 1926, I recommended the appropriation of the sum of $50,000 to cover the expenses of American participation in the work of the "Preparatory Commission for the Disarmament Conference, being a commission to prepare for a conference on the reduction and limitation of armaments." By House Joint Resolution 107, approved February 1, 1926, you authorized the appropriation of this amount.

The preparatory commission met at Geneva on May 18, 1926. Its work has continued, through plenary sessions and subcommittee meetings, since that date. The task of the commission's subcommittees, to which was delegated the detailed study of many of the problems presented to it, has virtually been completed, and it is planned to hold another plenary meeting of the commission, probably in March, to

consider the subcommittee reports. Although it is difficult to predict the exact duration of the forthcoming sessions, it can reasonably be assumed that they will continue over a period of some months. It is the avowed purpose of the preparatory commission at the forthcoming meetings to evolve a definite agenda for a conference for the reduction and limitation of armament, which is, of course, the end to which the deliberations of the preparatory commission are directed.

I believe that the preliminary work has been useful, and that there is good reason to hope for concrete results from further meetings. Our representatives have consistently endeavored to play a helpful part and to direct the attention of the commission to the possibility of practical accomplishment.

I believe that we should continue to give our full cooperation to the work of the preparatory commission with a view to bringing about, as quickly as possible, a final conference, at which further steps may be taken to reduce and limit armaments.

The policy of this Government to favor measures which hold out practical hopes for the limitation of armament is firmly established. By continuing our hearty cooperation in the preparatory work we shall be able to do our share in formulating an agenda for the final conference which will give promise of actual agreements for arms limitation.

The appropriation of $50,000 already made for this work has been exhausted. I therefore recommend that there be authorized further appropriation of $75,000 to cover the expenses of American participation in the forthcoming activities of the preparatory commission. I recommend this sum because, when the commission undertakes the actual drafting of an agenda, it may be necessary to send a considerable number of American representatives to insure adequate representation in all phases of the work. Since the exact requirements can not be foreseen and will depend on developments, it appears wise to provide a sufficient appropriation to meet contingencies that may arise.

In relation to the form of the appropriation, the prices prevailing at Geneva and the nature of the responsibility devolving upon the members of the delegation make it important that their expenditures for subsistence be exempted from the restrictions imposed by existing law and be made discretionary with the Secretary of State.

CALVIN COOLIDGE.

THE WHITE HOUSE,
Washington, January 7, 1927.

I feel with respect to this resolution that having entered into a conference with delegates from other nations under a previous resolution in a preliminary way, not for the limitation of armament but for the purpose of bringing the matter down to certain definite questions on disarmament, we should continue the work. The delegates to this preparatory commission do not have any power whatever to commit us in any way, shape, or form as to the limitation of armament. The particular object in view under this resolution is that a certain number of nations shall have delegates at this preparatory commission, including the United States of America, and that these delegates shall formulate certain questions into an agenda for future consideration by a commission on disarmament when called, if ever.

As I understand it, when our delegates last year went to Geneva they had not any real, definite idea as to what was to be done. They were there for sometime, and they formulated certain questions or certain subjects for discussion, which they thought ought to be considered, and I am told that this made a very deep impression upon the delegates from the other nations and that practically before the conference adjourned the delegates from the other nations had seen the wisdom of the questions which our delegates had submitted.

It is a very difficult proposition to formulate an agenda to bring out of this great mass of data on armament—world progress and national defense and all those things—just a few questions which ought to be considered. These delegates worked there for a long time, and they expended almost the entire $50,000, and this is for the purpose of continuing the work of this preparatory commission. We must not quit the work so long as there is a chance to accomplish results.

Mr. BRITTEN. Will the gentleman yield?

Mr. LINTHICUM. Certainly.

Mr. BRITTEN. The gentleman has been a member of the Committee on Foreign Affairs for a long time and I regard his judgment highly. Does the gentleman think there is the slightest possibility of arriving at any agreement at this conference over in Geneva?

Mr. LINTHICUM. I would not like to answer that question. I am not sufficiently in touch with the situation. I understand the gentleman himself is really in closer touch with the matter than I am, because he had the two admirals who were delegates to the commission before his committee, who told him just what had or had not been done and exactly what had been accomplished over there, if anything. We did not have any such testimony.

Mr. BRITTEN. The resolution, which is now being put through under a rule, of course will be adopted, but this appropriation of $75,000 might just as well be dumped into Lake Michigan because it will not do the slightest bit of good. It is all right for a lot of idealists like the gentleman from Ohio [Mr. BURTON] and I say this with all deference to the gentleman, whom I regard very highly—to favor peace conferences, but the gentleman has always been a small-Navy man, the gentleman has always voted for small naval appropriations, and the gentleman has always been in favor of loving sentiments for our neighbors, which, of course, is all right from an idealistic standpoint, but it does not work out. The time is not yet here when governments will love each other despite their different characteristics. This conference, to which we are about to send some delegates and for which we are about to appropriate $75,000, is a farce and will wind up as a fizzle.

Mr. LINTHICUM. Let me say to the gentleman that we were told yesterday by the gentleman from Connecticut [Mr. TILSON] that in expressing our ideas about the farm bill as to its being unsound economically or unconstitutional, a Member is simply expressing his own opinion. I take it that the gentleman from Illinois is expressing his own opinion and the gentleman from Maryland is expressing his opinion. If this commission does not do any more good than to allow us to meet the delegates from the other nations, if it does not do any more than to bring us in contact with these people from other nations so we can find out that the League of Nations has not horns, a long tail, or stingers or anything of that kind, it will do this country and the world $75,000 worth of good. [Applause.]

Mr. BLANTON. Will the gentleman yield?

Mr. LINTHICUM. I yield.

Mr. BLANTON. If our friend from Illinois were to be one of the delegates I would agree with him that this would be a waste of $75,000 and that we ought to save it [laughter]; but thank God, he is not to be a delegate.

Mr. BRITTEN. Then I will move that the distinguished gentleman from Texas be nominated as one of the delegates to go over there.

Mr. BLANTON. And I would be the strongest man there for peace.

Mr. BRITTEN. If there is a pacifist in this House who will vote against military appropriations and against proper national defense, the gentleman from Texis is that one man.

Mr. BLANTON. I will vote with my friend, the gentleman from Ohio [Mr. BURTON] every time to save the country from this big Navy building business.

Mr. KINDRED. Will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. KINDRED. Does not the gentleman believe that the best way to promote peace and the most positive assurance of peace we can have is through reasonable preparedness at all times?

Mr. LINTHICUM. Of course, that is true.

Mr. LAZARO. Will the gentleman yield for a question?

Mr. LINTHICUM. Yes.

Mr. LAZARO. Does not the gentleman believe we got the little end of it at the conference on the limitation of armament here in Washington?

Mr. LINTHICUM. Absolutely so. I think everybody in this country who knows anything about the matter knows by this time that is true. We got fooled that time, but we will not be fooled again.

I want to say to the gentleman from Illinois that I recognize he is a big-navy man; but I want to say to him that he has never voted for any bigger navy than I have voted for.

Mr. BRITTEN. I agree with the gentleman.

Mr. LINTHICUM. I have been on this floor in the past when that great colleague of mine, Fred Talbott, fought up and down these aisles to get one battleship, and I have helped him to get the Members in line and to tell them just how important it was. Nevertheless, being a big-navy man, as I am, I can see the benefit of this conference in the intermingling of delegates from all the nations of the world upon this question. Reviewing the vast calamities of the World War and the setback to civilization it is certainly our duty to prevent another war if possible.

Mr. BRITTEN. Will the gentleman yield for a question there?

Mr. LINTHICUM. Yes.

Mr. BRITTEN. And while our good and dear old friend Judge Talbott was voting and working day and night for adequate national defense around here, the gentleman from Ohio

[Mr. BURTON] was consistently voting against those very measures.

Mr. LINTHICUM. That may be true, but we must remember one other thing. It was not the Democratic Party that scrapped the armament of this country through the disarmament conference.

Mr. BLANTON. Will the gentleman yield for one other question?

Mr. LINTHICUM. Yes.

Mr. BLANTON. The gentleman surely does not believe, like our friend, the doctor from New York, that just because there are idle men in navy yards, the country must go on with a big naval program, just to keep those men employed? Why, if we do not need the naval armament, let us put the men from the navy yards out into other productions!

Mr. KINDRED. The gentleman from New York does not believe any such thing. He believes in keeping the navy yards in proper condition.

Mr. LINTHICUM. I do not think the question can be any better answered than it was answered by the gentleman from Ohio [Mr. BURTON]. The navy yards are for the benefit of the people and not the people for the benefit of the navy yards.

Mr. BOYLAN. Is it not fair to say that the navy yards ought to be kept at work as well as to subsidize the farmers?

Mr. BLANTON. The farmers are feeding somebody.

Mr. LINTHICUM. I am not in favor of subsidizing the farmers. I am opposed to all subsidies, viewing them as parasites upon the United States Treasury and injurious to the people's interests.

Mr. BRITTEN. Does not the gentleman from Maryland think that the navy yards are a substantial part of the national defense?

Mr. LINTHICUM. Absolutely so, and we ought always to keep them in perfect condition and ready for any emergency. [Applause.]

Mr. SNELL. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. FISH. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 352, to provide for the expenses of participation of the United States in the work of a preparatory commission to consider questions of reduction and limitation of armaments.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. RAMSEYER in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the resolution, which the Clerk will report.

The Clerk read as follows:

House Joint Resolution 352

House joint resolution to provide for the expenses of the participation of the United States in the work of a preparatory commission to consider questions of reduction and limitation of armaments.

Resolved, etc., That in compliance with the recommendation of the President contained in his message of January 7, 1927, the sum of $75,000 is hereby authorized to be appropriated for the expenses of further participation by the United States in the work of the preparatory commission at Geneva, Switzerland, for the purpose of making preliminary studies and preparations for a conference on the reduction and limitation of armaments; and for each and every purpose connected therewith, including compensation of employees, travel, subsistence, or per diem in lieu of subsistence (notwithstanding the provisions of any other act); and such other expenses as the President shall deem proper, to be expended under the direction of the Secretary of State.

With the following committee amendment:

Page 2, line 2, after the word "subsistence," insert "in amounts authorized in the discretion of the Secretary of State."

Mr. FISH. Mr. Chairman, I would like to reach an agreement with the gentleman from Maryland as to the control of the time.

Mr. LINTHICUM. I would like to control one-half of the time.

The CHAIRMAN. Is the gentleman from Maryland opposed to the resolution?

Mr. LINTHICUM. No; I do not think anybody is opposed to it.

The CHAIRMAN. Is any member of the committee opposed to it?

Mr. LINTHICUM. I do not think that anybody is opposed to it.

Mr. BRITTEN. Mr. Chairman, if no member of the committee is opposed to the resolution, will a Member of the House, not a member of the committee, be entitled to the half hour in opposition to the bill?

The CHAIRMAN. The Chair so understands.

Mr. BRITTEN. I am opposed to the bill.

Mr. CONNALLY of Texas. That is the rule, but I hope the gentleman from Illinois will not claim that.

Mr. BRITTEN. Reserving the right to object, when a Member of the House publicly expresses his opposition to a bill appropriating $75,000 to put into a ridiculous proposition, as was done last year when the representatives came back and said that they could not even agree on a formula to proceed with the work, some one ought to have the other side of this bill.

Mr. FISH. I will yield to the gentleman 10 minutes now.

Mr. BRITTEN. But, Mr. Chairman, I think members of the committee are entitled to first consideration, and I think the gentleman from Maryland should control half the time. [Applause.]

The CHAIRMAN. The Chair will recognize the gentleman from New York [Mr. FISH] for half an hour and the gentleman from Maryland [Mr. LINTHICUM] for the other half.

Mr. FISH. Mr. Chairman, at the outset of my remarks I want to read a letter that was delivered to me to-day from the Secretary of State:

THE SECRETARY OF STATE,
Washington, February 18, 1927.

The Hon. HAMILTON FISH, Jr.,
House of Representatives.

MY DEAR MR. FISH: I am exceedingly anxious that the bill appropriating $75,000 to pay the expenses of our delegation to the Geneva conference should be passed at the earliest possible moment. The delegation will be sailing very soon now, and we have no funds out of which to pay their expenses. Furthermore, as you are aware, we are committed to this conference, having accepted the invitation a year ago. A delegation was appointed and attended the preliminary conference, which is to be resumed the 21st of March, and, of course, it would place this Government in an exceedingly embarrassing position not to be able to continue it. I am very anxious that you should expedite this matter as far as possible.

I am, my dear Mr. FISH,
Very sincerely yours,

FRANK B. KELLOGG.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. FISH. Yes.

Mr. SHALLENBERGER. Is this conference that we are appropriating money for the one we have been reading about in the public press that Italy and France are refusing to take part in?

Mr. FISH. It is partially so. I will explain that as we go along.

Mr. SHALLENBERGER. Is it under the League of Nations, or outside?

Mr. FISH. It was called by the League of Nations.

Mr. SHALLENBERGER. Is this to be under the direction of the League of Nations, or is it outside of it?

Mr. FISH. It is outside of the league, but it was called by the league.

Mr. SHALLENBERGER. I notice that the objections the two nations make is that this Government has not recognized the League of Nations.

Mr. FISH. I will explain that. This resolution, providing for $75,000 to send delegates to the preparatory commission, is not a new venture. We appropriated $50,000 last year for the same purpose to send delegates to Geneva to attend the meetings of a preparatory commission.

The invitation was extended originally by the League of Nations, and the meetings of the preparatory commission are held at Geneva. Last year our delegates went over and attended the meetings of the preparatory commission and were assigned to the various subcommittees on the limitation and reduction of armament. Those committees met and considered the various subjects. Some made great progress and others did not make any, the idea being to reach a satisfactory basis to build up an agenda for the proposed conference on disarmament. We have not agreed to join that conference, and we do not have to decide until we know what the agenda is. The agenda is being gotten up by the preparatory commission, of which we are members, and this resolution continues the membership in the preparatory commission.

The new proposal of the President, to which the gentleman refers, is somewhat different. The preparatory commission

more or less decided that the question of limitation of armament should all be considered together—naval, military, and aircraft limitation—as one and inseparable. The President evidently believes that such a plan is not practical, and has suggested another solution, to the effect that the delegates of the five great naval powers, Great Britain, Japan, France, Italy, and the United States, who have already been assigned to represent those countries on the preparatory commission, should meet and try to come to an arrangement between themselves on limitation of light cruisers, submarines, and destroyers.

Mr. MOORE of Virginia. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. MOORE of Virginia. The language used by the President in his message, and by the Secretary of State in his communication to the chairman of the Committee on Foreign Affairs of the House, indicates that while the place is the same and the personnel so far as we are concerned may be the same, yet that the conference that he proposes is independent of the conference described in this resolution.

Mr. FISH. Yes.

Mr. MOORE of Virginia. If the gentleman will permit me to read one sentence from the letter of the Secretary of State that plainly appears. He says:

> It was therefore considered desirable to convene the representatives of a limited number of States to conduct a preliminary survey of the general problems involved, and to draw up, if possible, an agenda, which could serve as a basis of discussion of a final conference.

Mr. PEERY. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. PEERY. How many nations will participate in that limited conference?

Mr. FISH. Only five nations were invited or suggested by the President to attend the proposed naval limitation conference at Geneva.

Mr. PEERY. And two of those have declined?

Mr. FISH. One has officially declined. I do not think that Italy has as yet.

Mr. PEERY. So that it will be a conference between the representatives of four nations?

Mr. FISH. If those four accept, yes. It is an extension of the Washington Conference on Limitation of Armament.

Mr. WAINWRIGHT. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. WAINWRIGHT. Will this preliminary conference of the five nations, suggested by the President, be held under the auspices of the League of Nations?

Mr. FISH. Yes.

Mr. WAINWRIGHT. Or is it to be an entirely separate conference as independently called as was the Conference on Limitation of Armaments in Washington in 1921?

Mr. FISH. It depends upon what is meant by "under the auspices of the League of Nations." It is held under the auspices of the league, but it is not a part of the league. It does not come before the council and the assembly of the league, which constitutes the legislature of the league, but we were invited by the league originally, and therefore it is under the auspices of the League of Nations, although it is an entirely separate conference.

Mr. WAINWRIGHT. To be held where?

Mr. FISH. At Geneva, Switzerland.

Mr. BLACK of New York. Does not the gentleman think it is more essential for us to insist on the powers who were here at Washington coming back and settling that question instead of indulging in a lot of talk about these matters now, all of which are academic?

Mr. FISH. If this preparatory commission fails to reach a satisfactory basis for further limitation of naval armament, I hope very much that the President of the United States will call another conference in Washington for the further limitation of naval armament.

Mr. BLACK of New York. How does anybody ever expect to reach any agreement on this agenda? They will be there for the rest of their lives.

Mr. FISH. I admit that it will be very difficult, but it is not the fault of the United States. We are showing our good faith by appropriating money and sending delegates to participate. It is a matter of great regret that other countries insist that all armament shall be taken up and considered together. The United States has already reduced its Military Establishment down to 118,000 men.

Mr. BLACK of New York. Here is what I mean: We are going into another trap. We are going into this thing instead of insisting that these powers who have violated the spirit of the Washington conference come down to terms and live up to that agreement. They are going to get us into this thing and talk us to death, and in the meantime build submarines and cruisers to their heart's content.

Mr. FISH. I can not agree with the gentleman on that. We are already committed to send delegates to the preparatory commission, and if it does not work out the way we hope it will, I think the President owes a duty then to call a conference over here for the further limitation of naval armament.

Mr. BLACK of New York. And he has a further duty, if he can not succeed in that, in building up our own Navy.

Mr. FISH. I agree with the gentleman on that.

Mr. BRITTEN. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. BRITTEN. I am inclined to agree with the gentleman in what he says to this extent: The passage of this resolution and the appropriation of $75,000 will to a very large degree show the good faith of the United States in an attempt to limit armaments.

Mr. FISH. Yes.

Mr. BRITTEN. And the gentleman, I take it, is willing to spend the $75,000. It will go to establish an attitude of good faith, and I am inclined to agree with the gentleman.

Mr. FISH. That is not quite the proposition.

Mr. BRITTEN. That is largely the purpose of this resolution.

Mr. FISH. I admit that one has to be an optimist to expect very satisfactory results, after what we have learned in the last few days. But we have no other recourse, we are committed to this proposition, and if we do not go through with it our good faith will be questioned and properly so.

Mr. BRITTEN. I think that is the crux of this resolution—the establishment of good faith in the desire to do a great work, and the United States now is ready to appropriate $75,000 in what appears to many of us to be a lost cause, with a view to establish good faith.

Mr. FISH. That is correct. There is one thing that I can not agree with the gentleman about. I believe that the Washington Conference on Limitation of Armament in 1921 and 1922 was the greatest achievement in the direction of peace since the armistice. I believe that the reduction of the Navy based on the 5–5–3 ratio did more to destroy overnight all thought and talk of war with Japan than anything else. Up to that time the papers were filled with jingoism, and numerous little things occurred prior to the Washington limitation of armament treaty which had a tendency to excite both Japan and the United States, and besides that treaty saved the United States of America $250,000,000 a year by establishing a proportional ratio for reduction of capital ships.

I agree with the gentleman that the ratio should be kept up, and I intend to vote, very gladly, although I believe in a limitation of armaments, for three additional light cruisers, because I think that ratio should be maintained intact. [Applause.] And if necessary, I would vote for more than three additional cruisers if it were required to keep up the 5–5–3 ratio.

Mr. BRITTEN. The gentleman is in complete discord with his colleague on the Committee on Foreign Affairs, the gentleman from Ohio [Mr. BURTON], who says that he does not believe in the 5–5–3 ratio.

Mr. FISH. Certainly. The gentleman from Ohio has a right to his own view. I further say that by voting three additional cruisers, we do more than anything else to uphold the hands of our delegates in trying to get a further limitation on the other side, because if we go over there with simply paper guns and paper ships, they will laugh at us, and I am in the meanwhile for upholding the 5–5–3 ratio intact, in all its integrity. I am also in favor of further limitation of naval armament, and am going to say something with which I think the gentleman from Illinois [Mr. BRITTEN] will not agree.

I go very much further than even the President does on the question of limitation of naval armaments. I see no reason in the world why we should not call a conference of the naval powers here in Washington and reduce proportionately again the ratio of capital ships. We would have practically the same protection if we reduced the number of capital ships on a proportional ratio from 18 to 9, if all the other nations did likewise. Why maintain 18 capital ships, costing millions and millions of dollars to operate, if we can get the same protection with 9 capital ships, providing that England and the other nations do likewise? Of course, I certainly would favor such further limitation of capital ships.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. GREEN of Iowa. Why not have the powers come together and maintain an agreement with England and Japan?

Mr. FISH. I think the gentleman is absolutely right. We are quite sure that France will not come in, but it is very possible that America, Japan, and England, the three great naval powers, having more strength in battleships than all the others put together, might very well agree to reduce further.

Mr. BRITTEN. Mr. Chairman, will the gentleman yield there?

Mr. FISH. Yes.

Mr. BRITTEN. Does the gentleman seriously contend that England would agree to a limitation of her naval armament with Japan and America without having some understanding with France?

Mr. FISH. I think they might all agree to further reduce their capital ships. France has few capital ships. But I do not think France would agree so far as submarines are concerned or that Great Britain would give up her preponderance of light cruisers; that is a different proposition.

Mr. BLACK of New York. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. BLACK of New York. Does the gentleman ever expect that Great Britain will reduce her light cruiser strength?

Mr. FISH. I think Great Britain might reduce a certain amount. She has something over 30 light cruisers. I think Great Britain might reach some agreement with Japan and the United States to limit the number of light cruisers.

Mr. BRITTEN. Does the gentleman mean by that that Great Britain will scrap something that is now useless?

Mr. FISH. Yes. Mostly old cruisers of less than 10,000 tons. But what we want is to establish a ratio. The crux of the whole trouble is that if you do not establish a fixed ratio you enter competitive naval armament, and that is the one thing, more than anything else, that leads to war. That is the thing that started bad blood between Germany and England back in 1890. There was a very friendly feeling between the two countries before that, but as soon as Germany began to build a big navy that led to suspicion, distrust, and finally to war. All we can try to do is to reach a fixed ratio between the naval powers on auxiliary ships, and thereby to do away as far as possible with competitive armament.

Mr. TAYLOR of Colorado. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. TAYLOR of Colorado. The gentleman refers to a ratio as to the bigger ships?

Mr. FISH. The idea is to stop as far as possible competitive armaments in all classes of naval ships and prevent war.

Mr. BLACK of New York. The only hope of the United States is to send the farm bloc over there and bring back some of those ships.

Mr. FISH. I agree with the gentleman about that.

Mr. MOREHEAD. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. MOREHEAD. Reference has been made to other nations of the world not having kept faith with the Washington agreement. Most of the statements have been rumors, in my judgment. I am not strong on rumors, because we had plenty of false alarms during the war. Can the gentleman give us some definite information as to where they have violated their agreement with us?

Mr. FISH. I am glad the gentleman has asked the question. I am no expert on naval affairs, but speaking personally, I do not believe that any foreign nation has violated the spirit of the Washington treaty. I think the United States has failed itself to keep up with the 5–5–3 ratio, and I do not think any foreign nation has violated the agreement. I think they are entitled to build all the light cruisers, submarines, and destroyers they want under that agreement.

Mr. BRITTEN. My impression is that no nation has violated the Washington treaty. But continual reference is made to its violation in spirit, and by that is meant that it was generally construed that the 5–5–3 ratio on naval armaments as to all ships of war would prevail, whereas there is nothing like that in the treaty. When we refer to nations violating the treaty we mean the spirit of the treaty. The spirit of the treaty is that all warships shall be built on a ratio of 5–5–3. The other nations have gone ahead building light warships.

Mr. FISH. The limitation of light cruisers was not agreed to at the Washington conference nor was any agreement reached on destroyers and submarines, and there was no moral reason why any naval power should have stopped building as many as they wanted.

Mr. BRITTEN. We are in accord with that.

Mr. LINEBERGER. Mr. Chairman, will the gentleman yield there?

Mr. FISH. Yes.

Mr. LINEBERGER. Does not the gentleman think that the same conditions that prevented an agreement with regard to light cruisers and submarines exist to-day, and that all this expenditure of money would be just as useless now to attempt to limit the expenditure of money for those as it was five years ago?

Mr. FISH. I agree with the gentleman.

Mr. LINEBERGER. The problem will never be solved as long as Gibraltar stands between Morocco and Marseille. An agreement exists that would prevent an agreement upon the part of Italy and France.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. BLANTON. Would it not be much easier for us to solve our part of the problem if we would allay this clamor that is coming from the navy yards and from the shipbuilding interests and this and that other interest that want us to spend money for building more ships? Could we not solve our part of the problem more easily if we could get those conditions out of the way?

Mr. FISH. I do not know about that. I rather think we ought to keep up the ratio but reduce proportionately and show our willingness to reduce proportionately.

Now, Mr. Chairman, it is going to be very difficult for our delegates going over to this preparatory meeting, not only to reach any agreement to limit naval ships, in view of the attitude taken by France, but it is going to be perfectly impossible to reach any agreement to reduce the size of European armies, because one of the biggest countries in the world, having one of the biggest armies, has refused to enter that conference, and that is Russia. As long as Russia maintains its armies and refuses to limit those armies proportionately, of course, the rest of Europe—France, Italy, and other countries on the Continent—can not go ahead and reduce.

But, as far as we are concerned, we can at least say to them: We have already reduced our Army; we have done in a military way what the gentleman from Texas wants done in a naval way; we have reduced our Army to 118,000, which is practically a minimum for a country of 120,000,000, and, in addition, we can show to every nation in Europe a border line of 3,000 or 4,000 miles between Canada and the United States without a single fort and without a single gun.

Mr. BLANTON. Will the gentleman yield further?

Mr. FISH. Yes.

Mr. BLANTON. If we will stop passing the Chinese trade acts for our friend from Missouri [Mr. DYER] and quit giving these special privileges to a few Chinese-American corporations by relieving them of income taxes and other responsibilities, and then having them expect our flag and our Navy and Army to protect them in China while enriching themselves off of those people over there, we would probably not need such a big Army and such a big Navy.

Mr. LINEBERGER. If we did that, we might as well build a Chinese wall around the United States.

Mr. BLANTON. No. I want an American Navy and an American Army for defense of Americans and not for foreigners.

Mr. FISH. Let us understand two things about this preparatory conference. The first is that the United States of America is willing to send its delegates over to Geneva hoping they can reach some satisfactory basis of limiting naval armament, and if possible military armament. That is the first thing. Let the American public understand that we intend to show our good faith, at least; and, in the second place, let the public understand that we have already reduced our Military Establishment and that we are not a party at all to the situation that arises i Europe to-day, where they believe they must maintain great armies.

I think it is a most pathetic thing that although eight years have elapsed since signing the armistice, yet the nations of the world have been unable to reach any agreement to limit military establishments. It almost seems they have forgotten that 10,000,000 men were slaughtered in the World War, that 5,000,000 more were maimed, and that billions of dollars of the savings of generations were consumed for destructive purposes. Yet, in spite of all that, we have not been able to do a thing with the rest of the world to persuade them to limit military establishments. We have been and are ready to cooperate to limit both naval and military armaments to help achieve and maintain world peace, but very little progress has been made. That is the most pathetic thing in our day and generation.

Mr. LINEBERGER. Will the gentleman yield?

Mr. FISH. Yes.

Mr. LINEBERGER. Does the gentleman think America would have been in the World War at all if we had had a navy and an army adequate to defend our rights and command respect?

Mr. FISH. I think we had a pretty large Navy, and certainly the English Navy was large and adequate to handle the Germans until we entered the war.

Mr. LINEBERGER. I would like to have the gentleman answer that yes or no.

Mr. WAINWRIGHT. Will the gentleman yield?

Mr. FISH. Yes.

Mr. WAINWRIGHT. As I understand the gentleman's statement, it is that it is hopeless to expect any agreement as to cruisers, submarines, or destroyers.

Mr. FISH. Not altogether hopeless.

Mr. WAINWRIGHT. Well, it is pretty nearly hopeless.

Mr. FISH. It is a very difficult thing to work out.

Mr. WAINWRIGHT. The gentleman has also practically said it is hopeless and probably futile to continue the discussion as to a limitation of land armament. If that is so, what is the use of our continuing in a conference which has already demonstrated that its results will be futile? Why should we continue to spend money on a conference the inutility of which has already become entirely apparent?

Mr. FISH. Well, I will answer the gentleman from California first and then answer the gentleman from New York. The gentleman from California wanted to know whether if we had had great armaments that they would have prevented us from entering the war or practically having war declared on us. I will say in answer to the gentleman that every nation in Europe before the war was armed to the teeth, but that did not stop war. I believe that great armaments are the cause of war. [Applause.]

Now I want to answer the gentleman from New York by saying that we are already committed to this venture; we are a party to it; our delegates have been over there, and, as the Secretary of State pointed out, it would be a breach of faith if we did not continue and at least hope for the best and show we are willing to meet with the League of Nations, the preparatory commission, or the nations of Europe in trying to reach a satisfactory agreement to limit all kinds of armaments.

Mr. WAINWRIGHT. In other words, we are asked to make this appropriation in the spirit of hoping against hope?

Mr. FISH. Yes.

Mr. BLANTON. I want to ask the gentleman one other question. The defense of a nation, after all and most of all, depends upon its reserve strength and its reserve resources and possibilities, does it not?

Mr. FISH. Let me say to the gentleman from Texas that we are better prepared for defensive purposes than we have ever been during the history of our country, except immediately after the Civil War. There is no question about that.

Mr. KNUTSON. Will the gentleman yield for a question?

Mr. FISH. I have only four minutes remaining.

Mr. KNUTSON. I will move to have the gentleman granted more time.

Mr. FISH. The gentleman can not do that. I yield.

Mr. KNUTSON. Does not the gentleman think that if we would stop granting credits and furnishing money to these powers to be used for military and naval armaments we could help the situation?

Mr. FISH. There may be something in that. That might prevent them from increasing their armament without regard to their budgets.

Mr. LINEBERGER. The gentleman has been very generous and I would like to ask him to yield for one more question.

Mr. FISH. I am sorry, but I have only three minutes left. There is only one time to make war on war and that is in time of peace. You can not do anything about it in time of war. It reminds me of that old story about the veteran who had a nagging wife. He took the first opportunity to get away from her when war was declared, so he left and went over with the first contingent of the A. E. F., but still these nagging letters followed him. Finally, after he received a particularly severe and nagging one he answered her letter and said, "Dear wife: Please let me fight this war in peace." [Laughter].

Gentlemen, the time to fight war is in time of peace. There is no other time. If you try to fight it in time of war, you would probably land in jail and that is where you would belong.

We have the moral leadership of the world in our hands. Of course, it is our duty to cooperate with all the nations of the world in every effort and in every endeavor to limit naval armament, military armament, and all kinds of armament. This is our duty as the biggest and richest and strongest Nation in the world; and in the remaining minute or so I want to put in the RECORD a statement that was given me to-day by the War Department which shows something of the ruthlessness and the increasing horror of modern warfare.

This is simply to show that the modern high-explosive shell causes a great many more deaths per wounded than they did in the old-fashioned war of 50 or 100 years ago. Fifty per cent of those killed in the World War were killed by shell fire; that is, they were killed by an unseen foe. The following is the percentage of wounded men who died as a result of their wounds: Civil War, wounded who died, Union Army, 28 per cent, Confederate Army, 30 per cent. Franco-Prussian War, Germans, 28 per cent, French 30 per cent. Russo-Japanese War—now notice the jump, because this is when the high-explosive shell was first used—Russians, 36.9 per cent, Japanese, 34 per cent. World War, French, 36 per cent; English, 36.6 per cent; Germans, 43 per cent.

This is the percentage of the men wounded who died as a result of their wounds and the reason is the development of the high-explosive shell, with its terrible steel splinters, and the machine gun. We certainly should use our great moral influence to do away as far as is humanly possible with "man's inhumanity to man." [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. LINTHICUM. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. CONNALLY].

Mr. CONNALLY of Texas. Mr. Chairman and gentlemen of the committee, this resolution complies with the request of the President conveyed to the House in January, I believe, for an additional appropriation of $75,000 to cover the expenses of delegates to the disarmament preparatory commission which is being held or will be held soon at Geneva under the sponsorship of the League of Nations.

It will be remembered that we appropriated $50,000 to cover the expenses of the delegates to the last session of this conference. It must be borne in mind that this commission is merely meeting for the purpose of preparing a program, or, as the diplomats say, an agenda for a conference which is to be later called to deal with the subject of disarmament.

On account of the declination of France to accede to the President's recent request regarding naval disarmament and to the predicted declination of Italy to join in that program, it is possible, and entirely probable, that whatever may be accomplished in behalf of disarmament will have to be accomplished at this conference that is being arranged at Geneva under the sponsorship of the League of Nations, because France has specifically declined to enter into an agreement other than the one which is being carried out under the direction of the League of Nations.

France takes the position that to have a separate and distinct agreement on naval disarmament, independent of the league's program for disarmament, would seriously embarrass the the league's program and would weaken its influence. While the preparatory commission may not accomplish all that we may hope for, I believe, in the interest of international peace and good will, the United States can not do less than to appropriate these funds and send our delegates again to the League of Nations conference at Geneva.

I regret, however, that the President, in appointing our delegates to Geneva, appointed a predominantly military and naval commission rather than a civilian commission. It is true that Mr. Gibson, at present minister to Switzerland, is chairman of our delegation to the preparatory commission, but his staff is composed almost wholly of military and naval men. It is necessary, of course, to have military and naval experts on the staff, but most of us know there is not one military man or one naval man in ten who believes in any form of limitation of armament. [Applause.] The result is that we send a staff composed of these experts. They can not dissociate the problem from their preconceived notions about it. Mr. Gibson, while a civilian, will be so environed with this naval and military atmosphere that he will, of course, largely be dominated by their advice.

Mr. BRITTEN. Does not the gentleman think that these very experts are the best qualified to formulate these propositions for disarmament?

Mr. CONNALLY of Texas. Why, I will say to the gentleman that if they want to prepare a conference to really disarm and they believed in it, of course they would be; but if they do not believe in disarmament, if they have no sympathy with the idea, they are going to have some difficulty in disassociating their impressions from the practical features which will be necessary in order to disarm. In making these suggestions I am not impugning the motives or good faith or sincerity of gentlemen who represent us at the preparatory commission at Geneva.

What would gentlemen say in this House, for instance, if we should decide that we wanted to engage in a naval disarmament conference, and we should designate the gentleman from Illinois [Mr. BRITTEN] as the American delegate to this great naval conference for the limitation of armament? [Laughter.]

Mr. BRITTEN. As a taxpayer of this great country, would the gentleman rather have the gentleman from Illinois or the gentleman from Ohio, Senator BURTON, who is for no navy at all; as a matter of practical national defense, which would he rather have?

Mr. CONNALLY of Texas. I will say to my friend that if I wanted the biggest navy in the world, regardless of any other government or any other nation or any other foreign country—as they used to say in reference to 16 to 1—I would want to send the gentleman from Illinois, because I know he would never agree to disarmament; but, on the other hand, if I wanted a conference that would make some progress toward real disarmament, real limitation of armament, I would send the gentleman from Ohio. [Laughter.]

Mr. BRITTEN. Of course, the gentleman from Texas and I could go along for a week and not agree on what might be called an adequate Navy.

Mr. CONNALLY of Texas. Let me say that I have always voted with the gentleman for a big Navy. I am still for a big Navy, unless we can agree by treaty not to have a big Navy.

Mr. BRITTEN. The President of the United States called for an incomparable great Navy, and I think the gentleman from Texas——

Mr. CONNALLY of Texas. The gentleman from Illinois has not been sufficiently observant of the attitude of the gentleman from Texas. On a number of occasions I have expressed myself by voting with the gentleman from Illinois against his own President in favor of additional cruisers; and the reason the gentleman from Texas voted that way is because until we do have some effective control over naval limitation and some effective limitation of armaments, the gentleman from Texas believes it is his duty, and the duty of Congress, to provide the country with a Navy sufficient to meet the greatest navy that floats, so far as it is possible under the present treaty.

Mr. BRITTEN. And I want the gentleman from Texas to feel that I appreciate the gentleman's attitude. I am not ignorant of that fact.

Mr. CONNALLY of Texas. But the gentleman said that he could go along with me for a week and not agree.

Mr. BRITTEN. I said not agree on what was an adequate Navy.

Mr. CONNALLY of Texas. The trouble with the gentleman from Illinois is that while he is a great naval man, he has not sufficient influence with his own party or with his own President to adopt his policy, but he is pulling one way and the President is pulling the other all the time.

Mr. COLE. If the gentleman from Texas will yield, I think that statement made by the gentleman from Illinois as to the attitude of the gentleman from Ohio [Mr. BURTON] is not correct. The gentleman from Ohio told us within an hour that he was in favor of an adequate Navy and was ready to vote for the elevation of the guns.

Mr. BRITTEN. Oh, the gentleman from Iowa is entirely mistaken.

Mr. CONNALLY of Texas. Gentlemen, this is my time. [Laughter.] The gentleman from Ohio [Mr. BURTON], while opposed to the league, advocates our sending delegates to the league conference. The President advocates going back to Geneva, to this conference under the league.

Mr. LINTHICUM. Mr. Chairman, I yield to the gentleman from Virginia [Mr. MOORE] such time as he may wish.

Mr. MOORE of Virginia. Mr. Chairman, a good many of the questions that have been suggested here in the course of this discussion I have no idea of talking about. I have no idea at all of going into the question that was debated some weeks ago with reference to the construction of cruisers. This resolution proposes only one thing, and that is that our Government shall maintain contact with the League of Nations with respect to a single matter. We have declared heretofore that we think it wise to do that. All that is asked now is that the House shall carry out its original purpose by increasing the appropriation which will enable us to continue to do that. Personally I believe it is not only the duty of our Government, but it is to the interest of our Government to stand in a thoroughly sympathetic attitude toward the existing League of Nations and to do all that is possible without any sacrifice of our principles and views to support and foster the work that is being carried on by the league.

Mr. Chairman, I ask unanimous consent to have printed in the RECORD two very brief addresses recently delivered in New York, one by the gentleman whom somebody has called the ablest man in America, Mr. Elihu Root, and the other by Dr. Nicholas Murray Butler, discussing the work and achievements of the League of Nations. They furnish enlightening information as to the processes and performances of the league and suggest the wisdom of the policy to which I have just alluded.

Mr. LINEBERGER. Will the gentleman further state that both these gentlemen are for the League of Nations and include that in his remarks?

Mr. MOORE of Virginia. They are not now urging that our Government should enter the league.

Mr. LINEBERGER. Since when did they cease to do so?

Mr. MOORE of Virginia. That is a difficult question to answer with reference to many gentlemen, and I do not think it is a profitable question to consider now. These eminent men are not saying that the United States should become a member of the league, but they are telling us what this Old World institution is doing.

Mr. LINEBERGER. They may not be advocating going in by the front door, as formerly; but they want to scratch in through the back door.

Mr. MOORE of Virginia. No; they are in favor of conferring with the league whenever the league is engaged in any effort which seems to make for the welfare of the world and the peace of the world. I shall do nothing more than quote one sentence from Mr. Root's speech, and it is a very remarkable utterance:

> For these years [the past few years] the league in the political field and the court in the judicial field have been rendering the best service in the cause of peace known to the history of civilization—incomparably the best.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent to extend his remarks in the RECORD by printing two addresses, one by the Hon. Elihu Root and the other by Dr. Nicholas Murray Butler. Is there objection?

Mr. KETCHAM. Does the subject matter of Doctor Butler's address relate to the matter under discussion?

The CHAIRMAN. The Chair so understands.

Mr. KETCHAM. I have no objection.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MOORE of Virginia. Mr. Speaker, under permission granted I insert the following addresses. I do this with no wish whatever to revive the old controversy as to whether our Government should become a member of the League of Nations, and without indorsing every expression contained in the addresses but for the purpose of showing the view of two very able and thoughtful men on one proposition, namely, that in the interest of the peace of the world it is most desirable that our Government, not sacrificing any of its own principles, should steadily give the League of Nations as now organized its avowed, sympathetic, and earnest support. I am no pacifist, in the common use of that term, but I have never been able to believe that there is anything so important as the avoidance of war, and I thoroughly agree with Mr. Root that the league is an incomparably useful agent in serving the cause of peace.

The matter referred to is as follows:

WORK OF THE LEAGUE OF NATIONS

An address by Mr. Elihu Root, former Secretary of State of the United States, in accepting the award of the Woodrow Wilson Foundation made to him in New York, December 28, 1926, "in recognition of his services to humanity and the cause of peace through justice in helping to create the Permanent Court of International Justice"

I beg you to believe that I deeply appreciate the honor that you do me. The finest thing about it is the spirit in which it is done, which is able to brush aside as incidental long political opposition and not a few differences of opinion publicly avowed, and to rest upon fundamental identity of purpose with a sense of proportion suitable to the high distinction of the great President whose memory you celebrate, and suitable to the deep and permanent purpose of your organization.

In foreign affairs it is peculiarly true that the spirit in which work is done is everything.

M. Briand in the Washington conference five years ago said, very wisely as well as very eloquently, that in Europe there must be moral disarmament before there could be physical disarmament, and ever since he has been applying to the disturbed conditions of Europe that sage philosophy, to his own immortal glory and to the great benefit of all mankind.

Nations always will differ. They differ in inherited characteristics and predilections and traditions and modes of thought and feeling. But there never is a difference so great that it can not be peaceably settled if approached in the right spirit.

And there never can be a difference so trifling that it may not be made the occasion of war if it is approached in the wrong spirit.

We are confronted by some difficulties in this respect in this country. We have long been a member of the community of nations, adjusting with our sister nations the rights and duties of members of that community by means of the diplomatic procedure which had grown up in the course of centuries—foreign offices and ambassadors and ministers and diplomatic notes and diplomatic memoranda and treaties and mediation and conciliation, etc. At the close of the Great War, when the greater part of the nations of the world united in the League of Nations, they entered upon a new mode of regulating their conduct with regard to each other and adjusting the differences that arise in the ordinary course of international affairs. Instead of using the old method, they proceed by formal conference of council and assembly, and a large part of the business which foreign offices and ambassadors used to do is now done through the machinery of the league. We have stood out of the league and are going on in the old ways, by the old methods, and the utmost friendly consideration is needed to reconcile the conduct of international affairs in the new way by our sister nations across the Atlantic and in the old way by ourselves. It is a very difficult thing to make a horse that trots and a horse that gallops pull evenly in the same team.

If the League of Nations had been formed against the United States the matter would be simple; but it was not formed against the United States; it was formed in friendship to the United States. It was formed in the expectation that we would be a member, and it was formed with the understanding, based upon the judgment of our representative, our negotiator, our agent, in the conference at Paris that it would be acceptable to the people of the United States.

We had a perfect right to refuse to enter into the treaty. Fair notice of that was given by the provisions of our Constitution. Nevertheless, President Wilson, when he went to Paris, was our representative; he was our negotiator; he was our agent; he was the only one to whom the nations of Europe could look to ascertain what would be satisfactory to the people of the United States. And when the league was completed, when we refused to become a member of it, Europe was left with an incomplete organization, left without the support of the most populous and richest and most powerful nation whose name was written into the covenant. When Europe was left with that incomplete organization to deal with the wild forces that were set loose by the readjustment of territory and of sovereignty under the treaty of Versailles, what would we naturally have said, what would any gentleman have said to another who had been brought into such an untoward condition by his representative and agent, mistaken, but in good faith? What but an expression of the most sincere regret? What but an expression of a confirmed intention and a strong desire to do everything possible to prevent our staying out of the league from being injurious to our old friends and associates?

What did we do? Has there ever been an exhibition by America of friendship or sympathy with the league and its work? Unfortunately, the controversy which resulted in our determining not to enter the league was violent, and bitter feelings were aroused. Those feelings came to be carried over to the league itself; and it came to be a common thing that we could read in the newspapers and hear in speeches and in conversation expressions of expectation that the league would fail, and evident pleasure when it seemed that it might fail. Those feelings were extended to the court which was presently created to cover another part of the field in the same effort to bring about permanent peace. Reprisals began to come from the other side. Unkind expressions never can be confined to one side. Reprisals began to come, disagreeable things were said upon the other side, and a period of pin pricks has proceeded for years. It has colored and conditioned the consideration of the debts between the foreign nations and ourselves.

That is not all. Not only did we forget the demands of honorable obligation resting upon old associations and fellowship and the expectations raised by our own representative; but consider the service that was rendered by the league and by the court. For these years the league in the political field and the court in the judicial field have been rendering the best service in the cause of peace known to the history of civilization—incomparably the best.

War results from a state of mind. These institutions have been teaching the people of Europe to think in terms of peace rather than in terms of war. They have been teaching them by actual practice, by things done, to think of oral conference instead of war about policies; to think of argument and proof and judicial judgment instead of war about rights; teaching them to acquire habits of thinking and of acting that way. The question of war or peace for the next generation is being settled now, to-day, by the character and the habits of thought and feeling, and the standards of conduct, which the people of the world are learning to-day to guide them in the exigencies of the future.

We, the great peace-loving people, what have we done to help in this wonderful new work? No sympathy, no moral support, no brotherhood. Our executive department has done the best it could, but governments can do little. It is the people, the power of the people behind the government, that means everything.

We have allowed insensate prejudice, camouflaged by futile phrases, to appear, but falsely appear, to represent the true heart of the American people with all its idealism, with its breadth of human sympathy, with its strong desire that our country should do its share for peace and happiness and noble life in all the world. These are the qualities which save the soul of a nation rather than wealth and prosperity. But these qualities do not long survive disuse. The repercussions of our domestic strife seem to have prevented the effectiveness of our noblest impulses.

These, my friends, are some of the evils visited upon us by a hateful and contentious spirit; from which may the good Lord deliver us.

Address of Nicholas Murray Butler at the League of Nations Nonpartisan Association dinner in celebration of the seventh birthday of the League of Nations, Monday, January 10, 1927, Hotel Astor, New York City

Mr. Chairman, ladies and gentlemen, my concern is for my country, for its good repute to-day and in history, for its influence and for its moral leadership in these great days of twentieth century democracy.

Toward the close of the summer holiday, I sat with an interested congregation in a little church by the sea and listened to a very striking sermon. Its opening sentences were somewhat like this: "The reason why Christianity no longer makes appeal to men is that they are too prosperous. They have discovered a new god, Comfort, and they are so concerned with worshipping him that they have no time for the God of their fathers." Then the preacher went on to say that the modern American ideal of life seemed to be to put a comfortable baby into a comfortable crib to be watched over by a comfortable nurse until it was able to go to a comfortable school; then to send it to a comfortable college, where comfortable teachers would see that it did not work too hard; to find its way into a comfortable profession, to marry a wife with a comfortable fortune; to spend 20 or 30 comfortable years, and finally to pass through a comfortable opiate to a comfortable grave. It was rather a striking picture, and not without its lessons for some of us.

As a people we seem just now not to be able to grasp the fact that it is given to us to stand at one of the turning points of human history and to watch the great procession of the ages as it changes its line of march and alters its objective. One wonders whether, when ancient Greece was passing, the leaders of Greek thought and letters knew that it was passing. When the Roman Empire was tottering to its fall, did the men of light and leading really understand that a stupendous change was going on? Did the men of the Renaissance have any conception of the period through which they lived and to which they made such powerful contribution? Did the political philosophers of England and France of the seventeenth and eighteenth centuries realize that they were teaching ideas and thoughts that were to make a new political and social and economic world? Do we know—do we realize—that the long process of nation building that has been going on in the western world now for more than a thousand years has come to a substantial end, and that those nations—built many of them on strong and firm foundations, others still in the first flush of youth—are seeking, some of them in the darkness, for ways and means to clasp hands together to make a new form of human unity, of human cooperation, of expression of human effort, that shall destroy no nation but enrich them all?

He must be blind and deaf who can not see and hear the signs of the times. Locarno, from being only the name of a little town by a mountain lake, has become a significant symbol that will take its place in the long list of names that mark the progress of man's march, first toward liberty, then toward that fine and noble and lofty use of liberty which is human cooperation and international peace.

This is not the place, this is not the time, to recount details, many of which are so familiar to you all. But when we speak of Locarno we must never forget what three sterling personalities, three true leaders of men, did there for their countries and for the world, and what they did to place use all everlastingly in their debt. If you will let your mind run back 12 years to those dreadful days of 1914–15, does it not seem unthinkable that the ministers of foreign affairs of France and Germany and Great Britain should in that short time be sitting together around a table, talking as friends and comrades and companions, in a sincere and, thank God, a successful effort to bring their nations into association and into harmony?

M. Briand is easily one of the most remarkable personalities of our time, if not the most remarkable. You must remember that France and Germany, and even Great Britain, have their stoutly recalcitrant elements which have to be dragged by main force up to any council table where peace and international association are to be considered and discussed. Aristide Briand, eight times Prime Minister of France, walked no pathway of roses when he went to Locarno, and he took in his hand his own political reputation and future perhaps, and, as many think, the security of the Government of France. M. Briand is not only a most accomplished orator with astounding power of eloquence and skill in presentation of argument and of fact, but a fascinatingly

subtle personality with a temperament of so great charm that it disarms while it seduces. M. Briand brings you to his side with a smile, with a shrewd and kindly word, and then with a formula, the kind of formula that the French mind loves—simple, brief, clear, precise—he states his problem. Argument is made almost impossible.

Doctor Stresemann has become M. Briand's warm personal friend. Tell me, if you please, whether anything so astonishing as that could have been foreseen in 1914? Doctor Stresemann has his own ultranationalists to deal with. They have no overweening desire to build on the foundations that the present offers. They keep pointing day by day to the occupation of the Rhineland, to the Silesian partition, to the Polish corridor, and they say to Doctor Stresemann and his parliamentary supporters, "How can you ask us to sit down with France and Great Britain and proceed to formulate new policies of cooperation on the basis that those things are to remain faits accomplis?" But Doctor Stresemann shrugs his somewhat square Prussian shoulders, raises his fine head and smiles, and goes to Locarno.

Let me tell you a story of Locarno that will illustrate far better than any words of mine could what the spirit of Locarno was and what those men were able to accomplish there. Last March the question of the admission of Germany to the council of the league was at issue, and the word had come that Brazil was to use its legal power of veto to prevent the necessary unanimous consent. The night before the decision was to be taken, M. Briand and Doctor Stresemann were closeted together in a back room, smoking vigorously and discussing how to meet the situation that had developed. Outside was an anxious group of 50 representatives of the world's newspaper press waiting for some indication of what France and Germany were going to do at this great crisis.

M. Briand said: "Doctor Stresemann, I do not see what we can do. Brazil has the power, if she chooses to exercise it, and it appears that she does. I do not see what we can do, do you?"

Doctor Stresemann replied, "No, I do not; we have come to an impasse. Brazil blocks the way, and we can apparently do nothing." "I will tell you what to do," said M. Briand, "Let us go to bed. Let us sleep over it, and perhaps something will come to us in our dreams and we shall get light." Doctor Stresemann said, "Splendid!" The door was thrown open. Briand and Stresemann went out to face the waiting newspaper men, arm in arm. Briand took his cigar from his mouth and he said, "Gentlemen, I have pleasure in saying to you that Germany and France are in absolute agreement as to the next steps to be taken."

That was telegraphed from Japan to Chile, and the world was gratified beyond expression at the obvious cooperation and rapprochement between Germany and France. That story is authentic.

What I wish to emphasize is two things: First, the element of leadership that exists, and second, the cordial trust and confidence between men who traditionally represent long-standing bitter enmities. I submit, Mr. Chairman, that the association between these three men—M. Briand, Doctor Stresemann, and Sir Austen Chamberlain—with their friendly understanding, their intimate personal touch, their complete confidence, is the key to an understanding of what is going on in western Europe. Their countries, delighted, have risen to their support, and each man is stronger to-day with the public opinion of his nation than he ever was before in his long parliamentary career.

Locarno, Mr. Chairman, means much more than a series of treaties. Locarno is a spirit, a point of view, a determination that, come what will, the old order shall not be restored. What I wish to see, Mr. Chairman, is that my country shall share that spirit and that determination.

Unhappily, the policies as to international affairs—or perhaps the lack of policies—that have been pursued by our Government since the armistice, have made this Nation of ours a dangerous derelict adrift on the high seas of international intercourse, and lying straight across the path of every ship that sails laden with the precious cargo of international friendship and concord.

Has not the time come, is it not already late in the afternoon, for our people to rouse themselves from their lethargy, dulled by what Iago called the "drowsy syrups" of a material prosperity, possibly temporary, into a sullen and cynical indifference to those great causes, those great appeals, those noble ideals, which in other days stirred the soul of Americans, and which our fathers sent Franklin and Adams and Jefferson overseas to explain to the Old World from which we sprang? Surely we make a sorry spectacle to ourselves, to the onlooking and mystified world, and to the historian who some day will tell the story of it all.

When Jefferson put his pen to the Declaration of Independence, what was it that gave distinction and unique character to his preamble? It was his "decent respect for the opinions of mankind." We were not isolated and aloof then. We were not isolated and aloof when Washington sent Jay to negotiate that great treaty with Britain. We were not isolated and aloof when Jefferson pursued the Barbary pirates that were preying upon the world's commerce. We were not isolated and aloof when Henry Clay's voice from the floor of the House of Representatives made that appeal which called South American nations into being. We were not isolated and aloof when we offered welcome and distinction to Louis Kossuth, the Hungarian revolutionary. We were not isolated and aloof when Secretary Blaine penned his first call for a Pan American conference. We were not isolated and aloof when John Hay wrote his note as to the open door in China. We were not isolated and aloof when Mr. McKinley and Secretary Hay sent that great delegation to the first Hague conference, and when they saved that conference from disaster by inventing and carrying to completion the court of international arbitration. We were not isolated and aloof when Mr. Secretary Root wrote his truly notable instructions to our delegates to the second Hague conference, instructing them, as representatives of the Government of the United States, to leave no stone unturned to bring into being a Permanent Court of International Justice, and distinguishing, as he so well knows how to do, between the possibility and duty of international association and cooperation in respect of common ends and the avoidance of interference with the internal policies and concerns of any nation. We were not isolated and aloof then, and we were not isolated and aloof when the awful blow fell in 1914, when the world staggered. We were not isolated and aloof in France and Belgium and on the seas. We were not isolated and aloof when the time came for the great settlement.

And Mr. Chairman, in the months of June, July, and August, 1919, the representatives of our two great political parties were so nearly at one that the tragedy which followed is multiplied many times in its sadness and its horror. A little bending here, a little yielding there—a change of this phrase or a change of that—and the history of these last years would have been strangely and splendidly different.

In anticipation of meeting this company, I have examined to-day certain files and records covering those months of intimate confidential negotiations. I can only say that I am not going to write a book, and I can give the same excuse that Lord Beatty is said to have given when he was asked in London whether he proposed to write a volume or two containing his memoirs of the war. He said, "No; because so far as I can remember, I have done nothing that needs explanation or apology."

Now, we are confronted, Mr. Chairman, with a practical situation. A great many of our people seem to be satisfied to sit toying with their taboos and their totems and counting their comforting coins. One of their taboos is that somewhere there is concealed an American tradition that we never have anything to do with anybody. Where it came from I do not know. The phrase, ascribed to Washington on which it usually is based, Washington never saw. He died before it was written. It was used by Thomas Jefferson in his first inaugural, and it had no more reference to the sort of thing of which we are now speaking than it would have to equipment of a Polar exploration expedition. Our entire tradition, our entire historic development, has been absolutely the opposite. Why, it was only the other day that this isolated Nation and aloof, was, through hundreds of boards of aldermen, scores of legislatures, and I think the Congress itself, passing resolutions calling for the dismemberment of the British Empire. That was at a time when the Irish vote was important. What would they think if the common council of the city of Prague, for example, should pass a resolution demanding that the city of New York refuses to be downtrodden and oppressed by the upper part of the State, should be set up into a separate government?

No, Mr. Chairman, the tradition, the history is exactly the opposite. The only way in which damage of this kind can be repaired is by the slow process of the reeducation of public opinion. There is no possible use in trying to pass statutes, acts, resolutions—meaningless words all of them—unless public sentiment and public opinion support and practically compel them. From this day on, with Locarno's name upon our lips and its symbol and significance in our hearts, the appeal should be in season and out of season to our American people to leave off talking about things that do not matter, to stop this chatter about a prosperity which never can be more than a means to an end, and to set ourselves to the great task of rebuilding our intellectual and moral leadership and taking hold of these situations, to the world's betterment and to our own best interests. Why, every ant hill is prosperous!

I have no hesitation in meeting our adversaries on the field of interest. Only I prefer to appeal from that interest which is the stomach and the pocket to that interest which is the head and the heart. The nations of the world, excepting ourselves and Soviet Russia and one or two more, have established the League of Nations. Before the campaign of 1920 I signed with 30 or 40 men of my party a statement that we believed that the election of the candidate whom we favored would lead to our support of that movement, and we based it upon his own words, in which he said "call it society, call it league, call it association, call it what you will, we are concerned not with the form, but with the substance." And what I signed in October, 1920, I honor with my signature now.

If times have changed, those of us with convictions have not changed; but the facts are now wholly different and the problems must be approached by new methods. We are now ready and should be ready by formal treaty or engagement to accept as our own the Locarno definition of aggression, and we should then be ready to say that if war breaks out in this world by aggression on the part of any power

signatory to that definition, we shall recognize no neutrality right on the part of our citizens to participate in that war by providing materials with which to carry it on.

"New occasions teach new duties,
Time makes ancient good uncouth"—

said Lowell. Some of our old and precious doctrines, excellent in the eighteenth century and well down into the nineteenth, have been legislated by fact into the realm of the morally impossible. Surely it should require no treaty, it should require no formal engagement, to keep the American people from being drawn, by reason of an attachment to a doctrine of neutrality that is now outworn, into even indirect participation in a war of aggression. We may define aggression as an act in defiance of the will or against the interest of another government or people without first submitting the issue to the impartial examination of a competent authority to determine what the facts may be and what are the equities involved. If that definition of aggression be accepted—and I know of none better—then for us to say that under the terms of a legal doctrine now quite out of harmony with modern progress, we demand for our citizens the right to participate indirectly in such a war by furnishing munitions and supplies to the aggressive belligerent, is a grotesque travesty on our common sense. We must quickly and publicly take the contrary stand.

If we were to do that, Mr. Chairman, clouds that still rest over the head and heart of Europe would quickly roll away. Believe me, they are afraid that in an aggressive war among themselves arms and destructive implements would be obtained from this neutral country.

Mr. Chairman, in an aggressive war there can no longer be neutrality. We must stand with the nation that keeps its word, and we must not side, even indirectly, with a nation that, through temper, through ambition, through wrong feeling, or for any one of a hundred reasons, violates its pledge and proceeds once again to bring down upon us such an avalanche as 1914 let loose.

From the standpoint of security western Europe is content. There are problems in the central and eastern portions; grave problems. There are nations not schooled in self-government; with no long background of order and economic prosperity behind them; with a great many inherited and traditional animosities which the stronger and the older peoples must help hold quietly in check while instructing them in the art of peaceful cooperation and self-development.

For myself, I believe that the key to the elimination of the Balkan problem is to be found in an economic union of those peoples. Let them begin to work together in economic cooperation and let that economic cooperation be successful, and we shall have come a long way from conditions that have disturbed Europe, and, through Europe, the world for a hundred years.

In the northeast of Europe there are new nations in the making. They were torn suddenly from the side of an old historic empire. They are feeling their way, trying to come to national self-consciousness and to arrive at and protect national independence; to participate in these international conferences as equals; to do their part; to give their counsel; to get their benefit. We have no immediate contact with them, to be sure, but our concern is that through any of them there may not be lighted once more the torch of fire that shall reach inflammable material lying loose in that section of the world.

But if I were the foreign minister of a Balkan state or the foreign minister of one of the new nations in northeastern Europe I should be disposed to ask my country's diplomatic representative in Washington to suggest that the processes of arbitration and judicial settlement need not be confined in their operation to European nations. That could hardly be deemed an act of intrusion, but it would suggest something which, to the best of my knowledge, has been largely overlooked up to the moment in certain places.

One thing more: There could be no more inappropriate moment than this to talk about enlarging our naval forces. It makes no difference whether the ratio ought to be 5–5–3 or 5–5–3.9 or 5–4–3.2, this is not the time to talk about it. There is such a thing as a psychological moment, and now when the eyes of the world are fixed on what is to follow Locarno, how that is to be made permanent and built into the institutional and intellectual life of Europe, what could be more distressing, what more disheartening than to find the American Republic concerned, not with Locarno, but with the pre-war psychology of armaments?

It suggests once more the recurring question which it is so difficult satisfactorily to answer: Can men learn?

Abraham Lincoln, in his great debate with Douglas, used words about public sentiment which have come ringing down the decades since they were spoken. "Public sentiment," said Lincoln, "is everything. With public sentiment, nothing can fail; without it, nothing can succeed." Public sentiment reached from the platform, from the press, through the personal contacts of men and women with mind and vision and heart and feeling, public sentiment is the objective upon which those of us must move in our concern for our country's fame and repute, for her highest interest, and for her place in history as a builder.

To the public sentiment of the American people I would say to-night, using words that have come across the ages, "Choose you this day whom ye will serve"—the pagan idols of destruction and desolation and war, or the God of righteousness and progress and peace!

Mr. LINTHICUM. Mr. Chairman, I yield nine minutes to the gentleman from Colorado [Mr. TAYLOR].

Mr. TAYLOR of Colorado. Mr. Chairman, I ask unanimous consent to speak out of the regular order for 10 minutes.

The CHAIRMAN. The gentleman from Colorado asks unanimous consent to speak out of order. Is there objection?

There was no objection.

Mr. TAYLOR of Colorado. Mr. Chairman and Members of the House, I ask to interrupt the proceedings of the House for a few minutes to call your attention and the attention of the country to what will be a historic event in the development of the western portion of the United States.

Ever since the earliest pioneers began exploring the West, the great range of Rocky Mountains that runs north and south through North and South America has been a most formidable and dangerous barrier.

Its jagged peaks, some 30 of them in my State, reaching up into the clouds, over 14,000 feet, and covered with perpetual snow, have caused the untimely death of many thousands of daring and brave souls. That great Continental Divide separates our country into two nearly equal divisions—the Atlantic and the Pacific drainage basins.

All of you who have ever traveled from the Eastern States to the Pacific coast, no matter over what railroad you went, have crossed over the top of the great Continental Divide; that is, the main range of the Rocky Mountains. While you may have gone through a short tunnel, like the one on the Denver & Rio Grande Western Railroad over Tennessee Pass in Colorado, you have always noticed the long and steep grades on both sides of the backbone of this Nation. Ever since the 22d day of September, 1923, a few heroic and determined citizens, backed by the public-spirited people of four counties and of parts of five other counties in Colorado, have been persistently driving a broad-gauge railroad tunnel through the main backbone of the Rocky Mountains, and to-night at 10 o'clock President Coolidge, using the historic gold key that was used in opening the Panama Canal and over a special wire stretching from the East Room of the White House, 2,000 miles to the center of that tunnel, 3,000 feet under the Continental Divide, between the Atlantic and Pacific Oceans, will press the button that will set off 300 pounds of dynamite and blow out the only 8-foot barrier now standing between the two headings and let daylight through the pioneer bore of the Moffat Tunnel. [Applause.]

The tunnel is 50 miles west of Denver. It has been built by contract. The contractors had to work from both sides of the mountain. They have run in 3½ miles from the eastern slope and a little over 2½ miles from the western slope. It has been one of the most difficult pieces of engineering ever undertaken in this country, aside from the Panama Canal. The engineers had to triangulate over James Peak, 13,260 feet elevation, and a drill hole through this final 8 feet yesterday shows that there is less than 1 inch of error in that gigantic undertaking. [Applause.]

No higher tribute could ever be paid to a set of engineers than the completion of this tunnel has demonstrated. The main tunnel is 6⅙ miles in length, 24 feet in height, and 18 feet in width, which is the largest and longest standard-gauge railroad tunnel on the American continent, if not in the world. It will be large enough for the largest engines and longest transcontinental trains. It is built for the purpose of shortening the railroad distance and eliminating the heavy railroad grade and avoiding the deep snows in the winter. They have also built a pioneer tunnel parallel with the main tunnel to facilitate the work. That tunnel is 8 feet high and 8 feet wide, and after the main tunnel is finished it will be used to transport water from the western to the eastern slope, primarily for the use of the city of Denver.

No State or people has ever shown more ingenuity or undaunted courage and stick-to-it-ness than Colorado has displayed in this monumental undertaking. A great deal has been published in numerous journals and papers about the engineering work and the difficulty of construction of this gigantic tunnel. But I will only say that the elevation of the mountain range immediately over the tunnel is 12,000 feet, and during the construction through long sections of the tunnel they encountered soft rock and broken material and a slide formation that simply crushed the largest steel beams they could use. The hardest possible rock is a delight to miners. What they dread is loose, broken, or soft rock that gives and keeps giving. At times it seemed utterly impossible to get anything strong enough to hold up the 2,500 feet of rock over their heads or stop the cave-ins. They encountered perfectly torrential rivers of waters. Tunnel crews were sometimes compelled to work in water up

to their necks. To prevent being drowned they were forced to use pumps that would pump out 3,000 gallons of water a minute. We doff our hats to the hard-rock heroes who thus broke the backbone of the Continental Divide and drove this tunnel through the base of James Peak. Twenty-seven men sacrificed their lives in the work, and many more were injured. But, considering that, there were some 7,000 men engaged in a most frightfully hazardous occupation, the casualties were remarkably small. Everybody connected with the work has encountered unforeseen hardships and disappointments, and some almost heart-breaking discouragements. But be it said to their everlasting glory they never faltered or wavered in their work for a minute. Those heroes have been making history in the heart of the Rocky Mountains.

And when President Coolidge sets off the final charge that fires the "holing through" last shot, there will be 21 bombs fired off in Denver and in several other cities, and one of the biggest and most hilarious celebrations in the history of Denver will start to-night. It will be a great tunnel celebration in "The queen city of the mountains and plains." We of Colorado are supremely proud of our capital city of Denver. With her over 300,000 population she is now the twenty-fourth city in population in this country, and we confidently believe she is the newest, the most symmetrically built, the most up to date, the cleanest, and most beautiful city in the world. And all the people of our "Centennial State" join with Denver and the other counties in justly taking supreme pride in the splendid and successful accomplishment of this marvelous undertaking. The story of this Moffat Rocky Mountain Tunnel will make the heart of young America beat with pride for many years to come. Hereafter the public can travel through instead of over the great Continental Divide from the Atlantic to the Pacific slope of our country.

As soon as the smoke from the last shot is blown out of the tunnel this evening, Gov. William H. Adams, of Colorado, will enter from the eastern portal, and Gov. George H. Dern, of Utah, will enter from the western portal, and will meet at the point where the pioneer bore was just "holed through" and shake hands and exchange salutations and felicitations over this final great accomplishment of connecting the East with the West.

Mayor Ben Stapleton, of Denver, and Mayor C. Clarence Neslen, of Salt Lake City, and W. R. Freeman, president of the Moffat Railroad, and many more public officials, will be present on this memorable occasion.

Neither you gentlemen nor the country can fully realize at this time what this tunnel means. It means a direct highway across the United States from the Atlantic to the Pacific. And while it is one of the highest standard-gauge railroads in the world in the center of this tunnel—reaching the elevation of 9,242 feet under a shoulder of James Peak—yet it is a railroad grade that is at no place more than 2 per cent. It means that the great city of Denver, the largest between Kansas City and the Pacific coast, is now for the first time practically on a direct airline across the continent. It means not only a great convenience and saving in time and expense to the traveling and shipping public, but it means an enormous development for the State of Colorado. And for that reason I say this Moffat Rocky Mountain Tunnel is a milestone and marks an epoch in the development of the West.

There is yet a short stretch of road very easy to be built known as the Dotsero cut-off near my home in Glenwood Springs. When that is completed, as it will be soon, it will shorten the distance from Denver to Salt Lake 175 miles. It will eliminate some 30 miles of 4 per cent grade over the divide, and largely terminate the use of many enormous snowplows every winter at ruinous expense. It will open to development many thousands of acres of coal and farm lands and open possibilities of tremendous growth of population and bring many thousands of new residents and millions of dollars to our State.

I wish I had the time and space to mention the names of some of our splendid citizens who so richly deserve to have their names inseparately and forever connected with this great enterprise.

This story is an epic in western skill and determination. The history of this tunnel will be written and due credit given to all. But I can not refrain from saying that the honor roll will always be headed by David H. Moffat, and followed by the name of William G. Evans.

Whose names will follow those two, I can not say. But near to them will be "the tunnel commission," composed of W. P. Robinson, Charles McAllister Willcox, W. N. W. Blayney, Charles H. Leckenby, and Charles M. Wheeler.

And near those will be the contractors, F. C. Hitchcock and Charles C. Tinkler, and George Lewis, general manager and chief engineer, and I would give a very prominent place to two native sons of Colorado that we are proud of—Maj. Burgess G. Coy, resident engineer at the east portal, and James F. Cohig, resident engineer at the west portal, and also Maj. L. D. Blauvelt, and office engineer Clifford A. Betts, and many others. And there are also many hundreds of splendid loyal women who have done their full share in all this work.

Mr. PURNELL. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of Colorado. Certainly.

Mr. PURNELL. Mow much does that tunnel shorten the distance?

Mr. TAYLOR of Colorado. It shortens the distance between Denver and Salt Lake City 175 miles.

Mr. PURNELL. How much in the matter of time?

Mr. TAYLOR of Colorado. It will shorten the time about 12 hours, which is a great deal more than that distance would indicate, because it cuts out the high grades on which trains can not make time.

Mr. O'CONNELL of New York. Mr. Chairman, will the gentleman yield there?

Mr. TAYLOR of Colorado. Yes, sir.

Mr. O'CONNELL of New York. Can the gentleman tell us how much it has cost approximately?

Mr. TAYLOR of Colorado. The total cost of the tunnel will be about $12,000,000, and it has been built at the expense of what is called "The Moffat Tunnel Improvement District," composing the counties of Denver, Grand, Routt, and Moffat, and parts of the counties of Boulder, Adams, Jefferson, Gilpin, and Eagle. That part of the State issued bonds and raised the money and elected "The Moffat Tunnel Commission" I mentioned.

That commission has had charge of the entire business from beginning to end, and they let the contracts to Hitchcock and Tinkler, who have actually built and completed the tunnel. Of course, there is considerable incidental work to be done yet, and the regular train service through the tunnel will probably not begin before about the 20th of July of this year.

Mr. CONNALLY of Texas. Does this complete what was formerly called the Moffat route?

Mr. TAYLOR of Colorado. Yes, indeed; and every loyal son and daughter of Colorado is proud to realize that this is the final consummation of the dream of 50 years of one of Colorado's greatest and most honored pioneers, David H. Moffat, who spent his grand life and great fortune in trying to build this great trans-mountain highway; and we all sincerely hope his superbly loyal Colorado spirit is to-night proudly looking over the million citizens of his beloved State, and the officials, the engineers, the miners, and workmen who have so grandly brought about the realization of his life's hope, as President Coolidge fires the final shot that opens for all time this great highway through the center of the highest range of the Rocky Mountains.

Mr. McCLINTIC. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of Colorado. Yes.

Mr. McCLINTIC. Is it not true that during certain months the old route was blocked so deep with snow that sometimes the railroads could not operate?

Mr. TAYLOR of Colorado. Oh, yes. There have been weeks at a time when the snow was piled a hundred feet deep on the tracks over the top of the divide; and to-day while the rock miners are drilling the 26 holes for the last shot, 2,500 feet under James Peak, a terrific blizzard is raging and the wind is blowing 60 miles an hour this minute over the top of the mountains above them.

Mr. McCLINTIC. Is it practical to use it all the months of the year?

Mr. TAYLOR of Colorado. Yes. This road will always be open—every hour in every day in every year.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of Colorado. Yes.

Mr. ABERNETHY. The gentleman has no objection to placing the statement in the RECORD that this is in his district?

Mr. TAYLOR of Colorado. No; I confess I am proud of the fact that the western half of this tunnel and most of the railroad and four of those counties are in my congressional district. [Applause.]

Mr. BRITTEN. What railroad will use this tunnel?

Mr. TAYLOR of Colorado. The Denver & Salt Lake Railroad and the Denver & Rio Grande Western Railroad and probably others in years to come.

Mr. CROWTHER. One good thing about this is that the Federal Government has not contributed any money for it.

Mr. TAYLOR of Colorado. Not a dollar. [Applause.] We have accomplished one of the greatest engineering feats of this age with our own brains, our own courage, and our own money, and we have also furnished to the United States a great direct highway across the continent on a perfectly safe and practical

grade, and all Colorado is proud of it, and we are also proud to have our President of the United States touch off this final blast at 10 o'clock to-night.

Mr. BUTLER. Yes; and your people ought to be proud of themselves. [Applause.]

Mr. TAYLOR of Colorado. Yes; we are! thank you. President Coolidge is also going to make a short speech to be transmitted over the radio to-night to Colorado and to the splendid people who have built this tunnel.

I will insert in the RECORD the message of appreciation that President Coolidge is sending to Colorado, as follows:

PRESIDENT'S MESSAGE

Following is President Coolidge's message:

"I am glad to have the privilege of participating in so noteworthy event as the opening up of the water tunnel of the Moffat Tunnel in Colorado. The breaking through of the last rock barrier by my pressure on a key here in Washington will mark another engineering achievement.

"The completion of this conduit for supplying water to Denver and surrounding territory is particularly important, because it foreshadows the putting into commission within six months, I am told, of the railroad tunnel paralleling it and forming the major part of the project.

"That new transportation artery, burrowing through the Continental Divide for 6 miles, making it the longest of its kind in the Western Hemisphere, cutting down the maximum railway altitude by almost a half mile and reducing the grades, will mean much, not only to your State, but to transcontinental travel and commerce.

"I congratulate those associated in this enterprise and the citizens of Colorado, who will be the most direct beneficiaries.

"Very truly yours,

"(Signed) CALVIN COOLIDGE."

And the message that the tunnel commission and contractors, general manager, and attorneys are sending in response to the President's message follows:

REPLY SENT PRESIDENT

The following message of appreciation was sent President Coolidge by members of the commission and others interested in the project:

"The Moffat Tunnel Commission, representing the Moffat Tunnel improvement district of Colorado, desires to express thanks to you for emphasizing the national importance of the Moffat Tunnel.

"As a means of creating a new railroad route through the Rocky Mountains and serving the needs of the people of Denver and the people of a vast rich and fertile empire in northwestern Colorado and northeastern Utah as well as a means of furnishing Denver and eastern Colorado with water for irrigation and municipal uses, it is unique in the history of great American engineering accomplishments.

"Your pressure on the telegraphic key at the White House at 8.10 p. m. Friday, February 18, touched off the charge which blasted out the remaining rock in the 6 miles of the water tunnel and assured the completion of the longest railroad tunnel in America at an early date.

"The people of Colorado, Denver, and the Moffat Tunnel improvement district take pride in this accomplishment and the opportunity it affords.

"W. P. ROBINSON,
"CHARLES J. WHEELER,
"C. MACA. WILLCOX,
"CHARLES H. LECKENBY,
"W. N. W. BLAYNEY,
"*Moffat Tunnel Commissioners.*
"NORTON MONTGOMERY,
"ERSKINE R. MYER,
"*Attorneys.*
"GEORGE LEWIS,
"*General Manager.*
"F. C. HITCHCOCK,
"C. C. TINKLER,
"*Contractors.*"

I thank you all, gentlemen. [Applause.]

The CHAIRMAN. The gentleman from Colorado yields back three minutes.

Mr. LINTHICUM. Mr. Chairman, I yield five minutes to the gentleman from Mississippi [Mr. LOWREY].

The CHAIRMAN. The gentleman from Mississippi is recognized for five minutes.

Mr. LOWREY. Mr. Chairman, I ask leave to speak out of order. I hope I shall get the attention of the House at this time on the measure which I discussed the other day. I cast a few pearls on it the other day, and the membership rather trampled me underfoot, but they at least did not turn again and rend me.

I want to speak a little further on the Muscle Shoals bill.

Last night near 10 o'clock the House finally passed the McNary-Haugen bill by a very considerable majority.

But this is not what I arose to discuss. I want to call attention again to the next most important item of farm legislation. As I have recently said from this floor, the two things which have of late most discredited this House in the eyes of the public have been our failure to pass some general farm-relief legislation and our failure to meet the situation at Muscle Shoals. I believe that the latter proposition is doing more to hurt the reputation of this Congress than the former has done. And if we adjourn and go home again with nothing done on this situation we thereby strengthen the impression that we as the Representatives of the people have either shown ourselves incapable of functioning in an important situation or have been swept off our feet by pernicious propaganda or controlled by methods even more pernicious.

As most of the membership are aware, I introduced on Tuesday of this week a bill for seven years' operation of the Muscle Shoals plant by a Government corporation of which the directors are to be the Secretary of Agriculture, the Secretary of Commerce, and the Secretary of War—heads of the three Federal departments most concerned in this great enterprise.

I want to say now to the House that both from the Congress and from the country I have received expressions of approval far beyond my expectations. I am thoroughly convinced that if this House were given a vote to-morrow they would approve a plan for opening Muscle Shoals to immediate operation under Government control, either temporary or permanent. My bill proposes to make it temporary, providing that the enterprise may be handled by the Government at least through its experimental stage. If this plan had been adopted five years ago when the House voted to accept the Henry Ford proposition, I am sure that by this time the country would have received large benefits and profits from the splendid service which Muscle Shoals is capable of rendering. But, what is still more important, we should certainly have been able by this time to test the thing out by actual experiment and experience, so that both the Government and the syndicates which are asking for leases could have had some definite idea as to what plans and proposals were feasible.

I hold in my hand a bundle of letters which I have received. One is from a lumber company in north Mississippi expressing hearty appreciation and approval of my plan and urging that it be vigorously pushed. Another is from an able newspaper man in the capital city of my own State, who expresses the view that it would be criminal to turn Muscle Shoals over now to a combination of power companies and says that if these giant water powers become captives to private monopoly it would mean good-bye to popular government. Still another is from a Federal reserve bank governor in one of our greatest southern cities, who says:

I have read with a great deal of interest your address on Muscle Shoals. I want to say that my views on this important question are very similar to yours, etc. I hope that most of the Members of the House will in time come around to your way of thinking.

And still another is from a business man of state-wide reputation, who says:

I read that the Government is selling juice from Muscle Shoals at 8 mills per kilowatt-hour. We pay 8 cents, with 12½ cents for each room as a service charge. I shall certainly pray for your success and for God's blessing on your efforts.

But what is perhaps still more significant is the number of Members of both this House and the Senate who express to me their unqualified approval of my idea, but say, "I do not see any chance of passing it this session." And "there is the rub!" I am definitely convinced that if the Members of this House would put out of their heads the idea that we can not do anything and get busy to bring something about, the bill could be passed in less than a week. If the Military Affairs Committee and the Rules Committee would cooperate to get the bill before the House it would not take the House long to pass it. But some say, "That would do no good, because the thing would die in the Senate." It is at least interesting to me that of the few Senators that I have consulted two have expressed to me the hope that if the House would really pass such a bill the Senate might yet be stirred to action on it even within the limits of this session. Certainly neither the House nor the Senate have before them enough legislation of greater importance to justify crowding this out.

Again, if the House should pass such a bill, we shall then at least have cleared ourselves in the eyes of the public, shall have put the power companies on notice that the Government is not going to have this important business forever blocked by their plans or lack of plans, and shall have started something that

will certainly mean earlier legislation on this important enterprise.

And as said before, if we adjourn without doing anything, we again shock the confidence of the people in the efficiency, if not the integrity, of their Government, and that is certainly one of the most serious things that can happen to any country. The greatest asset of any government is the loyalty and the confidence of its people, and the opposite spirit on the part of the people is the greatest possible danger to any government. But the most serious truth of it all is that we are in a measure justifying this resentment on the part of our constituents.

The thief convicted before the court said, "I didn't care about their accusing me of stealing that hog; what made me mad was that they proved it on me."

We, the representatives of the people, are in bad enough shape when they accuse us unjustly, but we are in much worse shape when they are able to prove it on us. [Applause.]

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

The Clerk will report the resolution for amendment.

The Clerk read as follows:

Resolved, etc., That in compliance with the recommendation of the President contained in his message of January 7, 1927, the sum of $75,000 is hereby authorized to be appropriated for the expenses of further participation by the United States in the work of the preparatory commission at Geneva, Switzerland, for the purpose of making preliminary studies and preparations for a conference on the reduction and limitation of armament; and for each and every purpose connected therewith, including compensation of employees, travel, subsistence or per diem in lieu of subsistence (notwithstanding the provisions of any other act); and such other expenses as the President shall deem proper, to be expended under the direction of the Secretary of State.

With a committee amendment, as follows:

Page 2, line 2, after the word "subsistence," insert "in amounts authorized in the discretion of the Secretary of State."

Mr. FISH. That is not a committee amendment?

Mr. BRITTEN. Yes. It is in the bill.

Mr. BEGG. Mr. Chairman, I ask for recognition.

The CHAIRMAN. The gentleman from Ohio will be recognized for five minutes.

Mr. BEGG. Mr. Chairman and gentlemen of the committee, I do not think there is any question at all but that Congress should authorize this $75,000 for the purpose of engaging in a preliminary conference looking toward a disarmament agreement among the nations of the world, and I perhaps would not have had anything to say on the resolution if it had not been for the remarks of my genial friend from Texas [Mr. CONNALLY], asserting that the United States was now crawling through the back doorway of the League of Nations.

I want to call the attention of the gentleman from Texas to the fact that the United States has never crawled anywhere, and never will. [Applause.] Although the sentiment is unanimous in this country for a minimum-sized national defense, I do not think it might be well to let the countries of the world know that although our attitude is for a minimum in national defense, if the United States fails to find a spirit of cooperation in that theory among the other nations of the world, the United States can and will build her national defense sufficient to command the respect of every nation and all of the nations of the world. [Applause.]

That is the kind of national defense I want. I do not want the body of my Nation to become a weak and spineless institution by lack of sufficient nourishment or exercise to the extent that she shall become a laughing stock to the nations of the world.

Personally, I want to say to those nations which have turned down the request of the United States for disarmament in certain branches of the national defense that as one Representative, if they do not cooperate in reducing their armed forces, I am ready to begin to put every kind of pressure on there is to collect every single dollar of debt they owe us, and that as fast as possible. [Applause.] I do not believe it is necessary to say that under your breath. I want France to know that if she is not willing to join hands with the United States—a Nation whose precedents have all been on the side of peace—and sit in a conference for the sole purpose of finding out if there is not a plan by which we can reduce the armaments of all nations—thus not only saving the taxpayers' money but minimizing the tendency toward war—I shall as a Congressman expect France to walk up and pay, and that in the immediate future.

I do not believe it is necessary for us to mince words any longer. I would say the same thing to the other countries seeking loans in America. If I had control of the loaning of money, I would not loan money to a nation that would not at least agree to sit in a conference to find out if it is not possible to reduce the armaments, not alone in one branch but in every single branch that looks toward war, because there is no more wasteful occupation that a nation or a family of nations can have than that of the prosecution of a war.

I want it distinctly understood that until all the nations of the world are willing to join hands I, as a Congressman, will vote for a national defense in every line in the United States equivalent or superior to any single power.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BEGG. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to proceed for two additional minutes. Is there objection?

There was no objection.

Mr. BEGG. I do not believe this committee or this Congress ought to hesitate to vote $75,000 or $75,000,000 if necessary. I do not believe we add anything to the prestige of the United States by insinuating that we are trying to crawl into the League of Nations' back door. We are not going into the League of Nations' back door or into their front door. That has been decided and determined for all time in America. But if the League of Nations can propose a conference for the consideration of the reduction of armaments, I am one Congressman who is not afraid to go and sit in and see if we can in any way assist the demoralized European continent in getting something into their minds outside of warfare.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. BRITTEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the question of whether the League of Nations has called this conference or whether it has been called by some other power, to my mind, is unimportant. The question before the House is the kind of conference it actually is and the amount of $75,000 that is being appropriated in the bill now before the committee to provide a junket for a lot of individuals to go to Geneva for three or four months this summer. This conference is not a new thing, my good friends. It has been going on for a year. We have had our experts in attendance over there. They have come back and reported that it was impossible to make any headway; that there are 19 different nations sitting in on a conference with a view to promoting a formula for procedure. They are not attempting to agree on a ratio for scrapping, nor, in fact, on anything else that is binding to us. The formula will probably come back to us for ratification. That formula, once agreed upon, will be the basis for a future conference; the Lord knows how far off. In the conference of last year, as well as this coming year, Czechoslovakia will be voting with France, Hungary voting with somebody else, on the limitation of our Navy. Why, they have not even a rowboat or a harbor, yet they have equal voting strength with the United States and Great Britain.

Our experts having returned to the United States, have reported to the President that they are making no headway and that they can not make any headway under existing conditions. The President of the United States on the 10th of this month sent an invitation to but five of the foreign powers, asking them if they would meet with us in Geneva with a view to extending the 5-5-3 ration limitation on capital ships down to include all war ships under 10,000 tons. It must have been evident to President Coolidge that the present larger conference can never function beyond a debating or a deceiving stage. It is the League of Nations conference for which we are appropriating $75,000, and I will assure my genial friend from Ohio [Mr. BEGG] that he need not worry about France sitting in at it. Of course, France will sit in because she controls most of the votes. What does Czechoslovakia care about the limitation of our Navy; she will vote with France, and so will Poland, if she knows what is good for her. France will surely sit in, but will not sit in in the smaller conference just requested by the President of the United States. She is afraid of British diplomacy.

Mr. BEGG. That is the conference I was referring to; the League of Nations conference does not interest me.

Mr. BRITTEN. But an appropriation for that conference is not before the House.

Mr. BEGG. I used it for an illustration.

Mr. BRITTEN. Of course, the House will appropriate the $75,000. As the gentleman from New York aptly said, it is for no other purpose than to demonstrate the good faith of the United States in its desire for armament reduction. Of course,

as the very distinguished gentleman from Ohio [Mr. BURTON] said, it is sweet to think of nations loving one another. It is ideal to think of France and Germany caressing one another at conferences, but the suggestion of universal peace which the gentleman from Ohio has been putting forth for 20 years, while delightful to listen to, does not work out. Men will fight when they have something to fight for. The wealth of the world, the commerce of the world, the domination of the sea, are all worth fighting for, and that is the reason why England will not sit in on the conference requested by the President of the United States on February 10 unless France and Italy do likewise.

Do you gentlemen suppose for a moment that England will agree to limit her cruisers and her destroyers without having some agreement with France about limiting submarines? Certainly not. It is silly to suggest such a thought.

The Mediterranean is as important to Great Britain as is the North Sea. Her tremendous commerce goes everywhere. Unless Italy and France accept our invitation—and they have indicated that they will not—there will be no small conference.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BRITTEN. I ask for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BRITTEN. The gentleman from Ohio [Mr. BURTON] has said that it is not necessary for us to build up to the 5–5–3 ratio, and the gentleman from Iowa [Mr. GREEN] suggests that we should lead the way and probably destroy what little of our Navy we have left in order to show good faith to Europe that we really want to disarm.

That is the one certain way to prepare your country for a good licking. The gentleman from Iowa has always been a small Navy man. The gentleman from Ohio has always been a small Navy man, and I advise the young Members, the new Members of Congress not to be moved by these delightful sentiments expressed so finely by the gentleman from Ohio. He is a past master at that ideal art of expression. He preaches love and good will among men. It sounds fine and brings much applause, but it never works out. It never has in the past and will not in the future.

Unless we follow the national naval policy adopted under President Harding—and it was a national policy—promoted by the General Naval Board and signed December 1, 1922, after the Washington Disarmament Limitation Conference, which provided for a 5–5–3 ratio for all warships of the Navy, we are heading into a fight. I know there is no sign on the horizon to-day of war with any country, but just as soon as we become weak other nations will find a cause for war.

We have all the gold in the world; we have most of the commerce; we have the greatest field for plunder that the world has ever seen; and most of the world owing us money. Unless we keep our national defenses in first-class fighting form, we are heading for war. It may take 2 years; it may take 10 years; but just as sure as there is a God in heaven if we allow our Navy to degenerate into a third class, we have not a proper national defense, if we do not let the world know that we are prepared to lick anything that comes here to despoil our territory, ambitious nations will come over by combination or otherwise, and they will lick us. Then these idealistic men like the gentleman from Ohio and the gentleman from Iowa will say, "Who would have thought that men or nations could be so cruel?"

Mr. KVALE. Will the gentleman yield?

Mr. BRITTEN. Yes.

Mr. KVALE. The gentleman says that the ideas of the gentleman from Ohio have never worked out. I would like to ask the gentleman if the opposite ideas have ever worked out in the history of the world?

Mr. BRITTEN. China to-day is a good example of unprepared and unorganized strength. British and all other foreign troops have no right there. In 1914, if we had not been prepared as we were, we would have had a war with Japan.

Mr. KVALE. Did the ideas championed by the gentleman work out in Germany?

Mr. BRITTEN. The defeat of Germany has set up several dictatorships, including Soviet Russia. It has made all of Europe a checkerboard of unrest and dissatisfaction, with every nation distrusting his neighbor. Any day may bring a series of wars. We would be loaded up with lilies and candy and cologne and sweet meats if idealists had their way; and when an enemy came over here we would throw candy and flowers at them and tell them not to fight.

Mr. KVALE. Oh, that is not fair to the gentleman from Ohio.

Mr. BRITTEN. Of course, this resolution appropriating $75,000 for a junket will be adopted by the House, and as an expression of good faith, perhaps it is worth $75,000; but mark my words, just as sure as you are setting here that conference to which these delegates are going will be a farce and a fizzle; and I will stake my reputation on it as a guesser in this House that it will wind up next summer as a farce and a fizzle despite your appropriation of $75,000, notwithstanding the desire of your experts and this administration to frame some kind of a plan upon which a future conference can meet with a view to the limitation of naval armaments.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. BRITTEN. Yes.

Mr. BLANTON. After the sad experience of the German Kaiser, does the gentleman believe that in the next 25 years any other nation will——

Mr. BRITTEN. Declare war?

Mr. BLANTON. No; will be disturbed about our ability to defend ourselves.

Mr. BRITTEN. The experience of the German Kaiser merely leads to other wars. We have set up now a half dozen dictatorships in Europe.

Mr. BLANTON. But I am talking about the knowledge of other nations in respect to our ability to defend ourselves.

Mr. BRITTEN. A blue-print Navy offers no defense. Talk is cheap. If we are prepared, we need fear no one.

Mr. BLANTON. You will not fool the other nations about it or about our ability to defend ourselves.

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. BLACK of New York. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. BLACK of New York: Page 1, line 7, after the word "commission," insert "under the auspices of the League of Nations."

Mr. BLACK of New York. Mr. Chairman and gentlemen of the committee, I do not offer this amendment as a friend of the original resolution, or as a friend of the Republican administration, or as a friend of the League of Nations. I offer it for the purpose of telling the truth to the American people. It is a strange thing to me that this resolution has come in without the words "League of Nations" appearing in any part of it. I do not want these delegates with $75,000 in their pockets to go over to Geneva and hang around street corners trying to find out where the other members are. Somebody may frisk them of the $75,000. I want them to know just where they are going. They are going to the League of Nations. Talk about the country crawling! Of course, the country does not crawl.

Mr. CARSS. The gentlemen says he fears the delegates may be "frisked." The gentleman is not under the impression that they are going to New York, is he? [Laughter.]

Mr. BLACK of New York. No; they are not going to New York. If they were going to New York they would get a decent and hospitable reception. The gentleman evidently has in mind Chicago, or fears that perhaps they may run into the farm bloc which robbed the entire country yesterday.

Mr. CHINDBLOM. The gentleman from Minnesota [Mr. CARSS] is not from Chicago.

Mr. BLACK of New York. That is all right; he is near enough to it to be one of them. Talk about crawling! The administration tried to crawl through the back door of the World Court to the League of Nations, but was tripped up by the Senate. It then got up and brushed off its clothes and tried to look respectable and now it is trying to get into the League of Nations as though it were a speak-easy. Why, they do not even mention the name of the League of Nations in this resolution. Mr. Chairman, we do not need to have any extended agenda about disarmament. We know what the other countries should do. We know that they have not lived up to a 5–5–3 treaty. We know all that Great Britain has to do is to cut down on cruisers. We know that all Japan has to do is to cut down on submarines. We do not have to discuss economics and all these other questions that appear in this agenda. If we send any delegation to Geneva, let us send a delegation of protest, protest against the violation of the Washington conference, protest against the shelling of Damascus, protest against the massing of troops by the countries of the world in and about China. That is what we ought to do. What is the purpose of this resolution? It is simply to get us into the League of Nations on the matter of disarmament, and then cut the feet

from under us and arrange a program by which we will ultimately be bound. So far as the administration is concerned, it is simply so that the administration may say, "We will build no more cruisers while the boys on the other side at Geneva are discussing various things in this agenda about factories and the number of men they have and the size of the men and what ought to be done." I say to the gentleman from Texas [Mr. CONNALLY], who finds fault with military men going over there, that the other fellows are going to have military and naval men there, and that we ought to have them there.

I think these conferences, all of the disarmament follies, are just steps in the war game. This is a step in the war game. The Washington conference turned out to be a step in the war game. The Italians had it right the other day. President Coolidge invited them into another disarmament conference. The Italians said, "What has the United States to give? It can not lose anything by another disarmament conference. If she gets any kind of a break at all she cuts down the comparative strength that is against her."

The CHAIRMAN. The time of the gentleman from New York has expired. The question is on the amendment of the gentleman from New York.

The amendment was rejected.

Mr. LINEBERGER. Mr. Chairman, I am sorry that I did not get an opportunity to speak in favor of the gentleman's amendment stipulating that this was a League of Nations conference before it was defeated. While I do not often agree with the gentleman from New York [Mr. BLACK], because we are of opposite political parties, still he certainly has struck at the most fundamental and vital weakness of the resolution now under consideration, to wit, its League of Nations connections. While the resolution itself very clearly evades the mention of the League of Nations, let us be under no illusion that we are not voting to participate in another League of Nations conference, called, controlled, and dominated by the league through the subtle operation of the votes of its members and the machinery set up by the league. The citizens of this Nation have on more than one occasion overwhelmingly repudiated the league and all its works. Let the House not deceive itself in this matter. I repeat, this is a League of Nations conference. It is closely allied with the League of Nations, no matter how cleverly gentlemen may seek to camouflage the fact, and as the gentleman from Illinois [Mr. BRITTEN] has so aptly pointed out, the members of the League of Nations will be there in full voting force. They will be represented by their military and naval experts, I remind the gentleman from Texas [Mr. CONNALLY], who would take from us the privilege of sending our own naval and military advisers.

I do not flatter myself into believing that any words of disapproval on my part may influence this House to the degree of causing it to defeat this measure, and perhaps it will be worth $75,000 to prove that another such conference will be an utter and complete and dismal failure, as have been its predecessors.

In reading the report on the resolution I am struck by a paragraph on page 9, in which the gentlemen who have prepared the report say that they propose to leave to the discussion at Geneva the ratios of France and Italy, taking into full account their special conditions and requirements in regard to the type of vessel in question, referring, I presume, to submarines.

Now every Member of this House knows that the Mediterranean Sea is nothing more nor less than a link in the great artery between the British Isles and the great Indian and Australian empires. Certainly Great Britain, with a line of communication running from Gibraltar to Malta, and out through Suez via the Indian Ocean to Australia and India, is going to be very much interested in the character of naval policy and of naval vessels operating under the flags of Italy and of France, the latter running from Marseille to the 55,000,000 or 60,000,000 inhabitants under French sovereignty in the north of Africa. What of Italy under Mussolini—with her North African empire—actual and hoped for? Certainly Great Britain is going to be interested in the Italian line of communications crossing this same vital artery of the British Empire. She can not afford to limit her cruisers unless submarines are limited. These cruisers of the British Empire in their passage through the Mediterranean are en route somewhere; to where? They are en route to somewhere east of Suez, somewhere in the vicinity of the great naval base which Great Britain is now preparing to erect at an expenditure of $60,000,000 at Singapore. Her whole far eastern policy is involved. All her vast possessions in that area are at stake. Will she yield these? Study her history. And can we greatly blame her?

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. LINEBERGER. Mr. Chairman, may I have five minutes more?

The CHAIRMAN. The gentleman from California asks unanimous consent to proceed for five minutes more. Is there objection?

There was no objection.

Mr. LINEBERGER. And tracing this line of communications into the Far East leads into the sphere of influence of Japan, and this proposed further limitation vitally affects her commercial and national interests in that whole far eastern area, the very area where so much trouble exists now and where lurks at every turn alarming forces which may at any moment light the tinder box of a future war.

There is no question, Mr. Chairman, that the expenditure of this money will be useless and futile. But if for the purpose of making a gesture the House in its wisdom—I hesitate to say in the "valor of its ignorance" of the world situation—desires to throw this good money away, after much which has already gone before it—thanks to our trusting national disposition—in futile attempts to make impossible arrangements and agreements, let us go ahead and do it.

It is strange that just before Congress adjourns, always in the final hours of the legislative jam, there comes before it another proposition affecting world peace, and again, as before, always through the instrumentality of the repudiated League of Nations. On March 3, 1925, when the so-called Pepper resolution was pending in the Senate, there was a resolution presented here by the distinguished gentleman from Ohio [Mr. BURTON]. No Member of the House has more respect for him personally than I have, but we all know of—and some deplore—his League of Nations proclivities. The Pepper resolution, then pending in the Senate, provided that, as a condition precedent to the United States going into a World Court, that such a court should first be dissociated in every manner, shape, and form from the League of Nations. Many Members of this House, myself included, feeling that they desired to give their approval to the kind of real World Court embodied in the proposition for disassociating it from the league, voted for the resolution submitted by the gentleman from Ohio, because the Pepper resolution specifically designed to accomplish this was then pending in the body at the other end of the Capitol.

What happened? During the summer of 1925 the League of Nations Democrats and proleague Republicans of that other body got together and arranged to substitute the so-called Swanson resolution, and when the Congress reconvened in the fall of 1925 the chairman of the Committee on Foreign Relations in the Senate was confronted with the proposition to first reconsider and then table the Pepper resolution, and the Swanson resolution, taking us headlong into the League of Nations court, was substituted in its place. A more unholy piece of legislative duplicity was never practiced on the people of this country and on the Members of this House, who voted favorably upon the resolution submitted by Senator BURTON on March 3, 1925. It would be gratifying, indeed, to learn that our distinguished colleague from Ohio had no prior knowledge of the subterfuge thus practiced upon us. I hope he will some day enlighten us upon this point. It would be of historical interest to coming generations.

Now, just prior to another adjournment, we have here another resolution taking us headlong into another League of Nations agency, where we know in advance and from previous experience that all the cards are stacked against us, and where there is no opportunity to arrange an agenda which will carry out the intent of the President or of the Congress as to the further limitation of armaments. How are we to know that it is not now the artful purpose of this resolution to estop or endanger our present program of adequate naval defense? A burnt child fears the fire, and one holding my views who voted for the Burton resolution on the World Court on March 3, 1925, hesitates to vote for another resolution, with league colorings, supported and strongly advocated by the same gentleman on February 18, 1927. We know that he loves us but we fear he loves the league more.

I do not speak often on the floor of this House on matters of this kind, but I do not think I have the reputation here of being a bloodthirsty militarist Member, or as one who is opposed to world peace and to the limitation of armaments when I am convinced that those with whom we attempt to negotiate are as sincerely inclined as are we. I simply submit this query to the thinking Members of this House: When has this Nation of ours ever lost a war and when has it ever won a conference? [Applause.] I hear the reply coming—never. I hope that it will not be ever thus, but I do not think we will contribute to world peace or hasten the millenium by failing to recognize the facts as

they exist. Our patriotic duty in this matter is not to follow blindly such well-intentioned gentlemen as Messrs. BURTON, of Ohio, and FISH, of New York, but to think and reason the matters out for ourselves; and while it is well to keep both eyes on the stars, it is well to also keep both feet on the ground during our mediations. [Applause.]

The CHAIRMAN. The time of the gentleman from California has expired. Without objection, the pro forma amendment is withdrawn.

There was no objection.

Mr. MONTAGUE rose.

The CHAIRMAN. For what purpose does the gentleman from Virginia rise?

Mr. MONTAGUE. The House is in committee considering a resolution under the rule?

The CHAIRMAN. Yes; a joint resolution.

Mr. MONTAGUE. Has any amendment been offered with respect to the sum of $75,000? If not, I wish to add "or so much thereof as may be necessary." I have the utmost confidence that it will be expended properly, but I think we should guard it carefully always by some such modifying clause.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Virginia.

The Clerk read as follows:

Amendment offered by Mr. MONTAGUE: On page 1, line 5, after the figures "$75,000," insert the words "or so much thereof as may be necessary."

Mr. MONTAGUE. Mr. Chairman, if the committee will indulge me one moment, I wish to say that I hope very much the entire resolution will pass. I have no great optimism as to its accomplishments, but I take this view of it: That we may not accomplish very much by participating but we will suffer harm if we do not participate. Our presence may not be very availing, but our absence will invite unnecessary and perhaps rather unfortunate criticism. Therefore I think the resolution should pass.

Mr. FISH. Mr. Chairman, I would be very glad to accept the amendment.

Mr. MONTAGUE. As a matter of detail I offer the amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Virginia.

The amendment was agreed to.

Mr. LINEBERGER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

Mr. BRITTEN. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection to these requests?

Mr. PURNELL. Mr. Chairman, reserving the right to object—and I shall not object—I would like to state to the House that it was the intention to have another bill brought up this afternoon. The committee has been very liberal in this debate, more than three hours having been consumed, and I certainly hope gentlemen will soon conclude and permit the resolution to be adopted.

Mr. CHINDBLOM. That is much less debate than we had yesterday.

Mr. PURNELL. I will say we have a very important farm bill to bring up.

The CHAIRMAN. Is there objection to these requests?

There was no objection.

Mr. UPDIKE. Mr. Chairman, I move to strike out the last five words. I have no doubt in my mind what will be the ultimate results of this appropriation of $75,000 for the further limitation of armaments. I do not think anything of any serious consequence will develop from it, but I want to say to you here this afternoon that I am in favor of any appropriation of any kind which will further peace in the world. [Applause.] I shall support this resolution with the hope that it will at least show the good faith of the United States Government toward world-wide peace.

It has been charged from the floor of this House on many occasions that the only Members of Congress who were in accord with a building program that would result in a big Navy were those who have navy yards in their respective districts. I want to say to you gentlemen this afternoon that I represent a district composed of one of the largest inland cities in the world, and that city has no navy yard. Yet, I believe in an adequate national defense through our Navy. [Applause.] My district, however, is composed of good, loyal, patriotic American citizens, who believe in America first, last, and always.

There is no reason in the world why any Member of Congress should oppose an appropriation which would be of benefit or which they would even think might be of benefit in furthering peace in all the world. I myself would gladly sacrifice my life here and now or at any time if by doing so I knew we could have everlasting peace throughout the whole world.

I thank you. [Applause.]

Mr. MURPHY. Mr. Chairman, I rise in opposition to the pro forma amendment. I ask for this time for the purpose of asking the gentleman from Ohio [Mr. BURTON] if he will tell the House, and for my own personal information I would like to know, whether the statement made by the gentleman from California is true that this conference is directly under the League of Nations?

Mr. BURTON. Well, it was called by the League of Nations. I explained at considerable length our association with the League of Nations, and our acceptance of invitations to participate in conferences or commissions which they had called.

Mr. MURPHY. A further question, and it is this: In this conference in which we are going to take part, is the voting power determined by the rules of the League of Nations? Does Great Britain and all the others taking part in that conference vote according to the representation given to them by the League of Nations under its rules?

Mr. BURTON. To answer that question in a general way I will say no. Each nation has a vote and that is a procedure not fixed by the League of Nations.

Mr. BRITTEN. Will the gentleman yield for an interjection?

Mr. MURPHY. I yield.

Mr. BRITTEN. Every small nation participating in that conference—Czechoslovakia, Hungary, Switzerland, and 14 others of these small nations—have an equal vote with the United States.

Mr. BEGG. And no navy.

Mr. BRITTEN. That is true. Nineteen of them participated last year, and there will probably be 19 participating again this year, and nations like Poland, I will say to my friend—and we got this from the experts who were over there—and Czechoslovakia who were tied up with France and who had no interest in our Navy always voted with France. As a political expedient Poland will vote with France and Czechoslovakia will vote with France, otherwise France will take away her military support as well as her financial support of those countries.

Mr. FISH. I would like to try to answer the question in a general way. The result of the conference that is called will not be determined by individual votes.

After they have decided on something, a treaty is drawn up and those who want to ratify, ratify it. But there is a very great distinction between that procedure and the procedure of the League of Nations, the League of Nations being composed of the council and the assembly. Under article 5 of the League of Nations every action taken by the league must be by unanimous consent, just as if every piece of legislation that was put through the House or the Senate had to go through by unanimous consent. One small nation can block any action on any matter in the League of Nations.

Mr. BRITTEN. Yes; but the gentleman will agree with what I said a moment ago that the 19 small nations taking part in the conference for the reduction of naval armaments have a vote equal to the vote of the United States.

Mr. FISH. Yes; but the vote does not make so much difference because after they have agreed on some proposition, it is then put in the form of a treaty and those who want to ratify, ratify it, and if the small nations do not want to ratify the treaty it makes practically no difference.

Mr. BRITTEN. If the gentleman will yield further, I will say that this conference is not aiming to agree on anything but a formula for another conference. That is all they are aiming to agree on, and they can not even get together on that.

The pro forma amendments were withdrawn.

Mr. BLANTON. Mr. Chairman, I would rather vote for one hundred times the amount involved in this resolution for plans leading to world peace—the purposes for which it is to be appropriated—than to vote for the money that we are to expend if the three-cruiser proposition is adopted. Much has been said here this afternoon criticizing our friend from Ohio [Mr. BURTON] in what he has been doing along the line of this resolution.

I wish every Member of this House could have been here when the Interparliamentary Union met in this Chamber with over 30 countries represented here by members of their parliaments, and I wish that all could have seen the marked respect that every one of them showed our distinguished friend, Senator BURTON, of Ohio. [Applause.] I would like to see the gentleman from Ohio [Mr. BURTON] head every delegation that goes over to Geneva, because I know that whatever they may think about the acts of various political leaders of this country here

and there I know that they respect his earnest work to bring about world peace, faithfully performed for many years, and his sincerity, because there can be no question about that.

My friend from Indiana [Mr. UPDIKE] may not have any navy yards in his district, but the gentleman is getting on the band wagon early. The gentleman, with keen political acumen, sees the handwriting on the wall here during the last few days and weeks on this Navy program, and this whole fight here, made to-day by our friend from Illinois [Mr. BRITTEN] and by our friend from California [Mr. LINEBERGER], is nothing in the world but a preliminary fight for this cruiser program that soon is going to come up here on a conference report. It is nothing in the world but a preliminary battle in behalf of the three-cruiser program, and I am only taking the floor hoping that the same crowd of men who supported the gentleman from Ohio [Mr. BURTON] in the splendid fight he made for the people of the United States and the people of every country in the world, will stand by him and see that he has an adequate regiment of votes here at all times when it is necessary.

Mr. LINEBERGER. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. LINEBERGER. By the same yardstick, might we not say that the gentlemen who are so enthusiastically favoring this proposition are doing so as a preliminary fight against the three cruisers?

Mr. BLANTON. I will admit that I am just answering some of the gentlemen who are firing the first shots in behalf of the big naval program.

Mr. LINEBERGER. Is not that what is animating the gentleman somewhat in his attitude here to-day?

Mr. BLANTON. I will admit that I am simply answering the attack brought up here by our friend from Illinois and our friend from California.

Mr. LINEBERGER. I am glad to hear the gentleman admit it.

Mr. UPDIKE. Will the gentleman yield?

Mr. BLANTON. I yield to the distinguished gentleman from Indiana.

Mr. UPDIKE. The gentleman knows I was in favor of the three cruisers and have always been in favor of an adequate national defense.

Mr. BLANTON. Yes; the gentleman was on the rear end of the band wagon the other day, but now he is crawling up on the front seat.

Mr. UPDIKE. That statement is not fair.

Mr. BLANTON. No, it is not; that statement was made facetiously, of course.

Mr. UPDIKE. I was not on the rear end of any program. I am always on the front end of any program for an adequate national defense for this country.

Mr. BLANTON. I will admit that. The gentleman may not know it, but he is on a band wagon nevertheless.

Mr. UPDIKE. That is all right, and I am willing to stay on the band wagon.

Mr. BLANTON. The gentleman from Indiana knows that he and I are close personal friends.

Mr. UPDIKE. We certainly are.

Mr. BLANTON. And what I said was wholly facetious, and not meant in any way that could be offensive to him.

Mr. UPDIKE. I appreciate that.

Mr. BLANTON. But I was impelled to take part in this big Navy skirmish. Mr. Chairman, I withdraw the amendment, which was a pro forma one.

The pro forma amendment was withdrawn.

Mr. FISH. Mr. Chairman, we have had the fullest and fairest debate on this resolution and before moving that the committee rise I simply want to make one observation to the House. In case our delegates at the meeting of the preparatory commission are able to reach a satisfactory basis for the limitation of naval armament and we enter a conference on disarmament later on and a treaty is drawn up and brought back to this country the House of Representatives should vote on it. Under Article I, stating the legislative powers of Congress, the House and the Senate have power to maintain and provide a navy and in case a treaty is drawn up and brought back for a further limitation of naval armament, I think it is worth while for the Members of the House to consider whether it is not their duty, having the power and obligation of maintaining a navy under the Constitution, to have such a proposal brought before this body before it is acted on by the Senate in the form of a treaty. We have a certain responsibility, and I submit this suggestion as an observation only, but hope the Members will give it their consideration.

Mr. Chairman, I move that the committee do now rise and report the joint resolution back to the House with amendments, with the recommendation that the amendments be agreed to and the joint resolution as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. RAMSEYER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration House Resolution 352 and had directed him to report the same back with sundry amendments, with a recommendation that the amendments be agreed to and that the joint resolution as amended do pass.

The SPEAKER. The question is on the amendment.

The amendments were agreed to.

The resolution as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. FISH a motion to reconsider the vote whereby the joint resolution was passed was laid on the table.

LEGISLATIVE APPROPRIATION BILL

Mr. DICKINSON of Iowa. Mr. Speaker, I call up the conference report on the legislative appropriation bill.

The Clerk read the conference report.

Following are the conference report and accompanying statement.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 16863) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1928, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 11 and 16.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 7, 8, 9, 10, 12, 13, and 14, and agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$564,805"; and the Senate agree to the same.

The committee of conference have not agreed on amendment numbered 6.

L. J. DICKINSON,
JOHN W. SUMMERS,
FRANK MURPHY,
EDWARD T. TAYLOR,
Managers on the part of the House.

F. E. WARREN,
REED SMOOT,
CHARLES CURTIS,
WM. J. HARRIS,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 16863) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1928, and for other purposes, submit the following written statement explaining the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report:

On amendment No. 1: Changes the designation of an employee in the office of the Secretary, as proposed by the Senate.

On amendments Nos. 2, 3, 4, and 5, relating to committee employees of the Senate: Provide for the employment of additional clerks heretofore paid under various Senate resolutions and corrects a total in the bill.

On Nos. 7, 8, and 9, relating to employees under the office of Sergeant at Arms and Doorkeeper of the Senate: Provides for 37 doorkeepers, as proposed by the Senate, instead of 38, as proposed by the House; provides for an additional clerk, as proposed by the Senate; and corrects a total in the bill.

On No. 10: Appropriates $50,844 for expenses of reporting debates and proceedings of the Senate, as proposed by the Senate, instead of $44,844, as proposed by the House.

On No. 11: Strikes out the language proposed by the Senate relating to the office of legislative counsel and appropriates $75,000 for this office, as proposed by the House.

On Nos. 12 and 13, relating to the Architect of the Capitol; Appropriates $100,735.80, as proposed by the Senate, instead of $99,235.80, as proposed by the House, for general expenses of the Capitol Building and Grounds; and provides, as proposed by

the Senate, that the appropriation for the extension of the Capitol Grounds shall be immediately available.

On No. 14: Appropriates $14,000, as proposed by the Senate, instead of $12,000, as proposed by the House, for furniture, shelving, etc., in the Library Building.

On No. 15: Appropriates $564,805, instead of $570,745, as proposed by the Senate, and $559,765, as proposed by the House, for salaries in the Library of Congress.

On No. 16: Strikes out the language proposed by the Senate fixing the pay of employees of the Government Printing Office when on annual leave.

The committee of conference have not agreed upon Senate amendment numbered 6, providing for the compensation of clerical assistants to Senators for a period not exceeding two months after the death of the Senator by whom they were appointed.

L. J. DICKINSON,
JOHN W. SUMMERS,
FRANK MURPHY,
EDWARD T. TAYLOR,
Managers on the part of the House.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 6: That hereafter when a Senator dies during his term of office the clerical assistants appointed by him, and then borne upon the pay rolls of the Senate, shall be continued on such pay rolls in their respective positions and be paid for a period not longer than two months: *Provided*, That this shall not apply to clerical assistants of standing committees of the Senate when their service otherwise would continue beyond such period.

Mr. DICKINSON of Iowa. Mr. Speaker, I move that the House agree to the Senate amendment with an amendment which I send to the desk.

The Clerk read as follows:

That hereafter when a Senator or a Member of the House of Representatives dies during his term of office the clerical assistants appointed by him, and then borne upon the pay rolls of the Senate or House of Representatives, shall be continued on such pay rolls in their respective positions and be paid for a period not longer than one month: *Provided*, That this shall not apply to clerical assistants of standing committees of the Senate or House of Representatives when their service otherwise would continue beyond such period.

The SPEAKER. The question is on the motion of the gentleman from Iowa to agree with an amendment.

Mr. CHINDBLOM. I would like to ask the gentleman from Iowa, is it intended that this shall apply to the Commissioners and Delegates sitting in this House?

Mr. DICKINSON of Iowa. I think it should apply. Of course there are none in the Senate.

Mr. CHINDBLOM. The amendment uses the words "Member of the House" and does the gentleman think that would embrace the Delegates and Resident Commissioners?

Mr. DICKINSON of Iowa. I think it would be well to insert that.

Mr. CHINDBLOM. They have the same privilege of clerical hire.

Mr. DICKINSON of Iowa. Mr. Speaker, I ask unanimous consent to modify my amendment by including Delegates and Resident Commissioners.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the amendment as modified.

The Clerk read as follows:

That hereafter when a Senator, or Member of the House of Representatives, or Delegate, or Resident Commissioner dies during his term of office the clerical assistants appointed by him, and then borne upon the pay rolls of the Senate or House of Representatives, shall be continued on such pay rolls in their respective positions and be paid for a period not longer than one month: *Provided*, That this shall not apply to clerical assistants of standing committees of the Senate or House of Representatives when their service otherwise would continue beyond such period.

The SPEAKER. The question is on the motion of the gentleman from Iowa.

The question was taken, and the motion was agreed to.

NATIONAL ARBORETUM

Mr. PURNELL. Mr. Speaker, I call up House Resolution 419.

The Clerk read as follows:

House Resolution 419

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 1640, an act authorizing the Secretary of Agriculture to establish a national arboretum, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by those favoring and opposing the bill, the bill shall be read for amendment under the five-minute rule. At the conclusion of the reading of the bill for amendment the committee shall rise and report the bill to the House, with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage, without intervening motion except one motion to recommit.

Mr. PURNELL. Mr. Speaker, owing to the lateness of the hour, I hope that it is possible to eliminate any debate on the rule.

Mr. ASWELL. I understand that the gentleman from North Carolina does not desire any debate on the rule, but have the debate on the bill?

Mr. PURNELL. That is entirely agreeable, but I would like to make a statement of one or two minutes as to the purpose of the rule.

Mr. KINCHELOE. Mr. Speaker, this is a bill which takes $300,000 out of the Treasury, and I make the point of no quorum.

Mr. PURNELL. I hope the gentleman will not do that, it only delays the bill.

Mr. KINCHELOE. I think the longer the bill is delayed the better it will be for the Treasury and the people.

The SPEAKER. Evidently there is no quorum present.

Mr. SNELL. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 32]

Aldrich	Fredericks	Madden	Stedman
Anthony	Freeman	Magee, Pa.	Strother
Arentz	French	Magrady	Sullivan
Ayres	Gallivan	Mead	Swartz
Bankhead	Golder	Milligan	Swoope
Bell	Goldsborough	Mills	Taber
Bixler	Gorman	Morgan	Thomas
Bloom	Graham	Morin	Tincher
Brand, Ga.	Greenwood	Nelson, Wis.	Tucker
Britten	Hadley	Newton, Minn.	Tydings
Burtness	Hale	Newton, Mo.	Underhill
Canfield	Hardy	O'Connell, R. I.	Vaile
Carpenter	Hare	O'Connor, N. Y.	Vare
Celler	Hastings	Oliver, Ala.	Volgt
Cleary	Hill, Md.	Perlman	Walters
Connery	Hudspeth	Porter	Welch, Calif.
Cooper, Ohio	Hull, Tenn.	Pou	Welsh, Pa.
Curry	Johnson, Wash.	Pratt	Wheeler
Dempsey	Kiefner	Quayle	Williams, Ill.
Dickstein	King	Reece	Wingo
Doyle	Kirk	Robsion, Ky.	Woodyard
Drewry	Kunz	Sabath	Wyant
Ellis	Kurtz	Scott	Yates
Faust	Lampert	Sears, Nebr.	
Fenn	Lee, Ga.	Smithwick	
Frear	McSwain	Spearing	

The SPEAKER. Three hundred and thirty-one Members have answered to their names, a quorum.

Mr. SNELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

Mr. PURNELL. Mr. Speaker, for the benefit of those Members of the House who have just been called here because of the point of no quorum, I shall state that I have just called up House Resolution 419, a privileged report from the Committee on Rules, which, if adopted, will make in order the consideration of Senate bill 1640, authorizing the Secretary of Agriculture to establish a national arboretum, and for other purposes. Owing to the lateness of the hour, I had hoped that we might dispense with any debate on the rule. The rule provides for two hours of general debate upon the bill. Does the gentleman from Louisiana wish time on the rule?

Mr. ASWELL. I have no desire to take any time on the rule.

Mr. PURNELL. Then, Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. KINCHELOE. Mr. Speaker, will the gentleman from Indiana yield?

Mr. PURNELL. Yes.

Mr. KINCHELOE. I am against the bill, and I would like very much to control the time against the bill.

Mr. PURNELL. Mr. Speaker, the rule provides for two hours of general debate, and that half of it shall be controlled by those who are opposed to the bill.

Mr. ASWELL. Mr. Speaker, with the gentleman yield?

Mr. PURNELL. Yes.

Mr. ASWELL. I am in favor of the bill and think that it should be enacted into law. I am quite willing that the gentleman from Kentucky [Mr. KINCHELOE] shall control the time against the bill.

Mr. PURNELL. There will be no objection to a member of the Committee on Agriculture under those circumstances controlling the time against the bill.

Mr. ASWELL. I intended from the beginning to make that suggestion.

Mr. PURNELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 1640, authorizing the Secretary of Agriculture to establish a national arboretum, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 1640, with Mr. DICKINSON of Iowa in the chair.

The Clerk read the title of the bill.

Mr. PURNELL. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. PURNELL. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. After the clash of interests yesterday which divided us so sharply, it is a genuine pleasure that chance brings to-day an opportunity to speak a word in behalf of the welfare of agriculture, and to attest that an eastern man from a district where agriculture does not predominate may yet take a keen interest in that which encourages production and which benefits not only the farmer but also the whole Nation. Furthermore, I esteem myself fortunate in that circumstances brought to me the honor of introducing the bill now before you—fortunate not by reason of any personal or sectional consideration, but because the proposal intends important benefit to all parts of the country and so to the common welfare.

This bill contemplates the purchase of a tract of land about 2 miles northeast of the Capitol, which, through many years has been brought to the attention of Congress at nearly every session, as one that it was desirable to acquire for the benefit of the public. It was through a long period discussed in connection with the Botanic Garden, and inasmuch as that institution is under the charge of the Committee on the Library, of which I am a member, I have presumed that the introduction of this bill was intrusted to me as such. There is no other significance in the fact that my name was attached to it.

The tract of land in question is known as Mount Hamilton. It comprises a ridge bearing that name, which is, perhaps, a half mile beyond the end of Maryland Avenue along the Bladensburg Road that leads to Baltimore. East of it is another elevation known as Hickey Hill, and between are old farm lands. This tract reaches to the marshes of the Anacostia River, which are already owned by the Government, some 400 acres in extent, now being drained by the Army engineers, and to become part of the park system. The Mount Hamilton tract when its purchase was first suggested comprised about 400 acres, but part of it has already been taken over for building purposes and is no longer available for the use here in mind. It is probable that somewhere between 300 and 350 acres could now be secured. This is in the hands of about 30 owners, but those who own the larger part of it have, with real public spirit, resisted the offers of speculators in order that it might come into the hands of the Government, and at a price much below that which the speculators would give. The larger owners inform us that their duty to others will compel them to accept these offers if we do not act before the close of the present session.

Originally it was suggested that the Botanic Garden should be moved to this location, but the possibility of that has been avoided by deciding to keep the garden close to its present site. Now it is asked for by the Department of Agriculture as the location for an arboretum, which is a tract for the cultivation and study of trees, shrubs, everything with a woody fiber. The most important arboretum in the country chances to adjoin my own district, although not within its borders—the Arnold arboretum, which contains 250 acres. Those in charge of it would like to have 50 acres more, for they inform me that 300 acres is about the right size to handle to the best advantage.

This tract will meet that condition perfectly.

Furthermore, there are more than 30 varieties of soil in the tract, making possible the cultivation of many varieties of trees and shrubs. It is rolling ground—upland and field land. It is a tract so beautiful in itself that any Member here who has not seen it would sometime later in the season pass a delightful hour or two should he go there and stroll among its trees and over its fields. About 150 acres are now woodland; not the scrub-pine growth—very little of that—but larger trees of great variety, mostly hardwood growth, with some of them approaching the size of the trees in an untouched forest. So we have there an admirable groundwork for an arboretum, probably as good as could be found anywhere in the vicinity of Washington. The Department of Agriculture desires that this open-air workshop shall be within easy reach of the department building. It has communicated through the Secretary of Agriculture the statement that there should be no delay in the acquisition of the land in question for this use.

Besides the benefit that would be brought to the District by the ornamental nature of the institution, and perhaps more important in passing upon the wisdom of the appropriation, should be considered the practical benefit. Were the hour not so late, and did we all not entertain the hope that we might not be delayed into the evening as we were yesterday, I should be glad to discuss at some length the scientific and practical values to be secured. I should like to relate to you some of the things that the department is now doing under difficulties.

Mr. KINDRED. Mr. Chairman, will the gentleman yield for a brief interruption?

Mr. LUCE. Yes.

Mr. KINDRED. Of the $300,000 proposed to be appropriated under the bill, how much of it, or approximately how much of it is to be paid for the land, and how much of it is to be used for the development of the arboretum?

Mr. LUCE. It will require the whole $300,000 for the purchase of the land. The latest value placed on the tract is in excess of that, but it is hoped that all the land which the department importantly needs can be acquired for the $300,000. And I may add that an arboretum requires but little expenditure in the way of buildings. The Arnold arboretum has only a modest administration building and a small conservatory, smaller than will be found on many private estates. Little money will be needed for buildings, and comparatively little will be required to administer such an institution.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. PURNELL. Mr. Chairman, I yield to the gentleman five minutes more.

The CHAIRMAN. The gentleman from Massachusetts is recognized for five minutes more.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Yes.

Mr. BLANTON. The gentleman has stated that the Arnold arboretum contained 250 acres, but that one of better size would be one of 300 acres.

Mr. LUCE. Yes.

Mr. BLANTON. The Government will already own 400 acres itself when the land is acquired. Why the 300 acres?

Mr. LUCE. The marshland when reclaimed will be valuable only for the study of aquatic plants and trees that ordinarily grow in moist soil or with their roots in the water.

Mr. FISHER. Would not the plants and trees in this part of the United States be very much better able to stand the cold of winter?

Mr. LUCE. Yes; and it is near enough to the sea for the planting of things that are native to more southerly places, much better than if the institution were placed in a spot in the same latitude somewhere in the interior.

Mr. HOWARD. Mr. Chairman, will the gentleman yield for another question?

Mr. LUCE. Certainly.

Mr. HOWARD. The gentleman stated that the land had been lately appraised at the value of $300,000?

Mr. LUCE. Something more than that.

Mr. HOWARD. By whom was that appraisal made?

Mr. LUCE. I am not certain as to the source of the appraisement, but I understand it was by the assessors of the District.

Mr. KETCHAM. If the gentleman will yield, I will say that is the value placed upon it by the local assessor.

Mr. LUCE. That is what I understood—by the local assessor.

I should like to go into details, pointing out the economic importance of such an institution. Possibly other speakers will dwell upon that, or I may have a later opportunity. But for the convenience of the House, in the hope that we shall speedily dispose of this matter, so as not to be delayed to an undue extent, I yield back the balance of my time with the expectation that if there is any mooted point brought up later I may have the opportunity to address myself to it.

Mr. ALMON. Mr. Chairman, will the gentleman yield there?

Mr. LUCE. Yes.

Mr. ALMON. It is stated in the report—

About 400 acres of the proposed site is already owned by the Government. It consists of marsh land about to be drained by Army engineers. The Mount Hamilton and Hickey Hill area, 408 acres, privately owned, was reported by the assessor in January, 1925, to be valued at $343,048, distributed among 30 owners.

Mr. LUCE. I should add thereto that the assessment made in 1920 was $254,520; that the value is rising; and that every motive of economy would dictate its immediate purchase if ever it is to be acquired for the benefit of the District; and to lose it as a blessing to the District itself would be an irreparable calamity.

Mr. Chairman, I yield back the balance of my time. [Applause.]

The CHAIRMAN. The gentleman from Massachusetts yields back two minutes.

Mr. PURNELL. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. KETCHAM].

Mr. KETCHAM. Mr. Chairman and gentlemen of the committee, this proposition has been before the Committee on Agriculture for two or three years. I may say it has been given very careful and very thorough consideration and the sentiment is strong on that committee in favor of the proposition.

There are just two or three practical questions that undoubtedly arise in the minds of those who are thinking at all about it, and I want to answer those questions if I can.

In the first place, the question naturally arises as to why we desire an arboretum located at this particular place. I may say that the committee was impressed with the idea that Washington is an ideal location for a Government project of this sort. We already have in the United States several fine arboretums, but they are privately owned and controlled. We have nothing of a national sort. Therefore it has seemed fitting, in view of the new interest that is being taken in the question of forestry and the great importance that forestry shall undoubtedly take in connection with our national life in the next few years that the National Government should become interested in the proposition of establishing a national arboretum. By reason of the fact, therefore, that we have here assembled in the Department of Agriculture the largest corps of experts in that particular line, it seemed only natural that if we could locate some tract of land near by Washington where these experts might have easy access to it such a combination would be almost ideal. Further than this, so far as the climatic conditions are concerned, Washington was thought to be fairly representative of the whole country. Here the trees that might grow in the more rigorous conditions of the northern sections of the country would grow to advantage and here the plants and trees that grow in the southern sections might also develop under favorable conditions, except, of course, those that come from the very extreme South. So from the standpoint of climatic conditions and the availability of this particular point in the United States, because of its suitability to the various kinds of trees that are grown, the committee thought that Washingon would be a very advantageous place.

Then, so far as this particular tract of land is concerned, if we are going to have the wide range of plants and trees grown as would be fitting in a national arboretum, certainly we must have all conditions of soil, and so it is contemplated that the 400 acres already owned by the Government on the flats of the Anacostia River shall be a part of this tract of land, and that, together with the fine uplands so delightfully described by the gentleman from Massachusetts [Mr. LUCE], will, when put together, give us all the range of soil that will be needed to grow the variety of plants and trees that should be found in a national arboretum.

In addition to that may I say that by reason of the fact that here are very many other experimental projects of the Government, it seemed fitting that this new project should find a place somewhere near where these others are carried on. If I were to sum it up in about one word or one expression, I think we might say that the proposition of establishing a national arboretum here would be something in the way of having a bureau of standards in horticulture located on this tract of land. I do not need to spend a moment with the members of the committee to magnify the importance of the work of the great Bureau of Standards in connection with many other activities of our people; and, with the growing importance of trees and with the increased importance of all kinds of horticulture, certainly I think it is a fine phrase that some one has coined to describe this new project as a bureau of standards in horticulture. For these reasons it has seemed to the committee as if this particular tract of land in this centrally located place was almost ideal for this purpose, and so we gave it strong support.

There are two other phases that I want to dwell upon briefly. First, with reference to one aspect of it that I am sure must appeal to those of us who are interested in the paper industry. I happen to come from the section of the United States that in recent years has taken the lead in the manufacture of paper.

The city of Kalamazoo, Mich., chances to be in the district of my colleague [Mr. HOOPER], and that city has become in recent years the paper manufacturing center of the whole United States. Its boast is that a trainload of finished paper is shipped from that city every day of the year. Naturally, then, we are interested in the source from which we may get a supply of raw materials that go into the making of the very high-grade papers that go out from that city. We have a very practical interest in a national arboretum because the timber supply is vital to the people who are manufacturing paper. I think it is one of the fine things that we may look forward to in the future with regard to this proposed aboretum that experiments may be made here with reference to quick-growing trees that may be imported from foreign countries, so that those of us who are interested in the reforestation of our lands for the purpose of the paper and other industries may know that these necessary experiments will be carried on under most favorable conditions.

In addition to this, I am sure all of us recognize that such an aboretum would be of advantage to the growing industry, I think we may call it, of developing fruit trees by nurserymen. To-day there is a very wide field of experimentation along this line and several members of the organization of the nurserymen appeared before our committee and very earnestly pleaded for the establishment of this arboretum so that here might be established variety standards of all kinds of trees that are grown in the nurseries of the United States, in order that some comparison may be made between the developments in their own local nurseries and the true types to be found in this national aboretum.

So from both angles, the practical and the æsthetic, it seems to me this project is entirely desirable.

One thing that ought to be emphasized in conclusion is that the cost of the project is very moderate when contrasted with the benefits that are sure to accrue in a practical way.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. PURNELL. Mr. Chairman, I yield the gentleman one more minute.

Mr. KETCHAM. The total first cost as carried in the bill is $300,000, and then, of course, there must come the cost of maintenance. As so well stated by the gentleman from Massachusetts [Mr. LUCE], this will be a very moderate figure by reason of the fact we are already near to those who naturally would have charge, namely, the men in the Department of Agriculture; and no extensive buildings or equipment will be required. The estimate is that not to exceed $25,000 or $50,000 a year will be required for the maintenance of this splendid project.

Therefore it seems to me from the standpoint of sound public policy we ought not to hesitate longer in establishing this arboretum, because the value of this property is increasing. We ought to close the matter up now and launch this very worthy and commendable project, and I hope it will receive your favorable consideration.

I ask unanimous consent, Mr. Chairman, to revise and extend my remarks, and in this connection I desire to include a letter from the United States Chamber of Commerce bearing upon this question and indorsing very warmly the project which we now have under consideration.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

The letter referred to follows:

CHAMBER OF COMMERCE OF THE
UNITED STATES OF AMERICA,
OFFICE OF THE PRESIDENT,
Washington, February 18, 1927.

Hon. JOHN C. KETCHAM,
United States House of Representatives,
Washington, D. C.

DEAR MR. KETCHAM: Yesterday the board of directors of the Chamber of Commerce of the United States adopted a resolution favoring passage of the bill (S. 1640) for the establishment of a national arboretum.

The value of research as an essential part of a sound national forestry policy has been emphasized through a referendum vote of the chamber's membership. The national chamber believes that the establishment of an arboretum for scientific study and experimentation in problems of tree and plant life, as contemplated in the pending bill, would be of great value to the timber and wood-using industries of the country.

I understand that this bill is to be considered by the House under a special rule. I wanted you to know of the chamber's interest in this measure and its earnest desire that the bill become law.

Very truly yours,

JOHN W. O'LEARY, *President.*

Mr. PURNELL. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. DICKINSON of Iowa, Chairman of the Committee of the Whole House on the state of the Union, reported that the committee having had under consideration the bill S. 1640 had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. CLAGUE, for Saturday, February 19, 1927, on account of important business.

TRIBUTE TO HON. GEORGE S. GRAHAM, THE CHAIRMAN OF THE HOUSE JUDICIARY COMMITTEE

Mr. BACON. Mr. Speaker, I ask unanimous consent to insert in the RECORD a brief account of a very remarkable demonstration of affection which was tendered the chairman of the Committee on the Judiciary the other day by the bar of Pennsylvania. It marked the fiftieth anniversary of public service engaged in by our chairman, Mr. GRAHAM.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. BACON. In accordance with permission given me, I insert herewith in the RECORD, an account of the remarkable tribute paid to our distinguished chairman of the Judiciary Committee by the bar of Philadelphia. This account is taken from the Philadelphia Inquirer of Wednesday, February 16:

ONE THOUSAND ASSEMBLE AT BAR TRIBUTE TO GEORGE GRAHAM—JURISTS AND LAWYERS EXTOL CONGRESSMAN AT TESTIMONIAL DINNER HERE—CONGRESSMAN, IN ADDRESS, WARNS STATES TO GUARD RIGHTS FROM FEDERAL ENCROACHMENT

Rising at the close of the testimonial dinner which was arranged in his honor and held in the ballroom of the Bellevue-Stratford last evening, Congressman GEORGE S. GRAHAM, chairman of the Judiciary Committee of the House of Representatives, bespoke the preservation inviolate of the doctrine of State rights and declared that movements such as that for the Federal administration and limitation of child labor "tend to disintegration and destruction of all local self-government."

Not in many years, if ever, has Philadelphia witnessed such an assemblage of the members of her bar as attended the dinner in the veteran legislator's honor last evening. Fully 1,000 of the foremost leaders, not only of the bar of the city but of the State and the Nation, gathered to tender their individual tributes to Congressman GRAHAM'S unfaltering zeal in the public service, his love of justice and integrity, and his hatred of the false and the sham and the hypocritical.

The speakers included Francis Shunk Brown, former attorney general of Pennsylvania and now chancellor of the Philadelphia Law Association, who presided as toastmaster; Pierce Butler, Associate Justice of the Supreme Court of the United States; Robert Von Moschzisker, chief justice of the Supreme Court of Pennsylvania; Joseph P. McCullen, judge of the court of common pleas No. 4; former Judge James Gay Gordon; ANDREW J. MONTAGUE, of Virginia, member of the House Judiciary Committee; Hampton L. Carson, also a former attorney general of Pennsylvania; and Congressman GRAHAM himself, who responded at the close of the evening to the number of high tributes which had been paid him.

HALF CENTURY OF SERVICE

When Mr. GRAHAM arose to speak, his manner was hardly that of a man grown old in the service of city and Nation, but rather that of a young man, with his zeal unflagging and unworn by more than half a century of public service behind him. There was vigor in his voice, a flash in his eye, an earnestness in his gesture, so youthful and so undiminished in purpose and pleading that more than one veteran member of the Philadelphia bar was led to compare this gray-haired man with the youthful stalwart district attorney who had so forcefully and eloquently pleaded the cause of justice before the bar those many years ago.

There was more than a hint of emotion in his voice as he arose, and stood silent and erect, as the storm of applause swept the ballroom of the Bellevue-Stratford again and again. At last he raised his hand in mute appeal, and as the tumult fell to a murmur and then to silence he spoke:

"I recall a line from Paradise Lost, where Milton pictures the angel talking to Adam: 'The archangel ended and in the ear of Adam so sweetly left his voice that he a while stood listening, thinking the angel had not finished.'

"I feel to-night like occupying the place of Adam. So many angels have whispered delicious and delightful things into my ears, I fain would have the sweet discourse go on forever, without relaxation and without a call upon me for speech.

"I wondered when word came to me of the proposition on foot to have a demonstration of the bar in my honor why such a thing should be, and the first glimpse of a reason was a letter I received from a friend and brother of the bar down in Florida. After expressing his deep regret at not being able to be present on account of illness, he ends his letter saying: 'It is such a well-deserved tribute of the respect and admiration we all feel for you.'

"My brethren of the bar, I accept this testimonial on that basis and on that basis alone. There is no political reason for it; there is no other element contained in it, and because it is an expression of affection and regard from the men with whom I have been associated for so many years, whose interests are my interests, whose pursuits are kindred to mine, that I am cheerfully here to-night and accepting with keenest gratitude this wonderful testimonial.

FAITHFUL IN ALL DUTIES

"Some one has told a story about St. Valentine, whose day has just passed, and whose popularity has marked him as one of the greatest saints on the calendar. He was fond of color, yet he never painted a canvas. He was fond of music, but his voice was never heard in gladsome song. Many other things attracted his attention, but in some place of fancy a saint appeared to him and whispered, 'Valentine, take care of the little things that come in your path.' 'Ah!' he said in his waking, 'that shall be my motto and rule of life.'

"I have done no conspicuously great things. I haven't done anything that should excite the intensity of admiration on your part, only have I tried to take care of the little things that came in my path, which has been what the public has received with fidelity and principle.

"So much has been said about the past, and so many thoughts have been awakened in my mind, I fain would indulge in some reminiscence, and repeat to you some of the trials and troubles as well, but I am admonished that this is no time for me to indulge in reminiscences. I can only say that when my term as select councilman of your city was ended I had no regret for the performance, or failure to perform, any of the little things that came in the line of duty.

"After the office of district attorney was placed behind me, I only could look back behind that and say, 'I have no regrets!' I never prosecuted a man without conviction first, in my own mind, of his guilt and without a fair opportunity to present everything that might come for his defense. I never failed to prosecute a man when I felt he was guilty and the evidence warranted such a result, whether he were friend or foe, member of my party or of any other party, and when the record of those 18 years years closed, and I wished to retire to private life and to practice of my profession, I laid down the office and its cares and responsibilities without a single feeling of regret regarding any incident of that career."

Then, putting behind him the gentle air of reminiscence, Mr. GRAHAM assumed the rôle of the preceptor, pointing out to his fellow members of the legal fraternity, as citizens and as lawmakers, the fallacies that, in his opinion, exist in the country and its administration to-day.

STATE RIGHTS DEFENDED

"We believe in a return—no! I will not say a return—to the doctrine of State rights," he continued, in a firmer and more resonant voice. "The doctrine of State rights has always been the same. What was settled at Appomattox was not State rights; it was not that right reserved by the Constitution to the States—but it was the right to secede and break up the Union. That is settled and is ended, and now we are looking with careful eyes toward the preserving of the rights of the States and not permitting them to be continually invaded by encroaching laws or amendments to the Constitution.

"I remember very well when the amendment for child labor was fostered, in an effort to place it in the Constitution; to take it away from the States, to take it away from the homes and send the Federal agents here into our houses and homes to regulate the work and the welfare of our children. I remember very well when that question was brought before the House.

"We were in a woeful minority, but we fought, the few of us, our single-handed fight. We helped to send out the propaganda over and across this broad country of ours, and thank God, with the response of over 30 States, we succeeded in deciding against it.

HITS BUREAUCRACY

"We want less of bureaucracy in Washington. We do not want any department to control maternity. Our mothers have controlled that for ages and did it very well, as we are witnesses. We do not want a bureau established to control education. These are all movements tending to a greater centralization than Hamilton ever dreamed of. These are movements that tend to a disintegration and destruction of all local self-government. Local self-government, my friends, is the thing to which we must adhere. It is local self-government that will best preserve our individual liberties, and whenever we part with that and centralize it in Washington, with the miles and miles of country to be governed and patrolled, you are going to inflict a burden that will break this Union into fragments.

"But I did not intend to discuss political questions. Truly, my friends, friends, and I say it from my heart, I am too full of grateful appreciation for this magnificent demonstration, the finest bar meeting that I have ever seen in the city of Philadelphia, to wish to speak at any length or to attempt to express the feelings and emotions that stir my soul to-night.

"I can only say to you that it is flowers scattered where I can inhale the perfume, and not flowers brought to express a memory and an affection for one who has gone. It is indeed a tribute that I regard as one of love and affection that comes to me and fills my mind and heart with the perfume that will go with me as I go down the western slope. I know that I can use no better language than to quote these familiar words of the Irish poet when he said, changing one word in the line: 'So long may my heart be by its memories filled; you may break, you may shatter this vase, if you will, but the scent of the roses will hang round it still.'"

Former Attorney General Brown read letters of regret from Chief Justice Taft, of the United States Supreme Court, who, with NICHOLAS LONGWORTH, Speaker of the House, was unable to be present, because of the press of official duties; United States Senator GEORGE WHARTON PEPPER; Federal Judge J. Whitaker Thompson, of the United States district court, and Alexander Simpson, associate justice of the Supreme Court of Pennsylvania.

It was Mr. Brown who set the universal atmosphere of the evening when, in his opening remarks as the presiding officer of the evening, he said, "Too often worthy deeds gain public recognition only after the passing on of the man.

"I am happy and grateful for the privilege of joining with you in this testimonial, to express by our presence and our voice our regard for a fellow citizen who for many years has held a distinguished place in the profession we love, and who in public life has attained the highest position, that of faithfully serving the best interests of his fellow men.

ENDEARED TO HOME FOLKS

"The history of Federal legislation, of the Federal judiciary, and of the administration of justice can not be truly written without special emphasis on the labors of GEORGE S. GRAHAM. His legal ability and unselfish devotion to duty have won for him unstinted praise of judges and lawyers, and have merited the gratitude of all law-abiding people. These outstanding qualities, brightened by his splendid personality, have endeared him to us, his home folks and his companions.

"We can with pride acclaim all honor to our associate, Representative, and friend, of whom Chief Justice Taft has written, that 'it may be said with force and truth that he is deserving well of the Republic.'"

LETTER FROM JUSTICE TAFT

Chief Justice Taft's letter, which with the others was read by Mr. Brown, follows:

"I greatly regret that it is impossible for me to attend the dinner which the bar of Philadelphia is to give to the Hon. GEORGE S. GRAHAM, chairman of the Judiciary Committee of the House of Representatives, on the evening of February 15 next. My judicial duties and the condition of my health have required me to decline all invitations to dinner or to make addresses. It is only this which prevents me from taking part in your tribute to Mr. GRAHAM.

"I have been in a position to know of the valuable service which Mr. GRAHAM has rendered to the bar and to the country in the promotion of measures for the improvement of legislation with respect to the Federal judiciary, and of his willingness to study with care measures of reform in this field and to promote them with all the weight of his marked ability and his great experience at the bar and in the House. I have never appealed to him in any matter looking to an advance along right lines in judicial procedure that he did not give it the promptest attention and secure for it the respectful consideration of his committee and of the House of Representatives.

"He brings to his work as the chairman of his great committee not only the qualities, of which I have already spoken, but also that most invaluable spirit of the high traditions of the Philadelphia bar, than which there is nothing finer in the country. It is most fitting, therefore, that you, the members of that bar, should evidence your admiration for the man, the lawyer, and the legislator by such a notable and significant tribute as this. It may be said of Mr. GRAHAM, with force and truth, that he has deserved well of the Republic."

UNITED STATES JUSTICE FIRST SPEAKER

Justice Butler was the first speaker of the evening. He dwelt specifically upon the overwhelming importance of the House Judiciary Committee in regulating the judicial affairs of the Nation, and said that "in the qualities that make for a great leader, GEORGE S. GRAHAM, chairman of the Judiciary Committee of the House during the present Congress, has had no superior."

Justice Butler paid a glowing tribute to the preeminence of the bar of Philadelphia and Pennsylvania in the estimation of the Nation, stating that the first chairman of the Judiciary Committee far back in the early days of the Republic was a Pennsylvanian, reared and fostered among the high traditions of the legal profession of this State.

RECOUNTS MEMORIES

He said that he could remember with peculiar vividness the great figures in the legal life of his own State; that of James K. Humphrey, great figure in the early days of Minnesota's judicial life, and particularly that of Alexander Ramsey, a member of the Pennsylvania bar, who went to Minnesota in 1849 to establish its judicial system.

"Here in Philadelphia," Justice Butler continued, "the eminence of the bar extends far back into the colonial days. It was eminent in every field of activity which benefited the Republic. The Judicial Committee, now 125 years old, had for its first chairman Charles Jared Ingersoll, a member of the Philadelphia bar.

"The most favored of all the committees of the House is the Judiciary Committee. It has in charge all of the petitions and proposed legislation affecting judicial procedure, civil and criminal law, and deals especially with the most important and difficult fields of legislation, labor, corporations, trusts, and legislation of the most varied character, as well as the creation of new courts and judgeships.

"It has been presided over by the most eminent lawyers of the country—Webster, Buchanan, and Sargent. The work of that committee brings it into contact with other committees, requiring the leadership of a man of the highest skill, character, forebearance, restraint, and all of the faculties making for constructive cooperation.

PRAISE FOR COMMITTEE

"The personnel of the committee is composed of the leading lawyers of the House. It makes its multitudes of reports to the House, and when its measures are reported out generalship of the highest order is required to bring them to the attention of the Members and secure their passage.

"In the qualities which make for great leadership, subordinate only to that of the Speaker, GEORGE S. GRAHAM, as the chairman of the Judiciary Committee of the present Congress, has had no superior. It is my privilege and very great honor to wish him happiness and the appreciation of the Philadelphia bar—of a bar that knows no jealousy, that seeks only the opportunity to express its love and gratitude for faithful work well done."

Chief Justice Von Moschzisker's address was one of retrospect, rather than of future or present contemplation, being, in general, a review of the past service of the Congressman, when, as a younger, though hardly less vigorous man, he was for six consecutive terms the district attorney of Philadelphia, during four of which his nomination was uncontested by either party.

"Some years ago, when Chief Justice Taft was President of the United States, he said that 'Above all men, I love a judge,' the chief justice of this State's supreme tribunal began. He had been away from association with judges for some years at the time when he said it and possibly he would express a different point of view, were he asked to do so now, but I must disagree with him, in part at least, and say, 'Above all men, I love a lawyer.'

ADMITTED TO BAR IN 1870

"Mr. GRAHAM was admitted to the bar in 1870, the same year in which I was admitted to the world, but I can remember him for at least 40 years, because for at least that time I have known him.

"I remember him in the old courthouse at Sixth and Chestnut Streets and recall him then as about the handsomest young man I have ever seen; strong, vigorous, and with that beautiful voice, which first attracted, then held, and finally convinced the jury or the judge.

"There began his great career as district attorney of this county, which lasted for 18 glorious years. The people of this city became so used to him that they never thought they would need another, but he thought otherwise, and, having been elected to six terms, four times being unopposed, he decided to retire for the private practice of the law.

WON OPPOSITION AUDIENCE

"The candidate of the fusionists, who was running for the position vacated by Mr. GRAHAM decided that good politics dictated that he make an attack upon the past administration of the district attorney's office.

"Mr. GRAHAM, being a fighter, wrote a letter to those in charge of the opposition campaign, stating that he would like to be heard on the issue. A great meeting in the Academy of Music was to close the campaign—and he demanded the right to be heard from that platform.

"The house was packed, naturally, by an audience of opposition, but Mr. GRAHAM appeared, accompanied by his assistant, 'Tom' Finletter, now the Hon. Thomas D. Finletter, judge of court of common pleas No. 4. There was some parleying as to whether Mr. GRAHAM should not open the debate, being the challenger, but he insisted that he be permitted to hear what was said and then answer the allegations of the opposition.

"Finally, it developed that the principal indictment of the opposition was that he had prosecuted the most sensational cases in a sensational manner, but had permitted a large accumulation of lesser cases, and that 7,000 indictments had not been tried.

"Mr. GRAHAM rose to reply. For 10 minutes there was pandemonium in the house. The audience would not let him reply. I can still see him standing there with a polite, imperturbable smile on his face, and then his voice ringing out, demanding the right to be heard. There was silence, and then he began to speak.

"He broke down one indictment after another, showing that the majority of the indictments which yet remained untried had been abandoned by the prosecution or the prosecutor had died, and that he had devoted his entire time to the live issues. He actually reduced that audience to submission, and at the conclusion of his address he was greeted with applause and acclaim. After that never a word was ever heard against his glorious record of 18 years as district attorney of the county of Philadelphia."

SHINING RECORD AS CITIZEN

A beautiful tribute was paid to Congressman GRAHAM'S record as a citizen, not only of his native city but of the whole Nation, by former Judge Gordon, who said in his address that "the enduring fame of a city depends on the number and achievements of its men of 'light and leading.' Not its accumulated wealth; not the luxuriousness of its life; not the multitude of its inhabitants; not the magnitude of its trade; not its sports or its pastimes will save it from the effacement of time or give it a place in the glorious galleries of history. Its contribution to the thought and culture of the race—this alone will keep its name luminous with the light of immortality."

He described in glowing oratory Mr. GRAHAM'S career as a district attorney and finally of the time when he was called from the field of municipal service to that larger and broader field of national service.

"In that great field of beneficial lawmaking and vicious political maneuvering he has advanced with unabated progress to distinction, influence, and usefulness," former Judge Gordon continued. "Again his city has won luster from his name. Again she has cause for pride in her citizen. His latest service has been not alone to his city and his State, but to the whole country and all the people. He has succeeded in placing the judiciary of the entire Nation in a position of dignity and independence where it no longer will be tenable only by the rich or sought after only by the mediocrity. The city of Philadelphia and the bar of the city blesses his name for this fresh crown to his patient, tactful, and wise labors.

Hampton L. Carson, former attorney general of Pennsylvania and at the present time president of the Pennsylvania Historical Society, spoke, as had the others, of the more than half a century of his life which Mr. GRAHAM had given to the public service, and mentioned, with considerable pride, that he had nominated Mr. GRAHAM for the district attorneyship for five successive terms.

He referred in particular to the strenuous efforts the Congressman had made to secure the increase in the salaries of judges, and spoke of him as the leader in the "long struggle for the independence of the bench."

"GEORGE GRAHAM, you have rendered great service," he concluded, "and a service which has become a part of the great heritage of the Philadelphia bar."

Much like the brief address of the former attorney general was that of Judge McCullen, who emphasized the fearlessness with which the guest of honor had ever carried on his duties, whether as a private citizen, as a prosecuting attorney, or as a legislator.

"He has ever been the friend of the court of justice, be it municipal, State, or Federal. He has sought to keep their standard high, and, as was indicated on a recent occasion, he has not hesitated to take drastic steps to obtain drastic ends."

THE CAUSES OF AGRICULTURAL DEPRESSION

Mr. WEFALD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WEFALD. Mr. Speaker, under leave granted me to extend my remarks in the RECORD I wish to have printed an article taken from the Progressive magazine, which I present in slightly abridged form. It is a keen analysis of the situation, and I am sure that the article will coincide with the views of many of those who have given this matter any thought.

The article is as follows:

THE CAUSES OF AGRICULTURAL DEPRESSION

The following extremely interesting article is from the pen of an intelligent American farmer and stockman, who has been and still is engaged in farming in one of the Western States. The advanced thoughts expressed in the article therefore have the practical value which attaches to years of experience:

"The American farmers have petitioned Congress for relief from the destructive economic conditions which now afflict and have afflicted American agriculture for the past six years. In the newspapers of the financial and industrial interests of our country we read that the farmers are asking for a special privilege, and frequently the question is asked by such newspapers: 'Does the American farmer expect Congress to place his industry beyond the operation of natural economic law, the law of supply and demand?'

"Now, if this question were asked by persons whose industries were standing on their own bottoms, and if the price of their products or services were fixed by the natural economic law of supply and demand, it would be a very proper question. But who are the persons or interests objecting to relief for agriculture? Practically all of the objections come from persons who have invested their money in industries, operating on the cost-plus plan, giving them a certainty of return by reason of a Federal or local statute. The selling price of their product or services is based upon the cost of production plus a profit, and this condition has been made possible by the enactment of Federal or State statutes. These laws are destructive of the prosperity of the American farmer and were enacted at the behest of the interests benefited thereby.

THE FEDERAL RESERVE BANKING ACT

"In 1913 and 1914 the American banking interests came to Congress under cover and asked for the enactment of the Federal reserve banking act. This act gives the American bankers a monopoly of the credit of the people. Under that act they have power to deflate or inflate the currency, bring about booms or panics, and it has been a panic for American agriculture ever since May, 1920. Under that law the bankers issue the Federal reserve bank note currency on the collateral of the borrowers. The payment of such notes is guaranteed by the United States Government. The interest paid by the borrowers goes to the bankers, of course. No greater power and privilege was ever granted by a government to private interests since the beginning of history.

"Calhoun, in condemning such policy, said:

"'Place the money power in the hands of a single individual, or a combination of individuals, and they by expanding or contracting the currency may raise or sink prices at pleasure; and by purchasing when at the greatest depression and selling at the greatest elevation may command the whole property and industry of the community and control its fiscal operations. The banking system concentrates and places this power in the hands of those who control it, and its force increases just in proportion as it dispenses with a metallic basis. Never was an engine invented better calculated to place the destiny of the many in the hands of the few, or less favorable to that equality and independence which lies at the bottom of our free institutions.'

ANTIDUMPING ACT

"At the close of the World War the American manufacturing interests came to Congress with the cry that the European nations would then get to work and produce as never before so as to live and pay their debts, and as there would be nothing for them to do but to work, they would undersell our manufacturers in our own and all other markets. So Congress at their behest passed the antidumping act.

ESCH-CUMMINS TRANSPORTATION ACT

"In 1920 the railroads came to Congress and had the Esch-Cummins Act passed. The basis of this act is the cost-plus plan. Under this act the railroads are not only entitled to a fair return for the actual capital invested, but also the water and fictitious capital now claimed to be real. It invites extravagant cost of operation, high salaries, high cost of repairs and replacements, all at the cost of the public. This act also takes care of the express and telegraph companies on the same basis. This act is undoubtedly the finest and most complete piece of legislation on the cost-plus plan so far devised for the billions of capital invested in our railroads. No risk here whatever, and remember that this was and is done by act of Congress.

THE FORDNEY-M'CUMBER TARIFF ACT

"In 1921 our manufacturers, not satisfied with the antidumping tariff act, came to Congress and wrote most of the schedules of the Fordney-McCumber Tariff Act. Behind the highest tariff wall in the history of the United States our manufacturers are able by price-fixing organizations to operate also upon the cost-plus plan. The Federal

Trade Commission now exists to approve such organizations instead of preventing them. The natural economic law of supply and demand and open competition is poison to them and a man who believes in the old-time American individualism that every tub should stand upon its own bottom, is a heretic more dangerous than a Bolshevist, in the minds of the beneficiaries of the tariff.

LOCAL PUBLIC UTILITIES

"All public utilities are operating upon the cost-plus plan, under local public utilities laws of their respective States. Fictitious capitalization has been the order of the day in such plants. The same rule of extravagance in the cost of operation, high salaries, high rates of interest, commissions, etc., prevail in the operation and construction of these plants, and so that the high rates may be maintained, public utility commissions must be friendly. It is therefore necessary to control the appointing power, the governors of each State where the governor has the appointing power of such commissions.

"These public-utility plants are, for the most part, controlled by capitalists in the cities of Boston, New York, and Philadelphia, so that we now have the State governments controlled by the absentee owners of the public utilities. No natural economic law affects these interests, but they are alarmed when there is talk that the American farmer is to be taken into that charmed circle of the cost-plus operation.

IMMIGRATION ACT

"* * * Every baby born upon our soil and every immigrant who lands on our shore adds some value to every piece of real estate in our land. Every speculator in land or real estate figures on the increase of population to raise the value of his holdings. That, however, is not the only effect that immigration had upon the farmer. Every immigrant who lands upon our shores is fed by the American farmer. Neither Canada, Argentine, or Australia feed him, and if 1,000,000 immigrants per year reached our shores for the last 10 years we would now have 10,000,000 more population. Such addition to our population would consume 60,000,000 bushels of wheat annually and millions of dollars worth of other products of the American farmer. We could have selected such immigrants and received the best stocks of Europe instead of the mixed bloods from the West Indies, South America, and Mexico.

AUTOMOBILES AND MOTOR TRUCKS

The introduction and use of the automobile and motor truck have taken from the American farmer the former market that he had in cities for horses and horse feed. All the locomotive power for cities and towns formerly furnished by the American farmer is now furnished by Ford and other automobile and truck manufacturers, and gasoline has taken the place of horse feed. The loss of their horse and horse-feed market by the American farmer can only be replaced by an increase in population. It would take 20,000,000 people to replace that lost market. Yet our American farmers went wild and even now are supporting men for Congress in States west of the Mississippi, Congressmen and Senators, who are openly against an increase of population. When one of the chief factors in the decline of land values of such States is the decrease in their population, what can we say about the economic intelligence of a farmer who follows such false prophets? * * *

The cotton, grain, and hog growers of America have since colonial times produced more of their products than could be consumed at home. They have produced our export articles, which gave us a balance of trade in our favor. The price for their products has always been made in the open markets of Europe in competition with all nations of the world. The cold, unhampered natural economic law of supply and demand always governed the price of their products. Since time immemorial the American grain, cotton, and meat buyers paid the American farmer the Liverpool price, less transportation, commission, and insurance charges. Since 1914 the cost of transportation by rail has increased 50 per cent, on water 100 per cent.

One of the purposes for the destruction of the German merchant marine by the treaty of Versailles was to destroy the competition of that marine, as it was a price cutter and kept ocean rates down, to the benefit of the American farmer.

So the surplus of American farm products has been sold in the open markets of the world, and the price paid for such surplus has fixed the price upon the whole product.

THE EFFECT OF A SURPLUS OR A SHORTAGE OF SUPPLY ON THE PRICE OF AGRICULTURAL PRODUCTS

Every observer of the relations of supply and demand knows that a shortage or surplus, although small in proportion to the total supply, will effect prices in a disproportionate degree. In the seventeenth century Gregory King, an English economist, from elaborate calculations deduced a law governing prices of agricultural products. He calculated that prices varied with supply and demand, as follows:

"A decrease in supply of

"One-tenth raises the prices above the common rate three-tenths.

"Two-tenths raises the prices above the common rate eight-tenths.

"Three-tenths raises the prices above the common rate eighteen-tenths.

"Four-tenths raises the prices above the common rate twenty-eight tenths.

"Five-tenths raises the prices above the common rate forty-five tenths.

"Thorold Rogers, one of the authorities of our own times, has pronounced this formula 'one of the most important generalizations in statistics' and it has been treated by all writers as at least approximately true.

"Were there 10 additional millions of people here there would be no meat and wheat surplus to trouble the American farmers, but many of them followed the lead of professional uplifters upon this question and howled for total restriction of immigration. Surely, the American farmer was no economist when he followed such false economic prophets.

"Everything needed by the American farmer to produce his crops he has had to buy and is now buying in a closed market. His cost of production is on the same basis as that of the protected manufacturer. The cost of labor to the farmer follows the cost of labor in the cities and factories, and in the last 12 years the cost of labor has increased 125 per cent.

"Keeping up inflated war prices the cost-plus plan for the cities, factories, railroads, and other public utilities, while the farmer has been operating in open competition with the world, has resulted in the shifting of billions of capital from agricultural to corporate stocks and city real estate. The increase in value of the corporate stocks of public utilities, banking, and manufacturing corporations is about in the proportion that agricultural capital value has declined. This shifting of capital values from agricultural to public utilities, manufactures, and banks is due to the acts of Congress and local public utilities acts, man-made laws.

"The answer to the question as to what are the causes of the depression of American agriculture since May, 1920, is simple. Those causes are in plain sight of every man with common sense or ordinary intelligence. To recapitulate, those causes are as follows:

"1. The power given to the bankers to expand or contract the Nation's currency and the practical monopoly granted to banks of the credit of the people by the Federal reserve banking act.

"2. The extravagant and expensive cost-plus plan of all local public utilities, provided for and invited in local public utilities laws.

"3. The destruction of the market for the consumption of agricultural products by the breweries and distilleries by reason of prohibition of the manufacture of liquor by the eighteenth amendment and the Volstead Act.

"4. The prevention of increase of population by the immigrant act.

"5. The loss of the market for horses and horse feed of our cities and towns.

"6. The high cost of production of his products, which has kept pace and follows the high cost of production of manufactured goods in the cities which is caused by the tariff act, the transportation act, and the local public utilities laws.

"Now, what is the remedy? It is either to repeal all the laws which interfere with natural economic law of supply and demand, and place all our producers on equal footing, the old American doctrine of individualism with favors to none, or else put the American farmer into the charmed circle of the cost-plus producers.

"It has been proposed to give the American farmer the open market price, plus the amount of the tariff, plus the cost of transportation. That is what the American manufacturers are receiving. The present tariff on manufactured articles generally runs from 50 to 100 per cent, while the tariff on farmers' products, which is now noneffective, amounts to less than 30 per cent.

"If there were no surplus of the farmers' products, the tariff on his products would now be effective and he would be receiving just what was proposed in the relief bills. But because the farmers of America produce a 10 or 15 per cent surplus, they receive the open market price of the world, less the cost of transportation and commission. This surplus is to be sold in the markets of the world at whatever it will bring, but it may approximately be taken for granted that from 80 to 90 per cent of the products of the American farms will be consumed by the American people, and for that much of his product the farmer will get the cost of production.

"There is no immediate prospect of repeal of the laws which practically put all American industry, except agriculture, on the cost-plus plan of production, and unless those laws are repealed, to be fair and just to the American farmer, agriculture should be placed upon the same basis as other American industries."

ASSOCIATION SIERVAS DE MARIA, SAN JUAN, P. R.

Mr. JAMES. Mr. Speaker, I call up the conference report on the bill (H. R. 10728) authorizing the Secretary of War to convey to the Association Siervas de Maria, San Juan, P. R., certain property in the city of San Juan, P. R.

The Clerk read the conference report.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R.

10728) authorizing the Secretary of War to convey to the Association Siervas de Maria, San Juan, Porto Rico, certain property in the city of San Juan, Porto Rico, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same.

J. W. WADSWORTH, Jr.,
DAVID A. REED,
HIRAM BINGHAM,
DUNCAN U. FLETCHER,
MORRIS SHEPPARD.
Managers on the part of the Senate.

W. FRANK JAMES,
JOHN PHILIP HILL,
HUBERT F. FISHER,
Managers on the part of the House.

The conference report was agreed to.

CESSION OF LAND AT BATTERY COVE, VA., TO STATE OF VIRGINIA

Mr. JAMES. Mr. Speaker, I call up the conference report on the bill (H. R. 11615) providing for the cession to the State of Virginia of sovereignty over a tract of land located at Battery Cove, near Alexandria, Va.

The Clerk read the conference report, as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 11615) providing for the cession to the State of Virginia of sovereignty over a tract of land located at Battery Cove, near Alexandria, Va., having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same.

W. FRANK JAMES,
JOHN PHILIP HILL,
PERCY QUIN,
Managers on the part of the House.

J. W. WADSWORTH, Jr.,
DAVID A. REED,
DUNCAN U. FLETCHER,
Managers on the part of the Senate.

The conference report was agreed to.

ADJOURNMENT

Mr. PURNELL. Mr. Speaker, I move that the House adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 55 minutes p. m.) the House adjourned until to-morrow, Saturday, February 19, 1927, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Saturday, February 19, 1927, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON APPROPRIATIONS

(10 a. m.)

Second deficiency bill.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(10.30 a. m.)

To regulate interstate commerce by motor busses operating or to operate as common carriers of passengers for hire through the interstate tunnel now being constructed under the Hudson River between the city of New York, State of New York, and the city of Jersey City, State of New Jersey, and over the interstate bridge now being constructed across the Delaware River between the city of Philadelphia, Commonwealth of Pennsylvania, and the city of Camden, N. J. (S. 3894).

TICKETS FOR JOINT SESSION OF CONGRESS ON FEBRUARY 22, 1927

Mr. TILSON also submitted the following notice from the committee on arrangements for the joint session of the two Houses to be held on February 22, 1927:

Tickets issued to Senators and Representatives—one to each—for the galleries of the House on the occasion of the President's address on February 22, 1927, embrace every seat, both chair and aisle, from which the President may be seen at the rostrum.

To render this possible it became necessary, because of the very limited capacity of the galleries, to utilize the aisle seats facing the Speaker's rostrum.

The few remaining seats, those on each side of the press gallery, in the rear of the Speaker's rostrum—except the front row—are not included in the congressional distribution, but have been assigned by the committee on arrangements to guests unable to obtain a better vantage point.

The tickets distributed to Senators and Representatives were placed at random in small unaddressed envelopes and then inclosed in large addressed envelopes so as to insure their distribution fairly and without favor as to location of seats.

BY ORDER COMMITTEE ON ARRANGEMENTS.

EXECUTIVE COMMUNICATIONS, ETC.

1004. Under clause 2 of Rule XXIV, a communication from the President of the United States, transmitting supplemental estimates of appropriations for the Treasury Department for the fiscal year ending June 30, 1928, for public buildings authorized under the provisions of the act approved May 25, 1926, $19,878,700 (H. Doc. No. 740), was taken from the Speaker's table and referred to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII.

Mr. McSWAIN: Committee on Military Affairs. H. R. 17155. A bill to authorize and direct the Secretary of War to accept an act of sale and a C. S. B. dedication of certain property in the city of New Orleans, La., from the board of commissioners of the port of New Orleans, and for other purposes; with amendment (Rept. No. 2158). Referred to the House Calendar.

Mr. WURZBACH: Committee on Military Affairs. H. R. 14834. A bill to provide for appointment as warrant officers of the Regular Army of such persons as would have been eligible therefor but for the interruption of their status, caused by military service rendered by them as commissioned officers during the World War; without amendment (Rept. No. 2161). Referred to the House Calendar.

REPORTS OF COMMITTEE ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII.

Mr. DREWRY: Committee on Military Affairs. H. R. 17088. A bill to authorize certain officers of the United States Navy to accept from the Republic of Haiti the Medal of Honor and Merit; without amendment (Rept. No. 2157). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 16224. A bill for the relief of the DeWitt County National Bank, of Clinton, Ill.; with amendment (Rept. No. 2150). Referred to the Committee of the Whole House.

Mr. VINSON of Kentucky: Committee on Military Affairs. H. R. 10813. A bill for the relief of Finas M. Williams; without amendment (Rept. No. 2160). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. TAYLOR of Colorado: A bill (H. R. 17220) restricting the Federal Power Commission from issuing or approving any permits or licenses affecting the Colorado River or any of its tributaries; to the Committee on Interstate and Foreign Commerce.

By Mr. ARENTZ: A bill (H. R. 17221) to amend section 6 of the act of September 22, 1922; to the Committee on Immigration and Naturalization.

By Mr. LINTHICUM: A bill (H. R. 17222) to authorize an additional appropriation for Fort McHenry, Md.; to the Committee on Military Affairs.

By Mr. ZIHLMAN (by request of the Commissioners of the District of Columbia): A bill (H. R. 17223) to amend the act of February 9, 1907, entitled "An act to define the term of 'registered nurse' and to provide for the registration of nurses in the District of Columbia"; to the Committee on the District of Columbia.

Also (by request of the Commissioners of the District of Columbia), a bill (H. R. 17224) to amend Public Law 254, approved June 20, 1906, known as the organic school law, so as to relieve individual members of the Board of Education of personal liability for acts of the board; to the Committee on the District of Columbia.

By Mr. GIBSON: A bill (H. R. 17225) to provide a memorial branch library building in the District of Columbia; to the Committee on the District of Columbia.

By Mr. JENKINS: A bill (H. R. 17226) to amend sections 4 and 5 of the act entitled "An act granting the consent of Congress to the Gallia County Ohio River Bridge Co. and its successors and assigns to construct a bridge across the Ohio River at or near Gallipolis, Ohio," approved May 13, 1926, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. GARBER: A bill (H. R. 17227) providing for horticultural experiment and demonstration work in the southern Great Plains area; to the Committee on Agriculture.

By Mr. BLACK of New York: Resolution (H. Res. 431) requesting the Department of State for certain information; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the Legislature of the State of North Dakota, urging negotiation relative to the Great Lakes-St. Lawrence seaway; to the Committee on Rivers and Harbors.

By Mr. WINTER: Memorial of the Legislature of the State of Wyoming, regarding grazing fees; to the Committee on Agriculture.

By Mr. HERSEY: Memorial of the Legislature of the State of Maine, relative to the retirement of disabled emergency officers of the Army of the United States; to the Committee on World War Veterans' Legislation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AUF DER HEIDE: A bill (H. R. 17228) granting a pension to Salome Cerrenner; to the Committee on Invalid Pensions.

By Mr. BRAND of Ohio: A bill (H. R. 17229) granting an increase of pension to Mary I. Converse; to the Committee on Invalid Pensions.

By Mr. CHRISTOPHERSON: A bill (H. R. 17230) for the relief of Olof Nelson; to the Committee on Claims.

By Mr. EATON: A bill (H. R. 17231) granting relief to William Sulem; to the Committee on Claims.

By Mr. GIBSON: A bill (H. R. 17232) granting an increase of pension to Julia Roberts; to the Committee on Invalid Pensions.

By Mr. HOOPER: A bill (H. R. 17233) granting an increase of pension to Mary J. Diehl; to the Committee on Invalid Pensions.

By Mr. JENKINS: A bill (H. R. 17234) granting an increase of pension to Daniel B. Jones; to the Committee on Pensions.

Also, a bill (H. R. 17235) granting an increase of pension to Rachel A. Lewis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17236) granting a pension to Kate Davis; to the Committee on Invalid Pensions.

By Mr. KENDALL: A bill (H. R. 17237) for the appointment and retirement of John Elmer Wright as a first lieutenant, United States Army; to the Committee on Military Affairs.

By Mr. LAMPERT: A bill (H. R. 17238) granting a pension to Frank V. Webster; to the Committee on Pensions.

By Mr. MERRITT: A bill (H. R. 17239) granting an increase of pension to Ellen S. Manchester; to the Committee on Invalid Pensions.

By Mr. MILLIGAN: A bill (H. R. 17240) granting a pension to Mary Jane Judd; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 17241) granting an increase of pension to Harriet C. Stryker; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 17242) granting a pension to Ferdinand Inklebarger; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7017. By Mr. ADKINS: Petition of citizens of Urbana, Ill., urging Congress to take immediate steps to bring to a vote the Civil War pension bill; to the Committee on Invalid Pensions.

7018. By Mr. BRIGGS: Petition of citizens of Palestine, Tex., relating to pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7019. Also, petition of Mr. George Williams, Neptune Association (Inc.), Galveston, Tex., requesting adoption of Senate bill 3574; to the Committee on Immigration.

7020. Also, petition of Galveston Labor Council, for exclusion of seamen from maritime workmen's compensation bill and for passage of Senate bill 3574; to the Committee on Immigration and Naturalization.

7021. By Mr. BROWNING: Petition of citizens of Carroll and Henry Counties, Tenn., requesting Civil War pension legislation; to the Committee on Invalid Pensions.

7022. By Mr. BRUMM: Petition of citizens of Ringtown and Union Township, Schuylkill County, Pa., urging immediate action on the pending bill to provide an increase of pension for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7023. By Mr. COOPER of Ohio: Petition of Vernon R. Cole and other residents of Trumbull County, Ohio, favoring increases of pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7024. Also, petition of Mrs. Addie Colwell and other citizens of Geneva, Ohio, urging increases of pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7025. Also, petition of F. E. Hurlburt and other citizens of Jefferson, Ohio, favoring increases in pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7026. Also, petition of T. D. McFarland and other citizens of Youngstown, Ohio, urging increase of pension for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7027. By Mr. CULLEN: Petition of the Twenty-eighth Ward Taxpayers' Protective Association (Inc.), favoring the improvement of the Brooklyn post office, and also the matter of additional work for the Brooklyn Navy Yard.

7028. Also, resolutions of the Maritime Association of the Port of New York, relative to the hearings held before the Shipping Board on the allocation of the American Republics Line; to the Committee on the Merchant Marine and Fisheries.

7029. By Mr. EATON: Petition of William M. Fink, Rural Free Delivery No. 6, Trenton, N. J., and 38 other residents of Trenton, protesting against the enactment of compulsory Sunday observance laws for the District of Columbia; to the Committee on the District of Columbia.

7030. By Mr. FISHER: Petition of Mr. and Mrs. O. B. Roth, 1323 Tutwiler Avenue, Memphis, Tenn., requesting Civil War pension legislation; to the Committee on Invalid Pensions.

7031. By Mr. ROY G. FITZGERALD: Petition of Pasadena Post, No. 13, American Legion, urging Congress to take prompt and favorable action on the disabled emergency Army officers' retirement bill (H. R. 4548); to the Committee on World War Veterans' Legislation.

7032. Also, petition of Blind Veterans, National Chapter, Disabled American Veterans of the World War, protesting that Senator WADSWORTH is wrong about the enlisted veterans being against the bill H. R. 4548, for the retirement of disabled emergency Army officers, and urge the immediate passage of this bill; veterans of all ranks, and particularly disabled veterans, favor this bill; to the Committee on World War Veterans' Legislation.

7033. Also, resolution of the American Legion, Department of Maryland, unanimously indorsing the Fitzgerald-Tyson bill for the retirement of disabled emergency Army officers of the World War; to the Committee on World War Veterans' Legislation.

7034. Also, petition of Santa Monica Bay Cities Post, No. 123, American Legion, unanimously indorsing House bill 4548, for the retirement of disabled emergency Army officers, and urging House of Representatives to vote on bill as soon as possible before the adjournment of Congress; to the Committee on World War Veterans' Legislation.

7035. By Mr. GALLIVAN: Petition of Boston Federal Employees, Local No. 25, Michael M. Burke, secretary, customhouse, Boston, Mass., recommending early and favorable consideration of House bill 359, providing for the abolition of the Personnel Classification Board and transfer of its duties to the Civil Service Commission; to the Committee on the Civil Service.

7036. By Mr. GAMBRILL: Petition by the American Legion, Department of Maryland, at its eighth annual convention, held at Annapolis, Md., August 26, 27, and 28, 1926, favoring the placing of emergency officers of the Army on an equal footing with officers of the Regular Army as to pay, allowance, and pension; to the Committee on Military Affairs.

7037. By Mr. GARBER: Petition of the Manufacturing Jewelers' Association of Philadelphia, urging support of the na-

tional platinum marketing act (H. R. 16545); to the Committee on Interstate and Foreign Commerce.

7038. Also, petition of the clerks of the post office at Stillwater, Okla., urging enactment of House bill 16257 and other measures pending before the Committee on the Post Office and Post Roads which would tend to increase the efficiency of the postal employees and the quality of the public service; to the Committee on the Post Office and Post Roads.

7039. Also, petition of Charles W. Dawson, member of the American Institute of Architects, Society of Technology Architects, and American Association of Engineers, urging that sites for future Government buildings be obtained and outlining four lines of legislation for the protection of the Capitol and the White House which the institute has proposed; to the Committee on Public Buildings and Grounds.

7040. Also, letter from T. J. Womack, Alva, Okla., indorsing Senate bill 2929 and House bill 8708, bills to reduce the interest rate on railroad indebtedness and extend the time for payment thereof; to the Committee on Interstate and Foreign Commerce.

7041. By Mr. GIBSON: Petition of citizens of Royalton, Vt., favoring legislation for the relief of veterans of Civil War and widows of veterans; to the Committee on Invalid Pensions.

7042. By Mr. GILBERT: Petition of citizens of Casey County, Ky., to increase pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7043. By Mr. GREENWOOD: Petition of John E. Norman, of Vincennes, Ind., urging that steps be taken to bring to a vote a Civil War pension bill carrying the rates proposed by the National Tribune; to the Committee on Invalid Pensions.

7044. By Mr. HICKEY: Petition of Mrs. Laura M. Crider and other citizens of Goshen, Ind., urging the passage of a bill increasing the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7045. By Mr. HILL of Washington: Petition of N. E. Carpenter and 105 others, of Okanogan, Wash., protesting against all compulsory Sunday observance bills pending in Congress; to the Committee on the District of Columbia.

7046. Also, petition of William Kilpatrick and 99 others, of Hillyard, Wash., protesting against all compulsory Sunday observance bills pending in Congress; to the Committee on the District of Columbia.

7047. By Mr. HOGG: Petition of Mrs. Mary A. H. Zimmerman and 56 other widows, veterans, and citizens of Harlan, Ind., asking immediate consideration of the Civil War pension laws; to the Committee on Invalid Pensions.

7048. By Mr. JENKINS: Petition of 121 residents of Meigs County, Ohio, urging that immediate steps be taken to bring to a vote a Civil War pension bill; to the Committee on Invalid Pensions.

7049. Also, petition signed by 15 residents of Dexter, Ohio, urging that immediate action be taken to pass legislation for the relief of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7050. By Mr. KELLER: Petition of citizens of Washington and Ramsey Counties, Minn., urging enactment of bill increasing pensions of Civil War veterans and their dependents; to the Committee on Invalid Pensions.

7051. By Mr. KELLY: Petition of Fort Necessity Chapter, Sons of American Revolution, of Uniontown, Pa., favoring peace with preparedness; to the Committee on Military Affairs.

7052. Also, petition of citizens of McKeesport, Pa., requesting Civil War pension legislation; to the Committee on Invalid Pensions.

7053. By Mr. KOPP: Petition signed by Mrs. N. J. Montague and 35 others, of Keokuk, Iowa, urging increased pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7054. Also, petition signed by Frank Moeller and 46 others, residents of Keokuk, Iowa, and vicinity, urging increased pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7055. Also, petition signed by C. T. Miller and 74 other residents of Keokuk, Iowa, and vicinity, urging increased pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7056. By Mr. McSWEENEY: Petition of citizens of Uhrichsville, Ohio, urging immediate consideration of bill for further relief of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7057. By Mr. MAJOR: Petition of citizens of Polk County, Mo., urging the immediate passage of the Civil War pension bill, providing increases of pension for needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

7058. Also, petition of citizens of Springfield, Mo., urging the immediate passage of the Civil War pension bill, providing increases of pension for needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

7059. Also, petition of citizens of Pettis County, Mo., urging the passage of the Civil War pension bill, providing increases of pension for needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

7060. By Mr. MURPHY: Petition signed by voters of Morristown, Ohio, urging that immediate relief may be accorded to needy and suffering veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

7061. Also, petition signed by voters of Belmont County, Ohio, urging that immediate relief may be accorded to needy and suffering veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

7062. By Mr. MAPES: Petition of Mr. Renel E. Root, of Coopersville, Mich., and 79 other residents of that vicinity in opposition to the enactment by Congress of House bill 10311, or any other bill of a religious nature; to the Committee on the District of Columbia.

7063. Also, petition of 15 residents of Caledonia, Mich., recommending the enactment by Congress of additional legislation for the benefit of veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

7064. By Mr. MERRITT: Petition of citizens of Stratford, Conn., urging passage of Civil War pension legislation; to the Committee on Invalid Pensions.

7065. By Mr. MICHENER: Petition of residents of the second congressional district of Michigan, requesting Civil War pension legislation; to the Committee on Invalid Pensions.

7066. Also, petition of citizens of Jackson County, Mich., asking that certain pension laws be amended; to the Committee on Invalid Pensions.

7067. By Mr. MILLER: Petition of citizens of Seattle, Wash., for increase in pensions of Civil War veterans and removal of limitation on date of marriage of Civil War widows; to the Committee on Invalid Pensions.

7068. By Mr. O'CONNELL of New York: Petition of Joseph J. Albrecht, secretary Cath Central Verein of America, New York, favoring the passage of the longshoremen's accident compensation bill; to the Committee on the Judiciary.

7069. Also, petition of the Richmond Hill Post, No. 212, of Richmond Hill, Long Island, N. Y., favoring the 5-5-3 ratio and opposing the reduction of appropriations for the maintenance of the Army and Navy; to the Committee on Military Affairs.

7070. Also, petition of the International Seamen's Union of America, favoring the passage of Senate bill 3574, a bill to provide for the deportation of certain alien seamen; to the Committee on Immigration and Naturalization.

7071. Also, petition of the Brooklyn Chamber of Commerce, favoring the passage of House bill 13474, providing for the future policy of the Post Office Department; to the Committee on the Post Office and Post Roads.

7072. Also, petition of American Association for Labor Legislation, favoring the passage of Senate bill 3170, and opposing any proposed amendment to fix a definite maximum amount in death cases; to the Committee on the Judiciary.

7073. By Mr. OLDFIELD: Petition of citizens of Fulton County, Ark., urging the passage of House bill 13450; to the Committee on Invalid Pensions.

7074. By Mr. PEAVEY: Petition of the Mason Chapter, Izaak Walton League of America, Mason, Wis., urging that immediate steps be taken to consummate the building of the Great Lakes-St. Lawrence deep waterway; to the Committee on Rivers and Harbors.

7075. By Mr. SHREVE: Petition by nearly 100 citizens of Waterford for the immediate passage of the pension legislation granting increase in pension to Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7076. By Mr. SMITH: Petition signed by citizens of Twin Falls County, Idaho, favoring the enactment of legislation for an increase in the pension of Civil War veterans; to the Committee on Invalid Pensions.

7077. By Mr. SWEET: Petition signed by members of Sons of Union Veterans of the Civil War of New York State, urging the passage of a bill increasing pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7078. By Mr. SWING: Petition of certain residents of San Bernardino, Calif., urging the passage by Congress of legislation providing increased pensions for Civil War veterans and the widows of Civil War veterans; to the Committee on Invalid Pensions.

7079. By Mr. THOMPSON: Petition of 50 citizens of Leipsic, Ohio, urging the National Tribune's Civil War pension bill; to the Committee on Invalid Pensions.

7080. Also, petition of several citizens of Van Wert County, Ohio, urging the nonpassage of the Sunday bill (H. R. 10311); to the Committee on the District of Columbia.

7081. Also, petition of 30 citizens of Ohio, urging the nonpassage of the Sunday bill (H. R. 10311) nor any other bill enforcing Sabbath observance; to the Committee on the District of Columbia.

7082. Also, petition of 63 citizens of Cloverdale, Ohio, urging more liberal pension legislation for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7083. By Mr. VINCENT of Michigan: Petition of residents of Saginaw, Mich., favoring the passage of further legislation providing increases in pension for veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

7084. Also, petition of residents of Ionia, Mich., favoring the passage of further legislation providing increases in pensions for veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

7085. By Mr. VINSON of Kentucky: Petition signed by numerous residents of Greenup County, in the ninth congressional district of Kentucky, urging the passage, before adjournment of Congress, of a bill for the relief of needy and suffering veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

SENATE

SATURDAY, *February 19, 1927*

(Legislative day of Thursday, February 17, 1927)

The Senate reassembled at 11 o'clock a. m., on the expiration of the recess.

The VICE PRESIDENT. The Senate resumes the consideration of the unfinished business, Senate bill 3331.

LOWER COLORADO RIVER BASIN

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3331) to provide for the protection and development of the lower Colorado River Basin.

Mr. JOHNSON. Mr. President, I wish to present four amendments to the pending bill and ask that they may be printed.

The VICE PRESIDENT. The amendments will lie on the table and be printed.

Mr. JOHNSON. I now ask unanimous consent that the unfinished business temporarily be laid aside in order that we may proceed with the consideration of the District of Columbia appropriation bill in charge of the Senator from Colorado [Mr. PHIPPS].

The VICE PRESIDENT. Without objection, it is so ordered.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint memorial of the Legislature of the State of Washington, which was referred to the Committee on the Judiciary:

DEPARTMENT OF STATE,
Olympia, Wash.

House Joint Memorial, No. 3

To the honorable House of Representatives of the United States of America in Congress assembled:

We, your memorialists, the House of Representatives and the Senate of the State of Washington, in legislative session assembled, most respectfully represent and pray as follows:

Whereas under our present Constitution the President, Senators, and Representatives take up their duties many months after the day of election; and

Whereas the provisions of the Constitution herein sought to be amended are antiquated and unworkable under modern conditions to such an extent as to be, in some cases, a positive menace to the best welfare of the Nation; and

Whereas the Senate has seen fit to offer and pass a constitutional amendment, known as the Norris amendment, providing that such officers shall take office promptly after election, and have sent the same to the House: Therefore be it

Resolved, That we, your memorialists, do earnestly and respectfully pray that the House of Representatives will take similar action at the earliest possible date and present the same to the legislatures of the various States for their adoption; and, be it further

Resolved, That the secretary of state, under the seal of the State of Washington, transmit to the Senate and the House of Representatives of the United States, at Washington, D. C., and to each Senator and Congressman from the State of Washington, and to the legislature of each of the several States a full, true, and correct copy of this joint memorial.

Passed the house January 26, 1927.

RALPH R. KNAPP,
Speaker of the House.

Passed the senate February 3, 1927.

W. LON JOHNSON,
President of the Senate.

STATE OF WASHINGTON,
County of Thurston, ss:

I, J Grant Hinkle, secretary of state of the State of Washington, do hereby certify that the foregoing is a full, true, and correct copy of House Joint Memorial No. 3, as passed by the twentieth session of the Legislature of the State of Washington.

Done at Olympia, this 14th day of February, 1927.

[SEAL.] J. GRANT HINKLE, *Secretary of State.*

Mr. EDWARDS presented petitions, numerously signed by sundry citizens of the State of New Jersey, which were ordered to lie on the table and to be printed in the RECORD without the names, as follows:

SUMMIT, N. J.

To the Hon. EDWARD IRVING EDWARDS,
Senate Chamber, Washington, D. C.

DEAR SIR: The game birds of this country are rapidly being exterminated through barbarous treatment, which permits every man among our vast army of hunters to bag each day 25 ducks and a similar number of other birds. Immediate legislation by Congress can save this important value to the Nation, and this is the hope of sportsmen and people who love nature throughout the Nation.

The Copeland-Merritt bill, now before Congress, Senate bill 3580, House bill 10433, offers considerable relief, and we, the undersigned citizens of New Jersey, entreat of you to use all possible influence in passing the above-named bill, and so saving our birds for the benefit of this and future generations.

To the Hon. EDWARD IRVING EDWARDS.

DEAR SIR: Thousands of sportsmen and nature lovers all over this country to-day are distressed over the rapid decrease of our game birds through insane legislation which permits every man of our thousands of hunters to kill 25 ducks a day and other birds in similar numbers. We, the undersigned residents of New Jersey, would most earnestly entreat you to do all in your power to pass the Copeland-Merritt bill, now before Congress—Senate bill 3580, House bill 10433—which offers some measure of relief.

Mr. COPELAND presented resolutions adopted by the World War veterans in the New York State Legislature, which were ordered to lie on the table and to be printed in the RECORD without the names, as follows:

Whereas the Tyson-Fitzgerald bill now pending before Congress would do away with the discrimination displayed toward one class of officers who served in the armed forces of the United States during the World War, namely, the emergency officers; and

Whereas various statements have been made as to the attitude of ex-service men themselves on this measure: Now, therefore, be it

Resolved by the World War veterans in the New York State Legislature, That we heartily indorse the Tyson-Fitzgerald bill, providing for the retirement of disabled emergency officers, and urge its speedy enactment; and be it further

Resolved, A copy of this resolution be forwarded to the national legislative representative of the various veteran organizations and to all of the New York State Representatives and to the two Senators of this State.

Mr. WARREN presented a memorial of sundry citizens of Rawlins, Wyo., remonstrating against the enactment of any legislation proposing modification of the existing immigration laws, which was referred to the Committee on Immigration.

Mr. WILLIS presented a petition of sundry citizens of Cincinnati, Ohio, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which was referred to the Committee on Pensions.

He also presented a memorial of sundry citizens of Hamilton and vicinity, in the State of Ohio, remonstrating against armed intervention by the United States in Mexico and Nicaragua other than for the protection of American lives and property, which was referred to the Committee on Foreign Relations.

Mr. COPELAND presented petitions of sundry citizens of New York City and Brooklyn, in the State of New York, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

Mr. EDGE presented a letter from Roland F. Cowan, department adjutant, the American Legion, of Trenton, N. J., transmitting copy of a resolution adopted by the department convention of the American Legion, at Belmar, N. J., favoring the passage of the so-called Tyson-Fitzgerald bill, for the retirement of disabled emergency Army officers, etc., which was ordered to lie on the table.

Mr. BRUCE presented a petition of sundry citizens of Baltimore, Md., praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which was referred to the Committee on Pensions.

Mr. DILL presented memorials of sundry citizens of Endicott and Winona, in the State of Washington, remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, which were referred to the Committee on the District of Columbia.

Mr. NYE presented resolutions adopted by the Legislature of the State of North Dakota, urging the imperative national need for the construction of the St. Lawrence seaway, and favoring the taking of immediate steps for negotiations of a treaty with Canada to that end, which were referred to the Committee on Commerce. (See resolution printed in full when laid down yesterday by the Vice President, page 4106, CONGRESSIONAL RECORD.)

QUALIFICATIONS OF JURORS IN DISTRICT OF COLUMBIA

Mr. JONES of Washington. From the Committee on the District of Columbia I report back favorably without amendment the bill (H. R. 5823) to amend the Code of Law for the District of Columbia in relation to the qualifications of jurors, and I submit a report (No. 1514) thereon. It is a bill to make women eligible as jurors in the District of Columbia. The bill is urged by all the women who have spoken to me with reference to the matter. It is very short, and I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Is there objection?

Mr. NORRIS. I would like to ask the Senator from Washington whether under existing law women are disqualified?

Mr. JONES of Washington. There seems to be some question whether they are or not. The House passed the bill to make sure.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the Code of Law for the District of Columbia be amended by adding a new section to read as follows:

"SEC. 215a. Hereafter no person shall be disqualified for service as a juror or jury commissioner by reason of sex, but the provisions of law relating to the qualifications of jurors and exemptions from jury duty shall in all cases apply to women as well as to men: *Provided*, That such service shall not be compulsory on any woman."

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

NATIONAL REPRESENTATION FOR THE PEOPLE OF THE DISTRICT

Mr. JONES of Washington. Mr. President, from the Committee on the District of Columbia I report back favorably without amendment the joint resolution (S. J. Res. 7) proposing an amendment to the Constitution of the United States providing for national representation for the people of the District of Columbia, and I submit a report (No. 1515) thereon. I desire to say that this is not a unanimous report of the committee. It was understood when the amendment was introduced that when reported from the Committee on the District of Columbia it would be referred to the Committee on the Judiciary. I therefore ask that the report may be printed, and that the bill and report may then be referred to the Committee on the Judiciary.

The VICE PRESIDENT. Without objection, it is so ordered.

REPORTS OF COMMITTEES

Mr. TYSON, from the Committee on Claims, to which was referred the bill (H. R. 13971) for the relief of Ruth J. Walling, reported it without amendment and submitted a report (No. 1516) thereon.

He also, from the Committee on Military Affairs, to which was referred the bill (H. R. 6246) to establish a national military park at the battle field of Stones River, Tenn., reported it without amendment and submitted a report (No. 1517) thereon.

He also, from the same committee, to which were referred the following bills, reported adversely thereon and moved that the bills be indefinitely postponed, which was agreed to:

A bill (S. 4718) for the relief of Florence Sullivan; and

A bill (H. R. 10193) for the relief of Lewis H. Easterly.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (H. R. 6847) to correct the military record of Thornton Jackson, reported it without amendment and submitted a report (No. 1518) thereon.

Mr. BINGHAM, from the Committee on Military Affairs, to which was referred the bill (H. R. 6422) to correct the military record of George W. Kelly, reported it without amendment and submitted a report (No. 1519) thereon.

Mr. NYE, from the Committee on Claims, to which was referred the bill (H. R. 16442) for the relief of Ira E. King, reported it without amendment and submitted a report (No. 1520) thereon.

Mr. McNARY, from the Committee on Irrigation and Reclamation, to which was referred the bill (S. 5395) to provide for the construction of the Deschutes project in Oregon, and for other purposes, reported it with an amendment.

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (S. 5552) to authorize the Commissioners of the District of Columbia to compromise and settle certain suits at law resulting from the subsidence of First Street east, in the District of Columbia, occasioned by the construction of a railroad tunnel under said street, reported it without amendment and submitted a report (No. 1521) thereon.

He also, from the same committee, to which was referred the bill (H. R. 15668) authorizing negotiations for the acquisition of a site for the farmers' produce market, and for other purposes, reported it with an amendment and submitted a report (No. 1522) thereon.

Mr. STANFIELD, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 4720) to relinquish to its equitable owners the title of the United States to the land in the claims of A. Moro and of Anthony Campbell in Jackson County, Miss. (Rept. No. 1523);

A bill (H. R. 6097) to accept the cession by the State of Arkansas of exclusive jurisdiction over a tract of land within the Hot Springs National Park, and for other purposes (Rept. No. 1524); and

A bill (H. R. 10612) to withdraw certain public lands from settlement and entry (Rept. No. 1525).

Mr. CAMERON, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 4782) to remove a cloud on title, reported it without amendment and submitted a report (No. 1526) thereon.

Mr. WADSWORTH, from the Committee on Military Affairs, to which were referred the following bills, reported them without amendment and submitted reports thereon:

A bill (S. 5725) to authorize an appropriation to rehabilitate the Picatinny Arsenal in New Jersey (Rept. No. 1528); and

A bill (S. 5734) to provide for the policing of military roads leading out of the District of Columbia (Rept. No. 1529).

He also, from the same committee, to which was referred the joint resolution (S. J. Res. 136) authorizing the use of a portion of that part of the United States National Cemetery Reservation at Chattanooga, Tenn., lying outside the cemetery wall for a city pound, animal shelter, and hospital, reported it with an amendment and submitted a report (No. 1530) thereon.

He also, from the same committee, to which were referred the following bill and joint resolution, reported them each with amendments and submitted reports thereon:

A bill (S. 4977) to authorize the Secretary of War to grant and convey to the city of Vancouver a perpetual easement for public highway purposes over and upon a portion of Vancouver Barracks Military Reservation, in the State of Washington (Rept. No. 1531); and

A joint resolution (H. J. Res. 272) providing for the return of funds belonging to World War National Guard organizations that are not reconstituted (Rept. No. 1532).

Mr. BLEASE, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (H. R. 6143) to correct the military record of William J. Bodiford (Rept. No. 1533); and

A bill (H. R. 11396) for the relief of Lawrence F. Nelson (Rept. No. 1534).

Mr. BLEASE also, from the Committee on Military Affairs, to which were referred the following bills, reported adversely thereon:

A bill (H. R. 2787) for the relief of John T. O'Neil;

A bill (H. R. 2882) for the relief of E. D. Macready; and

A bill (H. R. 7874) to correct the military record of John Ralston.

Mr. DILL, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 15826) to add certain lands to the Colville National Forest, Wash., reported it without amendment and submitted a report (No. 1535) thereon.

Mr. FLETCHER, from the Committee on Military Affairs, to which was referred the bill (H. R. 1690) for the relief of Thomas P. McSherry, reported it without amendment and submitted a report (No. 1536) thereon.

Mr. WILLIS, from the Committee on Territories and Insular Possessions, to which was referred the bill (H. R. 16952) to ratify and confirm act No. 3243 of the Philippine Legislature, approved November 27, 1925, reported it without amendment and submitted a report (No. 1539) thereon.

OHIO RIVER BRIDGE NEAR GALLIPOLIS, OHIO

Mr. STEWART. From the Committee on Commerce, I report back without amendment the bill (S. 5762) to amend sections 4 and 5 of the act entitled "An act granting the consent of Congress to the Gallia County Ohio River Bridge Co. and its successors and assigns, to construct a bridge across the Ohio River at or near Gallipolis, Ohio," approved May 13, 1926, as amended, and I ask unanimous consent for its present consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, and it was read as follows:

Be it enacted, etc., That sections 4 and 5 of the act entitled "An act granting the consent of Congress to the Gallia County Ohio River Bridge Co. and its successors and assigns, to construct a bridge across the Ohio River at or near Gallipolis, Ohio," approved May 13, 1926, as amended, are amended by striking out the word "twenty" wherever it occurs in such sections and by inserting in lieu thereof the word "twenty-five."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

OHIO RIVER BRIDGE NEAR MASON, W. VA.

Mr. STEWART. From the Committee on Commerce I report back without amendment the bill (H. R. 14842) granting the consent of Congress to the Pomeroy-Mason Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near the town of Mason, Mason County, W. Va., to a point opposite thereto in the city of Pomeroy, Meigs County, Ohio, and I submit a report (No. 1537) thereon. I ask unanimous consent for its present consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

OHIO RIVER BRIDGE NEAR STEUBENVILLE, OHIO

Mr. STEWART. From the Committee on Commerce I report back without amendment the bill (H. R. 14920) to amend an act entitled "An act granting the consent of Congress to the Weirton Bridge & Development Co. for the construction of a bridge across the Ohio River near Steubenville, Ohio," approved May 7, 1926, and I submit a report (No. 1538) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ENROLLED BILLS PRESENTED

Mr. GREENE, from the Committee on Enrolled Bills, reported that on February 19, 1927, that committee presented to the President of the United States the following enrolled bills:

S. 4808. An act to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities; and

S. 5622. An act authorizing the acceptance by the Navy Department of a site for an aviation training field in the vicinity of Pensacola, Fla., and for other purposes.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WALSH of Montana:

A bill (S. 5770) granting immunity to certain witnesses; to the Committee on the Judiciary.

By Mr. BRUCE:

A bill (S. 5771) to authorize an additional appropriation for Fort McHenry, Md.; to the Committee on Military Affairs.

By Mr. SWANSON:

A bill (S. 5772) granting an annuity to Dr. Robert P. Cooke; to the Committee on Military Affairs.

By Mr. McNARY:

A bill (S. 5773) granting an increase of pension to Mary J. Hesson; to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 5774) to amend the District of Columbia traffic act, 1925, and for other purposes; to the Committee on the District of Columbia.

By Mr. NORRIS (for Mr. NORBECK):

A bill (S. 5775) granting the consent of Congress to the States of South Dakota and Nebraska, their successors and assigns, to construct, maintain, and operate a bridge across the Missouri River; to the Committee on Commerce.

A bill (S. 5776) to permit the granting of Federal aid in respect of certain roads and bridges; to the Committee on Post Offices and Post Roads.

By Mr. WATSON:

A bill (S. 5777) for the relief of Jennie Carroll, Mabel H. Lazear, Emily Lawrence Reed, and John R. Kissinger; to the Committee on Military Affairs.

By Mr. McNARY (by request):

A joint resolution (S. J. Res. 167) to provide for immediate completion of detailed survey, foundation borings, and preliminary plans, specifications, and estimates of cost for the Cove Creek Dam and Reservoir in the Clinch River, Tenn.; to the Committee on Commerce.

PUBLIC BUILDINGS IN THE DISTRICT OF COLUMBIA

Mr. McKELLAR submitted two amendments intended to be proposed by him to the bill (S. 4663) authorizing the Secretary of the Treasury to acquire certain lands within the District of Columbia to be used as sites for public buildings, which were ordered to lie on the table and to be printed.

LOWER COLORADO RIVER BASIN

Mr. JOHNSON submitted four amendments intended to be proposed by him to the bill (S. 3331) to provide for the protection and development of the lower Colorado River Basin, which were ordered to lie on the table and to be printed.

Mr. PHIPPS submitted sundry amendments, and an amendment in the nature of a substitute, intended to be proposed by him to the bill (S. 3331) to provide for the protection and development of the lower Colorado River Basin, which were ordered to lie on the table and to be printed.

INVESTIGATION OF BREAD PRICES (S. DOC. NO. 212)

On motion of Mr. LA FOLLETTE, it was—

Ordered, That the preliminary report of the Federal Trade Commission in response to Senate Resolution 163, Sixty-eighth Congress, first session, made February 11, 1924, and referred to the Senate Committee on the Judiciary be printed as a Senate document.

ADDRESS OF SENATOR SHIPSTEAD, OF MINNESOTA

Mr. WALSH of Massachusetts. Mr. President, I ask that there may be printed in the RECORD an able and interesting address delivered before the Von Steuben Society of America at Mecca Temple, New York City, Tuesday evening, February 15, 1927, on the national-origins clause by the senior Senator from Minnesota [Mr. SHIPSTEAD].

The PRESIDENT pro tempore. Without objection it is so ordered.

The address of Mr. SHIPSTEAD is as follows:

NATIONAL-ORIGINS CLAUSE

The immigration act of 1924 contained the following provisions as to the limitation of the annual quota of immigrants from each country to which the immigration was restricted (pars. (b) and (c), sec. 11):

"(b) The annual quota of any nationality for the fiscal year beginning July 1, 1927, and for each fiscal year thereafter shall be a number which bears the same ratio to 150,000 as the number of inhabitants in continental United States in 1920 having that national origin (ascertained as hereinafter provided in this section) bears to the number of inhabitants in continental United States in 1920, but the minimum quota of any nationality shall be 100.

"(c) For the purpose of subdivision (b) national origin shall be ascertained by determining, as nearly as may be, in respect of each geographical area which, under section 12, is to be treated as a separate country (except the geographical areas specified in subdivision (c) of section 4) the number of inhabitants in continental United States in 1920 whose origin by birth or ancestry is attributable to such geographical area. Such determination shall not be made by tracing the ancestors or descendants of particular individuals, but shall

be based upon statistics of immigration and emigration, together with rates of increase of population as shown by successive decennial United States censuses and such other data as may be found to be reliable."

The method to be used after July 1, 1927, is commonly known as the national-origins method. After this law was passed and information was received as to what data would be used for computing the quotas of different countries, great dissatisfaction with this method arose. Many nationalities claimed that they were discriminated against and that they would not get their proper quota.

I shall not, this evening, attempt to show what each country would be entitled to if the necessary data were at hand for making more nearly correct computations, but shall confine my remarks to the point that we have not sufficient data upon which to base calculations under this national-origins method.

Under previous restrictive immigration laws of 1921, the quota of each country was based upon the number of foreign-born individuals of that nationality residing in the continental United States according to a certain census. This method may not have been fair to all countries, but it contained an element of certainty, and this method was generally accepted. It might be said that we adopted the policy of ascertaining the quotas in this manner. What remained to be settled was the basic year to be adopted, but instead of settling this question properly, we were given a wholly arbitrary scheme which has no relation whatever to the quota system as originally devised.

I shall refer briefly to the history of the attempts to repeal the national-origin method and the status of the proposed legislation to that effect at the present time.

On June 8, 1926, I introduced in the Senate a bill to repeal the national-origin method and leave the total annual immigration and the quota of each country the same as it has been since the passage of the 1924 law, viz, 2 per cent of the foreign-born individuals of that country residing in the United States according to the census of 1890. The Senate Committee on Immigration kindly granted me a hearing on this bill on December 22 last. At that hearing I confined my brief remarks to the point that we had no official data upon which to base the calculations, and any allocations under the national-origin method would be mere guesswork and conjecture. A couple of weeks after I had made my statement before the Senate Immigration Committee the President submitted to the Senate, in response to Senate resolution requesting this information, the preliminary report prepared by the committee of experts from the State, Commerce, and Labor Departments, to whom had been delegated the task of computing the quota of each country according to the national-origins method. In a letter submitting this report to the President the Secretaries of State, Commerce, and Labor made this remarkable statement:

"The report of the subcommittee is self-explanatory and is stated to be a preliminary report, yet in the judgment of that committee further investigation will not substantially alter this presentation.

"Although this is the best information we have been able to secure, we wish to call attention to the reservations made by the committee and to state that in our opinion the statistical and historical information available raises grave doubts as to the whole value of these computations as a basis for the purposes intended. We, therefore, can not assume responsibility for such conclusions under these circumstances."

In line with this preliminary report the total immigration according to the national origins method would be 153,541, about 10,000 less than under the method now in force which bases quotas on the foreign-born population in 1890. Not very large difference in total annual immigration. But when we examine how this annual immigration has been allocated the different countries we find a great difference.

Compare the following groups:

From Denmark, Czechoslovakia, Germany, Norway, and Sweden the annual immigration is reduced 40,847.

Irish Free State reduced 14,705.

Great Britain and North Ireland increased 39,032.

All others increased 5,750.

On the 1st of this month the Senate Committee on Immigration reported to the Senate Joint Resolution No. 152, suspending the taking effect of the national-origins method for one year. The chairman of the committee stated on the floor of the Senate that a majority of the committee were in favor of repealing the national origins law, "but there being a minority in favor of it, and our time being so limited, we felt that at this time we could not have definite action." This resolution was unanimously passed by the Senate on that day.

The House Committee on Immigration have held hearings on bills and resolutions for repealing the national origins law, at which Dr. Joseph A. Hill, of the Bureau of the Census, the chairman of the committee of experts, and Mr. John B. Trevor, who has spent a great deal of time in trying to ascertain the national origin of the inhabitants of the United States, appeared and submitted extensive statements. After these hearings and on the 9th of this month the House Committee on Immigration reported out Senate Joint Resolution 152, with an amendment striking out all after the enacting clause and inserting in lieu of the Senate resolution a provision to repeal the national-origin provision of the 1924 law.

The report of the majority of the House committee on said Senate resolution is a very interesting document, but time will not permit me to read all of it. I quote the following from said report (H. Rept. 2029, 69th Cong.):

"The committee having considered the text of Senate Joint Resolution 152, to postpone for one year the going into effect of the national origins provision of the immigration act of 1924, is of the opinion that at the end of one year from July 1, 1927, the same uncertainty as to the results of regulating immigration by means of the 'national origins' plan will continue to exist.

"That the Secretaries of State, Commerce, and of Labor will have little, if any more, positive evidence on which to base quota findings than at present.

"That too much uncertainty exists as to the requirements of the law that 'the President shall issue a proclamation on or before April 1, 1927,' when read in conjunction with further provisions of the law; that the uncertainty will continue from year to year.

"That it seems far better to have immigration quotas for the purposes of restriction fixed in such a manner as to be easily explained and easily understood by all.

* * * * * * *

"That the committee is of the opinion that the United States, having started on a policy of numerical restriction, the principle of which is well understood, that little will be gained by changing the method."

The Senate resolution as amended is now on the House Calendar and, with only 17 days remaining of this session, the chances for it passing both Houses during this Congress are very problematical. If it does not, will the President issue a proclamation to put the national origins law into effect?

On the basis of the instructions contained in paragraphs "b" and "c," section 11, which I have read, the Secretaries of State, Commerce, and Labor designated certain officials to determine "as nearly as might be" the number of inhabitants of European origin in the United States on January 1, 1920, according to the geographical areas of Europe as otherwise defined in this same statute. I say of "European origin" advisedly, because the parenthetical exception contained in said paragraphs involved the exclusion from the basic figures of our Afro-American population, Asiatics, and persons originating directly or by descent in the other American countries. Whether, therefore, the consideration were to be directed to the white population in 1920 descended from the white population present in the United States in 1790 or the figures were to be based upon the white population in 1920 of those of European birth or descended from immigrants from Europe since 1790, the problem was one of determining how the Government officials should spread over Europe as the map showed it in 1920 the population of the United States which is not of Asiatic or African origin or from the other American countries or finally descended from the American Indian.

Each of the three Cabinet officers appointed two responsible officials to represent him, and Dr. Joseph A. Hill, of the Bureau of the Census, was selected as chairman of this group of six officials. There appear to have been some changes in the constitution of this technical committee, which began its work in the winter of 1924–25, but it would appear that the very competent and experienced statistician who had been selected as chairman remained in charge of its work from the beginning and devised the formulas upon which its results are based. He is to be regarded as responsible for all that the Federal Government can be said to have done in applying the national-origins scheme. This was clearly recognized, for when the Committee on Immigration of the other House held hearings not long since with regard to the figures submitted by the three Secretaries to the President and to Congress it was Doctor Hill who appeared before them and testified with regard to the origin of the figures.

According to that testimony and such other information as one by dint of great effort and patient correspondence may be able to pick up here and there in Washington on this whole subject, Doctor Hill conceived the problem as threefold. First, it would be necessary to ascertain how many people of the total of those in the United States on January 1, 1920—always leaving out of account persons of Asiatic, African, Aboriginal Indian descent or origin in or descent from any other country in this hemisphere than the United States—were descended from persons of the same category present in the United States in 1790. It was not the first time that an attempt had been made to determine the extent and number of the descendants of the population of 1790, because a number of private calculations had been published and considerable discussion, not to say controversy, had been carried on regarding them, but it was the first time that Congress directed, by inference at least, that such a determination be made. In the second place, the solution of the problem presented by these paragraphs of section 11 of the act of 1924 required that the population on January 1, 1920, determined to have been the descendants of the white population of 1790 should be distributed or allocated according to the political map of Europe in 1920. Finally, the white population on January 1,

1920, of European birth or descent, having arrived in this country or descended from persons arrived in this country since 1790 had likewise to be numerically determined and then geographically allocated to Europe as it stood in 1920. I ought parenthetically to point out that even more complication was involved than might be indicated by my brief reference to the political organization of Europe in 1920 or the map of Europe in that year, or so on. As a matter of fact, it was not Europe in 1920, but Europe as modified and parceled out by not only the treaties of Versailles, Saint Germain, and Trianon, but also the London agreement between the Governments of England and the Irish Free State in December, 1921, and the numerous "frontier rectifications" that have been carried out under the auspices of commissions of the League of Nations or by virtue of treaty interpreted by the Council of Ambassadors or the permanent Court of International Justice. Nothing less than a precise and detailed study of the geographical alterations effected throughout Europe since 1918 was presupposed by the provisions of the act. A thing in itself exceedingly difficult to carry out.

The concluding sentence of section "c" instructed the Executive to determine the population to effect the determinations of specific allocations of the population—

"not by tracing the ancestors or descendants of particular individuals"—

But by—

"statistics of immigration and emigration, together with rates of increase of population as shown by successive decennial United States censuses and such other data as may be found to be reliable."

The committee of officials charged with the determination were, of course, well aware from the beginning that they could not make much use of statistics of immigration and emigration in solving their threefold problem. To be sure, the statistics of immigration and emigration for the last 50 years throw a certain amount of light upon the countries of origin and that portion of our population in 1920 actually of European birth. I say certain amount of light, because the emergence of new States in the last 10 years renders dubious any attempt at reclassification of the population itself of European birth according to the new boundaries of Europe. This is obviously true east of Switzerland, and, of course, it is true in the case of immigration from Ireland prior to 1922.

Back of 1880, and certainly 1870, the statistics of immigration and emigration become steadily less satisfactory according as one explores them into the early decades of the Republic. I believe that for the period between 1790 and 1820 they are generally regarded as hopelessly untrustworthy, so far as any fragments of them survive. Moreover, for all the period prior to the last years of the nineteenth century immigration figures are based upon the crudest sort of questions. It is safe to say that for the first century after 1790 nearly all the classifications of countries of origin were based upon the flags or registry of the ships in which the immigrants arrived at our shores. One can not be too categorical about making this assertion, and yet it can not be gratuitously denied. Naturally the predominant rôle played by British shipping in bringing to the United States emigrants from Europe led to the swelling of the figures of immigration from the United Kingdom to the United States. This has been gone into very thoroughly by a dispassionate British student of the history of British emigration, and I shall quote to you a few sentences in which he summarized it. (Page 345, "Emigration from the United Kingdom to North America, 1763–1912," by S. E. Johnson, L.)

"The figures relate not to British subjects alone, but to the total exodus to the countries mentioned. It is true that the earlier figures were concerned almost entirely with men and women of our own nationality, but as the facilities of transport increased, the numbers gradually contained more and more of the foreign element. The accuracy, which is displayed in the compilation of later figures, must not be looked for in the earlier ones, as these, in many cases, were little more than rough estimates."

The committee of experts, in a word, were unable to get much help from immigration statistics except for the last few decades. Where, then, could they turn for material on which to base their conclusions? Obviously to the census records alone.

But unfortunately for their comfort and their successful execution of the mandate of Congress, the census figures were exceedingly meager for the first century embraced in the scope of their investigation. Only with the census of 1890 did the Bureau of the Census begin to ascertain the nativity of the parents of persons enumerated. Taking the results of this question in each of the four censuses since 1890 the investigators tried to calculate percentages of native parentage for the population in, let us say, five-year age groups. Averaging these percentages derived from the four censuses, the investigators reached a working hypothesis for the percentage in each half decade having native parentage from 1920 back to 1790.

In order to make it somewhat more clear how this thing works out let us find out what is available regarding those persons enumerated in the four censuses beginning in 1890 who were born between 1840 and 1845. We find that in 1890, 90.61 per cent of them were of native parentage, in 1900, 89.66 per cent; in 1910, 89.96 per cent; and in 1920, 90.04 per cent. These four percentages averaged 90.07 per cent and the inference is that of all the people born in this country between 1840 and 1845 approximately 90.07 per cent were of native parentage. But this at once raises the question of survival; and even a novice in statistics will perceive, that, with an average duration of life per thousand born far shorter two and three and four generations ago than it is to-day, the inference that 90 per cent of those of from 45 to 50 years of age in 1890 were of native parentage is in need of correction before anyone presumes to advance it as the basis of a law.

So far as the later censuses will show, it is possible to get at the parentage of parents for quite some decades back, but always by means of the method of averages. Again it is the inference which assumes a flat and even average of survival of native and foreign born. Doctor Hill could testify that—

"Of the population that was between 35 and 40 years of age in 1920 and was, therefore, born between 1880 and 1885, 76 per cent had native parents, and of those that had native parents, 82 per cent had also native grandparents; 82 per cent of 76 per cent is 62 per cent. So, of the population between 35 and 40 years of age in 1920, 62 per cent had native grandparents."

Now, while this method seems relativly reasonable for age groups up to, say, 60 years of age, it becomes progressively less satisfactory as use is made of averages of percentages based upon higher age groups. I understand that the experts themselves are disinclined to attach much weight to the average percentages for native parentage of those born prior to 1830 who were, of course, more than 60 years of age in 1890. It hardly needs to be pointed out that the number of persons on the basis of whose returns averages might be established necessarily shrinks with each successive census. In a word, it is the census of 1890 upon which in the last analysis the conclusions must rest as to the proportion of the population since 1790 represented by the descendants of the population at that time. But taking this method as indicative of the trend and for what it is worth, the experts arrived at the following results:

TABLE II.—*Native and immigrant stock*

Census year	Total white population	Native stock	Immigrant stock
1890	55,101,258	30,342,466	24,668,792
1900	66,809,196	34,272,951	32,366,245
1910	81,731,957	38,101,175	43,630,782
1920	94,820,915	41,288,570	53,532,345

In other words, all the total population in 1920—always making the exclusions which the law requires and which I have previously indicated 94,990,000—this system of calculation would give you 41,200,000 as descended from the white population in the United States in 1790 and 53,500,000 descended from and including white immigrants; that is to say, European immigrants arriving in this country since 1790.

For the moment I shall pass to the third task of the investigators, namely, the distribution of these 53,500,000 of so-called immigrant stock. Now, this is one of the most unsatisfactory aspects of all the tasks which the statisticians had to undertake, because it involves not merely the endless political and geographical changes which have occurred in the nineteenth century on the Continent of Europe and its adjacent islands but also the correct distribution of our immigration for a century and a third over that entire period. It is a matter of considerable importance how you will determine what proportion of the population in 1920 is attributable to this or that immigrant stock. For example, 50,000 Germans entering the United States in a given year in the middle of the nineteenth century signify rather more as factors determining the composition of the population in 1920 than 50,000 Germans entering the country in 1900. So a series of methods had to be devised, including this method of retrogressive percentages which have been ingeniously contrived for getting at the population descended from the white population in 1790, in order to distribute the immigrant white stock among foreign born whites, themselves the children of immigrants and the grandchildren and great-grandchildren of immigrants. This was done, with the result that we have an estimated total in 1920 of 13,700,000 foreign born, 19,100,000 the children of immigrants, and 20,600,000 the grandchildren and great-grandchildren of immigrants.

The foreign born themselves and the children of immigrants can be allocated by data contained in the records of the censuses from 1890 to 1920. The foreign born can be classified by the country of their birth, although, as I have remarked earlier, anything that happened before the war is a most unsatisfactory basis for classification. The children of immigrants can be classified by the country of birth of their parents; here, of course, the objection just made to the validity of classification of the foreign born themselves is of even greater practical force. As for the grandchildren and great grandchildren of immigrants, constituting 20,600,000 of people on January 1, 1920, there is no data within the possession or conceivably within the reach of the Government of the United States which will throw anything more

than an arbitrary and conjectural light upon their ethnographic distribution. More than one-quarter of the persons coming within the scope of these provisions of the act of 1924 are, therefore, incapable of any dependable and proper classification. That is to say, more than 20,600,000 of the 94,800,000 whom the law directed the Executive to chart as to their racial origins, "as nearly as may be."

Let me turn back to the second phase of the problem, namely, the proper distribution of the 41,200,000 of so-called native stock; that is, those hypothetically descended from the white stock present in 1790. Here, of course, the investigators were compelled to consider where the white population of 1790 had itself originated. Such consideration would lead to an almost endless exploration of several centuries of colonial history. Feeling themselves under the necessity of presenting some sort of tentative report within a year or two, the investigators decided to content themselves with the enumeration made in 1790. This census of 1790 happened to contain records of family names. It is not in order to enter into the reasons for the gathering of names in connection with the census.

The fact is simply that a century and a quarter after the census of 1790 the Bureau of the Census published an elaborate monograph entitled "A Century of Population Growth," Washington, 1909. Of the 27,337 surnames that have survived of those that were reported, classification was made either on the basis of such knowledge of family origins as the clerks in the Census Bureau in 1908 or 1909 may have possessed or on that of such consultation of local historical societies as they saw fit to make. They included merely the following nationalities: English, Scotch, Irish, Dutch, French, German, Hebrew, and all others. It was rather interesting to observe that in the case of States the schedules of which had not survived, such as, for example, New Jersey, those who undertook to make this distribution were obliged to depend upon the analysis of the population of the various counties of New Jersey made by the corresponding secretary of the New Jersey Historical Society, a sample of whose calculation would be the following: "I would approximate the percentage of nationality in 1790 for Burlington County as Welsh, 5 per cent; Swedes, 5 per cent; Irish, 10 per cent; English, 80 per cent."

I should like to devote considerable time upon a discussion of this census of 1790 and the use that has been made of those famous tables of family names. I think, however, that it is unnecessary to deal with it at any greater length. It is open to challenge all along the line. The schedules are incomplete, those of several States having been destroyed. The recordation of family names is hopelessly inaccurate and confusing, for it will be recalled that in the late eighteenth century spelling was wholly a matter of private judgment as much in the case of proper names as in the other parts of speech. Certainly if every proposition were patently open to direct and unreserved challenge the proposition, it is that notions of a group of obscure and anonymous persons, official or unofficial, in 1908 or 1909 as to the racial origin of the three millions of populations in 1790 on the basis of the survival of some misspelled family names should be accepted as unquestionable gospel without any further investigation. There is hardly a page in the entire volume, put out at great expense by the Bureau of the Census in 1909, and by a curious bit of irony dedicated to the then Secretary of Commerce and Labor, Hon. Charles Nagel, one of the most distinguished men in our public life of German descent, which is not open to scientific challenge.

And, in passing, it might be worth while to draw attention to the fact that when Congress authorizes the publication of reports it does not do so with any conscious idea that such documents will be advanced as a lawful basis for the determination of immigration quotas or like statutory requirements. Certainly there was no widespread intention in 1908 or 1909, I am quite confident, that this edition of the Census of 1790, with calculations based upon it, would ever serve as the basis of our immigration policy.

And yet the officials charged with the determination of the quotas felt that they were authorized in regarding the Census of 1790 as thus interpreted by the Census Bureau in 1909 as prima facie the lawful basis for the determination of the quotas. In their report (p. 1224, CONGRESSIONAL RECORD, January 27, 1927, also S. Doc. 190) they declare that the "burden of proof appears to rest upon those who may object to the classification as being seriously erroneous."

No such classification has any standing as the basis for allocating forty-one and two-tenths millions of people according to the methods I have described to the racial divisions of Europe, *unless and until Congress shall have directed specifically that such a classification be made on the basis of fragmentary remains of the Census of 1790. And I feel a great deal of confidence that Congress will never vest the people of this country with any such specific direction.* A merely accidental and arbitrary classification can not possibly serve as the basis of a piece of work so serious for the population of this country as the national-origins provision. Nor if all the historical societies and associations were to set about the task would they be able to do more than correct some relatively insignificant details in the records of 1790 as we now possess them. Furthermore, if they were able to improve them much or little, in the last analysis all they would be doing is to enable us to carry out the determination precisely in the manner which was prohibited by section C—namely, "tracing the ancestors or descendants of particular individuals." What else is anything based upon the 27,337 surviving surnames in the Census of 1790 except tracing of the descendants of particular individuals?

Let me in conclusion raise certain objections, which are more general in character. All census and like calculations we know to be made on the basis of a margin or error of 1 per cent. We know, too, that with slightly different basic figures one could work out by the methods employed by the three Cabinet officers and their assistants, results formidably different from what they reached. And we have every right to offer those alternative basic figures and claim as much consideration for them as those which were used. Moreover, we know that emigration did not proceed evenly and pro rata over all the territory of the States involved in our century and a third of immigration history. We *have the right to demand* that the actual record of emigration from Europe be explored in minute detail. This may mean many years of study. But let no one in or out of Congress scoff at the "minor modifications" which might result from this course. The error of 1790, which would effect so materially the results of 1920, is an error that means perfectly tremendous consequences to the individual, and our Constitution forbids expressly any legislation of this type.

What I deplore mostly in connection with legislation of this type is its evil consequences of setting group against group, implying superiorities, misusing and distorting history and science to suit ignoble objects—the vanity of particular groups, the petty envies and meanness of narrow elements. Why is it that our periods of peace should alone be the ones to witness such performances? I recall no provision of the draft law of May 18, 1917, that called to compulsory service under our flag the young men of our country in accordance with the ratio of people of their respective nationalities to our total adult-male population. Why not? I recall no provision in our fiscal laws which bases tax liabilities upon the preponderance of this or that racial element in our population. We went through one titanic struggle in order to prevent the disruption of our Republic; and we certainly have no motive now to begin legislating so as to precipitate sharp division between different elements in our population, which, on the contrary, we have every reason to unite as far as possible.

There is no workable basis on which this national-origins scheme can be carried out. The laborious effort of Doctor Hill and his colleagues makes that clear, and the President's advisers so declare in the letter I have read.

The law must be relieved of these irrelevant and mischievous provisions without further delay, no matter what else we do in the matter of immigration policy.

CALL OF THE ROLL

Mr. PHIPPS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Frazier	McLean	Shipstead
Bayard	George	McMaster	Shortridge
Bingham	Gillett	McNary	Smith
Blease	Glass	Means	Smoot
Borah	Goff	Metcalf	Stanfield
Bratton	Gooding	Moses	Steck
Broussard	Greene	Neely	Stephens
Bruce	Hale	Norris	Stewart
Cameron	Harris	Nye	Swanson
Capper	Harrison	Oddie	Trammell
Caraway	Heflin	Overman	Tyson
Copeland	Howell	Phipps	Wadsworth
Couzens	Johnson	Pine	Walsh, Mass.
Curtis	Jones, Wash.	Pittman	Walsh, Mont.
Edge	Kendrick	Reed, Pa.	Warren
Edwards	Keyes	Robinson, Ark.	Watson
Ernst	King	Robinson, Ind.	Wheeler
Ferris	La Follette	Sackett	Willis
Fess	Lenroot	Schall	
Fletcher	McKellar	Sheppard	

Mr. McMASTER. My colleague, the senior Senator from South Dakota [Mr. NORBECK] is still confined to the hospital as the result of injuries received in an automobile accident.

Mr. BAYARD. I desire to announce that the Senator from Rhode Island [Mr. GERRY] is necessarily detained from the Senate by a death in his family.

The PRESIDENT pro tempore. Seventy-eight Senators having answered to their names, a quorum is present.

ORDER FOR EVENING SESSION ON WEDNESDAY

Mr. CURTIS. Mr. President, I ask unanimous consent for the following order for a session Tuesday night under Rule VIII.

The PRESIDENT pro tempore. The proposed unanimous-consent agreement will be stated.

The Chief Clerk read as follows:

UNANIMOUS-CONSENT AGREEMENT

It is agreed, by unanimous consent, that on Tuesday, February 22, 1927, the Senate shall take a recess at not later than 5.30 p. m., until

8 p. m., and that the evening session shall be devoted to the consideration of bills on the calendar under Rule VIII, and that the evening session shall not continue longer than 11 p. m.

The PRESIDENT pro tempore. Is there objection?

Mr. WILLIS. Mr. President, would the Senator consider making it Wednesday evening instead of Tuesday evening? Some Senators must be away on the evening of Tuesday and should like to be here for the proposed evening session.

Mr. CURTIS. I am perfectly willing to make it Wednesday evening. I have talked with quite a number of Senators, and they expressed a hope that we could have the night session on Tuesday so that we might have an opportunity to determine the condition of the calendar on that evening in order to decide what to do later.

Mr. WILLIS. The Senator knows that because Tuesday is a holiday many Senators will have engagements for that evening.

Mr. CURTIS. I ask permission to modify the proposed agreement by changing it to Wednesday instead of Tuesday.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent agreement proposed by the Senator from Kansas as modified?

Mr. ROBINSON of Arkansas. It will be necessary to hold the night session proposed and perhaps other night sessions for the consideration of bills on the calendar under Rule VIII. Therefore, I approve of the unanimous-consent agreement.

The PRESIDENT pro tempore. The Chair hears no objection, and the unanimous-consent agreement is entered into.

The agreement as entered into is as follows:

UNANIMOUS-CONSENT AGREEMENT

It is agreed, by unanimous consent, that on Wednesday, February 23, 1927, the Senate shall take a recess at not later than 5.30 p. m., until 8 p. m., and that the evening session shall be devoted to the consideration of bills on the calendar under Rule VIII, and that the evening session shall not continue longer than 11 p. m.

MEMORIAL SERVICES ON THE LATE SENATOR FERNALD

Mr. HALE. Mr. President, on February 5 I submitted a resolution setting aside February 27 for memorial services on the late Senator FERNALD. Owing to illness, certain members of the family of the late Senator can not be in Washington on that date. I therefore ask unanimous consent that the matter be postponed until a later date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ENERGY—ITS AVAILABILITY AND VALUE

Mr. NYE. Mr. President, I request unanimous consent to have printed in the RECORD a letter dealing with energy, its availability, and value, by Garabed T. K. Giragossian.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The letter is as follows:

WASHINGTON, D. C., *February 17, 1927.*

Hon. CHARLES G. DAWES,
Vice President of the United States.

MY DEAR SIR: I beg respectfully to submit the following memorandum to the United States Senate, over which you are presiding.

In fact, there is a most valuable public resolution on the statute book, concerning the Garabed free energy generator, approved February 8, 1918; but the people as yet could not have enjoyed the benefit of this law. The reason of this failure is that it is inapplicable, or somehow it is paralyzed because of two clauses which had been inserted into the original resolution on the House floor.

In that time some persons came forward claiming that I stole their inventions, and others insisted that they have also inventions in the similar nature and character of my claim. However, through the effect of a confusion and misunderstanding created by them, the House adopted these clauses as the safeguards to the rights of those persons.

Afterwards, however, it was officially established that these claimants were impostors and slanderers. But the obstructive results of their evil perpetrations remained.

In order to relieve this situation, the United States House of Representatives on April 5, 1926, passed the amendatory House Joint Resolution 29, which is pending in the United States Senate. This resolution is to modify the language of the said nullifying clauses, so as to make the existing law workable as well as to protect the rights of any possible or imaginary inventors. Only by the passage of this resolution my work can come into the light.

It is well to restate, in some degree, the nature and utility of my discovery or invention. It can produce unlimited energy, without labor and without expense, which will be attainable freely and readily everywhere and at any time. It can be utilized on land, at sea, and in the air. Abundant free energy will be available for all factories or industries to all means of transportation, to all homes, farms, etc.

The fire or heat and light for all people and communities also are to be supplied by costless electricity, generated freely by my work. It can work everywhere, ceaselessly, by day and by night.

Obviously, the advent of this work is in the highest interest of all people, including the owners of coal mines and oil wells, as by free electricity these fuels can be more profitable. But the only avowed opponents of the aforesaid resolutions are the patent lawyers and Mr. Thomas E. Robertson, the Commissioner of Patents. Their manifest object is to compel me to go to the Patent Office, toward which I will never take a step for this particular work.

Furthermore, my work will never come into the light under the protection of any general law; however, apparently a very strong and highly efficient general law may come into existence.

This question definitely and conclusively has been settled by the United States Congress. In this respect my attitude and course has been justified and approved more than once by this supreme authority of our country.

At that time the bitter opponents to the original resolution concerning my work have had to admit on the House floor that an especial legislation is the only safeguard that can protect any great discovery.

It is the constitutional right, privilege, and duty of the United States Congress to create legal protection for any invention or discovery, and its creature—the Patent Office—did not affect nor diminish to any degree these rights, etc., of the United States Congress.

However, now it is a historical fact and firmly established precedent that if a man offers a rarely beneficial discovery to our country, and especially when he is to divulge the mysterious key and the chart of a new world of boundless free wealth, he is entitled to that transient vanity of being recognized legally the discoverer of it by an especial legal safeguard against professional patent stealers and the despoilers of real inventors.

And it is well to remember, too, that this did not pass by the United States Congress as a "war measure." On the contrary, it had been opposed and hindered by those responsible authorities who officially had been connected and in the service of the military affairs of the United States of America.

By the aforesaid existent law the United States Government has the privilege of using my work in the United States Army, Navy, and in all its works without any charge. This means yearly hundreds of millions of dollars net profit to our Government, and the United States Government has also the option to get my exclusive right. Meanwhile I can not sell my right to a foreign country. Is it recorded in our history or in those of all known nations that such a magnificent factor ever had been proffered by a mortal citizen to his government?

The United States Congress, giving due consideration to many phases of this matter, passed the mentioned safeguarding resolution. The underlying principle and fundamental reason of this generous action of our Congress was that all and every exceptionally valuable thing required an especial protection, as it is the universal practice of all and every government to extend especial protection to anything uncommonly valuable.

While inspired and motivated by this lofty principle of righteousness, the Congress honestly endeavored, by amending the original resolution, to do justice to a few persons, but in consequence of the treacherous deceptions of the same clamorous, debased schemers the rights and benefits of our people and of whole mankind have been trampled.

It seems really incredible that the trickery of a handful of conspirators would cause such a tremendous injury to all people and could have retarded the possible advancement of science and a higher civilization.

Since the day of the attachment of these paralyzing clauses to the main or original resolution we are spending yearly about $20,000,000,000 for fuel or motive power. During the same period our national expenses in that respect exceeded $160,000,000,000. This $160,000,000,000 of loss will be considered a fraction of the real loss if we can realize the fact that under my work costless energy will be used many times more than we are using to-day. Thus, all the criminals, conflagrations, floods, earthquakes, etc., in our country had not done as much injury as had been caused by a few persons who obstructed the way of my work by pretenses and falsehoods.

Apparently the nature has not bestowed upon any other known substance with such a rich and peculiar qualification as she has invested in fuel, both in coal and in petroleum, which are convertible to many thousands of different products. Thanks to the advancement of chemical science, through the instrumentality of costless energy, coal and petroleum can be rendered hundreds of times more beneficial and more profitable to all than we are burning now to all and every purpose.

But without a new discovery this destruction of fuel by burning will go on and be ever intensified. The scope of the gradual growth or the magnitude of the prospective demand for fuel is beyond the imagination of human mind. The more the vehicle of advancement rolls onward the more we realize the absolute indispensability and immeasurable value of energy. Gradually it became common knowledge that the rate of progress in science and arts and the exaltation of human destiny are mostly dependent upon fuel or energy.

With the pace of the march of civilization the number and the capacity of fuel-burning instruments are increasing. The steamship *Majestic* consumes 7,500 tons of fuel oil on a single trip to New York. Last year our consumption of petroleum by or within the United States exceeded 750,000,000 barrels.

While the use of fuel is so rapidly growing, the cost and difficulties of its production are likewise augmenting. The worst of all is that its limited resources are daily depleting. For such natural reasons it should not be wondered that the fuel has become the all attracting central magnet of modern thought. Yes! Now, it is the prime inciter, most powerful dictator, and director of all movements and activities of every civilized nation.

Regrettable as it is, that for the conquest of the air, for the dominating of this planet, and to develop its natural resources, and for the economical supremacy, fuel as yet is the only superior means of this day. Therefore, for the possession and control of fuel resources, it is openly and generally predicted that nations are gradually rolling toward a most terrible field of agony, blood, and death that ever cursed and disgraced this planet.

Of course, the civilized world abhors the war, but they say it is forced to go and to be driven into that frightful human shambles. The army planes, with their bombs, and antiaircrafts, with big guns, are competing as they are on trials. Involuntary preparedness for those evil days of horrors will go on, with yearly cost of billions of dollars. All educational institutions are sapping the body, mind, and morals of their youth by training and preparing them in order to kill or to be killed. Under the present circumstances, like the Halley's comet, the next war is ordained to come, which will be fought over oil.

I pray and hope that these evil predictions will never be fulfilled, but anyhow my work will eliminate the possibility of it, and all the more it will dispel the fear and dread of war for fuel or oil. Furthermore, it is the profound conviction of foremost scientists that the discovery of illimitable costless energy will bring an end of human suffering.

But, as an inevitable consequence of free energy, the emancipation of man from the struggle for existence, the elimination of poverty and war, and the termination of rivalry between the nations and individuals can not subject mankind to contentment, to inertia, nor to indolence.

Man never would have come out from jungle for the only reason of a livelihood or for a mere existence if he would not have possessed a mysterious nature, amazing characteristics, and innate or acquired instincts which extricated him from the terrors and gloom of the caves. This unfathomable human nature or attributes initiated the artificial or organized fight against natural evils and inaugurated the conscious intent and project of utilizing artfully this earth and its contents. Man will strive to develop and improve this yet embryonic civilization to its utmost maturity and will further it forward ceaselessly.

In the learning almost there will be no limitation in the development and cultivation of human brain or in its cells. The aspiration of man can grow into an immeasurable intensity. The curiosity and greed of man for knowledge already have been developed highly, and they are susceptible to become more and more insatiable. Hence the wheel of advancement will meet no boundary, but the march and the rate of progress and its perpetuation mostly depend upon the energy.

In the midst of this incomprehensible cosmic phenomenon there seems to exist a fortuitous coincidence or a designed purpose of a mysterious arrangement that the multiple utilities and latent possibilities of energy so exceedingly and very excessively correspond to the covetous and adventurous nature of man. If so, the Garabed is destined to be an extraordinary factor in the fulfillment of human lofty aspirations and golden dreams of utmost extremity.

While at a time when this fettered and obstructed factor of splendid potentiality is within the reach and at the disposal of the United States Congress, the weighty pressure and painful torment of universal poverty are agonizing entire humanity. An equal share of the division of all produced and generally applicable richness of the world can not provide each and every member of the human family with a decent suit of clothes and with an adequate spring bed to sleep in. But through the agency of the Garabed that solitary dreadful Sahara, the scorched desert of Africa, alone can be capable to feed and support luxuriously the entire population of this world. And another frightful desert likewise can enrich all and every person living.

This is the main reason why, through the centuries, the armies of scientists, intellectuals, and craftsmen toiled, suffered, and as yet they are toiling for costless energy, and the people are craving and praying for its earliest appearance.

No sooner free energy comes into the light than the efficiency and activities of the industry have to be promoted to its highest possible pitch. The reorganization of occupations are to be the most welcome inevitables.

The floating mansions at the sea, moving castles on the land, and flying palaces in the air are to be very fascinating and highly amusing servants of the travelers.

And under the Garabed system deserts, swamps, wildernesses, and all sterile or desolated regions also will be faded away and obliterated. This earth of thorn, misery, and sorrow is to be converted into a vast, opulent, rapturous garden, a worthy abode for human angel. In this earthly paradise he will submerge in the ocean of pure and holy happiness through the enjoyment of the beauties and blessings of the nature and by the learning of the mysteries and wonders of the universe.

The dwellings of this new era will represent the miniature institutions of science. They will be furnished with necessary instruments and elaborate laboratories for scientific learning and research. One of the prides of their homes is to be the supremacy of their private or collective magnificent observatories, glorified with a surpassing telescope.

Thus the homes in such characters are to constitute the kindergarten of the future, where the children in their infancy will learn and attain the possibly exact and useful knowledge. They shall observe and associate with heavenly prodigies, becoming more and more absorbed, rapt, and mystified by ever-growing surprises and feeling of admiration. Narcotics can not defile nor stain the sanctuaries of those students who become exhilarated by the attractions of the nature and through the sublime grandeur of the infinite.

Such are the innovations and pursuit of life that will be the matters of course in the environs of the goal of man, toward which he is always creeping, with hardship, with blood, tears, and agony. But the Garabed will furnish him with a wing by which he can fly onward to it swiftly, with ease and pleasure.

How an ideal man may not be saturated with a spirit of dignity and not be filled with a gratifying feeling of heartfelt satisfaction whenever he visualizes in his mind the miniature of those intellectual and moral achievements, and especially when he witnesses, as though with real eyes, the conversion of the people in their social habits and the miraculous developments of higher instincts and good qualities of human nature.

These fair prospects or modest predictions of the future should not be considered a vision or mirage in the excited eyes of a visionary Utopian. It is already too plain and manifest to the thoughtful minds of competent students of science that through the efficiency of free energy this modern age of insanity and crime, of religious bigotry and racial prejudice, will be buried beneath the virtues and sane prudence of our offspring. The demands and impetus of human instincts of justice and compassion will be the dominating force behind all activities and behavior of incoming man. Thus gradually, but inevitably, the brute, the man of sword, force, or fist will disappear. The parasite, the gambler, the man of cheat and fraud, will vanish away before the succeeding generations devoted to the principle of justice and devotion.

How strange and captivating sceneries are to be pictured to human vision if one, in a reflecting trance, may survey the spectacular vicissitudes which are to happen upon the surface of this earth in the age of costless energy. This idealist, pausing near by those converted and cultivated swamps or barrens, will look upon the flourishing and thriving surrounding with perplexity and amazement. Meanwhile he is to be elated and gratified with invigorating fragrances and perfumes emanated from the odoriferous field of roses, flowers, etc.

To a sportsman or to a sober scientist how any other scene may be so alluring and more attracting than the conquered fastness of haughty mountains, glittered and bedecked with recreating sanitariums, amusing residences, etc.

What a great blessing the costless energy will be to our agricultural States when the deserts and barren, arid, and uncultivated regions of Texas, California, New Mexico, etc., become irrigated, fertilized, and cultivated. What an indescribably strange and delightful impression we will have if our imaginations soar over these transfigured regions. And what will be the feeling of a real American when he observes and stares by mental telescope upon this developed area of immense expanse, ornamented with thriving orchards, vineyards, or prairies of grain, and dotted with splendid houses, surrounded and embellished with fruitful gardens, each residence mainly self-sufficient, a country in itself, and worthy of being the future home of man, the real paradise in quest.

There were and yet there will be imposters and pseudoinventors, and they will be used as plausible excuses now, as in the past, by some persons in order to hinder the dawning of this glorious age of free energy, for which, instinctively or subconsciously, humanity is longing, yearning, and dreaming of.

Because of a handful of plotters will this source of incalculable blessings be lost to our people and perhaps to all mankind?

Very respectfully yours,

GARABED T. K. GIRAGOSSIAN,
From Boston, Mass.

CHANGE OF REFERENCE

Mr. BINGHAM. Mr. President, I ask for a change of reference of Senate bill 5452 from the Committee on the Judiciary to the Committee on Territories and Insular Possessions. I

have talked with the chairman of the Judiciary Committee, the Senator from Nebraska [Mr. NORRIS], on the matter, and he thinks that the change of reference should be made.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the change of reference will be made.

DISTRICT OF COLUMBIA APPROPRIATION BILL

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 16800) making appropriations for the government of the District of Columbia and for other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1928, and for other purposes, the pending question being on the amendment of the Committee on Appropriations, on page 22, to strike out, in lines 7, 8, and 9, the following words:

Southeast: Thirty-eighth Street, Alabama Avenue to Suitland Road, and Suitland Road, Thirty-eighth Street to the District line, $13,200.

Mr. PHIPPS. Mr. President, relating to the amendment now pending, we have had a supplemental report from the Capital engineer in charge of roads and have had assurance that the Maryland road connecting up with the District line will be completed this year. Under the circumstances the committee has given the item further consideration and are willing to have it reinstated. I therefore ask that the committee amendment be rejected.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was rejected.

The next amendment of the Committee on Appropriations was, on page 22, after line 9, to insert:

Southeast: Minnesota Avenue, Good Hope Road to Eighteenth Street, $28,000.

The amendment was agreed to.

The next amendment was, on page 22, after line 15, to insert:

Northeast: B Street, Fifteenth Street to Sixteenth Street, $5,500.

The amendment was agreed to.

The next amendment was, on page 22, line 18, after the name "E Street," to strike out "Thirteenth Street to Fifteenth Street, $16,000" and insert "Eleventh Street to Fifteenth Street, $32,000," so as to read:

Northeast: E Street, Eleventh Street to Fifteenth Street, $32,000.

The amendment was agreed to.

The next amendment was, on page 23, after line 18, to strike out:

Northwest: Piney Branch Road, Van Buren Street to Butternut Street, $30,000.

Mr. FRAZIER. Mr. President, I would like to ask the Senator from Colorado in charge of the bill why this item is proposed to be stricken out.

Mr. PHIPPS. It was necessary to take out certain items which the committee felt could wait another year and to put in certain items which it was deemed absolutely necessary to take care of this year, in order that we might still keep within reasonable reach of the Budget estimate.

Piney Branch Road, which the committee visited, is improved with residences to the extent of about 50 per cent, and we felt that if we allowed it to go another year the remaining property would be improved and the service connections could be made so as to avoid cutting a new street for the purpose of putting in sewer, water, and other connections.

I am not saying that the committee will be insistent on keeping this item out of the bill; it may be that if we can come to an accord with the House we might be willing to restore it; but I think the Senator should be willing to allow the matter to go to conference, so that it may be given consideration there.

Mr. FRAZIER. I thank the Senator.

The reading of the bill was resumed.

The next amendment of the Committe on Appropriations was, on page 24, line 3, after the name "Van Buren Street," to strike out "Second Street to viaduct, $8,400," and insert "First Street to viaduct, $13,000," so as to read:

Northwest: Van Buren Street, First Street to viaduct, $13,000.

The amendment was agreed to.

The next amendment was, on page 24, line 5, after the name "R Street," to strike out "Thirty-fifth Street to Thirty-seventh Street, $15,000," and insert "Thirty-sixth Street to Thirty-seventh Street, $7,500," so as to read:

Northwest: R Street, Thirty-sixth Street to Thirty-seventh Street, $7,500.

The amendment was agreed to.

The next amendment was, on page 24, line 8, after the word "to," to strike out "T Street, $13,000," and insert "S Street, $6,500," so as to read:

Northwest: Thirty-sixth Street, Reservoir Road to S Street, $6,500.

The amendment was agreed to.

The next amendment was, on page 24, after line 9, to insert:

Northwest: Connecticut Avenue, Calvert Street to Cathedral Avenue, $40,000.

The amendment was agreed to.

The next amendment was, on page 24, after line 23, to strike out:

Northwest: Ogden Street, Fourteenth Street to Spring Place, $17,300.

The amendment was agreed to.

The next amendment was, at the top of page 25, to strike out:

Northwest: S Street, Thirty-fifth Street to Thirty-sixth Street, $6,000.

The amendment was agreed to.

The next amendment was, on page 25, after line 4, to insert:

Northwest: Lowell Street, Forty-fifth Street to Forty-sixth Street, $8,300.

The amendment was agreed to.

The next amendment was, on page 25, after line 6, to insert:

Northwest: Forty-fifth Street, Lowell Street to Cathedral Avenue, $9,600.

The amendment was agreed to.

The next amendment was, on page 25, after line 14, to strike out:

Northwest: Cleveland Avenue, Twenty-ninth Street to Thirty-third Place, $50,000.

The amendment was agreed to.

The next amendment was, on page 25, after line 16, to strike out:

Northwest: Forty-second Street, Garrison Street to Jenifer Street, $17,200.

The amendment was agreed to.

The next amendment was, on page 25, after line 18, to insert:

Northeast: Eighteenth Street, Lawrence Street to Otis Street, $15,000.

The amendment was agreed to.

The next amendment was, on page 25, after line 24, to strike out:

Northwest: Sheridan Street, Blair Road to Fifth Street, $28,000.

The amendment was agreed to.

The next amendment was, on page 26, line 8, after the figures "$15,000" to insert a colon and the following proviso: "*Provided*, That the necessary land be dedicated to make this street 160 feet in width," so as to read:

Northwest: Audubon Terrace, Linnean Avenue to Broad Branch Road, $15,000: *Provided*, That the necessary land be dedicated to make this street 160 feet in width.

The amendment was agreed to.

The next amendment was, on page 26, after line 10, to strike out: "Northwest: For widening the west roadway of Connecticut Avenue from M Street to Dupont Circle by 15 feet and the east roadway of the same avenue from Eighteenth Street to Dupont Circle by 15 feet, including the necessary relocation and readjustment of the statue occupying United States reservation 150 A, $63,000," and in lieu thereof to insert:

Northwest: For widening by 15 feet on each side and repaving the roadway of Connecticut Avenue from N Street to Dupont Circle; for widening by 15 feet on the west side and repaving the roadway of this avenue from Eighteenth Street to N Street and for widening and repaving the roadway of the same avenue adjacent to United States reservations numbered 150 and 150–A in accordance with plans approved jointly by the Commissioners of the District of Columbia and the Director of Public Buildings and Public Parks, $60,000.

The amendment was agreed to.

The next amendment was, at the top of page 27, to strike out:

Northwest: For widening to 80 feet and repaving the roadway of Connecticut Avenue, from Dupont Circle to Florida Avenue, including the replacement of defective sewer and such alteration as may be necessary to the public park at the intersection of Connecticut and Florida Avenues and S Street, $90,000.

The amendment was agreed to.

The next amendment was, on page 27, after line 9, to strike out:

Northwest: For widening to 70 feet and repaving the roadway of Thirteenth Street, I Street to Massachusetts Avenue, $70,000.

The amendment was agreed to.

The next amendment was, on page 28, line 17, after the words "In all," to strike out "$1,506,800" and insert "$1,295,100," so as to read:

In all, $1,295,100; to be disbursed and accounted for as "Gasoline tax, road and street improvements," and for that purpose shall constitute one fund and be available immediately.

The amendment was agreed to.

Mr. PHIPPS. Mr. President, at this point I ask that authority be given the clerks to correct the totals wherever necessary.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 28, line 24, after the word "paving," to strike out "and repaving"; and in line 25, after the word "paved," to strike out "or repaved," so as to make the further proviso read:

Provided further, That assessments in acordance with existing law shall be made for paving roadways where such roadways are paved with funds derived from the collection of the tax on motor-vehicle fuels and accretions by repayment of assessments.

The amendment was agreed to.

The reading of the bill was continued to the end of line 25, page 32, the last item proposing an appropriation of $90,000 for trees and parkings.

Mr. COPELAND. Mr. President, I desire to ask the Senator from Colorado, in charge of the bill, about the item on page 32 relative to trees and parking. Did the committee give consideration to an increase in that item?

Mr. PHIPPS. We considered it, and my recollection is that we allowed the Budget Bureau estimate, which was the amount approved by the House committee. Last year $78,000 was appropriated for this purpose; so this year we have made an increase of $12,000 over the current year's appropriation.

Mr. COPELAND. Mr. President, I understand that in tree lines already placed there are about 3,000 dead trees creating vacancies in those lines. The future beauty of the city depends to a great extent, at least, upon the trees which are planted. The old towns in New England are especially noteworthy because of the beauty of their trees. The Senator now occupying the Chair (Mr. MOSES in the chair) will visualize Exeter, that New England town where he received the fundamentals of an education, which has made him a great figure in the affairs of his country. In that town one of the principals of Philips-Exeter Academy, 75 years ago planted elms about the place, which have greatly enhanced its stately, dignified beauty and been a source of endless enjoyment. I respectively suggest to the chairman of the committee that the District Commissioners should have some additional funds for this particular items. If they had at this time $25,000 they could replace a thousand of the dead trees, and at the same time could begin planting in newer parts of the city. I appeal to the Senator and to the committee that no wiser expenditure could be made than by adding $25,000 to this item.

I talked this matter over last night with Colonel Bell; I asked him in detail about the situation. He spoke of the great need of replacing the dead trees and of planting trees in the newer parts of the city.

Mr. PHIPPS. Mr. President——

The PRESIDENT pro tempore. May the Chair suggest to the Senator from New York that when the bill reaches the stage of general amendment he may then offer an amendment relative to the matter which he is discussing.

Mr. COPELAND. I am aware of that, Mr. President, but I merely wanted to ascertain at this time what was the attitude of the Senator from Colorado in reference to the matter.

Mr. PHIPPS. Mr. President, no one is more anxious than am I, I think, to have the trees in this city kept in good shape and to see new planting carried on as rapidly as possible. Everything that could be done in the power of the committee to prevent the destruction of trees in new sections where buildings are going up has been done. We think we have found an effective means now of stopping that. The commissioners did not make a plea for more than the $90,000; that is, they did not appeal to our committee during the hearing we gave them.

The best method of procedure, I may suggest to the Senator, would be to have Commissioner Bell present a supplemental estimate to the Bureau of the Budget for $25,000, which could be considered in the second deficiency bill now pending. In that way action could be had before the close of the present session of Congress. I would prefer to have that method adopted; it would have my support, I will say to the Senator; but I would not care to admit the amendment to this bill, because this bill has already been made up, and its provisions agreed to by the committee.

Mr. COPELAND. I am very glad to have the assurance of the Senator in charge of the bill that a measure of the character I have mentioned will be supported by him, and I will make the effort at a later date.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was, under the heading "Electrical department," on page 39, line 4, before the figures "$9,000," to insert "to be immediately available," so as to make the paragraph read:

For the erection and equipment of an addition to storehouse, on land belonging to the District of Columbia, in square 298, to be used for the examination, repair, and storage of material and supplies of the electrical department, including the inclosing, grading, and improving of the ground, to be immediately available, $9,000.

The amendment was agreed to.

The next amendment was, under the heading "Public schools," on page 40, line 15, to strike out "night school" in large capitals and insert "night school" in small capitals.

The amendment was agreed to.

The next amendment was, under the subhead "Buildings and grounds," on page 47, line 16, after the name "Columbia Road," to strike out "$5,000" and insert "$12,500," so as to read:

For the preparation of plans and specifications for the erection of a 24-room building, including a combination gymnasium and assembly hall, on a site already purchased at Nineteenth Street and Columbia Road, $12,500.

The amendment was agreed to.

The next amendment was, on page 48, line 11, after the words "In all," to strike out "$2,749,500" and insert "$2,757,000, of which $50,000 shall be immediately available for the preparation of plans," and in line 15, after the word "expended," to strike out "and of such sum $300,000 shall be charged to the special fund created by the act entitled 'An act making an adjustment of certain accounts between the United States and the District of Columbia,' approved February 2, 1925," so as to read:

In all, $2,757,000, of which $50,000 shall be immediately available for the preparation of plans, to be disbursed and accounted for as "Building and grounds, public schools," and for that purpose shall constitute one fund, and remain available until expended.

The amendment was agreed to.

The next amendment was, on page 49, after line 13, to strike out "For the purchase of land adjoining the site on Grant Road now owned by the District of Columbia," and in lieu thereof to insert:

For purchase of land adjoining the site on Grant Road now owned by the District of Columbia, known as parcel 46/100: *Provided*, That if said land can not be purchased at a price satisfactory to the Commissioners of the District of Columbia they are authorized and empowered to sell or exchange said parcel: *Provided further*, That in the event of the sale or exchange of said parcel the commissioners are authorized to use not exceeding $20,000 of this appropriation in addition to the proceeds of sale, if any, for the purchase of a school site in the vicinity of Thirty-sixth and Davenport Streets.

The amendment was agreed to.

The next amendment was, on page 50, after line 6, to insert:

For the purchase of land in the vicinity of the Harrison School.

The amendment was agreed to.

The next amendment was, on page 50, line 9, after the words "In all," to strike out "$37,250" and insert "$77,250," so as to read:

In all, $77,250, to remain available until June 30, 1929.

The amendment was agreed to.

The next amendment was, on page 50, line 25, after the word "until," to strike out "June 30, 1927," and insert "December 31, 1927," so as to make the further proviso read:

Provided further, That $154,000 of the appropriation contained in the District of Columbia appropriation act for the fiscal year 1927 for the purchase of school building and playground sites shall be available until December 31, 1927, without limitation as to price based on assessed value.

The amendment was agreed to.

The next amendment was, at the top of page 51, to insert:

For the purchase of land in the vicinity of the Crummell School, without limitation as to price based on assessed value, $10,000.

The amendment was agreed to.

The next amendment was, on page 51, after line 3, to insert:

For the purchase of land in the vicinity of the Parkview School, without limitation as to price based on assessed value, $50,000.

The amendment was agreed to.

The next amendment was, on page 51, line 10, after the figures "1928," to insert "without limitation as to price based on assessed value," so as to make the paragraph read:

The sum of $125,000 contained in the District of Columbia appropriation act for the fiscal year 1925 for an athletic field for the Western High School shall remain available until June 30, 1928, without limitation as to price based on assessed value.

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous," on page 67, line 5, after the name "District of Columbia," to insert "except records and briefs in cases in which the United States is a party," so as to read:

For printing and binding for the Supreme Court and the Court of Appeals of the District of Columbia, except records and briefs in cases in which the United States is a party, $4,500.

The amendment was agreed to.

The next amendment was, on page 68, line 14, after the figures "$85,000," to insert a colon and the following proviso: "*Provided*, That the unexpended balance of the appropriation of $75,000, fiscal year 1927, contained in the second deficiency act, fiscal year 1926, for this purpose, is continued and made available until June 30, 1928," so as to make the paragraph read:

To carry out the purposes of the act entitled "An act to provide home care for dependent children in the District of Columbia," approved June 22, 1926, including not to exceed $10,500 for personal services in the District of Columbia in accordance with the classification act of 1923, $85,000: *Provided*, That the unexpended balance of the appropriation of $75,000, fiscal year 1927, contained in the second deficiency act, fiscal year 1926, for this purpose, is continued and made available until June 30, 1928.

The amendment was agreed to.

Mr. HARRISON. Mr. President, I should like to ask the Senator from Colorado a question in connection with the items for the public schools. I notice that the committee has not increased the appropriation for teachers in the public schools. Will the Senator explain to the Senate just what the controversy is in regard to additional teachers? I have had conferences with some people who have told me that a great many more teachers are needed in the public schools of the District.

Mr. PHIPPS. I will say to the Senator, Mr. President, that the committee heard those who are interested on both sides of the question, spending the better part of two days in the inquiry, but the committee was not convinced that the evidence would justify it in adding the amount necessary to provide 74 additional teachers. Growing out of the hearing, however, the committee felt that the subject should be inquired into very carefully, and the committee adopted a motion authorizing a request to the Bureau of Efficiency to make a comprehensive survey of the school situation, including all features of instruction and the conduct of affairs of the schools, which report the committee will have for use when the Senate shall reconvene next December. If a proper showing should then be made by the report submitted, we can put into the first deficiency bill, which will then be pending, an amount necessary to provide additional teachers, beginning, say, on January 1, 1928. If they should be needed in the latter part of September, when the school term opens, we would only be without them for the short period intervening between that time and the 1st of the following January.

Mr. HARRISON. Were 74 additional teachers recommended by the superintendent of the schools in Washington?

Mr. PHIPPS. They were.

Mr. HARRISON. And did the Board of Education of the District of Columbia recommend 74 additional teachers?

Mr. PHIPPS. Yes; they supported the superintendent in his recommendation.

Mr. HARRISON. Did the superintendent come before the committee and present the matter?

Mr. PHIPPS. The assistant superintendent appeared before the committee; the superintendent himself did not appear; I think there was a death in his family, or something of that nature, which prevented his attendance at our meeting.

Mr. HARRISON. I am wondering if the Bureau of the Budget submitted an estimate for this item.

Mr. PHIPPS. The Bureau of the Budget did submit an estimate for 74 additional teachers, but the House committee did not accept it, and the Senate committee was not convinced that they should accept it.

Mr. HARRISON. What was the amount requested for the 74 additional teachers?

Mr. PHIPPS. The amount involved was $121,100. The hearings have been printed, I will say to the Senator, and they will give him an idea of the extent to which the committee considered this question before concluding that it should not provide the 74 additional teachers.

Mr. SMOOT. Mr. President, I should like to say to the Senator from Mississippi that there is no question in my mind that the committee acted properly and wisely in this case and that the schools of the District are not going to suffer during the coming year. At first I thought that the schools really required 74 additional teachers; but if the Senator will read the hearings he will find that the number of teachers in proportion to the number of students in the District of Columbia is higher than in many cities in the various States throughout the Union. If I thought for a moment that the schools were going to suffer, I would take the position that we ought to provide the additional teachers, but I am quite sure that the schools are not going to suffer. The investigation to be made will develop exactly how many additional teachers, if any, will be needed.

Mr. HARRISON. Mr. President, may I say to the Senator from Utah and the Senator from Colorado that I have not read the hearings, but I know that in the city of Washington, as in other cities throughout the country, the number of children in the schools is increasing annually. The last time I looked into the matter there was a great increase in the number of children in the public schools of Washington. That condition naturally calls for an increase in the number of teachers.

Mr. SMOOT. And the number of teachers has been increased, I will say to the Senator.

Mr. HARRISON. I can not understand, after the Board of Education, including the superintendent of public schools, recommended an increase of 74 teachers and convinced the Bureau of the Budget that the additional teachers were needed, causing the Bureau of the Budget to submit an estimate therefor, why at least some increase in the number of teachers was not recommended by the committee. As I understand, however, the committee turned down in toto the request for 74 additional teachers.

Mr. PHIPPS. But we did not stop at that. We personally visited several of these schools. We have seen some of the conditions. Almost every year we have visited three or four schools. I do not care to go into the details; the matter is all covered in the hearings; but increases in the number of teachers have been made almost every year.

Mr. HARRISON. Is any increase at all over last year in the number of teachers provided in this bill?

Mr. PHIPPS. No; the bill as it now stands carries the same number of teachers that we had last year. The current year's bill had an increase of 20 teachers over the number provided in the last bill.

Mr. HARRISON. How large an increase is there this year over the previous year in the number of pupils in the schools?

Mr. PHIPPS. I have not the figures available here. They are in the hearings. The average number of pupils per teacher is 30.21, which is the lowest of any of half a dozen cities of comparable size to the city of Washington.

Mr. HARRISON. It is lower than in some cities and higher than in some other cities.

Mr. PHIPPS. There are none lower than Washington. No large city comparable with Washington has a smaller number of pupils per teacher than we have here.

Mr. HARRISON. The Senator said something to the effect that the matter could be covered in a deficiency bill next year if more teachers were needed next year. Of course, we shall adjourn on March 4 until the 1st of December, and the next District appropriation bill will be passed over a year from now.

Mr. PHIPPS. Pardon me. I was referring to the first deficiency bill, which we always pass as one of the early acts of the session in December.

Mr. HARRISON. But if it should be passed then, that would be December, even if it were provided in a deficiency appropriation.

Mr. PHIPPS. Yes.

Mr. HARRISON. I imagine that the school board will be very slow to employ an additional number of teachers when Congress has turned down the proposal and has not made

provision for it; and I imagine that a teacher would not want to start teaching school in the District of Columbia if no funds were provided for the purpose.

Mr. PHIPPS. No; certainly not.

Mr. HARRISON. Consequently, when the schools open next September there will be no increased number of teachers.

Mr. PHIPPS. That is quite true, as I say; the schools would run from the end of September until the 1st of January without any increase; but, if it is found necessary, the increased number could be provided for January 1 through the deficiency bill.

Mr. HARRISON. Does not the Senator think it would be economical and wise to provide for half of the number that has been suggested by the Board of Education, to be on the side of safety?

Mr. PHIPPS. The committee was not convinced that any addition was necessary.

Mr. HARRISON. I will read the hearings on the subject.

Mr. COPELAND. Mr. President, on page 50, line 7, I observe that provision is made for the purchase of land in the vicinity of the Harrison School. Is that the health school?

Mr. PHIPPS. It is; and the property in question adjoins, fronting on the street, and in the rear of the tenement houses which are erected along a frontage of about 125 feet is the playground of the Harrison School. Whether the Harrison School is continued as a health school or not, our committee is strongly of the opinion that the city should acquire that property now to square out our tract, because it will undoubtedly be needed later on for school purposes. We are not convinced that the present location of the Harrison School is as good a one as we should have for the purposes of a health school, but it is not objectionable, and will be required for ordinary school purposes, in the judgment of the committee.

Mr. COPELAND. I hold in my hand a letter from one of the medical societies seriously criticizing the physical conditions at the health school. They say that only two of the rooms get sufficient sunlight.

Mr. PHIPPS. That is not a fair statement. The school is on relatively high ground. There is a street in front. There is no improvement to the rear. There is an improvement at either side. The improvement on one side only extends back part of the way. The committee visited this school. It is not in bad shape at all; but as against that, I will say to the Senator it was recommended that the District acquire a low-lying property not nearly as well situated for health-school purposes as this one, and on which is an old orphan asylum valued at about $45,000. Our committee unanimously turned down that proposal and requested the commissioners to find a more suitable site or location for a health school.

Mr. COPELAND. The Senator will bear in mind that I am not criticizing the committee at all.

Mr. PHIPPS. Oh, no. I am trying to give the Senator the information that our committee has; that is all.

Mr. COPELAND. But in view of the letter I have received from this medical society, it seemed to me that it was a very wise thing to make provision, as the committee has, for the purchase of the land, because I imagine that that contemplates extending this school and improving it perhaps in the future.

Mr. PHIPPS. If it is decided that that is a proper location for the health school, then this property would come in. If it is decided that it should have a better located site, that can be acquired, then this building could be remodeled and devoted to common-school purposes.

Mr. COPELAND. I am very glad that the committee has this conception of the importance of the work.

One other matter while I am on my feet. I observe that the Senate committee has made no change in the appropriation for the health department.

Mr. PHIPPS. What is the page number, please?

Mr. COPELAND. Page 56. Am I right in assuming that the House, in its bill, provided all the money that the health officials needed?

Mr. PHIPPS. It did. The House committee had hearings on that subject, and there was no request from the commissioners or anyone else for further consideration of those provisions; so, after reading the House hearings, our committee concluded to adopt the House language without change.

Mr. COPELAND. I thank the Senator.

The PRESIDENT pro tempore. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "Reformatory," on page 70, line 15, after the word "walks," to strike out "$53,000" and insert "$73,000," so as to read:

For continuing construction of permanent buildings, including sewers, water mains, roads, and necessary equipment of industrial railroad; for equipment for new buildings; and for material for repairs to buildings, roads, and walks, $73,000.

The amendment was agreed to.

The next amendment was, on page 70, line 25, after the word "products," to insert "purchase of materials and supplies"; and on page 71, line 3, after the word "items," to strike out "$103,500" and insert "$106,000," so as to read:

For maintenance, custody, clothing, care, and support of inmates; rewards for fugitives; discharge gratuities provided by law; provisions, subsistence, medicine and hospital instruments, furniture, and quarters for guards and other employees and inmates; purchase of tools and equipment; purchase and maintenance of farm implements, livestock, tools, equipment; transportation; purchase, installation, operation, and maintenance of machinery and other equipment necessary for the manufacture of metal tags, signs and markers, and cast-iron products; purchase of materials and supplies; maintenance and operation of nonpassenger-carrying motor vehicles; supplies and labor, and all other necessary items, $106,000, of which sum $32,000 shall be available immediately.

The amendment was agreed to.

Mr. BLEASE. Mr. President, I desire to offer an amendment, on page 71, after the word "immediately," on line 4, to insert——

The PRESIDENT pro tempore. The Chair will say to the Senator from South Carolina that such an amendment is not in order at the present time, but it will be as soon as the committee amendments are agreed to.

Mr. BLEASE. Very well; I shall offer it then.

The PRESIDENT pro tempore. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment was, on page 71, line 6, after the words "In all," to strike out "$224,300" and insert "$246,800," so as to read:

In all, $246,800, which sum shall be expended under the direction of the commissioners.

The amendment was agreed to.

The next amendment was, on page 72, after line 20, to insert:

COLUMBIA HOSPITAL AND LYING-IN ASYLUM

For general repairs and for additional construction, including labor and material, and for expenses of heat, light, and power required in and about the operation of the hospital, $15,000, to be expended in the discretion and under the direction of the Architect of the Capitol.

The amendment was agreed to.

Mr. COPELAND. Mr. President, I desire to make an inquiry of the Senator in charge of the bill. I understand that the elevators in the Gallinger Hospital do not operate; that they were installed there, but that for the four years they have been in place they never have operated. Has any attention been given to this matter?

Mr. PHIPPS. It has not been called to the attention of the committee. That, of course, is a matter entirely for the commissioners. The engineer commissioner would have that in charge, and, under him, the superintendent, of course. I have had no communication whatever on that subject.

Mr. COPELAND. I assume, Mr. President, that if it is true, as stated, that these elevators do not work, that there is not power to operate them, the Senator will take the view that there should be such repairs made as will make them effective.

Mr. PHIPPS. I think recourse should first be had against the contractors who supplied the elevators. Certainly the commissioners would not purchase elevators without the usual guaranty that accompanies them. I do not think it is a matter for the consideration of the Appropriations Committee until the authorities find that an appropriation of money is necessary to provide some facility there that they are short of.

Mr. COPELAND. My attention was called to this subject by an article in the Evening Star of January 12, which said that spiders alone use the elevators out at Gallinger Hospital. Having read this article, I wrote the superintendent of the hospital, who replied:

There are four elevators in the psychopathic buildings which have never been used. As I understand it, the generator in our power plant has not sufficient power to operate them.

My purpose is served, in that I have called the attention of the committee to this situation; and I take it for granted that steps will be taken to correct this defect if the situation is as I have stated it.

Mr. PHIPPS. That is hardly the province of this committee, I should say. It should go to the commissioners. That is their province.

Mr. ROBINSON of Arkansas. Mr. President, the reason why the elevators were not used does not appear from that statement, as I understand it. It does not appear that they are not capable of being operated.

Mr. COPELAND. Yes; I will say to the Senator from Arkansas that there is lack of power. The superintendent says:

As I understand it, the generator in our power plant has not sufficient power to operate them.

Apparently there was a defect in the plans and no provision was made for power machinery sufficient to operate these elevators. Of course, it is a very wicked thing to have a hospital—a three-story building, is it not?—where there are sick people, particularly patients of this type.

Mr. ROBINSON of Arkansas. It certainly would appear to be the duty of the superintendent to bring it to the attention of the commissioners, and if legislation on the subject is required the commissioners should bring it to the attention of the District Committee.

Mr. PHIPPS. I suggest to the Senator that he should refer that correspondence to the commissioners. I think undoubtedly it will have attention.

Mr. COPELAND. In a conversation I had with Colonel Bell, I gained the impression that there is a building plan on at Gallinger Hospital. Is that true?

Mr. PHIPPS. I confess that I am not informed of any further plan. They have had their plan under way for a long time, and my thought was that the work provided for had been completed.

Mr. COPELAND. It is apparent that it has not been, and so some further steps are necessary in order to make the elevators useful.

Mr. WHEELER. Mr. President, I should like to ask the chairman of the commitee one question. I am interested in the schools here, by reason of the fact that I have enough children to fill one or two schools myself.

Mr. PHIPPS. I congratulate the Senator.

Mr. WHEELER. I just came in, however, and I do not know whether the item pertaining to the schools has been disposed of. I want to say that I know that some of the schools are so crowded at the present time that it is necessary to keep some of the children out of school, and they are only permitted to go half a day.

Mr. PHIPPS. Yes.

Mr. WHEELER. It is a deplorable condition, and I was wondering whether or not this bill takes care of that situation.

Mr. PHIPPS. I repeat what I said during the Senator's absence—that the Bureau of Efficiency has been requested to make a thorough and complete survey of the school situation as to the number of pupils, the number of teachers, and the administration—in fact, going into the matter as thoroughly as possible. While it is true, as the Senator says, that some schools are overcrowded and some have staggered hours, there are other schools that have a minimum number of pupils in attendance. As I stated a while ago, our average is 30.21 pupils per teacher—the lowest of any city of comparable size that we know of—and yet, in many cases that we found, we have seen teachers sitting down with classes of six and eight pupils, while in other places the rooms were overcrowded. There should be a readjustment in the matter of zoning.

Mr. WHEELER. I am speaking especially of conditions out at the E. V. Brown School, because I am familiar with that particular section. There is not room enough in that school to accommodate the children who live in that district. The result is that some of the children go to school for only half a day and do not get the instruction they otherwise would get and to which children of their age are entitled and the same that children of that age get in other cities all over the country. It seems to me this is the one place in the United States where we ought to have better schools than are to be found anywhere else, or at least schools that are equal to those in other places; and we ought to have enough space to make it possible for the children to go to public schools and not have them driven into private schools.

Mr. PHIPPS. Let me give the Senator one instance, which he will find mentioned in the hearings had before the committee. I refer to testimony of the assistant superintendent about the conditions at the Oyster School, which was erected partly to relieve the crowded condition in the John Eaton School. The Senator will find his admission that at the Oyster School there is room for 129 pupils which is not being utilized to-day. Pupils who should be going to the Oyster School are still going to the John Eaton School, one reason being that in the Oyster School, although there is available space and they have the teachers, no facilities have been provided for seventh and eighth grades, and the John Eaton School is overcrowded partly because it has to take care of those 129 pupils.

Mr. WHEELER. I did not know whether the blame lay with Congress in not appropriating a sufficient amount of money, or whether it was lack of efficiency on the part of the school board, but I do know that as a matter of fact the conditions out at the E. V. Brown School are bad.

Mr. PHIPPS. The committee wishes to determine whether or not it is a question of efficiency in management, and whether or not proper management will enable the force of teachers we have provided for to take care of the number of pupils who are in daily attendance at the schools.

Mr. WHEELER. I want all my children to have, at least, an opportunity to be educated in the public schools.

Mr. PHIPPS. The Senator has a perfect right to have the opportunity, and a perfect right to ask me for the information.

Mr. FLETCHER. Mr. President, from what the Senator has said it looks as if it is a question of a proper board of education. It is the board that has jurisdiction over this matter, it would seem, and not Congress. If there is a good board, that board ought to adjust these matters.

Mr. PHIPPS. We hope to find out whether the board is functioning or not.

The PRESIDENT pro tempore. The clerk will state the next amendment.

The next amendment was, under the subhead "Militia," on page 80, line 12, after the word "business" to insert "not exceeding $300 for traveling expenses, including attendance at meetings or conventions of associations pertaining to the National Guard," so as to read:

For expenses of camps, including hire of horses for officers required to be mounted, and such hire not to be deducted from their mounted pay, and for the payment of commutation of subsistence for enlisted men who may be detailed to guard or move the United States property at home stations on days immediately preceding and immediately following the annual encampments, damages to private property incident to encampment, instruction, purchase, and maintenance of athletic, gymnastic, and recreational equipment at armory or field encampments, not to exceed $500; practice marches and practice cruises, drills, and parades; rent of armories, drill halls, and storehouses; fuel, light, heat, care and repair of armories, offices, and storehouses, practice ships, boats, machinery and dock, dredging alongside of dock, telephone service, horses and mules for mounted organizations, street-car fares (not to exceed $200) necessarily used in the transaction of official business, not exceeding $300 for traveling expenses, including attendance at meetings or conventions of associations pertaining to the National Guard, and for general incidental expenses of the service, $35,550.

The amendment was agreed to.

The next amendment was, under the subhead "General expenses, public parks," on page 82, line 12, after the words "and so forth," to strike out "$358,000" and insert "$363,000," so as to read:

General expenses: For general expenses in connection with the maintenance, care, improvement, furnishing of heat, light, and power of public parks, grounds, fountains, and reservations, propagating gardens, and greenhouses under the jurisdiction of the Office of Public Buildings and Public Parks of the National Capital, including $5,000 for the maintenance of the tourists' camp on its present site in East Potomac Park, and including personal services of seasonal or intermitten employees at per diem rates of pay approved by the director, not exceeding current rates of pay for similar employment in the District of Columbia; the hire of draft animals with or without drivers at local rates approved by the director; contingent expenses; city directories; communication service; car fare; traveling expenses; professional, scientific, technical, and law books; periodicals and reference books; blank books and forms; photographs; dictionaries and maps; leather and rubber articles for the protection of employees and property; the maintenance, repair, exchange, and operation of not to exceed four motor-propelled passenger-carrying vehicles and all necessary bicycles, motor cycles, and self-propelled machinery; the purchase, maintenance, and repair of equipment and fixtures, etc., $363,000.

Mr. PHIPPS. As a substitute for that I desire to present the amendment I send to the desk, different in form only.

The PRESIDENT pro tempore. The clerk will report the substitute.

The CHIEF CLERK. On page 82, line 12, strike out "$358,000" and insert in lieu thereof "$500,000."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The CHIEF CLERK. On page 82, lines 23 and 24, strike out the words "not exceeding $23,000 for the improvement of Meridian Hill Park," and insert in lieu thereof the following:

not exceeding $160,000 for the improvement of Meridian Hill Park, including the completion of the walls and main entrance on Sixteenth Street, the wall on Fifteenth Street, and the construction of the wall on W Street, from Fifteenth Street to Sixteenth Street, together with entrances to the park, and grading, all in accordance with plans to be approved by the Fine Arts Commission.

The amendment was agreed to.

The next amendment was, on page 82, line 25, after the word "structures" to insert a colon and the following additional proviso:

Provided further, That not to exceed $5,000 may be expended by contract or otherwise for architectural or other professional services without reference to the classification act of 1923 or civil-service rules, as approved by the director.

The amendment was agreed to.

The next amendment was, on page 83, line 9, after the figures "$150,000" to insert a colon and the following proviso:

Provided, That not to exceed $5,000 may be expended by contract or otherwise for consulting engineering and other professional services without reference to the classification act of 1923 or civil-service rules, at rates approved by the director.

The amendment was agreed to.

The next amendment was, on page 83, after line 13, to insert:

For repairing and continuing the construction of a sea wall in the Potomac River between the north boundary line of Potomac Park and the north building line of G Street, $25,000.

The amendment was agreed to.

The next amendment was, under the heading "National Capital Park and Planning Commission," on page 84, after line 19, to insert:

For acquiring, by the National Capital Park and Planning Commission, by purchase so far as it may be able to purchase at prices deemed by it to be reasonable and fair, otherwise by condemnation proceedings under and in accordance with the act approved August 30, 1890, for park purposes, the tract of land known as the Patterson tract and designated as parcel 129/2, containing about 81 acres, and said commission may reduce the area to be acquired in said tract, when by reason of improvements constructed or unreasonable prices asked or for other reasons in its judgment the public interest may require, $600,000. The unexpended balance of $300,000 remaining of the so-called surplus fund created by the act approved February 2, 1925, being "An act making an adjustment of certain accounts between the United States and the District of Columbia," shall be applied toward the acquisition of this tract and the balance to be paid out of the revenues of the District of Columbia and the general funds of the Treasury in the same proportion as other expenditures of the District of Columbia.

The amendment was agreed to.

The next amendment was, under the subhead "Washington Aqueduct," on page 88, after line 14, to insert:

For 9,000 feet of 12-inch main in Alabama Avenue SE., from Branch Avenue to the District line, $42,800.

The amendment was agreed to.

The next amendment was, on page 88, line 23, before the word "shall," to strike out "$363,500" and insert "$320,700"; in line 24, after the word "and," to strike out "$336,500" and insert "$379,300"; and on page 89, line 1, after the name "District of Columbia," to insert a comma and "this work to be done under contract entered into by the United States Engineer office," so as to make the paragraph read:

For laying of approximately 21,000 feet of 48-inch water main from the intersection of Nebraska and Wisconsin Avenues to Georgia Avenue and Military Road, and for an addition to Reno Reservoir, $700,000, to be available immediately, of which amount $320,700 shall be paid from the revenues of the water department and $379,300 from the revenues of the District of Columbia, this work to be done under contract entered into by the United States Engineer office.

The amendment was agreed to.

The next amendment was, on page 89, line 23, after the word "department," to insert "employed during the fiscal years 1927 and 1928," so as to make the further proviso read:

Provided further, That, excluding five inspectors in the sewer department employed during the fiscal years 1927 and 1928, no person shall be employed in pursuance of the authority contained in this paragraph for a longer period than nine months in the aggregate during the fiscal year.

The amendment was agreed to.

The next amendment was, on page 93, line 12, after the word "the," to strike out "regulations" and insert "schedules," so as to read:

SEC. 6. That the commissioners and other responsible officials, in expending appropriations contained in this act, so far as possible shall purchase material, supplies, including food supplies and equipment, when needed and funds are available, in accordance with the schedules of the General Supply Committee or from the various services of the Government of the United States possessing material, supplies, passenger-carrying and other motor vehicles, and equipment no longer required because of the cessation of war activities. Surplus articles purchased from the Government, if the same have not been used, shall be paid for at a reasonable price, not to exceed actual cost, and if the same have been used, at a reasonable price based upon length of usage. The various services of the Government of the United States are authorized to sell such surplus articles to the municipal government under the conditions specified, and the proceeds of such sales shall be covered into the Treasury as miscellaneous receipts.

The amendment was agreed to.

The reading of the bill was concluded.

Mr. JONES of Washington. I desire to offer a committee amendment.

The PRESIDENT pro tempore. The clerk will report the amendment.

The CHIEF CLERK. On page 9, line 16, strike out all after the numerals "1927" down to and including the word "same," in line 20, as follows:

Provided, That no part of this or any other appropriation contained in this act or that is now available shall be expended for building, installing, and maintaining street-car loading platforms and lights of any description employed to distinguish same.

The amendment was agreed to.

Mr. PHIPPS. That completes the committee amendments.

The PRESIDENT pro tempore. The bill is as in Committee of the Whole and still open to amendment.

Mr. HARRISON. Mr. President, I desire to offer an amendment on page 39, line 20, so that where it provides for an expenditure of $5,662,640, the amount be made $5,723,190.

Mr. PHIPPS. May I ask the Senator how many additional teachers that would provide for?

Mr. HARRISON. The estimate of the Board of Education, reading from the RECORD, asks for 74 teachers extra. That called for an additional appropriation of $121,100. I have cut that in half, and am asking for an increase of $60,500.

Mr. PHIPPS. I would not have any objection to that amendment, and, as far as I have authority, I would be willing to accept it.

The amendment was agreed to.

Mr. BLEASE. Mr. President, on page 71, line 4, I move to amend by adding the following:

For the capture of person or persons who committed a horrible crime, to wit, criminal assault, at the Capitol Grounds the night of February 18, 1927, $1,000, to be immediately available.

The amendment was agreed to.

Mr. COPELAND. I send to the desk an amendment.

The PRESIDENT pro tempore. The clerk will report the amendment.

The CHIEF CLERK. On page 23, following line 18, insert the following:

Northwest: For the widening to 50 feet and repaving the roadway of H Street from Seventeenth Street to Eighteenth Street, $10,000. In the widening and repaving of the roadway of H Street between Seventeenth and Eighteenth Streets the entire cost thereof shall be assessed against and collected from the owners of abutting property in the manner provided in the act approved July 1, 1914, as amended by section 8 of the act approved September 1, 1916, and the owners of abutting property also shall be required to modify, at their own expense, the roofs of any vaults that may be under the sidewalk or partly parking on said street, if it be found necessary to change such vaults to permit of the roadway being widened.

Mr. COPELAND. May I call the attention of the Senator in charge of the bill to this amendment? To meet his very proper objections to the amendment in its original form, I am presenting an amendment which taxes all the improvement against the adjoining property, and I think it is a just thing to do that in this particular block, because the purpose of this widening is to make available for business purposes the property abutting on the streets. It is not of tremendous interest to the general public, but it is of vital interest to the persons who own property here.

Mr. PHIPPS. I assume that the Senator has been in contact with the property owners through that section, and that the amendment he presents is in accordance with their views?

Mr. COPELAND. Yes.

Mr. PHIPPS. With that assurance, Mr. President, I have no objection to the amendment.

Mr. LENROOT. May we have the amendment reported?

The PRESIDENT pro tempore. The amendment will be read.

The Chief Clerk again read the amendment.

The amendment was agreed to.

Mr. COPELAND. Mr. President, I have an amendment to the item on page 48 relating to the McKinley High School appropriation. I send the amendment to the desk.

The PRESIDENT pro tempore. The clerk will read the amendment.

The CHIEF CLERK. On page 48, line 10, insert the following proviso:

Provided, That no part of the appropriations made for the construction of said school shall be used for the erection of a heating or power plant at or immediately adjacent to the intersection of Second and R Streets NE., but such funds shall be available for the extension and expansion of the present heating plant of the Langley Junior High School to adequately serve said new McKinley High School.

Mr. COPELAND. Mr. President, the purpose of this amendment is to make impossible the perpetration on the people of this District a great burden and a great injustice.

I want to call the attention of the Senate to the noble site where the McKinley High School is being erected. It is a splendid site, in my judgment, on a plateau up above the level of the streets surrounding it and the property in the neighborhood. Upon this same square stands the Langley School.

Let me make plain to Senators the layout of the buildings in the block. If the desk before me represented the block in question, the place where the sand box is would be the present location of the Langley High School. The McKinley High School is to be built within a distance of 100 feet of the Langley High School, across the street, along the front abutting on the street, to the corner and around the corner of Second Street. Then, between the end of the building and the heating plant in question will be built the gymnasium. On the corner it is the purpose of the commissioners to erect the heating plant. At the left lower corner is the swimming pool, and between it and the buildings are the athletic grounds. It is a wonderful site and, in my judgment, a splendid layout of the buildings with the exception of the heating plant.

The street-car line proceeds on R Street and turns at Second Street. On R Street and Second Street are nice little two-story homes owned by people. They are not rented homes. They are not apartment houses. They are the homes of those citizens. They have taken great pride in them. On Second Street, immediately opposite the proposed heating plant, are beautiful terraces and in every way the citizens have shown a pride in their homes.

Now, at the corner, taking in about an acre of ground for the building and its surroundings, the most notable part of the block, a place where some time a monumental and noble building should be erected, it is proposed to erect a heating plant, with a great smokestack which would belch forth black smoke to fall upon these homes and the immediate neighborhood. I would not have a word to say about this matter if there were not some sensible and easy way of substituting a better plan.

In the rear of the Langley High School there is now a heating plant and there is now a smokestack. The nuisance is already established. All the commissioners need to do to take care of heat for the new building is to enlarge the heating plant of the Langley School and from it heat the new buildings and serve the new group. It will be urged that it is too late to do this. It is never too late to do a right thing for people who are being imposed upon. It will be urged that a lot of money has been spent. There should not have been spent a single penny of money, because we started last spring to try to impress upon the commissioners the unwisdom of the act. But they have gone forward and started construction of the heating plant.

It will be stated by some that a large amount of money has been spent. A few days ago a subcommittee of the District Committee, consisting of the Senator from Kentucky [Mr. SACKETT], the Senator from Maine [Mr. GOULD], and myself, visited the site. The Senator from Maine estimated the expenditure at $3,000. The Senator from Kentucky estimated it at from $15,000 to $16,000. My own judgment was that about $5,000 had been spent. We had a hearing on the matter before the District Committee and the hearings are printed and are available to Senators. It was there stated by the former municipal architect and other expert engineers that there would be a very material saving in primary cost by enlarging the Langley heating plant. It is the opinion of all who have investigated the matter that so far as service is concerned it would be much better to serve heat from there.

If there is one place in the world where the citizen should be given exceptional attention it is in the voteless District of Columbia. The people have no right to protest through the ballot. They have only a moral right to protest. They are outraged and incensed to think that their property will be destroyed by this project. Since there is a means of escape, since we can go on with the fine project, since it will involve no delay of any consequence, it is not too late now to stop the work. All the steel construction which is there and which is in place can be used elsewhere. There will be merely the loss of the labor, which is of no consequence, and a wrong act will be done away with and these people will be decently served by the Congress of the United States.

I appeal to Senators, if they have not been on the site, to take my word or to take the word of others who have been there. They will find the situation exactly as stated. To my mind, it seems an absurd thing to make use of the chief corner in this community, a place where a fine building should be erected in the future, to put an unsightly, health-destroying, comfort-destroying building such as is proposed for the heating plant. I appeal to Senators to adopt my amendment.

Mr. FLETCHER. Mr. President, may I ask the Senator if there are any practical difficulties in the way of enlarging the present plant? Is there any reason why that could not be done?

Mr. COPELAND. The levels are such, so the engineers testify, that to get proper return from the gymnasium, where they require very little heat, it might require a pump to be installed, which would be a very simple thing. It was testified by competent men that there are no difficulties in the way of making the correction.

Mr. PHIPPS. Mr. President, the Senator's picture of the layout of the property is accurate as far as it goes. But one point may not have been called to his attention, and that is that the property to the left of the present Langley Building, toward Second Street, which has been reserved for extension of the Langley School, it was necessary to take for the McKinley School in order to build the immense plant desired. Therefore the only place where it would be advantageous to erect the addition to the Langley School, which is now under way, is the territory now occupied by the present heating plant for the Langley School. The heating plant for the Langley School as it exists is in the center of the present Langley building.

Immediately across the street is an institution where children are cared for. In that same neighborhood are residences. The proposed location of the new plant—and it is not only proposed, but the plant is well under way at the corner of R and Second Streets—has been zoned as a commercial section. It is within 2 blocks of the railroad tracks and sidings.

One object in locating the heating plant there is its proximity to the railway, which would avoid, if they must use coal for fuel, transporting the coal to the center of the high school and the junior high school buildings. It would have to be transported a much shorter distance, because it is between one-eighth and one-fourth of a mile farther to go to the present heating plant of the Langley School than to reach the new plant from the railroad siding. However, the stack is 120 feet high—not above the ground, but above the roofs of the buildings, so the full height is about 150 feet. If it is necessary to use coal, the most modern methods of combustion will be resorted to—chain grates and larger forms of stokers; but it is hoped to use oil for fuel, which would practically eliminate smoke. So far as the smoke nuisance is concerned, if there were one, it would be just as great from a plant where the present plant is located in front of the Langley School as it would be from a plant across the street from the residences to which the Senator refers.

As to the estimate of the amount of work that has been accomplished, I have the figures which were prepared by Major Atkins under date of February 11. He told me the cost of the present heating plant, exclusive of mechanical equipment, is $103,331, and if that were to be abandoned it would entail a 60 per cent loss, or $62,000 in round numbers. Fifty thousand bricks have been laid in the walls. Two hundred and ninety yards of concrete have been poured. In order to relocate the heating plant and put it back in the Langley building the present contract in the amount of $391,000 would have to be canceled and an adjustment would have to be made with regard to work completed on the present plant and material contracted for. Of this material, very little could be used for a new plant. The ash bar, coal bar, and coal bunker, at a cost of $17,300, could not be used in the new project. Approximately 900 feet of concrete tunnel would have to be constructed for the service mains to supply McKinley, at a cost of $21,250.

New pipe lines, valves, and so forth, in the tunnel would cost approximately $7,000. That figures up in all $90,250.

The letter of the engineer commissioner accompanying the statement is rather lengthy, but it presents the point that if the commissioners and the board were to take up the matter as a new question to-day, if they had to do it over again, they would undoubtedly reach the same conclusion, that the location decided upon for the heating plant is a correct and proper one.

Under the circumstances I must oppose the amendment offered by the Senator from New York.

Mr. COPELAND. Of course the costs of material on the ground and the tunnels would have to be incurred anyway, because it does not make any difference whether the system goes from the heating plant on the corner of Second and R Streets up to Langley School or whether it goes the other way. It is a perfectly absurd statement to say that any such cost is involved. In the next place, the Senator from Maine [Mr. GOULD] made very clear to me, from long experience which he has had in heating matters, that to carry the system from the point at Second and R Streets the long distance of 2,000 feet to Langley School would make it a very expensive, if not impossible, thing satisfactorily to heat the Langley School.

It may be said the distance is the same on the way back. It is not the same, because the gymnasium requires very little heating. The body heat or animal heat furnishes comfort there, but the buildings which must be properly heated are the Langley School and the main building of the McKinley High School.

So I appeal to Senators in the interest of these citizens, in order that their property may be protected, in order that we may save this beautiful site for future buildings, and on every ground of common sense, as I see it, to adopt my amendment.

Mr. PHIPPS. Mr. President, the Subcommittee on Appropriations visited the site and we did not reach the conclusions arrived at by the Senator from New York at all. We believe that the engineer commissioner and the other commissioners were correct and fully justified in locating the new plant where it is.

The amendment submitted by the Senator from New York involves an expenditure which has not been estimated for, which would add to the amount carried in the appropriation bill, and I therefore must make the point of order against it.

The PRESIDENT pro tempore. The point of order is well taken.

Mr. KING. Mr. President, will the Senator from Colorado permit an inquiry for my own information?

Mr. PHIPPS. Certainly.

Mr. KING. I was somewhat startled at the figures announced by the Senator as to the cost of the heating plant when completed, as the plant is projected. I would like to know why the plant should cost so much. Why is it necessary to build the plant so large merely to heat one or two or three buildings?

Mr. PHIPPS. The size of the buildings is the controlling factor. The plant itself is necessarily a very large one. If the Senator would step into the room of the Committee on Appropriations down stairs, he would see a picture of the layout showing the location of the plant, showing the heating plant in connection with the McKinley School, and we also have there an accompanying sketch from the Langley School.

Mr. KING. Mr. President, I regret that I was unable to go with the committee, though I am a member of the subcommittee, to examine this particular project, but I confess that I do not quite understand why a heating plant should cost such a large sum.

Mr. COPELAND. The Senator would understand it if he were to see this heating plant. I may say to the Senator it is an enormous and elaborate plant, which is going to cost a great deal of money, and it involves a needless waste of money, which ought not to be incurred by the Government.

Mr. KING. What is the cost to be? Does the Senator from New York know?

Mr. COPELAND. It is to be about $400,000.

Mr. KING. And how many buildings are to be heated?

Mr. COPELAND. The gymnasium, the McKinley High School, and the Langley School—three buildings.

Mr. KING. A heating plant to cost $400,000 for the heating of those three schools, I think, is extravagant.

Mr. PHIPPS. The cost is to be $391,000.

Mr. KING. The expenditure of $391,000 for the purpose is an extravagant and improvident waste of public funds. I think those who suggested a plant so large to heat three buildings—and I am familiar with those bu'ldings—failed to understand their duty and failed to take into account what I conceive to be the legitimate needs of the District. Four hundred thousand dollars! Mr. President, I know of enormous buildings which have been constructed for that sum, including a heating plant.

Mr. COPELAND. And that does not include the value of this splendid corner; that should be added.

Mr. KING. I understand that the sum mentioned is merely for the heating plant itself.

Mr. President, I think a mistake has been made. I shall support the Senator from New York. Perhaps I do not fully appreciate the point that h› makes, but I can not bring my mind to believe that an expenditure of nearly $400,000 for a heating plant for three buildings of the character described is a judicious and proper use of public funds. It seems to me to be wasteful, extravagant, and indefensible. I am afraid that some of the architects and engineers of the city act like some officials whom I might mention who seem to think that the Public Treasury is inexhaustible and forget the burdens which rest upon the taxpayers. I think a heating plant adequate for the needs of these buildings could have been constructed for less than half the sum named, and I want to criticize the expenditure of nearly $400,000 for a heating plant.

Mr. COPELAND. Mr. President, is the point of order which has been raised by the Senator from Colorado founded on the idea that my amendment increases the appropriation?

The PRESIDENT pro tempore. It is.

Mr. COPELAND. Mr. President, I dispute that it increases the appropriation, because if this heating plant is connected with the one at the Langley School it will save far more money than the expenditure already made; so I can not conceive that the point of order could be well taken under the circumstances.

Mr. SACKETT. Mr. President, I should like to say a word in regard to this heating plant. I think the position of the Senator from Utah [Mr. KING] is well taken; that the expenditure for this plant is not at all warranted by the purpose to be subserved. In order to construct this heating plant, it is necessary to abandon a heating plant which has been erected in a fireproof addition to the other school building stretching out toward the river. If it had been properly planned, the present plant could have been extended without interfering at all with the addition to the Langley School, because the entire roof of that heating plant comes under the main lower level of the Langley School. The amount of money which has been estimated as necessary for heating those buildings by this plant is such as no business man could ever bring himself to approve as an original proposition.

I wish to criticize the commissioners who acted in this matter, because they received notice last spring that the District Committee was interested in the project and felt that the existing heating plant could probably be made a nucleus. Engineering work should have been done to determine whether that was possible, and the expenditures that have already been made on that plant, which is in excellent condition to-day, should have been taken into consideration in coming to a judgment as to how the plant should have been constructed. I do not find that they have considered anything but the one class of heating, that by coal.

An examination of the plant indicates to me—and I have had some practical experience in the building of such plants—that while the total cost is far out of line with what it should be, the amount of money which has already been expended on it—and the work which has been done can not be availed of if the plan were altered—is too great to warrant a change at the present time. To say that there has been expended $103,000, or anything in that neighborhood, which expenditure could not be availed of, is too great an estimate, because in any event tunnels must be provided for and also a great deal of earth must be excavated, and the removal of earth is a very expensive matter in this community. A great deal of that work would have to be continued if the plant were put at the other end, and the tunnels would have to be run as far as is proposed under the construction now under way. Furthermore, the foundations have been put in for this plant, and that is an expensive part of the plant.

The stack is well above the foundation to-day, and that is another great item of expense. Therefore I do not believe that we are warranted at this time in calling a halt to the work, but I do want to give notice to the Commissioners of the District that when they come before the committee and expect to secure authorization for improvements, which they suggest in various quarters of the city, the District Committee's request for further investigation before expenditures are authorized ought to be and must be complied with if they are to receive the support of the committee in the improvements which they wish to make.

Mr. KING. Mr. President, will the Senator permit an inquiry?

Mr. SACKETT. Certainly.

Mr. KING. As I understand the Senator, he thinks that the original plan to erect this plant at the point indicated by the Senator from New York was unwise. If that is true, why should we complete an act of unwisdom and ratify the wrong which has been done or is being done?

Mr. SACKETT. Because the expenditures that have already been made, the cost of the machinery which has been acquired, and the expenditures, particularly on the addition to the Langley High School which interferes with the use of the plant there, having been gotten well under way, indicate to me that there would be a greater loss in changing the location at the present time than there would be in going ahead with the contract which has already been let. The Senator realizes, of course, that when contracts have been made the penalties imposed by contractors for giving up those contracts and entering upon a different project are a tremendous charge upon any new plans that may be proposed. That is always the case where special plans are subsequently made. I estimated on the ground in a cursory manner that probably $16,000 or $18,000 have already been spent on the plant itself, but when we consider the tunnels and everything else that has been done in connection with the plant—some of which work could be used but some of which could not be used—the expenditures which have been made have reached a very much larger figure than that. I simply felt from the examination I was able to make that the wisest course to-day was to complete the plant rather than to make a change with all the attendant penalties.

Mr. KING. Mr. President, I wish to supplement what I have already stated by merely a few words. I have had occasion to visit some of the school buildings in the District which are in course of construction and some which have been constructed, and I have examined some of the plans for buildings. I wish to express a criticism of what I believe to be reckless expenditure by those who have constructed the school buildings of Washington. I think that the cost of the school buildings here is entirely disproportionate to the value which is received by the people and by the taxpayers. A million dollars for the McKinley High School is entirely too great a sum, and, as well in the case of some of the other buildings the cost has been excessive. The style of architecture of some of these schoolhouses, it seems to me, ought to condemn the architect and those who have sanctioned it. I was about to say, to oblivion; I shall not say that, but, at any rate, ought to prevent them from getting other contracts for plans for buildings in the future.

I think that an investigation as to the selection of sites, the cost of the sites, the kind of buildings, the malformation of some of them, the excessive cost of some of them is needed. As a member of the District Committee, I am entirely dissatisfied, Mr. President, with the way in which some of these school buildings are constructed, with the style of their architecture, and particularly with their enormous and, in my opinion, unjustifiable cost. I can not conceive of a heating plant for these buildings to cost, aside from the ground, $400,000, and by the time we get through with the extras and the deficits I feel sure that the cost will exceed $400,000. I want to register my disapproval and my criticism of the commissioners and those who are responsible for what I conceive to be an improvident use of public money.

Mr. COPELAND. Mr. President, I ask the Senate to bear with me for just a few minutes more. I very keenly feel the situation. I think I have never seen such an exhibition of bureaucracy as has been apparent in this instance. The matter was brought to the attention of the commissioners last spring and a public hearing was held. As the Senator from Kentucky [Mr. SACKETT] has said, the attention of the commissioners was called by the District Committee to the situation, and then early in the session we had another hearing. The engineer commissioner was present, and stated that it was not too late to make the change suggested. If we wish to give evidence of how we feel about the disregard of the wishes of the Senate, we have an opportunity to do it here. It was made perfectly clear how the various members of the District Committee felt about it, and everybody who has spoken here, I think, with the possible exception of the Senator in charge of the bill, indicated that if the construction had not proceeded as far as it has there should be a change in the plan.

Mr. President, with the saving of this piece of property, by doing away with the necessity of erecting this ornate building, by the use of materials which have been used elsewhere and which may be availed of, by the enlargement of the Langley plant, which can be done, because it goes under the building without any ornate superstructure, the stack already being built, I contend, in spite of the expenditures made, that we can utilize the Langley plant and still save money in the initial cost, and so far as the ultimate heating of the buildings is concerned, there is no doubt at all that the plant in the Langley High School will provide much more satisfactory heating for the building.

Then, lastly, are we to disregard the rights of these citizens? There are dozens of them who own beautiful little homes in this vicinity. Are we going on, by the erection of this building, to destroy the uses of these homes and their value?

Whatever nuisance there is at the Langley School has been established by a plant there for several years. We propose now to take it away from a place where values have adjusted themselves to that nuisance, and put a nuisance at the main corner of this property to destroy property rights in the neighborhood.

So, Mr. President, because of the rights of the citizens and because in my judgment it will cost less initial expenditure to go to the Langley High School,, I appeal to the Senate to adopt this amendment.

The PRESIDENT pro tempore. The Senator from New York appeals from the ruling of the Chair.

Mr. KING. Mr. President, I hastily read the amendment offered by the Senator; and while, of course, I have great respect for the fairness and wisdom of the Chair's ruling, I ask the Chair to consider the amendment again. It did seem to me that it was a limitation upon an appropriation. If it is a limitation upon an appropriation, then I conceive that it would not be subject to the point of order which has been suggested by the able Senator in charge of the bill.

Mr. PHIPPS. It is also legislation.

The PRESIDENT pro tempore. The Chair ruled upon the language of Rule XVI, paragraph 1, which provides that no amendment shall be received to any general appropriation bill the effect of which will be to increase an appropriation already contained in the bill or to add a new item of appropriation. The Chair is of the opinion that the amendment proposed by the Senator from New York falls under both those categories and is plainly out of order on the point raised by the Senator from Colorado.

The Senator from New York appeals from the decision of the Chair.

Mr. COPELAND. Just one moment, Mr. President. Will the Chair please state again the second point?

The PRESIDENT pro tempore. That the amendment adds a new item of appropriation by providing that further construction must be made upon the heating plant already established in connection with the Langley High-School Building.

Mr. WARREN. Mr. President, the Senator from New York should be notified, and others as well, that there is a further requirement in the same rule which provides that amendments must be offered and sent to the committee and receive the indorsement of the committee to be in order. Nothing of that kind has been done in this case.

The PRESIDENT pro tempore. The Chair feels that he has already furnished sufficient grounds for his ruling. The Senator from New York appeals from the ruling of the Chair.

Mr. COPELAND. Mr. President, I have not appealed.

The PRESIDENT pro tempore. The Chair begs the Senator's pardon, then.

Mr. COPELAND. No; I have not appealed; but if this subject is still open, I should like to say a little more about it.

Mr. WARREN. The subject is not open unless there is an appeal. After a ruling on the point of order, unless there is an appeal, further debate is not in order.

Mr. COPELAND. I want to say to the Senator from Wyoming that while there has been no formal action by the District Committee, the District Committee appointed a subcommittee of which the majority of the members take the same view that I do.

Mr. WARREN. That does not make any difference.

Mr. COPELAND. Of course, however, if this matter is clearly contrary to the rules, I have no recourse; but I think it is a very outrageous thing to permit the destruction of the property of the home owners in this neighborhood by the erection of this plant.

Mr. KING. Mr. President, if this matter is decided adversely to the contention of the Senator, I hope he will introduce his bill and have it referred to the Committee on the District of Columbia and have it reported out, so that if he can not get what we think would be right on the appropriation bill he will compel, by an independent act, the pursuit of the proper course.

Mr. COPELAND. I thank the Senator. I have a bill now before the committee on the subject; and if the Senator is there to help me, I think we may be able to pass it through the committee.

Mr. PHIPPS. Mr. President, in justice to the commissioners I think I should read a few lines from their letter, and I call the attention of the Senator from New York to it:

FEBRUARY 11, 1927.

The Hon. LAWRENCE C. PHIPPS,
United State Senate, Washington, D. C.

MY DEAR SENATOR PHIPPS: The municipal architect is preparing estimates to show the cost involved in changing the heating plant of the McKinley Technical High School from the place where it is now located to a new location adjacent to the Langley Junior High School. I will review the location of this plant briefly.

This heating plant was located at the southeast corner of the grounds on which the Langley Junior High School and the new McKinley Technical High School are located by the municipal architect after consultation with the school authorities. When the plans were published in the newspapers last spring the residents on Second and R Streets near the proposed plant site protested, and I looked into the matter very carefully and furnished Senator SACKETT a résumé of the arguments for and against the proposed change in location. Later the Park and Planning Commission decided to locate one of the bathing pools authorized by the last Congress somewhere in the grounds surrounding these two schools; and the commissioners designated Major Atkins, who had just arrived and who had no preconceived opinion on the subject, to act with representatives of the board of education and the office of Public Buildings and Public Parks to decide not only where the swimming pool should be located, but where the heating plant should be located. I told Major Atkins to give very sympathetic consideration to the protests that had been received, and to change the location of the heating plant if it appeared desirable to do so. Although the contract for the McKinley Technical High School had been let in May, work had not progressed so far that a change could not have been made without much expense. That committee recommended that the heating plant be located near the intersection of Second and R Streets.

It is true, no doubt, that the hauling of fuel and ashes, together with some smoke and dirt, will be somewhat objectionable to the people living on Second and R Streets; but, on the other hand, the hauling and the smoke and dirt would be objectionable to other residents were the heating plant located adjacent to the Langley School. But more important is the fact that if located adjacent to the Langley School the hauling and the smoke would be objectionable to the pupils in the Langley and McKinley Schools, and the use of the grounds for play and athletic purposes would be interfered with to a considerable extent unless very expensive tunnel facilities be provided.

The location at the intersection of Second and R Streets is just across R Street from property zoned for industrial purposes, and not far from the Baltimore & Ohio Railroad tracks and the Eckington yards. It is manifest that to move this heating plant several hundred feet farther from industrial zoning into an area zoned entirely for residential use would not appear advisable.

The contract for the Langley School was let in January, and this contract contemplates the extension of the Langley School to the rear so that the building will occupy the ground now occupied by the Langley heating plant and smokestack, with a view to utilizing the heating plant being installed for the McKinley School as a combined plant.

If no contract had been let and no work whatever done, I believe the present arrangement for the heating plant would be the best arrangement practicable; and it is manifest that to make the change now, when the contract for the McKinley plant was let last May and the contract for the Langley School was let in January, would involve very serious expenditure of public funds. The foundations are in for the new heating plant and considerable of the steel structure has been erected, and the plans for the pipes through the buildings would have to be changed to some extent.

The contract for the Langley School addition would have to be modified very considerably, and it would appear necessary to change the plans so completely as to require the cancellation of the present contract and the letting of a new one.

I have no feeling in this matter and would like to please the people that live in that vicinity, but certainly the amendment proposed to the bill that would deny the use of funds for the construction as planned at present should not be adopted without a very thorough understanding of the situation.

Very sincerely yours,

J. F. BELL,
Lieutenant Colonel, Corps of Engineers, United States Army,
Engineer Commissioner, District of Columbia.

Mr. COPELAND. Mr. President, I have heard that letter read so many times that I could recite it from memory.

What was referred to the committee spoken of by the Senator from Colorado? The question of whether there could be a rearrangement, and the swimming pool put at the corner of Second and R and the heating plant put where the swimming pool is to be. There never was any consideration given by that committee or any other committee to the relation of this plot to the neighbors and to the neighborhood. It was simply a question of whether or not buildings which were to be erected according to this plan could be rearranged; not whether this heating plant could be consolidated with the Langley plant, or whether an imposition was worked upon the people who own adjacent property. So the letter read by the Senator from Colorado has absolutely no bearing upon the case.

The PRESIDENT pro tempore. The bill is still before the Senate as in Committee of the Whole and open to amendment. If there be no further amendment to be proposed, the bill will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The PRESIDENT pro tempore. The bill is in the Senate and open to amendment.

Mr. FLETCHER. Mr. President, I presume discussion has about ended on this bill, and I hope the bill will pass. I wish to submit a few observations on an important matter which is not particularly relevant to the measure now before the Senate, but a matter that ought to be considered. However, I yield to the Senator from Utah [Mr. SMOOT] to call up a bill which he assures me will give rise to no debate.

GRAND CANYON NATIONAL PARK

Mr. SMOOT. I ask unanimous consent that House bill 9916 be taken up and passed at this time. If there is the least discussion, I will withdraw it. It relates to the boundary of the Grand Canyon National Park. Both Senators from Arizona are in favor of the bill, the department is in favor of it, the park officials are in favor of it, and it has passed the House.

The PRESIDENT pro tempore. Is there objection?

Mr. WILLIS. What is the calendar number of the bill?

The PRESIDENT pro tempore. The bill is Order of Business No. 1518.

Mr. SMOOT. It is a bill to revise the boundary of the Grand Canyon National Park in the State of Arizona, and for other purposes, taking off some land and adding a little land to it.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill referred to by the Senator from Utah? The Chair hears none.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 9916) to revise the boundary of the Grand Canyon National Park in the State of Arizona, and for other purposes.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. REED of Pennsylvania. Will the Senator from Florida yield to me?

Mr. FLETCHER. I yield to the Senator.

WARRANT OFFICERS OF REGULAR ARMY

Mr. REED of Pennsylvania. Out of order, I ask unanimous consent to report back favorably, from the Committee on Military Affairs, Senate bill 5112; and I submit a report (No. 1527) thereon. I ask unanimous consent for its present consideration.

The PRESIDENT pro tempore. Without objection, the report will be received.

Mr. REED of Pennsylvania. I may say, in a word, that this is a bill on which the committee is unanimous. It provides that the commissioned status during the war of 10 enlisted men shall not interfere with their being made warrant officers, as they would be entitled to be as a matter of right had they remained enlisted men throughout that time. They received commissions during the war for the period of the emergency only. The whole committee is in favor of the bill.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 5112) to provide for appointment as warrant officers of the Regular Army of such persons as would have been eligible therefor but for the interruption of their status, caused by military service rendered by them as commissioned officers during the World War, which was read, as follows:

Be it enacted, etc., That the Secretary of War is authorized to appoint as warrant officers of the Regular Army any persons whose commissioned service in the Army during the World War, added to their prior service as quartermaster clerk, amounted to 12 years or more of continuous service prior to June 4, 1920, and who were deemed not eligible for appointment as field clerks, Quartermaster Corps, because of the interruption of their 12 years' requisite service as quartermaster clerks to render commissioned service in the World War, and who also had sufficient military service under the provisions of section 4a of the act of June 4, 1920, for appointment as warrant

officers, but were not eligible for such appointment by reason of having returned to a civilian status at the end of their said commissioned service: *Provided*, That in determining length of service for longevity pay and retirement they shall be credited with and entitled to count the same military service as authorized for warrant officers and all classified service rendered as clerks of the Quartermaster's Department and Quartermaster Corps: *Provided further*, That the limitation in the act of June 30, 1922, on the number of warrant officers, United States Army, shall not apply to appointees hereunder.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. FLETCHER. I yield to the Senator from Louisiana [Mr. BROUSSARD].

HOSPITAL SITE, RAPIDES PARISH, LA.

Mr. BROUSSARD. Mr. President, some time ago I introduced Senate bill 4965. A similar bill was introduced in the House, House bill 15414, to authorize the United States Veterans' Bureau to accept a title to lands required for a hospital site in Rapides Parish, La. It is on the calendar, and has been reported from the Committee on Public Buildings and Grounds. I ask unanimous consent to substitute the House bill for the Senate bill, and ask for its present consideration.

Mr. CURTIS. May we have the bill read, or a statement made of its nature? We do not know what it is.

Mr. BROUSSARD. I can explain it in one minute.

Under the constitution of the State of Louisiana the State may not part with the mineral rights to public lands. We are donating to the United States Government 548 acres of land, and without an amendment to the constitution of the State we can not transfer the title. The Veterans' Bureau and every committee connected with it in the House agreed to accept it.

Mr. CURTIS. It is a gift?

Mr. BROUSSARD. It is a donation to the United States.

Mr. CURTIS. I have no objection.

The PRESIDENT pro tempore. The Senator from Louisiana asks unanimous consent for the present consideration of House bill 15414, a bill similar to one reported by a Senate committee and now on the calendar of the Senate. Is there objection? The Chair hears none.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 15414) to authorize the United States Veterans' Bureau to accept a title to lands required for a hospital site in Rapides Parish, La., which was read, as follows:

Be it enacted, etc., That the Director of the United States Veterans' Bureau be, and he is hereby, authorized, in the acquisition of any lands required for a hospital site in Rapides Parish, La., to accept title to such lands subject to a reservation of the mineral rights of the State of Louisiana.

Mr. KING. Mr. President, I desire to ask the Senator whether this involves any expense upon the part of the Government. Does it imply that the Federal Government must erect a hospital whether it needs it or not?

Mr. BROUSSARD. The appropriation has been made for the hospital. When they went to erect it, they found that they could not accept the title unless Congress granted them the right to accept it in that way.

Mr. KING. I have no objection.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. FLETCHER. I yield to the Senator from West Virginia [Mr. NEELY].

NATIONAL-ORIGINS QUOTAS UNDER IMMIGRATION ACT

Mr. NEELY. Mr. President, I ask unanimous consent for the immediate consideration of Senate Resolution 362, which I ask the clerk to report.

The PRESIDENT pro tempore. The resolution will be reported.

The Chief Clerk read as follows:

Resolved, That the President be requested, if not incompatible with the public interest, to transmit to the Senate a copy of the memorandum explaining the methods and processes employed by the six statistical experts, appointed by the Secretary of State, the Secretary of Commerce, and the Secretary of Labor, in determining the quotas on the basis of nationality of origin of the population of the United States, which accompanied the quota board's report to the Secretaries of State, Commerce, and Labor.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. WILLIS. Mr. President, I would like to have that go over. It is a rather important matter, and this committee, under a resolution which has already been adopted, on a report by the Committee on Immigration, is still to continue its work. I can not see any good purpose to be subserved by the resolution.

Mr. NEELY. Will the Senator not withhold his objection to my request until I shall have made a brief statement?

In response to a Senate resolution sponsored by the able junior Senator from Pennsylvania [Mr. REED] the President, on the 8th day of January, transmitted to the Senate a brief report of the six experts who constitute the quota board. With that report the President transmitted a joint letter from the Secretary of State, the Secretary of Commerce, and the Secretary of Labor showing the quota allotments which will become effective on the 1st day of next July.

The joint letter from the Secretaries to the President is as follows:

JANUARY 3, 1927.

The PRESIDENT,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: Pursuant to the provisions of sections 11 and 12 of the immigration act of 1924, we have the honor to transmit herewith the preliminary report of the subcommittee appointed by us.

The report of the subcommittee is self-explanatory, and is stated to be a preliminary report, yet, in the judgment of that committee further investigation will not substantially alter this presentation.

Although this is the best information we have been able to secure, we wish to call attention to the reservations made by the committee and to state that in our opinion the statistical and historical information available raises grave doubts as to the whole value of these computations as a basis for the purposes intended. We therefore can not assume responsibility for such conclusions under these circumstances.

Yours faithfully,

FRANK B. KELLOGG,
Secretary of State,
Department of State.
HERBERT HOOVER,
Secretary of Commerce,
Department of Commerce.
JAMES J. DAVIS,
Secretary of Labor,
Department of Labor.

I am reliably informed that Mr. S. W. Boggs, secretary of the quota board, supplied the three Secretaries approximately 14 pages of typewritten memoranda, containing a comprehensive outline of the principles, and an equally comprehensive description of the methods employed by the board in determining the provisional immigration quotas on the basis of nationality of origin of the population of the United States.

The above-mentioned Secretaries appointed the members of the quota board. At the time of their appointment these members were presumably considered by the Secretaries the best qualified persons available for the task which they have since performed.

But as disclosed by the letter written to the President on the 3d day of January, the Secretaries, in effect, repudiate the statistical and historical information available to the quota board, and question the value of the computations which the board has made. Without the memoranda showing the methods and processes employed by the board in reaching its conclusion the Senate has nothing but the disparaging letter of the Secretaries to the President by which to appraise the value of the computations which the quota board has made.

Mr. JOHNSON. Will the Senator do me the kindness to state what the substance of the resolution is?

Mr. NEELY. The resolution simply requests the President, if not incompatible with the public interest, to have transmitted to the Senate the 14-page memorandum explaining the methods and processes employed by the six statistical experts appointed by the Secretaries of State, Commerce, and Labor in determining the immigration quotas on the basis of nationality of origin of the population of the United States. This memorandum is in the hands of the Secretaries, and probably also in the hands of the President. A copy of it should be supplied to the Members of the Senate in order that they may determine for themselves whether the Secretaries were warranted in repudiating the findings of the quota board.

Mr. WILLIS. Mr. President, I want to make an observation, if the Senator has concluded.

Under the action which has already been taken by the Senate it is expected that, notwithstanding what the Senator has read from the report, these experts will make further computations in an effort a year from now to carry this national-origins proposition into effect. I can not see any good purpose at all in requiring these experts to come here, in effect, and report to the Senate as to just how they multiply and divide and add and subtract. I can see no good in that.

Mr. NEELY. Will the Senator yield for a question?

Mr. WILLIS. Certainly.

Mr. NEELY. No one is asking that the experts come here to make any mathematical demonstrations or even explanations. These experts have prepared a 14-page memorandum showing the methods they employed in reaching their conclusions.

Mr. WILLIS. I understand that. That has been here some time, and I have read it.

Mr. NEELY. I, too, have read it and consider it of great value. But in my opinion, not more than two Members of the Senate, excepting the members of the Committee on Immigration, have seen or ever will see this memorandum unless my resolution is adopted. Let me assure the Senator that no member of the quota board would have to accompany the memorandum or come to the Capitol to make any explanations.

Mr. WILLIS. I understand. That was just a figure of speech.

Mr. NEELY. The President's compliance with the request contained in my resolution could not consume more than a minute of his time.

Mr. WILLIS. My contention is that this commission is to continue its work. It is expected that in another year it will be able to make a report that is satisfactory, although it now has not made such a report. I can not see that it would be promotive of the public good to require those experts to report to the Senate every time they put down a decimal point or multiply through by the square root of seven. I can not see any advantage in that.

Mr. NEELY. As the typewritten memorandum is available at the other end of the Avenue, why should we not have it?

Mr. WILLIS. Not a final report?

Mr. NEELY. No; the data employed in formulating the preliminary report, which these Secretaries now repudiate in their letter.

Mr. WILLIS. I will promise the Senator to look into the matter, if he will let it go over.

Mr. NEELY. In the existing parliamentary situation it is impossible for my resolution to be adopted except by unanimous consent. If the Senator from Ohio or any other Senator objects, I shall be obliged to wait until the desired action can be obtained by a majority vote.

Mr. WILLIS. I am compelled, temporarily, at least, to object.

NAVAL AMMUNITION DEPOT, HAWTHORNE, NEV.

Mr. ODDIE. Mr. President——

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Nevada?

Mr. FLETCHER. I yield.

Mr. ODDIE. Mr. President, I ask unanimous consent for the present consideration of Senate bill 5249, to authorize the Secretary of the Navy to develop an ammunition depot at Hawthorne, Nev., and for other purposes.

This is a bill which I think can be considered and disposed of in a few moments, without much debate. It is a measure providing an authorization for the building of an ammunition depot at Hawthorne, Nev. The House Committee on Naval Affairs has reported favorably on the bill, it having been introduced in the House by the chairman of that committee; the Senate Committee on Naval Affairs has favorably reported on it; the President has recommended it; the Budget has recommended it; and the Navy Department has recommended it.

I ask unanimous consent that the bill be considered at this time, because it is of great importance that we have this legislation enacted as quickly as possible.

Mr. KING. Mr. President, I shall not object, but I think the legislation is very improvident and unwise. The Government has recently spent in Utah considerably more than a million dollars for the erection of an ammunition depot, it has erected the depot, the depot has been there for years, and has not been used. There is no reason in the world why that depot could not be used by the Navy Department. This will simply entail an expense of one or two million dollars additional upon the Government, and in my opinion there is no necessity for it whatever.

Mr. ODDIE. Mr. President, the necessity for this legislation has arisen on account of the terrible explosion last summer at the munitions depot at Lake Denmark, N. J. The Navy Department sent its board of experts out to the various proposed sites last summer and fall and a careful investigation was made. It was determined that a site must be selected where a large amount of Government land could be secured, a site which would be available for the Puget Sound-Columbia River base, the San Francisco base, and the Los Angeles-San Diego base. There is railroad and highway communication between this proposed site and all those bases. Last October the President withdrew about 100,000 acres of land in the area after his experts had reported it as the most available site.

I have not given any study to the site in Utah to which the junior Senator from Utah has just referred. I presume there is reason for the action of the Government in regard to that matter, and that the Government can continue to use it; but the site in Nevada is for the storage of enormous quantities of high explosives, which should be stored in an isolated area, in an area where water can be had, and where the temperature and the climatic conditions are ideal. All these conditions have been found to be as required by the Navy Department in the site that has been selected. I ask the Senator from Utah not to object.

Mr. NORRIS. Mr. President, may I ask the Senator a question?

Mr. ODDIE. Certainly.

Mr. NORRIS. What is wrong with the depot in Utah?

Mr. ODDIE. I do not know that anything is wrong with it.

Mr. NORRIS. Then why can not this ammunition be stored there?

Mr. ODDIE. I do not know anything about it. That, I presume, is an Army ammunition site. I have not looked into it.

Mr. NORRIS. This is to be for the Navy?

Mr. ODDIE. Yes; for the Navy.

Mr. NORRIS. Will we have one located somewhere else for the marines?

Mr. ODDIE. I do not know.

Mr. KING. And one for airplanes?

Mr. ODDIE. The Navy munition stores include those for the Marine Corps.

Mr. NORRIS. Oh, they do?

Mr. ODDIE. Yes.

Mr. NORRIS. I suppose that explosives that are good for the Army should not be stored anywhere near explosives to be used for the Navy, but one depot should be in Nevada and one in Utah.

Mr. KING. I stated that I should not object, but I do regard this as an improvident expenditure of public money. It is true, as the Senator said, that this was erected for an Army munitions plant. The Army has not used it. They have spent, my recollection is, more than $1,000,000. A survey was made. It was found that Ogden city was the hub of transportation for the intermountain region. Lines run from there to Idaho, to Montana, to Colorado, to the Puget Sound, to San Francisco, Los Angeles, and the California coast points. It is much like the hub of a wheel with spokes radiating from the hub in every direction. The Army experts selected it as the most suitable place in the intermountain region for a munitions plant of the kind referred to, because they could so readily, indeed within 24 hours, reach every part of the western coast—Arizona, New Mexico, the Mexican line, the Canadian line, or any interior points desired to be reached. The climatic conditions are ideal. Water is abundant. A large amount of land was obtained.

So all of the ideal conditions which the Senator attributes to the wonderful State of Nevada, and which I do not refute at all, are possessed by the site which was located by the Army and upon which the Government has expended a very large sum of money. If the Army were using this plant, I would make no suggestion whatever, and I am not objecting to consideration of the bill, because I know it will do no good. Whenever we want appropriations all we need to do is to ask for them, and only our modesty forbids us getting a great deal more than we do ask for; so I am sure the appropriation will go through, notwithstanding the fact that it is not needed and that the Government now has a plant which would be suitable for the purpose involved.

Mr. NORRIS. Mr. President, I would like to ask the Senator from Utah a question. What is the capacity of the plant located in Utah and where is it located?

Mr. KING. It is about 10 or 12 miles southeast of Ogden near the base of the mountain.

Mr. NORRIS. Is it in a settled community or are there any homes or houses near it?

Mr. KING. No; it is in an isolated section. It was selected because of that fact. I think it is entirely suitable. Of course, I want to be entirely frank. If the Army needs it and intends to use it, then any objection I may have suggested would not be tenable.

Mr. NORRIS. How many explosives will it store?

Mr. KING. A very large amount; I do not know just how large.

Mr. NORRIS. Is there any reason why explosives for guns on ships should not be stored in the same vicinity with explosives for guns which are used on land?

Mr. KING. None at all.

Mr. NORRIS. Why can it not be used by both the Army and the Navy?

Mr. KING. It can, unless the Army intends to store there a larger quantity than I have understood it did intend to store.

Mr. WADSWORTH. Mr. President, will the Senator yield?

Mr. KING. Certainly.

Mr. WADSWORTH. I can not throw any light on the question as to whether the munitions depot near Ogden, which is owned by the War Department, could also take care of the Navy explosives, but it is fair to say that the munitions depot is of the most modern type, very large, built for the purpose of storing high explosives belonging to the Army; but it stands there, I think, almost empty.

Mr. KING. Yes; it is. It has been there four or five years.

Mr. WADSWORTH. The reason being that the Congress has thus far refused to appropriate any money for transporting explosives to the arsenal.

Mr. NORRIS. The Senator suggests the first reason that would justify the passage of the bill. The real purpose is to get a new building.

Mr. WADSWORTH. I know nothing about the bill at all. I merely make that observation with reference to the Army.

Mr. KING. Probably when we erect the new building the same objection will be urged, and we will not appropriate to haul munitions to be stored in the building, and it will also lie idle four or five years.

Mr. REED of Pennsylvania. Mr. President, there was a provision in the Army appropriation bill of this year for the transportation of explosives, as I recall, in order to allow a large amount to be taken from the built-up districts of New Jersey to this station in Utah.

Mr. SMITH. What additional appropriation would this entail?

Mr. ODDIE. It calls for a total authorization of $3,500,000.

Mr. JONES of Washington. Mr. President, I think the bill had better remain on the calendar to let us have further time to examine the report.

The VICE PRESIDENT. Objection is made.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 11615) providing for the cession to the State of Virginia of sovereignty over a tract of land located at Battery Cove, near Alexandria, Va.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 10728) authorizing the Secretary of War to convey to the Association Siervas de Maria, San Juan, P. R., certain property in the city of San Juan, P. R.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 16863) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1928, and for other purposes, and that the House had receded from its disagreement to the amendment of the Senate No. 6 to the said bill, and had agreed thereto with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a joint resolution (H. J. Res. 352) to provide for the expenses of the participation of the United States in the work of a preparatory commission to consider questions of reduction and limitation of armaments, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were thereupon signed by the Vice President:

H. R. 11615. An act providing for the cession to the State of Virginia of sovereignty over a tract of land located at Battery Cove, near Alexandria, Va.;

H. R. 10728. An act authorizing the Secretary of War to convey to the Association Siervas de Maria, San Juan, P. R., certain property in the city of San Juan, P. R.; and

H. R. 16249. An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1928, and for other purposes.

WAR SITUATION IN MEXICO

Mr. HEFLIN. Mr. President, I ask unanimous consent to have inserted in the RECORD, following the remainder of my remarks made day before yesterday and concluded yesterday, letters that I have received concerning my course in the Mexican situation.

The VICE PRESIDENT. Without objection, it is so ordered.

ALFRED F. LAND

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2090) for the relief of Alfred F. Land, which was, on page 1, line 6, to strike out "$4,512" and insert "$3,000."

Mr. MEANS. I move that the Senate agree to the House amendment.

The motion was agreed to.

MARGARET RICHARDS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1155) for the relief of Margaret Richards, which was, on page 1, line 6, after the word "Arkansas," to insert "in full settlement against the Government."

Mr. MEANS. I move that the Senate agree to the House amendment.

The motion was agreed to.

OLIVER J. LARKIN AND LONA LARKIN

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2619) for the relief of Oliver J. Larkin and Lona Larkin, which was, on page 1, line 4, after the word "pay," to insert "out of any money in the Treasury not otherwise appropriated."

Mr. MEANS. I make the same motion, that the Senate agree to the House amendment.

The motion was agreed to.

DELAWARE RIVER TOWING LINE

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1899) for the relief of Delaware River Towing Line, which was, on page 2, line 10, after the word "appeal," to insert "except that no interest shall be allowed on any claim."

Mr. MEANS. I move that the Senate agree to the amendment of the House.

The motion was agreed to.

W. Z. SWIFT

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1517) authorizing and directing the Secretary of the Treasury to pay to W. Z. Swift, of Louisa County, Va., the insurance due on account of the policy held by Harold Rogis, which were to strike out all after the enacting clause and insert:

That W. Z. Swift shall be regarded as the duly designated beneficiary of the late Harold Rogis, Fifteenth Depot Battalion, in application T-4760702, for insurance under the war risk insurance act of October 6, 1917, as amended.

SEC. 2. That the Director of the United States Veterans' Bureau shall pay to W. Z. Swift, of Louisa County, Va., as aforesaid, from available appropriations an amount equal to the monthly installments of $57.50 each from the 1st day of December, 1918, to the date of passage of this act, and $57.50 each month thereafter until the full amount designated in said application has been paid: *Provided*, That before any sum is paid hereunder the said W. Z. Swift shall furnish a proper bond in a sum satisfactory to the Director of the United States Veterans' Bureau to protect the United States against payment of said insurance to any person who may establish an adverse right thereto," and to amend the title so as to read "A bill for the relief of W. Z. Swift."

Mr. MEANS. I make the same motion, that the Senate agree to the House amendments.

The motion was agreed to.

DANIEL S. GLOVER

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1515) entitled "An act to extend the benefits of the employees' compensation act of September 7, 1916, to Daniel S. Glover, which was to strike out all after the enacting clause and insert:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,000 in full settlement against the Government to Daniel S. Glover, as compensation for injuries sustained January 28, 1913, while in the performance of duty as an employee of the navy yard, Washington, D. C.

Mr. MEANS. I move that the Senate agree to the amendment of the House.

The motion was agreed to.

OWNERS OF THE STEAMSHIP "ALMIRANTE"

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2899) for the relief of the owner of the American steamship *Almirante* and owners of the cargo laden aboard thereof at the time of her collision with the U. S. S. *Hisko*, which was, on page 2, line 13, after the word "appeal," to insert: "except that no interest shall be paid on any claim."

Mr. MEANS. I make the same motion, that the Senate agree to the House amendment.

The motion was agreed to.

RIVERSIDE CONTRACTING CO.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2474) for the relief of the Riverside Contracting Co., which was to strike out all after the enacting clause and insert:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Riverside Contracting Co., Brooklyn, N. Y., the sum of $15,052, in full and final settlement against the Government, for damages sustained by said company as a result of a collision on March 9, 1919, of the steamship *Munalbro* with a pier being constructed by the said company for the State of New York.

Mr. MEANS. I move that the Senate agree to the House amendment.

The motion was agreed to.

KATHERINE SOUTHERLAND

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1339) for the relief of Katherine Southerland, which were, on page 1, line 6, to strike out "$2,067" and insert "$1,000," and on page 1, line 9, after the word "on," to insert "or about."

Mr. MEANS. I move that the Senate disagree to the amendments of the House, ask for a conference with the House on the disagreeing votes of the two Houses, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Vice President appointed Mr. MEANS, Mr. CAPPER, and Mr. TRAMMELL conferees on the part of the Senate.

LEO J. POURCIAU

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2353) to amend the military record of Leo J. Pourciau, which was to strike out all after the enacting clause and insert:

That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Leo J. Pourciau, late of Company B, Fifty-ninth Infantry, United States Army, shall be held and considered to have been honorably discharged from the military service of the United States as a private of that organization on the 20th day of January, 1919: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

Mr. BROUSSARD. I move that the Senate agree to the House amendment.

The motion was agreed to.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 352) to provide for the expenses of the participation of the United States in the work of a preparatory commission to consider questions of reduction and limitation of armaments, was read twice by its title and referred to the Committee on Foreign Relations.

LEGISLATIVE APPROPRIATION BILL

Mr. WARREN. I ask that the Chair lay before the Senate the action of the House of Representatives relative to amendment No. 6 to the legislative appropriation bill.

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives receding from its disagreement to the amendment of the Senate No. 6 to the bill (H. R. 16863) entitled "An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1928, and for other purposes," and agreeing to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

That hereafter when a Senator or Member of the House of Representatives or Delegate or Resident Commissioner dies during his term of office the clerical assistants appointed by him, and then borne upon the pay rolls of the Senate or House of Representatives, shall be continued on such pay rolls in their respective positions and be paid for a period not longer than one month: *Provided*, That this shall not apply to clerical assistants of standing committees of the Senate or House of Representatives when their service otherwise would continue beyond such period.

Mr. WARREN. I move that the Senate concur in the amendment of the House to the amendment of the Senate No. 6.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Wyoming.

The motion was agreed to.

AMERICAN MERCHANT MARINE IN OVERSEAS TRADE

Mr. FLETCHER. Mr. President, in considering what is necessary to establish and maintain an adequate American merchant marine in foreign trade it is well to look into the experience of other countries and illustrations of State ownership and operation. We may take up first, the—

CANADIAN GOVERNMENT MERCHANT MARINE

On a parallel with that of the United States Shipping Board fleet is the early history of the Canadian Government merchant marine.

That fleet had its inception during the Great War, when the Government, alarmed by the increasingly serious inroads caused by submarine warfare upon ocean tonnage engaged in transporting foodstuffs from the Dominion to the mother country, embarked on a program of ship construction.

The boats were built at shipyards from the Atlantic to the Pacific, but before any had been delivered the armistice was declared. As in the case of the United States, the vessels were then nearing completion, and the Government decided to allow them to be completed and place them in commission in view of the ocean tonnage situation immediately following the close of the war. Therefore, in 1919 the Canadian Government found itself the operator of a fleet of vessels which, when the last was delivered from the yards, and including three boats which were taken over from a Government department, numbered 69. Twenty of these ships—most of them of the smaller type—have been disposed of. Three were lost at sea.

I get this information from Sir Henry W. Thornton, K. B. E., chairman of the boards of directors and president of the Canadian National Railways.

Since the formation of the Canadian National Railways by act of Parliament in 1922, the Canadian Government merchant marine has been under the administration of the board of directors of the railway company.

In 1919 the Canadian Government merchant marine paid its operating expenses and also part of the interest charges; in 1920 the fleet broke even, but paid no portion of the interest charges, and since then there has been a deficit in operation of varying amounts until the year 1926, for which final figures are not yet in, but which Sir Henry states they are confident will show no loss in operation of the fleet and possibly a very small operating surplus.

Opinion in Canada is divided on the subject of private versus State ownership, but the allusion to the Canadian National Railways and the merchant fleet as being "white elephants" is becoming much less frequent.

For the year 1926 the prospects are the operation of the railway will show a surplus sufficient to pay the interest due the public.

It would not be fair to expect the Canadian Government merchant marine, any more than ours, to pay interest upon the disproportionate capital cost of vessels constructed during the war period. Neither should such an undertaking as the ownership and operation of merchant vessels be looked on in exactly the same light as that of a private steamship company, for the reason that the operation of the merchant marine has been, is, and will be in the future of material value in opening up new trade routes and in developing foreign trade.

The Government fleet in Canada represents an exceedingly small fraction of the aggregate tonnage engaged in the Canadian trade.

Sir Henry said:

The Dominion of Canada is in a healthy condition; industry and trade are on the upgrade; and I am confident that within a short time all of the people of the country will look upon the Canadian national railways and the state-owned fleet of ships as among their greatest assets.

I inquired respecting Government aid, about which so much has been said as a reason why ships of other countries could succeed, while those under the American flag might not, and I find that the Canadian Government assists its shipping by mail subsidies and steamship subventions, which last year amounted to a total sum of $1,105,086.76, as set forth in the letter from Sir Henry Thornton, dated January 31, 1927, as follows:

CANADIAN NATIONAL RAILWAYS,
OFFICE OF THE CHAIRMAN AND PRESIDENT,
Montreal, Quebec, January 31, 1927.

The Hon. DUNCAN U. FLETCHER,
United States Senate, Washington, D. C.

DEAR SENATOR: Replying to your inquiry of January 20, I beg to say that during the year 1924, which is the last year for which the record is available, the Canadian Government paid in mail subsidies and steamship subventions a total sum of $1,105,086.76. About a half of this sum was paid in connection with coastwise shipping in the Dominion, and the remainder was for services between Canada and Newfoundland, New Zealand, South Africa, and the West Indies.

During the same year the Government paid for mail service by water, on a space or weight basis, a total sum of $566,344.45.

The preliminary figures covering the operations of our merchant marine for the year 1926 indicate that we shall have an operating surplus of $5,340.94. This compares with an operating loss for the year 1925 of $948,053.34.

Sincerely yours,

H. W. THORNTON,
Chairman of the Board of Directors and President.

Another illustration of the wisdom and effectiveness of Government-owned ships and operation is furnished by the Panama Railroad Steamship Co.

Until this line was established the freight rates and passenger charges from New York to Colon were considerably higher than they have been since. In fact, as I recall, the rates were about the same from Liverpool to Colon and from Hamburg to Colon as from New York, Baltimore, Norfolk, Savannah, and Jacksonville to Colon.

The reason for that was this commerce moved in foreign bottoms. American shippers were dependent upon foreign carriers. We ought to have learned what that means.

These rates applied not only to commerce moving to the canal but through the canal and to the west coast of South America.

This has been corrected only by the Government ownership and operation of this Panama Railroad Steamship Line, and now the products and commodities moving from the United States for the first time receive fair treatment. Likewise the passenger traffic.

This line, operated directly by the Government, through the Governor of the Panama Canal, has not only accomplished the benefits indicated by what I have said but is successful and in a true sense profitable. For proof of this I quote from the annual report of the Governor of the Panama Canal, 1926, page 41, to wit:

PANAMA RAILROAD STEAMSHIP LINE

The gross operating revenue of the steamship line for the fiscal year ended June 30, 1926, amounted to $2,210,775.29, and the total operating expenses to $2,496,124.55, resulting in a net deficit from operation of $285,349.26. This operating deficit compared with that for the fiscal year ended June 30, 1925, of $198,568, shows an increase in deficit of $86,781.26.

The steamship line—

And this is the important thing to bear in mind—

The steamship line carried all freight and passengers for account of the United States Government during the year at material reductions from tariff rates, which amounted to the important sum of $504,962.08. Had tariff rates been charged by the line for such services rendered to the Government, its operating deficit of $285,349.26 would have been reversed and a profit of $219,612.82 shown.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER (Mr. BLEASE in the chair). Does the Senator from Florida yield to the Senator from Washington?

Mr. FLETCHER. I yield.

Mr. JONES of Washington. May I ask the Senator, so that I may fully understand the situation, if in arriving at the deficits, surpluses, and so forth, to which the Senator has referred, any account is taken as to the interest on capital invested, insurance, and depreciation, or are they excluded?

Mr. FLETCHER. My understanding is that no account is taken of those items.

Mr. JONES of Washington. I obtained that impression, but I wanted to be sure.

Mr. FLETCHER. I think no account is taken of the items which the Senator mentions; but the repairs and upkeep, I think, figure in this estimate. However, I will enlarge upon the situation with reference to the Panama Steamship Line by inserting a letter which I have just received from Mr. Rossbottom, the manager of that line, giving more in detail how he arrives at these figures.

Mr. JONES of Washington. I wanted my question to apply to the Canadian report, but I assume, from what the Senator has said, that the figures do not include depreciation, insurance, and interest on capital invested.

Mr. FLETCHER. I think not. This report further states:

For the year ended June 30, 1926, the tonnage carried amounted to 258,448 tons, as against 221,999 tons for the previous year, an increase of 36,449 tons. The increase in deficit of $86,781.26, as compared with the previous year, notwithstanding the increase in tonnage transported, is attributable to increase in stevedoring rates and in the cost of fuel oil, as well as to increase in wages and other items due to the operation of the steamship *Ancon* in place of the steamship *General W. C. Gorgas* retired from service in May, 1925.

That is from the report of the governor of the canal, which has, of course, been made a public document. Recently I communicated with the Secretary of War and I have his letter, dated February 16, 1927, in reply regarding the actual results of operating the Panama Steamship Line. I have also a letter to the Washington office of the Panama Canal from Mr. T. H. Rossbottom, vice president of the Panama Railroad Steamship Line, dated February 14. I ask that both these letters may be inserted in the RECORD at this point without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letters are as follows:

WAR DEPARTMENT,
Washington, February 16, 1927.

Hon. DUNCAN U. FLETCHER,
United States Senate, Washington, D. C.

MY DEAR SENATOR: In reply to your letter of the 9th instant, asking for certain information concerning the Panama Railroad Steamship Line, you are advised that your inquiry was referred to the New York office of that company, and I inclose herewith for your information a copy of a self-explanatory letter dated February 14, 1927, addressed to the Washington office of the Panama Canal, by Mr. T. H. Rossbottom, vice president of the Panama Railroad Steamship Line. It is believed this letter will give you all the information you desire.

Sincerely yours,

DWIGHT F. DAVIS, *Secretary of War.*

PANAMA RAILROAD CO.,
(PANAMA RAILROAD STEAMSHIP LINE),
New York, February 14, 1927.

Mr. A. I. FLINT,
Chief of Office, The Panama Canal,
Washington, D. C.

DEAR SIR: 1. Your letter of the 11th instant reached us this morning.

2. We submit the following information in reply to the inquiries contained in Senator FLETCHER'S letter to the Secretary of War, dated the 9th.

3. The Panama Railroad Steamship Line, during the fiscal year that ended June 30, 1926, and up to the present time, is operating four steamships. Their names and tonnage are as follows:

	Gross	Net	Deadweight
Steamship Ancon	9,040	7,531	13,000
Steamship Cristobal	9,004	7,026	13,000
Steamship Guayaquil	2,592	1,613	4,155
Steamship Buenaventura	2,618	1,610	4,155

4. The result of the steamship line's operations for the fiscal year ended June 30, 1926, was—

Operating revenue	$2,210,775.29
Operating expenses	2,496,124.55
Deficit	285,349.26

5. It is the policy of the directors of the Panama Railroad Co. to operate its steamship line practically as an adjunct of the Panama Canal, and with that purpose in mind all freight shipped for account of the Panama Canal, the War, Navy, and other departments of the Government of the United States is carried at a reduction of 25 per cent from regular commercial rates. The passenger traffic of the Panama Canal, including its employees and their families, the War and other departments of the Government of the United States, is carried on the steamship line at rates that represent reductions of from 25 to 80 per cent from the regular tariff.

6. The Government freight that was carried amounted to approximately 36 per cent of our outward tonnage, and represented a reduction of $84,724.03 from our tariff rates.

7. The Government passenger traffic amounted to approximately 71 per cent of our passenger revenue, and represented a reduction of $420,238.05 from our tariff rates.

8. Had the company's steamship line been paid its regular rates of fare for the passengers and freight carried by its steamers during the last fiscal year the deficit of $285,349.26 would have been converted to a profit of $219,612.82.

9. The policy of applying reductions from regular rates to all Government freight and passenger traffic was adopted long before the opening of the Panama Canal to commerce, when the other commercial traffic of the Panama Railroad Steamship Line was sufficient in volume and in revenue to permit of the operation of the steamship line at a reasonable profit, notwithstanding the low rates charged on Government traffic.

10. The directors of the company have deemed it advisable to continue these reduced rates for freight and passenger traffic handled for account of the Government of the United States, even though it does involve an actual deficit for the steamship line because of the reduced amount of commercial traffic now obtainable since the Panama Canal was opened to commerce, rather than to apply tariff rates to this Government traffic which would permit of the steamship line operating at a profit.

11. There were several reasons that governed them in arriving at that conclusion. The first is that the total operations of the Panama Railroad Co. from its railroad, terminals, commissary, etc., resulted in sufficient profit to not only overcome the deficit resulting from the operations of its steamship line, but to yield a reasonable return on the total investment. The second is that this deficit of the steamship line amounts to much less than the Panama Canal and other departments of the Government would be charged for the transportation of their freight and passengers if tariff rates were applied. The third is that because of the action of the Panama Railroad Steamship Line quoting reduced rates for all Government freight shipments to the Canal Zone, other lines that carry any part of this Government traffic are obliged to quote the same reduced rates, which results in an important saving to the Government as compared with the payment of tariff rates. The fourth is that the application of tariff rates to the passenger traffic of the Government would involve a radical change in the conditions under which employees are engaged, and would make it necessary for the Panama Canal and other departments of the Government to secure additional funds to the extent of over $400,000.

12. The policy of the management is to render a service that will be satisfactory to its commercial and Government patrons, and at as reasonable rates as conditions justify, having in mind the reduction of the deficit of the steamship line to an absolute minimum without requiring additional revenue from any Government department, through the application of tariff rates to its traffic.

13. We trust this will give Senator FLETCHER the information he desires.

Yours very truly,

T. H. ROSSBOTTOM, *Vice President.*

Mr. FLETCHER. Mr. President, the figures quoted show what efficient and capable management can accomplish and the wisdom of the policy pursued.

I should be unwilling to transfer this steamship line to the Shipping Board or any other agency.

Listed under the head of "Business property," by divisions, Table No. 17, page 99 of the report, appears: "Steamships, $1,600,000," which I take to be the estimated value of the ships in this service.

GOVERNMENT OPERATION BY THE SHIPPING BOARD

Mr. President, notwithstanding what I believe the unnecessarily high overhead of the Shipping Board and Fleet Corporation, the only line operated directly by the Government—the United States Line—has shown a steady improvement. There has been a growing increase of revenue and a decrease of expenses. At present the losses or the deficit have about disappeared and it is believed that now the line will show a profit.

It would be the height of folly to dispose of those ships at any sacrifice prices. In fact, I would not favor disposing of them at all. I think the Government should continue to own and operate them, and enter upon a fixed policy of replacement, add two express passenger carriers, and complete the line. I have never been willing to admit that sufficient honesty, integrity, and competence could not be found to make Government operation a success.

The other ships owned by the Government are being operated through private contractors on a commission basis. Losses have resulted, but they are now diminishing. These contracts were originally utterly indefensible; they obliged the Government to stand all the losses, run all the risks, bear all the expenses, and the operators took no chances whatever. The form of contract has been modified and revised so that now the operator is interested in the practice of economies and in the solicitation of business and in the general success of the service.

I have no objection to using private operators by the Fleet Corporation, provided the terms are fair and reasonable and just to the Government as well as to the operators.

The deficit from operation of the Government ships in the various services—many of them were never expected would yield a profit until the routes of trade were established and commerce began to go over those routes—has been gradually diminishing.

A few years ago our losses were estimated at fifty million; then thirty million; last year at fourteen million; this year at seventeen million.

The services are necessary and should be maintained. They could not be maintained and the service would not be rendered if the Government did not own the ships.

The loss in 1926 was fifty times less than the benefits to American commerce. In fact, many of our commodities, surplus products, could not have moved to market at all in these times of peace if the Government had not owned this reserve fleet which we were able to put into service and carry to foreign markets our wheat, corn, cotton, and other products. The British ships were employed mainly in the carrying of coal by reason of the coal strike in England, and the means of transporting our manufactured and agricultural products abroad were greatly reduced, and this situation would have inevitably resulted in piling up of the surplus in our warehouses, undisposed of, and also in greatly increased freight rates. We were able to serve our commerce and keep the rates on a reasonable basis by taking from our reserves and putting into service some 80 or 90 cargo ships. Hundreds of millions of dollars were saved to our shippers and agricultural and industrial interests by reason of the Government being in position to render this service.

In view of these undisputed facts, how anyone can insist upon the Shipping Board and the Fleet Corporation going out of business, sacrificing these Government-owned ships, disposing of them at practically nominal figures—one-tenth of their cost—and letting contracts covering their operation for a period of five years, which time would expire so quickly we would not realize its passing, is beyond my comprehension.

When these ships pass to private owners without any agreement to replace them or maintain them in the service the full life of the ships, we will find almost as soon as we can turn around that the American merchant marine in overseas trade will have disappeared.

Again, as in 1914, the country will be dependent upon foreign ships to transport our products abroad and to bring to us the things we need. Freight rates will be entirely in their control. The primary purpose of all legislation, the aims of Congress, the desires of the people for an adequate American merchant marine will be wholly defeated.

The Government should continue to own and operate cargo vessels overseas along routes and in services already thought out and determined upon and let it be known that this is the fixed and permanent policy.

The Government should also own and operate at least the trans-Atlantic line of passenger ships, should construct the necessary additions to the fleet, and provide for immediate replacement, and let it be known that this is a fixed and permanent policy.

The Government should equip an adequate number of ships in foreign trade with refrigerating facilities in order to handle perishable commodities.

I have no patience with those who contend that the Government can not properly and successfully do this business.

There may be certain handicaps, unnecessary details, excessive overhead charges; but they are overbalanced by certain advantages.

I have less patience with the misinterpretation of the act of 1920, to the effect that its purpose was to get the ships into private hands as soon as possible, when the plain reading of the law, reiterated in various sections throughout the act, provided that the first consideration, the primary intention, was that there should be established and maintained an adequate American merchant marine to serve American commerce and also to serve as auxiliaries of the Navy in time of need.

Somewhere and somehow those who have had charge of the administration of that act have been impressed that it was their function to dispose of these ships and get them into private hands, and that that was the way to create and maintain an American merchant marine.

The pursuit of this policy has resulted in getting rid of some of the best and the finest ships afloat on any ocean at ridiculously low figures. In one instance $40,000,000 worth of ships were disposed of for $4,500,000. In one instance a ship, on which the United States had expended $2,000,000 since the war

in reconditioning her and some $40,000 in furnishings, was sold for $100,000.

It seems to me this almost comes within the criminal law.

This action was evidently based on the policy dictated, not by Congress, that the primary duty of the Shipping Board was to get rid of the ships.

The Shipping Board and the Fleet Corporation under it can take care of these ships and can operate them to the immense advantage of and saving to the American people.

I believe they will do it if Congress will firmly say that none of these ships shall be sold at less than cost, with a reasonable allowance for depreciation, and that the Shipping Board is directed to operate the ships in the services already established and such other services as may be developed permanently, disposing only of obsolete ships from time to time, and recommending replacements and additions which Congress will in the future provide for.

In this way only will this country have continuously an adequate American merchant marine to serve our commerce in times of peace and to serve as a means of national defense in time of need.

OUR SITUATION

We are now operating 327 ships owned by the Shipping Board—that is, the Government.

The United States Lines, trans-Atlantic service, composed of five passenger ships, the *Leviathan*, without a superior in the world, the *George Washington*, *President Harding*, *President Roosevelt*, and *Republic*, is operated directly by the Fleet Corporation.

Twenty-four other services are being operated through engaged private operators, under the supervision of the Fleet Corporation.

Most of these show losses, but these are diminishing and the services are regarded as necessary; certainly they are important.

In the reserve fleet owned by the Government are 223 vessels, which would require probably $10,000 each to make ready for commission.

It is estimated that there are some 42 other vessels tied up which are not in such favorable condition.

Some 200 vessels are considered practically obsolete and tied up.

The *Agamemnon* and *Mount Vernon*, now out of commission, are not included in these figures.

One of the merchant marine services under the management of a managing operator is the American Merchant Lines. This service operates five passenger and cargo vessels between New York and London—*American Banker*, *American Farmer*, *American Merchant*, *American Shipper*, *American Trader*. In addition to the five passenger and cargo vessels the same managing operator is also operating five cargo vessels between Baltimore, Norfolk, Philadelphia, Boston, and London, Hull, Leith, Dundee, and Aberdeen.

ORIGINAL NAVY APPRAISAL OF THE CONFISCATED GERMAN VESSELS OF THE UNITED STATES LINES AND THE COST OF CONSTRUCTION OF THE TWO PRESIDENT BOATS OF THE UNITED STATES LINES

In accordance with the act of Congress approved May 12, 1917, the Navy Department board was designated to appraise enemy vessels and submitted under date of June 14, 1918, the following appraisal values:

Appraisal of values

Old name	New name	Value
George Washington	George Washington	[1] $2,357,300
Vaterland	Leviathan	[1] 7,020,260
President Grant	Republic	[1] 248,630
	President Harding	[2] 6,907,098
	President Roosevelt	[2] 5,853,170
Total		22,386,503
Amerika	America	1,583,390

[1] Appraisal. [2] Cost of construction.

Reconditioning and conversion cost of three vessels in the United States Lines

Steamship *Leviathan*	$10,071,770
Steamship *George Washington*	2,813,003
Steamship *Republic*	4,469,969
Total	17,354,642
Appraisal and construction cost	22,385,508
Total	39,741,150
Original and reconstruction cost of the five class B boats of the American Merchant Lines	18,565,355
Total cost to the United States Government of the 10 ships listed above	58,306,505

There is submitted for the record statement showing cost to the Government of the five class B ships of the American Merchant Lines. (Exhibit B.) This statement shows the original and reconditioned cost of these five vessels as $18,565,358.13.

I might mention, before taking up a comparison of private with Government operation following this statement, that the so-called bids submitted after repeated advertisements and efforts extending over a long period of time to dispose of the United States Lines and the Merchant Lines were not bids at all, but proposals. The proposals involved paying $200,000 each for five ships of the Merchant Lines, a total of $1,000,000, and then chartering the vessels of the United States Lines. There was no bid to buy those ships. From the statement just furnished as to the value of this property you can see what the proposal involves. No wonder all bids and all proposals were rejected by the Shipping Board!

A comparison of private with Government operation is shown by statement at page 251, part 8, of the hearings, as follows:

RESULTS OF OPERATIONS OF THE FIRST THREE VOYAGES OF THE STEAMSHIP "LEVIATHAN" COMPARED WITH THE CORRESPONDING VOYAGES IN EACH SUCCEEDING YEAR

The statement was made before the committee to the effect that the first three voyages of the *Leviathan* from July to September, 1923, were of the character that would show what a private operator could do in commercial operation as compared with governmental operation. The official records show that the three voyages from July to September, 1923, when the vessel was under the management of Mr. Gibbs, shows a profit of $277,406.41. The same three voyages, from July to September, 1924, under Government operation, showed a profit of $454,855.01. The three voyages from July to September, 1925, showed a profit of $424,218.21, and from July to September, 1926, while under Government operation, showed a profit of $543,259.03. A statement showing these operations in detail is inserted for inclusion in the record. (Exhibit N.)

Our mail subvention to American ships is quite equal to the subvention of foreign governments.

It amounted in 1926 to approximately $4,000,000.

The mail revenues of the United States Lines, beginning with the fiscal year 1924, are shown as follows:

MAIL REVENUES, UNITED STATES LINES

The mail revenues of the United States Lines beginning with the fiscal year 1924 are shown as follows (Exhibit O):

Fiscal year	Eastbound	Westbound	Total
1924	$2,304,238.96	$189,516.56	$2,493,755.52
1925	1,983,719.74	414,376.26	2,398,096.00
1926	1,675,384.35	193,069.92	1,868,454.27
Total	6,834,768.08	875,597.74	7,708,365.82

MAIL REVENUES B TYPE BOATS, AMERICAN MERCHANT LINES

Statement showing the mail revenues for the American Merchant Lines for the fiscal year 1924, including November 30, 1926, is submitted for inclusion in the record. It will be noted that the total revenue for the fiscal year 1926 was $303,060.38. The total revenue for the entire period, as shown in the statement, was $383,077.12. (Exhibit P.)

When shippers are assured of permanent service Americans will favor their ships, as do the people of other countries their ships.

Other countries help their shipping by various regulations, and the United States might well go as far as our competitors in that kind of encouragement.

For instance, recent press reports disclose that the Dominion of Canada has made effective a regulation which requires that cargoes destined to Canada must be routed direct to Canadian ports, and must not be transshipped through the United States, as has been the case with respect to a large volume of commerce heretofore.

Another instance of the means employed by our competitors on the seas, as well as our trade rivals, to obtain what they undoubtedly consider a proper advantage of this country is evidenced by the Australian customs regulations, which result in assessing a higher duty on commodities or manufactured articles arriving at an Australian port when shipped from an American port than when shipped from a Canadian port. For instance, if an automobile is shipped from Detroit to Vancouver by way of a Canadian railroad, and thence to the Australian port, the duty on the machine is assessed upon the value of the article itself, while if the machine is shipped over American rails to San Francisco, and thence by steamer to the Australian port, the cost of the rail transportation from the point of origin

in the United States to San Francisco is added to the value of the automobile and the duty assessed upon the higher cost.

The report of the Shipping Board, D. S. No. 300, Table I, gives a summary of the employment of American-owned steam and motor vessels of 1,000 gross tons and over January 1, 1927. This does not include lake or river tonnage. It includes, however, foreign and coastwise trade. By this statement it appears that privately owned vessels in overseas trade numbered:

	Gross tons
Passenger and combination (29)	325,605
General cargo (144)	759,234
Tankers (44)	296,256
Total in overseas foreign trade (217)	1,381,095

West Indies and Caribbean privately owned, 31 vessels, and laid-up vessels, 27.

	Gross tons
Government-owned, overseas foreign:	
Passenger and combination (10 vessels)	166,542
General cargo (327 vessels, including 2 Panama Railroad vessels)	1,884,453
Tankers (4 vessels)	27,945
Total (341 vessels)	2,078,940
West Indies and Caribbean: 2 passenger and combination vessels (Panama Railroad); 4 tankers; 1 general cargo; total, 7	50,443
Laid-up vessels, Government owned:	
Passenger and combination (5, including 1 Panama Railroad vessel)	74,224
General cargo (480, including 2 Panama Railroad vessels)	2,288,352
Tankers (11 vessels)	56,127
Total (496 vessels)	2,418,703

It will be seen, Mr. President, that to-day we have in foreign trade privately owned vessels just about what we had in 1914. We have not gained much in that regard, although we have offered every possible inducement and every attraction to private enterprise to go into the shipping business. It only shows that private enterprise is not willing to do it, can not do it, or for some reason or other postpones it; and if we depend entirely upon private enterprise to furnish these vessels, to engage in this service, to take care of American commerce overseas, we will soon find ourselves where we were in 1914, no better off, and probably worse off as time goes on.

SALES

During the calendar year 1926 the Shipping Board negotiated sales as follows: 91 cargo ships, aggregating 621,093 dead-weight tons; 5 passenger-cargo vessels, aggregating 70,730 gross tons. The total cash consideration of these sales was $14,366,996.80.

The Shipping Board also disposed of five dry docks for the sum of $420,000.

This was all done "in furtherance of the policy of transferring our merchant shipping to the control of private American citizens."

I have already sought to show that under the act of 1920 emphasis should be laid on the policy of establishing and maintaining an adequate American merchant marine.

The policy of getting the ships into private hands is entirely secondary, although it seems to have been made paramount by those in charge of administering the act.

The 1926 transactions included the sale of 17 cargo vessels of 141,063 dead-weight tons total and all the passenger-cargo ships mentioned to private American interests, under contracts that the ships shall be operated over specified routes in our foreign trade for periods of five years.

The passenger-cargo ships, which comprised the American Oriental Mail Line, running from Seattle to the Orient, were sold to the Admiral Oriental Mail Line (Dollar), of Seattle, for the sum of $4,500,000. These ships had cost the Government approximately $40,000,000.

The power to sell ships should be limited to obsolete ships, and then sales should be made on a business basis, just as anyone not obliged to sell his property might dispose of it. There should be no authority to sell serviceable ships at less than cost, allowing for reasonable depreciation, and then only upon terms whereby the purchaser will agree to keep up the service during the life of the ships.

Frantic efforts to sell ships have had a depressing effect on the market and attracted only bargain hunters. Constant advertising of ships for sale and reiterated statements to the effect that the operation by the Government was causing enormous losses which ought to be stopped has discouraged private enterprise and tended to keep private capital out of shipping. It is astonishing that the Government ships have enjoyed the support and patronage and business which have come to them when we consider that the public has been continuously advised that the purpose was to dispose of the ships and get the Government out of the business at the earliest possible moment. What shipper can be expected to make contracts over a period of time and give his business to a concern which is persistently telling him that it may be out of business entirely within the next few months?

During the Harding and Coolidge administrations there has been drummed into the ears of the public the misleading statement that the purpose of Congress, as expressed in the merchant marine act of 1920, was to get the Government out of business and the ships into private ownership.

The truth is, as that act clearly shows and from beginning to end repeats expressly, that the purpose was to provide for the establishment and maintenance of an American merchant marine. It was unfortunate that any reference was made to private ownership in that act, but any fair-minded person reading it will realize that the language "ultimately to be owned" by private American citizens meant that the question of private ownership was one of secondary consideration and not the controlling aim of the act.

Notwithstanding the repeated offerings and advertisements and declaration of policy, the determined efforts to get the ships into private hands have failed. It has been demonstrated again that private enterprise will not provide and maintain an American merchant marine in overseas trade approaching our needs.

Therefore, there is no other course open to us but for the Government to own and operate passenger and cargo ships and maintain a balanced fleet by replacement, reconditioning, and necessary construction and operate such a fleet either directly or through private operators under reasonable contracts.

In the hearings on Senate Resolution No. 294 some interesting facts were developed.

I call attention to the statement of Admiral Benson, on page 205, part 6 of these hearings, as follows:

Senator FLETCHER. Your position, then, is that the Government should not in any case dispose of all of the ships that it owns?

Admiral BENSON. Not under any circumstances, Senator. And under the conditions of the chairman, I would like to say that we should not only consider the present conditions and the past experience but I think we should consider the general international situation, and the possibilities that may rise that would make it almost indispensable for the Government to have at its disposal vessels that would be ready for service, to carry our produce, surplus or otherwise, to any of the foreign markets that might demand it; that in case of disturbances, for instance, in Europe or elsewhere the interests of our manufacturers and producers in the interior should be safeguarded. That, to my mind, is the fundamental and primary principle that should govern us in our dealings on our shipping.

Senator FLETCHER. In the event of the sale of all of these ships and the Shipping Board going out of business, as the expression is sometimes used, you could not expect private enterprise to keep in reserve ships for use on occasions like that?

Admiral BENSON. No; and they should not be required to, in my opinion, sir; certainly not until we have firmly and unquestionably established an American merchant marine that could use those spare vessels possibly in some other way.

As I said just now, I think it is an absolutely necessary policy to be adopted; and we have the ships, and they should be maintained for that purpose.

Senator FLETCHER. As a matter of fact, Admiral, is it not true that the Government operation is becoming more and more efficient, and that you are training men who are competent to handle the business year after year with increasing results?

Admiral BENSON. It is becoming more and more so, and will continue to become more and more so.

Senator FLETCHER. Is it not true, also, that you are getting better support from the shippers of the country as time goes on, like this gentleman I have just quoted from?

Admiral BENSON. Yes, sir; there has been a marked improvement in that direction.

I quote also from page 203:

Senator JOHNSON. Exactly; that is what I wanted to show; and I will now recapitulate what I have said to you, Admiral.

First, a merchant marine is an absolute essential, particularly to a Nation such as ours?

Admiral BENSON. Yes, sir.

Senator JOHNSON. It is an absolute essential, first, from the standpoint of our economic life, and equally so from the standpoint of our national defense.

There are just two ways in which that merchant marine may be obtained, first, by the Government's supervision and ownership, and, secondly, by private enterprise subsidized by the Government.

The latter mode is quite improbable, and experience has demonstrated that it is well-nigh impossible to undertake or to consummate; and therefore there remains, if we want a merchant marine and believe in a merchant marine, Government supervision and ownership. That is a fair résumé, is it not?

Admiral BENSON. Yes, sir; until demonstrated to the contrary.

Senator JOHNSON. The demonstration thus far is all as I have suggested?

Admiral BENSON. Yes.

I quote also from a statement of Commissioner Teller, page 82, part 2:

Senator COPELAND. You found a universal sentiment in favor of an American merchant marine?

Commissioner TELLER. Absolutely; everywhere.

And—

Senator FLETCHER. Were not the 90 per cent you speak of in favor of private ownership and operation also insistent upon a proviso that the routes should be maintained and the service maintained? Otherwise, they wanted the Government to operate the ships?

Commissioner TELLER. There is no question that the Government has to continue to operate those vessels and has to stay in the picture. Everyone realizes that.

Also from pages 83 and 84:

Senator FLETCHER. What do you think about this statement, that only two weeks ago the United States had something like 250,000,000 bushels of surplus wheat to sell where they wanted it and wanted it at once? The ships to carry it were not at hand. At an apparent loss of $1,000,000 the Shipping Board outfitted a fleet from its reserves. This fleet carried the surplus wheat to the overseas markets. The cost to the National Treasury for the movement amounted approximately to $1,000,000, but the gain to agriculture, according to the report of a congressional committee, amounted to between $100,000,000 and $800,000,000.

Commissioner TELLER. I would say that probably the first figure might be in line. The figures given us were $60,000,000 or $70,000,000, at a cost of $600,000. It made a differential of 10 cents a bushel. The net gain to agriculture amounted to about $60,000,000, and the Government spent between $600,000 and $700,000.

Senator FLETCHER. That is a pretty good performance, is it not, in the public interest?

Commissioner TELLER. It is first class.

Senator FLETCHER. Is it not a fact that four years ago a coal strike threatened American industry; coal had to be bought overseas, and the British shipowners promptly raised the freight rates on coal from $1.75 to $2.50 a ton? The Shipping Board at once announced a rate of $1.25 a ton, and $1.25 a ton became the established rate. American industry thus saved $1.25 a ton on coal imports from Europe. Is that true?

Commissioner TELLER. I do not know as to that, but I do know of the wheat movement.

Senator FLETCHER. Is it not a fact that recently the shipping rates on grain to Europe were raised?

Commissioner TELLER. By reason of the coal strike, every tramp vessel and everything went into coal and neglected the wheat, which could not stand the raise.

Senator FLETCHER. And advances of from 10 to 17 cents a bushel were made on grain?

Commissioner TELLER. Yes.

Senator FLETCHER. That was reflected in the price to the American farmer.

Commissioner TELLER. The main thing is that without a doubt the $100,000,000 they speak of as having been saved there, I think, is conservative enough with the 90 boats that were made ready.

Also from pages 91 and 92, part 2:

Senator FLETCHER. What do you think about the president's suggestion in this? [Reading:]

"I do not believe that the operation of our fleet is as economical and efficient as it could be made if placed under a single responsible head, leaving the Shipping Board free to deal with general matters of policy and regulation."

Commissioner TELLER. I think it is very much that way now. The only question has been in former times as to the attitude of the Emergency Fleet Corporation to the Shipping Board; but I think that the board and the emergency fleet are working very harmoniously now; we are getting action and we certainly are getting along in the way we should go.

Senator FLETCHER. You think there is no need of definite action on that head?

Commissioner TELLER. I do not think so; no, sir.

Senator FLETCHER. Let me read you a little more here, from an article of George W. Hinman, published in the Washington Herald. [Reading:]

"Farm business, all business, would suffer enormously if there were no relief. But there is relief. Where? In the Government's merchant fleet.

"Already more than 60 additional vessels have been put in service by the Shipping Board to deliver goods abroad, and some 30 more are to go into service soon, if they are not already in operation."

Is that about right?

Commissioner TELLER. Yes, sir.

Senator FLETCHER. That is about right. Now, he says this, further. [Reading:]

"Largely with the aid of this same fleet this country's yearly sales of goods to Latin American countries were increased from some $300,000,000 before the war to some $850,000,000 in 1925; its yearly sales to Asia, from $121,000,000 to some $450,000,000; its yearly sales to Africa, from $25,000,000 to $77,000,000. In other words, with her own delivery system at work, America has trebled her sales of goods to three of the world's continents."

Commissioner TELLER. That is so; but those routes that he speaks of are, two of them, now under private ownership and are functioning better than they were; or, at least, we are so informed.

I refer also to the statement of Commissioner Plummer, pages 62 and 63 of part 1 of the hearings:

Senator FLETCHER. Before we adjourn I want to ask Commissioner Plummer one question. Here is a dispatch which issued from London, dated October 23, and comes by way of the Universal Service. That dispatch reads as follows [reading]:

"Acute alarm is being suddenly experienced among leading British shipping companies here following the discovery that within six months American steamship organizations have annexed on a fair competitive basis English freight-carrying contracts approximating $50,000,000. This is business actually transferred from British to American-owned bottoms.

"The greatest percentage of this remarkable success has been obtained by the liner services operated by the United States Shipping Board Emergency Fleet Corporation, running between Atlantic and Gulf ports and Great Britain, Ireland, and the continent of Europe. Their increase in six months is known to be 52 per cent."

Do you think that is about correct?

Commissioner PLUMMER. I should say so.

Senator FLETCHER. Then it looks as if the Government is doing fairly well.

Commissioner PLUMMER. Yes; I certainly think so; but we are talking about this individual line.

Senator FLETCHER. I know.

Commissioner PLUMMER. All of these lines are run by experienced shipping men that the board have selected and put in charge, and in my opinion that is the proper way; but let me point out one advantage of Government operation that has not been mentioned. When the people realize that the Government is behind the shipping, that will be an advantage, and that is one of the few advantages that comes from Government operation. That is a very material advantage.

Senator FLETCHER. Recently is it not a fact that you have been able to serve the commerce of the United States, particularly our wheat and cotton growers, by the use of Government ships, which, if you had not had and had not been in the operation business, we could not have availed ourselves of?

Commissioner PLUMMER. Unquestionably you are right. Unquestionably the Shipping Board ships have saved the exporters of this country millions of dollars.

The ships involved in the inquiry, for which certain proposals or bids had been submitted, are given at page 3 of part 1 of the hearings, as follows:

Commissioner PLUMMER. The American Merchant Line, as we call it, embraces the *American Banker*, the *American Trader*, the *American Merchant*, the *American Farmer*, and the *American Shipper*.

Senator JOHNSON. The United States Line, to which you just referred, embraces what?

Commissioner PLUMMER. The *Leviathan*, the *George Washington*, the *Republic*, the *President Harding*, and the *President Roosevelt*.

The testimony showed that the Government-owned merchant fleet is rapidly approaching a money-making status. Its annual deficit is a disappearing one.

In four years the deficit which Congress has been called on to meet for operating the fleet has dropped from $50,459,000 to $13,900,000. (For fiscal years 1922 to 1928, see p. 3413, CONGRESSIONAL RECORD.)

The *Leviathan* is paying, and the budget for the Shipping Board is 66 per cent less than the appropriation for 1924.

All shipping was badly demoralized after the war. Trade routes had been abandoned, business discontinued, and it required time to readjust the carrying trade to new conditions. There has been a revival of trade and an increasing demand for ships. Shortly after the war ships were tied up all over the world. Our Government-owned merchant marine shared with private shipping firms in the lean times.

We have been taking care, however, of American commerce, and if we announce a firm stand and fixed determination to own and operate merchant ships in foreign trade permanently, with a policy to continue aggressively in that business, there

will be an increased trade, augmented service, added cooperation, and all need or excuse for any deficit will be entirely removed.

SUBVENTION

At these hearings the statement was made, page 119, that the receipts to the Government for the carrying of foreign mails were some $18,000,000, and expenses $7,000,000 annually.

Another statement is to the effect that the revenues from foreign mails amount to about $16,000,000, and the expenditures $20,000,000. There is some confusion with reference to this matter. It is true, however, that the Government pays American ships a higher rate for transporting mails than it pays to foreign ships. That is authorized, and has been done to encourage American shipping, but the amount paid has not exceeded the amount received by the Post Office Department.

The hearings, at page 154, part 5, give a few of the facts. It appears that in 1925 the receipts from mail transportation were $18,000,430, and expenditures $8,157,199.

At page 154, part 5 of the hearings, the following appears:

Mr. GIBBS. In the report of the Postmaster General for the year 1925 this statement appears on page 44, under the heading "Noncontract service":

"For the conveyance of mails on steamships of American registry, not under formal contract, compensation is made at the rate of 80 cents a pound for letters and post cards and 8 cents a pound for other articles, including parcel post, calculated on the basis of the actual net weights of the mails conveyed. For steamships of foreign registry the rate of compensation is 26.3 cents a pound for letters and post cards and 3.5 cents a pound for other articles, including parcel post."

I understand that since the time I am speaking of here the rate for the foreign ships has been further reduced. I think we were not clear that at the present time, on a poundage basis, the Government was paying American ships a very much higher rate than the foreign ships, and as I understand that has always been true. In that respect it is a subsidy. If you assume that anything by which an American ship gets an advantage is a subsidy, then this would be a subsidy.

Senator COUZENS. Has the department computed the difference in the cost of the handling of our foreign mails as between those two rates?

Mr. GIBBS. I have not. I was speaking the other day of the total amount of the carriage of foreign mails paid to ships and the total postage received with respect to foreign mails, and I want to read in that connection from page 43 of the report of the Postmaster General for 1926:

"The weight of the trans-Atlantic mails was 35,631,294 pounds, and their cost for sea transportation was $3,488,384.40; 42 per cent of the weight and 62 per cent of the pay went to American vessels. The weight of the mails to Central and South America and the West Indies was 18,973,696 pounds, and their cost for sea transportation was $1,563,298.69; 66 per cent of the weight and 80 per cent of the pay went to American vessels. The weight of the mails dispatched to trans-Pacific destinations was 15,340,494 pounds, and their cost for sea transportation was $1,452,360.68; 76 per cent of the weight and 82 per cent of the pay went to American vessels."

The aggregate of those three pays in the three zones is $6,504,043.77. I think I mentioned $7,000,000 from memory the other day. The total value of the postage paid in respect to that movement appears on the next page. I will not read it, but the aggregate appears to be $18,886,955.95. That figure, as I understand it, includes the amount paid for the transport of mails to Canada and Mexico, which would have to come off this amount, Senator COUZENS.

The amount of pay with respect to moving the mail to the seaboard, getting it to the ship, I am not familiar with. I have made some inquiries, but I am not in a position to answer that question, and I would like simply to have the correction that I have made take the place of what I said the other day.

It will be seen that the United States in this way furnishes aid to American ships quite as great as that furnished by any foreign country to its ships.

On the subject of Government against private operation, I refer to the testimony of General Dalton at these hearings, page 214. He said:

Senator FLETCHER. General, you speak of some disadvantages under which the Government must labor. There are some advantages in favor of Government operation, are there not? For instance, the danger of a rate war is less if the Government is conducting the ships than it would be under private operation?

General DALTON. We have had a recent example of that, when the Shipping Board put into commission some 80 vessels to move our seasonal products, and there was an immediate effort there by all of the other shipping agencies to increase rates. The Shipping Board stood steadfastly against any exorbitant increase in rates, and we only took advantage of this present opportunity to better adjust rates, giving fair compensation to the shipowner and operator; and I am satisfied that if it had not been for the Shipping Board taking that action, and with the influence and power and financial backing of the United States, our shippers would have been charged very exorbitant rates, especially throughout the South, for the movement of cotton and tobacco, cottonseed-oil cake, and other seasonal products; and grain also. That is one advantage.

And at page 215:

General DALTON. We have never had, outside of the United States Lines proper, to my knowledge, a direct Government operation, although it may have occurred in the early days with the merchant-marine activities, but not within my knowledge; and therefore it is rather difficult to make a comparison between the present methods in operating ships through managing operators, and what could be accomplished if they were operated in the same way as the United States Lines are at present operated. I have some rather interesting figures that I was going to present a little later in connection with this whole question of governmental versus private operation.

And at page 216:

My own experience in governmental business-activities service during the past 20 years has indicated that charges of "inefficiency" in the conduct of governmental business have frequently emanated from interested sources that have not viewed our governmental business enterprises from the standpoint that "a public office is a public trust," and that Government property and interest should be protected from manipulation to serve special private interests.

The history of the activities of private corporations, particularly those that have been engaged in great transportation activities in America, has not indicated that those who have been responsible for the business management of these great enterprises have been more zealous in their regard for the interests of the private stockholders than the officials of the Government have been zealous in guarding the interests of our people in those governmental business enterprises in which the people are the real stockholders.

And at pages 217 and 218:

It is quite clear that the intent of the act was to encourage private ownership and private operation. There appears, then, to be but three methods by which it will be possible to establish an American flag merchant marine:

First. Whenever private ownership or operation can be profitable in the merchant marine field it should be left to private capital and private enterprise.

Second. Whenever private capital and private enterprise can not be profitably employed without some form of governmental aid the private owner and operator should be given financial aid, either directly or indirectly. The usual forms under which this aid is given to other nations are:

1. Naval subventions.
2. Mail subventions or preferential mail contracts.
3. Loan of capital at a low rate of interest for construction with repayment over a long period of years.
4. A direct subsidy based upon vessel tonnage or ton mileage.

Third. When the export and import trade interests of the Nation can be best served by Government-ownership and Government operation, the Government must build and operate vessels on essential trade routes.

It has been clearly demonstrated that with very rare exceptions there is no field in the overseas carrying trade routes that is essential to America in acquiring and maintaining her rightful share of world trade in which private vessels can be profitably employed in establishing and maintaining an American flag merchant marine service.

In carrying out the intent and policy of the shipping act, the Shipping Board has aided private owners and operators by selling Government-owned vessels at low prices and on advantageous terms of payment. This plan has led to the establishment of future passenger and freight services that appear to have a reasonable chance to maintain their position in the face of foreign competition. This is the only form of aid which is authorized under existing laws to be extended to private owners and operators by the Shipping Board.

Loans have been made from a construction fund to private owners and operators, but the rate of interest has not been sufficiently attractive to induce American ship operators to enter into a partnership with the Government by joint investment of capital to build ships in American shipyards and employ them in overseas carrying trade. A number of vessels have been built under this plan, but entirely for coastwise and intercoastal service.

The vessels sold by the Shipping Board at a low price and long terms of payment for overseas service are not of the most modern type and are not comparable with vessels that have been recently built and placed in operation by foreign shipowners and operators.

The Shipping Board has been forced, in order to carry out the mandates of the merchant marine act, to resort to direct governmental operation. The method of operation adopted has been to allocate vessels to private corporations to act as managing operators or agents for the United States Shipping Board. The compensation paid for these managing operators consists of a percentage of the total gross revenue. The Government, however, continues to bear all of the expenses incidental to operations, including fuel, subsistence for the crews, repairs, port

charges, wharf and dock charges, pilotage, stevedoring, and other incidental expenses.

In establishing the merchant-marine services an attempt has been made through the development of trade, good will, and the building up of the service in general, to lay the basis for a line that could eventually be sold to private interests and the enterprise carried on without any further assistance from the Government other than what might be indirectly given by selling the vessel at a low price and on favorable terms of payment.

The Shipping Board is now operating under this plan 24 merchant marine services, reaching to practically every part of the globe. On December 15 there were employed in these services approximately 327 vessels, and the cost to the Government for the fiscal year 1927 will be approximately $17,500,000.

In part 8 of the hearings General Dalton has furnished a number of interesting tables and facts, to which I would invite attention without further reference.

I attach to my remarks a table, dated February 9, 1927, showing the amount of dead-weight tonnage and the types of United States Shipping Board vessels in the hands of operators as of January 31, 1927, listed according to lines. This also shows the vessels operated by the Fleet Corporation and by other Government departments, and I ask to have it inserted as part of my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Number, dead-weight tonnage, and type of U. S. Shipping Board vessels in hands of operators as of midnight January 31, 1927, listed according to lines

[Statistical division, Emergency Fleet Corporation, February 9, 1927]

Line	Operator	Number of vessels	Dead-weight tons	Type
Vessels operated by managing operators and charterers:				
America-France Line	Cosmopolitan Shipping Co. (Inc.)	9	78,141	Cargo.
American Australia Orient Line	Swayne & Hoyt (Inc.)	18	164,915	Do.
American Delta Line	Mississippi Shipping Co. (Inc.)	3	25,009	Do.
American Diamond Lines	Black Diamond Steamship Corporation	16	141,434	Do.
American Dispatch Line	Munson Steamship Line	3	25,423	Do.
American Dixie Line	United Gulf Steamship Co. (Inc.)	41	368,626	Do.
American India Line	Roosevelt Steamship Co. (Inc.)	6	57,400	Do.
American Merchant Lines	J. H. Winchester & Co. (Inc.)	5	39,170	Do.
Do	do	5	40,606	Passenger and cargo.
American Oriental Mail Line	Admiral Oriental Line	7	66,370	Cargo.
American Palmetto Line	South Atlantic Steamship Line	15	119,991	Do.
American Pioneer Line	Atlantic, Gulf & Oriental Steamship Co. (Inc.)	22	243,234	Do.
American Premier Line	United Gulf Steamship Co. (Inc.)	10	85,198	Do.
American Republics Line	Moore & McCormick Co. (Inc.)	12	99,293	Do.
American Scantic Line	do	8	64,129	Do.
American West African Line	A. H. Bull & Co. (Inc.)	10	82,352	Do.
Atlantic Australian Line	Roosevelt Steamship Co. (Inc.)	7	62,333	Do.
Gulf Brazil River Plate Line	Mississippi Shipping Co. (Inc.)	10	82,609	Do.
Gulf West Mediterranean Line	Tampa Inter-Ocean Steamship Co	9	72,326	Do.
McAllister Bros	McAllister Bros	3	27,894	Tankers.
Mississippi Valley European Line	Mississippi Shipping Co. (Inc.)	9	82,754	Cargo.
Mobile Oceanic Line	Waterman Steamship Corporation	17	146,901	Do.
Oil Transport Co	Oil Transport Co	1	10,250	Tanker (B/B).
Oregon Oriental Line	Columbia Pacific Shipping Co	10	85,703	Cargo.
Oriole Lines	Consolidated Navigation Co	21	174,057	Do.
Southern States Line	Lykes Bros.-Ripley Steamship Co. (Inc.)	36	315,988	Do.
Struthers & Barry	Struthers & Barry	4	39,421	Tankers.
Texas Star Line	Lykes Bros.-Ripley Steamship Co. (Inc.)	11	96,475	Cargo.
Yankee Line	Rogers & Webb	8	70,329	Do.
Total		336	2,968,291	
Cargo		323	2,850,120	
Passenger		5	40,606	
Tankers		8	77,565	
		336	2,968,291	
Operated by Emergency Fleet Corporation, United States Lines.		6	74,724	Passenger.
Vessels operated by other Government departments:				
War Department		1	7,840	Cargo.
Public Health Service		1	4,261	Do.
Total		2	12,101	
Total active (excluding tugs)		344	3,055,116	
Tugs:				
Operated under bare boat charter, Merritt, Chapman & Scott Corporation.		3		
Operated by Emergency Fleet Corporation:				
Inactive fleet division		7		
Operations department		1		
Total tugs active		11		
		355	3,055,116	
Total active:				
Cargo		325	2,862,221	
Passenger		11	115,330	
Tankers		8	77,565	
Tugs		11		
Grand total		355	3,055,116	

Mr. FLETCHER. Mr. President, on the 4th day of January, 1927, I introduced a resolution which, it seemed to me, should be adopted as a declaration of policy, and I ask to have a copy of that resolution printed as a part of my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

[S. J. Res. 140, 69th Cong., 2d sess.]

Joint resolution providing that the United States Shipping Board and Emergency Fleet Corporation shall continue indefinitely in the business of owning and operating merchant vessels in overseas trade, and for other purposes.

Whereas it is considered imperative an adequate American merchant marine be established and maintained; and

Whereas no definite plans or program can be expected to that end from private enterprise; and

Whereas the services now operated by the Shipping Board and Emergency Fleet Corporation are essential services which must be permanently maintained; and

Whereas the efficiency and permanency of such services will require the construction of new vessels, as may be needed; and

Whereas the existing plan of operation, partially by the Government direct and partially through private operators as circumstances and good business judgment may justify, provided fair and reasonable contracts, making it to the interest of operators to save expenses and show results can be secured, is satisfactory: Therefore be it

Resolved, etc., That the United States Shipping Board and Emergency Fleet Corporation shall continue indefinitely in the business of

owning and operating merchant vessels in overseas trade to serve the needs of foreign commerce. That the Shipping Board shall have no authority to sell or dispose of any vessels owned except obsolete or incapacitated vessels and then only on terms and conditions set forth in the merchant marine act of 1920, and that any power or authority heretofore given in respect to the sale of vessels by said board is hereby revoked and withdrawn, provided sales may be made of any vessels to American citizens on terms and conditions which will advance the purpose to establish and maintain an American merchant marine, where such sales can be made at the cost of such vessels, respectively, less a reasonable allowance for depreciation.

Resolved further, That the services now operated be regarded as essential services and shall be permanently maintained.

Resolved further, That a definite program of replacement and new construction shall be determined upon, which shall provide for the building of two express passenger ships of approximately 40,000 gross tons, to be operated with the *Leviathan* in trans-Atlantic service, or the reconditioning of the *America* as one of such ships, and shall provide for the annual construction of approximately 26,000 tons of merchant vessels.

Mr. FLETCHER. Mr. President, in line with this resolution I favor the bill (S. 5668) introduced by the Senator from Washington [Mr. JONES] on February 9, with perhaps some changes in section 2.

If we are to maintain our standard of living, we must have and promote foreign trade. Foreign markets for our products must be found and developed. To do this we must have merchant ships engaged in that trade. One certain way, and at present the only way, to be assured of that, is for the Government to own and operate such ships.

It will be noted that the hearings to which I have referred show that no bids whatever were received after repeated efforts and extensive advertisements by the Shipping Board for the purchase of the United States Line ships.

In the bids for the Merchants Line the offers for the five ships were only $200,000 each. The proposals involved the charter of the United States Lines at a figure not approaching normal depreciation.

On all sales that have been made there were enormous sacrifices by the Government. Some sales have been made at prices far below cost, and the ships have been taken back and contracts of purchase canceled because of the failure of buyers to perform. All of which shows that private enterprise can not or will not seriously take hold of the shipping business and supply the services the country needs.

It is, in these circumstances, the plain duty of Congress to declare, as a permanent policy, that the Government will itself supply the ships, under its ownership, and maintain the services required by the country in overseas trade. There is no other alternative. We should cease sacrificing the property in a vain, futile attempt to induce private enterprise to take it over and operate the service under the American flag, in pursuance of an alleged policy never sanctioned by Congress, to get the Government out of the business.

In that endeavor, what cost the people of this country $3,546,431,876 has been frittered away until the three billions are gone and only about one-half of the millions are left.

The Government should build up and maintain, not deplete, the fleet.

In the right hands our Government merchant marine can be made a financial success.

The question of financial success is of secondary consideration. The operation may be abundantly successful from other standpoints.

DISTRICT OF COLUMBIA APPROPRIATION BILL

The Senate resumed the consideration of the bill (H. R. 16800) making appropriations for the government of the District of Columbia and for other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1928, and for other purposes.

The PRESIDING OFFICER (Mr. BLEASE in the chair). The question is, Shall the amendments made as in Committee of the Whole be engrossed and the bill be read a third time?

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

LOWER COLORADO RIVER BASIN

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3331) to provide for the protection and development of the lower Colorado River Basin.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	McMaster	Sheppard
Bayard	Frazier	McNary	Shipstead
Bingham	George	Mayfield	Shortridge
Blease	Gillett	Means	Smith
Borah	Glass	Metcalf	Stanfield
Bratton	Goff	Moses	Steck
Broussard	Gooding	Neely	Stephens
Bruce	Hale	Norris	Stewart
Cameron	Harreld	Nye	Swanson
Capper	Harris	Oddie	Trammell
Caraway	Harrison	Overman	Tyson
Copeland	Hawes	Phipps	Wadsworth
Couzens	Heflin	Pittman	Walsh, Mass.
Curtis	Johnson	Randell	Walsh, Mont.
Dale	Jones, Wash.	Reed, Mo.	Warren
Dill	Kendrick	Reed, Pa.	Watson
Edwards	Keyes	Robinson, Ark.	Wheeler
Ernst	King	Robinson, Ind.	Willis
Ferris	La Follette	Sackett	
Fess	McKellar	Schall	

The PRESIDING OFFICER. Seventy-eight Senators having answered to their names, a quorum is present.

Mr. JOHNSON. Mr. President, it is a matter of some regret to me that the limitations of time are such that it will be quite impossible this afternoon to present in all its details what ought to be presented of the Boulder Dam project and what is called the Swing-Johnson bill; but the regret that I have, sir, is tempered and is mellowed by my appreciation and my gratitude to the Members of this body for permitting a measure of such transcendent importance in the stress and press of the parliamentary situation, to come before the Senate for ultimate action.

I do not concede for a moment, sir, that within the time we have before adjournment we may not ultimately act upon the bill. I recognize, of course, the difficulties which are within its path; but, sir, knowing, as I do and as I hope to impress upon my fellows, what the bill means, what it means not alone to a great people, what it means not only to a territory which represents the highest and the best that there is in American life, but what it means to the noblest there is in statesmanship in this body, when these things are realized I trust this body will, in such fashion as it may deem appropriate, make possible the ultimate consummation of what is not to-day a plan of yesterday, sir, what is not a mere enthusiasm of the moment, but what represents the study of years and years, years and years of the best scientific minds and the best engineering ability of the Nation, and the best statesmanship of government.

We seek, sir, by the bill, to harness the Colorado River, to transmute what has been a menace for half a century in the past into a great national asset. We seek by the measure, within the limits of the power of the National Government, and within those limits alone, to do what may be essential with this river in order to provide flood protection for those who live not alone in California but those who live as well in the State of Arizona and in the State of Nevada. We seek not only this flood protection for people who reside in the territory contiguous to the Colorado River, but we seek the possibility of reclamation and irrigation for a million acres of land—not a million acres of land in the State of California but 600,000 acres of land in the State of Arizona, sir—land in California, it is true, and land in Nevada, it is true, but land first in the State of Arizona.

We seek not alone flood control. We seek not alone reclamation and irrigation of arid lands in the Nation. We seek, sir, something beyond that too. We seek to solve an international problem, an international problem which has plagued the people of southern California and of the Imperial Valley for many years in the past, an international problem which must be solved if that valley, which has grown as it has in an imperial country, is to continue with its wonted brilliance and its wonted beauty and productivity.

We seek, sir, not alone the solution of flood control, not alone reclamation and irrigation of land, flood control, and irrigation and reclamation in Arizona, in Nevada, in California. We seek not alone the solution of a problem which is a problem which rankles and will continue to rankle until it becomes a festering sore that is international in character. We seek, sir, to provide that the waters of an American river may be transported over American soil to American farmers in America, and that those Americans shall not be dependent for their very sustenance and very life upon Mexico or upon any foreign territory at all.

We seek in addition to this, sir, to put water to the highest use, as President Roosevelt said once in relation to the use to which the waters of the Hetch Hetchy were to be put by the city of San Francisco. We seek to put to the highest use to which water may be put, the water of the Colorado River now running to waste in floods, now threatening and menacing—

to put it into use for domestic purposes as potable drinking water for the cities of southern California.

All these things we seek by the bill. We seek no injustice to any territory or to any State. We want naught that belongs to any State in the Union. We act under the constitution of the very State which stands here protesting, as we will demonstrate before we have concluded the debate on this bill. We act under the powers which are accorded the United States Government under the reclamation law which has been of such vast benefit to the people of the United States and to the arid lands of the West.

Sir, do you realize that under the reclamation law of this Nation $150,000,000 have been expended in Western States upon arid lands? One-seventh of that sum, sir, has been received by the State of Arizona. I am delighted that this is so. I am very glad, indeed, that the United States Government has demonstrated its generosity to the State of Arizona. I would be always ready, as I have been ready in the past, on every occasion where any legislation has arisen in respect to that State, to extend not alone the hand of fellowship but to extend the utmost generosity.

As we of the Irrigation and Reclamation Committee visited the Yuma project and stood there viewing it, I recall how we observed that a territory originally apparently sterile and arid in the State of Arizona had been converted into a garden spot of which Arizona was proud and of which we as Americans were proud. I remember, sir, that the water that gave life to this arid spot, the Yuma project, was water of the Colorado River that flowed into the State of California and was siphoned back from the State of California to the State of Arizona and thus gave beauty and growth and power and loveliness and character and value and productivity to the Yuma project. I recall, sir, standing here and backing a power plant for the Yuma project. I recall, sir, that it was built—where? Upon the soil of the State of California, this power plant for the Yuma project; and delighted were we to build a power plant upon the soil of California for the Yuma project and to take from the State of California the water of the Colorado River, and siphon it back to the State of Arizona, for the Yuma project in the State of Arizona.

So much for small things of that character. They are of little consequence in what we seek by this measure. In this measure there are great, outstanding issues presented and problems sought to be solved which should outweigh difficulties that may exist among individuals or controversies that may rage among States. Of course, in a project of this magnitude there will always be difficulties and controversies. It is not to be expected when it is proposed to create and construct the most stupendous work in our generation that there will not be opposition, that there will not be differences, and that there will not be controversies. These differences and controversies it is the province and the duty of the Congress of the United States to iron out, and to do so justly, fairly, honestly to all concerned and to all territory affected.

Great things are to be done by this bill. Senators may not realize it, but in their lifetime and in mine there has never been a project presented to the American people of the character of this, of such stupendous importance, such remarkable size, and of such potential possibilities. In the generation that will follow us none will equal in its importance and in its magnificent proportions this enterprise embraced in the Boulder Dam bill.

We endeavor, not haphazardly, not as a decision of a moment, but after the crystallization of ideas extending back almost 50 years, after studies that have continued upon this river for more than two decades, finally to put the sentiment of the long, patient years of study and work into a measure of such stupendous proportions that the world never before has seen the like, and that will be a lasting monument, if carried to its consummation, to every man in the Congress of the United States who had part in the passage of the measure and to every individual who has participated in the slightest degree in its ultimate accomplishment.

We, sir, on the Colorado River at Boulder Canyon seek to erect a dam to control a river that at that point is turbulent, stormy, torrential, devilish in character; that serves really no useful purpose to man to-day. We seek at that point to erect a dam 550 feet in height—the highest dam that exists in all the world—in order to store there by virtue of that dam 26,000,000 acre-feet of water, creating a lake that will extend back for almost a hundred miles from the Boulder Dam, thus regulating the flood of the river, thus controlling its floods, and making the Colorado River, the third largest river in the United States, a servant to mankind and a servant to the territory through which it flows. Five hundred and fifty feet high will stand this dam.

Those who accompanied the committee to the scene of the locality where it is proposed that this dam shall be erected will recall those great granite cliffs, extending eleven hundred feet above where we sat in our little boat on the river; they will recall those precipitous cliffs made by God for this very purpose, made in order that there man might accomplish what God hath begun, and that, with a dam in that river at that point, fitted by nature as no other place upon that river is so fitted by nature, man might begin the gigantic, the memorable, and the monumental work of harnessing the river and making it responsive to a progressive and productive civilization.

Sir, back beyond it, then, will be a storage capacity of 26,000,000 acre-feet. Do you realize, Mr. President, that if you took the land in the District of Columbia and piled upon it the water that will be in this storage capacity of Boulder Dam the water upon the land in the District of Columbia would be some 50 or 60 or 100 feet higher than the Washington Monument itself? Do you realize that the water thus impounded will irrigate hundreds of thousands of acres of land which are now utterly and absolutely valueless? Do you realize that it will enable the Colorado below, that to-day is practically uncontrolled from that point, to minister to the wants of Arizona, the wants of Nevada, the wants of California, and that it will solve the international problem that exists by virtue of the meanderings of the Colorado at the present time? All these things will be done by this work.

I can understand the opposition—and I can understand it clearly—of the Senator from Arizona [Mr. ASHURST]. That opposition, while I believe it not to be well founded at all, is perfectly comprehensible to me. There is other opposition, sir, that I do not comprehend, nor have I the same patience with it that I have with the opposition that is presented by the Senators from the State of Arizona. With these two sources of opposition, ultimately, during the debate upon this bill we shall deal. To-day, however, it is my design, if I can, to paint even inadequately—if I had the eloquent tongue of the distinguished Senator from Arizona, I might paint it adequately—but to paint even inadequately and in my weak and humble fashion what it is sought to do by this measure which has been knocking at the doors of Congress of the United States for years and years in the past.

Do not think, sirs, that you have done me an inestimable boon by permitting finally this measure to be heard. Justice, fair dealing, the long years of preparation, the present emergency entitle us to a hearing. The first measure of this sort I introduced in this body was in 1923; the first message of a President of the United States concerning the conditions in the Colorado River and the necessity for activity was from President Roosevelt years and years ago; the first studies that were made of the Colorado, the first studies upon which this bill finally rests, were made a half century ago. It was in 1920 that the Kinkaid Act was passed; it was in 1922 that the report of the Interior Department was made to the Congress of the United States. Since then we have been knocking at the doors of the Congress of the United States, begging and pleading, in behalf of those in the Imperial Valley and the lands affected by this measure that there should be a hearing accorded us. To-day, after all these years, is the first time that the Congress of the United States has heard the prayer of the men, the women, and the children of the Imperial Valley with an opportunity for ultimate relief and for definite action.

To-day, sir, in the other House stands bottled up in the Rules Committee this bill—bottled up there under the rules of the House, so that up to this time it has been an utter impossibility for the friends of the measure to get it upon the floor there. Here we are at last, thank God, in the Senate finally with the right to present our case, and here, with the kindness of the Senate and with the appreciation of the momentous questions involved, may this bill remain until the Senate has either voted it up or voted it down. It is the right of the Senate to do either, and it is our right to demand that we have action of one sort or the other.

Mr. President, I have only touched the "high lights" of this subject to-day, for at 3 o'clock we go into executive session under a unanimous-consent agreement. I have spoken in the briefest possible fashion upon the dam at Boulder Canyon, of the storage capacity in relation to that dam, and of the possibilities in irrigation and in reclamation. Beyond that there is an international question involved, an international question which makes it absolutely essential, if we be just to our own people, that we should solve, if it be within the realm of possibility of Congress to solve it.

We have this river below Boulder Dam flowing down to the Laguna Dam, situated in the State of Arizona, flowing thence into Mexico. Diverted in its course it has been in the past—I have not time to describe the meanderings of the river in the

years gone by—but diverted, so that it flows for 60 miles through Mexico and then comes up into the Imperial Valley, where, by virtue of the Imperial Irrigation Canal, the water on which the Imperial Valley depends and which gives to the Imperial Valley its very life is water that flows for nearly 60 miles through Mexico, a contiguous territory, and is under the jurisdiction of Mexican authorities.

The situation is intolerable, sir; intolerable to 60,000 Americans; intolerable when you consider that there are $100,000,000 of property there; when you consider that there are five little cities, beautiful each of them; when you consider that it is the garden winter spot, as it were, for the production of that which no other portion of the United States in reality produces, for, with a fecundity that no other soil probably within our borders gives hint, and not in competition with the South, not in competition with any other territory on the face of the earth, but at a season and period when no other part of the United States produces anything at all of like character, it produces and supplies the entire United States.

The Imperial Valley, sir, is a strange and a peculiar place. Originally it was desert entirely. I remember in the early days, when I first went to the Imperial Valley, that it was not an uncommon thing for the husbandman plowing the field to plow up the skeleton of a pioneer whose bones had been left bleaching upon that desert as he sought, pioneering with his courage, to found a new home in a new territory. I can recall the time, sir, when there was little but sand and hummocks of sand succeeding one another in that territory, where there was naught at all of man's labor; and it is within my memory—it is within a quarter of a century, indeed—that the same spirit that actuated our forefathers when upon the Atlantic coast they made their homes despite savage beasts and more savage men, and fought their way until those homes were permanent; the same spirit that characterized those men who trekked across the plains in the days of 1849 and made our glorious State of California by their courageous pioneering—that same spirit, sir, within less than a quarter of a century led Americans down into the Imperial Valley's sand and desert, dry and arid, death dealing to the man who lost his way, there to build a new empire and create a new part of the United States of America; and those hardy pioneers, with a courage that has never been excelled in all this world, went into that territory, fought there the blazing, torrid heat, faced death in the trackless deserts, and built a new empire.

Drive to-day through the Imperial Valley, sir. There you find highways second to none on earth. There you find farms green and resplendent. There the desert has been conquered by indomitable courage. There you find a people second to none in all the world. And yet, sir, they live under a pall. A great shadow overhangs that people, hardy pioneers that they were, deserving a better fate than that which portends and that which threatens them day in and day out now.

The Colorado River—this torrential stream which seems to hold within its bosom a fiendish hate of humanity—this stream, beating down there in its torrents, has made for itself various channels, until, carrying its silt with it, it has built itself up and up and up and up and up until to-day the Imperial Valley is like a great saucer. Down in the bottom of the saucer is the valley. Up at the rim of the saucer flows the Colorado River, higher than the Imperial Valley itself, the valley being some 250 feet below the surface of the sea. The river has changed its channel in the last 20 years on two different occasions and sought another.

It is now in the last possible channel that it can flow through to the sea. It has now sought the last mode by which it can flow past and not inundate Imperial Valley. This bill therefore, sir, is not only a matter of extraordinary importance, it is a matter of dire emergency and necessity.

Why, sir, if I stood here talking about a people at Yonkers, N. Y.; if I were speaking to you, sir, about a people at Malden, Mass.; if I were talking to you about Hackensack, in New Jersey; or if I were speaking to you of Virginia, close by, and of a community there threatened as this community of 60,000 souls is, you would not hesitate a quarter of a second until you said that the righteous thing should be done. But because these pioneers of ours have gone 3,000 miles across this country, have gone into a territory that was thought unfit for habitation of man; because they are far away, where East can not visualize what is happening in West; because there, sir, buried are they in their own troubles and in the sand and in the difficulties that confront them in that territory, it is a difficult thing to awaken your interest or to make the East realize that this measure means not only a hundred million dollars' worth of property of the bravest men who ever built an empire, but may mean the lives of many of the 60,000 American men, women, and children who have fought the desert and won, but find a new and terrible enemy in an uncontrolled river.

It is essential, sir, that relief be accorded. It is useless to talk to me about another kind of relief. I have had my experience in legislation in days gone by. I learned the story in six years of governorship in a great State which we transmuted from one philosophy of government to another; and I learned, sir, in that period that whenever a man wanted to defeat a meritorious bit of legislation, and he could not fight it, and he could not present a real reason for its defeat, he always said, "Let us do it in some other way. Let us attempt something else than is presented by the bill under consideration"; and by indirection then he would smile and smile and smile in derision if he succeeded in diverting you from the one real method to the pretended method that he would have you adopt.

Talk not to me of a dam at some other place, at Topock or Mojave. Say naught to me about some other way in which this thing shall be done. Here, sir, are the results of 50 years of study. Here, sir, are the crystallized thoughts of practically every engineer who has dealt with the subject. Here, sir, is the final unified scheme by which it is possible to do this job, and do it thoroughly, and do it well, and do it efficiently. Here, sir, is the one mode presented to the Congress of the United States that affords relief. Against it be if you will, but make not the pretense that you will afford the relief in some other way that is not before the Congress and that can not accomplish any result of any kind or any character at all.

Here is the bill. It finally has been whipped into shape by every department of the Government of the United States. It represents not alone one department; it represents every department of government. It represents not alone the view of California; it represents in its provisions every single amendment that was suggested by the Upper Basin Colorado River States. It represents, sir, the combined wisdom of those who have been dealing with the subject, and has been amended to conform to every suggestion that was made by those in the Upper Colorado River Basin States, and to conform wholly to those views.

So here, sir, finally, is the scheme that is presented and approved. Here stands the Secretary of the Interior in approval. Here stands the Secretary of Commerce in accord. Here stands, indeed, the entire administration, finally accepting and asking the passage of this measure. Here stand the people of the State of California, and here stand a part, at least, of the people of Arizona, asking the passage of this measure.

Now, sir, there is another part of this bill that makes it a bill unto itself. There is a part of this bill, sir, such as never before has been presented in any bill in Congress. Gentlemen say that we ask for an appropriation of $125,000,000; that we are seeking to dip our hands into the Treasury of the United States and to take out of the Treasury of the United States $125,000,000 for this project. Not so, sir—not so at all.

There never was a measure of this magnitude or of this character presented as this measure has been. We do not, sir, ask anything in the way of financial aid from the Government of the United States except the initial borrowing, which shall be repaid in full. California asks no charity of the United States Government. California asks no money from the United States Government. California and those interested in this bill are willing to put upon themselves the burden of paying every single penny that may be expended in this work, or that may in any fashion be utilized in this scheme.

Let me read to you, sir, the provision to which I advert. Search your minds, you gentlemen here who are accustomed to the requests that may be made for appropriations from the Government. Search your minds, you who are of critical view in relation to this bill. Search your minds, you who seek an excuse to vote against this bill for one reason or another. Search your minds, you who are interested in power companies in the United States of America. Search your minds, you, if any there be, who believe that there is a God-given right in a Power Trust to make profit out of this Government and out of the property that belongs to our people. Search your minds, I say, all of you, and see if ever before, in any measure, there was presented a provision such as we present in this bill.

Follow me, now, please:

Before any money is appropriated or any construction work done or contracted for, the Secretary of the Interior shall make provision for revenues, by contract or otherwise, in accordance with the provisions of this act, adequate, in his judgment, to insure payment of all expenses of operation and maintenance of said works incurred by the United States and the repayment, within 50 years from the date of the completion of the project, of all amounts advanced to the fund under subdivision (b) of section 2, together with interest thereon.

We provide in this bill that before there is a shovelful of earth turned, before there is a dollar expended, before there is a single penny of liability on the part of the United States, the Secretary of the Interior shall have in his pocket contracts which will pay for every bit of the work to be done, for all that may be contracted in behalf of the measure itself, and interest during all of the period that the bill may be in operation.

Never before has such a provision been written into a bill, and we stand ready to back that provision. There is nothing else we can do. This is a governmental problem, which the Government of the United States itself must solve. No single State can solve it. We stand ready, sir, behind the Secretary of the Interior, to do everything that shall be essential to pay all the money that may be utilized in the construction of this work or in the endeavor to carry out the provisions of this measure.

When in the history of legislation has that ever been done before? Some gentlemen who are captious may say, "Oh, never mind, the United States Government will have to pay ultimately various sums." On what theory do they say so? By the bill we take the chance, we assume the burden, sir. We assume the burden of paying every dollar and of contracting to pay every dollar before there shall be a shovelful of earth turned or a single penny taken from the United States Treasury.

We have written into the bill itself that the Secretary of the Interior, before he does anything under this bill, before he attempts in any fashion or in any way to carry the bill to consummation, must make the contracts by which will be paid every dollar that may be expended under the bill.

Who can object, therefore, from the financial standpoint? None, sir, truly; none, sir, in good faith. Under the financial set-up none can object who honestly believes that the Government should do anything at all.

Under the measure we seek a 26,000,000 acre-foot reservoir which will cost at the dam $41,500,000. From that dam there will be generated 1,000,000 horsepower, 550,000 or 600,000 firm horsepower, a development of power greater than in any other place in the world, a development of power upon this great natural resource, upon which the Secretary of the Interior has said the Government ought to keep its hand by virtue of an optional clause, which enables the Government either to build the works and sell at the switchboard, or to lease the water, as the case might be.

Some gentlemen object and say to us, "You shall not be permitted to have that option." Some say that only over their dead bodies shall a bill be passed by the Congress of the United States that in any way would interfere with individual initiative and the right of individual initiative to make profit.

I dismiss those statements as unworthy of the individuals who make them and as being an insult to the Congress of the United States. To say that the Congress shall not be permitted to give its Government a permissive right to build works—only a permissive right, mind you—is a bit of insolence that Government can not tolerate, in the first place, and that Congress would not for an instant tolerate, in the second place. It is a bit of insolence which, if it permitted for an instant, would cause the Government itself to crumble in the dust and be unworthy of the name. So we may dismiss, I think, something that has been said here and there about the right of the Government to do this or the right of the Government to do that.

If the time ever comes when any one group of men, rich and powerful though they may be, great in influence, in politics, in economic life, or otherwise, as they may be, can say to the Government of the United States, "You shall only write a bill by which we may make profit," then, sir, the end of government is here and Congress would better abdicate its functions and resign its duties.

No, sir; that day has not yet arrived and that day I will not admit can arrive upon this bill. The permissive feature of the bill, by which the Secretary of the Interior is given the right himself to build the works at the particular point is a feature which he demands, because he says it is essential under the financial set-up of the bill that he should have in order that he may protect the Government of the United States and protect the very integrity of the works themselves and obtain the funds necessary for their construction.

That this is obvious will be apparent from the very slightest study of the situation. An all-American canal is sought to be built under this bill, and the cost of it will be $31,000,000. With the cost of the development of power and the all-American canal, and with the interest during the construction at 4 per cent, $21,000,000, the total cost under the bill will be $125,000,000.

The all-American canal is a canal which, upon American soil, will convey the water of the Colorado River from just below the Laguna Dam into the Imperial Valley. I repeat, sir, that from point of diversion the water of the Colorado runs through Mexico a distance of 60 miles, and comes up then into the Imperial Valley. Under an old existing contract Mexican landowners are entitled to the first use of the water; they are entitled to the first half. In the days when there was little work being done in Mexico, very little improvement there, that might have been of little consequence. Now, it is of the utmost consequence, for now often it happens there is not enough water in the dry season for Mexico to take its 50 per cent and send back into the Imperial Valley the water necessary there. That situation must be cured.

To-day 217,000 acres in Mexico are under cultivation from this water. Four hundred and some-odd thousand in the Imperial Valley are under cultivation from this water. Cultivation in the Imperial Valley has stood still because of lack of water. Cultivation in Mexico has gone up by leaps and bounds in the last five years. In the report that has been put upon the desks of Senators they will find the tables of cultivation in Mexico, which has gone up by leaps and bounds, until to-day it is certainly obvious that there is not enough water at low periods in the Colorado River for Mexico and the United States too.

Mr. WATSON. Mr. President, will it interrupt the Senator for me to ask him a question?

Mr. JOHNSON. I yield.

Mr. WATSON. Are we tied up by any sort of treaty obligation with Mexico that would render us liable in damages in case we diverted that water into an all-American canal?

Mr. JOHNSON. No. I am sorry the time does not permit me to answer the Senator in detail, but the impecuniosity of the first settlers, or the greed of some people who were down there, led to a situation under which Mexican lands were granted 50 per cent of the water, under a contract that is administered by a Mexican corporation, under the control of the Imperial irrigation district, the largest irrigation district in the United States, by the way, which has expended millions upon millions of dollars down in Mexico in the endeavor to protect the banks of the Colorado River.

It is intolerable, because they are put to all sorts of inconveniences going across the line. They have to maintain their works across the line. They have to keep the levees across the line. Some gentlemen who own 800,000 acres of land just over the line are tickled to death with the existing situation, but poor Americans on this side of the line are the people who are crying out to us to give them relief from this Mexican dominance of an American river.

It may be an exaggeration, but do you realize, sir, that almost a stick of dynamite over on the Mexican side could blow the Imperial Valley to flinders, so that there would be no more such garden spot as the Imperial Valley that has been won by American grit and enterprise and thrift and courage.

Do you realize, sir, that if there were any difficulty to-day with Mexico, the Mexicans could take possession of the very jugular vein of the Imperial Valley, take possession of it; and there would be only one way we could get it, and that would be by going across the border with an armed force. There is an international situation which must be faced and must be remedied. Arizona says "no," of course; but what of it? There is a situation that we have to take care of if we can.

Mr. ASHURST. Mr. President——

Mr. JOHNSON. There is a situation which this bill takes care of and takes care of in a unified, comprehensive plan. If the Senator from Arizona has just a question to ask, I will yield.

Mr. ASHURST. The Senator should permit me to say that my attitude has always been that Imperial Valley was entitled to an all-American canal; and the Senator ought to say, and I know he will say, that in our committee I pointed out that the alimentary canal of Imperial Valley had first to nourish Mexico. Therefore, the Senator ought to say that Arizona is not opposed to an all-American canal.

Mr. JOHNSON. I think I can do the Senator from Arizona that justice; but his action in opposing this bill is exactly the thing I object to, because he prevents the very thing which he says ought to be done. There can not be an all-American canal with a dam at Topock, and none except under this unified scheme. So it does me no good, it does the people of the Imperial Valley no good, to have any gentleman stand here and say, "I want to rescue you," when he objects to the only mode by which that rescue can be effected.

Sir, I regret that time does not permit more than touching the high spots to-day, but here is a bill which calls for the best and the highest that there is in human kind and in statesmanship. Here is a measure which enlists not only your sympathy but fires your imagination. Here is a bill, sir, for Americans.

Here is a bill that, finally, after two decades, finds itself upon the floor of the Senate. For the love of God, let us have action upon it, and if it be possible, let us pass it at this session.

Emergency exists, and nobody knows it better than the Senator from Arizona; emergency exists to-day for the passage of this measure. One year from now may be too late. Have not upon your heads, I beg you, the fate of these Americans in the Imperial Valley. Have not upon your heads by delay, procrastination, or because of any influence of any character whatsoever, the possible ruin of the Imperial Valley and death and destruction there.

EXECUTIVE SESSION

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. The hour of 3 o'clock having arrived, in pursuance of the unanimous-consent agreement heretofore entered into, the Senate will proceed to the consideration of executive business. The Sergeant at Arms will clear the galleries and close the doors.

Thereupon the Senate proceeded to the consideration of executive business. After 1 hour and 15 minutes spent in executive session the doors were reopened, and the Senate (at 4 o'clock and 15 minutes p. m.) took a recess until Monday, February 21, 1927, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 19 (legislative day of February 17), 1927

CHIEF EXAMINER OF CIVIL SERVICE COMMISSION

Fay C. Brown, of the District of Columbia, to be chief examiner of the Civil Service Commission.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

To Quartermaster Corps

Capt. Aubrey Haines Baldwin, Infantry, with rank from July 1, 1920.

First Lieut. Robert Clyde Padley, Coast Artillery Corps, with rank from October 13, 1926.

To Air Corps

First Lieut. Thomas Dresser White, Infantry (detailed in the Air Corps), with rank from August 24, 1925.

PROMOTIONS IN THE REGULAR ARMY

To be colonel

Lieut. Col. Frank Harold Burton, Quartermaster Corps, from February 15, 1927.

To be lieutenant colonel

Maj. Thomas Fraley Van Natta, jr., Cavalry, from February 15, 1927.

To be major

Capt. Victor William Beck Wales, Cavalry, from February 15, 1927.

To be captains

First Lieut. John Bellinger Bellinger, jr., Ordnance Department, from February 15, 1927.

To be first lieutenants

Second Lieut. Reginald Pond Lyman, Signal Corps, from February 10, 1927.

Second Lieut. James Stuart Wallingford, Infantry, from February 11, 1927.

Second Lieut. John Sharpe Griffith, Air Corps, from February 15, 1927.

POSTMASTERS

ARIZONA

Edwin H. White to be postmaster at Dos Cabezos, Ariz., in place of Lucinda White, resigned.

James E. Harris to be postmaster at Mayer, Ariz., in place of J. E. Harris. Incumbent's commission expired February 15, 1926.

Arthur E. Weech to be postmaster at Pima, Ariz., in place of A. E. Weech. Incumbent's commission expired September 12, 1926.

Carrie B. Yett to be postmaster at Safford, Ariz., in place of C. B. Yett. Incumbent's commission expired January 3, 1927.

ARKANSAS

Thomas S. Reynolds to be postmaster at Bradley, Ark., in place of F. K. Reynolds, resigned.

Estella Cherry to be postmaster at McRae, Ark., in place of Bunyan Gilbert. Incumbent's commission expired May 5, 1926.

CALIFORNIA

Mildred E. Millett to be postmaster at Dos Palos, Calif., in place of W. E. White, deceased.

Caroline H. Hackney to be postmaster at Parlier, Calif., in place of G. W. Nygren, resigned.

William A. Hensel to be postmaster at Soquel, Calif., in place of M. L. Schellenger, deceased.

John L. Steward to be postmaster at Monterey, Calif., in place of J. L. Steward. Incumbent's commission expired February 14, 1927.

William M. Vaughn to be postmaster at Oilfields, Calif., in place of W. M. Vaughn. Incumbent's commission expired January 11, 1927.

COLORADO

Jesse W. Noble to be postmaster at Manitou, Colo., in place of J. W. Noble. Incumbent's commission expires March 3, 1927.

DELAWARE

George W. Mullin to be postmaster at Marshallton, Del., in place of G. W. Mullin. Incumbent's commission expired September 22, 1926.

FLORIDA

William H. Turner to be postmaster at Largo, Fla., in place of W. H. Turner. Incumbent's commission expired January 24, 1927.

GEORGIA

Fred Fitts to be postmaster at Dahlonega, Ga., in place of F. M. Meaders. Incumbent's commission expired December 22, 1926.

Susie D. Sims to be postmaster at Lawrenceville, Ga., in place of S. D. Sims. Incumbent's commission expired December 4, 1926.

Kate C. Knox to be postmaster at Lexington, Ga., in place of J. S. Lester. Incumbent's commission expired September 7, 1926.

HAWAII

Wayson Weatherbee to be postmaster at Olaa, Hawaii. Office became presidential July 1, 1925.

Arcenio H. Silva, jr., to be postmaster at Kahului, Hawaii, in place of A. H. Silva, jr. Incumbent's commission expired July 20, 1926.

ILLINOIS

Anton J. Berta to be postmaster at South Wilmington, Ill., in place of Jennie McNulty, resigned.

Joseph C. Braun to be postmaster at Winnetka, Ill., in place of E. E. Adams, resigned.

Harry T. Peech to be postmaster at Ashley, Ill., in place of J. L. Shanks. Incumbent's commission expired December 4, 1926.

George L. Thrasher to be postmaster at Gilman, Ill., in place of C. J. Douglas. Incumbent's commission expired January 30, 1927.

Anna M. Tennysen to be postmaster at Manhattan, Ill., in place of A. M. Tennysen. Incumbent's commission expired January 10, 1927.

Lewis R. Inman to be postmaster at Oswego, Ill., in place of L. R. Inman. Incumbent's commission expired January 10, 1927.

INDIANA

Arthur J. McLaughlin to be postmaster at Cedar Lake, Ind., in place of L. M. Biesecker. Incumbent's commission expired January 30, 1927.

Burr E. York to be postmaster at Converse, Ind., in place of B. E. York. Incumbent's commission expired January 30, 1927.

William H. Hallway to be postmaster at Hope, Ind., in place of L. S. Norton. Incumbent's commission expired August 24, 1926.

Henry D. Long to be postmaster at New Harmony, Ind., in place of H. D. Long. Incumbent's commission expired January 30, 1927.

Clarence O. Rowland to be postmaster at Portland, Ind., in place of M. T. Jay. Incumbent's commission expired September 22, 1926.

IOWA

John G. Ranous to be postmaster at Keota, Iowa, in place of E. G. Warrington. Incumbent's commission expired December 30, 1926.

Ava Rigdon to be postmaster at Menlo, Iowa, in place of Ava Rigdon. Incumbent's commission expired December 4, 1926.

Spencer C. Nelson to be postmaster at Tama, Iowa, in place of S. C. Nelson. Incumbent's commission expired January 30, 1927.

Albert L. Richards to be postmaster at West Liberty, Iowa, in place of A. L. Richards. Incumbent's commission expires February 24, 1927.

KANSAS

Ruth Herthel to be postmaster at Claflin, Kans., in place of R. A. Jordan, removed.

Newell R. Kirkham to be postmaster at Lebo, Kans., in place of N. R. Kirkham. Incumbent's commission expired December 19, 1926.

Marvin S. Gilbert to be postmaster at Lyndon, Kans., in place of E. W. Sloop. Incumbent's commission expired March 18, 1926.

John Malone to be postmaster at National Military Home, Kans., in place of John Malone. Incumbent's commission expired December 4, 1926.

Franklin S. Adams to be postmaster at Waterville, Kans., in place of F. S. Adams. Incumbent's commission expires March 3, 1927.

KENTUCKY

Frank W. Stith to be postmaster at Falmouth, Ky., in place of Alvin Courtney, resigned.

Edward R. Lafferty to be postmaster at Cave City, Ky., in place of E. R. Lafferty. Incumbent's commission expires March 3, 1927.

Grant North to be postmaster at Hustonville, Ky., in place of Grant North. Incumbent's commission expired May 6, 1926.

LOUISIANA

Silvio Broussard to be postmaster at New Iberia, La., in place of Silvio Broussard. Incumbent's commission expired January 15, 1927.

MAINE

Alma R. Weed to be postmaster at Monticello, Me., in place of C. J. Sharp, removed.

MASSACHUSETTS

Alice D. Robbins to be postmaster at Littleton, Mass., in place of A. D. Robbins. Incumbent's commission expired December 14, 1926.

MICHIGAN

Joseph D. Watson to be postmaster at Homer, Mich., in place of M. H. King. Incumbent's commission expired December 8, 1926.

MINNESOTA

Adolph Johnson to be postmaster at Clarks Grove, Minn. Office became presidential July 1, 1926.

Lena Edstrom to be postmaster at Sandstone, Minn., in place of A. S. Webb, resigned.

Edith L. Barry to be postmaster at Utica, Minn. Office became presidential July 1, 1926.

Gertrude S. Dyson to be postmaster at Becker, Minn., in place of A. P. Conger. Incumbent's commission expires February 24, 1927.

J. Arthur Johnson to be postmaster at Center City, Minn., in place of J. A. Johnson. Incumbent's commission expired December 16, 1926.

Mott M. Anderson to be postmaster at Hammond, Minn., in place of M. M. Anderson. Incumbent's commission expires March 2, 1927.

William Guenther to be postmaster at Hokah, Minn., in place of William Guenther. Incumbent's commission expired April 11, 1926.

William H. Wright to be postmaster at Montrose, Minn., in place of W. H. Wright. Incumbent's commission expired August 30, 1926.

Marion E. Isherwood to be postmaster at Sebeka, Minn., in place of A. W. Johnson. Incumbent's commission expired March 18, 1926.

Harry H. Johnson to be postmaster at Spring Valley, Minn., in place of John Bowden. Incumbent's commission expired February 7, 1926.

Hugh R. Smith to be postmaster at Wabasha, Minn., in place of H. R. Smith. Incumbent's commission expires March 3, 1927.

Maggie N. Halgren to be postmaster at Wahkon, Minn., in place of M. N. Halgren. Incumbent's commission expired August 30, 1926.

Charles H. Wise to be postmaster at Wayzata, Minn., in place of C. H. Wise. Incumbent's commission expired December 4, 1926.

Emory B. Linsley to be postmaster at Willow River, Minn., in place of E. B. Linsley. Incumbent's commission expired August 30, 1926.

Nels A. Thorson to be postmaster at Crookston, Minn., in place of N. A. Thorson. Incumbent's commission expired February 14, 1927.

MISSISSIPPI

Holcombe H. McDonald to be postmaster at Lake, Miss., in place of J. A. Freeman, removed.

MISSOURI

Edna C. Hunt to be postmaster at Clarksville, Mo., in place of B. F. Wells, resigned.

Emmett R. Lindley to be postmaster at Stanberry, Mo., in place of E. R. Lindley. Incumbent's commission expires March 3, 1927.

NEW JERSEY

Horace Ricker to be postmaster at Bloomingdale, N. J., in place of Annie Mead. Incumbent's commission expired November 22, 1925.

Elmer G. Houghton to be postmaster at Cranford, N. J., in place of E. G. Houghton. Incumbent's commission expires March 1, 1927.

Elbert Bradshaw to be postmaster at Grenloch, N. J., in place of C. W. Foster. Incumbent's commission expired June 26, 1926.

Milton K. Thorp to be postmaster at Hackettstown, N. J., in place of M. K. Thorp. Incumbent's commission expired February 5, 1927.

Thomas J. Raber to be postmaster at Hampton, N. J., in place of T. J. Raber. Incumbent's commission expired February 10, 1927.

Arthur J. Halladay to be postmaster at Kenilworth, N. J., in place of A. J. Halladay. Incumbent's commission expires March 1, 1927.

NEW MEXICO

Tomas P. Martinez to be postmaster at Ranches of Taos, N. Mex. Office became presidential July 1, 1926.

John A. Dickson to be postmaster at Fort Bayard, N. Mex., in place of J. A. Dickson. Incumbent's commission expired August 4, 1926.

Henry L. Kelly to be postmaster at Mogollon, N. Mex., in place of H. L. Kelly. Incumbent's commission expired March 7, 1926.

Canuto C. Sanchez to be postmaster at Santa Rosa, N. Mex., in place of C. C. Sanchez. Incumbent's commission expired January 17, 1927.

NEW YORK

Frank M. Douglass to be postmaster at Red Creek, N. Y., in place of Howard Spurr, deceased.

Charles G. Post to be postmaster at Bangall, N. Y., in place of C. G. Post. Incumbent's commission expired August 24, 1925.

William McNeal to be postmaster at Montgomery, N. Y., in place of William McNeal. Incumbent's commission expired August 5, 1923.

Ida L. Baxter to be postmaster at Port Washington, N. Y., in place of I. L. Baxter. Incumbent's commission expires March 3, 1927.

Frank R. Hanson to be postmaster at Sea Cliff, N. Y., in place of F. R. Hanson. Incumbent's commission expires March 3, 1927.

Calvin H. Peters to be postmaster at Stamford, N. Y., in place of G. O. Leonard. Incumbent's commission expired December 18, 1926.

NORTH CAROLINA

Edith E. Holton to be postmaster at Jamestown, N. C. Office became presidential July 1, 1926.

NORTH DAKOTA

Paul Keller to be postmaster at Hebron, N. Dak., in place of Paul Keller. Incumbent's commission expired December 21, 1926.

OHIO

John W. Hencke to be postmaster at Willoughby, Ohio, in place of E. C. Nichols, resigned.

John R. Lloyd to be postmaster at Cambridge, Ohio, in place of J. R. Lloyd. Incumbent's commission expires March 3, 1927.

Harley F. Hambel to be postmaster at Glouster, Ohio, in place of H. F. Hambel. Incumbent's commission expired February 6, 1927.

OKLAHOMA

S. Edgar Thomas to be postmaster at Dewey, Okla., in place of S. E. Thomas. Incumbent's commission expired February 19, 1927.

June M. Jarvis to be postmaster at Haileyville, Okla., in place of A. H. Keil. Incumbent's commission expired December 12, 1926.

OREGON

Godfrey C. Minsker to be postmaster at Cloverdale, Oreg., in place of M. N. Olds, resigned.

Vincent Byram to be postmaster at Gold Beach, Oreg., in place of J. D. Fay. Incumbent's commission expired July 31, 1926.

Emil F. Messing to be postmaster at Vernonia, Oreg., in place of E. F. Messing. Incumbent's commission expired February 13, 1927.

PENNSYLVANIA

Walter L. Brinton to be postmaster at Creighton, Pa., in place of W. L. Brinton. Incumbent's commission expired January 12, 1927.

Daniel A. Strayer to be postmaster at Coalport, Pa., in place of D. A. Strayer. Incumbent's commission expired December 28, 1926.

Oscar R. Moser to be postmaster at Mont Alto, Pa., in place of W. H. Brosius. Incumbent's commission expired December 12, 1926.

James I. Decker to be postmaster at New Freedom, Pa., in place of J. I. Decker. Incumbent's commission expired December 4, 1926.

Edward W. Workley to be postmaster at Smethport, Pa., in place of E. W. Workley. Incumbent's commission expires March 3, 1927.

Annie H. Washburn to be postmaster at Wyncote, Pa., in place of A. H. Washburn. Incumbent's commission expired December 12, 1926.

PORTO RICO

Rafael P. Robert to be postmaster at Fajardo, P. R., in place of R. P. Robert. Incumbent's commission expired September 22, 1926.

TENNESSEE

Alice M. England to be postmaster at Sunbright, Tenn. Office became presidential July 1, 1926.

TEXAS

James J. Dickerson to be postmaster at Paris, Tex., in place of J. J. Dickerson. Incumbent's commission expires March 3, 1927.

VERMONT

George H. Millis to be postmaster at Groton, Vt., in place of G. H. Millis. Incumbent's commission expired August 12, 1926.

Preston C. Skinner to be postmaster at Orleans, Vt., in place of P. C. Skinner. Incumbent's commission expires March 3, 1927.

VIRGINIA

Gunyon M. Harrison to be postmaster at Fredericksburg, Va., in place of G. M. Harrison. Incumbent's commission expires March 2, 1927.

Delly L. Fuller to be postmaster at Honaker, Va., in place of D. L. Fuller. Incumbent's commission expired August 23, 1926.

WASHINGTON

Levi H. Niles to be postmaster at Ephrata, Wash., in place of L. H. Niles. Incumbent's commission expires March 3, 1927.

Thomas A. Graham to be postmaster at Goldendale, Wash., in place of T. A. Graham. Incumbent's commission expires March 1, 1927.

Edward C. Campbell to be postmaster at Kettle Falls, Wash., in place of E. C. Campbell. Incumbent's commission expires March 1, 1927.

John F. Samson to be postmaster at Oroville, Wash., in place of J. F. Samson. Incumbent's commission expires March 3, 1927.

Matthew W. Miller to be postmaster at Waterville, Wash., in place of M. W. Miller. Incumbent's commission expired February 24, 1927.

WISCONSIN

Melvin B. Arnes to be postmaster at Barronett, Wis., in place of F. E. Kennedy, resigned.

Henry R. Pruemers to be postmaster at Burlington, Wis., in place of H. E. Zimmermann, resigned.

Mrs. Elden T. Bentsen to be postmaster at College Camp, Wis., in place of C. L. Bingham, resigned.

Lulu M. Hubbell to be postmaster at Draper, Wis. Office became presidential July 1, 1926.

Ernest L. Wilsmann to be postmaster at Mishicot, Wis., in place of Louise Halberg, deceased.

Edith Butler to be postmaster at Nashotah, Wis., in place of Daniel Murray, declined.

Wesley C. Hymer to be postmaster at Potosi, Wis., in place of Andrew Kaltenbach, deceased.

Blanch Lyon to be postmaster at East Ellsworth, Wis., in place of Blanch Lyon. Incumbent's commission expired January 3, 1927.

Ida Englesby to be postmaster at Eleva, Wis., in place of Ida Englesby. Incumbent's commission expired August 29, 1923.

James C. Fritzen to be postmaster at Neenah, Wis., in place of J. B. Schneller. Incumbent's commission expired February 5, 1927.

Blanche Delany to be postmaster at Sinsinawa, Wis., in place of Blanche Delany. Incumbent's commission expired April 7, 1926.

Susan D. Olson to be postmaster at Siren, Wis., in place of S. D. Olson. Incumbent's commission expired January 18, 1926.

Mike E. Gensman to be postmaster at Slinger, Wis., in place of M. E. Gensman. Incumbent's commission expired December 22, 1925.

Alphonse R. Eichman to be postmaster at Trempealeau, Wis., in place of A. R. Eichman. Incumbent's commission expired December 22, 1925.

Fred J. Hurless to be postmaster at Viola, Wis., in place of F. J. Hurless. Incumbent's commission expired December 19, 1926.

Sam Dewar to be postmaster at Westfield, Wis., in place of T. W. Krentz. Incumbent's commission expired April 3, 1926.

Robert C. Bulkley to be postmaster at Whitewater, Wis., in place of R. C. Bulkley. Incumbent's commission expired December 19, 1926.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 19 (legislative day of February 17), 1927

DIPLOMATIC AND FOREIGN SERVICE

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY

Frederick A. Sterling to be envoy extraordinary and minister plenipotentiary to the Irish Free State.

POSTMASTERS

SOUTH CAROLINA

Benjamin F. Foreman, Allendale.

TENNESSEE

Ella M. Hill, Adams.
Joel F. Ruffin, Cedar Hill.
Daniel L. Hyder, Elizabethton.
William T. Starbuck, Hohenwald.
Rufus C. Thompson, Milan.

VIRGINIA

Francis A. Haynes, Barboursville.
Blodwyn R. Jones, Cambria.
Henry P. Holbrook, Castlewood.
Mary I. Wight, Charlotte Court House.
John W. Delaplane, Delaplane.
John D. Williamson, Fries.
Margaret I. Lacy, Halifax.
Lawrence L. Jacobs, Hanover.
Charles F. Flanary, Jonesville.
Benjamin B. Parker, Middletown.
George H. McFarland, Reedville.
John J. Kivlighan, Staunton.
Dandridge W. Marston, Toano.

HOUSE OF REPRESENTATIVES

SATURDAY, *February 19, 1927*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Lord God, for all encouragements that make us more hopeful, we bless Thee; for all loving messages and glad surprises, we thank Thee; for sincere friendships that mean trust and confidence, we praise Thee, and for all the little joys and sweet blessings that come to us through the hours of each day, we are most grateful to Thee. To-day may our fidelity to duty be without hesitation. Restrain all evil desire. In every situation may we be tranquil and resent not. Receive us again and show us that divine favor which we can not understand. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, one of its clerks, announced that the Senate had agreed to the amendment of the House of Representatives to the bill (S. 2770) entitled "An act to confer United States citizenship upon certain inhabitants of the Virgin Islands and to extend the naturalization laws thereto."

The message also announced that the Senate had agreed to the report of the committee on conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9971) entitled "An act for the regulation of radio communications, and for other purposes."

The message also announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 5823. An act to amend the Code of Law for the District of Columbia in relation to the qualification of jurors;

H. R. 9916. An act to revise the boundary of the Grand Canyon National Park, in the State of Arizona, and for other purposes; and

H. R. 15414. An act to authorize the United States Veterans' Bureau to accept a title to lands required for a hospital site in Rapides Parish, La.

The message also announced that the Senate had agreed to the amendments of the House to bills of the Senate of the following titles:

S. 1155. An act for the relief of Margaret Richards;

S. 1515. An act to extend the benefits of the employees' compensation act of September 7, 1916, to Daniel S. Glover;

S. 1517. An act authorizing and directing the Secretary of the Treasury to pay to W. Z. Swift, of Louisa County, Va., the insurance due on account of the policy held by Harold Rogis;

S. 1899. An act for the relief of the Delaware River Towing Line;

S. 2090. An act for the relief of Alfred F. Land;

S. 2353. An act to amend the military record of Leo J. Pourciau;

S. 2474. An act for the relief of the Riverside Contracting Co.;

S. 2619. An act for the relief of Oliver J. Larkin and Lona Larkin; and

S. 2899. An act for the relief of the owner of the American steamship *Almirante* and owners of the cargo laden aboard thereof at the time of her collision with the U. S. S. *Hisko.*

The message also announced that the Senate had agreed to the amendment of the House of Representatives to the amendment of the Senate numbered 6 to the bill (H. R. 16863) entitled "An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1928, and for other purposes."

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1339) entitled "An act for the relief of Katherine Southerland, and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MEANS, Mr. CAPPER, and Mr. TRAMMELL conferees on the part of the Senate.

BILLS PRESENTED TO THE PRESIDENT

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that this day they presented to the President of the United States, for his approval, the following bills:

H. R. 10728. An act authorizing the Secretary of War to convey to the Association Siervas de Maria, San Juan, P. R., certain property in the city of San Juan, P. R.;

H. R. 11615. An act providing for the cession to the State of Virginia of sovereignty over a tract of land located at Battery Cove, near Alexandria, Va.;

H. R. 16249. An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1928, and for other purposes; and

H. R. 16888. An act granting the consent of Congress to the Paducah Board of Trade (Inc.), of Paducah, Ky., its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River.

ENROLLED BILLS SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 10728. An act authorizing the Secretary of War to convey to the Association Siervas de Maria, San Juan, P. R., certain property in the city of San Juan, P. R.;

H. R. 11615. An act providing for the cession to the State of Virginia of sovereignty over a tract of land located at Battery Cove, near Alexandria, Va.; and

H. R. 16249. An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1928, and for other purposes.

ECONOMIC CONFERENCE TO BE HELD AT GENEVA, SWITZERLAND

Mr. COLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 351, to provide for the expenses of the participation of the United States in the work of the economic conference to be held at Geneva, Switzerland, and consider it at this time. Preliminary to that I would like to make a brief statement.

The SPEAKER. The gentleman from Iowa asks unanimous consent to take from the Speaker's table House Joint Resolution 351 and consider the same at this time. The Clerk will report the title of the joint resolution.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, reserving the right to object—I shall not object if this is not going to take very much time. If we are going to have a long discussion, I shall have to object, because we have more on the program for this afternoon than we can well take care of. Can the gentleman assure us that there is no opposition to this?

Mr. HOWARD. Mr. Speaker, reserving the right to object, what is this?

Mr. COLE. Mr. Speaker, this resolution authorizes an appropriation of $15,000; and, let me say, I am appearing here this morning in behalf of the Committee on Foreign Affairs. It is for participation by the United States in an international economic conference to be held in Geneva, beginning on the 4th of May next. The reason we are asking for its immediate consideration is because it is necessary to get this authorization in time for the last deficiency appropriation bill.

I think this conference is of even more importance to us than the one we considered yesterday; that is, the one on disarmament. All of the industrial and agricultural nations of the world will sit in this conference, and the United States should be represented there.

Mr. TILSON. Is there any objection in the gentleman's committee or outside, so far as the gentleman knows, to the passage of this resolution?

Mr. COLE. None whatever. The Committee on Foreign Affairs is unanimous in its desire to have this matter passed.

Mr. SEARS of Florida. Who is going on that trip?

Mr. COLE. There will be five commissioners to be appointed by the President.

Mr. SEARS of Florida. Any Members of the House?

Mr. COLE. None that I know of.

Mr. SEARS of Florida. Then I think I ought to object, but I shall not.

Mr. BURTON. There is no prohibition on Members going.

Mr. HOWARD. No prohibition? [Laughter.]

Mr. BURTON. I used the word in another sense. I do not wish at all to intrude upon the gentleman's views in regard to another very much discussed use of the word "prohibition."

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the resolution, as follows:

[H. J. Res. 351, 69th Cong., 2d sess.]

Joint resolution to provide for the expenses of the participation of the United States in the work of the economic conference to be held at Geneva, Switzerland

Resolved, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $15,000 for the expenses of participation by the United States in the work of the economic conference to be held at Geneva, Switzerland, including personal services, travel, subsistence or per diem in lieu of subsistence (notwithstanding the provisions of any other act), and such miscellaneous and other expenses as the President shall deem proper, to be expended under the direction of the Secretary of State.

Mr. COLE. Mr. Speaker, yesterday we passed a bill providing for participation in a preparatory disarmament conference at Geneva. To-day, on behalf of the Committee on Foreign Affairs, I am submitting to the House a proposition of similar import which, I think, is of even more importance. This proposition is set forth in House Joint Resolution 351, accompanied by report No. 2026. This joint resolution provides for the expenses of the participation of the United States in the work of an international economic conference to be held at Geneva, Switzerland, May 4, next. The appropriation contemplated is small—$15,000, or so much of it as may be necessary. It is the purpose of the Government to send to this conference five delegates to be appointed by the President.

I am asking for its consideration to-day because of the urgency in making the appropriation required in connection with the last deficiency appropriation bill.

The report that accompanies this resolution sets forth all necessary information as to this subject, including a message of the President issued on the 5th of the present month.

President Coolidge fully indorses this participation. He calls attention to the fact that the American delegates will not in any way bind their Government and will not be qualified to act as spokesmen of an official policy. The President considers it

important that the Government of the United States participate—

not only in order that the Government may be adequately informed of discussions in their relation to American interests but also in order that the American point of view may be duly presented and in the hope of contributing to the development of sound economic foundations of friendly intercourse and prosperity.

The proposal to hold this international economic conference was initiated by the resolution of the Assembly of the League of Nations at its sixth ordinary session, held September 24, 1925. But while this movement was initiated by the League of Nations, of which the United States is not a member, it was intended to include all the leading industrial and commercial nations, regardless of such membership or nonmembership. The fact that the initiative in this important procedure was in the League of Nations should in no wise prejudice our attitude toward it. There is nothing inconsistent in our participation in such conferences. The fact that we are not in the league should not mean a withdrawal on our part from participation in important world affairs in which the league may also be interested. In this conference the nations will participate as such and each will be independent in its action.

The agenda which has been prepared for this conference is wide in its scope. It is based on the conviction that—

economic peace will largely contribute to security among the nations.

It is proclaimed in this agenda that—

the necessity of investigating the economic difficulties which stand in the way of the revival of general prosperity and of ascertaining the best means of overcoming these difficulties and of preventing disputes—

is the paramount subject to be considered.

I need not call attention to the fact that the United States is most vitally interested in these objects. At the present time the markets of the world are still in a disorganized condition, and as an exporting nation as well as an importing nation we are suffering with the rest of the world. Anything that can be done to stabilize these markets and to promote trade is manifestly in our interest. In consequence of this disorder in the markets of the world America is suffering industrially and also agriculturally.

The second part of the agenda sets forth the three main divisions which will come under discussion—first, commerce; second, industry; and third, agriculture. Special attention is to be given to what are called "agricultural problems in their international aspect."

The president of the committeee, M. Theunis, of Belgium, which prepared the agenda, in his closing statement, among other things, said, after calling attention to the difficulty of planning such work:

We have, however, succeeded in noting down certain important questions, endeavoring particularly to include those which appear to call for international action.

The forthcoming conference will bring together economists, producers, traders, representatives of finance, labor, and the consumers themselves, members coming from all parts of the world.

The political work of pacification * * * would not be comprehensible without simultaneous work in the economic field—a field which is closely connected with it. Too many people still think that the political field and the economic field are entirely different. This is a profound and dangerous error, for every important economic question is by that very fact a political question. The work of political peace and disarmament should go hand in hand with economic peace and disarmament. For economic progress has not only material importance; it has also a moral value. It makes possible the development of the people toward more humane considerations.

That international cooperation will alone bring a remedy to the economic anarchy with which we live, and which, if we allow it to develop, can only lead to the worst possible results.

I need not argue that it is most important that the Government of the United States, through proper delegates, should not only sit in such an international conference but participate in it to the fullest extent possible. We should be part of this great undertaking, out of which industrial and economic peace may be and will be promoted throughout the world. We should make ourselves part of this movement not merely for material advantages but for those higher considerations which involve the welfare and the happiness of all mankind. For one, I can think of nothing more useful, higher, or nobler in the way of international undertaking.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read the third time, was read the third time, and passed.

A motion to reconsider the vote by which the joint resolution was passed was laid on the table.

RETIREMENT OF DISABLED EMERGENCY OFFICERS

Mr. MILLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the bill H. R. 4548, providing for the retirement of disabled officers of the World War, by printing therein a telegram embodying a resolution passed by the American Legion of the State of Washington at its annual session.

The SPEAKER. The gentleman from Washington asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

The telegram referred to is as follows:

SEATTLE, WASH., *February 17, 1927.*

Hon. JOHN F. MILLER,

House of Representatives, Washington, D. C.:

Legion State convention, Longview, 1926, adopted following resolution:

"Whereas the American Legion of Washington has steadfastly recommended upon Congress the policy of providing for the emergency officers of the National Army the same measure of disability allowances granted officers of the regular military forces of the United States: Be it therefore

"*Resolved*, To urge upon our congressional delegation prompt legislation to effect this purpose. Please make every effort to have Tyson-Fitzgerald bill come up for vote immediately."

JESSE W. DRAIN,
Department Adjutant.

THE NATIONAL TRIBUNE

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection?

Mr. SEARS of Florida. Mr. Speaker, reserving the right to object, I ask to couple with that a request to address the House for 10 minutes at the conclusion of the remarks of the gentleman from Massachusetts.

The SPEAKER. The Chair can entertain only one request at a time.

Mr. SNELL. Mr. Speaker, if there are going to be general requests to address the House, I shall have to object. We have a long program this afternoon. We have two rules to be considered and notice has been given that they were to be considered to-day. I do not think we ought to spend much time in any general discussion. I did agree with the gentleman from Massachusetts that there would be no objection to his request. I hope the gentleman from Florida will withhold his request until some other time.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection?

Mr. SEARS of Florida. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. Does the gentleman from Florida insist upon his point of order that there is no quorum present?

Mr. SEARS of Florida. Mr. Speaker, in view of the fact that the Chair was good enough to recognize me to make my request, I yield to the Speaker—he is such a pleasant gentleman I can not help doing it—and I withdraw my point of order that there is no quorum present.

Mr. TREADWAY. Mr. Speaker, on February 4 I made some remarks to the House in relation to methods pursued by a paper published in Washington called the National Tribune.

I have in my hand the edition of that paper of February 17, wherein will be found many letters from Members of Congress, but I notice the absence of the one I addressed to the editor in answer to his letter to me. He publishes the letter he addressed to me, but does not publish my reply. I am going to give the House the benefit of that reply. The letter is as follows:

FEBRUARY 4, 1927.

Mr. JOHN L. CLEM,

The National Tribune, Washington, D. C.

DEAR SIR: I acknowledge the receipt of your letter of February 3. In reply I would say that, so far as I am concerned, I shall not ask to have printed in the CONGRESSIONAL RECORD to accommodate you any communication sent directly or indirectly at your request.

I consider the National Tribune a menace to the well-being of the Civil War veterans and their widows. Even if you keep within the pale of the law, your object is to deceive them into continually paying you $2. The paper has no influence with the Members of Congress; on the contrary, one of the best friends the veterans ever had, the late Charles E. Fuller, for many years chairman of the Committee on

Invalid Pensions, on April 6, 1926, in the last speech he made in Congress, exposed your methods.

I have recently had a letter from a poor widow lady whose mind is evidently failing and who thinks every time you write to her she must pay dues. She had $30 in the bank, of which she has sent $8 in response to your solicitations.

I am urging all veterans and widows of veterans to drop all communication with you. I have also called this matter to the attention of Congress and have advised Members to give the same publicity to the methods your paper employs in deceiving those who are most in need of our support and care. The sooner the methods of the National Tribune are generally known and the less the people have to do with such a publication the better it will be for the cause of the veterans and widows.

Very truly yours.

Mr. BLANTON. Will the gentleman yield?

Mr. TREADWAY. I prefer to proceed without interruption.

Mr. BLANTON. I wanted to know whether the gentleman would be willing to include the letter I wrote to him and his reply to me?

Mr. TREADWAY. If I may proceed without interruption, I would prefer to do so, because my time is very brief. If I have sufficient time, I shall be glad to yield to the gentleman.

I want to call attention to the unfair methods of this paper, both toward the Members of Congress and the veterans and their widows. The following heading in black type appears over a long article in the edition of February 17: "TREADWAY denies veterans right of petition."

There never was a more false heading put in a newspaper than that. I have never denied, can not deny, and would not deny anybody the right of petition, because that is in our fundamental law—the Constitution. What I did deny was that I would be one who would contribute to the publicity and unfair methods under which the National Tribune proceeds toward the veterans and their widows. The more I can do to show up the methods of the National Tribune and get word back to the veterans and their widows that they are under no obligations whatsoever to a paper conducted in the corrupt way this paper is conducted the better I shall be pleased. [Applause.] I am not making that statement simply on my own say-so. I have evidence here from numerous veterans who have been bled and deceived by the National Tribune and by its editors.

The Tribune makes an absolutely false statement when it says that I do "not want to be annoyed by petitions from veterans and the friends of veterans," and intimates that I am opposed to all pension legislation. My record with the Civil War pensioners in my district and the number of special bills of which I have secured the passage is of a great deal more value to these people than anything the National Tribune ever has or ever can do for them.

The absurdity of the further statement in the editorial that I am endeavoring to establish gag rule needs no comment.

The editorial is further maliciously in error when it says that my speech was, in substance, "a plea for his colleagues in Congress to enter into a conspiracy to repress the sacred right of petition." This is simply a camouflage to cover up from the subscribers who are being duped into paying money into the treasury of the National Tribune my real purpose in the remarks I made. My intention at that time was, and now is, to show up the nefarious and fraudulent methods of the National Tribune in its endeavor to use the veterans and their widows as tools to fatten its subscription list.

The Members of Congress will continue to see that justice is done these veterans, and I shall make it one of my objects to see that justice is done them also by stamping as publicly as possible the deceit of the National Tribune.

The National Tribune is claiming that this Congress will not take care of the veterans and widows of the Civil War except as pushed by the National Tribune. There is not a Member in this Hall but who knows that that statement is false. I stamp it as such, and I stamp their methods of procedure as absolutely deceptive and wrong. I do that on such evidence as the statement of the ex-Governor of the State of Minnesota, Mr. Van Sant, when before the national convention of the Grand Army of the Republic at Des Moines, Iowa, last year he showed up the editor of the National Tribune in such language as this:

In the last analysis I will tell you who secured your pensions. It was your comrades away back sixty-odd years ago, who fought over 2,000 battles, saved the Union, and retained every star on the Nation's flag. The Government will keep faith with you. So we will pass the matter of pensions.

The Government will keep faith with those veterans. They do not need to pay $2 for a subscription to the National Tribune in order to see that the Government or its Representatives in Congress keep faith with the veterans.

The editor of this paper was proposed as the national commander of the Grand Army of the Republic, but he was defeated, and here is what Governor Van Sant said about him:

I can not vote for a man, I care not what his record has been, who through a newspaper will give his name to securing money from our comrades and their widows for such a purpose. It is not right. It is against our regulations.

Then, again, he says:

I hope you will look at this matter as I do. Just remember that the National Tribune is not the soldiers' paper; it does not work for the soldiers; it works them.

And that is what I want to bring home to the membership of this House, that through us the National Tribune is endeavoring to secure publicity for its subscription list. It is not working for the soldiers. It is working for its own corrupt ends, and in so doing is trying to work us.

Now, what does it do? It sends out monthly—and I have a line of monthly solicitations to different veterans—a request to send in $2. They started away back in 1921, but here is one dated January, 1927, and one dated December, 1926, showing it is a monthly proposition on their part to solicit $2 from the veterans and their widows. Every letter the National Tribune sends out to a veteran contains the sentence:

Send $2 now for your subscription.

I want to say in passing that this matter has twice been before the Post Office Department, complained of as a fraud on the people. Here is a circular sent out in December and another in January:

"He that is not with Me is against Me." This is just as true to-day as 19 centuries ago.

They are defaming the Bible, you might say, in order to carry on their nefarious project. I am against it. Then it goes on to say:

Let us hear from you just where you stand. Are you with us?

They say to the veterans: "If you are with us, send us $2 monthly, and if you do not, you are against us."

I call this circular letter sent out by the National Tribune sacrilegious as well as deceitful:

NATIONAL TRIBUNE,
Washington, D. C., January 25, 1927.

DEAR MADAM: "He that is not with Me is against Me." This is just as true to-day as 19 centuries ago.

If you are not with the National Tribune in its fight for the Civil War pension bill, you are against us. Let us hear from you just where you stand.

Are you with us?

Take an active interest in this fight for a "living pension" by securing signers to the inclosed petition. Send the petition to the National Tribune to be placed in the hands of your Senator or Representative.

Send $2 subscription to the National Tribune, so that the fight for a "living pension" may be carried on to victory.

Show us that you are with us and not against us.

Congress is now in session.

This is a short session.

That which is done must be done quickly.

Act now.

Yours for a "living pension,"

THE NATIONAL TRIBUNE.

The Congress of the United States is not going to stand for that sort of treatment of the veterans and their widows.

I hold in my hand a subscription blank they have sent out:

I hereby subscribe for ——— shares of the 7 per cent preferred stock of "National Tribune Corporation," par value $1 per share.

Inclosed herewith is (check, money order) for $——— in full payment.

If you will not send $2 for a subscription for the National Tribune, according to this picture which appears on their subscription blank—a picture indicating them shedding crocodile tears, and with these words appearing in red ink, "Send your subscription now"—if you will not send $2, then all they ask you for is $1. And, of course, when this appeal goes out by the hundreds and thousands to the people of this country interested in the veterans and themselves interested in this subject of pensions, naturally a great many are going to send in both the $2 as a subscription to the National Tribune once a month, and,

in addition to that, a subscription for $1 a share of the 7 per cent preferred stock. There never was a bigger fraud perpetrated on the easy-going public than is being perpetrated by the National Tribune in this instance. [Applause.]

I again appeal to my colleagues to show up this paper with their constituents who are interested in pensions. I am perfectly willing to write to every veteran in my district or their widows at any time explaining that they have no need to put up the $2 they are being asked for and that they have no need to subscribe $1 a share for the 7 per cent preferred stock of this paper in order to receive justice at the hands of Congress and to have their rightful claims adjusted as veterans or as veterans' widows.

Now, fellow Members, I do not believe in filling up the rear pages of the CONGRESSIONAL RECORD every day and giving them the satisfaction of having printed in the CONGRESSIONAL RECORD the petitions they have secured.

They have secured them not by fair representations, not by honest, upright methods, but by fraud and deceit on the veterans and their widows, and for one I stand here hoping that the other Members will do as I am trying to do—bring home to the veterans the fact they do not need to do business through the National Tribune in order to secure justice at the hands of Congress.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks by the insertion of certain documents relating to this matter.

Mr. SEGER. Will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. SEGER. What does the gentleman suggest that the Members do with these petitions which they receive in such great number?

Mr. TREADWAY. Personally I would write to the veterans, as I am willing to do, so far as the ones that come to me are concerned, and say, "We will do everything we can to further your just deserts, but not through the National Tribune."

I want also to say that I hope the mistake made last session in accepting the Senate amendment limiting the increase for widows to those who had married the soldier while in the Army will be corrected.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. TREADWAY. The following communication from a past commander in Massachusetts shows what kind of frauds the National Tribune has been perpetrating in addition to its subscription and stock-selling schemes:

BOSTON, MASS., *February 10, 1927.*

Hon. ALLEN T. TREADWAY,
Congressman from Massachusetts, Washington, D. C.

DEAR SIR: In the Boston Post of February 5 I read of your determination to prevent, if possible, further "deceiving" by the National Tribune, a soldiers' publication, of Washington, D. C.

How well many of us old soldiers of the Civil War have known of the deception that has been practiced through this paper, yet with the power this publication held in its professional way we individuals were not provided with that which could offset the evident wrong sent broadcast, reaching many knowledgless and innocent persons.

Scheming land sales, Florida house lots, under water, many years ago.

Rewarding a well-known Senator for his work on a pension bill by "gifts" to him, "but send to me and I will give it to him" has been the manner followed.

Question. How much received?

Answer. I am an honest man; he got all.

"For what the National Tribune has done for the pensioners, soldiers, and the widows, all should send 10 years' subscription to the Tribune to pay in advance for the paper."

"Every pensioner should purchase as an investment stock in the National Tribune at $1 per share. A safe and good investment."

Thus the many forms of "catch" have been adopted by this paper to get the dollar from those unfortunate in possessing more sentiment than caution and good judgment, believing, as they were told, that their increase of pension came all through the National Tribune, its work, and its influence.

The last national encampment of the Grand Army of the Republic, in Des Moines, Iowa, sat down on John McElroy for the deception practiced in his paper, but he still goes on in his accustomed way, and many of us are pleased at your endeavor to stop it.

Respectfully yours,

_____.

SPEECH OF EX-GOVERNOR VAN SANT BEFORE THE NATIONAL CONVENTION OF THE GRAND ARMY OF THE REPUBLIC AT DES MOINES, IOWA

Past Commander in Chief SAMUEL R. VAN SANT. Commander in chief and comrades of the Grand Army of the Republic, it will be a sorry day when the Grand Army of the Republic finds that there is no fight for commander in chief. I was told before we proposed to name a candidate out our way that there was no use, that the prairies were afire, and that the great big departments down East had concluded that they would settle the matter before we came here, and that we might as well accept without a fight.

I am not built that way; so I propose to name a comrade who, in my judgment, at the present time will make the best candidate for commander in chief of the Grand Army of the Republic.

With all due respect to the splendid reputation and fine oratory of our friend Tanner—I admire Johnnie Clem for his ability and service in the Army as much as any man can—first, I want to speak of a subject that was mentioned here, and that is the subject of pensions. Who won our pensions for us? I will tell you who it was. It was the man whom one year ago you made commander in chief of the Grand Army of the Republic—Comrade John R. I man.

In the last analysis, I will tell you who secured your pensions. It was your comrades away back sixty-odd years ago, who fought over 2,000 battles, saved the Union, and retained every star on the Nation's flag. The Government will keep faith with you. So we will pass the matter of pensions.

I am going to promise to quit before my time is up. If you are any more tired than I am, I pity you. We are handicapped in this fight. The so-called "soldiers' paper" for weeks and weeks has been booming one candidate, while the other five had no mention to speak of. That is not fair. That is not right. If it is a soldiers' paper, it should not do that. It is a misnomer. It is not a soldiers' paper at all. [Applause.] I have got the courage to say it, too, right here.

That paper—and its vice president has lent his name to it—solicited our dear old comrades, our crippled soldiers, and their widows, and they paid their money to the Bursum fund when they should have kept it at home. It is hard to say this, my comrades, but I am saying now what I think is for the best interests of the Grand Army of the Republic.

I can not vote for a man—I care not what his record has been—who through a newspaper will give his name to securing money from our comrades and their widows for such a purpose. It is not right. It is against our regulations.

I am only going to say those things which are true. "It is a matter of record, and admitted by Senator Bursum's counsel, that he received more than $23,000 in contributions through the National Tribune." Whose money was it? It belonged to the old soldiers and their widows, poorly able to pay such a vast sum of money for political purposes for a defeated candidate to enter a contest for a seat in the United States Senate.

And it has been since found out that every member of the committee on elections voted against that contest, and finally, when presented to the Senate, every man there voted against it. There never was a moment when there was a chance for Bursum to get into the Senate.

"His counsel also stated that he spent in his own case and in the gubernatorial contest about $8,000; that he also spent about $3,000 for expenses."

"Bursum's counsel also admitted that there was $10,000 of this money received from the National Tribune unaccounted for."

Those are facts, my comrades. As I say, it is not pleasant to state them; and if there is only one vote, I am glad there is one man who can say these things. If there is only one vote, it will not be for the comrade who has done this.

I want to say one further word in nominating my candidate. If you believe as I do and you believe this thing is wrong, I want you to vote for Walsh of Wisconsin. [Applause.] He is in every way qualified for the office; entered the Army at 15, has a fine record. I don't know as it is any great honor to have a good record in the Army; you all have got good records, so far as I know.

I hope you will look at this matter as I do. Just remember that the National Tribune is not the soldiers' paper; it does not work for the soldier, it works them. [Applause.]

MEDICINAL SPIRITS

Mr. SNELL, chairman of the Committee on Rules, by direction of that committee, presented a privileged resolution (H. Res. 432) on the bill (H. R. 17130) to conserve the revenues from medicinal spirits and provide for the effective Government control of such spirits, to prevent the evasion of taxes, and for other purposes, which was referred to the House Calendar and ordered printed.

M'NARY-HAUGEN BILL

Mr. HAUGEN. Mr. Speaker, I ask unanimous consent for a reprint of the farm relief bill as passed by the House. My understanding is that the supply is exhausted and there is none available in the document room.

Mr. EDWARDS. Reserving the right to object, Mr. Speaker, how many is the gentleman going to have printed?

Mr. HAUGEN. The usual number, 2,500.

Mr. EDWARDS. Why does not the gentleman have an extra amount printed in view of the fact we are getting so many requests for them?

Mr. HAUGEN. How many would the gentleman suggest?

Mr. EDWARDS. The folks down my way want to know how much equalization fee they are going to have to pay on cotton. [Laughter and applause.]

Mr. HAUGEN. If they read the bill, they will know all about it.

Mr. EDWARDS. The bill does not give them that information. I would like to have some report or some statement to go out with the bill.

Mr. HOWARD. Why not make it 5,000?

The SPEAKER. The gentleman from Iowa asks unanimous consent that there be printed 2,500 additional copies of the McNary-Haugen bill——

Mr. EDWARDS. Reserving the right to object, Mr. Speaker, I do not think 2,500 is enough. I think it should be 5,000.

Mr. HAUGEN. Then I will make the request for 5,000.

Mr. BLANTON. The time may come when to have so many copies out in circulation will be embarrassing. [Laughter.]

The SPEAKER. The Chair is informed it is usual in cases where a large additional number of copies are to be printed that a concurrent resolution be passed providing for it. The Chair is in doubt as to whether this can be done by unanimous consent.

Mr. HAUGEN. I think the usual number is 2,500, or within a limitation of 8500.

The SPEAKER. Is there objection to the request of the gentleman from Iowa that 2,500 additional copies of the McNary-Haugen bill be printed?

Mr. BULWINKLE. Mr. Speaker, reserving the right to object, and I shall not object, but I would like to ask the gentleman from Iowa a question. Does the gentleman intend to let us have the same number of copies of the veto message, so we can send that out at the same time?

Mr. HAUGEN. That will be determined later.

Mr. BLANTON. Mr. Speaker, I reserve the right to object merely to call the gentleman's attention to the fact that the rule is, where you ask for more than the usual appropriation will provide for, it must go to the Committee on Printing.

Mr. HAUGEN. I am asking for the usual number, 2,500.

Mr. BLANTON. That is within the usual appropriation.

Mr. SNELL. That is within the usual appropriation of $500 allowed by law.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

NATIONAL ARBORETUM

Mr. PURNELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 1640) authorizing the Secretary of Agriculture to establish a national arboretum, and for other purposes.

The question was taken; and on a division (demanded by Mr. KINCHELOE) there were—ayes 130, noes 11.

Mr. KINCHELOE. Mr. Speaker, I object to the vote on the ground there is not a quorum present.

The SPEAKER. It is clear there is not a quorum present. The Doorkeeper will close the doors; the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 309, nays 31, not voting 92, as follows:

[Roll No. 33]

YEAS—309

Abernethy	Box	Corning	Foss
Ackerman	Boylan	Cox	Frear
Adkins	Briggs	Coyle	Free
Aldrich	Brigham	Crisp	Freeman
Allen	Browning	Crosser	French
Almon	Brumm	Crowther	Funk
Andresen	Buchanan	Cullen	Furlow
Andrew	Bulwinkle	Dallinger	Gambrill
Arentz	Burtness	Darrow	Gardner, Ind.
Arnold	Burton	Davenport	Gifford
Aswell	Busby	Davey	Gilbert
Auf der Heide	Butler	Davis	Goodwin
Ayres	Byrns	Deal	Graham
Bacharach	Campbell	Denison	Green, Fla.
Bachmann	Canfield	Dickinson, Iowa	Green, Iowa
Bacon	Cannon	Dickinson, Mo.	Greenwood
Bailey	Carew	Doughton	Griest
Bankhead	Carpenter	Douglass	Griffin
Barbour	Carter, Calif.	Dowell	Hadley
Beck	Carter, Okla.	Dyer	Hale
Beedy	Chalmers	Elliott	Hall, Ind.
Beers	Chindblom	Ellis	Hall, N. Dak.
Begg	Christopherson	Eslick	Hammer
Bell	Cochran	Esterly	Hardy
Berger	Cole	Evans	Harrison
Black, N. Y.	Collier	Fairchild	Haugen
Black, Tex.	Colton	Fenn	Hawley
Bland	Connery	Fisher	Hayden
Blanton	Connolly, Pa.	Fitzgerald, W. T.	Hersey
Bloom	Cooper, Ohio	Fletcher	Hickey
Bowman	Cooper, Wis.	Fort	Hill, Ala.
Hill, Md.	McKeown	Quin	Taylor, Tenn.
Hoch	McLaughlin, Mich.	Ragon	Taylor, W. Va.
Hogg	McLeod	Rainey	Temple
Holaday	McReynolds	Ramseyer	Thatcher
Hooper	McSweeney	Rankin	Thomas
Houston	MacGregor	Ransley	Thompson
Howard	Magee, N. Y.	Rathbone	Tillman
Hudson	Magrady	Rayburn	Tilson
Hudspeth	Major	Reece	Timberlake
Hull, Tenn.	Manlove	Reed, N. Y.	Tinkham
Hull, Morton D.	Mapes	Reid, Ill.	Tolley
Hull, William E.	Martin, La.	Robinson, Iowa	Treadway
Irwin	Martin, Mass.	Robsion, Ky.	Underwood
James	Menges	Rogers	Updike
Jenkins	Merritt	Sabath	Upshaw
Johnson, Ind.	Michaelson	Sanders, N. Y.	Vaile
Kahn	Michener	Sandlin	Vestal
Kearns	Miller	Schafer	Vincent, Mich.
Keller	Milligan	Schneider	Vinson, Ga.
Kelly	Montague	Scott	Vinson, Ky.
Kemp	Montgomery	Sears, Fla.	Voigt
Kerr	Mooney	Seger	Wainwright
Ketcham	Moore, Ky..	Shreve	Warren
Kiefner	Moore, Ohio	Simmons	Wason
Kiess	Moore, Va.	Sinclair	Watres
Kindred	Morrow	Sinnott	Weaver
Kirk	Murphy	Smith	Welch, Calif.
Kopp	Nelson, Me.	Smithwick	Wheeler
Kurtz	Nelson, Mo.	Snell	White, Kans.
Kvale	Nelson, Wis.	Somers, N. Y.	White, Me.
LaGuardia	Newton, Minn.	Speaks	Whitehead
Lampert	Norton	Spearing	Whittington
Lanham	O'Connell, N. Y.	Sproul, Ill.	Williams, Ill.
Larsen	O'Connell, R. I.	Sproul, Kans.	Williams, Tex.
Lazaro	O'Connor, La.	Stalker	Williamson
Leatherwood	Oldfield	Stobbs	Wilson, La.
Leavitt	Oliver, Ala.	Strong, Kans.	Winter
Lehlbach	Oliver, N. Y.	Strong, Pa.	Wolverton
Letts	Parker	Summers, Wash.	Woodruff
Lindsay	Patterson	Sumners, Tex.	Wright
Lineberger	Peavey	Swank	Wurzbach
Linthicum	Peery	Sweet	Wyant
Little	Perkins	Swing	Yates
Lowrey	Porter	Swoope	Zihlman
Luce	Pou	Taber	
Lyon	Prall	Taylor, Colo.	
McFadden	Purnell	Taylor, N. J.	

NAYS—31

Allgood	Hastings	Lozier	Rutherford
Chapman	Hill, Wash.	McSwain	Sanders, Tex.
Connally, Tex.	Huddleston	Morehead	Shallenberger
Driver	Johnson, Ky.	Parks	Steagall
Edwards	Johnson, Tex.	Reed, Ark.	Stevenson
Garrett, Tex.	Jones	Romjue	Tucker
Gasque	Kincheloe	Rouse	Wilson, Miss.
Hare	Lankford	Rubey	

NOT VOTING—92

Anthony	Doyle	Johnson, S. Dak.	Pratt
Appleby	Drane	Johnson, Wash.	Quayle
Barkley	Drewry	Kendall	Rowbottom
Bixler	Eaton	King	Sears, Nebr.
Boies	Englebright	Knutson	Sosnowski
Bowles	Faust	Kunz	Stedman
Bowling	Fish	Lea, Calif.	Strother
Brand, Ga.	Fitzgerald, Roy G.	Lee, Ga.	Sullivan
Brand, Ohio	Fredericks	McClintic	Swartz
Britten	Frothingham	McDuffie	Thurston
Browne	Fulmer	McLaughlin, Nebr.	Tincher
Burdick	Gallivan	McMillan	Tydings
Carss	Garber	Madden	Underhill
Celler	Garner, Tex.	Magee, Pa.	Vare
Clague	Garrett, Tenn.	Mansfield	Walters
Cleary	Gibson	Mead	Watson
Collins	Glynn	Mills	Wefald
Cramton	Golder	Morgan	Weller
Crumpacker	Goldsborough	Morin	Welsh, Pa.
Curry	Gorman	Newton, Mo.	Wingo
Dempsey	Jacobstein	O'Connor, N. Y.	Wood
Dickstein	Jeffers	Perlman	Woodrum
Dominick	Johnson, Ill.	Phillips	Woodyard

So the motion of Mr. PURNELL was agreed to.

The following pairs were announced:

Mr. Frothingham (for) with Mr. Fulmer (against).

Mr. Crumpacker (for) with Mr. McMillan (against).

General pairs:

Mr. Newton of Missouri with Mr. Dominick.

Mr. Anthony with Mr. Garner of Texas.

Mr. Johnson of Washington with Mr. McClintic.

Mr. Madden with Mr. Garrett of Tennessee.

Mr. Britten with Mr. Wingo.

Mr. Mills with Mr. Barkley.

Mr. Clague with Mr. Tydings.

Mr. Eaton with Mr. Drewry.

Mr. Faust with Mr. Mead.

Mr. Cramton with Mr. Stedman.

Mr. Golder with Mr. Quayle.

Mr. Johnson of Illinois with Mr. O'Connor of New York.

Mr. Welsh of Pennsylvania with Mr. Mansfield.

Mr. Johnson of South Dakota with Mr. Kunz.

Mr. Wood with Mr. McDuffie.

Mr. Rowbottom with Mr. Lee of Georgia.

Mr. Vare with Mr. Jeffers.

Mr. Underhill with Mr. Gallivan.

Mr. Perlman with Mr. Doyle.

Mr. Morin with Mr. Collins.

Mr. McLaughlin of Nebraska with Mr. Brand of Georgia.

Mr. Bowles with Mr. Woodrum.

Mr. Kendall with Mr. Celler.

Mr. Curry with Mr. Drane.

Mr. Dempsey with Mr. Cleary.

Mr. Woodyard with Mr. Goldsborough.

Mr. Watson with Mr. Jacobstein.
Mr. Gibson with Mr. Sullivan.
Mr. Englebright with Mr. Carss.
Mr. Brand of Ohio with Mr. Dickstein.
Mr. Pratt with Mr. Weller.
Mr. Sosnowski with Mr. Wefald.

The result of the vote was announced as above recorded.

The House resolved itself into Committee of the Whole House on the state of the Union with Mr. DICKINSON of Iowa in the chair.

Mr. PURNELL. Mr. Chairman, how much time is there remaining?

The CHAIRMAN. The gentleman from Indiana has 36 minutes left and the gentleman from Kentucky [Mr. KINCHELOE] has one hour.

Mr. EDWARDS. A parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. EDWARDS. Is debate to be confined to the bill in general debate?

The CHAIRMAN. According to the rule, it is confined to the bill.

Mr. KINCHELOE. Mr. Chairman and gentlemen of the committee, I am against this bill and have been all the time. I think it is an indefensible appropriation, taking $300,000 out of the Treasury for an arboretum that we do not need. But I understand that those in charge of the bill are willing to accept an amendment that will be offered by the gentleman from Nebraska [Mr. SIMMONS], which provides that this land as a whole shall not bring in excess of 25 per cent of its assessed value. If that is to be the agreement, as far as I am concerned, I do not intend to obstruct the consideration of the bill any further.

Mr. SEARS of Florida. Will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. SEARS of Florida. I have been informed—I do not know whether it is the fact or not—that the assessment of certain property in the District this year has been raised because of the expectation of its being sold to the Government. I do not know whether it relates to this land or not, but if that is true, putting this amendment into this bill would not save the Government one penny.

Mr. KINCHELOE. I would not imagine that they would assess land in that way in anticipation of a bill that was not before the House and not reported out of the committee.

Mr. PURNELL. Mr. Chairman, there was so much confusion on the floor that we could not hear what the gentleman from Florida said.

Mr. SEARS of Florida. The gentleman from Kentucky said that if a certain amendment that had been suggested was agreed to he would not oppose the bill. I called his attention to the fact that I understood that assessments on certain property in the District this year had been raised because they expected to sell that property to the Government. I do not know whether it refers to this land or not.

Mr. PURNELL. The gentleman is not correct as far as this property is concerned.

Mr. KINCHELOE. The gentleman from Florida is mistaken as to what I said. I am against the bill, but I am not going to obstruct the consideration of it if it is understood that the amendment to be offered by the gentleman from Nebraska is to be agreed to.

Mr. PURNELL. There was so much confusion on the floor that I did not understand what the gentleman from Kentucky said, but if I understood the gentleman, he said that the amendment which is to be offered by the gentleman from Nebraska [Mr. SIMMONS] will provide that the purchase price shall not exceed 25 per cent of the total assessed value of the property. If that is the amendment the gentleman purposes to offer, and that is the bone of contention, we will accept it.

Mr. KINCHELOE. As far as I am concerned I do not want to obstruct the consideration of the bill. I have promised to yield to the gentleman from Texas 10 minutes.

Mr. PURNELL. I have promised to yield time to several gentlemen, but I will curtail that as much as possible. I suggest that the gentleman yield to some one now, and I will reserve the balance of my time.

Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. MENGES].

Mr. MENGES. Mr. Chairman and gentlemen of the committee, I was requested by the proponents of this legislation to go out to Mount Hamilton and examine the soil of that proposition. That was probably more than a year ago. I found that the soil is a composition of what in the ages gone by came down from what was at that time the highest mountain system of this continent—the old South Mountain. That happened when the shore of the ocean was some place around Washington—it may have been a little farther up the river; I am not sure. I was not around at that time.

Now, because of that condition this soil is what might be called alluvial soil. It is quite rich in potash and is rich in some other fertilizing elements, but it has not very much bottom to it.

What I mean by that is that the fertility that is made available in this soil unless there is a growing plant on it to take up the fertility as it is made available, that fertility goes down beyond the reach of the roots of growing plants.

In order that the fertility of this soil may be made useful, there must be growing plants upon the land. That is the condition largely existing on this property at this time. It is in forest, and that forest is composed of hardwood. The white oak grows there, one of the most exacting trees so far as fertility is concerned that we have. It does not grow in any but the very best soil. We do not find white-oak trees growing where there is not a large supply of lime and potash; neither where there is little but lime or potash in the soil. Some fair specimens but not many upland hickory trees are growing there—and the black oak, the red oak, the sweet gum, and some dead chestnuts. The chestnut would naturally grow on this land if it were not that it had been destroyed by the chestnut blight. That makes the soil comparatively valuable for forestry. It is very necessary that something should be done to develop the forest tree or a number of forest trees that are adapted for the Piedmont district.

By the Piedmont district I mean the district that lies east of the mountains between the ocean and the south mountains, which is called geologically, as I remember it, the Piedmont district. It is very necessary that there should be a tree or a species of tree developed that will thrive in this kind of soil, and why? Because there are thousands of acres of this land which are not adapted for anything else than the growth of forests.

I said a little while ago that the white oak grows there. The chestnut, the black oak, the hickory also grow there. They are the more exacting of the trees, so far as soil requirements are concerned.

Mr. SPEAKS. And also the walnut?

Mr. MENGES. Yes.

Mr. ALMON. Will the gentleman explain how this arboretum can be made useful for the benefit of this area?

Mr. MENGES. In a few moments. The first question that comes up is, What kind of trees do we want? We want, first, fast-growing trees which produce a decay-resisting timber. Second, we want an insect-resisting and a fungous-immune, hardwood, fast-growing tree. Can we get that kind of tree, or do we have it? We had it in the chestnut. It is one of the most valuable trees that ever existed. It is fast growing, it is comparatively insect immune, and why? It is insect immune because the bark and the wood of the chestnut tree contains a large percentage of tannic acid, and the insects or borers that get into the wood do not like tannic acid, and the consequence is that they stay out. However, the chestnut is not a fungous-immune tree. The imported chestnut blight, a fungous disease, destroyed the entire crop of chestnut trees which we had here in the Appalachian Mountains.

Mr. KINDRED. Mr. Chairman, will the gentleman yield?

Mr. MENGES. Yes.

Mr. KINDRED. The gentleman is speaking of the insect that destroys the chestnut trees and, as I understand him, it is immune from different insects?

Mr. MENGES. No; I did not say that. I said the chestnut tree was comparatively immune or resistant to insect infection and I stated why, but not immune to fungous infection. Both the bark and the wood of the chestnut tree contain a large percentage of tannic acid, and the borers that infect the tree do not like tannic acid. However, the chestnut tree is not fungous immune. It is attacked by a chestnut blight, which is a fungous disease, and that has destroyed the entire chestnut-tree crop of the Appalachian district.

Mr. KINDRED. Is it not a fact that other classes of trees are in this same category?

Mr. MENGES. There are other classes of trees that are in the same category, but not as valuable as the chestnut that I know of.

Mr. KINDRED. Is it not a fact that in the middle South the peach tree is in a similar category?

Mr. MENGES. I will give the gentleman the reason for that in a few moments. There is another reason for the peach tree being comparatively insect immune. I want now to refer to another species of tree, and that is the white locust. It is a fast-growing and weather resisting wood-producing tree, which

is comparatively immune to fungous diseases. However, it is attacked by an insect, and that insect is what is known as the locust borer. It destroys this most valuable tree. The locust tree has a very small amount of tannic acid, and the borer delights in getting into the wood of a tree of that kind. The gentleman from Alabama [Mr. ALMON] asks how this arboretum could be used for the development of trees that would be adapted to this kind of soil I am talking about, which exists here in the Piedmont district. This is our idea about it. We can in all probability take this chestnut tree which has been produced here and render it immune to the infection of this chestnut blight.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. KINCHELOE. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, remembering the history of this proposition for the last 10 years, not as an arboretum, but through all of its various changes and suggestions, I am reminded of that verse—

> For ways that are dark and tricks that are vain
> The heathen Chinee is peculiar.

That is applicable to the real-estate history of this proposal. This arboretum part of it is just a final resort to get the matter through Congress. The few speculators who got hold of some of this property and those interested with them, and who have been interested with them for a long time to get just as much out of the Treasury of the United States as possible, first came to Congress with their bill to establish a park, one of the many parks in the National Capital. Then they asked a tremendous profit for the land. There was only a local Washington city interest in it at that time. There was no pretense of benefiting the whole people of the United States other than making a new park in this particular section of the city. That bill was defeated here on the floor of the House time after time and year after year. My friend from Texas [Mr. BLACK], who sits here, frequently helped to defeat that bill.

I can see other Members here who helped do it. It was defeated, and it was finally found out that they could not put that over Congress.

Then what happened? They came in with a national park bill, which provided that there should be expended here in the Nation's Capital every year as much as $1,100,000 out of the Federal Treasury for park purposes, and that was pending before the committee for months, and the same interests that are behind this pending bill were behind that bill. They hoped to sell this land through it. They finally got a favorable report on that bill, and it became a law. They expected that some of the same owners who are trying to put this land over on the Government might persuade the Committee on Appropriations to appropriate money enough to buy their property, but they could not put it over on MARTIN B. MADDEN then, and they have not been able to do it yet.

Then, as a final resort, knowing that they could not get it over in any other way, they thought of this arboretum proposition. They went to the scientists down here in the Department of Agriculture and got them interested, and got them to make a report to Congress to the effect that they needed an arboretum here in the National Capital. Then they got the help of a very distinguished and worthy woman in Washington, connected with one of our big papers, to put it over, and she, working through public pride and sentiment, has aided in putting it over. Speculators have used her influence to help them get a bill across that would help them sell the land that they could not get across without her help.

Now, I am not against arboretums. I am for them. Do you know how many acres of ground this Government owns—how many million acres of ground? Many millions of acres of splendid land, scattered all over the United States. Yet here we are asked to spend $300,000 to help these people sell 300 acres of land which they acquired for speculative purposes and which they desire to unload on the Government.

Mr. BLACK of Texas. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BLACK of Texas. It is also true, as I understand it, that the Department of Agriculture now has in operation in every section of the country forestry experiment stations.

Mr. BLANTON. Certainly. And this bill duplicates work now being done in many States by the Government.

Mr. BLACK of Texas. In other words, they have in the different States established experiment stations to carry on work of this very kind.

Mr. BLANTON. Certainly they have. But they have a provision included here that gets around that. They have a provision included here to the effect that this shall be separate and distinct from all those other bureaus in the Department of Agriculture.

Mr. SHALLENBERGER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. SHALLENBERGER. Are not some of the inhabitants on these lands employed in the Capital? The other people of the country would not have much advantage from that?

Mr. BLANTON. Yes. I wish the gentlemen here would investigate just how much benefit their constituents in their States are receiving from this experimental farm just across the Potomac River.

Mr. COLTON. Mr. Chairman, will the gentleman yield there?

Mr. BLANTON. Yes.

Mr. COLTON. Assuming that this scheme is adopted, does the gentleman feel that the price of land would then be excessive?

Mr. BLANTON. For anything that the Government does need, the price is excessive when the Government buys it, no matter at what price it buys it. If the Government does not need it, it is an extravagance. And I want to say right now that much misinformation is going out to the people all over the United States, trying to make them believe that this present administration is one of the most economical administrations that we have ever had—one of the most economical. Yet a few of us who have studied the manner of the expenditure of public money by various administrations here for the past 10 years know that it is one of the most extravagant we have ever had. I could mention innumerable instances of that if I had the time, showing the extravagance of this administration; and I say that with all due respect to my colleagues on the other side.

Mr. HASTINGS. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. HASTINGS. I want to call the attention of the gentleman from Texas to the method followed in enacting this legislation. This is a Senate bill. All of the original Senate bill is stricken out and a new amendment is added inserting the House bill. Now, from a hurried reading, I do not see much difference in sections 1, 2, and 3 between the Senate bill and the first three sections of the House amendment; but it would throw the whole thing into conference and give the conferees complete jurisdiction over the subject, and allow them to write almost a new bill?

Mr. BLANTON. Yes; almost anything in the world could be put in there.

Mr. JOHNSON of Texas. Can the gentleman give us an approximate idea of the amount of money authorized to be expended in the District of Columbia?

Mr. BLANTON. For park purposes $1,100,000 annually, with $600,000 already appropriated for the present fiscal year. And an additional $25,000,000 has recently been authorized to buy the triangle.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. May I have five minutes more?

Mr. KINCHELOE. I yield to the gentleman five minutes more.

Mr. BLANTON. I have been interrupted frequently.

Mr. PURNELL. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I will if you will let me yield in your time and not in mine, and you will yield me two minutes additional to the five minutes just yielded me.

Mr. PURNELL. I will yield you one minute.

Mr. BLANTON. The gentleman from Indiana yields me one additional minute, Mr. Chairman.

Mr. PURNELL. In answer to the inquiry of the gentleman from Oklahoma [Mr. HASTINGS], if he will give strict heed to the reading of section 1 of the Senate bill, as compared with the new section 1, he will see that the park feature and the recreational feature have been stricken out of the Senate bill, so that the House bill makes it purely and strictly an arboretum.

Mr. HASTINGS. What is the difference between sections 2 and 3?

Mr. BLANTON. I will show you the heart of the whole proposition, so far as this Washington influence is concerned, outside of the speculative influence. If you will look on page 4 of the report, under subdivision 9 you will see that here is one of the purposes:

> The national arboretum at Washington would constitute an outdoor recreational area of 800 acres.

Yes; an outdoor recreational area of 800 acres. Now, if an outdoor recreational area of 800 acres is necessary, I would

say "Amen" to it and help to pass this bill. But remember you have all the splendid Potomac Park here, with its large acreage reclaimed at great expense by the Government, every foot of which is owned by the Government and every foot of which is daily enjoyed by the people here; when you have this magnificent Rock Creek Park area, extending for almost 10 miles north and south, with all of its magnificent area for recreational purposes; and when you have the other parks here, numerous parks, big and little, altogether numbering nearly 1,200 in this city for recreational purposes, I want to say right now it is not fair to the other people of the United States in the 48 States to create another recreational outdoor area of 800 acres in Washington.

Mr. SIMMONS. Will the gentleman yield?

Mr. BLANTON. I yield for a question.

Mr. SIMMONS. The difference is that in this case the Federal Government pays for it and the District gets the benefit of it.

Mr. BLANTON. Yes. The Federal Government pays every dollar of it, and under this bill the Federal Government will be required to pay every dollar of its upkeep in the future, and you will find the very people here in Washington, for whose recreational outdoor benefit you are creating this new 800-acre national arboretum, coming in here later on and asking that the $9,000,000 appropriation that is taken out of the Treasury every year for their special benefit be increased, because you have appropriated for and acquired all these 800 acres, and therefore you ought to pay more taxes because you own it. Is that right? Is it fair to your constituents back home?

You talk about granting some relief to the farmers in the bill you have put through on Congress, when you said you were not going to allow any other bill to pass, that Congress had to take it or nothing, and you went through the farce of sending it to the White House when you knew Calvin Coolidge is going to veto it within a day or two, when you knew you have not strength enough to pass it over his veto, and you know that when he vetoes it there will be no farm relief for the producers. You know that, and you have denied the farmers of the country any relief whatever, and yet at the same time, within 48 hours, you are trying to pass a bill to create an area of 800 acres more for the recreational pleasure of the people of Washington, at a cost to the taxpayers of $1,000 per acre.

Mr. PURNELL. Will the gentleman yield?

Mr. BLANTON. I will yield if the gentleman will yield me some more time.

Mr. PURNELL. The gentleman does not seriously contend that that is the purpose of this bill?

Mr. BLANTON. I can not yield further. I love Washington as much as any man in this House. I want to see it the most beautiful capital in the world. I will do as much for it as any man here. I have taken chances on injuring my health working and trying to bring about better conditions in my Nation's Capital. [Applause.] I have worked here day and night, when some of you were away on pleasure. I have worked for months in the summer time and I expect to work here three more months before I leave after you adjourn. But because I love Washington and because I want to see it the most beautiful capital in the world, I do not want to give the people here inside benefits that the rest of the people back in the States do not enjoy. I want the people back home to feel that we are not taxing them in order to give special privileges and special benefits to the favored few who happen to live here in the Nation's Capital, where everything is provided out of the Public Treasury for their pleasure and benefit. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. PURNELL. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. SWOOPE].

Mr. SWOOPE. Mr. Chairman and gentlemen of the committee, I want to call your attention for a very few minutes to House Joint Resolution No. 50, and as I have but a short time to speak I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

Mr. LINTHICUM. Mr. Chairman, reserving the right to object, is the gentleman intending to speak on this bill?

Mr. SWOOPE. No; I am not speaking on the arboretum bill.

Mr. LINTHICUM. Then, Mr. Chairman, I will have to object until the gentleman finishes his speech.

The CHAIRMAN. Objection is heard.

Mr. SWOOPE. Mr. Chairman, at the request of a number of patriotic organizations and societies, numbering altogether several hundred thousand members, I introduced in the last two Congresses House Joint Resolution No. 50, adopting The Star-Spangled Banner, words by Francis Scott Key and music by Samuel Roberts, as the national anthem.

Lately I have attended several patriotic meetings in Washington. I find that in some of them The Star-Spangled Banner is sung as the national anthem, while at others My Country, 'Tis of Thee is sung as the national anthem to the tune of God Save the King.

I think you will all agree with me that the United States of America should have a national anthem. I am not going to make any spread-eagle speech about it, but for over 100 years The Star-Spangled Banner, which grew out of the War of 1812, and was an inspiration of Francis Scott Key at the bombardment of Fort McHenry, near the city of Washington here, between Washington and Baltimore, has been used by millions of our people as a national anthem, and it seems particularly appropriate for that purpose. As Henry Watterson, the eloquent editor of the Louisville Courier Journal, once said, "It is the very child of battle, and it appeals to the heart of every patriotic American." I think whenever we hear it, we feel as if we, too, stood on the deck of that ship at the mouth of the Potomac, at the bombardment of Fort McHenry, and watched all the long night to see whether "our flag was still there"; and, therefore, at the request of a number of patriotic organizations, I introduced House Joint Resolution No. 50; and as this is my last chance to advocate it, I want to say just a word in its favor. As I have but a few minutes, I do not wish to take up your time with other matters, and I have asked permission to revise and extend my remarks in the RECORD, and I hope the gentleman will not object.

Mr. KVALE. Will the gentleman yield?

Mr. SWOOPE. Yes.

Mr. KVALE. The gentleman is in favor of taking the whole of The Star-Spangled Banner and not an emasculated edition of it, is he?

Mr. SWOOPE. The resolution provides for the words by Francis Scott Key and the music by Samuel Roberts.

Mr. KVALE. All four stanzas?

Mr. SWOOPE. Yes.

Mr. LINTHICUM. Will the gentleman yield?

Mr. SWOOPE. Certainly.

Mr. LINTHICUM. I want to say to the gentleman I shall certainly not object to his extending his remarks in the RECORD. I want also to say to him that the Government has now taken over Fort McHenry, where The Star-Spangled Banner was written, and, under an act passed during the last session, is placing it in the identical condition it was in at the time Key wrote The Star-Spangled Banner.

Mr. SWOOPE. I am glad to hear that.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

The matter referred to is as follows:

[From The Star-Spangled Banner, published under the auspices of the Congressional Library]

Opinions differ widely on the merits of The Star-Spangled Banner as a national song. Some critics fail to see in Francis Scott Key's inspired lines poetry of more than patriotic value. Some look upon it merely as a flag song, but not as a national hymn. Some criticize the melody for its excessive range, but others see no defects in The Star-Spangled Banner, and feel not less enthusiastic over its esthetic merits as a national song than over its sincere patriotic sentiment. This controversy will be decided, whether rightly or wrongly, by the American people regardless of critical analysis, legislative acts, or naive efforts to create national songs by prize competition.

The incidents surrounding the writing of The Star-Spangled Banner are most interesting. It seems, after the Battle of Bladensburg, when the main body of the British Army had passed through the town of Upper Marlboro, some stragglers, who had left the ranks to plunder or for some other motive, made their appearance from time to time, singly or in small squads; and a Doctor Beanes, who had previously been very hospitable to the British officers, put himself at the head of a small body of citizens to "pursue and make prisoners" of the stragglers. Information of this proceeding reached the British and Doctor Beanes was promptly seized. The British did not seem to regard him, and certainly did not treat him, as a prisoner of war, but as one who had deceived and broken faith with them. Doctor Beanes was the leading physician of his town and so highly respected that the news of his imprisonment filled his friends with alarm. They hastened to the headquarters of the English Army to solicit his release, but it was peremptorily refused, and they were informed that he had been carried as a prisoner on board the fleet.

Francis Scott Key happened to be one of the doctor's close friends. He was just then a volunteer in Major Peters's light artillery, but was a lawyer by profession, and was a resident of Georgetown, which means Washington. Being a man of ability, the other friends requested him to obtain the sanction of the Government to his going on board the admiral's ship, under a flag of truce, and endeavoring to procure the release of Doctor Beanes before the fleet sailed. Doctor Key readily agreed to undertake the mission and President Madison gave his sanction to it. Orders were immediately issued to the vessel usually employed as a cartel in the communications with the fleet in the Chesapeake to be made ready without delay, and Mr. John S. Skinner, who was agent for flags of truce and exchange of prisoners, was directed to accompany Mr. Key.

After the enemy had retreated from Baltimore, in about 10 days Mr. Key and Mr. Skinner returned to their friends, who were becoming uneasy at their prolonged absence, and gave the following account of their adventures:

They had found the British fleet at the mouth of the Potomac preparing for the expedition against Baltimore. They were cordially received by Admiral Cochran and the officers of the army as well as the navy. But when Mr. Key made known his business his application was received so coldly that he feared he would fail. They spoke harshly of Doctor Beanes and were at first disposed not to release him; but, fortunately, Mr. Skinner had letters from wounded British officers left at Bladensburg, in which they spoke of the constant kindness with which they were treated, and on these grounds, and on these only, they promised to release Doctor Beanes. At the same time Mr. Key was informed that neither he nor anyone else would be permitted to leave the fleet for some days, and must be detained until the attack on Baltimore which was about to be made was over.

Admiral Cochran apologized for not accommodating them on his own ship, as it was crowded with officers; he sent them to the frigate *Surprise*, which was commanded by his son. Mr. Key had an interview with Doctor Beanes, whom he found among the soldiers. Later he was released, and, with the two Americans, went to their own vessel, with a guard of soldiers and marines to prevent their landing. The ship was anchored in a position where they could see distinctly the flag at Fort McHenry from the deck of the vessel. Mr. Key and Mr. Skinner remained on deck during the night, watching every shell from the moment it was fired until it fell, listening with breathless interest to hear if an explosion followed. While the bombardment continued it was proof that the fort had not surrendered, but it suddenly ceased some time before day. They paced the deck the remainder of the night in painful anxiety, and before it was light they turned their glasses toward the fort in a vain effort to see. At length the day broke and they saw that "our flag was still there." Later they had word from the admiral that the attack on Baltimore had failed and they would be permitted to go ashore.

The first detailed and autheitic account of the origin of The Star-Spangled Banner practically comes from Francis Scott Key himself, who narrated it, shortly after the British designs on Baltimore had failed, to his brother-in-law, Mr. H. B. Taney, subsequently Chief Justice of our Supreme Court. He said he commenced it on the deck of the vessel, in the fervor of the moment, when he saw the enemy retreating to their ships, and looked at the flag he had watched for so anxiously as the morning opened. He had written some lines or brief notes that would aid him in calling them to mind on the back of a letter he had happened to have in his pocket, and he finished the poem on his way to shore. He said the next morning he showed the lines to Judge Nicholson, one of the leaders in Congress, who was so much pleased with them that he immediately sent them to a printer, and directed copies to be struck off in handbill form; and that he, Mr. Key, believed they were favorably received by the Baltimore public. The inspired words of the Star-Spangled Banner were written in September, 1814, and shortly afterwards were fitted to the tune of Anacreon in Heaven.

To Ferdinand Durang, a member of the Pennsylvania Volunteer Militia, which on August 1, 1814, left Harrisburg in defense of Baltimore, belongs the honor of having first sung Key's poem. While looking for music to suit the words he found and selected that of Anacreon in Heaven, a popular song of the day. By the time he had sung three verses the little hotel was full of people, who spontaneously joined in the chorus. The company was soon joined by the author of the words, who put the seal of his approval upon the tune. A few nights afterwards The Star-Spangled Banner was called for by the audience at the Halliday Theater, and was sung by a popular singer to the tune selected by Ferdinand Durang. As the Anacreon was a very popular melody, it is thought by many that the words were familiar to Mr. Key, and may have been a model for the involved meter and peculiar form of his great song; but it could only have been the words, as it is said he was unable to distinguish one tune from another. Old Hundred, Yankee Doodle, Hail Columbia, and The Star-Spangled Banner were the same to him. Upon the occasion of a visit to Tuscaloosa he was serenaded, and the local band naturally played the music of his famous song. To the great surprise and amusement of the gentlemen about him, he innocently remarked, "It was a very pretty tune," densely ignorant of the air they were playing. A daughter inherited the same lack of musical aptitude, and her daughter in turn; and in the fourth generation, a great granddaughter of the author of The Star-Spangled Banner has vainly tried for years to accomplish enough musical knowledge to know that tune when it is played.

This melody, with its unusual demand for range of voice, is hardly that of a folk song. Its characteristic quality is a stately enthusiastic and youthful optimism, which appeals strongly to the traditional hopefulness of the people of the United States. Every patriotic American would rejoice if it could be shown that The Star-Spangled Banner, in both words and music, was of American origin; but there is no reason why the citizens of the United States of America, founded by men of English, German, French, Irish, or other descent, should object to a foreign composer for the music of our great song. We do not know certainly where or by whom was written the music by which The Star-Spangled Banner has been and will be sung. No one knows.

It is a mystery. It may be English; it may be Irish; it may be French, or Italian, or German. The melody may have come down through the ages, probably through the troubadours. It may have been composed of Richard Cœur de Lion, who as a troubadour could compose and sing a good song and as a crusader could swing a mighty battle-ax in the cause of Christianity. Perhaps it was the very air that led to his release when made captive by the King of Germany on his return journey from the Crusades and immured for a year in a castle in a small town. But it stirs the blood of every man, woman, or child who hears its martial strains, regardless of his origin or the origin of the air. The United States of America officially is still without a national anthem. True, the Army and Navy use The Star-Spangled Banner officially. True, also, the majority of the people seem to favor and to sing The Star-Spangled Banner on patriotic occasions; but it is also true that the United States has not officially, through the Representatives in Senate and House of Congress, designated The Star-Spangled Banner or any other tune as a national anthem. As Henry Watterson so eloquently says: "God bless the flag! As the heart of McCallum More warmed to the tartan do our hearts warm to the flag."

[From Henry Watterson's address on "Francis Scott Key"]

Key's song was the very child of battle. It was rocked by cannon in the cradle of the deep. Its swaddling clothes were the Stars and Stripes its birth proclaimed. Its coming was heralded by shot and shell, and from its baptism of fire a Nation of freemen clasped it to its bosom. It was to be henceforth and forever "Freedom's Gloria in Excelsis. * * * Two or three began the song, millions join the chorus." * * *

The soldier's message to the soldier;
The hero's shibboleth in battle;
The patriot's solace in death.

Mr. PURNELL. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. ADKINS].

Mr. ADKINS. Mr. Chairman and gentlemen of the committee, I do not recall that there was anything mentioned before our committee that this was one of the "gray-haired patriots" that appears from year to year before legislative bodies and is turned down. I do not recall that anything of that nature came up. However, I do not think any man who thinks about the future development of our country and the conservation of our forests questions the wisdom of an arboretum, and the thought came to me when this matter was being presented to our committee that it should be taken away from the city a little ways, where the land would not have any particular social value, where the development would take place under more natural conditions and not surrounded by artificial development. I take it that in most of the land 10 or 15 or 20 miles out there is a diversity of soil such as you would find on this particular spot which could be bought for very much less money. I have visited our experiment farms out 12 or 15 miles and find they are very well adapted, and I take it anywhere in this locality the nature of the soil is such that 300 acres of land for an arboretum could be secured perhaps just as well adapted naturally as this land. I think there is where the "fly is in the ointment." At any rate, for an arboretum, I think, it would be very foolish, for that purpose alone, to go out and pay this large social value that this land has above its producing value for arboretum purposes.

Mr. JOHNSON of Texas. Will the gentleman yield?

Mr. ADKINS. I am sorry I have not the time.

But I concluded after hearing what was said that the proponents of this proposition considered that matter. I gathered also that the Government had another patch of land adjoining it and that by acquiring this tract the Government would have about 300 acres of additional recreational grounds, and that the proponents had decided that as we allow the citizens here no voice in their Government and as this is the National Capital, and as all other great centers of population acquire these outdoor spaces and see the necessity of them

as their population increases, it was simply good business to pay even this extra social value, which the land has, and not only have the additional recreational ground that should be provided here, as in other cities, but also utilize it for an arboretum as well.

This was the thought that came to my mind. If it was a proposition of buying it strictly for arboretum purposes, I would not look at it. It would be better business and better for the arboretum, considered alone, to go out here 15 or 20 miles and get the land that no doubt has such a diversity of soil and topography that it would serve the purpose just as well without paying this additional amount of money; but recognizing that various large municipalities are doing these things, having in mind that the Federal Government should look to the future of their Capital and should provide these outdoor facilities, as other cities provide them, I forgave the idea that we were paying a large amount for social purposes that could just as well be eliminated for practical arboretum purposes.

Mr. ROMJUE. Will the gentleman yield?

Mr. ADKINS. Yes.

Mr. ROMJUE. Why would not Rock Creek Park be a good place for this purpose?

Mr. ADKINS. I would not think from what little I have seen of Rock Creek Park that it would be very well adapted to this purpose. I think the land out in this locality, from what little I have seen of the land in going over the experiment farms which I have visited, would be a little better adapted for this purpose.

And in addition to that I think it is necessary to have these places for recreation for the people.

Mr. BLANTON. Will the gentleman yield?

Mr. ADKINS. Yes.

Mr. BLANTON. The gentleman is a most practical man. I have found that out. If we did not agree to pay $1,000 an acre for this land which you are going to do but put it out away from Washington, every one of these men who are behind the bill would lose his interest in the national arboretum.

Mr. ADKINS. I do not think there is any difference between the gentleman's viewpoint and mine as to the limiting a Government agency to one specific tract of land.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. KINCHELOE. Mr. Chairman, I yield five minutes to the gentleman from Oklahoma [Mr. HASTINGS.]

Mr. HASTINGS. Mr. Chairman, I would like to have the attention of the gentleman from Indiana in order that we may extend the colloquy that we had a few minutes ago. Since that time I have critically examined the bill. Let us see what is the difference in the sections. Look at line 4, section 1, and only three words are eliminated "a park and." Why did not the gentleman, in the consideration of the Senate bill, strike out the three words "a park and," run a line through it? Take section 2. The only change made from the House bill in the Senate bill is the first word "that" is cut out. Take the third section, and the only change made in that is the first word "that" is struck out. All of section 1, section 2, and section 3 are struck out and an entire new bill is added. What is the purpose of it?

Mr. PURNELL. Does the gentleman find any fault with the proposed bill?

Mr. HASTINGS. What I am talking about is the method of doing it. This throws the entire subject into conference. You are not bound by anything in either bill, it gives the conferees the widest jurisdiction. What I am charging now is that it gives the conferees complete and entire jurisdiction over the subject. You do not have to follow the language of the House bill, you do not have to follow the language of the Senate bill. What I fear is in this form of legislation, when the conferees get together in the closing days of the session they will rewrite an entirely new bill and not follow either the Senate bill or the House bill.

I notice in the report there is to be purchased 302.91 acres valued at $226,584. That is the assessed value. That makes this land over $700 an acre. I agree with other gentlemen here that if we are going to establish an arboretum, now that we have concrete roads leading out from Washington all over the country, a distance of 4 or 5 miles does not make much difference when we are using motor transportation, and why not go out 5 miles and buy land at $100 an acre instead of purchasing this high-priced land?

Mr. LINTHICUM. The gentleman could not buy land 5 miles out from Washington for less than $700 or $1,000 an acre.

Mr. HASTINGS. Does the gentleman mean to tell me that land within 15 or 20 miles of Washington will bring $700 or $1,000 an acre? In Oklahoma, out where they raise something, and in the great Middle West we can buy the very best fertile bottom land ranging from $50 to $200 an acre.

Mr. BLANTON. The figures the gentleman gave are the assessed value, but when we purchase this land we are going to pay $300,000 for it. That is $1,000 an acre. My friend from Maryland is mistaken. We have a colleague from Florida, who, I know, has bought a thousand acres of land in Maryland within 25 miles of Washington, and he has not paid over $100 an acre.

Mr. LINTHICUM. The land the gentleman from Oklahoma speaks of, if he will bring it here and put it within 5 miles of the city of Washington, we will give him $1,000 an acre for it.

Mr. HASTINGS. What I have been trying to impress on the committee is that 5 or 6 miles does not make much difference in the location of an arboretum when we have such good motor roads and motor transportation.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. PURNELL. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The gentleman from Indiana has 22 minutes, and the gentleman from Kentucky 36 minutes.

Mr. PURNELL. Mr. Chairman, I yield two minutes to the gentleman from Maryland [Mr. LINTHICUM].

Mr. LINTHICUM. Mr. Chairman, I am very much in favor of this bill to establish a national arboretum at Washington. I do not think great cities like Washington can get too much land within any reasonable distance of it for arboretums or park purposes. Take great cities like Chicago, St. Louis, New York, Baltimore—they are trying to get all of the land they can within a reasonable distance for park purposes. We have to provide for a hundred years to come. The other day I read a little article about New York City in connection with the great Baltimore & Ohio Railroad, which will celebrate its one hundredth anniversary in a few days. New York City in 1830 had a population of 222,000. It now has a population of 5,600,000. Baltimore city at that time had 80,000, and now it has 850,000. Washington then had hardly any population to speak of, but now has a population of 540,000. What does $300,000 mean to a great Government like the United States with which to provide an arboretum near the center of Washington, where the experts who are employed by the Agricultural Department can get to it readily? An experiment station a thousand miles away from Washington would depend solely upon the experts located there, but an arboretum close to Washington would have these men when they come to Washington, and they can be taken there easily, because it will be of easy access. I think it will mean a great deal not only to the city of Washington but to the Government of the United States; and with all due respect to my colleague from Texas [Mr. BLANTON], I can not understand, with his broad vision, how he can oppose a little matter of $300,000 for an arboretum and for recreation grounds near the city of Washington.

Mr. BLANTON. If Texas adjoined the District of Columbia I would be just like the gentleman from Maryland; I would be for paying out every dollar of the Public Treasury to upbuild Washington, because every person in the adjoining State would benefit thereby.

Mr. LINTHICUM. What I think the gentleman from Texas ought to do is to try to arrange for a roadway and parking system to connect the great cities of Washington and Baltimore and develop them along the lines that Paris and other European cities have developed their parking systems. [Applause.]

I am of the opinion that this arboretum would be of inestimable advantage to Washington and to the country at large. It would contain a great collection of trees and other outdoor plants for the purposes of education and scientific research. There would be trees, shrubs, and perennials used in both horticulture and forestry.

It would contain a water garden and a wild rice preserve; moreover, it would prove a good sanctuary for bird life and would add another breathing space for the great population of Washington, which is sure to follow.

The department tells us there would be experiments in the development of faster-growing timber trees, improved fruits, and disease-resistant plants. The location comprising the Mount Hamilton and Hickory Hill tracts, together with the Anacostia River flats above Benning Bridge, will prove an ideal location. It is convenient, consists of different soils, and what is more, these flats along the Anacostia River will be converted into solid land, adding not alone to the beauty of the locality, but by the removal of these marshes, will eliminate mosquito-breeding grounds and benefit the health of the community.

I consider it a very worthy measure, and hope it will pass. [Applause.]

Mr. KINCHELOE. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLACK].

Mr. BLACK of Texas. Mr. Chairman, I have the highest esteem for the gentleman from Maryland [Mr. LINTHICUM], but I have noticed that when it comes to spending money in the vicinity of Washington and his near-by State of Maryland, to be taken out of the public funds, he is not only very eloquent but very generous. [Applause.] Of course Congress has not only been liberal to the city of Washington, but I think that it has been very generous. At the last session of Congress it authorized an appropriation of $50,000,000 to be spent for public buildings in the city of Washington. At this session of Congress a bill has been passed that is now pending in the Senate authorizing the purchase of the land in the so-called triangle, south of Pennsylvania Avenue, at an expense of $25,000,000. I noticed one day this week an interview given by the gentleman from Vermont [Mr. GIBSON], in which he states that since the agitation for the purchase of the land in the so-called triangle a real-estate ring in the city of Washington has purchased it and are now holding it at $40,000,000. These things ought to appeal to the spirit of caution on the part of Members of Congress, who are here not to represent a real-estate ring in the city of Washington, not to represent a few newspapers in the city of Washington, but to represent the people of the United States. [Applause.] This bill ought to be defeated this afternoon. There is no need for it. It seeks to set up an aboretum in the city of Washington to do exactly what the Department of Agriculture is already doing at a dozen different places in the United States at the present time. We need not fool ourselves about this proposition. We need not even arouse any doubt in our minds. Take up the agricultural appropriation bill which we passed only a few days ago. On page 10 of the agricultural appropriation bill we find a provision for the Bureau of Plant Industry, and the appropriations are voted for all necessary expenses in the investigation of fruits, fruit trees, grain, cotton, tobacco, vegetables, grass, forage, drugs, medicinal, poisonous, fiber, and other plants and plant industries, in cooperation with other branches of the department and State experiment stations and practical farmers, for the erection of necessary farm buildings, and so forth, and then we find later that the total for the Bureau of Plant Industry amounts to $3,945,000.

Mr. BLANTON. And that is just for one year?

Mr. BLACK of Texas. For one year.

Mr. BLANTON. That is repeated every year.

Mr. BLACK of Texas. Yes. On page 14 of the bill we find an appropriation for the Forest Service to enable the Secretary of Agriculture to experiment and to continue investigations and report on national forests, forest fires, and lumber, and so forth, to the total amount for that service of $8,608,750.

Mr. BLANTON. And that is a regular annual appropriation.

Mr. BLACK of Texas. Yes. Not only that, but the Forest Service has 10 experiment stations situated in the different parts of the United States to do much of the very kind of work that they are supposed to do at this arboretum. Then we find the Bureau of Entomology, where an appropriation is made to investigate insects, bugs, and so forth, and for the promotion of economic entomology, investigating the history and habits of insects, injurious and beneficial to agriculture, horticulturists and the study of insects affecting the health of man and domestic animals, and so forth, to a total amount for that bureau of $3,078,000.

Mr. BLANTON. And that is a regular annual appropriation.

Mr. BLACK of Texas. That is a regular annual appropriation.

Mr. BLANTON. And $10,000,000 more the other day for the corn borer.

Mr. BLACK of Texas. Yes. And yet the framers of this bill have put a provision in it that the arboretum shall be administered by the Secretary of Agriculture separately from the agricultural, horticultural, and forestry stations of the Department of Agriculture.

I saw a statement in the paper the other day where the Governor of the State of Virginia, Governor Byrd, had urged the legislature of that State to see if it could not consolidate some of their bureaus and abolish some that they had, and thereby save money to the taxpayers of the State of Virginia. And yet this bill affirmatively commands the Secretary of Agriculture, "Do not put this work under any of the bureaus that you already have; administer it separately from any bureau you already have."

Mr. O'CONNOR of New York. Mr. Chairman, will the gentleman yield?

Mr. BLACK of Texas. Yes.

Mr. O'CONNOR of New York. Does the gentleman know that within a year we have reduced the number of bureaus in the government of the State of New York from 70 to 19?

Mr. BLACK of Texas. Yes. And the governor of the Empire State, Governor Al Smith, deserves great credit for his wisdom in having it done. [Applause.]

Mr. MOORE of Virginia. In that connection, if he has not yet done so, the gentleman might well name the distinguished Governor of Virginia to whom the attention of the country is now so generally being directed.

Mr. BLACK of Texas. Yes; Gov. Harry F. Byrd. The whole tendency of State governments now is to see if they can not consolidate some of their various bureaus and do away with some of those not needed. But by this bill you say to the Secretary of Agriculture, "Do not have this work done by any of your existing bureaus, but keep it separate and distinct." I shall oppose the bill because I believe it provides for an unnecessary expenditure of public funds and any unnecessary tax is an unjust tax. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. KINCHELOE. Mr. Chairman, I yield three minutes to the gentleman from Nebraska [Mr. SIMMONS].

The CHAIRMAN. The gentleman from Nebraska is recognized for three minutes.

Mr. SIMMONS. I notice the statement has been made that land could not be purchased in the State of Maryland within 10 miles of the District of Columbia for less than $1,000 an acre. To show that land is worth no more in Maryland than in Virginia I may say that we are buying 400 acres of land along the Potomac in Virginia for the District in the bill which just to-day passed the Senate for $25,000, or $60 an acre.

Mr. LINTHICUM. It always depends on which way you go to buy land for that price. I have no doubt you can buy land in Virginia for that price.

Mr. SIMMONS. We can.

Mr. BLANTON. And I can show you land within 10 miles of Washington that can be bought at $60 an acre.

Mr. MOORE of Virginia. May I ask the gentleman from Nebraska where that Virginia land is located? I do not know of any that can be bought at that price that near Washington.

Mr. SIMMONS. I think it is about 15 miles outside of Washington.

The CHAIRMAN. The gentleman from Kentucky [Mr. KINCHELOE] has 23 minutes left.

Mr. KINCHELOE. Mr. Chairman, I yield myself five minutes.

Mr. Chairman, I do not think there is a Member of this House who is more interested in the subject of reforestation than I am. The Committee on Agriculture, of which I have had the honor to be a member in the last few years, has done much constructive work along this line. That committee succeeded in passing the Weeks Act, which created a commission that bought many acres of land for the reforestation of hardwood timber throughout the United States.

The last Congress, I believe it was, passed the Clarke reforestation bill by unanimous report from the Committee on Agriculture. That act undertakes to reforest the lands of this country, regardless of the timber or the territory in the United States. I am one of the Members of Congress who believe that, next to the rehabilitation of agriculture in this country, reforestation is the greatest problem pending before the people of the United States for solution. I am in favor of reclaiming cut-over and unreclaimed lands all over the country for the benefit not only of the present generation but of all the generations yet to come.

Mr. WOODRUFF. Mr. Chairman, will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. WOODRUFF. Another thing the great Committee on Agriculture has done along this line in this Congress: It has reported out and passed the Woodruff bill, to give real effect to the Clarke-McNary bill.

Mr. KINCHELOE. Absolutely so.

Now, what is the proposition you have before you here? The gentleman from Michigan [Mr. KETCHAM] said, yesterday afternoon late, that the Committee on Agriculture is very strong for this bill. It is strong just in spots so far as the committee is concerned. You are asked to take $300,000 out of the Treasury of the United States to buy some marsh land here in the District of Columbia for the purpose of establishing an arboretum, and as the gentleman from Texas [Mr. BLACK] well says, practically every agricultural experiment station in the United States is doing that very work now, and Congress is always ready to encourage it. But when you take $300,000 out of the

Public Treasury and buy this land, you simply start on something else. Why not go out on our millions of acres of public domain and experiment in the growing of trees? If these agricultural experiment stations are not doing effective work, either for lack of appropriations or for lack of personnel, go and supplement their appropriations and give them additional help.

This propaganda started here in Washington. They are not satisfied with merely having you buy that land, but I want to call attention again to the matter pointed out by the gentleman from Texas [Mr. BLACK]. In section 3 of the Senate bill it is provided:

> The arboretum shall be administered by the Secretary of Agriculture separately from the agricultural, horticultural, and forestry stations of the Department of Agriculture, but it shall be so correlated with them as to bring about the most effective utilization of its facilities and discoveries.

They not only want to establish this arboretum here, but the people of the District of Columbia want to take it practically out of the hands of the Department of Agriculture and from these gentlemen in this department, who have given a lifetime study to this subject in order to administer it themselves.

There are some scientists here in Washington, some students of trees, who want to drive their Pierce-Arrow cars out on concrete roads to study trees and hear the birds sing.

I have nothing to serve here, and you have nothing to serve, except the public interest. You are asked to vote $300,000 of the money of the taxpayers of the United States out of the Federal Treasury to buy this land and establish this arboretum, and take it out of the hands of the existing bureaus of the Department of Agriculture and establish it here in Washington where these scientists living here may go out in their automobiles and listen to the songs of birds in the woods in the afternoon.

Do you help forestry in the United States in any way by establishing this arboretum? No. The propaganda comes here, and, so far as I am concerned, I do not propose to vote to take $300,000 of the taxpayers' money out of the Treasury of the United States for this purpose. [Applause.]

Mr. PURNELL. Mr. Chairman, I yield three minutes to the gentleman from Louisiana [Mr. ASWELL], if I have that much time remaining.

The CHAIRMAN. The gentleman from Indiana has 17 minutes remaining.

Mr. ASWELL. Mr. Chairman and gentlemen of the committee, I am heartily in favor of this bill, because it is to be made a clearing house for the research, experimentation, and study of trees. The great work that has been mentioned as being done by the several States needs a central clearing house for information.

I want to call the attention of the committee to one criticism that has been made repeatedly, that the Senate bill proposes that the arboretum be conducted separately from the other divisions of the Agricultural Department. Of course, it will be separately conducted; of necessity it will be separately conducted, because it is a separate business; it is a separate line of investigation; it is a separate line of research out and beyond anything that is being done now in the Department of Agriculture.

Mr. MOORE of Virginia. But it remains subject to the supervision and management of the Secretary of Agriculture.

Mr. ASWELL. It remains under the Department of Agriculture.

Mr. ABERNETHY. And it is recommended by the Agriculture Department, is it not?

Mr. ASWELL. Absolutely and unequivocally.

Mr. ABERNETHY. And no change has been made since their recommendation?

Mr. ASWELL. None whatever. The point I want to make is that the Secretary of Agriculture, the Department of Agriculture, and all those who are familiar with the purposes of this bill have represented that it will be under the Secretary of Agriculture, but that the work will be separately done, and of necessity it will be separately done.

Mr. COLE. Is there any work of this kind now being carried on in this country?

Mr. ASWELL. There is no national work of this kind now being carried on in this country, but I will say to the gentleman that every civilized country of the world has established this sort of effort in a national way. Gentlemen, I want to say just this one more word, that it is economical to put it in Washington where the experts are at hand, where no more money will be necessary for new salaries, and where no more money will be needed for transportation. There is no other place in America as suitable for it as here in the city of Washington, where it will be near the Department of Agriculture.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. PURNELL. Mr. Chairman, I ask unanimous consent that the committee amendment may be read in lieu of the Senate bill.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent that the committee amendment may be read in lieu of the Senate bill. Is there objection?

There was no objection.

The Clerk read as follows:

> That the Secretary of Agriculture is authorized and directed to establish and maintain a national arboretum for purposes of research and education concerning tree and plant life. For the purposes of this act, (1) the President is authorized to transfer to the jurisdiction of the Secretary of Agriculture by Executive order any land which now belongs to the United States within or adjacent to the District of Columbia located along the Anacostia River north of Benning Bridge, and (2) the Secretary of Agriculture is authorized in his discretion to acquire, within the limits of the appropriation authorized by this act by private purchase, condemnation proceedings, or gift, land so located or other land within or adjacent to the District of Columbia.

Mr. PURNELL. Mr. Chairman, I move to strike out the last word, and I only mean to make this one statement: I want to call the particular attention of the committee to the last two lines of the first section, which, it seems to me, in a degree at least, will answer the arguments and objections which have been made by a number of gentlemen who oppose this bill; that is, the Secretary of Agriculture is not compelled to buy this particular land in question, but, as is clearly provided in the last two lines of section 1, he may buy other lands within or adjacent to the District of Columbia.

Mr. SIMMONS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Nebraska offers an amendment, which the Clerk will report.

The Clerk read as follows:

> Amendment offered by Mr. SIMMONS: Page 3, line 8, after the word "Columbia," strike out the period and insert: "*Provided*, That the purchase price of said land shall not exceed the full-value assessment of such property last made before purchase thereof plus 25 per cent of such assessed value."

Mr. BURTON. May I ask the gentleman a question?

Mr. SIMMONS. Yes, sir.

Mr. BURTON. What does that mean? The purchase price in the aggregate or on each separate parcel?

Mr. SIMMONS. This amendment is so drafted that it refers to the purchase price in the aggregate of the land they buy.

Mr. PURNELL. Will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. PURNELL. With the understanding that the gentleman's amendment means that the purchase price shall not be more than the assessed valuation of the entire tract as a whole plus 25 per cent, we have no objection to the amendment.

Mr. SIMMONS. That is the interpretation I place on the language, Mr. Chairman.

Mr. PURNELL. And that will answer the question asked by the gentleman from Ohio. We do not want to deal with some 25 or 30 separate owners of property, but rather treat it as an entity.

Mr. LUCE. Will the gentleman yield?

Mr. SIMMONS. Yes.

Mr. LUCE. I think that can be clarified, if I caught the words of the amendment accurately, by inserting the words "total of." Mr. Chairman, may we have the amendment read once more?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The Clerk again read the amendment.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. SUMMERS of Washington. What is the object of inserting the words "before purchase thereof"? Why not make it the last assesssed value prior to this date?

Mr. SIMMONS. I will say to the gentleman that this is the language that has been carried in the District appropriation bill for the last two years.

Mr. SUMMERS of Washington. Suppose a new assessment is made between now and the time of the purchase of the land?

Mr. SIMMONS. There is a new assessment going into effect July 1 of this year.

Mr. SUMMERS of Washington. Has the assessment already been made?

Mr. SIMMONS. A tentative assessment, but the final figures have not been approved.

Mr. SUMMERS of Washington. Does the gentleman think it ought to apply to the assessment last made?

Mr. SIMMONS. I think it is proper to have it apply to the last assessment made. If the land there is too high priced, as the gentleman from Indiana [Mr. PURNELL] has pointed out, they can buy other land at a fair price.

Mr. LUCE. Mr. Chairman, if the gentleman will yield, I think it can be made perfectly clear by instead of saying "shall not exceed the full-value assessment of such property last made" the amendment read "shall not exceed the full-value assessment of the total of such property."

Mr. SIMMONS. No; it is the total of the property you are buying, and that is what the amendment provides now.

Mr. LUCE. I do not see why the insertion of the word "total" would affect that.

Mr. SIMMONS. It would just muddy it that much. This is the language we have carried in the District appropriation bill for the last two years, and it has caused no trouble in its interpretation.

Mr. LUCE. But here is a case, if I may further suggest, where there are 30 pieces of property involved, and I had understood the intent was that we were to add together the total assessments of the 30 pieces of property and then not spend more than 25 per cent in excess. Is not that the gentleman's purpose?

Mr. SIMMONS. Yes; that is what the amendment does.

Mr. LUCE. I still think it would be made clearer and beyond any question if we inserted the words "total of."

Mr. SIMMONS. I think it is clear as it is, without any question, and it is language that has been passed on during the last two years.

Mr. LUCE. But has it not been passed on in respect of individual pieces of property? Has there been a lump-sum limitation, to the gentleman's knowledge, before this?

Mr. SIMMONS. Covering a big tract?

Mr. LUCE. Yes.

Mr. SIMMONS. I do not know that it has been applied in that way; no.

Mr. LUCE. I simply want to clarify and make beyond any question what Congress meant, in order that the Comptroller General may not raise the doubt.

Mr. SIMMONS. I think it is clear.

Mr. LUCE. I do not think it will hurt anything to put these words in, and to do so may save confusion.

Mr. SIMMONS. I would rather not accept that.

Mr. LUCE. Mr. Chairman, I move to amend the amendment by inserting the words "the total of" after the word "assessment."

The CHAIRMAN. The gentleman from Massachusetts offers an amendment to the amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. LUCE to the amendment offered by Mr. SIMMONS: After the word "of" following the word "assessment," where it appears the first time, insert the words "the total of."

Mr. KINCHELOE. Mr. Chairman, I ask unanimous consent that the Clerk read the amendment of the gentleman from Nebraska as amended for the information of the committee.

The CHAIRMAN. Without objection, the Clerk will read the amendment as proposed to be amended.

There was no objection.

The Clerk read as follows:

So, as amended, the amendment will read:

"*Provided*, That the purchase price of said land shall not exceed the full value assessment of the total of such property last made before purchase thereof plus 25 per cent of such assessed value."

Mr. LUCE. Mr. Chairman, the sole purpose of this amendment is to make definite what both the gentleman from Nebraska and myself understand, and it is put in to guard against any other possible construction by the Comptroller General. The gentleman from Nebraska [Mr. SIMMONS] tells me that this is the first instance, so far as he knows—and it is so far as I know—where attempt has been made to apply this principle to a bunch of properties. Here are 30 different lots; and it will be peculiarly open to erroneous construction in the office of the Comptroller General if we are not quite careful to make the language clear. I can not see that my amendment will at all impair what the gentleman from Nebraska desires, and it is possible it may save the day.

Mr. COLE. Will the gentleman yield?

Mr. LUCE. Certainly.

Mr. COLE. From the reading of the amendment as amended, suppose the purchase of this property should be delayed for a year or so and in the meantime a new assessment should be made on the land, the new assessment might be made higher than the one last made, and would it not follow that a fictitious price might be paid for this land?

Mr. LUCE. I do not think that is possible, because I am informed that unless this transaction goes through at once it will fall to the ground.

Mr. COLE. That is understood, is it?

Mr. LUCE. Yes.

Mr. FISHER. An arboretum which could be developed on the tract of land proposed in this bill would make the Department of Agriculture much more valuable to our country. It seems as essential to a well-prepared program for the future development of all plant growth in which the Government should take the lead. There would be opportunities to plant a permanent collection of trees and other outdoor-growing plants. This would give the large number of expert botanists now in the employ of the Department of Agriculture a place where there could be made a most thorough scientific study of all these valuable trees and plants. We are in need of more information in regard to the care, cultivation, and fertilization of trees. The fight made by the Government against insect pests and diseases which attack all plant growth has brought to our attention many problems which are left unsolved. As examples, we know the entire South can not now grow pear trees which produce desirable eating fruit because of a blight and those who grow pear trees are restricted to the blight-resisting variety, the fruit of which has to be cooked to be eaten. There is the chestnut blight, which continues to grow, and in its path of destruction there seem to-day no means or method of stopping it. The same is true of blackberry growing; many desirable varieties are subject to a rust and our experts advise digging up the bushes by the roots. I would not discount the studies being made now by our experts; but it is only reasonable to believe that if there was a large tract of land conveniently located and available for experiments the chance would be greater for solutions of these difficult problems.

Our forests, except those protected by the Government in parks or reservations, are gradually disappearing. The demand for timber increases all the time. The planting of trees to restore the forests is now being done in many parts of the country. In this work there is need of faster-growing trees, and experiments would bring things about. Hardwood trees are usually slow growing, and particularly are we familiar with the slow-growing walnut.

About 16 years ago the late Mr. Luther Burbank, in his lifetime the greatest of all plant growers, developed a fast-growing walnut tree, which in 15 years became a very large tree. The wood of one of the limbs was cut and put through all the necessary processes, and it developed that it was most excellent. He cared little for the troubles which came about in the distribution of plants, and this discovery has not become so well known as it should be. The Department of Agriculture has every advantage in an effort to place before those interested such a great contribution for the much-prized and fast-growing hardwood tree. The permanent trees in an arboretum would provide opportunities for the developement of faster-growing trees in all the desirable ones as well as to develop disease and insect-pest resistance.

The Government through its expert botanists have by hybridization developed many remarkable improvements in plants. The story of Dr. Frederick V. Coville in his very successful experiment with blueberry plants is well known, and thousands of these hybrid plants, producing very much larger and better berries, are being sold to-day. The late Doctor Van Fleet through his work, much of which was done on a small rented farm in Maryland, brought about new varieties of roses which to-day are being planted in nearly all the gardens of every rose lover in our country. Recently two of his great rose productions were offered for sale through the Rose Society of America, and great praise of them has been given because of their beauty. He produced a new raspberry, and trials are being given to the results of his last efforts to produce a blight-resistant edible pear.

There are now many efficient scientific botanists in the Department of Agriculture, who, if given a wider field, will no doubt bring about many improvements in all worth-while plant growth. Another great service which an arboretum would give is that it would be an excellent place for the permanent planting of the thousands of plants introduced to this country from foreign countries by the foreign-seed and plant-introduction section of the Department of Agriculture. The procedure now, because of a lack of a permanent place to plant them, is to distribute these plants after a short period of trial at their several nurseries, relying on those who receive them to grow them and

report the progress made. It would be a much safer way to preserve these plants if they were planted in a permanent place where they could have the observation of well-trained men.

Still another great service would be rendered by the proposed planting in an arboretum of all the different trees and plants which would grow in this climate. In this way there would be established a proper standard of names for identification, which is badly needed at this time; a great confusion now exists because florists disagree as to the proper names. Frequently lawsuits have been brought for failure of delivery of proper plants as ordered. The absence of an accurate standard makes a lawsuit difficult to prosecute, whereas a Government standard would be believed and relied upon.

It would bring about a better cooperation between the Department of Agriculture and the activities of many private and State institutions whose experiments have resulted in many contributions of great value in the problems of plant growth.

There is still a great field for investigation. Prof. L. H. Bailey, one of the most distinguished agriculturists in our country, stated in the hearings on this bill:

> Of the species of plants which we know not 10 per cent have been introduced to anything like adequate cultivation. There is probably not one species of plant which is very useful to man at the present time of which we have sufficient knowledge. We are only beginning to study the flora, the vegetable cover of the earth.

[Applause.]

Mr. HASTINGS. Mr. Chairman, I rise in opposition to the amendment to the amendment offered by the gentleman from Massachusetts. I am not going to be put in the attitude of opposing an arboretum, but I want it distinctly understood that I am opposed to the purchase of this tract of waste land that is not fit for anything else except to sell to the Government at an exorbitant price of $700 an acre.

Let us look at the practical administration of this amendment. I understand that there are 30 different tracts of land. How are you going to buy the land if the amendment to the amendment of the gentleman from Massachusetts prevails? How is the Government going to buy and close up all of these tracts of land under this amendment? You can not do it because you have got to wait until you get them all closed up in order to conform to the amendment to the amendment of the gentleman from Massachusetts. If you can not get a good title to even 1 acre of the land, that destroys the entire effort to purchase.

In other words, if it is right for 29 to only get assessed value, why is it not right for 30? I hope the amendment to the amendment will be voted down. I am heartily in favor of restricting it along the lines of the amendment of the gentleman from Nebraska.

Mr. LUCE. Mr. Chairman, it has been suggested to me that possibly to make clear my amendment the word "total" ought to be repeated, and I ask unanimous consent to so modify my amendment.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the modified amendment.

The Clerk read as follows:

> Amendment by Mr. LUCE: Insert the word "total" after the word "the" and before the word "purchase" so that as amended the lines will read: *Provided*, That the total purchase price of said land shall not exceed the full value assessment of the total of such property last made before purchase thereof, plus 25 per cent of such assessed value.

The CHAIRMAN. The question is first on the amendment of the gentleman from Massachusetts to the amendment of the gentleman from Nebraska.

The question was taken; and on a division (demanded by Mr. LUCE) there were—ayes 77, noes 21.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question now recurs on the amendment of the gentleman from Nebraska, as amended by the gentleman from Massachusetts.

The amendment was agreed to.

Mr. JONES. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

> Amendment by Mr. JONES: Page 2, line 2, after the word "States," strike out down to and including the figure "(2)" in line 4, and in line 7, after the word "land," strike out the remainder of the section and insert after the word "land" the words "suitable for such purpose."

Mr. JONES. Mr. Chairman, the effect of this amendment, without reference to the merits of the measure as such, is to strike out the provision which requires the location of this arboretum, if one is established, in the District of Columbia, so that it may be located wherever it is thought best to locate it. If an arboretum should be established, I do not understand why it should be necessarily located in the District of Columbia. I think there are a good many reasons why it should not be located here. In the first place, the climate here is not typical of the climate of the country generally. This is a low, humid climate, near the seacoast and near the sea level. I think that an arboretum, if it is to be established, should be located in some section of the country that is typical of all the country. I think some point in the Middle West would be much better as a location, rather than the District of Columbia. We already have nine forestry experiment stations, located at Asheville, N. C., New Orleans, La., Amherst, Mass., St. Paul, Minn., Missoula, Colorado Springs, Flagstaff, Berkeley, and Portland. A number of those have substations. Practically all of them have forest laboratories. At Madison, Wis., they have one of the finest forest products laboratories in the country. If we are going to establish an arboretum, national in character, I do not think it necessarily should be established in the District of Columbia. They are equipped at various places in the country, especially in sections of the country where there are vast quantities of public lands, to do this work just as well as here. Of course, the statement is made that we have the experts here. As a matter of fact, gentlemen, the experts who do the experimenting are located elsewhere rather than here.

They have the general experts here, and the clerks are here, but the real experimentation on the growth of trees and as to the use of trees is made in other sections of the country rather than in Washington. Why should it be located here? It seems to me it would be better to locate it somewhere else or to leave it so that it may be located at the best place. If the language written in the amendment that I have offered should be adopted, then it may be located wherever it is found it is best for the entire country and for experimenting for the kind of trees that should be grown in the entire country.

Mr. HASTINGS. Would that leave it within the discretion of the Secretary of Agriculture?

Mr. JONES. Yes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. JONES) there were—ayes 14, noes 72.

So the amendment was rejected.

Mr. BLANTON. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

> Amendment offered by Mr. BLANTON: Page 2, line 25, after the word "act," strike out all of subdivision (1) down to the word "the," in line 4, on page 3, and in line 7, on page 3, after the word "gift," strike out the balance of the paragraph and insert the following: "Suitable land located anywhere within the United States: *Provided*, That the location may be on lands now owned by the Government."

Mr. BLANTON. Mr. Chairman, the purpose of my amendment is to permit the Secretary of Agriculture to locate this arboretum on suitable land anywhere within the United States. If there is Government land suitable, he may locate it on same, and if within his judgment there is no suitable land now owned by the Government, he may then acquire suitable private land by condemnation, purchase, or gift anywhere within the United States, according to his best judgment, where it is most suitable. Why is not that a good amendment?

Mr. WILLIAM E. HULL. They might move it out to Texas.

Mr. BLANTON. I am not thinking about putting it down there. I am willing to put it in Illinois, in Iowa, or in California, or anywhere else. I want to put it in the best place, but I know just as well as I know that I am living, as a practical man, that you can buy suitable land for an arboretum for less than $1,000 an acre. I think it is absolutely silly for us to pay $1,000 an acre for 300 acres of land right here in the heart of the city of Washington, some of which at least has been acquired by speculators for the express purpose of unloading it onto the Government, and under their insistence they have been trying to unload it for as much as 10 years that I know of, when you can get suitable land in practically every State in the Union for not over $50 to $100 per acre.

Now, you gentlemen as practical men know that that is true. My friend from Virginia, Judge DEAL, has just called my attention to the fact that there is a lot of land suitable in many places in the United States that would be better and more suitable for this purpose which you can acquire for $10 an acre. That is his judgment, and he comes from the great State of Virginia. It almost shocked my good friend Judge MOORE when he found out that some land in Virginia had been sold to the Government for $65 an acre.

What is the use of our spending money to buy land at $1,000 an acre for an arboretum? We are asked to do it just because some speculators in the District of Columbia want to unload their land on the Government. Do you expect to be able to stand up before your farmers on the hustings and say to them, "Yes; I voted to spend $300,000 for 300 acres of land in Washington for an arboretum"? Will you go back and tell your constituents that?

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I did not believe you could get this proposition "by" the distinguished gentleman from New York [Mr. SNELL].

Mr. SNELL. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. SNELL. The gentleman has stated that this land has been secured by speculators for the purpose of unloading on the Government?

Mr. BLANTON. Yes; some of it. This proposition or a similar proposition respecting this land has been before our committee for 10 years past.

Mr. SNELL. Is it not a fact that a large part of this land has been owned by one estate and has not been transferred for many years—a majority of it?

Mr. BLANTON. I believe one estate owns some of this land.

Mr. SNELL. One estate owns a large majority of this land.

Mr. BLANTON. Yes; I think that may be true; but a whole lot of it has been acquired by speculators, and there has been a bill pending before the Committee on the District of Columbia for years. They tried it first as a park proposition, and then hoped to sell their land through the national park bill, and now it comes as an arboretum.

Mr. PURNELL. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. PURNELL. The original tract contained 400 acres, and 100 acres of it has been sold.

Mr. BLANTON. Yes. We have had a statement in regard to that. The gentleman from Massachusetts [Mr. LUCE], who knows more about arboretums and everything else than anybody else here—and I say that seriously——

Mr. PURNELL. You ought to follow him——

Mr. BLANTON. He says you do not need but 300 acres. He says the Arnold Arboretum in Massachusetts has only 250 acres, and that it is a splendid one. You already own in this vicinity 400 acres, owned by the Government. That is 100 acres more than sufficient. The gentleman from Massachusetts says that some of this 400-acre Government tract is swamp.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. I ask unanimous consent, Mr. Chairman, for two minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Suppose it is all swamp. Our Army engineers have drained every foot of Potomac Park land down here, between here and Haines Point, every foot of it is reclaimed land, reclaimed by the engineers out of the Anacostia and Potomac Rivers. It is not swamp. Some of the finest soil in the world is there. It is the finest soil in the world; the finest you ever saw. It will grow everything you plant on it. It would be a splendid arboretum itself. Every foot of that has been reclaimed out of the Anacostia and Potomac Rivers, and every foot of this other 400 acres now owned by the Government is now being reclaimed by engineers and drained, and it would be suitable for an arboretum. It would be 100 acres more than we need.

Why put in this bill that you shall acquire 300 acres at a cost of $1,000 an acre, or $300,000, when we already own 400 acres and only need 300 acres? No; you can not get this bill away from this real-estate proposition, this proposition of the land speculators and these land sharks here in Washington who unload on the Government and are becoming rich every year.

Oh, it is to become an outdoor recreation park! That is what the report on this bill says—an outdoor recreation park. It is to become a permanent home for the blackbirds. [Laughter.] That is what your report says. Talk to your farmers back home about providing a permanent home for the blackbirds at a cost of $1,000 an acre, and I know what your farmers will say about that. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. ALMON. Mr. Chairman, I am in favor of this bill and am opposed to the amendment of the gentleman from Texas [Mr. BLANTON]. We have a number of privately owned arboretums in this country, but not a national one. Every civilized country in the world of any importance has a national arboretum in their national capital. Why should not America, the greatest of all nations, have one at her National Capital? I am surprised that anyone should want to locate it in Maryland or Virginia, as suggested by the gentleman from Texas, where no one would ever see it, and where it would cost millions of dollars eventually to transport these employees of the Department of Agriculture employed to go to and from it. Why not buy these 300 acres adjoining the 400 already owned by the Government? It is increasing in value every year.

There has been a great deal of talk here about this land located here in the National Capital, costing $700 or $800 an acre——

Mr. LAZARO. How about Muscle Shoals?

Mr. ALMON. This question from my good friend from Louisiana reminds me that there is a place down in northern Alabama, where I live, called Muscle Shoals, where they are paying $2,000 an acre for land out in the cotton fields. The only proper place to have this national arboretum is in the National Capital, where people of America come by thousands every day in the year and can see it. You might as well advocate the moving of the Botanic Garden over to Baltimore or some place in Virginia.

This bill has been carefully considered by one of the greatest committees of the House—the Committee on Agriculture—and comes to us with a favorable report from that committee.

It has the indorsement of all the nurserymen of the country. They know it will aid them in furnishing the people of the Nation better fruit trees, plants, shrubs, and trees of all kinds.

It also has the indorsement of the present Secretary of Agriculture and the indorsement of the Secretary during the Woodrow Wilson administration, and I am going to vote for it. [Applause.]

The proposed national arboretum would contain a permanent living collection of trees and other outdoor plants for the purposes of scientific research and education. It would include the trees, shrubs, and perennials used in forestry and horticulture, and the wild relatives of these plants. It would be a bureau of standards for horticulture. It would contain a water garden and a wild-rice preserve and it would serve incidentally as a bird sanctuary.

It would make the work of the Department of Agriculture more valuable to the country in many ways, but especially through plant breeding. The development of faster-growing timber trees, improved fruits, and disease-resistant plants generally through the facilities afforded by the arboretum would increase profoundly the agricultural wealth and welfare of the United States.

The Mount Hamilton and Hickey Hill tracts in the District of Columbia, together with the Anacostia River Flats above Benning Bridge, constitute an admirable site for the arboretum, convenient in location and with a great variety of soils.

About 400 acres of the proposed site is already owned by the Government. It consists of marshland, about to be drained by Army engineers. The Mount Hamilton and Hickey Hill area, 408 acres, privately owned, was reported by the assessor in January, 1925, to be valued at $343,048, distributed among 30 owners.

The examination and mapping of the proposed arboretum site by a soil expert in 1917, by direction of Secretary of Agriculture David F. Houston, showed that the soils of this area are very diverse, over 30 different types being presented on the map accompanying the report. The area was described by Secretary Houston as "admirable in location, topography, present plant cover, and in capabilities of future development."

It would contain a comprehensive collection of trees and other outdoor plants for purposes of scientific research and education.

It would serve as an introduction garden for the permanent preservation of authentic living specimens of the thousands of plants introduced by the Department of Agriculture from foreign countries.

It would contain all the wild relatives of cultivated plants which will grow out of doors in this climate, and would be an invaluable source of material for the breeding of more valuable varieties.

It would furnish such a knowledge of the breeding of forest trees as would make it possible, when the country reaches the point of setting out its forests, to use improved varieties which may grow twice as fast as those we now use.

It would furnish material for the breeding of disease-resistant varieties of cultivated plants to replace many of the present varieties which are of high quality, but so subject to disease that the cost of their treatment is a heavy burden on American agriculture.

As a living collection of the species and varieties of trees and other cultivated plants it would constitute a bureau of standards for horticulture.

The plants in an agricultural experiment station may be likened to the books which one keeps in his office for continual everyday use, while a national arboretum may be regarded as a great library of living trees and plants from which can be obtained at once whatever is needed for some special investigation and experiment.

The national arboretum would constitute an outdoor recreation area of 800 acres, which would also be an instrument of widespread public education in botanical science, horticulture, agriculture, and landscape gardening.

The city of Washington now has about 200 professional botanists, most of them engaged in the advancement of American agriculture through their connection with the United States Department of Agriculture. The effectiveness of the work of these men and women will be enormously increased through the facilities afforded by a national arboretum. [Applause.]

Mr. BOYLAN rose.

The CHAIRMAN. For what purpose does the gentleman from New York rise?

Mr. BOYLAN. Mr. Chairman, I rise to move to strike out the last two words.

Mr. HAUGEN. Will the gentleman yield to me for a moment?

Mr. BOYLAN. Yes.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that all debate on this section and all amendments thereto close in five minutes. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from New York is recognized for five minutes.

Mr. BOYLAN. Mr. Chairman and gentlemen of the committee, I rise in opposition to the amendment. I desire to say I am in favor of this bill for many reasons. One of the gentlemen has said here to-day that this matter has been before the District Committee for 10 years. I say the committee 10 years ago was very recreant in the performance of its duties when it allowed this large tract of land to lie idle during this entire period. It should have been taken 10 years ago, and other tracts about which the gentleman spoke should have been taken, so it would all have tended toward the beautification of the city of Washington.

If I had my way, I would change the location of this arboretum to the north side of Pennsylvania Avenue. If we included the north side of Pennsylvania Avenue we could remove the splendid vista that now greets us when we enter the Nation's Capital. When we drive from the Union Station to Pennsylvania Avenue, the first thing we see is a peanut stand at the foot of Pennsylvania Avenue; adjoining that is a one-armed restaurant, and then we have a gypsy fortune-teller's place, a Chinese laundry, secondhand shops, and then we have several other dumps of a similar character, giving a beautiful aspect and leaving a wonderful memory of one's entrance to the city of these beautiful dumps along the north side of Pennsylvania Avenue. Yet we sit here and shout about buying a little land at the rate of 2½ cents a foot. Why, it is terribly expensive land; just think, 2½ cents a foot, $1,000 an acre. Why, gentlemen, it is a disgrace to the city of Washington. It is really a reflection upon the Congress that the approach to this city is in such an awful condition.

Take the city of Philadelphia, with its magnificent approach of 15 or 18 miles, beautifully parked, or the beautiful Bronx River Parkway, in New York City. That is what we ought to have coming into Washington, and that is what we ought to have going out of Washington, not only to the south but to the north and to the east and to the west. We should have such a city here that people coming from other parts of the country can go back to their home city or State and say, "We have seen a beautiful model of a city in the city of Washington, and we will try to emulate it in our own town or city." What do we care about locating something of national importance far to the south, to east or west, where it would be inaccessible?

Mr. WEFALD. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. WEFALD. Would not this be putting the Government into business and in competition with private business and nursery companies in the land?

Mr. BOYLAN. I do not think it would make much difference, inasmuch as the gentleman has already subsidized the farmers, and he has taken care of that end of it.

Mr. WEFALD. Will the gentleman yield again?

Mr. BOYLAN. Yes.

Mr. WEFALD. But those who were opposed to the farm bill raised that question at that time. I have no objection to it on that account.

Mr. BOYLAN. If the gentleman thinks there should be a monopoly in the raising of crops, of course that would not include the Government, but the gentleman has already shown himself willing to take a hand-out from the Government in favor of the farmers.

I will say, gentlemen, that there is nothing we can do too big or too great to beautify this city of Washington, because we are not planning for the day or for the hour; we are looking ahead for the years that are to come, and we do not want to have it cast up in those years that we failed to visualize the opportunity to beautify this magnificent city. We have already made a splendid start. The Sixty-ninth Congress, in liberally appropriating money for new buildings in Washington, is entitled to the commendation of the entire country. Let us go further and create a magnificent park system around the entire city of Washington, and let us wipe out the dumps and other obnoxious buildings existing along the north side of Pennsylvania Avenue and other sections of the city. [Applause.]

In conclusion I will read a poem on trees by the late lamented Joyce Kilmer, of the fighting Sixty-ninth New York Regiment, who fell, fighting on the field of battle in northern France:

TREES

I think that I shall never see
A poem lovely as a tree.
A tree whose hungry mouth is prest
Against the earth's sweet flowing breast;
A tree that looks at God all day,
And lifts her leafy arms to pray;
A tree that may in summer wear
A nest of robins in her hair;
Upon whose bosom snow has lain;
Who intimately lives with rain,
Poems are made by fools like me,
But only God can make a tree.

—Joyce Kilmer.

If you are in need of love and sunshine, and you fail to get it from people, turn to the animals, the birds, the flowers, the trees, the quiet, steadfast woods, the true and beautiful things of nature.

—M. L. G. H.

[Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired. The question is on agreeing to the amendment offered by the gentleman from Texas.

The amendment was rejected.

The Clerk read as follows:

SEC. 3. In order to stimulate research and discovery the national arboretum established by the Secretary of Agriculture in accordance with the provisions of this act shall be under competent scientific direction. The arboretum shall be administered by the Secretary of Agriculture separately from the agricultural, horticultural, and forestry stations of the Department of Agriculture, but it shall be so correlated with them as to bring about the most effective utilization of its facilities and discoveries.

Mr. DAVEY. Mr. Chairman and gentlemen of the committee, this bill to establish a national arboretum in the District of Columbia is naturally one of great interest to me. I have watched the course of the debate and have been impressed with a growing feeling that most of the objections have been based on rather ordinary and petty considerations.

There is something to a national arboretum outside of merely growing trees and plants for research and education, valuable as that is. It rises high above the controversy over the price of land or the specious argument that it might just as well be established anywhere in the United States. The real purpose of an arboretum is to gather specimens of all the trees and plants and flowers that can be grown in this latitude and those that can be acclimated. The object of a national arboretum is to establish it where the greatest number of people can be benefited, and where it may be under the supervision of the technical staff of the Government. It is proposed to develop a great beauty spot that will include all the kinds and varieties of growing things with which nature has blessed us.

I have been wondering what the world would be if we could take out of it all of the things that represent the finer side of life. Would mere food and clothing and shelter satisfy the instinctive longing of civilized man for beauty and happiness? What would the world be if we could remove from it all of

the benefits of art and literature and music and religion and the beauty of nature—the great unmatched beauty of the living out of doors?

Why, gentlemen of the committee, there is poetry in the trees and in the flowers that God put here to adorn the world. There is something bigger and finer in the idea of establishing an arboretum than even the practical side of it, and I concede that there is likely to be much practical benefit flow from a national arboretum.

The development of beauty itself is a thing worth while for any nation that puts a proper value on the better and finer side of life. Here in this body, in the natural course of events, we give most of our time and our consideration to the practical questions of the business of Government, but once in a while there comes before us an opportunity to consider something that will contribute to the spiritual forces of our country, something that has to do with the very essence of our civilization, something that appeals to the soul of man, and has the power to lift him above the plane of the ordinary and the elemental. This is one of those really fine things to which we are permitted to give consideration, and which ought to leave with us a greater feeling of satisfaction—to create and maintain beauty is to bless mankind.

Why should we want to consider establishing a national arboretum any place else than in the Capital of the United States [applause]; right here where all the nature lovers of our country and the world, who have occasion to visit our Capital, may go out and look and study and enjoy themselves, and drink in the beauty that nature has provided with a lavish hand and that man can place at our disposal. Every year there are probably hundreds of thousands of people who come to Washington because it is their Nation's Capital, and they want to see here something besides cold pavements and monuments of stone. They want to see something here that represents the great and inspiring beauty of the out of doors. We have an opportunity in the passage of this bill to give to the people of America, at a very moderate investment, particularly those tens of thousands of men and women and children who visit Washington, to see the visible evidences of their Government and to be inspired to better citizenship—an opportunity to provide for them something of large educational value, something beautiful and uplifting, and infinitely finer than anything made by man. [Applause.]

Mr. LINTHICUM. Will the gentleman yield?

Mr. DAVEY. Yes.

Mr. LINTHICUM. I want to say to the gentleman in this connection that a gentleman called to see me some time ago at my farm on the W., B. & A., and I was showing him the place. I asked him what he thought of the house. He said, "I was not looking at the house; I was looking at that immense oak tree in front of the house." It is the one that the gentleman's men fixed up for me.

Mr. HAUGEN. I ask unanimous consent that all debate on this section and all amendments thereto close in two minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. HILL of Maryland. Mr. Chairman and gentlemen of the committee, I was very glad to hear what was said by our colleague, the gentleman from Ohio [Mr. DAVEY] a few moments ago. There is not any man in this world who deserves more from the lovers of trees than he does. In the House we very often sit as a city council of Washington, and I do not think there is a man in this House who has not been deeply indignant about the destruction and the ravages that have been recently made upon the trees here in Washington.

Last year they widened Connecticut Avenue, and instead of leaving the lines of trees and putting inside of them roadways, as the engineer officer suggested, they cut down all those trees, and Connecticut Avenue now looks like a brand-new street in a jay town that is just building up. I would like to see something done here by the people who know how to do it to prevent the destruction of the trees and to preserve for Washington the thing that makes it distinctive from every other city in this Nation. I do not know, but I think those who do know about the laws applying particularly to the District, should provide adequate penalties for the mutilation of trees and they should prevent the destruction of trees, when they are widening the streets, because it will require 50 years to replace the trees.

Mr. BLANTON. Will the gentleman yield?

Mr. HILL of Maryland. Yes.

Mr. BLANTON. And yet the North American Co., with headquarters at New York, through its minions here in Washington, a short time ago, in the midnight hour, mutilated 80 splendid maple trees on Thirteenth Street, and not one step has been taken to make the North American Co. pay the $40,000 of damage which they did to these trees.

Mr. HILL of Maryland. That ought to be done.

Mr. BLANTON. The Commissioners of the District should compel them to pay to the District every dollar of the damage.

Mr. HILL of Maryland. I understand the local prosecuting officer is working on that question, and there certainly should be something done to prevent the destruction of these trees. I hold in my hand a clipping from this morning's paper which is very brief and is as follows:

Commissioner Sidney F. Taliaferro yesterday defended the corporation counsel's office against the charge of delay in prosecuting in the mutilation of trees by employees of the Washington Rapid Transit Co. He said the delay was due to efforts to gather evidence to present as many complaints as possible.

"The tree mutilation was an outrage and should be punished as severely as possible," said the commissioner. "We want to make a case for each of the 80 trees that was hacked, if we can present sufficient proof. In any event we will file informations in the case of 50 of the trees."

As there is a fine of $50 for each offense, it is possible for the police court to assess penalties aggregating $2,500 against the tree choppers if 50 convictions are obtained, or $4,000 if proof is made in all 80 cases.

There are two sections in the Penal Code of the District with heavy penalties which might well be applied. They are as follows:

SEC. 847. Whoever maliciously cuts down or destroys, by girdling or otherwise, any standing or growing vine, bush, shrub, sapling, or tree on the land of another, or severs from the land of another any product standing or growing thereon, or any other thing attached thereto, shall, if the value of the thing destroyed or the amount of damage done to any such thing or to the land is $35 or more, be imprisoned for not less than one year nor more than three years, or, if such value or amount is less than that sum, shall be fined not less than $5 nor more than $100, or be imprisoned not more than one year, or both.

This certainly applies to trees belonging to the United States or to the District of Columbia.

Here is another applicable section:

SEC. 880. Destroying boundary trees: Whoever maliciously cuts down, destroys, or removes any boundary tree, stone, or other mark or monument, or maliciously effaces any inscription thereon, either of his own lands or of the lands of any other person whatsoever, even though such boundary or bounded trees should stand within the person's own land so cutting down and destroying the same, shall be fined not more than $1,000 and imprisoned not exceeding one year.

We should see to it that the trees of Washington are protected. [Applause.]

The Clerk read as follows:

SEC. 4. The Secretary of Agriculture is authorized to create an advisory council in relation to the plan and development of the national arboretum to be established under this act, to include representatives of national organizations interested in the work of the arboretum.

Mr. SEARS of Florida. Mr. Chairman, I move to strike out the last word. When the gentleman from Kentucky [Mr. KINCHELOE] was discussing this question I asked him to tell me if he knew anything about the assessed value of this property. At that time I stated that I understood the assessed value of the property had been raised during recent years and that it was charged that it was done for the purpose of overcoming the criticism which Congress, for several years, had been leveling at those who wanted to sell property to the Government. One of my colleagues said it was unfair for me to make such a statement because it could not be verified. I hope I made myself clear, that I made no charge, but simply brought to the attention of the House the information that I thought the House ought to have. For at least 10 years this question has been advocated before the House in committees and otherwise, and, as I recall, trying to secure the land for a Botanical Garden, or other purposes.

I called up the tax assessor a few moments ago and I find that in 1920 this property was assessed at $600 an acre. In 1921 it was raised to $700 an acre, and from then on, as I understand it, it has been raised to $1,000 and more an acre.

Therefore, the statement that I made as to the information I had received, to wit, that 4 or 5 or 6 years ago the property was assessed at a much lower figure than $1,000 was absolutely correct, for the property was then assessed at $600 an acre.

I make this statement because one member of the Agricultural Committee said it was unfair for me to represent that the assessment had been raised, and that the assessment had

always been at this figure. Of course we have overflowed lands in Florida, and it reminds me of the boom they had down there when they were paying $1,000 an acre for overflowed lands.

Mr. WILLIAM E. HULL. How much has the assessment of land in Miami, Fla., dropped since the boom?

Mr. SEARS of Florida. Oh, it is going down some; but if we were establishing arboretums there, the assessed value would not drop much.

It is indeed strange to me that we can always find money to purchase lands in the District, but can not find enough money to give the people back home the postal relief they are entitled to. I am not opposed to beautifying the Capital, but I do believe we should also remember those who, every two years, send us to Congress.

The CHAIRMAN. The question is on the amendment to the Senate bill.

The question was taken, and the amendment was agreed to.

Mr. HAUGEN. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and Mr. TILSON having taken the chair as Speaker pro tempore, Mr. DICKINSON of Iowa, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (S. 1640) authorizing the Secretary of Agriculture to establish a national arboretum, and for other purposes, and had directed him to report the same back with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The SPEAKER pro tempore. The previous question is ordered by the rule and the question is on the amendment.

Mr. BLANTON. Mr. Speaker, there are two amendments.

The SPEAKER pro tempore. The Chair is informed that there is but a single amendment.

The amendment was agreed to.

The bill was ordered to be read a third time, and was read the third time.

Mr. BLANTON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. BLANTON. I am.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BLANTON moves to recommit the bill to the Committee on Agriculture with instructions to report the same back forthwith with the following amendment:

"On page 2, in line 25, after the word 'act,' strike out all of subdivision (1) down to the word 'the' in line 4 on page 3; and in line 7 on page 3, after the word 'gift,' strike out the balance of the paragraph and insert the following, to wit: 'land best suited for a national arboretum located anywhere within the United States: *Provided*, Such arboretum may be located upon land now owned by the Government.'"

The SPEAKER pro tempore. The gentleman's motion to recommit is not in order.

Mr. BLANTON. Will the Chair give me a moment on that?

Mr. PURNELL. The Chair has already ruled.

The SPEAKER pro tempore. This is an amendment to an amendment already adopted by the House.

Mr. BLANTON. The Chair, in his discretion, has the authority to hear a Member.

Mr. SNELL. I make the point of order that the Chair has ruled and discussion is not in order.

The SPEAKER pro tempore. The Chair did not know what was in the mind of the gentleman from Texas.

Mr. BEGG. But, Mr. Speaker, before we get into any trouble, I move the previous question on the motion to recommit.

Mr. BLANTON. That is already ordered by the rule. This situation does not prevent the Chair, who is a splendid parliamentarian, from hearing me on the point of order. My position is this: There was a Senate bill, and the Committee on Agriculture struck out all after the enacting clause and proposed an amendment, which was to insert the House bill. That House bill was amended by the Committee of the Whole House on the state of the Union in at least one particular. The amendment that my motion to recommit seeks to put in the bill is a new proposition that was offered in the Committee of the Whole House—not as a part of the committee amendment, but as a separate amendment to the provision that the committee offered. I proposed that in the Committee of the Whole House and no point of order was made against it. It was voted upon in the committee. Under the circumstances, I think it is a matter that should be brought up in the House. Of course, if the Chair does not think it is in order I bow to the will of the Chair; but I do think it is worthy of consideration, for if adopted my proposal would allow the Secretary of Agriculture to locate this proposed arboretum anywhere in the United States, and wherever he finds land most suitable and at a reasonable price, and thus he would not be forced to locate it in Washington on land costing $1,000 per acre. He could locate it on Government-owned land somewhere, if in his best judgment he should think it advisable.

The SPEAKER pro tempore. The amendment was before the Committee of the Whole. The gentleman had his opportunity there to have his amendment to it adopted. When he failed to have his amendment adopted and the committee rose and reported the bill to the House with an amendment, and that particular amendment was adopted in the House, it was then too late for the gentleman to offer as a motion to recommit an additional amendment to the amendment that had been reported back from the Committee of the Whole and agreed to by the House. Therefore the Chair holds that it is not in order.

Mr. JONES rose.

The SPEAKER pro tempore. For what purpose does the gentleman rise?

Mr. JONES. The Committee of the Whole adopted a committee amendment and also adopted the Simmons amendment. As I understand it, the House voted only on one amendment. In what status does that leave the bill?

The SPEAKER pro tempore. As the Chair understands it, there is but one amendment, although this amendment was amended in the Committee of the Whole. It became one single amendment, because all was stricken out after the enacting clause and a single amendment substituted, although that particular amendment was amended in its passage through the Committee of the Whole. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 118, noes 47.

Mr. BLANTON. Mr. Speaker, I think this is an important matter. I make the point of order that there is no quorum present, and I object to the vote because there is no quorum present.

The SPEAKER pro tempore. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count. [After counting.] Two hundred and eighteen Members present, a quorum.

So the bill was passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

A similar House bill was laid on the table.

ASSINIBOINE INDIANS

Mr. LEAVITT. Mr. Speaker, I present a conference report upon the bill S. 2141, conferring jurisdiction on the Court of Claims to hear, examine, adjudicate, and enter judgment on any claims which the Assiniboine Indians might have against the United States, and for other purposes, for printing under the rule.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (Senate 2141) entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Assiniboine Indians may have against the United States, and for other purposes," having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 2, 5, 6, and 7.

That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to same with the following amendments: Line 13 of the engrossed amendments strike out the words "or any"; and after the word "treaty" insert the words "agreement or"; line 14 of the engrossed amendment, after the word "or," insert "any"; page 2, line 8, of the engrossed amendment, strike out the following: "any act or acts of Congress, or by any treaty made with any other Indian tribe or nation" and insert in lieu thereof "the Government of the United States by acts of Congress or otherwise."

That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to same with the following amendment: Strike out "altogether with interest thereon at 4 per cent per annum from the date thereof" and

insert in lieu thereof the following: "together with any interest thereon which may have accrued by virtue of the failure or delay of the United States to pay over to or employ for the benefit of the Assiniboine Indian Nation or Tribe, moneys so required to be paid or employed by any act of Congress, at the rate of interest provided by such act or acts of Congress."

That the Senate recede from its disagreement to the amendment of the House numbered 4, and agree to same with the following amendments: Page 2, line 6, of the engrossed amendments, strike out the word "tribes" and insert "tribe"; and strike out the word "bands" and insert "nation"; line 7, of the engrossed amendments, strike out "or any of them." Page 3, line 2, of the engrossed amendments, strike out "tribes" and insert "tribe"; and the Senate agree to same.

SCOTT LEAVITT,
WILLIAM WILLIAMSON,
CARL HAYDEN,
Managers on the part of the House.

B. K. WHEELER,
RALPH H. CAMERON,
JOHN B. KENDRICK,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2141) entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Assiniboine Indians may have against the United States, and for other purposes," submit the following written statement explaining the effect of the action agreed on by the conference committee and submitted in the accompanying conference report:

On amendment No. 1: Agrees to the language passed by the House with the concurrence of the House to certain minor amendments which are clarifying.

On amendments Nos. 2, 5, 6, and 7: The Senate recedes from its disagreement and accepts the language passed by the House.

On amendment No. 3, relating to the interest to be paid on amounts found to be due the Assiniboine Indians: The House and Senate conferees have agreed upon language which will be a saving to the Government over the provision heretofore adopted by both Houses. It eliminates the payment of interest on all funds that may be recovered by the Indians but provides for the payment of interest on those items which carried interest when authorized by Congress and which have been withheld from the tribe. Interest would have been recovered on these funds had they been kept intact for the tribe.

On amendment No. 4, relating to the payment of attorney fees for the prosecution of the suit: The language is changed to make the bill read tribe instead of tribes as there is only one tribe interested in the measure.

SCOTT LEAVITT,
WILLIAM WILLIAMSON,
CARL HAYDEN,
Managers on the part of the House.

ORDER OF BUSINESS

Mr. DENISON. Mr. Speaker, I call up from the Speaker's table Senate bill 5671, a similar House bill having been reported from the House committee.

Mr. LAGUARDIA. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. LAGUARDIA. May I inquire at this time if the Committee on the Judiciary is going to call up the bill under the rule that was announced would be called up this afternoon?

The SPEAKER pro tempore. The gentleman may propound his inquiry to the chairman or some other member of the Committee on the Judiciary.

Mr. LAGUARDIA. May I inquire of the Speaker the procedure this afternoon?

The SPEAKER pro tempore. The consideration of whatever matter is called up in order.

Mr. BANKHEAD. Mr. Speaker, inasmuch as that question has been raised, I hope we may be able to get it settled. For the convenience of a great many Members, I ask the indulgence of the Chair for a moment to interrogate the chairman of the Committee on Rules as to his purpose in calling up the rule for the consideration of the longshoremen's bill.

Mr. SNELL. It was the purpose of the chairman of the Committee on Rules to call the rule up this afternoon, but the chairman of the Committee on the Judiciary, who has charge of the bill, does not want it called up. The responsibility is on him. I do not know when we will be able to call it up, if we do not call it up to-day.

Mr. O'CONNOR of New York. Mr. Speaker, when is this important bill going to be called up? It is one of the most important measures pending before Congress.

Mr. SNELL. I just stated that I could not tell when. The program is pretty well filled up, and I doubt the opportunity to call it up again if it is not called up to-day.

Mr. LAGUARDIA. Why not call it up this afternoon?

Mr. HILL of Maryland. Mr. Speaker, there are a great many of us who are here especially this afternoon to vote on this bill.

Mr. LAGUARDIA. Mr. Speaker, the House was told that this bill would be called up this afternoon, and we have been waiting here all of this time. I believe the gentleman ought to keep faith and call that bill up, because the chairman of the Committee on Rules has just announced that if we do not call the bill up to-day, it will not be called up this session. Let us have it. The gentleman is either for the bill, or he is not for it.

Mr. BLANTON. Well, the gentleman from Pennsylvania [Mr. GRAHAM] has some rights about it.

Mr. LAGUARDIA. So have some 430 other Members of this House some rights.

Mr. BLANTON. The gentleman can uphold his own rights.

Mr. LAGUARDIA. That is all right.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. DENISON] calls up a bill, which the Clerk will report.

Mr. DOWELL. Reserving the right to object, what is the bill? I am reserving the right to object. If it is presented merely for information, I do not object.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

A bill (S. 5671) to amend paragraph (c) of section 4 of the act entitled "An act to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes," approved June 3, 1924.

Be it enacted, etc., That paragraph (c) of section 4 of the act entitled "An act to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes," approved June 3, 1924, be, and the same is hereby, amended to read as follows:

"(c) In addition to the six members, the Secretary of War shall appoint an individual from civil life or (notwithstanding section 1222 of the Revised Statutes or any other provision of law, or any rules and regulations issued thereunder) detail an officer from the Military Establishment of the United States as chairman of the board. Any officer so detailed shall, during his term of office as chairman, have the rank, pay, and allowances of a major general, United States Army, and shall be exempt from the operation of any provision of law or any rules or regulations issued thereunder which limits the length of such detail or compels him to perform duty with troops. Any individual appointed from civil life shall, during his term of office as chairman, receive a salary not to exceed $10,000 a year, to be fixed by the Secretary of War. The Secretary of War may delegate to the chairman any of the functions vested in the Secretary by this act."

Mr. LAGUARDIA. Mr. Speaker, that is not a privileged matter at this time.

Mr. BOYLAN. I object to the consideration of this bill.

The SPEAKER pro tempore. The gentleman from Illinois called up the bill, and the Clerk has reported it to the House for its information.

Mr. O'CONNOR of New York. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. O'CONNOR of New York. Does this consideration require unanimous consent? If it does, I shall object if the longshoremen's bill is not called up this afternoon. If they want to call up the longshoremen's bill, I will withdraw my objection.

Mr. DENISON. Mr. Speaker, I withdraw the bill I called up.

The SPEAKER pro tempore. The gentleman from Illinois withdraws his request.

AMENDMENT OF THE TARIFF ACT OF 1922

Mr. GREEN of Iowa. Mr. Speaker, I call up the bill H. R. 16885.

The SPEAKER pro tempore. The gentleman from Iowa calls up the bill 16885, which the Clerk will report.

The Clerk read as follows:

[H. R. 16885]

A bill to amend section 563 of the tariff act of 1922

Be it enacted, etc., That section 563 of the tariff act of 1922 is amended to read as follows:

SEC. 563. Allowance for loss—Abandonment: In no case shall there be any abatement or allowance made in the duties for any injury, deterioration, loss, or damage sustained by any merchandise while remaining in a bonded warehouse: *Provided*, That upon production of satisfactory proof to the United States Customs Court that any merchandise has been lost or stolen while in the appraiser's stores under customs custody; or has been injured or destroyed, in whole or in part, by accidental fire or other casualty, while in bonded warehouse, or in the appraiser's stores under customs custody, or while in transportation under bond from one part to another, or while in the custody of the customs officers, although not in bond, or while within the limits of any port of entry and before the same has been landed from the importing vessel or vehicle, such court is hereby authorized to order an abatement or refund, as the case may be, and the Secretary of the Treasury is authorized to pay, out of any moneys in the Treasury not otherwise appropriated, the amount of duties paid. Notice in writing shall be filed with the collector of the district in which such actual loss, injury, or destruction was sustained or occurred, and the collector shall transmit such notice, together with all papers and documents, to such court for due assignment and determination, and such determination shall be final and conclusive upon all persons interested therein except in cases where an appeal may be filed by either party in the United States Court of Customs Appeals within the time and in the manner provided by law: *Provided, however*, That where the collector is satisfied that the loss, injury, or destruction has actually occurred and that the amount to be abated or refunded is less than $25, he may make abatement or refund, as the case may be, without reference to the United States Customs Court: *And provided further*, That the consignee may, with the consent of the Secretary of the Treasury, at any time prior to three years from the date of original importation abandon to the Government any merchandise in bonded warehouse and be relieved of the payment of duties thereon: *Provided*, That the portion so abandoned shall not be less than an entire package and shall be abandoned in the original package without having been repacked while in bonded warehouse.

Mr. DYER. Mr. Speaker, I make the point of order that there is no quorum present.

Mr. BLANTON. Mr. Speaker, I reserve all points of order on that bill.

The SPEAKER pro tempore. The gentleman from Missouri makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and seventy-five Members are present, not a quorum.

Mr. BEGG. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore. The gentleman from Ohio moves that the House do now adjourn. The question is on agreeing to that motion.

The question was taken.

Mr. BLANTON. A division, Mr. Speaker.

The SPEAKER pro tempore. The Chair is in doubt. The gentleman from Texas calls for a division.

The House divided; and there were—ayes 48, noes 88.

The SPEAKER pro tempore. The House refuses to adjourn.

NO QUORUM—CALL OF THE HOUSE

Mr. BEGG. Mr. Speaker, I move a call of the House.

The SPEAKER pro tempore. The gentleman from Ohio moves a call of the House. The Chair has counted and there was not a quorum present.

Mr. SNELL. Mr. Speaker, I ask unanimous consent to make a statement for one minute.

Mr. BLANTON. The gentleman can not do that without a quorum present. It has always been held that you can not do anything without a quorum.

Mr. LaGUARDIA. The House has divided.

Mr. BLANTON. The Chair has announced that there is no quorum present. You can not do anything without a quorum.

The SPEAKER pro tempore. The gentleman from Ohio moves a call of the House. The question is on agreeing to that motion.

A call of the House was ordered.

The SPEAKER pro tempore. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 34]

Andrew	Britten	Crumpacker	Evans
Anthony	Browne	Curry	Faust
Appleby	Burdick	Dempsey	Fenn
Aswell	Burtness	Dickinson, Mo.	Fish
Barkley	Carss	Dickstein	Frear
Beedy	Celler	Dominick	Fredericks
Bixler	Chapman	Doughton	Freeman
Bloom	Clague	Doyle	French
Bowles	Cleary	Drane	Frothingham
Bowling	Connery	Drewry	Fulmer
Bowman	Connolly, Pa.	Driver	Funk
Brand, Ga.	Cramton	Eaton	Gallivan
Brand, Ohio	Crisp	Englebright	Garber
Garrett, Tenn.	Kunz	Perlman	Thomas
Gasque	Kurtz	Porter	Thompson
Glynn	Lampert	Pratt	Thurston
Golder	Larsen	Purnell	Tillman
Goldsborough	Lee, Ga.	Quayle	Tincher
Gorman	Lehlbach	Ragon	Tucker
Haugen	Little	Reece	Tydings
Holaday	McClintic	Robsion, Ky.	Underhill
Houston	McLaughlin, Nebr.	Rouse	Vare
Huddleston	McLeod	Rowbottom	Vinson, Ga.
Hudspeth	McMillan	Sabath	Volgt
Hull, Tenn.	Madden	Scott	Walters
Jacobstein	Magee, Pa.	Seger	Warren
Jeffers	Magee, N. Y.	Sinclair	Weaver
Johnson, Ky.	Mead	Smithwick	Weller
Johnson, S. Dak.	Michaelson	Sosnowski	Welsh, Pa.
Johnson, Tex.	Milligan	Steagall	Wheeler
Johnson, Wash.	Mills	Stedman	Williams, Ill.
Keller	Montgomery	Stevenson	Wilson, Miss.
Kemp	Morgan	Strother	Wingo
Kendall	Morin	Sullivan	Wolverton
Kerr	Newton, Minn.	Sumners, Tex.	Woodyard
Kiefner	Newton, Mo.	Swartz	Wright
King	Parks	Swoope	Wurzbach
Kirk	Perkins	Taylor, W. Va.	Yates

The SPEAKER pro tempore. Two hundred and eighty Members have answered to their names, a quorum.

Mr. BEGG. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

AMENDMENT OF THE TARIFF ACT OF 1922

Mr. GREEN of Iowa. Mr. Speaker, I ask that the first reading of the bill be dispensed with.

The SPEAKER pro tempore. The gentleman from Iowa asks that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

Mr. GREEN of Iowa. Mr. Speaker, I also ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Iowa asks unanimous consent that the bill be considered in the House as in Committee of the Whole. Is there objection?

Mr. BANKHEAD. Will the gentleman from Iowa yield?

Mr. GREEN of Iowa. Yes.

Mr. BANKHEAD. Has this bill the unanimous approval of the committee?

Mr. GREEN of Iowa. Yes; and I am sure no one will have any objection to it.

Mr. ABERNETHY. Mr. Speaker, reserving the right to object, will the gentleman explain just what the bill is about?

Mr. GREEN of Iowa. I can do that very briefly and perhaps I might as well do it now.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa that this bill be considered in the House as in Committee of the Whole?

There was no objection.

Mr. GREEN of Iowa. Mr. Speaker, as the tariff law now stands an importer is obliged to pay duty on goods which are left in the custody of the Government and under its control even though they are stolen or lost out of the custody of the Government without any fault whatever on his part. This bill provides that in such case the duty shall not be required.

Mr. MACGREGOR. Is it retroactive?

Mr. GREEN of Iowa. No; it is not.

The SPEAKER pro tempore. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That section 563 of the tariff act of 1922 is amended to read as follows:

SEC. 563. Allowance for loss—Abandonment: In no case shall there be any abatement or allowance made in the duties for any injury, deterioration, loss, or damage sustained by any merchandise while remaining in a bonded warehouse: *Provided*, That upon production of satisfactory proof to the United States Customs Court that any merchandise has been lost or stolen while in the appraiser's stores under customs custody; or has been injured or destroyed, in whole or in part, by accidental fire or other casualty, while in bonded warehouse, or in the appraiser's stores under customs custody, or while in transportation under bond from one port to another, or while in the custody of the customs officers, although not in bond, or while within the limits of any port of entry and before the same has been landed from the importing vessel or vehicle, such court is hereby authorized to order an abatement or refund, as the case may be, and the Secretary of the Treasury is authorized to pay, out of any moneys in the Treasury not otherwise appropriated, the amount of duties paid. Notice in writing shall be filed with the collector of the district in which such actual loss, injury, or destruction was sustained or occurred, and the collector shall transmit such notice, together with all papers and documents, to such court for due assignment and determination, and such determination shall be final

and conclusive upon all persons interested therein except in cases where an appeal may be filed by either party in the United States Court of Customs Appeals within the time and in the manner provided by law: *Provided, however,* That where the collector is satisfied that the loss, injury, or destruction has actually occurred and that the amount to be abated or refunded is less than $25, he may make abatement or refund, as the case may be, without reference to the United States Customs Court: *And provided further,* That the consignee may, with the consent of the Secretary of the Treasury, at any time prior to three years from the date of original importation abandon to the Government any merchandise in bonded warehouse and be relieved of the payment of duties thereon: *Provided,* That the portion so abandoned shall not be less than an entire package and shall be abandoned in the original package without having been repacked while in bonded warehouse.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

HOUR OF MEETING TO-MORROW

Mr. COOPER of Wisconsin. Mr. Speaker, I ask unanimous consent that the hour of meeting to-morrow for the memorial exercises for the late ROBERT M. LA FOLLETTE be changed from 11 o'clock to 10.30 o'clock a. m.

The SPEAKER pro tempore. The gentleman from Wisconsin asks unanimous consent that the hour of meeting to-morrow for the memorial exercises for the late ROBERT M. LA FOLLETTE be changed from 11 o'clock until 10.30 o'clock a. m. Is there objection?

There was no objection.

PERMISSION FOR CONSIDERATION OF BILL

Mr. McKEOWN. Mr. Speaker, the Committee on the Judiciary has reported a very important bill and it is very important to me. I wonder whether I could get unanimous consent for the consideration of that bill. It will not take long.

The SPEAKER pro tempore. The Chair does not feel he should recognize the gentleman for that purpose under the circumstances.

EXTENSION OF REMARKS

Mr. SCHAFER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by incorporating an address delivered by Mr. Vicente G. Bunuan, director of the Philippine Press Bureau, before the members of the American Academy of Political and Social Science, on January 15, 1927, at Witherspoon Hall, Philadelphia, Pa.

The SPEAKER pro tempore. The gentleman from Wisconsin asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. BACON. Mr. Speaker, reserving the right to object, on what subject?

Mr. SCHAFER. On the Philippine question.

Mr. BACON. Who is the gentleman?

Mr. SCHAFER. Mr. Vicente G. Bunuan.

Mr. BACON. Who is he?

Mr. SCHAFER. Director of the Philippine Press Bureau.

Mr. BACON. Mr. Speaker, I object.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted—

To Mr. CRAMTON, indefinitely, on account of illness.

To Mr. JACOBSTEIN (at the request of Mr. SOMERS of New York), for two days, on account of death of close friend and constituent.

To Mr. BRAND of Georgia, for five days, on account of illness in family.

ADJOURNMENT

Mr. BEGG. Mr. Speaker, I move that the House do now adjourn.

The question was taken; and on a division (demanded by Mr. LAGUARDIA) there were—ayes 78, noes 41.

Mr. LAGUARDIA. Mr. Speaker, I demand tellers.

The SPEAKER pro tempore. The gentleman from New York demands tellers. As many as are in favor of ordering tellers will rise and stand until counted. [After counting.] Thirty-four gentlemen have risen; not a sufficient number.

So the motion was agreed to.

Accordingly (at 4 o'clock and 5 minutes p. m.), in accordance with its previous order, the House adjourned until to-morrow, Sunday, February, 20, 1927, at 10.30 o'clock a. m.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Monday, February 21, 1927, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON APPROPRIATIONS

(10.30 a. m.)

Second deficiency bill.

COMMITTEE ON THE DISTRICT OF COLUMBIA

(7.30 p. m.)

The subcommittee making a survey of the District government will consider taxation of real estate in the District of Columbia.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1005. A letter from the Secretary of the Navy, transmitting draft of a proposed bill to provide for the care and treatment of naval patients, on the active or retired list, in other Government hospitals when naval hospital facilities are not available; to the Committee on Naval Affairs.

1006. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the Department of Agriculture for the fiscal year 1927, to remain available until June 30, 1928, for the enlargement of investigations relating to potential rubber-producing plants, $200,000 (H. Doc. No. 741); to the Committee on Appropriations and ordered to be printed.

1007. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the fiscal year ending June 30, 1927, to remain available until June 30, 1928, for the Department of the Interior, Bureau of Indian Affairs, for the relief of distress among the needy patent-fee Indians of the Turtle Mountain Band of North Dakota, $15,000 (H. Doc. No. 742); to the Committee on Appropriations and ordered to be printed.

1008. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the District of Columbia for the fiscal year ending June 30, 1927, for the construction and equipment of the nurses' home for the Columbia Hospital for Women and Lying-in Asylum, $350,000 (H. Doc. No. 743); to the Committee on Appropriations and ordered to be printed.

1009. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the Department of Commerce for the census of agriculture for the fiscal year ending June 30, 1927, to remain available until June 30, 1928, amounting to $100,000 (H. Doc. No. 744); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. SNELL: Committee on Rules. H. Res. 432. A resolution providing for the consideration of H. R. 17130, a bill to conserve the revenues from medicinal spirits and provide for the effective Government control of such spirits, to prevent the evasion of taxes, and for other purposes; without amendment (Rept. No. 2162). Referred to the House Calendar.

Mr. WILLIAMSON: Committee on Indian Affairs. H. R. 15654. A bill to amend section 2 of the act of March 3, 1905, entitled "An act to ratify and amend an agreement with the Indians residing on the Shoshone or Wind River Indian Reservation, in the State of Wyoming, and to make appropriations to carry the same into effect"; with an amendment (Rept. No. 2163). Referred to the House Calendar.

Mr. SINNOTT: Committee on the Public Lands. H. J. Res. 363. A joint resolution amending the joint resolution entitled "Joint resolution directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes," approved June 5, 1924; with an amendment (Rept. No. 2164). Referred to the Committee of the Whole House on the state of the Union.

Mr. HILL of Maryland: Committee on Military Affairs. H. R. 17111. A bill to authorize an appropriation to rehabilitate the Picatinny Arsenal in New Jersey; without amendment (Rept. No. 2170). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. MORROW: Committee on Claims. H. R. 15519. A bill for the relief of Albert J. Zyvolski; without amendment (Rept. No. 2165). Referred to the Committee of the Whole House.

Mr. ENGLEBRIGHT: Committee on the Public Lands. H. R. 16957. A bill granting patent to O. E. Moore; without amendment (Rept. No. 2166). Referred to the Committee of the Whole House.

Mr. FURLOW: Committee on Military Affairs. S. 1261. An act for the relief of William H. Grayson; without amendment (Rept. No. 2168). Referred to the Committee of the Whole House.

Mr. McSWAIN: Committee on Military Affairs. H. R. 17057. A bill granting an annuity to Dr. Robert P. Cooke; without amendment (Rept. No. 2169). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JAMES: A bill (H. R. 17243) to authorize appropriations for construction at military posts, and for other purposes; to the Committee on Military Affairs.

By Mr. SINNOTT: A bill (H. R. 17244) to provide for the construction of the Deschutes project in Oregon, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. DEMPSEY: A bill (H. R. 17245) to prevent fraud in respect to the sale or disposition of securities through agencies of interstate or foreign commerce and to provide a summary proceeding therefor and penalties for the violation thereof; to the Committee on the Judiciary.

By Mr. MADDEN: A bill (H. R. 17246) fixing the rates of assessment for laying or constructing water mains and service sewers in the District of Columbia; to the Committee on the District of Columbia.

By Mr. JONES: A bill (H. R. 17247) to place agricultural products upon a price equality with other commodities; to the Committee on Agriculture.

By Mr. BUTLER: A bill (H. R. 17248) to provide for the care and treatment of naval patients, on the active or retired list, in other Government hospitals when naval-hospital facilities are not available; to the Committee on Naval Affairs.

By Mr. CHRISTOPHERSON: A bill (H. R. 17249) granting the consent of Congress to the States of South Dakota and Nebraska, their successors and assigns, to construct, maintain, and operate a bridge across the Missouri River; to the Committee on Interstate and Foreign Commerce.

By Mr. WYANT: A bill (H. R. 17250) to change the name of the Department of the Interior to the Department of Public Works and Domain and to provide for the reorganization and more effective coordination of the public-works functions of the Federal Government in the aforesaid department; to the Committee on the Civil Service.

By Mr. McSWAIN: Joint resolution (H. J. Res. 364) to provide a special joint committee to consider and report on proposals to lease Muscle Shoals; to the Committee on Rules.

By Mr. EDWARDS: Joint resolution (H. J. Res. 365) offering a reward for the apprehension and conviction of the criminal who assaulted a lady in the Capitol Grounds on the night of February 18, 1927, and to check the crime wave in the District of Columbia; to the Committee on the District of Columbia.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the Legislature of the State of California, petitioning Congress to submit a constitutional amendment to the several States, which would provide that Members of Congress should take their seats within a short time after their election; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. ROY T. FITZGERALD: Memorial of the Legislature of the State of Montana, indorsing the Fitzgerald bill (H. R. 4548) providing for the retirement of disabled emergency officers of the World War and urging passage of the bill; to the Committee on World War Veterans' Legislation.

Also, memorial of the Legislature of the State of Colorado, urging passage of the Fitzgerald bill (H. R. 4548) providing for the retirement of disabled emergency officers of the World War; to the Committee on World War Veterans' Legislation.

By Mr. GARBER: Memorial of the Legislature of the State of California, petitioning Congress to submit a constitutional amendment to the several States which would provide that Members should take their seats a short time after their election; to the Committee on Election of President, Vice President, and Representatives in Congress.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES: A bill (H. R. 17251) granting a pension to Rose Tunnell; to the Committee on Invalid Pensions.

By Mr. BEERS: A bill (H. R. 17252) granting an increase of pension to Elmira B. Adams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17253) granting a pension to Nevin Wagner; to the Committee on Invalid Pensions.

By Mr. CANNON: A bill (H. R. 17254) granting a pension to Sarah C. Gourley; to the Committee on Invalid Pensions.

By Mr. DAVEY: A bill (H. R. 17255) for the relief of Joseph Jameson; to the Committee on Claims.

By Mr. EDWARDS: A bill (H. R. 17256) for the relief of Joseph L. Crowley; to the Committee on World War Veterans' Legislation.

By Mr. HOOPER: A bill (H. R. 17257) granting an increase of pension to Lucia Furguson; to the Committee on Invalid Pensions.

By Mr. MORROW: A bill (H. R. 17258) granting an increase of pension to Librada S. Abreu; to the Committee on Pensions.

By Mr. SPROUL of Illinois: A bill (H. R. 17259) for the relief of Joseph H. Patenaude; to the Committee on Naval Affairs.

By Mr. SPROUL of Kansas: A bill (H. R. 17260) for flood control on the Neosho River; to the Committee on Flood Control.

Also, a bill (H. R. 17261) for flood control on the Arkansas River; to the Committee on Flood Control.

By Mr. VAILE: A bill (H. R. 17262) granting an increase of pension to Mary L. Ringgold; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17263) granting an increase of pension to Joseph Holtz; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7086. By Mr. AYRES: Petition of citizens of Lindsborg, Kans., for legislation in behalf of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7087. Also, petition of citizens of Wichita, Kans., for legislation in behalf of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7088. Also, petition of citizens of Douglass, Kans., for legislation in behalf of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7089. By Mr. BACHARACH: Petition of American Legion, Department of New Jersey, recommending the passage of disabled emergency officers' legislation; to the Committee on World War Veterans' Legislation.

7090. By Mr. BACHMANN: Petition of Mr. E. A. Gough and other citizens of Marion County, W. Va., urging that immediate steps be taken to bring to a vote the Civil War pension bill and urging support of bill by Members of Congress; to the Committee on Invalid Pensions.

7091. Also, petition of Mrs. Mary C. Fullerton and other citizens residing in Marshall County, urging that immediate steps be taken to bring to a vote the Civil War pension bill and urging support of bill by Members of Congress; to the Committee on Invalid Pensions.

7092. By Mr. BEERS: Petition from citizens of Newport, Pa., favoring the passage of the pension bill which is indorsed by the National Tribune; to the Committee on Invalid Pensions.

7093. By Mr. BOWMAN: Petition of 19 voters of Preston County, W. Va., urging immediate action on the Civil War pension bill for further relief to suffering veterans and widows of veterans; to the Committee on Invalid pensions.

7094. By Mr. BROWNING: Petition of Mrs. Sarah A. Wilson and others, for increase of Federal pensions; to the Committee on Invalid Pensions.

7095. By Mr. CANFIELD: Petition of Mrs. Winnie C. Mitchell and 17 other residents of Decatur County, Ind., urging the passage of legislation to increase the pensions of the Civil War soldiers and widows of soldiers; to the Committee on Invalid Pensions.

7096. By Mr. CARTER of California: Petition of Helen S. Mack and 40 other voters of Oakland, Calif., urging the passage

of legislation increasing the pensions of veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

7097. By Mr. CHALMERS. Petition signed by about 100 constituents, urging legislation for correcting prevailing chaotic conditions now present in radio broadcasting; to the Committee on the Merchant Marine and Fisheries.

7098. Also, petition signed by about 75 constituents, of Toledo, Ohio, urging that immediate action be taken to increase the pensions of all Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7099. By Mr. CHINDBLOM: Petition of Ingrid Westberg and seven other residents of Waukegan, Ill., protesting against the passage of House bill 10311, a bill to secure Sunday as a day of rest in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

7100. By Mr. CONNERY: Resolution of citizens of Lawrence, Mass., urging that consideration be given the Civil War pension bill; to the Committee on Invalid Pensions.

7101. By Mr. CULLEN: Resolutions presented by Hon. William J. Heffernan, Regular Democratic Association, seventh assembly district, 521–523 Forty-sixth Street, Brooklyn, N. Y., and adopted by the Seventh Assembly District Democratic Club on the evening of February 9, 1927, urging sufficient appropriations to keep the necessary work for the Brooklyn Navy Yard; to the Committee on Appropriations.

7002. By Mr. DALLINGER: Petition of citizens of Middlesex, State of Massachusetts, for an acknowledgment of the authority of Christ and of the law of God in the Constitution of the United States; to the Committee on the Judiciary.

7103. By Mr. DAVIS: Petition of L. D. Cash and other citizens of the twelfth district of Coffee County, Tenn., urging passage of Civil War pension bill; to the Committee on Invalid Pensions.

7104. By Mr. DENISON: Petition of various citizens of Carbondale, Ill., urging that immediate steps be taken to bring to a vote a Civil War pension bill in order that relief may be accorded to needy and suffering veterans and the widows of veterans; to the Committee on Invalid Pensions.

7105. Also, petition of various citizens of Pulaski County, Ill., urging that immediate steps be taken to bring to a vote a Civil War pension bill carrying the rates proposed by the National Tribune in order that relief may be accorded to needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

7106. By Mr. EATON: Petition of 45 citizens of Princeton, N. J., and other communities urging that immediate steps be taken to bring Civil War pension bill to vote and urging support by Members of Congress; to the Committee on Invalid Pensions.

7107. Also, petition of Sarah Murdock, 25 Prospect Place, Boundbrook, N. J., and 10 other citizens of that city, urging that immediate steps be taken to bring Civil War pension bill to vote and asking support by Members of Congress; to the Committee on Invalid Pensions.

7108. By Mr. ELLIS: Petition of residents of Jackson County, Mo., urging the passage by Congress of a bill granting increased pensions to Civil War veterans and the widows of Civil War veterans; to the Committee on Invalid Pensions.

7109. Also, petition of residents of Kansas City, Mo., urging the passage by Congress of a bill granting increased pensions to Civil War veterans and the widows of Civil War veterans; to the Committee on Invalid Pensions.

7110. By Mr. EVANS: Petition of citizens of Grantsdale, Mont., urging prompt action on legislation granting increase of pension to Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7111. By Mr. ROY G. FITZGERALD: Petition of 126 voters of Montgomery and Butler Counties, Ohio, praying for the passage of a bill to increase the pensions of Civil War veterans and their widows; to the Committee on Invalid Pensions.

7112. By Mr. GALLIVAN: Petition of National Federation of Federal Employees, Luther C. Steward, president, 10 B Street SW., Washington, D. C., urging favorable consideration of legislation to abolish the personnel classification board and transfer its duties to the Civil Service Commission; to the Committee on the Civil Service.

7113. By Mr. GARBER: Petition of the American Manufacturers' Export Association, urging the repeal of the statutory provision covering the weight limit on cigar entries into the United States so that the cigar entries will be treated, according to weight, in the same manner as other parcel-post packages, in order that the parcel-post convention with Cuba may be made a permanent one; to the Committee on the Post Office and Post Roads.

7114. Also, petition of the American Manufacturers' Export Association, urging amendment of present laws or enactment of new laws and regulations to place American shipowners in a position to compete with foreign shipping companies; to the Committee on Foreign Affairs.

7115. Also, editorial from the Progressive Farmer, in regard to the disposition of Muscle Shoals; to the Committee on Military Affairs.

7116. Also, petition of the Associated Manufacturing Jewelers of Cincinnati, Ohio, indorsing the so-called national platinum marking act, 1927 (H. R. 16545); to the Committee on Interstate and Foreign Commerce.

7117. Also, petition of the Private Soldiers and Sailors' Legion, protesting against the passage of House bill 4548 and Senate bill 3027, providing for the retirement of disabled emergency officers; to the Committee on World War veterans' Legislation.

7118. Also, petition of the International Seamen's Union of America, urging enactment of Senate bill 3574, a bill to provide for the deportation of certain alien seamen, and for other purposes; to the Committee on Immigration and Naturalization.

7119. Also, letter from the Quentin Roosevelt Chapter, No. 5, Disabled American Veterans of the World War, Los Angeles, Calif., urging passage of Tyson-Fitzgerald bill (S. 3027 and H. R. 4548); to the Committee on World War Veterans' Legislation.

7120. Also, petition urging enactment of legislation for relief of Civil War veterans and widows of veterans, from citizens of Fairview, Major County, Okla.; to the Committee on Invalid Pensions.

7121. Also, petition protesting against the enactment of "Sunday bills," by the citizens of Morrison, Noble County, Okla.; to the Committee on the District of Columbia.

7122. Also, petition urging enactment of legislation for relief of Civil War veterans and widows of veterans, from citizens of Helena, Okla.; to the Committee on Invalid Pensions.

7123. By Mr. GREEN of Florida: Petition of D. R. Zetrouer and other veterans of the war between the States, urging passage of National Tribune pension bill; to the Committee on Invalid Pensions.

7124. Also, petition of G. C. Beck and other veterans of the war between the States, urging passage of National Tribune pension bill; to the Committee on Invalid Pensions.

7125. By Mr. GREENWOOD: Petition of Mrs. Alice Young, of Linton, Ind., and 12 other citizens of that city, urging that immediate steps be taken to bring to a vote a Civil War pension bill carrying the rates proposed by the National Tribune in order that relief may be accorded to needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

7126. Also, petition of Sam R. Cole and 131 other citizens of Shelburn, Ind., urging that immediate steps be taken to bring to a vote a Civil War pension bill carrying the rates proposed by the National Tribune in order that relief may be accorded to the needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

7127. Also, petition of William H. Lucking and 117 other citizens of Sanborn, Ind., urging that immediate steps be taken to bring to a vote a Civil War pension bill carrying the rates proposed by the National Tribune in order that relief may be accorded to needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

7128. By Mr. HALE: Petition of Minnie N. Emerson, resident of Manchester, N. H., urging the passage of legislation in behalf of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7129. Also, petition of 29 residents of South Merrimack, N. H., protesting against the passage of House bill 10311 or any bill enforcing the observance of the Sabbath or Lord's Day or any other religious or ecclesiastical institution or rite; to the Committee on the District of Columbia.

7130. Also, petition of 40 residents of East Kingston and Exeter, N. H., urging the enactment of legislation in behalf of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7131. By Mr. HAUGEN: Petition signed by Lula Ditch, president, for 167 members of the C. H. Huntley Womens Relief Corps, No. 72, Mason City, Iowa, urging immediate steps be taken to bring to a vote a Civil War pension bill for the relief of needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

7132. By Mr. HICKEY: Petition of Mrs. Emma Hostetter and other citizens of Winona Lake, Ind., urging the passage of a bill increasing the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7133. By Mr. HOOPER: Petition of William A. Shelven and 25 other residents of Kalamazoo, Mich., in favor of pending legislation to increase the present rates of pension of Civil War veterans, their widows, and dependents; to the Committee on Invalid Pensions.

7134. Also, petition of Mrs. Ruthalia Root and 13 other residents of Battle Creek, Mich., in favor of pending legislation to increase the present rates of pension of Civil War veterans, their widows, and dependents; to the Committee on Invalid Pensions.

7135. Also, petition of Mr. W. B. Steenberg and 28 other residents of Kalamazoo, Mich., in favor of pending legislation to increase the present rates of pension of Civil War veterans, their widows, and dependents; to the Committee on Invalid Pensions.

7136. By Mr. HOWARD: Petition submitted by Mr. F. L. Harrington, C. M. Bowden, S. J. Vance, and 85 others of Tekamah, Burt County, Nebr., protesting against the passage of House bill 10311, or any other bill making the observance of the Sabbath compulsory under civil penalty; to the Committee on the District of Columbia.

7137. By Mr. HUDSON: Petition of citizens of Howell, Mich., urging favorable consideration on legislation granting more liberal pensions to veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

7138. Also, petition of citizens of Lansing, Mich., urging action on legislation in behalf of veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

7139. By Mr. JOHNSON of Texas: Petition of Messrs. J. T. Yarbrough, T. S. Daniel, jr., Sam Rowe, Andrew Talley, and Clifford M. Thomason, of Navarro County, Tex., and Dr. C. C. Campbell, of Hill County, Tex., favoring House bill 16294, extending free-delivery system of Post Office Department; to the Committee on the Post Office and Post Roads.

7140. By Mr. KELLER: Petition of certain citizens of St. Paul, Minn., urging the speedy enactment of legislation for the relief of Civil War veterans and their dependents; to the Committee on Invalid Pensions.

7141. By Mr. KINDRED: Protest of the National Association of Retail Druggists, representing approximately 46,000 pharmaceutical associations and county and city associations and approximately 53,000 retail druggists in the United States, against granting a special rule to expedite the passage of House bill 17130; to the Committee on Ways and Means.

7142. By Mr. LANHAM: Petition of Mr. A. D. Horton and others, asking for Civil War pension legislation; to the Committee on Invalid Pensions.

7143. By Mr. LEAVITT: Petition of numerous citizens of Livingston, Mont., urging enactment of legislation to increase the pension schedules for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7144. By Mr. McCLINTIC: Petition of 27 voters of Dewey County, praying for the passage of a bill to increase the pension of Civil War veterans, their widows, and dependents; to the Committee on Invalid Pensions.

7145. By Mr. MAJOR: Petition of citizens of Howard County, Mo., protesting against the passage of House bill 10311, or any other bill, enforcing the observance of the Sabbath; to the Committee on the District of Columbia.

7146. By Mr. NELSON of Wisconsin: Petition signed by Mr. C. E. Zilmer and others, of Steuben, Wis., praying the passage of remedial legislation in behalf of the veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

7147. By Mr. O'CONNELL of New York: Petition of Joseph P. Ryan, vice president International Longshoremen's Association, New York City, favoring the longshoreman's compensation bill and opposed to fixing a definite maximum amount of benefits for permanent total disability or death; to the Committee on the Judiciary.

7148. Also, petition of Val Powell, past commander Queens Village Post, No. 301, American Legion, favoring the passage of House joint resolution, 325; to the Committee on the Judiciary.

7149. Also, petition of R. J. Baker, secretary American Steamship Owners' Association, favoring the inclusion of American seamen in any bill for workmen's compensation for maritime workers; to the Committee on Naval Affairs.

7150. By Mr. CULLEN: Petition from International Seamen's Union of America, favoring passage of Senate bill 3574; to the Committee on Immigration and Naturalization.

7151. By Mr. OLDFIELD: Petition of W. S. Hubble, Newport, Ark., urging the passage of House bill 13450; to the Committee on Invalid Pensions.

7152. By Mr. RAINEY: Petition of A. E. Williams and 40 other citizens of Mason City, Ill., urging legislation in behalf of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7153. By Mr. REID of Illinois: Petition of numerous citizens of Aurora, Ill., urging Civil War pension legislation; to the Committee on Invalid Pensions.

7154. By Mr. ROBINSON of Iowa: Petition urging immediate action be taken to bring a vote on the Civil War pension bill in order to relieve the needy veterans and widows of veterans, sent in by the citizens of Frederika, Bremer County, Iowa; to the Committee on Invalid Pensions.

7155. Also, petition from the citizens of Aplington, Butler County, Iowa, urging immediate action be taken on the Civil War pension bill so as to relieve the needy veterans and widows of veterans; to the Committee on Invalid Pensions.

7156. Also, petition from the citizens of Dubuque, Dubuque County, Iowa, urging the immediate passage of the Civil War pension legislation; to the Committee on Invalid Pensions.

7157. By Mr. SEGER: Petition of citizens of Little Falls, N. J., favoring an increase in the pensions of veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

7158. Also, petition of American Legion, Department of New Jersey, indorsing and urging prompt consideration of House bill 4548 for retirement of disabled emergency Army officers who incurred physical disability in line of duty during World War; to the Committee on World War Veterans' Legislation.

7159. Also, petition of Mrs. Emily Whittaker and 43 residents of Paterson, Clifton, and vicinity, requesting no changes in the immigration laws; to the Committee on Immigration and Naturalization.

7160. By Mr. STRONG of Kansas: Petition of voters of Salina, Kans., urging enactment of legislation granting increase of pension to Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7161. By Mr. STRONG of Pennsylvania: Petition of Henry S. Weaver Circle, No. 205, Ladies of the G. A. R., Freeport, Pa., urging a general increase of pension for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7162. By Mr. TAYLOR of Colorado: Petition urging legislation for relief of soldiers and widows of soldiers of the Civil War; to the Committee on Invalid Pensions.

7163. Also, petition from citizens of Montrose, Colo., protesting against compulsory Sunday observance legislation; to the Committee on the District of Columbia.

7164. By Mr. THURSTON: A petition of citizens of Chariton, Lucas County, Iowa, relating to legislation in favor of veterans of the Civil War and their dependents; to the Committee on Invalid Pensions.

7165. By Mr. TINCHER: Petition of sundry residents of Sterling, Kans., urging the passage of a Civil War pension bill for the relief of needy Civil War veterans and the widows of veterans; to the Committee on Invalid Pensions.

7166. By Mr. UPSHAW: Petition of citizens of Douglas County, Ga., requesting Civil War pension legislation; to the Committee on Invalid Pensions.

7167. By Mr. WOODYARD: Petition of citizens of Tyler County, W. Va., favoring additional pension legislation for soldiers and widows of soldiers of Civil War; to the Committee on Invalid Pensions.

7168. Also, petition of citizens of Clifton, W. Va., favoring additional pension legislation for soldiers and widows of soldiers of Civil War; to the Committee on Invalid Pensions.

7169. Also, petition of citizens of Tyler County, W. Va., favoring additional pension legislation relating to Civil War claims; to the Committee on Invalid Pensions.

7170. By Mr. WYANT: Petition of the Woman's Christian Temperance Union of Irwin, Westmoreland County, Pa., urging the passage of the Lankford Sunday rest bill (H. R. 10311); to the Committee on the District of Columbia.

7171. By Mr. YATES: Petition signed by citizens of Chicago, Ill., urging the enactment of Civil War pension legislation, to increase pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7172. Also, resolution passed by the art section of the Monday Club, of Edwardsville, Ill., urging the erection of a building at Washington, D. C., to be known as the National Gallery of Art, and also urging an appropriation of $10,000,000 for the erection of this building; to the Committee on Public Buildings and Grounds.

7173. Also, petition of patrons of the United States post office at Rosamond, Ill., urging passage of House bill 4040, for the yearly payment to the fourth-class postmasters of an amount equal to 20 per cent of their compensation as allowance for rent, light, and equipment; to the Committee on the Post Office and Post Roads.

7174. Also, petition of the board of directors, Kankakee Chamber of Commerce, Kankakee, Ill., expressing the opinion that the depression in the agricultural industry has reached such a point that it no longer is a matter of concern on the part of the farmers only, but it is threatening the prosperity of this entire community, and urging careful consideration of farm-relief matters; to the Committee on Agriculture.

HOUSE OF REPRESENTATIVES

SUNDAY, *February 20, 1927*

The House met at 10.30 o'clock a. m., and was called to order by Mr. COOPER of Wisconsin as Speaker pro tempore.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, whose name we love, we meet to-day in solemn company, in reverent recognition of Thy providence. We open our hearts to welcome Thy Holy Spirit. Deeper than we have known, clearer than we have seen, waken in us a sense of Thy presence and deny us not. Thy love, so large, is not bounded only by Thy love. We pause—we wait. No word or thought of ours can bring back the presence so familiar. One with his armored shroud has dropped into his vast and spacious grave. A man—a statesman, tall and mighty—has fallen upon his broken shield. A fearless pioneer, courageous in defense, has blazed his way through the mist of conflict and now his star radiates in the firmament of the Republic. We pay him tribute with sacred desire. Here we are in the restful calm of this hour, sensible of Thy fatherhood and in the conscious embrace of Christian brotherhood. Take us by the hand and go with us all the way. O God, bless the dear home that he loved and the country that he served. Through Jesus Christ our Lord. Amen.

The SPEAKER pro tempore. Without objection, the reading of the Journal of the proceedings of yesterday will be deferred.

There was no objection.

MEMORIAL ADDRESSES ON THE LATE SENATOR ROBERT M. LA FOLLETTE

The SPEAKER pro tempore. The Clerk will report the special order.

The Clerk read as follows:

On motion of Mr. COOPER of Wisconsin, by unanimous consent—

Ordered, That Sunday, February 20, 1927, at 10.30 o'clock a. m., be set aside for memorial services in honor of the late ROBERT M. LA FOLLETTE.

Mr. NELSON of Wisconsin. Mr. Speaker, I present a resolution.

The SPEAKER pro tempore. The gentleman from Wisconsin offers a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution No. 433

Resolved, That the business of the House be now suspended, that opportunity may be given for tributes to the memory of Hon. ROBERT M. LA FOLLETTE, late a Member of the Senate from the State of Wisconsin.

Resolved, That as a particular mark of respect to the memory of the deceased, and in recognition of his distinguished public career, the House, at the conclusion of these exercises, shall stand adjourned.

Resolved, That the Clerk communicate these resolutions to the Senate.

Resolved, That the Clerk send a copy of these resolutions to the family of the deceased.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was unanimously agreed to.

Mr. NELSON of Wisconsin. Mr. Speaker, ROBERT MARION LA FOLLETTE was to me for more than a generation a personal friend, trusted counselor, and political leader.

No mortal man ever held in my heart so high a place. During my youthful years and early manhood he was the central figure about which my hopes and activities revolved. Indeed, in those days he almost absorbed my whole personality.

In order that I may speak of him without undue bias I shall endeavor to control the feelings of a lifetime friendship. But what does it matter now to him what we say here in recording his life and services in the annals of his country? He built his own monument; himself wrote upon it a name that will live in history!

To add to or take from his enduring fame is not now within my power nor that of any man. His leadership of a movement to emancipate his fellow men from industrial oppression, and his illustrious career as one of our ablest statesmen, gave to him such conspicuous preeminence in the hearts and minds of men that our best efforts at appreciation seem little more than idle or wasted words.

However much we cherish his memory, all that we can do—those of us who were of the inner circle of his friends and so under the immediate impress of his extraordinary personality and the countless millions enriched more indirectly by his radiating influences for good—is to acknowledge publicly our great debt to him for the training, inspiration, and benefits that we shared together in him.

While, therefore, unable to add luster to his life or deeds, we may well make our own, and make known to the world the elements of his greatness, so closely akin to the principles of representative government for which by the very logic of events and abilities of leadership he became the eloquent interpreter and untiring defender.

His conspicuous public career I can not now dwell upon in detail. As a country boy living in a township in which he once taught school, I heard of him as district attorney and was thrilled by the accounts of his triumphs before judge and jury. I read of him with admiration as a Member of the House of Representatives, where he soon rose to high rank, being appointed by Speaker Reed to the Ways and Means Committee with such men upon it as Carlisle and McKinley. I had an humble part in his political activities when as governor of his State he overthrew there the forces of reaction, and as a Member of Congress I witnessed for nearly a score of years his distinguished service as United States Senator, enjoying something of the reflections of his fame.

He was 15 years my senior; but during all these years I learned to know him intimately, and as I knew him I shall speak of him. At the time I had the good fortune of coming into the inner circle of his friends he had suffered his only defeat for reelection to Congress. This was the most critical period of his whole career. He had refused to become a party to a great public wrong at the urgent and seductive invitation of political leaders of his State, and taking advantage of an adverse tide of public sentiment which had swept the Republican party out of power and LA FOLLETTE with it temporarily, these leaders marked him for destruction. As secretary of the Student's Republican Club of our university, I went up to his law office and said to him "LA FOLLETTE, I believe you are right. I have not much influence, but whatever I have is with you." He threw his arms around me and with tears in his eyes, he said, "God bless you, young man." That was my initiation 38 years ago, as a LA FOLLETTE man.

Let me describe him as I remember him then. He was not a tall man, but remarkably proportioned, symmetrically and powerfully developed. In nature's garb, his was the form and figure of a Grecian god—his head full domed, his brow high and broad, his hair dark brown and worn a wavy pompadour. His manly face, square chin, and piercing eyes spoke eloquently of firmness of character, keenness of mind, and I shall describe the charm of his winsome and irresistible personality.

His powers of physical endurance were truly marvelous. I saw him work for fully 18 hours a day year after year, his vigor unabated. Indeed, in the earlier years when I worked with him in campaigns, he appeared to me to labor 23 hours a day. He had the singular faculty of seemingly being able to will himself to sleep, and that sort of rest for 15 minutes was all that he required to restore his vital forces for continued intense work.

Admirable as were his physical gifts of form and endurance, that which gave him his preeminence among us was his marvelously rich endowment of soul capacity. His love of humanity, his appreciation of the light of truth, and his response to the law of right was always in the superlative degree. The LA FOLLETTE conscience, intellect, and heart—what an inheritance from a Scotch, Irish, and French Huguenot ancestry! How faithfully through his whole life his unconquerable will, in the inner background of his gifted being, stood guard over these priceless possessions of his soul!

LA FOLLETTE taught us by his example to place little emphasis on personal material gain and I often wondered why he seemed so little concerned about his financial resources in all his campaigns. It is my firm conviction that had he devoted his ability to money-making, as he devoted them to public service, he would have become one of our foremost multi-millionaires. Not only did he lay no emphasis upon financial gain to himself, but in his political contests in his desire to let the people know what he stood for he was even reckless in his personal sacrifices for the public welfare. So that through life he was not a rich man. He preferred for himself and for his family a modest enjoyment of that to which too many gifted men of to-day give too high a place in human endeavor.

Nor did he lay stress on religious matters. LA FOLLETTE was, however, by no means an irreligious man. He spoke reverently of Deity. He was a close student of the Scriptures, as can be seen in the many quotations to be found in his written works from Holy Writ. It is also my conviction that had he given himself to spiritual affairs as he did to political he would have been a preacher like the Apostle Paul. There was in him, too,

that indominable will to do, and willingness to die for a great cause and lofty ideals.

The moral sphere rather than the material or the spiritual was LA FOLLETTE'S field of labor. He had an intimate knowledge of human nature. He was a genius in politics in its true meaning—the science of government. He was a great statesman. For what constitutes true greatness? No man is great unless he measures up to at least three standards—greatness of intellect, greatness of conscience, and greatness of heart. Measured by these standards LA FOLLETTE was truly a great soul.

How often I have admired his mighty and many-sided intellect. Well we learned to know that when he gave himself to a problem he would see it steadily, in its length and breadth, and not only see through it but see it through. His keenness of mind carried far. His vision went far beyond present difficulties and dangers; he often saw the end from the beginning.

But LA FOLLETTE had not merely a great intellect. He obeyed the law of his mind. He was loyal to the truth he saw. From him we learned the value of facts. He sought the facts. He wove together the facts with relentless logic. His masterful handling of facts united with his dramatic power was to me the secret of his remarkable success as a lawyer before a jury or a speaker on the platform. Only profound prejudiced persons could withstand the convincing power of his presentation of the truth. How often in the Senate I have witnessed him mass facts on facts in a general argument. Reply was impossible. Therefore his opponents seldom attempted to refute his arguments. They would resort to side issues or appeals to prejudice, but their wisest course was silence. Not only was LA FOLLETTE devoted to the truth intellectually; he was honest in speech and conduct. He demanded that same loyalty to truth from all men or he would have no respect for them.

LA FOLLETTE was obedient to his conscience, and therefore had the courage of his convictions. How often I have heard him say, "There is nothing so sacred as righteousness." He stood for righteousness in human government, justice, and equity. He fought for equity for his fellow men affirmatively and he resisted with all his masterly force civic and political wrong of every kind, irrespective of how it would affect either friend or foe, for he was no respecter of persons.

While preparing political literature in campaigns I often marveled at the extent of his legislative labors. He not only achieved success in putting through reforms in his own State but had great influence in all the other States of the Union. Wisconsin under his leadership became a legislative workshop for other States to copy from. This was publicly acknowledged by progressive leaders of national renown. His uncompromising loyalty to principle was his distinguishing trait. Compromise he scorned and denounced. He stood for a step at a time but, as he said, a full step. Rather than surrender the principle he would not yield an inch of ground. To him temporary defeat was far to be preferred to permanent compromise. It was this loyalty to principle that gave him such far-reaching influence in national affairs. He would present platforms aiming at civic or political wrongs to national conventions. He well knew they would there meet with defeat. But under his unswerving pressure in the Senate, through the press and on the platform, his political enemies in the Senate would enact his proposed reforms in order to keep control. So that however great his services were directly to his State and to the other States of the Union, what he compelled his opponents to do indirectly in order to retain political and legislative power was even more far-reaching in scope and content.

And LA FOLLETTE had a great heart. He loved greatly. I forbear to lift the curtain of his home life. I shall bear only this witness. It was singularly touching to behold his respectful devotion to his life companion and his fatherly love to his children. No one so tender, so watchful, or so willing as he to make every sacrifice for them.

No mortal man was as firm a friend of his friends. He took a deep personal interest in their success. He planned for their advancement as if they were members of his own family. Nothing could shake his confidence in them. He trusted them wholeheartedly. He frowned upon any attempt to injure his friends by speaking ill of them to him. Indeed, I sometimes thought that this excessive confidence in us was a weakness for he would at times ascribe abilities and virtues to men that they did not possess. And sometimes these friends proved unworthy of their benefactor and tragically turned upon him. But LA FOLLETTE spared neither himself, his family, nor his friends in his supreme love for his country. And his country meant to him his fellowmen, especially the weak, the needy, and the oppressed. Tested by every stand of greatness, LA FOLLETTE was truly a great soul. The soul of him was like a mountain lake—too deep to be fathomed by us to the bottom; yet when among his friends or in the bosom of his family so open, so clear, and so unruffled that we could see as a reflection from him that which was noblest and best in us.

As LA FOLLETTE was a born leader of men, it was inevitable that untold millions of the common people should look upon him as the logical choice for President of the United States. Three times Wisconsin presented to Republican national conventions her famous and favorite son. Unfortunately, however, the truly great men are not elected to the high office of Chief Executive. Washington, Jefferson, and Lincoln were only exceptions to the general rule. Men like Webster, Clay, Bryan, and LA FOLLETTE, because of their preeminent abilities and aggressive activities, make many friends, but also many foes; and so unknown and mediocre men are for policy sake selected as standard bearers.

The climax of his career came when at the call of the plain people he became their candidate for President as an Independent Progressive. He entered that contest well knowing that however much the people might desire that he serve them as Chief Executive, the forces in control of the machinery and means of power could prevent his election. Yet he willingly made the sacrifice in the spirit of loyalty to his ideals of government and of love for the many that labor in factories and fields whose will and rights he fought to enforce.

But, Mr. Speaker, much as I would linger in paying this tribute to my departed friend, the limit of my time forbids. Let me present in conclusion two scenes distinctly impressed upon my memory which demonstrate more than any words of mine the wonderful hold he had upon the hearts of the plain people whose cause he championed. I see the living picture of him as he appeared before the public in the last presidential campaign. No longer in the prime of life he now bears the burden of nigh three score years and ten upon his brow. The dark-brown hair has turned to gray, but seemingly with renewed youth, the old master plays at will upon the heartstrings of the thousands that crowd the halls to hear him. With cheers of approval and admiration that rise and sink over and over again, his audiences are brought to their feet time after time under the magic power of his magnetic presence and masterly eloquence.

But grander still the last scene of all. In the capitol of his State I see the silent face of him, life's struggles forever over, so calm and peacefully at rest on the elevated bier that loving hands had draped in the colors of his country's flag, before which 50,000 men and women for two days file by in solemn silence whose gently flowing tears feelingly testified to their deep sense of personal love and loss. Well may we ask: What American statesman, in our generation, had moved the hearts of millions of his fellow men?

LA FOLLETTE is gone. How we are reminded of his conspicuous absence.

No more does he preside over our councils. Nevertheless we are palpably conscious of his invisible presence, for he built his life into the very bone and fiber of our being and is yet a part of the political atmosphere that envelopes us. Because he lived we are more keenly conscious than ever of our duty to be loyal to the principles of liberty, justice, and humanity, for which, in defeat as in victory, he so long and nobly wrought and fought.

LA FOLLETTE is gone, the last of the great pioneer Progressive leaders. As the cause for which he devoted his life is the cause of human freedom, surely at the appointed time some mighty son of the common people, under the providence of God, will take up the burden of leadership where he laid it down to carry it on to certain victory. But the man we knew and loved so long has gone, and while we sadly realize that we have lost our lion-hearted leader, we take solemn pride in knowing that what was said of another great American statesman is also true of our departed friend—he now belongs to the ages!

From Senator LA FOLLETTE'S autobiography the following data has been compiled:

He was district attorney of Dane County two terms, from January 1, 1881, to January 1, 1885.

He was a Member of the House of Representatives for three terms, from March 4, 1885, to March 4, 1891.

He was Governor of the State of Wisconsin for two terms and a part of a third term, from January 7, 1901, to December, 1905, resigning to take a seat in the Senate to which he had been elected.

He served as a Member of the Senate for three full terms and a part of a fourth term, from January 4, 1906, to June 18, 1925.

His years of official service—

District attorney, 4 years.
Representative, 6 years.
Governor, 5 years.
Senator, 19 years and 6 months.
Total service, 34 years and 6 months.

I append to my remarks the following tribute from one of Senator LA FOLLETTE'S friends, L. K. Porter, senior member of the law firm of I. K. & S. G. Porter, Pittsburgh, Pa. Hon. STEPHEN G. PORTER, his brother, is the distinguished chairman of the Committee on Foreign Affairs of the House.

IN MEMORIAM—ROBERT M. LA FOLLETTE

You can pencil the heavens and give each star its appointed place; you can photograph a brook and show the water dashing itself into spray, but whose tongue can picture, or brush or pen can paint a visible picture of ROBERT M. LA FOLLETTE? Goldsmith, perhaps—

"As some tall cliff lifts up its awful form,
Rises from the vale and midway leaves the storm,
Whilst round its breast the rolling clouds are spread
Eternal sunshine settles on its head."

Such was he. Until mind meets mind in subjective influence, no mortal tongue by words or pen can paint a picture that the eye can see. You can trace the shadowy outlines, but beyond that the language can not go.

He was about an average height, a well-poised head on a well-developed body, of sanguine temperament. His facial features in repose were marble, but underneath the placid features raged the fires of Ætna, which lit up with a radiance that dazzled all beholders. He was individualized by forcefulness of speech rather than imagery. He was powerful, but discreet in invective. He dealt in facts, not fancies. He was bigger than anything he ever said or did. There was something in his presence, some silent secret influence, that operated independent of his will upon those with whom he came in contact. He was magic to the people wherever he appeared. He was unpretentious and natural in method and manner. He was ROBERT M. LA FOLLETTE.

His intellect was receptive. He acquired more by observation than from books. Life to him was objective. He saw things as they were. He did not fashion them by the more subtle forces of the brain and live in a realm of fancy.

"Nurtured in the wilds, he sprang forth a Pallas, free and undefiled."

He threw down the gauntlet to the forces of special privilege, refusing all flags of truce, demanding unconditional surrender until he rescued the people of the State he loved so well.

Fate, however, had decreed a greater work for this man of destiny as a Member of the United States Senate, where for a quarter of a century almost alone he stood the sole guardian of the rights of the people against the forces of special privilege. He never weakened, never despaired, never compromised, but held the banner of righteousness aloft, untarnished as the flag when it fell from the deft and dainty fingers of Betsy Ross. Poor in pocket but rich in spirit, unbending as the giant pine of his native State, deep rooted, he grew up into the sunlight until he overtopped them all and conscious of the righteousness of his cause, withstood all the storms that malice and envy could invent.

He was a man of whom you may not speak—he spoke for himself. He allowed no living man to speak for him. He believed that the natural resources of the country belonged to the people and should not be despoiled for the enrichment of a few.

He believed that the hopes and aspirations of youth should not be crushed by unremitting toil.

That the men who broke the prairie, felled the forest, and tilled the soil should have an equal chance with the money changer in the temple of special privilege.

That the consensus of opinion of the people expressed by ballot was the only safe guide for the Republic.

That the concentration of wealth in the hands of a designing and ambitious few, unless checked, would destroy the Republic.

That the natural resources of the country were passing rapidly into the hands of powerful combinations to the detriment of the people.

That womankind should be given equal rights and privileges.

That no religious test should be required as a qualification for office.

That slavery, whether economic or physical, should be abolished without regard to race, creed, or color.

That every person should be given an equal opportunity in all the relations of life.

He was not silent. His voice was heard not only on the shores of the lakes and in the forests of Wisconsin, but in the Senate Chamber of the Capitol and throughout the Nation continuously until "the fierce spirit of the grass and scythe" released him from his labors.

He lived in the present. His great soul was not satisfied with the dead past, its glooms and shadows. Peace, equality, and tolerance among all men and universal liberty for every man should be chiseled upon his tomb as an inspiration for youth and a lasting memorial to the great tribune of the people.

L. K. PORTER.

Mr. RATHBONE. Mr. Speaker, we have assembled to pay our tribute to the memory of a great American. We recognize in him that rarest combination of heart, conscience, and brain which alone can insure the highest success and entitles its possessor to enduring fame.

In Shakespeare's Henry VIII, in the advice given by Wolsey, the fallen cardinal, to young Cromwell, I find the best of political maxims—"Be just and fear not." These words might well have been the motto of ROBERT M. LA FOLLETTE, for his whole life was lived in accordance with this precept.

Justice and courage—these, added to the wisdom of the statesman, are the qualities most needed in public life. A sense of justice causes a man to see the right and to love it. Courage gives him strength to fight for the right in defiance of every consequence and in the face of the fiercest and most powerful opposition.

Senator LA FOLLETTE loved justice enough to fight for it. Unfalteringly, from the beginning to the end of his life, he took the people's side in the great battle for human rights and human welfare and fought and suffered heroically in their cause. Seldom, indeed, has nature sent forth anyone so lavishly gifted, mentally, morally, physically, to take up the task of a tribune of the people. He understood the people, sympathized with the people, was true to the people, and the people returned in the fullest measure his understanding, his sympathy, and his fidelity.

He followed a steadfast, a consistent course from the beginning to the end of his life. There were no backslidings, no sudden conversions, no periods of quiescence, much less any time of faltering. Of few statemen, of few men, can as much be said.

He was a herald of the future. In LA FOLLETTE we see the new era, the new spirit, the new conscience, the new attitude toward public life and its problems at the dawn. He was the true father of progressiveism, the Columbus of the new world of American politics. It is the prerogative of the greatest men to discover and turn to effect new social and political forces.

Statesmen naturally fall into two classes—those who strive to improve institutions and conditions and those who struggle to preserve them as they are. LA FOLLETTE'S gaze was steadfastly forward. He knew that no man and no party could live forever on the past; that what was should only be a stepping stone to what could be. He never worshipped tombstones. The Tory is blind to a present evil or to the possibility of creating a future good.

He lived in an era when the power of money was greater and its acquisition easier, when the pleasure and honors it conferred were more abundant than ever before in human history. It took a strong man indeed to oppose the rising tide of privilege and materialism. ROBERT M. LA FOLLETTE was the man for the hour. His task was to see to it that, in the development of mighty aggregations of capital and the altered structure of our national life resulting therefrom, the rights and interests of the people did not suffer.

He changed the spirit of a State. He made the name "progressive" honorable and significant. He made reform permanent.

Thought is the father of achievement. Effective action depends in the first instance on superiority of ideas. Methods and laws that meet the requirements of the age are preceded by thoughts that are true and right.

Senator LA FOLLETTE lives and will continue to live in the laws he caused to be enacted and the resultant good to mankind, and also because he left behind him a host of sustaining friends, a band of political disciples who had the ability and the heart to carry on his work.

No ordinary man could have accomplished such results; only the most extraordinary man could have achieved them. Not in vain has he lived, for every true champion of the people's cause in future years will be inspired by the story of the battle for political righteousness so gallantly waged through a lifetime of self-devotion by ROBERT M. LA FOLLETTE.

Great men are priceless. As has well been said by that profound student of American institutions, James Bryce:

Room should be found in every country for men who, like the prophets of ancient Israel, have, along with their wrath at the evils of their own time, inspiring visions of a better future and the right to speak their minds.

And again the same writer says:

From time to time hope is revived by the appearance of a group of disinterested reformers, whose zeal arouses a nation to sweep away

abuses and leaves things better than it found them. It is only sloth and torpor and the acquiescence in things known to be evil that are deadly. So we may hope that the ideal may never cease to exert its power but continue to stand as a beacon tower to one generation after another.

The great man always and everywhere is he who is consecrated to a cause which is greater than himself.

At the same time, he was not a visionary. He was a practical idealist, a common-sense reformer, a sane progressive. He knew how to achieve. His principles became party platforms—his theories the law of the land. The reforms he championed are now the milestones of the Nation's progress for over 20 years. One by one the demands of the people for social, industrial, and political justice, which he championed, were, through his efforts and leadership, made part of the institutions and life of his State and the Nation.

Wisdom and justice were his, but these can not avail a statesman without the supreme quality of courage. LA FOLLETTE possessed this heroic trait in as ample measure as any statesman who has ever lived. Never once in his lifelong career did he waiver; never once did he surrender his principles; never once did he compromise with any wrong or cringe to power; never once did he betray the cause of the people. From the beginning to the end of his life the atmosphere he breathed was that of battle. Never did the people have a more dauntless champion. He was always in the forefront of the contest, where danger lies. He was a political pioneer, blazing a new path through the trackless wilderness with all the valor of the Vikings of old, whose motto was "We will find a way or make one."

He loved the clash of arms, the battle for the righteous cause, more than the ordinary man loved ease, wealth, preferment. Yet the fighting quality in him was rendered all the more admirable because of the tenderness of the man, as was evidenced by his ideal home life, the devotion of his family, his great host of loyal friends. "Out of the strong cometh forth sweetness."

His courage endeared him to the people as much as his sense of justice. The public is sometimes angered by one who opposes their will, but so much do men admire genuine courage they will forgive almost any offense in order to follow the man who dares to be right.

Unquestionably the theory of the philosopher Fichte, as explained by President Hibben, is eternally true, namely, that—

In the making of a man power is born of opposition, struggle begets strength; resistence provokes vigor of body and spirit and that the very obstacles to progress make progress possible. * * * The distress of the Nation is the opportunity of the patriot.

Motley, in his work on "Compromise," well says:

It has often been said that he who begins life by stifling his convictions is in a fair way for ending it without any convictions to stifle.

Infirmity of will is the most fatal defect of all in the character of anyone who would aspire to lead his fellow men.

It was true courage in Patrick Henry when he cried out:

Give me liberty or give me death.

It was courage when John Adams said:

Live or die, sink or swim, survive or perish, I give my heart and my hand to this vote. Independence now and independence forever.

It was courage when Andrew Jackson removed the deposits from the United States Bank. When Henry Clay exclaimed:

I had rather be right than be President.

When Stephen A. Douglas defied Buchanan. When Abraham Lincoln, against the unanimous advice of his friends, determined to utter the fateful words:

A house divided against itself can not stand. I believe that this Nation can not permanently endure half slave and half free.

When Grover Cleveland, toward the close of his first term, sent his tariff-reduction message. When William McKinley, in the face of the storm, reaffirmed his faith in the principle of protection to American industries. And it was courage in LA FOLLETTE when he braved the wrath of the powerful to champion the cause of progress and reform or faced the passions of a people bent on war.

Spender in his book, "The Public Life," in speaking of Sir Henry Campbell Bannerman, has this to say:

Again and again one hears it said that a politician has forever done for himself, and again and again it turns out that the supposed unforgivable thing was the foundation of his fortunes. * * * It is almost an axiom of British public life that no one rises to the highest public position unless at one time or another he has stood firm against the prevalent opinion and staked his reputation on what appeared to be a failing cause. * * *

He waited patiently for the inevitable reaction after war, and when it came the public judged that there must be very uncommon qualities in a man who had so dauntlessly kept his flag flying in the tumult of popular wrath. He gained not only power and position, but the peculiar affection which rewards the brave man, and for the short time that remained to him he exercised an authority over his party which few even of its greatest leaders have enjoyed.

James Bryce in his sketches of British statesmen, in speaking of Lord Beaconsfield, also has this to say:

He was not led astray by party cries. * * * And once more, he gained by the many years during which he had opportunity of displaying his fortitude, patience, constancy in defeat, unwavering self-confidence—gifts rarer than mere intellectual power, gifts that deserve the influence they bestow. Nothing so fascinates mankind as to see a man equal to every fortune, unshaken by reverses, indifferent to personal abuse, maintaining a long combat against apparently hopeless odds with the sharpest weapons and a smiling face.

And in another place he says:

For practical success it is less fatal to fail in wisdom than to fail in resolution.

And again:

But a nation needs something more than the intellectual guidance which such men can give. Among them must also be leaders of a firmness who will face opprobrium and defend causes for the moment unpopular. The chief defect of public opinion is its tendency in times of excitement to overbear opposition and silence the voices it does not wish to hear. Courage is the highest and perhaps the rarest quality among politicians. It is specially needed in democratic countries.

Of LA FOLLETTE it might well be said that he was—

One who never turned his back but marched breast forward,
Never doubted clouds would break,
Never dreamed, though right were worsted, wrong would triumph,
Held we fall to rise, are baffled to fight better, sleep to wake.

In his autobiography we find passages which reveal most clearly the indomitable spirit of the man:

My whole life had been given to a struggle in which countless battles were necessarily lost in the course of the warfare, so a temporary defeat meant less to me, perhaps, than to men unseasoned by strife. * * *

The result in Illinois and Pennsylvania made no difference with my plans. I had known defeat before and had been trained to meet it with strengthened resolution to press on, building up a real Progressive support, so fixed in convictions as to be utterly indifferent to reverses. The momentum of a victorious army is hard to resist, but an army disciplined by defeat, that will still fight on, is invincible. * * *

No campaign for principle is ever in vain.

In another place in this inspiring life story he speaks of one of the conventions, when he was a candidate for governor, after he had met with defeat and when his followers were burning with indignation at what they considered the unfair tactics employed by their victorious political foes, when bitterness was in their hearts and discouragement in their souls, that their leader arose and delivered to them a message of dauntless determination, in which he quoted the lines of Henley—

Out of the night that covers me,
Black as the pit from pole to pole,
I thank whatever gods there be
For my unconquerable soul.

In the fell clutch of circumstance
I have not winced nor cried aloud;
Under the bludgeoning of chance
My head is bloody but unbowed.

It matters not how straight the gate,
How charged with punishment the scroll,
I am the master of my fate,
I am the captain of my soul.

His motto was not only "No surrender," but it was more; it was, "No compromise." Falsehood is a form of cowardice and it was therefore not only foreign, but utterly repugnant, to his nature.

Senator LA FOLLETTE was cast in heroic mold. How puny beside his Titanic vigor seemed lesser men! How limited their vision; how narrow their range of thought and action; how selfish their purposes compared with his far-sightedness, his scope, and his entire devotion to the public good!

It has well been said that—

In a free community the truest—and a sufficient—honor anyone can win is the respect of his fellow citizens.

This man never reached the White House, the legitimate goal of every American's ambition, the heights "where fame's proud temple shines afar," but no one has left behind him a more devoted band of followers, nor won more deservedly the respect of his fellow men.

His place in our political history is assured. Jefferson was no more firm believer in great principles, Jackson was no more ardent champion of the people's rights, Clay inspired no more devoted a following, Cleveland displayed no greater firmness, Roosevelt no greater courage, Wilson no more idealism, Bryan no more energy, Lincoln himself no more unwavering sense of duty than this gallant son of Wisconsin.

To be weakly right is almost as fatal in public life as to be strongly wrong.

In his great epistle, St. Paul speaks most eloquently of the three great virtues of the Christian life—faith, hope, and charity—and concludes with the words:

but the greatest of these is charity.

And so we might say of the three great virtues of the public life—wisdom, justice, and courage:

Though a statesman have a voice of silver and a heart of gold, if he have not courage he is impotent for good among his fellow men. Though he have the brain of a genius and is able to grapple with the great problems of state, and though he cherishes the highest ideals, if he have not courage he is nothing.

The man of courage rises after every fall stronger and greater than before to renew the conflict, never loses heart or hope, never blames others for his own mistakes and failures, has an abiding faith in the good sense and justice of the people.

Courage does not change, whereas intellect, however great, may blunder, and the most brilliant talents be employed in the most unworthy cause. Nothing in public life is solid and enduring but character, and courage is the backbone of character. And so we arrive at the three great political virtues and sources of enduring success and of lasting fame—wisdom, justice, and courage—these three; but the greatest of these is courage.

And now we lay our final wreath upon the grave of one whom we justly honor and upon the monument, more enduring than marble or bronze, reared to his memory in the hearts of his countrymen, we gratefully inscribe the name of ROBERT MARION LA FOLLETTE.

Mr. BROWNE. Mr. Speaker, Congress has convened this Sunday morning to pay tribute to the memory of the late Senator ROBERT M. LA FOLLETTE, of Wisconsin.

The history, the life, and accomplishments of this most remarkable and distinguished man have been so ably recited by the speakers who have preceded me, and are so fresh in the minds of the people of his own State and the Nation, that I will use the brief time allotted to me in speaking of the one phase of his life which impressed me most—his inherent and fervent love of democracy and his abiding faith and confidence in the people.

ROBERT M. LA FOLLETTE was the most outstanding consistent exponent of democratic principles of his time. In my opinion his name will go down in history beside the names of the world's two greatest crusaders for democracy—Thomas Jefferson and Abraham Lincoln.

In using the word democrat, I do not use it in any narrow, partisan sense, but in its broad, comprehensive meaning, a person believing in a form of government in which the supreme power is vested in the people.

The aim and ambition of Senator LA FOLLETTE was to make his country a true democracy as contemplated by Jefferson and Lincoln.

A profound student of the Constitution and the history of his country, his great objective in life was to bring our Government back to the people and make this country a republic in spirit and practice as well as in theory; a republic where the broad highway of opportunity offers an equal invitation to every youth to travel, whether he came as a barefooted boy from a humble cottage or traveled in the golden chariot of ancestral wealth. During the 30 years of his active political life ROBERT M. LA FOLLETTE was the outstanding champion of human rights and the mighty defender of democratic principles.

When he was very young the responsibility of helping support a widowed mother and the family fell to his lot. Fighting as he had to against adversity his early associations were among the common people of his vicinity, consisting of all nationalities, people engaged mostly in farming and the trades and vocations of a rural population. He knew the thoughts, the ambitions, the hopes, and aspirations of these people, for he was one of them. He also knew the handicaps and injustices that wealth and privilege had placed in their pathway. His bright mind, coupled with a strong constitution and an indomitable will, enabled him to overcome many handicaps which would have stopped others with equal ambition but possessing less physical and mental endurance.

LA FOLLETTE'S development was very fast. He had a marvelous memory, wonderful concentration, and mental energy.

Graduating from the University of Wisconsin in 1879, winning the interstate contest for oratory, admitted to the bar, serving as district attorney of his county for four years and elected to Congress when he was 29 years of age, the youngest member of the Forty-ninth Congress, were achievements which gave promise of the brilliant career which was to follow.

In his public service consisting of 6 years in the House of Representatives, 6 years as Governor of the State of Wisconsin, and 20 years in the United States Senate he was, in my opinion, instrumental in placing on the statute books more laws for the betterment of mankind than any statesman in the history of our country. LA FOLLETTE was a pioneer, a dauntless navigator who dared sail on the uncharted seas—with compass in hand and with eyes fixed on the stars, he never faltered or turned back no matter how high the waves tossed or how fierce the storm beat against him. His unconquerable spirit was never curbed in his crusade of over 30 years for the liberty and rights of the people. He has been called the embattled prophet of the new democracy, a democracy directed by intelligence and organized to guarantee to every child born in this Republic equal opportunities. He dedicated his life to the principle of equal opportunities to all and special privileges to none. LA FOLLETTE defined his own belief in democracy in these words:

I favor equal and exact justice to each individual and to every entrant, yielding neither to clamor on the one hand nor being swerved from the straight course by an interest on the other.

He had a high regard for the rights of property, but, like Lincoln, he always placed human rights above property rights.

LA FOLLETTE regarded his platform promises as sacred and moral obligations. I remember when the Wisconsin civil service bill was before the legislature for passage. It was the most comprehensive and far-reaching measure of its kind which had been proposed in any State at that time or since. LA FOLLETTE was governor of the State and a firm believer in the merit system and helped draft the bill. He was being opposed by a Postmaster General armed with all the State Federal patronage. Many of the governor's friends, believing that he took his political life in his hands, advised him that he defer the civil-service legislation until the contest was over. In LA FOLLETTE'S vocabulary there was no such word as expediency or compromise when he had made a promise to the people. He backed the civil-service legislation as he promised and it became a law, thereby taking from himself practically all of the governor's patronage. He could not reward his friends with positions and had to continue the battle against forces of unlimited wealth who were armed with the effective weapon of the Federal patronage of the State. His many heroic acts like this thrilled the disinterested intelligent electorate of the State, and men and women who had never before taken an interest in politics enlisted in his cause, for they learned to know that the platform pledges of LA FOLLETTE were his political bible and would be religiously carried out.

The laws passed during the time LA FOLLETTE was Governor of Wisconsin attracted attention all over the country. Business had not been injured, as many predicted, but on the contrary had been benefited and the masses of the people were prosperous, contented, and happy.

Theodore Roosevelt, upon visiting Wisconsin and investigating the working of its progressive laws, said:

Thanks to the movement for a genuinely democratic government which Senator LA FOLLETTE led to overwhelming victory in Wisconsin, that State has become literally a laboratory for wise experimental legislation aiming to secure the social and political betterment of the people as a whole.

No man in public life ever met with more determined opposition nor was confronted with more discouragements nor made a braver fight. In the struggles of the masses which has been going on through the ages LA FOLLETTE not only held the ground gained by those great champions of human liberty who preceded him but he planted the flag of liberty and democracy far in advance of where he found it.

I remember of his saying to a group of his faithful supporters after a temporary defeat in a convention:

The men who win final victories are those who are stimulated to better fighting by defeat.

He then repeated those lines of Henley's:

Out of the night that covers me,
Black as the pit from pole to pole,
I thank whatever gods may be
For my unconquerable soul.

In the fell clutch of circumstance
I have not winced nor cried aloud.
Under the bludgeonings of chance
My head is bloody, but unbowed.

It matters not how strait the gate,
How charged with punishments the scroll,
I am the master of my fate;
I am the captain of my soul.

Woodrow Wilson, in a speech at Wilmington, Del., in October, 1912, said:

Now, there arose in Wisconsin that indomitable figure of BOB LA FOLLETTE. I tell you, ladies and gentlemen, I take off my cap to BOB LA FOLLETTE. He has never taken his eye for a single moment from the goal he set out to reach. He has walked a straight line to it in spite of every temptation to turn aside. * * * I have sometimes thought of Senator LA FOLLETTE climbing the mountain of privilege * * * taunted, laughed at, called back, going steadfastly on and not allowing himself to be deflected for a single moment, for fear he also should hearken and lose all his power to serve the great interests to which he had devoted himself. I love these lonely figures climbing this ugly mountain of privilege. But they are not so lonely now. I am sorry for my own part that I did not come in when they were fewer. There was no credit to come in when I came in. The whole Nation had awakened.

When General Grant lay on his deathbed a friend asked him what in these final and suffering days, as he looked back over his career, brought the greatest satisfaction to his mind. The friend may have expected the old commander to mention something he had done—in his plans for the capture of Vicksburg, his scheme for reducing Richmond, his plea for the purely secular conduct of the public schools—but the reply went deeper than any one deed. His lifelong purpose now sustained him, and he said:

I take chief pleasure in the fact that I have always had the will to do my duty.

ROBERT M. LA FOLLETTE always had the will to do his duty. A valiant fighter for democracy, a courageous and intrepid soul has passed. But his noble example remains as an inspiration to the living and a heritage to posterity.

Mr. LAGUARDIA. Mr. Speaker, the House meets to-day in keeping with an ancient custom of this young Republic. The same resolution that was adopted for this special meeting has been adopted hundreds of times in the 140 years of our Republic, but yet how different from the regular meetings of this character. To-day we pay tribute to the memory of ROBERT M. LA FOLLETTE.

Mr. Speaker, you suggested to me a few days ago that I should reduce my remarks to writing, and I tried to do it. It is quite possible to make a speech paying tribute to the memory of a public servant in the ordinary run of things, but in this instance it can not be done. The most involved and intricate thought of the human mind can be recorded in writing, but the real anguish of a sorrow-stricken heart will not register on paper. To attempt to relate the accomplishments of this great American would necessitate to index the useful and progressive legislation of this country for the past 30 years.

As I attempted to put on paper my feeling toward Senator ROBERT MARION LA FOLLETTE, I felt how little any of us had accomplished. The sum total of all the activities of the entire American Congress for the last 20 years is a negligible quantity to what this man accomplished.

Some 25 years ago, Mr. Speaker, I attended a performance in the city of Budapest of a great French artist who had come there for one evening, and I never did understand what the author really had in mind until to-day. The chief rôle of the play was a professional mourner who was the star of the professional mourners in France at the time that institution was popular, and great were the demands for the services of this mourner. No one knew anything about him, but when any of the nearly great passed away his services were retained to mourn, and he cried—for he knew how to cry, and he led in the crying—until one day he lost all that he had, a little daughter whom he had reared, and when the time came that sorrow had come to his heart he could not cry.

So it is, my colleagues, we may be called upon in the course of our public work to make speeches of tribute from time to time; but when it comes to attempting to pay tribute to a real champion of the people, it can not be done. Eloquent as a speaker may be when his heart is filled with real and genuine sorrow—words will fail him.

ROBERT LA FOLLETTE was the master of applied happiness. Mr. Speaker, we all know that in republics and democracies there are certain inspiring principles beautiful in theory, but, alas, seldom put in practice. When one seeks to make these theories practical, to apply them for the benefit of humanity, the opposition presents itself. ROBERT LA FOLLETTE demonstrated the fundamental principle that besides the protection of life and property, the right of every American "to the pursuit of happiness," meant something. Oh, some say it was put there just for euphony. Others say it is just pure theory; but LA FOLLETTE applied it, and when you make the many happy you naturally incur the disfavor of a few.

I know of no instance that illustrates this better, perhaps, than his interest in the seamen; and that is but one of his many, many successful efforts for the people against exploitation. A native of a State thousands of miles from either ocean, he became the champion of the seamen who had been exploited for centuries. The poets sung of the heroism of the sailor. The painters recorded on canvas the beauty and the heroic deeds of the life of the seamen. The sculptor put into marble and into bronze the brave acts of the seamen. Is it not peculiar, Mr. Speaker, that in the homes of the great shipowners you would find these paintings, you would find these works of art? Where the soul of the man of the sea was put on canvas and in stone, the same men made the daily life of the seamen continued drudgery and misery. ROBERT M. LA FOLLETTE took the soul of the seamen and put it where it belongs, in the breast of the American sailor, and made a self-respecting, happy human being out of him. And so all along the line.

I did not have the benefit of his intimate acquaintance, nevertheless he was just as much my teacher as yours. I did not have the benefit of personal contact and counsel with him, nevertheless he inspired us of the East as much as you of the Middle West. He resided in Wisconsin, but he lived in the hearts of the tenement dwellers of my city; and if I understand in any way the character of this great man, he would say to us to-day: "Stop; there is too much work to be done; keep away from political expediency; do not waver; keep up the work to make this country great."

He loved this country. He knew more about it than any man of his age. Why? When he wanted to ascertain whether the country was prosperous or not, he did not go to the ticker of a gambling exchange; he went into the homes of the producers of the country.

When he wanted to ascertain the condition of the farmers he did not take a bulletin from the Department of Agriculture; he went into the homes of the tillers of the soil on the farms; and to-day, rather than making this a day of sorrow and mourning, we should make this a day in which we dedicate ourselves to carry on the work that he started. We should be happy that LA FOLLETTE lived, and we should comport ourselves accordingly as Members of the representative body of a free people.

And we will not have done our part unless we keep up the fight against special privilege; keep up the fight to bring happiness into the home of every worker in this country. And the greatness of the Republic will not have been fully acquired until it is truly great, not in a measure of gold in reserve, not in terms of high buildings, not in the number of battleships or standing army, but when the world can look upon this Republic and find a happy land of happy people.

Mr. SCHNEIDER. Mr. Speaker, oh, what a genuine feeling of personal loss and deep sorrow that came over the many followers of ROBERT MARION LA FOLLETTE, when, on June 18, 1925, news of his death had come. Stunning was the blow, and the hearts of a nation's people made heavy with grief at the loss of this man who had pioneered the way for greater human liberty. Anxious multitudes of his friends had prayed and hoped that his life might be prolonged, so that he, their leader, could go on and on to do battle for them. But nature had to take its course. LA FOLLETTE had reached a ripe old age. He had lived a full and complete life. He was 70 when he died.

Not very many men have won such a warm place in the hearts of their fellowmen as did ROBERT M. LA FOLLETTE. This high regard and love for him by all who knew him came as a result of his unceasing and energetic devotion to the cause of human righteousness. Content with but the simple necessities in the way of material things, he spent his energies, not in the accumulation of wealth and great riches, but to help secure a little more of the worldly comforts of life for the many.

So, Mr. Speaker, it is well that we hold memorial services for this great man. Not that it is necessary to commemorate the dead—LA FOLLETTE would not have it so if it be merely to praise his name. I speak of him and his life as an example and inspiration for the good of the living.

But time does not permit to relate in detail the wonderful story of the life and work of this most wonderful man—how, from the very beginning of his public career he championed the cause of right and fair play, his first encounter with the arrogance of boss rule, his persistent fight to free his State from the control and exploitation of the special interests.

We in Wisconsin are thankful for his life, and have long enjoyed the benefits resulting from his endeavors. Instead of a government by political bosses, powerful railroad interests, and special privilege, he secured for us a government by the people. Our direct primary which he gave us has made the ballot a real and powerful instrumentality with which the citizens of Wisconsin can approve or disapprove the conduct of its public servants. Many are the reforms which he put through for the State of Wisconsin. So sound and so beneficial did they prove to be that they soon became the models for our sister States. Thus, under LA FOLLETTE'S leadership, not only the few but all of its citizens—the farmers, the workers, and the business men—prospered, and to-day Wisconsin stands in a most enviable position—a leader among the great States of this great Union.

This is the best testimonial and evidence of the wisdom and constructiveness of the LA FOLLETTE ideals and principles. But his work in the State, both as private citizen and as its governor for three terms does not end the story of the achievements of ROBERT M. LA FOLLETTE. He has also played a most conspicuous part in the national life of our country. Indeed he has made himself felt throughout the length and breadth of this Nation.

Here it was, under the dome of this magnificent building, the Nation's Capitol, as a Member of Congress of the United States, that ROBERT M. LA FOLLETTE had labored for more than a quarter of a century. No public servant who sat in this Chamber or over yonder in the Senate ever toiled more diligently and more faithfully in trying to cope with the many perplexing problems that confronted his Nation. For three terms he sat in this Chamber as a Member of the House of Representatives. The late President McKinley was then also a Member of this body, and the tariff question was the chief subject of consideration. LA FOLLETTE was quick to see the importance of this question and prepared himself with the thoroughness that was always characteristic of everything that he undertook to do. His speech on the tariff ranks with the best of those delivered by his older and more distinguished colleagues at that time. This at once won him early recognition and distinction as a student of public affairs and as an able and fearless exponent of his views.

Later, when McKinley became President, he showed his high regard for LA FOLLETTE'S abilities by the fact that he offered him the important post of Comptroller of the Currency, but which LA FOLLETTE could not accept. The office of governor and the work he was then doing for the State of Wisconsin was more important.

It remains for others to tell more fully about his long and uninterrupted service in the Senate of the United States. It is that period of his life that has stamped its deepest imprints upon our Nation's history. Great were the odds at times which he had to face, but greater still was his courage, which has always carried him past the obstacles that were thrown in his way. Once convinced of the soundness of purpose and justice of the cause, he permitted nothing to deter him. Neither bribery, threats, vilification, or persecution could change the course he set out to follow. He had the courage of his conviction, but oh, how much he had to suffer for it! Particularly fresh in my memory are those terrible trials that he had to go through during the dark days of the World War.

If ever, sir, there was a brave man, it was LA FOLLETTE. It was his high regard for human life and his love for his country that made him do the things which no other man in public life has ever done, and which, in my opinion, stamps him, in our time at least, as the bravest of the brave—a constructive statesman, a real national hero.

LA FOLLETTE, in the Senate, it will be remembered, like in the first days of his fight for the uplift of his State, was practically alone in the struggle to advance the cause of the common man. The press of the country was against him. And organized wealth fought him. LA FOLLETTE made his challenge to them when he declared:

> The supreme issue, involving all others, is the encroachment of the powerful few upon the rights of the many. This great power has come between the people and their Government. We must, with statesmanship and constructive legislation, meet these problems, or we shall pass them on, with all the possibilities of violent conflict and chaos, to our children.
>
> Democracy can not live side by side in any country with the present system of control of Government by private monopoly. We must choose, on the one hand, between representative government, with its guarantee of peace, liberty, and economic freedom and prosperity for all the people, and, on the other, war, tyranny, and the impoverishment of the many for the enrichment of the favored few.

Knowing the abilities of LA FOLLETTE and fearing the results of the determined purpose of his conviction, his enemies left nothing undone to hinder him. Even the people of the Nation were slow at first to recognize that they had a real champion in LA FOLLETTE, for, in sooth, how could the people of America know the truth when it had always been kept from them by a private-owned Wall Street controlled and subsidized press?

But his efforts in behalf of the common people were sure to win their ever-increasing love and appreciation. Once the truth about LA FOLLETTE pierced the veil of darkness cast about them by a prostituted press, they flocked to his banner with the zeal of a religious crusade, and were it not for the fact that wealth is still securely intrenched, and bribery and corruption still play a strong part in national elections, the people in 1924 would have carried their leader to the crowning glory of every American's highest ambition—the Presidency of the United States.

LA FOLLETTE had shown himself to be the peer among men. In all his endeavors he proved himself equal to his task. Endowed with a strong physique, a keen mind, a powerful intellect, a good voice, and pleasing personality, he was ideally equipped by nature. Habits of industry and determination of purpose were also his. But all this could not have made him the truly great man that he was. It was, sir, the bigness of his heart, sensing always the injustices, inequality of opportunity, and unhappiness of the people that caused him to marshal all of his God-given faculties in his effort to discover their causes and to secure a remedy for them. Like unto the mother heart her child, to LA FOLLETTE the value of human life was the highest thought. He sought greater opportunity for man's free and full development. He wanted to bring humanism into this materialistic and imperfect social and economic order. To him nothing seemed to be more precious, more worthy of protection and preservation than human life itself. Would that we, too, could always be actuated by this high and noble thought.

Thus the value, sir, of the service he rendered, whether through the enactment of constructive legislation which he sponsored or favored, or by his constant exposure and onslaught against corruption in government, can hardly be estimated through an expression of mere words. Neither is it necessary to enumerate here the long list of achievements recorded opposite his name.

But if any one thing should be singled out at this time from his many important accomplishments, it is the fact that LA FOLLETTE gave life to a different, if not new, political philosophy—the principles of progressivism—gradually to be followed by others, and which, in time, must make our Government more truly democratic, more responsive to the people, and functioning not only for the benefit of the few, but for the good of all.

Need we, therefore, wonder why homage is paid to this brave and public spirited man who has passed from our midst—why eulogies from leaders in every walk of life, all over the Nation, have already been given—yes, that would perhaps cover pages of many a volume attesting the worth of LA FOLLETTE. Also a marble image of him is to adorn the Hall of Fame in the Nation's Capitol to perpetuate his memory, for Wisconsin has already honored its favorite son by causing a monument of him to be erected there. But, for us, sir, the real purpose of to-day's exercises should not be merely to voice our admiration and respect for ROBERT M. LA FOLLETTE, but to take a renewed hold in the good cause for which he gave his whole life, and to carry on.

Mr. BECK. Mr. Speaker, I can not describe the feelings that oppress me in attempting to speak of ROBERT MARION LA FOLLETTE. Anything I say, I fear, will only detract attention for a fleeting moment from the enduring monument LA FOLLETTE built for himself. If I were to write his epitaph it would simply be: "LA FOLLETTE." That name, throughout the world, expresses more than anything else that may be said of him. It expresses honesty and integrity, buttressed by profound intellect and matchless courage; it expresses welfare of the human race, defense of the rights of the poor, sacrifice of personal well-being, and all for the making of a better world in which to live.

LA FOLLETTE was fortunate, in his early life, in coming in contact with two of Wisconsin's greatest men, just as thousands of other young men, in turn, have been fortunate in coming in contact with him. These two great men were John Bascomb, president of our State university, and Chief Justice Ryan, of our supreme court.

John Bascomb expounded to the students of the university the doctrine that every individual who avails himself of the training offered by the university at the expense of the State, should pay for the opportunity of education in service to the State. Justice Ryan, in a historic address to the graduates of the university, in 1873, pointed the way in which that service could be rendered when he said:

> There is looming up a new and dark power. * * * The accumulation of individual wealth seems to be greater than it ever has been since the downfall of the Roman Empire. The enterprises of the country are aggregating vast corporate combinations of unexampled capital, boldly marching, not for economic conquests only, but for political power. * * * Already, here at home, one great corporation has trifled with the sovereign power, and insulted the State. There is grave fear that it and its great rival have confederated to make partition of the State and share its spoils. * * * The question will arise, "Which shall rule, wealth, or man; which shall lead—money or intellect; who shall fill public stations—educated and patriotic free men, or the feudal serfs of corporate capital?"

To the propositions laid down by these two great Americans LA FOLLETTE dedicated his life. In his autobiography he tells us that—

> the issue is not the tariff; it is not the currency; it is not conservation or railroad regulation. These are but manifestations of the struggle. The supreme issue involving all others—

He said—

> is the encroachment of the powerful few upon the rights of the many.

Only a few days ago we had a demonstration of the truth of that statement as a reminder that the great issue LA FOLLETTE defined is still with us. A single individual representing 145 power companies, capitalized at $9,000,000,000 told the members of this House and 118,000,000 people in the United States of America, that a pending bill for the development of Boulder Dam could not pass unless this Government is willing to build the dam and turn over to the power monopoly the rights of selling the power to the people. LA FOLLETTE believed that that system of legislation and administration meant government by special interests; government by the favored few instead of the many; plutocracy instead of democracy; government by wealth instead of man; feudal serfs instead of free and patriotic men; government by money instead of intellect. And in his 40 years' battle against that system, a battle not yet won, LA FOLLETTE never surrendered and never sounded a retreat.

Demosthenes was driven to the grave for preaching democracy to the ancients. Socrates was forced to drink the cup of hemlock for advocating that men should seek the truth. Cicero was beheaded for endeavoring to drive corruption out of the Roman Empire. Lincoln was assassinated for abolishing human slavery. LA FOLLETTE was persecuted for trying to put into effect the Declaration of Independence. And the One who brought Christianity into the world was crucified on the cross. LA FOLLETTE placed human rights above property rights. When Wisconsin placed him in charge of the affairs of the State, by electing him governor in 1900, LA FOLLETTE immediately began the struggle of wresting the government of Wisconsin from the hands of the powerful few and placing it in the hands of the many. That was in exact accord with the conception of government as laid down by the fathers of this country and expressed in both the Declaration of Independence and the Constitution of the United States.

His first step in the great struggle that followed, a struggle that was to continue for a decade, was to abolish the old caucus system where delegates to conventions, and public servants from United States Senators down to coroners, were chosen in the back rooms of saloons, and to place the machinery for choosing public servants in the hands of the people, through direct primary, giving the man in overalls as much to say about his Government as the magnate of corporate wealth. For this, he was called a dangerous radical. His next step was to attack the power of the railroads, those identical corporations referred to by Chief Justice Ryan, 25 years before, as seeking to "make partition of the State and to share its spoils." During LA FOLLETTE's first administration as governor, and after every proposal for bringing these great corporations under control had failed, the railroads made the boast that no legislation had been enacted in Wisconsin in 30 years that had not been approved by them. Defeated in the legislature, LA FOLLETTE appealed his case to the court of the last resort, the people of Wisconsin. During this campaign the railroads brought to their support the banks of the State. Through their system of rebates they secured the aid of merchants, manufacturers, and chambers of commerce, who furnished money to go out over the State and buy editorial space in the newspapers. The press, accordingly, denounced LA FOLLETTE as a most dangerous demagogue, seeking to wreck the financial fabric of Wisconsin, drive factories out of the State, throw thousands of wage earners out of employment, and ruin the farmers by taking away their markets.

But LA FOLLETTE had the facts and he never went into battle without ammunition. This, coupled with his oratorical powers, made him an impregnable warrior in the fight for economic justice. He read the roll call on men and measures. He held the public records of public servants up to the gaze of the voters, and when the people understood, the railroads were brought under control of the State.

He placed our banking system upon as solid a foundation as may be found anywhere in the Union. He created a tax commission and abolished a tax system that permitted the railroads to assess themselves, and built up a system of taxation for the whole State in accordance with the principle of "ability to pay." He placed the public health above profits and drove food adulterators beyond our borders. LA FOLLETTE found many of our factories hotbeds of filth and disease. He found them drawing upon our future laboring capital by employing children of tender years at tasks and hours entirely beyond endurance. He found women, mothers—employed as long as 41 consecutive hours—at tasks beyond their strength, sacrificing their health in order to get bread for the family. He found many places of employment breeders of crime. He found that among the 40,000 workers of the State there were 30,000 industrial accidents per year that caused an average loss of time of two weeks or more, and as high as 271 of these were fatal. He found that in every community where the death rate from tuberculosis was highest, in that community the most unsanitary conditions in factories and workshops existed. He found that employers were paying $5,000,000 a year to insurance companies for protection against liability for accidents, and that only about one dollar out of every fifty found its way into the pockets of the injured working men or their dependents. The remainder went to the coffers of insurance companies and the pockets of attorneys and claim agents. He found that 60 per cent of the time of our courts was taken up by damage cases arising out of industrial accidents.

LA FOLLETTE changed all this. He took the children of the State out of the factories and placed them in the schools. He prohibited, through legislation, the employment of women and children in places dangerous to health or morals. He cleaned up the factories of the State so that the death rate from tuberculosis fell in factory districts as sanitary conditions improved. He reduced the accident rate of the State over 60 per cent and diverted the $5,000,000 paid by employers for insurance into the pockets of injured workmen or their dependents, and entirely relieved the courts of damage suits arising from industrial accidents.

For this work no honest man who knows the record and has ever read the Declaration of Independence, will say LA FOLLETTE was a demagogue, a radical, or a man seeking the destruction of democracy. These epithets come from the powerful few whenever their supremacy is challenged. It was so in the days of the Magna Charta; it was so in the days of Jefferson; it was so in the days of Lincoln; and it was so when the star of Bethlehem poised above the lowly manger. But let us hope that it may not always be so.

After LA FOLLETTE had served three terms as Governor of Wisconsin, his people sent him to Washington to do for the Nation what he had done for the home folks. What he did here may safely be left to the verdict of history.

But I think it will not be disputed that for nearly 20 years LA FOLLETTE was leader of the Progressive opposition and the spokesman of millions of American people in the United States Senate. It was he who organized and led the revolt in the Republican Party against party leaders, which culminated in the direct election of United States Senators, control of corporate wealth by a more progressive body of legislation, in State and Nation, and a higher sense of civic consciousness all over this land than we have known since the World War.

When that war engulfed Europe in August, 1914, LA FOLLETTE took his stand with 90 per cent of the American people, including the spokesmen and leaders of all parties, for peace. He proposed as early as 1915 the calling of a conference of the neutral nations of the world for the protection of neutral rights

against all belligerents alike, and for mediation between the warring powers. As a candidate for a third election to the United States Senate in 1916, LA FOLLETTE gave an open specific pledge to his people that he would continue his efforts to keep this country out of the World War.

LA FOLLETTE kept that pledge. Ten years ago this month he conducted the historic filibuster that defeated the armed ship bill, a measure that was opposed with equal vigor in this body by Kitchin, of North Carolina, the majority leader; Mann, of Illinois, the minority leader; and Champ Clark, of Missouri, the Speaker of the House.

Yet from that hour LA FOLLETTE was singled out alone for the most savage campaign of abuse, misrepresentation, and vilification ever visited upon a public man in the history of this country. The people of Wisconsin understood why. They knew that in the eyes of his calumniators LA FOLLETTE had sinned not by opposing war, as many other patriotic men had done that, but by insisting that great wealth should pay its share of the cost of the war.

This is not the time or place to review the events of that period when LA FOLLETTE, after a nation-wide propaganda was condemned by the legislature of his own State, by the faculty and board of regents of his alma mater, by the city club of his own city, and threatened with expulsion from his seat in the United States Senate. But in 1922 LA FOLLETTE submitted his war record to the people of Wisconsin, discussed and defended it, and he received the greatest indorsement ever given a United States Senator in a primary and an election.

I shall only say here that LA FOLLETTE took more pride in his war record than in any other official act of his life, and I offer the prediction that when the day comes, as it will come, when a majority of the seats in this body and in the Senate are filled by men who love peace enough to fight for peace, who will make the choice between peace and war without fear of Executive power, or the propaganda of the press, or the pressure of selfish corporate interests, ROBERT MARION LA FOLLETTE will be sustained.

There comes back to me now the memory of my first glimpse of LA FOLLETTE 30 years ago. He was then making his first campaign for governor in the campaign of 1896. I heard him in the opera house at the little city of Stevens Point, where I was a college student. I followed him to the next town the next night, drawn to him like thousands of other young men of our State by the dauntless courage, the evident honesty, and the mental power of the man. And as I followed him from that first meeting 30 years ago until the day of his death, I found him preaching always the same doctrine and fighting for the same principles of democratic government.

Although five million of American citizens supported LA FOLLETTE as an independent candidate for President in 1924, the mass of the people of the Nation never knew him as the people of Wisconsin knew and understood him. They were never permitted to know him. In Wisconsin, LA FOLLETTE literally covered every square mile of the State in a dozen campaigns from 1894 until 1922, in which he overcame the organized opposition of the press, the corporations, the large banks, and fashionable society with no weapon except his own power on the platform. I have seen him hold an audience of 10,000 people with a complex economic discussion, and with the same earnestness and effort address a dozen farmers or mechanics at a country crossroad.

On the platform, LA FOLLETTE was a great teacher, educating the people of the State in politics and economics. In office, as legislator or executive, he was a tireless and resourceful builder, seeking to adapt our Government to modern conditions to afford democratic results.

LA FOLLETTE understood the common people because he was one of them by origin and never lost his contact with them. He summed up one of the cardinal principles of his creed when he said:

> I do not fear public opinion; I respect it.

This man has often been represented as a domineering, hard, and bitter personality, but as one who knew him for 30 years I can testify that no man ever possessed a more kindly disposition, a more sympathetic nature, or was more sensitive to the feelings of those about him than he. Sometimes mistaken in his judgment of men, often betrayed by trusted lieutenants, LA FOLLETTE could forgive and forget a personal injury, but he would never compromise a principle or have commerce with the trimmer. He remained to the last open-handed and helpful to all men and an inspiration to the youth of the State. When he died, hundreds of thousands of homes in the State, where he had never been known except as "BOB," mourned his passing as that of a member of the family.

From the time LA FOLLETTE entered this House nearly a half a century ago as a young man of 29, throughout a public career of 40 years, he never betrayed a trust or failed his people. When history shall have balanced the scales and rendered him full justice, ROBERT MARION LA FOLLETTE will be accorded a place, where the people of his own State who knew him best have already enshrined him, with Jefferson, and Lincoln, in company with the noblest defenders of human rights of all lands and of all ages.

Mr. HOWARD. Mr. Speaker, it is a very high privilege to be called here by my colleagues from Wisconsin to pay by presence and by voice a little tribute to the memory of a wonderful man.

In view, Mr. Speaker, of the presence of so many Representatives of his own immediate home country, I think perhaps it would be out of place this morning for me to take up very much time in paying my particular tribute. Rather I would be pleased to have permission to say now that I shall adopt the tributes paid by his every fellow here as my own indeed.

Mr. Speaker, if one should employ the term "beautiful grief," one might be misunderstood. And yet this morning I have witnessed evidences of beautiful grief upon the faces, upon the cheeks, and upon the quivering lips of men who loved ROBERT LA FOLLETTE while he lived, and who love his memory now.

Often I have heard men say that these memorial services which we of the Congress conduct in memory of our loved and lost are meaningless. To me, upon an occasion like this a year or so ago, when tributes were expressed in the United States Senate in honor of him whose memory we are honoring to-day, I was thrilled, I was joyed, by the tributes paid to the memory of ROBERT LA FOLLETTE by men who had served with him in the Senate during the dark days when he was so much misunderstood because of the course he pursued with reference to the entry of our country into the war. And when I heard one after another of those Senators speak of him as a pure patriot, and particularly regarding the words of Senator Fernald, who was so long his seat mate in the Senate, and hearing Senator Fernald pronounce ROBERT LA FOLLETTE as one of the purest patriots he had ever known, I felt that that ceremony was of value, not only to LA FOLLETTE's friends, but also to the American people, who had believed in him, and who for a little while had been swept away from their belief by the frenzied advocates of war.

I am thinking this morning, Mr. Speaker, that I might pay the highest tribute to the memory of ROBERT LA FOLLETTE and might make an interesting disclosure to the fellows of his own home commonwealth here assembled by citing what appears in my own community to be a positive fact, namely, that the greatest living poet had LA FOLLETTE in mind when he painted that word picture of the champion of the common people in contest with the monster of greed. In fact I am sure he had ROBERT LA FOLLETTE in mind when he wrote his Battle Cry. Ah, I was sure of it after conversation with that great poet time and again, although I am not privileged now to tell you positively that in those lines LA FOLLETTE was the poet's hero. Yet I am privileged to tell you that I drew, and honestly, I think, from the poet's conversation the fact that at least LA FOLLETTE was one of the heroes he had in mind when he wrote the Battle Cry. And with that suggestion, Mr. Speaker, I think I may pay my best tribute now to the memory of ROBERT LA FOLLETTE by reciting here that great poet's battle song, that great poet's heart cry of the people, which he drafted under caption "The Battle Cry." I can see ROBERT LA FOLLETTE in every line of it. I have heard LA FOLLETTE often, although never privileged to have that close acquaintance with him which would have been my pleasure and my profit. But as boy and man I have studied him, and in the lines of this greatest of poets I have the privilege of looking right out through the lines, and at the end of each of them to behold my memory picture of ROBERT LA FOLLETTE. The poet said:

THE BATTLE CRY

More than half beaten, but fearless,
Facing the storm and the night;
Breathless and reeling, but tearless,
Here in the lull of the fight,
I, who bow not but before Thee,
God of the fighting clan,
Lifting my fists, I implore Thee,
Give me the heart of a man!

What though I live with the winners
Or perish with those who fall?
Only the cowards are sinners,
Fighting the fight is all.
Strong is my foe—he advances!
Snapt is my blade, O Lord!
See the proud banners and lances!
Oh, spare me this stub of a sword.

Give me no pity, nor spare me;
Calm not the wrath of my foe.
See where he beckons to dare me!
Bleeding, half beaten—I go.
Not for the glory of winning,
Not for the fear of the night;
Shunning the battle is sinning—
Oh, spare me the heart to fight!

Red is the mist about me;
Deep is the wound in my side;
"Coward!" thou criest to flout me?
O terrible foe, thou hast lied!
Here with my battle before me,
God of the fighting clan,
Grant that the woman who bore me
Suffered to suckle a man!

Mr. PEAVEY. Mr. Speaker, more than 70 years ago, in a little log cabin in Dane County, Wis., ROBERT M. LA FOLLETTE was born. We are assembled to-day to pay our respects to that man, not for the wealth he accumulated nor for what he inherited but for the things he accomplished and his steadfast devotion to his ideals.

Words spoken here will add little to the memory of Senator LA FOLLETTE. His life of service to the plain people constitutes a monument more enduring than our poor efforts of eulogium. His record of achievements will keep his name shining on the ages of history long after his foes have faded into oblivion.

Beginning his career in Wisconsin at a time when the State government was in the clutches of corrupt political bosses, when intrigue and bargaining in the public business was the order of the day, ROBERT M. LA FOLLETTE at once found himself opposing these influences. He soon learned that the captain of industry can always enlist the aid of the best talent in the land; that wealth can always purchase its defenders; and that the plain people seldom have an advocate to speak for them. In keeping with his nature, he instinctively threw his lot with those of his kind, and from that time forward until the day of his death his whole thought and energy was spent fighting their battles, striving to make the world a little pleasanter, a little brighter for those who toil.

A State government which has not been touched by the breath of scandal for the last 25 years and a State citizenry enjoying economic, political, and religious freedom is a living evidence of the accomplishments of this man and the soundness of his principles. In the past generation no man has dared come before the people of Wisconsin and advocate the return to the spoils system of political control which existed before ROBERT M. LA FOLLETTE swept corruption from the corridors of the State capitol at Madison.

But, Mr. Speaker, I recognize the futility of attempting in the brief space allotted to me to recite the things ROBERT M. LA FOLLETTE accomplished in his lifetime. It would be useless to attempt even in a much longer time to recount the far-reaching effects of his achievements. I can not, however, refrain from testifying to the intellect and moral courage of the man who held such complete sway over the people of Wisconsin.

He had a restless mind, he sought always to pick out the flaws in government, to overthrow tyranny and expose political dishonesty. Not only did he seek the errors in the social order but he sought the remedy as well. It is not the part of a genius to discover the flaws, but to prescribe a remedy is the test of statesmanship.

In a large measure Senator LA FOLLETTE'S success as a statesman may be attributed to the fact that he never advocated a measure, he never fought for a principle without first absorbing all available facts and information and marshaling them into orderly array. His was a method of research and experiment step by step. He did not shrink from a principle because it was new or fear a measure because it was untried.

To the stranger he appeared as one who reveled in the carnage of battle, who delighted in striking down his opponents, but in truth nothing was farther from his nature. His sympathies were all with those who tilled the soil and labored in the factory, and he granted no quarter to those in the seats of the oppressor. When obeying meant violating his convictions, when acquiescing meant what he conceived to be surrender, when to follow meant to abandon his principles, he took the only course open to one of his nature and stood and fought for what he believed to be right. No matter what the odds, he hewed to the line until the day of his death.

Mr. Speaker, no comments upon the life of Senator LA FOLLETTE would be worth while without mention of his great courage. During the days of the World War, when the flames of passion swept the Nation and threatened to consume all who had the temerity to speak in the name of peace, when the cry of "traitor" and "pacifist" engulfed all who had the courage to protest against war, Senator LA FOLLETTE exhibited an example of courage seldom recorded in the pages of history.

Foreseeing the results of war and possessed of an unbounded sympathy for those who must suffer the hardships of war, he instinctively opposed it. Having determined upon his course, he launched himself into the struggle in their defense with all his energy. He never doubted the righteousness of his position. That stand brought down upon his head an avalanche of vituperation. From one end of the land to the other he was denounced as a traitor to his country, an agent of the Kaiser, and some found the term "copperhead" most convenient. When he entered a street car it was immediately vacated; when he appeared it was the signal for hisses, but he continued on his course! Standing at his desk in the Senate directly in front of the Vice President, when the whole country was clamoring for war, his voice rang out in denunciation of all the hideous sufferings and hardships that inevitably accompany armed conflicts between nations. Thus alone he stood while his fellow Senators denounced him as an enemy of mankind. But those dark days are fading from memory. To-day, on this occasion, we acknowledge our appreciation of the superb courage of the man. No words may be more fittingly applied to him than a paraphrase of his favorite lines from which he seemed to draw inspiration:

It mattered not how strait the gate,
How charged with punishments the scroll,
He was the master of his fate,
He was the captain of his soul.

Mr. Speaker, the champion of the plain people has gone home, never again to raise his voice in defense of the oppressed. His dynamic personality, his powerful intellect and devotion to those he loved are no more. To us who remain and believe in his principles falls the duty of reaffirming our faith in him and carrying on the ideals for which he gave his life.

MEMORIAL RESOLUTION TO COMMEMORATE THE LIFE AND SERVICES OF ROBERT MARION LA FOLLETTE ADOPTED BY THE LEGISLATURE OF WISCONSIN JUNE 19, 1925

("I am at peace with all the world, but there is a lot of work I still could do. I don't know how the people will feel toward me, but I shall take to the grave my love for them which has sustained me through life."—Last words of ROBERT MARION LA FOLLETTE.)

Joint resolution to commemorate the life and services of ROBERT MARION LA FOLLETTE

Wisconsin mourns the death of its most illustrious son, its senior Senator, ROBERT MARION LA FOLLETTE.

LA FOLLETTE and Wisconsin are inseparable in the minds of the American people. This State has had other great leaders, men of ability and vision. No other of its sons, however, influenced so profoundly the history of the State and Nation.

A native son of Wisconsin, LA FOLLETTE was born in the town of Primrose, Dane County, on June 14, 1855. He was graduated from the University of Wisconsin with the class of 1879, was admitted to the bar in 1880, and in that year was elected district attorney, a position which he held for four years. He was elected to Congress in 1884 and was twice reelected. One of its youngest members, his ability won him a place on the Ways and Means Committee, the most important in the House of Representatives.

After completing his last term in the House in 1891, LA FOLLETTE for 10 years held no public office. During this period he founded a political organization, which was the beginning of what has come to be known as the "progressive movement" throughout this country.

Elected governor in 1900, he was reelected in 1902 and 1904. As governor LA FOLLETTE attracted nation-wide attention by his successful fight for the constructive, progressive legislation for which Wisconsin has become famous. From LA FOLLETTE'S administration dates the ascendancy of the University of Wisconsin and the correlation of its activities to the public service. Under his leadership were enacted the first state-wide primary law and the first effective railroad-rate regulation law in the Nation, model antipass, railroad taxation, banking, civil service, and labor laws, and many other enactments which, like those enumerated, have stood the test of time and have been copied by other States and the Federal Government.

LA FOLLETTE was elected United States Senator in 1905, and after completing the work he promised to do as governor took his seat in the Senate in December of that year. From that date he served continuously as a Senator until his death, being three times reelected by unprecedented majorities.

In his 20 years of service as United States Senator LA FOLLETTE was the outstanding champion of human rights and of legislation for the protection of the weak and the oppressed. In his fight to abolish slavery on American merchant ships, to prevent child labor, to limit

the hours of service of railway employees and of women in industry, and to safeguard the lives of the workers, he improved the conditions of labor of millions. In initiating the policy of preserving the natural resources remaining in the public domain and in Indian lands under the leasing system, and in protecting the rights of the Government in the naval oil reserves, he was the most comprehensive and practical advocate of conservation of his generation. In his never-ceasing battles against monopoly and for railroad rates allowing only a reasonable return upon actual investment he protected the economic interests of all the American people. In pressing forward the cause of women's suffrage and in securing the popular election of United States Senators he advanced the cause of democracy. In his successful efforts to purge the United States Senate of men elected by lavish and unlawful expenditures of money he protected the National Congress against debauchery and corruption. In his courageous advocacy of the rights of free speech and liberty of the press he upheld the best traditions of the fathers. In the greatest struggle of his time, namely, the attainment of social justice and of industrial and political democracy, LA FOLLETTE was the leader, and his leadership was one of courage, ability, constructive power, vision, and, above all, of deep and passionate sympathy with the common people.

LA FOLLETTE was the recognized head of the progressive movement in the United States. Never was his influence greater than at the time of his death. Lacking organization and campaign funds, LA FOLLETTE in 1924 polled 5,000,000 votes for President of the United States, the largest vote ever cast for an independent candidate.

LA FOLLETTE was ever the champion of the common man and the advocate of democracy. Democracy to him meant not merely political democracy but equality of economic opportunity. He fought relentlessly graft, corruption, and all forms of special privilege. He never compromised a principle. He had the courage of his convictions despite calumny and ostracism.

All who really knew LA FOLLETTE loved him. Many of his political enemies were his personal friends. Largely shunning "society," he devoted himself to his public duties and to his home and fireside. His devotion to his family was exemplary. His long career was never sullied by breath of scandal, personal or political.

A man of great industry, of keen analytical mind, an outstanding student of economics, he brought to the presentation of public questions a storehouse of facts and a masterly application of philosophy to the political and economic problems of his time. His great ability, his unswerving and unselfish devotion to public service, his unimpeachable integrity, his unsurpassed courage, his consistent adherence to his ideals, generally acknowledged in his lifetime, are universally conceded upon his death.

LA FOLLETTE is dead, but the soul of him lives in people's hearts wherever men are striving for freedom. LA FOLLETTE'S voice is still, but the spirit that spoke through it is the spirit of brotherhood and righteousness, and is enduring.

Millions the world over mourn the death of ROBERT MARION LA FOLLETTE. More intensely than elsewhere this sense of the loss of a great leader of the people is felt by the citizens of Wisconsin. He was the embodiment of the spirit of the State. Born, raised, educated within this State, laboring in behalf of its people, he was by them beloved in a personal way as was no other man in the history of the Commonwealth. Therefore be it

Resolved by the assembly, the senate concurring, That this resolution be spread in full upon the journals of both houses to express the recognition of the State of Wisconsin of the services rendered to the State and Nation by ROBERT MARION LA FOLLETTE.

HERMAN W. SACHTJEN,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.
HENRY A. HUBER,
President of the Senate.
F. W. SCHOENFELD,
Chief Clerk of the Senate.

Mr. KVALE. Mr. Speaker, for nearly a quarter of a century I made my home at Orfordville, a village in southern Wisconsin, almost within the shadow of the State Capitol. During that time it was my privilege to know something of the man to whose memory we are to-day meeting to pay tribute; I witnessed the strife, the unending strife in which he was plunged by the driving force of his deep-seated convictions; I saw at close range the fires that played about him.

I saw, oh, how many times, how the people flocked to his standard; I saw the throngs that greeted him on every occasion, whether his subject touched matters of State or whether, perchance, he delivered a scholarly lecture on Shakespeare.

As for myself, I went many an evening to the neighboring cities—Brodhead, Janesville, Beloit—to sit, spellbound, for three hours or more in rapt, almost worshipful, attention. And if compelled in those early days to spend the night in a freight-train caboose in order to fill an appointment for the day following, I felt well repaid for the inconveniences I endured.

To me, as a young man in the ministry, he was the true hero, always the one to champion the cause of the lowly and the downtrodden. In many ways he seemed to me the very embodiment of the spirit of the Nazarene. The impress made on my youthful mind can never be obliterated.

And the more I saw him and heard him and read of him, the more he increased in stature. With every act, every utterance, every influence he grew and developed, and his impress deepened.

To-day, after more than 30 years of intimate acquaintance with and careful study of his life and work, his achievements and his efforts, it is my calm, sober judgment that the historian of the future will acclaim him one of the greatest men that God ever reared on the Western Hemisphere.

Our sense of values, in a national way, is not reliable. All through the history of our great Nation we find proofs of the statement that men who have performed the most distinguished service have often been denied a true appraisal of their worth until long after their death.

It may be a safe assertion that, even as Webster and Clay in their time towered above the Presidents under whom they served and made themselves felt as the great constructive statesmen of their time, so will LA FOLLETTE stand out as a man of achievement long after his contemporaries in higher office have been forgotten.

The greatest political honors of the Nation often are bestowed on men who capitulate to popularity, who prefer to avoid strife rather than to be guided by principle, guided often into a soul-scorching battle. Of the latter type was LA FOLLETTE, he who has brought about more constructive changes in our governmental policies and practices than any other one man of his time. Others have enumerated some of them; I shall not do so at this time.

Only this one point: He is great among the great men not only because he had the unflinching courage to attack the forces he knew were operating against the public weal, not only because he was the "Fighting Bob" that has made one of the most picturesque and lovable figures in history, not only because he attacked the existing order, but because always, always he offered, with God-given vision, a constructive, workable, sound remedy for what he criticized. First for his home State of Wisconsin, then for his beloved United States.

First for his home State; yes. And to-day Wisconsin has a government and laws which are the basis for constructive changes and forward-looking amendments in the laws of every State in the Union. Add to that truly remarkable service the list of accomplishments for his Nation, and you have a record of service that no man since Lincoln can duplicate.

He loved his fellow men. His actions showed it all through his life; and his last spoken word reiterated it.

For them he wanted greater happiness. To that he dedicated himself, and in that effort for their happiness he found his own, a happiness which he valued above riches or praise or material reward.

For them he wanted a fuller expression in the halls of Government. He knew that their interests were not pressed as vigorously as those of the smaller, more powerful group. He saw their privileges slipping away from them, saw the steadily increasing advantages of the monopolistic industrial and financial groups, and saw that protesting voices were too few and too weak to combat this tendency successfully.

There was his life work. To raise his clear voice for the inarticulate, to represent faithfully and ably the great mass of unorganized citizens who were not able to use influence and strategy to protect their rights and interests, to stand unswerving in the path of any legislative proposal which would not be for the greatest good to the greatest mass of people, to vision sound and constructive remedies, and to fight for their adoption regardless of consequences to LA FOLLETTE, the man—to do all these was his inspired work.

Others, in his time, felt the same call, the same prompting, undoubtedly with fully as great force, and responded with the same measure of whole-hearted, unselfish service. But they lacked, in some part, his accomplishments, characteristics, personality. God gave him ability and talent in amount that is rarely found in one man's body and soul. Courage was his, an indomitable resolve, inexhaustible patience, rare judgment and discernment, a depth of love and sympathy that not many could gauge. And these elevated him far above the rest.

A man with the soul of an idealist, and yet immensely practical. A man who had known the bitterest sorrows that come to men, but whose fine optimism would not be crushed. A man for whom disappointments only whetted determination, for whom delays only confirmed patience, for whom opposition but refined courage. Is it any wonder his people loved him so?

I shall carry to my grave the memory of the day of his burial, and the evidence there given of that love. I shall remember the services, simple and modest and unassuming as the man himself was, yet significant and inspiring as he, too, was. I shall not forget the masterly tribute paid him by Doctor Haydon, nor the many pictures that flash to my mind when my thoughts go back to that day. But more soul-stirring than any of these to me was the sight of the grief-stricken thousands who waited their turn, mute and dumb with the sense of personal loss, to look on their friend for the last time. Such tributes speak more eloquently than any words we can utter.

But there are tributes—words that our great and prominent men have left us. Associate Justice Brandeis has said:

> No man in public life to-day expresses the ideals of American democracy so fully as does LA FOLLETTE in his thought, his acts, his living. No man in public life to-day has done so much toward the attainment of those ideals.

An eminent southern jurist, Walter Clark, then chief justice of North Carolina's supreme court, paid this striking tribute:

> He is more than a Republican, more than a Democrat. Above all men of my time, he is the representative of the great common people of this country.

Said Warren S. Stone, head of the Locomotive Engineers:

> Senator LA FOLLETTE always keeps his promises. Partisan politics have never influenced him. If a thing is right, Senator LA FOLLETTE is for it; and if it is wrong, he is against it, regardless of politics.

Quotations from the pen of Theodore Roosevelt and of Woodrow Wilson have already been given by the gentleman from Wisconsin, Mr. BROWNE, and I shall not repeat them.

With William Jennings Bryan, LA FOLLETTE brought the fight against corruption to a nation-wide stage. To-day, these two are the figures which mark the definite beginning of the new era; their work will continue; their words of warning and inspiration still ring in our ears.

As compared with many other men in public life in the Nation, we know that meager, indeed, was the material reward meted out to LA FOLLETTE. A bare sustenance for himself and his loved ones was his; whereas, had he chosen to turn his unusual talents into other lines of endeavor, he would have been assurred a life of opulence and ease.

He consciously, willingly chose these paths, and he found his compensation in the love and esteem of the people, to whose welfare he dedicated his life, and in the satisfaction that comes in knowledge of duty well performed. These compensated for the intense hatreds and bitter feelings aroused against him by his attacks upon the organized forces who were depriving the people of their rights and liberties.

His very weakness proved his pillar of strength. It was because he did possess a sometimes violent, always righteous temper, and a sharp tongue that he was able to wield such a mighty influence. Enemies hated him for his denunciations, hated him more cordially than any other man in public service, yet they were impressed with wholesome respect. The public heard and remembered when his stern voice raised itself, as they never could have done had he been a flowery orator incapable of emotional stress. No honest man questioned his sincerity and his rigid adherence to principle, come what may.

What an instance of that almost superhuman trait, to recall the experiences that were his in the days of the recent war. And what a satisfaction it must have been when the reaction set in, and vindication came. Nearly three years ago, while Senator LA FOLLETTE was still in his full vigor and performing his most useful service, I spoke the following words on the floor of the House:

> The war profiteers and dollar-a-year patriots of this country hounded and persecuted and crucified on the tree of public opinion the greatest living constructive statesman of this or any other Nation, because he shouted open defiance to the lying hypocrites proclaiming their patriotism to high heaven as they went forth to loot and plunder and exploit, wrapped in the silken folds of the Flag of Freedom. But after every crucifixion in the history of mankind there is a corresponding resurrection. It may take three days, three years, three decades, or even three centuries, but it never, never fails to come.
>
> The plundering, silk-hatted mob of America that went out to loot a Nation may yet live to see the day when he whom they thought safely buried under all their vile slander and calumny will be the respected leader of the greatest Republic of modern times. Stranger things than this have happened in the memory of men now living.

And I am satisfied that in the history books which our children and their children will read, LA FOLLETTE will be accorded his place as the real leader in the political life of our Nation in the first quarter of this century.

He saw the light, and he dared follow, not counting the cost. I think of him when I recall the words in Lowell's poem:

> Once to every man and nation comes the moment to decide,
> In the strife of Truth with Falsehood, for the good or evil side;
> Some great cause, God's new Messiah, offering each the bloom or blight,
> Parts the goats upon the left hand, and the sheep upon the right,
> And the choice goes by forever 'twixt that darkness and that light.
>
> * * * * * * * * *
>
> Then to side with Truth is noble when we share her wretched crust,
> Ere her cause bring fame and profit, and 'tis prosperous to be just.
> Then it is the brave man chooses, while the coward stands aside,
> Doubting in his abject spirit, till his Lord is crucified.
> And the multitude make virtue of the faith they had denied.
>
> Count me o'er earth's chosen heroes—they were souls that stood alone,
> While the men they agonized for hurled the contumelious stone,
> Stood serene, and down the future saw the golden beam incline
> To the side of perfect justice, mastered by their faith divine,
> By one man's plain truth to manhood and to God's supreme design.
>
> * * * * * * * * *
>
> For Humanity sweeps onward; where to-day the martyr stands,
> On the morrow crouches Judas with the silver in his hands;
> Far in front the cross stands ready and the crackling fagots burn,
> While the hooting mob of yesterday in silent awe return
> To glean up the scattered ashes into History's golden urn.

LA FOLLETTE on more than one occasion referred to the mounting corruption in government as a "cancer." And inevitably it brought to my mind the picture of a great surgeon. He labored to cure that cancer, to remove it from the body politic. He knew that no quack remedy, with its soothing plasters and opiates, could cure; he knew that he must employ the methods of the reputable surgeon, adopt drastic measures, use the knife, even though it might smart and pain.

And so he seemed severe, so often, in his language and methods. But if he spoke in the language of the twenty-third chapter of Matthew rather than in the language of the Beatitudes, if he came in the spirit of Elijah and Amos rather than in that of the Beloved Disciple, let us never forget that the conditions which confronted those prophets of old were child's play in comparison with the decay and corruption that surrounded this Elijah of the present age.

He used neither the manners nor the vestments of the courtier. He deemed it no part of his life's mission to produce sweet music on harp or lute; his part was to rouse a nation, and this he did with a trumpet which gave no uncertain sound.

He knew history well enough to know that he would reap the reward common to all benefactors of mankind since the dawn of civilization. But, steadfastly, unswervingly he pursued his course to the end. And generations yet unborn will rise up and call him blessed.

True, indeed, are the words of the poem from which I have already quoted:

> Truth forever on the scaffold, wrong forever on the throne,—
> Yet that scaffold sways the future, and, behind the dim unknown,
> Standeth God within the shadow, keeping watch above his own.

We burn our Jeanne d'Arcs at the stake; and our grandchildren elevate them to sainthood. We stone our prophets and kill them; and coming generations venerate them and hold their memory a sacred and hallowed thing. We spit upon the saviors of mankind, we persecute and crucify them; and succeeding centuries bow down and worship them.

So we say today:

ROBERT MARION LA FOLLETTE is dead. ROBERT MARION LA FOLLETTE still lives.

Mr. BERGER. Mr. Speaker, ladies, and gentlemen, I shall speak of ROBERT M. LA FOLLETTE from the viewpoint of a Socialist, of a Wisconsin Socialist, and of a man who for more than a quarter of a century was the spokesman of an organized opposition to some of his policies. We opposed him not because we deemed him too radical, but because to the minds of the Socialists these policies were inadequate, half-way measures. But though we opposed him often, I will say in justice to him that he was the most powerful and constructive champion of real democracy the Republican Party has produced since the days of Abraham Lincoln. He undoubtedly was the most forceful, most fearless, and probably also the most influential exponent of progressive thought in the United States Senate.

There was a no more aggressive and efficient fighter against every kind of corruption in the Congress of the United States in this generation than ROBERT M. LA FOLLETTE. It was LA FOLLETTE who uncovered the conspiracy to get possession of Teapot Dome and of the California naval oil reserves, although other men received a good deal of the credit for it later on. And he made that fight, at first, single handed.

While it was my good fortune to know ROBERT M. LA FOLLETTE for a long time, we never got near enough to become really intimate, However, we were intimate enough for me to become acquainted with his beautiful family life. The Senator was so fortunate in getting a mate of exceptionally fine qualities and of having unusually bright children. He was very much devoted to all of them.

ROBERT M. LA FOLLETTE proved to be a great leader in many respects. He was one of the foremost defenders of the people's rights against the railroad corporations and greedy capitalists in general.

At no time, however, did his star shine brighter than during the World War. No other Senator or Member of the House of Representatives of that period can show a record equal to his, and he rightfully declared at a meeting held in Milwaukee in answer to a question that he would not exchange his war record with that of any other Senator or Congressman in the United States.

In matters of labor legislation and in legislation for the welfare of the farmers, which, in these cases, means legislation for the betterment of the human race, no other statesman in this period has achieved as much as he did. And there is also this to be said, that not one of the laws passed through his efforts was ever declared unconstitutional.

It is due to ROBERT M. LA FOLLETTE and to the spirit which LA FOLLETTE aroused that a number of these measures, most of which were socialistic in their origin, took shape and form and were enacted into law.

Thus, for instance, Wisconsin was one of the States which had a system for the direct election of United States Senators by the people before the adoption of the sixteenth amendment. It was the first State to provide for the nomination at the primary of candidates for the United States Senate.

Wisconsin was among the first States to have an effective antipass law. Before the passage of that law the railroads used to give passes to members of the legislature and influential politicians in order to make them subservient to their wishes.

Wisconsin was one of the first States to require lobbyists to register and to file statements of their fees and expenses.

Wisconsin was the first State to forbid the use of the lobbies of the legislative chambers to lobbyists, and compelled them to confine their activities to appearances before committees.

Wisconsin was one of the first States that passed a civil service law, and even to-day the Wisconsin law is the most complete and comprehensive.

Wisconsin passed the first compulsory part-time school law in 1911. And we still have the best vocational schools in the country.

The first university extension courses on the English model were organized by the Universities of Chicago and Wisconsin, and Wisconsin is still the leader in that field.

Wisconsin was among the very first to organize an agricultural college in connection with the State university, and also one of the first to organize an agricultural experiment station. Wisconsin established the first short course in agriculture, and organized the first dairy school. Wisconsin was also the first State to organize agricultural high schools.

Agitation for an income tax began in Wisconsin in 1903, and a constitutional amendment providing such a tax was adopted in 1908.

Wisconsin was the first State to make the income tax a practical working measure and a source of real revenue. Since then many States have followed Wisconsin's example.

Wisconsin's ad valorem railroad law was not the first of its kind. Authorities agree, however, that the Wisconsin ad valore method is the best example of taxing railroad property.

Wisconsin and Pennsylvania were the first States in which the tuberculin test was used. It was made compulsory in Wisconsin in 1911.

Wisconsin was one of the first States to enact legislation for the protection of the dairy interests.

Wisconsin enacted a pure food law as early as 1897.

The industrial commission act of 1911 was the first law in the United States which centralized all labor laws in a single department.

While safety laws and factory inspection did not originate in Wisconsin, Wisconsin was the first State, nevertheless, to adopt the modern type of safety legislation, to compel employers to furnish a safe place of employment.

And while Wisconsin was not the first State to enact a child labor law, to-day it is as advanced as any State in the Union, and has the best enforced law in the country.

Wisconsin was one of the first States which enacted workmen's compensation laws, and the Wisconsin law was the first to become effective. It is still regarded as the model law of that type.

Wisconsin was the first State that made it compulsory for employers under the compensation act to insure their risk, unless exempted from doing so by order of the industrial commission. This has been copied since by a number of other States.

Wisconsin is the only State in the Union which has made an attempt to restore apprenticeship in industry. Wisconsin's experiment has attracted wide attention, and has been commended by both employers and employees. A parliamentary committee in New South Wales, Australia, recommended the enactment of an apprenticeship law on the Wisconsin model.

Wisconsin is the only State in the Union which has prohibited all night work for women in factories and laundries.

Wisconsin was also one of the first three States which enacted a mandatory minimum wage law.

Wisconsin was one of the first three States that enacted full crew laws for railroads.

All of these, and many other measures, became law through the influence of LA FOLLETTE and La Folletteism, while they were, of course, backed up by organized labor, the progressive farmers' movement, and the Socialist Party. However, there can be no doubt that without the spirit aroused by LA FOLLETTE most of these measures would never have been enacted into law.

ROBERT M. LA FOLLETTE had a wonderfully magnetic personality, and I will say that he was the only man in Wisconsin who accomplished the hard feat of cutting deep into the Socialist vote whenever he was on the ticket and whenever we had a man up against him. On the other hand, he told me frankly more than once that for his real progressive measures he could always bank much more on the Socialists in the legislature than on his own men. And I considered this a great compliment to our Socialists.

When LA FOLLETTE decided to quit both old capitalist parties and to lead a third party movement, the Socialists of the Nation indorsed his candidacy—after the Socialists of the State of Wisconsin had silently indorsed him for Senator by not putting up a candidate against him. That 5,000,000 men and women, regardless of former political affiliations, cast their ballot for him in the 1924 election, although outside of the Socialist party, which was not organized in every State, the progressives had no political organization of any kind—showed what a wonderful grip ROBERT M. LA FOLLETTE had on the imagination of the common people.

ROBERT M. LA FOLLETTE was a man of great industry, exceptional ability, honest motives, and had an unusually high sense of public duty. The world is better because he had lived.

Mr. SINCLAIR. Mr. Speaker, it was my pleasure to meet the late Senator LA FOLLETTE for the first time when he was at the height of his physical and mental powers. I remember that he was scheduled to speak at Fargo, N. Dak., about 20 years ago, and I made a journey of over a hundred miles to hear him. I had already read a great deal about him in the newspapers and elsewhere. He had won my sympathy and admiration in the great fight he had made, almost single handed, against the political bosses in his own State. His victory over the corrupt railroad and business interests there was fresh in the public mind. Never before, nor since, have I heard such a remarkable speech as was delivered that evening. For over four hours Senator LA FOLLETTE held his large audience entranced and delighted, until finally he had to stop speaking in order to catch his train. That speech had a wonderful influence on the political and economic thought of my State.

From that time I watched the Senator's public career with growing interest. I read the first issue of his magazine and continued to read it thereafter. It was the medium through which he spoke to the people of his State and Nation. In its pages he told the everyday folks, whom he loved and who loved him, of the battles he was waging in their behalf. A gigantic struggle was going on then, as now, for the control of this Government. For the last half century the fight has waged between the forces of special privilege and corrupt wealth on the one hand and the masses of the people on the other. Seekers of special favors from the Government boldly pursued their ends in years gone by, protected by political pull. Against these forces ROBERT MARION LA FOLLETTE waged unrelenting war. He aroused the people of the Nation to their danger, that there must be eternal vigilance on the part of their servants in public life if this Government is to maintain its proud independence and not change into a plutocracy. We have narrowly escaped that fate on several occasions in the past generation.

Senator LA FOLLETTE was ever the champion of the rights of the people. He was on guard for them every day of his life, and every hour of each day. His voice was always heard in their behalf, and his vote always cast for their best interests. Neither fear of consequences nor promise of personal advancement silenced him or caused him to deviate a hair's breadth from the straight path of service to his country which he had marked out for himself. With his great talents, no one can doubt but that he might easily have won for himself a leading place among those whom we call rich and influential. He chose the harder course, the fight for a cleaner and better Government, and a more just representation of the rights of the people.

As Governor of Wisconsin he made that State a model Commonwealth. The laws which he championed there and which were adopted have served as models for other States. By reason of legislation which he fostered his State to-day enjoys a greater measure of prosperity than do many others. When he came to Washington he enlarged the field of his endeavors to a national scope. The Nation is indebted to him for many a measure which, when first presented, was regarded as too advanced, but which afterwards became the law of the land, its worth proved beyond a doubt. Senator LA FOLLETTE had vision beyond that of most legislators. He seemed to be able to divine the future needs of the people and, having determined upon a plan of action for their relief or protection, he was untiring in its accomplishment.

True to his ideals, loyal to the cause of the workers of our country, sincerely in earnest in all he did, he commanded the respect and esteem of even his most bitter opponents.

It was my privilege to know Senator LA FOLLETTE as a friend after I came to Washington. His was a most gracious personality; simple and kindly in manner, he enjoyed the company and conversation of friends about him, throwing off for the time the weighty cares pressing upon him. Always approachable, he gave freely of his vast store of knowledge and experience.

Senator LA FOLLETTE was one of the truly great of this world. The story of his life and achievements will be told in the pages of history, and will shine the more brightly with each succeeding year. As one who respected, admired, and loved him, I deem it an honor to offer this small tribute to his memory.

Mr. SCHAFER. Mr. Speaker, we meet to-day to honor the memory of the outstanding man in public life of his generation, ROBERT MARION LA FOLLETTE. He has passed on, but the record of his unselfish service to the people of the Nation is indelibly written into the statutes and history of the Republic. His many years of public service were devoted to making the Government an instrumentality functioning for the people and by the people. He was an uncompromising foe of corruption and entrenched predatory and monopolistic interests which desired to control and exploit the Government and the people.

In my judgment, the outstanding event in the public service of ROBERT M. LA FOLLETTE was his courageous stand in the dark days preceding America's entrance into the late World War. In the summer of 1914 the World War began. Senator LA FOLLETTE bended every effort toward preventing America from being drawn into this war. On February 8, 1915, he introduced a resolution for a conference of neutral nations with a view to securing an early cessation of hostilities amongst the European nations then at war and to arrange for limitation of armament and the promotion of world peace. He was convinced that America should not enter the conflict, and with dauntless courage he did not sacrifice these convictions, but made every effort under his constitutional right to oppose America's entrance into the war. If he had been a weakling, no doubt the storm of indignation and persecution which he knew would break upon him in those dark days would have caused him to pursue a different course.

After America had entered the war, however, Senator LA FOLLETTE energetically strove to promote its successful conclusion in the highest degree compatible with the preservation of fundamental American liberties. He conducted a great fight to enact tax legislation to make the profiteers pay their fair share of the financial burden of the war. Strongly intrenched monopoly and predatory interests hoped to drive their uncompromising foe into political oblivion during the dark days of the war. False and libelous propaganda in the press and elsewhere sought to brand Senator LA FOLLETTE as a traitor and to drive him from the public service. Although abused and vilified, the spirit of this great man could not be broken, and he courageously continued to stand for the things that he believed to be right. He had faith in the people of Wisconsin and knew that once they were informed of the truth they would stand by him.

In 1922 the sovereign voters of the great State of Wisconsin overwhelmingly vindicated Senator LA FOLLETTE. He was returned to the Senate with a majority of 301,000, the largest ever given any candidate in our State. The war-time persecution did not shake the faith of the people of Wisconsin in their sturdy champion. The National Home at Milwaukee, in which are cared disabled veterans of the Nation's wars, practically unanimously voted for the Senator.

The late Senator's heart, now stilled in death, had been filled with the noblest purposes and the highest aims. With the last throb of life he kept the faith. He carried the torch of truth, righteousness and free representative government for many years. His monumental record of public service and high ideals will ever be an inspiration to the liberty-loving people of America. He has gone, but will never be forgotten, and will take his place in our Nation's history with George Washington, Thomas Jefferson, and Abraham Lincoln.

Mr. LAMPERT. Mr. Speaker, ROBERT MARION LA FOLLETTE, whose life and services we are met to-day to honor, had a remarkably extensive and distinguished life. Born in 1855 and passing into the Great Beyond in 1925, the span of his life was 70 years. Too young to have any part in the Civil War, his developing intellect met, while a student in college, most of those welfare problems that rose out of the Civil War itself or out of the changed economic and social life of the postwar period. Young LA FOLLETTE "earned his way" as a student and graduated from the University of Wisconsin in 1879. While a student he was a college debater and orator of great prominence and promise. In 1880 he was admitted to the bar. In that very year young LA FOLLETTE at the age of 25, was elected district attorney. He made a remarkable record and ran far ahead of his ticket when reelected for a second term. In 1884, at the age of 29, he was elected to Congress and twice reelected. Despite his comparative youth, he was given a place on the Ways and Means Committee and had an important part in the framing of the famous McKinley tariff bill. Defeated for Congress in 1890, by a Democratic landslide, which was precipitated in Wisconsin by the passage of a parochial school law, LA FOLLETTE turned for 10 years to the practice of law and to an extensive study of economic and political conditions in Wisconsin. In 1900, 1902, and 1904 LA FOLLETTE was elected governor of Wisconsin. In 1905 he was elected United States Senator by the Wisconsin Legislature. Taking his seat in 1906, LA FOLLETTE was returned to the Senate and died while serving his nineteenth consecutive year as a member of that body.

This brief outline of LA FOLLETTE'S life is impressive because in the annals of our country's history there are few with which it can be compared. Of sound but not distinguished Huguenot stock that had been joined by marriage to the Scotch, LA FOLLETTE can not be explained or understood solely in terms of his ancestry. We can well imagine that his emotional intensity came from the French strain in him and that his keen intuitions regarding intrenched wrong were due to the Scotch blood in his veins. From the teaching and influence of his mother, young LA FOLLETTE derived many of the traits that marked his later life. We can well consider his life under three headings—assimilation, protest, construction.

ASSIMILATION

LA FOLLETTE had an exceptionally keen, comprehensive, and powerful intellect. His memory retained what had been intellectually achieved. He did not have to go back over what he had once done. Bacon says that reading maketh a full man, writing an exact man, and public address a ready man. LA FOLLETTE was an omnivorous reader. He always wrote a great deal, thus making his knowledge exact. Then, too, from his early college days, he was given to public address. Thus he was widely and exactly informed on all matters in which he was interested and upon which he spoke. Herein lies one part of the secret of the respect accorded him by his bitterest opponents.

Suddenly, at the age of 25 and with no experience as a practitioner of the law, he found himself elected to the office of district attorney. His duty was to prosecute, in the name of the State, those who violated the law. He learned the routine of it very quickly and succeeded so well in this, his first public responsibility, that he was sent to Congress for six years. His abilities were recognized by his associates, he was given recognition, and he worked faithfully in the party harness. Young LA FOLLETTE'S active intellect reacted to the opportunities which Congress and Washington afforded. He delved deeply into everything that interested or concerned him. LA FOLLETTE worked hard and loved it. His keen and powerful intellect could not be idle.

Young LA FOLLETTE began to question the equity and justice of many of the then current procedures and ways of doing things. As a boy he had been stirred by those immortal lines:

Right forever on the scaffold,
Wrong forever on the throne.

And LA FOLLETTE knew that he must make a decision as to where he would stand.

Suddenly, he found himself defeated for Congress in 1890. That defeat opened, for him, a great opportunity. He could go back to Madison and study some of these social procedures in his home State. Study them he did for 10 years, and then he entered the field of practical politics again with a program.

PROTEST

The year 1900 and his election to the Governorship of Wisconsin marks the beginning of LA FOLLETTE'S open and public protest. He stumped the State of Wisconsin declaring that certain injustices that existed under the sanction of law or just outside its pale should be righted by legislation. In particular LA FOLLETTE assaulted the railroads and their allied interests. He favored the taxation of railroad property on an equality with other taxable property, opposed rebating in all its forms, and declared for a State railroad commission to regulate railroads in the public interest. The legislature of 1901 failed to enact the necessary legislation. Again LA FOLLETTE stumped the State, and the legislature of 1903 enacted the ad valorem railroad tax and a primary election law. Again LA FOLLETTE stumped the State before he secured a commission to regulate the railroads in the interest of the public.

It was during the years we have just been considering that LA FOLLETTE was knighted "Fighting Bob." He deserved the title, for he fought so strenuously against certain intrenched wrongs that he set the whole State to thinking as it had never thought before. He preached the gospel of the common good, of the State as a servant of the enlightened judgment of the people for the attainment of the common good, and of education as the only sure means of securing an enlightened judgment. He felt that the University of Wisconsin should serve the State as it had never done before, and, without dictating at all as to its officials or internal policies, secured for it the funds in terms of which an increased State service could be rendered.

Taking his seat in the United States Senate in 1906, at the age of 51, he was a seasoned and skilled fighter. What many folks never saw or knew at all was the fundamental idealism that dominated his life. He might have "gone along" and found preferment, but he chose to champion causes that were neglected. With pitiless fact and unrelenting argument he assaulted the status quo in favor of—

1. The seamen's act.
2. The Federal employees' liability act.
3. The eight-hour day for all Federal employees.
4. The nonissuance of injunctions in labor disputes.
5. The creation of a tariff commission.
6. The parcel post.
7. The physical valuation of railroad property.
8. The Alaska Railroad.
9. Increased powers to the Interstate Commerce Commission.
10. The suspension of proposed increases in interstate rates when objection has been made by shipper or consumer until the Interstate Commerce Commission decided the case on its merits.
11. The regulation of telephone and telegraph rates.
12. The creation of a department of labor.
13. A Federal income tax.
14. A Federal inheritance tax.
15. The election of Senators by direct vote of the people.
16. Publicity of campaign contributions and expenditures.
17. Woman suffrage.

The preceding are only a part of the remedial things which LA FOLLETTE fought for. Always his argument was against the injustices of an existing or proposed way of carrying on human affairs. He wanted justice to prevail, and injustice always brought forth his protest. He backed up his protests with fact and argument so that he well deserved the affectionately bestowed, though not always affectionately used, title of "Fighting Bob." But ROBERT M. LA FOLLETTE was more than a protest. He was constructive, and he had a coherent, consistent view of what human government should be and do.

CONSTRUCTIVE

LA FOLLETTE believed in the Declaration of Independence with devotion. Governments are instituted to secure certain ends, chief among which are life, liberty, and the pursuit of happiness. Governments derive their just power from the consent of the governed. The people constitute the ultimate sovereignty. Those who would serve the people as public officials are responsible for informing, and thereby forming, the public mind. The public must be kept informed. ROBERT LA FOLLETTE considered it his public duty to keep his constituents informed on public matters. Probably no American statesman has approached LA FOLLETTE'S record in this matter. The public press was sometimes too partisan, and so LA FOLLETTE established his own magazine through which he could talk to his people. Against the policy of partisan political bartering he set his face, but he also had a constructive attitude and lived up to it.

The idealism of LA FOLLETTE'S youth was never given up, but it was tempered by experience. The dream of his life was to have government in this country conceived and administered in terms of the ideals of the Declaration of Independence. He knew full well that the Constitution was but a human instrument for carrying out through government the ideals of the Declaration. Full well he knew the compromises that are found in the Constitution. To him the Constitution was, as the instrument itself declares, subject to amendment. He believed that—

New occasions teach new duties,
Time makes ancient good uncouth;
They must ever up and onward
Who would keep abreast of truth.

Experience soon taught him that "Heaven is not reached by a single bound." He learned to attack an existing injustice at its weakest point. Again and again he would assault before proposing the remedy he had in mind. It was part of his strategy, but he always had a constructive proposal for every existing injustice and every social maladjustment. He knew full well that he could not secure all of his proposals at once. It is reliably reported that 11 of the 13 planks submitted by him to the Republican National Convention in 1908 and 15 of the 18 planks similarly submitted in 1912 have been written into law. He kept everlastingly at it. Assault and proposal—assault and proposal—this was his constructive plan. He firmly believed that if his proposals were sound and valid they would be adopted if and when the public knew the facts.

LA FOLLETTE had faith in ideals and the good sense of the common man. He had little use for "blocks of ten" and other political paraphernalia. He believed firmly in facts and argument, and decided many of the political procedures of his party. Time came in Wisconsin when question was raised as to whether LA FOLLETTE was really a Republican. That never bothered him, because he was so certain in his own mind that he was working for the interests of the whole people. Time came in 1924 when he stepped outside the ranks of the Republican Party and allowed his name to be used as a candidate for the Presidency on an independent ticket. This act was more than a protest—it was a constructive move to furnish a rallying center for those who thought as he did.

It may be profitable to consider briefly what manner of man ROBERT MARION LA FOLLETTE really was.

He was kind and considerate. He knew and loved men and women in all walks of life. He was democratic in his personal dealings with men. He was sincere and loved sincerity. An uncompromising fighter on the floor of the Senate, he nevertheless retained the affection and respect of his colleagues.

LA FOLLETTE was not, in any sense, an opportunist for himself. In fact he thought little of himself and of his own preferment. His devotion was to causes and not to honors for himself or his friends. True it is that a part of his following was personal to the extent of being for whatever LA FOLLETTE proposed, but that misfortune is the lot of every powerful man in public life, and was regretted by LA FOLLETTE as it is by every right-thinking man. LA FOLLETTE stumped the State of Wisconsin again and again when election would have been inevitable had he made no campaign at all, but LA FOLLETTE felt that his responsibility to the cause of democratic government demanded that he expound his convictions to the people. This devotion to his sense of duty probably shortened his life by years, but remonstrances of family and friends were unavailing.

In the course of his life from 1900 to his death, LA FOLLETTE saw many of his supporters and friends desert him and his proposals, but he never showed or felt any bitterness over these differences in judgment. He regretted these defections, but he thought it vastly more important that men and women should think and act for themselves than that they should support him. At times LA FOLLETTE stood practically alone, but at such times, without arrogance or egotism, he stood squarely and firmly for what he thought was right.

In his 43 years as a public servant, dealing as he did with a great variety of extremely complex problems for the solution of which there was no precedent and involved in which were sometimes great financial and moral issues, it is not to be wondered that he made some decisions that now, in the light of experience, seem to people to have been mistakes of judgment.

Bitterly assailed and often misrepresented, LA FOLLETTE kept the even tenor of his way, undisturbed alike by misrepresentation and calumny. Kindly, modest, courageous, and strong, he kept faith with himself and with his ideals of what should obtain in our public life.

Despite the strenuous conflicts through which he passed in his long political career, ROBERT M. LA FOLLETTE'S name was without a stain. No taint of self-seeking, no hint of crookedness, no charge of "turncoat" has ever been uttered against him by his bitterest political enemies. Tolerant and broad-minded, he had among his personal friends many who did not agree with him. This personal element was not a policy with him—it was the spontaneous expression of his fundamental human quality.

And now he sleeps in the soil of the State in which he was born. The struggle and the conflict are over for him. He has gone to his reward. Let us write his faults upon the sand and his virtues on the tablets of our memory.

Mr. Speaker, I ask unanimous consent to include in my remarks a resolution adopted by the Railroad Brotherhood of Wisconsin.

The SPEAKER pro tempore. The gentleman from Wisconsin asks unanimous consent to include in his remarks the document mentioned. Without objection, it is so ordered.

There was no objection.

The matter referred to follows:

IN MEMORIAM

ROBERT M. LA FOLLETTE was born on a farm in Dane County, Wis., June 14, 1855, and died June 18, 1925, at Washington, D. C., while representing his native State in the United States Senate.

He devoted his whole life to the principle that "the will of the people is the law of the land."

At the beginning, when but a boy, as district attorney of Dane County, from 1881 to 1885, he challenged the right of bossism in public affairs; and later, in the House of Representatives at Washington, from 1885 to 1891, he fought special privilege in the Nation.

As governor of his State, from 1900 to 1905, he worked constantly to put the people in supreme control of the State government for the common good of all; and succeeded so well that his methods, in the main, were adopted by many other States and are being gradually adopted by the Nation as it labors to fulfill the Declaration of Independence.

As United States Senator from 1905 to the time of his death, he was uncompromising in the cause and welfare of those that labor by land and sea; and, so far as he was able, he gave them by national law a new hope in the pursuit of happiness.

He was a man faithful to everything that he advocated. His way was simple and his words were plain and clear. He could not be, and he never was, misunderstood in either speech or purpose; and in neither of which he could be led to compromise; for he had dedicated his life to the nation-old proclamation that all men are created equal, and are endowed with the inalienable rights of life, liberty, and the pursuit of happiness; and that to secure these rights our Government was established.

Senator LA FOLLETTE'S life was a whole truth, and it will live on and be an inspiration and guide to a Nation of free and toiling people; and he takes to the grave our love for him which has sustained us during his life, and will enlist us in the future to give the best that is in us to the cause of human rights and true democracy; and be it

Resolved by this biennial meeting of the Joint Cooperative Legislative Board of the Railroad Transportation Brotherhoods of the State of Wisconsin, at Milwaukee, Wis., on this 18th day of December, 1925, That at his death we respectfully express our appreciation of his life-long struggle for the cause of human rights and true democracy; and that we will follow on, as best we can, to do the work that he "still could do"; and that this memoriam be placed upon our permanent record, and a copy sent to the members of his family and to the chief executives of our respective organizations.

By—

THE JOINT COOPERATIVE LEGISLATIVE BOARD OF THE FOUR TRANSPORTATION BROTHERHOODS OF WISCONSIN.

THOS. P. HAYDEN, *Chairman.*
GEO. W. M. CASE, *Vice Chairman.*
J. J. MURPHEY, *Secretary.*
HENRY MAHONEY, *Counsel.*

Mr. VOIGT. Mr. Speaker, Senator LA FOLLETTE was Wisconsin's greatest son, and history will rank him among the outstanding great men of this Nation. What constitutes a great man? A man may be a great poet, a great artist, a great judge, a great statesman, a great ruler. Such men may differ widely in their accomplishments, but according to my conception of greatness, they have this in common: That each is great in proportion to the benefits he has conferred on his fellow men. I have thought that it might be interesting and instructive for me to attempt to set forth those elements in Mr. LA FOLLETTE'S being which made him great, and to show how those elements irresistibly found expression in his life's work.

Mr. LA FOLLETTE was endowed by nature with an abounding love for his fellow men. Only those who were privileged to come into personal contact with him can know what a great, tender heart beat in his bosom. He resented injury and wrong, and was ever ready to enter the lists to fight the battles of the weak and the oppressed.

He was favored with an intellect of the first magnitude. He had that most rare of all mental gifts, the ability to reason straight and independently. His mind operated with lightning-like rapidity, and it was easy for him to distinguish between sham and truth, right and wrong.

He had the power of imagination which is necessary in the make-up of the great public speaker and orator that he was.

He possessed greater moral courage than any man of his time. There was no limit to his will power in standing by his convictions after he concluded that he was right. When he felt he was right, he was as willing to stand alone as with the multitude. The words "compromise" and "surrender" were not in his vocabulary, and his courage compelled the admiration of even his bitterest enemies.

Mr. LA FOLLETTE was a man of unusual physical vigor, and his physique and indescribable personality, coupled with his mental equipment, stamped him at once as a peerless debater, orator, and leader of men.

Added to these natural qualities was a splendid training in literature, history, oratory, economics, and law.

It was no accident that LA FOLLETTE took up a public career. I do not believe that he could have changed the course of his life if he had resolved to do it, nor do I believe that anyone else could have influenced him to change it. He was destined to be the gladiator to fight the political and economic battles of his fellow men.

In what manner were the superb intellect, the indomitable courage, the passion for righteousness, the boundless energy of this man to find expression? Was he to become the servant of others? Was he to subordinate his will to that of others? Was he to become a public man known as a politician? Was he to be a weak, shifty, characterless representative of the people as executive and in legislative halls, responsive to the demands of those seeking to control government for their own interests?

If I have analyzed LA FOLLETTE correctly, it is at once apparent that such a course for him was impossible. This man towered above those around him, and every fiber in him demanded that he devote himself to a cause worthy of his great ability. If those who abused and vilified this man and tried to bend him to their wills could only have had a partial conception of his qualities, what an immense amount of energy they could have saved!

Mr. LA FOLLETTE, by reason of his study of history and economics, clearly saw that since the dawn of time there had been a struggle in this world between the oppressed and the oppressor, and that that struggle took the form of the appropriation of one man's labor by another; that this struggle was concealed under many different forms, but that in essence it remained the same. He also saw clearly that all political questions have an economic background, and that when these economic questions appear in the political arena, they present the age-old struggle to which I have referred. He therefore resolved, early in his career, to fight for the economic equality of his fellow men. That, as I see it, is the fundamental and ever-present thought and motive in Mr. LA FOLLETTE'S entire career. In his conception, of course, there could be no economic equality without political equality, and neither could be obtained without absolute honesty in the affairs of government. He fought for those measures which were consistent with his primary idea, and attacked those which were out of harmony with it. If we apply the above principles to any political questions whatever, we can account for the stand which Mr. LA FOLLETTE took with reference to them, and we can form a very accurate judgment as to where he would stand to-day on any question, if living.

Our deceased leader was an ardent advocate of the right of free speech, and his utterances on that subject will be referred to as long as our Government stands. He contended that the Constitution guarantees this right in time of war as well as in time of peace, and that whoever robs the citizen of it can rob him of any other rights, because he is powerless to protest.

There is one phase of the Senator's life that I do not think has been sufficiently stressed by his admirers, and that is his own spotless integrity, and his demand for honesty in government officials. He saw that good laws were of no avail if administered by corrupt officials, and he demanded absolute honesty from officials while Governor of Wisconsin, and as a

consequence we have as clean, if not the cleanest, government in our State as there is in the Union. We do not know in Wisconsin what graft and corruption in public office are. As governor he secured the passage of laws abolishing railroad passes, compelling lobbyists to register, and limiting their activities to appearances before committees, providing for the publication of campaign expenses, and specifying the purposes for which they could be incurred, prohibiting rebates by railroads, and giving us the direct primary. All these laws curbed corruption in public life.

Wisconsin has the proud distinction of having passed, while LA FOLLETTE was governor, the first workmen's compensation law in the United States, which has been copied in nearly every other State. We long ago did away with the corrupt and boss-controlled convention system by letting the people choose their own candidates.

Mr. LA FOLLETTE was frequently called a visionary, a radical, and less complimentary names. It is a fact, nevertheless, that he never advocated any measure except after the most painstaking investigation, and Wisconsin has long been the Mecca of people from all over the world who are in search of advanced ideas in government. In his long career he never advocated a measure which subsequently proved to be economically wrong. He has more constructive legislation to his credit than any other man of his generation. Let me refer to some of the measures he has put through, or helped put through—

Constitutional amendment for direct election of United States Senators;
Regulation and proper taxation of railroads in Wisconsin;
Government valuation of railroads;
Regulation of telegraph and telephone rates;
Eight hour law for Government employees;
Parcel post;
Federal income tax;
Federal inheritance tax;
The Tariff Commission;
Abolition of injunctions in labor disputes;
Laws against child labor;
The seaman's act;
Taxation of war profits;
Protection of employees in industry;
Killing of water, oil, and coal grabs;
Defeat of League of Nations;
Investigation of Teapot Dome scandal.

I like to hear Senator LA FOLLETTE or any other man in public life called a radical. To me it is a mark of distinction. No man in history ever accomplished anything for his fellow men who was not called this or a worse name. The man who discovered that the earth is round and the man who discovered the circulation of the blood were denounced as dangerous radicals. Washington and Lincoln were so called. The legislator who entertains no idea for which some one is not denouncing him might as well stay at home. We can say of LA FOLLETTE as was said of Grover Cleveland, "We love him for the enemies he has made."

Our great progressive leader is no more, but his work lives after him. He has made the world a better place to live in. We can best honor him by doing our share to carry on the fight which he led. In spite of the storms of libel and slander hurled at him in his day his place in history is secure. He will be recognized not only as Wisconsin's most illustrious son but as the greatest champion of the rights of the common people since the time of Lincoln.

Mr. Speaker, I desire to append to my own address an extract from a eulogy on LA FOLLETTE delivered last fall by my successor in the House, Congressman-elect Charles A. Kading, of Watertown, Wis. Mr. Kading's words are as follows:

In the death of ROBERT MARION LA FOLLETTE Wisconsin lost its most distinguished citizen and Senator, and the Nation lost a great statesman. While still a young man he began to advocate progressive ideas and progressive legislation in the interest of the great mass of the common people of his native State. His ideas were at first branded as socialistic, impractical, and radical by the politicians. The soundness of his position, however, impressed the people and he was finally elected to the office of Governor of the State of Wisconsin, and it was during his three terms as Governor of Wisconsin that his progressive ideas were embodied into laws. Neighboring States have since followed Wisconsin in adopting similar laws, and the soundness of such progressive legislation is now quite generally accepted as being sound and satisfactory and as for the best interests of the people.

Before his third term as governor had expired he was elected to the office of United States Senator from Wisconsin. He entered upon the duties of such high office, but insisted that he would first complete his third term as Governor of Wisconsin.

In the United States Senate he immediately began to advocate national progressive legislation in the interest of the people of the Nation, at first being practically alone in this great movement. His ideas were again ridiculed, but step by step, law after law was passed in the interest of the people because of the position of Senator LA FOLLETTE. His position was sound, and both parties from time to time embodied his ideas in their platforms. Among the many instances that might be enumerated I desire to mention only one which resulted in amending our Constitution so that now United States Senators are elected by a direct vote of the people. In the United States Senate LA FOLLETTE gradually gained strength and at the time of his death there were and now are a great many Senators and Representatives in Congress who were working with him and now are working hard to continue the good work of Senator LA FOLLETTE.

The position of Senator LA FOLLETTE upon progressive legislation while in the Senate gradually became known throughout the Nation, with the result that a demand was made upon him to become a Progressive candidate for the office of President of the United States in the presidential election of 1924. On account of the nature of the statutes of the various States it was impossible for him to obtain a position on the official ballot in many States, and in those States where it was possible for him to obtain a place on the ballot it was necessary to run as a candidate for that office in the independent column; but in spite of these many disadvantages, over 5,000,000 of voters voted for him for President of the United States.

Senator LA FOLLETTE in commenting upon the result of such campaign among other matters said:

"The priceless heritage of our free institutions is not to be yielded up because one battle with the enemy of progressive democracy has been lost. Our ancestors did not surrender in the face of the hardship and suffering of seven long and discouraging years. The hosts of freedom did not despair in the dark hours of the sixties, when human liberty and the Union were at stake.

"The Progressives will close ranks for the next battle. We are enlisted for life in the struggle to bring government back to the people. We will not quit and we will not compromise. Five million strong, we are determined to break the power of the private-monopoly system. Without money and with little organization, we have shaken the mighty in their seats. We have two years in which to rally and consolidate our forces, perfect every detail of organization, and be fully prepared to face and overthrow the enemy of free government.

"Our task is great, but our cause is greater.

"Forward, Progressives, for the campaign of 1926!"

It is my belief that the position of this great, progressive leader was sound and that the good work so firmly begun by him should be continued and all who believe in such cause may find strength and encouragement in the hope and determination so well by him expressed.

Mr. HUDDLESTON. Mr. Speaker, in the passing of Senator LA FOLLETTE average men and women lost the best friend they have ever had in Washington. Others have been brave; others have been able; others have been sympathetic and devoted, but no man who has come to the public service in Washington within the history of the Republic has combined all these qualities in such a liberal measure as did Senator LA FOLLETTE.

Senator LA FOLLETTE was by temperament a battler. Down through the centuries there had descended upon him the soul of the berserker. He neither asked nor gave quarter in an encounter. When he fought for a cause nothing could give him pause, but with all that there was in him the deepest tenderness and affection for his friends and those he loved. Crusader though he was, when an enemy was vanquished he was ready to succor and to forget. He bore no malice. He was a philosopher and all his actions were guided by high principle. His was not the philosophy that the world advances through its heroes. He did not believe that the masses exist merely as a vehicle upon which the great may ride to make their way in history. To the contrary he felt that the progress of mankind was through average men and women. That which would advance the cause of the masses, to him was right; that which would retard their development and their progress or which made for privilege and for selfishness, to him was wrong. These rights and wrongs were moral rights and wrongs. To advance the cause of the people or to oppose their oppressors were great moral causes to serve which he felt that he might worthily give his life if need be.

He was a philosopher, but was no mere doctrinaire. He recognized that frequently he dealt with faulty materials and that he lived in the now, and that his means must be adapted to the end. He did not compromise, but he made the best of existing conditions. He never surrendered his principles, but he did not always insist on that which is the ultimate.

Idealistic to a high degree, yet he had a side which was intensely practical. This was wholly so in his public life. He was never satisfied to return from a battle in behalf of civic

righteousness without bringing some spoil in his hands; he was never content not to bring back some substantial gains for the cause which he served, and even in defeat it was rare, indeed, that he came back from the contest without having forced the enemy to make some concession of value.

He was the idealist per se; he dreamed dreams; he saw visions. His was the soul of a poet. Under a different environment, perhaps, he might have found his place in literature rather than in civic life. Yet idealist though he was, he recognized facts and that it was not worth while to waste himself in hopeless efforts.

My personal relations with Senator LA FOLLETTE were warm and tender. I felt for him a deep and a lasting affection. In his passing I felt the deepest sense of personal loss. It is with difficulty even now that I am able to say these few words.

Perhaps there may come to us who survive some value from an occasion like this. It is said that the sincerest compliment finds its expression in imitation, and so the sincerest veneration for the memory of a departed loved one is shown in added devotion to the things which that loved one served. If it be that the spirits of the departed may look down upon human things and have some recognition of what transpires here, I feel sure that our departed friend would find his greatest joy not in the words of praise which have been spoken nor in the tears which have been shed, but would find it in a new resolution coming on a day like this that we will "carry on"; that we will go on as brave soldiers in the cause which he served. I trust we may find here to-day a new inspiration, a new love for the people, and a new devotion to the cause of humanity, which was so dear to the heart of him who has passed away.

Mr. FREAR. Mr. Speaker, the great Goethe, analyzing an outstanding figure of Shakespeare's notable characters, says of Hamlet:

> The mean, the vulgar was offensive to him; and if hatred could take root in his soul it was only so far as to make him properly despise the false and changeful insects of the court and play with them in easy scorn.

LA FOLLETTE, scholar, orator, statesman, was first of all a student of men. He saw what Goethe discovered in Hamlet, for in his early life LA FOLLETTE'S masterly analysis of the character of Hamlet aroused unstinted praise from America's foremost Shakespearian scholars. A profound student, a lover of truth, scorning deception or its handmaiden, fear, Wisconsin's favorite son entered political life, the Nation's great court, imbued with the same high resolve that actuated Hamlet, to be true to himself. To his chosen life's work he brought prodigious study, clear vision, helpful human sympathy, and a keen knowledge of injustice found in existing conditions, conditions unknown to medieval history. Shakespeare and Goethe lived when rivalries and ambitions of men, great and small, still played a conspicuous part on the actual and mimic stage.

Like motives live with men in every age, but LA FOLLETTE pointed out to his fellow man that grasping avarice coupled with unlimited financial power and a control of the avenues of information are more to be feared in a democratic form of government than conflicting personal ambitions or all the warring hosts of the Old World that once wrote the pages of history.

This danger he sensed with all his being, and sought unceasingly to combat its insidious control of government. A crusader against the modern financial and industrial juggernauts that blunt the sensibilities of men, LA FOLLETTE raised his standard as bravely and boldly as did ever knight of old who laid down his life on field of battle.

His campaign, once started, was a persistent struggle for human welfare and became a life-long protest against oppression of his brother man in every walk of life. Far in front of the vanguard he carried his banner of hope for the workman in the mines, on the farm, in the factories, on shipboard, on the rails, and in every other field of humble toil. Like Richard the Lion Hearted, he drew the enemy's thrusts toward himself, as he struck blow for blow. Supported by a vast army of trusting men and women who rallied under his colors, LA FOLLETTE never looked backward nor hesitated when the fight was on. He asked no quarter from the enemy, he gave none, yet withal his foeman, human oppression, was impersonal.

Grimly he said to those around him, "Hard fighting makes fast friends," and the millions of followers who implicitly believed in him vindicated the judgment of Wisconsin's great defender of human rights, for by hard contests he won their confidence and his own reward.

A quarter of a century ago I was at times thrown in close contact with LA FOLLETTE, together with those whom he drafted to aid in his pioneer constructive work for Wisconsin. There he blazed the way for States and for the Nation to place government back in the hands of the people.

When calumny, abuse, and misrepresentation in recent times seemed to overwhelm him, with his tired face before me I once asked, "Is the strain all worth while?" He responded, "Whatever is right is worth while." That high purpose alone inspired him who in late years oft suffered keen mental and physical pain but bravely battled for his ideals to the last.

Showered with unbounded love and affection from those he served and a devotion more marked and widespread than fell to the lot of any other American living at the time of his death, his recompense was greater than all mere earthly honors.

I believe it may fairly be said his enduring work in State and national constructive legislation was unapproached by any man or group of men of his time.

Forcefully portraying existing evils and with unanswerable arguments his proposed remedies, he brought fellow legislators to his cause, even as at other times with inspiring oratory he swayed the multitude. Thus he will be remembered, this truly great man, of boundless sympathy and undaunted courage, a never-failing champion of the oppressed.

The voice that once led the way is silent. His bark has carried the tired soul to a distant shore from whence none ever return. Midst the greatest throng ever gathered in the capital city of his home State, we laid to rest the weary body that for almost a half century was unselfishly devoted to humanity's cause.

No pretentious shaft marks that resting place, but the hearts of his people found a living memorial they have affectionately dedicated to the memory of their loved leader. In the seat long honored by an illustrious father they placed his gifted son there to carry on the cause so faithfully defended by him whom we honor to-day.

His work for human welfare will be borne by countless thousands during coming generations, but none will ever bring to that service greater personal powers, higher statesmanship, larger sacrifices, and more sincere love for those whom he faithfully served to the end than ROBERT M. LA FOLLETTE. Of him, truly it may be said—

> The applause of listening Senates to command
> The threats of pain and ruin to despise,
> To scatter plenty o'er a smiling land,
> And read their history in a nation's eyes.

Mr. Speaker, I ask unanimous consent to extend my remarks by including therein a brief tribute from the Federation of Post Office Clerks.

The SPEAKER pro tempore. The gentleman from Wisconsin asks unanimous consent to incorporate in his remarks certain documents to which he has referred. Without objection, it is so ordered.

There was no objection.

Mr. FREAR. Mr. Speaker, with this brief eulogy it is my privilege to extend in the RECORD a splendid heartfelt tribute to Senator LA FOLLETTE, offered by one of the many organizations that ever found in him a friend and champion.

MOST DISTINGUISHED ALUMNUS, SAYS UNIVERSITY OF WISCONSIN FACULTY OF "BOB"

The faculty of the University of Wisconsin voted the following resolution in honor of Senator ROBERT M. LA FOLLETTE:

"In the death of Senator ROBERT M. LA FOLLETTE the University of Wisconsin has lost her most distinguished alumnus, whose untiring devotion to the welfare of the people of the State and Nation and whose intense industry in the investigation of public questions and the improvement of the public service will be looked upon as the highest realization of what this university has, from its beginning, held before its students. His fearlessness in carrying forward the conclusions of his investigations, his sacrifices in taking up the cause of those whose voices had been unheard, will always remain a tribute to his name, and will make his life as a great epoch in the history of this State.

"The faculty of the University of Wisconsin express their sincere admiration for his heroic life, for his mighty contributions to a nobler public service, and to the cause of education. They are deeply sorrowful in this hour that he could not have been spared to inspire the State and Nation further toward the ideals which he so nobly made the aim of his life.

"To his wife and children, who are numbered among our alumni, we send our words of sympathy in their great loss, and we also express our sense of their high privilege in that they have shared his life and have inherited his illustrious example."

Also another expression of the universal sympathy felt for him by innumerable bodies of splendid men and women whose debt of gratitude to him can never be repaid. No greater memorial could come to any man than the love and affection of countless thousands whom he helped during a wonderfully active life. That is Senator LA FOLLETTE'S greatest monument.

POSTAL EMPLOYEES LOVED LA FOLLETTE

Because of his intense interest in remedial legislation affecting the postal employees, Senator LA FOLLETTE was held in high esteem by them. He led the fight in the Sixty-second Congress for the repeal of the obnoxious gag law.

The following editorial appearing in the July, 1925, issue of the Union Postal Clerk, official organ of the National Federation of Post Office Clerks, written by Editor Thomas F. Flaherty, is expressive of the deep regard in which Senator LA FOLLETTE was held by the postal employees:

"FIGHTING BOB" IS GONE

He rests. The world-weight of the years is past.
No stress of war or pain can tire him now.
The old-time calm of thoughtful poise, at last,
Is on his brow.

And that is good to know, but else this hour
Of death is swept in living deeds away.
There stands till doom, in death-defying power,
His yesterday.

He was always "Fighting Bob" to us. Somehow we remember him most vividly as the relentless foe of the postal bureaucracy that sought to throttle the postal workers and strip from them their constitutional rights. A fight of that kind—one involving great and important principles—appealed to him. He could enter into it with a zest and zeal of the true crusader. In this manner he plunged into the legislative struggle to free the postal employees from the obnoxious gag laws that had submerged them for 10 long years.

Just how clearly Senator LA FOLLETTE saw the larger problems of the postal employees is indicated in his memorable Senate speech of August 13, 1912, which is printed in part elsewhere in this issue. He knew that their imperative need was a freedom from the deadly domination of a narrow-visioned bureaucracy. He therefore fought for two large fundamentals—the right to organize effectively, including affiliation with the American Federation of Labor, and the right to petition Congress directly, individually, and collectively.

These two fundamentals are embodied in the LA FOLLETTE "antigag" law of August 24, 1912, which has been called the postal Magna Charta—our Bill of Rights. As Senator LA FOLLETTE remarked after this wonderful legislative victory, in which he triumphed over Senate reactionaries and department-controlled organizations, "I want the postal employees to have the greatest possible degree of freedom because I have faith in their ability to exercise it wisely for the common good."

A delegation of four members of Chicago local—our pioneer unit—represented the N. F. P. O. C. at the funeral of Senator LA FOLLETTE at Madison, Wis. In this delegation were Sol Cohen, P. H. Seegaard, E. H. Gronseth, and C. G. H. Tofte.

The affectionate esteem in which the departed Senator was held by the clerks of Wisconsin is eloquently set forth in a resolution from Milwaukee that is printed in full in this issue.

His last words were typical of him. Abused and reviled as few men in public life, he was filled with love for mankind on the brink of his grave.

We loved you, but we went our ways,
Undreaming in our rash content
That you were dropping numbered days
Along the road we went.

We loved you, but we never guessed
Your ardors and your shining powers
Were aiming for a further quest
Than any quest of ours.

Good night, dear comrade! As we part,
Not idle praise nor tears we bring!
But see! Our hearts stand round your heart
Like warriors round a king.

A news article in the same issue of the Union Postal Clerk tells in some detail of Senator LA FOLLETTE'S memorable fight for the repeal of the gag rule which denied Government employees the right to petition Congress.

POSTAL EMPLOYEES LOSE VALIANT CHAMPION IN SENATOR LA FOLLETTE—"FIGHTING BOB" WAS IMPLACABLE FOE OF POSTAL BUREAUCRATS—LED IN MEMORABLE STRUGGLE FOR ANTIGAG LAW.

The death of Senator ROBERT M. LA FOLLETTE removes from the Senate a dependable, tried friend of the postal workers—one who never failed us when great principles were at stake. Senator LA FOLLETTE was never a member of the Post Office Committee and he never—more's the pity—specialized in postal employment problems. But he saw with his customary clearness of vision the larger principles involved in our struggles. He saw the need, particularly for freeing the postal employees from the tyrannical domination of an intrenched bureaucracy that was seeking to stifle their aspirations.

Into the memorable fight for the nullification of the gag orders of 1902 and 1910, Senator LA FOLLETTE threw himself with all his vigor and force. He swept the opposition before him. His victory was all the greater because there were alleged representatives of postal employees who preferred departmental domination, with its rewards for its favorites, rather than the freedom for which the Wisconsin Senator was fighting.

Senator LA FOLLETTE'S dramatic expose of the activities of Joseph Stewart, the Second Assistant Postmaster General, took place in the Senate on August 13, 1912. We print a portion of his speech which struck terror to the hearts of the bureaucrats:

Mr. LA FOLLETTE: "I dislike to break in upon the argument of the Senator from Iowa; but, since it is directly in point, I want to call the attention of the Senator from New York to an order issued by the department, signed by Joseph Stewart, Second Assistant Postmaster General, and addressed to railway postal clerks, which in plain terms prohibits an employee in that service from joining any secret lodge, union, or organization within their own ranks. I read the language:

"'Referring to the reports that postal clerks at various points are forming lodges of secret organizations of railway postal clerks, I desire that steps be taken at once to acquaint all in the service that such action is regarded as inimical to the interest of the Government.'

"Here is a prohibition direct from the department addressed to the clerks in the Railway Mail Service against their becoming members of lodges organized within the service. It will thus be seen that the railway mail clerks are not free to form organizations even within their own ranks."

* * * * * * *

"As I suggested yesterday, this proposed legislation [the antigag law] is the direct result of the arbitrary and tyrannical conduct of the Post Office Department in denying the men the right to associate themselves with organizations independent of those which the department sanctions.

* * * * * * *

"I read to the Senate yesterday a letter from a Post Office Department official seeking to control the elections in one of these organizations, and it is for that reason, Mr. President, and because they have been controlled, and because the officials have been used to suppress the appeals of the members of the organization to redress grievances; it is for that reason that these other organizations of postal employees have been formed."

A typical expression from postal employees is the following resolution adopted by Milwaukee Local of the National Federation of Post Office Clerks.

A resolution expressing eulogy and reverence for the late United States Senator ROBERT MARION LA FOLLETTE, also condolence to his widow and family

Whereas on the 18th day of June, 1925, in Washington, D. C., Hon. ROBERT MARION LA FOLLETTE, senior United States Senator from Wisconsin, has parted with his earthly life; his lofty, militant, inspiring, and radiating spirit having been carried away to eternity by the Angel of Death; and

Whereas by that inevitable act of Destiny the United States, and particularly the State of Wisconsin, bears the distressful loss of a great son, a true citizen, and a matchless statesman; and

Whereas the great legions of the American labor, and especially the postal employees, for whose constitutional rights of petition and organization he fought so valiantly and successfully in the year 1912, thereby endearing himself permanently to their ever-grateful hearts, the said legions of the American labor have, through his demise, lost a dependable friend, a salutary counselor, and a fearless champion; and

Whereas throughout the many years of his public service and sacrifice in the State of Wisconsin as a district attorney and as governor, and in the United States Congress as a Representative and Senator, he immutably adhered to, advocated, and fought for those fundamental and priceless American principles which made the United States the foremost Nation among the countries of the world, and the State of Wisconsin the leading State of the Union, namely, liberty and equity: Therefore be it

Resolved, That the Milwaukee Post Office Clerks' Union, Local No. 3, of the National Federation of Post Office Clerks, in regular meeting assembled, on the 21st day of June, 1925, at Alhambra Hall, solemnly declares profound reverence for the sacred memory of the late Senator ROBERT M. LA FOLLETTE; and be it further

Resolved, That this union expresses deep and sincere condolence to his widow and family in their depressive bereavement, which is also lamentably shared by the Nation, and especially by the people of Wisconsin; and be it further

Resolved, That this union delegates a member to attend the last rites and the funeral of the late Senator on Monday, June 22, 1925, at Madison, Wis., and to lay a wreath from the union on his grave; and be it further

Resolved, That upon the adoption of this resolution all members present arise and stand with bowed heads in reverential silence for 70 seconds, one second for each year of his earthly life; and be it further

Resolved, That a copy of this resolution be sent to the family of our beloved deceased Senator, a copy spread on the minutes of this union, and a copy sent to the Union Postal Clerk for publication.

FRED C. LOENNIS, *President*.
WILLIAM F. SY, *Secretary*.

Adopted by Local No. 3, N. F. P. O. C., Milwaukee, Wis., in regular meeting assembled, June 21, 1925.

Mr. NELSON of Wisconsin took the chair as Speaker pro tempore.

Mr. COOPER of Wisconsin. Mr. Speaker, after the many beautiful tributes to the memory of the late Senator LA FOLLETTE, to which we have attentively listened, I feel, on rising to speak as these memorial services are about to close, that there is but little I can add to what has been so appropriately said in honor of the illustrious dead. The simple, unadorned story of his life is his highest, most fitting eulogy. The log cabin where his infancy was cradled; the abject poverty of his fatherless boyhood; the heroic struggles of his youth; his course, with its exceptional honors, as a student at the university; his brilliant record as a lawyer; his repeated election as Representative in Congress, as Governor of Wisconsin, and as Senator of the United States from that great State—this is familiar to all.

Step by step he was called up from poverty and obscurity to the position which, next to the Presidency, is the highest within the grasp of human ambition. Every step of this advance was won by merit alone. His were none of the adventitious aids by which lesser men are sometimes enabled to build up an ephemeral notoriety. His great qualities—as the gentleman from Wisconsin [Mr. VOIGT] has intimated—did not have to ask, they could not avoid, recognition. His active, penetrating mind, his indomitable courage and unpurchasable integrity, his ceaseless industry and overflowing love of humanity, brought him inevitably into public life, and caused the people of Wisconsin for nearly 40 years, until the day of his passing, to retain him in the service of the State and the Nation. And neither State nor Nation has ever known one who loved her more devotedly or strove more faithfully to serve what he thought her highest interests.

The life of the United States of America marks the most important political epoch that history records; and therefore LA FOLLETTE believed that the responsibilities of citizenship in this Republic were greater than those in any other nation. And he knew what we never should forget, that nations, like individuals, have their times of youth, of maturity, and as the history of the Past tells us, of decay and death, but that there is this difference: In individuals nature plants the seeds of inevitable dissolution, while in nations they are planted by the folly and the wickedness of rulers and people. But in a government like ours there are no rulers; those whom we choose to make and to execute the laws are but servants of the people; and if decay and death shall ever come to this Republic, they will come through the folly and the weakness of the people alone.

He believed that our Government was the best in the world; but that, like everything else of human origin, it is not perfect and should not be made the object of blind adoration, because there were mingled with its undoubted blessings what appeared to him serious wrongs and injustices. He heard men loudly shout approval of Jefferson's "Equal rights to all, special privileges to none," and then saw them acquire—sometimes corruptly acquire—grossly unjust special privileges.

He envied no man his wealth, if it were the fruit of honest effort. On the contrary, he admired those who by foresight, industry, integrity, and skill achieve fortunes; and he numbered among his friends not a few owners of fortunes thus honorably secured. But he was nevertheless profoundly convinced that there is grave danger to the Republic if possessors of special privileges are permitted to make vast accumulations of wealth and power through ruthless disregard of the rights of others—rights which are the gift of God himself. Therefore, knowing that avarice has no conscience, he held it to be the true function—the duty—of a free government to be the guardian of industrial equality of opportunity; and that it is wrong not only for the State itself to interfere with such opportunity but wrong also for the State to permit such interference by corporations which are its creatures, or by individuals.

LA FOLLETTE believed, with Burke, that "To make us love our country our country ought to be lovely," and he labored unceasingly to make it lovely, not for some, but for all of the people.

He saw our territory being rapidly occupied and conditions beginning to crowd as they have for generations been crowding in the Old World; and knowing that similar causes are apt to produce similar effects, he did what he could to prevent the development in this country of abuses long prevalent across the sea. And he sought not only to prevent these from coming, but also, by proper laws, to eradicate others already here. He boldly attacked an economic or a social injustice in this country, though long established and powerfully intrenched, believing, as in his very soul he did believe, that neither usage, nor custom, nor anything else however ancient, can justify a moral wrong.

He knew well the deep meaning of the truth that "Not the man alone who *feels* tyranny but also the man who is *exposed* to tyranny is without freedom," and he demanded that laws and lawmakers be put to the rigorous test of fundamental principles.

There never lived a man who more devoutly believed that "Eternal vigilance is the price of liberty," or more clearly perceived that in these days of intense competition the great majority of mankind are so busy striving to earn a livelihood for themselves and their dependents that they have no opportunity to study underlying principles of government. Accordingly he considered it his public duty to help to the utmost of his power, so to arouse the people to the vital importance of principle that they might never, through ignorance or indifference, permit liberty to be smothered in material prosperity.

And so for 40 tireless years, from ocean to ocean and from the Lakes to the Gulf, in the spirit of the Master who long ago proclaimed that God is Love, he eloquently directed attention to these dangers and injustices, and everywhere implored his countrymen to be thoughtful and merciful and just.

LA FOLLETTE combined this idealism with capacity in practical affairs. Some of the many beneficent laws for which he was either wholly or in large measure responsible have been enumerated by preceding speakers, and I shall not now pause to mention others which could truthfully be added to the list.

But there was another and entirely different side. We know that he was a great constructive statesman; we know his fighting qualities; we know that he was called "Battling Bob"; we know his power; but I think of a more tender side, of which the world at large knew little. And it is of this that I would say a word. One of the speakers alluded briefly to Senator LA FOLLETTE'S love of literature. It is true that from his early youth he was a lover of the beautiful in literature and in art of every form. All his life he was a profound student of Shakespeare, as is in part evidenced by his lecture on Hamlet, to which the gentleman from Minnesota [Mr. KVALE] referred, and by his youthful oration on Iago, which won for him the prize in an oratorical contest participated in by the representatives of the universities of four States, and brought him letters of extraordinary praise from Edwin Booth, Lawrence Barrett, and John McCullough, world-famous giants of Shakespearean interpretation.

It is sometimes said that literature and art are harmful, in that they tend to make indifferent to affairs of public moment the individuals and the nations by whom they are cultivated. But the life of LA FOLLETTE teaches us, as does the history of the world from the day when Æschylus fought at Marathon, to the hour when Theodore Koerner fell dead in battle for his fatherland, to the later hour when Theodore Winthrop poured out his life blood for the Union, and to the still later hour when Alan Seeger kept his "rendezvous with Death" where "poppies bloom in Flanders fields," that the truest appreciation of art, the deepest love of the beautiful may inhabit the soul at the same time with the loftiest, purest, most devoted patriotism.

But nothing in all his life, not all the brillance of his achievements, had so endeared LA FOLLETTE to the people, had drawn him so near to their great heart of hearts, as did the fortitude, the patience, the resignation, with which he bore the days of painful struggle with death. As he felt himself drawing near the Dark River, he calmly said to the anxious watchers:

> I do not know how the people will feel toward me, but I shall carry to the grave my love for them.

How true it is that "one touch of nature makes the whole world kin." From every part of the Union came messages of sympathy. From the altars of every sect and creed, Catholic and Protestant, Jew and Gentile, ascended prayers for his recovery. But all in vain. That noble heart is forever stilled; that eloquent tongue forevermore silent. While millions gazed upon the bow of promise which spanned the political heavens and

with the eye of hope saw its still greater glories in the future, it suddenly disappeared in darkness, vanished with the life which lent it its radiance.

To none other in all her history has Wisconsin accorded such a funeral. Never has she beheld another such scene as that of the multitudes in endless procession during the day and the night and the hours of the morning, passing through the State capitol, where, surrounded by the marble and bronze of the magnificent rotunda, lay her son, the child of the humble log cabin, in the sleep that knows no waking, midst the masses of tear-moistened flowers. Never has the State he so fondly loved and so faithfully served beheld another scene like that when they brought LA FOLLETTE home to rest in her bosom.

And now, farewell to our Senator! Farewell, great friend of humanity—brave, loyal heart! What we say here will soon be forgotten, but what thou hast been and what thou hast done—thy greatness and thy goodness—shall remain thy country's priceless legacy forever!

Mr. COOPER of Wisconsin reassumed the chair as Speaker pro tempore.

Mr. NELSON of Wisconsin. Mr. Speaker, there may be other loved friends of the late Senator who would like to extend their remarks in the RECORD and who are not here to-day. I ask unanimous consent that they be permitted to extend their remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. O'CONNOR of Louisiana. Mr. Speaker, ROBERT M. LA FOLLETTE is no more. He is dead. His body rests in the earth from whence it came. His soul is in a finer sphere of action carrying out God's great design. He lived to bless mankind. Myriads of men and women in this generation and those that are to follow will pilgrimage to his grave in reverence and mutter, "He did not live in vain." They will stand with uncovered heads and unsandaled feet, for they will know that they stand on holy ground. History will record his name enduringly in her temple of fame. "To do noble things, not dream them all day long, and so make life, death, and that vast forever one grand sweet song," was a cloud by day and a pillar of fire by night to him. He preached the word to make the mission of his country a holy one.

Let all the ends thou aimst at be
Thy country's, thy God's, and truth's.
Be noble and the nobleness that
Lies in other men, sleeping but
Never dead, will rise in majesty
To meet thine own—

was the underlying thought to the many thrilling messages he delivered to his countrymen. He knew no greatness but his country's good. No nobler soul ever dwelled upon this earth than that of the dead statesman. No choicer spirit ever swept over a land than that of the dead jurist. He was a great actor in the grand and romantic drama of life. "He loved his country because it was his own and scorned to give aught other reason why" than to labor in behalf of his countrymen.

The moral grandeur of his great nature sanctified his patriotism and to his luminous, large, and comprehending eyes the ideals, aspirations, hopes, and purposes of the patriotic men and women of his country were not only just but sublime. They were from his viewpoint of an eternal life and of a limitless and boundless universe in which innumerable experiences await man, the preliminary to the Creator's purpose which LA FOLLETTE reverently and solemnly looked to the fulfillment with the undying hope of the prophet. The millenium, when the lion and the lamb shall lie down and there shall be peace on earth to men of good will was the lighthouse on which his steadfast gaze was unfalteringly fixed over the many seas that lie ahead. On a slab in a cemetery in the city of New Orleans are lines that are unforgettable. They are in memoriam of one who has crossed that bourne from whence no traveler has ever returned. He was a soldier and died in a cause that his people held a sacred one. The lines are indelibly written in my memory. I read them when a boy and the stately, reverent, patriotic, eloquent, and inspiring words have ever remained with me. They might be written with a few alterations which I will make on the many monuments that will arise to attest the greatness of mind and grandeur of soul of ROBERT M. LA FOLLETTE—

A man tried in many high offices;
And critical enterprises;
And found faithful in all;
His life was one long sacrifice of interest to conscience and unswerving duty of devotion to country;
His greatness stands confessed to-day in a people's tears;
Resolute, moderate, clear of envy, yet not wanting in that finer ambition which makes men great and pure;
In his honor—impregnable;
In his simplicity—sublime;
No country e'er had a truer son—no cause a nobler champion;
No people a bolder defender—no principle a purer advocate, than
The dead statesman who sleeps his last sleep in the soil of his well-beloved Commonwealth of Wisconsin;
His fame, consigned to the keeping of that time which, happily, is
Not so much the tomb of virtue as its shrine;
Shall, in the years to come, fire modest worth to noble ends.
In honor, now the great statesman rests;
A bereaved people mourn him;
A proud Commonwealth and a noble Nation claim him;
And history shall cherish him,
Among those choicer spirits who, holding their conscience unmixed with blame,
Have been, in all conjuncture, true to themselves, their people, and their God.

LA FOLLETTE sang the hymn of the conquered who fell in the battle of life. His tears were for the wounded and beaten who died overwhelmed in the strife. The jubilant song of the victor was not music to his ear. The resounding acclaim of nations lifted in chorus for an oppressor of mankind thrilled not that great heart. The chaplet of fame on the brow of the unworthy was to him as withered leaves. His voice was ever heard in bugle blast and clarion tone for the low and humble, the weary, the broken in heart. His sobs were for those who strove and who failed acting bravely a silent and desperate part in the tragedy of human existence. His pitying gaze was ever bent on those whose youth bore no flower in its branches. Instinctively his sympathetic mind leapt to the consolation of those sufferers whose hopes burned in ashes away; and his great heart shook with grief at the woe of those who stood at the dying of the day, at the end of the long and lonely trail with the work of their life all around them unheeded, alone, with death sweeping down on their failures and all but their faith in God's infinite mercy and wisdom overthrown. He never joined in the tumultuous shout of the world for those who had won the worldly victory. While the trumpet was sounding triumphant and high to the breeze and the sun, gay banners were waving, hands clapping, and hurrying feet thronging after the laurel-crowned victor, ROBERT M. LA FOLLETTE stood on the field of defeat with those who were wounded and dying. Chanting a requiem low, he placed his hand on the pain-knotted brows, held the heads that were helpless, and whispered—

They never fail who die in a great cause.
The block may soak their gore, their heads may sodden in the sun,
Their limbs be stretched to city gates and castle walls,
But still their spirits walk abroad.
Years may elapse and others share as dark a doom.
They but augment the deep and swelling thought
That overwhelms all others
And leads the world at last to perfect freedom.

Through time and over space in soul inspiring language his magic tones will carry hope to the children of all men. He has urged them to teach the generations to come to fight for truth which will blaze the way for a larger and finer liberty and freedom. "Ye shall know the truth, and the truth shall make you free," was to him what Carthago Delendaest was to Cato. But his was a battle cry for humanity and that of the Roman a slogan for blood and tears. His wonderful words will yet reach every heart throughout our broad land, that they only the victory win who have fought the good fight and vanquished the demons that tempt us within. His prayer for those who have held to their faith unseduced by the prize which the world holds on high will yet be on many tongues, and the lips of children will sing them as a sweet song of an everlasting hope. In the fullness of time history will write in enduring letters, large and luminous, so that they might be beheld from afar, the name of ROBERT M. LA FOLLETTE. We weep. He is no more.

Mr. MORROW. Mr. Speaker, ROBERT M. LA FOLLETTE, the late Senator from the State of Wisconsin, was reared in the same county of Wisconsin where it was my good fortune to have first seen the light of day. It was my privilege as a boy to witness and to know of his early political career. Also to become familiar with his early struggles for success in that career, and to familiarize myself with the history of his efforts to better his condition.

It goes without saying that Mr. LA FOLLETTE in early life endured much hardship and by his indomitable personal character paved his way in life, which eventually made him a successful lawyer and statesman. I would be derelict in my duty as a Member of Congress if I failed to express myself in regard to this great American.

Mr. LA FOLLETTE's early political training in his native State, which was teeming with dishonest political conditions, brought him boldly forward as an advocate for honesty in public affairs. First, in his native State of Wisconsin and later in the affairs of the National Government. In my opinion, the name of LA FOLLETTE should be placed foremost among those who unselfishly sought for honesty in official life.

While many seem to regard the life of ROBERT M. LA FOLLETTE in national affairs and his outstanding position for public honesty as his principal characteristic, yet he had another characteristic, which was a fair deal for his fellow men in all matters of national legislation.

The real character of this man, in the opinion of the writer, is clearly shown in the indelible and lasting principles he inculcated in the citizenship of his own State of Wisconsin, as well as in the affairs of the National Government.

In order that the reader may get a clearer picture of the wonderful power which the political doctrine LA FOLLETTE brought to the affairs of his home State, all that is necessary is to realize the powerful influence that his principles of government had on the people of the great State of Wisconsin and the influence that those principles have exercised in that State for nearly two decades. It is true, also, that his ideals of government brought by him to the National Congress a form of government that our Nation is entitled to as intelligent and enlightened Americans, and no American schooled in the principles of government can say that his ideals were wrong.

Wisconsin with its severe climatic conditions (much more severe than many other States in the Nation), virtually outranks every State in the industry, frugality, and prosperity of its people. This is to some degree due to the character of its citizenship. Also to the State legislation sponsored by Mr. LA FOLLETTE and the wholesome doctrine that he planted in the laws and his teachings which have by years become the creed of the majority of the citizenship of that State. That creed is honesty in State affairs, a slogan of LA FOLLETTE that first had its origin with him in his earliest political life and became later a national slogan with him.

As a citizen he was honest, faithful, and true to his people. As a statesman he was thorough, reliable, and upright in all public affairs. High moral principles were the torch that always lighted his public and private life.

The personal life of this American statesman is a fitting guide for every American student to follow. LA FOLLETTE was an honest believer that a civilization in order to exist with honest, fair, and just laws must have the enforcement of same; that society under a free government should receive the proper protection that the law entitled it to receive.

In speaking of the requisites of the lawyer and statesman, Mr. LA FOLLETTE possessed the real attributes—diligence and accuracy. No statesman of modern times was more accurate or possessed greater diligence in the task undertaken than the man I am attempting to portray to those who might chance to read my remarks.

In speaking of character, the words of Woodrow Wilson apply most appropriately to the late lamented LA FOLLETTE:

> There is something that the American people love better than they love peace. They love the principles upon which their political life is founded. They are ready at any time to fight for the vindication of their character or their honor. They will at no time seek a contest, but they will at no time craven to avoid it. Because if there is one thing that every nation ought to fight for it is the integrity of its own convictions. We can not surrender our convictions. I would rather surrender territory than surrender ideals, which are the chief staff of life for the soul itself.

This was certainly true of Mr. LA FOLLETTE, and after every battle the public were compelled to admire the greatness of the man and the purity of his character.

There is no question but that his studious habits and enormous power for work affected his physical constitution and that this great American statesman and defender of the people cut short his life in the struggle. In order that all should share equally in the benefits of government; that the resources of the Nation were intended to be equitably and justly dealt with for all the people of this great Republic and should not by legislation be given to a special privileged class. It is not necessary to enumerate the laws that he was the author of, as others have cited them. It is needless to say it will be many years before the place he occupied in public and private life can be filled.

Who can take the place of "fighting BOB LA FOLLETTE," the man of tireless energy, a man of the highest moral character, a man whose influence may be compared to a tiny rivulet of clear water which starts from its mountain home toward the valley, gathering water from many small streams on its way until it becomes a mighty river sweeping on to the vast ocean. This was exemplified in the political life of LA FOLLETTE, starting in the office of district attorney of Dane County, Wis., until it covered the whole State, then to the Nation, leaving to the American citizens a heritage which will grow in esteem in national life as the years go by.

Mr. KELLER. Mr. Speaker, a truly great statesman is being eulogized here to-day—eulogized by those who have worked side by side with him in his life's battles and by those who have become thoroughly acquainted with his work through direct contact with him in the Nation's Capital. As one of the latter, I want to add my humble praise to the many encomiums that are being heaped high upon ROBERT MARION LA FOLLETTE in this, the afterglow of his activity in our midst.

Senator LA FOLLETTE came nearer being the absolute incarnation of vitality, of tenacity of purpose, of stick-to-itiveness, of fearlessness, of sincerity of purpose than has ever been molded into the body and soul of one human being. His life record is one of devotion to duty, as God gave it to him to see that duty; of service to the common people—those people for whom he had such great love and respect. The source of his love and admiration for the masses must have been the same as that which prompted that greatest of Presidents, Abraham Lincoln, to utter those words of undying beauty and reverence, "God must have loved the common people, for he made so many of them." The inspiration to do justice to the masses in public life and to succeed in that purpose is the grandest goal that one can cherish in a life's work. How well BOB LA FOLLETTE successed in this respect is a matter of history.

Having been born and reared during my early youth in Wisconsin, I naturally took an interest from the first in the progress and development of the political work of ROBERT LA FOLLETTE. Later on, as I entered the political field myself, I came to admire the great fight this staunch, determined leader was making in my natal State. The principles he expounded in behalf of the masses were an inspiration to all interested in rendering true service to the people in public life.

While the work of ROBERT MARION LA FOLLETTE in his State's legislature and as governor of the great State of Wisconsin, where he served so effectively in bringing his State to the enviable position it maintains in the concord of States, it is his service in the National Congress, first in the House and later in the Senate, that has made him one of the outstanding legislators and statesmen of history. Always definitely aligned on the great issues of the day, his voice and his very being were thrown into the fight, determined always to protect to the fullest extent the interests of the common people in all legislation that came before the Congress. Many a memorable fight has he led for the cause of humanity. Often has his head of flowing hair waved majestically, and his clarion voice rung out in the halls of Congress as he expounded the mass viewpoint. A fighter such as the Senate has rarely seen, when in action—yet as gentle, as gracious, as friendly, as loveable a character as one would ever desire to address as a friend and associate—the memory of ROBERT MARION LA FOLLETTE will long linger in the minds of those who knew him so well.

It takes the brain of a genius; the strength of a Goliath; the unflinching courage and endurance of a Spartan; all combined, to match the tireless activity and success that has characterized the work of this great statesman. His record in the Congress speaks for itself. The constructive legislation enacted under his guidance by the Congress of the United States will stand as a monument to his memory as long as this Nation endures. Probably his greatest work for humanity was embodied in the Seaman's Act which bears his name. There are other acts which will long endure in the minds of those who have benefitted thereby. Much of his activity as a legislator was concerned with opposition to legislation vicious in its scope and purpose and designed for the benefit of the powerful interests and the favored few. Whenever such legislation dared to rear its head in the Congress, in the foreground of the opponents thereto could be seen the striking figure of that world renowned crusader for right and justice—ROBERT MARION LA FELLETTE. And the archives of Congress hold many a record of battles, the ferocity and intensity of which will long linger in the minds of our people, in which the sterling leadership of this great statesman predominates. His leadership in the develop-

with the eye of hope saw its still greater glories in the future, it suddenly disappeared in darkness, vanished with the life which lent it its radiance.

To none other in all her history has Wisconsin accorded such a funeral. Never has she beheld another such scene as that of the multitudes in endless procession during the day and the night and the hours of the morning, passing through the State capitol, where, surrounded by the marble and bronze of the magnificent rotunda, lay her son, the child of the humble log cabin, in the sleep that knows no waking, midst the masses of tear-moistened flowers. Never has the State he so fondly loved and so faithfully served beheld another scene like that when they brought LA FOLLETTE home to rest in her bosom.

And now, farewell to our Senator! Farewell, great friend of humanity—brave, loyal heart! What we say here will soon be forgotten, but what thou hast been and what thou hast done—thy greatness and thy goodness—shall remain thy country's priceless legacy forever!

Mr. COOPER of Wisconsin reassumed the chair as Speaker pro tempore.

Mr. NELSON of Wisconsin. Mr. Speaker, there may be other loved friends of the late Senator who would like to extend their remarks in the RECORD and who are not here to-day. I ask unanimous consent that they be permitted to extend their remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. O'CONNOR of Louisiana. Mr. Speaker, ROBERT M. LA FOLLETTE is no more. He is dead. His body rests in the earth from whence it came. His soul is in a finer sphere of action carrying out God's great design. He lived to bless mankind. Myriads of men and women in this generation and those that are to follow will pilgrimage to his grave in reverence and mutter, "He did not live in vain." They will stand with uncovered heads and unsandaled feet, for they will know that they stand on holy ground. History will record his name enduringly in her temple of fame. "To do noble things, not dream them all day long, and so make life, death, and that vast forever one grand sweet song," was a cloud by day and a pillar of fire by night to him. He preached the word to make the mission of his country a holy one.

> Let all the ends thou aimst at be
> Thy country's, thy God's, and truth's.
> Be noble and the nobleness that
> Lies in other men, sleeping but
> Never dead, will rise in majesty
> To meet thine own—

was the underlying thought to the many thrilling messages he delivered to his countrymen. He knew no greatness but his country's good. No nobler soul ever dwelled upon this earth than that of the dead statesman. No choicer spirit ever swept over a land than that of the dead jurist. He was a great actor in the grand and romantic drama of life. "He loved his country because it was his own and scorned to give aught other reason why" than to labor in behalf of his countrymen.

The moral grandeur of his great nature sanctified his patriotism and to his luminous, large, and comprehending eyes the ideals, aspirations, hopes, and purposes of the patriotic men and women of his country were not only just but sublime. They were from his viewpoint of an eternal life and of a limitless and boundless universe in which innumerable experiences await man, the preliminary to the Creator's purpose which LA FOLLETTE reverently and solemnly looked to the fulfillment with the undying hope of the prophet. The millenium, when the lion and the lamb shall lie down and there shall be peace on earth to men of good will was the lighthouse on which his steadfast gaze was unfalteringly fixed over the many seas that lie ahead. On a slab in a cemetery in the city of New Orleans are lines that are unforgettable. They are in memoriam of one who has crossed that bourne from whence no traveler has ever returned. He was a soldier and died in a cause that his people held a sacred one. The lines are indelibly written in my memory. I read them when a boy and the stately, reverent, patriotic, eloquent, and inspiring words have ever remained with me. They might be written with a few alterations which I will make on the many monuments that will arise to attest the greatness of mind and grandeur of soul of ROBERT M. LA FOLLETTE—

> A man tried in many high offices;
> And critical enterprises;
> And found faithful in all;
> His life was one long sacrifice of interest to conscience and unswerving duty of devotion to country;
> His greatness stands confessed to-day in a people's tears;
> Resolute, moderate, clear of envy, yet not wanting in that finer ambition which makes men great and pure;
> In his honor—impregnable;
> In his simplicity—sublime;
> No country e'er had a truer son—no cause a nobler champion;
> No people a bolder defender—no principle a purer advocate, than
> The dead statesman who sleeps his last sleep in the soil of his well-beloved Commonwealth of Wisconsin;
> His fame, consigned to the keeping of that time which, happily, is
> Not so much the tomb of virtue as its shrine;
> Shall, in the years to come, fire modest worth to noble ends.
> In honor, now the great statesman rests;
> A bereaved people mourn him;
> A proud Commonwealth and a noble Nation claim him;
> And history shall cherish him,
> Among those choicer spirits who, holding their conscience unmixed with blame,
> Have been, in all conjuncture, true to themselves, their people, and their God.

LA FOLLETTE sang the hymn of the conquered who fell in the battle of life. His tears were for the wounded and beaten who died overwhelmed in the strife. The jubilant song of the victor was not music to his ear. The resounding acclaim of nations lifted in chorus for an oppressor of mankind thrilled not that great heart. The chaplet of fame on the brow of the unworthy was to him as withered leaves. His voice was ever heard in bugle blast and clarion tone for the low and humble, the weary, the broken in heart. His sobs were for those who strove and who failed acting bravely a silent and desperate part in the tragedy of human existence. His pitying gaze was ever bent on those whose youth bore no flower in its branches. Instinctively his sympathetic mind leapt to the consolation of those sufferers whose hopes burned in ashes away; and his great heart shook with grief at the woe of those who stood at the dying of the day, at the end of the long and lonely trail with the work of their life all around them unheeded, alone, with death sweeping down on their failures and all but their faith in God's infinite mercy and wisdom overthrown. He never joined in the tumultuous shout of the world for those who had won the worldly victory. While the trumpet was sounding triumphant and high to the breeze and the sun, gay banners were waving, hands clapping, and hurrying feet thronging after the laurel-crowned victor, ROBERT M. LA FOLLETTE stood on the field of defeat with those who were wounded and dying. Chanting a requiem low, he placed his hand on the pain-knotted brows, held the heads that were helpless, and whispered—

> They never fail who die in a great cause.
> The block may soak their gore, their heads may sodden in the sun,
> Their limbs be stretched to city gates and castle walls,
> But still their spirits walk abroad.
> Years may elapse and others share as dark a doom.
> They but augment the deep and swelling thought
> That overwhelms all others
> And leads the world at last to perfect freedom.

Through time and over space in soul inspiring language his magic tones will carry hope to the children of all men. He has urged them to teach the generations to come to fight for truth which will blaze the way for a larger and finer liberty and freedom. "Ye shall know the truth, and the truth shall make you free," was to him what Carthago Delendaest was to Cato. But his was a battle cry for humanity and that of the Roman a slogan for blood and tears. His wonderful words will yet reach every heart throughout our broad land, that they only the victory win who have fought the good fight and vanquished the demons that tempt us within. His prayer for those who have held to their faith unseduced by the prize which the world holds on high will yet be on many tongues, and the lips of children will sing them as a sweet song of an everlasting hope. In the fullness of time history will write in enduring letters, large and luminous, so that they might be beheld from afar, the name of ROBERT M. LA FOLLETTE. We weep. He is no more.

Mr. MORROW. Mr. Speaker, ROBERT M. LA FOLLETTE, the late Senator from the State of Wisconsin, was reared in the same county of Wisconsin where it was my good fortune to have first seen the light of day. It was my privilege as a boy to witness and to know of his early political career. Also to become familiar with his early struggles for success in that career, and to familiarize myself with the history of his efforts to better his condition.

It goes without saying that Mr. LA FOLLETTE in early life endured much hardship and by his indomitable personal character paved his way in life, which eventually made him a successful lawyer and statesman. I would be derelict in my duty as a Member of Congress if I failed to express myself in regard to this great American.

Mr. LA FOLLETTE's early political training in his native State, which was teeming with dishonest political conditions, brought him boldly forward as an advocate for honesty in public affairs. First, in his native State of Wisconsin and later in the affairs of the National Government. In my opinion, the name of LA FOLLETTE should be placed foremost among those who unselfishly sought for honesty in official life.

While many seem to regard the life of ROBERT M. LA FOLLETTE in national affairs and his outstanding position for public honesty as his principal characteristic, yet he had another characteristic, which was a fair deal for his fellow men in all matters of national legislation.

The real character of this man, in the opinion of the writer, is clearly shown in the indelible and lasting principles he inculcated in the citizenship of his own State of Wisconsin, as well as in the affairs of the National Government.

In order that the reader may get a clearer picture of the wonderful power which the political doctrine LA FOLLETTE brought to the affairs of his home State, all that is necessary is to realize the powerful influence that his principles of government had on the people of the great State of Wisconsin and the influence that those principles have exercised in that State for nearly two decades. It is true, also, that his ideals of government brought by him to the National Congress a form of government that our Nation is entitled to as intelligent and enlightened Americans, and no American schooled in the principles of government can say that his ideals were wrong.

Wisconsin with its severe climatic conditions (much more severe than many other States in the Nation), virtually outranks every State in the industry, frugality, and prosperity of its people. This is to some degree due to the character of its citizenship. Also to the State legislation sponsored by Mr. LA FOLLETTE and the wholesome doctrine that he planted in the laws and his teachings which have by years become the creed of the majority of the citizenship of that State. That creed is honesty in State affairs, a slogan of LA FOLLETTE that first had its origin with him in his earliest political life and became later a national slogan with him.

As a citizen he was honest, faithful, and true to his people. As a statesman he was thorough, reliable, and upright in all public affairs. High moral principles were the torch that always lighted his public and private life.

The personal life of this American statesman is a fitting guide for every American student to follow. LA FOLLETTE was an honest believer that a civilization in order to exist with honest, fair, and just laws must have the enforcement of same; that society under a free government should receive the proper protection that the law entitled it to receive.

In speaking of the requisites of the lawyer and statesman, Mr. LA FOLLETTE possessed the real attributes—diligence and accuracy. No statesman of modern times was more accurate or possessed greater diligence in the task undertaken than the man I am attempting to portray to those who might chance to read my remarks.

In speaking of character, the words of Woodrow Wilson apply most appropriately to the late lamented LA FOLLETTE:

> There is something that the American people love better than they love peace. They love the principles upon which their political life is founded. They are ready at any time to fight for the vindication of their character or their honor. They will at no time seek a contest, but they will at no time craven to avoid it. Because if there is one thing that every nation ought to fight for it is the integrity of its own convictions. We can not surrender our convictions. I would rather surrender territory than surrender ideals, which are the chief staff of life for the soul itself.

This was certainly true of Mr. LA FOLLETTE, and after every battle the public were compelled to admire the greatness of the man and the purity of his character.

There is no question but that his studious habits and enormous power for work affected his physical constitution and that this great American statesman and defender of the people cut short his life in the struggle. In order that all should share equally in the benefits of government; that the resources of the Nation were intended to be equitably and justly dealt with for all the people of this great Republic and should not by legislation be given to a special privileged class. It is not necessary to enumerate the laws that he was the author of, as others have cited them. It is needless to say it will be many years before the place he occupied in public and private life can be filled.

Who can take the place of "fighting BOB LA FOLLETTE," the man of tireless energy, a man of the highest moral character, a man whose influence may be compared to a tiny rivulet of clear water which starts from its mountain home toward the valley, gathering water from many small streams on its way until it becomes a mighty river sweeping on to the vast ocean. This was exemplified in the political life of LA FOLLETTE, starting in the office of district attorney of Dane County, Wis., until it covered the whole State, then to the Nation, leaving to the American citizens a heritage which will grow in esteem in national life as the years go by.

Mr. KELLER. Mr. Speaker, a truly great statesman is being eulogized here to-day—eulogized by those who have worked side by side with him in his life's battles and by those who have become thoroughly acquainted with his work through direct contact with him in the Nation's Capital. As one of the latter, I want to add my humble praise to the many encomiums that are being heaped high upon ROBERT MARION LA FOLLETTE in this, the afterglow of his activity in our midst.

Senator LA FOLLETTE came nearer being the absolute incarnation of vitality, of tenacity of purpose, of stick-to-itiveness, of fearlessness, of sincerity of purpose than has ever been molded into the body and soul of one human being. His life record is one of devotion to duty, as God gave it to him to see that duty; of service to the common people—those people for whom he had such great love and respect. The source of his love and admiration for the masses must have been the same as that which prompted that greatest of Presidents, Abraham Lincoln, to utter those words of undying beauty and reverence, "God must have loved the common people, for he made so many of them." The inspiration to do justice to the masses in public life and to succeed in that purpose is the grandest goal that one can cherish in a life's work. How well BOB LA FOLLETTE successed in this respect is a matter of history.

Having been born and reared during my early youth in Wisconsin, I naturally took an interest from the first in the progress and development of the political work of ROBERT LA FOLLETTE. Later on, as I entered the political field myself, I came to admire the great fight this staunch, determined leader was making in my natal State. The principles he expounded in behalf of the masses were an inspiration to all interested in rendering true service to the people in public life.

While the work of ROBERT MARION LA FOLLETTE in his State's legislature and as governor of the great State of Wisconsin, where he served so effectively in bringing his State to the enviable position it maintains in the concord of States, it is his service in the National Congress, first in the House and later in the Senate, that has made him one of the outstanding legislators and statesmen of history. Always definitely aligned on the great issues of the day, his voice and his very being were thrown into the fight, determined always to protect to the fullest extent the interests of the common people in all legislation that came before the Congress. Many a memorable fight has he led for the cause of humanity. Often has his head of flowing hair waved majestically, and his clarion voice rung out in the halls of Congress as he expounded the mass viewpoint. A fighter such as the Senate has rarely seen, when in action—yet as gentle, as gracious, as friendly, as loveable a character as one would ever desire to address as a friend and associate—the memory of ROBERT MARION LA FOLLETTE will long linger in the minds of those who knew him so well.

It takes the brain of a genius; the strength of a Goliath; the unflinching courage and endurance of a Spartan; all combined, to match the tireless activity and success that has characterized the work of this great statesman. His record in the Congress speaks for itself. The constructive legislation enacted under his guidance by the Congress of the United States will stand as a monument to his memory as long as this Nation endures. Probably his greatest work for humanity was embodied in the Seaman's Act which bears his name. There are other acts which will long endure in the minds of those who have benefitted thereby. Much of his activity as a legislator was concerned with opposition to legislation vicious in its scope and purpose and designed for the benefit of the powerful interests and the favored few. Whenever such legislation dared to rear its head in the Congress, in the foreground of the opponents thereto could be seen the striking figure of that world renowned crusader for right and justice—ROBERT MARION LA FELLETTE. And the archives of Congress hold many a record of battles, the ferocity and intensity of which will long linger in the minds of our people, in which the sterling leadership of this great statesman predominates. His leadership in the develop-

ment of that new political thought—the progressive element in our body politic—will serve as an inspiration in years to come to those who carry on this great work. It has a well-defined place in our political scheme; it has been advanced under Senator LA FOLLETTE until it is to-day the outstanding subject of conversation wherever politics is discussed. Its organization has become so powerful that it is found in control of that great legislative body, the United States Senate, in the forthcoming Congress. And its power for good—for the improvement of conditions for the common people—will be appreciated more fully as time goes on.

It ill behooves us to endeavor to erect a monument of words in outlining the achievements of ROBERT MARION LA FOLLETTE. The Senator has all too well accomplished this purpose in his life's work. As time goes on his deeds of greatness will shine the brighter; the inspiration derived from his successful labors here will reach into the hearts and the homes of the common people wherever they may be, and the devotion to that great duty that devolves upon us left to mourn his loss to carry on in the paths he has so clearly outlined will be the easier of accomplishment.

"Well done, thou good and faithful servant," can well be inscribed upon his tomb.

ADJOURNMENT

Mr. NELSON of Wisconsin. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore. The gentleman from Wisconsin moves that the House do now adjourn. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly (at 1 o'clock and 55 minutes p. m.) the House adjourned until to-morrow, Monday, February 21, 1927, at 12 o'clock noon.

SENATE

MONDAY, *February 21, 1927*

(Legislative day of Thursday, February 17, 1927)

The Senate reassembled at 12 o'clock meridian, on the expiration of the recess.

DEATH OF EX-SENATOR WILLARD SAULSBURY

Mr. BAYARD. Mr. President, yesterday Willard Saulsbury, of Delaware, who was a Senator from that State from 1913 to 1919, passed away. During his term as a Member of the Senate he occupied many important positions on committees, and during the last two years of his term—that is, for the years 1917–1919—he was President pro tempore of this body. In other words, he presided over this body during the trying war period. Be it said to his credit, and many Members of the present Senate will testify to the fact, he presided over this body with impartiality and fairness to such a degree that when he was through his service the Senate voiced its appreciation of what he had done.

He had an interesting career, Mr. President. He was a leading member of the bar of his State. Both his father and his uncle had been Senators in this body from the State of Delaware, and in every way he lived up to the traditions of the people of his State and the traditions of those in the Senate of the United States representing his State.

I submit the resolutions which I send to the desk.

The VICE PRESIDENT. The clerk will read the resolutions.

The Chief Clerk read the resolutions (S. Res. 363), as follows:

Resolved, That the Senate has heard with deep regret and profound sorrow the announcement of the death of Hon. Willard Saulsbury, late a Senator from the State of Delaware.

Resolved, That the Secretary transmit a copy of these resolutions to the family of the deceased.

Mr. BAYARD. I ask unanimous consent for the immediate consideration of the resolutions.

The Senate, by unanimous consent, proceeded to consider the resolutions.

Mr. ROBINSON of Arkansas. Mr. President, the late Senator Saulsbury served with distinction in this body for many years. He enjoyed the confidence, respect, and admiration of those who served with him. The Nation has lost a patriot and a statesman of renown.

The VICE PRESIDENT. The question is on agreeing to the resolutions.

The resolutions were unanimously agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed the bill (S. 1640) authorizing the Secretary of Agriculture to establish a national arboretum, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H. R. 16885. An act to amend section 563 of the tariff act of 1922; and

H. J. Res. 351. A joint resolution to provide for the expenses of the participation of the United States in the work of the economic conference to be held at Geneva, Switzerland.

PETITIONS AND MEMORIALS

Mr. MEANS presented the following joint memorial of the Legislature of the State of Colorado, which was ordered to lie on the table:

STATE OF COLORADO,
OFFICE OF THE SECRETARY OF STATE.

UNITED STATES OF AMERICA,
State of Colorado, ss:

Certificate

I, Chas. M. Armstrong, secretary of state of the State of Colorado, do hereby certify that the annexed is a full, true, and complete copy of House Joint Memorial 3, which was passed by the Twenty-sixth General Assembly of the State of Colorado and signed by the Governor of the State of Colorado on the 19th day of February, A. D. 1927.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Colorado, at the city of Denver, this 19th day of February, A. D. 1927.

[SEAL.] CHAS. M. ARMSTRONG,
Secretary of State,
By S. W. BROWN, *Deputy.*

House Joint Memorial 3

Concerning retirement of disabled emergency officers of the World War
(by Representative Robinson)

Be it resolved by the house representatives of the twenty-sixth general assembly (the senate concurring), That this general assembly favors the prompt enactment of legislation now pending before the Congress of the United States, known as the Tyson bill, in the Senate, and the Fitzgerald bill in the House of Representatives, which will remove the discrimination that now exists between disabled emergency officers of the World War and officers of the regular establishments, and that this general assembly believes that this will tend to bring about justice to these officers in accordance with the provisions of section 10, the selective service act of May 18, 1918, which provides as follows:

"All officers and enlisted men of the forces herein provided for other than Regular Army shall be in all respects on the same footing as to pay, allowances, and pensions as officers and enlisted men of the corresponding grades and length of service in the Regular Army": And be it further

Resolved, That the United States Senators and Members of the United States House of Representatives representing the State of Colorado are hereby earnestly requested and urged to exert their efforts to secure the passage of this legislation by Congress, and that copies of this resolution be sent to the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and to the Senators and Representatives of the State of Colorado in Congress.

JOHN A. HOLMBERG,
Speaker of the House of Representatives.
GEORGE M. CORBETT,
President of the Senate.
WM. H. ADAMS,
Governor of the State of Colorado.

Mr. GREENE presented the following joint resolution of the Legislature of the State of Vermont, which was referred to the Committee on Immigration:

Whereas the United States immigration act of 1924 and previous immigration legislation, limiting by quota immigrants from European nations and excluding orientals, has exposed our Vermont-Canadian border to organized alien smuggling operations of no mean proportions because our highways afford convenient passage from Canadian ports but a few miles north of our border to eastern United States labor markets, and the same method of surreptitious entry to all types of propagandists, illiterates, diseased, and feeble-minded aliens who are mandatorially excluded; and

Whereas the immigration border patrol in subdistrict No. 2, where 150 highways and trails cross the border, 45 of these being main-traveled highways, is grossly inadequate and is leading to the defeat of the purpose of our immigration acts; and

Whereas we believe our State and Nation are being exposed to great harm and danger by the situation cited above: Therefore be it

Resolved by the senate and house of representatives, That Vermont request remedial measures be taken forthwith to suppress alien smuggling across our Vermont-Canadian border; be it further

Resolved, That the secretary of state is hereby directed to forward forthwith to each Senator and Representative of Vermont in Congress and to the Bureau of Immigration, under the United States Department of Labor, a duly authenticated copy of this resolution.

S. HOLLISTER JACKSON,
President of the Senate.
LOREN R. PIERCE,
Speaker of the House of Representatives.

Approved February 18, 1927.

JOHN E. WEEKS, *Governor.*

STATE OF VERMONT,
OFFICE OF SECRETARY OF STATE.

I hereby certify that the foregoing is a true copy of joint resolution relating to alien smuggling across Vermont-Canadian border, approved February 18, 1927.

In testimony whereof I have hereunto set my hand and affixed my official seal at Montpelier this 18th day of February, A. D. 1927.

[SEAL.] AARON H. GROUT,
Secretary of State.

Mr. COUZENS. Mr. President, I send to the desk resolutions adopted by the American Legion at Lansing, Mich., in favor of Senate bill 3027, which I ask may lie on the table and be printed in the RECORD.

There being no objection, the resolutions were ordered to lie on the table and to be printed in the RECORD, as follows:

THE AMERICAN LEGION, DEPARTMENT HEADQUARTERS,
OFFICE OF DEPARTMENT ADJUTANT,
Detroit, Mich.

Resolutions urging support of Senate bill 3027

Resolved, That the eighth annual convention of the Department of Michigan, held at Lansing, Mich., September 5, 6, and 7, 1926, heartily indorse the stand taken by the national legislative committee in support of Senate bill 3027, making eligible for retirement under certain conditions emergency officers of the World War to entitle them to the same retirement privileges enjoyed by the other eight classes of officers commissioned during the war: Be it further

Resolved, That a copy of this resolution be forwarded to the national rehabilitation and legislative committees of the American Legion at their eighth annual convention.

Submitted by rehabilitation committee, Department of Michigan.

Unanimously passed by the American Legion, Department of Michigan, in eighth annual convention assembled at Lansing, Mich., September 5, 6, and 7, 1926.

Official proceedings transcript, pages 84 and 85.

ROBERT J. BYERS,
Department Adjutant.

Mr. GILLETT presented a petition of sundry citizens of the State of Massachusetts, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which was referred to the Committee on Pensions.

Mr. DENEEN presented petitions of sundry citizens of Chicago and other cities and towns, in the State of Illinois, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, and for the removal of the limitation on the date of marriage of Civil War widows, which were referred to the Committee on Pensions.

Mr. COPELAND presented petitions of sundry citizens of the States of New York and New Jersey, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

Mr. ERNST presented a memorial of sundry citizens of the State of Kentucky, remonstrating against the passage of bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, or any other legislation religious in character, which was referred to the Committee on the District of Columbia.

Mr. FLETCHER presented a memorial of sundry citizens of Bartow, Lake Wales, Alturas, Eagle Lake, and Moore Haven, all in the State of Florida, remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, or any other legislation religious in character, which was referred to the Committee on the District of Columbia.

EDUCATION AND VOCATIONAL TRAINING OF WAR ORPHANS

Mr. HARRIS. Mr. President, the American Legion and American Legion Auxiliary at their annual conventions unanimously adopted the resolutions which I send to the desk and call to the attention of the Senate. I ask that the resolutions may be read and referred to the Finance Committee.

The resolutions were read and referred to the Committee on Finance, as follows:

Resolution adopted by American Legion at the eighth annual convention, Philadelphia, Pa., October 13, 1926

Whereas all the great European powers associated with the United States in the World War furnish material assistance in the collegiate education and vocational training of the sons and daughters of those who were killed in action, or died from other causes, during or as a result of the war; and

Whereas these boys and girls are, or should be, treated as wards of the Nation and be given as good an education and as thorough a business or professional training as they would have received had the war not deprived them of the support and assistance of their fathers; and

Whereas this convention heartily approves and indorses the bill introduced in the United States Senate on June 15, 1926, by Senator HARRIS, of Georgia, to amend the World War veterans' act, 1924, so as to continue the payment of compensation after the age of 18 years and until completion of education or training; and

Whereas death compensation terminates under existing law when the children reach the age of 18 years, just when they should be ready to enter college or begin learning a trade to make themselves self-supporting: Therefore be it

Resolved, That death compensation now being paid to minor children of deceased veterans be continued to the age of 21 instead of 18 years.

Resolutions adopted by American Legion Auxiliary at the sixth annual convention, Philadelphia, Pa., October 14, 1926

Whereas all the great European powers associated with the United States in the World War furnish material assistance in the collegiate education and vocational training of the sons and daughters of those who were killed in action, or died from other cause, during or as a result of the war; and

Whereas these boys and girls are, or should be, treated as wards of the Nation and be given as good an education and as thorough a business or professional training as they would have received had the war not deprived them of the support and assistance of their fathers; and

Whereas the compensation now paid under the World War veterans' act to or for children—$10 per month for one child, and $6 for each additional child—is not sufficient to support a boy or girl in college or pursuing a course of vocational training; and

Whereas this meager compensation terminates under existing law when the children reach the age of 18 years, just when they should be ready to enter college or begin learning a trade to make themselves self-supporting: Therefore be it

Resolved, That this convention heartily approves and indorses the bill introduced in the United States Senate on June 15, 1926, by Senator HARRIS, of Georgia, to amend the World War veterans' act, 1924, so as to continue the payment of compensation after the age of 18 years, and until completion of education or training, in the case of war orphans who are apprentices receiving not more than nominal wages, or are being educated at a secondary school, college, technical institute, or university; and be it further

Resolved, That the legislatures of the several States be requested to establish a definite number of scholarships for war orphans at State educational institutions; and that appeals be made to patriotic and philanthropic citizens to establish such additional scholarships at secondary schools, colleges, technical or training institutes, and universities, State, denominational, and private, as may be necessary to provide for the education or vocational training of all of these boys and girls who need or desire such assistance.

Mr. HARRIS. Mr. President, the bill referred to in the resolutions was intended as an amendment to the House bill (H. R. 12175) to amend the World War veterans' act, 1924, but that bill was disposed of by the Senate before consideration could be given to my amendment. I therefore reintroduced my proposed amendment as a separate bill, S. 5046, on January 4, and it has been referred to the Committee on Finance.

As is stated in the preamble to the resolutions of the American Legion Auxiliary, the compensation paid under the World War veterans' act to or for children amounts to only $10 per month for one child and $6 per month for each additional child, when there is more than one in a family, and these small payments terminate when the children reach the age of 18 years.

It is evidently assumed that a child should be self-supporting when he or she becomes 18 years old. No one will deny that the average boy is physically able to do manual labor at this age, and girls of 18 also can be put to work of some kind; but is it right to arrest their education at this immature age and deprive them of the training they will sorely need to make a living for themselves and to assist in providing for their

widowed mothers, as well as younger brothers and sisters, in many cases? Are we doing our duty by the gallant soldiers, sailors, and marines who sacrificed their lives for the country when we force their young children to begin the battles of life uneducated and untrained, handicaps they will never be able to overcome?

My bill, which is heartily indorsed and approved by the American Legion and American Legion Auxiliary, would continue payment of compensation—

after the age of 18 years and until completion of education or training, in the case of children who are apprentices receiving not more than nominal wages, or are being educated at a secondary school, college, technical institute, or university, and whose fathers were killed in action or died prior to July 2, 1921, of wounds or injuries received or disease contracted in line of duty during the World War.

July 2, 1921, the date here mentioned, is the legal termination of the World War, so the beneficiaries of the bill are all true war orphans.

It is impossible to state definitely the total number of war orphans in the United States, but the records of the Veterans' Bureau indicate that not more than 12,000 of this class of dependents are now receiving compensation from the United States Government.

A large percentage of the boys and considerably more than half of the girls will not be able or care to continue their education or training after they reach the age of 18, and these will not be entitled to further compensation under the provisions of my bill. It is safe to say that not more than half of the 12,000 war orphans will take advantage of the assistance offered by this bill, so for the purpose of calculating the appropriations required the beneficiaries may be taken as 6,000 and their ages will range from 5 to 18 years.

These 6,000 boys and girls will pursue courses of instruction and training varying in length from one to four years. The majority of them will complete the course or drop out in one or two years. Two years may be taken as the average length of the course, or the period for which the payment of compensation will be continued after the age of 18 years under the provisions of my bill.

Some of the children, as has been stated, receive from the Government $10 per month, or $120 per year, while others, in case of families of more than one child, receive only $6 per month, $72 per year. The average annual compensation paid to or for a child is not far from $100.

If we assume two years as the average period of instruction, the average amount to be paid to each child will be $200. The total amount for the 6,000 beneficiaries of the bill will thus be not more than $1,200,000, and this amount will be spread over a period of 15 or 16 years, since the children concerned are now of all ages from 5 to 18. The annual appropriation required to meet the payments of compensation contemplated by my bill will, therefore, be one-fifteenth or one-sixteenth of the total, or $75,000 to $80,000.

The Government compensation—$10 or $6 per month—which it is proposed to continue after the age of 18 for those who are being educated or trained will not, of course, be sufficient to support a boy or girl in college or while receiving vocational training, but it will help and may make it possible for the child to accept one of the scholarships established for war orphans by the States or patriotic and philanthropic citizens. A movement to provide such scholarships is supported by the American Legion and American Legion Auxiliary, and it is hoped something may be accomplished along this line before the beginning of the next scholastic year. By passing my bill we will cooperate with those who are working to give these unfortunate boys and girls an education or to train them to be self-supporting.

In the preambles to the resolutions of the American Legion and American Legion Auxiliary, to which I have called attention, it is stated that—

all the great European powers associated with the United States in the World War furnish material assistance in the collegiate education and vocational training of the sons and daughters of those who were killed in action or died from other causes during or as a result of the war.

Great Britain, for instance, does for these children exactly what is contemplated in my bill; in fact, in preparing my bill I have followed very closely the wording of the British royal warrants for the pensions of disabled veterans and families of deceased officers and soldiers, which corresponds to our World War veterans' act.

If Great Britain, with her tremendous financial burden resulting from the war, can afford to assist in the education and training of hundreds of thousands of children left fatherless by the World War, the United States, the richest and most prosperous nation on the face of the earth, should be willing to do as much for 6,000.

About a year ago I called attention to the fact that other nations were more liberal in providing for their war orphans than the United States and introduced a bill, which was passed by Congress, to increase the number of cadets and midshipmen at the United States Military and Naval Academies, respectively, by 40 at each institution.

Under this new law approximately 400 sons of men who were killed or died during the World War will not only receive a splendid education but will after graduation be given commissions as officers of the Army, Navy, or Marine Corps, and will thus be well provided for.

While our National Government has very properly assisted the disabled veteran to reestablish himself in his trade or profession, it has made absolutely no provision for the vocational training or collegiate education of the helpless war orphans other than the increase in the number of appointments to our two great national academies, under my bill passed by Congress last session.

In conclusion, Mr. President, permit me to invite attention to another paragraph in the preambles to the resolutions of the American Legion and American Legion Auxiliary, which I am sure will appeal to every patriotic American citizens. It proclaims that—

These boys and girls are or should be treated as wards of the Nation and be given as good an education and as thorough a business or professional training as they would have received had the war not deprived them of the support and assistance of their fathers.

Let us do our part and promptly pass this bill, which, as I have stated, calls for an annual appropriation of only $75,000 to $80,000.

REPORTS OF COMMITTEES

Mr. ODDIE, from the Committee on Naval Affairs, to which was referred the bill (S. 4731) for the promotion and retirement of William H. Santelmann, leader of the United States Marine Band, reported it without amendment and submitted a report (No. 1542) thereon.

Mr. FRAZIER, from the Committee on Pensions, to which was referred the bill (H. R. 16389) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors, and so forth, reported it with amendments and submitted a report (No. 1543) thereon.

Mr. MEANS, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 4754) to allow credits in the accounts of Harry Caden, special fiscal agent, Bureau of Reclamation, Department of the Interior (Rept. No. 1544); and

A bill (H. R. 13143) for the relief of the Charlotte Chamber of Commerce and Capt. Charles G. Dobbins, Army disbursing officer (Rept. No. 1545).

ALLOCATION OF WATERS OF COLUMBIA RIVER

Mr. JONES of Washington. Mr. President, from the Committee on Irrigation and Reclamation I report back favorably without amendment the joint resolution (S. J. Res. 154) extending the provisions of the acts of March 4, 1925, and April 13, 1926, relating to a compact between the States of Washington, Idaho, Oregon, and Montana for allocating the waters of the Columbia River and its tributaries, and for other purposes.

The joint resolution simply extends the time within which the States named may enter into a compact with reference to these waters. I ask that it may be considered at this time.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered as in Committee of the Whole and it was read, as follows:

Resolved, etc., That the provisions of the act of March 4, 1925, entitled "An act to permit a compact or agreement between the States of Washington, Idaho, Oregon, and Montana respecting the disposition and apportionment of the waters of the Columbia River and its tributaries, and for other purposes," and the act of April 13, 1926, entitled "An act authorizing the Secretary of the Interior to cooperate with the States of Idaho, Montana, Oregon, and Washington in allocation of the waters of the Columbia River and its tributaries, and for other purposes, and authorizing an appropriation therefor," be continued and extended in all their provisions to December 31, 1930.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

STATUE OF HENRY CLAY

Mr. FESS. Mr. President, from the Committee on the Library I report back favorably without amendment the bill (H. R. 11278) authorizing the erection of a statue of Henry Clay, and I ask unanimous consent for its immediate consideration. If it should take any time, I will withdraw the request.

The VICE PRESIDENT. Is there objection to the request of the Senator from Ohio?

There being no objection, the Senate, as in Committee of the Whole, considered the bill, and it was read as follows:

Be it enacted, etc., That the Secretary of State is authorized and directed to procure, to present to the Republic of Venezuela, and to erect in the city of Caracas, Venezuela, a bronze statue of Henry Clay. Such statue shall be prepared and erected only after the plans and specifications therefor have been submitted to, and approved by, the Commission of Fine Arts, and shall be the work of an American artist.

SEC. 2. There is authorized to be appropriated the sum of $41,000, or so much thereof as may be necessary, to carry out the provisions of this act, including the cost of such statue, of transportation, of grading the site, and of building the pedestal, expenditures for architectural services, and traveling expenses of the persons employed in erecting such statue, and of the persons delegated by the Secretary of State to present, on behalf of the United States, such statue to the Republic of Venezuela.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CLAIM OF FRANKLIN ICE CREAM CO.

Mr. ROBINSON of Arkansas. Mr. President, I report back favorably with an amendment from the Committee on Military Affairs the bill (S. 4330) authorizing the Secretary of War to make settlement of the claim of the Franklin Ice Cream Co., and I submit a report (No. 1541) thereon. I ask consent for its present consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendment was, on page 2, line 2, after the word "amount," to insert "if any," so as to make the bill read:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to reopen and make such settlement as he thinks just and proper of the claim of the Franklin Ice Cream Co., a lessee, who erected buildings under a five-year lease with renewal clauses on or in the immediate vicinity of the zone of Camp Funston activities and amusements at Camp Funston, Kans.; the buildings having been erected under the authority of the War Department and at the invitation of the department of Camp Funston activities under leases which were properly approved but which were canceled before the expiration of any of such leases and over the protest of the holders. In no case shall the amount, if any, paid in settlement exceed the losses sustained as established or shown by credible evidence. If the original books or papers have been lost or destroyed without the wrongful act of the claimant, the Secretary of War in making his findings shall consider secondary evidence, if it be credible and convincing.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. ROBINSON of Arkansas. I ask that the report of the committee may be printed in the RECORD.

There being no objection, the report of the committee was ordered to be printed in the RECORD, as follows:

[S. Rept. No. 1541, 69th Cong., 2d sess.]

AUTHORIZING SETTLEMENT OF CLAIM OF FRANKLIN ICE CREAM CO.

Mr. ROBINSON of Arkansas, from the Committee on Military Affairs, submitted the following report (to accompany S. 4330):

The Committee on Military Affairs, to which was referred the bill (S. 4330) authorizing the Secretary of War to make settlement of the claim of the Franklin Ice Cream Co., having considered the same, reports thereon favorably with the recommendation that it pass with the following amendment:

On page 2, line 2, after the word "amount," insert the words "if any."

This bill simply authorizes the Secretary of War to reopen the claim of the Franklin Ice Cream Co. and to make such settlement as he shall determine is just and proper. The incident occurred during the late war, and an attempt to settle the claim was made under the so-called "Dent Act," which provided for the validation of informal war contracts. Owing to at least one technicality, the case was held up in the War Department and was never settled. The time limit under the prior statute has expired. It is understood that the War Department has no objection to reopening and reconsidering this matter.

This company established a Pasteurized milk plant and warehouse on the Camp Funston reservation at the urgent request of Maj. Gen. S. M. Williams, executive officer of the camp, who stated in letter dated September 30, 1918, the need of the camp, as follows:

"* * * the camp surgeon and the sanitary inspector reported to the commanding general that the milk products in Army City were dangerous to such a degree that they recommended soldiers from Camp Funston be barred from Army City for sanitary regions. This recommendation was approved by the commanding general * * * he sent for the manager of the Franklin Ice Cream Co. * * * and requested that they deliver their products to Army City. * * * The company did not really desire to do so * * * but they did put their products in Army City, and the quarantine was lifted."

* * * * * * *

"* * * the Franklin Ice Cream Co. * * * were really persuaded to put their products in Army City by the officials of this camp solely for the purpose of preserving the health of this command."

At the close of the war the Government canceled this company's lease. Such action was taken generally against companies and business houses furnishing the camps. Losses were suffered by reason of these cancellations. The War Department held that these cancellations were in accordance with law and that the lessees had no legal right for redress.

Congress thereupon passed the act of February 26, 1923, directing the Secretary of War to make such settlement as he thought just and proper with the several lessees, "*Provided*, That in no case the amount paid in settlement shall exceed the actual losses sustained."

When the claim of the Franklin Ice Cream Co. was submitted to the Secretary of War in accordance with the terms of the act above quoted it was impossible for the company to establish its actual losses by its books, because of the following circumstances:

After the cancellation of the lease and notice was given the company to cease operation and vacate the premises, and while the premises which the company had used were under the general military guard of the camp, on or about November 19, 1919, soldiers from the camp broke into the claimant's premises and carried off practically everything moveable and stripped the building. The records and books of the claimant were stored in a locked closet in one of the buildings. This was broken into, and the purchase and sales invoices and all books and papers were carried out and dumped on the middle of the floor, mutilated, and scattered. Later, on or about December 1, 1919, when a representative of the claimant company arrived on the scene, he found all the doors and windows open, the papers and books scattered and exposed to the elements and rendered almost useless.

Because of this fact the company was unable to submit to the Secretary of War its actual losses by its books and had to rely almost entirely upon estimates made from other records. The Secretary of War ruled that he was without power to allow the claim of the company, because the act expressly limited his power to claims for actual losses, and, as interpreted by him, the books were the only proper proof.

The purpose of claimant's bill is to allow the Secretary of War to reopen and review and allow the claim, based upon such evidence as the claimant is able to present and which appears to the Secretary of War reasonable and just.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BRUCE:

A bill (S. 5778) for the relief of James M. E. Brown; to the Committee on Claims.

By Mr. HALE:

A bill (S. 5779) granting a pension to Maud D. Davis (with accompanying papers); to the Committee on Pensions.

By Mr. WHEELER:

A bill (S. 5780) granting a pension to John Moursette; to the Committee on Pensions.

By Mr. SHIPSTEAD:

A bill (S. 5781) granting an increase of pension to Mary E. Devine; to the Committee on Pensions.

By Mr. MEANS:

A bill (S. 5782) to consolidate the Bureau of Pensions of the Department of the Interior, the National Home for Disabled Volunteer Soldiers, and the United States Veterans' Bureau, and for other purposes; to the Committee on Pensions.

By Mr. STEPHENS:

A bill (S. 5783) authorizing the Secretary of the Interior to sell and patent certain lands in Louisiana and Mississippi; to the Committee on Public Lands and Surveys.

By Mr. McMASTER:

A bill (S. 5784) for the relief of Olof Nelson; to the Committee on Claims.

By Mr. CAPPER:

A bill (S. 5785) to provide books and educational supplies free of charge to pupils of the public schools of the District of Columbia; to the Committee on the District of Columbia.

By Mr. RANSDELL:

A bill (S. 5786) to amend and reenact the tariff act of 1922; to the Committee on Finance.

A bill (S. 5787) to enable private individuals to make the United States Government a party to foreclosure proceedings when said Government holds a junior lien of some kind; to the Committee on the Judiciary.

By Mr. SCHALL:

A bill (S. 5788) to extend the time for constructing a bridge across the Mississippi River between the city of Anoka, in the county of Anoka, and the village of Champlin, in the county of Hennepin, State of Minnesota; to the Committee on Commerce.

HOUSE BILL AND JOINT RESOLUTION REFERRED

The following bill and joint resolution were each read twice by their titles and referred as follows:

A bill (H. R. 16885) to amend section 563 of the tariff act of 1922; to the Committee on Finance.

A joint resolution (H. J. Res. 351) to provide for the expenses of the participation of the United States in the work of the economic conference to be held at Geneva, Switzerland; to the Committee on Foreign Relations.

NATIONAL ARBORETUM

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1640) authorizing the Secretary of Agriculture to establish a national arboretum, and for other purposes.

Mr. McNARY. I move that the Senate disagree to the amendment of the House, ask for a conference with the House on the disagreeing votes of the two Houses, and that the Chair appoint the conferees.

The motion was agreed to, and the Vice President appointed Mr. McNARY, Mr. NORRIS, and Mr. SMITH conferees on the part of the Senate.

ADMISSION OF CANDIDATES TO NAVAL ACADEMY

Mr. OVERMAN. Mr. President, there is on the calendar a bill which I am very anxious to have passed at this time. It is for the benefit of a young man who was appointed to the Naval Academy at Annapolis, but was born 24 hours too soon to come within the provisions of the law relating to admissions to the academy. It has passed the House, is recommended by the Senate committee, and is also recommended by the Navy Department.

The VICE PRESIDENT. Is there objection to the present consideration of the bill (S. 5699) relating to the admission of candidates to the Naval Academy?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill and it was read, as follows:

Be it enacted, etc., That the act entitled "An act to fix the age limits for candidates for admission to the United States Naval Academy," approved May 14, 1918, be amended by the addition of the following proviso:

"*Provided further*, That the foregoing shall not be held to exclude the admission of a candidate the twentieth anniversary of whose birth occurs on the 1st day of April of the calendar year in which he shall enter."

Mr. KING. Mr. President, may I inquire of the Senator from North Carolina if this is special or general legislation?

Mr. OVERMAN. It is general. There are several cases of the sort.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

LAND IN HARRISON COUNTY, MISS.

Mr. STEPHENS. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 1535, the bill (S. 4782) to remove a cloud on title.

Mr. CURTIS. Let the bill be read.

The Chief Clerk read the bill.

Mr. KING. Mr. President, may I inquire of the Senator from Mississippi if the bill applies to public land?

Mr. STEPHENS. Yes; it does. The bill was favorably reported by the Interior Department and also by the Department of Justice.

There being no objection, the bill was considered as in Committee of the Whole, as follows:

Be it enacted, etc., That the United States hereby relinquishes all the right, title, and interest, of the United States, acquired by virtue of a marshal's deed dated August 21, 1848, in the following described property situated in Harrison County, Miss., to wit:

The west half of the southwest quarter of section 30, township 7, south of range 10 west, and east half of southeast quarter of section 25, township 7, south of range 11 west, lying south of Bernards Bayou and containing about 150 acres.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

CALL OF THE ROLL

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Frazier	McKellar	Schall
Bayard	George	McLean	Sheppard
Bingham	Gillett	McMaster	Shipstead
Blease	Glass	McNary	Shortridge
Borah	Goff	Mayfield	Simmons
Bratton	Gooding	Means	Smith
Bruce	Gould	Metcalf	Steck
Cameron	Greene	Moses	Stephens
Capper	Hale	Neely	Swanson
Caraway	Harreld	Norris	Trammell
Copeland	Harris	Nye	Tyson
Couzens	Harrison	Oddie	Underwood
Curtis	Hawes	Overman	Wadsworth
Dale	Heflin	Phipps	Walsh, Mass.
Deneen	Howell	Pine	Walsh, Mont.
Dill	Johnson	Pittman	Warren
Edge	Jones, Wash.	Ransdell	Watson
Edwards	Kendrick	Reed, Mo.	Wheeler
Ernst	Keyes	Reed, Pa.	Willis
Ferris	King	Robinson, Ark.	
Fess	La Follette	Robinson, Ind.	
Fletcher	Lenroot	Sackett	

Mr. JONES of Washington. I desire to announce that the Senator from Oregon [Mr. STANFIELD] is attending a hearing before a subcommittee of the Committee on Public Lands and Surveys.

Mr. McMASTER. I desire to announce that my colleague, the senior Senator from South Dakota [Mr. NORBECK] is unavoidably absent, due to injuries received in an automobile accident.

Mr. PITTMAN. I wish to announce that the Senator from Rhode Island [Mr. GERRY] is necessarily detained from the Senate by a death in his family.

The VICE PRESIDENT. Eighty-five Senators having answered to their names, a quorum is present.

HOUR OF MEETING TO-MORROW

Mr. CURTIS. Mr. President, I ask unanimous consent that when the Senate completes its work to-day it shall adjourn until 11 o'clock to-morrow. I make this request for the reason that under the standing order of the Senate it is necessary to have Washington's Farewell Address read to-morrow immediately after the approval of the Journal, and I understand it will take about an hour to read the address. Then the Senate will have time to proceed to the Hall of the House of Representatives for the joint meeting of the two Houses.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kansas?

Mr. HEFLIN. The Senator means that we shall adjourn to-night?

Mr. CURTIS. I ask for an adjournment.

The VICE PRESIDENT. Without objection, the unanimous-consent agreement is entered into.

RATE-FIXING POWERS OF INTERSTATE COMMERCE COMMISSION

Mr. WALSH of Massachusetts. Mr. President, as many Senators are doubtless aware, the Supreme Court has recently handed down a decision in the Indianapolis water-rate case, so-called, which in the opinion of many lawyers in effect abolishes the rate-fixing powers of the Interstate Commerce Commission and leaves the railroads free to raise rates and fares to any figure that their managers think the traffic will bear.

In view of this fact, and because the next session will no doubt witness attempts to remedy the situation by new legislation, I ask to have printed in the RECORD the critical analysis of the Supreme Court's ruling that appears in the current number of the Harvard Law Review by Donald R. Richberg, the general counsel for the National Conference on Valuation of American Railroads.

The PRESIDING OFFICER (Mr. ODDIE in the chair). Without objection, the analysis referred to will be printed in the RECORD.

The matter referred to is as follows:

VALUE—BY JUDICIAL FIAT

If the opinion of Mr. Justice Butler in McCardle against Indianapolis Water Co. (47 Sup. Ct. 144 (U. S. 1926)) represents the well-considered

views of a majority of the Supreme Court of the United States, the regulation of public utility rates, according to standards heretofore prevailing, is at an end. The opinion, generously disregarding former decisions of the court (the opinion wholly fails to consider the public interest in property devoted to public service, though the court has frequently adverted to the necessity of weighing this factor. Thus, in the Minnesota Rate cases, 230 U. S. 352, 454 (1913), the court said: "But still it is property employed in a public calling subject to governmental regulation, and while under the guise of such regulation, it may not be confiscated, it is equally true that there is attached to this use the condition that charges to the public shall not be unreasonable." And in Smyth v. Ames, 169 U. S. 466, 544 (1898), the court condemned as unsound any proposition of rate regulation which omitted to consider "the rights of the public to be exempt from unreasonable exactions"), makes "spot" reproduction cost practically decisive of "value" for purposes of rate making. (This holding is in direct conflict with Smyth v. Ames; and the Minnesota Rate cases, both supra, note 2, and with Georgia Railway & Power Co. v. Railroad Comm., 262 U. S. 625, 630 (1923), in which the court, by a majority of 8 to 1, said: "The refusal of the commission and of the lower court to hold that for rate-making purposes the physical properties of a utility must be valued at the replacement cost less depreciation was clearly correct.") The effect which such a rule, if adhered to, will have upon all problems of public regulation and particularly upon the pending railway valuations, is so far-reaching that a careful analysis of the case is demanded.

The Public Service Commission of Indiana established rates for water service, having valued the property of the water company as of May 31, 1923, at not less than $15,260,400, and fixed 7 per cent as a reasonable rate of return. Evidence was presented in behalf of the city of Indianapolis, the State commission, and the company. The cost of reproducing the physical properties was estimated by the various witnesses on the basis of average prices over a period of years and on the basis of prices prevailing at the date of valuation. The commission expressed the opinion that "the average of prices for the 10-year period ending with 1921, the last full 10 years available, most nearly represents the fair value of petitioner's physical property."

The Federal district court, being asked to enjoin the enforcement of the commission's order, held that "the fair value of complainant's said property at said time (January 1, 1924) was and is not less than $19,000,000 and that the water rates imposed in that order are too low and are confiscatory of complainant's said property." The commission and the city appealed jointly to the Supreme Court, contending that the district court had "adopted as the measure of value the cost of reproduction new, less depreciation, estimated on the basis of spot prices as of January 1, 1924, or gave that figure controlling weight." The company replied that the cost of reproduction, less depreciation, estimated at spot prices, was more than $22,500,000 and that "the court did not adopt such costs as a measure or give them an undue weight as evidence of value." The Supreme Court affirmed the decree of the district court, and its opinion concludes, as follows:

"On a consideration of the evidence, it is held that the value of the property as of January 1, 1924, and immediately following was not less than $19,000,000." (Mr. Justice Holmes's announcement that he concurred "in the result" is significant. In the light of the minority opinion of Mr. Justice Brandeis in State of Missouri ex rel. Southwestern Bell Tel. Co. v. Pub. Serv. Comm., 262 U. S. 276, 289 (1922) in which opinion Mr. Justice Holmes joined, it is apparent that Mr. Justice Holmes, and perhaps others, could hold views in irreconcilable conflict with those expressed by Mr. Justice Butler, and yet join in a decision affirming the decree of the lower court. Compare in this connection Bluefield Water Works, etc. Co. v. Pub. Serv. Comm., 262 U. S. 679 (1923) and Georgia Ry. & Power Co. v. Railroad Comm., supra note 3.)

Mr. Justice Brandeis delivered a dissenting opinion, in which Mr. Justice Stone joined. This opinion pointed out that since both the rate-making body and the lower court had purported to follow the rule of Smythe v. Ames, (supra note 2), the issue went not to the soundness of that rule but to its content. The lower court, said the dissenting justice, "assumed that spot reproduction cost is the legal equivalent of value. * * * He believed that the recent decisions of this court required him so to hold. In this belief he was clearly in error. (The dissent quotes from the opinion of the lower court; "* * * the necessary implication [of the recent decisions] is that dominating consideration should be given to evidence of reproduction value, and, if that means anything, is means that evidence of reproduction value spot at the time of the inquiry must be considered as evidence of a primarily different character from either of the other three kinds of evidence." Mr. Justice Butler, in affirming the lower court, did not state precisely that "spot reproduction cost is the legal equivalent of value." He did, however, approximate such a holding in this statement quoted infra note 8.)

In order to appreciate the significance of the majority opinion, it is necessary to analyze separately its various elements. The opinion seems to rest upon the following series of propositions:

(1) A public utility property will be "confiscated" unless rates are fixed so as to yield a reasonable rate of return on "present value." ("It *must* be determined whether the rates complained of are yielding and will yield, over and above the amounts required to pay taxes and proper operating charges, a sum sufficient to constitute just compensation for the use of the property employed to furnish the service; that is, a reasonable rate of return on the value of the property at the time of the investigation and for a reasonable time in the immediate future.") (Italics ours.)

(2) "Present value" of the physical elements is the (estimated) present (market) value of lands (for other uses), plus the (estimated) present cost of constructing the identical plant (under imaginary and impossible conditions). ("* * * * It is true that, if the tendency or trend of prices is not definitely upward or downward and it does not appear probable that there will be a substantial change of prices, then the present value of lands plus the present cost of constructing the plant, less depreciation, if any, is a fair measure of the value of the physical elements of the property.") (Italics ours.)

(3) Present cost of construction is found by using prices of materials and wages of labor prevailing at the "time of construction" (qualified by an "honest and intelligent forecast" of future prices and wages.) ("* * * In the light of all the circumstances, there must be an honest and intelligent forecast as to probable price and wage levels during a reasonable period in the immediate future.")

(4) The "time of construction" is the calendar day of valuation and is not the period of time which would be required to construct the plant in order to have it in operation on the valuation date. ("But in determining present value, consideration *must* be given to prices and wages prevailing at the time of the investigation; * * *.") (Italics ours.)

(5) There must be added to the physical value of the property thus found, all the intangible values, particularly "going value," which must equal that percentage of the physical value which is "generally included." ("A good property has an intangible value or going-concern value over and above the value of the component parts of the physical property. * * * And the reported cases showing amounts generally included by commissions and courts to cover intangible elements of value indicate that 10 per cent of the value of the physical elements would be low when the impressive facts reported by the commission in this case are taken into account.")

The majority opinion makes the entire process of valuation one of imaginative guesswork. (See the comment of Mr. Justice Brandeis in the Southwestern Bell Telephone case, supra note 4, at 299: "But gradually it came to be realized that the definiteness of the engineer's calculations was delusive; that they rested upon shifting theories; and that their estimates varied so widely as to intensify, rather than to allay doubts.") The evidence to be considered must consist wholly of opinions of partisan experts, estimating the cost of an imaginary but impossible construction, at imaginary and impossible prices, under imaginary and impossible conditions.

The construction is imaginary because a public utility plant is actually built over a period of many years during the development of the community it serves. But, for reproduction-cost purposes, it is arbitrarily assumed that the plant will be built over a period of a few years in a community which actually would not be existing (or at least not in its present condition) if the plants furnishing necessary public service had not developed with the community. It is further imaginary because no plant would be rebuilt in the same manner and according to the same plan as the present one.

The construction is impossible because any existing plant (after blotting it out) could not be reproduced without incurring such costs as those for removing pavement over substreet construction or the excess costs of condemning property (over the normal market value), which costs are judicially excluded from theoretical reproduction costs. (Des Moines Gas Co. v. Des Moines, 238 U. S. 153 (1915); Minnesota Rate Cases, supra note 2.) It is also impossible to determine what the market values of land, or even the prices of materials and wages, would be if the public service essential to the community existence were not present. ("It is an integral part of the communal life. The assumption of its nonexistence, and at the same time that the values that rest upon it remain unchanged, is impossible and can not be entertained." Minnesota River Cases, supra note 2, at 452. Cf. also International Harvester Co. v. Kentucky, 234 U. S. 216, 222 (1914), where, in speaking of a statute construed to require a combination to estimate the market value of its product "under fair competition and normal market conditions," Mr. Justice Holmes remarked "how impossible it is to think away the principal facts of the case as it exists and say what would have been the price in an imaginary world.")

A scientific determination of the reproduction cost of this hypothetical utility is impossible. There is no question but that competent and reasonably honest engineers using different theories of construction of the same property at the same date, and even using the same price levels, may differ from 10 to 30 per cent in their estimates, whereas, using different price levels, the estimates of the same engineers may differ from 50 to 100 per cent. Using different price levels, the

estimators in the Indianapolis Water Co. case varied their estimates of reproduction cost from $12,200,000 to $22,600,000. Using the same price levels, these experts varied more than $3,000,000 in their estimates. Experts testifying on the same side disagreed with each other to the extent of $800,000, although these men were employed to guess for a common purpose. (The writer of the present article, as special counsel for the city of Chicago, brought about a conference and agreement upon estimates of reproduction cost of the properties of the Peoples Gas Light & Coke Co. in the year 1920 between engineers representing the company, the State commission, and the city of Chicago. These agreed-upon figures varied to the extend of $25,000,000 in estimating the reproduction cost of physical properties subsequently valued by the commission at $72,000,000. See order of Illinois Public Utilities Commission, Proceeding No. 7689, December 21, 1920.)

The majority opinion now puts a seal of approval on the practice of ascribing decisive weight to a method of determining value which is generally repudiated by practical men as impractical ("The commissions working at first hand with the practical problems of valuation generally lean more and more decidedly toward fixing value, so called, of public utilities on prudent investment largely and in not a few cases wholly" (1921), 19 Mich. L. Rev. 849, 852, note. Mr. Justice Brandeis, in his opinion in the Southwestern Bell Telephone case, demonstrates the accuracy of this statement by a review of 363 commission valuations in 1920–1923) and by scientific men as unscientific. (See, e. g., Goddard, Fair Value of Public Utilities, 1924, 22 Mich. L. Rev. 777, and Public Utility Valuation, 1917, 15 ibid. 205; Whitten, Fair Value for Rate Purposes, 1914, 27 Harv. L. Rex. 419; Edgerton, Value of the Service as a Factor in Rate Making, 1919, 32 ibid. 516; Henderson, Railway Valuation and the Courts, 1920, 33 ibid. 902, 1031; Hale, the Physical Value Fallacy in Rate Cases, 1921, 30 Yale L. J. 710. See also Clark, Social Control of Business, 1926; and Bauer, Effective Regulation of Public Utilities, 1925.) It should be sufficient merely to quote the following statement of the Michigan Public Service Commission, approved by the Connecticut Public Service Commission, and cited in the minority opinion in the Southwestern Bell Telephone case:

"This method of determining value included percentages for engineering service never rendered, hypothetical efficiency of unknown labor, conjectural depreciation, opinion as to the condition of property, the supposed action of the elements; and, of course, its correctness depends upon whether superintendence was or would be wise or foolish; the investment improvident or frugal. It is based upon prophecy instead of reality, and depends so much upon half truths that it bears only a remote resemblance to fact, and rises at best only to the plane of a dignified guess." (In re Mich. State Tel. Co., P. U. R. 1921C 545, 554 (Mich.), cited in 262 U. S. at 300, n. 12. The prevailing rule outside valuation cases is that expert witnesses "will not be permitted to guess or to state a judgment based on mere conjecture." (1920) 22 C. J. 640.)

In addition to the expert guessing contest involved in estimating reproduction cost, according to present or past prices, the opinion also adds an additional gambling factor in requiring "an honest and intelligent forecast as to probable price and wage levels during a reasonable period in the immediate future. (This ruling goes far beyond the previous holding of the court in the Southwestern Bell Telephone case requiring the use of present prices in order to forecast future values.) For at least 100 years (and probably for several thousand years) commerce has been offering its greatest prizes to men who could make honest and intelligent forecasts of future prices. To-day the management of any large business would pour wealth into the lap of the inspired genius who could make such forecasts. The question is presented as to whether, when such forecasts are impossible (as they are most of the time), public utility commissions should make any effort to regulate public utility rates. Relying upon past prices alone it would become evident in practically every case, by the time the case reached the Supreme Court, that there had not been an "honest and intelligent forecast" of future prices. The illusion of the learned justice, that a reliable forecast of future prices can be made, is on a par with the illusion which also radiates from the opinion, that there is such a thing as a "relatively permanent price level."

If such a price level has finally appeared, it is a new development in our history, and the Supreme Court deserves great credit for up-to-date judicial functioning in its discovery that in the last three years we have reached a condition of price stability heretofore unknown. ("But for the assumption that there will be a plateau [of prices] there is no basis in American experience." Mr. Justice Brandeis in the Southwestern Bell Telephone case, supra, note 4, at 303, n. 16.) Starting on a level that we may call 100, the wholesale price index in the United States mounted rapidly to about 175 in 1800; vibrated up and down for 10 years; shot up to over 250, and then dropped rapidly to 125 in 1820. It continued to vibrate considerably for the next 40 years, going as high as 135 in 1840, and receding to 100 by 1860. Then it rose rapidly during the Civil War to a peak of about 225, and dropped rapidly to about 130 in 1870. From then on, with some ups and downs, it steadily declined to 75 in 1897; then it started up again, reaching 110 at the opening of the World War; shot upward to 275 by 1920, and then dropped steadily downward until it reached what the Supreme Court describes as the "relatively permanent level" of 1923–1926.

This "relatively permanent level" of the last three years looks like a storm-tossed sea on a chart, and can only be called "relatively level" in contrast to the tremendous rise and fall of prices during the World War. There never has been a time when the "experts" estimating the reproduction cost of a public utility property have not differed widely regarding the past prices which should be regarded as fairly "applicable." But in making "honest and intelligent forecasts" of future prices these experts will be able to mark up or mark down millions as desired with scientific precision and assured inaccuracy.

Another undesirable novelty of the present opinion is the importance attached to "spot" reproduction cost as distinguished from reproduction cost at the average of prices during the period at which construction would have occurred. The prices and wages "prevailing" on January 1, 1924, could not have been the prices and wages effective during a construction period of several years ending January 1, 1924. Yet such a construction period must be assumed in order to have the plant completed on January 1, 1924.

The entire computation of estimated reproduction cost (including the number of hours of labor employed, interest during construction, and similar factors) requires the assumption of a period of years and varying costs of labor and materials. (Mr. Justice Brandeis, in his dissenting opinion in this case, made this point vividly: "'Spot' reproduction would be impossible of accomplishment without the aid of Aladdin's lamp. * * * The search for value can hardly be aided by a hypothetical estimate of the cost of replacing the plant at a particular moment, when actual reproduction would require a period that must be measured by years.")

It is quite consistent with the unreal and unscientific method of ascertaining the value of tangible property which is sponsored in the Indianapolis Water Co. case that a new conception of "going value" suddenly arises out of nowhere in the opinion. The court quotes from the Des Moines Gas case (Des Moines Gas Co. *v.* Des Moines, supra, note 13, at 165) the statement:

"That there is an element of value in an assembled and established plant, doing business and earning money, over one not thus advanced, is self-evident. This element of value is a property right and should be considered in determining the value of the property * * *."

But the allowance for going value which was made in the lower court and approved by the Supreme Court in the Des Moines case consisted solely of the overheads allowed in the estimate of reconstructing the physical property. These overheads are already included in the reproduction cost of the physical elements in the Indianapolis Water Co. case. Yet, in addition to this physical valuation, the opinion holds that "the evidence is more than sufficient to sustain 9.5 per cent for going value," and continues with this statement:

"And the reported cases showing amounts generally included by commissions and courts to cover intangible elements of value indicate that 10 per cent of the value of the physical elements would be low, when the impressive facts reported by the commission in this case are taken into account."

The "impressive facts" referred to are evidently indicated in the following extract from the commission's report:

"Consider its earning power with low rates, the business it has attached, its fine public relations, its credit, the nature of the city, and the certainty of large future growth, the way the property is planned and is being extended with the future needs of the city in view, its operating efficiency and standard of maintenance, its desirability as compared with similar properties in other cities and with other utilities of comparable size in this city. These things make up an element of value that is actual and not speculative. It would be considered by a buyer or seller of the property or by a buyer or seller of its securities."

These "impressive facts" induce Mr. Justice Butler to observe that 10 per cent of the value of the physical elements would be a low estimate for the "going value" of the property. Just how this intangible element of "going value" obtains a percentage relationship to the value of the physical elements is not explained. In fact, no method is suggested whereby one can ascertain whether a plant has a "going value" or not, or what the amount of it is; and yet the learned justice complains of the lower court that its findings as to value are "not as specific as good practice requires."

It was only a few years ago that the Supreme Court, in a unanimous opinion, held that neither past losses nor good will nor earning power should be given a "value" in determining whether a rate is confiscatory. The court then held that there was no evidence to justify the finding of a master that a business brought to successful operation "should have a going concern value at least equal to one-third of its physical properties"; and also held: "Going concern value and development cost, in the sense in which the master used these terms, are not to be included in the base value for the purpose of determining whether a rate is confiscatory." (Galveston Electric Co. *v.* Galveston, 258 U. S. 388, 396 (1922).) The present opinion does not purport to overrule the unanimous opinion of the court in the

Galveston case and yet the "impressive facts" upon which Mr. Justice Butler relies, seem to be very similar to those offered by the utility as evidence of "going value" and rejected by the Supreme Court in the Galveston case.

The question naturally arises as to whether conversely the court would approve of a deduction from reproduction cost in the case of a utility where the evidence showed the reverse of these "impressive facts." If there is a "going value" which must be added when a public utility is in successful operation, is there a "receding value" which should be deducted if the operation is unsuccessful? Suppose that a utility has a poor earning power; has only attached part of the available business; is in a constant row with public authorities; has an uncertain credit; is established in a city of declining population; has been planned and is being extended without proper consideration of the future needs of the city; has a low operating efficiency and a poor standard of maintenance; and is undesirable as compared with similar properties. Under these circumstances should the unhappy, impoverished utility be made more unhappy and further impoverished by deducting a "receding value" from the reproduction cost of its physical properties? Or is "going value" a value which only goes in one direction, that is in favor of the investors, and never goes in favor of the consumers?

Finally let it be asked, What possible relationship can this going value have to the amount of the physical reproduction cost? Let us remember that the identical plant must be reproduced. One company builds a brick-and-stone structure of expensive design on high-priced land; another company builds an unpretentious but efficiently designed, cheap concrete structure on much cheaper land. These companies under efficient operation develop the same "impressive facts," which require an estimate of "going value." On the percentage basis the plant of extravagant construction will get a much larger allowance for "going value" than the plant of economical construction. What sort of a "value" is this that defies intelligent computation? It seems quite evident that this "going value" is another value created purely by judicial fiat. "Intangible" is a mild word with which to describe it. It should really be called "invisible."

We have now reviewed the propositions which are explicitly or implicitly stated in the opinion in the Indianapolis Water Co. case. It is evident that Mr. Justice Butler has proceeded on the basis of two assumptions: (1) That property devoted to private business has an absolute value which can be ascertained by the complicated, indefinite process (which he evidently regards as a simple, definite process) of estimating the cost of reproducing the existing property on the date of valuation, using the price levels "prevailing" on that date; (2) that the private owner of public-utility property should be given the same value for his property that it would possess if it were being used in private business. Compared to the error involved in the first of these assumptions, the fact that the ascertainment of reproduction cost is an elusive and unscientific process is a minor weakness in the opinion. The outstanding fallacy is found in the assertion that cost is the measure of value. (This fallacy has been demonstrated by the Supreme Court itself. Monongahela Nav. Co. *v.* United States, 148 U. S. 312, 328 (1893); C., C., C. & St. L. Ry. *v.* Backus, 154 U. S. 439, 445 (1894). Cf. International Harvester Co. *v.* Kentucky, supra note 14, at 222, where Mr. Justice Holmes defines value "as the effect in exchange of the relative social desire for compared objects expressed in terms of a common denominator." See also Standard Oil Co. *v.* Southern Pacific Co., 268 U. S. 146 (1925), where Mr. Justice Butler in his opinion distinguishes between "cost" and "value.")

"Value" is generally understood to mean the power to command a price. (Taussig, Principles of Economics (1911), 115; Laughlin, Elements of Political Economy (1915), 75.) The value of a man's property is not what he pays for it or what it would cost him to reproduce it; it is what he can get for it in exchange or in use. The cost of property may indicate what the purchaser expected to get out of it or would like to get out of it; but it is quite clear that the value of an industrial property can not be ascertained except through consideration of its actual or anticipated earning power. (A striking example of the difficulty of realizing a theoretical "value" is shown in the inability of the New York, New Haven & Hartford Railroad to sell an abandoned terminal in the heart of Boston, resulting in a loss of two-thirds of its investment in 11 years. See San Pedro, Los Angeles & Salt Lake Railroad, 75 I. C. C. 463, 535 (1923).)

The extent of the demand for a product or service and the extent of the competition (assuming efficient management) determine the earning power (and hence the value) of a plant constructed for industrial uses. If the product is a public necessity, the demand may fluctuate; but within limits it can be so relied upon and so anticipated that a certain earning power and value are assured. If competition is keen, it is probable that this earning power and the resultant value will be less than if competition is largely eliminated. Even where there is no direct competition earning power will be limited: First, by the line at which prices will diminish the demand; second, by the line at which potential competition may be brought into action, either directly or through a substitute service or substitute goods; third, by the line at which public regulation will come into play, either to destroy or to regulate the monopoly which is enforcing a "tax" rather than a selling price.

In the public utility field, monopoly (partial or complete) is accepted as a desirable condition. But for many centuries such monopolies have been subject to regulation in order to prevent the charging of unreasonable rates. The charging of unreasonable rates, if skillfully imposed, undoubtedly would enhance the value of the property used. Thus we find that the very purpose and necessary effect of public regulation is to diminish the value that otherwise might be realized. (Some of the principal factors which determine the value of a private business property to its owners are absent from or modified in their effect upon the value of a public business property to its owners, as the Supreme Court has specifically held in many cases, as, e. g.: Branch *v.* Jesup, 106 U. S. 468 (1882); Cent. Trans. Co. *v.* Pullman Co., 139 U. S. 24 (1891); C., B. & Q. R. R. *v.* City of Chicago, 149 Ill. 457, 37 N. E. 78 (1894), aff'd, 166 U. S. 226 (1896); Minnesota Rate cases, supra note 2; Penn. Coal Co. *v.* Mahon, 260 U. S. 393 (1922); Dayton-Goose Creek Ry. *v.* United States, 263 U. S. 456 (1924).)

The value of property which an owner can reasonably hope to realize in private business, where there is competition, is the value which results from an earning power obtained by selling goods or services for approximately their cost of production. So long as there is real competition, it is clear that cost of production (including what is regarded as a fair return on investment) will control prices. (Ely, Economics (4th ed. 1924) 158 et seq.; Marshall, Principles of Economics (4th ed. 1898) Book 5, ch. 7, secs. 5–6.)

There is therefore discernible in the operations of private business a method for measuring a fair charge which might well be applied in the valuation of public-utility properties (Kirshman, The Principle of Competitive Cost in Public Utility Regulation (1926), 35 Yale L. J. 805. See also an article by the present writer, A Permanent Basis for Rate Regulation (1922), 31 ibid. 263), but to which the opinion in the Indianapolis Water Co. case gives no consideration. The supreme court of Illinois indicated the use of this method in the following language (Util. Comm. *v.* Springfield Gas Co., 291 Ill. 209, 217, 125 N. E. 891, 895 (1920)):

"Fixing rates by public authority may secure to each individual the advantage of collective bargaining by all in behalf of the whole body of consumers and result in such a rate as might properly be supposed to result from free competition, if free competition were possible."

What competition is reasonably conceivable in the furnishing of public utility service? Clearly it is the competition of the public itself which the private utility operators must always meet. Those who devote property to public utility service have taken upon themselves a function of the State. They have offered to do the work more efficiently, and, if not more cheaply, at least not more expensively than if the State itself furnished the service. Not so long ago the question was asked in an opinion of the Supreme Court: "Is there not force in the suggestion that as the State may do the work without profit, if he voluntarily undertakes to act for the State he must submit to a like determination as to the paramount interests of the public?" (Mr. Justice Brewer in Cotting *v.* Kansas City Stock Yards Co., 183 U. S. 79, 94 (1901).)

It is not necessary to suggest that public services should be furnished without profit merely because the State might so furnish them. But it is pertinent to suggest that those who have undertaken to render public service have undertaken, from the beginning and in every year of their trusteeship, to meet the potential public competition and certainly have undertaken to furnish this service without demanding such a profit as twice the earnings on capital which would be required to finance a publicly owned public service.

The measure of value suggested in the Indianapolis Water Co. case opinion can have no possible justification, unless it is offered as the measure of a competitive value. We can not assume that the court would attempt to justify establishing an admitted monopoly value. Apparently the argument of the opinion is that if it would cost the public $19,000,000 on January 1, 1924, to duplicate the service rendered by a privately owned public utility, then the private owners are entitled to charge rates sufficient to produce a fair return on $19,000,000. This is, in fact, a monopoly value—or what is called a "hold-up price"; that is, the most that any sane buyer would pay. But let us call this "value" euphoniously "the cost of competition," and then let us go back a few years and let us assume (as seems reasonable according to the record of this case) that on January 1, 1917, the property could have been duplicated for $13,000,000. If the public had then duplicated the property, or had condemned it, for that amount, certainly no one would suggest that on January 1, 1924 it would be necessary to raise rates so as produce a profit on $19,000,000.

Let us go still further back. Let us consider the situation at the time when that public-utility plant was constructed. Assume that the present plant cost $9,500,000 originally and that since that time there have been no additional private investments, but that through maintenance and renewals out of operating expenses the plant has been brought to its present condition, and that to-day it would cost $19,000,000 to reproduce the plant according to a conservative estimate of reproduction cost. When that plant was built at a cost of $9,500,000, if the

owners had then announced that some years later they would insist upon being allowed to earn, not 7 per cent on $9,500,000 but 7 per cent on $19,000,000, or, in other words, 14 per cent on their investment, is it not certain that the public either would have built a competing plant or would have condemned and taken over the plant already built?

The theory of the opinion under discussion permits the utility to disregard its implied promise from the beginning of the enterprise that the private operation of the public service should not be used as the means for compelling the public to pay rates grossly in excess of those which could be secured for the public by public operation of public service. Public competition has been prevented by assurance that the benefits of "free competition" would be preserved. Essentially the demand of the utilities for a monopoly value is a breach of faith. Under the theory, once popular and still sound, that private owners of public utilities are public trustees (Smyth *v.* Ames, supra note 2, at 544; Dayton-Goose Creek Ry. *v.* United States, supra note 27), it may be fairly said that such a demand is a violation of an accepted trust. Private owners have undertaken to do the work of the State upon certain representations, not merely implied in their offer, but written into long recognized legal obligations. These representations they now repudiate. These obligations they now forswear. And the opinion of the Supreme Court finds their right to do this embedded in the Constitution.

It has been impossible within the limits of this article to discuss all the assumptions, implications, and effects of this important opinion. Also, it has been impossible to segregate carefully those ideas and expressions which have been developed partially in previous opinions, from those which are peculiarly the product of this one opinion.

The present case, as has been pointed out, is unique in its omission of qualifying phrases and in its substitution of reproduction cost as the sole criterion of present value, instead of determining the latter by "a reasonable judgment having its basis in a proper consideration of all relevant facts." (Mr. Justice Butler approved this standard, quoted from the Minnesota Rate Cases, supra, note 2, in his own opinion in Bluefield Water Works, etc., Co. *v.* Pub. Serv. Comm., supra note 4; and on the same day tacitly joined in the rejection of reproduction cost as the sole measure of value in the opinion of Mr. Justice Brandeis in Georgia Railway & Power Co. *v.* Railroad Comm., supra note 3, in which latter case Mr. Justice McKenna in a solitary dissent asserted that reproduction cost less depreciation was the "measure of the value of the utility." 262 U. S. at 636.) It is very much to be hoped that the court's opinion as distinguished from its decision represents only the views of Mr. Justice Butler, and not those of the six members of the court for whom he purported to speak. (It has been pointed out in note 4 supra that it would be impossible for Mr. Justice Holmes, in view of his concurrence in Mr. Justice Brandeis's dissent in the Southwestern Bell Telephone case, to approve a court's ascribing "dominating consideration" to reproduction cost. The inference is plain that Mr. Justice Holmes must have concluded that the lower court in the Indianapolis Water Co. case did not, in spite of the language in its opinion, give dominating force to this factor. It may well be that other members of the court whose views did not demand that they should explicitly dissociate themselves from the language of Mr. Justice Butler's opinion, nevertheless agreed only in his decision, namely, that the action taken by the lower court should stand.)

In concluding this review, let us recall that the purpose of rate regulation is to determine what earning power shall be allowed to a public utility, and suggest that certain truths should be self-evident: First, the present value, which can be ascertained from market quotations, depends on the present earning power. Second, to maintain this "value" the usual procedure would be to continue the present rates. Third, if rates are to be regulated up or down, a new earning power will result. Fourth, therefore, the question presented in rate regulation is not what the present value is, but what the future value should be.

We may be sure that, regardless of what he said, Mr. Justice Butler was trying to ascertain, in the Indianapolis Water Co. case, not what the "present value" of the water company's property was on January 1, 1924, but what the future value would be if rates were correctly fixed. Then, he evidently assumed that if rates were correctly fixed the resultant value of the property would be the same as though the rates had not been fixed.

The assumption is clearly implied that if rates were not fixed the property would have a certain earning power that would give it a certain value, and that the property ought to have that same earning power as the result of rates fixed by the commission. This assumption indicates that there is little use or purpose in governmental rate regulation, except to determine as nearly as possible "what the traffic will bear" in order that the owners of public utilities may realize that highest possible value of property which results from its maximum earning power. Any diminution of this value is apparently regarded as "confiscation."

The learned justice utterly ignores the important fact that the exercise of the power of the Government to fix rates inevitably must either deflate the value of the property toward its minimum earning power or inflate it toward its maximum earning power. The exercise of this power, therefore, requires at all times a balanced consideration of what earning power and what resultant value is fair, not only to the owners of the property but also to the users of the property. Mr. Justice Butler's attempt to ascertain an absolute "value" which is supposed to exist, regardless of the interests of the public and the consumers, was foredoomed to failure. The result of this futile attempt is that he has neither found what the present value of the property is nor stated what the fair value of the property should be. He has arbitrarily given the property a fiat value (the amount of "investment" in the railroads and other public utilities upon which rates are now based exceeds $30,000,000,000; the "value" of these "investments" would be doubled by a valuation on the basis of reproduction cost estimated at "present prices" in accordance with this opinion; see the Reports of the Interstate Commerce Commission and the Department of Commerce for investment figures, and Wall Street Journal of August 3, 1926, for estimated "value") and has issued a command that the public shall pay enough in rates to make this fiat value an actual market value.

DONALD R. RICHBERG.[1]

CHICAGO, ILL.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2141) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Assiniboine Indians may have against the United States, and for other purposes.

The message also transmitted to the Senate the resolutions of the House adopted as a tribute to the memory of Hon. ROBERT M. LA FOLLETTE, late a Senator from the State of Wisconsin.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were thereupon signed by the Vice President:

S. 2770. An act to confer United States citizenship upon certain inhabitants of the Virgin Islands and to extend the naturalization laws thereto;

H. R. 5823. An act to amend the Code of Law for the District of Columbia in relation to the qualifications of jurors;

H. R. 9916. An act to revise the boundary of the Grand Canyon National Park in the State of Arizona, and for other purposes;

H. R. 9971. An act for the regulation of radio communications, and for other purposes;

H. R. 15414. An act to authorize the United States Veterans' Bureau to accept a title to lands required for a hospital site in Rapides Parish, La.;

H. R. 16576. An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1928, and for other purposes; and

H. R. 16863. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1928, and for other purposes.

BELLE FOURCHE AND CHEYENNE RIVERS

Mr. KENDRICK. Mr. President, a few days ago the House passed Senate bill 4411 with an amendment. On motion the Senate refused to concur in the House amendment and appointed conferees. I now ask that the action of the Senate at that time be reconsidered. It is the bill (S. 4411) granting the consent of Congress to compacts or agreements between the States of South Dakota and Wyoming with respect to the division and apportionment of the waters of the Belle Fourche and Cheyenne Rivers and other streams in which such States are jointly interested.

The PRESIDING OFFICER (Mr. DALE in the chair). The Senator from Wyoming asks that the Senate reconsider its action in appointing conferees on Senate bill 4411. Without objection, that action will be reconsidered.

Mr. KENDRICK. I now move that the Senate concur in the House amendment to Senate bill 4411.

The PRESIDING OFFICER. The Senator from Wyoming will first have to move that the Senate request the House to return the papers.

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[1] The writer has been general counsel for the National Conference on Valuation of American Railroads since 1923, and special counsel for the city of Chicago in gas matters since 1915. It is interesting also to note that Mr. Justice Butler was for many years prior to his elevation to the bench principally engaged in representing railroads and other public utilities in valuation cases.

Mr. KENDRICK. It is a simple matter and provides for a voluntary compact between the two States referred to. I move that the Senate concur in the House amendment.

Mr. JONES of Washington. Mr. President, I hope that may be done. While I do not like to see the money taken out of the reclamation fund, and I do not think it is proper to do it, yet, under the circumstances I hope the Senate will take the action requested by the Senator from Wyoming.

The PRESIDING OFFICER. Pending the motion of the Senator from Wyoming, the House will be requested to return the bill to the Senate.

ADDRESS BY SENATOR WILLIS ON LINCOLN'S BIRTH ANNIVERSARY

Mr. FESS. Mr. President, my colleague [Mr. WILLIS] made a notable address at the banquet of the National Republican Club, Waldorf-Astoria Hotel, in New York City, on the occasion of the Lincoln birth anniversary. I ask unanimous consent that it may be inserted in the RECORD.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Is there objection? The Chair hears none.

The address is as follows:

Senator WILLIS. It is fitting that on this anniversary of the birth of our greatest American and greatest Republican that something should be said of the present-time achievement of the Republican Party and of its leadership in the person of President Coolidge, who has many of the virtues and personal qualification possessed by Abraham Lincoln. The calm, quiet, thoughtful courage, dispassionate judgment, and even-handed justice that carried Lincoln through the trials of the Civil War are exemplified in the conduct of the present occupant of the White House.

It is too early to discuss candidacies for 1928. Such discussion at this time proceeds ordinarily from one of two sources: First, from some Republicans who themselves desire to be candidates, but who, according to past performances and present policies, would not be able to get to the first base in the Republican National Convention; and, in the second place, from our Democratic friends who, it is reported, are proposing to push for consideration a resolution in Congress against third terms.

The people have known all the time of the splendid record and great popularity of the existing Republican administration at Washington. The most complete admission of it, however, is in the evident anxiety of the opposite party to forestall an alleged third term. If they did not feel that the administration of President Coolidge had made such a strong impression on the American people as to make probable his renomination and reelection, if he should become a candidate, they would not be exercising themselves about antithird-term resolutions. The support of such a resolution is the best evidence that its supporters feel that the President has rendered such service as to entitle him to a second elective term if he chooses to become a candidate. Whether he will become such a candidate no one in this country knows except the President himself. Neither I nor others have authority to speak for him in this or any other matter. For myself, I say that as matters now stand, if he should choose to become a candidate for reelection in 1928 he undoubtedly will be renominated and reelected. Whether he is the candidate or not, the Republican Party, if it wins in 1928—as it ought to—will make the campaign on the record of the Coolidge administration. History does not record an instance in which a party has repudiated its own record and the record of its President and then has succeeded in carrying a subsequent election. This coup d'état was tried by our Democratic friends in 1896. They were bitter in their denunciation of their President just then going out of office, but were long in promises for the future. The people then wisely decided that a party that repudiated its own performances could not well be relied upon in the redemption of pledges. It will be so in 1928. Whatever other matters may be discussed, one dominant issue will be the record of the achievement of Republican administrations between 1920 and 1928. This is as it should be. The issue is welcomed by the Republican Party.

Our party loves to compare its historical achievements with those of its opponents. Our Democratic friends dislike history but are long on prophecy.

Inevitably the conduct of our relations with foreign nations will be prominent in the next campaign.

The World Court issue apparently has been definitely disposed of. Our Government, under the leadership of President Coolidge, signified its willingness to become a member of the World Court only with reservations which would guarantee American sovereignty and prevent the imposition of the will of foreign peoples and governments upon our own people. America was willing to help, but it insisted that it should always be free. No Republican administration will ever yield up American sovereignty to any organization of foreign nations anywhere or under any consideration. The powers of Europe, having decided definitely that our admission into the World Court can not be had with the reservations which our Government adopted, the matter is at an end. The reservations will not be changed. The fact that European nations were unwilling to have us members of the court unless we would promise beforehand to yield up certain fundamental American rights inherent in sovereignty shows conclusively that our Government acted wisely in insisting upon preservation of these rights through the adoption of the reservations which the Senate formulated and attached to the World Court protocol. This whole question has been handled by the administration of President Coolidge in a manner strictly in accord with American traditions and, as I believe, in fullest sympathy with American public opinion. So long as Europe insists that America shall yield up its rights as an independent Nation and retain only the privilege of paying the bills, there is no probability of entrance of our country into any foreign combination.

Under Republican leadership our Nation will not become a member of the League of Nations, directly or indirectly. Nor will it play into the hands of certain financiers in Europe and in America by agreeing to the cancellation of the foreign debt. Gentlemen who are urging such a course seem very generous with other people's money. They seem also to forget that the best way to bring on further European wars is to adopt the principle of the cancellation of war debts. If European nations could be assured that debts incurred by them in conducting future wars need not be paid there would be such an impetus to increased armaments and probable resulting warfare as the world has never seen before.

The administrations of Presidents Harding and Coolidge have settled the foreign-debt question. Doctrinaires either in Europe or America will not be permitted to unsettle it. Payments are now being made, and no Republican administration will enter into any sort of arrangement whereby the settlements already entered into can be canceled or modified.

Within the past week the President has sent a message to Congress which has excited universal approval not only in this country but abroad. It evidences the firm purposes of the United States to do everything in its power to promote peace. The Conference for the Limitation of Armaments called by President Harding was the longest step forward toward peace and better understanding amongst nations in five centuries of history. If the great powers shall respond, as it is hoped they will respond, to the call which President Coolidge has now made, further limitations can be agreed upon which will stop the unseemly competition in armaments that is weighing like an incubus on the taxpayers of all the great nations. There would be no question of the ability of the United States to win out in such a competition, but it is certainly much better, if the peace of the world can be secured, to adopt such limitations as President Coolidge has proposed.

In its dealings with Central America and Mexico the administration at Washington has acted in strictest accordance with American traditions and policies followed heretofore without reference to political considerations. There are, of course, some who have attempted to make political capital out of a distressing situation which our Government is doing its best to remedy. Many people seem to have obtained the idea that Calvin Coolidge, with a bloody dagger in one hand and a war club in the other, is running amuck in the countries to the south of us, breathing war and desolation on all who come in his path. Many letters are received complaining of the "belligerent attitude" of the Government of the United States toward Nicaragua and Mexico.

This mistaken idea is created, of course, by the false propaganda sent out by publicity writers. Revolutionists in both Nicaragua and Mexico have their regular publicity organizations in the United States. A firm of publicity engineers, so called, is employed. These engineers map out a program for weeks ahead, embodying statements by the revolutionists, written communications to the Government of the United States, etc. All of this is carefully worked out by skilled publicity writers, and it is then fed out to the public for the purpose of creating an erroneous viewpoint.

The administration of President Coolidge maintains no belligerent attitude toward any nation. Every effort is being put forth peacefully to solve our difficulties with countries to the south of us.

If any great nation had treated American citizens and American rights as Mexico has treated our citizens and interests there would have been not only a severance of diplomatic relations but a situation bordering upon war. Our Government has been, as it should be, exceedingly patient in dealing with Mexico. It will continue and should continue every effort toward peaceable settlement of difficulties. The arbitration resolution adopted by the Senate is an illustration of this pacific policy. However, American citizens and interests must and will be protected. A government that will not protect its people is not worthy of the name. It is urged by certain radical elements that immediately the marines should be withdrawn from Nicaragua. If this should be done, within 24 hours American lives and property would be endangered. If American lives were taken, a situation would result that might easily lead to war. As a matter of fact, the presence of the marines in Nicaragua is the best guarantee for the preservation of peace and the protection of American lives. American men, women, and children by the hundreds are in Nicaragua lawfully. Upon what theory should they be abandoned to the tender mercies of revolutionists? Yet, because of the propaganda which has been circulated in the coun-

try, thousands of citizens are writing their Senators and Representatives demanding this course. If the advice were followed, and as a result American lives were lost, those very people who have demanded withdrawal of the marines would be the first to criticize the Government for its failure to protect American citizens.

Some people proceed on the theory that it is an indication of great wisdom and breadth of view to start in with the assumption that our Government and our people are always wrong and other governments and the people of other nations are always right. Why is it not safer to assume that our Government and its officers are, at least, as patriotic and as wise as other governments and citizens of other nations? They have access to sources of information of which the public can not know. Is it not safer to assume that they are doing the best that can be done, in view of all the facts? For example, an administration that would abandon the Monroe doctrine would be worthy of censure and certainly would not receive the support of the American people. Yet, if the marines are withdrawn from Nicaragua, the foreign nationals who have applied through their governments to the United States Government for protection would be left unprotected. We can not pursue the "dog in the manger" policy in Central America. If we say to Europe under the Monroe doctrine, "You must keep out," we can not in the same breath say to the people of Europe, "You can not protect your people and interests and we will not do so." In other words, the conclusion is inescapable. If the Monroe doctrine is to be maintained, there is a certain degree of responsibility resting upon the United States Government. This responsibility the administration of President Coolidge, in strictest harmony with American traditions, is seeking to maintain.

Those who are excitedly asking for the return of the marines to America evidently have not heard of the piteous appeals that come to some of us from the friends and relatives of American citizens and missionaries in China. Our Government has always been a friend to China and is now. It is willing to make the most liberal concessions as to extraterritoriality and other matters in which China is interested just as soon as a responsible government can be found in that distracted country able to guarantee the permanence of treaty pledges and furnish protection of American citizens. Until that time arrives, our Government will unhesitatingly perform its duty of protecting American citizens wherever those citizens have a right to be.

The country is rather familiar with the successful financial achievements of the last five or six years. In 1919 our debt was more than $26,000,000,000. On the 31st day of December, 1926, that debt was reduced to $19,000,000,000. In these seven years there has been on the average a reduction of $1,000,000,000 per year. No such financial policy has ever been carried out by any administration in any other country. In 1919 expenditures exceeded governmental receipts by $13,000,000,000. By 1921, through wise financial management, this deficit of $13,000,000,000 had been changed into a surplus of $86,000,000. In 1922 the surplus was $313,000,000; in 1923 it was approximately the same; in 1924 the surplus was over $500,000,000; in 1925, $250,000,000; and last year the excess of receipts over expenditures was more than $350,000,000. In other words, every year that wise Republican policies have been followed there has been a surplus of approximately $1,000,000 for every working-day in the year and the reduction of the Federal debt of a billion dollars for the year.

What has been achieved is an indication of what should be done in the present situation. Whatever surplus there may be should be applied forthwith to the important purpose of reducing the public debt and thus cutting off interest charges. Under the policy that has been followed, an annual interest charge has been reduced approximately $50,000,000 per year. At the same time the affairs of the Federal Government have been so wisely managed that in place of a per capita cost of $51 of six years ago the per capita cost of the Federal Government has been reduced to approximately $30.

These vast achievements in the fields of finance, unprecedented domestic progress, and honorable dealings with foreign nations furnish a basis for successful appeal to the American electorate.

NATIONAL-ORIGINS QUOTAS UNDER IMMIGRATION ACT

Mr. NEELY. Mr. President, I ask to have laid before the Senate a resolution which was discussed on Saturday, being Senate Resolution 362, and I ask for the immediate consideration of the resolution.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 362), submitted by Mr. NEELY on the 18th instant, as follows:

Resolved, That the President be requested, if not incompatible with the public interest, to transmit to the Senate a copy of the memorandum explaining the methods and processes employed by the six statistical experts, appointed by the Secretary of State, the Secretary of Commerce, and the Secretary of Labor, in determining the quotas on the basis of nationality of origin of the population of the United States, which accompanied the quota board's report to the Secretaries of State, Commerce, and Labor.

Mr. WILLIS. Mr. President, when the Senator from West Virginia submitted his request on Saturday I felt constrained to object to the consideration of the resolution. I have since, however, had an opportunity to examine the resolution and to confer with different members of the Committee on Immigration. I find that the resolution contains the provision that the President shall be requested to transmit the information "if not incompatible with the public interest." I think, therefore, that the terms of the resolution are sufficiently guarded, and so I withdraw my objection.

Mr. REED of Pennsylvania. Mr. President, necessarily the calculations that are called for by this resolution are extremely complicated, involving, as they do, a factor of increase in each year for about a century and a third. I do believe there will be an advantage in having the figures sent to the Senate and made public, because it is generally assumed that there is a wide margin of error in these calculations. When the figures come, however, it will be seen, I believe, that the margin of error is very slight.

Mr. NEELY. Mr. President, I trust the Senator will permit me to say that I heartily agree with the statement he has just made.

Mr. REED of Pennsylvania. I believe that it will be highly heartening to believers in this method of apportioning quotas to see with what accuracy and care the quotas have been calculated. So I shall be glad to see the resolution adopted.

The VICE PRESIDENT. Without objection, the resolution is agreed to.

LOWER COLORADO RIVER BASIN

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3331) to provide for the protection and development of the lower Colorado River Basin.

Mr. JOHNSON. Mr. President, on Saturday last, in the 50 minutes which were allocated to me, I endeavored generally to present what is attempted to be done by the Boulder Dam project, and sought only then, in general terms, to make plain the necessity and the emergency existing and the accomplishment sought under the measure. I do not propose to-day to occupy any great amount of time, because I realize that the opponents of this measure, lacking in a majority of votes upon this floor, look to the limitations of time as their principal ally for the defeat of this great constructive work. I do desire, however, within the very few minutes I shall occupy briefly to present an answer to some of the things that have been stated regarding the design of the State of California in this bill and respecting the claims made by the State of Arizona.

Preliminarily, however, let me say that a flood in the Imperial Valley is a very different thing from a flood in any other place on earth. There may be floods in the Mississippi, floods in the Ohio, floods in the Missouri, floods in the Sacramento, upon whose banks I lived for 35 years, and, although thereby there may be destruction of property, very soon thereafter there may be a resumption of the usual activities of the people in the particular territory affected; very soon, indeed, there may be a rebuilding of those things destroyed by flood. It is not so, however, in the Imperial Valley. Once there is a flood in the Imperial Valley, located as it is 250 feet below the surface of the sea, there is annihilation, there is no remedy, no mode by which the water can be taken off or drained from the affected territory. Only evaporation, and long, long years of evaporation, will enable the land again to resume its normal condition. A flood in the Imperial Valley, therefore, is an essentially different thing from a flood in any other part of the United States.

Again, the Colorado River, vagrant as it is at certain times, torrential at others, erratic at others, carries a quantity of silt down through its channel unequaled so far as any other stream is concerned. One may perhaps visualize what this silt is, and the amount of it, when I say that annually the Colorado River carries down in silt a quantity of material equal to all of the excavations which have been made upon the Panama Canal. This will enable one to have some idea of why it is essential that works of a monumental character shall be built in that river for flood control, because the vast quantity of silt carried by the river makes it necessary not only to care for floods and torrents and the like, but to provide a mode by which the silt shall not by piling up overcome the works which shall be constructed.

Mr. President, let me call your attention to the fact, too, that the dam referred to in this bill is to be erected upon the boundary of Arizona and Nevada. It is not true that any State rights viewpoint of any man in this Chamber can be affected by this bill. It is utterly erroneous to assert that there is any endeavor by this measure, sir, to take anything that belongs to the State of Arizona or to interfere in any degree with the

laws of Arizona or the property to which Arizona may claim title. State rights are as far from this bill as is the transit of Venus itself; that doctrine has no more relation to the particular matter than any other irrelevant or any other detached proposition. The property of Arizona is taken by this bill not at all; rights of Arizona are invaded not in the slightest degree by this measure; and when the Senator from Maryland [Mr. BRUCE] asked the other evening of the Senator from Arizona if it is not a fact that California proposes to take Arizona's water without her consent, and the Senator from Arizona answered quickly that is the fact, both were absolutely and wholly in error, for this measure does not in the slightest degree impinge upon the rights of the State of Arizona; nor does California propose by this bill to take any water or anything else that belongs to Arizona of any kind or of any character at all. I can not overemphasize this fact, and a reading of the measure and an understanding of the situation and the law will demonstrate that I am entirely accurate in the assertion that I make. This bill is in accord with the constitution of the State of Arizona; it follows the enabling act of Arizona; it follows the reclamation law from which Arizona has derived so much benefit so generously extended by the United States of America; and it does naught of any kind or of any character at which Arizona really can cavil or concerning which Arizona can in the slightest degree complain.

The question of controversy, sir—and I reply to the Senator from Maryland because of the query in which he indulged and the statement which he made—between Arizona and California and Nevada is not concerning water at all. When the delegates of Arizona and California recently met in the hope of effecting a compromise and in the hope of concluding a treaty concerning the Colorado River and concerning this bill, an agreement was had at once upon the division of water.

An agreement was made between the representatives of Arizona and the representatives of California, tentative in character, it is true, but, nevertheless, there was no difficulty at all in reaching an agreement for the division of the waters in the lower Colorado River Basin, and that agreement was satisfactory to the representatives of the State of Arizona. That is not the crux of the situation. The crux of the situation lies in the desire of Arizona not to protect existing rights of Arizona but to acquire rights that Arizona has not to-day and possesses neither under her constitution nor her laws nor under the Constitution and laws of the United States of America. What Arizona asks is not a division of water, concerning which there is no difficulty and no disagreement at all, for California yields whatever may be desired in that regard—what Arizona asks is money, revenue from the work that is to be done by the United States of America in the erection of this dam and in the generation of electric power therefrom. That is the crux of this situation; not the waters of the Colorado at all. When I tell you, Mr. President, that at the last meeting that was had between the representatives of Arizona and California, Arizona asked substantially $6,000,000 a year before she would agree to come in and aid in the passage of this measure, you will have some understanding of just where the difficulty arises in this bill so far as Arizona is concerned, and you may dismiss forever from your mind the theory that has been advanced here that a State of little population and little power is being imposed upon or coerced by one of greater population and of greater power.

The crux is the money to be derived; and money is asked either in the right of the State to tax what the United States itself constructs or as a royalty to the State upon power generated by the United States. The United States Government, first, can not, of course, establish the precedent of permitting a royalty upon power generated by the United States Government, and secondly, it can not and will not permit—and the decisions are uniform in that regard—the taxation by the State of a Federal project such as is designed by this bill.

Under this bill, sir, we make the entire project a part of the reclamation law. This is a reclamation measure; and by section 13 of the bill it is distinctly provided:

> This act shall be deemed a supplement to the reclamation law, which said reclamation law shall govern the construction, operation, and management of the works herein authorized, except as otherwise herein provided.

The very first section to the act provides for what purposes the act is presented and what are its designs. The act itself says:

> That for the purpose of controlling the floods and regulating the flow of the lower Colorado River, providing for storage and delivery of the waters thereof for reclamation of public lands and other beneficial uses within the United States, and for the generation of electrical energy as a means of making the project herein authorized a self-supporting and financially solvent undertaking, the Secretary of the Interior is hereby authorized—

And so forth.

First, we provide for flood control and river regulation.

Secondly, we provide for irrigation and domestic use.

And, thirdly, after providing for these, we provide for the by-product of the bill—power out of which the project may be paid for.

I repeat to you that this is a reclamation measure, made so by section 13 of the bill. Adverting, then, to section 8 of the reclamation law, let us see how much there is in this statement that is made about appropriating the water of Arizona and taking the property of that State.

Section 8 of the reclamation act provides:

> That nothing in this act shall be construed as affecting or intended to affect or to in any way interfere with the laws of any State or Territory relating to the control, appropriation, use, or distribution of water used in irrigation, or any vested right acquired thereunder, and the Secretary of the Interior, in carrying out the provisions of this act, shall proceed in conformity with such laws, and nothing herein shall in any way affect any right of any State or of the Federal Government or of any landowner, appropriator, or user of water in, to, or from any interstate stream or the waters thereof.

So, first, our act is a reclamation act.

Secondly, under the reclamation law we can no more affect the rights of Arizona in the waters that flow through Arizona than we could affect the title of any Arizona resident to any particular property. In passing, I may remark that it is entirely a misnomer to say that Arizona or any other State in the West, after all, has title to water. Under western law, the appropriator of water has a title to the use when the application is beneficially made of the water that he thus appropriates; but to talk of title of the State to water is entirely a misapprehension and misapplication of terms.

Mr. PITTMAN. Mr. President——

Mr. JOHNSON. I yield.

Mr. PITTMAN. Let me call attention to the fact that the water is taken out of the Colorado River where it is the boundary line between the State of California and the State of Arizona.

Mr. JOHNSON. Nevada and Arizona.

Mr. PITTMAN. Where the water is taken out of the river, where it is diverted from the river, it is between the States of California and Arizona.

Mr. JOHNSON. Oh, yes.

Mr. PITTMAN. If the theory of Arizona is correct—and I am inclined to think the theory is correct—that the river is a navigable river, and the State of Arizona has sovereignty over the bed of the river to the center of the river, and the State of California has sovereignty over the bed of the river to the center of the river, and each State has sovereignty over the running water for the purpose of controlling its diversion, we arrive at this situation: That both the States of Arizona and California have a right to control the diversion of that water at that point. I know of no law that would prevent California from diverting as much water as it wanted to divert from the California side, or that would prevent Arizona from diverting as much water as it wanted to divert from the Arizona side; and as far as the diversion by this proposed dam is concerned, I know of no way by which either Arizona or California could get the best of it.

Mr. JOHNSON. I thank the Senator from Nevada. Not only that, but when the Senator from Arizona talks of "Arizona's waters," he forgets what water it is that will be stored at this particular dam. He states that 28 per cent of the water of the Colorado emanates in the State of Arizona. The experts tell me that he is mistaken in that; that it is 18 per cent; but I care not whether it be 18 or whether it be 28 per cent. The fact of the matter is that the water that will be impounded at the dam at Boulder Canyon is water that comes from the flood waters of the upper basin States, and Arizona does not contribute to exceed 5 per cent of that water. All of it comes from the upper-basin States. They are interested, of course, in preserving their rights to water if they can; and we have endeavored to write this bill around the pact that was made for the benefit of the upper-basin States. You must understand that there are seven States that are interested in the Colorado River—four that are designated upper-basin States; three that are designated as lower-basin States.

The upper-basin States are Utah, Colorado, New Mexico, and Wyoming. The lower-basin States are Arizona, Nevada, and California. The upper-basin States are in quite a different situation from the lower-basin States, and by reason of the law of appropriation for beneficial use the upper-basin States

are constantly in fear that the water will be so legally appropriated below that a sufficient amount will not remain for their needs; and, because of that, the upper-basin States have sought what is termed the Colorado River compact, and these upper-basin States have written into this bill many amendments designed to protect them and designed to give them the water that shall be required by them in the years that are to come and that is required by them for their present necessities and their present uses. Indeed, I may say that every amendment submitted by the upper-basin States before the Committee on Irrigation and Reclamation was written into this bill and is in it to-day; and the provisions of this measure which apparently are designed to underwrite the seven-State Colorado River pact are provisions that are written into the bill at the instance of the upper-basin States.

Returning for the moment to the claim of the State of Arizona, the claim that we take Arizona's water, let me impress upon you again that there is really no controversy between Arizona and California in respect to water. Let me impress upon you again that the representatives of Arizona and California had no difficulty in agreeing upon a division of the waters of the Colorado River. I have before me the statement of the proceedings of those representatives, in which Arizona was accorded everything that Arizona asked in the division of the waters of the Colorado River, California readily according it, and in which also it appears that after the tentative agreement concerning the waters of the Colorado River the one difficulty existed in the payment of money that Arizona demanded because of power generated by the United States Government at Boulder Dam under this bill. That is the crux of this situation with Arizona—that, and that alone.

To say to us that we have no authority under the law to do as we seek to do under this bill is, it seems to me, to deny the enabling act of the State of Arizona, to deny its very constitution itself.

I have called your attention to the fact that this bill is made a part of the reclamation law; that the reclamation law specifically protects each State in its water rights and in the rights of the citizens of those States to water. Now, let us see, sir, just exactly what has been enacted by the State of Arizona concerning waters, concerning reclamation, concerning power sites.

Remember that in Arizona to-day there are perhaps some of the very finest reclamation projects that exist in all the United States. No question has ever been raised by Arizona concerning the generosity of the Government or the activity of the Government in respect to those particular reclamation projects. Now, when it is sought to make a wasteful torrent finally subservient to the uses of mankind; now, when it is sought finally to make of the Colorado River the national asset that the Secretary of the Interior says that it should be made; now, sir, when finally it is sought with this river to rescue the people of the Imperial Valley, and to give to the cities of southern California water for domestic use; now, sir, when without the investment of a penny we can have a going concern that will be administered in solvent fashion and pay for itself; it is now, when the United States Government is about to intervene in behalf of its people, as it has a right under its constitution and under the laws of Arizona to do; it is now that Arizona says, "You shall not be permitted to harness this river; you shall not be permitted to rescue your people; you shall not be permitted to take this wasteful element and make it useful to all the United States of America, unless you pay to Arizona a royalty upon power or pay to Arizona a tax upon property of the United States." The United States has ever refused to pay such a royalty or to permit taxation thus of its property.

Let me read to you, sir, the enabling act of Arizona.

Section 20 of the enabling act relating to the convention for the formation of a constitution for the proposed State of Arizona required that—

> said convention shall provide, by ordinance irrevocable without the consent of the United States and the people of said State * * *
>
> Second. That no taxes shall be imposed by the State upon lands or property therein belonging to or which may hereafter be acquired by the United States or reserved for its use.

Read the minority report of the distinguished colleague of the Senator from Arizona that is filed in the House. In substance, as I understand him, he would tax this particular project for the benefit of Arizona. An amount equal to taxes that would be paid by private individuals is what he demands before he, as a Representative of Arizona, would consent to the passage of this bill.

The provision for exemption from taxation I have read was carried into the constitution of Arizona as the fifth section of article 20.

The constitutional convention was also required, by section 20 of the enabling act, to provide by like ordinance as follows:

> Seventh. That there be and are reserved to the United States, with full acquiescence of the State, all rights and powers for the carrying out of the provisions by the United States of the act of Congress entitled "An act appropriating the receipts from the sale and disposal of public lands in certain States and Territories to the construction of irrigation works for the reclamation of arid lands," approved June 17, 1902, and acts amendatory thereof or supplementary thereto, to the same extent as if said State had remained a Territory.

Under the reclamation law Arizona, in its enabling act, reserved to the United States all the rights and powers which the United States had under that law. Section 13 of our act, as I have repeatedly said, provides that the act shall be a part of and supplementary to the reclamation law.

This provision, reserving to the United States all rights and powers for carrying out the act of Congress above referred to, was carried into the constitution of Arizona as the tenth section of Article XX.

Section 28, sixth paragraph, of the enabling act provides as follows:

> There is hereby reserved to the United States and excepted from the operation of any and all grants made or confirmed by this act to said proposed State all land actually or prospectively valuable for the development of water powers or power for hydroelectric use or transmission and which shall be ascertained and designated by the Secretary of the Interior within five years after the proclamation of the President declaring the admission of the State; and no lands so reserved and excepted shall be subject to any disposition whatsoever by said State, and any conveyance or transfer of such land by said State or any officer thereof shall be absolutely null and void within the period above named; and in lieu of the land so reserved to the United States and excepted from the operation of any of said grants there be, and is hereby, granted to the proposed State an equal quantity of land to be selected from land of the character named and in the manner prescribed in section 24 of this act.

The twelfth subdivision of Article XX of the constitution of Arizona, entitled "Ordinance," provides:

> Twelfth. The State of Arizona and its people hereby consent to all and singular the provisions of the enabling act approved June 20, 1910, concerning the lands thereby granted or confirmed to the State, the terms and conditions upon which said grants and confirmations are made, and the means and manner of enforcing such terms and conditions, all in every respect and particular as in the aforesaid enabling act provided.

Now, let us look for a moment at the constitution of Arizona. Section 5 of Article X of the constitution, which deals with State and school lands, provides as follows:

> SEC. 5. No lands shall be sold for less than $3 per acre, and no lands which are or shall be susceptible of irrigation under any projects now or hereafter completed or adopted by the United States under legislation for the reclamation of lands, or under any other project for the reclamation of lands, shall be sold at less than $25 per acre: *Provided*, That the State, at the request of the Secretary of the Interior, shall from time to time relinquish such of its lands to the United States as at any time are needed for irrigation works in connection with any such Government project, and other lands in lieu thereof shall be selected from lands of the character named and in the manner prescribed in section 24 of the said enabling act.

Section 6 of the same article provides as follows:

> SEC. 6. No lands reserved and excepted of the lands granted to this State by the United States, actually or prospectively valuable for the development of water power or water for hydroelectric use or transmission, which shall be ascertained and designated by the Secretary of the Interior within five years after the proclamation of the President declaring the admission of the State, shall be subject to any disposition whatsoever by the State or by any officer of the State, and any conveyance or transfer of such lands made within said five years shall be null and void.

Article 20, subdivision 4, reads:

> Fourth. The people inhabiting this State do agree and declare that they forever disclaim all right and title to the unappropriated and ungranted public lands lying within the boundaries thereof, and to all lands lying within said boundaries owned or held by any Indian or Indian tribes, the right or title to which shall have been acquired through or from the United States or any prior sovereignty, and that, until the title of such Indian or Indian tribes shall have been extinguished, the same shall be and remain subject to the disposition and under the absolute jurisdiction and control of the Congress of the United States.
>
> Fifth. The lands and other property belonging to citizens of the United States residing without this State shall never be taxed at a

higher rate than the lands and other property situated in this State belonging to residents thereof, and no taxes shall be imposed by this State upon lands or property situated in the State belonging to or which may hereafter be acquired by the United States or reserved for its use; * * *

Tenth. There are hereby reserved for the United States, with full acquiescence of this State, all rights and powers for the carrying out of the provisions by the United States of the act of Congress entitled "An act appropriating the receipts from the sale and disposal of public lands in certain States and Territories to the construction of irrigation works for the reclamation of arid lands," approved June 17, 1902, and acts amendatory thereof or supplementary thereto, to the same extent as if this State had remained a Territory. * * *

Twelfth. The State of Arizona and its people hereby consent to all and singular the provisions of the enabling act approved June 20, 1910, concerning the lands thereby granted or confirmed to the State, the terms and conditions upon which said grants and confirmations are made, and the means and manner of enforcing such terms and conditions, all in every respect and particular as in the aforesaid enabling act provided.

I read these provisions of the enabling act and the provisions of the constitution, so that even were there any validity in the claim that is made by the Senator from Arizona his own laws and his own constitution would justify exactly what is being proposed here. But were there no provisions in the constitution of Arizona, were there no provisions of the enabling act, under this bill can be done by the United States Government exactly what it sees fit to do on either the theory announced by the Senator from Arizona that this is a navigable stream, or upon the theory that it is an unnavigable stream. I care not which it be. I presume it will be asserted to be navigable, because at some time in the distant past some individual may have escaped with his life in going down through this particular territory. It reminds me, indeed, of the gentleman who claimed Niagara Falls to be navigable, because he said that a man went over the Falls in a barrel.

Whatever may have been the fact long in the past, the fact is that to-day it is not navigable in the particular territory that is affected by this bill. But I care not whether it be navigable or whether it be innavigable. Under either horn of the dilemma we have the right to construct the particular works provided for by this bill. We have the right under the Constitution, if it be a navigable stream, to do whatever may be essential for flood control and in aid of navigation, and that navigation is not the primary purpose of the construction of the work is of no consequence. If the works be in aid of navigation, if they be for flood control, and it be a navigable stream, the United States Government has the right to do exactly what we assert, and has the right notwithstanding the claims of Arizona. Already we have seen that the laws of Arizona, the enabling act, the Constitution, yield these lands to the United States of America. Of course, that, if it be true, settles the whole question; but if it be controverted, we may eliminate that; and, saying that the stream is navigable, the United States Goverment has the right to construct these works for flood control; or, if it be innavigable, of course the title to the land and the bed of the river not being in Arizona, the United States Government has the right to do exactly as it sees fit. So either the one horn or the other may be taken by the gentleman. It makes little difference to me.

He says the river was navigable at one time. We know it is not now. We know that it is an utter and absolute impossibility, as a matter of fact, to navigate the river at this particular point or at these particular points at this time.

We know, too, that if this dam be constructed a lake 80 or 100 miles in extent will be constructed back of the dam, which will render the waters navigable, and the regulated flow of the river below will render the waters navigable there. But if it be innavigable—I do not like that word particularly, but it seems as if the text writers and others delight in using it—if it be innavigable, then, of course, there is no question whatsoever, notwithstanding what the claims might be upon the one side or the other.

Mr. President, I do not like to occupy the time unduly or at all in relation to this bill. It is an emergency measure; it is a measure that represents study for an extended and a long period of time. It is a measure which means so much that it ought to be understood by this body and ought to be passed without delay. I can do it no greater disservice, it seems, than to occupy time even in a legitimate discussion of its merits.

I stand ready to answer any question of any kind that may be propounded by any Senator upon this floor. I stand ready to reply to any interrogation, whether it be as to law or fact, whether it be as to emergency or otherwise, whether it be as to the justice of the bill in relation to the State of Arizona or in relation to the State of California. I submit myself to the Senate of the United States for any query that may be propounded. I cease argument and I cease dealing with the measure because of the limitations of time, these limitations being the one and only ally of the opponents of the bill, and I cease in order that there may be action upon the measure at the very earliest possible moment.

Mr. ASHURST. Mr. President, at this juncture I request the clerk to read Senate Joint Memorial No. 1, which recently passed both houses of the Legislature of the State of Arizona.

The PRESIDING OFFICER (Mr. ODDIE in the chair). The clerk will read as requested.

The legislative clerk read as follows:

Senate Joint Memorial 1; introduced by Mr. Winsor, January 11, 1927; passed the senate January 12, 1927; passed the house January 12, 1927; signed by the governor January 13, 1927

To the Congress of the United States of America:

In the name and on behalf of the people of a sovereign State, albeit, the youngest State of the American Union, and with assurance that this plea voices the views and commands the earnest support of practically all citizens, irrespective of political faith, financial interest, or occupation, your memorialist, the Eighth Legislature of the State of Arizona, in regular session assembled, respectfully but earnestly prays:

That the Congress of the United States do not pass the bill "to provide for the projection and development of the lower Colorado River Basin," commonly known and referred to as the Swing-Johnson bill (H. R. 9826), nor its companion measure of identical tenor (S. 3331).

In support of this prayer your memorialist represents:

1. That the passage of either of these measures in their present form and scope would constitute an attack upon, and their enforcement a serious and unwarranted infringement of the sovereign power of the arid Western States, as asserted in their water law since time immemorial, and recognized in every important item of Federal water legislation to date, to control the appropriation, use, and distribution of water within their respective borders.

2. That this attempted usurpation by the Federal Government of a political power which these arid States, dependent for their growth and prosperity upon the orderly, systematic control of their water resources, hold to be among their most important attributes of sovereignty, would shake the faith of the people in the fairness and justice of their National Government and their confidence in that Government's impartial and unvarying guardianship of the rights of the several States.

3. That it would necessarily force upon Arizona measures of legal defense which could only end with the final word of the highest courts of the land, and therefore not only would visit great expense upon the people and the government of this State but great and unnecessary delay, with its attendant inestimable economic losses in the inauguration of development of the Colorado River and in the conversion of that stream from a national menace into a national asset.

4. That the construction of the works proposed, as in the manner and under the terms and conditions proposed, would work irreparable injury to Arizona, prejudice its most vital interests, and offer up its growth and welfare as a sacrifice to the ambitions of a sister State.

5. That by authorizing, and under the plan of development proposed, making certain an inequitable division of the waters of the Colorado River, the constitutionality of these measures, or either of them, would become a proper subject of inquiry in the equity branch of the Supreme Court of the United States, which has jurisdiction in all matters of dispute between States, thereby further prolonging a determination of the vital issues involved and putting further into the future the day when the development of the Colorado may be begun.

6. That the passage of either of these measures would violate and contravene both the letter and the spirit of the act of Congress approved August 19, 1921, "to permit a compact or agreement between the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming, respecting the division and apportionment of the waters of the Colorado River."

7. That although the act of August 19, 1921, provides among other things "that any such compact or agreement shall not be binding or obligatory upon any of the parties thereto unless and until the same shall have been approved by the legislature of each said State and by the Congress of the United States," this solemn assurance would be repudiated, this just safeguard destroyed, by the proposal embodied in the said so-called Swing-Johnson bill and in its companion measure, to make effective and binding, without the approval of the Legislature of the State of Arizona, the compact drafted at Santa Fe, N. Mex., pursuant to the aforesaid act of Congress; and by the nature of the situation which would thus be created the sovereign State of Arizona would either be coerced into acceptance of the provisions of said compact—a course the very suggestion of which is repugnant to the ideals of American justice and fair play—or the validity of the protection which such compact is designed to afford to the States parties to it, would be placed in a very grave doubt and peril.

Your memorialist is not unconscious of the circumstance that the State of Arizona has been subjected to the accusation that its course has tended to retard the reaching of an amicable agreement between the States of the Colorado River Basin; that its policy has been indefinite and uncertain; that it has opposed such measures as have been proposed and offered no concrete, constructive proposals in their stead. To this accusation your memorialist offers neither full confession nor blanket denial, preferring to waive detailed discussion of a subject which could only create dissension within and invite provocative retort without this State, but in a spirit of justice would submit:

1. That Arizona's position has been misrepresented and distorted by news-disseminating agencies without the State whose interest lay in the direction of special legislation rather than that of an equitable agreement between the States of the lower Colorado River Basin.

2. That this State has thereby become an object of adverse prejudice in the public mind to an extent wholly unjustified by the facts, and a tendency has developed to deny to her claims the fair consideration to which they are entitled.

3. That the arrogant attitude of the State of California, as reflected in its insistence upon and its evident determination to force special legislation for such development of the Colorado River as in the judgment of its spokesmen would best serve that State's interests, without regard or consideration for an equitable treaty between the States, not unnaturally aroused resentment on the part of Arizona's people and engendered a feeling of suspicion and distrust, if not of bitterness, which could not have proven otherwise than injurious to the cause of Arizona cooperation.

4. That whatever internal differences may have obstructed the path of agreement upon a constructive Arizona policy, they have been rendered immeasurably more difficult by the circumstances set forth in the preceding paragraph. Perhaps unwittingly, but none the less truly, the California attitude has lent itself more effectively than any other one thing, to discord and uncertainty in Arizona, over the Colorado River question.

5. Among the other and more important causes which have contributed to Arizona's hesitancy to become a party to an agreement between the States of the Colorado River Basin are: (a) The feeling, amounting to a conviction in the minds of many of Arizona's citizens, and given color by the policy which the State of California has persistently pursued, of a direct connection between the so-called Colorado River compact and the legislative proposal, embodied in the bills which are the subject of this protest, to construct a high dam at Black or Boulder Canyon, without due consideration or proper investigation given to claims advanced in behalf of other programs of Colorado River development, and to the serious and permanent impairment of Arizona's rights and vital interests; (b) disagreement and possible misunderstanding as to the meaning, purposes, and effect of certain provisions of the Colorado River compact, which would seriously affect the extent and availability of Arizona's water supply for the future reclamation of such of her arid lands as may practicably be rendered productive through the application of the waters of the Colorado River; (c) the belief, shared by many, that the facts with respect to Arizona's needs and requirements were not sufficiently known and understood to justify agreement upon the quantity of water to be allocated to the State under the terms of an agreement between the Colorado River States. Your memorialist submits that these questions constitute fundamental issues, which are entitled to fair and deliberate consideration and accurate determination.

In further substantiation of the assurance which here is given, that Arizona has not intentionally been derelict in the performance of the duty which it owes to itself, to the Southwest, and to the Nation, to contribute to a constructive solution of this great problem, your memorialist recites the following historical facts:

1. The Colorado River compact, signed by the representatives of the several States and of the United States, at Santa Fe, N. Mex., on the 24th day of November, 1922, was by the Governor of Arizona laid before the sixth Arizona Legislature at its regular session in January, 1925. It was given the most serious consideration, and was made the subject of earnest debate. Largely for the reasons enumerated in a preceding paragraph efforts to approve it were unsuccessful, and no conclusive action was had.

2. The compact at once became the subject of an intensely interested public discussion. Meetings were called at the instance of the State's chief executive; organizations of private citizens were effected; investigations, both official and private, of Arizona's irrigational possibilities, and of the resources of the Colorado within Arizona, were entered upon.

3. The Arizona engineering commission, composed of a representative of the United States Reclamation Service, a representative of the United States Geological Survey, and a representative of the State of Arizona, completed its labors, which had been authorized by act of the Arizona Legislature, of ascertaining the Arizona area irrigable from the Colorado River, and reported to the governor in July, 1923. This report indicated the probability of the feasible reclamation from the Colorado River, including the lands already irrigated, of approximately 1,000,000 acres. Preliminary investigations and surveys by engineers representing the Arizona Highline Canal Association, aided to some extent by funds supplied by the State, were made the basis of claims that 3,000,000 or more acres of Arizona's lands could be watered from the Colorado. Thus the question of Arizona's water requirements became a moot and much disputed issue.

4. The possibility, if not the likelihood, that the combined requirements of California and Arizona might exceed the supply of Colorado River water available to the States of the lower basin, and the fear that California, with her superior financial resources and political power, might deplete that supply, to the injury of Arizona, formed the basis of a strong demand that as a condition precedent to ratification of the Colorado River compact a treaty should be effected between the lower basin States of California, Nevada, and Arizona. At the request of private citizens, the Governor of Arizona, on two occasions, suggested a conference between representatives of the three States, but the Governor of California failed to concur in the suggestion. At a later date conversations occurred between representatives of the Governor of Arizona and the Governor of Nevada, but California was not represented. This greatly intensified the demand upon the part of the people of Arizona for a supplemental treaty with California and Nevada.

5. The Governor of Arizona again laid the Colorado River compact before the seventh legislature, upon the convening of its regular session in January, 1925, but with the recommendation that it be not approved unless a satisfactory supplemental treaty could be effected with the States of California and Nevada.

6. This recommendation the Arizona Legislature endeavored to carry out by the passage of a resolution known as house concurrent resolution No. 1, which embodied: (a) The text of a proposed treaty providing for the division of the waters allocated by the Colorado River compact to the States of the lower basin, and upon the acceptance of which by the States of California and Nevada the Colorado River compact would be deemed to be approved by the Legislature of Arizona; and (b) the authorization of a legislative committee with authority to confer with like legislative committees of the States of California and Nevada and committees of Congress. The Governor of Arizona vetoed the resolution and did not recognize the legislative committee; but in acknowledgment of requests from California and Nevada for a river conference named a committee to represent Arizona. This difference of opinion as to procedure, between the legislative and executive departments, did not materially alter the course and in all likelihood did not affect the progress of negotiations, since it later developed that the California committee would not accept the treaty provisions embodied in the said House Concurrent Resolution No. 1. The Arizona committee has held meetings with the California and Nevada committees, beginning in July, 1925, and continuing at intervals up to the present time. No definite conclusions have been arrived at, which in any event would be subject to approval by the legislatures of the several States and by Congress, but the members of the Arizona committee have expressed the belief that progress has been made toward the effecting of an agreement.

That amicable understandings can be arrived at with all of the States at interest, and the ends of progress speedily served, is the confident belief of your memorialist, if all coercive and threatening measures may be laid aside and negotiations permitted to proceed under the common rules of equity and American fair play. The State of Arizona seeks no undue advantage. It asks merely that protection of its rights and legitimate interests which is the just heritage of every American State, and which has been so fully accorded to the States of the Upper Colorado River Basin by the terms of the Colorado River compact. That the Congress of the United States and the people of the United States, through their Representatives in the National law-making body, may be authentically advised with respect to Arizona's claims and aspirations, your memorialist respectfully represents:

1. That the development of the Colorado River should be predicated upon a comprehensive plan by means of which the river's destructive floods may be curbed, and which ultimately will insure the utilization of all the river's flow for irrigation or domestic uses and every foot of the river's fall for the creation of hydroelectric power.

2. That the formulation of such a plan should be the work of eminent and impartial engineers, so chosen as to be representative of every interested section and to insure just consideration of the rights of each interested State.

3. That such a plan should contemplate and guarantee the use of all of the stored waters of the Colorado River on United States soil or for the use and benefit of American cities and towns; and if any rights to waters of the Colorado River shall hereafter be accorded to the Republic of Mexico, by treaty or otherwise, such rights should relate only to the unregulated normal flow of the main stream, and in amount not in excess of that which has been applied to beneficial use in that country.

4. That the right of the Colorado River States, as of all of the so-called "appropriation" States of the arid West, as enunciated in their water laws and recognized in the Federal reclamation act and the Federal water power act, to control the appropriation, use, and distribution of the waters within their respective borders, should not be impaired nor modified except with the consent and approval of such States.

5. That in whatever agreement may be reached respecting a division of the waters of the Colorado River, or of that portion of such waters available to the States of the lower basin, Arizona should be assured such amount as may be necessary to reclaim her arid lands which may be ascertained and determined, by competent investigation, to be susceptible of practical reclamation from the Colorado River.

6. That the States of the lower basin should have the right, respectively, to consume for beneficial purposes such of the water in the tributary streams flowing in their several States as can be put to use prior to the water entering the main channel of the Colorado River.

7. That Arizona is entitled to the reasonable benefits that may be derived from such physical advantages as nature has bestowed upon her. The fall of the Colorado River within Arizona's boundaries, susceptible of utilization for the creation of vast stores of hydroelectric power, is a natural resource as truly as stores of oil or deposits of coal, to be employed for a similar purpose, would be, and the right of Arizona to derive a revenue from this resource—more particularly in view of the vast areas of reserved and therefore untaxed and untaxable Federal lands, within the State, constituting approximately one-half of its entire area—should be recognized.

These are principles concerning which the people of Arizona are practically a unit. With faith in their soundness and equitableness, and confidence that they will be recognized, your memorialist declares that the State of Arizona is earnestly desirous of an amicable understanding with the States of the Colorado River Basin and with the States of California and Nevada in the lower basin, which, in the words of the Colorado River compact, will "promote interstate comity; remove causes of present and future controversies; and secure the expeditious agricultural and industrial development of the Colorado River Basin, the storage of its waters, and the protection of life and property from floods." The State of Arizona recognizes and urges the great necessity for flood and silt control and would place no impediment in the way of an enterprise so vital to humanity. It seeks simply justice and to that end earnestly request that the Congress of the United States do not, by the enactment of a measure violative of its sacred rights, force upon it the alternative of an appeal to the courts.

And your memorialist will ever pray.

Mr. PITTMAN. Mr. President, will the Senator yield to me before he proceeds?

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Nevada?

Mr. ASHURST. I yield.

Mr. PITTMAN. I merely wish to give notice that if the Senator from Arizona shall conclude his address to-day, with the consent of the Senate, it is my intention to discuss this subject to-morrow morning. That naturally depends, however, entirely upon whether the Senator from Arizona shall finish to-day.

Mr. ASHURST. If the Senator wishes to speak to-day, I shall yield the floor to him.

Mr. PITTMAN. No; I do not care to speak now; the Senator is proceeding; but I will be ready to-morrow morning, and if at that time the Senator shall not have completed his address, of course, I can wait until he has done so.

Mr. ASHURST. Mr. President, I should not wish the Senator to gather the impression I shall finish to-day.

Mr. President, I ask the Secretary to read an opinion rendered by a prominent law firm in Arizona, Messrs. Kibbey, Bennett, Gust, Smith & Lyman.

I also ask that the Secretary read a statement by Mr. Thomas Maddock.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The Chief Clerk read as follows:

PHOENIX, ARIZ., *December 29, 1926.*

Mr. F. A. REID,
Heard Building, Phoenix, Ariz.

DEAR SIR: Our answers to your questions relative to the proposed Colorado River compact are as follows:

1. Upon the ratification of said compact by each of the States party thereto and by Congress, the apportionment of the waters of the Colorado River system therein made will become effective and enforcible according to the terms thereof, and the United States, each of the States, and the municipalities and citizens of each of these States, will be bound thereby and will be able to obtain relief from the provisions of said compact relating to apportionment of water only by consent of Congress and of each of the States party to the compact.

2. The waters apportioned by article 3 of said compact are apportioned from the "Colorado River system." By article 2 of said compact the term "Colorado River system" is defined as "that portion of the Colorado River and its tributaries within the United States of America." The apportionment of 7,500,000 acre-feet to the lower basin, therefore, includes the waters of the Gila, Bill Williams, Little Colorado, and Virgin Rivers, as well as all other waters that naturally flow into the Colorado between Lee Ferry and the international boundary. We use the figure 7,500,000 rather than 8,500,000 acre-feet for the reason that it is not clear to us whether the provision for the additional 1,000,000 acre-feet authorizes an increase over the 7,500,000 acre-feet or merely an increase of the appropriation existing at the date of said compact.

3. Existing rights to water from the Colorado River system will not be destroyed by the ratification of said compact. Until storage capacity of 5,000,000 acre-feet is provided on the main Colorado River within or for the benefit of the lower basin, rights perfected in the several States at the date of said compact will prevail according to their priority as if no compact had been made. After the aforesaid storage capacity has been provided the appropriations in each basin will be limited to the waters apportioned to said basin and the present perfected rights from the main Colorado in the lower basin will attach to and must be satisfied out of such stored water. This does not increase the amount of water apportioned to the lower basin, but permits the upper basin to take its water to the extent it desires at the low stages of the river, even to the extent of taking the whole stream flow and compelling the lower basin to supply its appropriations from the main Colorado at low stages of the river out of the stored supply.

4. Priority of appropriations, whether perfected or inchoate among the States of the lower basin, will not be affected by the ratification of the proposed compact. If the existing appropriations in those parts of the States of Arizona, California, Nevada, New Mexico, and Utah, which lie within the lower basin, require all of the water apportioned to the lower basin, no further appropriation can be made from the Colorado River system in the lower basin. Under the express provision of article 3 of said compact the additional waters above the apportionment are subject to disposal as follows: (a) By treaty to Mexico; (b) after October 1, 1963, to further apportionment with the consent of each of the signatory States and Congress. Independent of any provision of said compact, such additional waters will be subject to appropriation in Mexico. This necessarily follows, because Mexico will not be a party to the compact and will not be limited thereby, and upon the fundamental principles of equity and justice applied by the Supreme Court of the United States to appropriations from interstate streams which are undoubtedly a part of the law of nations, the United States recognizing and asserting the right of prior appropriation will not be in a position to deny the same right to a neighboring nation. Our statement that the additional waters above those apportioned will not be subject to appropriation does not necessarily mean that the lower basin States will not be permitted to use such waters until other disposition is made thereof under the compact. On general principles such temporary use would be permitted, but the said compact plainly does not contemplate that any rights whatever will be gained by such temporary use, and it may well be said that the acquisition of any temporary right is impliedly prohibited by the compact. In any event such temporary use, if permitted at all by the compact, will be subject to termination at any time when other use or disposition of said water is made under the terms of the compact.

5. Your question as to the effect of the compact on the desire of the city of Los Angeles to obtain a substantial quantity of water from the Colorado River for its municipal purposes presents several interesting questions. Your assertion that the States of Arizona, California, Nevada, New Mexico, and Utah have already appropriated the full quantity of water to which the lower basin will be entitled under the compact is accepted by us without question, because we know of no one better qualified to speak authoritatively with respect to this question than yourself. It follows from this premise that the city of Los Angeles can acquire no valid appropriation from the Colorado River system after the compact is ratified. Assuming that it may make temporary use of the waters available above those apportioned by the compact, such temporary use will certainly be subject to termination at any time by treaty with Mexico, and will probably be subject to termination by appropriation in Mexico without the aid of treaty, for the reason that the State of California will be in the position of having bound itself by solemn compact not to appropriate these waters, and Mexico will be bound by no agreement limiting her right to appropriate such waters. Such temporary use of said surplus water will also be subject to termination after October 1, 1963, by a supplemental apportionment under the compact. Since the existing appropriations of the Yuma and Imperial Valleys attach to the stored water under the compact, any right the city of Los Angeles can acquire to the waters of the Colorado River will be expressly subject to such rights of the Yuma and Imperial Valleys. If there should be sufficient stored water available to supply the needs of Los Angeles after taking care of the prior Yuma and Imperial Valley rights, and Los Angeles should proceed to construct its works at great expense and divert such surplus waters from the Colorado River, the Yuma and Imperial Valleys would be precipitated into a fatal conflict with Los Angeles whenever other disposition of the surplus waters of the Colorado River should be made to Mexico or the other States under the provisions of the compact or such surplus water should be appropriated by Mexico.

6. Your suggestion that the proposed compact is essentially a limitation upon the benefits to be derived by Arizona and California from

the Colorado River is correct. Said proposed compact undoubtedly limits the water available from the Colorado River for the benefit of the States of Arizona and Colorado as against the upper-basin States, and also limits the rights of the States of Arizona and California to the waters of the Colorado River as against Mexico.

The general plan of the compact which apportions a certain number of acre-feet from the Colorado River system to the upper basin and a certain number of acre-feet to the lower basin—the aggregate of the two apportionments being less than the total amount of water produced by the system and binds the several States to make no further appropriations from said system until the year 1963—seems to be in effect a setting aside of all of the remainder of the water produced by the system to Mexico and to be in the nature of a suggestion to the treaty-making powers of the United States to deliver to Mexico the surplus of such waters. This is a phase of the compact that has not received the consideration that should be given to it. It would seem desirable that the proposed compact be rewritten so as to divide between the upper and lower basins the total water produced by the system with a provision that if any of the same is delivered to Mexico by the treaty-making power, each of the basins will contribute their pro rata part of the amount so delivered to Mexico.

Very truly yours,

KIBBEY, BENNETT, GUST, SMITH & LYMAN.
By J. L. GUST.

STATEMENT OF MR. THOMAS MADDOCK

1. The bill would create a storage reservoir which would automatically increase the river's flow of water, permitting Mexico to increase her irrigated acreage beyond the 300,000 physical and contractual limitation existing at present without notifying Mexico that her moral claims to water shall not extend to that which is created by storage within the United States.

2. The bill confirms the error made at Santa Fe of limiting the consumptive use in the lower basin to 8,500,000 acre-feet, which stops further development, as there will be more than this amount required for projects now built or under construction.

3. The bill, by granting unlimited time to the States of the upper basin for their slow development and subsidizing the California development, would force Arizona to bear all the shortage that exists in the entire Colorado River Basin between the land which is susceptible of irrigation and the available water supply.

4. The bill would compel the sovereign State of Arizona to accept a law not general in character which two of our legislatures have refused to ratify.

5. The bill is contrary to the recent decision of the Supreme Court which established the law of prior appropriation and beneficial and economic use (Colorado-Wyoming), as it abrogates it between basins and nullifies it within the lower basin by a subsidy which destroys the equality of opportunity for development by economic competition.

6. The bill pretends to favor ex-service men in securing land while really advancing the development of a project, of which most of the land is in private possession, against other projects which have a greater proportion of land still owned by the Federal Government. (Sec. 9.)

7. The bill seeks to use Liberty loan laws passed in a war emergency to finance a project unable to secure a national appropriation. (Sec. 2F.)

8. The bill uses the natural resources of Arizona and Nevada to develop California, leaving those of Utah, Colorado, New Mexico, and Wyoming for the benefit of citizens of those States.

9. The bill compels pumping projects in Arizona and Nevada, to pay part of the cost of gravity projects in California.

10. The bill permits the Secretary of the Interior to waste water for power production that may be needed for irrigation. (Sec. 6.)

11. The bill creates a unit of construction which will not be an economic part of the complete development of the river. (See testimony of Federal engineers, La Rue, Kelly, Merrill, Stabler, and Secretaries Weeks, Wallace, and even Work.)

12. The bill provides water storage at a place of large evaporation due to low altitude and latitude and provides for irrigating the land which is the greatest possible distance from water origin, thus entailing a maximum evaporation loss in transit.

13. The bill is discriminatory between States in that it gives the canals and power plants developed in California to the people of that State while retaining title to dams built in Arizona and Nevada by the Federal Government.

14. The bill is discriminatory in authorizing a six-State compact to control the water of seven States by providing that California must be one of six consenting States (sec. 12) and allowing all of the seven Colorado River Basin States a veto except Arizona. (Sec. 4.)

15. The bill attempts to validate a contract for unlimited water for the Imperial Valley which California can not secure if limited to the utilization of her own natural resources. (Sec. 10.)

16. The bill will result in endless litigation as it probably violates the United States Constitution.

Article I, section 8, paragraph 1, says taxes shall be uniform. The bill taxes Arizona and Nevada resources to pay for California development.

The tenth amendment provides that powers not delegated to the United States by the Constitution were reserved to the States. The Nation had to go to the States for authority to handle prohibition, income taxation, and suffrage. In this bill the Nation would usurp the State right to the water and power of its rivers without any specific constitutional authority permitting such action.

Article I, section 8, paragraph 2, gives Congress power to borrow money on credit of the United States, not on water-power development.

Article I, section 8, paragraph 17, permits Congress to declare war, provides for docks, arsenals, and other buildings limited by the State legislatures' consent to purchase of necessary land. It does not authorize the building of dams, canals, etc., by the Federal Government without the consent of the State. Such consent heretofore has been considered necessary.

17. The bill would permit the city of Los Angeles to make power investments in Arizona and Nevada exempt from taxation by these States while that city now pays taxes on her water aqueduct to California counties which it traverses.

The above does not exhaust the reasons for opposition to this bill but should be sufficient to warrant Arizona's opposition to it.

* * * * * * *

THOMAS MADDOCK.

Mr. ASHURST. Mr. President, the region drained by the Colorado River and its tributaries, known as the Colorado River Basin, is about 900 miles long, from 300 to 500 miles wide, and embraces 251,000 square miles, an area larger than Georgia, New York, North Carolina, Pennsylvania, and Virginia combined.

The Colorado River proper is formed by the junction of the Green and the Grand; the name of the Grand was by act of Congress approved the 25th day of July, 1921, changed to the Colorado. Green River from its source to its junction with the Grand is 700 miles long. The Grand River from its source to its junction with the Green is about 450 miles long.

Green River heads near Fremont Peak in the Wind River Mountains, Wyoming, in a group of alpine lakes fed by perpetual snows. The source of the Grand is in Colorado. Like the Green, it is fed by small alpine lakes that receive their waters directly from snow banks. Including the Green, the Colorado River is about 1,700 miles long and empties into the Gulf of California in latitude 31° 53′ and longitude 115°.

The Colorado River enters Arizona from Utah near what is called the Crossing of the Fathers and flows in Arizona on a meandered line 330 miles to the Arizona-Nevada State line, in Iceberg Canyon. From this point the river forms the western boundary line of Arizona on a meandered line for 400 miles, to the point where it intersects the boundary line between Arizona and Old Mexico.

The Colorado River Basin—that is to say, the region traversed by this river and drained by its tributaries—contains mountains reaching to a height of 13,500 feet, belted at the base by forests of vivid green, and capped with gleaming snow; it contains playas and inland lakes below the level of the sea; it contains vast plateaus of rugged, black scoria; immense forests of pine, cedar, and pinion, and in these forests are hundreds of small parks, bowl-like gems of exquisite scenery; it contains the largest area of recent volcanic action to be found on the continent, "recent" being employed in its geological sense. It contains a real desert where the raw and scorching sun comes down as a pitiless flail, where the sand reflects the heat and glare and distresses the eye of the traveler, and where little dew or moisture is deposited, but where a wind, hot as a furnace blast, sometimes blows from the south.

Before a railroad was built through it a journey over this desert was at times dangerous and always fraught with discomfort. Day after day nothing was to be seen but an expanse of hot sand, with now and then a cactus lifting its thorny arms into the brazen gloom. The loneliness of the pioneer pilgrim there seemed to sever him from human things and to remove him an infinite distance from the world, with its interests and its occupations, but nature, in one of her capricious moods, also placed in this same basin the richest agricultural lands in the Western Hemisphere.

In some parts of this basin, which were populous before the pyramids were built, ancient peoples builded cities not wholly lacking in grandeur. These peoples of antiquity wove and spun cotton and flax into gauzy tapestries before Romulus and Remus were suckled. They melted gold and silver into chieftain's ornaments and queens' girdles before Cæsar's legion brought tribute back to imperial Rome.

Centuries before the Knickerbocker set foot on Manhattan Island, tribes of men now vanished irrigated the fertile sands of the lower basin of the Colorado River from canals and reser-

voirs finished with hard linings of tamped or burnt clay which in some degree possessed the endurance of our modern concrete. The origin of this people is enwrapped in the mists of antiquity. Nothing has been found of sufficient distinctiveness to enable us to do more than speculate and form ingenious theories as to whence they came, how long they enjoyed their tolerable civilization, and whither and why they went.

Within this basin and in Arizona is the Petrified Forest, whose trees lived their green millenniums and put on immortality in Triassic time, 7,000,000 years ago. The trees were of several kinds, most of them being related to the Norfolk Island pines. A small amount of iron oxide is distributed through the logs, which gives them their beautiful yellow, brown, and red tints.

Within the region traversed by the Colorado River and drained by its tributaries is the Painted Desert, in which at a distance you perceive the "sea of jasper" and the face of cliffs that gleam like jewels; you seem to descry fortifications with flags flying on their ramparts, and walled towers on conical hills amidst an admixture of light and shade.

Within this basin and in Arizona is the Grand Canyon, of wondrous colors, of bold escarpments, pyramids, swelling domes, mosques, minarets, and isolated mesas through which rolls and tumbles the Colorado River.

On the 5th day of January, 1886, in the Forty-ninth Congress, the first bill to make the Grand Canyon a national park was introduced in the Senate by the late ex-President Benjamin Harrison, then a Senator from Indiana. This bill failed to become a law, and the project was presented to the Congress from time to time since 1886.

In the Sixty-fifth Congress I introduced a bill to make the Grand Canyon a national park. The bill was referred to Secretary of the Interior Lane for a statement of the facts relating to the subject, and in the Secretary's report to the committee he states as follows:

> It seems to be universally acknowledged that the Grand Canyon is the most stupendous natural phenomenon in the world. Certainly it is the finest example of the power and eccentricity of water erosion, and as a spectacle of sublimity it has no peer.
>
> It would be futile to attempt to describe the Grand Canyon. However, a review of a few facts with relation to the canyon would be pertinent to a report of this character.
>
> The Colorado River, which flows through the gorge, drains a territory of 300,000 square miles, and it is 2,000 miles from the source of its principal tributary to its entrance into the Gulf of California. It is one of America's greatest rivers. It is proposed by this bill to establish a national park at the point in the river's course where it has worn a channel more than a mile deep. This enormous gulf measures occasionally 20 miles across the top.
>
> The sides of the gorge are wonderfully shelved and terraced, and countless spires rise within the enormous chasm, sometimes almost to the rim's level. The walls and cliffs are carved into a million graceful and fantastic shapes, and the many-colored strata of the rocks through which the river has shaped its course have made the canyon a lure for the foremost painters of American landscapes.
>
> * * * * * * *
>
> It seems that the Grand Canyon, therefore, is entitled to the same status and to an equal degree of consideration by Congress as are enjoyed by Yellowstone, Yosemite, and the other great national parks which contain natural phenomena of the first order, and I heartily recommend immediate favorable action looking toward the enactment of this bill.

The bill passed both Houses of Congress and was approved by President Wilson on the 26th day of February, 1919.

The Grand Canyon National Park represents an area of approximately 950 square miles, a greater part of which is within the walls of the canyon.

FUTURE OF THE COLORADO RIVER BASIN

What is to be the future of the Colorado River Basin, a country larger in area than the tract of land which Virginia, with princely liberality, ceded to the General Government in 1787, out of which five States were erected?

Of course, its forests will be utilized, its mineral wealth will be sought, its scenic beauties will be unfolded; but its greatest development must come from its water resources, upon which the development of its other resources must largely depend. Without the water afforded by Colorado River and its tributaries, vast tracts of its land would remain unproductive and practically useless; but the Hand that formed this land, cleft its mountains in twain, filled their caverns with precious metals, painted its landscapes in colors warranted never to fade, and that replenishes this river left it feasible for man not only to construct large irrigation systems and to build towns, cities, and prosperous agricultural communities within this basin, but to generate hydroelectric power for lighting, heating, industrial uses, and the transportation of freight and passengers.

In discussing the broader possibilities and problems of the Colorado River Basin there are hundreds, even thousands, of minor yet important possibilities of expansion that I necessarily must leave unmentioned, although these future minor auxiliary developments will have much local importance and in the aggregate true natural significance. In general such minor or auxiliary projects do not preclude the larger use of the river, but must be undertaken as part of that larger use.

The record of accomplishment of the United States Reclamation Service enriches the annals of the American people. Irrigation projects charm the imagination with their wizardry. Their power of transforming barren deserts into grain and cotton fields, into orchards and vegetable and flower gardens makes the lamp of Aladdin and the purse of Fortunatus seem tame and prosaic. The wildest hyperbole would not overestimate the strength, wealth, beauty, comfort, and public order that would be added to this Nation were all the unemployed agencies of the Colorado River utilized.

In order more readily to comprehend the potentialities of the Colorado River, it may be helpful at this point to translate some technical terms into common expressions.

One second-foot is a flow of 1 cubic foot of water per second.

One acre-foot is a volume of water sufficient to cover 1 acre 1 foot deep; 16,400,000 acre-feet of water would submerge the District of Columbia over 400 feet.

A horsepower is a rate of work equal to lifting 33,000 pounds 1 foot per minute. Originally based on observations of dray horses, it greatly exceeds the average performance of an ordinary horse.

The combined peak demand on all power plants in the District of Columbia in 1920 was 95,000 horsepower.

The total development at Niagara in 1916 was 575,000 horsepower.

The installed substation capacity on the Chicago, Milwaukee & St. Paul Railway electrification is 180 horsepower per mile.

At 200 horsepower per mile, 4,800,000 horsepower would serve 24,000 miles of electrified railroad, which roughly approximates the total railroad mileage in Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming.

POWER

A vast amount of power is dissipated in the fall of the Colorado River. Imaginative France calls water power "white coal," and this brilliant characterization suggests a coal free from dust, cheaper, easier handled, a supply inexhaustible, which after used flows on to the projects below and may be used again and yet again.

Thus on the main stream of the Colorado River below the junction of the Green and the Grand known power sites on the river have 6,000,000 potential horsepower, and of this 6,000,000 potential horsepower 4,000,000 thereof would be developed and generated in the State of Arizona.

The percentage of water which the States within the Colorado River Basin contribute, respectively, to the Colorado River is about as follows:

	Per cent
Arizona	28
California	00
Colorado	53. 7
Nevada	.3
New Mexico	1
Utah	7
Wyoming	10
Total	100

Mr. President, the figures as to the percentages of water supplied to the Colorado River by these various States have been furnished to me by an authority which I deem to be correct, but there is no man, no matter whom he may be, who can with precision and definiteness say exactly how much water each State contributes. The only point upon which we may be exact and upon which all authorities agree and upon which there is no dispute is the assertion that California contributes no water whatsoever to the river.

Mr. KENDRICK. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Wyoming?

Mr. ASHURST. I yield.

Mr. KENDRICK. I want to ask the Senator from Arizona if there is not a general agreement on another point, and that is that the upper-basin States contribute about seventy-nine and a fraction per cent of the total flow of the river?

Mr. ASHURST. I have no desire to expand the figures with respect to the percentage which Arizona furnishes. It would

ill-become me to do so. It is a matter of general belief that the upper-basin States do not furnish quite the proportion the able Senator indicates.

According to the figures which I have assembled—and I have been some three years from time to time trying to assemble these figures—Arizona furnishes 28 per cent, California 0 per cent, Colorado 53.7 per cent, Nevada 0.3 per cent, New Mexico 1 per cent, Utah 7 per cent, and Wyoming 10 per cent, making 100 per cent.

Mr. KENDRICK. The figures given me by the Department of the Interior, I believe, are substantially the same as those presented here by the Senator from Arizona but differing in so far as the full amount furnished by the upper-basin States, which is estimated by the department to be 79 and a fraction per cent.

Mr. ASHURST. Let me say in reply to the able Senator that, running through a cycle, doubtless there have been years when the upper-basin States in some particular year furnished 79 per cent, so the Senator has some basis for his statement, considering especially that California furnishes nothing and that Nevada furnishes but three-tenths of 1 per cent of the waters.

I now read the following letter, which is self-explanatory:

UNITED STATES DEPARTMENT OF THE INTERIOR,
GEOLOGICAL SURVEY,
Washington, April 2, 1926.

Hon. HENRY F. ASHURST,
United States Senate.

MY DEAR SENATOR ASHURST: In response to your letter of March 31, I am inclosing a statement in tabular form which I believe will supply the information you desire respecting the flow of Colorado River at Lees Ferry and points below. Attention is called to the fact that the averages for the stations at Bright Angel Creek and Lees Ferry are based on records extending over but three and four years, respectively, and are probably below a long-time average inasmuch as the years 1924 and 1925 were years of low run-off in Colorado River Basin.

Flow in second-feet may be converted into acre-feet by multiplying by the number of days that the flow existed and that product by 1.98. If the rate of flow of a stream is 15,000 second-feet the run-off in one day will be 29,700 acre-feet; in a 30-day month it will be 891,000 acre-feet; and in one year 10,840,500 acre-feet. The computations may be reduced and results obtained within 1 per cent by using 2 as the factor instead of 1.98.

Yours very cordially,

GEORGE OTIS SMITH, *Director.*

Annual flow of Colorado River at points in Arizona

Gaging station	Years of record[1]	Second-feet			Acre-feet		
		Maximum year	Minimum year	Average	Maximum year	Minimum year	Average
Lees Ferry	1922–1925	22,300	15,800	19,400	16,100,000	11,400,000	14,000,000
Bright Angel Creek	1923–1925	23,500	16,100	19,200	17,000,000	11,700,000	13,900,000
Topock	1918–1925	29,800	16,200	22,900	21,500,000	11,700,000	16,600,000
Yuma	1903–1924	36,000	13,600	23,700	26,100,000	9,870,000	17,200,000

[1] Years ending Sept. 30.

Mr. KENDRICK. Mr. President, will the Senator from Arizona yield to me to enable me to bring up a matter with reference to a bill in which I am interested?

Mr. ASHURST. The bill now before the Senate, the Boulder dam bill, is the most important bill that will ever be considered in our time. I wish to yield to my colleagues. I think it is my duty to yield. I realize that I can not capitulate or bargain with the Senate, or the Chair, but I wish it understood that when I yield on these matters of courtesy it must not be considered that I have spoken more than once. With that understanding I am glad to yield to the Senator from Wyoming.

[The matter which Mr. KENDRICK called up appears elsewhere under its proper heading.]

NAVIGABILITY

Mr. ASHURST. Mr. President, prior to the construction of the Southern Pacific Railroad into Yuma, in 1876, practically all of the supplies reaching Arizona for the settlers and the troops came from California by steamer to Yuma, Ariz., where the ocean steamers lightered and their cargo was transferred to river steamers, which distributed the merchandise to the various settlements along the river between Yuma and Callville, thence to be hauled into the interior of Arizona by ox teams. For many years two steamers, the *Esmeralda* and the *Nina Tilden*, made regular trips up and down the river between Callville and Yuma, at which latter place they connected with steamships plying between Yuma and San Francisco. The owners of these river boats seeking trade carried standing advertisements in the Salt Lake City and San Francisco newspapers up to 1867.

FLOODS ON COLORADO RIVER

Hernando de Alarcón sailed in May, 1540, to explore the region north of New Spain, and reached the head of the Sea of Cortes, now known as the Gulf of California. He says: "And it pleased God that after this sort we came to the very bottom of the bay, where we found a very mighty river which ran with so great fury of a stream that we could hardly sail against it." Here began the acquaintance of Europeans with the river now known as the Nile of the West. Alarcón proceeded up the Colorado in small boats to a point about 100 miles above the mouth of the Gila River.

Owing to the gradual upbuilding of its deltaic bed and banks and its aggressive "cutting edge" the flood menace on the Colorado River is an ever-recurring problem.

The Gulf of California once extended northwestward to a point a few miles above the town of Indio, or about 144 miles from the present head of the gulf. The Colorado River, emptying into the gulf a short distance south of the international boundary, carried its heavy load of silt into the gulf for centuries, gradually building up a delta cone entirely across the gulf and cutting off its northern end, which remains as a depression from which most of the water has evaporated, leaving in its bottom the Salton Sea of 300 square miles, with its surface below sea level.

The river flowing over its delta cone deposits silt in its channel and by overflow on its immediate banks, so that it gradually builds up its channel and its banks and forms a ridge growing higher and higher until the stream becomes so unstable that it breaks its banks in the high-water period and follows some other course. In this manner the stream has in past centuries swung back and forth over its delta until there exists as a broad flat ridge between the gulf and the Salton Sea, about 30 feet above sea level, and on the summit of this has formed a small lake called Volcano Lake, into which the river flows at present, the water then finding its way to the southward into the gulf.

The floods of the Colorado divide themselves naturally into two general classes—those from the Colorado River, which drain the large areas in Arizona, Colorado, New Mexico, Nevada, Utah, and Wyoming, and those from the Gila River, of Arizona.

The Gila River, owing to its temperamental and flashy nature, sometimes furnishes a volume of water and flood waves at its mouth near Yuma almost as large as the maximum discharge of the Colorado at the same point.

During the past 25 years at flood seasons the Colorado and the Gila have overflowed their banks and have done damage to the landowners and water users on the eastern side of the river below Yuma, and although the land in that region is very fertile and the average yield per acre is high, the expense of controlling this mighty river and keeping it in a fixed channel is a burden of crushing weight which can not be borne by the farmers there.

If Imperial Valley in California is imperiled by floods of the Colorado River, the blame can not be laid at Arizona's door. If disaster should come to Imperial Valley, Arizona will sympathize deeply with the citizens of that valley. Every responsible citizen of Arizona is now and always has been in favor of the all-American Canal and flood-control to protect Imperial Valley. Arizona has extended to Imperial Valley the hand of friendship, and has spoken in the calm language of justice. The Arizona delegation in Congress is not only willing but anxious to vote for any and all appropriations necessary to build the all-American canal and secure flood control for Imperial Valley.

Let me read to you from a speech delivered by Hon. Thomas Maddock at the conference held at Phoenix, Ariz., on August 17, 1925, at which conference there were present the following delegates:

California: Senator Ralph E. Swing, of San Bernardino, chairman; Assemblyman A. C. Finney, of Brawley, secretary; Senator L. L. Dennett, of Modesto; Assemblyman Walter J. Little, of Los Angeles; Arthur P. Davis, Oakland, engineer.

Nevada: Charles P. Squires, Las Vegas, chairman; George A. Cole, Carson City; George W. Borden, Carson City; Levi Syphers, St. Thomas.

Arizona: Cleve W. Van Dyke, of Miami, chairman; H. S. McCluskey, of Phoenix, secretary; Thomas Maddock, of Phoenix; F. A. Reid, of Phoenix; A. C. McGregor, of Warren.

Mr. Maddock is an able and experienced engineer and an eminent citizen of Arizona. In the course of his well-considered speech he said the following:

Now, here is one point, I want to say to you, we believe we can give you everything that you want or need in both California and Nevada, but we are not willing to let the sheep of flood protection cover up the wolf of power and water greed. We will not allow you to get away with our resources just simply because you need protection. We want to give you that protection. We would be glad to. We would be glad to help you in any way to get the Imperial Valley away from the menace of the Mexican control. We are glad to help you that way and if the people of this State feel that way I will tell you that our Representatives and Senators will be that way or we will change them. Now, then, I want to say one thing and just this in closing, if this delay that I prophesy does occur, and if finally you do start something, but the engineering estimate is from 10 to 20 years, you run up against the inevitable breaking of the Colorado River back into the Imperial Valley. If this two or three years delay, added to the construction period, so delays that you get a big flood there and forever drowns out your valley, I say to you gentlemen that the blood of your people of that valley be on your own heads.

If the advocates of the Swing-Johnson bill had exercised the energy, prescience, and judgment employed by the Arizona delegation in Congress, Imperial Valley would to-day have been protected from floods of the Colorado River and the all-American canal would have been nearing completion; but, most unfortunately for Imperial Valley, the advocates of the Swing-Johnson bill preferred to spend their time and energy in planning how most effectively to exploit Arizona's resources rather than to spend their time and energy in securing the relief which Congress would quickly and amply grant. Just so long as Imperial Valley continues to be beguiled by those urban Pollyannas who seek to acquire Arizona's potential hydroelectric energy, just so long will Imperial Valley be imperiled.

There is ample time remaining during the life of this Congress to authorize flood control and the all-American canal for Imperial Valley if she will but consent to accept such relief.

Arizona knew full well that she could not defer flood-protection, river-front, and levee work until the Swing-Johnson bill should become a law; so, with foresight and prudence, assisted by Col. Benjamin Franklin Fly—the able parliamentary solicitor for the Yuma irrigation project—Arizona's delegation in Congress finally convinced Congress of the injustice of requiring the water users and landowners of the Yuma irrigation project to bear the expense of holding the Colorado River within a fixed channel at Yuma, and the following legislation was enacted:

[Public, No. 585, Sixty-eighth Congress]

[H. R. 11472]

An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes

* * * * * * *

SEC. 16. (a) That there is hereby authorized to be appropriated, out of any moneys in the Treasury of the United States not otherwise appropriated, the sum of $650,000, or so much thereof as may be necessary, to reimburse the reclamation fund for the benefit of the Yuma Federal irrigation project in Arizona and California for all costs, as found by the Secretary of the Interior, heretofore incurred and paid from the reclamation fund for the operation and maintenance of the Colorado River front work and levee system adjacent to said project.

(b) That there is hereby authorized to be appropriated, out of any moneys in the Treasury of the United States not otherwise appropriated, the sum of $50,000, or so much thereof as may be necessary, to be transferred to the reclamation fund and to be expended under the direction of the Secretary of the Interior for the purpose of paying the operation and maintenance costs of said Colorado River front work and levee system adjacent to said Yuma project, Arizona-California, for the fiscal year ending June 30, 1926.

(c) That there is hereby authorized to be appropriated, out of any moneys in the Treasury of the United States not otherwise appropriated, for the fiscal year ending June 30, 1927, and annually thereafter, the sum of $35,000, or so much thereof as may be necessary, as the share of the Government of the United States of the costs of operating and maintaining said Colorado River front work and levee system.

Approved, March 3, 1925.

* * * * * * *

[Public, No. 560, Sixty-ninth Congress]

[H. R. 11616]

An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

* * * * * * *

That there is hereby authorized to be appropriated, out of any moneys in the Treasury of the United States not otherwise appropriated, for the fiscal year ending June 30, 1928, and annually thereafter, the sum of $100,000, or so much thereof as may be necessary, to be spent by the Reclamation Bureau under the direction of the Secretary of the Interior, to defray the cost of operating and maintaining the Colorado River front work and levee system adjacent to the Yuma Federal irrigation project in Arizona and California.

Section 16 (c), act approved March 3, 1925 (43 Stat. L., p. 1198), is hereby repealed.

Politically, financially, industrially, socially, and economically California is one of the most powerful States of the Union, and if her congressional delegation will but labor for Imperial Valley along the same practical lines that Arizona labored for Yuma success will abundantly crown their efforts.

If the sword of Damocles is suspended over Imperial Valley and the waters of wrath are held in check only by a tricky guard of sand, let the California delegation follow the example of Arizona and obtain the relief which Congress would be willing to grant.

Arizona is a State of slow growth compared with California, and we do not intend that our future and our opportunity for development and growth shall be foreclosed by the avidity of southern California, which is a country of rapid development.

I know the generosity of Senators will pardon me if I now presume to solicit their attention while I make a reference personal to myself. My forebears were members of that bold advance guard of pioneers who 70 years or more ago explored the Colorado River Basin. From the time of my youth to the present day I have wielded ceaselessly what strength was mine, which was modest and small enough, to bring about the development of the potentialities of the Colorado River. The time now seems not far distant when my hope shall be realized, and there shall be brought forth within and for the United States the inland empire of the Colorado River Basin, an empire wealthier than that which Pizarro added to the dominions of Charles V, and more splendid and more durable than that of the Cæsars. Unfortunately, however, the legislation now proposed for development of the Colorado River (S. 3331) is sectional in character, is wholly in the interest of California, and disregards the rights of Arizona.

The Colorado River is the Nation's most remarkable and dramatic river in its value for irrigation and hydroelectric energy. It combines concentration of fall, sites for power plants, reservoir sites for controlling the river flow, and a vast volume of water for irrigating several million acres of land.

Other rivers may be used, either for irrigation or for hydroelectric power, but no other river in the Western Hemisphere presents such enormous opportunity for the use of its waters for both irrigation and power.

In approaching the problems of a river so pregnant with possibilities for development, it is important that all the factors connected therewith—engineering and economic—should be fully evaluated and that expediency shall play no part therein.

It is the opinion of all experts that there is no surplus water in the Colorado River, therefore in any plan of developing that river, extreme care should be exercised so that no practicable potentiality shall be needlessly sacrificed.

There exists now in some sections of the Colorado River Basin a demand for irrigation, hydroelectric power, and flood control, and whilst the development proposed by this bill is dazzling, nevertheless, a visualization of farms, fields, factories, towns, and cities yet to arise of which the Colorado River must be the alimentary canal is equally as important, hence no plan or scheme should be adopted which would forever preclude the possibility of a full use of all the water resources of the river.

Before many years shall have passed the demand for water within the Colorado River Basin will be as great, possibly greater, than the available supply; therefore it would be a tragic blunder were the initial dam placed at a point so far downstream as to preclude construction in the future of other dams or series of dams which will inevitably be necessary higher up the river, and unfortunately that is what the bill S. 3331 proposes to do.

The logical and practical way to develop a river is to begin at its source and work toward its mouth. This bill proposes to reverse this logical and practical order of development.

The elevation of the water surface of the Colorado River at Glen Canyon is 3,127 feet, at Bridge Canyon it is 1,207 feet, and at Boulder Canyon it is 705 feet.

ARIZONA

Ninety-seven per cent of the entire area of the State of Arizona is within and constitutes 43 per cent of the total area of the Colorado River drainage basin.

Arizona contributes about 28 per cent of the waters of the Colorado River.

Of the 6,000,000 firm horsepower of potential hydroelectric energy in the lower basin 4,000,000 thereof is in Arizona, but the Boulder Canyon plan of development would allot to Arizona only an insignificant fraction of this hydroelectric power.

Of the lands in Arizona susceptible of irrigation, all thereof to be irrigated must obtain their water from the Colorado River or its tributaries in Arizona; they have no other waters from which to draw.

CALIFORNIA

Only 2 per cent of the Colorado River drainage basin is in California.

California contributes no water to the Colorado River.

The fact that California does not furnish any water to the Colorado River is no reason why California should not have some water, but it is one of the reasons why she should not have the lion's share thereof.

The Boulder Canyon plan of development allots to California 37 per cent of the waters of the Colorado River.

The Boulder Canyon plan allots to California practically all of the hydroelectric power to be generated in the lower basin of the Colorado River.

California has 18,000,000 acres of land irrigable by waters other than by the waters of the Colorado River.

Of potential hydroelectric energy, California has 6,000,000 horsepower which may be developed within her borders on streams other than the Colorado River or its tributaries.

The Boulder Canyon plan allots to California practically all the hydroelectric power developed in Arizona, but California would not permit Arizona to direct the allocation of the hydroelectric power developed on California streams.

It is the opinion of numerous engineers of large ability and vast experience that to place the initial high dam at Boulder Canyon would sacrifice priceless resources of this river inasmuch as a high dam at Boulder Canyon would defeat a comprehensive and systematic plan of maximum development.

A storage dam at Glen Canyon, with a diversion dam at Bridge Canyon, would achieve precisely what is sought by a dam at Boulder Canyon, viz, flood control, irrigation, hydroelectric power, and domestic water for the cities and towns of southern California; and, furthermore, such dams at Glen Canyon and at Bridge Canyon would sacrifice no potentiality of the river.

Mr. KENDRICK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Wyoming?

Mr. ASHURST. I yield.

Mr. KENDRICK. I wanted to ask the Senator whether the construction of the dam at Boulder Canyon would interfere with the construction later of a dam at Glen Canyon.

Mr. ASHURST. I am not an engineer, but I have consulted numerous engineer authorities, some of them being very respectable in standing, and it is their opinion that the construction of a high dam at Boulder Canyon would ultimately prevent the construction of a large dam higher up the river, and they hold that the logical and proper way to develop a river would be to begin near the source and work toward the mouth.

Mr. KENDRICK. The Senator will recall the testimony given before our Committee on Irrigation and Reclamation, in which it was stated by, I believe, Mr. Weymouth, former chief engineer of the Reclamation Service, that the waters impounded by the Boulder Canyon Dam would not reach the site proposed for the Glen Canyon Dam; that is, if the dam were not made higher than 550 feet.

Mr. ASHURST. Mr. Weymouth gave that testimony.

Attention is directed to the testimony of Mr. O. C. Merrill, executive secretary of the Federal Power Commission (see p. 505, vol. 5, hearings before Senate Committee on Irrigation and Reclamation):

> While the resources of the Colorado River approximate from 4,000,000 to 6,000,000 horsepower, way beyond present-day requirements of the Southwest, and including in the Southwest the southern half of California, there is no reasonable doubt that within the next half century at the outside there will be demand for all the hydroelectric energy that the lower Colorado River at least can supply, and care must, therefore, be taken in any scheme of development of the river to see that we do not sacrifice, unless for outstanding reasons, any future possibilities of power.

It is, of course, true that we should attempt to serve our generation and meet the needs and requirements of our own day, but it is none the less true that we will never be forgiven at the bar of public opinion if in serving our own day and generation we reject a plan for Colorado River development (viz, storage dam at Glen Canyon and diversion dam at Bridge Canyon), which plan if consummated would furnish all the practical results needed and desired by this generation and would at the same time conserve all the natural advantages of this river for those who in the days yet to come are to live in the Colorado River Basin. It is entirely within the realm of practicability to irrigate every acre of land within the Colorado River Basin susceptible of irrigation if science and national welfare, instead of expediency and selfishness, be allowed to control.

There will be no remorse so poignant as that which will come from a realization, after the expenditure has been made, that in placing the high dam too far down on the river—at Boulder Canyon—a potential empire in the lower basin has been stunted.

The enactment of this bill into law would sentence Arizona to obscurity and render impossible in that State any large development in the future.

This bill, however, with all its vices, is at least free from the vice of hypocrisy. It sedulously and intentionally proposes to sever Arizona's jugular.

The bill is intended to be, and is, an attempt to coerce Arizona. One administration unsuccessfully attempted to coerce Arizona into joint statehood with New Mexico. Another administration unsuccessfully attempted to coerce Arizona upon certain provisions of her constitution, and those of the present administration who are attempting by this legislation to coerce Arizona will ultimately discover that they have simply been standing like large locomotives on a sidetrack, without driving rods, wasting their steam in vociferous and futile sibilation.

What abysmal folly to condemn, as this bill does, 200,000 firm horsepower, which is over one-third of all the electrical energy proposed to be generated at Boulder Canyon, eternally to the task of lifting 1,500 second-feet of water to a height of 1,730 feet and pumping the same to the cities and towns of southern California for their domestic use, when at no greater cost the same supply of domestic water may be sent to these same cities and towns of southern California by gravity from a diversion dam at Bridge Canyon, and thus save and release for other purposes this enormous quantity of horsepower!

What reckless disregard of the public interests to build a dam at Boulder Canyon, as this bill proposes, which at most could irrigate only 200,000 acres of land in Arizona, whilst the storage dam at Glen Canyon and the diversion dam at Bridge Canyon would irrigate at least 3,000,000 acres of land in Arizona!

The bill (S. 3331) is objectionable, among other reasons, because it attempts to compel the settlement of a controversy among various States, which controversy the Federal Government has no authority to enter and could not settle even if it should enter.

Mr. KENDRICK. Mr. President, will the Senator yield?

Mr. ASHURST. I yield to the Senator from Wyoming.

Mr. KENDRICK. Assuming that Arizona's share of the waters of the Colorado River were allocated to her in agreement, would there be any serious obstacle in the future to building a dam at Glen Canyon and diverting the waters from Bridge Canyon? Under those conditions existing at the time that such development became necessary, would there be any obstacles any greater than now apply in the development of the river?

Mr. ASHURST. Bridge Canyon site is about 90 or 100 miles above Boulder Canyon?

Mr. KENDRICK. Yes.

Mr. ASHURST. The water surface of the Colorado River at Bridge Canyon site is some 1,200 feet altitude, whereas the water surface at Boulder is only 700 feet. A diversion dam at Bridge Canyon would serve Arizona and at the same time would by gravity take potable water to Los Angeles. That Los Angeles requires potable water has been one of the arguments advanced for this bill. Arizona is not seeking to deny potable water to southern California or any other portion of the country. We simply say that by diverting the water at Bridge Canyon such water may be taken by gravity to Los Angeles and its environs, whereas if potable water be taken to Los Angeles from Boulder Canyon it must be lifted some 1,700 feet over intervening hills and one-third of the horsepower generated at Boulder must be forever dedicated to lifting the water to that height.

Mr. KENDRICK. I assume that the Senator would not be inclined to dictate to California how she shall carry on that development?

Mr. ASHURST. California has furnished such an example of the folly of dictation that even if Arizona had any disposition to dictate, the evil consequences of trying to dictate would preclude us from attempting to do so, but quite naturally we object to wasting 200,000 horsepower of electrical energy when such waste would be Arizona's loss.

Mr. KENDRICK. In that event it would hardly be of interest to Arizona how and in what way California proceeded with her development. The question I would like to ask the Senator is, If the people of Arizona had their share of the water allocated to them by an agreement so that there is no question as to their rights to the water, why could they not proceed with a plan of their own development to regulate their own territory under much the same conditions as are provided by the Swing-Johnson bill; and what obstacle or obstacles would be in their way to prevent them from proceeding along that line?

Mr. ASHURST. That is a fair question, and I think it is not prompted by hostility but by a sincere desire to reach some settlement. It is entitled to a respectful and clear answer.

Mr. KENDRICK. If the Senator will permit me before he undertakes to answer the question, may I say from that the beginning of the discussion in connection with the bill I have been unable to understand why the development of the river should not proceed along exactly that line. In the fullness of time—and not necessarily a remote time—with her waters allocated to her and her rights to them made secure under the provisions of the Swing-Johnson bill, containing as it does the Colorado River compact, and any subsequent agreement between the States of Arizona and California guaranteeing those rights, I am unable to see why that development could not proceed for the benefit and the satisfaction of both the Commonwealths of Arizona and California.

Mr. ASHURST. I do not object to the interruption. Let me say on that point that the attitude of Arizona has not been one of greediness, dogmatism, or unfriendliness. Conversations among the representatives of the States of Arizona, California, and Nevada have taken place looking to a compact supplemental to the Santa Fe compact. It may be that I am unduly biased in favor of Arizona. I probably would be pardoned if I were biased in her favor. But to use the language of Lord Bacon, "descending into my own conscience" and examining as best I may the attitude of Arizona, as a chancellor should, I am unable to perceive wherein Arizona has asked for other than justice.

I am speaking now from memory and without notes, but I believe that the substance of the counterproposition made by the Arizona delegates to the States of California and Nevada was and is just and reasonable.

A part of Arizona's counterproposition was that California should take her share of the water when and where she pleased and Arizona should do likewise.

Mr. KENDRICK. Mr. President, will the Senator yield again at that point?

Mr. ASHURST. I yield to the Senator.

Mr. KENDRICK. If California were to meet the demands of Arizona and agree to allocate to her one-half of the waters of the main stream of the Colorado, would Arizona join the seven-State compact?

Mr. ASHURST. That would depend upon the character of the supplemental compact. I have not finished with the angle of the problem with respect to power. The attitude of Arizona is that the Government or the State should develop power rather than that private power interests should develop such power; further, that if private interests were to develop power, taxable property would be set up, and Arizona, therefore, in accordance with precedents of many States, asks, in lieu of the taxes she might have levied and collected were private power plants constructed, that a certain revenue be paid to her of so much per horsepower on that which her waters generate. California is willing to pay $1 per horsepower, which concedes the principle.

Mr. JOHNSON. No, Mr. President, it does not concede the principle. California might be willing to be held up for a dollar per horsepower, but concede the principle? Never! I do not know whether I caught what the Senator from Arizona said about division of water. There is no trouble about dividing the water, is there?

Mr. ASHURST. They have not agreed to this date.

Mr. JOHNSON. Does the Senator deny that the delegates from Arizona, California, and Nevada reached a tentative agreement on the division of water?

Mr. ASHURST. I have not been so notified.

Mr. JOHNSON. Is not the Senator familiar with that fact?

Mr. ASHURST. I repeat most respectfully to the Senator that I have never been notified of any such agreement.

Mr. JOHNSON. The Senator may not have been notified. I can not say that I have been officially notified except that I have the proceedings from one of those who was present, and those proceedings show that a tentative agreement was reached concerning the division of water. The only difference is as to payment per horsepower. I am correct in that, am I not?

Mr. ASHURST. I am sure the Senator is stating what he understands, but I personally do not know.

Mr. JOHNSON. I ask the Senator from Arizona if that is not his understanding?

Mr. ASHURST. I have no understanding in the matter. The official information I have is that there has been no agreement.

Mr. JOHNSON. But whether there has been an official agreement, did not the commissioners from the Senator's State of Arizona and the commissioners from Nevada and California reach a tentative agreement on the division of water?

Mr. ASHURST. If they did, they never notified me.

Mr. JOHNSON. Let me say for the information of the Senator from Arizona that they did reach such an agreement.

Mr. ASHURST. I will accept the Senator's word.

Mr. JOHNSON. A difference exists, then, upon the question of the payment for power, Arizona wanting either a royalty on the power or a tax upon the particular property which is to be created by the United States Government.

Mr. ASHURST. The Senator does not view with any great appreciation Arizona's claim that she should receive some revenue from power.

Mr. JOHNSON. That is quite true. I do not think there is any difference between the Senator and myself in this regard. What I want to make clear is that there is no difference about the water.

Mr. ASHURST. The Senator asserts there is not.

Mr. JOHNSON. California and Nevada stood ready and are ready to give Arizona all the water for which Arizona asks; to accept Arizona's terms. The question, then, recurs upon the payment for power. The Senator from Arizona has one view about that; I have another view; but that is the crux of the difference.

Mr. PHIPPS. Mr. President, may I make an inquiry of the Senator from California?

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Colorado?

Mr. ASHURST. I yield to the Senator from Colorado.

Mr. PHIPPS. Was there not another point in question, namely, a division of the power that might be produced?

Mr. ASHURST. Certainly.

Mr. PHIPPS. As to the allocation of power, I understood that Nevada asked that there be a reservation.

Mr. JOHNSON. There never has been any question as to the allocation of power.

Mr. PHIPPS. I have been informed that that was one of the points that was up for discussion and settlement amongst the commissioners of the States and, Nevada feeling that she was not then prepared to take the amount of hydroelectric power that she could take a little later on, therefore wanted what was equal to, say, 100,000 horsepower.

Mr. JOHNSON. Mr. President, the Senator from Nevada has asked that there be a certain amount of horsepower allocated to the State of Nevada. I say all right; allocate it. He has prepared his amendment; I accept it. I do exactly the same for the State of Arizona, so far as that is concerned. There is not any difference on that score at all.

Mr. PHIPPS. That is what I wanted to know. I thank the Senator from California.

Mr. KENDRICK. Mr. President, will the Senator from Arizona yield to me for one other question?

Mr. ASHURST. I yield.

Mr. KENDRICK. There are at the present time in the State of Arizona, as I understand, at least two irrigation projects which have been constructed by the Reclamation Bureau?

Mr. ASHURST. That is correct.

Mr. KENDRICK. Has the State of Arizona ever exacted or attempted to exact as to either of those projects a tax or price per horsepower for the current produced under those Government-constructed dams?

Mr. ASHURST. Not directly.

Mr. COPELAND. Mr. President, will the Senator from Arizona yield to me?

The PRESIDING OFFICER. Does the Senator from Arizona yield to the junior Senator from New York?

Mr. ASHURST. I yield.

Mr. COPELAND. I dislike to take any of the Senator's time.

Mr. ASHURST. I believe on a bill of this importance that not only courtesy but necessity requires that I should yield to interruptions; but I wish it distinctly understood that, while I can not capitulate or bargain with the Senate, I am not hereafter to be held by the Chair as having lost any rights because I have yielded at various times.

Mr. WALSH of Massachusetts. Mr. President, will the Senator from Arizona yield to me for a moment?

Mr. ASHURST. The Senator from New York [Mr. COPELAND] first interrupted me.

Mr. WALSH of Massachusetts. The inquiry I desire to make is in reference to the Senator's speech.

Mr. ASHURST. I yield to the Senator from Massachusetts for that purpose.

Mr. WALSH of Massachusetts. I should like to ask the Senator from Arizona if he expects a vote on this measure this afternoon?

Mr. JOHNSON. What was the question of the Senator from Massachusetts to the Senator from Arizona?

Mr. WALSH of Massachusetts. I asked the Senator from Arizona the question, but I should now like to repeat it to the Senator from California. I ask the Senator from California if we are likely to reach a vote upon the pending bill this afternoon?

Mr. JOHNSON. I would not say that we shall reach a vote on the bill this afternoon, but I hope that some time about 3 o'clock in the morning we shall have a vote upon it.

Mr. ASHURST. Mr. President, 3 o'clock in the morning is an hour when things which will not bear the light of day generally take place.

Mr. COPELAND. Mr. President, I think I understood the Senator from Arizona to say a few minutes ago that if he could have assurance of an equal division of the water between Arizona and California he would be satisfied?

Mr. ASHURST. I said that the Arizona delegation appointed by the governor to conduct negotiations and conversations with a like committee from Nevada and California proposed that each State, to wit, Arizona, Nevada, and California, should have its own tributaries, and that the main stream of the Colorado River should be divided equally between Arizona and California after allowing Nevada 300,000 acre-feet annually.

Mr. COPELAND. My anxiety is to bring about peace between these warring factions. I think the country has a feeling that there are great power possibilities and a great water supply which should be utilized, and, if it is possible for us in any way to bring about an adjustment of affairs between these States, I believe it is the duty of the Senate to bring it about.

Mr. ASHURST. Let me say in reply to my learned friend the junior Senator from New York that this bill is an attempt to coerce Arizona. That is how the bill is construed by the legislature of the State and by the governor.

The Senator from New York is sufficiently informed about the temper of my State and of other States to know how impossible it is to coerce Arizona. One administration some years ago attempted to coerce Arizona into joint statehood with New Mexico and failed in such attempt; another administration attempted to coerce Arizona respecting certain provisions of her constitution, and that administration failed; and this administration and those who are attempting to coerce Arizona will find ultimately that they have simply been standing like large locomotives on a sidetrack without driving rods, wasting their steam in futile sibilation. Arizona will not be coerced.

Mr. COPELAND. Mr. President, will the Senator yield further at that point?

Mr. ASHURST. I yield.

Mr. COPELAND. I honor the Senator for the position he takes and the loyal support he gives his State, but the very practical question presents itself: Is there not some possible arrangement, some plan which could be agreed upon? I see the Senator from Utah [Mr. KING] shake his head. Yet there must be some way of bringing about an adjustment of these differences so that there can be agreement.

Mr. ASHURST. Utah's problems are similar to the problems of Arizona; and our situation is very like that of Utah. Let me recite some recent history.

The seven-State compact was entered into by the seven States of the Colorado River basin—Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming—looking in an equitable division of the waters of the Colorado River among the several States of the basin. The various States thereupon appointed their negotiators; the Secretary of Commerce (Mr. Hoover) was the presiding officer; and as I have previously said, the deliberations were somewhat in the nature of star chamber proceedings. The compact was not responsive to the act of Congress, it did not divide the water among the seven States, but it divided the water between two basins, leaving a sharp controversy with Arizona and Nevada on the one hand, and California on the other, as to how the waters in the lower basin were to be disposed of; whereupon Arizona refused to ratify the seven-State compact. In Arizona, Mr. President, when we make a bargain we keep it; when we sign, we live up to that signature. We declined to sign the seven-State compact and neither the mailed hand of the Federal Government nor the oblique lines of diplomacy can force the hand of Arizona or make her sign. It is futile to attempt to compel Arizona to sign an agreement she does not desire to sign.

The advocates of the Swing-Johnson bill, despairing of building the Boulder Canyon dam under the provisions of the seven-State compact, disregarding Arizona, entered into a six-State compact. The six-State compact provided for the Swing-Johnson bill; and the Senator from California, Mr. Johnson, predicates his bill upon the six-State compact, a compact among California, Colorado, Nevada, Utah, Wyoming, and New Mexico.

Utah, Wyoming, Colorado, New Mexico, and Nevada ratified the six-State compact in good faith and without reservation, but when came California to act thereupon California proposed to enter into it with a reservation. Utah did not ask for a mess of pottage when she ratified the six-State compact; neither did Colorado, New Mexico, Nevada, nor Wyoming. They did not ask what is called lagnaippe, or a tip, before they ratified the six-State compact; but California said, "Yes; we will ratify the six-State compact conditionally. We ratify if and when an expenditure of $125,000,000 from the Federal Treasury is made to build the Boulder Canyon dam for our benefit." When California attempted that kind of ratification Utah gave notice that such action would be dangerous to the six-State compact. California proceeded, and did attach the reservation to the six-State compact, whereupon Utah in disgust, Utah standing erect as a sovereign State of this Union, Utah which has contributed statesmen to our country, promptly withdrew from the six-State compact.

When the time comes to negotiate, when California shall be willing to sit at the table with the other States without cards up her sleeve, without reservation or equivocation, she will get somewhere, and not until then.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. ASHURST. I yield. Have I made that clear?

Mr. COPELAND. Perfectly; but the Senator has spoken about the mailed hand of the Government. Let me assure the Senator that, as I view the temper of the Senate, it is not the desire of the Senate to have the Government use the mailed hand. It is the desire of the Senate to extend a helpful hand to these States.

There should be some way of adjustment of this matter so that the equities can be preserved, so that Utah can have its share and Arizona can have the large share to which it is entitled. There must be found a way to do it. If this measure at present is not drawn in such a form as to establish and to preserve the equities, it must be modified so as to make possible the preservation of the rights of these individual States.

Can we not find a way? Are not the Senators from Arizona and Utah prepared to suggest some method of division of the power and of the water in order that this great project may go forward? Here there is a waste every day of this great water supply which should be harnessed for the benefit of the people of the Nation and of that section of the Nation. I think it is the desire of the Senate to find a way of adjustment so that the rights of these States may be preserved and yet that this great water power may be developed for the benefit of the human family.

Mr. KING. Mr. President, will the Senator yield?

Mr. ASHURST. I yield to the Senator from Utah.

Mr. KING. May I say to the Senator from New York that there are two very important questions involved in what is denominated the Colorado River problem.

First, let me say to the Senator that his State recently and very properly resented the attempt of the Federal Government and the Federal Power Commission to interfere with the rights of the State of New York in the control of the waterways and the streams and the beds of streams and the power and the rights that may result from the use of streams within the State of New York.

Mr. COPELAND. Yes; that was a very proper act, and I applauded it.

Mr. KING. Exactly. The Senator believed that the Federal Government had no power to deal with any question except there was a grant of power in the Constitution of the United States. I regard this question as one of the most important ones that have come before Congress; and I think some of my Democratic brethren and some of my Republican friends on the other side have closed their eyes to the significance of the case and to the question of the police powers and the rights of the States as they are involved in the so-called Colorado River problem.

Speaking for myself—and I am speaking only for myself—I deny the power of Congress to construct a dam in the Colorado River. The Colorado River where it flows through Utah is

under the jurisdiction of the State of Utah, and not of the Federal Government. The Federal Government has no more power to go into the State of Utah and build a dam in the Colorado River than it has to go into the State of New York and assume control over matters that are exclusively within the province of the State of New York. The power of the Federal Government in matters relating to rivers is found in the interstate-commerce clause of the Constitution. The Federal Government may only protect the navigability of streams. It has no right in the waters of the streams. It has no power to build dams in the streams of the State of New York.

Mr. ASHURST. Over the protest of the State.

Mr. KING. Of course, over the protest of the State of New York, or in the State of Utah, or in the State of Arizona, or in the State of Nevada. If those States want to build dams they may do so, subject to the paramount interest of the Federal Government to protect the navigability of the streams; but in the instant case this is not a navigable stream, although it is declared so to be.

There is no navigation upon it; but, if it were navigable, this proposition is to destroy its navigability. So I say that the Federal Government is not interested in this proposition. It is a matter for the States to determine for themselves. The Federal Government has no right to go and build a Colorado River dam. That is a matter for the States themselves to determine.

But it is said that under the right to control flood waters the Federal Government has the right to build a dam. In the first place, I deny that. There is no parallel between this case and the Mississippi River. The Federal Government is not building a dam across the Mississippi River to destroy navigability. It is only shoring up some of the walls or banks of the river in order to make the river navigable.

Mr. COPELAND. In that connection, if the Senator will bear with me, if it were necessary in order to protect those banks or to preserve the safety of the surrounding land abutting upon the river, would the Senator dispute the right of the Government to build dams under those circumstances?

Mr. KING. Yes. I think the Government has no more power to build a dam for the protection of Imperial Valley than it has to protect the lands in the State of Utah from some of our mountain streams.

May I say, if a personal allusion will be pardoned, that one of my first experiences as a boy, when I embarked in business, was to construct a sawmill in a canyon. The floods came and washed it away, and destroyed the road, and inundated hundreds, if not thousands, of acres of good farm land in the valley below. We did not come down and ask Congress to protect us. When we settled at the mouth of the ravine or the canyon, we knew that we were subject to floods. We knew that if the floods came in torrential power, our lands would be inundated, and that those of us who made improvements in the canyon were liable to have them carried away by floods.

There is no doubt that the State of Utah, in the exercise of its sovereign power, would have the right, if there was nothing in its constitution to prohibit it, to tax the people of the State of Utah to protect its inhabitants who settled at the mouths of these canyons from the ravages and inundations of the waters that came down in torrential flow from the canyon. There is nothing to prevent the State of California, if it desires to do so, from taxing the people of that State—I am assuming there is nothing in that State's constitution to prohibit taxing for this purpose—and making provision for guarding the limited amount of property that is in this valley. By the way, may I say to the Senator that the census of 1922 shows that the value of all the real estate and all the improvements in this valley was only $35,000,000, and yet there is a proposition here to spend $41,000,000—and it will cost $81,000,000—to build a canal for them, to say nothing of the enormous cost of the dam, which I feel confident—and I have talked with many engineers—will cost not $50,000,000 but $100,000,000. So we are now embarking upon propositions that in my opinion will involve at least $200,000,000. The primary object of this bill—and I state it with all due courtesy—is not the protection of Imperial Valley. The primary object and the driving force behind this bill is to furnish water and power for the municipalities of southern California; but I shall discuss that matter when I come to speak in my own time.

Mr. JOHNSON. Mr. President, if the Senator from Arizona will yield——

Mr. ASHURST. I yield.

Mr. JOHNSON. I can not permit that statement to go unchallenged. I shall be glad ultimately to debate it with the Senator from Utah, but he is utterly in error in the statement he makes. If the Senator from Arizona desired, I could read to him a statement that has come to me from the mayor of San Diego, who was present during the time of the negotiations of Nevada, California, and Arizona in respect to the water, or I will do that in my own time if the Senator prefers.

Mr. ASHURST. I have no objection to whatever course the able Senator sees fit to pursue.

Mr. JOHNSON. I make that statement in confirmation of what I said to the Senator from Arizona sometime since, and subsequently I will read it into the RECORD.

Mr. ASHURST. Very well.

Mr. KING. Mr. President, the Senator from New York having left the floor—and I hope he was not driven from the floor by anything I said—I yield the floor back to the Senator from Arizona.

Mr. ASHURST. Mr. President, I now turn to another phase of the bill, and ask the Secretary to read section 2, in italics, page 14.

The PRESIDING OFFICER. In the absence of objection, the Secretary will read as requested.

The CHIEF CLERK. On page 14, section 2, the committee have stricken out certain words, and inserted the following:

SEC. 2. (a) There is hereby established a special fund, to be known as the "Colorado River Dam fund" (hereinafter referred to as the "fund") and to be available, as hereinafter provided, only for carrying out the provisions of this act. All revenues received in carrying out the provisions of this act shall be paid into, and expenditures shall be made out of, the fund, under the direction of the Secretary of the Interior.

(b) The Secretary of the Treasury is authorized to advance to the fund, from time to time and within the appropriations therefor, such amounts as the Secretary of the Interior deems necessary for carrying out the provisions of this act, except that the aggregate amount of such advances shall not exceed the sum of $125,000,000. Interest at the rate of 4 per cent per annum accruing during the year upon the amounts so advanced and remaining unpaid shall be paid annually out of the fund.

(c) Moneys in the fund advanced under subdivision (b) shall be available only for expenditures for construction and the payment of interest, during construction, upon the amounts so advanced. No expenditures out of the fund shall be made for operation and maintenance except from appropriations therefor.

(d) The Secretary of the Treasury shall charge the fund as of June 30 in each year with such amount as may be necessary for the payment of interest on advances made under subdivision (b) at the rate of 4 per cent per annum accrued during the year upon the amounts so advanced and remaining unpaid, except that if the fund is insufficient to meet the payment of interest the Secretary of the Treasury may, in his discretion, defer any part of such payment, and the amount so deferred shall bear interest at the rate of 4 per cent per annum until paid.

(e) The Secretary of the Interior shall certify to the Secretary of the Treasury, at the close of each fiscal year, the amount of money in the fund in excess of the amount necessary for construction, operation, and maintenance, and payment of interest. Upon receipt of each such certificate, the Secretary of the Treasury is authorized and directed to charge the fund with the amount so certified as repayment of the advances made under subdivision (b), which amount shall be covered into the Treasury to the credit of miscellaneous receipts, and shall be available for the purposes specified in subdivision (g).

(f) In order to make the advances to the fund, the Secretary of the Treasury may, if he deems it advisable, exercise the authority granted by the various Liberty bond acts and the Victory Liberty loan act, as amended and supplemented, to issue bonds, notes, and certificates of indebtedness of the United States; and any bonds so issued shall be disregarded in computing the maximum amount of bonds authorized by section 1 of the second Liberty bond act, as amended.

(g) The Secretary of the Treasury is authorized and directed to use, upon such terms and conditions as he may prescribe, for the payment, redemption, or purchase, at not to exceed par and accrued interest, of any bonds, notes, or certificates of indebtedness of the United States, the money covered into the Treasury under subdivision (e) in repayment of the amounts advanced.

Mr. ASHURST. Mr. President, on February 2 of this year I gave notice that I should move to strike from the bill that particular provision, and I addressed the Senate. I asserted that the Senate had no right to originate a bill which proposes to raise revenue; and I said that under the Constitution of the United States—to wit, section 7 of Article I—the Senate could not originate that provision, because the Constitution reads as follows:

All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments as on other bills.

I understand that the Senator from California [Mr. JOHNSON] concedes that my point is well taken.

Mr. JOHNSON. No, Mr. President; I do not concede that the point is well taken; quite the contrary. But in order that there shall be no question concerning the matter, I have presented an amendment eliminating the bond feature from the bill. We argued the matter at length before the Committee on Irrigation and Reclamation, and I think I am perfectly correct in saying that after argument the committee was convinced that there was nothing in the proposition. But I do not want to encounter it in the other House, and for that reason I have presented an amendment here eliminating the provision relating to the bond issue.

Mr. ASHURST. The Senator has, I will not say conceded, my point, but the Senator has at least become convinced that if the Senate should pass the bill with that revenue-raising feature in it, he would encounter difficulty in the House of Representatives. I said in my former speech that even if the Senate passed this bill embracing section 2, which proposes to issue bonds in the sum of $125,000,000, the House of Representatives would return the bill to the Senate, because under section 7 of Article I of the Constitution the Senate is not eligible to originate a bill raising $125,000,000 by the sale of Government bonds. The Senator, of course, has the right to modify his bill by striking out section 2, and I shall consider that in the Senator's realization of the situation I have achieved a victory. I have never split the ears of groundlings speaking about the Constitution, but I shall regard it as a signal victory for myself that so great a lawyer as the Senator from California realizes that if he should pass this bill with that revenue-raising feature in it the House would send it back to the Senate.

Mr. JOHNSON. Mr. President, that does not relate to a legal proposition or the determination of a constitutional question. It avoids the possibility of conflict upon a prerogative, nothing more than that, and it was to avoid that possibility of conflict that the amendment was proposed by me.

Mr. ASHURST. I am not complaining. I am congratulating the Senator that whilst the bill came from the Senate committee containing a provision to raise revenue amounting to $125,000,000, the Senator now sees the impossibility, the impracticability, or at least the undesirability, of passing the bill with that thorn or blade in it. With that blade or thorn, which would be fatal to the bill, identified and removed, I declare that long before this debate shall have concluded many other thorns and dangerous blades will be encountered from which the proponents of this bill will retreat.

Mr. President, I ask unanimous consent to print in the RECORD my remarks on this subject, wherein I alleged that the Senate was ineligible to originate a bill raising revenue.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

LOWER COLORADO RIVER BASIN

Mr. ASHURST. Mr. President, for speaking at this time upon a matter not related to the pending bill I make due apology.

The Senator from California [Mr. JOHNSON] on April 23 last reported favorably from the Senate Committee on Irrigation the so-called Boulder Canyon Dam bill, Senate bill 3331. Section 2 of this bill is as follows:

"SEC. 2. (a) There is hereby established a special fund, to be known as the 'Colorado River Dam fund' (hereinafter referred to as the 'fund') and to be available, as hereinafter provided, only for carrying out the provisions of this act. All revenues received in carrying out the provisions of this act shall be paid into, and expenditures shall be made out of, the fund, under the direction of the Secretary of the Interior.

"(b) The Secretary of the Treasury is authorized to advance to the fund, from time to time and within the appropriations therefor, such amounts as the Secretary of the Interior deems necessary for carrying out the provisions of this act, except that the aggregate amount of such advances shall not exceed the sum of $125,000,000. Interest at the rate of 4 per cent per annum accruing during the year upon the amounts so advanced and remaining unpaid shall be paid annually out of the fund.

"(c) Moneys in the fund advanced under subdivision (b) shall be available only for expenditures for construction and the payment of interest, during construction, upon the amounts so advanced. No expenditures out of the fund shall be made for operation and maintenance except from appropriations therefor.

"(d) The Secretary of the Treasury shall charge the fund as of June 30 in each year with such amount as may be necessary for the payment of interest on advances made under subdivision (b) at the rate of 4 per cent per annum accrued during the year upon the amounts so advanced and remaining unpaid, except that if the fund is insufficient to meet the payment of interest the Secretary of the Treasury may, in his discretion, defer any part of such payment, and the amount so deferred shall bear interest at the rate of 4 per cent per annum until paid.

"(e) The Secretary of the Interior shall certify to the Secretary of the Treasury, at the close of each fiscal year, the amount of money in the fund in excess of the amount necessary for construction, operation, and maintenance, and payment of interest. Upon receipt of each such certificate, the Secretary of the Treasury is authorized and directed to charge the fund with the amount so certified as repayment of the advances made under subdivision (b), which amount shall be covered into the Treasury to the credit of miscellaneous receipts, and shall be available for the purposes specified in subdivision (g).

"(f) In order to make the advances to the fund the Secretary of the Treasury may, if he deems it advisable, exercise the authority granted by the various Liberty bond acts and the Victory Liberty loan act, as amended and supplemented, to issue bonds, notes, and certificates of indebtedness of the United States; and any bonds so issued shall be disregarded in computing the maximum amount of bonds authorized by section 1 of the second Liberty bond act, as amended.

"(g) The Secretary of the Treasury is authorized and directed to use, upon such terms and conditions as he may prescribe, for the payment, redemption, or purchase, at not to exceed par and accrued interest, of any bonds, notes, or certificates of indebtedness of the United States, the money covered into the Treasury under subdivision (e) in repayment of the amounts advanced."

In the committee I made the point of order that the committee had no power or authority to report a bill originating in the Senate proposing to "raise revenue," and I argued that section 2 of this bill contravenes section 7 of Article I of the Constitution of the United States, which said section 7, so far as the same relates to this question, reads as follows:

"All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments, as on other bills." * * *

After discussion, the Senate Committee on Irrigation and Reclamation reached the conclusion that it had no authority to determine the point of order, as the Senate had not called upon its committee for an opinion upon this question.

I now move to strike out that section of this bill—section 2—which, in my judgment, proposes to "raise revenue" by authorizing a bond issue or by authorizing the further issuance and sale of bonds under statutes heretofore enacted.

I assert that neither the Supreme Court of the United States nor the Treasury Department is the authority eligible to pass upon and decide the question of parliamentary practice and privilege.

The Constitution, in Article I, section 1, says:

"Representatives and direct taxes shall be apportioned among the several States which may be included within this Union according to their respective numbers. * * * The actual enumeration shall be made within three years after the first meeting of the Congress of the United States and within every subsequent term of 10 years."

The "enumeration" mentioned, which is the "decennial census," is expressly commanded in the Constitution. No time limit in stated terms is set upon apportionment, although Congress has always assumed that the framers of the Constitution intended a decennial reapportionment following the census; but no writ or process known to our Constitution or our law, no writ or process known to our Government or to our polity, could compel the House of Representatives to pass an apportionment bill.

The Supreme Court might, indeed, declare that a bill originating in the Senate proposing to issue and sell Government bonds was not "raising revenue," but no writ or process known to our system of Government could compel the House of Representatives to receive, consider, or pass a bill sent to it by the Senate if the House declared that the bill was one for "raising revenue." Upon the question as to whether or not a particular bill "raises revenue," the House of Representatives is the judge and the final judge. What action the House would take upon this particular bill, were the Senate to send the same to the House, there can be no doubt.

I now refer to pages 4731 and 4737, volume 54, part 5, CONGRESSIONAL RECORD of the Sixty-fourth Congress, second session. On March 2, 1917, the Senate had under consideration the naval appropriation bill, sent to the Senate by the House, and whilst such bill was under consideration in the Senate, after some debate, the Senate added a provision, of which I shall read only the pertinent part:

"That the Secretary of the Treasury is hereby authorized to borrow on the credit of the United States from time to time such sums as may be necessary to meet expenditures directed by the President from the naval emergency fund and for expediting naval construction as provided in this act, not exceeding $150,000,000, or to reimburse the Treasury for such expenditures, and to prepare and issue therefor bonds of the United States in such form and subject to such terms and conditions as the Secretary of the Treasury may prescribe * * *."

The Senate thus adopted and agreed to that provision as an amendment to the naval appropriation bill, and when the bill with such

amendment reached the House again the House unanimously returned the bill to the Senate. Remember that this was on the 2d of March, 1917, just before the United States entered the World War, and was, therefore, at a time when every moment was precious, when every motive was operative that could induce Members of Congress to make haste and to waive what some persons call peccadillos, or technicalities, the House resolutely stood by the Constitution and refused to surrender the prerogatives of the House. I read now from volume 54, part 5, page 4827, of the CONGRESSIONAL RECORD, Sixty-fourth Congress, second session, indicating the promptness and the unanimity of the House Members in rejecting this Senate amendment:

"Mr. FITZGERALD. Mr. Speaker, ever since the beginning of the Republic the House has asserted its prerogative under the Constitution to originate revenue bills. In my experience in the House upon several occasions the Senate has attempted to incorporate into various bills items providing for the raising of revenue either by taxation or by the issuance of bonds. The one great prerogative of the House of Representatives is the right to originate revenue bills, and however lowly this House ever descended it has never yet yielded a single iota of that privilege. [Applause.] I hope in this instance the vote will be unanimous. It ought to be unanimous, Mr. Speaker, because this action has not been taken by the Senate without warning. Notice was given to those in charge of this bill to-day that this proposed amendment was an infringement of the prerogatives of the House; that it should not be incorporated in the bill; that if incorporated it should be eliminated; and that if it were incorporated in the bill the House would assert its prerogative and return the bill with such a message as is now proposed. In spite of that warning and regardless of the constitutional provision the Senate has sent this bill here in defiance of the warning given and in derogation of the rights of the House. There is nothing for us to do except to insist upon our constitutional prerogative and to follow the unbroken precedents of the Republic by sending this bill back to the Senate, so that they may eliminate the provision which infringes upon our privileges.

"The SPEAKER. The question is on agreeing to the resolution.

"The question was taken.

"The SPEAKER. The ayes have it. The vote is unanimous."

This is not only a late precedent, but is squarely in point as well.

Moreover, Mr. President, in January, 1925, whilst the Senate was considering a bill increasing postal salaries and raising post rates, the Senator from Virginia [Mr. SWANSON] made a point of order against such portion of the bill as proposed to increase the postal rates, upon the ground that such a bill was "raising revenue," and that therefore the Senate was not the eligible body of Congress to originate such legislation. (See p. 2274 of vol. 66, pt. 3, 68th Cong., 2d sess.)

After discussion on this point the Senate, by 29 yeas to 50 nays, refused to sustain the point of order and thereby held that the Senate was an eligible authority to originate legislation increasing postal rates and that to increase postal rates was not "raising revenue." The bill was sent to the House of Representatives, and on February 3, 1925, the House of Representatives considered the bill, whereupon Mr. GREEN of Iowa made the following point of order, as shown at page 2941 of volume 66, part 3, Sixty-eighth Congress, second session:

"Mr. GREEN. Mr. Speaker, I rise to a question of the highest privilege, the privileges of the House, and offer a resolution which has been sent to the Clerk's desk.

"The SPEAKER. The gentleman from Iowa offers a resolution, which the Clerk will report.

"The Clerk read as follows:

"'*Resolved*, That the bill S. 3674, in the opinion of the House, contravenes the first clause of the seventh section of the first article of the Constitution and is an infringement of the privileges of this House, and that the said bill be taken from the Speaker's table and be respectfully returned to the Senate with a message communicating this resolution.'"

Mr. President, the discussion in the House upon that point was exhaustive and learned. The various views upon this question were supported with vigor, and I invite Senators to read the RECORD of that day, to wit, February 3, 1925. The House of Representatives then and there, by a vote of 225 yeas to 153 nays, decided that to increase postal rates—that is to say, to increase the charges and rates to be paid for the transmission of mail matter—was "raising revenue," and the bill was returned to the Senate.

The House had the power and authority to make such decision; therefore, before the Senate considers a bill of such vast importance as this bill reported by the able Senator from California [Mr. JOHNSON] authorizing the issuance and sale of bonds in the sum of approximately $125,000,000, or authorizing the sale of bonds under laws heretofore enacted, the Senate should seriously consider whether we have the constitutional power to originate such a bill. Surely the Senate does not wish to issue a brutum fulmen—a harmless thunderbolt—by considering a bill which we are not constitutionally eligible to initiate. I say this now so that I shall not hereafter be charged in the Senate with having waived this point.

I clear this discussion of the underbrush and wish my philosophy of this question made manifest. Whoever discusses questions of law with the Senator from California [Mr. JOHNSON] will find himself hard put to answer the arguments he may make.

I am not so vain as to imagine that I may vanquish him easily or at all, unless I be clearly within the law and precedents. He argues that the Supreme Court of the United States apparently has said that the issuance and sale of bonds is not "raising revenue" and that also the Treasury Department apparently has said that the issuance and sale of bonds is not "raising revenue"; but I say again that neither the Supreme Court nor the Treasury Department is eligible to pass upon a parliamentary question of this sort. What is "raising revenue" is not so much a juridical question as it is a parliamentary or political question.

No writ known to our law or Constitution can compel the House of Representatives to accept a bill from the Senate if the House declares the same to be a bill for raising revenue.

The principle of our constitutional requirement that all bills for raising revenue shall originate in the House of Representatives is far older than our Federal Government. Such principle originated out of the struggles between the King and the Commons of medieval England. The statute of William and Mary, session 2, Chapter II, was one of the first acts of the English Parliament specifically providing how public funds should be raised, and our forefathers did not ignore the principle when they adopted our Constitution in 1787.

During the days in England when the Crown attempted to exact ship money Hampden's share of the contribution was 1 pound sterling, which he refused to pay and was therefore summoned to show cause in the Court of Exchequer in the thirteenth year of Charles I.

The provision made by the ship money law for the defense of the country by sea was the grant to the King of tonnage and poundage and the service of the Cinque Ports. In addition to this provision, the right was assumed by the King of levying impositions, and the King disputed that the parliamentary supplies were the only legal supplies.

The judges, by a majority of 7 to 5, decided in favor of the King; some of the majority alleged the superiority of the King to the law, and the opinion of these may be found in the words of Berkeley—

"the law is of itself an old and trusty servant of the King's; it is his instrument or means which he useth to govern his people by. I never read nor heard that 'lex' was 'rex,' but it is common and most true that 'rex' is 'lex,' for he is 'lex loquens,' a living, a speaking, an acting law."

The expression by the majority judges in that case that rex was lex helped to bring on the contest which finally resulted in civil liberty in England. On this subject of originating revenue bills the Senate is neither rex nor lex. The Constitution of the United States on this important subject of originating revenue is rex and lex, and the Constitution on this, as on all other subjects, is lex loquens, "a living, a speaking, an acting law."

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. ASHURST. I yield.

Mr. COPELAND. A moment ago I was called from the Chamber as the Senator from Utah was speaking. As I understand it, he is opposed to the building of any dam whatever, is he not?

Mr. ASHURST. I am unable to say.

Mr. COPELAND. I took it from his remarks that he was in opposition to having the Federal Government build any dam. May I ask the Senator from Arizona if he would oppose the building of a dam and the carrying out of this project provided that there was some guarantee in the measure that the rights of Arizona should be fully preserved?

Mr. ASHURST. Arizona owns the bed of the stream. Without the bed of the stream, the river would be of no value.

Mr. ODDIE. Mr. President, that should be qualified to a certain extent. On the site of the Boulder Dam, the State of Nevada comes in.

Mr. ASHURST. The able Senator is correct. I shall say that Arizona owns the entire bed of the stream of the Colorado River where the river flows through Arizona. The junior Senator from Nevada is correct when he points out that Arizona does not own all of the bed of the stream at the Boulder Canyon site. Arizona owns only from the bank of the stream to the thread thereof, it owns that much of the bed, and at the Boulder Canyon site Nevada owns from the western bank of the stream to the thread of the stream.

Mr. COPELAND. Mr. President, if the Senator will yield for a moment, as he knows, I have no desire except to promote the peace, if I may, and I suppose, like all peacemakers, I am likely to be torn to pieces before the disturbance is over. But if there is a way to adjust the differences, to protect the rights of Arizona, and at the same time to harness this stream and make it work for the country, we should find that way; and I

hope the Senator will propose to the Senate some compromise, some solution, so that this work may go on, and so that his own State may benefit, as it will, tremendously.

Mr. ASHURST. Suppose I should enter the Senator's residence, where under the law he is living peacefully, and I should begin to take out his furniture and his wares and chattels, and when he objected I should say, "Make some offer of compromise." Does he not realize that California is entering Arizona, or attempting to do so, and take Arizona's property. If a burglar enters your house and begins to carry off your goods, what will you reply when the burglar says, "How shall we compromise this? How much shall I have of it?"

Mr. COPELAND. Is it as bad as that?

Mr. ASHURST. It is worse.

Mr. COPELAND. Of course, in that case, Mr. President, there is nothing for the peacemaker to do but to retire.

Mr. ASHURST. I welcome the peacemaker, but I shall not permit him, great physician that he is, to perform a Cæsarian operation on Arizona.

Mr. JOHNSON and Mr. COPELAND addressed the Chair.

The PRESIDING OFFICER. To whom does the Senator from Arizona yield?

Mr. ASHURST. I yield to the Senator from California.

Mr. JOHNSON. Of course, the Senator from New York, with the best of intentions, has met the fate that generally is met under those circumstances. But let me say to him that all of this talk about taking the property of Arizona is sound and fury, because Arizona stands there saying, "Give us $6,000,000 a year, and we are perfectly willing you should do just as you see fit." That is Arizona's position to-day, and the United States Government can not afford to permit Arizona or any other State in the Union to hold up the United States Government for $6,000,000, or any other sum.

Mr. ASHURST. "Still harping on my daughter." I have heard nothing this afternoon from the able Senator except that Arizona is demanding $6,000,000 a year. Let us see about that. California, rich, powerful, aggressive, a proud State in the Union, is, as I said the other day, politically, socially, industrially, and economically one of the great States of the Union. Hydroelectric power and petroleum-gasoline are the great horses of God which are always on the road, and which never grow weary. Arizona has the potential hydroelectric power; California has the base which furnishes the gasoline. Suppose that Arizona had the power and the influence to tap all California's oil wells by one gigantic conduit, and take all thereof into Arizona. What would the Senator think about it? That is what you are proposing to do to Arizona's hydroelectric power.

Mr. JOHNSON. Perfect nonsense.

Mr. ASHURST. Everything is branded as nonsense by my friend from California except what he says.

Mr. JOHNSON. There is not anything of the sort that is proposed to be done in this instance, or by this bill, nothing of the character or of the sort at all.

Mr. ASHURST. Suppose Arizona had the power and the disposition and it were physically possible to go into the oil fields in southern California, and to take seven-eighths of the oil and send it to Arizona by a conduit. Would the Senator think that was fair?

Mr. JOHNSON. What a perfectly silly analogy that is. That has nothing to do with this potential——

Mr. ASHURST. Would it be fair if we could do it?

Mr. JOHNSON. You could not do it, in the first place——

Mr. ASHURST. I know we could not do it, and you can not take this power.

Mr. JOHNSON. And you would not do it, in the second place. We are not attempting anything of that sort, in the first instance. We would not attempt it, and the United States Government, undertaking, as it is, to have flood control in the Colorado River of the waste water, is not attempting anything of the character that is insinuated by the Senator from Arizona.

Mr. ASHURST. Suppose we should attempt it and could do it. Would it be fair?

Mr. COPELAND. Mr. President, will the Senator yield again?

Mr. ASHURST. I yield, but I must hurry along.

Mr. COPELAND. Mr. President, to return to the Cæsarian operation which the Senator mentioned, the purpose of that operation is to save two lives, the life of the mother and the life of the baby. Is it not possible, if some plan can be worked out by which this development can go on, that the life of Arizona will be preserved? I have heard the Senator say, and he said it very eloquently yesterday, that the very life of Arizona depends upon the possession of this water.

Mr. ASHURST. Yes; surely.

Mr. COPELAND. Then, perhaps, a Cæsarian section of the kind mentioned by the Senator would be of benefit to the State.

Mr. ASHURST. Sever the jugular and a man dies. When you build a high dam at Boulder Canyon you have severed our jugular. Our growth would be stunted. It would be nothing to compare with what we might achieve if the dam were placed higher up the river.

The surface of the water at the Boulder Canyon is only 700 feet above sea level. It is proposed to generate 550,000 firm or primary horsepower there. That means, as the able Representative from Arizona [Mr. HAYDEN] said in his report, that sufficient water must flow over the dam every minute of every hour of every day of every year. Where is the water going after it shall have passed over the dam? It never will be recaptured. It will have gone on to Mexico. Place the dam at Glen Canyon, where the altitude is three thousand-odd feet, place the diversion dam at Bridge Canyon, and then you do not waste the water which is poured over the dam in the generation of this hydroelectric power.

The truth is, and with regret I speak of it, to wit, that we are living in the center of the most avid period of the world's history, avid for money, avid for success, avid to achieve results. Speed, bulk, size, success, quantity, and majority are the gods of the age. Durability and stability are not much considered. Los Angeles, caught within the whirlpool of her enormous growth, requires potable water and is quite careless in her methods of distributing water belonging to others.

Mr. McKELLAR. Mr. President, of course, I think these power projects should be developed wherever it is possible. I will say to the Senator from Arizona that I would like very much to have some arrangement made which would enable me to vote for the bill. I want to ask if there is any provision in the bill which would prevent the same thing happening to the power after it is developed that has happened to the Muscle Shoals power after it was developed?

In order that the Senator may understand what I mean, let me say that in the act of 1916, which was passed while I was a Member of the House and with the drawing of which I had something to do, this provision was included:

> The plant or plants provided for under this act shall be constructed and operated—
>
> Constructed and operated—
>
> solely by the Government and not in conjunction with any other industry or enterprise carried on by private capital.

Now, that is the law. Instead of that being done, the Government has never operated the plant at all, but in absolute violation of law it has turned the plant over to the Alabama Power Co. to be operated, and the Alabama Power Co. has been operating it ever since its completion to the interest and profit of the Alabama Power Co. and to the interest and profit of no other person, I believe, not only in the State of Alabama but in the United States or in the world, excepting the officers and owners of the Alabama Power Co.

I want to ask the proponents of the bill, the Senator from California or anyone else, if there is any provision in the bill which will prevent that identical thing happening after this work shall be completed? In other words, will the Government operate the plant after it is completed and after it is constructed out of the money belonging to all the people? Will the Government operate it for the benefit of those people within transmission distance of Boulder dam, or how will it be done?

Mr. JOHNSON. Mr. President, the Senator has reached now a point in the bill upon which there is a diversity of opinion. The senior Senator from Utah [Mr. SMOOT], as I understand it, and the Senator from Colorado [Mr. PHIPPS], as I understand his position, are opposed to the measure because within it there is an alternative proposition which authorizes the Secretary of the Interior to construct the works which might generate electricity, and to lease in units or otherwise at the switchboard the power, or in the alternative to lease the water for power. Those Senators, as I understand their position—I may not state it accurately, because they have not stated it upon the floor, but I believe their opposition to be founded upon the consideration which I suggest—insist that there shall be no alternative provision by which the Secretary of the Interior may construct the generating works and lease at the switchboard the units of power and the like, but that the entire situation shall be left so that, if I may use the term, private initiative will not be in any degree interfered with. Now, it is our hope, if the bill shall become a law, that municipalities within striking distance or within reasonable distance of the works——

Mr. McKELLAR. Within economical transmission distance.

Mr. JOHNSON. The Senator has supplied the appropriate term—within economical transmission distance, will contract for the power. I can say to the Senator that one municipality, the city of Los Angeles, by popular vote at the present time stands ready to take all the power that will not be given to various other cities or others who seek the power, and stands ready to take, as well, 250,000 horsepower, as I understand the present condition. So it is our hope that a situation such as the Senator fears will never arise. It is a hope. I can not say what may happen.

Mr. McKELLAR. Could we not provide in the bill that when the power is developed it shall be operated by the Government, and the Government shall sell it to cities and towns preferably, but, if not, to other users at a reasonable price, and not sell it through power companies which will charge the people tremendous prices?

Mr. JOHNSON. The bill gives the cities and towns and political subdivisions a preferential right first. Now, it is essential in this particular construction that there be an elasticity in the administration of the bill, left with the Secretary of the Interior, who is to administer it. That is because we are requiring, before there is a shovelful of earth turned or a single dollar expended, that the Secretary of the Interior shall have in his hands contracts which will pay for the entire construction of the stupendous work. We left, therefore, at his instance—because it was at his instance in writing requested—the mode of administration in alternative fashion, and we must leave him some leeway, some discretion, some elasticity in order that the financial set-up may be ultimately accomplished.

We have a different proposition than there is at Muscle Shoals. There the Government expended all of its money in erecting the works and in doing the job, and never got a penny of it back. All the talk about "dipping into the Treasury" in this case is the merest twaddle. We do not ask a single penny from the Government of the United States. We do not ask that the Treasury shall give to us any money of any kind or any character, except the initial loan which shall be put into this particular enterprise. We take the burden of financing this great public enterprise, and we take the burden of it so there can not be a single solitary thing done until we have financed it. We are in a different position from Muscle Shoals. We have left with the Secretary of the Interior, who is to administer the bill, the alternative in the administration. He desired it, he asked it, and the provisions were inserted at his request, and I think reasonably so.

Mr. McKELLAR. Of course, the Senator understands I have great sympathy with his project and I hope it will be arranged so I can vote for it. I would like to do it. At the same time I do not think the Government ought to lend its credit, if it does not do anything more than that, or furnish the money in the initial steps of the program unless some such provision is made. If it is going to be for the benefit of all the people, if the people are going to get cheaper electric rates, all well and good; but if we are going simply to furnish the credit of the United States to build this great plant for certain power companies who are going to charge the people just as much as before, and if the only ones who will be really benefited may be those great power companies, then I do not think we ought to agree to it. I will say in all frankness that I hope some arrangement can be made by which it can be conducted for the benefit of all the people.

Mr. JOHNSON. May I say to the Senator that he is fighting just exactly the fight that I have been fighting on the bill? I eliminate the opposition of Arizona now because that comes on a different theory entirely, but I say to you, sir, that the opposition there is to the bill, the opposition which is the real opposition, the opposition which denies the power of the United States Government to do what the Government may desire with its own property, the opposition which would let 60,000 men, women, and children die in the Imperial Valley before they would permit relief to be given them from the Colorado River, the opposition to the bill, I say to you, sir—and I say without fear of contradiction—comes from exactly the same source to which the Senator refers, comes from the power corporations of the United States who stand like a lion in the path preventing relief to these people which so richly they deserve and to which their perils entitle them from the Government of the United States.

INVESTIGATION OF CAMPAIGN EXPENDITURES

During the delivery of Mr. ASHURST's speech,

Mr. REED of Missouri. Mr. President, will the Senator from Arizona yield to me for a moment?

Mr. ASHURST. Mr. President, let me make this short statement. I feel that courtesy requires me to yield. I realize that a Senator holding the floor, however, can not capitulate and bargain with the Chair or with the Senate; and so I must have it understood that yielding to these matters of courtesy and necessity does not in any way prejudice my right under the rules. I yield to the Senator from Missouri with that understanding.

Mr. REED of Missouri. Mr. President, I should not have interrupted the speech of the Senator from Arizona except that the work of the committee in which I with others am engaged must go on this afternoon. I desire to offer a resolution on behalf of the special committee, and ask unanimous consent for its present consideration.

Mr. MOSES. Mr. President, I think I had better suggest the absence of a quorum. I assume that the resolution is of some consequence.

Mr. REED of Missouri. I do not think it is, except that it extends the time of the special committee.

Mr. CURTIS. Let the resolution be read.

Mr. MOSES. Let the resolution be read for the information of the Senate.

Mr. REED of Missouri. I ask that the resolution be read for the information of the Senate. I do not think there will be any objection to it.

The PRESIDING OFFICER (Mr. DALE in the chair). The clerk will read the resolution.

The legislative clerk read the resolution (S. Res. 364), as follows:

Resolved, That Senate Resolutions Nos. 195, 227, and 258 of the Sixty-ninth Congress, first session, and Senate Resolution No. 324 of the Sixty-ninth Congress, second session, be, and they hereby are, continued in force during the Seventieth Congress.

That the special committee created pursuant to Senate Resolution No. 195 of the Sixty-ninth Congress, first session, is authorized in its discretion to open any or all ballot boxes and examine and tabulate any or all ballots and scrutinize all books, papers, and documents which are now in its possession or any that shall come into its possession, concerning the general election held in the State of Pennsylvania on the 2d day of November, 1926.

Resolved further, That the general authority of the said special committee is hereby extended to cover the nomination and election of any Senator at any general election held during the year 1926.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. MOSES. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. REED of Missouri. I will state to the Senator from New Hampshire that I think I can answer the inquiry because, I take it, I already have the substance of it from what the Senator has just said to me.

Mr. MOSES. Yes.

Mr. REED of Missouri. The purpose of the resolution is, first, to make it clear that the Senate committee will have the right to sit during the recess of Congress, a conclusion, I think, which follows from action heretofore taken, but I do not want any doubt about it; and, second, specifically to give the committee the right to examine the ballots so far as may be necessary. Our power already goes to the extent of examining the books and papers. We already have the ballot boxes here from the two sections of Pennsylvania which are principally involved, namely, Allegheny County and the city of Philadelphia. Those boxes are here, and we have authority to obtain the ballot boxes from the whole State. It is not our purpose, unless something shall develop in the future, to try to bring the ballot boxes here from perhaps more than one or two other counties, which are all, so far as we now know, that seem to be necessary to our investigation; but we can not systematically and with accuracy determine the matters that we must determine if we are to make a report to the Senate that shall mean anything unless we are allowed to go into these ballot boxes and to verify from them the returns that have been made. The purpose now is to confer that specific authority.

Mr. MOSES. And this request grows out of the notice of contest which has been filed by Mr. Wilson?

Mr. REED of Missouri. It grows out of the whole situation. The original resolution covered expenditures of money and the things done to secure nomination or election during the past year, 1926. A subsequent resolution authorized the committee to impound the ballots. The parties in interest, Mr. VARE and Mr. Wilson, were both called before the committee and they both signed a request to the authorities of Pennsylvania to turn over the ballot boxes to the committee. They have been brought here from those two great counties. Also there was a request, joined in by those gentlemen, to bring in the election records. I think that, under the authority we already have, we can proceed with the inquiry, except that there is no specific instruction

to open the ballot boxes if we deem it necessary to do so. We can not complete this work and make a report to the Senate that will really mean anything and that will be of real value unless we get this authority. The thought of the joint committee has been to proceed with that work during the vacation and ascertain whether the ballots in the boxes check with the returns, and so forth.

Mr. MOSES. I appreciate all that the Senator has said. May I ask him what is the state of the allocation of money made from the contingent fund of the Senate for this purpose?

Mr. REED of Missouri. There has already been a report as to the expenditure of funds. I am going to be frank and say that I have got to consult with the committee regarding the matter, but it will probably be necessary to have some more money. That phase of the subject, however, is not covered by this resolution.

Mr. MOSES. My immediate thought when I heard the resolution read was that it was necessary that it should go to the Committee to Audit and Control the Contingent Expenses of the Senate. As I have been standing here surveying the Chamber, however, I discover that the junior Senator from Pennsylvania [Mr. REED] is not now present, and I suggest to the Senator from Missouri, while I have no personal objection whatever to the immediate consideration of the resolution, it might be at least ethical not to take action in his absence.

Mr. REED of Missouri. I do no want to take any advantage of the absence of any Senator. The only difficulty with me is that I have left the work of the committee temporarily for this purpose; we are getting toward the end of the session; and it did not occur to me that anybody in the Senate could really have an objection to the consideration of the resolution.

Mr. REED of Pennsylvania entered the Chamber.

Mr. MOSES. The Senator from Pennsylvania has now come in. He may acquaint himself with the situation, and then state his position for himself. I do not know what it is.

Mr. REED of Pennsylvania. Mr. President, I have examined the resolution offered by the Senator from Missouri. At first sight the only criticism that I have of it is that it does not go far enough. It authorizes the committee "in its discretion to open any or all ballot boxes." It seems to me that it would be preferable to have the resolution read that the committee is authorized and directed to open all ballot boxes in its possession. I do not think that the investigation ought to be piecemeal. I think that in fairness the committee ought to open all the boxes which they have.

Then I notice the last clause extends the authority of the special committee "to cover the nomination and election of any Senator at any general election held during the year 1926." I ask the Senator what that is intended to cover?

Mr. REED of Missouri. That is intended to cover the Maine case. The other resolution specifically referred to an election to be held on the 2d day of November, the general election. The Maine election was held in September, 1926. I am not particular about it, but many people have been clamoring to have the matter looked into, and that is what the clause referred to is intended to cover. There is no secret about it at all. I do not know that there will ever be an investigation, but the committee thought that it ought to be in position to make it if it shall be called on to do so.

Mr. REED of Pennsylvania. I thought the Maine case had already been well investigated.

Mr. REED of Missouri. I do not know whether it has been or not.

Mr. REED of Pennsylvania. I have no particular knowledge and no particular concern about it.

Mr. REED of Missouri. I can assure the Senator we do not want to go into it unless we are compelled to do so by our duties.

In regard to the opening of the ballot boxes let me say to the Senator that both Mr. VARE and Mr. Wilson appeared before the committee at our request and signed requests to the authorities in Allegheny County and in Philadelphia to deliver the ballots from those two counties, and I am not sure but the request is broad enough to cover all of the counties of the State. However, in consultation with those gentlemen, the statement was made to us that probably there would be no contest in regard to the greater part of the State, but that if either of them wanted any particular ballots investigated they would make that known, and we assured them on behalf of the committee that, so far as time permitted, we would accord with their request.

Mr. REED of Pennsylvania. There are a very large number of "zero" districts throughout the State in which VARE got the "zeros" and his adversary got all the votes which were reported.

Mr. REED of Missouri. That was mentioned by Mr. VARE. We told him that if he would file with us a list of those districts from which he wanted to have the ballot boxes brought in we would have them brought in. He has not filed any such list up to date; so that it is left there in that way. I am asking the Senate to trust the committee to do its work as thoroughly as time and opportunity will permit. I hope there will be no objection.

Mr. REED of Pennsylvania. Mr. President, I have not had any chance to discuss this matter with Mr. VARE or any of his representatives; and I think I shall have to ask that the resolution lie over until to-morrow under the rule.

Mr. REED of Missouri. Very well.

Mr. REED of Pennsylvania. I do not imagine there will be any difficulty about it to-morrow.

The PRESIDING OFFICER. The Senator from Pennsylvania objects to the present consideration of the resolution, and it will lie over until to-morrow.

CONSTRUCTION AT MILITARY POSTS—CONFERENCE REPORT

Mr. WADSWORTH. I send to the desk a conference report which I ask may be read, and for which I shall ask immediate consideration.

The PRESIDING OFFICER. The conference report will be read.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 15547) to authorize appropriations for construction at military posts, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the matter proposed by the amendment of the Senate insert the following:

"SEC. 3. That in order to make further provision for the military post construction fund established by the act approved March 12, 1926, the Secretary of War is authorized to cause to be retransferred to the War Department, subject to the approval of the President, all real property heretofore transferred, or any part thereof, since January 1, 1919, from the War Department to other departments, bureaus, branches, or activities of the Government and no longer actually and necessarily required for their use, respectively, and upon the retransfer to the War Department of any such property the Secretary of War shall report the same to the Congress with recommendations as to its sale and the deposit of the proceeds to the credit of the military post construction fund."

And the Senate agree to the same.

J. W. WADSWORTH, Jr.,
DAVID A. REED,
MORRIS SHEPPARD,
DUNCAN U. FLETCHER,
HIRAM BINGHAM,
Managers on the part of the Senate.

W. FRANK JAMES,
JOHN PHILIP HILL,
JOHN J. MCSWAIN,
Managers on the part of the House.

Mr. WADSWORTH. Mr. President, an agreement has been reached upon all items in the bill; they have all been discussed in the Senate on a prior occasion; no important change has been made; and I ask unanimous consent for the immediate consideration of the conference report, with the understanding that there will be no extended debate upon it.

Mr. JOHNSON. Mr. President, may I inquire if that is all the Senator from New York has been waiting for?

Mr. WADSWORTH. Yes.

Mr. JOHNSON. I was hoping he was listening to the debate on the pending bill.

Mr. WADSWORTH. We have been waiting for two years for the bill on which I have presented the conference report.

Mr. JOHNSON. Very well; we will assist the Senator in passing the bill; but we have been waiting for 50 years for the Boulder Canyon dam bill, and please assist us in passing it.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 10485) for the relief of William C. Harllee.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 16800) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1928, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. FUNK, Mr. SIMMONS, Mr. TINKHAM, Mr. GRIFFIN, and Mr. COLLINS were appointed managers on the part of the House at the conference.

DISTRICT OF COLUMBIA APPROPRIATIONS

Mr. PHIPPS. I ask the Chair to lay before the Senate the action of the House of Representatives on the District of Columbia appropriation bill.

The PRESIDING OFFICER (Mr. DALE in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 16800) making appropriations for the government of the District of Columbia and for other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1928, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. PHIPPS. I move that the Senate insist on its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. PHIPPS, Mr. JONES of Washington, Mr. CAPPER, Mr. GLASS, and Mr. KENDRICK conferees on the part of the Senate.

LOWER COLORADO RIVER BASIN

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3331) to provide for the protection and development of the lower Colorado River Basin.

Mr. ODDIE. Mr. President, I think consideration of the pending measure will be expedited if I may obtain permission to insert in the RECORD certain extracts from the hearings which were held before the Senate Committee on Irrigation and Reclamation at Las Vegas, Nev., on November 2, 1925, in which a number of Senators participated. Statements were made at these hearings regarding the Colorado River development by the able engineer, Mr. F. E. Weymouth, who had for many years been chief engineer and chief of construction of the Reclamation Service, and who is one of the ablest engineers and best authorities in the country on reclamation matters.

Mr. President, I am strongly in favor of this proposed legislation, the Swing-Johnson bill, and the material which I am placing in the RECORD will be more eloquent and instructive than any speech which I might make in its behalf. It gives accurate and reliable statistics regarding the whole Colorado River problem, and brings out the valuable and useful discussion of the several members of the committee with these experts.

The PRESIDING OFFICER. Is there objection to the printing in the RECORD of the material referred to by the Senator from Nevada?

There being no objection, the extracts were ordered to be printed in the RECORD, as follows:

STATEMENT OF F. E. WEYMOUTH, CIVIL ENGINEER

The CHAIRMAN (Mr. MCNARY). Mr. Weymouth, what experience have you had as a civil engineer?

Mr. WEYMOUTH. Twenty-five years' experience. Twenty years I was in the Reclamation Service. The last eight years of that I was chief of construction and chief engineer.

The CHAIRMAN (Mr. MCNARY). Very well, Mr. Weymouth, the committee will be glad to have you discuss the matter in your own way.

Mr. WEYMOUTH. The Reclamation Service began almost from the time if its inception the study of the Colorado River and its basin; that is, as to the amount of irrigable land in the several States, and to that end asked each of the State engineers or other proper State official to furnish the service with the amount of irrigable land in their State; that is, whether or not they thought it would be practical to irrigate it. That information was, of course, necessary in order to determine any feasible scheme of development of the river as a whole. The service spent a great deal of time investigating various reservoir sites in the basin as early as 1902 and 1903, made surveys of the Mohave Reservoir site, the Bull Head site, and the Parker site on the lower river, and later on constructed the Yuma project heading at Laguna Dam, which you gentlemen have seen. The service has also constructed two projects in the upper basin—the Uncompahgre project and the one at Grand Valley. The physical conditions are such in the upper States that in nearly all cases or in all cases the water can be taken out of the streams in the State to irrigate the lands in that State, and for that reason, so far as I know, there never has been any difference of opinion among the different States in the upper basin as to how the upper-basin waters of the Colorado River should be regulated. You gentlemen are familiar with the reasons which lead up to the suggestion that a pact be formed between the upper basin and the lower basin States. The lands in California are very easy to reclaim. That is because they lie low and adjacent to the river and it is comparatively easy to get the water out of the river onto the land.

In Arizona it is possible to irrigate along the bottoms some two hundred and eighty or ninety thousand acres of land easily, of which about 115,000 acres is in the present Yuma project—will be when it is completed. There is another project in Arizona that is perhaps feasible—the so-called Parker-Gila project. The plan proposed in connection with that was made by the Arizona Engineering Commission, consisting of an engineer appointed by the Reclamation Service and an engineer appointed by the State of Arizona and another selected by the Geological Survey. These men investigated this Parker-Gila project and reported that in their opinion it was feasible; that about 674,000 acres could be irrigated by a canal taken out at Parker by constructing a dam at that point and raising the water about 100 feet and irrigating about 160,000 acres by gravity and something over 600,000 acres by pumping. That land will perhaps some time be reclaimed, although the pump lift is 200 feet.

Senator PITTMAN. How much is the pump lift?

Mr. WEYMOUTH. About 200 feet.

Senator PITTMAN. You think that that will be feasible at some time?

Mr. WEYMOUTH. Perhaps some time. Those two—this is, the Parker-Gila project and the land adjacent to the river—makes a million acres in Arizona. You have heard in the last few days a great deal about the so-called high-line project in Arizona, for which various claims have been made as to the acreage that could be irrigated. Some of the schemes that have been suggested contemplate irrigating as much as three and one-half million acres of land and other plans 2,000,000 acres. This engineering commission of which I have spoken also investigated that project. They investigated several different schemes. One was to build a dam at Boulder Canyon to an elevation of about 1,290 feet and carry a canal down along the sides of the mountains, with long tunnels, 70 or 80 or 90 miles long, to reclaim a large area down there—about 2,000,000 acres of land—they reduced the acreage from 3,000,000 to about 2,000,000. This commission, however, came to the conclusion that the project was infeasible and that they would not recommend any money be made available for the further investigation of that project. At the present time I understand that the State of Arizona has filed on the waters of the Colorado River to reclaim about three and one-half million acres of land in Arizona under this so-called high-line canal. That would take about 14,000,000 acre-feet of water, which is about all of the water there is in the whole river.

Senator PITTMAN. Before you leave that; do your studies of the report that declared this proposed project of 2,000,000 acres in Arizona infeasible cause you to agree or disagree with the opinion of that commission of engineers?

Mr. WEYMOUTH. Well, I fully agree with them that the project is not worthy of further investigation and that it is not feasible. In those investigations, they suggested different headings where the water could be taken out but all had about the same elevation. One scheme was to take out the water at Spencer Canyon. The present plan, though, I believe, is to take it out at Bridge Canyon, and it is for that reason, I understand, that Arizona is in favor of a dam at that point. With your permission, I would like to read two or three pages of the report of the engineers to the Secretary of the Interior, of which I was one, in reference to this high-line canal.

The CHAIRMAN. The names of the other engineers appear in the document?

Mr. WEYMOUTH. Yes.

The CHAIRMAN. Very well.

Mr. WEYMOUTH. The members of the board signing the report are Spencer Cosby, who is a colonel in the Corps of Engineers, United States Army; W. Kelley, chief engineer of the Federal Power Commission; E. B. Dabler, engineer of the Bureau of Reclamation; and Herman Stabler, chief of land classification branch of the Geological Survey; Walker R. Young, engineer of the Bureau of Reclamation, and myself. I might say this particular letter refers to the engineering report of Sturdevant and Stam, which was filed with your committee a few days ago. The report, of which I will read the major portion, is as follows:

"In accordance with your request, the committee of engineers appointed by you to consider the problems of the Colorado River has the honor to submit the following report on the canal project set forth in the report of G. W. Sturdevant and E. L. Stam, dated September 18, 1923:

"This project is a proposal to divert water from the Colorado River at or near Spencer Canyon for the irrigation of 3,500,000 acres of land in southwestern Arizona. The canal, with an intake elevation of 2,000

feet, would be constructed down the canyon to a few miles above Grand wash, thence by alternating tunnels and open channels it would extend in a southwesterly direction across Grapevine Creek, Hualpai wash, and Detrital or Squaw wash, and the intervening mountain ranges to the western slope of the Black Mountains about 5 miles east of the old Eldorado Ferry; thence down the west slope and around the southern extremity of the Black Mountains, crossing the Santa Fe Railroad about 3 miles south of Yucca Station; thence down the east side of Sacramento Valley and through a long tunnel to the Williams River Valley at the head of Mohave Creek; thence up the Williams Valley, crossing Big Sandy and Santa Maria Rivers about 10 miles above their junction; thence in a southwesterly direction across Data Creek and Bullard wash, under a low divide into Butler Valley, and down the west slope of Harcura Mountains to a crossing of the Santa Fe Railroad about 3 miles east of Vicksburg Station. Here the main body of irrigable land would begin and the first main lateral would branch off. Thence the main canal would extend eastward through comparatively level country across the Hassayampa and Agua Fria Valleys, through Paradise Valley, to a siphon crossing of Salt River at Granite Creek Dam, the canal level being 157 feet above the dam crest; thence southeasterly to a crossing of the Gila River about 7 miles below Florence; thence southwesterly to Casa Grande and westerly to a point 8 miles southwest of Maricopa, the elevation at that point being approximately 1,300 feet. The length of this canal is given by the promoters as approximately 548 miles with measurements following the course outlined, on the best contour maps available give 360 miles to Santa Maria crossing, 420 to Vicksburg, 555 to Granite Reef Dam, and 645 to the end."

Senator JONES. What is the total?

Mr. WEYMOUTH. The total length is 645 miles as measured on the map; probably much longer than that. [Reading:]

"If the canal were actually located, it is safe to say that it would be even longer and possibly over 800 miles long. It is our belief that the average length water would have to travel from diversion to land would hardly be less than 700 miles.

"The irrigable area appears to include all of the lands that can be reached from this canal. It is known that a portion of this area, particularly in the lower Gila Valley below Sentinal Butte, is unsuited to irrigation and there are also about 300,000 acres now irrigated from other sources which seem to be included. However, it is impossible from information furnished by the promotors of this plant, or any other data at the present available, to determine even approximately the area of lands which could be properly classed as irrigable, and we have grave doubts that so large a body of irrigable land exists under this proposed canal.

"Land in this locality requires for successful irrigation at least 3 acre-feet per acre delivered. Considering the great length of this canal system, even though all of the main canals are concrete lined, loss from seepage and evaporation will certainly amount to 25 per cent to 40 per cent. Taking the smaller amount, it will be necessary to divert 4 acre-feet for each acre of land, or 14,000,000 acre-feet for the season. The maximum use of water in irrigation in this section occurs in July and averages about 13 per cent of the total for the year. This demand will require a canal with a capacity of 30,000 second-feet. The first 35 or 40 miles of the canal would be located in shale along precipitous cliffs and narrow benches within the canyon. Considering the well-known treacherous character of shale when saturated with water, we think it would be necessary to place the entire canyon section of the canal in tunnel.

"Further on, the main canal will traverse a great deal of country with steep slopes and so irregular that the construction of a surface canal of the necessary capacity would be exceedingly expensive and might be infeasible.

"Throughout its entire length, the main canal will cross thousands of water courses varying from small gulleys to deep, wide canyons. This region is characterized by local storms of very violent character and at each drainage crossing adequate provision must be made for safely carrying storm waters across the canal. This again would add to the expense of the undertaking.

"Messrs. Sturdevant and Stam state that the total length of tunnels will not exceed 27 miles. Our estimate is over 80 miles, the tunnel from Sacramento Valley into Williams River Valley being alone as long as their total.

"The low-water level at Spencer Canyon, as determined in the survey made by the Geological Survey during the past summer, is 1,112 feet. It will therefore be necessary to construct a dam for diversion about 900 feet high above low-water level. It is not known how far below water level satisfactory foundations can be found.

"With our present knowledge of the principles of dam design, it is questionable whether a dam from 900 to 1,000 feet high, developing stresses within ordinary allowable limits is practicable or economically feasible. It is known that the upper 200 feet of this dam would have shale abutments, which probably would not be found permissible in a dam of this character.

"There is still to be considered a difficulty which is perhaps the most serious of all—the operation of a canal system 700 miles long with 500 miles of main canal in rough, mountainous country. The difficulties of handling a river with three times the low-water flow of the Colorado River along canyon walls, rough lava mountain slopes, and across wide detrital washes for 500 miles are hard to visualize, and one break in this canal would mean the shutting off of water to this entire area for a period which would ruin crops. A storage and regulating reservoir on the canal line near the irrigable area of sufficient capacity to tide over such an emergency or, indeed, to meet ordinary requirements in operating so huge a system, seems to be unavailable, and no mention of such a necessary adjunct to the system has been made by the promoters.

"Messrs. Sturdevant and Stam state that the construction cost of their project, including dam, high-line canal, and lateral canals, will be $200,000,000. It is believed that the actual construction cost of such a project, if indeed it is feasible at all, would far exceed this estimate.

"We consider that this project is inadvisable and is not worthy of serious consideration."

Senator SHORTRIDGE. What is your idea as to the approximate cost of that canal?

Mr. WEYMOUTH. More money than there is in the world, I guess.

Senator SHORTRIDGE. Well, that, of course, is an answer; but, have you made any approximation as to the total cost?

Mr. WEYMOUTH. We tried to make some estimates and I judge it would be at least six or seven hundred million of dollars.

Senator SHORTRIDGE. Would that include the cost of the dam?

Mr. WEYMOUTH. Yes; that might include the cost of the dam.

Senator SHORTRIDGE. What storage capacity would the reservoir have?

Mr. WEYMOUTH. At Spencer Canyon, it would be very little.

The CHAIRMAN. Pardon me. You said that to irrigate this would require 14,000,000 acre-feet per annum?

Doesn't that exceed the capacity of this basin if a dam were constructed at Spencer Canyon?

Mr. WEYMOUTH. Yes.

The CHAIRMAN. To what extent does it exceed it?

Mr. WEYMOUTH. Probably the flow of the whole river is about 20,000,000 acre-feet and the present areas that are irrigated need to be taken care of and some expansion of areas that is feasible to irrigate needs to be taken care of. You see, all of the lower river, under the compact, is only allowed seven and one-half million acre-feet and this one scheme contemplated 14,000,000 acre-feet. Now, while this report referred to a particular project, all of the high-line schemes are very similar but the scheme that they have under consideration now, as I understand it, contemplates taking out a canal heading at Bridge Canyon after building a dam eight or nine hundred feet high. I wanted to state all of these things, because it seems to me that the entire scheme is so visionary that it ought to be killed off for all time to come, that is, in considering what should be done with the water in the river.

Senator PITTMAN. We have a map here which is gotten out under the LaRue report and it does not seem to have a dam site on here named Bridge Canyon. Is that identical with or near the so-called Spencer Canyon?

Mr. WEYMOUTH. Yes; it is very near. It is only 8 or 9 miles away. Bridge Canyon is about 12 miles below the Diamond Creek site.

Senator PITTMAN. But the Bridge Canyon site and the Spencer Canyon site are advocated by its supporters before this committee for the purpose of accomplishing the purposes of irrigation such as you have described?

Mr. WEYMOUTH. Yes, sir.

Senator PITTMAN. And no matter which one of those sites they selected the result would be just about the same as you have testified to?

Mr. WEYMOUTH. Yes, sir; and the reason that I have at this time in my testimony taken up the question of the so-called high-line canal in Arizona is because of its effect on the development of the river as a whole as to where a dam should be built or should not be built.

Senator ODDIE. How many miles of tunnel were contemplated in that high-line scheme?

Mr. WEYMOUTH. It would be 70 or 80 miles.

The CHAIRMAN. Proceed, Mr. Weymouth.

Mr. WEYMOUTH. A witness appeared at Phoenix and advocated as a first step in the development of the Colorado River a dam at the so-called Dewey site to control the floods. The Reclamation Service investigated that site, among many others. We estimated that we could build a dam at that point for about $11,000,000. It is a good dam site and a good reservoir site, but comparatively small. I do not recall just what effect that site alone would have in connection with the regulation of the river, but I remember distinctly that we made a plan—worked out a scheme for controlling of floods of the river by building of dams at the Dewey site, Bluff site, Flaming Gorge, and at the Juniper site at an estimated cost of about $40,000,000. With those reservoirs we believe that we could control the river to a flow of about 70,000 cubic feet a second. We believe that with floods of 70,000 cubic feet a second that there would be danger of inundation of the Imperial Valley and the breaking of the levees of the Yuma project;

that is, experience has proven that whenever the river gets up higher that 30,000 or 40,000 cubic feet a second that it is not only apt to overtop its banks where there are no levees but the river gets so high that it undercuts the levees, even where protected, and it is very dangerous, and therefore the river should be controlled to a lower discharge—something like 30,000 or 40,000 cubic feet a second—and it was because of that fact which led to the investigation on the lower river to see if a large reservoir site could not be found downstream somewhere to regulate the flow to about 30,000 or 40,000 second-feet.

The so-called Kinkaid Act authorized the Secretary of the Interior to have an investigation made to determine how to protect the Imperial Valley and that led to the investigation of the Boulder Canyon site. At the same time, we investigated all possible sites on the lower river, because we believe that eventually all of the head in the river should be utilized for power, that is, no dam should be permitted to be built anywhere in the river that will interfere with the best development as a whole and for that reason we worked out a scheme for the development of the river as a whole to see if the Boulder Canyon would fit into that scheme. That scheme contemplated building a dam at Bridge Canyon about 550 or 560 feet high, another at Boulder Canyon or rather Black Canyon, where we were to-day; another one at Bulls Head, where water could be reregulated and some power developed, and another dam down at Parker. That site could be utilized to reregulate the flow and serve as a diversion dam for the Parker project and also create some power. With those four dams, all of the head of the river between the Grand Canyon Park and Parker could be developed; that is, so that there would not be any power lost. Mr. LaRue has suggested another scheme for developing that river, building a dam at Bridge Canyon but nothing at Boulder Canyon and then there are several low dams suggested by him down the river, the names of which I have forgotten, but they are all in his report. He thinks it is a mistake to build high dams. Why, I do not know. In constructing a dam in the Colorado River, one thing should be kept in mind at all times and that is that the principal cost of building any dam in the river below the Grand Canyon is the cost of getting started; that is, wherever you build a dam, you have got to build a railroad out to the site; you must build a large camp to take care of a large construction crew and you must build a large construction plant and all that sort of thing; the river must be diverted and it costs just as much to divert the river for a low dam as it will for a high dam. Now, all of those things will cost somewhere around $16,000,000 or $17,000,000 before you get started to build the dam itself.

The CHAIRMAN. Mr. Weymouth, do you think it is necessary to construct any dams other than the 550-foot dam at Boulder Canyon to control the flood waters of the Colorado River?

Mr. WEYMOUTH. No, no; but I think, however, that we should take into consideration these different sites, so that after the Boulder Canyon Dam is built the river will be left in such shape that other dams can later on be built so as to get the maximum amount of power out of the river and the maximum amount of water for irrigation and, for that reason, we have studied all of these other sites to see what would be the best combination of dams we could build to develop the river and, for that reason, we worked up—I don't remember now how many heights of dams or how many locations, but there were literally dozens of them, before we could select the best combination—the cheapest combination—and one thing that we took into consideration in all these studies was this, that the first development on the river should be at a point where power could be developed within transmission distance—within a practical transmission distance—of the present market. Now, if there was a dense population the whole length of the Colorado River that needed power or needed water for irrigation, it might mean a different kind of development than we would recommend under present conditions, or perhaps the first dam should be constructed at some other point, but under existing conditions there should be a dam built, we believe, to regulate the floods in the first place, I think everybody is agreed, somewhere, and about every one believes that water should be stored somewhere so that all the lands in the lower valley can be reclaimed that are feasible of reclamation. Now, if those two things could be done and at the same time create power enough to pay for the dam and reservoir, that is the wise thing to do, and it was for that reason that we decided on the site at Black Canyon.

Senator KENDRICK. In connection with the high line, Mr. Weymouth, do I understand you to say that the high dams proposed to the extent of 900 feet are to be used as diversion dams and would not be available for storage purposes?

Mr. WEYMOUTH. Now, regarding the dam at Bridge Canyon, the engineers in the Reclamation Service worked up the storage capacity of a reservoir made by a dam 900 feet high and found it to be about 1,000,000 acre-feet, so a dam at Bridge Canyon will not store water. In Mr. La Rue's report, on page 72, you will note that he recommends a dam 566 feet high, or 556 feet high, and that table shows that there will be no water available for flood control or no water available for storage for irrigation.

Senator KENDRICK. It is simply for the purpose of diverting the water at a high elevation?

Mr. WEYMOUTH. Yes; or for power. That could be used for power at that height, but without any storage above it it would be of little value. Now, this one dam at Black or Boulder Canyon 550 feet high above the water surface would cost about $40,500,000, or, say, $41,000,000, whereas, under Mr. La Rue's scheme, to get power, to get water for irrigation, and to have flood control, he would have to have three dams. He would get power at Bridge Canyon and that dam will cost about thirty-two or three million, provided the foundation conditions are favorable. We made an estimate on a site at Bridge Canyon. If the foundations are favorable at a depth of 90 feet, you could build it for that amount, but we do not know that there is any suitable foundation there at all—that is, within feasible depth—so that we don't know that there is a feasible dam site at Bridge Canyon.

Senator JONES. You made your investigations and your report before Mr. La Rue made his report?

Mr. WEYMOUTH. Before he made this last report.

Senator JONES. So he had the benefit, I assume, from your report—he had that advantage?

Mr. WEYMOUTH. Yes. The Glen Canyon Dam, where water would be stored, is a good reservoir site, but has a very poor dam site. The dam would be longer than at Black Canyon and the rock there is of very poor quality.

Senator JONES. How much longer?

Mr. WEYMOUTH. Thirty or 40 per cent, if I remember correctly. The rock up there is like soft brick. When we were there a corps of engineers of the Edison Co. were drilling there at that time and they had their workmen get us some samples of the rock out of the side of the cliffs, and we put them in gunny sacks and boxes and brought them back down to Flagstaff and then shipped the samples to Denver and Washington, and the samples were mostly sand when they reached there. The rock is so soft it just crumbled. You can crumble it up in your hands.

Senator JONES. It crumbled in transit?

Mr. WEYMOUTH. Yes.

Senator PHIPPS. Do we understand that the purposes of flood control, irrigation, control of silt, and production of power are in a measure conflicting; that is to say, that the ideal dam for power purposes would be of a different type than that you would need merely for flood control—you would need a different height dam to take care of silt over a period of years? If you were building a dam simply for power that was 550 feet high at Boulder Canyon, you could afford to divert the water—take the water out practically at the crest, but if you want it for flood control purposes, you should never fill the dam above a certain height, leaving enough capacity above that given height to take care of the floods that might come into the dam; is that correct?

Mr. WEYMOUTH. No.

Senator PHIPPS. Well, I would like to have your exposition of the different heights that would be suitable for the varying purposes, including irrigation.

Mr. WEYMOUTH. If a site was selected on the river where there was very small storage, it might be advisable to have different sites for power and for flood control and for irrigation, but, as it happens, at Black Canyon the site is large enough for all of those purposes; that is, you can get all of those things much cheaper than you can get them separately in any other way.

Senator PHIPPS. That is self-evident, I think. At what height would you take out the water of the 550-foot dam proposed at Black Canyon?

Mr. WEYMOUTH. You mean for the power?

Senator PHIPPS. Yes; for power.

Mr. WEYMOUTH. About 150 or 200 feet above the river.

Senator PHIPPS. You would not utilize the full drop of 550 feet or anything like that?

Mr. WEYMOUTH. Oh, yes.

Senator PHIPPS. How would you accomplish that and still have flood capacity remaining?

Mr. WEYMOUTH. Well, we would take out penstocks at that elevation and carry them down to the river level, so we would get the full head of the reservoir on the power plant.

Senator PHIPPS. I don't quite follow you in your statement. Assuming that the 550-foot height was adopted for the dam and was constructed now, in order to have retaining capacity for flood control you could not keep that dam filled at all times?

Mr. WEYMOUTH. No, sir.

Senator PHIPPS. And take out the water for the purpose of generating hydroelectric power from the top of the dam?

Mr. WEYMOUTH. No. Senator, we figure that the average effective head would be 430 feet.

Senator PHIPPS. And that would leave you ample capacity to take care of flood?

Mr. WEYMOUTH. Yes.

Senator PHIPPS. Over and above that height?

Mr. WEYMOUTH. Yes; we allowed about 8,000,000 acre-feet for flood control and 5,000,000 or 6,000,000 acre-feet for silt, and the remainder of the water would be available for irrigation and still have this high head of 430 feet for power.

Senator PHIPPS. The dams of the hydroelectric power companies for power and those of the irrigationists for water for their lands frequently conflict, do they not? In other words, the power company wants water to come through in a constant flow and the irrigationist only wants it to come through as he can use it for covering the lands?

Mr. WEYMOUTH. Yes. In this lower country they use water most of the year, so there is not as much conflict there in the Southwest as there is farther north, where they only irrigate a few months.

Senator PHIPPS. I don't recall at the moment, but in the terms of the compact, with which you are familiar, which has the highest beneficial use after domestic use, irrigation or power?

Mr. WEYMOUTH. I do not remember what the compact states, but, generally, in the West the law gives irrigation precedence over power.

Senator PHIPPS. I think that is correct in the pact also. Now, one of the primary purposes of this dam would be flood control?

Mr. WEYMOUTH. Yes.

Senator PHIPPS. Would that be made paramount?

Mr. WEYMOUTH. Yes. For the period that we studied, which is the period that we have the river discharge records, the reservoir would regulate the flow of the Colorado throughout the year, take care of the irrigation requirements below, and take care of the power—about 600,000 continuous horsepower; that would mean the reservoir would be fluctuating considerably; but the reservoir is so large it could be done.

Senator JOHNSON. There would be no conflict with the dam built at Black Canyon between the various uses that have been suggested by the Senator?

Mr. WEYMOUTH. No, sir.

Senator ODDIE. Mr. Weymouth, what is your idea as to the time that a serious menace would occur in the Imperial Valley and in the Yuma Valley from the accumulation of silt, in case there should be a delay in the building of the Boulder Canyon flood-control dam?

Mr. WEYMOUTH. Well, that is very serious. The silt problem is very serious now.

Senator ODDIE. In filling up the ditches and raising their level. What is your idea as to the time that will elapse before it becomes a very serious matter?

Mr. WEYMOUTH. It is getting to be more serious every year. I do not know how long it will take to get to the point where it will cost too much to maintain those ditches any longer; the river at this time is gradually raising its bed every year. The Pescadero Cut was built a few years ago and it is estimated it will take care of the silt somewhere from 10 to 15 years. Nobody knows exactly how long, but there is danger, though, of the river breaking into the Imperial Valley above the Pescadero Cut if high floods occur.

Senator ODDIE. What would be your idea, roughly, as to the damage that would be done in case that should happen?

Mr. WEYMOUTH. If the river went into the Imperial Valley?

Senator ODDIE. Yes.

Mr. WEYMOUTH. Well, I do not believe the water could ever be gotten out again, so the valley would be destroyed. The river menaces the levees above the Pescadero Cut. You remember a few days ago we went down the valley and you doubtless saw where the river comes in against the dikes next to the railroad?

Senator ODDIE. I saw it and studied that condition carefully.

Mr. WEYMOUTH. If there should be a high flood, it is liable to go into the Imperial Valley.

Senator ODDIE. In your opinion, is that levee in imminent danger of going out in case of a flood?

Mr. WEYMOUTH. A large flood; yes.

Senator ODDIE. How much would you estimate that ditches are raised each year from the silt deposition?

Mr. WEYMOUTH. I do not know how much the ditches are raised. They keep cleaning them out all of the time. They would be filled up several times a year if they did not keep cleaning them out.

Senator ODDIE. That accumulation of silt that is piled up from the ditches each year is becoming a menace, is it not?

Mr. WEYMOUTH. Yes; certainly.

Senator SHORTRIDGE. Mr. Weymouth, would the building or constructing of a 550-foot dam at Black Canyon prevent the constructing of a dam or dams higher up the river?

Mr. WEYMOUTH. No, sir. It would only back the water up to the Bridge Canyon dam. That dam could be built at any time in the future.

Senator SHORTRIDGE. At that height it would not interfere with the building of a dam in the years to come at Bridge Canyon, for example?

Mr. WEYMOUTH. No, sir.

Senator PHIPPS. I want to ask one other question. Since the inundation of the Imperial Valley in 1906, the San Diego-Arizona Railway line has been constructed along the valley there from Mexicali on up to Yuma. That serves as what you might term a second line of defense against breaking through of the river? Have you a knowledge of that embankment all along? Is it made as a solid structure, so to speak, or are there openings left in that line of the right of way in which the tracks are located?

Mr. WEYMOUTH. I am not familiar with that feature or of the openings along the track of the Arizona Railroad.

Senator PHIPPS. But the danger of the river breaking through has, in a measure, been lessened by the construction of that railway line, has it not?

Mr. WEYMOUTH. Yes; I think that would be a material help.

The CHAIRMAN. Mr. Weymouth, what would be the length of time required to construct a dam at Black Canyon?

Mr. WEYMOUTH. Some seven or eight years.

The CHAIRMAN. Would by the impounding of the water to the height you have mentioned cover any cultivated land or town sites?

Mr. WEYMOUTH. Yes; it would dam the water up—it would flood the town of St. Thomas.

Senator JOHNSON. Mr. Chairman, I would like to ask if during the process of construction of the seven or eight years power could be generated there?

Mr. WEYMOUTH. Yes; some before the dam is completed.

Senator PHIPPS. How quickly would it afford flood control?

Mr. WEYMOUTH. Two or three years before the dam was completed there would be considerable regulation.

Senator PHIPPS. Putting it the other way, then, in from four to five years after the commencement of the work we might expect flood control?

Mr. WEYMOUTH. Some. Not complete. There has been also a flood-control dam suggested at the Mohave site, but that would cost about $28,000,000 for just a flood-control dam. That eight or ten million acre-feet flood-control dam at the Black Canyon site would cost practically the same, so the difference between a dam just to control the floods and of a high dam for flood control, irrigation, and for power would be about twelve or thirteen millions of dollars.

Senator PHIPPS. Was there any test of the practicability at Mohave or Topock to determine what foundation is to be secured there?

Mr. WEYMOUTH. No; that site has never been tested. The best information that we have is the information obtained by the railroad company when they put their bridge piers in at Needles, and they went over 80 feet and did not get bedrock there, and the river is narrow down at the Topock Dam site and I expect that the foundation would be some deeper; that is, we have found both in Boulder Canyon and in Black Canyon, where the river was wide, that it has less depth to bedrock than where it is narrow.

The CHAIRMAN. Mr. Weymouth, if flood control should be undertaken without further delay by the Government, would it be practical, in your opinion, for the Government to strengthen the dikes and levees along the river?

Mr. WEYMOUTH. Well, of course, those dikes can be improved, but in my opinion that would cost a lot more than it would to put the dam up a little higher and make it safe.

The CHAIRMAN. I am not speaking of the dikes after the dam is constructed, but the waiting period of the next five or six years. Is the peril of inundation of the Imperial Valley so imminent as to justify the Government, under the flood control act, to strengthen the levees along the bank and near the spot indicated by you a few minutes ago in your testimony?

Mr. WEYMOUTH. I think those dikes ought to be strengthened. Perhaps the Imperial Valley can do it themselves. I do not know. I think that they are not in very good shape now.

The CHAIRMAN. Should there be any new levees constructed, in your opinion?

Mr. WEYMOUTH. You mean elsewhere?

The CHAIRMAN. Yes.

Mr. WEYMOUTH. Yes.

The CHAIRMAN. Now, what I want to keep in mind is that we are trying to protect Yuma Valley and Imperial Valley from inundation during the time required to construct Boulder Canyon Dam. In your opinion, should the Government go in there, under the flood control act, and construct any new levees or increase those that are now in existence?

Mr. WEYMOUTH. I haven't considered that.

Senator JOHNSON. What is the relative storage capacity of a dam at Bridge and a dam at Black Canyon of equal heights?

Mr. WEYMOUTH. Well, a 550-foot dam, at Bridge Canyon has no storage that is available for flood control or reclamation but a dam of the height at Black Canyon would store about 28,000,000 acre-feet.

Senator PHIPPS. I don't know whether I understood you correctly or not. You contend that a 550-foot dam at Bridge Canyon site would not afford any storage?

Mr. WEYMOUTH. I am basing that statement upon a table on page 72, I think it is, of the La Rue report, where he states that there is no storage available for flood control or storage by dam of that height, but on a diagram in his report he shows for a dam 550 feet about a million and a half acre-feet, but the engineers in the Reclamation Service, with the data that we had available, find with a dam 900 feet, only 1,000,000 acre-feet of storage. Now, there may be some difference in the basic data. He might have more topographic information than was furnished the Reclamation Service, but the table of Mr. La Rue's is on page 72.

Senator ODDIE. How long would it take that reservoir to fill up with silt?

Mr. WEYMOUTH. With about 100,000 acre-feet of silt a year, a million and a half acre-foot reservoir would fill in 15 years.

Senator PITTMAN. A million and a half acre-feet would not be any practical storage for the purposes we are considering, would it?

Mr. WEYMOUTH. No, sir.

Senator PITTMAN. Is there any difference in the advantages, as far as silt elimination is concerned between a dam constructed at Black Canyon and one constructed at Glen Canyon?

Mr. WEYMOUTH. Well, a lot of silt comes in the river between those points from the Little Colorado, Virgin, and other rivers of that character. The others are smaller, of course, but they bring in lots of silt. It is generally conceded to be a silt-bearing area.

Senator PITTMAN. Are they all downstream from Glen Canyon?

Mr. WEYMOUTH. Yes, sir.

Senator PITTMAN. And upstream above the proposed Black Canyon?

Mr. WEYMOUTH. Yes, sir.

Senator ASHURST. May the reporter read that part of Mr. Weymouth's statement in regard to the proposed dam at Dewey site?

The CHAIRMAN. It would be quicker for you briefly to state it over again.

Mr. WEYMOUTH. I do not recall the amount of storage that it is feasible to develop at Dewey. I will state it in another way. I do not recall how much of the flood peak we could take off of the river at the Dewey site alone but, with a dam at Dewey and at Juniper and at Flaming Gorge and at Bluff site, all of those reservoirs combined, we could only regulate the river to 70,000 second-feet, so I believe that a dam at Dewey alone would have very little effect.

The CHAIRMAN. The committee is indebted to you, Mr. Weymouth. Mr. Arthur P. Davis.

STATEMENT OF ARTHUR P. DAVIS, CIVIL ENGINEER

The CHAIRMAN. Mr. Davis, how long were you chief engineer of the Reclamation Service?

Mr. DAVIS. I was chief engineer of the Reclamation Service from the year 1907 to 1914; then director and chief engineer from 1914 to 1920 and director from 1920 to 1923.

The CHAIRMAN. What work are you pursuing now?

Mr. DAVIS. I am chief engineer and general manager of the East Bay municipal utility district, which comprises nine cities on the eastern shore of San Francisco Bay, building a water supply for that region.

The CHAIRMAN. Do you represent any of the interests affected by the development of the Colorado River Basin?

Mr. DAVIS. Yes, sir; I am here on the invitation of the governor of Nevada and of the city of Los Angeles.

The CHAIRMAN. Very well. Would you like to be seated, Mr. Davis, or would you prefer to stand?

Mr. DAVIS. I believe it would be more convenient to stand, if it is agreeable to you. I have no set statement, Mr. Chairman. I am here at your service, and those who desire to ask me any questions concerning what I know about the outstanding features of the Colorado River, which are the large discharge of water, the great irregularity of that discharge, the immense fall through its course, and the immense amount of sediment which it carries. To utilize that stream and also to eliminate its destructive characteristics, it must be controlled and regulated to as near an approximation to an equality of flow as practicable. As it stands, it is an imminent menace to the Imperial Valley by its load of sediment and the destructive volume of its floods in abundant years. That has already cost an immense amount to the Imperial Valley, the Yuma project, and the irrigators at Blythe, and is an increasing menace to all of them, because of its constant upbuilding of its bed and threatens imminently with destruction the Imeprial Valley, because, if it should break into that valley, contrary to the conditions on the other valleys, that valley is below sea level and can not be drained off except by pumping, which is entirely out of the question both in time and cost.

The river, when discovered, or since modern man became acquainted with it, was running nearly due south from this point to the Gulf of California, meandering, but the general direction was south and along that course to the Gulf of California, has built up a ridge, as such a stream always does, carrying an immense amount of sediment, and that sediment must go somewhere. If it goes to the mouth of the stream it builds a delta at that point and lengthens the stream, and it deprives it of a part of its grade, because the same flow is distributed over a greater mileage. It is cutting above and building up below, and it tends to destroy this grade and make it lighter. Every time the grade is diminished it tends to deposit that sediment in its bed, so that there is a constant deposit of material in its bed and at its mouth, distributed in the various places, which constantly builds up its bed, making the stream unstable, and in time of flood it frequently changes its course, running to a lower place, because it has built up its old bed. Now, it had done that in its course straight to the Gulf until it had become very unstable and finally through some force breaking into the Salton Basin, as it had doubtless done many times before in its history, but it never would hold that course very long; that is, very long as centuries go, because it would eventually fill it up, and then could not run in there any longer, and that would put it back in some other channel, and it would go to the ocean until the basin was again open; and when it built up its bed again it might again break in. Well, it did that in 1905, and at great expense it was put back on its old course, only in a few weeks to break in again, and with the river up in flood it was an extremely difficult and expensive matter to put it back, and could not have been done without the ready-made available equipment of the main line of the Southern Pacific Railroad, which was thrown in in great force to that end and accomplished that fact, as you gentlemen probably learned long ago; but it was a difficult matter, and during that period it cut deep gulches down the two courses, New River and Alamo River, through the valley, and that much is already done. If it should do so again it would not have to wait to make those channels again. It would begin receding in its grade faster farther up, and when the river was put back in its course it would not follow that course, but was held at the point where it broke before by strengthening the levees, making them high and facing them with rock; but it did break through at what is called the Bee River.

That is a small channel farther down and that led it to Volcano Lake, which was a lake existing at that time and, answering one of the questions asked Mr. Weymouth, the river ran in that course 14 years and in that period built up its channel in its immediate vicinity and the entire area of Volcano Lake 14 feet, which is about a foot a year. It built it up so rapidly that it became unstable there. A levee had been built between there and the Imperial Valley to prevent it breaking into the Imperial Valley again, and that levee did prevent it but one year: I think it was in 1922 it raised above the top of that levee and was only held by the constant efforts of people piling sand bags on the levee from overtopping. That, of course, was a very dangerous situation, and, following that, the people of the Imperial Valley invested a large sum of money in putting the river into another channel that has been built in the last few years, the Pescadero. It is running there now. That will have a similar history. The river spreads out there and deposits its sediment and is building that up rapidly. Whether it will become so unstable as to become unsafe there within 5 years or 20 years, nobody knows. The best estimates are between 10 and 15 years, but eventually that will be accomplished just as surely as the sun rises, and then all of the available delta there will be built above and it will be unstable wherever you put it. There may have been some small regions which will not have been built up above it, but eventually, at no great distant period, that condition of instability will come. Now, it is of great importance to maintain some of that possibility of silt storage, because no handling of the stream can entirely eliminate the silt menace. It might eliminate nine-tenths of it. The Gila will come in, the Bill Williams comes in, and some silt comes in below any reservoir that can be built, so it is very desirable that this work be done just as quickly as possible so as to make it safe even after it is done—make it as safe as it would——

Senator ASHURST. Then the construction of the San Carlos Dam and project on the Gila River would remove the silt menace to some degree?

Mr. DAVIS. In some degree. The Gila at San Carlos is not as muddy as it is farther down. Some of the other incoming streams bring in a great deal of sediment, but it would assist both in the volume of water——

Senator ASHURST. Then it would be of material assistance to the farmers and landowners and water users in the Imperial Valley and Yuma Valley to construct the San Carlos project at an early date?

Mr. DAVIS. Yes, sir.

Senator PHIPPS. Mr. Davis, at the time the decision was made to open the Pescadero Cut, did they not have another cut-off that they were considering, known as Old River Channel, that is higher up the river?

Mr. DAVIS. I am not acquainted with that detail, but it was, as I gather it, a question of the cost of getting the river into some other channel that would build——

Senator PHIPPS. That was the very point I was trying to get at. I thought probably you could inform this committee the cost of opening up the Pescadero Cut and the estimated cost of opening up the proposed cut at the Old River, and that, as I was informed down there, involved too great an expenditure for the Imperial Valley to bear at that time.

Mr. DAVIS. I am not sure that I understand exactly the problem that you are putting up. I know of no river that is called the Old River, except the old channel that it was following 20 years ago.

Senator PHIPPS. That was the one I had in mind.

Mr. DAVIS. At the time the river broke into New River they tried to turn it and did turn it then and could not hold it, and it broke back into Bee River, so at that time that was what was done by the Southern Pacific in both cases.

Senator PHIPPS. That must be a different opening or drainage area than the one I have in mind, but I have a recollection that when they

considered and finally decided upon the Pescadero Cut there was another possibility farther up the stream, but the cost was about double that of making the diversion into the Pescadero.

Mr. DAVIS. Yes; I know there are other points of diversion, but they would lead into the same general region. The region is the triangle between the old channel and the Bee River channel. There is a triangle in there, formed by the Old River on the east and the Bee River on the northwest and the Colorado on the southwest, and that triangle is what they wanted to throw it into and did throw it into.

Senator PHIPPS. If that is the same territory, that has answered the question I had in mind.

Mr. DAVIS. Refers substantially to the same territory.

Senator KENDRICK. Mr. Davis, have you ever heard any estimates made as to the actual damage done, together with the expense of repairing the river when it broke out before?

Mr. DAVIS. Yes, sir; there are many estimates of those things relating to different dates and different features. The Southern Pacific Railroad put in a bill of, if I remember the figures, one million eight hundred and some odd thousand dollars for the second diversion. They diverted it first and made no charge for that. They did that voluntarily. The river after that broke in again and was running at time of flood, and the second diversion, or stoppage, and turning it back into the old river, cost $1,800,000.

Senator KENDRICK. And what was the estimated damage done to the property in the Imperial Valley?

Mr. DAVIS. I don't remember. I have seen a good many rather wild guesses regarding that. It was very large, but I could not tell you.

Senator KENDRICK. It must have totaled several millions of dollars, did it not?

Mr. DAVIS. I think it would. The damage was nowhere near as great as it would be now.

Senator KENDRICK. Under present conditions it would be vastly greater.

Mr. DAVIS. Yes, sir. Now, this silt menace that you have all heard about—something like $1,000,000 a year it costs that valley to take care of it. It is not easy to visualize the amount of that statement—I mean the amount of that sediment—and I want to call attention to the fact that on the average, so nearly as we know the figures, the discharge of the Colorado River averages from about from one hundred and sixty to one hundred and seventy-five million cubic yards per annum. That is somewhere about a little more than the total excavation performed by the American commission in the construction of the Panama Canal. That is an immense quantity and it amounts, to express it in acre-feet, to something like 100,000 acre-feet per annum. It is a little bit less at Boulder Canyon and a little more at Yuma, because there is some comes in between—a good deal.

Senator JONES. Can you give us any estimate as to the proportionate part of that that is down below the Laguna Dam, for instance, or about that?

Mr. DAVIS. Below the Laguna Dam the estimate would be the amount brought in by the Gila. The Gila brings in about 6 per cent of the water of the total river, and I think in the neighborhood of 10 or 11 per cent of the sediment of the total.

Senator ASHURST. Then, the Gila brings in some 11 per cent of the sediment?

Mr. DAVIS. I am quoting from memory. I don't know exactly.

Senator ASHURST. Then, the construction of the San Carlos project—the Coolidge Dam, on the Gila River would indeed relieve in part the menace of this silt?

Mr. DAVIS. Yes, sir. Oh, yes; it would hold back such sediment as the upper Gila, above San Carlos, brings down and it would also reduce, to some extent, the volume of the floods, which cut the banks and help pick up new sediment all of the way down.

Senator ASHURST. Then, happily, there is one project upon which we all agree that will relieve the Imperial Valley.

Mr. DAVIS. Yes, sir.

Senator ODDIE. Have you an estimate of the proportion of silt coming into the Colorado River between the Boulder Canyon Dam and the Bridge Canyon, or the Glen Canyon Dam site?

Mr. DAVIS. That would be somewhere about the same as I have stated for the Gila. The drainage basin, you mean, between?

Senator ODDIE. Between Boulder Canyon and Glen Canyon or Bridge Canyon?

Mr. DAVIS. The drainage basin, I imagine, between Glen Canyon and Boulder Canyon is about, approximately, the same as that of the Gila, namely, a little over 50,000 square miles. The yield in water is very nearly the same, so far as we know it, but it has not been measured in such detail. The yield of sediment is probably slightly less than the Gila. It may be more, but somewhere about the same, I think.

Senator ODDIE. Is the volume of water and of sediment that comes into the Colorado River below the Glen Canyon site sufficient to be a menace, in your opinion?

Mr. DAVIS. I should correct the statement I made. In speaking of silt I had in mind for the moment the silt that is carried by the river—that is, the silt that you would get by picking a sample of the river water. None of it comes into the river from the Gila at all, because—I mean all that comes in from the Gila—that is all that comes in from the Gila. Silt is carried by the water all along the course of the river from Glen Canyon to Boulder Canyon. There are a large number of small tributaries that come in and deposit their sand and gravel there, and it is about as heavy as will travel down the stream as such, and in that steep grade it is pounded and finally grinding itself up fine enough so that it goes down in the lower part as sediment, and it would be only a guess to say how great that is; but I know it is very great from observation of deltas that each of those streams coming in from the side bring in. Nearly every one of them produces a rapid in the river. Nearly every side canyon that comes in produces some kind of a rapid, and that is what causes the bed of the river to silt up. Those side streams bring in rock faster than the river can carry them away.

Senator ODDIE. Then a dam built at Glen Canyon or Bridge Canyon would not do away with the chief danger from the floods and from the silt that comes into the river below that point?

Mr. DAVIS. No; that would have but little effect, because of the very small storage capacity available. It would have some effect, of course, in accordance with the storage. Now, the fact is that any dam adequate for the purpose of controlling floods and controlling silt, must be on the lower river below where those tributaries that cause the floods come in, and anything above Boulder Canyon does not catch the Virgin River, and nothing of adequate capacity catches the Little Colorado, or any of the drainage between Glen Canyon and Boulder Canyon. Any reservoir built in that part of the basin will fill with sediment at the rate of 100,000 acre-feet per annum, as long as it is there, unless it is taken out in some way, and that means that if the improvement of that river is to be permanent we must conserve the storage capacity on that river to the limit. We must conserve it thoroughly, not doing anything that will destroy the good reservoir sites, and there is only one on that river.

That is the one which we saw to-day. That is the only point below Glen Canyon that has large enough capacity to perform this business of regulating the river, preventing the destruction by the floods, and desilting the river. A series of small dams in the Colorado River has been advanced by somebody as the best method of developing the power. Why that was decided upon, I don't know, because one dam in that plan was to be 566 feet high, higher than any we proposed, so that it could not be because of the infeasibility of such a dam.

Another was to be about the same height in Cataract Canyon, both of them to be more inaccessible and consequently more nearly unfeasible, if either is, than the Boulder Canyon, but the fact of the matter is that a series of small dams would not conserve the power of the Colorado River at all, because it would be unfeasible from a standpoint of cost. The difference in cost in proportion to the power developed is very great. We have that worked out in detail for two of the proposed heights in Black Canyon. A dam 510 feet high at the site you saw to-day would form a reservoir of 21,000,000 acre-feet capacity.

The CHAIRMAN. To what records are you making reference?

Mr. DAVIS. This is a record of the Reclamation Service, unpublished. Mr. Weymouth is responsible for this and so am I. A dam, as I said, 510 feet high would form a storage capacity of 21,000,000 acre-feet.

Senator JONES. How can it be found at Washington City?

Mr. DAVIS. It is only a manuscript. I can send you a copy of it.

Senator JONES. Give some reference, so that we could identify it in the records there, so that the committee can get it from the reclamation records at Washington City.

The CHAIRMAN. On that point, Mr. Davis, is that the record compiled largely by Mr. Weymouth and was transmitted to the House Committee on Irrigation?

Mr. DAVIS. Yes; that is an extract of it.

Senator PITTMAN. I suggest you start over again, Mr. Davis, on that reading.

Mr. DAVIS. Would be made 510 feet high in the upper part of Black Canyon, would form a reservoir of 21,000,000 acre-feet capacity. A dam 560 feet high, 50 feet higher, would form a reservoir of 27,000,000 acre-feet capacity. The latter 560 feet; that is the total height. It is the same dam as the one raising the water 550 feet. The power developed at that dam, 550 feet, would cost $117 per horsepower for the total investment, not counting interest.

Senator PITTMAN. That is the installation?

Mr. DAVIS. That is the whole thing, including the installation of power. The power developed at the 510-foot dam, a dam 50 feet lower, would cost $151 per horsepower, or nearly 30 per cent more, for only 50 feet difference in elevation. Extending that course, you would very soon run into prohibitive costs, and any dam there or elsewhere in the Grand Canyon, or in the canyon region, with similar problems—most of them have more difficult problems—with similar problems of foundation, construction, transportation, communication, etc., less than 300 feet high would make the power more expensive than power now produced in the Sierras and by the use of fuel on the Pacific coast. Such a dam might be feasible for the delivery of power at the high prices paid

in Arizona where fuel is much more expensive and power consequently more valuable.

The CHAIRMAN. The height of dam is calculated from the bed of the stream?

Mr. DAVIS. From the low water.

The CHAIRMAN. What depth would you have to go below the bed of the stream for foundation purposes?

Mr. DAVIS. At that point about 125 feet at the deepest point.

Senator JONES. Am I correct in my understanding that this estimated cost is based on the entire cost of the dam?

Mr. DAVIS. Yes, sir.

Senator JONES. Regardless of whether it is used for flood control or simply given to power development?

Mr. DAVIS. That is correct.

Senator SHORTRIDGE. That includes installation?

Mr. DAVIS. That includes the installation of power; yes, sir.

Senator SHORTRIDGE. For instance, Mr. Davis, the former witness, Mr. Weymouth, informed us that in the higher dam the water for the purpose of generating power would be taken out at a height of 430 feet. Do you know and can you tell us at what height the water would be taken out from the 510-foot dam?

Mr. DAVIS. I presume a little lower, but, of course, that height is, provided it is low enough, not very material because you get all the head that is in the reservoir anyhow. The pressure in the reservoir is transmitted through the penstock to your power plant, so you get that pressure at all times, provided the intake of the penstock is below the surface of the water. You get the same amount of power.

The only reason it is not put farther down is because eventually the lower part of the reservoir will become filled with sediment and you do not want to be drawing that sand or sediment through the water wheels. The water can be released at any elevation between those two points in the reservoir—one for silt storage and one for water storage. You get all the head available anyway.

Now, a question has been asked as to how much storage capacity is necessary for the purpose of flood control, and Mr. Weymouth has told you that in the reservoir which he has described and which he rerecommends he has allowed 8,000,000 acre-feet capacity dedicated to flood control. The reservoir would be emptied in time to receive the next flood by providing outlets through the dam of a capacity sufficient to discharge that water rapidly without swelling the river beyond a certain predetermined maximum.

That question is susceptible of a wide variety of answers, depending upon how you seek to produce a certain effect. If you build a reservoir at Mohave Canyon, or at any other place, for the purpose of flood control alone of a capacity of only 8,000,000 acre-feet, it would not perform half the service as a storage of the same capacity on top of the Black Canyon Reservoir, for the reason that 8,000,000 acre-feet is all you will ever have for flood control in that reservoir, and it is diminished 100,000 acre-feet per annum by sediment, while, with a large reservoir of 27,000,000 acre-feet capacity, such as we advocate, you not only have the 8,000,000 that is dedicated to flood control, but all of that time you are consuming water throughout the balance of the year between flood seasons.

You are consuming water and drawing on that storage capacity for power and irrigation, and any other use that you put the water to, so that when the next flood season begins you have not only that 8,000,000 acre-feet, but perhaps twice as much more, or as much more, so that you have a very large quantity of storage capacity there available. Now, to a very large extent, this can be coordinated. Of course, as the Senator said a while ago, there is a certain antagonism between water storage and flood control. Primarily and theoretically water storage means keep your reservoir as full as you can consistent with the usage.

Primarily and theoretically, flood control means keep your reservoir as empty as you can consistent with those uses. But to a large extent they can be coordinated, and recent studies have been made by the bureaus in California for that purpose, and I have been up against that problem and studied it myself, and I do know that to a large extent they can be coordinated wherever a stream has any kind of a predictable regimen, and in the case of some of the streams, they claim—I think it is a little stretched—they claim that the Sacramento River can, by proper study and manipulation, be stored in a reservoir which can be used to 100 per cent of its value for irrigation and power, and yet entirely correct the floods of that stream, or practically so—reduce them to a very small amount—but, in any event, the storage reservoir is built beyond the capacity of the river to fill every year, as a reservoir must be on this stream, or any other western stream to fully utilize it, and use it entirely for irrigation and power, will have a profound effect upon the floods, because of the fact that the floods usually find the reservoir not full, and, even if a flood finds a reservoir full, it then must be discharged by the capacity of the spillway, which is less than the peak of the flood, and, of course, it discharges it over a longer period, and will have some effect upon it. Now, it is conceivable and physically possible to build a reservoir on this river that will practically equate the whole stream; that is, make it run at an equal volume through all time. That, of course, is way beyond the feasible, but the nearer you approach that, the nearer you get to the point where you waste no water and have no flood.

That is the drift of the proposition, and that is the thing to approach. Now, any increase in storage capacity on the lower river, where the floods come in and where the sediment accumulates, will not only lengthen the life of the reservoir by storing the silt over a larger number of centuries, but it will approach that condition of equating the flow of the river—getting the maximum use of the water and entirely eliminating flood damages.

Unless precautions are taken to prevent the carrying out of the scheme that is proposed of building a series of low dams on that river, we will ruin the reservoir site, because this reservoir site is the only one large enough for its purpose on the lower river and the only one, in my judgment, large enough for the purpose on any part of the river. It takes a combination of them anywhere else to accomplish the results. Anything that decreases the capacity is against the wise one and destroys the usefulness of this river just that much sooner, and it is of the utmost importance, therefore, that that be prevented. It may be that we have been unwise. Nobody claims infallibility, as far as I know, in selecting the capacity we have selected for the Black Canyon Reservoir. It may have been that a large one would have been better.

Senator JONES. By Black Canyon you mean the one we visited?

Mr. DAVIS. The one you have been to see. The Boulder Canyon Reservoir, with a dam in Black Canyon. We have selected that because we must balance between cost and future usefulness. We must balance between the water lost by evaporation from any reservoir and the value of the storage that it forms. You can't have any reservoir in an arid region that is useful without losing water by evaporation, and the larger the surface of the reservoir the more destructive of water it is by evaporation. That is one of the great weaknesses of, among many others, the Mohave Reservoir. It is an immense shallow reservoir. A great bulk of its cost is the fact that it would destroy 20 miles of double-track transcontinental railroad, and 24 miles of sidetrack, and an equal distance of paved highway or public highway—national highway—and the great bridge at Topcock, and all the machine shops and apartment houses, hotels, and hospitals, etc., and that is the major portion of the cost of that reservoir, producing a broad, shallow plain covered with water, where the evaporation would be greater than any other part of the basin, because it is 2 degrees farther south than Black Canyon. It is 500 feet lower, and this would increase the temperature.

Then, add that to the shallowness, which, of course, increases the evaporation, and the fact that it is on a broad plain, unprotected in canyons, as the one up here, and the probabilities are that the evaporation will be 75 or 80 per cent greater than it would be at Black Canyon, and the area is the principal thing. That is 60 per cent greater to start with for any given capacity.

The CHAIRMAN. In the natural flow of the Colorado River, what quantity of silt is carried in and deposited upon the lands, say, at Yuma and at Imperial Valley?

Mr. DAVIS. I can't answer that question from memory. I think the figures are obtainable, and I would be glad to get them or try to get them for you.

The CHAIRMAN. To what extent would the deposit of silt be removed by the construction of the dam at Black Canyon?

Mr. DAVIS. The amount of silt in the water at Black Canyon is approximately 10 or 15—about 15—per cent less than it is at Yuma; perhaps 10 per cent less than it is at Laguna, or something like that. The Boulder Canyon Reservoir will not entirely desilt the river, but it will pick up some on the way down; but that will be coarser material, which is more easily sluiced out and is not so destructive to the land. It has the same character to the building of ditches, but, being of a coarser nature, is not so injurious to the land, when put on it, and I can't give any more accurate answer than that, Senator, I am sorry to say.

The CHAIRMAN. Let me ask you another question. Have you studied the problem of flood control by the use of levees?

Mr. DAVIS. Yes, sir. We have had a struggle with levees for many years down there.

The CHAIRMAN. In your opinion, is the danger of inundation and possible destruction of the Imperial Valley such as to justify the Government in strengthening and making more stable and useful the present dikes along the Colorado River?

Mr. DAVIS. Well, I haven't investigated those dikes for nearly three years, and I would not be able to answer that question with any value to you. Your shore could be kept in good condition, of course.

Senator PITTMAN. Mr. Davis, to what degree should the flow of the lower river be regulated, we will say, in the vicinity of Yuma, to absolutely insure against the destruction of the Imperial Valley by the Colorado River?

Mr. DAVIS. We have given that a great deal of study, and the conclusion of the best studies we have been able to give it is that the floods of the Colorado should be controlled within about 40,000

cubic feet per second, and that would not furnish complete relief unless the Gila were also controlled, but it is entirely feasible to so control the Gila by a dam on that stream which would at the same time irrigate a large amount of land in the lower Gila Valley.

Senator PITTMAN. If this stream were only controlled down to 70,000 second-feet, wouldn't the water then at its peak of 70,000 feet raise on the levees?

Mr. DAVIS. In most places, it would; yes, sir. I don't know of any place that it would not.

Senator PITTMAN. And, if it rested on the levees and the whole levee should cave in—that is, the foundation of the levee should cave, as it has done down there—it would be high enough then, of course, to overflow the banks?

Mr. DAVIS. Yes, sir.

The CHAIRMAN. Does that conclude your statement?

Mr. DAVIS. Yes, sir; unless there is some other question.

Senator PITTMAN. What sized storage reservoir would be essential to control the river at the point we are discussing to a maximum flow of 40,000 second-feet?

Mr. DAVIS. That is a question on which authorities will differ, for the reason that we do not know the maximum flow of the Colorado River. We have evidence from the engineers of the Santa Fe Railroad that in the neighborhood of the Needles floods have occurred of far greater volume than any that we have measured. They measured one much higher than any that has been observed since and, on the basis of that information and that which we have also accumulated, it would require somewhere between twelve and fifteen million acre-feet capacity, as I remember the studies, to maintain the flow—the maximum being not more than 40,000 second-feet, but that again depends upon the length of these great floods. We don't know, and it might be a larger amount. We have generally adopted, as a result of those studies, and in view of the information you are asking, 8,000,000 acre-feet to the superimposed upon the top of a reservoir to be used for other purposes, so that a much larger amount would be available for the control of floods than the 8,000,000 acre-feet.

Senator PITTMAN. There is just one other question. What capacity of reservoir, whether you have this layer of flood-control water on top or not on top, would you think was absolutely necessary to insure controlling every flood that might come, considering the history of the river?

Mr. DAVIS. And reduce it to 40,000?

Senator PITTMAN. Yes; reduce the flow to 40,000 second-feet.

Mr. DAVIS. Well, I should say not less than 15,000,000 acre-feet.

Senator SHORTRIDGE. You appear, I understand you to say, on behalf of Los Angeles also?

Mr. DAVIS. Yes, sir.

Senator SHORTRIDGE. Will you have the goodness to advise the committee as to the interest which Los Angeles has and takes in this problem you have been discussing?

Mr. DAVIS. Yes, sir; I will be glad to. As I understand it, Los Angeles has an interest in the best, most complete, and most economical development of the Colorado River from every standpoint of usefulness of that stream. First and primarily, she desires a regulated and desilted water for domestic supply. Second, she desires to participate in the power resources of the river for her own uses and that of her surrounding country. She is vitally interested, perhaps more than in any other matter, in the control of the floods, because all of the farms and cities and orchards that are menaced by the floods of the Colorado are customers of the city of Los Angeles and contributory to the metropolis of California. She is interested in the construction of works which will be durable and which will last through the centuries and not destroy the resources of that river, because when that is destroyed one of her greatest assets and the greatest assets of the country in which she is and has a common interest would be destroyed.

Senator JONES. What is the highest flood from the Gila River?

Mr. DAVIS. Two hundred and five thousand second-feet is the highest that has been observed.

The CHAIRMAN. So that, whatever storage you get on the Colorado River, the flood situation is not absolutely secure without works on the Gila River?

Mr. DAVIS. That is true, but the floods of the Gila do not menace the existence of the Gila Valley. They are very flashy. A flood of the quantity that I have mentioned lasts only a few hours; that is, I mean in that volume, and the entire flood may not last but a few days, and if it should break into the Imperial Valley it is so short in duration that it could be allowed to run into the Salton Sea without submerging any good land, or much, and the breach closed. That is not true of the Colorado.

The CHAIRMAN. Practically, then, you would hold that the elimination of the flood possibilities of the Colorado down to 40,000 acre-feet would practically take care of the flood situation?

Mr. DAVIS. No; I think not. I have always said that the Gila should also be controlled, because, otherwise, they must keep up the same levee expense that they do now, and would be under constant menace of a good deal of damage which any break from the Gila would do. I have only said that it would not destroy the valley. It might do much damage, though, and, of course, would do some always.

Senator ASHURST. Then, you do assert that it is quite necessary to proceed with the early construction of the San Carlos project, not only to relieve Imperial Valley from the silt menace but also from the flood menace?

Mr. DAVIS. Yes, sir; that would have an effect on both.

Senator PITTMAN. Just one other question. Mr. Davis, what would be the dimensions of a tunnel carrying 30,000 second-feet on that high-line canal in Arizona that has been discussed? I don't ask you exactly, but approximately.

Mr. DAVIS. That would depend upon the grade, and any increase in grade in that long tunnel would greatly increase its length. Assuming they can give that tunnel a velocity of 10 feet a second, to carry 30,000—was that your question?

Senator PITTMAN. Thirty thousand.

Mr. DAVIS. To carry 30,000 cubic feet of water every second on a grade giving a velocity of 10 feet per second would require a tunnel 60 feet wide—wider than an ordinary business block and as high as a five-story building.

Senator ASHURST. Mr. Davis, will you kindly indicate who were the engineers who made the report regarding this high line that you have spoken of?

Mr. DAVIS. I don't know their names. Mr. Weymouth can give them, perhaps, more accurately.

The CHAIRMAN. They are in the record.

Senator ASHURST. No; that is the reply to some engineer who urged the high-line.

Mr. DAVIS. George H. Maxwell.

Senator ASHURST. And whom else?

Mr. DAVIS. I don't know of any other. The State of Arizona made an investigation—authorized an investigation of that question by an engineer appointed by the State and I have his report here. I will only read one sentence from it.

Senator ASHURST. Will you give the name?

Mr. DAVIS. His name is Blake. Under direction of the State water commissioner, Mr. L. E. Blake, civil engineer, made a field investigation and filed a report in the fall of 1921. The report is printed here in full. His conclusion is this: "However, it is believed, that this report is sufficient to show that the project is not feasible at the present time." That is without a survey; just looking over the ground.

Senator SHORTRIDGE. The proposed Los Angeles-Colorado aqueduct starts at or near Blythe?

Mr. DAVIS. Yes, sir.

Senator ODDIE. Just one question, Mr. Davis. Is there a danger of the water breaking through the bottom of the levees that protect the Imperial Valley?

Mr. DAVIS. That is the chief menace. There has been no flood for many years that would overtop the levees, but a quantity of water much less than that has a very bad scouring effect, and wherever the river meanders, as it generally does, it tends to undermine the levees. The water may be up on the levee a little and may not be up to the bank, but, if it is in large enough quantity and with enough meander, it undermines the levee, and it is extremely difficult to hold that because of the quantity of rock it takes to stop that cut.

Senator SHORTRIDGE. Do you consider the menace such as, for every reason, calls for prompt action?

Mr. DAVIS. It is a very serious menace, followed, of course, with great diligence by the engineers. The river is watched very closely at such times. Large forces of men and great stores of rock are prepared for just such things during the flood season every year.

Senator SHORTRIDGE. And the gopher plays a part, doesn't he?

Mr. DAVIS. Sometimes the gopher does by letting the water through the levee.

The CHAIRMAN. The committee is thankful to you, Mr. Davis. Senator ASHURST desires to propound a question to Mr. Weymouth.

Senator ASHURST. Are you familiar with the manner in which the Imperial Valley is now menaced by flood waters and by silt deposition from the Gila River?

Mr. WEYMOUTH. Yes, sir; in a general way.

Senator ASHURST. Is it your opinion that the early construction and building of the San Carlos irrigation project would in a manner and in some marked degree relieve the Imperial Valley from the silt menace and the flood menace?

Mr. DAVIS. Yes, sir; to a certain extent.

Senator ASHURST. To an appreciable extent, would it be?

Mr. DAVIS. Yes, sir.

Senator ASHURST. That is all.

Mr. DAVIS. I understand that Senator ASHURST asked what engineers made the report to which I referred. It was Sturdevant & Stam.

Senator ASHURST. That is what I wanted to know.

Mr. DAVIS. And I understand now that the State has recently filed on water for a high-line canal, for about that area, so that it will take a canal of about that same size.

Mr. ODDIE. Mr. President, I also ask permission to place in the RECORD a statement made by the Secretary of Commerce, Mr. Hoover, before the Committee on Irrigation and Reclamation on December 10, 1925, on this same matter, with the interesting and valuable discussion between himself and the various members of the committee. Mr. Hoover goes into the details of the subject in a most able and comprehensive manner. He is recognized as one of the foremost engineers in the world. He has given years of intensive study to this great Colorado River problem, so he speaks with abundant knowledge of the whole problem.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement referred to is as follows:

STATEMENT OF HON. HERBERT HOOVER, SECRETARY OF COMMERCE, WASHINGTON, D. C.

Secretary HOOVER. Mr. Chairman, I have the conviction that the committee, due to the many hearings that it has held in the Colorado River Basin and the large knowledge that the members of the committee possess of the problems outside even of that, probably do not wish me to traverse the whole complex of the Colorado River; and I am a little in doubt as to the points upon which I could be of assistance to the committee.

But I prepared and have here before me a brief note as to one or two questions. I am not at all certain as to whether they are germane to matters on which I possibly can be of service.

I may say that the Colorado River problem does not lie in the lack of enormous resources in water, in arid land, and in power, or of private or public capital to develop it. The difficulties are the sharp conflicts of opinion of the people in the basin on a multitude of questions as to their rights, their interests, and the method of development of the river. And these conflicts have been in course of discussion, to my knowledge, for some 15 years. They have resulted in innumerable conferences, discussions, and appeals to legislation and to the courts.

The first of these conflicts, and the one that overrides all others, is the conflict over water rights between the seven States. The four States in the upper basin have, naturally, opposed any development in the lower basin until such time as they could have certainty of some fixed assurances of their water rights. As the committee is well aware, the application to beneficial use will give priority in water rights as between States, and, as the development of the Colorado River will take place in the lower basin long before any large development in the upper basin, therefore the upper-basin States have justifiably been resolute in their demands for some fixation of the rights before there shall be construction and thus extension of beneficial use down below.

In an attempt to solve this proposal some years ago a compact commission, representing the seven States and the Federal Government, was established, and, as you are aware, I acted as the chairman of that commission. Hearings and sessions of the commission extended over a matter of over 18 months, and the commission was composed not only of delegates from each of the States but the most of the sessions were attended by their attorneys general, and a number of the sessions by all but one of the then governors of the States.

After a great deal of discussion and negotiation a compact was arrived at subject to ratification by the State legislatures and by the Congress.

The compact did not attempt to solve any problem on the Colorado River except water rights, and it limited its action to a division of the water between the upper basin and the lower basin. It furthermore limited its action to a division of only a portion of the water of the river adjoining a further apportionment of the water to a considerable number of years in the future to await the character of development.

The compact commission believed that if progress could be obtained that far it would at least take the block off of the development in the lower basin and would reduce all other conflicts to purely local questions, which could be more easily settled with time.

The compact was ratified without reservation by six legislatures, the Arizona Legislature passing the compact with some reservations, but approval was refused by the governor.

Subsequently, in order to try and lift the block on development in the lower basin some of us suggested a six-State compact, or, rather, a ratification of the compact among six States as being sufficient to satisfy the upper-basin States. Under that proposal the compact was ratified by five States, and California made reservations which the northern States declined to accept. Due to the action of California that proposal has failed in any practical result, so that at the present time we are still in the midst of the conflict over water rights.

One thing that I have been impressed with in all the discussion that has gone on for nearly three years since the compact was signed is that there has been very little substantial criticism as to the equities of the proposals in the compact. Colorado, Utah, Wyoming, New Mexico, Nevada, and California accepted them in full. The Arizona Legislature ratified the compact with reservations that did not again challenge the equities of the compact seriously. The quarrels over the compact have been due to attempts to force extraneous questions. I believe I can say that the commission arrived at an extraordinarily successful document when you consider the tremendous conflict and feeling over this question.

There have recently been conversations between California and Arizona in an attempt to agree upon their differences. A committee, partly appointed by the California Legislature and partly informal, has drawn up a pro forma compact to be signed between California, Arizona, and Nevada.

The main compact provides that the interstate rights between the States in the different basins shall be subsequently settled by further compacts. This action of the folk in the southern basin is entirely in line with the purpose of the main compact, and in their proposed lower-basin compact they, of course, stipulate that it is subject to acceptance of the main Colorado River compact itself.

I am rather hopeful that that negotiation will succeed. They are starting on very sound lines as far as I can observe, and a settlement of that conflict might make it possible to reconvene legislatures and secure early ratification of the compact all along the lines. We would in case of success of those negotiations have practically settled what I regard as the most difficult of the conflicts.

The next most important line of conflict is over the character and location of the first works to be erected on the river. I believe the largest group of those who have dealt with the problem, both engineers and business folk, have come to the conclusion that there should be a high dam erected somewhere in the vicinity of Black Canyon. That is known usually as the Boulder Canyon site, but nevertheless it is actually Black Canyon. The dam so erected is proposed to serve the triple purpose of power, flood control, and storage. Perhaps I should state them in a different order—flood control, storage, and power, as power is a by-product of these other works.

There are theoretical engineering reasons why flood control and storage works should be erected farther up the river and why storage works should be erected farther down the river; and I have not any doubt that given another century of development on the river all these things will be done. The problem that we have to consider, however, is what will serve the next generation in the most economical manner, and we must take capital expenditure and power markets into consideration in determining this. I can conceive the development of probably 15 different dams on the Colorado River, the securing of 6,000,000 or 7,000,000 horsepower; but the only place where there is an economic market for power to-day, at least of any consequence, is in southern California, the economical distance for the most of such dams being too remote for that market. No doubt markets will grow in time so as to warrant the construction of dams all up and down the river. We have to consider here the problem of financing; that in the erection of a dam—or of any works, for that matter—we must make such recovery as we can on the cost, and therefore we must find an immediate market for power. For that reason it seems to be that logic drives us as near to the power market as possible, and that it therefore takes us down into the lower canyon.

The dam there is recommended by the reclamation engineers, and I believe their latest view is 540 feet in height. This would, I believe, serve the triple purpose of flood control, storage, and power, so far as we can see ahead, for the development of irrigation, domestic water supply, and need of power for a good many years to come.

I do not believe that construction at that point is going to interfere with the systematic development of the Colorado River for storage and power above and below. As I have said, I think the time will come when a storage dam should probably be erected below Boulder Canyon and that storage dams and flood-control dams will be erected far above. Those of you who have looked into the engineering problems involved will recognize that the operation of a single dam for the triple purpose is rather difficult and will not give the maximum power results. For instance, such a dam must be partly empty in anticipation of the spring flood and hence the power possibilities will be much diminished, and beyond this it will be necessary thereafter to lower the head for irrigation purposes. Thus the power production from such a dam will be rather irregular.

But, in any event, I do not believe that we can not now contemplate the expenditure of the several hundreds of millions of dollars necessary to carry out the theoretical plan; we should confine ourselves to what we can afford to spend now, and I do not believe we will destroy the possibilities of the river for systematic development by this course. We must await a settlement of population and their demands to create a need for the future development.

The proposed Black Canyon Dam of 540 feet, as estimated by the reclamation engineers, would cost about $41,000,000 or $42,000,000. The cost of an electrical generation plant to go with it would be about another $33,000,000. And the transmission lines to the power market would be somewhere about $27,000,000 more, or a total of from $110,000,000 to $115,000,000 for dam and equipment. The loss of interest during construction would be $10,000,000 more. The alternative plan of a 606-foot dam would require something like $20,000,000 more.

Now, the 540-foot dam would apparently develop, theoretically at least, about 550,000 primary horsepower and another 450,000 secondary horsepower. No engineer could say at the present moment what the actual power development will be, because none of us know until we have had experience how much the electrical power will need to be made subjective to flood control and irrigation in the manner I have referred to, but in any event these theoretic figures are possibly near enough.

Now, a large part of the power developed will be needed to pump the water for the proposed domestic water-supply plan for southern California, and both the manufacturers and private power companies will need the surplus power. It seems to me we need some consideration here of making a settled financial plan if we are to expedite this very urgently needed development. The people of southern California have recognized that the folks in the Eastern and Central States will probably not be anxious for the Federal Government to find the whole of the $115,000,000 for this development, and they have already expressed their willingness to make a substantial contribution to it, both from the municipalities and from the private power companies. It seems to me that the Federal Government has a very substantial obligation in this matter. It has been traditional to provide flood control in the protection of our people at the cost of the Federal Government, and we, of course, have the reclamation funds for the development of arid land; so that here is a problem of the proper contribution from municipalities, irrigation districts, private power companies, and the Federal Government.

All this leads me to the belief that somebody ought to be given authority to negotiate a definite financial contract which could be laid before Congress for approval in connection with the construction of these works. It does not seem to me that it would take long to do that, and it could possibly be laid on the table here before this session of the Congress expires. I believe that we should do all we can to expedite this matter. It is true that our path would have been smoother if we could have had more success in the ratification of the compact, but so long as we have these great conflicts and differences of view that I have mentioned we must expect difficulties. And in this connection I would remind you that it required, I believe, 10 or 11 years to secure a ratification of the Federal Constitution, and I doubt if there was as much emotion connected with that proposition as there is with water rights between seven States. So we may make progress more speedily than was made by the original 13 States of this Union.

Now, Mr. Chairman, if there are any further points that I can help the committee on, I shall be glad to have them brought to my attention.

The CHAIRMAN (Mr. MCNARY). On the point you have been discussing do you see any conflict in the purposes discussed by you in connection with Boulder Canyon that might prevent private capital from participating in this matter?

Secretary HOOVER. Pardon me, Mr. Chairman, but my attention was distracted, and I did not catch your question.

The CHAIRMAN (Mr. MCNARY). You spoke of the different purposes, flood control, irrigation, and power development. Are these functions in which private capital would be interested, or is there a conflict one with the other?

Secretary HOOVER. Some of them are functons in which private capital would not be interested. In the development of dams outside of Boulder Canyon there is not necessarily any question of Federal finance, the other developments of the river below the upper basin are predominantly power developments and could be carried out by private capital under Government control. You have a problem here of working out that relationship at Boulder Canyon. I think there have been some discussions in Southern California as to the possibility of some arrangement between a municipal electrical power establishment and the private power companies distributing in southern California for mutual participation in the Boulder Canyon project. I do not know how far they have got, but in any event it ought to be possible to bring some conclusion out of that, and through such arrangement to secure financial support to the Boulder Canyan development. I do not think the Federal Government will ever want to build the electrical power works there, or the transmission lines, and get into the power business. But it is through the power side of the question that the Federal Government can secure a large contribution to the development and hope for the recovery of its own investment.

The CHAIRMAN. Is it your opinion that the Government obligation consists only in the matter of erection of a dam for the purpose of flood control?

Secretary HOOVER. No; I think the Government can go farther than that. While, of course, you can not very well say our reclamation policy is an obligation, yet it is a sound financial policy, and the proposed dam would be a very large contribution to the reclamation of arid lands. Therefore some contribution on that score would be in order.

The CHAIRMAN. But, Mr. Secretary, you must bear in mind that there is a special fund for that purpose, under a specific act, which does not come out of the Treasury of the United States but from the resources of the States, while in this case the funds would come under a different plan.

Secretary HOOVER. My suggestion made here was that some sort of authority might be set up to make a plan, and to negotiate out the contribution of all these different elements, even including the reclamation fund. I have no detailed plan in mind, but it does seem to me that we are in this position: Here are four or five sources which are willing or should contribute to the work, and we ought to get some sort of definite relationship established to it.

The CHAIRMAN. Is it in your mind that there is a sufficient demand for electrical power to justify the erection of a dam at this time from that viewpoint alone?

Secretary HOOVER. The probable primary horsepower is something like 550,000. While I can not state precisely, yet it is my belief that the domestic water supply into Los Angeles will absorb about 200,000 horsepower for pumping purposes and which they will need to provide for, that would leave 350,000 horsepower, which I think could be absorbed in that market long before these works could actually be built. This offers a basis also for contribution to cost. I doubt whether there would be a kilowatt of power transmitted for five years if you should start to-morrow on this enormous work of construction. I do not know how far these contributions would go to the total cost. My proposal is that we should find it out.

The CHAIRMAN. Have you looked into the matter of the domestic supply of water for southern California in regard to whether it should be taken from the Colorado River here or there, whether by lift, as mentioned at Black Canyon, or by gravity system some place up the river?

Secretary HOOVER. I am not competent to speak of that. All I know about that matter is what I have read in the newspapers as to statements of various engineers.

The CHAIRMAN. What sort of suggestion have you to make, or can you detail it a little more to the committee, that a commission should be designated to look into this matter? Do you mean to have it confer with the various States in order to get an allocation of water and power?

Secretary HOOVER. I have not gone into it in detail. My own thought was that we could expedite this whole development, and expedition is what we all want, by having some sort of commission with authority to make a financial plan, and who could be helpful in bringing the States together in the matter of the compact.

Such a commission could lay out a financial plan with all the groups involved and thus have some definite contract—subject, of course, to approval by Congress—then you gentlemen would have some finished thing to act upon. It seems to me pretty difficult for Congress to negotiate a thing of that kind, and the administration has no power to do it.

Senator ASHURST. Mr. Secretary, what would be your conclusion as to the advisability of writing into any resolution upon this subject a provision that the President of the United States shall appoint a board of engineers, say not more than seven nor less than five, of large experience to fix and determine upon the location of the dam, and that they be guided by the possibilities that you have suggested—that is, to obtain the largest development for irrigation, flood control, and power?

Secretary HOOVER. Well, Senator ASHURST, you have a very complex problem here. It has always seemed to me that the States themselves ought to be represented in a settlement of these problems, as this is primarily a question for the seven States, and that——

Senator ASHURST (interposing). In other words, it will be difficult for the Congress to locate a dam on the Colorado River. Would it not be more practicable and feasible for a board of engineers appointed by the President to locate a dam and reservoir?

Secretary HOOVER. Well, of course, I am in favor of having boards of engineers for these matters, because they usually deal with facts rather than emotion; but we have to bear in mind that there is a great deal of emotion around this whole question, and we must have somebody on a commission capable of dealing with that question, too.

Senator ASHURST. Mr. Secretary, we realize that all politicians are emotional. But we want to eliminate the emotion, hence do you not think that a board of, say, seven engineers, being governed by the principles of science and free from the emotion of politicians, would come more nearly properly locating a dam at the proper place on the Colorado River?

Secretary HOOVER. Well, if I could choose the engineers possibly I could get the same results that you would get if you were to choose politicians, but——

Senator ASHURST (interposing). Well, I propose to have the President of the United States choose the engineers.

Secretary HOOVER. What I am trying to get clear is this: That we have a problem here of mixed political importance—and I speak of politics in its highest sense—of what will serve the greatest number of the people. We also have a problem of economics. It is not solely a problem of theoretic engineering. I should like to see a board possibly embrace men of the other types of mind. I think the States in the Colorado River Basin ought to be represented in that problem.

So if I were appointing a commission I should certainly take some representatives from the States, and I should take some men of strong engineering reputation.

Senator ASHURST. Are you able to state whether you would rather have a dam site selected by seven engineers or by the Congress?

Secretary HOOVER. If Congress is going to select the site, it will be done on the recommendation of engineers of the Reclamation Service or of the Federal Power Commission, or of the War Department, I take it. And it is my impression that they would, if they were put up against all phases of the problem, all recommend about what I have suggested this morning.

Senator ASHURST. You have omitted any mention of an all-American canal. What do you think would be the cost of its construction?

Secretary HOOVER. I can not tell you, as I do not know.

Senator ASHURST. You are in favor of its construction, are you not?

Secretary HOOVER. In the long run I believe there will have to be an alternative inlet into that valley. But there is here an international question which, if this committee wishes to discuss, I would prefer to discuss in executive session, or, perhaps, if I could discuss a phase or two of it with your chairman. It is a question that would involve international matters, and to be helpful to you I could not very well discuss it without discussing the international problem, which I should prefer in general interest not to do here.

Senator ASHURST. But you are in favor of an all-American canal?

Secretary HOOVER. As an alternative of other possibilities, yes; there is a relief that may be had in that way.

Senator ASHURST. As to your favoring such canal, that is contingent on certain international obligations.

Secretary HOOVER. Yes, sir; certain international possibilities.

Senator ASHURST. If the dam advocated by California and Nevada, and upon which many engineers have reported favorably——

Secretary HOOVER (interposing). And in which I agree.

Senator ASHURST. Yes; and in which you agree, as you are from California.

Secretary HOOVER. That does not necessarily follow, for in my present position I am a neutral.

Senator ASHURST. As a Californian I would expect you to be in favor of it.

Senator JOHNSON. But he does not agree for that reason. He is the Secretary of Commerce in the President's Cabinet and agrees with his engineers.

Senator ASHURST. Just a little mixture of emotion, I should say.

Senator JOHNSON. Probably you will appreciate him for that.

Senator ASHURST. The Secretary is described as an emotionless man, and I am glad he is willing to have some emotion mixed with this proposition.

Senator SHORTRIDGE. Then, I take it, that is all settled.

Senator ASHURST. If the proposed dam at Boulder Canyon, so emotionally advocated, were constructed, how much land would be irrigated in California from the Boulder Canyon reservoir?

Secretary HOOVER. I am not familiar with those figures now.

Senator ASHURST. I knew that you had been quite thoroughly into the matter.

Secretary HOOVER. Yes; but that has been some time ago. It has been the better part of three years since I had my mind on that matter.

Senator ASHURST. Will you say about how many acres?

Secretary HOOVER. I think 815,000 acres, as I recall, in the Imperial Valley.

Senator ASHURST. In California?

Secretary HOOVER. Yes, sir.

Senator ASHURST. How many in Arizona?

Secretary HOOVER. My recollection is about 150,000.

Senator ASHURST. A total of about 850,000 acres in California and 150,000 in Arizona.

Secretary HOOVER. I could not tell you as to that.

Senator ASHURST. I supposed you probably had those figures in mind.

Secretary HOOVER. Well, I have learned a lot of telephone numbers since I had these figures definitely in mind, and I can not tell you now.

Senator ASHURST. Well, you might supply them for the record, for I take it the figures are available.

Secretary HOOVER. I think the engineers of the Reclamation Service are here, and doubtless they could tell you at once.

Senator ASHURST. From Boulder Reservoir there would be, so yqu state, about 150,000 acres irrigated in Arizona and about 800,000 acres in California; how much of the waters of the Colorado River does California contribute——

Senator PITTMAN (interposing). Senator ASHURST, I think you are mistaken about those figures.

Secretary HOOVER. I can not give you offhand the acreage that would probably be irrigated.

Senator PITTMAN. I call attention to the fact that Mr. Weymouth said 600,000 one way and other figures another way.

Senator ASHURST. I rely upon Mr. Hoover's figures of 150,000 acres as to Arizona.

Secretary HOOVER. It has been some time since I have gone over that matter, you understand.

Senator ASHURST. I have usually found Mr. Hoover accurate, and I take it his figures of 150,000 acres for Arizona and about 800,000 for California are about right.

Secretary HOOVER. I would suggest that the real figures, which are available in the room, should be used rather than taking an indistinct recollection that is now in my mind. I do not think it fair to the committee to make your record in that way.

Senator ASHURST. Do you know how much water California contributes to the Colorado River?

Secretary HOOVER. If we are going to divide the waters of the Colorado River on the basis of contribution by States, Colorado will get 70 per cent right away. We must not go on that basis.

Senator ASHURST. I am talking now about California. Do you know how much water California contributes to the Colorado River?

Secretary HOOVER. I do not recollect now.

Senator ASHURST. I will supply that answer by saying it is nothing.

Senator SHORTRIDGE. I shall have to deny that.

Senator ASHURST. Secretary Hoover, do you know how much water Arizona contributes to the Colorado River?

Secretary HOOVER. I do not recollect now.

Senator ASHURST. Pardon me if I state that answer for the record: It is about 20 per cent. Now, Mr. Hoover, I recognize you as one of our great experts in engineering. You have an international reputation, and no American is prouder of it than I am.

Secretary HOOVER. I thank you.

Senator ASHURST. Is it not a fact that the potential hydroelectric energy of the Colorado River, below Lees Ferry, is about 4,000,000 horsepower?

Secretary HOOVER. I think that is somewhere near correct.

Senator ASHURST. And that is wholly within Arizona.

Secretary HOOVER. Not entirely; no.

Senator ASHURST. Well, I will supply your answer to that question by saying it is almost wholly within Arizona.

Secretary HOOVER. Some of it is in Nevada, you know.

Senator JOHNSON. Just one or two formal questions, if you please.

The CHAIRMAN. The Chair recognizes Senator JOHNSON of California.

Senator JOHNSON. The problem of the Colorado River has become a national problem, has it not?

Secretary HOOVER. Yes; I think it is a matter in which the National Government has a very great interest.

Senator JOHNSON. And so in your opinion it is an urgent problem concerning which the National Government should act with the least possible delay?

Secretary HOOVER. Yes.

Senator JOHNSON. You suggested that some individual or agency should be appointed that would have power to deal financially with the various interests that might desire power and the like. Under the bill before us permit me to suggest to you that the design of it, at least, is that the Secretary of the Interior shall have just that power, and just that theory is embraced within the bill. Do you recall that?

Secretary HOOVER. No; I do not recall it in that sense.

Senator JOHNSON. I wanted to call it to your attention. Now, another thing: In the measure that has been proposed, and which has been designated as the "Swing-Johnson bill," it is not contemplated that the Government shall construct transmission lines, power works, and the like, but that the Government shall construct the dam and that subsequently the payment for the various works that are essential for the transmission of power shall be liquidated by those to whom the power shall be allocated. Do you recall that?

Secretary HOOVER. Well, that provides, I believe, that the Government shall advance the entire cost, does it not?

Senator JOHNSON. No, sir; only for the dam. For instance, in the proposal that is made by the city of Los Angeles to take such power as may be allocated to it after others shall have been accommodated, it is not proposed that the Government shall pay for the transmission lines, and the like at all. The idea with us was that the Government should pay only the cost of the construction of the dam, and that ultimately it shall be repaid that, too. I call your attention to that in order to show that the appropriation which may be required would be an appropriation merely in the first instance, all of which is to be repaid for the construction of the dam alone. So that your computation as to transmission lines, and the like, would not enter into the initial appropriation that we ask.

Now, Mr. Secretary, it is necessary, is it not, in order to equate adequately the flow of the Colorado River that we have storage?

Secretary HOOVER. Absolutely. We have here a river of extraordinary character—its spring flood is as high as something like 200,000 second-feet, and as low as 6,000 second-feet.

Senator JOHNSON. Our friend from Arizona [Mr. ASHURST] talks about emotion on the part of some of us who advocate this bill. I do

not want the record to show at all that we are presenting it from an emotional standpoint at the present time. The fact is that relief is necessary for Arizona and California in the way of flood control.

Secretary HOOVER. For both of those States?

Senator JOHNSON. The fact is that in your opinion the appropriate place to begin the control of the Colorado River is in the vicinity of Black Canyon that has been described here, is it not?

Secretary HOOVER. That is and has been my opinion. Of course, I am always subject to better engineering advice.

Senator JOHNSON. And that a dam of sufficient height, what we term a high dam, should be built at that particular point in order that the three purposes you have suggested, namely, flood control, storage, and power, should be adequately served.

Secretary HOOVER. That is it.

Senator JOHNSON. That is all, Mr. Chairman.

The CHAIRMAN. Senator KENDRICK.

Senator KENDRICK. Mr. Hoover, you, of course, have had the greatest opportunity to study this question, particularly as to division of water between the States in all its phases. Recalling that four States are in the upper basin, and that these four States are at least equally interested with the States of the lower basin in reference to their reclamation problems, do you not consider of vital importance to the States of the upper basin that the differences in reference to the distribution of these waters be composed before any development is begun on the Colorado River?

Secretary HOOVER I think the upper States have a rightful contention there and have said so all along.

Senator KENDRICK. Would not you consider any development in the lower basin before that distribution to contain itself the very nature and cause of the ruling of the Supreme Court?

Secretary HOOVER. Of course, Senator KENDRICK, you are now on a question of law, but I have always accepted the legal view that the works in the lower basin will establish prior beneficial use as against the upper basin.

Senator KENDRICK. In the course of our hearings in the Southwest one of the criticisms directed toward the compact as written was due to the fact that the charge of division of waters as authorized in the original act of Congress was as between the States, whereas the actual division was between the two basins. You do not consider that feature of the compact as inconsistent with the original authority, do you?

Secretary HOOVER. No; I do not. I thought that what Congress wanted was to get a substantial step toward settlement, and that in any event the whole matter would come back to Congress for ratification, which ratification would cover any variation from the strict letter of the original authority.

Senator KENDRICK. Naturally, because, if I might suggest, the physical conditions prevailing in the States of the upper basin divide the water without the necessity of a compact between those States; that does not raise such a question there.

Secretary HOOVER. I have thought——

Senator KENDRICK (continuing). In other words, the waters of Wyoming can be used practically only in the State of Wyoming. The same is true of the other States. Now, just one more question: I want to say in advance that the representatives, so far as I know, of the upper basin States are not only not concerned about the necessary protection by flood control and the necessary development in the lower Colorado River, but they are not even disposed to intervene objections as to any point of development that may be decided upon between the lower basin States, and they look upon it as of but little concern to the States of the upper basin. But in connection with your statement that both Arizona and California are greatly in need of flood control, is it not true, in your opinion, that if they are in such stress, that in the very interest of fairness to the upper basin States before asking for this development they should compose their differences?

Secretary HOOVER. Well, of course, Senator KENDRICK, I have been working for three years—I will say five years nearly—in an endeavor to secure a composing of those differences so that Congress could get ahead with this very legislation. No one was more disappointed than I at the failure of the California Legislature to accept the six-State proposal, and, of course, I believe that you gentlemen at this table would now be able, if California had accepted it, to draft and pass final legislation. The action of California may again delay the whole program of development.

Senator JOHNSON. The question was as to the differences between Arizona and California that Senator KENDRICK asked you about.

Secretary HOOVER. I am a little encouraged as to their ability to settle those differences. But I feel that they ought to be blocked off from the Northern States and localized. The two States are discussing the matter, and I am hopeful they will come to a very early conclusion, in which event it will very greatly relieve the situation. I believe, with Senator KENDRICK, that they should compose their differences and that perhaps some urging from this committee will stimulate it.

Senator JOHNSON. I will say that I believe every effort is being made now in that direction.

Secretary HOOVER. And I am hopeful they will succeed.

Senator JOHNSON. I am quite hopeful that the lines we have started on will carry the matter through.

Senator KENDRICK. Of course you have stated, Mr. Secretary, that you are not an attorney, but we have reasons, all of us, to respect your good judgment, and it has probably been your privilege to make some investigation of the question, and I wish to ask: In view of all the action taken on the seven-State compact, do you believe, if afterwards ratified by the Congress, that a compact involving six States only would be entirely legal and constitutional?

Secretary HOOVER. I was advised that it would be. Of course, the six-State compact is a new form of compact entirely. The advice we had at the time was that it would be perfectly valid if ratified in that form by the six States and Congress.

Senator KENDRICK. And if afterwards ratified by the Congress after the action was taken, it is your opinion it would be a legal and binding contract?

Secretary HOOVER. That is my understanding.

Senator ASHURST. That is, among the States agreeing to it?

Secretary HOOVER. Yes.

Senator ASHURST. It would not bind any other State?

Secretary HOOVER. No.

The CHAIRMAN. Any other questions?

Senator PITTMAN. Just a question or two: Mr. Hoover, in view of the fact that negotiations are pending between California and Arizona looking to a settlement of their differences, is it possible that the appointment of a commission by Congress at this time to deal with the economic features of the project might result rather in cause for delay by Congress than otherwise?

Secretary HOOVER. I think you have a very practical legislative question here before you. It may be assumed that the Representatives from the Northern States are going to oppose legislation until they have been satisfied on their question of water rights. And the practical thing, it seems to me, is for you to determine—and it is not for me to determine—whether you would not expedite this question more by the appointment of some kind of commission that would help to forward these settlements, and a settlement of the financial question, and thereby make less delay for the lower basin than to be held up by the Northern States. This has been the block for three or four years already.

Senator PITTMAN. What I had in mind was this: If Congress is not going to act this session, that such a commission, which would probably take several months to accomplish its purpose, would be quite justified. But I think it is possible that we may be in a position to act this session, and that the appointment of any additional commission might serve in such event as an excuse for the Congress—I do not mean excuse for the committee or any of us here—but an excuse for the Congress as a whole for further delay in this matter. In other words, I am really fearful that any provision for further investigation will result, as so many of them have, in delay rather than in expediting the matter. Is it not the duty of the commission that you have now, the seven-State compact commission, which is in existence as a body, I believe, to be unofficially preparing this same data for submission?

Secretary HOOVER. That commission has no authority to act in any matter except as to water rights, and that only in relation to the seven States.

Senator PITTMAN. How would it do, then, to have a resolution empowering that commission to investigate and report with regard to economic questions?

Secretary HOOVER. I presume that might do. I feel, however, that here is a matter you have to determine within your own room as to whether or not any legislation could be put through until the Northern States are satisfied as to their rights. If you conclude that that can not be done, then I am offering you a suggestion as to an alternative that will probably expedite the matters. On the other hand, if you believe that the Congress could be led to enact final legislation on this against the opposition of the Northern States, ignoring their claims to equitable treatment, and do it now, of course that is the quick thing to do; but I have had the impression that that can not be done.

Senator PITTMAN. I do not believe that it could be done.

Secretary HOOVER. And therefore I am endeavoring to find a way to expedite it.

Senator PITTMAN. I do not believe that the Congress could be persuaded to take any action on that matter in opposition to the equities of the Northern States.

Senator JOHNSON. I will say that we are going to recognize them, and that they have been recognized constantly and fully as far as that is concerned.

Senator PHIPPS. Mr. Secretary, you probably have not had an opportunity to follow the hearings of this committee. But, briefly, I think it has been demonstrated that there is no objection on the part of any of the lower-basin States to what has been proposed in the compact as to the quantity of water that may be used by the States of the upper basin. The disposition of the upper-basin States

has been to aid in every possible way in expediting a settlement of this very difficult problem and to assist in every way, to the end to have the least possible loss of time in beginning the construction of work on the Colorado River and prosecuting it to a conclusion.

We in Colorado have been hopeful that the lower basin States might be able to get together directly and compose their differences, and other Senators have expressed themselves, I believe, that the prospects are brighter to-day than they have been at any time in the past several months. I do believe the activities of our committee have been helpful in bringing those States together. Any effort at this moment to secure affirmative action from the Congress on development in the river pending settlement of the differences between the lower basin States, to my mind, would be futile. I appreciate your suggestion as to the possibility of assistance in settling the problem, and that it might be had in the employment of a commission, and that suggestion, I think, is one that this committee should give very serious consideration to, either at this time or, if after the lower basin States come to an agreement, it may be advisable to have a commission that would be empowered to negotiate with the different interests—municipal, private, and State, perhaps—to bring about the best form of working out a development.

Secretary HOOVER. Is that all, Mr. Chairman?

The CHAIRMAN. One moment. Senator JONES of Washington wishes to propound a question or two.

Senator JONES of Washington. Mr. Secretary, I want to ask this: It has been argued that if the Boulder Dam site is accepted and a dam is constructed there, it would prevent the highest possible development of the resources of the Colorado River. Or, in other words, the map behind you there shows what is suggested as a comprehensive scheme of development that would utilize in greatest degree all the resources of the Colorado River. That is the map submitted by Engineer La Rue. It is urged that if the Boulder Dam is constructed we would lose, according to the plan shown on the map and assuming for the purpose of the question that plan to be correct, about 400,000 horsepower development, is my recollection of Mr. La Rue's testimony; and that we would be able to reclaim about 100,000 acres less of land. Now, I want to ask this question: Assuming that contention to be correct, do you consider the needs by the development of power and flood control and irrigation so imperative that it would justify us in losing that 400,000 horsepower and that ultimate 100,000 acres of development and proceed as expeditiously as possible to the erection of the Boulder Dam as proposed?

Secretary HOOVER. If I were convinced that there would be a loss of 400,000 horsepower and inability to irrigate 100,000 acres of valuable land, I might want to give it more thought. But my own advices from the Reclamation Service do not corroborate that loss.

Senator JONES of Washington. Well, I understand that there is a difference of opinion among the engineers. But just assuming for the sake of the question, and that is a part of the problem this committee has to consider, assuming that that contention is correct, would you think, notwithstanding such probable loss, that the needs are so urgent we would be justified in going ahead and building the Boulder Dam?

Secretary HOOVER. My instinct as an engineer would be to prevent any loss of that kind, but I do not believe that such extensive a loss is going to occur.

Senator JONES of Washington. I am not prepared to pass upon that question, of course. Here is another phase of it, and I think I appreciate your position in regard to the other matter: It is urged that if the Boulder Dam is constructed the amount of water that will be stored will be far greater than will be used for reclamation purposes and power purposes for quite a good while, and that necessarily a great deal of it will go down into Mexico. And it is suggested that if it goes down into Mexico it will be put to beneficial use by our southern neighbor, and that lands down there will be reclaimed and very likely in the future, when the matter comes up, we will have to recognize the rights of Mexico and thereby lose that amount of possible reclamation in this country.

Secretary HOOVER. I think the answer to that question is that any dams erected on the Colorado River will have the same effect so far as stabilizing the flow of water into Mexico is concerned; that this particular dam does not necessarily increase that flow over and above that of any other engineering scheme on this river. All plans are predicated on the proposition of storing the spring flood to be used in the summer, and thus stabilizing the flow of the water. I do not think that this particular plan of construction would lend itself to Mexican supply any more than any other plan.

Senator JONES of Washington. And some engineers I think urge very strongly the other way. Of course I am not prepared to pass upon it. It does look to me like, however, that if you store 20,000,000 or 30,000,000 acre-feet of water in that dam—and as I understand it there is no other proposed dam in this plan of Mr. La Rue's that stores anything like that quantity—that if this amount is stored it is not likely to be used for quite a good many years for reclamation purposes in this country, and that it will go on down into Mexico.

Secretary HOOVER. That proceeds on the hypothesis that in the treatment of Mexico for many years to come before we use most of the water it would be better to allow the flood flow to go down to Mexico and thus deprive Mexico of any water in the dry seasons. I think if we stabilize the river at all it will be likely to increase the flow into Mexico during the low-water season. If we put up small storage, it might have that effect; but if the storage were small enough to bring this about, I doubt if it would control the flood.

Senator JONES of Washington. I think it was the idea of the engineers that we could stabilize it by this plan in such a way as to use all of the stabilized water flow in this country, but that with the storage of this large amount of water at this particular point it can not be used for irrigation in this country, and that it will go down into Mexico, and that they will establish the right thereto by use, while they would not do so under this other program.

Secretary HOOVER. It seems to me that there is a wrong conception in there somewhere. There is no land to be irrigated in sections above the Black Canyon until you get to the upper basin, and any series of dams built in the river above the canyon to stabilize the flow of water will hold back the spring flood and deliver that flow at the low-water season, which is the irrigation season, it makes no difference where the dam is erected. If we wanted to prevent the irrigation of lands in Mexico by way of holding up the flow in the low-water season—that is, if we wanted to deliberately do that—you could do it more effectively at Boulder Dam than anywhere else, because you have a larger body of water to deal with. In a large reservoir like this we could hold back water during the summer and let it down in the winter when they could not use it—that is, if we wanted to be malevolent.

Senator JONES of Washington. That is all.

The CHAIRMAN. Senator ODDIE, any questions?

Senator ODDIE. Mr. Secretary, if the dam is built at the Black Canyon site, it will serve for desilting the water of the river, so the water would naturally be clear after leaving the dam. Would it pick up enough silt on its way down the river below the dam to make any material difference?

Secretary HOOVER. If it comes out clear, it will not pick up enough silt below to do any harm as far as I understand the river. As a matter of fact, no dam will desilt the Colorado River water completely. The material in suspension is such that a considerable portion will go down despite of any form of settlement, but I should not think there would be any accumulation of sediment below that dam.

Senator ODDIE. You think it would only pick up an immaterial amount on the way down after leaving the dam?

Secretary HOOVER. I do not think that is any great factor.

Senator PITTMAN. Mr. Secretary, calling attention to your statement in regard to the equities of the upper-basin States, could not their equities be threatened by granting of privileges and licenses to build dams for power purposes on the lower river?

Secretary HOOVER. The compact makes special provision covering that use—that no dam shall be erected on the Colorado River that shall ever have precedence over agriculture, either above or below. That is a specific provision of the compact.

Senator PITTMAN. How does that compact affect the jurisdiction of the Federal Power Commission?

Secretary HOOVER. It will override the jurisdiction of the commission in that matter if ratified by the Congress.

Senator PITTMAN. But pending such ratification?

Secretary HOOVER. You have an undetermined question. The Federal Power Commission has tried to accommodate itself to that matter in all discussions it has had hitherto.

Senator PITTMAN. To meet that question and solely for that purpose I have introduced a joint resolution providing that for the purpose of taking care of the interim the Congress suspends the jurisdiction of the Federal Power Commission over the Colorado River and its tributaries, until a reasonable date, and I have fixed that date as the 1st day of February, 1928, or until the President by proclamation states that a sufficient agreement has been reached among the States. Because it is an anomalous situation that exists here, the Congress has directed the Federal Power Commission to develop the Colorado River, among others. I understand that they have certain discretion, to deal or refuse, but having in mind what the compact provides for and pending action on that compact by the States and Congress, it would seem that there should be some assurance nothing will be done one way or the other.

Secretary HOOVER. The Federal Power Commission has already taken that attitude.

Senator PITTMAN. I realize that. And it is probable that they will maintain that position.

Secretary HOOVER. I have not any doubt they will maintain it.

Senator PITTMAN. But I thought that as the Congress had directed them to dispose of these power sites in their discretion, we might as well suspend that authority, so that they would not feel that they were neglecting their duty in not going ahead.

Senator SHORTRIDGE. Just a question or two.

The CHAIRMAN. The Chair recognizes Senator SHORTRIDGE.

Senator SHORTRIDGE. Mr. Secretary, is it your opinion that the Congress could in any legislation provide in like manner that any

rights acquired by the lower basin States, or in the lower basin, should be acquired without prejudice to the rights of the upper basin States?

Secretary HOOVER. Senator SHORTRIDGE, you are on a very considerable legal point now, but I understand it is the contention of the lawyers in the upper basin that that can not be done.

Senator SHORTRIDGE. The Federal Power Commission issues permits with that proviso, as I understand you.

Secretary HOOVER. It has not issued any yet.

Senator SHORTRIDGE. That was their theory that if they should go forward and issue permits, that any rights acquired under such permits were not to be prejudicial to the rights of the upper-basin States.

Secretary HOOVER. Well, I do not think they have gone any further than a discussion at one time as to whether they should issue permits to people who would waive in perpetuity all water rights. But even if the Southern States were willing to waive any water rights at all that would be objected to by the Northern States for legal reasons which others can state better than I can.

Senator SHORTRIDGE. Not to resolve that question, but it has been suggested that Congress could incorporate in an act a provision that rights acquired pursuant to the act should not be prejudicial to the rights of any of the upper-basin States. It is not necessary to pursue a legal discussion on that point, however.

Secretary HOOVER. I know that that has been suggested, but I know also that the Northern States oppose it on strong legal grounds, and there you come to the practical problem of their objection to legislation. That plan has not been satisfactory to them. We tried that once. They rejected it. Therefore we tried the six-State compact, which they accepted; and California rejected it, thus delaying the question for more years.

Senator SHORTRIDGE. We can indulge the view, and do, that they can be persuaded and convinced that their legal and equitable rights to the use of the water can be preserved.

Senator KENDRICK. In reference to the recent decision of the Federal Water Power Commission, if I am not mistaken, in denying the right to begin development in the canyon of the Colorado River, the decision contained a statement in effect that such right would be denied until the seven-State compact had an opportunity to agree upon a division of the waters of the river—an opportunity or a reasonable time in which to agree. Now, I wonder if you would kindly interpret to the committee the thought of the commission or the meaning of the commission as to "reasonable time."

Secretary HOOVER. I am sure that I do not know it. I am not a member of the Federal Power Commission, as you know, and I could not state precisely what was in their minds in that connection.

Senator KENDRICK. Oh, I beg pardon.

Senator JOHNSON. Do you know the position taken by Solicitor Davis, of your department, upon the question propounded by my colleague [Senator SHORTRIDGE] as to the preservation of the rights of the States in the upper basin?

Secretary HOOVER. I could not state his position accurately. At one time he joined with the other men of the Northern States in endeavoring to work out some kind of formula, but I believe they were not successful in satisfying themselves that it would hold. Hence the six-State compact.

Senator JOHNSON. I have been advised by our people here that he has held that legislatively that could be done.

Secretary HOOVER. Well, I am not quite sure about that. My impression is that he rather inclined to the view of the men from the northern States. I remember that Solicitor Davis represented New Mexico in the compact.

Senator JOHNSON. Yes; I knew that.

The CHAIRMAN. Another objection urged by capable engineers is that the construction of a dam and impounding of water at the Boulder Canyon would result in excessive evaporation. It has been estimated by them that a dam 550 feet high will produce an evaporation of between 400,000 and 500,000 acre-feet per annum. Have you given any thought to that objection?

Secretary HOOVER. Oh, assuming that that would happen it would not do any harm during the next generation and a half or two generations. We are not going to be using all of the water of the Colorado River for another 50 or 75 years. When the time comes that evaporated water is a large item there, you will have a number of other dams already built on the river, and you can reduce the level and thus the evaporation at the Boulder Dam. You can add to this, in the next 75 years, to any number of contingencies.

Senator ODDIE. Do you believe that after a period of years, in case the Boulder or Black Canyon Dam is constructed, that the saturation of water in the surrounding area and banks would in any wise neutralize the evaporation?

Secretary HOOVER. Oh, I do not think in that climate it would enter into it very much.

Is that all, Mr. Chairman?

The CHAIRMAN. Does any other member wish to propound any questions to the Secretary. [After a pause.] The committee is very greatly indebted to you for your very instructive remarks, Mr. Secretary, and the way you have handled the subject.

Secretary HOOVER. I thank you.

(And Secretary Hoover thereupon left the room.)

Mr. CAMERON. Mr. President, before commencing my remarks I desire to ask the indulgence of Senators that I may not be interrupted until I shall have concluded. I shall then be glad to try to answer any question which may be propounded to me by any Senator.

I also desire to state at this time that I shall not be able to finish my remarks to-day and that I expect to resume them at the session of the Senate to-morrow.

Mr. President, the argument which has been made in behalf of the so-called Swing-Johnson bill by the Senator whose name it bears has increased my great admiration for him as one of the ablest of advocates.

I appeal to the Members of this body, one and all, to withhold any conclusion and to form no judgment as to the merits of this proposed legislation until the facts which condemn it can be made clear; so clear that "he who runs may read."

There can be no question as to the facts. They are all set forth in reports of the Federal or State Governments, coming from engineers or officials whose ability and dependability can not be questioned.

The greatest difficulty in the way of a perfect understanding of this measure by one not personally familiar with the region of country to which it is sought to apply it is that the region referred to is one of the most extraordinary and unusual in its physical characteristics to be found anywhere in the world.

It is to that fact, I believe, that we may look for an explanation of the errors into which the Senator who has spoken so forcefully in advocacy of the measure has fallen. I fully acquit the Senator of any purpose to deceive, and my high personal regard for him is in no way affected by the unfortunate fact that he has been led into such grievous and unfortunate errors in his advocacy of this bill.

It has been my good fortune—and I say that without any reference to this legislative controversy—to have lived in that wonderful and marvelously interesting region for more than 40 years. The Colorado River, its Grand Canyon, its immensity, its inspiration, its sudden and devastating floods, and every site where dams may be built to control those floods are as intimately known and as familiar to me as is the park surrounding this Capitol to all of us. The whole of the vast area we plan to irrigate in Arizona with the regulated flow of that great river lies before me in a vision as I speak to you now. I can see it as it is to-day—a desert waste—and I can see it as it will be when it has been transformed by the touch of the life-giving waters of the Colorado River into a vast garden, beautiful beyond description, inspiring in its immensity, peopled by a multitude of happy citizens of the United States of America, if it is not condemned by the passage of the Swing-Johnson bill to remain a desert waste forever—the habitat of the horned toad, the coyote, cactus, and sand storms.

One of the greatest difficulties confronting us in our efforts to secure a fair and unprejudiced consideration of this pending measure is that immense sums of money have been expended in a great nation-wide propaganda in its behalf.

The result of this propaganda has been that the real facts are unknown to the public or to editorial writers, and we face a most determined barrage of misrepresentation and error in the columns of the press. Never before, in my recollection, has Congress been so lashed with a whip of ignorant assumption without any basis of fact as in the case of this particular measure.

I, for one, here and now, lay my protest before the Senate against such methods as have been adopted in the pending case to browbeat Congress by statements which have not the slightest justification in the light of known facts.

That is all I wish to say on that subject at this time. I shall refer to it again, after I shall have fully laid the facts before this body as a basis for their determination of this most important problem. But because the indefensible methods to which I refer have been adopted, and so persisted in, I shall ask the Senate to permit the facts to be brought before it in every instance as fully and comprehensively as may be necessary at least to enable this body to rest its determination on them instead of being misled by the innumerable misstatements that have been printed in the papers with the evident purpose of deceiving the public and improperly influencing the action of Congress with reference to this legislation.

The first question involved is flood protection. Everybody wants flood protection for the Imperial Valley. And the Imperial Valley would have had complete and perfect flood

protection long ago if they had not clung with implacable persistence to a measure in which flood protection is inseparably tied to so many other controversial questions that the friends of flood protection have found it impossible to lift that menace from the Imperial Valley.

Look at the things to which flood protection is tied in this bill:

First. It is tied to a scheme to take from Arizona the waters that will irrigate 3,000,000 acres of otherwise irreclaimable desert, and devote that water to the reclamation of any where from 1,000,000 to 2,000,000 acres below the line in Mexico.

Second. It is tied to a scheme to reclaim approximately 500,000 acres of new and as yet unreclaimed lands in the Imperial Valley at a time when, to say the least, the people of the East are set against the reclamation of any more land to increase the agricultural output of the United States of America.

Third. It is tied to a scheme to put the Government into the power business, at least to the extent of building a great power dam and working out plans to get its money back by the sale of power, which is a new function of the Government, and one of the most controversial and bitterly contested questions before the country to-day—so much so that the Muscle Shoals project has been hopelessly bogged down in it for years, with no apparent prospect as yet that a satisfactory solution will be found, at least not for a long time yet—and, notwithstanding that, we are belabored day after day because we do not rush to the rescue of a community which up till now has said to us:

> We must have help, but we refuse to accept it unless you will at the same time give the water of the Colorado River to Mexico to irrigate more than a million acres of land, and also reclaim 500,000 acres of new lands in the Imperial Valley, and also put the Government into the power business.

That is not all by any manner of means.

Congress is asked to override and trample underfoot the most sacred and deeply rooted rights of a sovereign State by creating an alliance of six States against one State in a permanent plan to force that one remaining State either to fight for its life single-handed against the allied influences of the Federal Government, working hand in glove with the six other States, or to surrender to that combination of allied influences and permit its future to be destroyed by a ratification of the so-called Santa Fe seven-State Colorado River compact, which can not but utterly destroy the future of Arizona. That is exactly what a ratification of that seven-State compact will do to the State of Arizona. It will destroy its future development. It will leave it within a generation a pile of ashes, a sand-swept and irreclaimable desert, instead of one of the richest and most fertile and productive agricultural States of the Union.

I make that statement to the Senate with all the earnestness that I possess. I make it seriously and advisedly; and when I reach that point in my discussion of this measure I shall prove every word of that general statement to the last detail. I refer to it now merely to emphasize the fact that instead of in reality wanting flood protection, what the proponents of this bill really want is to take from the State of Arizona her birthright and the heritage of her people, to rob the children of the future for the benefit of other States and a group of American land speculators in Mexico.

As I have said to the Senate before, Arizona is fighting with her back to the wall, and she will continue to fight for her future life as a State as long as there is a breath left in her body. What else can she do? She faces ruin if she fails to win that battle. She will fight for justice in the Halls of Congress and in the courts until she escapes from this menace that has been hung over her by the proponents of the Santa Fe-Colorado River compact. Is it not a most appalling condition of affairs when a State stands ready to go the limit to give protection to a "neighbor across the way" from the flood menace and is told that she will not be allowed to extend that help unless she will yield up her whole future hope of development and submit to be stripped of her most indispensable rights and inalienable property?

I am not at this time proposing to lay before the Senate the facts sustaining those general declarations. I shall do that later when the facts proving them have all been presented. In the meantime I appeal to you Senators, to each and every one of you, to put yourselves in the place of my State of Arizona, and see what you would think of it if your State were called a "dog in the manger" because you refused to submit to ruin in order that the Imperial Valley might have a particular method of flood protection—a method wholly unnecessary, because complete and absolute flood protection for the Imperial Valley may be had without asking Arizona to surrender any of her rights as a sovereign State which are necessary to her future prosperity.

We have not only been called a "dog in the manger"; we have again and again had the lash cracked over us because we would not accept a scheme that would tear up by the roots the whole system of rights by appropriation and substitute for it an unworkable scheme of apportionment, launching an endless era of litigation, and making the irrigated homes of Arizona in years of drought subject to a demand that they should supply a deficiency in Mexico.

With all the force and power I possess, I resent and repudiate and protest against that attitude toward Arizona. But the most reprehensible thing about it is that we are charged with these heinous offenses for what reason? Why, forsooth, because we say to our friends in the Imperial Valley: "We want you to have flood protection. We will work with you with all our strength to secure it for you. We will work with you for it, not only as a matter of neighborly good will but also because communities in Arizona are threatened by the same danger of flood devastation that hangs over you. We want flood protection for them, and we want it without delay. All we ask of you is that you separate your demand for flood protection from controversial schemes that make flood protection impossible if you tie it to them."

Is there anything unreasonable about that?

Can any justification be found for those who must have flood protection refusing to accept it unless Arizona can be compelled to commit hari-kari, or strip herself of otherwise inalienable rights without which she faces eventual ruin as a State?

I insist that there is no possible justification for such a proposition as that in which we have been placed by the proponents of the pending measure.

Mr. President, the first thing I am going to do is to show, beyond the shadow of a doubt, that the Imperial Valley and the Yuma Valley and the Coachella Valley and the Palo Verde Valley and every other flood-menaced valley or acre in the lower basin of the Colorado River can be protected from the danger of floods, protected more quickly, protected more effectively than it can by this Boulder Canyon project, by another plan that involves none of the controversial elements that have delayed this bill and would prevent flood protection under it, even though it were enacted.

It is as certain as fate that if this bill were enacted at this session its only effect would be to launch us on a sea of litigation the end of which no human vision could see.

It would defeat the very purpose which we are constantly told by newspapers which seem determined to force this bill through, right or wrong, is the reason why we should rush the bill through without proper consideration. I say "without proper consideration" because this bill involves the most complex problems of constitutional law, of interstate law, of the rights of States to the waters of the States, that have ever been involved, so far as my knowledge goes, in any bill pending before the Congress of the United States. Yet we have had no opportunity to present our side of the case to any committee having jurisdiction of those questions. This bill, whatever else may be done with it, should not be passed until it has been referred to and considered by the Judiciary Committees of both the Senate and the House of Representatives.

In addition to that, as I shall make clear beyond question before I close my remarks, the bill raises innumerable questions of an international character, questions affecting our foreign relations so profoundly, questions affecting the national defense and the safety of the nation from foreign complications and aggression, questions involving every problem of Asiatic competition, the enforcement of our immigration laws, and the maintenance of decent moral conditions along the border, that it can not properly be brought before the Senate for passage until those questions have been considered by a committee having jurisdiction over them, and that committee is the Committee on Foreign Relations.

It seems to me, Mr. President, that I have shown enough good and unanswerable reasons why the present bill, if its newspaper advocates are sincere in their almost daily declarations that it must be passed "willy-nilly"—passed whether right or wrong, passed when there can not be time for its proper consideration at this session of Congress by either the Senate or the House of Representatives, because the Imperial Valley must have flood protection—is nothing but a snare and a delusion when it comes to the question of flood protection, and that flood protection is, in fact, nothing but a peg on which to hang reclamation of vast areas in Mexico, reclamation of another 500,000 acres in the Imperial Valley, water power development by the Federal Government, and the ratification of the Santa Fe-Colorado River compact, with all its unfair and unconstitutional provisions.

It is time that some one took the bull by the horns and put before Congress and before the country a definite, concrete, plain, simple, and genuine plan for flood control that can be put through at this session of Congress, and thereby give flood protection to the Imperial Valley and all other flood-menaced sections of the lower basin of the Colorado River.

It is an indispensable prerequisite to such a plan, if it is to be possible of adoption by Congress and to actually secure flood protection for these flood-menaced valleys and sections, that it shall be simplified. It must be separated from all the intricacies and complexities and controversies in which the pending bill has been involved by its original proponents and all who have since taken a hand at it and complicated it still more.

The plan must be split away from reclamation in Mexico.

It must be split away from reclamation in the Imperial Valley.

It must be split away from any scheme to involve it in the bitter controversy between the advocates of public and private power development.

And last but not least it must be split away from every contact with a Colorado River compact designed to give to land speculators in Mexico and take from Arizona water enough to irrigate 3,000,000 acres in Arizona, and fasten around the neck of Arizona forever an obligation to furnish a deficiency in Mexico in seasons of drought and water shortage.

The almost inconceivable and unbelievable thing in connection with this whole campaign under the banner of flood protection for the Imperial Valley is that such a simple plan had not been presented to Congress years ago, instead of delaying flood protection while all these controverted questions were being fought to a finish by bitterly opposing interests.

The plan I shall propose is in no sense a personal one. It is nothing more than the application to the needs of the present situation of some common sense in the selection of the things that must and can be done to give full and complete protection against floods to the Imperial Valley without complications causing endless delay.

The first necessity of the Imperial Valley is for immediate levee protection. Before flood protection can be accomplished by reservoir storage at Boulder Canyon or elsewhere a dam must be built that it will take several years to construct. Why wait for that? Congress has shown its willingness to provide levee protection on the Colorado River, just as it does on the Mississippi River, by more than one generous appropriation for levee construction. A great flood on the Colorado River is said to be threatened this year. I believe there is not one Senator in this body who would not gladly vote, before we adjourn for this session, an adequate appropriation as an emergency matter to save the Imperial Valley from the menace of the flood that is expected to reach that country this very year. Therefore, I say, the first thing the Imperial Valley needs for flood protection is an emergency appropriation at this session of Congress to protect it from the flood that is said to be already anticipated before the coming summer is over.

The next thing is an adequate appropriation for a levee system that will protect the valley during the interval of time necessary for the building of a storage reservoir for flood protection. It does not matter where that storage reservoir is located; it will take so long to build it that the only safeguard available for the period of construction is a levee system.

Neither an emergency appropriation to meet the exigencies arising from the danger of a flood this coming summer, nor an appropriation to so perfect the levee system that it will afford complete and certain protection until storage dams can be built are involved in any of the complications that are delaying this pending bill.

All the machinery for the expenditure of those appropriations and the doing of the work promptly and well now exists. Let the people of the Imperial Valley ask for these appropriations, and there is small doubt that they would get them with a promptness that would surprise them. An appropriation asked for by me for the protection of my constituents under the Yuma reclamation project in Arizona from the floods of the Colorado River was granted by the Senate at this session most graciously and almost unanimously. I can see no reason why the same spirit of helpfulness should not be extended to the Imperial Valley, if its people were to do what seems to me the only sensible thing they can do, and ask through their own Representatives in Congress for the same consideration that I have asked for in behalf of my constituents.

If Mr. SWING, who represents the Imperial Valley in Congress, fails, neglects, or refuses to ask for these necessary appropriations to meet this year's emergency, apparently a very pressing one, or the necessary appropriations to insure safety for his people pending the construction of storage reservoirs for flood protection, I fail to see any reason why any rocks should be thrown at Arizona or why she should be held responsible, or why Congress should be held responsible for any disaster that may befall the Imperial Valley pending the construction of flood storage reservoirs for flood protection, which in the very nature of things can not be built with a rush. Great engineering structures of that character can not be built in a hurry. It took well onto 10 years to build and completely finish the Roosevelt Dam.

It therefore seems to me that we can hardly undertake to force levee protection on the Imperial Valley. The suggestion I have made has been very seriously made, but as yet I hardly feel that I ought to include emergency or temporary levee protection in a plan for flood protection which it will take several years to accomplish, but which still can be done sooner than the Boulder Canyon project.

The first unit of the storage reservoir plan for the protection of the Imperial and Yuma Valleys should be the building of a flood-control dam at Sentinel, on the Gila River, in Arizona. That is a well-known site and it has been approved for a flood-control dam by the Reclamation Service.

Some years ago an examination of the site was made for a storage reservoir for reclamation, but the engineers who made the examination did not approve it for such a reservoir.

Several years afterwards another examination was made of the same site for a flood-storage dam for flood protection only, and the site was approved for that purpose.

In order to make my position so clear that there can be no possible misapprehension about it, I want to explain more fully the conditions on the Gila. The Gila River flows into the Colorado a short distance above Yuma and below the Laguna Dam, which is about 12 miles above Yuma. It is one of the most erratic, treacherous, and dangerous flood rivers of the world. It drains an area of 56,500 square miles in Arizona and New Mexico.

In United States Geological Survey Water Supply Paper No. 395, issued in 1916, by E. J. La Rue, on page 95, the Gila River is described, the last paragraph of the description being as follows:

> The flow of the Gila is very irregular and the daily, monthly, and annual flow is subject to large variations. During the last 12 years the total annual run-off of the Gila at Yuma, Ariz., has ranged from less than 100,000 acre-feet to more than 3,000,000 acre-feet.

With that sort of a river to deal with, you never can tell what it may do in any year of the future. It has not yet at any time within the comparatively brief period covered by our records and knowledge of the river come out at flood when the Colorado was also at flood. Notwithstanding that, on more than one occasion a flood from the Gila, coming out on top of the Colorado when that river was not at flood, has caused the Colorado below the mouth of the Gila to rise to heights which are dangerous to the present levee system.

The tables of discharge of the Gila from January, 1904, to December, 1906, will be found on page 113 of Water Supply Paper 395. They show that in the period from January to September, 1904, the total run-off from the Gila into the Colorado River was only 187,000 second-feet, of which 140,000 was in August of that year. In the period from October, 1904, to September, 1905, inclusive, the total run-off was 3,050,000 second-feet, of which 3,010,710 second-feet was in the months of January to September, 1905. In February, 1905, the run-off was 680,000 second-feet, in March 1,020,000 second-feet, and in April 768,000 second-feet.

In a country where the rainy season is so uncertain, variable, and erratic as in Arizona there is no safe assurance that the Gila will never come out at flood when the Colorado River is at flood, but if the Colorado were not in existence a levee system would have to be maintained to protect the Imperial valley from floods coming entirely from the Gila, unless that stream were controlled by reservoirs.

In the course of time that may be done sufficiently to largely lessen the flood menace from the Gila River. The Coolidge Dam will control the floods above San Carlos; the dam now being built on the Agua Fria at Frog Tanks will control the Agua Fria up to a certain point, but that leaves an enormous area of the entire drainage basin uncontrolled.

The greatest difficulty with reference to flood protection is that plans are made for flood control in all ordinary years, and even for extraordinary years, up to a certain point, but it seems almost impossible to get flood menaced communities to realize that it is the history of floods the world over that at long intervals great superfloods occur which go far beyond everything anticipated, and do enormous damage which might

have been avoided if the superflood had been anticipated and planned against in working out flood safeguards.

We have not the slightest foundation for the assumption that the floods of 1905 on the Gila are the greatest we will ever have. We have no right to assume, in a country of such climatic uncertainty as Arizona, that the Gila will never be high when the Colorado is high, so that the flood crest of the Gila will meet a flood on the Colorado. And we have no right to assume that we may not have a flood on the Gila which will fill every storage reservoir in its drainage basin, and then run over the tops of them for days and perhaps weeks, and go on down to the Colorado River and go over the tops of the levees built to protect the Imperial and Yuma Valleys.

The only sensible plan to insure safety for the Imperial Valley and the Yuma Valley is to build a levee system adequate to protect those valleys to the fullest extent that it is possible to protect them in that way. Then that protection must be supplemented by a flood storage reservoir on the Gila so far down that it will intercept and hold back any flood that can by any possibility reach that low-down point on the river and check the flood and hold it in a reservoir until the channel will carry it without damage to any locality on the river below.

The Sentinel Dam should not be built with any idea of holding the water back for any length of time or storing it for any use except flood control. It should not be called a reservoir. It should be called a flood-control dam to create an emergency impounding basin in which the water could be held back just long enough to permit of its being carried in the channel without any damage below. The perfect illustration of that idea is to be found to-day on the Miami River, where a system of those flood emergency impounding and retarding basins have been built since the terrible flood devastations on that river in 1913 wrought such havoc at Dayton and other towns and cities on the Miami River.

It is apparently conceded that the Imperial Valley and the Yuma Valley can not be safe from flood devastation without a levee system, and the levee system can not make them safe unless both the Colorado River and the Gila River are eventually controlled by storage dams for flood control. If the Colorado is controlled, the levee system must be perpetuated for protection from the Gila, unless that river is also controlled for flood safety before it reaches the Colorado River.

Therefore, in addition to the emergency levee protection from a flood this year, and in addition to whatever further work is necessary to perfect the levee system so it will furnish complete protection until a great flood-control dam can be built on the Colorado River, I insist that full and certain protection for the Imperial and Yuma Valleys necessitates the construction of a flood-control emergency impounding basin on the Gila River at Sentinel.

I now urge that an appropriation should be made at this session of Congress for a full and complete survey and estimate of cost for a flood-control emergency impounding basin at Sentinel designed for no other use than to temporarily and for a limited time hold back any unusual and extraordinary flood, so that it could not reach the Colorado River until the channel of the Colorado was ready to carry it without damage or danger to levee systems.

That work should be done by the Army engineers, and it should be done and the survey, plans, and estimate of cost should be reported to Congress before the next Congress convenes in December of this year.

To recapitulate, the three things that should be done by this Congress before it adjourns, which I have already proposed, are—

1. An emergency appropriation to provide for the doing of everything necessary to be done to assure complete protection for the Imperial and other flood-menaced valleys in the lower basin from the anticipated flood in June and July of this year.

2. The making of a complete plan by the Army engineers, in cooperation with all local agencies, for the protection of the Imperial and other valleys above referred to during the interval of several years during which flood-control storage dams can be built on both the Gila and the Colorado.

3. An appropriation, to be expended by and through the Army engineers, for making the necessary surveys, plans, and estimates of cost for the prompt construction of a flood-control emergency impounding basin at Sentinel, on the Gila River, in Arizona.

There is not the slightest doubt, in my mind, that if the facts can be placed before Congress those three things can be authorized and the necessary emergency appropriations made before this session of Congress adjourns on March 4.

I want to make my point clear that I have proposed these three things that should be done at this session because they can be done without involving Congress in any of the bitterly controversial questions that are unavoidable if the advocates of flood protection insist on refusing to accept it unless they can also get reclamation in Mexico, and reclamation in the Imperial Valley, and a Federal power plant for Los Angeles, and compel Arizona to surrender her rights under present laws to her greatest asset as a State and put her neck into the noose of a perpetual obligation to furnish foreign competitors in Mexico with water when that water may be necessary for the preservation of her own crops and community life.

Not one single controversial question is involved in the doing of the three things I have advocated for flood protection, and if they are promptly done, as they should be, we will have a breathing spell of several years in which to work out the far more complicated problem of the selection of a flood-control dam on the Colorado River, which should be built also as a flood-control emergency impounding basin for the benefit of the lower basin.

When we reach and take up for consideration the question of flood control on the Colorado River I most earnestly and urgently insist that it should be shorn of every complication or complexity growing out of harnessing it to the reclamation of vast areas in Mexico or putting the burden on Arizona of furnishing a deficiency in years of drought to the foreign cultivators of those lands, or the surrender by Arizona, to say nothing of California, of vested rights under the laws of appropriation in exchange for rights in a possible reservoir which may be empty when the waters are most needed to save the country from devastation by drought, or putting 500,000 new acres under reclamation in the Imperial Valley, or trying to recover its investment in a power dam by selling power by the Federal Government, or any of the hundred and one complexities with which flood control has been surrounded in this present measure.

I insist that we should cut the Gordian knot and be rid of that whole swarm of difficulties and delays by separating flood control from all of them. I am willing to fight them out to the end, and we will take our chances in Arizona of protecting our State in the resources that God has given to us, but I protest against being placed in the position where we are to be clubbed into surrender because, forsooth, our neighbors refuse to permit us to give them what they want without being robbed ourselves.

Now I will point out a perfectly simple and noncontroversial way in which we can secure flood control for the Imperial and all the other interested valleys from the floods of the Colorado River by the building of a flood-control emergency impounding basin on that river, which can be built quicker and will serve that purpose better than the so-called Boulder Dam scheme.

I can not understand why the proponents of the Black Canyon dam should persist in calling it the Boulder dam. They have abandoned the Boulder dam site and nobody now proposes ever to build a dam there. They are now proposing a dam at Black Canyon, forty miles or so farther down the river. True, the Black Canyon dam will force the water back and to some extent fill the same reservoir site that would have been filled by the Boulder dam. But we were told that the Boulder dam reservoir would hold 35,000,000 acre-feet. Now, we are told that the Black Canyon dam, which is to create what the bill declares is to be called the Boulder Canyon project, will create a storage capacity of 26,000,000 only.

That, again, is an unfair and misleading use of terms. Any one reading the report of the Reclamation Service or the statements made elsewhere by its advocates as to the storage capacity of the Black Canyon dam reservoir would assume, of course, that when they say its capacity is 26,000,000, that they mean available capacity, capacity capable of use for the purpose of storing water that can be beneficially used year after year, filled and emptied every year when there is enough water in the river to fill it.

Such is not the case. The actual available storage capacity created by the Black Canyon dam is only 15,500,000 acre-feet. The remaining 10,500,000 acre-feet is dead storage. That is, when once filled, it will never again be emptied. For all practical purposes it might just as well be filled with silt or gravel as with water. All the good it serves is to raise the level of the water above it to the height that is necessary to make it fall over the dam from the level where it is drawn off for power. It furnishes no water whatever for either irrigation or power and no space for flood storage. It is a deception, a delusion, and a snare.

It may be said, with all fairness, that it is intended, for one thing, to deceive the people of California into assuming that the dam will hold the requisite 20,000,000 acre-feet of storage which they stipulated for as a condition of ratifying the Santa Fe-Colorado River compact, but no court in the world would ever hold that the condition requiring 20,000,000 feet of

storage is complied with by a reservoir furnishing only 15,500,000 acre-feet of storage that can be filled, and 10,500,000 feet of dead storage that never would and never could be used to relieve the necessities of the Imperial Valley or the Palo Verde Valley for water for irrigation in a season of low water and drought.

Those facts were all fully explained by Engineer Weymouth in his statement before the Senate committee in behalf of the Boulder dam scheme. He made no bones about it whatever. He very frankly furnished the committee with a blue print showing those facts, and I have a copy of that blue print in my hand at this moment.

That is only a sample of the innumerable half truths that are constantly being fed into the public mind with reference to this Boulder dam scheme, facts that are misleading to the last degree, and just as wrong in the effect they have on those who read them as though deliberate falsehoods were told. And, unfortunately, we have plenty of them to contend against, as I shall show beyond question before I close my remarks.

A FLOOD-CONTROL DAM ON THE COLORADO RIVER

When we approach the consideration of the matter of the selection of a site for a flood-control dam on the Colorado River that will completely protect the lower basin—the Imperial Valley and all other flood-menaced valleys in that region—we must not overlook the fact that the scheme for the building of the Boulder dam was proposed without any survey or investigation or study being made of any available storage sites on the river above Boulder Canyon in Arizona, and no study of the river was made for the purpose of selecting dam sites for a flood-control plan that would not be harnessed up with reclamation and power and Mexico and the rights of Arizona as a sovereign State.

The whole Boulder dam scheme had its birth in what is known as the Albert B. Fall-Arthur P. Davis report on "Problems of Imperial Valley and Vicinity," which was transmitted to Congress by Albert B. Fall, the then Secretary of the Interior, on February 22, 1922. It was based upon a survey, study, and investigation that included a vast area of irrigable lands in Mexico and started at the Gulf of California in Mexico and went up the river only to the Boulder Canyon dam site.

RECESS

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). The hour of 5 o'clock having arrived, pursuant to the unanimous-consent agreement the Senate will take a recess until 8 o'clock.

Thereupon the Senate (at 5 o'clock p. m.) took a recess until 8 o'clock p. m.

EVENING SESSION

The Senate reassembled at 8 o'clock p. m., on the expiration of the recess.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Pursuant to the unanimous-consent agreement the Chair lays before the Senate House bill 16886.

ADDITIONAL REPORTS OF COMMITTEES

Mr. SHORTRIDGE, from the Committee on Naval Affairs, to which was referred the bill (H. R. 6006) for the relief of John S. Carroll, reported it without amendment and submitted a report (No. 1546) thereon.

Mr. MAYFIELD, from the Committee on Claims, to which was referred the bill (S. 5232) for the relief of Sadie Klauber, reported it with amendments and submitted a report (No. 1547) thereon.

Mr. MEANS, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (H. R. 10456) for the payment of claims for pay, personal injuries, loss of property, and other purposes incident to the operation of the Army (Rept. No. 1548);

A bill (H. R. 15252) to provide relief of certain natives of Borongan, Samar, Philippine Islands, for rental of houses occupied by the United States Army during the years 1900 to 1903 (Rept. No. 1549); and

A bill (H. R. 16058) for the relief of certain officers of the Army of the United States (Rept. No. 1551).

Mr. NYE, from the Committee on Claims, to which was referred the bill (H. R. 4258) to credit the accounts of James Hawkins, special disbursing agent, Department of Labor, reported it without amendment and submitted a report (No. 1552) thereon.

Mr. DENEEN, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 4383) for the relief of certain claimants for interest arising from delay in the payment of drafts and cable transfers of the American Embassy at Constantinople between December 23, 1915, and April 21, 1917 (Rept. No. 1553); and

A bill (H. R. 531) for the relief of John A. Bingham (Rept. No. 1550).

He also, from the same committee, to which was referred the bill (S. 4558) to provide a method for compensating persons who suffered property damage or personal injury due to the explosions at the naval ammunition depot, Lake Denmark, N. J., July 10, 1926, reported it with amendments and submitted a report (No. 1554) thereon.

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (H. R. 3253) for the relief of Lieut. Commander Garnet Hulings, United States Navy (Rept. No. 1555); and

A bill (H. R. 8278) for the relief of A. B. Cameron (Rept. No. 1556).

ALIEN PROPERTY ADJUSTMENT

Mr. McKELLAR submitted sundry amendments intended to be proposed by him to the bill (H. R. 15009) to provide for the settlement of certain claims of American nationals against Germany and of German nationals against the United States, for the ultimate return of all property of German nationals held by the Alien Property Custodian, and for the equitable apportionment among all claimants of certain available funds, which were ordered to lie on the table and to be printed.

LOANS TO VETERANS UPON CERTIFICATES

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 16886) to authorize the Director of the United States Veterans' Bureau to make loans to veterans upon the security of adjusted-service certificates, which was read, as follows:

Be it enacted, etc., That section 502 of the World War adjusted compensation act is amended by adding at the end thereof the following new subdivisions:

"(i) The Director of the United States Veterans' Bureau is authorized, through such officers and at such regional offices, suboffices, and hospitals of the United States Veterans' Bureau as he may designate, and out of the United States Government life insurance fund established by section 17 of the World War veterans' act, 1924, as amended, to make loans to veterans upon their adjusted-service certificates in the same amounts and upon the same terms and conditions as are applicable in the case of loans made under this section by a bank, and the provisions of this section shall be applicable to such loans; except that the rate of interest shall be 2 per cent per annum more than the rate charged at the date of the loan for the discount of 90-day commercial paper under section 13 of the Federal reserve act by the Federal reserve bank for the Federal reserve district in which is located the regional office, suboffice, or hospital of the United States Veterans' Bureau at which the loan is made.

"(j) For the purpose of enabling the director to make such loans out of the United States Government life insurance fund the Secretary of the Treasury is authorized to loan not exceeding $25,000,000 to such fund with interest at the rate of 4 per cent per annum, compounded annually, on the security of bonds held in such fund.

"(k) The disbursing officers of the United States Veterans' Bureau shall be allowed credit in their accounts for all loans made in accordance with regulations and instructions of the director."

The PRESIDENT pro tempore. The bill is before the Senate as in Committee of the Whole and open to amendment.

Mr. KING. Mr. President, undoubtedly the thought behind the bill is entirely worthy. It is claimed that ex-service men are experiencing difficulty in negotiating their securities and obtaining loans upon the same. Perhaps this is true; but it must be remembered that the Congress, after full consideration, and after denying a cash bonus, determined that there should be, for a time at least, obstacles to the negotiation of the certificates issued to the ex-service men.

There were Senators who preferred a direct cash bonus, believing that was the easiest way of dealing with the problem. But suggestions were made that if the veterans were paid cash as a bonus it might be soon disposed of, invested, or utilized, and when it was gone efforts would be made to secure further contributions from the Treasury, or pensions, or allowances of some character. After mature deliberation, as I have said, Congress reached the conclusion that the bill which was passed contained the wisest and best provisions for the ex-service men. Now we are asked to take a step backward. This bill will encourage the negotiation of loans, and undoubtedly in many cases the debtors will be unable to meet their obligations, and thus lose their security. Instead of

preventing what was conceived to be an evil, this bill will contribute to its realization.

Mr. President, I do not think it a wise policy for the Government to make direct loans to individuals. It puts the Government into the banking business. It is not a sufficient answer to say that the loans are being made from funds in the possession of an agency of the Government. We are making loans upon security which is offered by private individuals. Recently there was legislation before Congress asking for a loan of $75,000,000 to be made to agriculturists in a particular region of the United States. A few days ago a bill was passed carrying approximately $8,000,000, from which loans were to be made directly to individuals on such security as the Secretary of Agriculture might deem proper. We are encouraging the people to believe that the Treasury of the United States is a bank from which every person may draw, with or without security. Soon we will have petitions for further loans and contributions to industries which may suffer some calamity, to individuals who may be out of employment, and to persons who may suffer from adversity. I think it is a bad policy, and not within the constitutional authority of Congress. This bill, in my opinion, will not be of advantage to the veterans, and within a short time they and Congress, if it becomes a law, will confess that a mistake has been made.

Mr. GEORGE. Mr. President, I offer an amendment which I send to the desk and which I ask may be read.

The PRESIDENT pro tempore. The clerk will read the amendment proposed by the Senator from Georgia.

The CHIEF CLERK. Add at the proper place in the bill the following:

That section 705 of the World War adjusted compensation act, as amended, is amended by striking out the period at the end thereof and inserting in lieu thereof a comma, and the following: "except that a duplicate certificate shall be issued without the requirement of a bond when it is shown to the satisfaction of the director that the original certificate, before delivery to the veteran, has been lost, destroyed, wholly or in part, or so defaced as to impair its value."

The PRESIDENT pro tempore. The question is upon agreeing to the amendment proposed by the Senator from Georgia.

Mr. WALSH of Massachusetts. Mr. President, I should like to inquire of the Senator from Georgia if the amendment is not one acceptable to the Veterans' Bureau?

Mr. GEORGE. The amendment, I may say, has been submitted to the bureau. The director of the bureau did not wholly approve the amendment. He approved a portion of the amendment.

Mr. WALSH of Massachusetts. May I say to the Senator that my correspondence with the director of the bureau was to the effect that he approved the amendment.

Mr. GEORGE. I will say to the Senator from Massachusetts that I did not know he fully approved it. I regret that I do not have before me the letter of the director of the bureau, but I thought that his disapproval of a portion of the amendment was founded obviously upon a misapprehension of what the amendment purported to do.

Mr. President, I would not offer the amendment if I did not feel that it was really in line with and germane to the legislation. Under the war veterans' act the Director of the Veterans' Bureau is authorized to issue duplicate adjusted service certificates in certain events upon the giving of a bond by the veteran. The amendment proposes simply to amend the act so that the director of the bureau may issue the duplicate certificate where the certificate was lost prior to its delivery to the veteran or where it was defaced or torn or obliterated so as to make it nonserviceable to him. A veteran is required, under the amendment, to offer proof of the nondelivery to him to the satisfaction of the director of the bureau. It seems to me in those circumstances there ought not to be placed upon the veteran the added burden of executing to the Government a bond. I will say to the Senate that in many instances the veterans will not be able to give such bonds.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. GEORGE. Certainly.

Mr. SMOOT. Of course this is quite out of the regular form of issuing duplicate certificates. I ask the Senator what would happen in case a war veteran had a certificate and it was temporarily lost or laid aside or put where he could not lay his hands upon it, and there should then be a duplicate of the certificate issued without a bond. Suppose then a loan were made upon the duplicate certificate and later the original certificate turned up. What would happen in such a case?

Mr. SMITH. The duplicate number would show on the duplicate certificate.

Mr. GEORGE. The amendment does not contemplate a case where the veteran has misplaced or lost his own certificate. If the Senator will read the amendment he will see that it applies where, without fault of the veteran and without delivery to him, his certificate has been lost.

Mr. SMOOT. It provides—

Except that a duplicate certificate shall be issued without the requirement of a bond when it is shown to the satisfaction of the director that the original certificate, before delivery to the veteran has been lost.

Mr. GEORGE. Yes; "before delivery to the veteran." I am confining it to that, and I think it is manifestly just. I do not see how the Senate would wish to impose upon a veteran, who had never received his certificate and who can make satisfactory proof of that fact to the Director of the Veterans' Bureau, the necessity of executing bond. I am not offering the amendment because it is an amendment which will not be availed of, for it will be used in many instances. I grant that, and I grant also that, of course, there is always some danger that two certificates might appear. Some one might innocently get hold of a duplicate certificate, but I take it the loans will be made really by the Director of the Veterans' Bureau. Banks are not going to make these loans. That has been demonstrated. That is the very necessity for the legislation. The loans will be made by the bureau. The bureau will have every opportunity of checking and rechecking, and therefore if it makes a loan on a duplicate certificate and then upon the original, it will be its own fault.

Mr. ROBINSON of Arkansas. Mr. President, may I ask the Senator a question?

The PRESIDENT pro tempore. Does the Senator from Georgia yield to the Senator from Arkansas?

Mr. GEORGE. I yield.

Mr. ROBINSON of Arkansas. Are there many instances in which the certificate is said to have been lost before delivery to the veteran?

Mr. GEORGE. There are in the aggregate a considerable number. Of course, the percentage is not great. The percentage is very negligible, but out of the four million certificates or more there are of course a considerable number.

Mr. ROBINSON of Arkansas. What relief is provided for the veteran whose certificate was lost before delivery to him and who is himself unable to execute a bond?

Mr. GEORGE. Under the law, as it now stands, he can not get a certificate. The law, as it now stands, is rigid. The veteran to whom the bureau, through the negligence of a clerk, never mailed a certificate, could not get a certificate and could not borrow on it and could not utilize it unless he were able to give a bond. I think there are many veterans not able to give the required bond. The amendment covers only a case where the veteran is able to show to the director and to the satisfaction of the director that prior to any delivery of any certificate to the veteran it was lost or destroyed or defaced.

Mr. SMOOT. I have not had any report from the bureau, but I see no particular reason why the amendment should not be agreed to. So far as I am concerned, if there are no further objections, I express the hope that the amendment will be agreed to.

Mr. GEORGE. I thank the Senator from Utah.

The VICE PRESIDENT. Without objection the amendment is agreed to.

Mr. SMOOT. With reference to the statement just made by the Senator from Georgia as to the banks refusing to make loans on these certificates, I should like to state that during the month of January there were 4,813 banks which made loans. There were 175,338 loans made, aggregating $14,905,027.56. That was for the month of January.

Mr. ROBINSON of Arkansas. Mr. President, may I ask the Senator a question in connection with the statement just made?

Mr. SMOOT. Certainly.

Mr. ROBINSON of Arkansas. Are there statistics available to show the number of instances in which loans were refused when applications were made?

Mr. SMOOT. No; I have not any such statistics.

Mr. ROBINSON of Arkansas. It is an established or recognized fact that in numberous instances banks have refused to make loans.

Mr. SMOOT. In some cities of the smaller size, where the banks are small, and even in some banks in the larger cities, there have been refusals to make loans, but in January the loans made and the amounts loaned were more than anyone anticipated in the beginning.

Mr. ROBINSON of Arkansas. Some weeks ago I saw a press report of an incident alleged to have occurred in the city of Washington where a number of veterans appeared at a bank to make application for loans and the officers of the bank appealed to the police to disperse them as if they were a mob. Does the

Senator know whether a similar situation existed in other cities?

Mr. SMOOT. If any such incident occurred in the District of Columbia, I think it is the only place in the United States where it did occur.

Mr. ROBINSON of Arkansas. I only know what the newspapers of the city reported, and I recall reading a statement purporting to have been made by an officer of one of the banks, complaining that the veterans applying for loans were so numerous that they were disturbing the bank and interfering with its business.

Mr. BRATTON. Mr. President, I inquire if the amendment proposed by the Senator from Georgia [Mr. GEORGE] has been disposed of?

The VICE PRESIDENT. It has been agreed to.

Mr. BRATTON. Mr. President, on February 3 my colleague, the senior Senator from New Mexico [Mr. JONES], introduced a bill by which it is designed to repeal the last paragraph of paragraph 7 of section 202 of the World War veterans' act. At that time he gave notice that he would offer it as an amendment to this bill when it was reached in the Senate. Since then, my colleague has fallen ill and can not do that for himself. So, on his behalf, first, and on my own behalf, next, I propose to add the bill introduced by my colleague, being Senate bill 5579, as section 3 of the pending bill. The paragraph referred to reads thus——

Mr. BINGHAM. Mr. President, will the Senator from New Mexico yield to me?

Mr. BRATTON. I yield to the Senator from Connecticut.

Mr. BINGHAM. Did I understand the Senator to say that before his colleague was taken ill he gave notice that when the pending bill was considered he would offer his bill as an amendment to it?

Mr. BRATTON. He said he would do that.

Mr. BINGHAM. I merely wanted to suggest that, in view of the fact that we have a unanimous consent agreement to take up only two bills to-night, it did not seem to me quite in accordance with the spirit of that agreement to move to take up a third bill which no one understood was to be taken up; but, if notice was given of the intention to offer such a bill as an amendment, of course, my remarks are not applicable.

Mr. ROBINSON of Arkansas. With the permission of the Senator from New Mexico, I desire to make a suggestion.

Mr. BRATTON. I yield to the Senator from Arkansas.

Mr. ROBINSON of Arkansas. When a bill is taken up in the Senate, any amendment in order may be submitted to it, and notice of intention to submit an amendment is not required.

Mr. BINGHAM. I understand that; but it seems to me that it is unusual, in view of the agreement that to-night but two measures were to be taken up, to offer a bill which is on the calendar by way of amendment to one of those two bills. I think that is not in accordance with the spirit of the unanimous-consent agreement, although I understand perfectly well that it is in order.

Mr. ROBINSON of Arkansas. I do not think the Senator from Connecticut will maintain that position, namely, that merely because a Senator has presented the amendment which is offered here now in the form of a bill he is estopped from offering it as an amendment to this bill.

Mr. BRATTON. Mr. President, the Senator from Connecticut [Mr. BINGHAM] is in error in stating that the bill is on the calendar. It is pending before the Committee on Finance.

Mr. BINGHAM. The bill has not as yet been reported out of the committee?

Mr. BRATTON. No. On the 3d of this month my colleague introduced this bill, and he then stated:

> In this connection I desire to say that I shall probably offer that bill as an amendment to some other bill, perhaps to the bill which is now pending before the Finance Committee regarding loans upon World War veterans' insurance.

Mr. MAYFIELD. Mr. President, if the Senator from New Mexico will yield, I should like to say that no doubt the senior Senator from New Mexico [Mr. JONES] realized that on account of the session being so near its close it would be impossible to secure action on the bill as a separate measure.

Mr. BRATTON. That obviously is true.

Mr. MAYFIELD. And that was the idea that he had in mind when he said that he would offer it as an amendment to some bill that would come before the Senate.

Mr. BRATTON. Obviously so.

Mr. MAYFIELD. I certainly hope the Senator from Utah will accept the amendment.

Mr. SMOOT. I can not very well accept the amendment.

I wish to say to the Senate that the amendment has reference to the $40 limitation on the compensation of veterans in hospitals over and above their hospital expenses.

Mr. McKELLAR. How many men are involved?

Mr. SMOOT. The amendment, if adopted, will involve a cost of two million three hundred and some-odd thousand dollars per annum.

Mr. McKELLAR. How many men are involved?

Mr. BRATTON. I will say to the Senator that about 4,300 men are involved.

Mr. SMOOT. I will give the Senator the approximate number—between 4,300 and 4,500.

Mr. BRATTON. There are about 4,300 men who would be affected.

Mr. SMOOT. Mr. President, I will read a report from the Veterans' Bureau on the bill presented by the Senator from New Mexico as an amendment, if the Senator from New Mexico will yield for that purpose.

Mr. BRATTON. I yield to the Senator from Utah.

Mr. SMOOT. I submitted this bill to the Veterans' Bureau, and on February 15 I received a report from the Veterans' Bureau, reading as follows:

> MY DEAR SENATOR SMOOT: Reference is made to your letter of February 4, 1927, transmitting copy of S. 5579, a bill to amend the World War veterans' act, 1924, as amended, and requesting a report as to the merits thereof.
>
> This bill proposes to repeal the last paragraph of section 202 of the World War veterans' act, as amended, under which the compensation of all veterans maintained in hospitals by the Government on June 30, 1927, who have no dependents, will be reduced to $40 a month. This proposed legislation is in the nature of an additional benefit, and, as such, is a matter entirely within the discretion of the Congress.
>
> It is estimated that this amendment will result in an increased cost of $2,100,000 per annum, for the reason that should the statute be permitted to remain as it is there would result on June 30, 1927, a corresponding reduction in the compensation payments.
>
> A copy of this letter is inclosed for your use.
>
> Yours truly,
>
> FRANK T. HINES, *Director.*

Mr. CARAWAY. Mr. President——

Mr. BRATTON. I yield to the Senator from Arkansas.

Mr. CARAWAY. The amendment is designed to prevent a man from having his compensation cut when he is in such a bad condition of health that he has to remain in the hospital; that is all, is it not?

Mr. BRATTON. That is all. To say that it will cost the Government $2,100,000 is inaccurate, in this——

Mr. CARAWAY. If the amendment be not adopted, that much will be taken out of the pockets of the wounded veterans.

Mr. SMOOT. Oh, no.

Mr. BRATTON. Exactly. The adoption of the amendment will simply continue the law as it is to-day. To say that it will cost the Government $2,100,000 is not accurate unless it be said that the Government will lose by obviating the reduction in the veteran's compensation.

The situation is this: Under the present law a veteran without dependents and temporarily or totally disabled gets $80 per month for himself while in a hospital; he receives $10 per month for wife or if no wife $10 for the first dependent child.

Mr. SMOOT. The amendment has no reference to any soldier who has dependents; it has reference only to veterans who have no dependents.

Mr. BRATTON. That is correct; I will get to that.

Mr. SMOOT. It applies only to veterans who have no dependents at all, and who are in the hospital, where all expenses are paid; in other words, the veteran is just this much ahead every month, because he has no expense and he has no known dependents anywhere.

Mr. CARAWAY. The truth about the matter is that without the amendment proposed by the Senator from New Mexico we would let the veteran pay for his own hospitalization, at least, to the extent of $40 a month.

Mr. SMOOT. Oh, no.

Mr. BRATTON. I will get to that if the Senator from Utah will give me just a few moments time.

Under the present law a veteran who is temporarily totally disabled and is without dependents gets $80 a month. One with a family gets $100 a month, if he is permanently disabled.

Mr. SMOOT. And is out of the hospital.

Mr. BRATTON. A veteran temporarily totally disabled with dependents, gets $80 for himself, $10 for his wife, $10 for his first child, and $5 each for the other children. The present law will on the 30th of June cut in half the compensation of these

disabled veterans without dependents who are temporarily disabled while they are in the hospital. This is the only class of disabled veterans against whom a cut of this kind is made, and it is a discrimination which I can not justify upon any theory.

We will have this picture after the 30th of June. There may be a veteran who is totally and permanently disabled lying upon a cot in a hospital; he gets $100 per month; another veteran beside him who is temporarily disabled, but has dependents, gets $80 for himself, $10 for his wife, and so much for each child, and so much for each dependent parent; in the third bed there may be another veteran temporarily totally disabled confined in the hospital. As things now are, his two companions remain with no decrease in their compensation, but as to the third veteran, it is proposed to cut his compensation in half. Instead of letting the temporarily totally disabled veterans, without dependents, continue as they are now, with a compensation of $80 per month, it is proposed to reduce them to a flat figure of $40 a month.

To say that it will cost the Government $2,300,000 a year is inaccurate. It will not cost the Government a cent in addition to what it is paying now. It will continue things just as they are to-day; it will let those veterans, after the 30th of June, continue to be paid the same rate at which they are paid to-day.

The American Legion estimates that the proposed reduction of $40 a month affects 4,300 men by cutting their compensation in half, and if the law shall go into effect it will reduce the amount that the Government is paying to the veterans by the approximate sum of $2,100,000.

Every Senator here is familiar with the old apothegm that we make a living by what we get, but we make a life by what we give. Measured by that language, I venture to say, without consuming the time of the Senate, that these men already have made their lives by what they have given. This thing can not be justified on an economic or a financial or any other theory. This particular class of veterans should not be singled out and have visited upon them a 50 per cent decrease in their compensation.

We can vote $70,000,000 for rivers and harbors, and we can appropriate $100,000,000 at a time for public building; but when it comes to avoiding a reduction—for that is all it is—of $2,100,000—not an increase, but avoiding a reduction—by continuing the present status quo of these men, it is urged that we should not do it; that it is unsound, because it will cost the Government $2,300,000. If the time has come when the Government can visit a decrease of that kind upon these men and must with a sharp blade cut their compensation in half, then let the Senate do it; but if the Government is able to continue its treatment of these men, the amendment should be adopted; it should go into this bill. Let these men continue to be treated as they are being treated to-day.

Mr. HOWELL and Mr. SMOOT addressed the Chair.

Mr. BRATTON. I yield to the Senator from Nebraska.

Mr. HOWELL. Mr. President, do these men have to contribute anything out of what they receive for their hospital care?

Mr. BRATTON. They do not; but, in line with that, let me remind the Senator that on the very day this bill goes into effect they are required to convert their insurance. In the letter that my colleague [Mr. JONES of New Mexico] inserted in the RECORD on the 3d this language is contained:

> On June 30 next—the same day on which the $40 reduction would take place—the law provides that all monthly term insurance must be converted to United States Government life insurance. The average age of the veterans is now 35 years. A veteran who converts his $10,000 renewable term-insurance policy to a 20-year endowment policy on that day is faced with a monthly payment of $34.10.

When he pays that, he will have the handsome sum of $5.90 left if this bill goes into effect.

> In other words, if this provision of the law is allowed to become effective it will take all of a veteran's compensation except $5.90 per month to convert his insurance to an endowment policy. Should he convert to a twenty-payment life policy, he must pay out $23.30 a month to carry his policy—

He will have $16.70 left.

Mr. HOWELL. Suppose he converts it into a regular life policy and continues payments throughout life?

Mr. BRATTON. I have not the figures before me.

Mr. HOWELL. It would be very much less.

Mr. BRATTON. Perhaps so.

Mr. HOWELL. It would probably be half of that.

Mr. BRATTON. Perhaps so.

Mr. HOWELL. I have every sympathy with the veterans, but it strikes me that if a man is in a hospital, receiving his care without charge and in addition thereto $40 a month, and he has no dependents whatever, then in such case he is being treated very well by the United States Government.

Mr. BRATTON. Let me ask the Senator this question: This applies to a veteran who is temporarily disabled. A veteran who is permanently disabled, and contemplates staying in the hospital all the time, gets $100 per month. The veteran who is temporarily disabled will be released in time from the hospital, and he must go back into the community life on his own resources. He goes out with the handsome sum accumulated of $5.80 per month or $16.80 per month, and upon that as his cash he is compelled to go back into community life.

Perhaps he has given up his position. Perhaps he has been compelled to sever his connection with his former employer; and upon that insignificant sum he is put back into community life upon his own resources to start all over again, to hunt new employment, and must meet his necessary expenses in the meantime; whereas the veteran who is permanently in the hospital gets $100 a month right along.

Mr. HOWELL. But I do not think that anyone, even the man getting $40 who is temporarily disabled, would envy in the least a man who is permanently disabled, who has no hope of a career in civil life. I do not think they are comparable.

Mr. BRATTON. And I doubt if any man here would envy a veteran who was lying flat on his back in a hospital as the proximate result of his services rendered and who is receiving $80 a month plus his upkeep. If we are going to put it upon the basis of envy, I do not suppose any citizen would envy that kind of a veteran if the present law is continued.

Mr. McKELLAR. Mr. President——

Mr. BRATTON. I yield.

Mr. McKELLAR. When was this reduction made by the Congress, and what was the reason given for making the reduction?

Mr. BRATTON. In the data furnished by Mr. Taylor, the vice chairman of the national legislative committee, the statement is made that the reduction was made in conference in 1924. For what reason it was made, I do not know; but that is his statement.

Mr. McKELLAR. Was it ever discussed before either branch of Congress? I do not recall it. That is why I ask the question. I do not recall that it was ever mentioned in the Senate that this reduction would be had; and, if the Senator will permit me, I should like to ask the Senator from Utah whether this legislation was ever discussed in the Senate before it was passed. As I understand the Senator from New Mexico, the reduction from $80 to $40 takes place next July, unless we correct it in the meantime; and I ask the Senator from Utah whether that phase of the matter was discussed in the Senate before the bill was passed.

Mr. SMOOT. I will answer the question as soon as the Senator gets through and I can take the floor.

Mr. BRATTON. Mr. President, I do not propose to take any additional time of the Senate. I simply submit to the Senate and to the American people that this country is too strong and too powerful, and it ought to be too just, to visit a discrimination like this upon 4,300 helpless men, helpless by reason of their disability following their service to mankind in the World War. If the time has come when we must arbitrarily visit a punishment of this kind upon this class of men, I say it is a sad spectacle in the eyes of the American people and in the eyes of mankind.

Mr. KING. Mr. President, will the Senator yield?

Mr. BRATTON. I yield.

Mr. KING. I should like to ask the Senator whether his statement is quite accurate that those for whom he is now speaking have suffered disabilities in the line of service. As I understand, any person may go into the hospital and receive hospitalization and get this compensation, though the disability from which he is suffering and which entitled him to hospitalization is not traceable to any services which he rendered his country in the war. If I am in error, I should like to be advised.

Mr. BRATTON. I am not sure about that; but, at any rate, they are men who rendered service in the war.

Mr. GEORGE. Mr. President, may I say to the Senator from Utah that any veteran may obtain hospitalization, but he can not obtain compensation; and the amendment offered by the Senator from New Mexico refers to compensation, not mere hospitalization.

Mr. McKELLAR. Yes; and the veteran has to be disabled, or he can not draw it.

Mr. GEORGE. Certainly.

Mr. BRATTON. And his disability must be due to service connection; so that if a man is not entitled to compensation except by reason of disability due to service connection, his

disability does follow and is connected with his service in the Army.

I offer the amendment and ask that it be read at the desk, Mr. President.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. It is proposed to add, following the amendment heretofore agreed to as section 3:

That the last paragraph of paragraph 7 of section 202 of the World War veterans' act, 1924, as amended, is hereby repealed.

Mr. SMOOT. Mr. President, in the spring of 1924 this whole question was threshed out in the Finance Committee, the bill having passed the House of Representatives without this provision in it reducing that class of patients to $40 a month. During those hearings we had the representatives of the three veterans' organizations before the committee. If I remember correctly, they all agreed that a man who was in a hospital partially disabled, with no dependents whatever, should not draw the same amount as a man in a hospital totally disabled, or even partially disabled, and drawing $80 for himself, and for each child an additional amount up to $100.

Mr. BRATTON. Mr. President, will the Senator yield to me there for just a moment?

Mr. SMOOT. Yes.

Mr. BRATTON. In line with what the Senator says to the effect that at that time the American Legion admitted that there should be a discrimination——

Mr. SMOOT. I will say that they all did.

Mr. BRATTON. In this memorandum furnished by Mr. Taylor on the 2d of this month, two years after the time about which the Senator is now speaking, this is said:

There has been more complaint from the hospitals concerning this provision of the law than any other section of the World War veterans' act. The disabled veteran sees a deep injustice in the proposal to reduce his compensation from $80 to $40 a month.

And this Mr. Taylor, the vice chairman of the national legislative committee, urges in the strongest terms the repeal of this law now.

Mr. SMOOT. I have no doubt of that.

Mr. BRATTON. Contending that it is an injustice; so the point I make is that if the organizations took that position then, they take a different position now.

Mr. SMOOT. Mr. President, speaking of injustice, here is a veteran who goes to the hospital. Every expense is paid by the Government while he is in the hospital. He has no dependent outside, no one to look to him for assistance. He is in there, and he has $40 a month clear, outside of what he may pay for his insurance, if he is carrying insurance; but, if not, he has $40 clear. Here is a man with a wife and two children. He is in the hospital, and goes in on the same day as the other man. He gets $100 per month, with all of his expenses paid while there; but, which veteran has the advantage, when you consider the money that is needed to take care of that wife and two children in the home, and all the expenses attached to it? Which veteran, at the end of the month, comes out with more cents to his credit? In my judgment, the man who has no dependents is the only one who will have anything left. The other man will come out with nothing whatever, and, in fact, every month he is in there he is running behind. It seems to me there is no justice in it.

The Finance Committee in 1924 was a unit on this provision of the law, and the committee reported it out again; and I say that if that amendment is agreed to the veteran who has no dependents and goes to a hospital has every advantage in the world over the man who has a wife and a child or children and undertakes to maintain a home.

With that statement I will let the Senate decide the matter.

Mr. SMITH. Mr. President, before the Senator concludes I should like to have an answer to the question of the Senator from Tennessee [Mr. MCKELLAR] as to when this legislation became law. I have no recollection that this point was discussed.

Mr. SMOOT. In 1924, Mr. President. It was discussed at the time.

Mr. SMITH. On the floor of the Senate?

Mr. SMOOT. Yes; upon the floor of the Senate.

Mr. SMITH. This proposition that the veteran without dependents should be reduced to $40, as against the other having $100?

Mr. SMOOT. Eighty dollars and $100; and the very reasons that are assigned now were assigned then, and Congress thought then that it was only fair as between the two classes of veterans.

Mr. BRATTON. Mr. President, will the Senator yield to me?

Mr. SMOOT. Yes.

Mr. BRATTON. In this statement prepared by Mr. Taylor, the vice chairman of the national legislative committee, this is said:

This provision of the law which we seek to amend was inserted in the World War veterans' act while that measure was in conference in the spring of 1924.

Mr. SMOOT. I think Mr. Taylor is wrong about that. This provision was discussed before the Finance Committee.

Mr. SMITH. Mr. President, it may have been discussed before the Finance Committee, but was it discussed here? Is not this another case of legislating in conference?

Mr. SMOOT. No.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield to me?

I wrote the World War veterans' act, and this clause was in the bill when it was first introduced in the Senate. It was considered in the Finance Committee; it was debated on the floor of the House; it was fully explained; it was agreed to by the House of Representatives; it was agreed to by the conferees, who did not have any discretion about it, both Houses having agreed; it was agreed to by the American Legion; it was agreed to by every friend of the veterans who knew about it. It was put in in order to prevent the accumulation of very large sums of money for insane veterans who had no relatives and who did not need anything like as much as $40 a month.

Mr. BRATTON. Mr. President, will the Senator yield there a moment? Insane veterans are governed by an entirely different provision. They are governed by the third paragraph of section 7. They are reduced to $20 per month, with the provision that if they regain their mental ability their compensation then shall be increased by the exact sum by which it was decreased.

The provision we are talking about has nothing whatever to do with insane veterans.

Mr. SMOOT. I think the Senator is right in that.

Mr. REED of Pennsylvania. The whole of paragraph 7 was put in to take care of those cases which had already become a scandal, of men who had no need for this allowance, some of them insane, others confined to the hospital and unable to spend money for anything except a little tobacco, whose every expense was provided for, and the attention they were getting, even at that, was greater than any country in the world had ever paid any veteran.

Mr. BRATTON. Mr. President, the first sentence of paragraph (7) of section 202 reads as follows:

Where any disabled person having neither wife, child, nor dependent parent shall, after July 1, 1924, have been maintained by the bureau for a period or periods amounting to six months in an institution or institutions, and shall be deemed by the director to be insane, the compensation for such person shall thereafter be $20 per month so long as he shall thereafter be maintained by the bureau.

Then it is provided that if he recovers his mental faculties, his compensation shall be put back at the original figure, and the difference shall be paid him. The paragraph we are dealing with provides as follows:

After June 30, 1927, the monthly rate of compensation for all veterans (other than those totally and permanently disabled) who are being maintained by the bureau in an institution of any description and who are without wife, child, or dependent parent, shall not exceed $40.

This provision is not confined to insane veterans. It is not applied to them. It applies to other veterans without dependents. I am surprised to find that the Senator from Pennsylvania, with his usual justice and keen perception of equity, could have gone so far wrong.

Mr. SMOOT. Does the Senator think for a moment that we should select out 4,300 veterans who have no dependents whatever and put them in a better position than a man who has a wife and child and a home to provide for?

Mr. BRATTON. If the Senator from Utah is right, that is the very thing Congress did two years ago. If he is talking about treating them better than we treat others, it is not a question of shall we do it? The Congress already has done it.

Mr. SMOOT. Congress has undertaken to make them fairly equal, taking into consideration the position of the man, and taking into consideration what his expenses of living must be, not might be.

Mr. BRATTON. If that is a fair comparison after June 30, 1927, why was it not fair when the original act was passed, and why did Congress put them upon one plane from 1924 until June 30, 1927, and then discriminate against them?

Mr. SMOOT. The reason is that in passing legislation there are many things Congress can not foresee that develop afterwards. In the administration of the law we have had sug-

gested dozens and dozens of amendments that originally were never thought of by anybody.

Mr. BRATTON. But this is not one of them.

Mr. SMOOT. This is one of them.

Mr. BRATTON. This is in the original act.

Mr. SMOOT. In 1924 Congress undertook to make them fairly equal, and did so.

Mr. BRATTON. If $40 a month will be fair after June 30, 1927, for temporarily totally disabled veterans, as compared with other veterans, it was fair when this act was drawn. No man can justify, on this floor, putting them at $80 during the first three or four years of the existence of the act, and reducing them to $40 thereafter. If equality and a parity is the rule to guide us now the cases should have been measured by the same yardstick when the act was drawn.

Mr. REED of Pennsylvania. Mr. President, the section to which the Senator refers does apply to many neuropsychiatric veterans who may not be adjudicated by the director to be insane, but it applies to thousands of men to-day in neuropsychiatric hospitals. Congress did this deliberately more than three years ago, because we all knew, if we were willing to be honest with ourselves, that men who were only temporarily disabled, and were still in hospitals nine years after the armistice, were probably hypochondriacs, or men who were staying there to get free board and a large pension besides. We knew that would be so, and in order to reduce the population in the hospitals of that kind of patient, with the full acquiescence of the American Legion and the other veterans' organizations we inserted this provision deliberately, so that the Government might not find itself perpetually a boarding house for men who were not permanently disabled, but only temporarily disabled, but who showed no inclination to get any better. Keeping them on at the full rate of compensation for nine years after the armistice was an act of great generosity on the part of this Government.

Mr. STECK. Mr. President, will the Senator yield?

Mr. REED of Pennsylvania. I yield to the Senator.

Mr. STECK. If I understand the statement of the Senator from Pennsylvania, there are some 4,300 men who would be affected by this provision. As I am informed, the larger number of these men are either tubercular cases or "N. P." cases, as they call them. In the first place, I do not believe the Senator from Pennsylvania would charge that they are hypochondriacs.

Mr. REED of Pennsylvania. Many of them are; yes.

Mr. STECK. To any great extent?

Mr. REED of Pennsylvania. Many of them are.

Mr. STECK. As the Senator knows, the Bureau finds its greatest trouble in keeping the tubercular cases in the hospitals in order to give them proper treatment.

Mr. REED of Pennsylvania. This is intended to get the cases of the other sort out of the hospitals.

Mr. President, we might just as well face the realities of this thing. The United States has established a system of veterans' relief which is unparalleled in generosity in the history of the world. No country after any war at any time has established so liberal a system as this. If a veteran shall have contracted tuberculosis five years after his service in the war, although that service may have been in an office in Washington, and have lasted only one week, we go so far as to say that that is conclusively presumed to be the result of his service to his country.

If a veteran became insane five years after his discharge, although he may have had only one month's pleasant service, or one week's pleasant service, or one day's service under the colors and in the war time, we presume conclusively that his insanity is the result of his war-time service.

It is all very nice to stand up here in the Senate and give away the public money on the plea that these men have served their country well and deserve everything we can give; but we have to draw the line somewhere. Our appropriations for this purpose already amount to more than the total outlay for the United States Government 20 years ago. We are spending more every year than we spent to run the whole Government of the United States, including the pensions to the millions of veterans who fought for years in the Civil War.

In the fiscal year 1925 we spent for the veterans of the World War $483,000,000. In the fiscal year 1926 we spent $531,000,000. In the present fiscal year, not yet completed—and we do not know how much deficiency will be necessary—the appropriations are $521,000,000.

Mr. SMOOT. And for the next year they will be over $570,000,000.

Mr. REED of Pennsylvania. So it goes up. Every time any bill dealing with veterans comes into the United States Senate, we contest with one another in our generosity to give away somebody else's money to these veterans.

Sooner or later we will have to develop enough courage to say no. We have never developed it up to date. Last June we brought in what was considered to be a reasonable bill by the two committees of the Congress having to do with such legislation. Every section had amendments added to it here on the floor of the Senate. Tuberculosis was conclusively presumed to incapacitate a man 50 per cent for the rest of his life, when many of the men who voted for the amendment had themselves recovered from tuberculosis. Every single amendment that is offered on the floor is voted into these bills, and it is a thankless job to oppose them. Where the end comes I do not know. I suppose the time will come when we will give everything that anyone can suggest.

When this session of Congress started, the officers of the American Legion came to me and said, "If we can get the bill for additional hospitals passed by the Congress at this session, we do not intend to ask another thing." Yet here we have it from the Senator from New Mexico that a great outrage has been done in paragraph 7 of section 202 of the act passed three years ago.

Mr. ROBINSON of Indiana. Mr. President——

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Indiana?

Mr. REED of Pennsylvania. I yield.

Mr. ROBINSON of Indiana. Does the Senator think that all these 4,300 veterans are loafers?

Mr. REED of Pennsylvania. I think that a good many of them are.

Mr. ROBINSON of Indiana. Does he think that any of them are not?

Mr. REED of Pennsylvania. I am sure that some of them are not.

Mr. ROBINSON of Indiana. Would he do an injustice to even one of them?

Mr. REED of Pennsylvania. It is not an injustice to even one of them.

Mr. ROBINSON of Indiana. Does the Senator think it is perfectly right, on July 1, to reduce the compensation of a disabled veteran on the spot from $80 to $40?

Mr. REED of Pennsylvania. I do.

Mr. ROBINSON of Indiana. Without any preparation?

Mr. REED of Pennsylvania. It is absolutely fair. He has had preparation. He has known for three years this was going to happen, and if a man is only temporarily disabled, and if his Government provides him hospital care which can not be excelled anywhere, provides him will all the food he can eat and the housing he needs, and if he has no dependents whatsoever to look to him for support, and the Government still gives him $40 a month for pocket money he is better off than any veteran of any war in any country in history.

Mr. ROBINSON of Indiana. Does the Senator think that that is an enviable situation to be in?

Mr. REED of Pennsylvania. Of course, it is not enviable to be disabled.

Mr. ROBINSON of Indiana. Even if it is better than any other country has ever done, does the Senator begrudge these veterans that additional assistance they get from their own Government?

Mr. REED of Pennsylvania. The Senator knows that they are my comrades, as well as they are his, and that it is no pleasure to stand up here in the Senate and deny them anything that any of them would ask.

Mr. ROBINSON of Indiana. But, Mr. President, I would not go so far as the Senator from Pennsylvania goes.

Mr. REED of Pennsylvania. Apparently not.

Mr. ROBINSON of Indiana. And denounce them as loafers.

Mr. REED of Pennsylvania. Many of them are loafers.

Mr. ROBINSON of Indiana. Men who served probably as well as the Senator or anyone else served, possibly better, and they are bearing now the wounds, the disabilities, that came from that service. None of them can go far on $40 a month. Eighty dollars is none too much.

Mr. REED of Pennsylvania. The Senator speaks as a Senator. When he was an officer of the Army he did not hesitate to call them loafers.

Mr. ROBINSON of Indiana. I never did, Mr. President. I dispute that statement. I do not believe American soldiers are loafers. I never accused one of them of being a loafer. [Applause in the galleries.]

The VICE PRESIDENT rapped with his gavel.

Mr. REED of Pennsylvania. Then the discipline of the Senator's outfit must have been strange and wonderful.

Mr. ROBINSON of Indiana. I do not wonder at a possible lack of discipline in the outfit of the Senator from Pennsylvania, if he considered that his men were all loafers.

Mr. REED of Pennsylvania. Now, Mr. President, I ask you to appraise the sincerity of the statement that four million and a half Americans, taken at random throughout the country, do not include any loafers. I ask you to appraise the sincerity of the statement that four million and a half young men, taken from every quarter of our country, do not include any people who would rather stay in hospitals and get a large pension than get out and go to work. Of course, there are some.

It may be that in our desire to please those who vote for us we want to pretend that every American is brave and that no veteran would take advantage of his Government, but in the candor of our private conversation we will all admit that is not so. Who is the best friend of the veteran, the Senator who will stand here and insist that we give to the limit to the deserving case or the Senator who stands here to say that we should give indiscriminately to every case? There is only so much to be given. Some of these men stagger along under the effect of cruel wounds. Some of them, still crippled, still blind, need all the help their country can give them. What we do under the proposition now before us is to even up the relief that belongs to those men by giving it to all the "gold brickers" among the veterans. I say that may be good politics, but it is mighty poor patriotism.

Over in Evergreen, at the hospital for blind veterans, was one little fellow who had had both of his arms blown off by a shell which also blew out both of his eyes. That man, if you please, was teaching himself to write on the typewriter with the stumps of his arms and shifting the levers with the pressure of his foot. Are we going to treat that man the same as the chap who has had a touch of tuberculosis after a week's service in the Quartermaster's Department? Are we to say they are all alike, that none of them are gold brickers, that none of them are shams, or are we to give some recognition to the character of their service and the nature of their injury and to the fact that the United States Government can not support all of its citizens all the time? We have got to discriminate among these men. They served bravely and well. There never was a finer army than that one of ours which went to France, but those men, if they could be here and speak, I firmly believe, would echo what I am saying. I do not want the Congress of the United States to pour out the public money for the benefit of the shams and the men who will not work and who would rather stay in the hospital on pension than get out and try to earn an honest living.

I want to say a further thing. The bill to which the Senator offers his amendment, is, in my judgment, a very proper amendment of the adjusted compensation law. Many of the veterans are not known to the banks to whom they have applied for loans. Many of them are far away from banks and could not get to a bank. Many of them are in hospitals where there are no banking facilities whatsoever. Those men may have little needs; they may have had every reason to borrow on their adjusted-compensation certificates. It is only right that the Government should take care of those men. We might as well lend directly as to reimburse some bank which loans to the veterans.

Mr. McKELLAR. Mr. President——

Mr. REED of Pennsylvania. I believe we ought to pass the principal bill which is before us to-night, but we will not pass it, my friends, and we will deny relief to all those veterans if we are going to hang on to the bill amendments which in our hearts we feel are unjust.

I yield to the Senator from Tennessee.

Mr. McKELLAR. I want to ask the Senator about the rate of interest, the 2 per cent in addition to the rate charged by the Federal reserve bank. That would increase the rate up to 6 or 6½ per cent. Why was the additional 2 per cent added? It will not take an additional 2 per cent to operate the system, of course.

Mr. REED of Pennsylvania. It would run from 5½ to 6 per cent. The Director of the Veterans' Bureau estimates that it will require something over 500 additional clerks to make the bill operative.

Mr. McKELLAR. One per cent would more than pay for that extra service.

Mr. REED of Pennsylvania. I do not think so.

Mr. McKELLAR. Why should not the veterans be allowed to borrow the money at, say, 5 per cent.

Mr. REED of Pennsylvania. Because the money which is proposed to be loaned is not our money. It is the trust fund which was established for the benefit of the policyholders among the veterans. It is their money, not ours, although, of course, we are responsible for its safe custody and for keeping the fund intact. That fund has been loaned on Federal land bank bonds and investments of that character. We can not get enough interest on Liberty bonds, so they have had to buy the farm land and joint-stock bank bonds. They have bought many of them already. This is a very attractive and desirable investment, but unless we pay 6 per cent on these little loans, the trust fund will be the loser. The cost of administration is estimated to amount to as much as the difference.

Mr. SMOOT. They are all small loans.

Mr. REED of Pennsylvania. Of course they are. They are all under $110.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Arkansas?

Mr. REED of Pennsylvania. I yield.

Mr. ROBINSON of Arkansas. The Senator has just stated that the Veterans' Bureau invest this money in Federal land bank and joint-stock land banks. In the latter statement I think he is in error.

Mr. REED of Pennsylvania. Perhaps I am in error as to the joint-stock land bonds.

Mr. ROBINSON of Arkansas. No investment has been made in joint-stock land bank bonds. All the investments have been made in the Federal land bank bonds, the law having been construed to limit the right of investment to the bonds issued by the Federal land banks.

Mr. REED of Pennsylvania. I am glad the Senator corrected me.

Mr. ROBINSON of Arkansas. I am prompted to say that there appeared to be no substantial reason why both classes of bonds might not be invested in, if the law permitted.

Mr. REED of Pennsylvania. I am glad the Senator corrected me. I have been told, and I think it is correct, that the investment at first were exclusively in Liberty bonds and in Treasury certificates; that as the interest obtainable on those diminished it was found necessary to put the money into the bonds of land banks, and I jumped to the conclusion that it meant both kinds of land banks, but evidently I was wrong about it.

Mr. ROBINSON of Arkansas. Will the Senator yield for a further statement?

Mr. REED of Pennsylvania. Certainly.

Mr. ROBINSON of Arkansas. I think the law might very well have been construed to include both classes of bonds, but that construction has not been given to it. I am informed that there are proposals pending now to expand the statute so as to permit investment in joint-stock land-bank bonds.

Mr. REED of Pennsylvania. Both of them are safe investments.

Mr. ROBINSON of Arkansas. Yes; they are.

Mr. REED of Pennsylvania. Mr. President, I can not too strongly impress upon the Senate the point I tried last to make. We want to help the veterans. We want to do what they need to have done. Let us not defeat the whole thing by adding to the bill, which everybody admits is a meritorious bill, a lot of amendments which will provoke debate for so long a time that the whole measure will fail because of the lateness of the day in the session.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. REED of Pennsylvania. Certainly.

Mr. ASHURST. The Senator would not defeat this meritorious measure merely because a majority of the Senate added an amendment which the majority thought was correct? Why not let the Senate vote and test the sense of the Senate on the amendments and on the bill?

Mr. REED of Pennsylvania. The Senate is entitled to have the benefit of my own ideas on the subject before it votes.

Mr. ASHURST. I am very glad to receive the Senator's ideas, and I think in expressing them he has done so courageously; but I do not agree with him. The Senator is advocating the main bill, House bill 16886. He says it is a good bill, but he impliedly threatens to kill that good bill if the majority add an amendment which the majority think is a good thing.

Mr. REED of Pennsylvania. Mr. President, I know this is only the first of a series of amendments to be offered. The implication which the Senator ascribes to me can be extended to a number of other Senators, I believe. Of course, opinions must differ on this sort of thing. It is not pleasant to oppose these amendments. I hope the Senator will believe me when I assure him of that. But there is a sense of duty which prompts some of us to do it, and I expect to continue to do it until we have made our point.

Mr. McKELLAR. Mr. President, I shall detain the Senate only a moment. I think the amendment ought to be adopted.

It does cost a little more and, as some people may say, we have been a little generous with the soldiers. We have also been generous to the profiteers of the late war. We are being very generous to them now. Every year we pay to the profiteers of the war in the way of tax refunds nearly as much as we pay the soldiers. Nearly all of the tax refunds we pay are to profiteers in the late war. Surely if we are not niggardly toward the profiteers we ought not to be niggardly toward the maimed and wounded soldiers in the hospitals of the land.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from New Mexico [Mr. BRATTON].

Mr. BRATTON. I call for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. GILLETT (when his name was called). I transfer my general pair with the Senator from Alabama [Mr. UNDERWOOD] to the Senator from Vermont [Mr. GREENE] and vote "nay."

Mr. GLASS (when his name was called). I have a general pair with the senior Senator from Connecticut [Mr. MCLEAN]. Not knowing how he would vote, I withhold my vote.

The roll call was concluded.

Mr. MOSES. Has the junior Senator from Louisiana [Mr. BROUSSARD] voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. MOSES. I have a general pair with that Senator. In his absence I withhold my vote. If permitted to vote, I would vote "yea."

Mr. BRATTON. I desire to announce that my colleague, the senior Senator from New Mexico [Mr. JONES], is absent on account of illness. If he were present, he would vote "yea" on this question.

Mr. NEELY. The junior Senator from Alabama [Mr. HEFLIN] is unavoidably absent. If present, he would vote "yea" on this question.

Mr. MCMASTER. I desire to announce that my colleague, the senior Senator from South Dakota [Mr. NORBECK], is unavoidably absent. If he were present, he would vote "yea."

Mr. GEORGE (after having voted in the affirmative). Has the senior Senator from Colorado [Mr. PHIPPS] voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. GEORGE. Having a pair with that Senator, I withdraw my vote.

Mr. PITTMAN. I desire to announce that the senior Senator from Rhode Island [Mr. GERRY] is detained from the Senate because of a death in his family.

Mr. JONES of Washington. I desire to announce the following general pairs:

The Senator from Delaware [Mr. DU PONT] with the Senator from Florida [Mr. FLETCHER]; and

The Senator from Oklahoma [Mr. HARREID] with the Senator from North Carolina [Mr. SIMMONS].

I am not advised how any of these Senators would vote on this question.

The result was announced—yeas 46, nays 15, as follows:

YEAS—46

Ashurst	Hawes	Norris	Shortridge
Bayard	Johnson	Oddie	Smith
Blease	Jones, Wash.	Overman	Steck
Bratton	Kendrick	Pine	Stephens
Cameron	Keyes	Pittman	Trammell
Caraway	La Follette	Ransdell	Tyson
Copeland	McKellar	Reed, Mo.	Walsh, Mass.
Edwards	McMaster	Robinson, Ark.	Walsh, Mont.
Ferris	McNary	Robinson, Ind.	Wheeler
Hale	Mayfield	Sackett	Willis
Harris	Means	Schall	
Harrison	Neely	Sheppard	

NAYS—15

Bingham	Fess	Howell	Smoot
Borah	Gillett	King	Wadsworth
Curtis	Goff	Lenroot	Warren
Edge	Gooding	Reed, Pa.	

NOT VOTING—34

Broussard	Fletcher	Jones, N. Mex.	Simmons
Bruce	Frazier	McLean	Stanfield
Capper	George	Metcalf	Stewart
Couzens	Gerry	Moses	Swanson
Dale	Glass	Norbeck	Underwood
Deneen	Gould	Nye	Watson
Dill	Greene	Pepper	Weller
du Pont	Harreid	Phipps	
Ernst	Heflin	Shipstead	

So Mr. BRATTON'S amendment was agreed to.

Mr. SMOOT. Mr. President, my attention has been called to an amendment that I think perhaps is absolutely necessary. So I propose, on page 2, after the words "per annum," in line 16, to insert these words:

beginning on the date the check for each amount loaned to a veteran is paid by the Treasurer of the United States.

That amendment is necessary, so as to make sure that the interest against the veteran will not begin until the check is drawn in his favor.

Mr. SMITH. Mr. President, I ask the Senator from Utah to again read the amendment.

Mr. SMOOT. I will read the context with the amendment, so, if the Senator will follow me, he will see how the amendment fits in. As proposed to be amended the clause will read:

For the purpose of enabling the director to make such loans out of the United States Government life-insurance fund, the Secretary of the Treasury is authorized to loan not exceeding $25,000,000 to such fund, with interest at the rate of 4 per cent per annum, beginning on the date the check for each amount loaned to a veteran is paid by the Treasurer of the United States.

In other words, under the bill as it now stands a veteran may be charged with interest at the time the amount is set aside, but I want the charge to begin only on the date on which the check in his favor is drawn.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. HARRIS. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. It is proposed to add as a new section, to be numbered section 4, the following:

That the payment of compensation shall be further continued after the age of 18 years and until 21 years in the case of children who are apprentices receiving not more than nominal wages, or are being educated at a secondary school, college, technical institute, or university, and whose fathers were killed in action, or died prior to July 2, 1921, of wounds or injuries received or diseases contracted in the line of duty during the World War.

Mr. HARRIS. Mr. President, I have heard a great deal about how generous we are to the soldiers, but we have neglected some to whom we ought to be generous, namely, those whose fathers were killed in action or who died of wounds. We have been niggardly with them. There is not a nation which was associated with us during the World War which limits to 18 years what little they give of compensation to the orphans of the men who gave up their lives for their country.

This amendment proposes to extend the time from 18 to 21 years when the orphans of such men will receive compensation, and even then it is not as much as all the other countries which were associated with us in the war have done for their war orphans.

Mr. President, the American Legion at Philadelphia indorsed this amendment, and I will ask the clerk to read the resolution adopted at their last meeting in Philadelphia, and also the resolutions of the Legion Auxiliary indorsing this amendment.

The VICE PRESIDENT. The clerk will read as requested.

The Chief Clerk read as follows:

EDUCATION AND VOCATIONAL TRAINING OF WAR ORPHANS

Resolution adopted by American Legion at the eighth annual convention, Philadelphia, Pa., October 13, 1926

Whereas all the great European powers associated with the United States in the World War furnish material assistance in the collegiate education and vocational training of the sons and daughters of those who were killed in action or died from other causes during or as a result of the war; and

Whereas these boys and girls are, or should be treated as, wards of the Nation and be given as good an education and as thorough a business or professional training as they would have received had the war not deprived them of the support and assistance of their fathers; and

Whereas that this convention heartily approves and indorses the bill introduced in the United States Senate on June 15, 1926, by Senator HARRIS, of Georgia, to amend the World War veterans' act, 1924, so as to continue the payment of compensation after the age of 18 years and until completion of education or training; and

Whereas death compensation terminates under existing law when the children reach the age of 18 years, just when they should be ready to enter college or begin learning a trade to make themselves self-supporting: Therefore be it

Resolved, That death compensation now being paid to minor children of deceased veterans be continued to the age of 21 instead of 18 years.

Resolutions adopted by American Legion Auxiliary at the sixth annual convention, Philadelphia, Pa., October 14, 1926

Whereas all the great European powers associated with the United States in the World War furnish material assistance in the collegiate education and vocational training of the sons and daughters of those who were killed in action or died from other cause during or as a result of the war; and

Whereas these boys and girls are, or should be treated as, wards of the Nation, and be given as good an education and as thorough a business or professional training as they would have received had the war not deprived them of the support and assistance of their fathers; and

Whereas the compensation now paid under the World War veterans' act to or for children—$10 per month for one child, and $6 for each additional child—is not sufficient to support a boy or girl in college or pursuing a course of vocational training; and

Whereas this meager compensation terminates under existing law when the children reach the age of 18 years, just when they should be ready to enter college or begin learning a trade to make themselves self-supporting: Be it therefore

Resolved, That this convention heartily approves and indorses the bill introduced in the United States Senate on June 15, 1926, by Senator HARRIS, of Georgia, to amend the World War veterans' act, 1924, so as to continue the payment of compensation after the age of 18 years, and until completion of education or training, in the case of war orphans who are apprentices receiving not more than nominal wages, or are being educated at a secondary school, college, technical institute, or university; and be it further

Resolved, That the legislatures of the several States be requested to establish a definite number of scholarships for war orphans at State educational institutions; and that appeals be made to patriotic and philanthropic citizens to establish such additional scholarships at secondary schools, colleges, technical or training institutes, and universities, State, denominational, and private, as may be necessary to provide for the education or vocational training of all of these boys and girls who need or desire such assistance.

Mr. HARRIS. The maximum number who could take advantage of the provisions of the amendment is 12,000.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield to me?

Mr. HARRIS. I yield.

Mr. WALSH of Massachusetts. Will the Senator, please, state just what additional benefits are granted under the amendment offered by him to those granted under the present law?

Mr. HARRIS. Under the present law an orphan boy or girl receives $10 a month—that is, if he or she is the first child—and the other children receive $6 a month as long as they are in school. This amendment proposes to extend the time when they shall receive such payment from 18 years to 21 years.

As I have said, the maximum number who will be able to take advantage of the provisions of the amendment is only 12,000, as estimated, and there will probably be not over 6,000.

As I said a few moments ago, Mr. President, all the other nations with whom we were associated in the World War have extended the age limit to 21, and some—in fact, most of them—have extended it as long as the boy or girl is in college or is an apprentice.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. HARRIS. I will be glad to have the Senator do so.

Mr. CARAWAY. Does this bill allow compensation only to those boys and girls in school and withhold it from those who are not able to go to school?

Mr. HARRIS. No; it gives the same to the boy who is working at a trade as it does to the boy or girl in school. They are only getting now $10 in case of the first child and $6 in case of the other children.

Mr. BORAH. Mr. President——

Mr. HARRIS. I yield to the Senator from Idaho.

Mr. BORAH. Will he explain just what additional expenditure would likely be incurred if the amendment should be adopted?

Mr. HARRIS. The expenditure is estimated for an average number of 6,000 who will take advantage of it at $1,000,000 a year, and that, I think, is a conservative estimate.

Mr. CARAWAY. I should like to ask the Senator another question, as I still do not understand his position. I understood him to say that 12,000 boys and girls could take advantage of the provisions of the amendment?

Mr. HARRIS. That is the maximum number that may take advantage of it, according to the estimate.

Mr. CARAWAY. Then, why does the Senator think that only 6,000 will avail themselves of the provisions of the amendment?

Mr. HARRIS. Last year we passed a bill, of which I was the author, allowing 40 boys whose fathers had been killed in the World War to go to West Point and Annapolis to the number of 10 each year, and not half of that number have come forward to take such appointments.

Mr. CARAWAY. I thought the Senator said it did not make any difference whether the boy or girl was at school or not at school, that the compensation would be paid just the same up to the age of 21?

Mr. HARRIS. I will read the provision of the amendment. It says—

in the case of children who are apprentices receiving not more than nominal wages—

Of course, a boy who is receiving a good salary would not apply for it.

Mr. CARAWAY. The word "apprentice," of course, has a technical meaning. It means one who is learning a trade. What if the boy is clerking in a store or working on a farm?

Mr. HARRIS. I should say that he was learning a trade if he is clerking in a store or working on a farm.

Mr. CARAWAY. The Senator thinks that a boy working on a farm is learning a trade? I think if he will look at the dictionary he will find that the word "trade" has a more definite meaning.

Mr. HARRIS. I understand what the general meaning is, but my amendment is intended to cover all kinds of work—on farm, store, or otherwise.

Mr. CARAWAY. So if a boy were working on a farm he would not receive compensation under the amendment.

Mr. HARRIS. I think he would get it. I certainly intended that all should get the benefit.

Mr. CARAWAY. He is not an apprentice. The Senator would have to correct the language of the amendment.

Mr. HARRIS. If the Senator is of that opinion, I will be glad to modify the amendment so as to include boys working on farms.

Mr. CARAWAY. If the Senator is going to offer such an amendment at all, why does he not offer one merely continuing the payments until the boys and girls reach the age of 21 years?

Mr. HARRIS. Then, Mr. President, I will strike out a portion of the amendment so as to include all children up to the age of 21.

Mr. SMOOT. If the Senator does that, he can not tell how many will be benefited, for it will include all children of soldiers who are less than 21 years of age.

Mr. HARRIS. The amendment deals only with the boys and girls whose fathers were killed in the World War.

Mr. SMOOT. I am aware of that, but I do not think the Senator can tell how many of them there would be.

Mr. HARRIS. I will strike out of the amendment the words "who are apprentices," so that the amendment will read in this way:

That the payment of compensation shall be further continued after the age of 18 years and until 21 years in the case of children receiving not more than nominal wages.

That will leave it to cover them all. I will ask the Senator from Arkansas if that does not meet his objection?

Mr. CARAWAY. I was not making any objection. In other words, does not the Senator now make it read so that if one would not work he would get paid, and if he went to work he would not?

Mr. HARRIS. It reads now:

In the case of children receiving not more than nominal wages or being educated at a secondary school.

Mr. President, the American Legion studied this question, and they recommended it unanimously; and the legion auxiliary did likewise, after careful study by a special committee. I ask that the amendment be agreed to as amended.

Mr. KING. Mr. President, will the Senator permit an inquiry?

Mr. HARRIS. Yes.

Mr. KING. Does the Senator think that the Senate must yield to every request or indorsement of the American Legion; that we are here only to indorse everything that they recommend?

Mr. HARRIS. No; not necessarily; but I think we ought to give careful consideration to anything the legion recommends. I ask for the yeas and nays on the amendment.

Mr. SMOOT. Oh, let it go in without the yeas and nays.

Mr. WADSWORTH. Mr. President, this proposal has come before us in legislative form rather suddenly, and in reading the amendment proposed by the Senator from Georgia one or two considerations come to mind. I utter them in a spirit which is not unsympathetic, but merely to see if I can explore the situation a little bit and see where we are going.

This provision is to the effect that the compensation shall be continued until the child, so called, shall have reached 21 years of age, instead of ceasing at the age of 18, in the case of those children whose fathers have been killed in action or died during that period which included not only the actual period of hostilities but also that period following November 11, 1918, during

which the war continued technically; in other words, until we made our treaty of peace with Germany, effective on July 2, 1921.

I would not deny the handicap which comes to a child as the result of the father being killed in action; but I have this to suggest, which I hope will not seem cold-blooded: In the case of a father who is bedridden, a helpless paralytic to this day, the degree of handicap is even larger to the child than it would be where his father would fall into the category described in this bill.

In other words, if we are going to extend our generosity to the children in this category up to the age of 21, it would seem to me that we would better not confine it to those who have lost their fathers; for how about the child of 19 or 20 whose father is not only utterly unable to help the child in any respect but in large measure is a burden upon that child's earning capacity as the result of his being totally and permanently disabled?

There is a certain dramatic interest attached, of course, and legitimately so—a consideration that appeals to our imaginations and our sympathies—in the case of a child whose father has been killed in action.

Mr. NORRIS. Mr. President, may I ask the Senator a question there?

Mr. WADSWORTH. Yes.

Mr. NORRIS. In the case the Senator puts, the father would himself be drawing compensation, would he not?

Mr. WADSWORTH. Yes; he is drawing compensation; that is true; but it is a very grave question whether in all cases that compensation is sufficient.

Mr. NORRIS. I do not think it is.

Mr. WADSWORTH. In many cases it is. In some it is not.

Mr. NORRIS. But that is the theory of the compensation, at least.

Mr. WADSWORTH. Yes.

Mr. NORRIS. That does not answer fully the suggestion of the Senator but it does partially, because in the case of the death of the father, of course, there is no compensation coming to him.

Mr. WADSWORTH. But in the case of the death of the father in all normal cases the benefits of the insurance accrue to the widow, and that insurance amounts to $57.50 per month; and then as compensation for herself, as I recollect, she receives $25 a month more; and then if she has children, she receives $10 a month for the first child, and $6 for each additional child.

Mr. NORRIS. That only extends up to what age?

Mr. WADSWORTH. The age of 18. Now, it is proposed to single out a certain class of children whose fathers have been killed or who died in service or as the result of service, and have a fixed period arbitrarily set down in the law, and say that those children shall have an advantage to the extent of three years' additional education, partly at the expense of the Government, over all other children of veterans who have died, or who have not died.

Mr. NORRIS. Of course, there is a reason for giving the compensation to one whose father is dead that does not apply to one whose father is living, although I myself can not see why any discrimination should be made. It seems to me that if we want to change this age of 18, and extend it to 21, it ought to be general, and apply to everybody. If we are going to change it at all, it seems to me we ought to change it regardless of whether the so-called child is going to school, or whether he is employed at good wages, or whether he is not.

Mr. WADSWORTH. That is the suggestion I intended to make.

Mr. SMOOT. And it ought to apply to the children of soldiers of other wars as well as the last war.

Mr. WADSWORTH. May I call attention to the fact that this would apply only to the children of those fathers who were killed in action or who died prior to July 1, 1921.

Mr. HARRIS. That is the official end of the war.

Mr. WADSWORTH. Yes; and, as I recollect it, it is the date upon which we finally ratified the treaty of peace with Germany. If this is a good thing and a wise thing to do, it certainly ought not to stop at that date; or should we bind it around with that especially described set of circumstances.

I can see how the amendment of the Senator from Georgia at first blush appeals to our imaginations and our sympathies, because it refers merely to the children of those men who were killed in action or who died during the war itself; but that, taken of and by itself, is not a complete measure of the handicap imposed upon the children. There are children of veterans who died after 1921, and, indeed, there are children of veterans who have not died to this day, upon whom a handicap has been imposed perhaps greater in many instances than the handicap imposed upon the children described in this amendment.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from New York yield for a question?

Mr. WADSWORTH. I yield; yes.

Mr. ROBINSON of Arkansas. I observe, in the pending amendment, the language—

in the case of children receiving not more than nominal wages.

Mr. WADSWORTH. I should like to have that defined.

Mr. ROBINSON of Arkansas. I was just about to suggest that in all probability it would be very difficult to administer the act if that language is retained and no definition of nominal wages is included. The officers of the Government who were charged with the administration of the measure would necessarily have to determine what constitutes nominal wages.

Mr. CARAWAY. And it would confer a benefit on those who did not work at all.

Mr. ROBINSON of Arkansas. And, in the same connection, my colleague, the junior Senator from Arkansas [Mr. CARAWAY], suggests that it would put a premium on idleness instead of encouraging thrift and industry. "Nominal wages" is not a legal term, and I do not know what would constitute nominal wages, within the meaning of this language. Perhaps the Senator from Georgia, who prepared the amendment, may be able to explain that.

Mr. WADSWORTH. Mr. President, it might very well be and I think it would be the case, as was the case in connection with the use of the phrase "dependent" in connection with the Army pay bill, with which the Senator from Arkansas is familiar, that every case in which an officer claimed that his mother was dependent upon him, or practically every case, had to be submitted to the Comptroller General and each case passed upon on its own merits, with an extraordinary set of rulings by the Comptroller General, determining in each case whether the mother of the officer was actually dependent upon him; and many of those rulings came as a great surprise to the members of the Military Affairs Committee of the Senate and of the House who drafted the legislation.

In this instance I have no doubt that these payments would be submitted in the course of events to the Comptroller General for him to decide, or he would decide without their being submitted to him, because the vouchers would come across his desk, whether or not in each case the salary or wage was actually nominal. What would be nominal wages for one man might not be nominal wages for another; and we would have an infinite variety of decisions and interpretations of the word "nominal" applied to thousands of different individuals.

Mr. ROBINSON of Arkansas. And not only to individuals, but to different spheres of industry and activity.

Mr. WADSWORTH. Certainly—what they were engaged in, and what their abilities were.

Mr. HARRIS. Mr. President, would the Senator from New York be willing to deny to a widow and her children the $10 or $6 a month for an education, even if a few did not deserve it? Suppose they did not deserve it; suppose they did not make anything; why deprive the widow and the child of the $10 or $6 a month?

Mr. ROBINSON of Arkansas. May I suggest to the Senator from Georgia that my suggestion in this particular has no relation to the merits of the proposal. It has a very definite relationship to the practicability and workability of the language involved. I do not know how an officer would determine what constitutes "nominal wages" with no rule defined in the statute itself.

Mr. WADSWORTH. Mr. President, may I say, in answer to the suggestion or inquiry of the Senator from Georgia last propounded, that I am not taking the position of denying, so far as I can by my voice or vote, further relief to children who have suffered an extraordinary handicap through the death of a parent—in this case the death of a father.

My criticism of this amendment is that while it appeals to our imaginations, as I said a moment ago, and there is something of the dramatic in it, because it applies only to children whose fathers were killed in action or who died during the war itself, it does not cover what I suppose is a considerable number of cases in which the handicap imposed upon the child is just as great or greater than that imposed upon the children covered in this bill. If we are to legislate here for the relief of people who need relief and who are not getting enough of it now, we can not defend the insertion in this statute of a provision confining this additional relief to that upset date of July 2, 1921; for the man who died July 3, 1921, or August 3, 1921, or December 3, 1921, might have left his children in a much worse case, depending upon surrounding

circumstances, than the man who died July 1, 1921. In other words, I do not think this amendment can be defended on the ground of consistent public policy.

Mr. KING. Mr. President, will the Senator yield?

Mr. WADSWORTH. I yield.

Mr. KING. If the Senator's suggestion shall be incorporated into another amendment, or the amendment offered shall be amended so as to incorporate the views of the Senator, I ask the Senator, in that event, would it not be impossible to determine just the number that would fall within the category, as well as the cost to the Government? For instance, the Senator suggests that some person might be a paralytic. In 10, 15, or 20 years from now, some ex-service man might be a paralytic, or suffer some very serious disability which it was alleged was traceable to the war, and he might at that time have children of immature years.

If the Senator's thought could be crystallized into law it would perhaps mean in 30 or 40 years from now, possibly longer, that these payments would be made to children under the age of 21 years, so that the cost might be millions and millions, and extend, as stated, for an indefinite period of time.

Mr. WADSWORTH. I misspoke myself when I used the paralytic as an illustration. I have that in mind as a state of affairs which brings a tremendous handicap to a child seeking an education. What I really desired to call attention to was the fact that this amendment, inserting, as it does, July 2, 1921, as the upset date, as it were, arbitrarily singles out a set of persons and confers an additional benefit upon them when, so far as we know here to-night, there may be just as large a number of persons, children of veterans who died since July 2, 1921, needing the additional help just as much. In other words, we ought to face this thing as a matter of broad, general policy. I am not sure that such a policy is needed or would be wise. We have never discussed it, we have never studied it. As far as I know no committee has ever gone into it. But I do object to fixing an upset date in the matter of the extension of relief to those who need relief.

Mr. KING. Does not the Senator see the unwisdom of attempting to legislate upon a matter so important by tieing this as an amendment to another bill which has been given attention by a committee? It would seem to me that this matter is so important that it ought to be embodied in another bill. It is obvious, from the criticisms which are being made, that what I regard as a very excellent piece of legislation should not have its enactment imperiled by such amendments, but that we should pretermit any further consideration of this amendment and others perhaps of a like character until the Committee on Finance, or some other appropriate committee, could have an opportunity to consider them.

Mr. WALSH of Massachusetts. Mr. President——

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Massachusetts?

Mr. HARRIS. I yield to the Senator from Massachusetts.

Mr. WALSH of Massachusetts. I suggest to the Senator that he refrain from pressing his amendment. It is apparent from what is going on here that the bill will not be passed here to-night if various amendments are added to it and that the primary purpose for veteran legislation will be defeated. The real purpose of the session to-night is to get action on the bill authorizing loans by the Veterans' Bureau on their adjusted-service certificates, and if we press these amendments it will simply lead to a filibuster, and everything will be lost. Regardless of the merits or demerits of the Senator's amendment, I suggest that he would be rendering the best possible service to all veterans if he should refrain from pressing the amendment at this time and let us have the naked issue here and have this loan authorization bill enacted into law. For fear lest the loan bill may be defeated I must vote against the Senator's amendment.

Mr. SMOOT. The Senator must remember, too, that this will have to go to conference.

Mr. HARRIS. I understand that, and I understand that the Senator from Utah would naturally try to keep it out.

The dictionary says that the word "nominal," to which so much objection has been raised, means: "Existing in name only; not real or actual; merely named, stated, or given, without reference to actual conditions—often with the implication that the thing named is so small, slight, or the like, in comparison to what might properly be expected, as scarcely to be entitled to the name."

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. HARRIS. I yield.

Mr. LENROOT. I would like to ask the Senator whether he has considered that the present law provides that the compensation shall continue until the age of 18 years is reached or marriage shall have taken place. The Senator realizes that his amendment would continue the compensation after marriage; that is, if a woman marries a man, her compensation would continue until she is 21. I wanted to ask the Senator whether he had considered that, and whether he so intended?

Mr. HARRIS. In a few cases like that I would not object to them getting the benefit of this.

I ask for the yeas and nays on my amendment, and hope we may get a record vote upon it.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. GEORGE (when his name was called). On this matter I have a pair with the senior Senator from Colorado [Mr. PHIPPS]. I am not advised how he would vote if present, and in his absence I withhold my vote. If permitted to vote, I would vote "yea."

Mr. GILLETT (when his name was called). I repeat the announcement of my pair and its transfer, and vote "nay."

Mr. MOSES (when his name was called). I have a general pair with the junior Senator from Louisiana [Mr. BROUSSARD]. In his absence I withhold my vote.

The roll call was concluded.

Mr. JONES of Washington. I desire to announce the following general pairs:

The Senator from Oklahoma [Mr. HARRELL] with the Senator from North Carolina [Mr. SIMMONS]; and

The Senator from Delaware [Mr. DU PONT] and the Senator from Florida [Mr. FLETCHER].

I am not advised how any of these Senators would vote on this question if present.

Mr. NEELY. The junior Senator from Alabama [Mr. HEFLIN] is unavoidably absent. If he were present, on this amendment he would vote "yea."

Mr. GLASS. Making the same announcement as on the previous vote, I withhold my vote.

The result was announced—yeas, 22, nays 36, as follows:

YEAS—22

Ashurst	Harris	McMaster	Smith
Blease	Harrison	Mayfield	Steck
Bratton	Howell	Neely	Stephens
Cameron	Johnson	Robinson, Ind.	Trammell
Copeland	La Follette	Schall	
Ferris	McKellar	Sheppard	

NAYS—36

Bayard	Goff	McNary	Shortridge
Bingham	Gooding	Means	Smoot
Borah	Hale	Norris	Wadsworth
Caraway	Hawes	Oddie	Walsh, Mass.
Curtis	Jones, Wash.	Pine	Walsh, Mont.
Edge	Kendrick	Ransdell	Warren
Edwards	Keyes	Reed, Pa.	Watson
Fess	King	Robinson, Ark.	Wheeler
Gillett	Lenroot	Sackett	Willis

NOT VOTING—37

Broussard	Frazier	Metcalf	Simmons
Bruce	George	Moses	Stanfield
Capper	Gerry	Norbeck	Stewart
Couzens	Glass	Nye	Swanson
Dale	Gould	Overman	Tyson
Deneen	Greene	Pepper	Underwood
Dill	Harreld	Phipps	Weller
du Pont	Heflin	Pittman	
Ernst	Jones, N. Mex.	Reed, Mo.	
Fletcher	McLean	Shipstead	

So Mr. Harris's amendment was rejected.

Mr. WALSH of Massachusetts. Mr. President, I desire to make a brief statement in reference to another pending bill affecting veterans. Many requests have been made by veterans of the World War that, regardless of the time of making applications for adjusted service certificates, all the certificates should be dated January 1, 1925, the original date for issuing certificates.

Many of the veterans were out of the country or sick in hospitals and otherwise unable to make their applications before January 1, 1925. Therefore, the 20-year period of maturity will be postponed for such veterans, and the time for procuring the loan, the two-year period, will be extended. To determine if it were feasible to have all certificates dated as of January 1, 1925, regardless of the time of application by the veteran, I presented a bill to accomplish this purpose. I also consulted the Director of the Veterans' Bureau for his views on the measure. He has replied to my inquiry, stating that such a course was impracticable, and might result in additional expense to the Government. I would like to have this letter explaining his attitude upon my proposal printed in the RECORD and be part of the record of these proceedings.

The VICE PRESIDENT. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES VETERANS' BUREAU,
OFFICE OF THE DIRECTOR,
Washington, February 21, 1927.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR WALSH: Reference is made to your communication of February 16, 1927, transmitting copy of S. 5716, "A bill to amend the World War adjusted compensation act," inquiring what, if any, objections can be made to the amendment proposed.

This bill proposes to amend section 501 of the adjusted compensation act to provide that all certificates and rights conferred thereunder shall take effect as of January 1, 1925. The present provision is to the effect that the certificate shall be dated and all rights conferred thereunder shall take effect as of the 1st day of the month in which the application is filed, but in no case before January 1, 1925. The apparent purpose of the amendment is to create a loan value upon all certificates as of January 1, 1925, and to mature all certificates at the same time. You are advised that, in the opinion of the bureau, such an amendment is impractical, for the reason that it would necessitate the recall and reissuance of every certificate which does not now bear the date of January 1, 1925, of which there are more than a million in number. The loan value of every certificate would be changed. Further, the entire theory of financing the Government's obligation under these adjusted compensation certificates up to the present time would be changed, inasmuch as all policies would mature in January, 1945. I am not prepared to advise you at this time as to the possible increase in cost to the Government, but I am of the opinion that it would be considerable.

For these reasons I do not feel inclined to recommend the proposed amendment.

Very truly yours,

FRANK T. HINES, *Director.*

Mr. TYSON. Mr. President, I offer an amendment to the bill, and ask to have it read at the desk.

The VICE PRESIDENT. The clerk will read the proposed amendment.

The CHIEF CLERK. On page 2, after line 21, insert the following additional proviso:

Provided, That all persons who have served as officers of the Army of the United States during the World War, other than as officers of the Regular Army, who during such service have incurred physical disability in line of duty and who have been, or may hereafter, within two years, be, rated in accordance with law at not less than 30 per cent permanent disability by the United States Veterans' Bureau, shall, from date of receipt of application by the Director of the United States Veterans' Bureau, be placed upon, and thereafter continued on, a separate retired list, hereby created as a part of the Army of the United States, to be known as the emergency officers' retired list of the Army of the United States, with the rank held by them when discharged from their commissioned service, and shall be entitled to the same privileges as are now or may hereafter be provided for by law or regulations for officers of the Regular Army who have been retired for physical disability incurred in line of duty, and shall be entitled to all hospitalization privileges and medical treatment as are now or may hereafter be authorized by the United States Veterans' Bureau, and shall receive from date of receipt of their applications retired pay at the rate of 75 per cent of the pay to which they were entitled at the time of their discharge from their commissioned service, except pay under the act of May 18, 1920: *Provided further*, That all pay and allowances to which such persons or officers may be entitled under the provisions of this law shall be paid solely out of the military and naval compensation appropriation fund of the United States Veterans' Bureau, and shall be in lieu of all disability compensation benefits to such officers or persons provided in the World War veterans' act, 1924, and amendments thereto, except as otherwise authorized herein and except as provided by the act of December 18, 1922: *Provided further*, That all persons who have served as officers of the Army of the United States during the World War, other than as officers of the Regular Army, who during such service have incurred physical disability in line of duty, and who have heretofore or may hereafter be rated less than 30 per cent and more than 10 per cent permanent disability by the United States Veterans' Bureau, shall, from date of receipt of application by the Director of the United States Veterans' Bureau, be placed upon, and thereafter continued on, the emergency officers' retired list, created by this act, with the rank held by them when discharged from their commissioned service, but without retired pay, and shall be entitled only to such compensation and other benefits as are now or may hereafter be provided by law or regulations of the United States Veterans' Bureau, together with all privileges as are now or may hereafter be provided by law or regulations for officers of the Regular Army who have been retired for physical disability incurred in line of duty: *And provided further*, That the retired list created by this act shall be published annually in the Army Register.

No person shall be entitled to benefits under the provisions of this act except he make application as hereinbefore provided and his application is received in the United States Veterans' Bureau within 24 months after the passage of this act: *Provided further*, That the said director shall establish a register, and applications made hereunder shall be entered therein as of the actual date of receipt, in the order of receipt in the Veterans' Bureau, and such register shall be conclusive as to date of receipt of any application filed under this act. The term "World War," as used herein, is defined as including the period from April 6, 1917, to July 2, 1921.

Mr. TYSON. I think the amendment is germane to the bill now before the Senate. It is, as I believe, understood by the whole Senate and therefore it is not necessary for me to make any further statement about it.

Mr. SMOOT. Mr. President, I should like to ask the Senator from Tennessee if he intends to keep the amendment before the Senate until 11 o'clock? The reason why I ask is that I am not well and I feel that I ought to go home at this time if the Senator is going to keep his amendment before the Senate until 11 o'clock. If he intends to do that, I want to be excused from the Senate, but if not and the bill is apt to pass, then I shall remain and endeavor to fulfill my duty.

Mr. TYSON. I want to get a vote on the amendment. If we can get a vote, it will only take five minutes.

Mr. SMOOT. But the Senator will not get a vote. As he can not get a vote I hope he will withdraw the amendment, but if he intends to keep it before the Senate until 11 o'clock I should like to know it.

Mr. TYSON. I have offered the amendment in good faith and I can not assume that the Senate is not going to act upon it in good faith.

Mr. BINGHAM. Mr. President, it does not seem to me that it can be offered in good faith, for this reason. The amendment is nothing more nor less than Senate bill 3027, Calendar No. 486, which the Senator from Tennessee has repeatedly tried to get passed during the session, thus far without success. It was distinctly understood under the unanimous-consent agreement that we were to discuss only two bills to-night. Nothing was said about adding another bill in the form of an amendment. No notice was given of such an intention in this case, as was done in the case of the amendment offered by the Senator from New Mexico [Mr. BRATTON]. It does not seem to me that the amendment can be offered in good faith when no notice was given.

Mr. TYSON. I resent the idea of the Senator saying that I am not acting in good faith. I want him to understand that I do act in good faith. I ask the Chair if it is not in order to offer the amendment. If the amendment is not in order, then I will withdraw it. If it is in order, I shall have to ask that it be kept where it is now.

The VICE PRESIDENT. The amendment is in order.

Mr. BINGHAM. I do not say the amendment is out of order; I simply say——

Mr. TYSON. I want to know if the Senator intends to say that I did not act in good faith in offering the amendment.

Mr. BINGHAM. Oh, no; I did not mean to make that kind of a statement.

Mr. TYSON. I want the Senator to understand that he must use other language, then. His language is entirely discourteous.

Mr. BINGHAM. I am very sorry; I had no intention of being discourteous at all; but the Senator will realize that when the unanimous-consent agreement for to-night was entered into it was distinctly understood that only two bills were to be discussed, and not three.

Mr. TYSON. If the amendment is in order, it is in order, and, as I understand the bill before the Senate, I can offer an amendment as long as the bill itself is open to amendment.

The VICE PRESIDENT. The Senator from Tennessee is correct. The amendment is in order.

Mr. BINGHAM. There is no question about the amendment being in order. The question is that there are now three bills to be discussed this evening instead of the two bills which, under the unanimous-consent agreement, we were to consider to-night.

Mr. TYSON. Then the Senator from Connecticut himself is out of order.

Mr. REED of Missouri. Mr. President, I want to say just a word at this time. I have been favorably inclined toward the bill which the Senator from Tennessee has just offered as an amendment to the pending measure. I beg of him to withdraw his amendment and for this reason. The former soldiers who hold insurance policies were led to believe that they would be bankable at a certain time, which time has arrived, and that they could then borrow money on them. They were disappointed in that respect. A House bill, which is now before us, was brought in for the purpose of remedying that trouble and enabling the veterans to borrow a little money when it is necessary for them to have it.

We all know perfectly well that if the bill is amended in any respect which will cause any controversy or debate in the House, it can not be passed at this session of Congress. However much I might favor the bill offered as an amendment by the Senator from Tennessee, I am absolutely certain of the fact that if the amendment is attached to the bill the result will be prolonged discussion in the House of Representatives, and sufficiently prolonged at least to defeat the passage of the bill at the present session of Congress.

I think the thing we ought to have done was to have passed the bill as it came to us from the House without any amendment, and if that consideration had occurred to me I would not have voted for one amendment for which I did vote, although I favor the amendment very heartily. I favor it as a part of the substantive law. I think if we mean to help these men, some of whom are suffering, many of whom are more or less in want, the time to help them is now and the way to help them is to give them relief at this session.

I know the Senator from Tennessee offered his amendment in good faith. He has made a gallant battle for the principle. But if he adds his bill in the form of an amendment to the pending measure the result will be, I am almost certain, that his amendment and the bill itself will both fail. He simply will put so much of a load in the wagon that it will break down and will not get to town with any part of the load at all.

That is all I want to say by way of observation. It seems to me the situation is perfectly plain and I beg the Senator to withdraw his amendment. Then perhaps we can get his bill through at the next session. Unless I change my mind about it for good reasons which I do not now know, I shall be very glad to help him get it through at the next session.

Mr. JONES of Washington. Mr. President, I want to appeal to the Senator from Tennessee to withdraw his amendment. I voted twice for his bill. I voted twice to take it up at this session. I shall be glad to vote for the passage of the bill. My judgment is that unless by 11 o'clock to-night we pass the pending measure, which has come to us from the House, we will not pass it at all this session. I feel that this evening is about the only opportunity we will have to pass it. I am satisfied that if the Senator insists upon his amendment being kept before the Senate, we will not pass the bill at all. We will not get a vote on it by 11 o'clock. As a friend of his bill, as one who, as I said, has voted twice for it and voted twice at this session to take it up, I appeal to the Senator to withdraw his amendment.

Mr. TYSON. Mr. President, I regret exceedingly that the situation is as it is. I have tried very hard to get the bill passed. I think if we could get a vote the Senate would pass it overwhelmingly. Only 10 or 12 Senators are opposed to the bill, and they are the ones who are holding up the pending bill. I am not holding it up. It seems to me that it is a very bad thing when 10 or 12 Senators can hold up the whole Senate and keep another Senator from getting a bill through, and thus keep these people from getting relief who have been trying for seven years to get relief. It strikes me that something ought to be done about it. I think that it is indefensible that the Senate will permit a bill to be held up when a large majority of the Senators want to have it passed.

I am not holding up the bill providing for relief for the veterans. I am only undertaking to get it arranged in some way so that it can be voted on in the Senate. I do not want to keep the veterans from getting an opportunity to have their loans. The Senator from Missouri and the Senator from Washington have appealed to me in regard to the matter, and it appears that they are going to put the blame on me in the event the bill does not pass. I do not want to be put in that attitude.

Mr. MOSES. Mr. President, will the Senator yield for a suggestion?

Mr. TYSON. I yield to the Senator from New Hampshire.

Mr. MOSES. In view of the solicitude which has been expressed for the Tyson bill, may I suggest to the Senator that he withhold his amendment in order to ask for a unanimous-consent agreement for a time on which we may vote on the Tyson bill, let us say at 3 o'clock to-morrow afternoon?

Mr. TYSON. That is a very good suggestion and I thank the Senator from New Hampshire for making it. I now ask unanimous consent that we may vote upon Senate bill 3027 to-morrow afternoon at 3 o'clock.

The VICE PRESIDENT. Is there objection?

Mr. LENROOT. Mr. President, the request for unanimous consent would require a roll call.

The VICE PRESIDENT. The clerk will call the roll to ascertain whether a quorum is present.

The legislative clerk proceeded to call the roll.

Mr. BINGHAM. Mr. President, in order not to delay proceedings any further, it will be unnecessary to complete the roll call, because it is my intention to object.

Mr. REED of Pennsylvania. Mr. President, a point of order. The calling of the roll can not be interrupted.

The VICE PRESIDENT. A quorum call can not be interrupted.

Mr. ROBINSON of Arkansas. That is true; but the Senator from Connecticut has announced his purpose to object after the roll call is completed. Therefore I suggest to the Senator from Pennsylvania that the proper procedure is to save the time which would be expended in completing the roll call, vacate the proceedings under the roll call, and let the Senator from Connecticut make his objection if he insists upon doing it.

Mr. REED of Pennsylvania. It is really a matter of indifference whether we waste time in this way or in some other way.

Mr. MOSES. The time is not wasted that helps the veterans.

Mr. ROBINSON of Arkansas. Mr. President, I ask unanimous consent that proceedings under the roll call be vacated.

Mr. CURTIS. I hope that request will be granted.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. ROBINSON of Arkansas. Mr. President, the bill which is embraced in the amendment proposed by the Senator from Tennessee has twice passed the Senate by an overwhelming vote after full discussion. The Senator from Tennessee has been attempting to secure consideration of this bill throughout the present session. It is well known that if a vote can be obtained the bill will pass a third time by even an increased majority. It is also true that if the Senator from Tennessee persists in pressing this amendment at this time it will result in the hour of 11 o'clock arriving and no vote being taken on his amendment. In all probability it will also result in the defeat of the veterans' loan bill.

In view of these facts, as a friend of the measure embraced in the amendment of the Senator from Tennessee, I add my suggestion to that of other Senators already made, that the Senator from Tennessee withdraw this amendment and that he move to proceed to the consideration of his bill at the first opportunity. If it can not be passed during this session through both Houses, it can be passed through both Houses during the next session of Congress. I believe that to press the amendment at this time will not only encompass its defeat, because of a failure to obtain a vote before 11 o'clock, but will also cause the defeat of the veterans' loan bill. So I suggest to the Senator from Tennessee that he withdraw the amendment.

Mr. MOSES. Mr. President, the honeyed words of the Senator from Arkansas would "keep the word of promise to our ear and break it to our hope." The Senator from Tennessee now has an opportunity to secure action on a bill on which he has vainly tried to secure action heretofore; and if Senators on the floor wish to debate it until 11 o'clock and thereby defeat all legislation such as we are considering to-night, let them take the responsibility; it will not rest with the Senator from Tennessee nor with me.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from New Hampshire yield to me?

Mr. MOSES. I yield the floor.

Mr ROBINSON of Arkansas. Will the Senator from New Hampshire yield for a question?

Mr. MOSES. Yes, indeed.

Mr. ROBINSON of Arkansas. Does the Senator from New Hampshire believe that there is the slightest probability of obtaining a vote before 11 o'clock on the amendment of the Senator from Tennessee? And does he not know that a number of Senators have served notice that they will discuss the amendment until the hour of 11 o'clock arrives, when, under the agreement, the Senate will adjourn?

In view of these circumstances does not the Senator from New Hampshire believe that the sound policy would be to pass the veterans' loan bill and make the issue on the retirement bill subsequently?

Mr. MOSES. Mr. President, my answer to the complicated question of the Senator from Arkansas must also necessarily be involved. If the Senator from Tennessee can procure the unanimous-consent agreement for which he has asked, namely, to vote on the so-called Tyson bill at a given hour, very well. If the Senator from Arkansas will use the blandishments and eloquence upon the whole body of his associates here that he has applied to his colleague from Tennessee, I am sure we can dispose of both these measures before 11 o'clock. [Laughter]

Mr. REED of Missouri. Mr. President, the Senator from New Hampshire states that if Senators here object to the

proposed unanimous-consent agreement, and if the Senator from Tennessee then persists with his amendment and it results in the defeat of the bill now before us, the responsibility must be upon those who have refused unanimous consent. That is true; but it is also true that we all have a responsibility. We have a responsibility to these soldiers who were led to believe, and had a right to believe, that they could bank their insurance policies and get a little money in time of necessity. We are not discharged from our responsibility to accomplish their relief merely because some Senator has objected to the consideration of a particular bill which nearly every Senator may favor.

The result will be that neither of these bills will become a law; so that the Senator from Tennessee and those whose cause he so well advocates will get nothing, and at the same time the soldiers who need this little aid will get nothing. I hope the Senator from Tennessee will relieve the difficulty. If he then wants to make a motion to proceed to the consideration of his bill to-morrow morning at 10 o'clock and to adjourn to that time, I will help sustain him.

Mr. MOSES. Oh, Mr. President, to-morrow morning, immediately after the routine business, we are to have Washington's Farewell Address read, and then we go into joint session. The Senator from Missouri knows that the suggestion he makes can not possibly be made effective. If the Senator from Missouri, however, will now make a motion that the Tyson bill shall be made a special order to-morrow, beginning at 2 o'clock, then, of course, we may accomplish something.

Mr. REED of Missouri. It is for the Senator who is in charge of the measure to make whatever motion he sees fit. I am perfectly willing that he should follow the course suggested by the Senator from Pennsylvania.

Mr. REED of Pennsylvania. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his parliamentary inquiry.

Mr. REED of Pennsylvania. Would a motion to make the Tyson bill a special order displace the Boulder Canyon bill?

The VICE PRESIDENT. It would not displace the Boulder Canyon bill.

Mr. REED of Pennsylvania. Would it not do so if the motion were carried?

The VICE PRESIDENT. The unfinished business takes precedence over a special order.

Mr. TYSON. Mr. President, I should like to know who it is that objected to the request for unanimous consent?

Mr. BINGHAM. Mr. President, I stated that I would have to object to it. I have had no opportunity to debate the bill as yet. I was ill when it was considered on a previous occasion. I am prepared to debate it at length this evening. I am not endeavoring to avoid the necessity of debating it. As the Senator from Tennessee knows, I am very strongly opposed to the bill believing it to be not good military policy and not fair to the great body of veterans. So I should like to have an opportunity to debate it. He asks that we vote at 3 o'clock to-morrow. There is no certainty whatsoever that I can speak at all to-morrow, and I certainly can not finish this evening.

Mr. TYSON. At what time would the Senator be willing to permit a vote to be taken?

Mr. MOSES. I will yield my time to the Senator from Connecticut.

Mr. ROBINSON of Arkansas. Let me ask the Senator from Connecticut a question. Does he not feel that he can tell us all he knows about this bill within the next 15 or 20 minutes, and then enable us to act before 11 o'clock?

Mr. HARRISON. Mr. President, may I ask the Senator from Connecticut—would he not consent to a request for unanimous consent to devote, say, two hours or three hours, or any number of hours that he thinks it would take him to finish his speech, to the consideration of the bill, after which we may vote upon it; and to suggest to us some day so that we can agree upon a unanimous-consent order? Would not Thursday be satisfactory to the Senator?

Mr. NEELY. Mr. President, I object to the Senator from Connecticut having more than three hours, because there would not be anybody here to vote after that. [Laughter.]

Mr. HARRISON. I ask unanimous consent that on Thursday at 2 o'clock the Tyson bill be taken up for consideration, that two hours be devoted to it, after which time we shall vote upon the bill and all amendments thereto.

Mr. REED of Pennsylvania. I object.

Mr. HARRISON. Who objected?

Mr. REED of Pennsylvania. I objected, Mr. President.

Mr. TYSON. Mr. President, there is to be a meeting, as I understand, of the Senate on Wednesday evening. I should like to ask unanimous consent to consider this bill on Wednesday evening and to come to a vote on it at not later than half-past 10 o'clock on that evening.

The VICE PRESIDENT. There is already a unanimous-consent agreement providing for the business to be considered at the session on Wednesday evening.

Mr. NEELY. Mr. President, the request of the Senator from Tennessee would necessitate calling the roll, and, if any Senator is going to object to the request, his objection ought to be made now in fairness to those who want to pass the bill that is before the Senate before the roll call begins.

Mr. CURTIS. Mr. President, we have a unanimous-consent agreement covering the business of the session on Wednesday evening next.

Mr. McKELLAR. Why not make the request apply to Thursday night?

Mr. TYSON. I ask unanimous consent that the Senate consider this bill on Thursday night at 8 o'clock and vote on it at not later than half past ten o'clock on the same evening.

Mr. KING. Mr. President, I object.

Mr. CURTIS. Mr. President——

The VICE PRESIDENT. Objection is made. The question is on the amendment offered by the Senator from Tennessee [Mr. TYSON]. The Senator from Kansas is recognized.

Mr. CURTIS. Mr. President, if there is to be a vote on the amendment, I have nothing to say.

Mr. BINGHAM. Mr. President, is the amendment still before the Senate?

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Tennessee.

Mr. BINGHAM. May I ask the Senator from Tennessee if he intends to withdraw the amendment?

Mr. TYSON. I do not intend to withdraw it now.

Mr. BINGHAM. Very well, Mr. President.

Mr. REED of Pennsylvania. Will the Senator yield to me?

Mr. BINGHAM. Yes.

Mr. REED of Pennsylvania. I suggest the absence of a quorum.

The VICE PRESIDENT. The absence of a quorum being suggested, the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	George	McMaster	Sheppard
Bayard	Gillett	McNary	Shortridge
Bingham	Glass	Mayfield	Smith
Blease	Goff	Means	Steck
Borah	Gooding	Moses	Stephens
Bratton	Hale	Neely	Trammell
Cameron	Harris	Nye	Tyson
Capper	Harrison	Oddie	Wadsworth
Caraway	Hawes	Overman	Walsh, Mass.
Copeland	Howell	Pine	Walsh, Mont.
Curtis	Johnson	Pittman	Warren
Deneen	Jones, Wash.	Ransdell	Watson
Dill	Kendrick	Reed, Mo.	Wheeler
Edge	Keyes	Reed, Pa.	Willis
Edwards	King	Robinson, Ark.	
Ferris	La Follette	Robinson, Ind.	
Fess	Lenroot	Sackett	
Frazier	McKellar	Schall	

The VICE PRESIDENT. Sixty-eight Senators having answered to their names, a quorum is present. The question is on the amendment of the Senator from Tennessee [Mr. TYSON].

Mr. BINGHAM. Mr. President, I am in favor of the bill which is before the Senate this evening. A unanimous-consent agreement was entered into whereby this bill and another bill in which a large number of Senators are interested were to be considered this evening, and no other bills. There is nothing in the Senate rules whereby any number of bills from the calendar might not be added to this bill or the other bill this evening as amendments and 40 or 50 bills not up for consideration be passed as amendments to one of these two bills. I realize that fact perfectly, Mr. President; but at the same time I do maintain, as I did before, that it is not in accordance with the spirit of the agreement which was entered into to take up this bill at this time. It should have been taken up when it properly could be brought up, and not on the time of some other bill.

Mr. President, this amendment, which is in effect Senate bill 3027, provides—

> That all persons who have served as officers of the Army of the United States during the World War, other than as officers of the Regular Army, who during such service have incurred physical disability in line of duty and who have been, or may hereafter, within two years, be rated in accordance with law at not less than 30 per cent permanent disability by the United States Veterans' Bureau, shall, from date of receipt of application by the Director of the United States Veterans' Bureau, be placed upon, and thereafter continued on, a separate retired list.

I should like to call your attention, Mr. President, to the fact that this will, in the first place, bring a tremendous amount of pressure on the United States Veterans' Bureau from officers who are not yet rated at 30 per cent permanent disability, but at something under it—say 25 per cent, or 20 per cent—to have their disability increased to 30 per cent, in order that the tremendous difference may be made in their favor between getting, if they are rated at 20 per cent disability, the $20 a month now allowed, and from $125 to $250 a month as officers on the retired list if they succeed in being rated as 30 per cent. It is quite obvious that the pressure is going to be tremendous to have them rated at 30 per cent disability; and if at any time within the next two years they can persuade some doctors to change their rating from a little less than 30 per cent up to 30 per cent, then they will come under the provisions of this bill, and they shall be placed upon a separate retired list.

Many of them think, Mr. President, that they will be placed on the same retired list with the officers of the Regular Army; but that is not so. A separate retired list is provided, to be known as the emergency officers' retired list of the Army of the United States. They are, however, although they claim to be treated in the same way or desire to be treated in the same way as regular officers, actually asking for something which most of the regular officers who served during the war, and who have been retired since, have not gotten. In other words, Mr. President, nearly all of the officers in the Regular Army at the close of the war had ranks very greatly higher than they hold to-day or than they will hold at the time of their retirement.

For instance, there were the three lieutenant generals in command of our three armies in the field in France—General Bullard, General Liggett, and one other. A bill has passed the Senate giving these retired officers—for they are now all retired—the rank of lieutenant-general. It has not yet passed the Congress. They retired with a lower grade than that which they earned during the war. There were officers during the World War of the Regular Army in the Air Service who held the rank of lieutenant colonel, and even of colonel, who very soon after the war were reduced to their original rank, which in many cases was that of captain, and some of them were retired with that rank.

Nearly all of the officers of the Regular Army who have been retired since the World War for disability or other reasons have been retired with their rank in the Regular Establishment, which is several grades less than the rank which they held during the war, whereas this bill gives the emergency officers the rank which they held at the end of the war, when they left the service. Consequently, it is greater in their favor than in that of regular officers.

In the next place, Mr. President, I should like to call your attention to the language on page 2, line 22, in which it is stated—

> That all pay and allowances to which such persons or officers may be entitled under the provisions of this law shall be paid solely out of the military and naval compensation appropriation fund of the United States Veterans' Bureau—

This is the language to which I call your particular attention—

> and shall be in lieu of all disability compensation benefits to such officers or persons provided in the World War veterans' act, 1924, and amendments thereto—

And so forth. That means, Mr. President, that the officers who are more than 30 per cent disabled, and who come under the provisions of this bill, will have to give up the disability compensation benefits which they now enjoy under the World War veterans' act of 1924, and that their widows and children will have to give up those benefits. In other words, Mr. President, if this bill becomes a law, and the officers go on the same basis as the retired officers of the Regular Army, their widows and children will not be looked after as they are at present under the World War veterans' act.

It has been said that the soldiers' organizations are for this bill. It has been said that the veterans as a whole are for this bill. I do not believe, Mr. President, that 1 per cent of the veterans understand the provisions of this bill. Probably that was said to them which was said to me the day after I was elected to a seat in this body, when a veteran came to me and said, "You are going to Washington; will you not help the disabled emergency veterans?" I said, "Certainly; I shall be glad to help them. What is it you want?" "Why," he said, "there is a bill there to give them fair play and equality, which is now denied them." I said, "I shall be glad to look into it, and if it is a proper bill, it will have my support." I did not know the provisions of this bill; the person who was speaking to me did not know its provisions; and I am sure that not 1 per cent of the veterans of the war realize that this bill actually makes the dependents of an officer, after he dies, less well off than they are to-day.

Furthermore, we are told that this bill will benefit some 1,986 officers of the World War. That is not true, Mr. President. Like many other statements that have been made about this bill by those who are angry with us for venturing to oppose it, that statement is not true. Among those 1,986 officers are 293 second lieutenants who are receiving permanent partial compensation, having over 30 per cent disability, and 292 who are receiving permanent total compensation.

The 292 second lieutenants who are to-day receiving compensation for permanent total disability get at least $100 a month, and some of them get $200 a month for double permanent disability, and, furthermore, their dependents, of course, on their death would be taken care of. Under the provisions of this bill those 292 would get only $93.75 a month. For those 292 permanently disabled, total disability second lieutenants you would decrease what they are to receive from $100 a month or more, some of them getting $150 and others $200, to $93.75. It will be replied to this, Mr. President, that they are not obliged to take this if they do not want to. Certainly not.

Section 2 provides that—

> No person shall be entitled to benefits under the provisions of this act except he make application as hereinbefore provided.

Of course, it stands to reason that those 292 permanently totally disabled second lieutenants will not apply for the benefits, so called, of an act which reduces their compensation from $100 a month to $93.75 and which does away with all benefits to their wives and children.

There is a considerable number of second lieutenants who are suffering from permanent partial but not total disability, who receive about the same as they would get under this measure. But the fact remains that there are at least 292, and probably more, officers who would not benefit by it.

It is also quite apparent that there is a very large number of officers who have more than 10 per cent but less than 30 per cent disability, who would not benefit at all unless they could persuade a board of doctors to increase their disability up to the 30 per cent limit.

Of course, it is obvious that it is going to put a very severe strain on the judgment of the doctors. To-day if they rate a man as 27 per cent, he gets $27 a month. If he is rated at 30 per cent, he gets $30 a month. But let us suppose that one of the 129 majors affected by this bill has 27 per cent disability to-day and is getting $27 a month, and comes before a kind-hearted doctor, whose heart is better than his head in this matter, as is the case with some of us, and says to him, "Doctor, can you not raise my disability by 3 per cent? Surely you are not going to be so hard-boiled as to say that all my disabilities amount to only 27 per cent. Think again, doctor, and give me an additional 3 per cent disability. Just think what it will do for me. I was a major during the war. Now I get only $27 a month, but if you can only stretch your conscience 3 per cent, then, instead of getting $27 a month, I will get $187 a month, a difference of $160 a month, or several thousand dollars in the course of a couple of years. Surely, doctor, you are not going to be so hard-boiled as to keep me down to 27 per cent."

Knowing how kind-hearted a man must be to go into that profession, and devote his life to taking care of others, and being willing to go out any hour of the day or night to take care of them, it would be a very unusual doctor who could not think it over and decide to raise the disability rating 3 per cent, or 5 per cent, or even 10 per cent, as the case might be, when the difference between 10 per cent or 20 per cent disability and 30 per cent is to-day only $10 a month, but under this bill it would be for a major over $160 a month.

Under this bill a colonel in the emergency officers' list would receive, if he had 30 per cent disability, $250 a month. If he had 20 per cent disability, he would receive $20 a month. Let us suppose two colonels serving in the same brigade, and coming from the same community, and taking part in the same engagements in France, suffering from exposure, both acquiring a certain amount of stiffness, inability to get about comfortably, and the doctors say that one of them is 20 per cent disabled because he can not put his arm up as fully and as strongly as he used to; his arm has contracted so that he can move it only 6 inches, instead of moving it through the whole circle. The other one has a slightly greater difficulty in bending and unbending, and the doctors have given him 30 per cent. Under this bill one of those colonels would get $20 a month, or $240 a year, and the other would get $250 a month,

or $3,000 a year. That seems to me, Mr. President, a very strange provision, and I do not believe that the soldiers who are asking for this bill realize the effect of many of its provisions.

There are 24 lieutenant colonels who would be affected, who to-day are getting between $10 a month and $100 a month, depending on their disability, or up to $200 a month, for double permanent disability. Most of them are getting $100 a month or less. Under this bill they would get $218 a month.

There are 58 majors suffering from permanent partial disability, and 71 suffering from permanent total disability, or 129 in all, who, under this bill would get $187.50 a month.

The war is now nearly 10 years gone by. We have had a great deal happen since then, and we have forgotton about a great many things that happened. Some of us are beginning once more to read books about the war. There was a period within two or three years after the war when books about the war were a drug on the market. I remember going into a large department store and seeing on the bargain counter several hundred books——

Mr. TYSON. Mr. President, will the Senator yield?

Mr. BINGHAM. I have only three minutes. I can not yield.

I remember seeing several hundred books on the bargain counter——

Mr. TYSON. Will the Senator yield if I suggest that I want to be allowed to withdraw the amendment?

The VICE PRESIDENT. Does the Senator from Connecticut yield to the Senator from Tennessee?

Mr. BINGHAM. I can not yield at this time.

Mr. TYSON. Mr. President——

Mr. BINGHAM. For what purpose does the Senator ask me to yield?

Mr. KING. Will the Senator yield?

Mr. BINGHAM. For what purpose?

Mr. KING. I wanted to ask the Senator from Tennessee if he was not rising for the purpose of offering a cloture motion.

Mr. TYSON. Mr. President, will the Senator yield just for a moment? I want to say to him that I will not offer a motion for cloture, if that was his idea.

The VICE PRESIDENT. It is in order to offer a motion for cloture at any time, whether a Senator is on his feet or not.

Mr. TYSON. If the Senator will yield I will withdraw the amendment.

Mr. CURTIS. Just a second. Is it in order to offer a motion for cloture when a matter is not pending, when another measure is before the Senate?

The VICE PRESIDENT. A petition for cloture is in order at any time.

Mr. CURTIS. A petition for cloture only for a vote on the question as to whether this amendment should be adopted? That is all it could be, and it could not be submitted until day after to-morrow.

The VICE PRESIDENT. The Chair understands the Senator from Tennessee to be about to offer a petition for cloture for his bill. Is not that correct?

Mr. TYSON. Not now. In view of the fact that a great many Senators have said that they will aid me in getting my bill up, and have practically assured me that it will be done, and that I will get the bill before the Senate, I desire now to withdraw the amendment, if the Senator will yield for that purpose.

Mr. BINGHAM. I yield for that purpose.

The VICE PRESIDENT. Without objection, the amendment of the Senator from Tennessee is withdrawn.

Mr. REED of Pennsylvania. Mr. President, when the bill gets into the Senate I shall ask for a separate vote on the amendment of the Senator from New Mexico [Mr. BRATTON], which was adopted as in Committee of the Whole.

The VICE PRESIDENT. The bill is still as in Committee of the Whole and open to amendment. If there be no further amendments to be offered, the bill will be reported to the Senate.

The bill was reported to the Senate as amended.

The VICE PRESIDENT. The question is on concurring in the amendments as made in Committee of the Whole.

Mr. REED of Pennsylvania. Mr. President, on the amendment offered by the Senator from New Mexico [Mr. BRATTON] the situation is exactly the same, and I hope that the Senator from New Mexico will heed the wise advice of the Senator from Missouri [Mr. REED], who has told the Senate, as I tried previously to tell it, that a bill in which we all believe, and which all veterans are anxious to have passed, is going to die in three minutes if the Senator persists in adhering to his amendment.

Mr. BRATTON. The Senate has voted in favor of the amendment by an overwhelming vote, and I do not believe the Senator from Pennsylvania will hold out on behalf of the substantial minority to that extent. I feel that in fairness to the majority he should not do that.

Mr. REED of Pennsylvania. Mr. President, the Senator has prevailed upon the Senate to change the established policy of the Congress without submitting his amendment to any committee, without giving us any chance to consider it, to have any hearings upon it, or to determine the wisdom of it. We do not know how many soldiers would be affected by it or what their circumstances are, and in order to put through an amendment of that sort he has deliberately caused the wreckage of a bill which the Senate was ready to pass. The same thing that he has argued now might be argued in favor of any bill, however irrelevant to the subject matter here. I implore the Senator to withdraw his amendment and let the bill pass.

Mr. BRATTON. I am acting for my colleague, who is ill, as I have explained. The Senate has voted overwhelmingly in favor of the amendment, and I appeal to the good judgment of the Senator from Pennsylvania not to persist in his course; and I do not believe he will do it under the circumstances.

Mr. SMITH. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from South Carolina will state his inquiry.

Mr. SMITH. Can the Senator from New Mexico withdraw his amendment after the Senate, as in Committee of the Whole, adopted the amendment by an overwhelming majority?

The VICE PRESIDENT. The amendment can be withdrawn by unanimous consent. Is there objection to the withdrawal of the amendment?

Mr. BRATTON. Mr. President, I have not withdrawn the amendment.

Mr. REED of Pennsylvania. Mr. President, I think the soldiers of the country ought to know who is to blame for the failure of this measure to-night.

Mr. BRATTON. I am perfectly willing that they should know.

Mr. REED of Pennsylvania. I think they ought to realize how it was that this measure was killed after the House had passed it, after the Finance Committee of the Senate had approved it, after all the veterans' organizations had urged it; how out of a clear sky there was brought in on the floor of the Senate an amendment never submitted to any committee——

Mr. BRATTON. It has been before the committees since the 3d of February. A report was made by the director, and the committee in the House has voted upon a similar measure.

Mr. REED of Missouri. Mr. President, I ask unanimous consent that the Senate may continue in session for 30 minutes longer.

The VICE PRESIDENT. Is there objection?

Mr. REED of Pennsylvania. I object.

Mr. CURTIS. I do not think such an agreement would be proper.

The VICE PRESIDENT. Objection is made. The hour of 11 o'clock having arrived, the Senate, under the order previously made, will stand adjourned until 11 o'clock to-morrow morning.

ADJOURNMENT

Thereupon the Senate (at 11 o'clock p. m.) adjourned until to-morrow, Tuesday, February 22, 1927, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES

MONDAY, *February 21, 1927*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Lord of heaven, Lord of earth, we bless Thee; we praise Thee that Thou hast not ceased to bestow upon us the blessing of divine care. Thy infinite right is to command the obedience, the affection, and the adoration of men. O Thou who art our light in darkness, our joy in grief, accept the offering of our grateful allegiance; may our fidelity to Thee never die out. May all the problems of our country receive the treatment of the undivided forces of Christian sympathy, sacrifice, and service. We pray that Thou wouldst give us that most excellent gift—charity—the very bond of peace and of all other virtues. It means bearing one another's burden, guarding one another's reputation, throwing the mantle of kindness over the failings and the infirmities of our brothers, and doing unto others as

we would have them do unto us. O God, it means to live righteously. Help us. Amen.

The Journals of the proceedings of Saturday and Sunday were read and approved.

MESSAGE FROM THE SENATE

A message from the Senate announced that the Senate had passed with amendments House bill of the following title, in which the concurrence of the House is requested:

H. R. 16800. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1928, and for other purposes.

The message also announced that the Senate had passed without amendment House bills of the following titles:

H. R. 14842. An act granting the consent of Congress to the Pomeroy-Mason Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near the town of Mason, Mason County, W. Va., to a point opposite thereto in the city of Pomeroy, Meigs County, Ohio;

H. R. 14920. An act to amend an act entitled "An act granting the consent of Congress to the Weirton Bridge & Development Co. for the construction of a bridge across the Ohio River near Steubenville, Ohio," approved May 7, 1926;

H. R. 16775. An act to limit the application of the internal revenue tax upon passage tickets; and

H. R. 11278. An act to authorize the erection of a statue of Henry Clay.

The message also announced that the Senate had passed Senate bills of the following titles, in which the concurrence of the House is requested:

S. 5112. An act to provide for appointment as warrant officers of the Regular Army of such persons as would have been eligible therefor but for the interruption of their status, caused by military service rendered by them as commissioned officers during the World War;

S. 5762. An act to amend sections 4 and 5 of the act entitled "An act granting the consent of Congress to the Gallia County Ohio River Bridge Co. and its successors and assigns to construct a bridge across the Ohio River at or near Gallipolis, Ohio," approved May 13, 1926, as amended; and

S. 5699. An act relating to the admission of candidates to the Naval Academy.

The message also announced that the Senate had passed the following order:

Ordered, That the House of Representatives be requested to return to the Senate the bill (S. 4411) entitled "An act granting the consent of Congress to compacts or agreements between the States of South Dakota and Wyoming with respect to the division and apportionment of the waters of the Belle Fourche and Cheyenne Rivers and other streams in which such States are jointly interested" with all accompanying papers.

ENROLLED BILLS SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that that Committee had examined and found truly enrolled House bills and Senate bill of the following titles, when the Speaker signed the same:

H. R. 5823. An act to amend the Code of Law for the District of Columbia in relation to the qualifications of jurors;

H. R. 9916. An act to revise the boundary of the Grand Canyon National Park in the State of Arizona, and for other purposes;

H. R. 9971. An act for the regulation of radio communications, and for other purposes;

H. R. 15414. An act to authorize the United States Veterans' Bureau to accept a title to lands required for a hospital site in Rapides Parish, La.;

H. R. 16576. An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1928, and for other purposes;

H. R. 16863. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1928, and for other purposes; and

S. 2770. An act to confer United States citizenship upon certain inhabitants of the Virgin Islands and to extend the naturalization laws thereto.

SENATE BILLS REFERRED

Under clause 2 of Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred as indicated below:

S. 5112. An act to provide for appointment as warrant officers of the Regular Army of such persons as would have been eligible therefor but for the interruption of their status caused by military service rendered by them as commissioned officers during the World War; to the Committee on Military Affairs.

S. 5762. An act to amend sections 4 and 5 of the act entitled "An act granting the consent of Congress to the Gallia County Ohio River Bridge Co., and its successors and assigns, to construct a bridge across the Ohio River at or near Gallipolis, Ohio," approved May 13, 1926, as amended; to the Committee on Interstate and Foreign Commerce.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. FUNK. Mr. Speaker, I move to take from the Speaker's table the bill (H. R. 16800) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1928, and for other purposes, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. GARRETT of Tennessee. Reserving the right to object, Mr. Speaker, I understand this is satisfactory to the minority member of the committee?

Mr. FUNK. I am assured that is correct; at any rate, all rights will be reserved by a conference.

Mr. GARNER of Texas. "All rights reserved"—there are no rights to be reserved. The gentleman ought to state on the floor of the House he has consulted the conferee on the Democratic side and it is agreeable to him before he asks unanimous consent.

Mr. FUNK. I have consulted the gentleman.

Mr. GARNER of Texas. Well, that is all you have to do—just say so.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. FUNK, SIMMONS, TINKHAM, GRIFFIN, and COLLINS.

CLAIMS OF ASSINIBOINE INDIANS

Mr. LEAVITT. Mr. Speaker, I call up the conference report on the bill (S. 2141) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Assiniboine Indians may have against the United States, and for other purposes.

The Clerk read the conference report.

(For conference report and statement see proceedings of the House of February 19, 1927.)

The conference report was agreed to.

ADDRESS BY MAJ. GEN. C. P. SUMMERALL

Mr. TILSON. Mr. Speaker, on last Saturday Maj. Gen. Charles P. Summerall delivered before the Army War College a very notable address on "The Human Element in War." I ask unanimous consent to extend my own remarks in regard to this address and to print the address of General Summerall in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. TILSON. Mr. Speaker, on last Saturday, February 19, at the Army War College, Maj. Gen. Charles P. Summerall, Chief of Staff of the Army, delivered a notable address on the subject of "The Human Element in War." It is quite generally conceded that among all American Army leaders brought out and developed by the World War, none is better qualified to speak on this subject than is General Summerall. Along with great knowledge of the profession of arms, and unusual ability, he has as his most striking characteristic the possession to a very remarkable degree of those human qualities which must be possessed by every great leader of men in war or in peace. He possesses the faculty of being able to so impress himself upon others as to transfer to them much of his own personality, and thus to extend and multiply through others his own superior qualities of mind and heart.

I wish to give to the membership of the House and to others the privilege of reading what General Summerall had to say to the students of the Army War College and to a few privileged guests on the subject of the human element in leadership. Therefore, under the leave to extend my remarks in the RECORD, I include his address, as follows:

THE HUMAN ELEMENT IN WAR

While the consideration of the human element is predominant in war, there is great necessity for comprehending it as an essential in the management of men in peace. Indeed, if one does not understand and practice the art of controlling the human element in peace, he can not do so in the test of war. It is trite to say that the human element remains, as it has ever been, the determining factor in battle. Machines and arms may be multiplied and changed, but the man who

uses them will determine the final issues of victory or defeat. The psychology of men is a definite quality. It can not be changed. To be used it must be understood and taken as it is fixed by nature. It can be used to bring about results just as successfully in garrison as in campaign. Indeed, the qualities of discipline, morale, efficiency, loyality, etc., are only evidences of the degree to which some leader has directed the psychology of his men. For example, to-day we are concerned by a high rate of desertions. Yet we find organizations where the same evil exists only slightly, if at all. Some posts have large numbers of men absent without leave, while others are proud of their good record. Most evidences of indiscipline are capable of being corrected or removed by methods that take advantage of the human element, for any given number of men are essentially the same in the human characteristics as any other like number of men. It is not so much the fault of those responsible as it is their lack of understanding and, in some cases, the aptitude to apply to few psychological principles. All of our schools should teach the theory and practice of dealing with men according to methods that are readily understood. While everyone would not be equally successful, there would be marked improvement in all standards, and the officer who lacked sufficient aptitude would subject himself to elimination.

While much has been written on psychology, the principles needed by the military leader are few; but they must be so thoroughly assimilated that they become a part of his life and personality. The following truths are stated as some of the more essential guides in directing the human element both in peace and in war:

MEN THINK AS THEIR LEADERS THINK

This is absolutely true in every echelon of military command. Thoughts are things, in that a man can not act or talk other than as he thinks. If an officer wishes to influence his men he must actually be what he desires them to become. A single disloyal remark or act will spread through the minds of his men. He not only will be unable to lead, but he will deprive them of the will or the power to follow. On the other hand, a resolute, loyal, unquestioning leader of any grade will inspire his men with his own indomitable spirit. Thus they will react upon each other and perfect confidence will make an invincible unit within its power, be it a squad or the largest command that one personality can permeate. The power of example thus becomes the measure of leadership.

ALL IMPULSES COME FROM THE TOP

From the very nature of command the minds of subordinates turn to the leader for direction. A military unit can be no stronger or more efficient than the leader. A subordinate may influence his echelon, but he will not affect other echelons or higher elements. Human nature is jealous and proud. A leader naturally resents the effort of a subordinate to instruct or guide him and is thus not receptive of influence from below. From this it follows that if a command of any size is good or bad, one has only to fix the responsibility upon the leader.

The real leader will give his subordinates credit for all of their accomplishments, but he can no more escape a similar honor from them than he can escape blame for failure. The true leader not only initiates impulses for his subordinates but he adds force to impulses from above. With a chain of such leaders an order gathers momentum, and on reaching the point of execution it strikes with an irresistible force.

MEN FIGHT FOR THEIR LEADERS

The average mind is such that it does not analyze abstract causes or even the great principles over which wars are fought. Men are elemental and practical and cling to real things. They want to have leaders. They want to admire them and they want to follow them. After the classic assaults at Plevna General Skobeleff II divided men into three categories: A small per cent have no sense of fear and are eager for combat. They will expose themselves recklessly and soon become casualties. Another very small per cent have not been endowed with enough courage to sustain them in danger, and they will soon disappear. The great majority of men in face of danger gladly surrender their wills to their leaders, and are easily controlled and guided. These are the men who properly commanded will win the battle. Danger, hardship, and tragedy develop a peculiar bond between men of all ranks, for basically human nature is the same. As one real leader has expressed it: "In the face of death all men are equal." Thus men come to have a perfect and almost childlike confidence in a successful leader. The man who in any unit shows sympathy, helpfulness, and comradeship for his men may be sure that they will fight for him. To secure this response a leader must be known to his men and must be seen by them at the point of danger as well as elsewhere. They must know not only his name and appearance but his record and they must have personal proof of his care.

MEN RESPOND TO APPROVAL RATHER THAN TO BLAME

Men do not fight for fear or for material reward. Courage and fortitude are spiritual and are not influenced by material considerations. A man fights for pride in himself and in his command. Pride is a basic element of human nature. There is no human being wholly devoid of self-respect. The soldier is especially sensitive by reason of his subordination, and when once his pride is aroused he becomes intensely solicitous and jealous of preserving it. In the same way he becomes loyal to his command and his comrades, and he would forfeit his life rather than act unworthily of them or incur the censure of those whom he respects. His sense of justice requires that his good performance be recognized, and where such recognition is withheld he experiences discouragement and depression. His richest reward is recognition by his leaders. This may vary from a simple word of approval to the highest decoration or citation according to his merits. On the contrary, censure or blame rouses the equally elemental quality of self-preservation. The man who humiliates his subordinates or who abuses his authority will forfeit their respect and arouse their antagonism or their hatred. Men want and admire firmness and positiveness, but command must be exercised so as to leave no personal sting. True discipline comes from pride and not from fear. Arbitrary and harsh measures may be easier to adopt, but they will multiply troubles out of all proportion to the gain.

The ways by which a leader's hold may be obtained on men are few and simple. He must live and conduct himself so as to be worthy of their respect. They are unerring in their perceptions, and they not only quickly discover but they abhor shams of every kind.

Men demand a reasonable degree of justice. They expect a leader to be fair and understanding. A single act of glaring injustice will injure his prestige and influence. Men must trust their leader in order to follow him.

It goes without saying that men demand the same courage and fortitude in the leader that they are expected to possess. A single evidence of timidity will end his usefulness. It is perhaps for this reason that officers have at times unduly exposed themselves and suffered unnecessary casualties.

Men are easily discouraged in the face of hardship and unreasonable tasks. With the loss of physical strength and with the exhaustion that is inseparable in campaign, the mind becomes correspondingly weakened. The leader must know how to assign missions possible of accomplishment under the conditions and to organize his resources so as to make success reasonably sure. Repeated failures can only result in a loss of confidence and in ultimate loss of morale.

Men are pleased by having their superiors know their names and something of their performances. While the limitations of higher commanders are soon reached, in the lower echelons a leader should make every effort to know his subordinates personally and make them realize his individual interest in them.

Men read the expression in the face of their leaders and are unconsciously influenced by their appearance, manner, and tone of voice. Self-control becomes, therefore, a vital attribute of a leader. To be calm, self-possessed, and self-confident is indispensable. A leader must not only believe that he is right, but he must be so sure of it that he will convince everyone else, by everything he says and does, that his plans and purposes are right. Thus he will make men sure of success even though the plans might not be the best that could be adopted.

Men are capable of understanding the tasks demanded of them and the purposes to be accomplished. They respond eagerly to the leader who will talk to them and explain their accomplishments, their situation, and the necessity for further effort. Thus they require a personal relationship toward the leader and a personal identification with his plans. Each man comes to feel an individual responsibility to perform his part even to the extent of feeling that success depends upon his own efforts. In this way the leader accomplishes not what men think they can do, but what he knows they can do. He dispels imaginary evils and obstacles and creates a state of mind and a method of thinking that add immeasurably to the fighting power of his command. Indeed, many difficulties are wholly imaginary. Defeat comes not so much from physical effects as from a state of mind which makes men reduce or cease their efforts. When properly identified with his troops, the personality of the leader remains in their minds, and in the stress of battle his influence encourages them and strengthens their resolution.

Within the limits of personal contact, men should be encouraged to go to their superiors with their difficulties and they should find help or be convinced of the reason why it can not be given. The strongest nature needs human sympathy at some time and a single act of consideration and help may change the entire career of a man for good.

These precepts may be somewhat commonplace and unscientific, but they embrace the essentials of human nature. The greatest responsibility one can have is to be entrusted with the lives and the sacrifice of men and even the fate of one's country in war. No labor is too exhaustive, no effort too great, and no detail too small for those who, as officers of the Army, have dedicated themselves to the motto "Duty, honor, and country."

DISABLED EMERGENCY OFFICERS

Mr. DICKINSON of Missouri. Mr. Speaker, in 1926, the American Legion at its last annual department convention, held at Moberly, Mo., passed a brief resolution, reading as follows:

Be it resolved, That the Missouri Department of the American Legion in convention assembled at Moberly, Mo., indorse the action of national headquarters in their support of the bill providing for the retirement of disabled emergency officers.

The resolution is duly certified and I ask unanimous consent that it may go in the RECORD at this point.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COLLIER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a resolution adopted in regular convention at Vicksburg, Miss., on August 31 last by the American Legion, Department of Mississippi, in reference to the disabled officers' bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COLLIER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

VICKSBURG, MISS., *August 30, 1926.*

Resolution

Whereas the Congress of the United States, in the selective service act of May 18, 1917, promised that all volunteer officers commissioned under that act should be "in all respects on the same footing as to pay, allowances, and pensions as officers of corresponding grades and length of service in the Regular Army"; and

Whereas of the nine classes of officers who served during the World War eight classes, namely, regular officers of the Army, Navy, and Marine Corps, provisional officers of the Army, Navy, and Marine Corps, and emergency officers of the Navy and Marine Corps have been granted by Congress the privilege of retirement for disability when incurred in line of duty, leaving only the disabled emergency officers of the Army without such retirement; and

Whereas an overwhelming majority of the Members of each Congress since the armistice has promised to correct the injustice to disabled emergency Army officers by the enactment of legislation designed to adjust the unfair conditions imposed upon these men; and

Whereas the United States Senate has twice passed measures to correct this condition—the vote in the Sixty-seventh Congress being 50 to 14, the vote in the 68th Congress being 63 to 14; and

Whereas in the present Sixty-ninth Congress of the United States there are pending two identical bills seeking to accomplish this worthy end, namely, the Tyson bill S. 3027, and the Fitzgerald bill H. R. 4548; and

Whereas the Senate Committee on Military Affairs at the first session of the current Congress favorably reported the Tyson bill and the House Committee on the World War Veterans' Legislation favorably reported the Fitzgerald bill, both of which measures are on the respective calendars of the Senate and the House awaiting a final vote; now, therefore, be it

Resolved, That the American Legion, in State convention assembled at Vicksburg, Miss., August 30 and 31, 1926, urges and demands that the principles of retirement already established for the eight other classes of officers who served during the World War be granted to the disabled emergency officers who are handicapped from the sacrifice which the Nation demanded of them during their service for America in the World War and indorses as proper legislation to accomplish this end the pending Tyson bill, S. 3027, and Fitzgerald bill, H. R. 4548; and be it further

Resolved, That all Members of the Sixty-ninth Congress be, and they hereby are, most strongly urged to lend their most active support in securing the enactment of this pending legislation as early as possible during the short session of the current Congress; and be it further

Resolved, That copies of this resolution be sent to the Vice President of the United States and to each Member of the United States Senate and House of Representatives.

Adopted in regular convention assembled in Vicksburg, Miss., August 31, 1926.

[SEAL.] R. D. MORROW,
Adjutant, the American Legion,
Department of Mississippi.

Mr. LEHLBACH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by incorporating therein resolutions of similar import passed by the Department of New Jersey, American Legion.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LEHLBACH. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following resolution adopted by the Department of New Jersey, American Legion, at its 1926 department convention, held at Belmar, N. J., September 9 to 11, 1926, indorsing the disabled emergency army officers' proposed legislation:

Whereas the Congress of the United States, in the selective service act of May 18, 1917, promised that all volunteer officers commissioned under that act should be "in all respects on the same footing as to pay, allowances, and pensions as officers" * * * "of corresponding grades and length of service in the Regular Army"; and

Whereas regular officers of the Army, Navy, and Marine Corps; provisional officers of the Army, Navy, and Marine Corps; and emergency officers of the Navy and Marine Corps have been granted by Congress the privileges of retirement for disability when incurred in line of duty, leaving only the disabled emergency officers of the Army without such retirement; and

Whereas an overwhelming majority of the Members of each Congress since the armistice has promised to correct the injustice to disabled emergency Army officers by the enactment of legislation designed to adjust the unfair conditions imposed upon these men; and

Whereas the United States Senate has twice passed measures to correct this condition—the vote in the Sixty-seventh Congress being 50 to 14, the vote in the Sixty-eighth Congress being 63 to 14; and

Whereas in the first session of the current Congress (the Sixty-ninth) the Senate Committee on Military Affairs favorably reported the Tyson bill, S. 3027, and the House Committee on World War Veterans' Legislation favorably reported the Fitzgerald bill, H. R. 4548, similar bills in their provision for the retirement of disabled emergency Army officers who incurred physical disability in line of duty during the World War, both of which bills are now on their respective calendars in the United States Senate and House of Representatives awaiting a final vote; and

Whereas the Hon. ROYAL C. JOHNSON, a Member of the House of Representatives from the State of South Dakota, has introduced legislation in former Congresses on this subject, has always been an ardent supporter of such measures, and, as chairman of the House Committee on World War Veterans' Legislation, which has three times favorably reported this legislation, has always cooperated with the active workers of the national legislative committee of the American Legion, who have constantly striven for the enactment of this legislation; and

Whereas the House Committee on World War Veterans' Legislation will in all probability have a committee day upon which it may bring out its own legislation for consideration and a vote on the floor of the House in the next session of the Sixty-ninth Congress: Now, therefore, be it

Resolved, That the Department of New Jersey of the American Legion, in its annual convention assembled, at Belmar, N. J., September 9–11, 1926, do, and hereby does, most heartily indorse the principles of retirement for disabled emergency Army officers as already established for the other eight classes of disabled military and naval officers of the World War, and which principles are embodied in pending measures now before the Congress—the Tyson bill (S. 3027) and the Fitzgerald bill (H. R. 4548); and be it further

Resolved, That the Members of the United States Senate and House of Representatives from the State of New Jersey be, and they hereby are, most strongly urged to lend their active support in securing the enactment of this pending legislation as early as possible in the next session of the current Congress; be it further

Resolved, That the Hon. ROYAL C. JOHNSON, as chairman of the House Committee on World War Veterans' Legislation, be, and he hereby is, instructed to continue to put forth his best efforts, both as a Legionnaire and as a Member of Congress, in support of this legislation, and should his committee not have its legislative day in the House of Representatives in the next session of this Congress, that he then, as chairman of his committee, prevail upon the Republican steering committee of the House of Representatives and the House Rules Committee to grant a special rule for the prompt consideration and vote on H. R. 4548 on the floor of the House; and be it further

Resolved, That copies of this resolution be forwarded to the President of the United States and New Jersey delegation in Congress.

INAUGURAL ADDRESS OF VICE PRESIDENT LOUIS LUDLOW, OF THE NATIONAL PRESS CLUB

Mr. ROUSE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing the inaugural address of Mr. Louis Ludlow, who was recently elected vice president of the National Press Club.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ROUSE. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

My countrymen, Mr. Kirchhofer, in his inaugural address, has given you quality, and now I am going to give you quantity. I am older than our beloved pres'dent, and prolixity is one of the privileges of age. Mr. Kirchhofer's general competency, his sound business judgment, and his whole-souled devotion to our club prompts me to remark that in honoring him we have honored ourselves. I hope we will all give him 100 per cent support and I here and now assure him of the very great pleasure it affords me to be his only vice.

Fellow countrymen, Bill Collins, who does the rough work of the Senate press gallery for Jim Preston, has a mirthful disposition and

a heart no bigger than a chigger. When it first became noised about that I would be an available candidate for the vice presidency—a noise which I assisted somewhat in generating—Bill Collins led me in a mysterious way to a quiet corner in the press gallery and said:

"When Theodore Tiller puts on that long undertaker coat of his and squares away for action there ain't no man on earth who can stand up against him in a contest of wits."

I said:

"Good Lord, Bill, don't I know it?"

I was beginning to sense something wrong.

Collins gave me the most diabolical look imaginable and went on:

"Well, if you are elected vice president, Theodore Tiller is going to be on the platform and you'll have to answer his funny cracks, and you'll have a devil of a job."

"Good Lord, Bill," I said, "if that's the case I resign right now."

I found out afterwards that Collins didn't know anything about what Tiller was going to do. He just told me that to make me jump. I took him seriously, however, and tried to withdraw from the race, but by that time I had acquired a considerable overhead in the form of mimeograph bills, stamped envelopes, clerical hire, etc., and I couldn't pull out without losing my capital. So I finally decided to stay in the race, but every night since then in my troubled dreams I have seen the frightful Tillerian ogre bob up, and have heard the swelling cadences of the eloquent Tillerian voice as it mercilessly transfixed me. Long ago, when I first attended a meeting of the club and heard Mr. Tiller deliver his five hundred and forty-ninth address on the old home town, Bainbridge, Ga., I formed the conclusion that there was no nobler orator in the world than Theodore Tiller, and that conclusion has been confirmed and strengthened by contact throughout the years. Every oration I have heard him deliver on Bainbridge since then has been better than its predecessor.

A few days ago when I met Tiller at the Capitol I sidled up to him and remarked, in a careless, off-hand way:

"Are you going to the Press Club inauguration, Theodore?"

He replied:

"I expect to."

I fiddled around for about a minute and said:

"You couldn't arrange to be called out of town unexpectedly on that day, could you, Theodore?"

He grinned in a knowing way and said:

"No; I'll be on hand."

Well, he is here, and I hope that if he gets too fresh some devoted friend of mine will lay upon him a restraining hand. I think E. B. Johns, who weighs 240 pounds in his socks, could handle Tiller. I ask Mr. Johns to look after my interests and throw him out on the first signs of any monkey business. I will thank Mr. Johns if he will move over a little closer to Mr. Tiller.

I think I ought now to clear up a misapprehension existing in certain quarters that my fast and furious wooing of office in the Press Club was the result of a whim that was born in a night. When my pyrotechnic candidacy for the vice presidency flared across the political sky one of the ablest members of this club said, in a tone that registered deep disgust:

"Why this sudden impetuosity?"

The member who made that remark didn't know me. I have been a candidate for an office in the Press Club for about 20 years—a silent, unpretentious, unobtrusive candidate. I didn't become vocal until seven weeks ago. I used to think that if I would be nice to everybody, and sit tight, the office would come to me, but during the entire 20 years nobody ever asked me to be a candidate or mentioned the subject to me in any way, shape or form. I was a candidate, all right, and I had a monopoly on the secret. Finally I realized that I probably would live to be as old as Ezra Meeker before anyone would think of asking me to run, and my mind reverted to an old Indiana adage which says:

"Unless you toot your own horn the same will not be tooted."

So I picked up my horn and gave it, as I thought, a mild and respectable toot when I sent out that brief note to all of you apprising you of my candidacy. In Indiana, where we play a robust kind of politics, anybody who would father as modest a note as that would be kicked out of the party councils on account of being a mollycoddle and a shrinking violet, but it was greeted here in the effete East with a rebound that astonished me. All of Washington must have heard the blast, judging by the letters and telephone calls that swamped me. I realized when it was too late that I had given my horn too loud a toot, but I do not know of any way to reassemble a noise, and I had to let it go.

Well, I was in for it, and during the early days of my candidacy I was as far below Gloomy Gus in the sloughs of despondency as Gloomy Gus is below a high-stepping father of triplets. Everybody I met said:

"You are running against a fine fellow and a very good candidate."

I replied that I didn't object to Dan O'Connell being a fine fellow, but I did protest most violently against him being a good candidate.

Seeing that I was so blue, my office mates, Everett Watkins and Carl Ruth, said to me:

"How would you like to have a little publicity in connection with your candidacy?"

"A little publicity would be very distasteful to me," I replied.

They looked at me with pitying glances.

"But," I added, reassuringly, "of course, of course, if it's a whole lot of publicity, that's another matter, and you may go as far as you like."

So they did their best, with the aid of two well-trained imaginations. In a little while Vice President Ludlow was getting more clean-cut, first-page publicity than ever came in a similar length of time to Vice President DAWES, not even excepting the occasion when DAWES fell asleep. I attach to this inaugural document as a part thereof clippings from the Indianapolis Star, Columbus Dispatch, Cincinnati Commercial-Tribune, Denver Post, Savannah Press, Spokane Chronicle, Dayton Herald, Fort Wayne News-Sentinel, Connersville Examiner, Terre Haute Star, Muncie Star, and Indiana McGuffeyite, designated as Exhibits A to L, inclusive. I regret to say to the press that while I have ample copies of this inaugural address for all I have no duplicates of the exhibits, but I challenge any doubting Thomases to come up here and dispute the authenticity of these originals.

My wife, always thinking in terms of helpfulness, decided that the first essential of my candidacy was sartorial improvement. She went down town to an F Street tailor and ordered two suits of clothes and an overcoat for me at one crack. She was on the verge also of ordering a full day dress suit, with pin-striped trousers and spats and a silk topper when I threatened to rebel and throw off the matrimonial yoke unless she directed her tastes into more conservative channels. I will venture to say that I was one of the best dolled-up candidates who ever ran for office. The beautiful gown I am wearing this evening, with its stunning white-collar effect, is one of my wife's creations. No expense was spared to make my personal appearance attractive to voters, and my bill for hair grease alone was tremendous.

Election day found me on the qui vive, and I want to say now that never again will I take any stock in superstitions. James P. Higgins and I walked over together to vote. Notwithstanding my petition had been well signed, I was discouraged, because C. P. Hunt had told me that very morning that once when he ran for office in the Press Club there were 72 signatures to his petition, and he supposed everything was hunky-dory for a soft and easy victory, but when the ballots were counted he had only 5 votes. About the time Hunt told me that story it began to snow. In politics snow is a bad omen.

To top off these tokens of evil portent, as I entered this room to cast my vote something shot directly in front of me from the piano to the fireplace, and I looked, and it was a cat as black as the ace of spades. When I had voted and was turning to leave the room the same blamed cat whizzed in front of me back to the piano. If I could have done so then I would have called off the election and moved to make it unanimous for my opponent.

All throughout election day Lorenzo Martin remained at the club and wore corns on his ears answering my telephone calls. Every few minutes I called up to ask if I had polled another vote. I doubt very much whether Lorenzo's right ear ever quite returned to normalcy. Late in the afternoon I was scared stiff by the heavy O'Connell vote and anybody who thinks I didn't burn up a few telephone calls has got another guess coming. Learning that my friend George Summers had gone to his lares and penates blissfully forgetful of the Press Club election, I got him on the phone and yelled a Macedonian plea into his ear.

"Do you really think you need my vote?" he asked.

"George, I think I am skinned without it," I answered.

He drilled down to the club through the snow and voted, and now I am afraid to look him in the face.

I do not care to give any publicity to my expenditures in seeking this office, and I hope Senator JIM REED'S committee will be decent and agreeable about it, but I have no objection to stating that I made one promise—and one only—to win the nomination. I wrote to A. E. Heiss, promising to support him for President of the United States in 1928 if he would throw the Traffic World block to me. As I never heard from him it is barely possible I shot in the air. I did not know when I made that promise that my friend Coolidge intends to run again, and now I am in a tight place, with my heart for Coolidge and my promise out to Heiss. On second thought, I will not be able to support either, as I recall that I am a Democrat.

Fellow countrymen, I said in my candidatorial manifesto that if I won this fight I would owe a large debt of gratitude to Washington, Jefferson, and Coolidge, whose expressions on entangling alliances, quoted in my manifesto, pulled many a vote to me. I wish on this public occasion, and with all of the emotion that can bestir a grateful soul, to acknowledge that great obligation.

On the tombs of my illustrious deceased benefactors, George Washington and Thomas Jefferson, those twin immortals of American history, I shall, at some appropriate future time, place, in beautiful floral form, the tributes of my affection, and to my distinguished contemporaneous benefactor, Calvin Coolidge, that gallant friend and militant champion who bore the burdens in the heat of the day, I shall extend

in person audible, though perhaps tremulous, manifestation of my undying gratitude.

I make no claims, my fellow countrymen, as to my general qualifications for the vice presidency, but I do advise you that you have captured a prize orator. I made that discovery myself no longer ago than the night of December 17—otherwise I would have included it in my candidatorial manifesto.

I was catapulted into the realm of oratory at the swell dinner Representative DAVEY, of Ohio, gave at the Willard Hotel to the Democratic congressional committee to boost Vic Donahey's presidential prospects. I went to that dinner to report it for my Buckeye newspapers and for no other reason on earth. Up to that moment I had never made a speech in my life. Tom Dye, Ohio State chairman, and Congressman OLDFIELD, chairman of the Democratic congressional committee, had spoken, and I was scribbling away like a Dutch uncle when Toastmaster DAVEY shot a mean look in my direction and said:

"We will now hear from the vice president."

He said that just as if he were inviting Chauncey M. Depew to step forward and make a few postprandial remarks. I fell back in the arms of Carl Ruth with a low moan. I was at the end of the table farthest from DAVEY, and there was no way to slip the information to him that I was not exactly a spellbinder.

As the Irishman would say, I was in a h—l of a fix. (That language is not mine. It is the Irishman's. I scorn such phrases.) Something had to be done. I staggered to my feet, danced around for half a minute, like a tom-tit on a pump handle, then turned my face to the east, and began to talk. I spoke for about 10 minutes and was followed by the closing speaker, Representative FINIS GARRETT, Democratic floor leader, who delivered one of his finished orations.

I don't know what I said in my speech, but after the meeting fully a dozen members of the congressional committee, who were present, showered congratulations upon me and told me I put it all over DAVEY, Dye, GARRETT, and the whole bunch. I think they were sore, because they had not been called upon to speak. However, I checked up on them by asking Congressman BROOKS FLETCHER, who is one of our modern Ciceros, what sort of an impression I made, and he said I was a regular whiz. If it be true that I have a hidden reservoir of eloquence that I never suspected, I am going to make the most of it. If this inaugural address goes over big, I am going to give up leg work and go on the Chautauqua platform, where there is easy money.

With these few preliminary remarks I shall proceed, fellow countrymen, to a discussion of the state of the Union, first directing your attention to our foreign affairs, and especially to our serious relations with Bolivia, but before I do so I think, after all, that I shall digress a moment while I tell you how I put one over on my wife. As a general proposition, my wife and I get along fine. There was a rift in the domestic lute, however, when I prepared that modest letter to members announcing my candidacy. She denounced it as being wholly undignified and unworthy of me. I said to her, and I looked her right straight in her cold gray eyes when I said it:

"Grandma, I am over 50 years old and I'm a grandfather, and you know it. I've been skating around libel statutes all my life and I have never yet been hit by one. There's nothing in that letter they can handle me for under the law, and I'm going to let her go."

"If you send out that fool letter, it will beat you," she said.

"No," I fired back. "It won't beat me. It ought to, but it won't."

"It'll cost you a thousand votes," she cried.

"Ha, ha!" I laughed. "There are only 420 voting members of the club, and, of course, I will vote for myself, and the worst possible damage it can do to me is 419 votes. So, Ba—a—a—a!" And I stuck out my tongue at her.

"Money talks," I added. "How much will you bet it will beat me? Will you bet $25?"

"I don't know how I could make $25 any slicker," she said. "Yes; I will wager that amount."

I was feeling real cocky and I said: "I'll see you and raise you 25." I knew she had inherited a little property and that I could collect.

She called me, and I took the precaution to secure two witnesses. You should have seen the look on that woman's face when I came home on election night and told her I had won. It is not the loss of the $50 that affects her so much as it is to have me swelling around and gloating over her. Now I have got the office and $50 in money and I am sitting pretty!

Fellow countrymen, returning to the subject of our international relations, it is my painful duty to direct your attention to a special dispatch from La Paz, Bolivia, which appeared in the Washington Post and the Chicago Tribune on December 9 under the caption: "Voters to be tattooed to check repeating." The dispatch follows:

"A novel idea will be tried at the general municipal elections next Sunday, consisting of semipermanently tattooing the right hands of the voters. The measure is expected to avoid the common practice of voting several times, and unless a remedy is found to blot the tattooing out immediately it may be efficacious and the Bolivian returns may hereafter show a considerable decrease."

Fellow countrymen, I regret that one of the proud Americas should have become polluted with the false and degrading doctrine that repeating is an offense that should be checkmated with such a dastardly punishment as tattooing the hands of voters. In the free atmosphere of our Western Hemisphere repeating should always be permitted and encouraged.

I recommend that diplomatic relations with Bolivia be severed. An immediate apology should be demanded. Pending the delivery of such apology Bolivia's customhouses should be seized and canals should be cut through Chile and Peru to admit American gunboats to the Bolivian border. All of the United States marines that are not required to tone up American business in Nicaragua and keep it well toned should be rushed to Bolivia. If it should develop that this pernicious doctrine has been transplanted from European countries the full power of the Monroe doctrine should be employed to avenge the insult. Guilty foreign nations, if there be such, should immediately be deprived of the advantages of the most-favored-nation clause.

A few weeks ago in this room the greatest statesman of modern times, Will Rogers, favored us with a complete, detailed review of the historic dispute over Tacna-Arica. He was uncertain whether Tacna-Arica is a country or a mouth wash, but he showed how Secretary of State Kellogg, when called upon by the disputants, Chile and Peru, to settle their quarrel of over seven decades as to which one of those countries owned Tacna-Arica, rang in a surprise on both contestants by awarding the country, or mouth wash, as the case may be, to Bolivia, which had no claims whatever upon it. As a merited punishment for Bolivia's insolence in attempting to abridge the right of repeating, I now recommend that we take this mouth wash back from Bolivia and give it to Will Rogers. That would be a simple act of justice.

Fellow countrymen, I had intended to make a more elaborate presentation of the state of the Union, but I find that my time has been too greatly consumed with introductory remarks. I had expected to advert at length to Wayne B. Wheeler's recommendation that Scotch whisky be preferred for American consumption, with which statesmanlike doctrine I find myself in hearty agreement, but I shall reserve that subject for another message.

Let me, before concluding, announce to you that my first official act on taking office is to repudiate in toto the platform on which I was elected. To us Indiana politicians a platform means nothing after the election. It is merely something to get in on and nothing to stand upon. All I said in my candidatorial manifesto in the way of fulmination against the bosses was stage stuff. When a thirty-third degree Indiana politician runs for office his first act is to attack the bosses, whether there are any bosses or not. In this club there are no bosses. We are all equals, all friends and comrades in the battle of life.

I repudiate all I said in my platform against entangling alliances. I am in favor of entangling alliances. If I can have my way, the golden strand of love will reach out and entangle me with all of you. I repeat that I repudiate my whole platform and I insert in its place a single plank of one sentence:

"Let us help one another."

The National Press Club touched the periphery of my emotional being as far back as 10 years ago when the death of my mother brought the first great calamity into my life. You know we all love our mothers. I had been out in Indiana, where we buried my mother on a blustery April day, with the rain falling in sheets. I had returned to Washington and had reopened the door of my workshop in the District National Bank Building and had seated myself at my old flat-top desk. My heart was bursting. My head fell over on the desk and it lay there while I mourned and mourned and mourned. It seemed to me that all of the light of the world had gone out. I thought of my mother and how she used to tuck me away in the trundle bed and kiss me into slumber. I know that the ways of Almighty God are inscrutable, but I couldn't understand why we had to put my mother away in the cold ground in the midst of a pouring rain.

I should not have included this in my inaugural address. It is not especially germane, and it brings a lump to my throat.

As I sat in that position, with my head on the desk, my right hand, subconsciously, toyed with a stack of unopened letters that had accumulated during my absence. This mechanical operation of the fingers finally brought within the range of my vision a letter that bore the return mark of the National Press Club. I opened it, and it was a good letter from good old Mark Goodwin, extending the sympathy of the National Press Club as only Mark Goodwin could extend it, and maybe it didn't touch the heartstrings! Mark Goodwin doesn't know it, but I have that letter among my priceless treasures to-day and it is going down to my posterity as a sacred heritage. I understand that Mark Goodwin is still the chairman of the important committee on fellowship, and as one member of the club I hope that position will be conferred upon him for life. When I think of the good he has done and of the number of letters he must have written by this time assunging the grief of those whose hearts have been pierced I am reminded of that passage of the greatest example of inspired literature in the history of the world, the Sermon on the Mount, where the Master, standing away up there close to God, said:

"Blessed are they that mourn, for they shall be comforted."

I would like to hear Mark Goodwin preach a sermon some time on that wondrously sweet and pathetic text. And what a theme it would be for the Rev. Theodore Tiller!

The Press Club has done many nice things for me, just as it has for its entire circle. It is the greatest body of newspaper men on this planet, but it is more—if is a cooperative union of workers who assist each other in days of sunshine and take good care of those colleagues who stumble on the rocks of affliction. Not long ago I was ill—desperately ill. For four months I tottered around the brink of the grave, and you don't know how good it makes me feel to come back here and find this affectionate reception.

And so, out of the plenitude of experiences, I have come to regard the National Press Club as a great friend. It is a friend, not only when the birds sing and the flowers bloom, and soft winds caress one's brow most soothingly, but it is a friend also, and even more, in storm and stress and in the darkness of the night, and that, I guess, is the reason why I wanted to be your vice president—because I love you so.

CONSENT CALENDAR

Mr. HOWARD. Mr. Speaker, I notice by the calendar for to-day that this is consent and suspension day. I notice also that the House has awarded me 20 minutes to talk this morning. I would like to do this, because I believe I have a real message for the House and for the country, too; but also I am very fond of the fellows here, and in looking over the record I discovered there are 200 bills on the Consent Calendar, and so I can not thrust myself in between the fellows who are so anxious to get their bills passed, and I will let my talk go until some other day. [Laughter and applause.]

The SPEAKER. The Clerk will report the first bill on the Consent Calendar.

The Clerk read as follows:

A bill (H. R. 16744) to authorize a per capita payment from tribal funds to the Fort Hall Indians.

The SPEAKER. Is there objection?

Mr. LAGUARDIA. Reserving the right to object, I would like to ask the gentleman from Montana if this land was taken from the Indians for reservoir purposes by the Government?

Mr. LEAVITT. By the Government.

Mr. LAGUARDIA. And not giving the Indians any benefit of the reservoir or the income? It is not a Government reservoir, is it?

Mr. LEAVITT. The gentleman from Idaho [Mr. SMITH] is more familiar with the facts than I am.

Mr. LAGUARDIA. I will ask the gentleman from Idaho if this reservoir is a Government reservoir or a private undertaking?

Mr. SMITH. It is a Government reservoir and the work is being done by the United States Reclamation Service. A large portion of the money is being contributed by the landowners, but the Government has entire control of the works which are being constructed for the benefit of public land and to furnish a supplemental water supply for patented land.

Mr. LAGUARDIA. It is not a private undertaking?

Mr. SMITH. No.

Mr. LAGUARDIA. The money is held in trust by the Indian Bureau?

Mr. SMITH. It is in the Federal Treasury.

Mr. LAGUARDIA. Is it expected to distribute all of it?

Mr. SMITH. No; only a portion of it is to be distributed among the Indians per capita, the remaining $100,000 will be held in the Treasury for disposition by Congress later.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to withdraw from the Treasury of the United States $400,000 of the fund created by the act of May 9, 1924 (43 Stat. L., p. 118), and now on deposit therein to the credit of the Indians of the Fort Hall Reservation, Idaho, as compensation for their land submerged by the American Falls Reservoir, and to distribute said sum among said Indians equally, share and share alike, under such rules and regulations as he may prescribe.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

WILLIAM C. HARLLEE

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 10485 and agree to the Senate amendment.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

The Clerk read the title to the bill, as follows:

For the relief of William C. Harllee.

The Senate amendment was read.

The Senate amendment was agreed to.

BRIDGE BILLS

Mr. DENISON. Mr. Speaker, I ask unanimous consent that the following bridge bills may be considered as having been called up, read by title, engrossed, read a third time, and passed, and that a motion to reconsider the vote by which each of said bills are passed be laid on the table:

H. R. 16165. A bill granting the consent of Congress to the commissioners of the county of Cook, State of Illinois, to reconstruct the bridge across the Grand Calumet River at Burnham Avenue in said county and State;

H. R. 16649. A bill to extend the time for construction of a bridge across the Susquehanna River in Northumberland and Snyder Counties, Pa.;

H. R. 16652. A bill granting the consent of Congress to the Lawrenceburg (Indiana) Bridge Co., its successors and assigns, to construct, operate, and maintain a bridge across the Miami River between Lawrenceburg, Dearborn County, Ind., and a point in Hamilton County, Ohio, near Columbia Park, Hamilton County, Ohio;

H. R. 17089. A bill relative to the dam across the Kansas (Kaw) River at Lawrence, in Douglas County, Kans.;

S. 5588. An act granting the consent of Congress to the Big Sandy & Cumberland Railroad Co. to construct and maintain and operate a bridge across the Tug Fork of the Big Sandy River at Devon, Mingo County, W. Va.;

S. 5598. An act to extend the time for constructing a bridge across the Ohio River approximately midway between the city of Owensboro, Ky., and Rockport, Ind.;

S. 5620. An act granting the consent of Congress to John R. Scott, Thomas J. Scott, E. E. Green, and Baxter L. Brown, their successors and assigns, to construct, maintain, and operate a bridge across the Mississippi River; and

H. R. 17181. A bill to extend the time for constructing a bridge across the Rainy River, approximately midway between the village of Spooner, in the county of Lake of the Woods, State of Minnesota, and the village of Rainy River, Province of Ontario, Canada.

Mr. NEWTON of Minnesota. Mr. Speaker, I ask that H. R. 17181 be excepted, because a question has arisen as to a date in the bill, which may be incorrect.

The SPEAKER. Without objection, that bill will be excepted.

Mr. CANNON. Mr. Speaker, I ask that S. 5620 be temporarily excluded from the request.

The SPEAKER. Without objection, it will be excluded.

The remaining House bills were ordered to be engrossed and read a third time, were read the third time, and passed, and a motion to reconsider laid on the table. The Senate bills were ordered to be read a third time, were read the third time, and passed, and a motion to reconsider laid on the table.

Mr. DENISON. Mr. Speaker, I now send to the desk a list of bills with amendments, together with a request for unanimous consent.

The Clerk read as follows:

Mr. DENISON asks unanimous consent that the following bridge bills may be considered as having been called up, read by title, the committee amendments agreed to, the bills engrossed, read a third time, and passed, and that a motion to reconsider the vote by which each of said bills was passed was by his motion laid on the table.

H. R. 15822. A bill authorizing the County of Escambia, Fla., and others to acquire all the rights and privileges granted to the Perdido Bay Bridge & Ferry Co. by the act approved June 22, 1916, for the construction of a bridge across Perdido Bay, Ala.;

H. R. 16024. A bill to extend the time for the construction of a bridge across the Arkansas River at or near Dardanelle, Yell County, Ark.;

H. R. 16104. A bill to extend the time for the construction of a bridge across the White River in Barry County, Mo.;

H. R. 16105. A bill to extend the time for constructing a bridge across the White River in Barry County, in the State of Missouri;

H. R. 16770. A bill granting the consent of Congress to the Starr County Bridge Co. to construct and operate a bridge across the Rio Grande River;

H. R. 16773. A bill to extend the time for constructing a bridge across the Ohio River in Beaver County, Pa.;

H. R. 16778. A bill to extend the time for the construction of a bridge across the Mississippi River at Alton, Ill.;

H. R. 16116. A bill granting the consent of Congress to the Henderson Bridge Co. to construct a bridge across the Kanawha River near Henderson, W. Va.;

H. R. 16685. A bill granting the consent of Congress to the Carrollton Bridge Co. to construct and operate a bridge across the Ohio River at Carrollton, Ky.;

H. R. 16889. A bill to extend the time for the construction of a bridge across the Southern Branch of the Elizabeth River at Norfolk, Va.;

S. 5083. An act to extend the time for commencing and completing the construction of a bridge across the Ohio River at Louisville, Ky.;

S. 5596. An act granting the consent of Congress to the Dauphin Island Railway & Harbor Co. to construct and operate a bridge across the waters between the mainland and Dauphin Island, Ala.;

H. R. 16887. A bill granting the consent of Congress to George A. Hero and Allen S. Hackett to construct and operate a bridge across the Mississippi River at New Orleans, La.;

H. R. 16950. A bill granting the consent of Congress to the department of highways and public works of the State of Tennessee to construct and operate a bridge across Clinch River, Tenn.;

H. R. 16954. A bill granting the consent of Congress to the city of Blair, Nebr., to construct and operate a bridge across the Missouri River;

H. R. 16971. A bill granting the consent of Congress to the South Carolina and Georgia State highway departments to construct and operate a bridge across the Savannah River; and

H. R. 17131. A bill authorizing the construction of a bridge across the St. Lawrence River near Alexandria Bay, N. Y.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The amendments to the several bills referred to were agreed to and the House bills ordered to be engrossed and read a third time and passed, and the Senate bills ordered to a third reading and passed.

A motion to reconsider the several votes by which the several bills were passed was laid on the table.

Mr. CANNON. Mr. Speaker, I desire to withdraw my objection to the consideration of the bill S. 5620, which I entered a few moments ago.

Mr. ROWBOTTOM. Mr. Speaker, I object to S. 5620.

The SPEAKER. The Clerk will call the next bill.

TRANSPORTATION OF BLIND PERSONS

The next business on the Consent Calendar was the bill (S. 2615) to authorize common carriers engaged in interstate commerce to transport any blind person, accompanied by a guide, for one fare.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HOOPER. Mr. Speaker, reserving the right to object, is this necessary legislation? Is it merely permissive to common carrier to transport at all under the circumstances?

Mr. NEWTON of Minnesota. Under existing law a common carrier would not be permitted to do the very thing that is desired by this bill. Under existing law it is not possible for a common carrier to provide for the carriage of a blind person and the guide for one fare.

Mr. HOOPER. That would be discrimination under the law?

Mr. NEWTON of Minnesota. That would be discrimination under the provisions of the interstate commerce act.

Mr. HOOPER. Would it not be well to extend the scope of this bill so as to permit the transportation of people who are totally disabled in the same way that the transportation of blind people is sought to be permitted?

Mr. NEWTON of Minnesota. No. The committee considered that question, both the subcommittee and the main committee, and they did not feel it should be extended that far.

Mr. HOOPER. I do not object.

Mr. LAGUARDIA. Does the gentleman intend his measure to apply whether they are financially able to pay their passage or not?

Mr. NEWTON of Minnesota. The provision is permissible and not mandatory upon the carrier. They can grant this permit under such rules and regulations as they may see fit. I will say this, that the committee viewpoint was this: Blindness is a great affliction; they are restricted in opportunities for employment. Among the opportunities for gainful employment are those of a traveling salesman. If they travel they must pay for a guide and for his expenses. Furthermore, there is an advantage to the carriers in that they will not have to assume the same care and responsibility in transporting these people.

Mr. LAGUARDIA. But have cases of traveling salesmen who are blind been brought to the attention of the committee?

Mr. NEWTON of Minnesota. I do not know that the names specifically of traveling salesmen were brought, but members of the committee have personal knowledge of men who are blind who do travel.

Mr. LAGUARDIA. Will the gentleman accept an amendment providing for only the indigent blind?

Mr. NEWTON of Minnesota. No; I do not think an amendment of that kind would be a proper one, and I hope the gentleman will not offer such an amendment.

Mr. BLANTON. Mr. Speaker, I ask for the regular order.

The SPEAKER. The regular order is. Is there objection?

Mr. BEGG. Reserving the right to object, I would like to get a little information. This is merely a bill to help blind people. I would like to ask the gentleman responsible for the bill what is the difference between a blind man and a totally disabled soldier or any other man? So far as I am concerned I can see no difference between them. If the gentleman is willing to accept an amendment putting all unfortunates in the same class, I am willing to let the bill go; otherwise I shall feel constrained——

Mr. NEWTON of Minnesota. I hope the gentleman will not object. In the hearings before the subcommittee there appeared the commander of the World War Blind Veterans of the United States. There were two or three other representatives of blind institutions. I have a letter from Hellen Keller in support of it.

Mr. BEGG. There is not any argument necessary in regard to the question of blindness. But why is a blind man deserving of any more sympathy than a man with both legs off?

Mr. BLANTON. Will the gentleman yield?

Mr. BEGG. If I have the floor, I will yield to the gentleman.

Mr. BLANTON. We have a special select committee here on legislation for World War veterans. That committee can bring in——

Mr. BEGG. Oh, no; they can not; that is out of their province. That belongs to the Interstate Commerce Committee.

Mr. BLANTON. Why can not they bring in any kind of legislation for World War veterans?

Mr. BEGG. No; they can not amend the interstate commerce act.

Mr. BLANTON. We gave that right when we created the committee.

Mr. LAGUARDIA. The gentleman knows well, of course, that this restriction on the railroads was enacted into law by reason of great abuses——

Mr. BEGG. That is correct.

Mr. LAGUARDIA. Does the gentleman want to break through that at this time?

Mr. NEWTON of Minnesota. No; the gentleman does not; but the committee went over the question very carefully, and the committee felt from the number of cases before it in reference to blind men, and so forth, that this could be safely done; but the committee did not go to the extent generally of asking to extend it beyond that, but the committee was clearly of the opinion that if anything of that kind should be done it should be carefully considered itself. I hope the gentleman will not insist upon the inclusion of any provision which would extend the terms of the provisions of this bill, because I could not consent to it myself.

Mr. BEGG. Well, so far as I am concerned, I see no difference between an unfortunate with his legs off and an unfortunate with his eyes out. They are both to be shown every kind of consideration, and if you are going to extend favors to one class, let us do it to all of them.

Mr. BURTNESS. The present law gives a number of exceptions where individuals can be carried under free transportation. The only proposition that was before the committee when it considered this bill was that of carrying the guide for a blind man free, a proposition that certainly is not onesided by any means, because it relieves the railroad corporation of considerable care, risk, and things of that sort. The other question of carrying people without legs, or paralytics, or ill people, or for reasons of that kind, was not before the committee. The committee has not given the consideration to that question sufficient to justify legislation, and surely the House has not sufficient information before it.

Mr. BEGG. They ought to be considered if you are going to open it up.

Mr. BURTNESS. The idea was that each one of these classes ought to stand on its own merits, and if a bill were introduced granting the same kind of favor to guides of those classes of people, that should and would be given consideration. But the gentleman will appreciate the fact that it would be difficult to differentiate between individuals of those classes and draw a line between many cases. Just how helpless should a person be? What would be the exact test? The test is much easier in the case of blind people. This is limited to the totally blind, and for that reason would not be difficult of

administration, whereas the other cases might be most difficult of administration.

The SPEAKER. Is there objection?

Mr. BEGG. I object.

The SPEAKER. Objection is heard.

DATE FOR HOLDING COURT AT MEMPHIS AND JACKSON, TENN.

The next business on the Consent Calendar was the bill (H. R. 14831) to amend section 107 of the Judicial Code.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. HOOPER. Reserving the right to object, Mr. Speaker, I would like to ask the gentleman from Pennsylvania [Mr. GRAHAM] if he would not accept an amendment making it the fourth Monday instead of the first Monday?

Mr. GRAHAM. There will be an amendment offered to correct an error in the bill. In answer to the inquiry of the gentleman from Michigan I will say that I have that before me and will present it when the bill is considered.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the seventh sentence of section 107 of the Judicial Code is amended to read as follows:

"Terms of the district court for the western division of said district shall be held at Memphis on the first Mondays in April and October; and for the eastern division, at Jackson, on the first Mondays in March and September."

Mr. GRAHAM. Mr. Speaker, the amendment is to strike out, on line 8, page 1, the word "first" and insert in lieu thereof the word "fourth."

The SPEAKER. The Clerk will report the amendment offered by the gentleman from Pennsylvania.

The Clerk read as follows:

Amendment offered by Mr. GRAHAM: Line 8, page 1, strike out the word "first" and insert in lieu thereof the word "fourth."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The motion to reconsider the vote whereby the bill was passed was ordered to be laid on the table.

MOTIONS TO SUSPEND THE RULES

The SPEAKER. The Chair desires to announce that at about 3 o'clock he will begin to recognize motions for suspension. There is quite an important bill among them, and the Chair hopes that there will be a quorum present at that time. The Clerk will report the next bill.

DESIGNATION OF DISBURSING OFFICERS

The next business on the Consent Calendar was the bill (H. R. 16655) to authorize the designation of persons to act for disbursing officers and others charged with the disbursement of public moneys of the United States.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. I object.

Mr. GRAHAM. I hope the gentleman will withdraw his objection for a moment and allow an explanation.

Mr. BLANTON. I reserve it.

Mr. GRAHAM. This bill was on the calendar and was passed over on the last consent day. There were several Members who objected on account of the attitude of the surety companies with regard to their position as sureties for these officials. We had conferences in the Committee on the Judiciary with the different representatives of the departments and those who represented the surety companies, and I have received this morning the following letter expressing the views of the Treasury Department and surety companies:

Just a line to let you know that we have reached an agreement with Mr. Bond, representing the surety companies, on H. R. 16655. I am inclosing herewith a copy of the bill amended in accordance with our understanding with Mr. Bond, which, I trust, will be satisfactory to you and to the committee. It will be important, of course, to let Members of the House know that the proposed amendments are satisfactory to the surety companies as well as to us.

Sincerely yours,

OGDEN L. MILLS.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. GRAHAM. Yes.

Mr. BLANTON. The gentleman probably has found out that there is a disposition on the part of various bureau chiefs to have some one else do their work for them in practically every department of the Government. If you try to ring up and get a chief of a bureau in any of the departments this afternoon, you will probably find only about half of them in. This is just another effort to shirk work and have a sub do the work. There ought to be responsibility connected with all disbursing officers.

Mr. GRAHAM. Truly. That is exactly the point considered in the conference, the question of responsibility.

Mr. BLANTON. Instead of centralizing responsibility you are decentralizing it in this bill.

Mr. GRAHAM. No; pardon me.

Mr. GARNER of Texas. Will the gentleman yield?

Mr. GRAHAM. Yes.

Mr. GARNER of Texas. There has been so much confusion that I could not understand. Do I understand you as saying this is satisfactory to all the parties?

Mr. GRAHAM. Yes, sir; everybody.

Mr. GARNER of Texas. And that letter is signed by OGDEN L. MILLS?

Mr. GRAHAM. It is. Now, answering my friend from Texas, I would like to say that I wanted the views of the Treasury as well as others interested.

Mr. BLANTON. Mr. MILLS will probably be here to vote on this bill.

Mr. GRAHAM. Will the gentleman permit me to answer his question?

Mr. BLANTON. Certainly; but what is in my mind is that some one is seeking to shirk work.

Mr. GRAHAM. I think that can be removed for the reason that——

Mr. BLANTON. I intend to object, and my colleagues here are insisting I object now. I intend to object, because I do not believe in the policy. I object, Mr. Speaker.

Mr. CHINDBLOM. Will the gentleman reserve his objection for a moment, in view of the question asked by the gentleman from Texas [Mr. GARNER] in reference to this communication?

Mr. BLANTON. That political question can be determined later.

Mr. CHINDBLOM. It is a personal letter addressed to Mr. GRAHAM.

Mr. BLANTON. I object, Mr. Speaker.

WOOL STANDARDS

The next business on the Consent Calendar was the bill (H. R. 15476) to authorize the appropriation for use by the Secretary of Agriculture of certain funds for wool standards, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, who has charge of this bill, may I inquire? Inasmuch as no one seems to be in charge of the bill, I ask that it be passed over without prejudice.

The SPEAKER. The gentleman from New York asks unanimous consent that this bill may be passed over without prejudice. Is there objection?

There was no objection.

UNITED STATES COTTON FUTURES ACT

The next business on the Consent Calendar was the bill (H. R. 16470) to amend and reenact an act entitled "United States cotton futures act," approved August 11, 1916, as amended.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BEGG. Mr. Speaker, reserving the right to object, I should like to have some information about the bill in question. When does the cotton futures act expire?

Mr. O'CONNOR of Louisiana. The act has no definite date for its expiration. It is like all other acts. Some contracts, however, made under it may run, as I understand it, until 1932.

Mr. BEGG. It does not expire until 1932?

Mr. O'CONNOR of Louisiana. I do not think there is any expiration or limitation as to how it shall run. Some contracts may not be executory, as I explained already, for some time.

Mr. BEGG. The machinery provided in the farm relief bill that was passed the other day, if it becomes a law, will do exactly the same work that is being done here, will it not?

Mr. O'CONNOR of Louisiana. No; I do not think so.

Mr. BEGG. It has exactly the same purpose.

Mr. O'CONNOR of Louisiana. No. They are totally different in purpose and effect.

Mr. BEGG. The point I want to submit to the gentleman is that nothing will suffer if this is passed over until the next Congress, nothing at all, and if the farm relief bill becomes a law there will not be any need for this legislation. If it does not become a law the gentleman will have plenty of time before 1932 to pass it.

Mr. O'CONNOR of Louisiana. I hope the gentleman will not press that objection, because the bill is for the purpose of establishing uniformity between the future markets of New York, Chicago, and New Orleans. It has been urged by the representatives of the New Orleans market really for the purpose of promoting uniformity in future trading, and because our cotton people felt a desire to be in accord with the Department of Agriculture.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. O'CONNOR of Louisiana. Yes.

Mr. LAGUARDIA. Is this for the benefit of actual sales and purchases or is it intended for the benefit of ticker speculators?

Mr. O'CONNOR of Louisiana. It is for the benefit of the producers and applies to sales and purchases.

Mr. LAGUARDIA. It applies to bona fide, actual sales and the physical delivery of cotton?

Mr. O'CONNOR of Louisiana. Unquestionably.

Mr. LAGUARDIA. There is no doubt about that?

Mr. O'CONNOR of Louisiana. There is no doubt in the world about that. And if I am given the time and permitted to do so, I will fully explain the matter so as to relieve from your minds any doubts you may have on the subject.

Mr. HOOPER. Mr. Speaker, under the circumstances, I am forced to object.

ISOLATED TRACTS OF PUBLIC LAND

The next business on the Consent Calendar was the bill (H. R. 16110) to amend section 2455 of the Revised Statutes of the United States, as amended, relating to isolated tracts of public land.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2455 of the Revised Statutes of the United States, as amended, be, and is hereby, amended to read as follows:

"SEC. 2455. It shall be lawful for the Secretary of the Interior to order into market and sell at public auction, at the land office of the district in which the land is situated, for not less than $1.25 an acre, any isolated or disconnected tract or parcel of the public domain not exceeding 320 acres which, in his judgment, it would be proper to expose for sale, after at least 30 days' notice by the land office of the district in which such land may be situated: *Provided*, That any legal subdivisions of the public land, not exceeding 160 acres, the greater part of which is mountainous or too rough for cultivation, may, in the discretion of the said Secretary, be ordered into the market and sold pursuant to this act upon the application of any person who owns lands or holds a valid entry of lands adjoining such tract, regardless of the fact that such tract may be not be isolated or disconnected within the meaning of this act: *Provided further*, That this act shall not defeat any vested right which has already attached under any pending entry or location."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

CANCELLATION OF PATENTS IN FEE SIMPLE TO INDIANS FOR ALLOTMENTS HELD IN TRUST BY UNITED STATES

The next business on the Consent Calendar was the bill (S. 2714) to authorize the cancellation; under certain conditions, of patents in fee simple to Indians for allotments held in trust by the United States.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized, in his discretion, to cancel any patent in fee simple issued to an Indian allottee or to his heirs before the end of the period of trust described in the original or trust patent issued to such allottee, or before the expiration of any extension of such period of trust by the President, where such patent in fee simple was issued without the consent or an application therefor by the allottee or by his heirs: *Provided*, That the patentee has not mortgaged or sold any part of the land described in such patent: *Provided also*, That upon cancellation of such patent in fee simple the land shall have the same status as though such fee patent had never been issued.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

STEEL RAILWAY POST-OFFICE CARS

The next business on the Consent Calendar was the bill (H. R. 4475) to provide for steel cars in the railway post-office service.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. Reserving the right to object, Mr. Speaker——

Mr. JOHNSON of Washington. I object, Mr. Speaker.

PENALTIES FOR ESCAPING FROM FEDERAL PENAL AND CORRECTIONAL INSTITUTIONS

The next business on the Consent Calendar was the bill (H. R. 15975) providing for the punishment of persons escaping from Federal penal or correctional institutions, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BOYLAN. I object, Mr. Speaker.

Mr. GRAHAM. Mr. Speaker——

Mr. BOYLAN. I want time to study this bill. I do not care to withdraw my objection now. I object, Mr. Speaker.

RETIREMENT OF EMPLOYEES IN THE CLASSIFIED CIVIL SERVICE

The next business on the Consent Calendar was the bill (H. R. 13477) to amend the act entitled "An act to amend the act entitled 'An act for the retirement of employees in the classified civil service, and for other purposes,' approved May 22, 1920, and acts in amendment thereof," approved July 3, 1926, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from New Jersey whether striking out the words "for a two-year term," in section 2, means that when an employee has arrived at the retirement age and is held, he is held indefinitely, or does the two-year term provision still continue?

Mr. LEHLBACH. It is impossible to hold an employee indefinitely after he has arrived at the retirement age. The law provides that he must be automatically retired or get an extension for a two-year period, which from time to time may be renewed. The words, therefore, were superfluous in the original bill and might lead to a misconstruction by limiting the provisions of the section to those who have only had one two-year extension instead of several two-year extensions, and to clarify the language these words were omitted.

Mr. LAGUARDIA. And the existing provision remains for a two-year period?

Mr. LEHLBACH. Yes.

Mr. LAGUARDIA. I have no objection.

Mr. HUDSPETH. Is this the bill which was considered by the gentleman's committee a few weeks ago and upon which I appeared before the gentleman's committee?

Mr. LEHLBACH. It is.

Mr. HUDSPETH. This is a good bill, and it ought to pass.

Mr. LINTHICUM. Is it the bill I talked to the gentleman about some time ago in reference to securing certain extensions where they were not secured in time?

Mr. LEHLBACH. Yes.

Mr. LINTHICUM. Then it is a good bill.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to amend the act entitled 'An act for the retirement of employees in the classified civil service, and for other purposes,' approved May 22, 1920, and acts in amendment thereof," approved July 3, 1926, be, and the same is hereby, amended as follows:

In section 2 of said act, after the words "provided that if," in the first paragraph of said section, strike out the words "not less than 30 days before the arrival of an employee at the age of retirement."

SEC. 2. In all cases where an employee has heretofore been continued in service for a two-year term subsequent to having arrived at

the age of retirement, such continuation shall for all purposes be deemed valid, notwithstanding the time at which the certifications provided in section 2 of the act hereby amended were made.

With the following committee amendments:

Page 2, line 6, after the word "service," strike out the words "for a two-year term"; and in line 9, page 2, after the word "certifications," insert the words "by the head of the departments and the Civil Service Commission."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

ADDITIONAL DISTRICT FOR NORTH CAROLINA

The next business on the Consent Calendar was the bill (S. 2849) to provide for an additional Federal district for North Carolina.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, reserving the right to object——

Mr. BULWINKLE. Mr. Speaker, I hope the gentleman will not object.

Mr. BLANTON. Mr. Speaker, there are a number of these bills creating additional judges, although this particular one creates a new district.

Mr. GRAHAM. No; there are not a number of them.

Mr. BLANTON. Well, there are quite a number of such bills providing additional Federal judges. The gentleman from Iowa [Mr. GREEN] the other day was very insistent on his bill for an additional judge out in Iowa. It just so happened that at that very time the other Federal judge out in Iowa, the one who was not sick, was in Washington, and I am advised by reliable authority that he stated while he was here that he would not have one single thing to do from now until April 1; not one thing.

Mr. LAGUARDIA. And if the gentleman will yield, it was stated he was desperately ill.

Mr. BLANTON. No; I am referring to the other judge. There are two judges out there. The one who was not ill was here, and I am reliably informed that while here he stated to a prominent Iowa citizen that he did not have a thing to do and would not have anything to do until April 1, and later he will have a vacation of three months in the summer time. The docket of this judge is now practically clear. He has not a thing to do. Why does he not get busy and go over into the other Iowa district and clean up the other docket for the judge who is sick? I imagine there may be a condition very much like this down in North Carolina.

Mr. BULWINKLE. If the gentleman will permit, I will state that his imagination is entirely wrong.

Mr. BLANTON. How many months' vacation each year do these judges take in the summer time?

Mr. BULWINKLE. Yates Webb, who was formerly a Member of Congress and who is now a judge in North Carolina, tries more cases than any single judge in the United States.

Mr. BLANTON. But the gentleman does not answer my question. How many months' vacation in the summer time does Yates Webb take?

Mr. BULWINKLE. I do not know of a single month he takes.

Mr. BLANTON. Does the gentleman know he does not take three months?

Mr. WEAVER. He does not. I know that.

Mr. BLANTON. I am not going to object to this North Carolina bill. If the steering committee of the House wants to create these new districts and create these additional Federal judges, all right; but I am going to object to these other bills here where additional judges not now needed are being asked for.

Mr. GRAHAM. Will the gentleman yield for just a short statement?

Mr. BLANTON. Certainly.

Mr. GRAHAM. The delegation from North Carolina had considerable difficulty over this matter as to whether they would ask for an additional judge or an additional district. I would like to say that the delegation, senatorial and representative, are a unit in asking for it. We have a letter from our old friend, a former chairman of our committee, Judge Webb, telling in almost pathetic terms of the necessity for the creation of this district.

Mr. BLANTON. That is the only thing that leads me to make no objection. I know Judge Webb and I know he is an industrious man.

Mr. WEAVER. Mr. Speaker, I wish to put in a letter here from Judge Waddill, senior circuit judge of the United States court of appeals, as to the necessity of this district.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The letter is as follows:

UNITED STATES CIRCUIT COURT OF APPEALS,
FOURTH JUDICIAL CIRCUIT,
Richmond, Va., January 26, 1927.

Hon. GEORGE S. GRAHAM,
Chairman Judiciary Committee,
House of Representatives, Washington, D. C.

MY DEAR JUDGE: I trust that you will pardon me for bringing to your attention the pending bill for the creation of a new judicial district in North Carolina.

The bill has twice passed the Senate and received the favorable report of your committee, as I understand, and has the indorsement of the bar and the public generally in the State of North Carolina.

It is of the utmost importance, by reason of the accumulation of work in that State and the fact that it is impossible for the two district judges to keep up the same, that relief should be afforded without delay. My purpose in writing you especially is to urge that the pending bill now on the House calendar, having passed the Senate, be taken up at the earliest moment. Having regard to the urgency of the measure and the hazard incident to securing unanimous consent, I beg that you will consider the desirability of taking up the matter under a special rule; and unless it is entirely against your judgment to do so, that you will take this action. The courts of this circuit are very much interested in this measure, and it is of the utmost importance to the public, the two district judges, and especially to Judge Webb, who simply can not carry the burden of doing the whole work of his district any longer.

I have the honor to be, yours very truly,

EDMUND WADDILL, Jr.,
Senior Circuit Judge.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 98 of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, as amended by the act of October 7, 1914, be, and the same is hereby, amended to read as follows:

SEC. 98. The State of North Carolina is divided into three districts to be known as the eastern, the middle, and the western districts of North Carolina.

The eastern district shall include the territory embraced on the 1st day of January, 1926, in the counties of Beaufort, Bertie, Bladen, Brunswick, Camden, Carteret, Chowan, Columbus, Craven, Cumberland, Currtiuck, Dare, Duplin, Edgecombe, Franklin, Gates, Greene, Halifax, Harnett, Hartford, Hoke, Hyde, Johnston, Jones, Lenoir, Martin, Nash, New Hanover, Northampton, Onslow, Pamlico, Pasquotank, Pender, Perquimans, Pitt, Robeson, Sampson, Scotland, Tyrrell, Wake, Washington, Warren, Wayne, and Wilson.

Terms of the district court for the eastern district shall be held at Raleigh on the fourth Mondays after the fourth Monday in April and October and a two weeks' civil term beginning on the second Monday in March; at Wilson on the first Mondays in April and October; at Elizabeth City on the second Mondays in April and October; at Washington on the third Mondays in April and October; at New Bern on the fourth Mondays in April and October; at Fayetteville on the fourth Mondays in March and September; and at Wilmington on the second Mondays after the fourth Monday in April and October: *Provided*, That the city of Wilson shall provide and furnish at its own expenses a suitable and convenient place for holding the district court. The clerk of the court for the eastern district shall maintain an office in charge of himself or deputy at Raleigh, at Wilmington, at New Bern, at Elizabeth City, at Washington, at Fayetteville, and at Wilson, which shall be kept open at all times for the transaction of the business of the court.

The middle district shall include the territory embraced on the 1st day of January, 1926, in the counties of Alamance, Alleghany, Ashe, Cabarrus, Caswell, Chatham, Davidson, Davie, Durham, Forsyth, Granville, Guilford, Lee, Montgomery, Moore, Orange, Person, Randolph, Richmond, Rockingham, Rowan, Stanly, Stokes, Surry, Vance, Watauga, Wilkes, and Yadkin.

The terms of the district court for the middle district shall be held at Rockingham on the first Mondays in April and October, at Durham on the first Mondays in March and September; at Salisbury on the third Mondays in April and October; at Winston-Salem on the first Mondays in May and November; at Greensboro on the first Mondays in June and December; and at Wilkesboro on the third Mondays in May and November: *Provided*, That the cities of Winston-Salem,

Rockingham, and Durham shall each provide and furnish at its own expense a suitable and convenient place for holding the district court. The clerk of the court for the middle district shall maintain an office in charge of himself or deputy at Durham, Winston-Salem, Greensboro, Wilkesboro, and at Salisbury, which shall be kept open at all times for the transaction of the business of the court.

The western district shall include the territory embraced on the 1st day of January, 1926, in the counties of Alexander, Anson, Avery, Buncombe, Burke, Caldwell, Catawba, Cherokee, Clay, Cleveland, Gaston, Graham, Haywood, Henderson, Iredell, Jackson, Lincoln, Madison, Macon, McDowell, Mecklenburg, Mitchell, Polk, Rutherford, Swain, Transylvania, and Yancey.

Terms of the district court for the western district shall be held in Charlotte on the first Mondays in April and October; at Shelby on the fourth Monday in September and third Monday in March; at Statesville on the fourth Mondays in April and October; and at Asheville on the second Mondays in May and November: *Provided*, That the city of Shelby shall provide and furnish at its own expense a suitable and convenient place for holding the court at Shelby. The clerk of the court for the western district shall maintain an office, in charge of himself or deputy, at Charlotte, at Asheville, at Statesville, and at Shelby, which shall be kept open at all times for the transaction of the business of the court.

That there shall be a judge and a district attorney appointed for the said middle district in the manner now provided by law, who shall receive the same salaries now provided by law for the judges and district attorneys of the eastern and western districts, and a marshal, clerk, and other officers in the manner and at the salaries now provided by law.

That all causes in the said middle district in equity, bankruptcy, or admiralty, in which orders and decrees have already been made and which are now in process of trial, shall continue and remain subject to the jurisdiction of the judge of that district by whom the same shall have been made and before whom the same shall have been partially tried and determined.

With the following committee amendments:

Page 2, line 1, after the word "Brunswick," insert the word "Durham."

Page 2, line 3, after the word "Gates," insert the word "Granville."

Page 2, line 4, after the word "Hertford," strike out the word "Hoke."

Page 2, line 7, after the word "Tyrrell," insert the word "Vance."

Page 3, line 6, after the word "Davie," strike out the word "Durham."

Page 3, line 6, after the word "Forsyth," strike out the word "Granville."

Page 3, line 6, after the word "Guilford," insert the word "Hoke."

Page 3, line 8, after the word "Surry," strike out the word "Vance."

Page 3, lines 11 and 12, after the word "Rockingham," strike out the words "on the first Mondays in April and October at Durham."

Page 3, line 18, after the word "Winston-Salem," strike out the comma and insert the word "and."

Page 3, line 18, after the word "Rockingham," strike out the comma and the words "and Durham."

Page 3, line 22, after the word "at," strike out the word "Durham" and insert the word "Rockingham."

Pages 4 and 5, strike out the paragraph commencing on line 21 on page 4 and ending on line 2 on page 5 and insert:

"That there shall be a judge appointed for the said middle district in the manner now provided by law who shall receive the salary provided by law for the judges of the eastern and western districts, and a district attorney, marshal, clerk, and other officers in the manner and at the salary now provided by law."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

EXTENDING THE HOMESTEAD LAW AND PROVIDING FOR RIGHT OF WAY FOR RAILROADS IN THE DISTRICT OF ALASKA

The next business on the Consent Calendar was the bill (H. R. 15650) to amend section 10 of the act entitled "An act extending the homestead laws and providing for right of way for railroads in the District of Alaska, and for other purposes," approved May 14, 1898 (30 Stat. L. p. 409).

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 10 of the act entitled "An act extending the homestead laws and providing for right of way for railroads in the District of Alaska, and for other purposes," approved May 14, 1898 (30 Stat. L. p. 409), be, and the same is hereby, amended by adding thereto the following: "*And provided further*, That any citizen of the United States employed by citizens of the United States, associations of such citizens, or by corporations organized under the laws of the United States, or of any State or Territory, whose employer is engaged in trade, manufacture, or other productive industry, and any citizen of the United States who is himself engaged in trade, manufacture, or other productive industry, may purchase one claim, not exceeding 5 acres, of unreserved public lands in Alaska as a homestead or headquarters, under rules and regulations to be prescribed by the Secretary of the Interior, upon payment of $2.50 per acre."

With the following committee amendments:

Page 1, line 8, after the word "following," insert "after the word 'otherwise,' in line 14 of the section."

Strike out the words "*And provided further*" and insert the word "*Provided*."

The committee amendments were agreed to.

Mr. ARENTZ. Mr. Speaker, I offer the following amendments:

The Clerk read as follows:

Page 2, line 2, after the words "United States," insert "21 years of age." In line 7, page 2, after the words "United States," insert "21 years of age." Line 9, after the word "lands," insert a comma and the words "such tract of land not to include minerals, coal, oil, or gas lands."

The amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

TO ESTABLISH A DAIRYING AND LIVESTOCK EXPERIMENT STATION AT COLUMBIA, S. C.

The next bill on the Consent Calendar was the bill (H. R. 7266) to provide for the establishment of a dairying and livestock experiment station at or near Columbia, S. C.

The Clerk read the title to the bill.

The SPEAKER. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, there being no one interested in the bill at present, I ask that it be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

AMEND STATUTES AS TO PROCEDURE IN PATENT OFFICE AND COURTS

The next business on the Consent Calendar was the bill (H. R. 13487) amending the statutes of the United States as to procedure in the Patent Office and in the courts with regard to the granting of letters patent for inventions and with regard to interfering patents.

The Clerk read the title to the bill.

The SPEAKER. Is there objection?

Mr. VESTAL. Mr. Speaker, I ask unanimous consent to substitute the bill S. 4812 for the House bill.

Mr. NEWTON of Minnesota. Reserving the right to object and I shall not object, I understand the Senate bill is identical with the House bill as reported out of the committee of which the gentleman from Indiana is chairman, and embodies the idea that the Committee on Patents of the House has been working on for a good many months.

Mr. VESTAL. I will say that this bill has been under consideration for some time and after it was amended by the House Patents Committee it was introduced in the Senate embodying the House amendment, and the Senate bill is exactly like the House bill as agreed upon.

Mr. BLANTON. Reserving the right to object, is this bill that the gentleman is seeking to substitute identical with the House bill?

Mr. VESTAL. Absolutely.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the Senate bill 4812, as follows:

[S. 4812, 69th Cong., 2d sess.]

An act amending the statutes of the United States as to procedure in the Patent Office and in the courts with regard to the granting of letters patent for inventions and with regard to interfering patents.

Be it enacted, etc., That section 4894 of the Revised Statutes of the United States be amended by striking out the words "one year" wherever they appear and substituting therefor the words "six months."

SEC. 2. That section 4897 of the Revised Statutes of the United States be amended by striking out the words "two years" wherever they appear and substituting therefor the words "one year," and by striking out the words "And upon the hearing of renewed applications preferred under this section, abandonment shall be considered as a question of fact."

SEC. 3. That section 482 of the Revised Statutes of the United States be amended to read as follows:

"SEC. 482. The examiners in chief shall be persons of competent legal knowledge and scientific ability. The Commissioner of Patents, the first assistant commissioner, the assistant commissioner, and the examiners in chief shall constitute a board of appeals, whose duty it shall be, on written petition of the appellant, to review and determine upon the validity of the adverse decisions of examiners upon applications for patents and for reissues of patents and in interference cases. Each appeal shall be heard by at least three members of the board of appeals, the members hearing such appeal to be designated by the commissioner. The board of appeals shall have sole power to grant rehearings."

SEC. 4. That section 4904 of the Revised Statutes of the United States be amended by striking out from the last sentence thereof the words "or of the board of examiners in chief, as the case may be."

SEC. 5. That section 4909 of the Revised Statutes of the United States be amended by striking out the words "board of examiners in chief" and substituting therefor the words "board of appeals."

SEC. 6. That section 4910 of the Revised Statutes of the United States be, and the same is hereby, repealed.

SEC. 7. That section 9 of the act of February 9, 1893, entitled "An act to establish a court of appeals for the District of Columbia, and for other purposes" (27 Stats. L. p. 434), be, and the same is hereby, repealed.

SEC. 8. That section 4911 of the Revised Statutes of the United States be amended to read as follows:

"SEC. 4911. If any applicant is dissatisfied with the decision of the board of appeals, he may appeal to the Court of Appeals of the District of Columbia, in which case he waives his right to proceed under section 4915 of the Revised Statutes. If any party to an interference is dissatisfied with the decision of the board of appeals, he may appeal to the Court of Appeals of the District of Columbia, provided that such appeal shall be dismissed if any adverse party to such interference shall, within 20 days after the appellant shall have filed notice of appeal according to section 4912 of the Revised Statutes, file notice with the Commissioner of Patents that he elects to have all further proceedings conducted as provided in section 4915 of the Revised Statutes. Thereupon the appellant shall have 30 days thereafter within which to file a bill in equity under said section 4915, in default of which the decisions appealed from shall govern the further proceedings in the case. If the appellant shall file such bill within said 30 days and shall file due proof thereof with the Commissioner of Patents, the issue of a patent to the party awarded priority by said board of appeals shall be withheld pending the final determination of said proceeding under said section 4915."

SEC. 9. That section 4912 of the Revised Statutes of the United States be amended by striking out the words "Supreme Court of the District of Columbia" and substituting therefor the words "Court of Appeals of the District of Columbia."

SEC. 10. That section 4913 of the Revised Statutes of the United States be amended by striking out the words "And at the request of any party interested, or of the court, the commissioner and the examiners may be examined under oath in explanation of the principles of the thing for which a patent is demanded."

SEC. 11. That section 4915 of the Revised Statutes of the United States be amended to read as follows:

"SEC. 4915. Whenever a patent on application is refused by the Commissioner of Patents, the applicant, unless appeal has been taken from the decision of the board of appeals to the Court of Appeals of the District of Columbia, and such appeal is pending or has been decided, in which case no action may be brought under this section, may have remedy by bill in equity, if filed within six months after such refusal; and the court having cognizance thereof, on notice to adverse parties and other due proceedings had, may adjudge that such applicant is entitled, according to law, to receive a patent for his invention, as specified in his claim or for any part thereof, as the facts in the case may appear. And such adjudication, if it be in favor of the right of the applicant, shall authorize the commissioner to issue such patent on the applicant filing in the Patent Office a copy of the adjudication and otherwise complying with the requirements of law. In all cases where there is no opposing party a copy of the bill shall be served on the commissioner; and all the expenses of the proceedings shall be paid by the applicant, whether the final decision is in his favor or not. In all suits brought hereunder where there are adverse parties the record in the Patent Office shall be admitted in whole or in part, on motion of either party, subject to such terms and conditions as to costs, expenses, and the further cross-examination of the witnesses as the court may impose, without prejudice, however, to the right of the parties to take further testimony. The testimony and exhibits, or parts thereof, of the record in the Patent Office when admitted shall have the same force and effect as if originally taken and produced in the suit.

SEC. 12. That section 4918 of the Revised Statutes of the United States be amended to change the phrase "may adjudge and declare either of the patents void in whole or in part" to read as follows: "may adjudge and declare either or both of the patents void in whole or in part, upon any ground."

SEC. 13. That section 4934 of the Revised Statutes of the United States be amended by striking out the following words: "On an appeal for the first time from the primary examiners to the examiners in chief, $10. On every appeal from the examiners in chief to the commissioner, $20," and substituting therefor the words "on an appeal for the first time from the primary examiners to the board of appeals, $15. On every appeal from the examiner of interferences to the board of appeals, $25."

SEC. 14. That where the day, or the last day, fixed by statute for taking any action or paying any fee in the United States Patent Office falls on Sunday, or on a holiday within the District of Columbia, the action may be taken, or the fee paid, on the next succeeding secular or business day.

SEC. 15. That this act shall take effect two months after its approval; but it shall not affect appeals then pending and heard before the examiners in chief or pending before the Commissioner of Patents or in the Court of Appeals of the District of Columbia, and that in all cases in which the time for appeal from a decision of the examiners in chief or of the Commissioner of Patents or for amendment or renewal of application had not expired at the time this act takes effect, appeals and other proceedings may be taken under the statutes in force at the time of approval of this act as if such statutes had not been amended or repealed.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The House bill H. R. 13487 was laid on the table.

APPEAL IN PATENT SUITS

The next business on the Consent Calendar was the bill (H. R. 11840) to amend section 129 of the Judicial Code, allowing an appeal in a patent suit from a decree which is final except for the ordering of an accounting.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. VESTAL. Mr. Speaker, I ask unanimous consent to substitute for the House bill the bill S. 4957, on the Speaker's desk.

The SPEAKER. The gentleman from Indiana asks unanimous consent to substitute a similar Senate bill, on the Speaker's desk, for the House bill. Is there objection?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That when in any suit in equity for the infringement of letters patent for inventions, a decree is rendered which is final except for the ordering of an accounting, an appeal may be taken from such decree to the circuit court of appeals: *Provided*, That such appeal be taken within 30 days from the entry of such decree or from the date of this act; and the proceedings upon the accounting in the court below shall not be stayed unless so ordered by that court during the pendency of such appeal.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

The bill H. R. 11840 was laid on the table.

INDIAN WAR PENSION BILL

The next business on the Consent Calendar was the bill (H. R. 12532) granting pensions to certain soldiers who served in the Indian wars from 1817 to 1898, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I have an amendment which I desire to suggest to the bill which I think in all fairness ought to be adopted. Before I do that I ask the gentleman why the bill provides for the minor children of these veterans. It seems to me that a man who fought in the Indian wars of 1859 would not be likely to have many minor children at this time. The amendment which I offer would be, on page 1, lines 7 and 8, to add, in describing the veterans entitled to this pension, the words "and engaged in battle or actual combat in."

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. BLANTON. Are not the minor children of those who served faithfully and bravely in our Indian wars entitled to the same consideration as are the minor children of veterans who served in the Civil War?

Mr. LAGUARDIA. I am not pressing the minor-children matter at all.

Mr. BLANTON. Very well. With regard to the other matter, suppose one of these Indian fighters was kept at the barracks to defend the barracks and the provisions and supplies, while the others were out in battle; and while actually engaged in no battles, yet the man stayed there and risked his life every day protecting the supplies. Would he not be entitled to as much consideration as the others? Under the gentleman's amendment there would not be any pension granted in all probability to those who protected camps and supplies, because the Comptroller General would hold them all down.

Mr. LAGUARDIA. Why?

Mr. BLANTON. Because he would.

Mr. LAGUARDIA. Oh, the gentleman is not justified in making that statement.

Mr. BLANTON. And where would any of them get the eye-witnesses to battles? If they were mustered into the service and out of the service, that ought to be sufficient.

Mr. LAGUARDIA. If they have the record to show that a man was in the service at the time, if they have the record to show where he was——

Mr. BLANTON. Oh, those old Indian records do not show r" that. They only show where a man was mustered in and that he was mustered out.

Mr. NEWTON of Minnesota. They did not even have an adjutant.

Mr. LEATHERWOOD. Mr. Speaker, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. LEATHERWOOD. I trust my friend from New York will not insist upon his amendment. It would be a very unjust amendment in this kind of a bill. We have to consider the nature of the fighting these men did. Let me illustrate to the gentleman an actual occurrence.

Mr. BLACK of Texas. Mr. Speaker, I do not think any of these pension bills ought to be passed by unanimous consent. I understand that this is scheduled to come up under suspension of the rules in any event to-day.

Mr. BLANTON. That is about the same situation. Why not let it be passed now?

Mr. BLACK of Texas. I think we can have a better explanation of it under suspension of the rules.

Mr. LEATHERWOOD. Mr. Speaker, I trust the gentleman will withhold his objection. I think we can save time and clear this up just as well as we can later in the day. I trust the gentleman will not object, because this is the first bill of its kind that has done justice to the gentleman's State.

Mr. HOOPER. Does the Department of the Interior recommend this legislation?

Mr. LEATHERWOOD. Yes. I was about to illustrate to the gentleman from New York why his amendment ought not to be adopted. In the early seventies a company of United States troops fought their way to near Cheyenne, Wyo. Part of the company went out and fought a battle 40 miles out from Cheyenne, and the rest of it remained near Cheyenne and guarded the supply train. They did some skirmishing. The man who stood and guarded the supply train was in just as much danger, perhaps, as the man who went out into the engagement, but he is prohibited under existing law from getting a pension, and so it would be if the gentleman's amendment went into the bill. These fights were running skirmishes usually, and the men on the skirmish line were exposed to all of the dangers and hazards.

Mr. LAGUARDIA. If a man were on the skirmish line he would be in combat.

Mr. BLANTON. Men guarded supplies sometimes for 24 hours at a stretch.

Mr. LAGUARDIA. On page 5 of the report I find the following:

1892–1896: Troubles with renegade Apache Indians, under Kidd and Massai, in Arizona and Mexican border.

I was at the post. We were not in any danger. I remember they sent out a couple of companies. We were not in any danger and I was at the post.

Mr. BLANTON. The gentleman is speaking about one thing and this bill is about another.

Mr. LEATHERWOOD. This would be most unjust to set up a different standard here from all other pension legislation. It would create a different standard in reference to these pensions and be against these helpless men and women.

Mr. LAGUARDIA. 1892–1896, in the Apache trouble, there were four companies at Fort Apache and Huachuca. All the rest of us remained at the barracks. We were not in any danger. Let us be perfectly fair.

Mr. BLANTON. Does the gentleman, in counting up the ones now drawing pensions and the ones entitled to under this bill, appreciate that there are only 7,000 left all together?

Mr. LEATHERWOOD. Only 3,875 survivors are now on the pension roll.

Mr. LAGUARDIA. I would not object if these men were in the early campaigns, but it is these later ones, 1892, 1895, 1898. They were not serious campaigns. Let us be frank about it.

Mr. LEAVITT. Here is this distinction——

Mr. BLANTON. Let it go by.

Mr. LAGUARDIA. I withdraw the objection, but it is a bad bill.

The Clerk read as follows:

Be it enacted, etc., That any person who served 30 days or more in any military organization, whether such person was regularly mustered into the service of the United States or not, but whose service was under the authority or by the approval of the United States or any State or Territory in any Indian war or campaign, or in connection with, or in the zone of any active Indian hostilities in any of the States or Territories of the United States from January 1, 1859, to December 31, 1898, inclusive, and who is now or who may hereafter be suffering from any mental or physical disability or disabilities of a permanent character, not the result of his own vicious habits, which so incapacitate him for the performance of manual labor as to render him unable to earn a support, shall, upon making due proof of the fact, according to such rules and regulations as the Secretary of the Interior may provide, be placed upon the pension roll of the United States and be entitled to receive pension not exceeding $50 per month and not less than $20 per month, proportionate to the degree of inability to earn a support; and in determining such inability each and every infirmity shall be duly considered and the aggregate of the disabilities shown shall be rated, and such pension shall commence from the date of filing of the application in the Bureau of Pensions, after the passage of this act, upon proof that the disability or disabilities then existed, and shall continue during the existence thereof: *Provided*, That any such person who has reached the age of 62 years shall, upon making proof of such fact, be placed upon the pension roll and entitled to receive a pension of $20 per month; in case such person has reached the age of 68 years, $30 per month; in case such person has reached the age of 72 years, $40 per month; and in case such person has reached the age of 75 years, $50 per month.

SEC. 2. If any person who rendered service as described in section 1 of this act or who died in service irrespective of length of service, has since died, or shall hereafter die, leaving a widow, or minor children under the age of 16 years, such widow shall, upon due proof of her husband's death, without proving his death to be the result of his military service, be placed on the pension roll from the date of filing the application therefor under this act, at the rate of $30 per month during her widowhood, and shall also be paid $6 per month for each child of such person under 16 years of age, and in case there be no widow, or one not entitled to pension, and in the event of the death, remarriage, or forfeiture of title of the widow, the child or children under 16 years of age of the soldier shall be paid such pension until the age of 16 years, said pension, if there be no widow entitled, to commence from the date of filing application therefor after the passage of this act, and in the event of the death, remarriage, or forfeiture of title by the widow the pension to continue to the minor children from the date of such death, remarriage, or forfeiture of title: *Provided*, That in case a minor child is insane, idiotic, or otherwise permanently helpless, the pension shall continue during the life of said child, or during the period of such disability, and such pension shall commence from the date of filing application therefor after the passage of this act: *Provided further*, That said widow shall have married said soldier prior to March 4, 1917, and this section shall apply to a former widow of any soldier who rendered service as hereinbefore described, such widow having remarried either once or more after the death of the soldier, if it be shown that such subsequent or successive marriage has or have been dissolved, either by the death of the husband or husbands or by divorce without fault on the part of the wife. Such pension shall commence from date of filing application therefor in the Bureau of Pensions after the passage of this act, and any such former widow shall be entitled to and be paid a pension at the rate of $30 a month, and any former widow mentioned in this section shall also be paid $6 a month for each child of the soldier under 16 years of age: *Provided further*, That in case of any widow whose name has been dropped from the pension roll because of her remarriage, if the pension has been granted to an insane, idiotic, or otherwise helpless child, or to a child or children under the age of 16 years, she shall not be entitled to a renewal of pension under any act until the pension to such child or children terminates, unless such child or children be a member or members of her family and cared for by her, and upon renewal of pension to such widow payment of pension to such child or children shall cease.

SEC. 3. The period of service performed by beneficiaries under this act shall be determined, first, by reports from the records of the War Department, where there are such records; second, by reports from the records of the General Accounting Office showing payment by the

United States, where there is no record of regular enlistment, or muster into the United States military service; and third, when there is no record of service or payment for same in the War Department or the General Accounting Office by satisfactory evidence from muster rolls on file in the several State or Territorial archives; fourth, where no record of service has been made in the War Department or General Accounting Office and there is no muster roll or pay roll on file in the several States or Territorial archives showing service of the applicant, or where the same has been destroyed by fire or otherwise lost, or where there are muster rolls or pay rolls on file in the several State or Territorial archives but the applicant's name does not appear thereon, the applicant may make proof of service by furnishing evidence satisfactory to the Commissioner of Pensions: *Provided*, That the want of a certificate of discharge shall not deprive any applicant of the benefits of this act.

SEC. 4. From and after the fourth day of the next month after the approval of this act the rate of pension to surviving soldiers of the various Indian wars and campaigns who are now on the pension roll or who may hereafter be placed thereon under the acts of July 27, 1892, June 27, 1902, and May 30, 1908, as amended by the act of February 19, 1913, or under the act of March 4, 1917, shall be $30 per month if 68 years of age, $40 per month if 72 years of age, and $50 per month if 75 years of age, and that the rate of pension to the widows who are now on the pension roll or who may hereafter be placed thereon under the said acts shall be $30 per month: *Provided, however*, that nothing in this act shall be so construed as to reduce any pension under any law, public or private, and that hereafter pensions granted under the acts referred to in this section shall commence from the date of filing of application therefor in the Bureau of Pensions.

SEC. 5. No claim agent, attorney, or other person shall contract for, demand, receive, or retain a fee for service in preparing, presenting, or prosecuting claims for the increase of pension provided for in this act; and no more than the sum of $10 shall be allowed for such service in other claims thereunder, which sum shall be payable only on the order of the Commissioner of Pensions; and any person who shall, directly or indirectly, otherwise contract for, demand, receive, or retain a fee for service in preparing, presenting, or prosecuting any claim under this act, or shall wrongfully withhold from the pensioner or claimant the whole or any part of the pension allowed or due to such pensioner or claimant under this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall for each and every offense be fined not exceeding $500 or be imprisoned not exceeding one year, or both, in the discretion of the court.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

TO AMEND SECTION 128, JUDICIAL CODE

The next business on the Consent Calendar was the bill (H. R. 12442) to amend section 128, subdivision (b), paragraph 1, of the Judicial Code as amended February 13, 1925, relating to appeals from district courts.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. CAREW. Mr. Speaker, I think the bill ought to be explained, and I reserve the right to object.

Mr. GRAHAM. Mr. Speaker, the bill is a very simple one. It is removing an element of doubt from the act which was passed by the Senate and House covering the matter of procedure on appeal on writs of error, and so forth, the general bill we passed. In the act it provides for an appeal to review the interlocutory orders or decrees of the district courts which are specified in section 129. It would seem there is a distinction between a district court of the United States and a Territorial district court, and it is simply to make the right of appeal to cover this and remove the ambiguity. It is a matter which is recommended by the courts and the Department of Justice, and there seems to be no objection to it.

Mr. LINDSAY. Mr. Speaker, I object.

GRANTING PUBLIC LANDS TO THE CITY OF GOLDEN, COLO.

The next business on the Consent Calendar was the bill (H. R. 16017) granting public lands to the city of Golden, Colo., to secure a supply of water for municipal and domestic purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That for the purpose of securing an adequate supply of water for domestic and municipal purposes for the use of the city of Golden, Colo., there is hereby granted to the said city the lands described as follows: In Clear Creek County, Colo., township 4 south, range 72 west of the sixth principal meridian; southeast quarter of the northeast quarter and east half of the southeast quarter of section 8, and the southwest quarter of the northwest quarter and southwest quarter of section 9, and the northeast quarter of northeast quarter of section 18; total, 360 acres, more or less, on condition that the said city shall make payment for such lands at the rate of $1.25 per acre to the receiver of the United States Land Office of Denver, Colo., within one year after approval of this act: *Provided*, That there shall be reserved to the United States all oil, coal, or other mineral deposits found at any time in the lands, and the right to prospect for, mine, and remove the same: *Provided further*, That the grant herein made is subject to any valid existing rights or easements on said lands, and that upon failure of the city to make use of the lands herein granted, in accordance with the purpose of this act, all rights hereunder shall cease and such lands revert to the United States.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

The SPEAKER. The Clerk will report the next bill.

EASEMENT TO THE CITY OF FORT WAYNE, IND.

The next business on the Consent Calendar was the bill (H. R. 16281) to grant to the city of Fort Wayne, Ind., an easement over such Government property.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to grant to the city of Fort Wayne, Ind., an easement over the western portion of lot 113, original plat of such city, being a strip of land 10 feet wide and 150 feet long, extending along the east side of Clinton Street south from the corner of Berry Street, such 10-foot strip being a portion of the present post-office site; such easement to continue so long as the land shall be used exclusively for street purposes.

With a committee amendment, as follows:

Page 2, line 1, add the following: "*Provided, however*, That the United States shall retain the right to have that portion at the base of the present tower which encroaches approximately 1 foot and 3 inches on the aforesaid 10-foot strip remain in place, undisturbed, as though such grant had never been made: *And provided further*, That the city of Fort Wayne, as a consideration for such grant, shall perform all necessary work incident to the relocation of the steps, changes in entrance, approaches, and the grounds of the said post-office site; such work shall be performed under the direction and to the satisfaction of the Treasury Department, all without expense to the United States."

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was ordered to be laid on the table.

TREATIES WITH CHINA

The next business on the Consent Calendar was the resolution (H. Con. Res. 46) requesting the President to enter into negotiations with the Republic of China for the purpose of placing the treaties relating to Chinese tariff autonomy, extraterritoriality, and other matters, if any, in controversy between the Republic of China and the United States of America upon an equal and reciprocal basis.

The title of the resolution was read.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. LINEBERGER. Mr. Speaker, I reserve the right to object.

Mr. BEEDY. Reserving the right to object, Mr. Speaker, does the gentleman from California object?

Mr. LINEBERGER. I think I shall object. It looks as if this were a case where Congress directs the President in a matter relating to foreign affairs. The Congress has a legislative duty, not an executive duty.

Mr. BEEDY. Reserving the right to object, Mr. Speaker, I would like to ask the chairman of the Committee on Foreign Affairs if he thinks it good policy, when a civil war is raging in China and the Cantonese army is now pressing in the direction of Shanghai, to give a direction to the President when the question of whether a government in China is ultimately to emerge is hanging in the balance? Why do this, in view of the statement of our Secretary of State, as set forth on page 11

of the report, that our Government at all times has been and is now ready to negotiate a treaty with China, when the trouble is that there is no accredited agent of the Chinese people with whom to take up this matter, and therefore action is held in abeyance? Why at this time make this suggestion that we desire to impress the people of China with the fact that our Government has been friendly and is friendly, and when we negotiate we want to give them sundry rights through their accredited agent?

Mr. LINEBERGER. I intend to object if the gentleman from Maine does not.

Mr. BEEDY. I object.

The SPEAKER pro tempore (Mr. SNELL). Objection is heard. The Clerk will report the next bill.

APPEALS FROM DISTRICT COURTS

Mr. SUTHERLAND. Mr. Speaker, I ask unanimous consent to return to Calendar No. 899, the bill H. R. 12442, to which the gentleman from New York objected a moment ago. I understand he has withdrawn his objection.

The SPEAKER pro tempore. The gentleman from Alaska asks unanimous consent to return to Calendar No. 899, H. R. 12442. Is there objection?

Mr. DENISON. Reserving the right to object, Mr. Speaker, I have not had time to read that bill. I would like to inquire whether or not the gentleman's bill includes appeals from the district court of the Canal Zone?

Mr. SUTHERLAND. I am not clear as to the status of the district court on the Canal Zone.

Mr. DENISON. I will ask the gentleman to let that bill be passed over until I can look it over. I want to be sure about it before it is passed. There are several laws covering the district court on the Canal Zone.

The SPEAKER pro tempore. Objection is heard. The Clerk will report the next bill.

OIL AND GAS MINING LEASES ON EXECUTIVE ORDER INDIAN RESERVATIONS

The next business on the Consent Calendar was the bill (H. R. 15021) to authorize oil and gas mining leases upon unallotted lands within Executive order Indian reservations.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, I ask unanimous consent that it be passed over without prejudice.

Mr. SPROUL of Kansas. I object.

The SPEAKER pro tempore. Objection is heard. The Clerk will report the next bill.

SILVER BELL ON THE BATTLESHIP "NEW ORLEANS"

The next business on the Consent Calendar was the bill (H. R. 13483) authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Louisiana State Museum, of the city of New Orleans, La., the silver bell in use on the battleship *New Orleans*.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Navy is authorized, in his discretion, to deliver to the custody of the Louisiana State Museum, of the city of New Orleans, La., for preservation and exhibition the silver bell which was in use on the battleship *New Orleans: Provided*, That no expenses shall be incurred by the United States for the delivery of such silver bell.

With a committee amendment, as follows:

Page 1, line 6, strike out the word "battleship" and insert in lieu thereof the word "cruiser."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended to accord with the text.

A motion to reconsider the vote, whereby the bill was passed, was ordered to be laid on the table.

The SPEAKER pro tempore. The Clerk will report the next bill.

THIRD AND FOURTH CLASS DOMESTIC PARCELS

The next business on the Consent Calendar was the bill (H. R. 14701) to extend collect-on-delivery service and limits of indemnity to third and fourth class domestic parcels on which the first-class rate of postage is paid.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I ask unanimous consent to pass over the bill without prejudice.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent that this bill be passed over without prejudice. Is there objection?

There was no objection.

DEMURRAGE CHARGES

The next business on the Consent Calendar was the bill (H. R. 14703) to authorize the Postmaster General to impose demurrage charges on undelivered collect-on-delivery parcels.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I took this up with the Member introducing the bill and suggested an amendment. I do not want to press the amendment if the gentleman is not ready; but this bill ought to provide a time limit, and we should not leave parcel-post matters entirely within the discretion of the Postmaster General. At this time we happen to have a Postmaster General who is favorable to parcel post, but it took two generations to have the parcel post law enacted, and we should not do this in this way. I ask unanimous consent to have the bill passed over without prejudice.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent that the bill be passed over without prejudice. Is there objection?

There was no objection.

PUBLICLY OWNED LANDS BY THE STATE OF OREGON

The next business on the Consent Calendar was the bill (S. 722) to authorize the selection of certain publicly owned lands by the State of Oregon.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLACK of Texas. Reserving the right to object, Mr. Speaker, I notice that the Department of Agriculture recommends the enactment of this bill but that the Secretary of the Interior has disapproved it.

Mr. SINNOTT. At the time the Secretary of the Interior wrote his report the Government and the railroad company did not have a settlement. These lands could be exchanged without the need of legislation, but they are not technically unappropriated public lands. They were taken away from the railroad company under a decision of the Supreme Court. The Supreme Court held that the railroad company had an interest in the lands at $2.50 an acre, so Congress revested title in some 4,000,000 acres of land and provided that the railroad company should receive $2.50 an acre for each acre of land. Since that time the Government has settled with the railroad company.

Mr. BLACK of Texas. If the gentleman can give us any assurance that since that settlement the Department of the Interior now approves the bill, that would be a different matter; but in view of the very positive disapproval of the bill by the Secretary of the Interior, I would feel it my duty to object.

Mr. SINNOTT. Let me explain the situation to the gentleman. The Secretary says that the Oregon and California land-grant fund might lose $50,000.

Mr. BLACK of Texas. Mr. Speaker, I shall object at this time.

NEW MEXICO COLLEGE OF AGRICULTURE AND MECHANIC ARTS

The next business on the Consent Calendar was the bill (S. 4910) granting certain lands to the State of New Mexico for the use and benefit of the New Mexico College of Agriculture and Mechanic Arts for the purpose of conducting educational, demonstrative, and experimental development with livestock, grazing methods, and range forage plants.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby granted to the State of New Mexico for the use and benefit of New Mexico College of Agriculture and Mechanic Arts, located at State College, N. Mex., to be used for the purpose of conducting educational, demonstrative, and experimental development with livestock, grazing methods, and range forage plants, the following-described lands out of the unreserved and unappropriated public domain situated in the State of New Mexico, to wit:

All of township 20 south, range 1 west, New Mexico principal meridian, except sections 1 to 5, both inclusive; north half of northeast quarter of section 8, north half and southeast quarter of section 9, all of sections 10 to 13, both inclusive; north half, southeast quarter, and north half of southwest quarter of section 14, northeast quarter and east half of northwest quarter of section 15, all of section 16, northeast quarter and north half of northwest quarter of section 24, all of section 32, that part of sections 30 and 31 lying south and west of the Rio Grande River and all of section 36 therein; all of township 20 south, range 1 east, New Mexico principal meridian, except sections 2, 16, 32, and 36 therein; all of southwest quarter of southwest quarter of section 19 and all of sections 30 and 31 in township 20 south, range 2 east, New Mexico principal meridian; all of the east half of the southeast quarter and the southeast quarter of the northeast quarter of section 13, and the east half of the east half of section 24, in township 20 south, range 2 west, New Mexico principal meridian; all of section 1 and the east half of section 12, township 21 south, range 1 west, New Mexico principal meridian; all of township 21 south, range 1 east, New Mexico principal meridian, except sections 2, 16, 24, 25, 30, 31, 32, and 36, and the southwest quarter of the southwest quarter of section 29 therein; and all of sections 6, 7, and 18 in township 21 south, range 2 east, New Mexico principal meridian: *Provided*, That the control and management of said lands shall be vested exclusively in the board of regents of the said New Mexico College of Agriculture and Mechanic Arts, and the State of New Mexico shall make no charge against nor collect any rental from said college for the possession and use thereof.

SEC. 2. Such grant shall not include any land which, on the date of the approval of this act, is covered by any existing bona fide right or claim under the laws of the United States, unless and until such right or claim is relinquished or extinguished, except that lands embraced in permits to prospect for oil, gas, or other minerals shall be included in the grant to the State, the minerals therein being reserved to the United States as provided in section 3 hereof.

SEC. 3. There is hereby reserved to the United States all minerals that may be found in the lands granted by the provisions hereof, together with the right of the United States, its permittees, lessees, or grantees, at any time, to prospect for, mine, and remove such minerals.

SEC. 4. In the event that the lands herein granted, or any part thereof, shall cease to be used for the purposes specified in section 1, or shall be used for any other purpose foreign to those for which this grant is made, title thereto shall thereupon revert to the United States.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

EQUITABLE USE OF THE WATERS OF THE RIO GRANDE

The next business on the Consent Calendar was the joint resolution (H. J. Res. 345) amending the act of May 13, 1924, entitled "An act providing a study regarding the equitable use of the waters of the Rio Grande," etc.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I assume this bill, looking toward negotiations with Mexico, anticipates action on the Boulder Dam proposition. Is not that so?

Mr. GARNER of Texas. Not necessarily.

Mr. LAGUARDIA. That is going to be a very important question between the United States and Mexico if it goes through and the water is diverted into the Imperial Valley.

Mr. GARNER of Texas. The object of this resolution is to permit the two Governments to get together through their joint commissions and determine whether or not their mutual interests are such that they can make an agreement as to the waters both of the Colorado and the Rio Grande.

Mr. LAGUARDIA. Of course, I am interested in the Colorado.

Mr. GARNER of Texas. Without the extension of this resolution to the Colorado they can not consider the two projects together, and that is the object of the resolution.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the resolution, as follows:

Resolved, etc., That the act of May 13, 1924, entitled "An act providing for a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., in cooperation with the United States of Mexico," is hereby amended to read as follows:

"That the President is hereby authorized to designate three special commissioners to cooperate with representatives of the United States of Mexico in a study regarding the equitable use of the waters of the lower Rio Grande and of the lower Colorado Rivers, with a view to their proper utilization for irrigation and other beneficial uses. One of the commissioners so appointed shall be an engineer experienced in such work. Upon completion of such study the results shall be reported to Congress.

"SEC. 2. There is hereby authorized to be appropriated out of any moneys in the Treasury not otherwise appropriated such amounts as may be necessary for carrying out the provisions hereof."

With the following committee amendments:

Page 2, line 1, strike out the words "United States" and insert the word "Government."

Page 2, lines 3, 4, and 5, strike out the words "with a view to their proper utilization for irrigation and other beneficial uses" and insert the words "for the purpose of securing information on which to base a treaty with the Government of Mexico relative to the use of the waters of these rivers."

Page 2, line 13, after the word "amounts," insert the words "not to exceed $50,000."

The committee amendments were agreed to.

Mr. SWING. Mr. Speaker, I offer an amendment.

The SPEAKER pro tempore. The gentleman from California offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. SWING: Page 2, line 10, at the end of section 1, insert "The commission may also, with the concurrence of Mexico, make a study of the Tia Juana River with the view of having a treaty governing the use of its waters."

Mr. SWING. Mr. Speaker, this amendment simply gives the commission created by this bill the authority of studying the use of the waters of the other remaining interboundary river, the Tia Juana, at the same time it is making its study of the Colorado and Rio Grande.

The city of San Diego, with a population of 150,000 people, has totally exhausted all local sources for domestic water. The Tia Juana River offers an opportunity, should a treaty be made with Mexico, providing for its joint use, to store water that today runs to waste and pipe the same or a portion of it from a reservoir proposed to be created on the international boundary to the city of San Diego.

The United States Government has about a dozen Navy and Army activities at San Diego, and these activities are the largest users of water from the city system. The city is having difficulty in meeting their demands. It becomes therefore important, if possible, to have a treaty negotiated with Mexico regarding the use of the water of this river. In my opinion it will take very little time and very little money for the commission to look into this matter.

I have a letter here from the Secretary of State in which he states he personally sees no objection to my amendment, and also a letter from Dr. Elwood Mead, the chairman of the Rio Grande Commission, wherein he states he sees no objection to the inclusion of the Tia Juana River in their studies. The Senate Foreign Affairs Committee has already unanimously reported out such an amendment, and I hope the gentleman who has introduced the bill and the gentleman who is in charge of it for the committee will agree to my amendment.

Mr. GARNER of Texas. Mr. Speaker, I do not want to detain bills that are behind this one. I agreed with the gentleman from California to accept this amendment in order that the resolution might pass. I could not have passed it otherwise. I am not in entire sympathy with the amendment, but as a matter of good faith I hope the House will adopt it.

The amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the joint resolution was passed was laid on the table.

TETON COUNTY, WYO.

The next business on the Consent Calendar was the joint resolution (H. J. Res. 282) authorizing the acceptance of title to certain lands in Teton County, Wyo., adjacent to the winter elk refuge in said State established in accordance with the act of Congress of August 10, 1912 (37 Stat. L. p. 293).

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

There was no objection.

Mr. WINTER. Mr. Speaker, I ask unanimous consent to substitute Senate joint resolution (S. J. Res. 120).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

Senate Joint Resolution 120

Joint resolution authorizing the acceptance of title to certain lands in Teton County, Wyo., adjacent to the winter elk refuge in said State established in accordance with the act of Congress of August 10, 1912 (37 Stat. L. p. 293).

Resolved, etc., That the Secretary of Agriculture be, and he is hereby, authorized to accept, on behalf of and without expense to the United States, from the Izaak Walton League of America, or its authorized trustees, a gift of certain lands in Teton County, Wyo., described as the south half of section 4; the east half of the southeast quarter of section 5; the southwest quarter of the southeast quarter of section 5; the south half of the southwest quarter of section 5; the southeast quarter of the northeast quarter of section 7; the east half of the southeast quarter of section 7; the southwest quarter of the southeast quarter of section 7, and lot 4 of section 7; all of section 8; the north half of the northeast quarter of section 9; the north half of the northwest quarter of section 9; and the southwest quarter of the northwest quarter of section 9; the north half of the northeast quarter of section 17; lot 1 of section 18; and the east half of the northwest quarter of section 18; all in township 41 north, range 115 west, of the sixth principal meridian, including all the buildings and improvements thereon, and all rights, easements, and appurtenances thereunto appertaining, subject to the conditions that they be used and administered by the United States, under the supervision and control of the Secretary of Agriculture, for the grazing of, and as a refuge for, American elk and other big-game animals, and that they be known as the Izaak Walton League addition to the winter elk refuge: *Provided*, That upon the conveyance of said lands to the United States, as herein provided, they shall become a part of the winter elk refuge established pursuant to the authority contained in the act of August 10, 1912 (37 Stat. L. p. 293), and shall be subject to any laws governing the administration and protection of said refuge.

The joint resolution was ordered to be read a third time, was read the third time, and passed.

A similar House joint resolution was laid on the table.

COURTS OF ALASKA, HAWAII, AND THE VIRGIN ISLANDS

Mr. SUTHERLAND. Mr. Speaker, I ask unanimous consent to return to Calendar No. 899, the bill H. R. 12442, inasmuch as the committee has agreed on certain amendments.

The SPEAKER pro tempore. The gentleman from Alaska asks unanimous consent to return to Calendar No. 899; is there objection?

Mr. DENISON. Mr. Speaker, I objected a few moments ago. I am withdrawing my objection with the understanding they are going to propose an amendment to the bill.

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 128, subdivision (b), paragraph first, of the Judicial Code as amended February 13, 1925, be amended to read as follows:

"First, To review the interlocutory orders or decrees of the district courts, including the district courts of Alaska, Hawaii, Virgin Islands, and Canal Zone, which are specified in section 129."

SEC. 2. Section 1339 of the compiled laws of Alaska, 1913, is hereby repealed.

Amendment offered by Mr. SUTHERLAND:

Page 1, line 8, after the word "Islands," strike out "and Canal Zone"; page 1, line 8, after the word "Hawaii," insert "and the."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

METROPOLITAN POLICE FORCE OF THE DISTRICT OF COLUMBIA

The next business on the Consent Calendar was the bill (H. R. 16397) to transfer the United States park police force to the Metropolitan police force of the District of Columbia, to confer additional functions upon the Metropolitan police, and to repeal the provision of law requiring street-railway companies to pay the salaries of certain policemen, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. HOOPER. I object.

Mr. BLANTON. Will the gentleman withhold his objection a moment?

Mr. HOOPER. Certainly.

Mr. BLANTON. I just want to state to the gentleman the purpose of the bill. The bill prevents a duplication of effort on the part of 61 policemen here whose effort every day is duplicated by those of the Metropolitan police. It would save this Government at least $50,000 a year.

Mr. HOOPER. But does not the gentleman think the Government of the United States should have the right to police its own property, such as the Lincoln Memorial and other national property?

Mr. BLANTON. The Government does not police its own property in the gentleman's city; it does not in my city; it does not in New York or in Philadelphia; it does not in Chicago or St. Louis or San Francisco. Such property there is policed by the local constabulary of the city.

Mr. COLTON. Will the gentleman yield?

Mr. BLANTON. Certainly.

Mr. COLTON. Why does not the gentleman include the Capitol police and the Smithsonian Institute police?

Mr. BLANTON. Oh, there is a reason for the Capitol police. There is a reason for the House Office Building police and the Senate Office Building police. I have no interest in the matter except to save money for the Government, and I simply wanted to call the attention of the gentleman to the fact that he is preventing the saving of about $50,000 a year.

CANCELLATION OF SCREEN-WAGON CONTRACTS

The next business on the Consent Calendar was the bill (H. R. 15905) to authorize the Postmaster General to cancel a certain screen-wagon contract, and for other purposes.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. Reserving the right to object, it seems to me this is a very bad policy, canceling contracts. Does not the gentleman from Mississippi think this is going too far?

Mr. COLLIER. I believe in keeping contracts, but the Government has changed this contract twice on this man. This young fellow took the contract, and at first he made a little out of it, but now he has lost nearly everything he has made. He is losing now some $200 a month on the contract. He is not asking for back pay; he is not asking for a new contract; he is asking to be relieved from a contract which the Government itself has changed twice.

Mr. SPROUL of Illinois. And we have passed this kind of legislation several times.

Mr. COLLIER. Yes.

Mr. LAGUARDIA. In this case it is true that the Government entered into the contract for screen-wagon and also for two horse-drawn vehicles for use in the city delivery and collection service. He expected to make his money on the horse-drawn wagon, but they rescinded that part of the contract. Now he wants them to rescind the whole contract.

Mr. COLLIER. The Government is not making this kind of a contract any longer, and the Postmaster General says that this imposes an undue hardship on the contractor and is not in accordance with the Budget.

Mr. LAGUARDIA. Very well, Mr. Speaker, I do not object to this bill, but I still think it is a bad precedent.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That if the Postmaster General finds that any formal written contract now in force for transporting the mails in the city of Jackson, in the State of Mississippi, in regulation screen vehicles was entered into before the present unusual expansion of business and increase in cost for such service, and that the contract price agreed to be paid for the service to be rendered thereunder is now inequitable and unjust because of the increased cost and expense occasioned the contractor in handling the unusual volume of mail incident to the expansion of business, the Postmaster General is authorized, in his discretion, with the consent of the contractor and his bondsmen to cancel such contract.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

SELECTION OF LANDS BY THE STATE OF OREGON

Mr. SINNOTT. Mr. Speaker, I ask unanimous consent to return to Calendar No. 910, the bill (S. 722) to authorize the selection of certain publicly owned lands in the State of Oregon. The gentleman who made the objection no longer objects.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The Clerk read the bill (S. 722), as follows:

Be it enacted, etc., That with the approval of the Secretary of the Interior and the Secretary of Agriculture, and under such conditions as they may prescribe, the publicly owned lands within the following-described areas are hereby made available for selection of the State of Oregon under the act of February 28, 1891 (26 Stat. p. 796), for a period of five years from the passage of this act:

Township 23 south, range 10 west, Willamette meridian: Sections 3, 11, 15, 21, 23, 27, and west half northeast quarter, northwest quarter, northwest quarter southwest quarter of section 33; section 9, east half and east half west half; section 29, east half east half.

Township 22 south, range 10 west, Willamette meridian: Section 15, southeast quarter southeast quarter; section 21, all; section 23, southwest quarter northeast quarter, west half, southeast quarter; section 27, all; section 33, east half and east half west half.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

GRANTING RIGHT OF WAY TO IMPERIAL COUNTY, CALIF.

The next business on the Consent Calendar was the bill (H. R. 11487) granting a right of way to the county of Imperial, State of California, over certain public lands for highway purposes.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That there be, and there hereby is, granted to the county of Imperial, State of California, for public-highway purposes, all the right, title, and interest of the United States of America in and to all or any of the following-described parcels of land situated in the county of Imperial, State of California, to wit:

A strip of land 100 feet wide lying 50 feet on each side of the following-described center line: Beginning at the southeast corner of the northeast quarter of section 18, township 12 south, range 12 east, San Bernardino base and meridian; thence west along the line between the north half and the south half of said section 18 to the west line of said section.

Also a strip of land 50 feet wide adjoining and lying along the south side of the following-described line: Beginning at the southeast corner of the northeast quarter of section 14, township 12 south, range 12 east, San Bernardino base and meridian; thence west along the line between the north half and the south half of said section 14 to the west line of said section.

Also a strip of land 100 feet wide lying 50 feet on each side of the following-described center line: Beginning at the southeast corner of the northwest quarter of section 14, township 12 south, range 11 east, San Bernardino base and meridian; thence west along the line between the north half and the south half of said section 14 to the west line of said section.

With the following committee amendments:

Page 1, line 3, strike out the words "That there be, and there hereby is, granted" and insert "That the Secretary of the Interior be, and he hereby is, authorized, in his discretion, to grant."

Page 2, after line 18, add the following:

"*Provided*, That the Secretary of the Interior be, and he hereby is, authorized, as a condition precedent to the granting of said parcels of land for the purposes herein specified, to prescribe such conditions, to impose such limitations and reservations, and to require such bonds or undertakings as he may deem necessary in order to protect valid existing rights in and to said lands, including reclamation and public water reserve purposes."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

HOSPITALIZATION OF PERSONS DISCHARGED FROM THE UNITED STATES NAVY OR MARINE CORPS WHO HAVE CONTRACTED TUBERCULOSIS IN THE LINE OF DUTY WHILE IN THE NAVAL SERVICE

The next business on the Consent Calendar was the bill (H. R. 12708) for the hospitalization of persons discharged from the United States Navy or Marine Corps who have contracted tuberculosis in the line of duty while in the naval service.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That any person discharged from the United States Navy or Marine Corps who has developed tuberculosis contracted in the line of duty while in the naval service shall be entitled to necessary or required hospitalization for such disease in any Government hospital designated for the treatment of tuberculosis.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

ADDITIONAL PAY FOR MEN ASSIGNED TO SUBMARINES

The next business on the Consent Calendar was the bill (H. R. 14251) to provide additional pay for enlisted men of the United States Navy assigned to duty on submarine vessels of the Navy.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

Mr. BLACK of Texas. Reserving the right to object, I notice in the bill as originally drawn there was a proviso at the end of the bill, and of this proviso the Secretary of the Navy states as follows:

I have presented this matter to the President, who has instructed me to advise you that the additional expenditure which would be involved under the legislation which you propose would be in conflict with his financial program. The President desires me to state, however, that if this proposed legislation be amplified by a further provision to the effect that the additional pay shall not exceed for any fiscal year the amount required to pay the total average number of enlisted men who would be entitled to said pay during any such year at an average rate of $15 per month each, it would not be in conflict with his financial program.

The Committee on Naval Affairs has struck out that proviso which the President recommended and which was concurred in by the Bureau of the Budget.

Mr. UPDIKE. Mr. Speaker, the reason the committee struck out this proviso in this bill is because it would authorize the Secretary of the Navy, in his discretion, to give to the noncommissioned officers more pay than to the enlisted men doing the same service on board submarines. Under the present law enlisted men attached to the submarine service receive in addition to their pay $5 per month. They also get a dollar a day for every day that the submarine dives, not to exceed $15 during any calendar month. The maximum pay that a man can receive is $20 per month. Under the proposed amendment this would permit the Navy Department to differentiate between submarines cruising with the fleet and those assigned on shore—that is, men who were coming in who are not qualified and not familiar with all of the machinery on board submarines would be enabled to get the same pay as those who have familiarized themselves and put themselves through the submarine school. Therefore, the Navy Department recommended that this legislation be passed in this form, and the Secretary of the Navy agreed to the striking out of this paragraph in the proviso.

Mr. BLACK of Texas. There is nothing in the report to show that the Secretary of the Navy recommended that the proviso be put into the bill.

Mr. VINSON of Georgia. The effect of the proviso would be to make the pay in accord with the total amount appropriated now. The effect of striking out the proviso would be that probably the pay for the submarine service will be increased over what it is to-day, because we are raising the compensation of the men who served on submarines.

Mr. BLACK of Texas. Does the gentleman think that the proviso should be adopted?

Mr. VINSON of Georgia. I think the bill should be adopted as reported from the committee, because we think this work is so hazardous that these men should receive extra compensation for the service.

Mr. BLACK of Texas. They would receive it. The only limitation is that it must not exceed an average of $15 per month, and that is recommended by the Bureau of the Budget.

Mr. VINSON of Georgia. Thirty dollars a month.

Mr. BLACK of Texas. I know, but that the average shall not exceed $15 per month.

Mr. VINSON of Georgia. That is it.

Mr. BLACK of Texas. Of course individuals can receive as much as $30 a month, but the Bureau of the Budget and President say that we ought to hold it down to an average of $15 per month.

Mr. VINSON of Georgia. Yes; but after inquiry we are of opinion that the Bureau of the Budget reached the wrong decision. I trust the gentleman will not object.

Mr. BLACK of Texas. I shall not object, but I shall vote against the committee amendment.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That hereafter, in lieu of the additional pay now authorized by law, an enlisted man of the United States Navy assigned to duty aboard a submarine vessel of the Navy shall receive pay, under such regulations as may be prescribed by the Secretary of the Navy, at the rate of not exceeding $30 per month, in addition to the pay and allowances of his rating and service: *Provided*, That the total additional pay herein authorized shall not exceed for any fiscal year the amount required to pay the number of enlisted men allowed by the authorized complements of all submarines in commission during any such year at an average rate of $15 per month.

With the following committee amendments:

On page 1, in line 7, after the word "of" where it occurs the second time, insert "not less than $5 per month, and," and on line 9, after the word "service" strike out the colon and the words: "*Provided*, That the total additional pay herein authorized shall not exceed for any fiscal year the amount required to pay the number of enlisted men allowed by the authorized complements of all submarines in commission during any such year at an average rate of $15 per month each."

The SPEAKER pro tempore. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

BRIDGE ACROSS ELIZABETH RIVER, IN THE COUNTY OF NORFOLK, VA.

Mr. DENISON. Mr. Speaker, the House this morning passed the bill H. R. 16889, a bridge bill, providing for the construction of a bridge across the southern branch of the Elizabeth River near the cities of Norfolk and Portsmouth, in the county of Norfolk, State of Virginia. A similar Senate bill is now on the Speaker's table. I ask unanimous consent to vacate the proceedings by which the bill was passed and to consider the Senate bill at this time.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent to vacate the proceedings by which the bill H. R. 16889 was passed and to consider a similar Senate bill, S. 5585, at the present time. Is there objection?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the time for beginning and completing the construction of the bridge across the southern branch of the Elizabeth River, authorized by the act of Congress entitled "An act granting the consent of Congress to O. Emmerson Smith, F. F. Priest, W. P. Jordan, H. W. West, C. M. Jordan, and G. Hubard Massey to construct, maintain, and operate a bridge across the southern branch of the Elizabeth River, at or near the cities of Norfolk and Portsmouth, in the county of Norfolk, in the State of Virginia," approved May 22, 1926, be, and the same is hereby, extended to one and three years, respectively, from May 22, 1927.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

MODIFICATION OF AGREEMENTS MADE FOR SETTLEMENT OF CERTAIN CLAIMS

The next business on the Consent Calendar was the bill (H. R. 15131) to authorize the Secretary of the Navy to modify agreements heretofore made for the settlement of certain claims in favor of the United States.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, as I understand, all this bill does is to permit certain claims that are now secured by promissory notes prior to the maturity of the notes.

Mr. GAMBRILL. That is correct.

Mr. LAGUARDIA. That is a rather unusual thing. It seems strange that somebody wants to pay to the United States ahead of the time when the money is due.

Mr. GAMBRILL. These obligations extend over a considerable period. Some of them go to 1942. It is the desire of some of the debtors to make settlement with the Government at this time.

Mr. LAGUARDIA. At a discount of 4½ per cent.

Mr. GAMBRILL. I am going to offer two committee amendments which I believe will be accepted in that respect.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized, in his discretion, to accept in full settlement from debtors of the United States the present value of all noninterest-bearing obligations for the repayment of money advanced to said debtors to assist them in carrying out contracts with the United States entered into during the late war, such contracts having been executed by the Secretary of the Navy on behalf of the United States or by others acting under his authority.

Mr. GAMBRILL. Mr. Speaker, I offer the following committee amendment.

The Clerk read as follows:

Amendment offered by Mr. GAMBRILL: Page 1, line 5, after the word "value," insert "reckoned at the rate of 4¼ per cent per annum, simple interest."

Mr. DAVEY. Mr. Speaker, I offer the following amendment to the committee amendment.

The Clerk read as follows:

Amendment to the amendment offered by Mr. DAVEY: Strike out in the amendment the words "simple interest."

The SPEAKER pro tempore. The question is on agreeing to the amendment to the committee amendment.

Mr. GAMBRILL. Mr. Speaker, I rise in opposition to the amendment to my amendment. The effect of the amendment is to discount these obligations at compound interest. The matter was fully considered by the Committee on Naval Affairs and it was determined that the discount should be at simple interest. The difference between compound interest and simple interest will amount to a loss to the Government of $27,804.43. In view of the action taken by the committee in reporting out this bill with simple interest, I hope that the amendment proposed by the gentleman from Ohio will not prevail.

Mr. DAVEY. Mr. Speaker, just a word of explanation in reference to my amendment. This whole matter arises out of a war contract. A certain concern in my district, in response to the urgent request of the Government, greatly extended its factory capacity, and then on the sudden termination of the war found itself with vastly more factory space than required for its normal use, and the Government has a mortgage on that extra plant. These notes, without interest, run over a period of some 15 years. Now, as a matter of fact, the Government contract with this concern in this matter has embarrassed them. It has been a white elephant on their hands ever since.

Mr. BUTLER. But does the gentleman desire his constituents to pay a compound interest or simple interest? The gentleman's amendment would have the effect of paying compound interest. I suggest to the gentleman he let it go——

Mr. DAVEY. If the gentleman will pardon me. These are noninterest-bearing notes, and the discount would be at compound interest just the same as with ordinary commercial paper.

Mr. WOODRUFF. Will the gentleman yield?

Mr. DAVEY. I will.

Mr. WOODRUFF. Is it not a fact that this concern of which the gentleman speaks is at this time wanting to dispose of this entire property?

Mr. DAVEY. Oh, yes.

Mr. WOODRUFF. And the only reason why they can not dispose of it is on account of the lien the Government has against them.

Mr. DAVEY. Well——

Mr. WOODRUFF. Is it not a further fact that if this bill is put through the House and Senate as proposed it simply forces the gentleman's people—I think the gentleman is quite within his rights and he is entirely proper—to get out of business and to get rid of an undesirable investment?

Mr. DAVEY. Here is the exact situation: The concern in question is in a bad way financially, and the question involved here is whether they can work out a plan to dispose of this white elephant and get back on their feet; and if that is not done, in my judgment the Government may have the factory on its hands instead of the money.

Mr. LAGUARDIA. If the gentleman will permit, in all fairness to the gentleman who introduced the bill which was reported by a committee and comes here on the Consent Calendar, there is no objection made; but now the gentleman springs an amendment on us at this time. The gentleman is only jeopardizing his own bill.

Mr. WOODRUFF. If the gentleman will yield. Now, the committee's proposition was to grant to this concern a discount

at simple interest. The gentleman's amendment is to put in a discount rate at compound interest, and it will cost the Government $27,000 to grant that compound discount.

Mr. DAVEY. On several million dollars.

Mr. WOODRUFF. Is it not a fact this concern of which the gentleman speaks had an offer for this property——

Mr. DAVEY. I do not know.

Mr. WOODRUFF. That is the information that came to the Committee on Naval Affairs—and the reason why they have not disposed of it at this time was due to this lien against the property.

Mr. DAVEY. A further suggestion, that the language as it would be if my amendment is enacted is the language written by the Navy Department exactly, and a representative came in my office just the other day and proposed this very language.

Mr. VINSON of Georgia. That may be true.

Mr. BUTLER. I want to say to my friend that we would not have reported this bill if we had thought it would take $28,000.

The SPEAKER pro tempore. The question is on agreeing to the amendment offered by the gentleman from Ohio [Mr. DAVEY.]

The question was taken, and the amendment was rejected.

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the next section of the bill.

The Clerk read as follows:

SEC. 2. The words "present value," for the purpose of this act, shall be the outstanding amount of each obligation, reduced by the interest thereon from the date of settlement to the date of its maturity, such interest to be computed.

With a committee amendment, as follows:

Page 2, line 7, after the word "computed," strike out "at the highest rate being paid at the time of settlement on any bonds of the United States" and insert "at 4¼ per cent simple interest per annum."

Mr. GAMBRILL. Mr. Speaker, I do not recall that amendment. May we have it read again?

The amendment was again read.

Mr. GAMBRILL. Mr. Speaker, I offer an amendment to the committee amendment.

The SPEAKER pro tempore. The Clerk will report the amendment offered by the gentleman from Maryland.

The Clerk read as follows:

Amendment offered by Mr. GAMBRILL: Page 2, strike out all of section 2.

The SPEAKER pro tempore. The question is on agreeing to the amendment offered by the gentleman from Maryland.

Mr. LAGUARDIA. Mr. Speaker, I rise in opposition, for the purpose of asking what that does to the bill. Why strike out section 2?

Mr. GAMBRILL. Because if section 2 is adopted it will cost the Government for the settlement of these obligations about $108,000.

Mr. DAVEY. Section 2 would make it unfair to the Government.

Mr. GAMBRILL. If you take the present value of each obligation, reduced by the amount of interest, and you have an obligation of $10,000, which would be for 25 years at 4¼ per cent interest, the Government would not receive anything.

The SPEAKER pro tempore. The question is on agreeing to the amendment offered by the gentleman from Maryland.

The amendment was agreed to.

The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was ordered to be laid on the table.

The SPEAKER pro tempore. The Clerk will report the next bill.

NAVAL RESERVE AND MARINE CORPS RESERVE

The next business on the Consent Calendar was the bill (H. R. 15212) to amend section 24 of the act approved February 28, 1925, entitled "An act to provide for the creation, organization, administration, and maintenance of a naval reserve and a Marine Corps reserve."

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLACK of Texas. I object.

The SPEAKER pro tempore. Objection is heard. The Clerk will report the next bill.

NAVAL RADIO STATION, MARSHFIELD, OREG.

The next business on the Consent Calendar was the bill (H. R. 16284) to authorize the Secretary of the Navy to dispose of the former naval radio station, Marshfield, Oreg.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Reserving the right to object, Mr. Speaker, I would like to ask the gentleman has this station been dismantled?

Mr. WOODRUFF. I understand it has been destroyed.

Mr. LAGUARDIA. Is there radio machinery there?

Mr. BEGG. Why is it that every time we sell a piece of land we continue to put it in the building fund? I did not intend, when I voted for that building fund, to let the Navy spend it in any way it wanted.

Mr. WOODRUFF. The gentleman should understand that the Navy can not spend any fund without the consent of Congress.

Mr. BEGG. Why not put this into the Treasury, and if they need any money for the building fund, let them be made to prove their case.

Mr. WOODRUFF. In the naval establishment certain expenditures can be made without coming to Congress. This could be used for that purpose without coming to Congress.

Mr. BEGG. I think it is poor policy on the part of Congress to allow that. If the gentleman will accept an amendment turning this fund into the Treasury, I shall not object to the passage of the bill.

Mr. WOODRUFF. It makes no difference whether it goes into this fund or into the special-construction fund. It is all in the Treasury.

Mr. BEGG. They ought to be able to prove their case.

Mr. WOODRUFF. There has not been a time when such a matter was recommended that the Navy has not proven its case before the committee.

Mr. LAGUARDIA. Reserving the right to object, Mr. Speaker, it is understood, then, that an amendment will be offered, either by the gentleman from Ohio [Mr. BEGG] or some one else, putting a period after line 10 and striking out lines 1 and 2 of page 2? Is that the amendment?

Mr. BEGG. No. On page 2, line 1, after the word "Treasury," insert the words "of the United States," and cut out the rest.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BEGG. With the understanding that the amendment will be accepted, I will withdraw the objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized to dispose of the land and improvements comprising the former naval radio station, Marshfield, Oreg., in like manner and under like terms, conditions, and restrictions as prescribed for the disposition of certain other naval radio stations by the act entitled "An act to authorize the disposition of lands no longer needed for naval purposes," approved June 7, 1926 (44 Stat. p. 700), and the net proceeds from the sale of said radio station shall be deposited in the Treasury to the credit of the naval public works construction fund created by section 9 of said act.

Mr. BEGG. Mr. Speaker, I suggest an amendment on page 2, line 1, to strike out all the rest of the bill after the word "Treasury" and insert the words "of the United States."

Mr. LAGUARDIA. Should it not be paid into the Treasury of the United States?

Mr. BEGG. Yes; it should be paid into the Treasury of the United States.

The SPEAKER pro tempore. The Clerk will report the amendment offered by the gentleman from Ohio.

The Clerk read as follows:

Amendment offered by Mr. BEGG: On page 2, line 1, strike out the word "deposited" and insert the words "paid into," and after the word "Treasury," in the same line, strike out the remainder of the bill and insert the words "of the United States."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was ordered to be laid on the table.

TRANSPORTATION OF BLIND PERSONS

Mr. NEWTON of Minnesota. Mr. Speaker, I ask unanimous consent to return to the consideration of Senate bill 2615, the blind bill, which is No. 877 on the calendar. I understand that the gentleman from Ohio [Mr. BEGG], who objected, has given further consideration to the bill and now has no objection to its consideration.

The SPEAKER pro tempore. The gentleman from Minnesota asks unanimous consent to return to the consideration of Senate bill 2615. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, there were other objections besides that of the gentleman from Ohio, and the gentleman should not spring a unanimous-consent request of that kind in this manner.

Mr. NEWTON of Minnesota. The gentleman from Minnesota was not aware that any persons questioned the bill at all with the exception of the gentleman from Ohio [Mr. BEGG] and the gentleman from New York, who has just spoken, but the gentleman from New York did not indicate that he had any objection to the bill, and the gentleman from Minnesota was not aware that anyone else indicated any objection.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. I object.

DISPENSARY, UNITED STATES NAVAL STATION, GUANTANAMO, CUBA

The next business on the Consent Calendar was the bill (H. R. 16580) to authorize the Secretary of the Navy to declare the naval dispensary at the United States naval station, Guantanamo, Cuba, to be a naval hospital, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, what is the difference between a dispensary and a hospital?

Mr. WOODRUFF. I will say for the benefit of the gentleman from New York that at the present time a dispensary is available at Guantanamo for the 1,000 men usually kept there. That dispensary has only 16 beds, and whenever the scouting fleet is there they have with the fleet the hospital ship *Mercy*. The Navy Department and the Naval Affairs Committee propose to transform the dispensary into a hospital, to have a ward containing 50 beds and to retire the naval hospital ship *Mercy*, and thereby save to the Treasury of the United States $200,000 yearly.

Mr. LAGUARDIA. Do you intend to put the *Mercy* out of commission?

Mr. WOODRUFF. Yes; and save $200,000 per year.

Mr. LAGUARDIA. It is understood, then, that you intend to build a ward containing 50 beds and have the hospital ship *Mercy* go out of commission?

Mr. WOODRUFF. Absolutely; and thus save the cost of operating that ship.

Mr. LAGUARDIA. Under those circumstances I have no objection.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized, in his discretion, to declare the naval dispensary at the United States Naval Station, Guantanamo, Cuba, to be a naval hospital, and to make the necessary alterations, extensions, and additions to the said dispensary buildings in order to enlarge and adapt them for a hospital of approximately 50 patients at a total cost of not to exceed $50,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

FORT PECK INDIAN RESERVATION

The next business on the Consent Calendar was the bill (H. R. 10976) to amend the act entitled "An act for the survey and allotment of lands now embraced within the limits of the Fort Peck Indian Reservation, in the State of Montana, and the sale and disposal of all the surplus lands after allotment," approved May 30, 1908, as amended, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That all coal and other minerals, including oil and gas, in the tribal lands within the Fort Peck Indian Reservation, Mont., not disposed of at the time of the passage of this act under the provisions of the act entitled "An act for the survey and allotment of lands now embraced within the limits of the Fort Peck Indian Reservation in the State of Montana, and the sale and disposal of all the surplus lands after allotment," approved May 30, 1908, as amended, are hereby reserved specifically to the Indians on such reservation, and the title to all mineral deposits reserved to the United States in lands within such reservation and not disposed of at the time of the passage of this act is hereby reinvested in such Indians. Leases covering such land for coal or other minerals, including oil and gas, and such mineral deposits, respectively, may be made by the Indians of the Fort Peck Reservation through their tribal council, with the approval of the Secretary of the Interior and under such rules and regulations as he may prescribe.

With the following committee amendment:

Strike out all of section 1 and insert:

"That the act of May 30, 1908 (35 Stats. p. 558), providing for the allotment, sale, and disposal of lands on the Fort Peck Indian Reservation, Mont., is hereby amended by specifically reserving to the Indians having tribal rights on said reservation the oil and gas in the tribal lands undisposed of on the date of the approval of this act; and leases covering such land for oil and gas may be made by the Indians of the Fort Peck Reservation through their tribal council, with the approval of the Secretary of the Interior and under such rules and regulations as he may prescribe."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 2. (a) That the title to certain lands on the Fort Peck Indian Reservation, Mont., reserved for agency, school, and other administrative purposes (embracing 4,000.94 acres), pursuant to the provisions of section 3 and 16 of such act, as amended, is hereby reinvested in the Indians having tribal rights on the Fort Peck Reservation, subject to the continued use of such lands for administrative purposes as long as needed for such purposes in the discretion of the Secretary of the Interior.

(b) The Secretary of the Treasury is authorized and directed to deduct the sum of $5,117.52, representing the purchase price of such lands at the rate of $1.25 per acre, from moneys in the Treasury arising from the proceeds of the sale of lands disposed of under the provisions of such act, as amended, and to credit the same to the United States as payment for the lands, title to which is reinvested in accordance with the provisions of this section.

SEC. 3. That section 15 of such act, as amended, is amended to read as follows:

"SEC. 15. That after deducting the expenses of the commission of classification, appraisement, and sale of the lands, and such other incidental expenses as may necessarily be incurred, including the cost of survey of said lands, the balance realized from the proceeds of the sale of the lands in conformity with the provisions of this act shall be paid into the Treasury of the United States and placed to the credit of said Indian tribe, to draw 4 per cent per annum, the principal and interest to be expended from time to time by the Secretary of the Interior as he may deem advisable for the benefit of said Indians in suitable per capita cash payments. The remainder of all funds deposited in the Treasury, realized from such sale of lands herein authorized, together with the remainder of all other funds now placed to the credit of or that shall hereafter become due to said tribe of Indians, shall be allotted in severalty to the members of the tribe, the persons entitled to share as members in such distribution to be determined by the Secretary of the Interior."

SEC. 4. That the classifications and appraisements of lands embraced within the Fort Peck Indian Reservation in effect at the time of the passage of this act shall be deemed final and conclusive, and no further classifications or appraisements of any such lands shall be made.

With the following committee amendment:

Strike out all of sections 3 and 4.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

OSAGE INDIANS IN OKLAHOMA

The next business on the Consent Calendar was the bill (H. R. 16074) to amend section 2 of the act of Congress of March 3, 1921 (41 Stat. L. p. 1249), entitled "An act to amend section 3 of the act of Congress of June 28, 1906, entitled 'An act for the division of the lands and funds of the Osage Indians in Oklahoma, and for other purposes.'"

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, may I ask whether this depletes the funds of this tribe?

Mr. HASTINGS. None whatever. It does not affect the funds of the tribe. It only relates to the question of damages to the surface where people go on and drill.

Mr. LEAVITT. It is for the benefit of the tribe.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act of March 3, 1921 (41 Stat. L. p. 1249), entitled "An act to amend section 3 of the act of Congress of June 28, 1906, entitled 'An act for the division of the lands and funds of the Osage Indians in Oklahoma, and for other purposes,'" be, and the same is hereby, amended to read as follows:

"SEC. 2. The bona fide owner, lessee, or occupant of the surface of lands in the Osage Nation in Oklahoma shall be compensated, as his interest may appear, and under rules and regulations to be prescribed by the Secretary of the Interior, for damages to crops and improvements occasioned by the oil or gas lessees, their servants, or agents in going upon such premises and in carrying on oil or gas mining operations. Such surface owner, lessee, or occupant shall also be compensated, as his interest may appear, and under rules and regulations to be prescribed by the Secretary of the Interior, for such other damages, including those arising out of pollution of ponds or streams and out of injuries to the surface of lands, as are caused by the negligence of the oil or gas lessees, their servants, or agents in developing or operating oil or gas properties in said Osage Nation. All claims for damages arising under this section shall be settled by arbitration; but either party shall have the right to appeal to the courts, without consent of the Secretary of the Interior, in the event he is dissatisfied with the award to or against him. The award shall be in writing and shall be filed in the office of the superintendent of the Osage Indian Agency within 10 days after it is made, and thereupon the said superintendent shall give the parties written notice thereof by personal service or registered mail. Unless appealed from within 60 days after service or mailing of said notice, the award shall become final. The appeal herein authorized shall consist of filing an original action in the United States district court for the district in which Osage County is or may hereafter be situated to enlarge, modify, or set aside the award; and in any such action, upon demand of either party, the issues both of law and of fact shall be tried de novo. Arbitration or a bona fide offer in writing to arbitrate shall constitute condition precedent to the right to sue for such damages, and the United States district court shall have exclusive original jurisdiction in such causes."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

UNITED STATES COTTON FUTURES ACT

Mr. O'CONNOR of Louisiana. Mr. Speaker, I ask unanimous consent to return to No. 885 on the Consent Calendar, H. R. 16470.

The SPEAKER pro tempore. The gentleman from Louisiana asks unanimous consent to return to Calendar No. 885, H. R. 16470. Is there objection?

There was no objection.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. O'CONNOR of Louisiana. Mr. Speaker, I ask unanimous consent to substitute Senate bill 4974, which is identical in language with the House bill.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the act entitled "United States cotton futures act," approved August 11, 1916, as amended, be amended as follows:

In section 6, after the words "established by the sale of spot cotton," strike out the following words: "In the market where the future transaction involved occurs and is consummated, if such market be a bona fide spot market; and in the event there be no bona fide spot market at or in the place in which such future transaction occurs, then, and in that case, the said differences above or below the contract price which the receiver shall pay for cotton above or below the basis grade shall be determined by the average actual commercial differences in value thereof, upon the sixth business day prior to the day fixed, in accordance with the sixth subdivision of section 5, for the delivery of cotton on the contract," so that section 6 as amended will read as follows:

"SEC. 6. That for the purposes of section 5 of this act the differences above or below the contract price which the receiver shall pay for cotton of grades above or below the basis grade in the settlement of a contract of sale for the future delivery of cotton shall be determined by the actual commercial differences in value thereof upon the sixth business day prior to the day fixed, in accordance with the sixth subdivision of section 5, for the delivery of cotton on the contract, established by the sale of spot cotton in the spot markets of not less than five places designated for the purpose from time to time by the Secretary of Agriculture, as such values were established by the sales of spot cotton, in such designated five or more markets: *Provided*, That for the purpose of this section such values in the said spot markets be based upon the standards for grades of cotton established by the Secretary of Agriculture: *And provided further*, That whenever the value of one grade is to be determined from the sale or sales of spot cotton of another grade or grades, such value shall be fixed in accordance with rules and regulations which shall be prescribed for the purpose by the Secretary of Agriculture."

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

House bill 16470 was laid on the table.

APPORTIONMENT OF WATERS OF THE BELLE FOURCHE AND CHEYENNE RIVERS

The SPEAKER pro tempore. The Chair lays before the House the following message from the Senate:

Ordered, That the House of Representatives be requested to return to the Senate the bill (S. 4411) entitled "An act granting the consent of Congress to compacts or agreements between the States of South Dakota and Wyoming with respect to the division and apportionment of the waters of the Belle Fourche and Cheyenne Rivers and other streams in which such States are jointly interested," with all accompanying papers.

Is there objection to complying with the request of the Senate?

There was no objection.

TRANSPORTATION OF BLIND PERSONS

Mr. NEWTON of Minnesota. Mr. Speaker, the gentleman from New York [Mr. LAGUARDIA] has withdrawn his objection to No. 877, Senate 2615, and I ask unanimous consent to return to that number on the calendar.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That paragraph (1) of section 22 of the interstate commerce act, as amended, is amended by striking out the colon immediately preceding the first proviso of such paragraph and inserting in lieu thereof a semicolon and the following: "nothing in this act shall be construed to prohibit any common carrier from carrying any totally blind person accompanied by a guide at the usual and ordinary fare charged to one person, under such reasonable regulations as may have been established by the carrier."

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

THE SEQUOYAH ORPHAN TRAINING SCHOOL

The next business on the Consent Calendar was the bill (H. R. 16207) to authorize an appropriation to enable the Secretary of the Interior to provide an adequate water supply for the Sequoyah Orphan Training School near Tahlequah, Cherokee County, Okla.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated the sum of $12,000, or so much thereof as may be necessary, to enable the Secretary of the Interior to drill and equip a well and impound the water in order to furnish an adequate supply of water for the use of the Sequoyah Orphan Training School near Tahlequah, Cherokee County, Okla.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

THE CODE OF LAW OF THE DISTRICT OF COLUMBIA

The next business on the Consent Calendar was the bill (H. R. 16217) to amend an act entitled "An act to establish a Code of

Law for the District of Columbia," approved March 3, 1901, and the acts amendatory thereof and supplementary thereto.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. O'CONNOR of New York. Mr. Speaker, I reserve the right to object, so I may direct a question to the chairman of the Committee on the Judiciary. May I ask the gentleman from Pennsylvania to take this opportunity to explain to the Members of the House something that is in the mind of a great number of them, why on Saturday, when he had the opportunity, he did not call up the longshoremen's compensation bill? I do not think the gentleman from Pennsylvania is going to have any objection to answering this question, because it is important he answer it.

Mr. BEGG. If the gentleman will yield to me, this is consent day. Let us not inject something else. Let us get on with these bills, because the Members want the bills passed on.

Mr. O'CONNOR of New York. It is the only opportunity we have to find out whether there is going to be another opportunity to consider the longshoremen's compensation bill.

Mr. BEGG. The gentleman can ask the gentleman from Pennsylvania about that out in the lobby and spend an hour on it perhaps.

Mr. O'CONNOR of New York. Several Members have asked me the question and I would like to have the gentleman from Pennsylvania answer.

Mr. GRAHAM. Mr. Speaker, I think it will save time if I answer my friend from New York. I thought it was too important a bill to call up at the last end of the last day of the week. I thought it ought to have a time and an opportunity by itself, and I had no other thought in my mind except that. Finally, when there was so much discussion here, I said, "Call it up and go on with it," but then matters had so changed that the Rules Committee did not call it up. I had not the power to call it up. I could not move in the matter without the Rules Committee.

Mr. O'CONNOR of New York. Will the gentleman state that the RECORD shows he made such a statement as "Call it up" or a statement offering to call it up?

Mr. GRAHAM. I can not say that, because I do not know that the statement was taken down by the reporter. I went to the chairman of the Committee on Rules and I went also to the majority leader upon this side of the House and expressed my desire, and I am now doing all in my power to have the bill called up and put on its passage just as quickly as it can be reached.

Mr. O'CONNOR of New York. Will the gentleman inform the Members of the House now interested whether or not a definite date has been set when an opportunity will be given to the Members to vote on this bill?

Mr. GRAHAM. I can only tell the gentleman what I have been informed by the majority leader and by the chairman of the Committee on Rules—that as soon as the deficiency bill and two other matters are disposed of this bill, in all human probability, will have its place. I am relying upon that.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. O'CONNOR of New York. Yes.

Mr LAGUARDIA. In all fairness to the Rules Committee—and I am not here to defend the Rules Committee—it was announced Saturday by the chairman that they had their opportunity to call it up, and the chairman was ready to call it up, and consulted the wishes of the chairman of the Committee on the Judiciary.

Mr. BEGG. Mr. Speaker, I demand the regular order.

The SPEAKER pro tempore. The gentleman from Ohio demands the regular order. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the act to establish a Code of Law for the District of Columbia, approved March 3, 1901, and the acts amendatory thereof and supplementary thereto, constituting the Code of Law for the District of Columbia, be, and the same are hereby, amended as follows:

Strike out section 1110 and insert in lieu thereof:

"SEC. 1110. Clerk's fees: For filing actions at law and suits in equity and for all services to be performed therein, except as hereinafter provided, $10.

"2. For filing the following-named cases and for all services to be performed therein, except as otherwise provided in paragraphs 5 and 6 hereof:

"Lunacy cases, $15; District Court cases, condemnation and libel, $15; deportation cases, $10; requisition cases, $10; habeas corpus cases, $10; feeble-minded cases, $7.50; adoption cases, $5; cases substituting trustees, $3; change of name cases, $5; intervening petitions in any case, $5; docketing judgments of the municipal court, $2.50; and plea of title cases, $10.

"3. Upon the perfecting of any appeal to the Court of Appeals of the District of Columbia there shall be charged and collected by the clerk from the party or parties prosecuting such appeal an additional fee in said suit or proceeding of $5.

"PAR. 5. For each additional trial or final hearing, upon a reversal by the Court of Appeals of the District of Columbia, or following a disagreement by a jury or the granting of a new trial or rehearing by the court, there shall be charged and collected by the clerk from the party or parties securing such reversal, new trial, or rehearing the further sum of $5: *Provided, however,* That the clerk shall not be required to account for any such fee not collected by him in any criminal case: *Provided further,* That nothing herein contained shall prohibit the court from directing by rule or standing order the collection, at the time the services are rendered, of the fees herein enumerated from either party, but all such fees shall be taxed as costs in the respective cases.

"PAR. 6. In any case where attachments, executions, scire facias proceedings, or rules are issued the following fees shall be charged and collected by the clerk in addition to the fees hereinbefore provided: For each writ of attachment and each copy, $1; for each writ of execution, $1.50; for each writ of scire facias and each copy, $1; for each rule and each copy certified, 50 cents.

"Par. 7. That in addition to the fees for services rendered in cases, hereinbefore enumerated, the clerk shall charge and collect, for miscellaneous services performed by him and his assistants, except when on behalf of the United States, the following fees:

"1. For issuing any writ or a subpœna for a witness not in a case instituted or pending in the court from which it is issued, 50 cents for each writ and copy or subpœna and copy.

"2. For filing and indexing any paper, not in a case or proceeding, 25 cents.

"3. For administering an oath or affirmation, not in a case or proceeding pending in the court where the oath is administered, 25 cents.

"4. For an acknowledgement, certificate, affidavit, or countersignature, with seal, 50 cents.

"5. For taking and certifying depositions to file, 20 cents for each folio of 100 words, and if taken stenographically 15 cents per folio additional for the stenographer.

"6. For copy of any record, entry, or other paper; and the comparison thereof, 15 cents for each folio of 100 words.

"7. For filing præcipe or requisition and searching the records of the court for judgments, decrees, or other instruments or suits pending, or bankruptcy proceedings, including certifying of the results of such search, 60 cents for the first name and 25 cents for each additional name embraced in the certificate.

"8. For receiving, keeping, and paying out money in pursuance of any statute or order of court, including cash bail or bonds or securities authorized by law or order of court to be deposited in lieu of other security, 1 per cent of the amount so received, kept, and paid out, or of the face value of such bonds or securities.

"9. For making and comparing a transcript of record on appeal or writ of error when required or requested, 15 cents for each folio of 100 words.

"10. For comparing any transcript, copy of record, or other paper not made by the clerk with the original thereof, 5 cents for each folio of 100 words.

"11. For making a final record in any case at the request of either party or upon order of court in a particular case, 15 cents for each folio of 100 words: *Provided, however,* That when any such final record is made upon order of court the fees therefor shall be taxed in the costs of the case.

"12. For admission of attorneys to practice, $2 each; for certificate of admission to be furnished upon request, $2 additional.

"13. For each marriage license, $2.

"14. For each certified copy of marriage license and return, $1.

"15. For each certified copy of application for marriage license, $1.

"16. Registering clergymen's authorizations to perform marriages and issuing certificate, $1.

"17. For each certificate of official character, including the seal, 50 cents.

"18. For filing and recording each notice of mechanic's lien, $1.

"19. For entering release of mechanic's lien, 50 cents for each order of lienor; 75 cents for each undertaking of lienee."

With the following committee amendments:

At the end of page 6, insert the following:

"20. For recording physicians', optometrists', and midwives' licenses, 50 cents each.

"SEC. 2. This act shall take effect on the 1st day of July, 1927."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

AUTHORIZING SECRETARY OF THE INTERIOR TO EXPEND CERTAIN INDIAN TRIBAL FUNDS FOR INDUSTRIAL PURPOSES

The next business on the Consent Calendar was the bill (H. R. 16840) to authorize the Secretary of the Interior to expend certain Indian tribal funds for industrial purposes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to set aside as revolving reimbursable funds the sums indicated below from the money on deposit in the Treasury of the United States to the credit of the several Indian tribes, and, in his discretion, to expend said amounts in the construction of homes for individual members of the respective tribes and in the purchase for sale to them of seed, animals, machinery, tools, implements, building material, and other equipment and supplies, under such rules and regulations as he may prescribe:

Cheyenne River, S. Dak., $25,000; Fort Apache, Ariz., $75,000; Fort Hall, Idaho, $50,000; Fort Peck, Mont., $25,000; Jicarilla, N. Mex., $25,000; Klamath, Oreg., $250,000; Mescalero, N. Mex., $35,000; and Shoshone, Wyo., $50,000; in all, $535,000. Repayments shall be credited to said revolving funds and may be again expended for similar purposes until no longer required therefor, when the unexpended balances, together with future repayments, shall be returned to the fund from which taken: *Provided*, That the Secretary of the Interior is also hereby authorized, under such rules and regulations as he may prescribe, to make advances therefrom to Indians having irrigable allotments, to assist them in the development and cultivation thereof, and to old, disabled, or indigent allottees for their support, to remain a charge and lien against their lands until paid.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

AMENDING AN ACT TO PROVIDE FOR THE ALLOTMENT OF LANDS FOR THE CROW TRIBE OF INDIANS

The next business on the Consent Calendar was the bill (H. R. 16845) to amend section 1 of the act approved May 26, 1926, entitled "An act to amend sections 1, 5, 6, 8, and 18 of an act approved June 4, 1920, entitled 'An act to provide for the allotment of lands of the Crow Tribe, for the distribution of tribal funds, and for other purposes.'"

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

Mr. BEGG. Reserving the right to object, I would like to ask the gentleman from Montana why these competent Indians should not have the privilege of leasing their lands as they wish?

Mr. LEAVITT. Congress passed a bill to allow the Indians to do that, but they found that advantage was being taken in making leases too far in advance. A delegation of the Indians have addressed me and requested that this bill be introduced in order to protect the Indians while they are learning how to handle their lands.

Mr. BEGG. In other words, they are competent under the supervision of the Government?

Mr. LEAVITT. Oh, no; but this fixes a limit on the time before the expiration of one lease when they can negotiate another.

Mr. LaGUARDIA. What is the limit?

Mr. LEAVITT. On agricultural lands 18 months, and on grazing lands 12 months.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act approved May 26, 1926, entitled "An act to amend sections 1, 5, 6, 8, and 18 of an act approved June 4, 1920, entitled 'An act to provide for the allotment of lands of the Crow Tribe, for the distribution of tribal funds, and for other purposes,'" be, and it hereby is, amended by inserting in section 1, after the sentence reading, "No lease shall be made for a period longer than five years," the following:

"*And provided further*, That no lease of grazing lands now in force or hereafter made shall be renewed, or any of the lands embraced within the same be re-leased, prior to one year before the termination of such lease: *And provided further*, That no lease of farming lands now in force or hereafter made shall be renewed, or any of the lands embraced within the same be re-leased, prior to 18 months before the termination of such lease."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

Mr. LEAVITT. Mr. Speaker, I ask unanimous consent to include the statement of the Indians as part of my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

The letter is as follows:

WASHINGTON, D. C., *January 27, 1927.*

The Hon. SCOTT LEAVITT,
House of Representatives, Washington, D. C.

DEAR MR. LEAVITT: We, as delegates of the Crow Tribe of Indians, request that you introduce a bill to amend section 1 of the act approved May 26, 1926, entitled "An act to amend sections 1, 5, 6, 8, and 18 of an act approved June 4, 1920, entitled 'An act to provide for the allotment of lands of the Crow Tribe, for the distribution of tribal funds, and for other purposes,'" by inserting in section 1 after the sentence reading, "No lease shall be made for a period longer than five years," the following:

"*And provided further*, That no lease covering farming or grazing lands now in force or no lease hereafter made shall be re-leased or renewed prior to six months of the expiration of the term of such lease."

The reason for this amendment is that while we think it simply is declaring what is already the law, nevertheless, it will be beneficial to the tribe and its members in meeting a condition which has arisen. We know that on the Crow Reservation certain persons have taken some leases, and are endeavoring to obtain other leases to begin one, two, or even more years from the date the lease is made. This creates a condition of overlapping leases.

The Supreme Court of the United States held in the case of the United States v. Noble (237 U. S. 74), as to leases in the Quapaw Tribe of Indians, that "overlapping leases of Indian allotments are abnormal, and the practice of making them facilitates abuses in dealing with ignorant and inexperienced Indians." It also held that at common law there was no right to make leases to begin operation at unreasonable periods in the future, and that the leases made with the Quapaws to begin in the future were illegal. It held this in the Quapaw case as to certain Indians whose lands, though patented to them in fee, nevertheless, were subject to restrictions and trust patents. It set aside these Quapaw leases as unlawful.

While we are convinced because of this decision that these overlapping leases which are being taken are illegal, the members of our tribe are confronted with the fact that the lessees taking these leases are threatening to take the Indians into court who made the leases. This would involve them in delay, expense, and litigation. In order to meet this condition we have drafted the proposed amendment which we think will meet the situation and clarify and remove all doubts.

We trust you will have the legislation enacted during the present Congress.

Yours very truly,

JAMES CARPENTER,
FRANK YORLOTTER,
HARRY WHITEMAN,
Delegates of the Crow Tribe of Indians.

BRIDGE ACROSS THE MISSISSIPPI RIVER

Mr. CANNON. Mr. Speaker, I asked awhile ago that action be deferred on the bill S. 5620, a bridge bill. I have conferred with the gentleman from Illinois [Mr. DENISON] and he has consented that I ask unanimous consent to return.

The SPEAKER pro tempore. That is the bill that the gentleman asked to be excepted from the motion of the gentleman from Illinois with reference to bridge bills?

Mr. CANNON. Yes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

[S. 5620, 69th Cong., 2d sess.]

An act granting the consent of Congress to John R. Scott, Thomas J. Scott, E. E. Green, and Baxter L. Brown, their successors and assigns, to construct, maintain, and operate a bridge across the Mississippi River

Be it enacted, etc., That the consent of Congress is hereby granted to John R. Scott, Thomas J. Scott, E. E. Green, and Baxter L. Brown, their successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River at a point suitable to the interests of navigation, between a point at or near the northern city limits of the city of St. Louis, in the State of Missouri, and a point opposite in the State of Illinois, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon John R. Scott, Thomas J. Scott, E. E. Green, and Baxter L. Brown, their successors and assigns, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for

the location, construction, operation, and maintenance of such bridge and its approaches and terminals as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in condemnation and expropriation of property in such State.

SEC. 3. The said John R. Scott, Thomas J. Scott, E. E. Green, and Baxter L. Brown, their successors and assigns, are hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under authority contained in the act of March 23, 1906.

SEC. 4. After the completion of such bridge, as determined by the Secretary of War, either the State of Missouri, the State of Illinois, any political subdivision of either of such States, within or adjoining which any part of such bridge is located, or any two or more of them jointly, may at any time acquire and take over all right, title, and interest in such bridge and its approaches, and any interest in real property necessary therefor, by purchase or by condemnation in accordance with the laws of either of such States governing the acquisition of private property for public purposes by condemnation. If at any time after the expiration of 20 years after the completion of such bridge the same is acquired by condemnation, the amount of damages or compensation to be allowed shall not include good will, going value, or prospective revenues or profits, but shall be limited to the sum of (1) the actual cost of constructing such bridge and its approaches, less a reasonable deduction for actual depreciation in value, (2) the actual cost of acquiring such interest in real property, (3) actual financing and promotion cost, not to exceed 10 per cent of the sum of the cost of constructing the bridge and its approaches and acquiring such interest in real property, and (4) actual expenditures for necessary improvements.

SEC. 5. If such bridge shall be taken over or acquired by the States or political subdivisions thereof as provided in section 4 of this act, and if tolls are charged for the use thereof, the rates of toll shall be so adjusted as to provide a fund sufficient to pay for the cost of maintaining, repairing, and operating the bridge and its approaches, to pay an adequate return on the cost thereof, and to provide a sinking fund sufficient to amortize the amount paid therefor as soon as possible under reasonable charges, but within a period not to exceed 25 years from the date of acquiring the same. After a sinking fund sufficient to pay the cost of acquiring the bridge and its approaches shall have been provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper care, repair, maintenance, and operation of the bridge and its approaches. An accurate record of the amount paid for acquiring the bridge and its approaches, the expenditures for operating, repairing, and maintaining the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 6. The said John R. Scott, Thomas J. Scott, E. E. Green, and Baxter L. Brown, their successors and assigns, shall within 90 days after the completion of such bridge file with the Secretary of War a sworn itemized statement showing the actual original cost of constructing such bridge and its approaches, the actual cost of acquiring any interest in real property necessary therefore, and the actual financing and promotion costs. The Secretary of War may at any time within three years after the completion of such bridge, investigate the actual cost of constructing the same, and for such purposes the said John R. Scott, Thomas J. Scott, E. E. Green, and Baxter L. Brown, their successors and assigns, shall make available all of its records in connection with the financing and the construction thereof. The findings of the Secretary of War as to actual original cost of the bridge shall be conclusive, subject only to review in a court of equity for fraud or gross mistake.

SEC. 7. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to John R. Scott, Thomas J. Scott, E. E. Green, and Baxter L. Brown, their successors and assigns, and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person.

SEC. 8. The right to alter, amend, or repeal this act is hereby expressed reserved.

The bill was ordered to be read the third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

BRIDGE ACROSS RAINY RIVER

Mr. NEWTON of Minnesota. Mr. Speaker, I ask unanimous consent to take up the bill H. R. 17181, the bridge bill, on the calendar, which was taken out of the motion of the gentleman from Illinois [Mr. DENISON].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the time for commencing and completing the construction of the bridge authorized by the act of Congress approved May 4, 1925, to be built across the Rainy River between the village of Spooner, Lake of the Woods County, State of Minnesota, and the village of Rainy River, Province of Ontario, Canada, is hereby extended for two years from the date of approval hereof.

SEC. 2. That the right to alter, amend, or repeal this act is expressly reserved.

Mr. NEWTON of Minnesota. Mr. Speaker, I move to amend, in line 5, by striking out the word "May" and insert the word "March," which was a typographical error.

The Clerk reported the amendment, as follows:

Line 5, strike out the word "May" and insert the word "March."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read a third time, and passed.

A motion to reconsider was laid on the table.

THE DEVELOPMENT OF EDUCATION IN THE LABOR MOVEMENT

Mr. ZIHLMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. ZIHLMAN. Mr. Speaker, practically one-half of the annual report submitted recently by the Commissioner of Education to the Secretary of the Interior deals with the general development in the field of public education for the fiscal year 1925–26.

Impressive progress is reported in the conduct of rural school systems, in the reorganization of city school curricula, in the matters of school hygiene, industrial, commercial, and adult education, and in the increasing importance to education of the public libraries. Such reports are indeed gratifying to those of us who watch the developments in education with so much hope.

Of course, there are also many educational developments not within the scope of this report, so many that it is almost impossible to keep in touch with them all. I would like, however, under leave to extend my remarks to describe briefly one experiment as being perhaps one of the most important developments in a new field of education—workers' education. I think it an experiment well worth knowing about and keeping in touch with.

This experiment—and it has really passed the critical stage of experimentalism now—is unique in that it is the first and so far the only resident college for trade-union men and women in the United States. It is called Brookwood, and operates under a charter of incorporation granted by the State of New York.

The purpose of Brookwood—it has become almost a creed of faith—is clearly stated in its bulletin and articles of incorporation. It is as follows:

Save for the fact that it stands for a new and better order, motivated by social values rather than pecuniary ones, Brookwood is not a propagandist institution. It seeks the truth, free from dogma and doctrinaire teaching. It believes that the labor and farmer movements constitute the most vital, concrete force working for human freedom, and that by exerting a wise social control they can bring in a new era of justice and human brotherhood.

Men and women who desire to be effective and useful in the labor and farmer movements need, in the first place, a point of view, a method of approach to their problems—respect for facts, willingness to face facts, ability to dig out relevant facts, and to solve problems and make generalizations on the basis of facts.

In the second place, they need the means for progressively shaping a policy with regard to the main issues confronting the organized workers at the present time.

Thirdly, they need a certain amount of training in the technique of labor-union administration and of activities such as speaking, writing, organizing, teaching, in which they may be called upon to engage. Brookwood seeks to provide an education along these lines. It is, then, a school to educate workers to work in the workers' movement.

The transformation of these ideals into what economists call a "going concern," the building up of equipment, personnel, and teaching policies, is a story too long to tell here. It has both bright and gloomy chapters, for, like most idealistic experiments, Brookwood has had to fight for existence more than once.

As we look at it to-day, however, a leader in workers' education in the United States, we find in the organization of the school itself the secret of its success and the promise of its future progress. Brookwood "controls" itself, its educational policy, its personnel, and its community life. Being an incorporated body, it conducts its own business with the outside world. Being an independent, somewhat isolated, community—did I say the school is located in the hills of Westchester County, 40 miles north of New York City?—it is faced with the need of a workable educational and community program. It has decided that a functional democracy is the most efficient and effective form of government it can adopt.

Accordingly each group in the community—faculty, students, administrative staff—has jurisdiction over matters pertaining exclusively to that group, and an elected representative body administers the policies and activities for the community as a whole. This body is called the board of directors, and includes 10 members of the labor movement, active trade-unionists all, 5 faculty members, 2 student members, and 2 representatives of the graduate-student group.

The board appoints, on nomination by the membership groups in the corporation, an executive committee of three trade-union directors, not over five faculty members, and one director each from the graduate and student groups.

This board has not, like most boards of directors, unlimited powers. The striking thing about Brookwood from an educational point of view is the freedom guaranteed its teachers. This is more than a mere slogan. The articles of incorporation expressly state that teachers—

> are to be accorded the fullest possible freedom to investigate and set forth the truth, since it is clearly undesirable that a school carried on under the auspices of the labor movement and serving that movement should fall into the same error of suppressing fredom of thought and expression which both the labor movement and intelligent educationalists deplore in the case of other institutions of learning.

Moreover, although the board of directors may "hire and fire" faculty members, it is provided that appointment or dismissal by the board when it involves the question of teaching ability shall be only upon the recommendation of the members of the faculty; in other words, that the faculty is the sole judge of its own qualifications.

The Brookwood faculty—all members of the American Federation of Teachers—at present consists of six full-time professors, one of whom is on leave of absence for a year studying postwar labor conditions in France for the social science department of Columbia University. A. J. Muste, chairman of faculty, and instructor in foreign labor and current events, has been with the school since its beginning, having come to Brookwood from an official position in the Textile Workers' Union.

Other faculty members, including Josephine Colby, teacher of English, David Saposs, labor problems, and Arthur Calhoun, director of studies and instructor in social sciences, have all taken active part in the labor movement, and have years of teaching experience and studying behind them.

From the beginning Brookwood has maintained a close connection with the labor movement through its faculty, students, and the "labor cooperating committee," a group of trade unionists who aided in launching Brookwood in the fall of 1921. These pioneers are all members of the labor group of the corporation, in addition to official representatives of trade unions that have established scholarships at the school. No less than 20 national trade unions in the United States and all of the important State federations of labor and city central bodies throughout the country have officially indorsed Brookwood. Most of them are contributing to its official support either through the establishment of scholarships or through other contributions. The school is affiliated with the Workers' Education Bureau of America, which is the agency through which the American Federation of Labor carries on its work in the field of adult education.

At present there are 42 students at the college, all trade-unionists. They represent 12 States and two foreign countries, and 18 industries, including coal mining, textile, transportation, building, and needle trades. Some of them have had but little previous training; some are college educated; all have been active in the labor movement, but each has had a different industrial experience. Obviously, throwing open the field of workers' education to students of such diversified backgrounds presents a real problem; how has it been met at Brookwood?

The regular course extends over two years, on the theory that adjustment to the tools and processes of intellectual activity—and in many cases it is a very difficult adjustment for the mine or factory worker to make—can not be made adequately in less than a year, and that during the second year the student may apply his newly acquired technique to the immediate problem of work in the labor movement.

During the first year, therefore, correlated, introductory courses are given in the social sciences, and such subjects as public speaking, writing, and statistical methods. There is a course known for lack of a better name, "How to Study," and there are special courses in current events and labor dramatics.

The second-year courses emphasize the more technical problems of the labor movement, such as trade-union organization, structure and administration, labor legislation, labor journalism, and advanced social sciences. A comparative course on foreign labor movements runs through the second year. Seminars in labor movement strategy and workers' education at the end of the second year serve to tie together the two years' work.

In addition to all this, are innumerable extra lectures, forums, conferences, and discussion groups, to which outside labor leaders contribute from their experience. As a member of the faculty said during the earlier days of the school (and the situation certainly has not changed for the better):

> We have six classes of two hours each on six mornings in the week. We do manual work, taking care of the pigs and the road. Monday evenings we have a debate on some labor or industrial subject. Wednesday evenings we have an outside speaker on a similar subject. Every Friday we have a current events labor discussion, and the rest of the time people spend in studying—when they aren't doing something else.

This raises a point that has not been mentioned yet, the cooperative aspect of the community life. In its early days, both students and faculty members divided their time nearly equally between academic pursuits and manual labor about the place. There was a great deal to be done in those days—small cabins to be built to house the students, improvements to be made in the main building, a large, two-wing, colonial house, road building, ditch digging, potato peeling, and other small but equally necessary tasks. Brookwood was establishing itself in the world then, and its very existence depended on the cooperative efforts of the group.

Since then it has become less and less necessary for the students and teachers to take time from their studies for community work, and to-day every student in the community is asked to put in only one hour of work a day for six days a week. This may be washing dishes, waiting on tables, sweeping, loading coal, hauling lumber for the new faculty house built entirely by student labor, or stoking the furnace—it is all accepted cheerfully and willingly as a necessary part of the Brookwood life.

With such cooperation the present equipment of the school has been built up, until to-day it can comfortably accommodate 40 students, 6 instructors (3 of them with families of their own, and 6 members of the staff employed for work in the office, kitchen, or about the grounds.

But there is no rest for the righteous, and eager students in increasing numbers are clamoring for admittance to Brookwood. Present facilities are wholly inadequate; students have to sleep in wooden shacks, study in a crowded library, attend lectures in a dusty basement room intended originally for a laundry. It is with the belief that Brookwood has proved its place in the labor movement that it is doing vitally important work, even under serious limitations, and could do a great deal more, that the administration has launched a building and endowment fund campaign for $2,000,000. Part of this will be set aside to permanently endow salaries and part will be used to improve the inadequate equipment. The impressive list of well-known sponsors for this campaign bears significant testimony to the importance which educators, labor leaders, civic and liberal leaders throughout the country attach to this labor college. As one of them, a professor at Columbia University, has said:

> When I think what could be done with a fund of $2,000,000 devoted to the purposes you serve at Brookwood, vistas open up which seem greater than any others I can conceive. If only your work there can be made more permanent in some such way, you will have established one of the most hopeful institutions of our contemporary life.

It is an interesting institution, this Brookwood Labor College is. And it is more than interesting, it is truly worth while, for it is an educational institution which truly educates, for it makes its students think, and best of all it helps its students help themselves. It gives to the rank and file of the organized labor movement of America an opportunity to secure valuable information and factative data which, in the humdrum of their daily routine life, they have not been able in other ways to obtain, and then it makes these men and women think and truly

consider the factative data they obtain. An institution like Brookwood is serving so valuable a purpose that I felt, Mr. Speaker, that it was worthy of some notice by us.

FORT HALL INDIAN IRRIGATION PROJECT

The next business on the Consent Calendar was the bill (H. R. 16287) for the irrigation of additional lands within the Fort Hall Indian irrigation project in Idaho.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill.

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $145,000 for the extension of the irrigation system over an area of 9,670 acres within the Fort Hall project, Idaho, between Fort Hall and Gibson.

With the following committee amendment:

Page 1, line 8, after the word "Gibson," insert: "*Provided*, That the lands to be benefited shall bear their pro rata share of the cost of providing irrigation facilities therefor which shall include a proper proportionate share of rehabilitating the Fort Hall project as provided for in the act of May 24, 1922 (42 Stats., pp. 552-568), and that the amount herein authorized to be appropriated, or so much thereof as may be expended, together with the proper proportionate share of the cost of providing irrigation facilities, as determined by the Secretary of the Interior, for this land that was expended out of the funds authorized to be appropriated by the said act of May 24, 1922, shall be reimbursed on a per acre basis by the lands benefited; and that in case of lands still held in Indian ownership for which irrigation facilities shall be provided under the provisions of this act, there is created a first lien against such lands which shall be recited in any patent issued therefor and shall be enforced by the Secretary of the Interior under such rules and regulations and conditions as he may prescribe: *Provided further*, That in case of any lands not held in Indian ownership that may be benefited hereby, the owners of such lands shall be required to execute an agreement with said Secretary of the Interior creating a first lien against such lands to assure repayment of the proper proportionate share of the construction cost prior to the delivery of water to any such lands: *And provided further*, That upon payment of the total per acre cost assessable against any tract or tracts involved, the Secretary of the Interior may execute a release of such lien for such tract or tracts."

The committee amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

DISABLED EMERGENCY OFFICERS

Mr. WILLIAMS of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein certain resolutions passed at the Eighth Annual Convention, American Legion, department of Texas, September 8, 9, and 10, 1926, respecting retirement of disabled emergency Army officers, and also a resolution respecting the same subject passed by the Legislature of Texas.

The SPEAKER. Is there objection?

There was no objection.

Mr. WILLIAMS of Texas. Mr. Speaker, under leave to extend, I insert the following resolutions:

House Concurrent Resolution 22

Whereas there are nine classes of officers in the World War, the regular, provisional, and emergency officers of the Navy, Marine Corps, and Army; and

Whereas eight of these classes have been granted by the Congress honorable retirement for their wounds and disabilities received as a result of their services in camp and field; and

Whereas the emergency Army officers who fought heroically, as evidenced by more than 2,000 battle deaths in France, have alone failed to receive the honorable retirement accorded all other classes of officers; and

Whereas there are 1,646 of these disabled emergency Army officers now suffering from disabilities received on the field of battle whose honorable retirement has not been granted by Congress; and

Whereas we are informed that legislation is pending in both Houses of Congress, being reported favorably by their respective committees and now on the calendar of each House (the Tyson bill, S. 3027; the Fitzgerald bill, H. R. 4548): Therefore be it

Resolved by the house (the senate concurring), That we do urgently request our Members in Congress to use their best efforts to have this legislation removing this discrimination passed at this session of Congress. Be it

Resolved further, That the clerk of the house of representatives and the senate join in sending a copy of this resolution to each United States Senator and Member of the House of Representatives from Texas.

BARRY MILLER,
President of the Senate.
W. V. HOWERTON,
Secretary of the Senate.
ROBERT LEE BOBBETT,
Speaker of the House.
M. LOUISE SNOW,
Chief Clerk of the House.

Excerpt from the minutes of the eighth annual convention, American Legion, Department of Texas, Amarillo, Tex., September 8, 9, 10, 1926

Whereas the Congress of the United States, in the selective service act of May 18, 1917, promised that all volunteer officers commissioned under that act should be "in all respects on the same footing as to pay, allowances, and pensions as officers * * * of corresponding grades and length of service in the Regular Army"; and

Whereas regular officers of the Army, Navy, and Marine Corps; provisional officers of the Army, Navy, and Marine Corps; and emergency officers of the Navy and Marine Corps have been granted by Congress the privileges of retirement for disability when incurred in line of duty, leaving only the disabled emergency officers of the Army without such retirement; and

Whereas an overwhelming majority of the Members of each Congress since the armistice has promised to correct the injustice to disabled emergency Army officers by the enactment of legislation designed to adjust the unfair conditions imposed upon these men; and

Whereas the United States Senate has twice passed measures to correct this condition, the vote in the Sixty-seventh Congress being 50 to 14, the vote in the Sixty-eighth Congress being 63 to 14; and

Whereas in the first session of the current Congress, the Sixty-ninth, the Senate Committee on Military Affairs favorably reported the Tyson bill, S. 3027, and the House Committee on World War Veterans' Legislation favorably reported the Fitzgerald bill, H. R. 4548, similar bills in their provision for the retirement of disabled emergency Army officers who incurred physical disability in line of duty during the World War, both of which bills are now on their respective calendars in the United States Senate and House of Representatives awaiting a final vote; and

Whereas the House Committee on World War Veterans' Legislation will, in all probability, have a committee day upon which it may bring out its own legislation for consideration and vote on the floor of the House in the next session of the Sixty-ninth Congress: Now, therefore, be it

Resolved, That the Department of Texas of the American Legion, in its annual convention assembled at Amarillo, Tex., this 10th day of September, 1926, do, and hereby does, most heartily indorse the principles of retirement for disabled emergency Army officers as already established for the other eight classes of disabled military and naval officers of the World War, and which principles are embodied in pending measures now before the Congress—the Tyson bill (S. 3027) and the Fitzgerald bill (H. R. 4548): Be it further

Resolved, That the Members of the United States Senate and House of Representatives from the State of Texas be, and hereby are, most strongly urged to lend their active support in securing the enactment of this pending legislation as early as possible in the next session of the current Congress.

A DELEGATE. I move its adoption.

A DELEGATE. I second the motion.

The CHAIR. The motion is carried and the resolution is adopted.

WOODROW WILSON

Mr. BARKLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein an editorial from the Miami Daily News in commemoration of Woodrow Wilson.

The SPEAKER. Is there objection?

There was no objection.

Mr. BARKLEY. Mr. Speaker, under leave to extend, I insert the following editorial from the Miami Daily News:

IN MEMORIAM

The third anniversary of the death of Woodrow Wilson will be observed quietly throughout the country to-day. It would not be surprising were the opportunity accepted to compare the stalwart foreign policies which he advocated with the haphazard course of the ship of state of the last six years.

More than 13 years ago Woodrow Wilson, having inherited difficulties with Mexico and other Latin-American states, uttered a warning which

comes back to us now as a voice from the grave to plague us for having ignored or rejected a fundamental truth.

"It is a very perilous thing," he said, "to determine the foreign policy of a nation in the terms of material interest."

This was one of the "polished phrases" and a sample of the "fine rhetoric" which lesser minds seized upon in their efforts to ridicule the great mind which gave them birth.

Had we taken that warning to heart, would this country be involved in disputes with Mexico, Nicaragua, and China to-day?

It has been the fate of all of our great Presidents to feel the barbs of criticism, but few, if any, were ever made the victim of such organized attack as was Woodrow Wilson.

He came to the highest office within the gift of the people better prepared to discharge its duties than any of his predecessors. He entered upon those duties with an enthusiasm born of the determination to succeed. He expended all of the great brain power with which he was so rarely endowed and spared not his body in the gigantic tasks which were thrust upon him during his second term.

He passed through periods of the greatest elation, the deepest depression, the utmost joy, and the profoundest sorrow. He walked with head above the crowd, yet never lost the common touch. He was a many-sided man, aloof, yet near; distant, yet understanding.

He believed in his star of destiny and followed it. He charted a course and never wavered in the face of obstacles which it presented.

No figure of the World War attained to greater popularity at home and abroad and none drank deeper of the cup of humiliation. The same public opinion which placed him upon the highest pedestal at sunrise crucified him before night. And then, in penitent mood, sought to heal his wounds and nurse him back to health.

Broken on the wheel of duty, he fought on alone. He submitted to the diabolically conceived senatorial inquisition which penetrated to his sick room and sought grounds upon which to divest him of his power. In the pain-racked body on the bed that committee found a mind so alert that it retired in haste to hide its face in shame.

Retiring from office in 1921, Woodrow Wilson went into seclusion to appear only on two occasions to reply to the felicitations of friends who gathered to honor him upon his birthday. From his lips came no criticism of his successor. Once he voiced the fear that France was again tending toward militarism. In his last address he paid his respects to "a group in the United States Senate who preferred personal partisan motives to the honor of their country and the peace of the world."

Peace of the world was closer and dearer to him than anything else. He had called upon America's youth to bring it about. He had pledged it to the mothers of America who had so willingly given their sons to the slaughter. But peace of the world he was not destined to see while he lived. Still, he believed it would come; believed it with all his heart. The war spirit would burn itself out through lack of combustible material. The consciousness of the people had been touched by him. The folly of war had been brought home to them. Time would cause them to assert their right to determine for themselves the line which divides injustice and justice, and he died in the faith that the popular mind would agree that "justice is a greater thing than any kind of experience. America has always stood for justice and always will stand for it. Puny persons who are now standing in the way will presently find that their weakness is no match for the strength of a moving Providence."

How prophetic! To-day the American people, as with one voice, demand justice in our relations with our neighbors to the south and across the Pacific. People are thinking and deciding for themselves, just as Woodrow Wilson predicted they would.

It was given to Mr. Wilson to see public reaction set in in his favor months before he died, and to grow so rapidly that his passing struck sorrow into the humblest home. His hold upon the common people was weakened, but never broken. His fortitude in his long period of confinement touched the American heart. It was an unvoiced appeal for the justice which he loved and which had been denied to him when he needed it most.

His was a record of which every loyal American can be proud. He left to us a heritage to cherish. He stood for all that is clean in politics; he was the champion of fair play; he broke down barriers that had withstood the assaults of centuries; the words he uttered and the encouragement he gave changed the map of the world. Above all, he made men think. He awakened in them the knowledge that they are their own masters.

Woodrow Wilson, living, was great. Woodrow Wilson, dead, is greater. America honors his memory to-day, not for what he was, or what he did, so much as for what he advocated.

On the tablet which will survive the ages is written in bold relief his last charge to the American people: "The future is in our hands, and if we are not equal to it, the shame will be ours and none other's."

BRIDGE ACROSS THE OHIO RIVER AT LOUISVILLE

Mr. THATCHER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the bill S. 5083, a bridge bill passed to-day.

The SPEAKER. Is there objection?

There was no objection.

Mr. THATCHER. Mr. Speaker, this bill (S. 5083) provides for an extension of one year from April 2, 1927, for the time of beginning the construction of a proposed bridge across the Ohio River between Louisville, Ky., and Jeffersonville, Ind., and an extension of three years for the completion of the bridge. At the last session I introduced a bill (H. R. 9599) granting the consent of Congress for the construction, maintenance, and operation of this bridge, and same was enacted into law, receiving Executive approval on April 2, 1926.

No actual work has been commenced on the actual construction of this bridge. In Louisville at the November election, 1926, a proposed bond issue to make the bridge free of all tolls and to be paid for by the city of Louisville was defeated. Probably at the November election, 1927, there will be voted on the question of issuing bonds for the sum necessary to construct the bridge—about $5,000,000—with tolls to run not exceeding 30 years, as provided in the bill passed at the last session, to pay the cost of construction.

The Senate, at this session, passed the present measure (S. 5083) extending the times of beginning and completion, as already mentioned, but annexed certain engineering specifications based on the assumption that two old Ohio River bridge acts—one of December 17, 1872, and the other of February 14, 1883—were yet in force. The Interstate and Foreign Commerce Committee of the House, which committee handles bridge bills in the House, took the position that the two acts last named were repealed by the general bridge act of 1906. The Chief of Engineers also took this position, holding that all engineering questions should be left to the War Department agreeably to the act of 1906.

Thereupon, the House committee struck out the provisions of the Senate bill (S. 5083) and rewrote the bill as follows:

That the times for commencing and completing the construction of the bridge authorized by the act entitled "An act granting the consent of Congress to the city of Louisville, Ky., to construct a bridge across the Ohio River at or near said city," approved April 2, 1926, are hereby extended one and three years, respectively, from April 2, 1927.

SEC. 2. That the act of Congress entitled "An act to authorize the construction of bridges across the Ohio River and to prescribe the dimensions of the same," approved December 17, 1872, and the act supplementary thereto, approved February 14, 1883, are hereby repealed.

And the House committee amended the title so as to read: "A bill to extend the times for commencing and completing the construction of a bridge across the Ohio River at Louisville, Ky., and to repeal certain former bridge laws."

The House committee and the Chief of Engineers believed that it might be well in this bill to expressly repeal the two old laws, whose actual repeal was made, as they have believed, by the act of 1906.

The report of the House Interstate and Foreign Commerce Committee fully explains these matters in its report on S. 5083. It is believed to be of such importance to Members of the Congress, as well as to the general public, that it is here inserted:

REPORT

The Committee on Interstate and Foreign Commerce, to whom was referred the bill (S. 5083) to supplement the act entitled "An act granting the consent of Congress to the city of Louisville, Ky., to construct a bridge across the Ohio River at or near said city," approved April 2, 1926, having considered the same, report thereon with amendments and as so amended recommend that it pass.

Amend the bill as follows:

Strike out all after the enacting clause and insert the following in lieu thereof:

"That the time for commencing and completing the construction of the bridge authorized by the act entitled 'An act granting the consent of Congress to the city of Louisville, Ky., to construct a bridge across the Ohio River at or near said city,' approved April 2, 1926, are hereby extended one and three years, respectively, from April 2, 1927.

"SEC. 2. That the act of Congress entitled 'An act to authorize the construction of bridges across the Ohio River and to prescribe the dimensions of the same,' approved December 17, 1872, and the act supplementary thereto, approved February 14, 1883, are hereby repealed."

Amend the title so as to read:

"To extend the times for commencing and completing the construction of a bridge across the Ohio River at Louisville, Ky., and to repeal certain former bridge laws."

This is a bill which passed the Senate and was referred to the Committee on Interstate and Foreign Commerce.

On April 2, 1926, Congress passed an act entitled "An act granting the consent of Congress to the city of Louisville, Ky., to construct a bridge across the Ohio River at or near said city." That bill was passed in the usual form of all bills of similar character that are now being passed by Congress. The present Senate bill contains two provisions, one extending the times for beginning and completing the construction of the bridge authorized by the act of 1926. Under the general bridge law all bridges authorized by acts of Congress must be commenced within one year and completed within three years from the date of approval of the granting act. This bill simply extends the times for beginning and completing the construction of the bridge another year longer than the original act.

The first section of the Senate bill, however, is very unusual in that it specifies somewhat in detail some of the important specifications for the bridge. It provides that it may be constructed without a draw span, and in lieu thereof have a fixed span; and that the vertical clearance of such fixed span, as well as the vertical clearance of the channel span should be not less than the vertical clearance of the canal lift span, when raised to its highest position, in the existing Pennsylvania Railroad Bridge over the Ohio River at Louisville, Ky.

It will thus be seen that the Senate bill enters into certain engineering questions and provides certain plans and specifications for the bridge that is authorized to be constructed at the point in question. In former years Congress did embody plans and specifications for bridges over navigable waterways of the United States when it authorized by special act the construction of such bridges. As the country grew in population and the necessity for the construction of more bridges arose, it was found to be wholly impracticable and unwise for Congress to undertake to enter into such intricate engineering questions as are involved in the construction of railway and highway bridges. Congress has not the time or the facilities for making the necessary investigation and having the necessary hearings in order to determine the width of spans and the height and type of the bridges that ought to be authorized in order to protect the interests of navigation on such rivers. Therefore, in 1906 Congress changed its entire policy by enacting a general bridge law.

The act of March 23, 1906, provides that thereafter no bridge over any navigable waterway of the United States should be begun or constructed until the plans and specifications shall have been presented to the Secretary of War and Chief of Engineers and received their approval. That act provides in detail how such plans and specifications and blue prints and all other necessary information should be presented to the Chief of Engineers and the Secretary of War. Hearings are held and all questions connected with the type and plans of the proposed structure, as well as its location, are thoroughly investigated and passed upon by the Chief of Engineers and the Secretary of War, and they must have their approval before the bridge can be constructed. Since the passage of that act Congress has not, in the passage of bridge bills, provided the type or specifications of the bridges, but merely grants the franchise to construct them. And all special bridge bills provide that the bridges must be constructed in accordance with the provisions of the act of March 23, 1906.

It seems, however, that in 1872 Congress passed a bill providing in detail for the kind and character of bridges that could be constructed over the Ohio River and in 1883 an amendatory act thereto was also passed providing in somewhat more detailed language for the construction of such bridges. These acts were passed long years before the general bridge law of March 23, 1906, was passed. While the act of March 23, 1906, did not expressly repeal the old bridge laws of 1872 and 1883, providing for the construction of bridges over the Ohio River, it has always been the view of the Secretary of War and the Chief of Engineers that such prior acts were repealed by implication, and no further attention has been given to such prior acts. They have been considered as repealed and it is the judgment of the Committee on Interstate and Foreign Commerce that the general bridge law of March 23, 1906, did by inference repeal those former laws.

But in the case of a bridge that was authorized to be constructed over the Ohio River at Louisville, Ky., by the act of April 2, 1926, fear has been expressed by those interested in the structure that the old acts of Congress are still in force, and that their provisions with reference to the construction of bridges over the Ohio River still obtain as part of the law governing such structures. So long as there is any doubt upon that question, conflicting views will be expressed and difficulty will be experienced in financing structures that are to be built over the Ohio River. It is the desire of the office of the Chief of Engineers that that doubt be removed by an express repeal of those former acts. The provisions of the first section of the Senate bill were inserted because of doubt as to the repeal of the act of 1872 and the act of 1883.

Your committee believes that it would not be in harmony with the policy that has been followed since the passage of the general bridge law of March 23, 1906, to insert in individual bridge bills any specific provisions with reference to the plan and type and dimensions of bridges. Those are technical engineering questions which Congress itself has no facilities to investigate and determine. Those duties have been conferred by Congress upon the Chief of Engineers and the Secretary of War, and the committee believes that the same policy should be carried out with reference to the construction of this bridge. Therefore the committee has amended the Senate bill by striking out all after the enacting clause and has inserted in section 1 of the amended bill the usual and ordinary language to extend the times for beginning and completing the bridge, authorized by the act of April 2, 1926, and has added a new section expressly repealing the old acts of 1872 and 1883. The effect of this provision will be that those old acts will be expressly repealed and all doubt will be removed as to the question as to whether they were actually repealed by implication by the act of March 23, 1906. The Secretary of War and the Chief of Engineers recommends and asks that this action be taken and the committee believes that it is the proper course to follow.

Accordingly the committee recommends that the Senate bill as amended be passed.

It may be added that the War Department has given formal assurance that the engineering features embodied in the original measure (S. 5083) will be acceptable. Section 1 of the original measure (now stricken out) by the House, set forth the engineering features, the engineers, acting for the city of Louisville, have indicated as being desirable, and that section was as follows:

That the bridge authorized to be constructed over the Ohio River by the act entitled "An act granting the consent of Congress to the city of Louisville, Ky., to construct a bridge across the Ohio River at or near said city," approved April 2, 1926, may be constructed without a draw span and in lieu thereof a fixed span may be constructed. The vertical clearance of such fixed span, as well as the vertical clearance of the channel span to be constructed for high-water navigation, shall be not less than the vertical clearance of the canal lift span, when raised to its highest position, in the existing Pennsylvania Railroad bridge over the Ohio River at Louisville, Ky.

DECORATION DAY

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon the subject of Decoration Day, and include therein an editorial from the Washington Post.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following editorial from the Washington Post, which reflects a sentiment that I am sure will appeal to all right-thinking Americans:

When Congress authorized the Secretary of War to accept from the commander in chief of the Grand Army of the Republic a tablet to be placed in the amphitheater in Arlington to commemorate the designation of May 30 of each year as Memorial Day, it was provided that the inscription on the tablet should reproduce the order of Gen. John A. Logan, who when commander in chief of the Grand Army first designated May 30 as Memorial Day.

The tablet thus authorized to be placed permanently in the amphitheater may be dedicated on Memorial Day of this year, provided that the "thin blue line" can agree upon the inscription to be cut in the marble slab. The commander in chief is inclined to insist that the entire order No. 11, which is the official designation of the Logan edict, shall be included. But at the fifty-ninth encampment of the Department of the Potomac, which assembled in Washington last week, it was resolved that some of the words of that order should be deleted before the slab is placed permanently in the amphitheater.

First, it is shown that if every word of the original is reproduced there will be 1,127 more letters than are in the Gettysburg address of President Lincoln. But the Logan order was written in May, 1868, and there was naturally more bitterness toward the former enemies of the "boys in blue" than there is to-day. Besides, there lie side by side in Arlington the sons of the veterans of Lee's army as well as those of Grant's.

The war with Spain and the World War helped to fill many of the graves on those hillsides across the Potomac, and the veterans of the Grand Army residing in Washington who have frequent occasion to visit "the bivouac of the dead" feel that the memorial tablet can best serve its purpose if the bitter words of the original order are eliminated. They have therefore joined in recommending that extracts only be cut into the slab, and it is to be hoped that the slab may be placed with proper ceremonies on Decoration Day next, with this inscription:

"The 30th day of May, 1868, is designated for the purpose of strewing with flowers, or otherwise decorating the graves of comrades who died in defense of their country during the late rebellion, and whose bodies now lie in almost every city, village, and hamlet churchyard in the land. In this observance no form or ceremony is prescribed, but posts and comrades will, in their own way, arrange such fitting services and testimonials of respect as circumstances may permit.

"Let no vandalism of avarice or neglect, no ravages of time, testify to the present or to the coming generations that we have forgotten as

a people, the cost of a free and undivided republic. If other eyes grow dull and other hands slack, and other hearts cold in the solemn trust, ours shall keep it well as long as the light and warmth of life remain in us. Let us, then, at the time appointed, gather around their sacred remains, and garland the passionless mounds above them with choicest flowers of springtime; let us raise above them the dear old flag.

"It is the purpose of the commander in chief to inaugurate this observance with the hope that it will be kept up from year to year."

AMENDING THE FEDERAL HIGHWAY ACT

Mr. OLDFIELD. Mr. Speaker, I ask unanimous consent for the present consideration at this time of the bill H. R. 16551, No. 1012 on the Consent Calendar. This is an emergency matter so far as my State is concerned.

The SPEAKER. The gentleman states that it is a matter of emergency?

Mr. OLDFIELD. It is a matter of great emergency to my State.

Mr. DOWELL. Mr. Speaker, I reserve a point of order to section 2 of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding any provision of the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, or any act amendatory thereof or supplementary thereto, the Secretary of Agriculture may extend, on the same basis and in the same manner as in the construction of any free bridge, Federal aid under such acts, in the construction of any toll bridge and approaches thereto, by a State, States, county, or counties, or any other political subdivision of any such State, States, county, or counties within any State or States, upon the condition that all of the tolls received from the operation thereof, less the actual cost of operation and maintenance, are applied in the complete repayment to the State, States, county, or counties within any State or States, or any other political subdivision thereof, of its part of the cost of construction of such bridge and upon the further condition that at such time the payment of tolls shall cease and the bridge shall thereby and thereafter become a free bridge.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That notwithstanding any provision of the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes,' approved July 11, 1916, or of the Federal highway act, the Secretary of Agriculture may extend, on the same basis and in the same manner as in the construction of any free bridge, Federal aid under such acts, in the construction of any toll bridge and approaches thereto, by any State or States, or political subdivision or subdivisions thereof, upon the condition that such bridge is owned and operated by such State or States, or political subdivision or subdivisions thereof, and that all tolls received from the operation thereof, less the actual cost of operation and maintenance, are applied to the repayment to the State or States, or political subdivision or subdivisions thereof, of its or their part of the cost of construction of such bridge, and upon the further condition that when the amount contributed by such State or States, or political subdivision or subdivisions thereof, in the construction of such bridge shall have been repaid from the tolls, the collection of tolls for the use of such bridge shall thereafter cease, and the same shall be maintained and operated as a free bridge.

"SEC. 2. That nothing contained in the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes,' approved July 11, 1916, or in the Federal highway act, shall be construed to prohibit the Secretary of Agriculture from granting Federal aid, in accordance with the provisions of such acts, in respect of a road or highway, because such road or highway leads directly to or from a toll bridge or toll ferry."

Mr. DOWELL. Mr. Speaker, I make the point of order against section 2 for the reason that the committee has no jurisdiction over the subject reported in section 2. I make the further point of order that it is not germane to section 1 of the bill. I call the Speaker's attention to Rule XI and to the reference there, to the effect that it has generally been held that a committee may not report a bill whereof the subject matter has not been referred to it by the House. The subject matter in section 2 of this bill is not referred under the rules of the House to the Committee on Interstate and Foreign Commerce. It is a subject which goes naturally to the Committee on Roads, and it has no place before the Committee on Interstate and Foreign Commerce. There are instances where a matter has been referred to the wrong committee, and where the committee makes report and where objection is not made the committee then secures jurisdiction, but nothing has been referred to this committee upon that subject. It has been reported without any reference of any kind, and under the decisions there can be no question but that committee has no jurisdiction.

I call the attention of the Speaker to section 4355, volume 4, of Hinds' Precedents:

It has generally been held that a committee may not report a bill whereof the subject matter has not been referred to it by the House.

There was no reference of this particular part of this bill to this Committee on Interstate and Foreign Commerce. The committee has no jurisdiction of the subject matter under the general rules of the House and it is not in order. I quote further from Hinds' Precedents, section 4355:

Mr. Samuel F. Vinton, of Ohio, objected to the reception of the bill, on the ground that the subject matter of the bill had not been referred to the committee which reported it to the House, either by resolution or by the rules or otherwise.

Debate arose.

Mr. Stephens urged that the principle involved was one of great parliamentary importance, whether any one of the standing committees of the House had power to originate and report bills upon any subject that had not been either generally or specially referred to it.

The Speaker decided that the bill was not in order from the Committee on Public Expenditures, not being a subject referred to them by the rules or the action of the House.

Mr. Speaker, this ruling, so far as I am able to ascertain, has been generally followed by the Chair in rulings on this subject. It seems to me that where a committee has taken a subject which has never been referred to it and is not referred to it by the general rules of the House, the Chair must hold that it has no jurisdiction to pass upon it and report a bill. I insist upon the point of order.

The SPEAKER. The Chair is ready to rule, unless the gentleman from Arkansas desires to argue the point of order.

Mr. OLDFIELD. I have no desire to do so.

Mr. DENISON. Mr. Speaker, may I make some observations on the point of order? As to the question of jurisdiction that presents some difficulties I will have to admit, but, Mr. Speaker, this matter was not referred to the committee at the request of our committee, but it was first referred to the committee of which the gentleman from Iowa is the chairman.

Mr. DOWELL. I beg the gentleman's pardon, that is not the subject that was referred to the committee that I made the point of order first on. The gentleman will note my point of order is as to section 2 which was not in the bill referred to our committee.

Mr. DENISON. The House committee made only one amendment to the bill introduced. We struck out all after the enacting clause and rewrote the bill and put in some new matter. If objection goes to anything it goes to the whole amendment.

Mr. DOWELL. Oh, no.

Mr. DENISON. Mr. Speaker, let me make this observation. The bill was referred to the Committee on Roads and at the request of the gentleman from Arkansas who introduced it, with the approval of the chairman of the Committee on Roads, it was referred to the Committee on Interstate and Foreign Commerce. The bill having been referred to that committee, the committee acted upon it. The bill was not in the form the committee thought it ought to be, and we struck out all after the enacting clause and rewrote it in its present form. Now I think under these circumstances, the bill having been sent to our committee with the knowledge and consent of the chairman of the Committee on Roads the objection will not lie as to the question of jurisdiction; but even so the point is not well taken. But on the question of germaneness, I call attention to this. The Federal aid road act, section 1, contains this language:

Provided, That all roads constructed under the provisions of this act shall be free from tolls of all kinds.

That is the provision of the Federal aid road act that this bill pertains to. Then there is a further provision:

That necessary bridges and culverts shall be deemed parts of the respective roads covered by the provisions of this act.

In other words, the Federal aid road act contains a provision that all roads constructed under its provisions must be free from tolls and contains the further provision, namely, that necessary bridges and culverts shall be deemed parts of the roads. Now, this bill as originally introduced and referred to our committee, liberalizes these provisions of the Federal aid road act and permits an expenditure of Federal-aid funds on the construction of toll bridges that are built by States and political subdivisions such as counties and cities, and as it was

introduced it also permitted the expenditure of Federal-aid funds not only on bridges but on the bridges and their approaches. So the rewritten bill divided it into two sections and put a further provision that the Secretary of Agriculture might expend Federal-aid funds on roads leading up to a toll bridge and leading away from a toll bridge. There is no question in my mind as to the germaneness of section 2, as an amendment to section 1. They pertain to the same subject exactly. One specifies toll bridges and approaches, the other refers to roads leading up to and away from a toll bridge. I think the whole thing is germane, but outside of that there is but one amendment made by the committee; and it seems to me that the point of order, if good at all, ought to go to the whole committee amendment.

The SPEAKER. The Chair is ready to rule. The point of order is made against section 2 of the bill on the ground that the committee to which it was referred had no authority to report on this subject. The second point is made that it is not germane. The Chair doubts very much if the Committee on Interstate and Foreign Commerce has jurisdiction over the matter contained in section 2.

But without deciding unnecessarily on that point, the Chair is clearly of the opinion that section 2 is not germane to section 1. He, therefore, sustains the point of order. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was ordered to be laid on the table.

PUNISHMENT OF PERSONS ESCAPING FROM FEDERAL PENAL INSTITUTIONS

Mr. GRAHAM. Mr. Speaker, the gentleman from New York, who objected to the consideration of Calendar No. 890, the bill H. R. 15975, has withdrawn his objection and has authorized me to ask unanimous consent to return to Calendar No. 890 for its consideration.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to return to Calendar No. 890, the bill H. R. 15975, which was objected to this morning. Is there objection?

Mr. LAGUARDIA. I object.

The SPEAKER. The gentleman from New York objects.

NORTHERN PACIFIC LAND GRANTS

Mr. SINNOTT. Mr. Speaker, I ask unanimous consent to consider House Joint Resolution 363, amending the joint resolution entitled "Joint resolution directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes," approved June 5, 1924.

The SPEAKER. The gentleman from Oregon asks unanimous consent to consider House Resolution 363, which the Clerk will report by title.

The Clerk read as follows:

Joint resolution (H. J. Res. 363) amending the joint resolution entitled "Joint resolution directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes," approved June 5, 1924.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, etc., That the joint resolution entitled "Joint resolution directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes," approved June 5, 1924, be, and the same is hereby, amended as follows: "That where in said joint resolution there appears the word and figures 'March 4, 1926,' the same shall be amended to read 'June 1, 1928.'"

SEC. 2. That the present members of the joint committee appointed under said resolution shall continue to act until the termination of the Seventieth Congress: *Provided, however*, That where a vacancy will occur among the Senate members of said committee due to their retiring from Congress on March 4, 1927, the President of the Senate may fill such vacancy.

With a committee amendment as follows:

Page 2, after line 7, insert a new section as follows:

"SEC. 3. That the Attorney General of the United States be, and he hereby is, authorized and directed to advise the said joint committee as to what legal or legislative action should, in his judgment, be taken in the matter of the adjustment of the said Northern Pacific land grants."

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the House joint resolution.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the resolution was passed was ordered to be laid on the table.

ORDER OF BUSINESS TO-MORROW

Mr. SNELL. I desire to make a statement in regard to the program to-morrow, about which several Members have inquired. I have just consulted with the minority leader, and it is expected now that the medicinal liquor bill will be called up immediately after the conclusion of the exercises in memory of George Washington.

REPORT OF CONFEREES REPRESENTING NEW YORK STATE WATER POWER COMMISSION

Mr. GARRETT of Tennessee. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein the report and minutes of the conferees representing the New York State Water Power Commission at the conference with the Federal Power Commission made to the Governor of New York on July 16, 1923.

The SPEAKER. The gentleman from Tennessee asks unanimous consent to extend his remarks by inserting the report of the conferees representing the New York State Power Commission. Is there objection?

Mr. TILSON. Reserving the right to object, how extensive a document is that?

Mr. GARRETT of Tennessee. I imagine it will take about five pages of the CONGRESSIONAL RECORD. I wanted to extend it in the RECORD in the Appendix.

Mr. TILSON. The gentleman himself has examined it?

Mr. GARRETT of Tennessee. With very minute care.

Mr. CHINDBLOM. Has it any relation to any legislation now pending?

Mr. GARRETT of Tennessee. Yes. It has relation to a bill introduced by myself which is now pending before the Committee on Interstate and Foreign Commerce. It has just this relation, that it carries out the theory of the bill which I introduced.

Mr. CHINDBLOM. Of course, I would not object.

The SPEAKER. Is there objection?

There was no objection.

Mr. GARRETT of Tennessee. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following report and minutes of conferees representing New York State Water Power Commission at conference with Federal Power Commission to the governor at Albany, N. Y., July 16, 1923:

OFFICE OF THE ATTORNEY GENERAL,
THE CAPITOL, ALBANY, N. Y.,
Albany, July 16, 1923.

To the GOVERNOR,
The Capitol, Albany, N. Y.:

On behalf of the water power commission of this State, we beg to report that we recently had a conference at Washington with the Federal Power Commission, pursuant to section 613 of the State conservation law, providing that our commission should cooperate with any authorities of the Federal Government in an endeavor to harmonize any conflicting claims of the State and Federal Governments to control over the leasing or licensing of the use of waters for power purposes, to the end that the water-power resources of the State may be accelerated. This conference has resulted to a great extent in a conciliation of views of the two commissions as to their respective jurisdiction over the licensing of water-power projects, and we deem the matter to be of sufficient importance to call for this formal report in writing to you. We file with you herewith the minutes of the conference.

In order to cover the subject fully, we shall divide our report chronologically into the following subdivisions:

1. The situation prior to the enactment of the Federal water power act on June 10, 1920 (41 Stat. L. 1063);
2. The Federal water power act;
3. The suit of the State of New York, in the United States Supreme Court, against the Federal Power Commission and the Attorney General of the United States;
4. The answer filed by those defendants in that litigation;
5. The conference; and
6. Conclusion and recommendations.

I. THE SITUATION PRIOR TO THE ENACTMENT OF THE FEDERAL WATER POWER ACT

The United States and the various member States, for many years, have exercised joint jurisdiction over navigable streams within the limits of the respective States. The State exercises such jurisdiction because of its proprietary rights; and the proposition is long established that the authority of a member State over navigable waters within its boundaries is plenary, subject only to such action as Congress may take in the execution of its powers under Article I, section 8, of the United States Constitution conferring power on Congress to regulate commerce among the several States and with foreign nations. Conversely, the proposition is also long established that this power of Congress to regulate commerce is complete in itself, and may be exercised to its utmost extent, and acknowledges no limitations other than are prescribed in the Constitution. But this power of Congress is solely for the purpose of regulating commerce, and bestows no power on Congress to give original authority to anyone whatever to utilize the waters of a member State for the development of water power. The State having proprietary rights in navigable waters within its boundaries is primarily the "franchise-giving" or "licensing" authority. The United States having at least a veto power under its above-described authority is the "consenting" authority. Both must concur. For many years prior to the enactment of the Federal water power act, this joint control over navigable waters was well settled, and any State, municipality, corporation, or individual desiring to institute any project in a navigable stream was required to obtain licenses, permits, or consents from both Governments.

II. THE FEDERAL WATER POWER ACT

The Federal water power act deals primarily with water power rather than navigation, and if the Federal Power Commission attempted to apply the provisions of the act, in all their length and breadth, to water power development in navigable streams within the boundaries of member States, there would undoubtedly be an invasion of State rights. The fundamental question as to the act is how it will be applied. To explain. It first must be particularly noted that the act defines a "State" as "a State admitted to the Union (i. e., a member State) the District of Columbia, and any organized Territory of the United States." It defines "navigable waters" as "those parts of streams or other bodies of waters, over which Congress has jurisdiction, under its authority to regulate commerce with foreign nations and among the several States," etc. Congress, in enacting this Act, was not dealing exclusively with the development of water power in navigable streams within the boundaries of member States. It was dealing also and to a large extent with water power in navigable streams within the District of Columbia and in Territories and also with water power upon lands and waters which the United States itself owned within the boundaries of member States. Congress indisputably had full constitutional authority to legislate, without limit, as to water power in the District of Columbia and Territories and also as to any and all properties or waters owned by the United States within the boundaries of member States. It also had a certain and wholly distinct constitutional authority to legislate as to navigable waters within the boundaries of member States. In respect to the District of Columbia and the Territories and also in respect to any and all properties and waters owned by the United States within the boundaries of member States its power to legislate is of the character of a "franchise-giving" or "licensing" authority. In respect to navigable waters within the boundaries of member States its authority to legislate is of the character of a "consenting" authority, although there can be no basic objection to a statutory provision that such "consent" should be given in the form of a Federal "permit" or "license" issued by a Federal "commission."

The debates in Congress attending the passage of the water power act were of a character calculated to disturb those who were interested in State rights, and the first point of criticism which the States were called upon to make against the provisions of the act was that it was drawn so as to make no distinction between the exercise of the separate functions of the United States Government, or so as to make no distinction between the different classes of properties over which Congress had jurisdiction of the one character or the other. Thus, the title to the act is "An act to create a Federal Power Commission, to provide for the improvement of navigation, the development of water power, the use of public lands in relation thereto, and to repeal section 18 of the river and harbor appropriation act approved August 8, 1917, and for other purposes." The question which arose on the doorstep of the consideration of the act was whether there is such confusion that the proper administration of the act would necessarily result in the Federal Power Commission treating properties of the State in navigable streams within the boundaries of member States in the same way as the properties of the United States within the boundaries of member States or in the District of Columbia or the Territories. Similar instances of statutes of Congress which have confused various functions or powers of the United States and which, for such reason, have been held to be unconstitutional either in whole or in part, will be found in the Trade-Mark cases, the Civil Rights' cases, and the Employers' Liability cases.

The water power act also contained a number of specific provisions which, if held by the Federal commission to apply to navigable streams within the boundaries of member States, would constitute a clear invasion of the constitutional rights of States. Some of these will be taken up at a later point in this report.

III. SUIT IN THE UNITED STATES SUPREME COURT

The last State administration was called upon to consider this Federal legislation, and to determine what, if anything, should be done to protect the constitutional rights of the State of New York in navigable streams within the boundaries of New York State. Hon. Elon R. Brown, and, upon his death, Charles A. Collin, Esq., were successively retained as special counsel to the attorney general to protect the rights of the State. Mr. Brown instituted a suit in the United States Supreme Court by the State of New York against the Federal Power Commission and the United States Attorney General, praying an injunction against these officers, restraining them from enforcing the Federal power act as against this State. An original bill was filed and was met by a motion to dismiss. Thereupon, an amended bill was filed, which dealt in greater detail than the original bill with the various water power projects of the State of New York, and what the last State administration conceived might be a threatened invasion thereof by the Federal Power Commission.

IV. THE DEFENDANTS' ANSWER

On January 1, 1923, your administration came into office, and thereafter the defendants filed their answer to the amended bill. The attorney general of New York called a conference at Albany between himself, Deputy Attorney General Edward G. Griffin, Mr. Collin, Hon. George E. Van Kennan, counsel to the State water power commission, and Hon. John Godfrey Saxe, whom the attorney general had retained as special counsel under this administration.

It appeared that the defendants, by their new answer, instead of threatening to apply the Federal power act in such a manner as to invade the rights of New York, set forth a number of specific allegations or admissions, which indicated that the Federal Power Commission recognized State rights and entertained an intent, in good faith, to work in harmony with the State of New York.

For instance, the defendants, in referring to applications pending before the Federal commission for licenses and permits in the State of New York, specifically alleged in its answer that the grant of such licenses and permits is in pursuance of the paramount power of the Federal Government over navigation, and is and would be no interference with any right of the State, set up in the amended bill or otherwise. While they alleged that they would act upon such applications, they also alleged that, by the act (sec. 9 (b)), an applicant for a license from the Federal commission must submit to the commission satisfactory evidence that the applicant has complied with the requirements of the laws of the State within which the project is to be located, and that they have not issued a license to any applicant in the State of New York who has not complied with the requirements of the laws of New York, and have not threatened and do not intend to issue a license to any applicant who has not so complied with the laws of the State, that they are not exercising, have not threatened to exercise, and do not intend to exercise exclusive control over any properties or streams in said State.

Counsel have painstakingly analyzed the amended bill and the said answer, and the latter contains further valuable admissions tending to clarify the situation; but it is unnecessary to weigh down this report with a detailed analysis.

On April 5, 1923, Mr. Saxe, at the request of the attorney general of New York, rendered an exhaustive confidential opinion in respect to respective rights of the United States and the State over navigable waters, and the availability of the pending suit as a means to obtain a decision in favor of the State in respect to any conflict of jurisdiction between the United States and the State of New York regarding water-power development, and he concluded his opinion by advising an early conference between the State water power commission and the Federal Power Commission, looking to cooperation and the acceleration of development of our water-power resources. Mr. Collin authorized Mr. Saxe to state that he concurred in the opinion. Thereafter a further conference was held at the attorney general's office at Albany, and it was decided that before counsel commenced the taking of testimony in the pending suit in the United States Supreme Court, the State water power commission should hold an early conference with the Federal Power Commission.

V. THE CONFERENCE AT WASHINGTON

This conference was held on May 10, 1923, and we submit herewith, in printed form, the minutes thereof.

The Federal Power Commission consists of three members, all Cabinet officers—the Secretary of War, the Secretary of the Interior, and the Secretary of Agriculture. The two Secretaries last named were present in person, and also Hon. O. C. Merrill, the secretary of the

commission. The Secretary of War and Solicitor General were duly represented. The New York State commission was represented by the attorney general and the State engineer and surveyor, and by Deputy Attorney General Griffin, Mr. Collin, and Mr. Saxe.

Hon. Carl Sherman, attorney general, who headed the New York delegation, opened the conference by pointing out that it had come about in view of the New York statute which imposes a duty upon the State commission to cooperate with the Federal commission with respect to reconciling, if possible, and harmonizing any conflicting claims. "If there is a conflict, we want to know it, and maybe we can harmonize these differences of opinion, or maybe we can get to the point where there is some way of testing any disputed question."

He stated the fundamental propositions, in part, as follows:

"We believe that after the Federal Government has exercised its supervision with respect to navigation, water power, as such, developed on navigable streams is the property of the State, and the State may develop the same without further Federal interference; that if the State then seeks to license it to private enterprises, that the State has such power; that it is the State which may derive a revenue therefrom if anyone may derive a revenue from private enterprise for the development of water power; and that if either the Federal Government or the State may eventually recapture the power after granting a private license for a term of years, the State is the one that eventually would take the ownership, under proper legal regulations, of the water power after the term of the license had expired."

1. RECAPTURE

The first point in controversy which was taken up was the provisions of section 14 of the water power act which would indicate that the United States Government might assert the right to recapture, for its own purposes, the power development on navigable streams in New York which constitutionally belong to the State by reason of its proprietary rights. This section, so far as material, reads as follows:

"SEC. 14. (Authority of United States to take over projects—compensation, condemnation.) That upon not less than two years' notice in writing from the commission, the United States shall have the right upon or after the expiration of any license to take over and thereafter to maintain and operate any project or projects as defined in section 3 hereof, and covered in whole or in part by the license; * * * upon the condition that, before taking possession, it shall pay the net investment of the licensee in the project or projects taken * * * plus such reasonable damages, if any to property of the licensee * * * not taken, as may be caused by the severance therefrom of property taken * * * *Provided*, That the right of the United States or any State or municipality to take over, maintain, and operate any project licensed under this act at any time by condemnation proceedings upon payment of just compensation is hereby expressly reserved."

The Federal commission, at the conference, took a position as to these recapture provisions that virtually removed them from controversy. Mr. Merrill, replying to questions of Attorney General Sherman and speaking for the Federal commission, said:

"With respect to the question as to the right of the Federal Government to recapture property under license at the end of the license period, it is our opinion that the act itself does not grant that authority; that the authority must rest, in so far as the Federal Government has it in its constitutional powers, and its constitutional powers at the present time would limit it to the right to take property for governmental purposes, and that for such purposes it does not need to have the Federal water power act at all * * *. That provision * * * is not primarily to give the United States ownership, but to enable it to serve as an agency for securing for States and municipalities this ownership of property at the end of 50 years—that was the primary purpose for which that legislation was enacted by Congress * * *. The provision, then, is primarily for the benefit of the States and municipalities, if they desire for the next 50 years to go into the business of municipal ownership."

There was also involved in this identical question the incidental question whether the Federal Power Commission would insist upon inserting in such licenses as it hereafter grants in New York a condition permitting recapture by the United States at the end of the license period. The conditions under which all licenses shall be issued are set forth in detail in section 10 of the act and do not expressly recite any condition permitting recapture. Section 10, however, provides that licenses may contain:

"(*g*) Such other conditions not inconsistent with the provisions of this act as the commission may require."

The commission in one permit (not license) which it has granted has inserted a condition for recapture. We, therefore, deemed it important to ascertain the policy of the commission in this respect; and Mr. Merrill, in reply to a question from Mr. Saxe, said:

"It was expressed in that particular permit—the Niagara permit, I think you are talking about—in order to clear up certain aspects of it. We do not generally put it in our licenses."

We thus have a definite understanding between the two commissions, that the provisions of section 14 were not enacted pursuant to any attempt of the United States Government to recapture our properties licensed by it, and that a recapture condition will not ordinarily be inserted in Federal licenses. New York State, therefore, is in a position, where, if at any time the Federal Power Commission adopts a different policy and attempts to apply the recapture provisions to New York properties, New York can readily raise the question in the pending or future litigation, and establish that the constitutional rights of New York are being invaded by threatened misapplication of these provisions, which the Federal commission may properly apply to properties of the United States but can not apply to properties in streams of a member State.

2. FEDERAL CHARGES

The State of New York is also concerned with the provisions of section 10e, relating to the conditions to be inserted in Federal licenses which suggest that the Federal commission might claim the right to exploit State water power for its own financial benefit.

This subdivision first provides that one of the conditions to be inserted in a license is that the licensee "shall pay to the United States reasonable annual charges for the purpose of reimbursing the United States for the cost of the administration of this act." There is no objection to this provision.

The section then provides that these reasonable annual charges shall also include a charge "for recompensing the United States for the use, occupancy, and enjoyment of its land or other property." There is no provision that the United States is to be recompensed for the use, occupancy, and enjoyment of State "lands or other property." The question thus arose as to what construction the Federal Power Commission places upon this language. Mr. Merrill, speaking for the commission, unequivocally declared that the act "was never intended as a revenue-producing measure"; and when Mr. Saxe requested his interpretation of the section in question, he replied:

"Mr. MERRILL. I said 'on navigable streams in general.' If the Government has property—property of the United States, like that of the new Troy Dam, for which license was issued to Henry Ford—there is a charge for that. If the Government owns the land, as it does in the West, there is an additional charge for that; but the general situation on navigable streams is that it merely makes charges for reimbursing the costs of administration.

"Mr. SAXE. You have confirmed, in that respect, our view of it."

It thus appears that New York, at this time, has nothing to fear as to the United States insisting on a condition in its licenses for power development in New York streams providing for the exaction of charges for State land or other property.

3. JURISDICTION AS TO SELECTION OF LICENSEES

One of the most important questions discussed at the conference was whether the Federal commission might assert any right to grant a license to an applicant who was not satisfactory to the State commission. The Federal power act provides, as follows:

"SEC. 9. That each applicant for a license shall submit to the commission * * * (b) satisfactory evidence that the applicant has complied with the requirements of the law of the State within which the proposed project is to be located with respect to bed and banks and to the appropriation, diversion, and use of water for power purposes and with respect to the right to engage in the business of developing, transmitting, and distributing power, and in any other business necessary to effect the purpose of a license under this act."

We directed a number of inquiries to the commission involving its construction of this section. Mr. Saxe, at one point, asked the commission what its position would be if the New York commission should grant one application to "A," and A and a contestant "B" then made application to the Federal commission, would the latter have jurisdiction to grant a license to B instead of to A? Mr. Merrill answered this question as follows:

"Mr. MERRILL. In the first place, it could not be granted to anyone who had not complied with the requirements of section 9b of the Federal act. Assume that only A had done this. The commission would, nevertheless, under the act, have authority to say that it will not issue a license to A because it is not satisfied with A's plan.

"Mr. GRIFFIN. You would not regard it as unreasonable to grant a license to Company B?

"Mr. MERRILL. They must have such authority from the State as is comprehended within section 9 of our act—the right to occupy beds and banks and divert the water, and the right to engage in the work of developing power.

"Mr. GRIFFIN. They must have, first, a license from the State water power commission, and second, satisfactory plans?

"Mr. MERRILL. If the license from the State covered those items named in the act.

"Mr. GRIFFIN. As I take it, the worst situation that could possibly arise is that there would be a deadlock. * * * You would not presume to have authority to settle it for the State over the head of the State of New York, and, on the other hand, the State of New York could not settle the question without the approval of your commission. That is about the substance of it?

"Mr. MERRILL. Yes. * * * I think it would be advisable for the two agencies to confer before acting. That is what we are working for in each of the States."

4. EXTENT OF POWER OF FEDERAL COMMISSION TO DETERMINE "ADEQUACY OF PLANS

Throughout the conference, one subject was repeatedly mentioned, which Mr. Merrill referred to as a "shadow of conflict." This question was whether, if the State commission should grant a license and the Federal commission should be satisfied as to the way the water power would be taken from the stream so far as navigation was concerned, does the Federal commission assert the right to go beyond that and look into the "adequacy" of the power development as a whole? Thus Mr. Merrill, at one point, said:

"Mr. MERRILL. Now, of the two plans presented which were of equal merit and one of the applicants had State authority and the other one did not, the only ground upon which the commission could deny it would be upon the alleged ground that the applicant did not provide for an 'adequate' development.

"Mr. SHERMAN. Do you speak, then, of the 'adequate' development of water power, or do you use the term 'adequate' with respect to adequate protection of navigation?

"Mr. MERRILL. No; 'adequate' as a whole.

"Mr. SAXE. That is just where the distinction we are contending for comes in.

"Mr. MERRILL. That is a point upon which we would not fully agree from a theoretical standpoint; the question is whether we can agree from a practical standpoint."

Later on the Attorney General brought up this question again, saying:

"Mr. SHERMAN. There seems to be now one question that might bring about a conflict, and that is your use of the word 'adequacy' * * *. Do you remember whether you used that term as to 'inadequacy' with respect to navigation, or 'inadequacy' with respect to water power?

"Mr. MERRILL. To the development as a whole.

"Mr. GRIFFIN. The Federal Power Commission claims a right not only to regulate navigation but also to regulate any water power arising incidentally to that navigation; that is your broad claim?

"Mr. MERRILL. I think that is pretty fairly understood. If you will consider that regulation means that it assumes the right to determine whether the structures put into that river make reasonable 'adequate' use of the resources, but when it comes to regulating rates or service in that project or any matters in connection with its operation other than keeping the plan from going to pieces, it is left entirely to the State.

"Mr. SHERMAN. As I say, the State will stand by its position that after recognizing the Federal power and authority over navigation with respect to water power, the Federal authorities shall not be the judge of the 'adequacy' of a power project as such.

"Colonel KELLY. The State has been reserving its rights on that business ever since I have been in the Government service, and yet there has been case after case come along, and when there was a specific case under consideration there has been no particular difficulty about getting together."

5. THE BARGE CANAL

The conference also considered the application of the act to New York's principal development—the barge canal. The answer filed in the pending suit specifically concedes that the act "has no application to structures placed in navigable waters prior to the approval of said act," and that "the defendants have not taken, or threatened any action in regard thereto, and have formed no opinion as to whether any statute of the United States imposed upon them any duty in the premises."

At the conference Colonel Kelly explained the position of the Federal commission as to the barge canal as follows:

"There is a tacit understanding, and has been for a number of years * * * It has been recognized by Congress that since the State undertook this barge canal all the waters pertaining to that barge canal were given over to the State to do what it pleased with it, and the Federal Government has not exercised any jurisdiction over it. * * * And that is the underlying reason that this commission has started up on the same principle, that they are not going to exercise any jurisdiction over the barge canal functions in so far as it pertains to the waters taken for navigation purposes in that canal."

And again:

"Unless the policy were changed, the United States would not exercise any authority over this water."

6. STATE DEVELOPMENT OF WATER POWER

The Federal water power act expressly recognizes and enforces the policy which your excellency has so strongly advocated that State water power may be developed by the State itself under its ownership and State control, section 7 of the act expressly providing that the Federal commission, in issuing permits or licenses, shall give preference to applications by States and municipalities. The Federal commission has also put itself unequivocally on record as willing to enforce this principle. In the amended bill filed by the last State administration the State alleged that the defendants intended and threatened to prevent the State from continuing the construction of certain water-power projects and from commencing construction of certain other water-power projects. The defendants met this allegation by specifically alleging that section 7 of the act imposes upon the Federal commission the duty to give preference to the plans of any State, and they allege that the plans of New York State have not been submitted to the Federal Commission or to any agency of the United States.

The situation in New York is that to-day we have no adequate statute authorizing State development and the State of New York can not take advantage of the Federal act nor the commission's willingness to enforce it without an adequate enabling statute. At the conference Mr. Griffin brought up this point and Mr. Merrill declared:

"Mr. MERRILL. It will license them as a matter of course unless they are so plainly inadequate that it would be unjustified. Of course, it has technically the same right to pass upon the plans of the State as on anybody else."

The foregoing analysis will sufficiently indicate the importance and breadth of the conference; other points were raised and discussed, but they are sufficiently covered in the minutes. For all practical purposes in the immediate future, the pending suit against the Federal officials has accomplished the objects for which it was brought. The acceptance by the defendants, in their answer, of the leading propositions constituting the basis of the complaint, and the full and frank confirmation thereof at this conference between the representatives of the Federal and State commissions, have apparently settled the principal propositions for which the State of New York has contended and which the Federal Power Commission had previously seemed unwilling to accept. The disavowal by the Federal Power Commission of any intention to interfere with power developments in connection with the barge canal, and the expression of willingness to cooperate with the State and the International Joint Commission in State development of the power possibilities of the Niagara and St. Lawrence Rivers, without claiming a proprietary right on the part of the Federal Government to share in profits therefrom, has now cleared the way, so far as the Federal Government is concerned, for power developments on those boundary streams by virtue of the concerted action of the State, the Federal Power Commission, and the International Joint Commission. We believe that this conference marks a long step forward in cooperation between the Federal and State Governments in the development of New York's water power.

The State of New York has reason to be vigilant as to the future construction and administration of the Federal act. The debates in Congress and the broad terms of the act itself make it clear that there are those who are unconcerned with the constitutional rights of member States. On the other hand, the Federal Power Commission has apparently done no overt act which violates any State rights, and there is strong basis for confidence in the future arising out of this conference between the two commissions that the Federal commission will continue to recognize joint control and intends no act in derogation of State's rights.

We fully concur in your excellency's message to the legislature, dated March 5, 1923, that New York's water power "must be developed in accordance with the enlightened thought of to-day, by the State itself, under State ownership and State control, to the end that all of the people may be able to realize the individual benefit which should flow to them from their own resources and their own property." We fully concur with you that the next step to be taken is appropriate State legislation to carry out this policy, which would mean the immediate development by the State of the undeveloped water power available on the Niagara and St. Lawrence. We believe that the absence of such a statute jeopardizes the rights of the State in its relations with the Federal Government.

New York is in a position to-day to own and control all its water-power development upon its inland and border streams. How long she can maintain that position depends wholly upon her own disposition by appropriate enabling legislation to make use of them. If the State is not able to obtain from its own legislature a grant of favorable legislation, it makes little difference whether it is the Federal commission or the State commission which licenses the State's power to private interests. In either case the water power of the State will be out of the hands of the people of New York, who really own it. The people, who are deeply interested in the development of New York's water power, have reason to be more apprehensive of opposition within the State to needed legislation authorizing State development of water power than it has of a possible refusal by the Federal Government to execute a formal consent to the State's plans after such legislation is obtained and the State's plans are from time to time formulated and presented to the Federal Government.

We therefore respectfully recommend:

1. That we do not commence the taking of testimony in the present suit at the present time, but, with the permission of the United States Supreme Court, permit the suit to stand along for the present, unless and until the Federal Power Commission should change its present conciliatory position;

2. That the State of New York, at the earliest possible moment, enact the statute for State development recommended in your message of March 5, 1923, so that the rights of New York may not be jeopardized and the development of its water power delayed because of the absence of such a statute;

3. That the State water-power commission continue in close touch with the Federal Power Commission and endeavor to harmonize from time to time any conflicting claims which may arise, to the end that the development of the water-power resources of the State may be accelerated;

4. That during the coming session of Congress Federal bills relating to water power be carefully scrutinized, and that the State be represented at any and all committee hearings in respect to any measures which may affect the rights of New York.

Yours respectfully,

CARL SHERMAN.
DWIGHT B. LA DU.
EDWARD G. GRIFFIN.
CHARLES A. COLLIN.
JOHN GODFREY SAXE.

Minutes of conference between Federal Power Commission and New York State Water Power Commission, held at the office of the Secretary of the Interior, at Washington, D. C., on May 10, 1923, at 3 p. m.

Present: Hon. Hubert Work, Secretary of the Interior; Hon. Henry C. Wallace, Secretary of Agriculture. Members of the Federal Power Commission: Hon. O. C. Merrill, executive secretary Federal Power Commission; Col. William Kelly, chief engineer Federal Power Commission; Maj. Lewis W. Call, chief counsel Federal Power Commission, appearing also for the Solicitor General; Mr. J. F. Lawson, assistant attorney, Federal Power Commission.

Hon. Carl Sherman, attorney general of the State of New York; Hon. Dwight B. La Du, state engineer and surveyor of the State of New York. Members of the New York State Water Power Commission: Hon. Edward G. Griffin, deputy attorney general, New York; Mr. John Godfrey Saxe, Mr. Charles A. Collin, special counsel to the attorney general, New York.

"Mr. SHERMAN. This is a conference between the two commissions and their representatives, in view of the fact that the New York law imposes a duty upon our commission to cooperate with your commission with respect to reconciling, if possible, and harmonizing any conflicting claims as to authority over water power to the end that the development of the water power resources of the State of New York may be accelerated. This is just a general discussion of what your commission feels its rights and general powers are, and, on our part, where we tell you what we think that our rights and powers are; and if there is a conflict we want to know it, and maybe we can harmonize these differences of opinion, or maybe we can get to the point where there is some way of testing any disputed question.

"Secretary WORK. That is good. Now, proceed to present what you think are your rights and powers on the proposition.

"Mr. SHERMAN. The State of New York is concerned primarily with three types of water power in navigable streams. There are the so-called boundary streams, which include the St. Lawrence and Niagara Rivers; the surplus waters in the barge canal, which is a State-owned canal; and with respect to other streams that I might designate generally as inland streams."

Now, we recognize that there is general Federal authority for supervision over streams with respect to controlling their navigability, and the State of New York recognizes that the Federal Government must be consulted before navigation can be impeded and as to what way it should be impeded, and that the Federal engineers must, of course, protect the Government under that power.

We recognize, too, that there are treaty obligations of the Federal Government with the Canadian Government, and that there is in existence an international commission with respect to international waters, and, of course, there is some authority in that commission to arrange between the different governments for disposition of water power.

Otherwise the State of New York claims ownership and sovereignty over all lands under navigable streams within the boundaries of the State and their banks, beds, and waters, with the consequent right to use and dispose of any portion thereof; and we believe that, after the Federal Government has exercised its supervision with respect to navigation, water power as such, developed on those streams is the property of the State, and the State may develop the same without further Federal interference; that if the State then seeks to license it to private enterprises, that the State has such power; that it is the State which may derive a revenue therefrom if anyone may derive a revenue from private enterprise for the development of water power; and that if either the Federal Government or the State may eventually recapture the power after granting a private license for a term of years, the State is the one that eventually would take the ownership, under proper legal regulation, of the water power after the term of the license had expired.

Now, that is the State's position.

Secretary WORK. Yes.

Mr. MERRILL. With respect to the question as to the right of the Federal Government to recapture property under license at the end of the license period, it is our opinion that the act itself does not grant that authority; that the authority must rest, in so far as the Federal Government has it, in its constitutional powers; that its constitutional powers at the present time would limit it to the right to take property for governmental purposes, and that for such purposes it does not need to have the Federal water power act at all, the Federal water power act merely serving to fix the measure of value if properties are so taken; and that the purposes for which the Government of the United States may take over any project at the end of 50 years will be determined by its constitutional powers at that time. If they are not changed in the 50 years, it can take them over only for governmental purposes then, as now; that provision of the act giving reserved authority to the United States to take over properties at the end of 50 years—to take them away from its first licensee, either for its own purposes or to grant them to others—is not primarily to give the United States ownership but to enable it to serve as an agency for securing for States and municipalities this ownership of property at the end of 50 years—that was the primary purpose for which that legislation was enacted by Congress.

Without this legislation the States can take over these properties at the end of 50 years only by condemning and paying "just compensation." Under the provisions of this law the State can either condemn or take them at the price fixed in the law, which we believe would be less than it would be required to pay if it had to go into the courts and condemn. The provision, then, is primarily for the benefit of the States and municipalities if they desire within the next 50 years to go into the business of municipal ownership.

Mr. GRIFFIN. Would the Federal Water Power Commission object if at any time prior to the expiration of the 50-year period, or immediately, the State, by purchase or by the exercise of its right of eminent domain, should take possession of a water-power project licensed by the Federal commission?

Mr. MERRILL. Section 14 of the act reserves in States and municipalities the right to take over any licensed project by condemnation proceedings upon payment of just compensation.

Mr. GRIFFIN. All right. And that would be regardless of any purpose that we might want to use it for, whether our own development or some public development.

Mr. MERRILL. I do not think the purpose enters at all into the question. It is simply "Have you the constitutional and statutory authority to condemn?" If you have, the statute reserves that right in respect to properties under license.

Mr. GRIFFIN. There has been some question as to whether we had to take it over for a specific purpose.

Mr. MERRILL. No purpose is expressed in the statute.

Mr. SHERMAN. How about the question of revenue, Mr. Merrill?

Mr. MERRILL. The act provides for the collection of charges for one purpose only, as far as projects on navigable streams are concerned—for reimbursing the United States for the cost of the administration of the act—and it was never intended as a revenue-producing measure. As I have told a former representative of your office, in discussing it at my office, in my judgment there is nothing whatever in the Federal water power act that inhibits the State from making any license charges or imposing any taxes——

Mr. SAXE. If I may interrupt, does not the act provide that in addition to the charges for administration there is also a provision that the United States may make a charge for the purpose of recompensing it for the use, occupancy, or enjoyment of its lands or other property?

Mr. MERRILL. I said, "On the navigable streams in general." If the Government has property—property of the United States like that of the new Troy Dam for which license was issued to Henry Ford—there is a charge for that. If the Government owns the land, as it does in the West, there is an additional charge for that; but the general situation on navigable streams is that it merely makes charges for reimbursing the costs of administration.

Mr. SAXE. You have confirmed in that respect our view of it. I will tell you the real difficulty the State of New York is laboring under. The United States Government under this act is really exercising two entirely different functions. So far as its own water properties are concerned—so far as water properties in Territories are concerned—it has under the Constitution plenary jurisdiction, it can do anything it wants to do. So far as navigable waters within States are concerned, its function is entirely different, it is merely a function of consent to the extent of making sure that a State project does not interfere with navigation. In other words, so far as its own property is concerned its function is more a franchise-giving function; so far as water properties within States are concerned our contention is that it is a mere consent jurisdiction. And if that is the final solution between the two boards and it is fully agreed to by the two boards that the application of the act works out that way, I doubt if there will be very much disagreement between them about a great many of the provisions contained in this act, which are entirely proper where applied to the properties which the United States Government owns. If those provisions should be applied to the State's property within navigable streams, they would, in our

opinion, be entirely void, and the action of the Federal Power Commission, if it attempted to apply them as to State properties, as to navigable streams, would be an excess of power under the Constitution attempted to be exercised by the Federal commission.

Mr. MERRILL. What are those two specific powers?

Mr. SAXE. The two chief ones have already been adverted to. Any attempt to recapture the State water-power properties—I will just tell you a word about that. There is nothing in the Federal act which provides that the license shall contain any recapture provisions. The details of the license are set forth in full, and at the very end of the license section there is sort of a grab-bag provision that the commission may insert in addition such other conditions as it may require. Now, we are informed that in certain cases—for instance, in one case in New York—you are actually putting your recapture provision into your license. We claim that you have not any right to put any recapture provisions into our New York licenses because our New York properties belong to the riparian owner and to the State, as sovereign over all riparian owners. When you put a recapture provision in there there is a certain attempt on the part of the Federal Water Power Commission by way of license to indicate that you have got jurisdiction over our own property more than the consenting nature, to wit, in the nature of an ownership or a franchise-giving power. That, I think, is the point of distinction.

Mr. MERRILL. It was expressed in that particular permit—the Niagara permit I think you are talking about—in order to clear up certain aspects of it. We do not generally put it in our licenses, because the licenses are issued under the act and the act provides——

Mr. SAXE. I understand you generally do not put that in your licenses?

Mr. MERRILL. It simply is not expressed in the license; but we consider it as much a part of the license as if it were in the license.

Mr. SHERMAN. We may suppose that the licensees that the State might want to favor would be the same ones that the Federal commission would want to favor, or give the grant. But, as a concrete example, you have issued this license in the lower Niagara to the Niagara, Lockport & Ontario, is it?

Mr. MERRILL. Niagara, do you say?

Mr. SHERMAN. The lower Niagara.

Mr. MERRILL. The preliminary permit?

Mr. SHERMAN. The preliminary permit. Soon you will act on the final application after the survey and plans are properly presented. If in the eyes of your commission, the Niagara, Lockport & Ontario is the proper company to have that grant, you will issue the final permit under the act? Now, suppose our commission—the State commission—should want to give its grant to the contesting company, the Gorge Railroad Co. I think the treaty waters are not involved in that application, are they?

Mr. MERRILL. I rather think they are. Yes; I think it is a matter that has to go before the International Joint Commission. They would not be interested, I assume, in the parties.

Mr. SHERMAN. They would be interested in the matter—the water to be taken from the river under a certain plan. Suppose that consent were obtained from the New York commission by the Gorge Co., and assume that otherwise the United States Engineers' regulations were properly complied with, just as the other company, the Niagara Co., would be required to do. Now, the State commission says, "We want this permit to go to the Gorge plant." Your commission says, "It should go to the Niagara Co." What would the situation be then, do you think?

Mr. MERRILL. Do you recall a provision of the statute that a license can be issued only to some one who has certain specified State authority? If there are contesting applicants for the same site, both can not have this specified authority.

Mr. SHERMAN. No.

Mr. MERRILL. If both could and did have this authority from the State, you would put it up to us to decide between them. If only the one has the necessary authority, we can not under our statute grant it to the other.

Mr. SHERMAN. Suppose we grant it to another and the Federal commission refused to grant?

Mr. MERRILL. There is a possibility we might get into a deadlock. We are, however, dealing with the authorities of some 20 or 30 States, and there has not yet arisen an instance of conflict between this commission and the State authorities in deciding to whom a license should be granted.

Mr. SAXE. If I could interrupt for a moment, if the distinction, as I suggested, is recognized by both commissions, should not we act first because we are really the franchise-giving power as to navigable waters in New York State, and should not you approve or disapprove after we have acted?

Mr. MERRILL. Our general practice is to secure, either formally or informally, the consent of the State authorities before granting a license. Ordinarily, before granting permits if there is any probability——

Mr. SAXE. In this case you have granted a license to the independent company, whereas the contestant is the riparian owner.

Mr. MERRILL. We granted a permit——

Mr. SAXE. I mean a permit.

Mr. MERRILL. To the only one of the two applicants, in my judgment, that appeared to have the State authority at the time. They came before us with an act of the Legislature of the State of New York just as the Lockport Co. came before us with a permit from the State of New York. We have not acted in any case in the State of New York except where applicants have appeared before us with authority, statutory or otherwise, from the State. We have not acted on a single St. Lawrence case because it is involved in the international situation. We have not even granted a permit, because until the recent State act there was no authority for anybody from the State of New York, so far as we could see.

Mr. SHERMAN. I think this is clearing up.

Mr. MERRILL. This is a matter, Mr. Secretary, in which we have exercised extreme care. It has been our experience that we have had no difficulty in reaching agreements with State authorities, and while technically, if everyone stood on his extreme rights, there are plenty of chances to reach disagreement and deadlock, we have assumed that people in a reasonable frame of mind can get together, and we have found that to be the fact.

Mr. SHERMAN. For the time being at least, in such instances in which the State of New York grants no permission, the Federal Power Commission would not grant its permit?

Mr. MERRILL. The commission would not grant a preliminary permit if it was certain it could not under the statute grant a license to the applicant.

Mr. SHERMAN. Mr. Merrill, do you believe that the commission could link up various projects so that they might become interstate in character and thereby come under the control of the Interstate Commerce Commission or some other commission that the Government might put in control?

Mr. MERRILL. I do not think it can come under the Interstate Commerce Commission. It could not without new legislation. The Federal water power act provides that the Federal Power Commission may have jurisdiction in cases of interstate transmission of power if the adjacent States can not agree or ask its intervention.

Mr. GRIFFIN. What we had in mind, Mr. Merrill, was the suggestion made by Governor Pinchot in his open letter that under license of your commission all power, we will say, in the St. Lawrence might be linked into interstate transmission lines, and then under regulation or protection of price by your commission all of that power might be diverted from New York and sold, for instance, in Pennsylvania; or New York be left only so much of that power as this commission in its discretion might see fit to let New York have. The question right on the point is, Do you believe that regulation of operation or prices remains with the State, or can that under the present law be transferred to your commission?

Mr. MERRILL. I think in general it is with the State.

Mr. GRIFFIN. I notice that in your answer the Federal commission is not attempting to regulate. I wonder if that is simply an expression of present policy.

Mr. MERRILL. It is a provision of the statute that the commission has no authority in intrastate regulation of rates and service if there is a State commission for that purpose. It has authority in interstate only if the adjacent States get into conflict and can not agree.

Mr. GRIFFIN. Well, of course, and from our experience with the railroads—the conflict between the control over State commerce and interstate commerce—we know that control over interstate commerce generally prevails. What I have in mind is whether your commission claims authority to say that 90 per cent of the power generated, we will say, at Croil Island in the St. Lawrence shall go by transmission lines into Pennsylvania and only 10 per cent may be distributed in New York.

Mr. MERRILL. I could not answer. I would have to consider that. I would have my doubt of that. I would have more doubt than I would have of the constitutionality of any State law prohibiting exportation.

Mr. SHERMAN. One more question, Mr. Merrill: Suppose the State granted a State license, say, in the St. Lawrence, and the treaty, if the treaty waters were involved, the proper application made, an arrangement made to apply to the joint commission, and that then application were made to the Federal commission, could the Federal commission refuse to issue its permit—either the preliminary permit or the final license?

Mr. MERRILL. I think it has the authority to do so; but it can not be assumed that it would exercise that authority except on good ground. I presume likewise the State has the authority to deny to any applicant such authorization as is required under State law, but it is to be assumed that the State will not do it except for good reason.

Mr. SHERMAN. I want to eliminate in my question all question of proper regulation by the Federal Government, such as compliance with the Secretary of War's proper regulations; but, assuming everything

is complied with excepting the grant of water-power rights, could the Federal commission then nevertheless refuse to grant the license?

Mr. MERRILL. I think it can not waive its authority to grant or not to grant, because there must be authority from the Federal Government in order to go into a navigable stream, and the Federal Power Commission is the only agency of the Federal Government to grant that authority under the statute.

Mr. SHERMAN. Maybe I did not make myself clear. After the Federal commission is satisfied as to the way this water power will be taken from the stream, can it go beyond that, nevertheless, and say this particular company shall not have it? Suppose you have contesting companies and the State makes its finding—the State commission decides to give it to the A company, but for some reason or other the B company may be favored by the Federal commission. Now, the Federal commission is satisfied. Assume that the plans for taking out the water are identical, so that there is not any conflict as to the way or method in which it may be taken out. The Federal commission is satisfied as to that. The question is simply as to which of the two companies should have it. Could the Federal commission nevertheless deny it?

Mr. MERRILL. If it did, it would have to deny it on the alleged ground of noncompliance with the statute. I think, under the assumption you have made, it would be an abuse of discretion if it did it.

Mr. SHERMAN. Yes; I see.

Mr. MERRILL. The commission under its statute would be interested in certain things: It is interested in securing the navigation in a form which is approved by the commission; it is interested in securing the best scheme of development; and the statute provides that as between contesting applicants it shall give consideration to the applicant whose plans are best adapted. Now, of two plans presented which were of equal merit, and one of the applicants had State authority and the other one did not, the only ground upon which the commission could deny it would be upon the alleged ground that the plan did not provide for an adequate development, which would be, under the conditions assumed, a subterfuge.

Mr. SHERMAN. Do you speak, then, of the "adequate" development of water power, or do you use the term "adequate" with respect to adequate protection of navigation?

Mr. MERRILL. No; "adequate" as a whole.

Mr. SAXE. That is just where the distinction we are contending for comes in.

Mr. MERRILL. You are assuming, in bringing up the shadow of conflict there, that the engineers of the State and the engineers of the commission can not agree on what is a reasonable development.

Mr. SAXE. Here is the proposition: Supposing the State gives its license or franchise to Company A. Company A comes before you and asks for a Federal license. Company B also comes in with what you may think is a better scheme of water-power development. Our contention is that your only jurisdiction—we having granted the license to Company A—is to find out if that is "adequate" so far as navigation is concerned; and that if the statute goes further than that, the statute does not apply to navigable waters within the boundaries of member States.

Mr. MERRILL. That is a point upon which we would not fully agree from a theoretical standpoint; the question is whether we can agree from a practical standpoint.

Mr. SAXE. Take this Niagara development case that you have before you now. We have both applications before us. Suppose we granted the application to the riparian owner, you had not acted on either, and both of them came down before you, and you find that both of those two companies were equally satisfactory to the State of New York, so far as water-power development was concerned, and you find that both of them were equal so far as navigation rights were concerned—neither of them affected navigation at this point—would you have jurisdiction to grant a license to Company B in place of Company A?

Mr. MERRILL. In the first place, it could not be granted to anyone who had not complied with the requirements of section 9 (b) of the Federal act. Assume that only A has done this. The commission would nevertheless under the act have the authority to say that it will not issue a license to A because it is not satisfied with A's plan.

Secretary WALLACE. Nothing mandatory under the law over this commission from the State.

Mr. GRIFFIN. You would not regard it unreasonable to grant a license to Company B?

Mr. MERRILL. They must have such authority from the State as is comprehended within section 9 of our act—the right to occupy beds and banks and to divert the water, and the right to engage in the work of developing power.

Mr. GRIFFIN. They must have, first, a license from the State water-power commission, and, second, satisfactory plans.

Mr. MERRILL. If the license from the State covers those items named in the act.

Mr. GRIFFIN. As I take it, the worst situation that could possibly arise is that there would be a deadlock. The Federal commission could not grant unless the State was satisfied. I use the wrong word in saying "grant." But the applicant would not have power to proceed with the development under the State license, not having procured the Federal; and vice versa the one who had obtained the Federal and had not obtained the State would not be permitted to proceed. And then we would have to try to get together, or we would have a deadlock. You would not presume to have authority to settle it for the State over the head of the State of New York, and on the other hand the State of New York could not settle the question without approval from your commission. That is about the substance of it?

Mr. MERRILL. Yes.

Mr. SHERMAN. I do not think we are far apart.

Mr. MERRILL. I think it would be advisable for the two agencies to confer before acting. That is what we are working toward in each of the States. Whenever any application is filed with us we take no action on it before it is reported to the State, and where we have representatives in the field we have them deal with the administrative officers of the States, so that the two can act together and act concurrently, and we are finding it works very satisfactorily.

Mr. GRIFFIN. And as a matter of comity you would naturally expect that the State commission would confer, formally or informally as the case may be, with the Federal commission.

Mr. MERRILL. That is being done.

Mr. SHERMAN. I think some misunderstanding is due to this fact: Your commission granted this lower Niagara license—the preliminary permit—and you said you would not have granted it unless it had the consent of the State of New York.

Mr. MERRILL. An act of the State legislature.

Mr. SHERMAN. There may be some misunderstanding; but I think that the State of New York does not consider that grant effective—the old grant of the Niagara Lockport Power Co.—as to development since the enactment of the State water power act.

Mr. MERRILL. I don't know how that was. The State water power act was not in effect when the permit was issued.

Mr. SHERMAN. That may be the reason for the misunderstanding. We assumed that you had granted this permit even though the State of New York had not granted it.

Mr. MERRILL. As I say, we have occasionally granted preliminary permits where there appeared no probability of conflict, because we knew that the matter had to be settled before license was issued; but where there is probability of conflict we have not recently granted preliminary permits except after the approval of the State authorities unless the applicant appeared to have already complied with such requirements of State law as our act specifies.

There is no getting away from the position that these matters can not be satisfactorily handled unless the two agencies, whose authority to a certain extent does overlap, work together. Let me refer to one instance—that Lockport case—where the applicant came before us for the authority to divert 500 second-feet of water from the Niagara River into the barge canal, and came before us with a permit from the State, agreeing to transport that 500 second-feet of water. I went up to Albany last January and conferred with your commissioner of conservation and, while I did not get the chance of talking to Mr. La Du, his representative was there, and I asked that the authorities of the State of New York give us the data about the canal—whether in their judgment the diversion of that water would interfere with navigation; how it should be got through the canal; if it should not go through the canal, where they wanted it to go—and told them that, as far as I was concerned, in my recommendations to the commission I would meet the wishes of the State of New York.

Mr. LA DU. Yes; and I appeal for a little more time, and I ask at this time how much more time will be required——

Mr. MERRILL. The matter still rests.

Mr. LA DU. My investigation with reference to bringing that 500 second-feet for the canal waited until the canal was opened. I assigned an engineer to that work, and he is working on it now. I will get to you as soon as possible the result of my investigation, and I will come down and go over it with you in the very near future. I think that is better than to write a letter here. What we want to determine is whether we might not use that 500 second-feet for ourselves; and it might be proper to ask now, if we do need that 500 second-feet for canal purposes, would we be permitted to take that 500 second-feet?

Mr. MERRILL. For navigation?

Mr. LA DU. Yes.

Mr. MERRILL. Is not that right recognized under the treaty? Such use does not come out of the allowance for power that is set forth in the treaty.

Mr. LA DU. Supposing I, as State engineer, have got a little power scheme all of my own. Supposing we want to bring that 500 second-feet down through the canal at some future time. We use that water for navigation and also for power purposes. Would that be permitted?

Mr. MERRILL. If you are taking no more water than you need for navigation, the treaty would cover it. If you wish to divert water solely for power, the authorization of this commission would be necessary.

Mr. GRIFFIN. There can be no question, in view of the denials in the Solicitor General's answer, that the Federal Power Commission claims no right to look into the adequacy of development carried on

by the State itself. It will allow its license to the State either as matter of course or——

Mr. MERRILL. It will license them as a matter of course unless they are so plainly inadequate that it would be unjustified. Of course, it has technically the same right to pass on the plans of the State as of anybody else.

Mr. GRIFFIN. Then the reason you do not claim the right to license such projects is that if the State at a later time should start to build the power house to utilize surplus waters of the canal, then you would require us to come here for a license.

Mr. MERRILL. You would not otherwise have authority, any more than anybody else.

Mr. GRIFFIN. I speak only of the navigation of the barge canal.

Mr. MERRILL. No authorization from this commission is required for navigation use alone.

Colonel KELLY. There is a tacit understanding, and has been for a number of years. I do not think it is of record particularly; but it has been recognized by Congress that since the State undertook this barge canal all of the waters pertaining to that barge canal were given over to the State to do what it pleased with it, and the Federal Government had not exercised any jurisdiction over it. They debated that jurisdiction on the barge canal before the Troy Dam was built. That includes the Mohawk River. And that is the underlying reason that this commission has started up on the same principle that they are not going to exercise any jurisdiction over the barge canal functions in so far as it pertains to the water taken for navigation purposes in that canal.

Mr. LA DU. In other words, in case the State should deem it advisable to divert water entirely within the boundary of the State for use in any structure built for barge canal purposes, we might have to come to the United States Government for a permit to develop that power and to use it for municipalities.

Colonel KELLY. Unless the policy were changed, the United States would not exercise any authority over this water.

Mr. SHERMAN. But in no event could anybody else use the water without the approval of the State of New York.

Colonel KELLY. I think that applies.

Mr. SHERMAN. There just seems to be now one question that might bring about a conflict—everything else would seem to be pretty much understood—and that is your use of the word "adequacy." Now, I think you have said you were not quite prepared. You wanted to read something over when we were discussing that before. Do you remember whether you used that term as to "inadequacy" with respect to navigation or "inadequacy" with respect to water power?

Mr. MERRILL. To the development as a whole.

Mr. SHERMAN. And I wonder if we should not obtain your view on that?

Mr. MERRILL. Off hand I should say that a project on the St. Lawrence, for example, if it provided for 400,000 horsepower when 1,000,000 were available would not be approved by the commission unless it were agreed that the project would eventually be fully developed.

Mr. LA DU. We should not.

Mr. MERRILL. You would not, of course.

Mr. GRIFFIN. The Federal Power Commission claims the right not only to regulate navigation but also to regulate any water power arising incidentally to that navigation. That is your broad claim?

Mr. MERRILL. I think that is pretty fairly stated, if you will consider that "regulation" means that it assumes the right to determine whether the structures put into that river make reasonably "adequate" use of the resource; but when it comes to the question of regulating rates and service in that project, or any matters in connection with its operation other than keeping the plant from going to pieces, it is left entirely to the State.

Mr. GRIFFIN. That is a very fair statement. In other words, if there were two applicants, and they both had a proposition and their plans approved for the development of so many horsepower, the attitude of your commission would be to accept the one which we favored, they both being equal so far as power and navigation were concerned.

Mr. MERRILL. Decidedly.

Mr. SHERMAN. If you will permit me, then, I will read from the report of the subcommittee on dams and water powers, dated February 25, 1909, by Chief Justice Taft when he was Secretary of War. This the State of New York has adopted for its position, Judge Taft's ruling in that report. You are probably familiar with it.

Mr. MERRILL. No.

Mr. SHERMAN. I would like to read it now. Maybe that would be helpful. I am quoting now from that report:

"But even if it had been a navigable stream, and even if the application had been made, and properly made, to this department to say whether this would interfere with navigation, if the department concluded that it would not interfere with navigation, then it is not within the power of the department to withhold its expressing such an opinion and granting such a permit so far as the United States is concerned for the purpose of aiding the State in controlling the water power. All the United States does, assuming it to be a navigable stream, is merely to protect the navigation of the stream. With reference to water power it has no function except in respect to water power which it itself creates by its own investment in property—that it itself owns—but with respect to the water power of a navigable stream which may be exercised without reference to the use of the river for a navigable purpose, that is controlled by the laws of the State."

That is about the position of New York.

Mr. MERRILL. You accept Judge Taft rather than Senator Root?

Mr. SHERMAN. We accept Judge Taft's ruling. If we can get you to say, "We accept that," we are pretty much in accord.

Mr. MERRILL We can not, of course, say that; but for any practical purpose I do not think it is necessary that we should.

Colonel KELLY. Judge Taft's statement was based on the statement of the laws which were on the statute books at that time, which were the laws of 1899, in which you will find the duties of Secretary of War in regard to navigable waters. Since that time there are additional statutes.

Mr. SHERMAN. It may have been, and nevertheless the department had broad powers under that statute. I think the judge had reference to constitutional powers.

Mr. SAXE. The additional statute that has been placed upon the statute books is this new water power act which is perfectly proper as to property which the United States owns, and the main question is the question of application and that question of application should be determined according to this report which the Attorney General has just referred to rather than for the United States to attempt to assert power regulation over State navigable streams.

Mr. SHERMAN. As distinguished from regulation of navigation.

Mr. SAXE. Absolutely.

Colonel KELLY. You have brought a case to test that.

Mr. SHERMAN. One of the additional reasons we are here is that the answer of the Government, while it left some room for doubt, practically conceded certain rights in the State such as we have discussed here. So maybe there is not any lawsuit——

Mr. COLLIN. They conceded so much that we thought there might not be any real conflict.

Secretary WORK. Did I understand you to say that there was no case pending which you could set up to work from? There is no case pending now? You just want to clear the ground for future contingencies.

Mr. COLLIN. There was no specific case where there was direct conflict—where they have said, "You can do some particular thing," and the State has said, "You can not do it."

Mr. GRIFFIN. There is not any pending issue in the Supreme Court at this time. The answer of the Government is mostly pleas in avoidance or separate defenses or denials of what we claim is the Government position. So we have not any sharply drawn issue to-day, so far as I can personally see, except one fact, as to the right of the Government, not only to control navigation, but also its seemingly claimed right to control water power, which arises as an incident to navigation. That seems to me to be the only sharply drawn conflict; and so far as your commission is administratively concerned, you do not seem at this time really in a practical way to press your ultimate claim to its logical conclusion.

Mr. COLLIN. The action that is now pending in the Supreme Court has arisen from our construing the Federal water power act as possibly attempting to give the Federal Government much larger powers and jurisdiction than the Federal commission has construed, and it would seem as though this conference pretty nearly eliminates the reasons for commencing that action.

Mr. MERRILL. That is what I told your people in Albany last January.

Secretary WORK. The Supreme Court of the State or the United States?

Mr. COLLIN. The Supreme Court of the United States.

Mr. MERRILL. There are no grounds of conflict that reasonable people can not avoid.

Mr. COLLIN. The answer brought us to this conference to see whether there was a real controversy—a real conflict—that we assumed would arise from the commission's asserting the powers that seemed to be given by the Federal water power act.

Mr. MERRILL. I think you alleged in your bill powers greater than Congress gave, and overlooked certain express limitations in the act itself.

Mr. SAXE. Well, the debates in Congress indicated that the terms of the act might be construed to give you far broader powers than those which you are attempting to exercise; but we construed the act just as you are construing it, except this one question which is involved in the word "adequacy," and the answer by the Government indicated that very possibly the Government was construing it the same way we did. I thought we might open the door for future conferences, and if the disagreements became sharp we could immediately have a test case.

Mr. SHERMAN. I am going to come back again to this question of "adequacy" as applied to navigation, or "adequacy" as applied to water power regarding which I quoted from that report of Judge Taft,

and ask you after you have considered it further, Mr. Merrill, if you can give us any further views on it. There is no hurry about it, but maybe there will be an opportunity to straighten that out.

Mr. MERRILL. There is one rule laid on the commission:

"That all licenses issued under this act shall be on the following conditions:

"(a) That the project adopted including the maps, plans, and specifications shall be such as in the judgment of the commission will be best adapted to a comprehensive scheme of improvement and utilization for the purposes of navigation, of water-power development, * * *" (sec. 10).

The commission has to take into account uses other than navigation under that provision of the law; but, as I say, there is no necessary conflict that need arise there between people who are endeavoring to reach the same end.

Mr. SHERMAN. Yes; excepting, of course, this commission, the present Federal commission, is not to be here forever, and it might be fruitful to have either a definite understanding if there is a possibility of a conflict, although it may not mean anything at this time. We are getting along all right, and probably shall continue to do so, and perhaps there won't be a concrete example where there will be a real conflict for years to come, or perhaps never. But the State takes the position, and I can sum up, as I have said, in the words of Judge Taft. If the commission disagrees with respect to that, let us straighten out even that at some future time by presenting a proper controversy to the court.

Mr. MERRILL. That is is the only way, of course, that that could be answered, because any conclusion the present commission might make might not be followed by a succeeding commission.

Mr. SHERMAN. As I say, the State will stand by its position, that, after recognizing the Federal power and authority over navigation, with respect to water power, the Federal authorities shall not be the judge of the adequacy of a water-power project as such.

Colonel KELLY. The State has been reserving its rights on that business ever since I have been in the Government service, and yet there has been case after case come along, and when there was a specific case under consideration there has been no particular difficulty about getting together. Every time that comes up the general question is brought into issue.

Mr. SHERMAN. It is comforting that there should not be any great conflict by reason of what we have learned to-day, that there can be no license issued by the Federal Government to any interest that has not the State's consent. That eliminates the question of conflict pretty much, as I said. The worst that could happen then would be that there would be a deadlock, that the State will not see any Federal commission giving licenses over the head of the State commission. So I say, even if there is that slight conflict, it is pretty much eliminated for present purposes as long as it is recognized that the Federal authorities, if there is a disagreement with the State, can not supersede the State and give a grant in disregard of the State's position.

Mr. GRIFFIN. It was the late Senator Brown's conception that the Federal Power Commission would as a practical matter claim as navigable—and therefore jurisdiction over—practically every stream in New York except brooklets; that it would include every river that was loggable; that it would include waters that had not been navigated for years.

Mr MERRILL. I am rather inclined to think that Senator Brown had such difficulty in making his case that he had to strain it. There are several decisions of the commission published in its annual reports, of its findings with regard to navigability. It has two classes of streams: Those which are navigable in fact, or which are suitable for navigation, which are wholly under the statute; and those other cases of the nonnavigable sections of navigable streams, and nonnavigable tributaries, where construction would affect navigability of the navigable sections. In proposing development of those nonnavigable sections and nonnavigable tributaries, a man may come to the commission or not as he pleases. He may take his chances and go ahead. If he comes to the commission and files a declaration of intention, then the commission makes a finding, and if the commission says that the proposed development would affect the interests of interstate or foreign commerce he has to take out a license; if they say it would not, he proceeds under State law with no further liability to the Federal Government. If he proceeds without filing his declaration, and if in fact, either now or in the future, the structures that he puts in there affect the navigable capacity of the stream below, he is subject to the prohibitions of the act, of 1899, and his structure may be required to be removed. A man can keep out of this difficulty if he wishes.

Mr. GRIFFIN. Take nonnavigable tributaries. The commission is only interested in the diversion of the water. If the water is returned to the nonnavigable stream, we assume that it will not affect the navigability of the stream.

Mr. MERRILL. The only cases that have come up so far of nonnavigable sections are storage propositions. If there is no storage involved——

Mr. SHERMAN. I am going to get back to that Niagara, Ontario & Lockport temporary permit that was granted. The Federal commission acted favorably on the application on the assumption that the applicant who received it had full State consent.

Mr. MERRILL. Yes.

Mr. LAWSON. That was granted February 21, and your act was passed May 21. Your law must be retroactive.

Mr. MERRILL. The commission has not acted——

Mr. SHERMAN. There is a disagreement between the State, I think, and this particular company as to the effect of the old grant. This company claims that it has some future power, and the State takes the position that it had simply the rights of water power that were in contemplation at that time and not any general rights. There may be litigation. There may be further legislation. We had assumed that the Federal commission had acted without taking into consideration as to whether the State had given its consent or not.

Mr. LAWSON. It was a special act of the legislature.

Mr. MERRILL. We have not acted on any case in the State of New York where there has not been presented to us what we deemed adequate State authority.

Mr. GRIFFIN. Referring to the Black River, are you sufficiently familiar with the physical location of our water powers in any general way to say just what classes of streams you regard as nonnavigable tributaries and just the names of some streams that you regard as navigable waters?

Mr. MERRILL. That is pretty difficult. I presume the Hudson and the Delaware would be classified as navigable streams.

Colonel KELLY. The Mohawk was a navigable stream, and I presume could be so construed; but I think if you will go over the long record that has been piled up in connection with the barge canal you will find the United States Government considered whether it would build the canal, and the State took it up. Since that time, the uniform action of the Federal Government has been to tell the State, "Go ahead and do what you want to. It is your project."

Mr. LA DU. I think that statement is quite true. I have been connected with the State 27 years, and I know that was the case with regard to Troy Dam.

Colonel KELLY. I do not think you can put the barge canal and the streams that are a part of it in a general class with all the rest.

Mr. GRIFFIN. I spoke of water power arising as an incident to navigation. I suppose the commission properly conceives that many water powers arise entirely independent of navigation and don't regard all water power as an incident to some kind of navigation, do you?

Colonel KELLY. The Federal water power act contemplates, however, navigable streams. If anybody is going to develop for power, the development shall be made in such a way as to get the benefit for navigation at the same time.

Mr. GRIFFIN. Does every power in every conceivable stream affect navigation?

Mr. MERRILL. Colonel Kelly is speaking only of navigable streams.

Mr. GRIFFIN. Is it possible to speak of any developments that do not affect navigation at all?

Colonel CALL. There are many that do not come under the jurisdiction of this commission and never will.

Mr. MERRILL. Fully 90 per cent of New York streams are outside.

Mr. GRIFFIN. Take the lower Niagara Gorge; is that navigable?

Secretary WORK. You do not mean that 90 per cent of the streams do not contribute to a navigable stream? What do you construe the attorney's question to mean? Where does the navigable stream end when you come out? Little streams flow into big.

Mr. GRIFFIN. My question is all premised on Senator Brown's theory. If that were true, the commission would merely claim jurisdiction over every little power development, no matter where it was situated in New York, whether on the Hudson or on the upper reaches of the Hudson or back in the woods some place on a little power stream.

Mr. MERRILL. The position Senator Brown took was absurd unless it was taken for purposes of argument.

Mr. GRIFFIN. That is what we want to get at.

Mr. SHERMAN. The fact of the matter is that there are a lot of small water-power developments in small streams that do not pay any attention to the Federal commission, nor do they, either, to the State commission. They go right ahead and nobody bothers them.

Mr. LA DU. Otherwise they come for authority to build little dams.

Mr. MERRILL. If you will look over the commission's decisions on the Saco River in Maine, the upper Connecticut, the Menominee in Wisconsin, and—what was the later one in New Hampshire? The Merrimac—you will find that it has not taken any such position.

Secretary WORK. Anything further, gentlemen?

Mr. SHERMAN. I think that is all.

(The conference then adjourned at 4.20 p. m.)

PURCHASE OF FEED AND SEED GRAIN

Mr. JOHNSON of South Dakota. Mr. Speaker, I move to suspend the rules and pass the bill S. 5082.

The SPEAKER. The gentleman from South Dakota moves to suspend the rules and pass the bill S. 5082. The Clerk will report it by title.

The Clerk read as follows:

A bill (S. 5082) authorizing an appropriation of $8,600,000 for the purchase of seed grain, feed, and fertilizer to be supplied to farmers in the crop-failure areas of the United States, and for other purposes.

The SPEAKER. Is a second demanded?

Mr. RAINEY. I demand a second.

Mr. JOHNSON of South Dakota. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. The gentleman from South Dakota asks unanimous consent that a second be considered as ordered. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of Agriculture is hereby authorized, for the crop of 1927, to make advances or loans to farmers in the drought and storm stricken areas, comprising what are known as the Northwestern States and cotton States of the United States where he shall find that special need for such assistance exists for the purchase of wheat, oats, corn, barley, and flax seed, legume seed, for seed purposes, for nursery stock, of feed and fertilizer, and, when necessary, to procure such seed, feed, and fertilizers and sell same to such farmers. Such advances, loans, or sales shall be made upon such terms and conditions and subject to such regulations as the Secretary of Agriculture shall prescribe, including an agreement by each farmer to use the seed and fertilizer thus obtained by him for crop production. A first lien on the crop to be produced from seed and fertilizer obtained through a loan, advance, or sale made under this section shall, in the discretion of the Secretary of Agriculture, be deemed sufficient security therefor. The total amount of such advances, loans, or sales to any one farmer shall not exceed the sum of $300. All such advances or loans shall be made through such agencies as the Secretary of Agriculture shall designate. For carrying out the purposes of this act there is hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of $8,600,000, to be immediately available: *Provided*, That of said amount not more than $2,500,000 shall be used for loans, advances, or sales for fertilizer in drought-stricken areas, in the cotton States of Georgia and South Carolina and western Alabama, and not more than $600,000 shall be used for loans, advances, or sales for fertilizer or fertilizer material or nursery and sugar cane stock in storm-stricken areas in Florida and Louisiana: *Provided*, That not less than $5,000,000 of this fund shall be available in the States of South Dakota, North Dakota, and Montana.

SEC. 2. That any person who shall knowingly make any false representation for the purpose of obtaining an advance, loan, or sale under this act shall upon conviction thereof be punished by a fine of not exceeding $1,000 or by imprisonment not exceeding six months, or both.

The SPEAKER. The gentleman from South Dakota is recognized for 20 minutes.

Mr. JOHNSON of South Dakota. Mr. Speaker, Senate bill 5082 originated in the House when I prepared and introduced House bill 15973. An identical bill was introduced in the Senate by Senator NORBECK, was amended, and is the bill under consideration. Instead of reporting the House bill, Senate bill 5082 was reported by the House committee. If it passes to-day it needs only the President's signature.

It provides for a loan by the Government of $8,600,000 for "the purchase of wheat, oats, corn, barley, and flaxseed, legume seed, for seed purposes, of nursery stock, of feed and fertilizer; and, when necessary, to procure such seed, feed, and fertilizers and sell same to such farmers." It is for the crop of 1927, and it is to make advances of loans to farmers in drought and storm-stricken areas comprising what is known as the Northwestern States and the cotton States of the United States.

I do not propose to take up the time of this House to tell of the difficulties that the farmers of the country are in. For two weeks in the House and in the Senate we have listened to speech after speech from gentlemen coming from all parts of the United States, from Florida to Tennessee, and from Tennessee to Texas, from Texas to Washington, and back to Illinois, and then up to Maine, showing the distress among the farmers.

It must be conceded that they are in a terrific plight, particularly in parts of the country where they have not had a good crop.

The benefits of this bill are not confined to certain States. It is true that $5,000,000 of it is confined to the three States of North and South Dakota, and Montana. Not more than $2,500,000 is to be used in the cotton States of Georgia, South Carolina, and Alabama, and $600,000 in Florida and Louisiana. There is a half million dollars not allocated in any way, and I call your attention to the fact that much of the rest of the bill is permissive.

Two weeks ago, when the bill was not forced to a vote, the gentleman from Illinois [Mr. RAINEY] desired $15,000 for a little storm-stricken area in Illinois. I am informed by the Department of Agriculture that they will take cognizance of the hearings before the committee, and of what is said on the floor of this House in the allocation of these funds. Personally, I am clear that the State of Illinois would secure for that little storm-stricken area $25,000 or $50,000, which, no doubt, would be all that would be necessary for the purchase of corn there. I am also clear that the States of Kansas and Nebraska would be entitled to come in under the provisions of this bill, and any other parts of the United States that are in the Northwest, or in the cotton States. If there should be a storm, even after Congress adjourns, they would be entitled to come in under the unallocated portions of the bill.

I am not going to discuss the bill further because I have very little time. This is no precedent. There have been three of these bills passed by Congress in 1921, 1922, and 1924. They do not provide gifts, but loans. These loans made under the provisions of the bill provide that a farmer, to secure any portion of the money, must sign a note and give a lien on the crop. He must also have his land ready to put a crop in.

Of the loans previously made, in 1922, 76 per cent of the loan was returned to the Government and in 1921, 68 per cent was returned to the Government. They are still collecting and practically all of the money will be repaid. I will say that in my opinion this bill will not cost the Government to exceed $1,000,000.

Mr. MICHENER. Will the gentleman yield?

Mr. JOHNSON of South Dakota. Yes.

Mr. MICHENER. The gentleman says this does not establish a precedent. Has the Government ever before made an appropriation for the purchase of fertilizer in order to increase production?

Mr. JOHNSON of South Dakota. I will say to the gentleman from Michigan that there was one such loan made, I believe, although I am not certain about that. However, I know that loans have been made with reference to seed, to which I was referring particularly.

Mr. MICHENER. Just where is this money for fertilizer to go?

Mr. JOHNSON of South Dakota. A large part of this will go to South Carolina, in the district represented by the gentleman from South Carolina [Mr. MCSWAIN]. The Department of Agriculture has made a complete and comprehensive survey of this entire situation and they report that for two years there has been practically no crop in that area. Then, too, a part of the money for fertilizer will go into Georgia and Alabama.

Mr. MICHENER. As a matter of fact, is the emergency due to the fact that the soil is worn out and needs replenishing and is the Government going to establish the precedent of furnishing fertilizer for worn-out land?

Mr. JOHNSON of South Dakota. No.

Mr. FULMER. Will the gentlemen permit me to answer the gentleman from Michigan?

Mr. JOHNSON of South Dakota. I will let the gentleman from South Carolina answer the gentleman, although I could answer him.

Mr. FULMER. I will say to the gentleman that the soil is splendid but they have to use fertilizer every year and it is just as important to have fertilizer for wheat, oats, and corn as it is for cotton.

Mr. JOHNSON of South Dakota. As a matter of fact, they have had no rain there for a long time.

Mr. MICHENER. That is the point I am making. They have to use fertilizer every year, so that it is not a real emergency, and if we are to be called upon to furnish fertilizer where it is needed every year we are treading on a dangerous path.

Mr. FULMER. It is an emergency when you consider the fact that we have had a drought for two years.

Mr. JOHNSON of South Dakota. I wish to say to the gentleman from Michigan that the reason for this item this year is because they have had no rain there for the last two years. It is not for the purpose of entering into a general policy of furnishing fertilizer, but they are in the same situation as we are in the Northwest where we did not have rain.

Mr. MICHENER. What effect has fertilizer on rain or rain on fertilizer?

Mr. JOHNSON of South Dakota. You can not grow a crop without rain.

Mr. MICHENER. You are providing the fertilizer, why not provide the rain. [Laughter.]

Mr. JOHNSON of South Dakota. God Almighty will have to do that.

Mr. MICHENER. Now, with respect to nursery stock, where is the nursery stock to go?

Mr. JOHNSON of South Dakota. That goes to Florida.

Mr. MICHENER. Is that due to an emergency?

Mr. JOHNSON of Washington. That is due to the terrific storm they had there.

Mr. MICHENER. It is purely an emergency?

Mr. JOHNSON of South Dakota. Purely an emergency.

Mr. MICHENER. We are not starting a general reforestation policy by this appropriation?

Mr. JOHNSON of South Dakota. Absolutely not; and I want to say in this connection right now that I do not like these precedents any better than the gentleman from Michigan does, and if it were not because of an extreme emergency this measure would not be brought before the House; it would not be indorsed by the Budget as it has been, and it would not be indorsed by the Department of Agriculture.

Mr. MICHENER. There are some sand lands in northern Michigan where they need fertilizer. They do not happen to be in my district, but would there be any chance for the farmers up there, who can not grow crops without fertilizer, to get some of this fertilizer appropriation?

Mr. JOHNSON of South Dakota. Not unless there has been a drought up there. In that case I think Michigan would be a Northwestern State.

Mr. WEFALD. Will the gentleman yield?

Mr. JOHNSON of South Dakota. Yes.

Mr. WEFALD. When the gentleman speaks about the Northwestern States, does that include Minnesota?

Mr. JOHNSON of South Dakota. Certainly.

Mr. ROMJUE. Will the gentleman yield?

Mr. JOHNSON of South Dakota. Yes.

Mr. ROMJUE. How many States have these areas referred to in the bill?

Mr. JOHNSON of South Dakota. The entire Northwestern States and the cotton States. Roughly speaking this would include a great part of the United States.

Mr. ROMJUE. Does the report specifically set up the areas?

Mr. JOHNSON of South Dakota. No; it states Northwestern States and the cotton States.

I reserve the balance of my time, Mr. Speaker.

Mr. RAINEY. Mr. Speaker, this is a pork-barrel bill almost without a precedent in the history of this House. Of course, farmers are in a distressed condition, and we have been hearing about it for a long time.

Let me call attention to some of the provisions of this bill. The bill appropriates not more than $2,500,000 for purchases of fertilizers and for other advances in the cotton States and not more than $600,000 for fertilizer, nursery stock, and so forth, in Florida and Louisiana. Now, bearing in mind that this bill permits not more than these expenditures in these States, let me call your attention to the last clause in the bill:

Provided, That not less than $5,000,000 of this fund shall be available in the States of South Dakota, North Dakota, and Montana.

In other words, these three States are going to get $5,000,000, and it is made obligatory upon the Department of Agriculture to spend that much there, and they can also get as much more out of the other appropriations as is not needed in those particular sections.

We have had appropriations before for South Dakota, North Dakota, and Montana. In 1921 and in 1922 we had appropriations for this purpose for South Dakota and North Dakota, and Montana, Idaho and Washington, and when we had appropriations applying to these five States the appropriation in 1921 amounted to only $1,900,000, and in 1922 to $1,300,000 and odd. Now, cutting out the States of Idaho and Washington and leaving alone in this appropriation the States of South Dakota, North Dakota, and Montana, we have this remarkable provision that not less than $5,000,000 of this amount shall be expended in these three States.

This appropriation applies only to drought and storm-stricken areas of the Northwestern States and to drought and storm-stricken areas of the cotton States. It is nonsense to say that this bill can be applied to any flood-stricken area. I have pending before the Committee on Agriculture a bill asking for an appropriation of $100,000 for flood-stricken sections in Illinois, where 9,183 people at the present time, in 14 counties, are being taken care of by the Red Cross, and where the losses have been between $15,000,000 and $20,000,000 due to a flood unprecedented in the history of this country. There was no pork in that proposition. Other gentlemen are here asking for appropriations for their flood-stricken sections in other States, and we are told by the gentleman from South Dakota that any attempt to amend this bill, which carries at least $5,000,000 worth of pork for his State and the adjoining States, will result in the defeat of this measure. Do not send it back to the Senate, his position is, because of it goes back to the Senate, he says, in effect, the Senate has seen the error of its ways, and you can not pass it through the Senate.

Mr. BEGG. Will the gentleman yield?

Mr. RAINEY. Yes.

Mr. BEGG. As I understand it, there is no absolute destitution or immediate relief in the bill. It is simply a question of assisting the farmers to regain their feet and begin producing crops. Is not this working just to the contrary of the measure we passed last week, when we appropriated money to get rid of the surplus crops? We are now appropriating $8,500,000 to increase the surplus. Is not that, in a measure, just exactly what we are doing?

Mr. RAINEY. Why, not at all. In the McNary bill we made an appropriation for the purpose of establishing a price, and it is to be repaid by the farmers. Here is a bonus which might give to 50,000 farmers in these three States $100 apiece.

Mr. BEGG. How about the contribution toward the purchase of fertilizer?

Mr. RAINEY. That is worse than any of it. That establishes a precedent which may be continued for all the years, and if you furnish fertilizer for the States where they need it—and all the States in the old South need it—why not furnish horses and why not furnish mules for them and why not feed the negroes while they are making the crops?

I reserve the balance of my time, Mr. Speaker.

Mr. JOHNSON of South Dakota. Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman has 11 minutes.

Mr. JOHNSON of South Dakota. I yield five minutes to the gentleman from New Jersey [Mr. FORT].

Mr. FORT. Mr. Speaker and gentlemen of the House, the gentleman from Illinois [Mr. RAINEY] has misread the language of this bill. He stated that its provisions required the expenditure of $5,000,000 of the money in the State of North Dakota and other sums in other States. The language of the bill is that that amount shall be available for loans in that State, but there is no obligatory requirement that it shall be expended.

The precedents of this legislation in the House are three in number. In 1921, 1922, and 1924 Congress made similar appropriations. These appropriations, like the one carried in this bill, were for loans to be secured in every instance by a first lien on the crops raised, and have been habitually made, under the discretion granted the Secretary of Agriculture, only after investigation both of the financial responsibility and the moral responsibility of the borrower.

Of the loans previously made under this type of legislation, 72 per cent of those made under the first bill, 77 per cent of those made under the second bill, and 58 per cent of those made under the 1924 law have been completely repaid, principal and interest.

Mr. RANKIN. On the part that is unpaid the lien is gone.

Mr. FORT. No; the loans have been renewed and new mortgage liens taken on the crop. That has been done on the 1926 crop, according to the report of the Department of Agriculture. Money was paid in 1926 on loans made in 1921.

Mr. KETCHAM. Will the gentleman yield?

Mr. FORT. Yes.

Mr. KETCHAM. Is it not true that this group of men in distress at this time have never been in distress before?

Mr. FORT. That is true. There is one other motive for my favoring this, and that is the distress is not merely among the farmers but the banks are closed in the entire section. In the Dakotas particularly, where this distress exists due to the crop failure, there are few banks.

Now, these loans are limited to $300, and in the experience of the Government the average loan applied for has been $125. The experience of the Government, as I have said, in this section of the country where loans have previously been made is that 75 per cent of the loans have been repaid in spite of the fact that distress has continued.

Mr. LINTHICUM. How much were the appropriations in previous years?

Mr. FORT. I have not those figures in mind. Now, I want to add one other thing. The South Dakota section, which is as large as my entire State of New Jersey, and which has had this distress this last year, has not heretofore suffered from drought. This is an abnormal occurrence. They have had two droughts, one succeeding the other, and that coupled with the failure of the banks puts them in such a position that unless the Government loans them the money, as they have done to other sections of the country, they can not plant a crop. It it not a gift; it is a loan of a type which in our past experience has been repaid, principal and interest. [Applause.]

Mr. RAINEY. I yield five minutes to the gentleman from Oklahoma [Mr. CARTER].

Mr. CARTER of Oklahoma. Mr. Speaker, I have never been placed in the attitude of the dog in the manger. Nor am I in that attitude now. But I do not believe that this bill ought to pass. [Applause.] I do not think it ought to be passed because it is unfair, sectional, and discriminatory against those States not named in the bill.

I admire my friend from South Dakota [Mr. JOHNSON]. I always like to follow him. He is efficient, active, aggressive, and an all-round amiable chap, and if he gets this bill through Congress allocating this amount of money to his State, to the utter disregard of the rights of all other States, his people ought to keep him in Congress for the balance of his natural life. [Laughter.]

Mr. JOHNSON of South Dakota. Will the gentleman yield?

Mr. CARTER of Oklahoma. No; I have only five minutes. I will yield if the gentleman will give me more time.

Five million dollars will go to North and South Dakota and Montana; two and a half million dollars for Georgia, South Carolina, and Alabama; $600,000 for Florida and Louisiana; in all, $8,100,000, out of a total of $8,600,000, and the other 35 or 40 States of the Union may participate in what is left if they can make the proper showing.

The only reason that I have heard urged here why this bill should be passed in its present form and should not be amended is that if it is amended the Senate would kill it; that the Senate would not stand for it any further; that the Senate would filibuster it to death. Mr. Speaker, during my service in Congress I have served on some 50 or 100 conference committees. I do not recall ever yet walking into a conference committee when that same threat failed to be made by the managers at the other end of the Capitol. I doubt not that every man who has been on a conference committee has had the same experience.

Yet not in one instance on the committee on which I served has such a threat ever been carried into execution. Even so, has this branch of Congress become reduced to such a low state that we must surrender all of our rights to legislate? Have we reached that low stage of imbecility when we must not cross a "t" or dot an "i" of some bill that comes over from another legislative body, because, forsooth, Calphurnia has not had pleasant dreams?

Mr. MOREHEAD. Mr. Speaker, will the gentleman yield?

Mr. CARTER of Oklahoma. Yes.

Mr. MOREHEAD. It was stated by the gentleman from South Dakota that perhaps the State which I represent might need help. I do not think that Nebraska needs any help.

Mr. CARTER of Oklahoma. Let us not have any discussion upon that phase of it, because the gentleman's State has not got a Chinaman's chance to get it under this bill.

Mr. MOREHEAD. But we do not want it.

Mr. CARTER of Oklahoma. It is said that seed must be supplied. What kind of seed? Wheat, oats, barley, corn, flaxseed. Why was that great staple of the country, cottonseed, left out of the bill? We were advised by a Member of the House that if cottonseed were put in and it went back to the Senate, it would be killed. My friends, in my opinion this House will never reach that high state which was intended by the Constitution, and which the people expect of it, until it begins to assert its independence of every other agency on the face of the globe and not be frightened by these blustering bluffs.

Mr. McSWAIN. Mr. Speaker, will the gentleman yield?

Mr. CARTER of Oklahoma. Yes.

Mr. McSWAIN. Does the gentleman remember that Senator SMITH, of South Carolina, objected to an amendment in the Senate and opposed it and succeeded in defeating the amendment to include cottonseed upon the ground that there was no need for cottonseed?

Mr. CARTER of Oklahoma. If the Senator from South Carolina made any such statement as that, then he knows very little about the cotton section of the Southwest; and, again, that brings us back to the point that this is strictly a sectional bill and is unfair and discriminatory against all sections not named by its terms.

Mr. RAINEY. Mr. Speaker, I yield four minutes to the gentleman from Texas [Mr. JONES].

Mr. JONES. Mr. Speaker, when a habit is once formed, it is very hard to shake off. This is the third time within a period of five years that the section to be benefited primarily by this bill has been before the Congress asking for this character of legislation. I think it is a bad policy for Congress to pursue, to embark upon such a proposition as this. It is opening up a Pandora's box. Snakes are likely to run all over the country, because if we embark on a policy of furnishing aid to this or that section merely because it happens to be in need, there is no place for the Government to stop. It seems paradoxical in this House that we can pass a bill carrying $250,000,000 to relieve the farmer's distress because he is producing a surplus and then within a few days, out of the same till, make an appropriation which, if it has any effect, will tend to increase the surplus. It seems to me that the one doctrine makes the other inadvisable. If it is advisable to pass one bill, it should not be advisable to pass the other. If we start on this kind of a policy there is no stopping place, and we will create absurdity after absurdity. There are thousands of articles grown in this country. We will be appropriating for everything from peanuts to polywogs, and it will require an omnibus bill.

Mr. JOHNSON of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. JONES. I regret that I have not the time. Even if the procedure were entered upon, we ought to adopt a national instead of a sectional policy. Every year there are always sections of the United States that are in distress. An amendment was offered in committee that was first carried in committee which would have stricken out the names of the States and make this money available for use in any section of the country where it might be needed. If we are to adopt any policy of this kind, that is the kind that should be adopted. The three States, which were the chief reason the other bills were passed, are the ones that get $5,000,000 of the $8,000,000 herein appropriated. This bill when it was originally introduced was confined to just three States, and these other States would not have been suggested but for the fact that the original bill was drafted to be confined to three States. A whole bunch of other States are now included and still the bill remains sectional. This House should refuse to pass this bill; and if it passes any bill of the kind, the wisdom of which I seriously doubt, it should be a national bill. We should not appropriate money one day to relieve distress caused by a surplus and then turn around and appropriate money the next day to increase the surplus.

Mr. JOHNSON of South Dakota. Mr. Speaker, I would like to have somebody from the South discuss this for a moment, and I yield four minutes to the gentleman from South Carolina Mr. [McSWAIN].

Mr. McSWAIN. Mr. Speaker and gentlemen of the House, it is with a feeling of unfeigned sorrow that I recall and here recite the conditions prevailing in that part of South Carolina which I represent in part, and continuing from there on to Georgia, that justifies our appeal for relief to the Federal Government. We in that part of the country, like all Americans, are an independent, self-reliant people. But the condition that confronts us now is not due to our indolence or our indifference or our laziness, but it is due to Providence in that for two years, 1925 and 1926, we have not during the growing season received sufficient rainfall to make crops. In 1925 in the months of August, September, and October there was practically no rain, and crops which had grown to a state of sap and milk before the end of summer simply withered up. Again in 1926 there was practically no rainfall in May, June, and July, and the seed that had been put in the ground lay there and never germinated, so that when finally the rain did come the first of August the seed came up, but before the crop came to maturity the frost caught it. What is the undisputed fact? Here is the Federal Reserve Bulletin of the month of February, 1926, which just came to my desk on Saturday, and in it I find these facts. First, as I said, we are self-reliant people. The first year we could stand it, but the second year, coming directly following the first, broke many of our banks. It rendered our people unable to pay interest on their mortgages, and the tenant class of farmers on the property this year will be unable to strike a lick in order to make a crop unless they get help from this or from some source among our people.

Now, for the month of December, 1926, the Federal reserve statistics show that there failed 114 banks with deposits of about $45,000,000. And in what States? All these banks were for the most part in South Carolina, Georgia, North Dakota, Minnesota, Iowa, Kansas, Arkansas, and Texas. In the agricultural sections of our part of the South Atlantic States, those Northwestern States, and the Southwestern States where droughts have occurred the banks that rely upon the farming people for the payment of indebtedness that has been incurred in the making of crops have gone to the wall, and our people to-day are facing a disastrous condition. Old people, 75 and 85 years of age, say it is not comparable in economic distress to the worst condition that we have passed through since the days immediately following the Civil War. So we feel the circumstances are such as to justify these people that have a proud history, suffering a condition that is no fault of their own morally but by that Providence by whose grace they must labor and live, in asking that this condition be helped. Something has been said about fertilizer. I will tell you, just like

my friend from South Carolina Mr. FULMER says, that to ask our people to undertake to grow a crop in these sandy and gravelly soils of the South Atlantic States without fertilizer will be asking them to expend their labors during the whole year 1927 absolutely in vain. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. RAINEY. Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman has four minutes remaining.

Mr. RAINEY. No; I think I have more than that. The gentleman from Texas yielded back some time; I had nine minutes, and he had four minutes, and he yielded back some time.

The SPEAKER. The gentleman from Texas had only a fraction of a minute left.

Mr. RAINEY. I used four out of my nine minutes. I was advised that I had nine minutes. I yield the remainder of my time to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, I rise to appeal to the membership of the House to vote this motion down. If you do, we can then bring this bill up under the regular rules of the House and have a chance to amend it.

There is absolutely no reason, no justice, and no moral excuse for excluding from the terms of this bill those flood sufferers in the various flood-stricken sections of the country and attempting to confine $5,000,000 of this appropriation to three supposedly drought-stricken States of the West.

I went before the Agricultural Committee and I appealed to them to include in this measure the people who have recently suffered from the flood in the Tombigbee River Valley in eastern Mississippi and western Alabama. Hundreds of homes were flooded or washed away. Thousands of cattle, horses, hogs, mules, and chickens were drowned in that flood. Many people were drowned. There is no way to calculate the number of negroes who lost their lives in the flood. Yet the gentleman from South Dakota [Mr. JOHNSON] appeared before the Committee on Agriculture and opposed an amendment to take care of those unfortunate people in this bill for fear it might interfere with this inquitous clause that confines $5,000,000 of the appropriation to the States of North Dakota, South Dakota, and Montana. Are you going to indorse such unmitigated selfishness?

I am not sure but that those people would call for but very little of this fund. But you ought not to ignore these unfortunate people and pass this political bill.

If you are going to start out on that kind of policy, ignoring the real sufferers and paying political debts out of the Treasury, then it is time to call a halt and kill all of this legislation. I ask you to vote down this motion, as we did the other day, and give us a chance to vote on it under the regular rules of the House so that we can amend it.

They say some Senators will kill it if it is amended, and give that as the reason why they are afraid to give us a chance to amend a bill which requires $5,000,000 of this money to be expended in North Dakota, South Dakota, and Montana. On the face of it it is an outrage to bring in such a bill as that and ask this House to pass it, under suspension of the rules. I sincerely trust you will vote down this motion, and let the matter come before the House in the regular way, and try it on its merits, give us the right to amend it, as we should have, and not come here and force this political pork barrel bill through the House in this way.

If you will make this a uniform proposition, so that the Secretary of Agriculture may use this money where it is needed and where it is necessary, very well. Although I do not agree ordinarily with this class of legislation I would not oppose it. But I will be perfectly frank with you, I doubt the propriety of legislation of this kind at any time. [Applause.]

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. JOHNSON of South Dakota. I would like to make a statement in all kindness. The gentlemen opposing this bill have been the ones who did not come before the committee at the proper time and present their claims.

Mr. RANKIN. The gentleman does not want to make that statement. He and I went before the committee at the same time.

Mr. JOHNSON of South Dakota. The gentleman from Mississippi, if he wants to take care of the flood sufferers, should appear before the committee and present a measure, I will be for it. If the gentleman from Illinois [Mr. RAINEY] wants to take care of the flood sufferers in his neighborhood, all he has to do is to introduce a bill and pass it. If the gentleman from Oklahoma [Mr. CARTER] desires to take care of those who have suffered losses in his neighborhood, all he has to do is to introduce a bill and pass it.

I did not want this sum to be allocated. I would like to have discretion given entirely to the Secretary of Agriculture to dispose of these funds. The Senate has amended the bill and allocated all but $500,000 to stipulated sections.

Mr. CARTER of Oklahoma. Mr. Speaker, will the gentleman permit a short question?

Mr. JOHNSON of South Dakota. I can not yield.

I am sure the gentleman from Mississippi and the gentleman from Illinois and the gentleman from Oklahoma, if they can make a showing, can have some allocation made. If they succeed in killing the bill, they will prevent their constituents from getting relief out of the $500,000 unallocated.

Mr. CARTER of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of South Dakota. No; I can not yield.

Mr. CARTER of Oklahoma. I do not blame the gentleman. I would not, if I were in his place, either.

The SPEAKER. The gentleman from South Dakota moves to suspend the rules and pass the bill.

The question was taken.

The SPEAKER. In the opinion of the Chair, two-thirds having voted in the affirmative——

Mr. RAINEY. Mr. Speaker, I ask for a division.

The SPEAKER. The gentleman from Illinois asks for a division.

The House divided; and there were—ayes 208, noes 49.

Mr. RAINEY. Mr. Speaker, I call for the yeas and nays.

The SPEAKER. The gentleman from Illinois calls for the yeas and nays. Those in favor of taking this vote by yeas and nays will rise and stand until they are counted. [After counting.] Twenty-six gentlemen have arisen—not a sufficient number.

So, two-thirds having voted in the affirmative, the motion to suspend the rules and pass the bill was agreed to.

CONSTRUCTION AT MILITARY POSTS

Mr. JAMES. Mr. Speaker, I present for printing under the rule the conference report on the bill (H. R. 15547) to authorize appropriations for construction at military posts, and for other purposes.

The SPEAKER. Ordered printed.

PENSIONS

Mr. ELLIOTT. Mr. Speaker, I move to suspend the rules and pass H. R. 13450, granting pensions and increase of pensions to widows and former widows of certain soldiers, sailors, and marines of the Civil War, and for other purposes, with an amendment.

The SPEAKER. The gentleman from Indiana moves to suspend the rules and pass House bill 13450, with an amendment, which the Clerk will report.

The Clerk read the bill, as follows:

Be it enacted, etc., That the widow or remarried widow of any person who served in the Army, Navy, or Marine Corps of the United States during the Civil War for 90 days or more, and was honorably discharged from such service, or regardless of the length of service was discharged for or died in service of a disability incurred in the service and in the line of duty, such widow or remarried widow having been married to such soldier, sailor, or marine prior to the 27th day of June, 1905, shall be paid a pension at the rate of $40 per month, but nothing in this act shall be construed as decreasing the rate of pension granted by any other act.

SEC. 2. That the pension or increase of the rate of pension herein provided for, as to all persons whose names are now on the pension roll, or who are now in receipt of a pension under existing law, shall commence at the rates herein provided on the fourth day of the next month after the approval of this act; and as to persons whose names are not now on the pension roll, or who are not now in receipt of a pension under existing law but who may be entitled to a pension under the provisions of this act, such pensions shall commence from the date of filing application therefor in the Bureau of Pensions after the approval of this act in such form as may be prescribed by the Secretary of the Interior: *Provided*, That the issue of a check in payment of a pension for which the execution and submission of a voucher was not required shall constitute payment in the event of the death of the pensioner on or after the last day of the period covered by such check, and it shall not be canceled, but shall become an asset of the estate of the deceased pensioner.

SEC. 3. That no claim agent, attorney, or other person shall contract for, demand, receive, or retain a fee for services in preparing, presenting, or prosecuting claims for the increase of pension provided for in this act; and no more than the sum of $10 shall be allowed for such services in other claims thereunder, which sum shall be payable only on the order of the Commissioner of Pensions; and any person who shall directly or indirectly otherwise contract for, demand, receive, or retain a fee for services in preparing, presenting, or prosecuting any claim under this act, or shall wrongfully withhold from

the pensioner or claimant the whole or any part of the pension allowed or due to such pensioner or claimant under this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall for each and every such offense be fined not exceeding $500 or be imprisoned not exceeding one year, or both, in the discretion of the court.

SEC. 4. That all acts and parts of acts in conflict with or inconsistent with the provisions of this act are hereby modified and amended only so far and to the extent as herein specifically provided and stated.

The SPEAKER. Is a second demanded?

Mr. UNDERWOOD. Mr. Speaker, I demand a second.

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

The SPEAKER. The gentleman from Indiana asks unanimous consent that a second may be considered as ordered. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Indiana is recognized for 20 minutes and the gentleman from Ohio for 20 minutes.

Mr. ELLIOTT. Mr. Speaker and gentlemen of the House, this bill as amended will grant an increase of $10 per month to approximately 195,000 widows of Civil War veterans who are now receiving a pension of $30 per month under existing law. It will probably cost $23,000,000 for the first year. Nobody can give the exact amount it will cost, owing to the fact that these widows are dying at the rate of about 2,000 each month. The old veterans are dying at a rapid rate, and some of them are leaving widows who would come under the terms of this bill. The average age of these widows is about 76 years.

During the present Congress more than 8,000 bills have been introduced into this House to grant pensions to these widows by special act of Congress, and this House has passed a large number of them. A few days ago we passed a bill containing 1,382 special acts, 932 of which were increases to Civil War widows. These bills were introduced by over 300 Members of this House. This bill went to the Senate and has been reported for passage by the Senate Committee on Pensions, and they have added 474 more cases to it.

Mr. COLE. Will the gentleman yield?

Mr. ELLIOTT. Yes.

Mr. COLE. Taking into consideration the deaths, will this bill increase the total amount of pensions to be paid this year?

Mr. ELLIOTT. About $22,000,000 or $23,000,000.

Mr. COLE. But the gentleman should deduct those who will cease to draw pensions, so that at the end of the year we will not be paying out any more; in other words, at the end of the first year you will probably not have paid out more for pensions than we paid out last year.

Mr. ELLIOTT. It is my understanding, I will say to the gentleman from Iowa, that if this bill is passed and becomes a law it will cost the Government the first year somewhere in the neighborhood of $23,000,000 more than the Government will pay out to these widows under existing law.

Mr. COLE. But the gentleman has already stated that 2,000 widows are dying each month. Will not that decrease the existing pension roll to about the same extent?

Mr. ELLIOTT. But the widows of soldiers who are dying will come onto the roll so that you can not tell anything about it.

Mr. THATCHER. Will the gentleman yield?

Mr. ELLIOTT. Yes.

Mr. THATCHER. What is the condition of a similar bill in the Senate, if there is such a similar bill?

Mr. ELLIOTT. The Senate Committee on Pensions a few days ago reported a bill granting $40 a month to these same people, but provided that they had to be 70 years of age before they would draw any benefit under the terms of the bill; that would leave some of the people who will be benefited by this bill on the outside.

Mr. KINDRED. Would the gentleman mind telling me the essential features of this bill by which the widows of Civil War veterans will be benefited beyond that now provided in existing law?

Mr. ELLIOTT. One hundred and ninety-five thousand widows will get an increase of $10 a month over the amount they are now drawing. That is all this bill does.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. ELLIOTT. Yes.

Mr. NEWTON of Minnesota. Did the committee consider the grading of pensions, with the maximum at $50, based upon age?

Mr. ELLIOTT. The committee did not.

Mr. HASTINGS. Will the gentleman yield?

Mr. ELLIOTT. Yes.

Mr. HASTINGS. I do not believe I exactly understood the gentleman's answer to the inquiry of the gentleman from New York. Does not the present bill give all of the widows who married Civil War veterans prior to the 27th day of June, 1905, $50 a month?

Mr. ELLIOTT. There is an amendment which cuts it to $40.

Mr. HASTINGS. Last year we enacted legislation that gave all of those widows who were married to and were living with Civil War veterans during the war $50, did we not?

Mr. ELLIOTT. We did.

Mr. HASTINGS. And those who married subsequent to the Civil War and prior to this date, namely, June 27, 1905, are to be allowed a pension of $40?

Mr. ELLIOTT. That is it.

Mr. HASTINGS. I stepped out of the Chamber, but is this bill called up under suspension of the rules?

Mr. ELLIOTT. It is.

Mr. HASTINGS. So it can not be amended?

Mr. ELLIOTT. It can not be amended.

Mr. HASTINGS. I am sorry, because I would be in favor of giving them $50 a month.

Mr. ELLIOTT. I want to say in conclusion, gentlemen, that if we do not pass this bill now, you are going to be confronted in the Seventieth Congress with a flood of bills for special acts, which are going to simply swamp the Invalid Pensions Committee of this House, and if you are going to take care of the cases of poverty and destitution among these widows the proper way to do it is by general act and not by special act, which takes care of some to the exclusion of other meritorious cases.

Mr. HOWARD. Will the gentleman yield?

Mr. ELLIOTT. Yes.

Mr. HOWARD. I have heard it repeatedly stated here in the House by those who ought to know that this House can do anything by unanimous consent, so I think if the chairman of the committee will ask for unanimous consent to pass this bill at the rate of $50 a month the House will give that unanimous consent.

Mr. KETCHAM. Will the gentleman yield?

Mr. ELLIOTT. Yes.

Mr. KETCHAM. Am I correct in my understanding there will be no requirement of an application on the part of those who now receive the $30 rate in order to get this additional $10; it will simply come along automatically.

Mr. ELLIOTT. I will say to the gentleman from Michigan that the bill provides that the ones who are already receiving a pension will be entitled to draw their increased pension from the fourth day of the next month following the passage of this bill.

Mr. KETCHAM. Without application?

Mr. ELLIOTT. Without application.

Mr. ELLIS. But only $40?

Mr. ELLIOTT. Forty dollars.

Mr. Speaker, I yield two minutes to the gentleman from Indiana [Mr. UPDIKE].

Mr. UPDIKE. Mr. Speaker and gentlemen of the House, I am very sorry this bill does not provide $50 a month as a pension for the widows of the veterans of the Civil War. I think they are justly entitled to that amount, but in view of the fact it would have been almost impossible to get such a bill before the House, I am glad to give them this additional $10 a month. I am very glad, indeed, to have the opportunity of voting for this bill. [Applause.]

Mr. UNDERWOOD. Mr. Speaker, I yield three minutes to the gentleman from New York [Mr. SOMERS].

Mr. SOMERS of New York. Mr. Speaker, possibly the fault lies with me, but I must confess I can not understand the psychology of this House. A very few minutes back we voted $8,600,000 to relieve a condition in the West—a very generous move. We are now called upon to vote to relieve another condition which I think demands remedying. Yet in this we are not so generous. We are called upon to relieve some of the old widows of the Civil War soldiers; and I want to say at this point that when the bill came before our committee the bill that I voted on to bring before the House was a bill which provided for increasing the pension to $50 a month. The committee, as far as I know, are all of the same opinion. Unfortunately there is no chance of passing this bill unless the reduction is made. The committee, realizing this, has brought forth the present bill. I think every man in this House sees the fairness of giving these widows the greater sum [applause], and, for the life of me, I can not understand why we should hesitate to do what we consider the right thing now. Neither the gentleman from Ohio nor myself are opposed to this bill, but in asking for a second we both had in mind the idea of protesting against the cut of $10 that is now forced on this House.

Mr. O'CONNELL of New York. Will the gentleman yield?

Mr. SOMERS of New York. Yes.

Mr. O'CONNELL of New York. Is the gentleman making the statement that the committee passed one bill in the committee and reported another to the House?

Mr. SOMERS of New York. I made the statement that the only bill I voted on in the committee was a bill which provided $50 a month.

Mr. UNDERWOOD. Mr. Speaker, I do not have any further requests for time.

I desire to say that all the members of our committee favored increasing the pension of widows of our Civil War veterans to $50 per month. Since it is not possible, under the suspension rule, to pass a bill carrying that rate, I will gladly support the pending measure which will grant a merited increase of $10 per month to all the widows who were married prior to June 27, 1905. [Applause.]

The SPEAKER. The question is on the motion of the gentleman from Indiana [Mr. ELLIOTT] to suspend the rules and pass the bill.

The question was taken, and in the opinion of the Chair the vote was unanimous.

So, two-thirds having voted in favor thereof, the rules were suspended, and the bill was passed.

TREATY RELATIONS WITH CHINA

Mr. PORTER. Mr. Speaker, I move to suspend the rules and pass concurrent resolution (H. Con. Res. 46) with a committee amendment.

The SPEAKER. The gentleman from Pennsylvania moves to suspend the rules and pass House Concurrent Resolution 46 as amended, which the Clerk will report.

The Clerk read as follows:

Whereas the United States in its relations with China has always endeavored to act in a spirit of mutual fairness and equity and with due regard for the conditions prevailing from time to time in the two countries, and since the development of conditions in China makes it desirable that the United States at the present time, in accordance with its traditional policy, should take the initiative in bringing about a readjustment of its treaty relations with China: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That the President of the United States be, and he hereby is, respectfully requested to enter into negotiations with duly accredited agents of the Republic of China, authorized to speak for the people of China, with a view to the negotiation and the drafting of a treaty or of treaties between the United States of America and the Republic of China which shall take the place of the treaties now in force between the two countries, which provide for the exercise in China of American extraterritorial or jurisdictional rights or limit her full autonomy with reference to the levying of customs dues or other taxes, or of such other treaty provisions as may be found to be unequal or nonreciprocal in character, to the end that henceforth the treaty relations between the two countries shall be upon an equitable and reciprocal basis and will be such as will in no way offend the sovereign dignity of either of the parties or place obstacles in the way of realization by either of them of their several national aspirations or the maintenance by them of their several legitimate domestic policies.

The SPEAKER. Is a second demanded?

Mr. MOORE of Virginia and Mr. BEEDY rose.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BEEDY. Mr. Speaker, I am opposed to the bill, and demand a second.

Mr. PORTER. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Without objection a second will be considered as ordered.

There was no objection.

Mr. BEEDY. Mr. Chairman, I yield three minutes to the gentleman from New York [Mr. WAINWRIGHT].

Mr. WAINWRIGHT. Mr. Speaker and gentlemen of the House, I hesitate to oppose this resolution, because I yield to no one in my sympathy with the aspirations of the Chinese people to become a great free people, with a government that can deal on terms of equality with the governments of the other great powers. But I question the wisdom at this time of passing any such resolution as the one under consideration. I believe we are entrenching upon a field which just at this moment we should enter with very great compunction and great caution. This resolution, at this time, is absolutely unnecessary, because it calls upon the President to do something that the Secretary of State has already declared our Government is prepared to do. If enacted, it would tend to commit our Government far beyond the declaration of the State Department. It goes much further than requesting the mere negotiation upon the subject of extraterritoriality and customs autonomy. It would commit our Government to the denunciation of all of the treaties that now exist between China and ourselves. Furthermore, it seems to me to be most inexpedient and unwise to take this action at a time when China is aflame, at a time when the armies of the Canton government are at war with the armies of the Northern government with grave danger to our nationals in China and particularly when they are to-day approaching Shanghai, where there are American citizens, American investments and property, as well as the citizens and subjects of the other powers—at a time when our State Department has asked these warring factions to adopt a measure which can best assure the safety of our people, namely, to neutralize the foreign settlements in the city of Shanghai, which request both factions have flatly refused to accede to. And these are the people to whom we are making this gesture, holding out this olive branch. It would be almost an evidence of puerility and weakness on our part, and might be looked upon as a mere effort to ingratiate ourselves and propitiate them, at this particular time. I do not think there is any question as to what the attitude of our people will ultimately be, but I do not believe this is the time to hamper the free action of our State Department by any such action. Again, I call attention to a singular omission in all this testimony on which the Foreign Affairs Committee has acted, to which the gentleman from Pennsylvania has called our attention, embodied in the committee report. Is there any evidence or expression here as to attitude of our State Department on this resolution? No, there is not, and unless a measure of this kind has the full support and full force of the approval of the responsible department of our Government, charged with foreign affairs, I do not think we should adopt it. [Applause.]

Mr. BEEDY. Mr. Speaker, I yield two minutes to the gentleman from California [Mr. LINEBERGER.]

Mr. LINEBERGER. Mr. Speaker, I opposed this resolution when it came before the House two or three hours ago upon the Consent Calendar. While I do not desire to criticize any one, I think an important resolution of this kind should not be considered as it is here to-day under suspension of the rules, where there is no opportunity to amend it from the floor or to move to recommit the resolution to the committee. I quite agree with all the gentleman from New York [Mr. WAINWRIGHT] has said regarding the inadvisability and the inexpediency of passing such a resolution as this at this time. I was in China a year ago this last summer, and I know something of the situation that exists there between the various warring factions. There are not merely two factions, there are at least three, and probably back behind the scenes a half dozen. In the second place, I have always opposed, as a matter of principle, and I now oppose any attempt on the part of this House to usurp the Executive functions of the President, and especially his treaty-making prerogatives. In spirit, at least, it is clearly anticonstitutional to my mind.

Mr. BLACK of New York. Mr. Speaker, will the gentleman yield?

Mr. LINEBERGER. I regret I have not the time to yield. Our duties and functions here I conceive to be legislative and not executive. We do not even ratify treaties when they are once made; that is a function of the Senate and not of the House. We are not authorizing or requesting the President to do a single thing which he has not the power to do and in which he is not now engaged in doing, and I am not in favor of exalting the Foreign Affairs Committee of the House at the expense of the Department of State or of the President of the United States. I think it is wholly unnecessary and unworthy of this great legislative body and I shall therefore vote against the bill. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from California has expired.

Mr. BEEDY. Mr. Speaker, I yield one minute to the gentleman from New York [Mr. CROWTHER].

Mr. CROWTHER. Mr. Speaker, this is just another example of back-seat driving, and I think it is time, as some of the speakers have said who preceded me, that we should leave matters of this kind in the hands of the President and the Secretary of State. I do not think it advisable for either the Congress or the press to keep shouting instructions from the back seat to men who are equipped by knowledge and experience to adjust these tremendously important international affairs.

Mr. BLACK of New York. Will the gentleman yield?

Mr. CROWTHER. I can not yield. This resolution confers no authority on the President other than he now possesses, and I think the folks on the back seat should sit tight, and be exceedingly economical with their vocabulary, under the existing circumstances. [Applause.]

Mr. BEEDY. Mr. Speaker, I yield one minute to the gentleman from Maryland [Mr. HILL].

Mr. HILL of Maryland. Mr. Speaker and gentlemen, I asked the chairman of the committee proposing this resolution, a few minutes ago, if this conferred any power upon the President which he did not possess at the present time. He said it did not. I asked if this bill directed the President to do anything in the negotiations suggested. He said it did not. There is a very serious situation existing in China. I am not expressing an opinion as to the merits or the demerits of the extraterritorial matters and other things dealt with in this resolution. The President of the United States is charged with the treaty-making power and the State Department is acting in this matter, and I do not think this House should attempt to interfere in the matter at this time.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BEEDY. I yield one minute to the gentleman from New York [Mr. BACON].

Mr. BACON. Mr. Speaker, I want to make it very clear that this resolution is simply directing the State Department to do what it is now trying to do and has been trying to do since the Washington conference. Therefore I ask unanimous consent at this point in the debate to insert in the RECORD the statement of the Secretary of State, which he made on January 26, 1927.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

Mr. CONNALLY of Texas. Mr. Speaker, reserving the right to object, will the gentleman from New York state the position of the Department of State in reference to this resolution?

Mr. BACON. The gentleman from Texas will know after reading the statement.

Mr. CONNALLY of Texas. I am asking if the gentleman from New York knows what the Secretary of State's position is in regard to this resolution?

Mr. BACON. I am not authorized to speak for the Department of State.

Mr. CONNALLY of Texas. I am asking if the gentleman knows.

Mr. BACON. I know what is in this document, which is a statement of the Secretary of State which he made and gave to the press.

Mr. CONNALLY of Texas. Will the gentleman say the Department of State is opposed to this resolution?

Mr. BACON. Frankly, I do not know. Personally, as far as my own stand is concerned, I am not opposed to this resolution, because I think the matter has gone so far that it would now be a mistake to go back. The defeat of this resolution might be misconstrued by China. Fundamentally, I am opposed to the House of Representatives undertaking to direct the Executive to make a treaty.

The SPEAKER pro tempore. Is there objection? [After a pause]——

Mr. BLACK of New York. Mr. Speaker, reserving the right to object, I have no objection if the gentleman will insert in the RECORD that the gentlemen who opposed the Porter resolution voted to go into the World Court, although that was a matter of foreign relations.

Mr. BACON. The gentleman asks about something I know nothing about.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none.

The statement is as follows:

STATEMENT BY THE HON. FRANK B. KELLOGG, SECRETARY OF STATE

DEPARTMENT OF STATE,
January 26, 1927.

At this time, when there is so much discussion of the Chinese situation, I deem it my duty to state clearly the position of the Department of State on the questions of tariff autonomy and the relinquishment of extraterritorial rights.

The United States has always desired the unity, the independence, and the prosperity of the Chinese Nation. It has desired that tariff control and extraterritoriality provided by our treaties with China should as early as possible be released. It was with that in view that the United States made the declaration in relation to the relinquishment of extraterritoriality in the treaty of 1903 and also entered into the treaty of Washington of February 6, 1922, providing for a tariff conference to be held within three months after the coming into force of the treaty.

The United States is now, and has been ever since the negotiation of the Washington treaty, prepared to enter into negotiations with any Government of China or delegates who can represent or speak for China not only for the putting into force of the surtaxes of the Washington treaty but entirely releasing tariff control and restoring complete tariff autonomy to China.

The United States would expect, however, that it be granted most-favored nation treatment and that there should be no discrimination against the United States and its citizens in customs duties, or taxes, in favor of the citizens of other nations or discrimination by grants of special privileges and that the open door with equal opportunity for trade in China shall be maintained; and further, that China should afford every protection to American citizens, to their property, and rights.

The United States is prepared to put into force the recommendations of the extraterritoriality commission, which can be put into force without a treaty at once, and to negotiate the release of extraterritorial rights as soon as China is prepared to provide protection by law and through her courts to American citizens, their rights, and property.

The willingness of the United States to deal with China in the most liberal spirit will be borne out by a brief history of the events since making the Washington treaty. That treaty was ratified by the last one of the signatory powers on July 7, 1925, and the exchange of ratifications took place in Washington on August 6, 1925. Before the treaties finally went into effect and on June 24, 1925, the Chinese Government addressed identic notes to the signatory powers asking for the revision of existing treaties. On the first of July, 1925, I sent instructions to our minister in Peking, which instructions I also communicated to all the other Governments, urging that this should be made the occasion of evidencing to the Chinese our willingness to consider the question of treaty revision. I urged that the powers expedite preparations for the holding of the special conference regarding the Chinese customs tariff and stated that the United States believed that this special tariff conference should be requested, after accomplishing the work required by the treaty to make concrete recommendations upon which a program for granting complete tariff autonomy might be worked out. The delegates of the United States were given full powers to negotiate a new treaty recognizing China's tariff autonomy. At the same time, I urged the appointment of the commission to investigate extraterritoriality, with the understanding that the commission should be authorized to include in its report recommendations for the gradual relinquishment of extraterritorial rights. Prior to this, the Chinese Government urged the United States to use its influence with the interested powers to hasten the calling of the conference on tariff matters and the appointment of the extraterritorial commission and for each government to grant to its representatives the broad power to consider the whole subject of the revision of the treaties and to make recommendations upon the subject of the abolition of extraterritorial rights. This was in harmony with the views of the United States. Accordingly, on September 4, 1925, the United States and each of the other powers having tariff treaties with China evidenced their intention to appoint their delegates to the tariff conference. By a note which has been published, the powers informed China of their willingness to consider and discuss any reasonable proposal that might be made by the Chinese Government on the revision of the treaties on the subject of the tariff and also announced their intention of appointing their representatives to the extraterritorial commission for the purpose of considering the whole subject of extraterritorial rights and authorizing them to make recommendations for the purpose of enabling the governments concerned to consider what, if any, steps might be taken with a view to the relinquishment of extraterritorial rights. Delegates were promptly appointed and the Chinese tariff conference met on October 26, 1925.

Shortly after the opening of the conference and on November 3, 1925, the American delegation proposed that the conference at once authorize the levying of a surtax of 2½ per cent on necessaries, and, as soon as the requisite schedules could be prepared, authorize the levying of a surtax of up to 5 per cent on luxuries, as provided for by the Washington treaty. Our delegates furthermore announced that the Government of the United States was prepared to proceed at once with the negotiation of such an agreement or agreements as might be necessary for making effective other provisions of the Washington treaty of February 6, 1922. They affirmed the principle of respect for China's tariff autonomy and announced that they were prepared forthwith to negotiate a new treaty which would give effect to that principle and which should make provision for the abolition of likin, for the removal of tariff restrictions contained in existing treaties and for the putting into effect of the Chinese national tariff law. On November 19, 1925, the committee on provisional measures of the conference, Chinese delegates participating, unanimously adopted the following resolution:

"The delegates of the powers assembled at this conference resolve to adopt the following proposed article relating to tariff autonomy with a view to incorporating it, together with other matters, to be hereafter agreed upon, in a treaty which is to be signed at this conference.

"The contracting powers other than China hereby recognize China's right to enjoy tariff autonomy; agree to remove the tariff restrictions which are contained in existing treaties between themselves, respectively, and China; and consent to the going into effect of the Chinese national tariff law on January 1, 1929.

"The Government of the Republic of China declares that likin shall be abolished simultaneously with the enforcement of the Chinese national tariff law; and further declares that the abolition of likin shall be effectively carried out by the first day of the first month of the eighteenth year of the Republic of China (January 1, 1929)."

Continuously from the beginning of the conference, our delegates and technical advisers collaborated with the delegates and technical advisers of the other powers, including China, in an effort to carry out this plan—viz, to put into effect the surtaxes provided for in the Washington treaty, and to provide for additional tariff adequate for all of China's needs until tariff autonomy should go into effect. Until about the middle of April, 1926, there was every prospect for the successful termination of the conference to the satisfaction of the Chinese and the other powers. About that time the government which represented China at the conference was forced out of power. The delegates of the United States and the other powers, however, remained in China in the hope of continuing the negotiations, and on July 3, 1926, made a declaration as follows:

"The delegates of the foreign powers to the Chinese customs tariff conference met at the Netherlands Legation this morning. They expressed the unanimous and earnest desire to proceed with the work of the conference at the earliest possible moment when the delegates of the Chinese Government are in a position to resume discussion with the foreign delegates of the problems before the conference."

The Government of the United States was ready then and is ready now to continue the negotiations on the entire subject of the tariff and extraterritoriality or to take up negotiations on behalf of the United States alone. The only question is with whom it shall negotiate. As I have said heretofore, if China can agree upon the appointment of delegates representing the authorities or the people of the country, we are prepared to negotiate such a treaty. However, existing treaties which were ratified by the Senate of the United States can not be abrogated by the President but must be superseded by new treaties negotiated with somebody representing China and subsequently ratified by the Senate of the United States.

The Government of the United States has watched with sympathetic interest the nationalistic awakening of China and welcomes every advance made by the Chinese people toward reorganizing their system of Government.

During the difficult years since the establishment of the new régime in 1912, the Government of the United States has endeavored in every way to maintain an attitude of the most careful and strict neutrality as among the several factions that have disputed with one another for control in China. The Government of the United States expects, however, that the people of China and their leaders will recognize the right of American citizens in China to protection for life and property during the period of conflict for which they are not responsible. In the event that the Chinese authorities are unable to afford such protection, it is, of course, the fundamental duty of the United States to protect the lives and property of its citizens. It is with the possible necessity for this in view that American naval forces are now in Chinese waters. This Government wishes to deal with China in a most liberal spirit. It holds no concessions in China and has never manifested any imperialistic attitude toward that country. It desires, however, that its citizens be given equal opportunity with the citizens of the other powers to reside in China and to pursue their legitimate occupations without special privileges, monopolies, or spheres of special interest or influence.

Mr. BEEDY. Mr. Speaker and gentlemen of the House, the administration of our foreign affairs is one of the most delicate functions to be performed by the Government. The House should proceed with caution upon any attempt to interfere with the Executive in this behalf.

In discussing this resolution, for the brief time at my disposal, I wish it understood from the outset that irrespective of the passage of this resolution, there is nobody here who is not the friend of the struggling Republic of China. [Applause.]

China to-day is attempting to write her declaration of independence. Her struggle ought to appeal, and it does appeal, to every liberty-loving American. I myself desire to express my sympathy for poor, struggling China in this hour of her great trial. I want my country to do her utmost to free China from the curse of unequal treaties and foreign misrule. We all agree as to the desirability of revising the treaties. But to pass this resolution is not the proper way to set about the task. I, therefore, have no hesitancy in opposing the resolution.

At the outset I want to acquit my esteemed friend from Pennsylvania [Mr. PORTER], the chairman of the Committee on Foreign Affairs, and the committee itself of all blame in this matter. He and they are friends of China. They are seeking to help her. They honestly think this is the way to help her. There I disagree with them.

At this point let me give the House a bit of comparatively recent history. You will remember that in 1911 Dr. Sun Yat-sen was elected President of the Chinese Republic. In the old capital of Nanking, on the banks of the Yangtze River he was installed in power. There being no other hope of an immediate termination of the war then raging in China, he resigned the Presidency. Thereupon he sought to promote the peace of China and the well-being of his people by assisting in establishing in power the foreign favorite, Yuan Shih-Kai. All this he did upon the understanding that Kai would honor the Chinese constitution and serve the cause of the Chinese Republic. Yuan Shih was thereupon indorsed by the foreign powers and financed by foreign bankers, including those in Tokyo.

But no sooner had he been installed in power than he repudiated his promises, forswore allegiance to the constitution, refused to recognize the parliament, and proscribed all Chinese Republicans. He stood for a monarchy in China. He made himself a virtual emperor. Assisting in that betrayal of the people's cause there stood close to his elbow V. K. Wellington Koo and the present so-called Chinese minister, Dr. Sao-ke Alfred Sze, who is in this House at this moment.

Koo having become minister of state in this monarchical government, abhorrent to the masses in China, Doctor Sze was sent here to America as minister and spokesman for this ill-founded Peking régime.

Now that the Chinese Republicans have repudiated the Peking usurpers; now also that Koo himself has repudiated Doctor Sze and joined drives with Chang Tsao Lin, Doctor Sze suddenly sees in this resolution a means for a coup and a bid for retention in power through having been instrumental in causing the House to make a friendly gesture to China. He is the prime mover behind the resolution.

A very pertinent question was asked here, Why introduce this resolution when the State Department has long expressed a willingness to and is even now anxious to revise the treaties with China? I call your attention to page 11 of the committee report.

The State Department asserts that it has been, ever since 1922, and is now ready—

to continue the negotiations upon the entire subject of the tariff and extraterritoriality or to take up negotiations on behalf of the United States alone if that is necessary.

Says the committee report.

The Secretary of State of the United States in a statement issued under date of January 26, 1927, declared:

The Government of the United States was ready then and is ready now to continue the negotiations on the entire subject of the tariff and extraterritoriality or to take up negotiations on behalf of the United States alone. The only question is with whom it shall negotiate. As I have said heretofore, if China can agree upon the appointment of delegates representing the authorities or the people of the country, we are prepared to negotiate such a treaty.

The question perplexing the State Department is, with whom it shall deal as really representing China. The State Department knows very well that Doctor Sze now represents no government in China. But the chairman of our Committee on Foreign Relations is an honorable gentleman and he makes clear in the report the real aim of the resolution. He says on page 11:

The chairman of your committee is in entire accord with this statement by the Secretary of State. It clears the way for the opening of negotiations between the United States and China on the matters in controversy by the transmission of a message to China through the Chinese minister to the United States, Dr. Sao-ke Alfred Sze, who in daily contact with our Government is recognized as the official representative of the Republic of China, requesting the "appointment of delegates representing the authorities or the people of the country" (China). Such action is eminently fair, as it will give China the option of negotiating with the United States in conjunction with the other powers or separately.

The gentleman from Pennsylvania [Mr. PORTER] sees no problem in negotiating with China. In this regard he evidently disagrees with our State Department. He would, therefore, put pressure on the Executive to begin negotiations at once through the instrumentality of Doctor Sze. But Members of the House, if it is wise for the Executive to utilize Doctor Sze in any attempt to help China through a revision of the treaties, it can be done without the passage of this resolution.

Doctor Sun was a deserving Chinese hero, a lover of his race, and a sincere advocate of popular rule for China under her own constitution. At his death a clause in his will enjoined it upon his people to free themselves of the unequal treaties. Let America help in giving effect to his will in the

interest of a free China. But let us not be misled as to the proper course to be pursued. Let the Executive perform this task in his own way. Let us take no step to "clear the way for the opening of negotiations—through Dr. Sao-ke Alfred Sze," who helped to betray the cause of the great Chinese patriot, Dr. Sun Yat-sen.

This House under the circumstances should withhold action. In this hour of civil strife in China, when the republican army of the Cantonese is knocking almost at the very gates of Shanghai, this House should bide the outcome, not with a request for certain action by our Executive in this crisis. We should refrain from any action which might later be interpreted as our desire to bolster up the waning power of an ambitious spokesman for a mere fraction of the warring peoples of China.

Let us now bespeak our message of friendship, good will, and best wishes to the struggling masses of China; let us now express the hope that the Chinese people may succeed in their attempt to throw off the yoke of an unwelcome monarchy, to set up once more their own constitution and to administer their own government through the chosen representatives of 400,000,000 sovereign Chinese. [Applause.]

Mr. FAIRCHILD. Will the gentleman now yield? The gentleman certainly does not wish to have an incorrect statement remaining in the RECORD. I asked the gentleman several times to yield.

Mr. BEEDY. I did not yield because I did not want the gentleman to interrupt me at that time. I now yield and shall be glad to answer any question.

Mr. PORTER. The gentleman read into the RECORD the statement that Doctor Sze was in daily contact with the Government of China?

Mr. BEEDY. Yes; with the Government of China.

Mr. PORTER. Why, no; with our Government. There is nothing in the report about the Government of China, because he has not been over there for years.

Mr. BEEDY. I called special attention to the statement of our Secretary of State as set out on page 11 of the committee report. May I ask the gentleman what is the need of passing this resolution to enable Doctor Sze to communicate with our Government? He can talk to our Government at any time.

Mr. PORTER. The reason is that he is the accredited representative of China. No one questions that.

Mr. BEEDY. He was.

Mr. PORTER. He is now. He either is or he is not.

Mr. BEEDY. I claim that he is repudiated even by his own faction in Peking, while daily developments in China are discrediting him as a representative of the Chinese people. Mr. Speaker, I yield one minute to the gentleman from Illinois [Mr. CHINDBLOM].

Mr. CHINDBLOM. Mr. Speaker, I am very sorry to have to disagree with the great Committee on Foreign Affairs on the pending resolution, but in view of the authority given by the Constitution to the President alone to negotiate treaties by and with the advice and consent of the Senate, I can not vote for a resolution which provides that the President of the United States is requested to enter into negotiations for the purpose of negotiating a treaty. I do not think it is a proper action for the House to request the President of the United States to negotiate a treaty. [Applause.] We have heretofore expressed our views upon international questions and we have stated our approval of certain policies both foreign and domestic, but I do not believe we have ever requested the President to negotiate a treaty and set out the terms upon which the House believes the President should negotiate such treaty. I am very sorry indeed to disagree with the distinguished chairman and other gentlemen upon the Committee on Foreign Affairs.

Mr. Speaker, extending my remarks under the leave granted, I desire to say that quite recently I opposed the acceptance by the House of a bill passed by the Senate which in my opinion contains revenue legislation which, under the Constitution, must originate in the House of Representatives.

The same document gives the exclusive authority to act upon treaties to the Senate and excludes the House of Representatives from any effective action in such matters. I think it is best that the coordinate branches of the Congress, as well as of the entire Government, confine themselves principally to the duties imposed upon them by the fundamental law. I do not mean to say that extraordinary conditions and situations may not arise in which the House may properly express its opinions even upon foreign questions, but I specifically and emphatically protest against any "request" or "advice" to the President for the preparation and negotiation of specific treaties. I earnestly hope, as I am sure does every Member of the House, that the purposes stated in the resolution will be achieved in the proper constitutional way, but it is not necessary, and I am sure it will not be helpful, for the House to take such extraordinary action as is contained in the pending resolution. I will repeat the language:

That the President of the United States be, and he hereby is, respectfully requested to enter into negotiations—

And so forth. I note with pleasure that the word "forthwith," which originally occurred after the word "requested," has been omitted by amendment of the Committee on Foreign Affairs. If the resolution had merely expressed the sentiment or opinion of the House upon the questions involved, I might have supported the measure, for the purpose of showing my sincere sympathy for and interest in the people of China and our relations with that historic nation, but I can not extend that support to the resolution in its present form.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired. The question is: Shall the rules be suspended and the bill passed?

The question was taken; and on a division (demanded by Mr. LINEBERGER) there were—ayes 100, noes 32.

Mr. LINEBERGER. Mr. Speaker, I object to the vote and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The gentleman from California makes the point of order that a quorum is not present. The Chair will count. [After counting.] One hundred and seventy-two Members are present, not a quorum.

Mr. HILL of Maryland. Mr. Speaker, I move that the House do now adjourn.

The question was taken; and on a division (demanded by Mr. HILL of Maryland) there were—ayes 73, noes 78.

So the motion was not agreed to.

The SPEAKER pro tempore. The question is on the motion to suspend the rules and pass the House concurrent resolution. The Doorkeeper will close the doors, the Sergeant-at-Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 262, nays 43, answered "present" 3, not voting 124, as follows:

[Roll No. 35]

YEAS—262

Abernethy	Doughton	Kearns	Parks
Ackerman	Dowell	Keller	Patterson
Adkins	Drewry	Kemp	Peavey
Allgood	Driver	Kerr	Peery
Almon	Dyer	Ketcham	Perkins
Andresen	Eaton	Kiefner	Perlman
Appleby	Edwards	Kiess	Porter
Arentz	Elliott	Kincheloe	Pou
Auf der Heide	Ellis	Kindred	Quin
Ayres	Englebright	Kurtz	Rainey
Bachmann	Eslick	Kvale	Ramseyer
Bailey	Esterly	LaGuardia	Rankin
Bankhead	Fairchild	Lampert	Ransley
Barbour	Faust	Lankford	Rathbone
Beers	Fish	Larsen	Reece
Black, N. Y.	Fisher	Lazaro	Reed, Ark.
Black, Tex.	Fitzgerald, Roy G.	Lea, Calif.	Reed, N. Y.
Bland	Fletcher	Leatherwood	Reid, Ill.
Blanton	Foss	Leavitt	Robinson, Iowa
Bloom	French	Lehlbach	Robsion, Ky.
Bowles	Frothingham	Letts	Rogers
Bowling	Furlow	Linthicum	Rutherford
Bowman	Gambrill	Little	Sabath
Box	Garber	Lowrey	Sanders, N. Y.
Briggs	Garner, Tex.	Lozier	Sanders, Tex.
Brigham	Garrett, Tenn.	Luce	Sandlin
Britten	Garrett, Tex.	Lyon	Schafer
Browne	Gasque	McClintic	Scott
Buchanan	Gifford	McFadden	Shallenberger
Bulwinkle	Gilbert	McKeown	Shreve
Burton	Glynn	McLaughlin, Mich	Simmons
Busby	Goodwin	McLeod	Sinclair
Byrns	Graham	McMillan	Sinnott
Campbell	Green, Fla.	McReynolds	Smith
Cannon	Griest	McSwain	Smithwick
Carss	Griffin	McSweeney	Snell
Carter, Okla.	Hadley	Magee, Pa.	Somers, N. Y.
Chalmers	Hale	Magee, N. Y.	Speaks
Chapman	Hall, Ind.	Magrady	Spearing
Clague	Hammer	Major	Sproul, Kans.
Cole	Hardy	Martin, Mass.	Stalker
Collier	Harrison	Menges	Stobbs
Collins	Hastings	Michener	Strong, Kans.
Connally, Tex.	Hawley	Miller	Strong, Pa.
Connery	Hickey	Milligan	Summers, Wash.
Connolly, Pa.	Hill, Ala.	Montgomery	Swank
Cooper, Ohio	Hill, Wash.	Mooney	Swing
Cooper, Wis.	Hoch	Moore, Ohio	Taylor, N. J.
Corning	Hogg	Moore, Va.	Taylor, W. Va.
Coyle	Howard	Morgan	Temple
Crosser	Huddleston	Morrow	Thompson
Crumpacker	Hudson	Murphy	Thurston
Dallinger	Hudspeth	Nelson, Me.	Tillman
Darrow	Hull, Morton D.	Nelson, Wis.	Tilson
Davenport	Hull, William E.	Newton, Minn.	Tinkham
Davey	Jacobstein	Norton	Tolley
Davis	Johnson, Ill.	O'Connell, N. Y.	Treadway
Deal	Johnson, S. Dak.	O'Connell, R. I.	Underhill
Dickinson, Iowa	Johnson, Tex.	O'Connor, La.	Underwood
Dickinson, Mo.	Johnson, Wash.	Oliver, Ala.	Upshaw
Dominick	Kahn	Oliver, N. Y.	Vaile

Volgt	Welsh, Pa.	Wilson, La.	Wurzbach
Warren	White, Kans.	Wilson, Miss.	Wyant
Watres	Whitehead	Wolverton	Zihlman
Weaver	Whittington	Woodruff	
Wefald	Williamson	Wright	

NAYS—43

Aldrich	Denison	McDuffie	Rubey
Allen	Douglass	MacGregor	Sears, Nebr.
Arnold	Fitzgerald, W. T.	Mapes	Taber
Aswell	Gardner, Ind.	Michaelson	Thomas
Beedy	Hersey	Moore, Ky.	Vincent, Mich.
Brand, Ohio	Hill, Md.	Morehead	Vinson, Ky.
Canfield	Hooper	Nelson, Mo.	Wainwright
Chindblom	James	O'Connor, N. Y.	Wason
Cochran	Johnson, Ind.	Prall	White, Me.
Cox	Lanham	Ragon	Wood
Crowther	Lineberger	Romjue	

ANSWERED "PRESENT"—3

Bacon	Burtness	Thatcher

NOT VOTING—124

Andrew	Evans	Kirk	Steagall
Anthony	Fenn	Knutson	Stedman
Bacharach	Fort	Kopp	Stevenson
Barkley	Frear	Kunz	Strother
Beck	Fredericks	Lee, Ga.	Sullivan
Begg	Free	Lindsay	Sumners, Tex.
Bell	Freeman	McLaughlin, Nebr.	Swartz
Berger	Fulmer	Madden	Sweet
Bixler	Funk	Manlove	Swoope
Boies	Gallivan	Mansfield	Taylor, Colo.
Boylan	Gibson	Martin, La.	Taylor, Tenn.
Brand, Ga.	Golder	Mead	Timberlake
Browning	Goldsborough	Merritt	Tincher
Brumm	Gorman	Mills	Tucker
Burdick	Green, Iowa	Montague	Tydings
Butler	Greenwood	Morin	Updike
Carew	Hall, N. Dak.	Newton, Mo.	Vare
Carpenter	Hare	Oldfield	Vestal
Carter, Calif.	Haugen	Parker	Vinson, Ga.
Celler	Hayden	Phillips	Walters
Christopherson	Holaday	Pratt	Watson
Cleary	Houston	Purnell	Weller
Colton	Hull, Tenn.	Quayle	Welch, Calif.
Cramton	Irwin	Rayburn	Wheeler
Crisp	Jeffers	Rouse	Williams, Ill.
Cullen	Jenkins	Rowbottom	Williams, Tex.
Curry	Johnson, Ky.	Schneider	Wingo
Dempsey	Jones	Sears, Fla.	Winter
Dickstein	Kelly	Seger	Woodrum
Doyle	Kendall	Sosnowski	Woodyard
Drane	King	Sproul, Ill.	Yates

So, two-thirds having voted in favor thereof, the rules were suspended and the House concurrent resolution was passed.

The Clerk announced the following pairs:

Until further notice:

Mr. Butler with Mr. Crisp.
Mr. Anthony with Mr. Rouse.
Mr. Sweet with Mr. Bell.
Mr. Vare with Mr. Lindsay.
Mr. Wheeler with Mr. Carew.
Mr. Vestal with Mr. Steagall.
Mr. Williams of Illinois with Mr. Fulmer.
Mr. Begg with Mr. Gallivan.
Mr. Irwin with Mr. Wingo.
Mr. Burdick with Mr. Hayden.
Mr. Carter of California with Mr. Taylor of Colorado.
Mr. Bacharach with Mr. Stedman.
Mr. Yates with Mr. Quayle.
Mr. Madden with Mr. Oldfield.
Mr. Cramton with Mr. Montague.
Mr. Fenn with Mr. Brand of Georgia.
Mr. Mills with Mr. Kunz.
Mr. Free with Mr. Barkley.
Mr. Golder with Mr. Mead.
Mr. Purnell with Mr. Boylan.
Mr. Manlove with Mr. Jones.
Mr. Seger with Mr. Cullen.
Mr. Newton of Missouri with Mr. Doyle.
Mr. King with Mr. Evans.
Mr. Welch of California with Mr. Goldsborough.
Mr. Jenkins with Mr. Jeffers.
Mr. Timberlake with Mr. Johnson of Kentucky.
Mr. Browning with Mr. Woodrum.
Mr. Curry with Mr. Hull of Tennessee.
Mr. Fort with Mr. Williams of Texas.
Mr. Freeman with Mr. Hare.
Mr. Gibson with Mr. Weller.
Mr. Green of Iowa with Mr. Greenwood.
Mr. Sproul of Illinois with Mr. Tydings.
Mr. Rowbottom with Mr. Vinson of Georgia.
Mr. Pratt with Mr. Tucker.
Mr. Morin with Mr. Frear.
Mr. Parker with Mr. Sullivan.
Mr. Merritt with Mr. Drane.
Mr. Christopherson with Mr. Stevenson.
Mr. Kopp with Mr. Dickstein.
Mr. McLaughlin of Nebraska with Mr. Sears of Florida.
Mr. Carpenter with Mr. Rayburn.
Mr. Kendall with Mr. Cleary.
Mr. Houston with Mr. Martin of Louisiana.
Mr. Boies with Mr. Celler.
Mr. Watson with Mr. Mansfield.
Mr. Taylor of Tennessee with Mr. Lee of Georgia.
Mr. Updike with Mr. Schneider.
Mr. Swoope with Mr. Berger.
Mr. Bixler with Mr. Beck.

The result of the vote was announced as above recorded.

DEFICIENCY APPROPRIATION BILL—CONFERENCE REPORT

Mr. WOOD. Mr. Speaker, I present a conference report on the bill (H. R. 16462) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1927, and prior fiscal years, and to provide urgent supplemental appropriations for the fiscal year ending June 30, 1927, and for other purposes, for printing under the rule.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate insists upon its amendments to the bill (H. R. 16800) entitled "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1928, and for other purposes"; disagreed to by the House of Representatives, and agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed as conferees on the part of the Senate Mr. PHIPPS, Mr. JONES of Washington, Mr. CAPPER, Mr. GLASS, and Mr. KENDRICK.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 15547) entitled "An act to authorize appropriations for construction at military posts, and for other purposes."

The message also announced that the Senate disagrees to the amendment of the House of Representatives to the bill (S. 1640) entitled "An act authorizing the Secretary of Agriculture to establish a national arboretum, and for other purposes," and requests a conference with the House on the disagreeing votes of the two Houses thereon, and had appointed as conferees on the part of the Senate Mr. MCNARY, Mr. NORRIS, and Mr. SMITH.

ENROLLED BILLS SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled House and Senate bills of the following titles, when the Speaker signed the same:

H. R. 11278. An act to authorize the erection of a statue of Henry Clay;

H. R. 14842. An act granting the consent of Congress to the Pomeroy-Mason Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near the town of Mason, Mason County, W. Va., to a point opposite thereto in the city of Pomeroy, Meigs County, Ohio;

H. R. 14920. An act to amend an act entitled "An act granting the consent of Congress to the Weirton Bridge & Development Co. for the construction of a bridge across the Ohio River near Steubenville, Ohio," approved May 7, 1926;

H. R. 16775. An act to limit the application of the internal revenue tax upon passage tickets;

S. 1155. An act for the relief of Margaret Richards;

S. 1515. An act to extend the benefits of the employees' compensation act of September 7, 1916, to Daniel S. Glover;

S. 1517. An act authorizing and directing the Secretary of the Treasury to pay to W. Z. Swift, of Louisa County, Va., the insurance due on account of the policy held by Harold Rogis;

S. 1899. An act for the relief of Delaware River Towing Line;

S. 2090. An act for the relief of Alfred F. Land;

S. 2353. An act to amend the military record of Leo J. Pourciau;

S. 2474. An act for the relief of the Riverside Contracting Co.;

S. 2619. An act for the relief of Oliver J. Larkin and Lona Larkin; and

S. 2899. An act for the relief of the owner of the American steamship *Almirante* and owners of the cargo laden aboard thereof at the time of her collision with the U. S. S. *Hisko*.

REPUBLICAN CAUCUS

Mr. WOOD. Mr. Speaker, I wish to announce there will be a Republican caucus in this Chamber at 8 o'clock to-night.

ERECTION OF MONUMENT ON KILL DEVIL HILL, KITTY HAWK, N. C.

Mr. LUCE. Mr. Speaker, it was contemplated to have one more motion to-day to suspend the rules in the matter of a bill from the Committee on the Library. I know of nobody who is opposed to the bill nor of anyone who desires to address himself to it. If controversy should arise, I will withdraw the motion; but pending the discovery of that fact, I move to suspend the rules and pass the bill (S. 4876) providing for the erection of a monument on Kill Devil Hill, at Kitty Hawk, N. C., commemorative of the first successful human attempt in history at power-driven airplane flight, with three amendments, one by the committee, and the insertion of the same word in two places, coming from myself.

The SPEAKER pro tempore. The gentleman from Massachusetts moves to suspend the rules and pass the bill S. 4876, as amended, which the Clerk will report.

The Clerk read the bill, as follows:

[S. 4876, 69th Cong., 2d sess.]

An act providing for the erection of a monument on Kill Devil Hill, at Kitty Hawk, N. C., commemorative of the first successful human attempt in history at power-driven airplane flight

Be it enacted, etc., That there shall be erected on Kill Devil Hill, at Kitty Hawk, in the State of North Carolina, a monument in commemoration of the first successful human attempt in all history at power-driven airplane flight, achieved by Orville Wright on December 17, 1903; and a commission to be composed of the Secretary of War, the Secretary of the Navy, and the Secretary of Commerce is hereby created to carry out the purposes of this act.

SEC. 2. That it shall be the duty of the said commission to select a suitable location for said monument, which shall be as near as possible to the actual site of said flight; to acquire the necessary land therefor; to superintend the erection of the said monument; and to make all necessary and appropriate arrangements for the unveiling and dedication of the same when it shall have been completed.

SEC. 3. That such sum or sums as Congress may hereafter appropriate for the purpose of this act are hereby authorized to be appropriated.

SEC. 4. The design and plans for the monument shall be subject to the approval of the Commission of Fine Arts and the Joint Committee on the Library.

The SPEAKER pro tempore. Is a second demanded?

A second was not demanded.

Mr. LUCE. Mr. Speaker, the reading of the bill has told almost the whole story. I may add that the occasion for immediate action comes from a desire to get this monument completed by December of next year and to arrange for proper dedicatory ceremonies to which foreign nations shall be invited.

The committee amendment is the last section, which follows the usual plan of having the design of the monument approved by the Commission on Fine Arts. Also in this instance the Joint Committee on the Library has been inserted in order that the legislative branch may have some control over the size and probable cost of the monument before the plans have too far advanced. In addition, the amendments I myself suggest are the insertion of the word "human" in the title and in the body of the resolution by reason of the fact that after the committee had considered the matter and reported, it was brought to our attention that Professor Langley had actually achieved the flying of large-sized models to a distance of a mile or so some seven years before the Wright flight, and the friends of Professor Langley desired that what is in effect a historical statement in the title and the body of the bill shall be accurate. Unless there are some questions or some comments to be made, I will ask for a vote.

The SPEAKER pro tempore. The question is on the motion to suspend the rules and pass the bill.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

THE CAPPER-KETCHAM BILL

Mr. ASWELL. Mr. Speaker, I ask unanimous consent to extend my remarks on the Capper-Ketcham bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. ASWELL. Mr. Speaker, the so-called Capper-Ketcham bill for agricultural extension work presents a remarkable situation. For some unaccountable reason the propaganda for it is so widespread that not only chambers of commerce, rotary clubs, bankers' associations, farm organizations, packers, grain dealers, and so forth, are lobbying for it, but the most amazing fact is that a carbon copy of a telegram comes through the mail signed by Frank O. Lowden, which gives a distinct Republican political kick to the propaganda so widespread. I am for this bill in principle, whole-heartedly, without reference to Republican candidates, because it is for the boys' and girls' clubs of America. But I am insistent and shall continue to be that one amendment shall be adopted before the bill is enacted into law. The amendment I shall propose in the committee and stand for in the House is that on page 3, line 6, after the words "salaries of," insert:

The salaries of men and women extension agents in equitable proportions in the counties of the different States.

I demand that women have equal opportunity in this service, and I shall oppose the bill unless women get this recognition.

This amendment I shall propose is in exact harmony and in response to the demands of the General Federation of Women's Clubs, ably represented by the distinguished and scholarly Mrs. Maggie W. Barry, chairman, department of the American home, General Federation of Women's Clubs. Mrs. Barry and her federation know more about this question than either you or I could hope to know. We shall act wisely if we accept without reservation this dependable wisdom.

In view of my long experience in school and college work, I am familiar with the detailed facts which I now present.

The additional sums appropriated under the provisions of this act shall be subject to the same conditions and limitations as the additional sums appropriated under such act of May 8, 1914, except that (1) at least 80 per cent of all appropriations under this act shall be utilized for the payment of salaries of extension agents in counties to carry on extension work in agriculture and home economics, principally with "boys and girls and women."

This language means that $9,800,000, when the act matures, must be used for salaries of agents in counties "to carry on extension work in agriculture and home economics with 'boys and girls and women.'" Four million eight hundred thousand will be Federal funds and a like amount must be offsetting funds in the States under provisions of act of May 8, 1914. As an administration proposition this money can be used in only one of two ways; (1) in putting on additional agents, or (2) in combination with funds under the original act to pay part salaries of present and future agencies. In either case the agents will be confronted with a mandatory inhibition from the Congress of the United States to refrain principally from working with any male person who has passed the age of adolescence. This is a new departure in the promotion of agriculture.

Some of the States have almost as many women agents doing home demonstration work with girls and women as they have men agents working with boys and men. These States have applications on file from county authorities and appropriations available to put on men and women agents to do extension work in agriculture and home economics. This is simply a normal increase in obedience to the Smith-Lever law and under the stimulation thereof. If this amendment is adopted, these counties can not proceed in the regular order which Congress itself established. Untold confusion will ensue. In some States the quota of women agents is low. If the colleges and counties undertake to make up this deficiency with these new funds, they will find that this language requires such agents to work principally with "boys and girls and women." It does not even say "boys or girls and women." It does not say "boys and girls or women." "Women" seems to be the thing the cat dragged in. Thus these agents will have to scrutinize carefully a fellow if he has on long trousers, and if he has come to manhood, they must not work with him in any important way.

In 141 of the wealthier counties there are club agents who work with boys and girls altogether. Under this amendment they will have to take on the women; but they, too, will have to steer their principal activities away from that rather large part of our citizenship known as mere men. And all these things must be done in the name of farm and home making! But some one will say that the administrative authorities of the colleges, with the cooperation of the United States Department of Agriculture, will simply spread these additional funds latitudinally over those now being used in extension work in counties and then appoint new agents upon the same pro rata basis. Then all the agents, including those who have done the best work with adult farmers, will be confronted with the injunction that they must work principally "with boys and girls and women." It will be noted that this bill carries more appropriation than the original act. The 80 per cent provided in this bill equals the total Federal appropriation in the Smith-Lever law. Thus the farmers who are men are "principally excluded from the benefits of half of the total funds, and they run the risk of minor consideration in all of them." But some one may say that the authorities of the colleges and the United States Department of Agriculture can give instructions so that agents drawing salaries under this act can avoid the language of the law.

In other words, they must be diplomatic and ambidextrous enough to work "principally" with the sons and daughters and the mother and, at the same time, give the old man a little agricultural hand-out on the side. This language will hold for all the men and women agents who get salaries under this bill.

Congress is responsible for establishing extension work in two grand divisions, agriculture and home economics. The mission is to the farm and the home. Why should the fundamental nature of the law be changed by trajecting "boys and girls" club work athwart the whole basic plan? Can not boys do their best work on their fathers' farms and with their fathers' aid? Will not these boys soon be men? Why turn away from them

then? Does not it require the best efforts of women agents working with girls and women to develop and maintain the home, that greatest of all our fundamental institutions for training of character, integrity, and efficiency? If Congress is to regulate the administration of these funds, then it should see to it that its original purposes are carried out—that a fair and just share should go into the salaries of women agents. Just to tag on the word "woman" at the end of this amendment does not say that any more women should be appointed as agents. At present there are 2,606 men and 1,133 women agents in the county agency work. The club agents are divided as follows: 177 men and 73 women. This includes supervisors. Even if club agents are employed, there should be more women club agents to give instruction in matters pertaining to the home. So a simple amendment calling for a reasonable number of women agents will not restrict the States and it will conduce to efficiency. The work with boys and girls must be done by men and women. An amendment calling for men and women agents in counties will not embarrass the colleges, and it will not disrupt the whole organization.

One of the main points of differentiation between the Smith-Lever and the Smith-Hughes laws is that the Smith-Lever makes no age distinction, while the Smith-Hughes provides for instruction of boys and girls below college grade. The very nature of this amendment invites conflict with the vocational education people. By tying the boys and girls together in such fashion we assume group instruction, which is the Smith-Hughes province, instead of demonstrations in farming and home making with organization as an incidental feature, which is extension work.

Attention should be drawn to the fact that 80 per cent of the funds provided in this bill must be spent in the counties of the whole country. Just so it is 80 per cent of the total. It does not have to be 80 per cent in each State. One State may use 100 per cent in counties and another 60 per cent, and the law will be complied with on this point.

The bill in regard to agricultural trains gives the signal to open the throttle with full steam ahead on such trains. I shall demand that women have equal chance with men to do this work, which is in harmony with all primary facts on this vital question.

INDIAN WAR PENSION BILL

Mr. JOHNSON of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks on the bill (H. R. 12532) increasing the pensions of Indian war veterans which was passed to-day.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. JOHNSON of Texas. Mr. Speaker, as a member of the Pension Committee of the House, I was one of the three composing the subcommittee who drafted this bill.

Its purpose is to do justice to those who defended the frontiers in any Indian war or campaign, or in connection with, or in the zone of, any active Indian hostilities. In 1892 the first Indian war pension act was passed; it was amended in 1902, again in 1908, and the present law was last amended on March 4, 1917. The present rate of pension for Indian war soldiers is $20 per month, and for the widows of such soldiers $12 per month. The veterans of no other war receive such small amounts. Civil War veterans now receive from $50 to $72 per month. Spanish war veterans receive about the same amount, and World War veterans a larger sum.

Under the terms of this bill, Indian war soldiers would receive a minimum of $20 per month and a maximum of $50 per month, dependent upon the degree of disability or the attained age of the veteran. The rates are practically the same as the Spanish War pension act approved by the President on May 1, 1926.

Aside from the question of disability, it provides a rate of $20 a month for those 62 years of age, $30 for those 68, $40 for those 72, and $50 for those 75 years of age or older.

Section 2 provides a pension for the widows of such soldiers who married them prior to March 4, 1917, at the rate of $30 per month, with an additional allowance of $6 a month for each child of the soldier who is under 16 years of age.

The increase in rates to be automatically applied to those already pensioned under general law beginning on the fourth day of the next month after the approval of this act.

Those affected by the proposed law are few in number. According to report made to our committee last May by the Secretary of the Interior, there were then on the pension rolls 3,875 Indian war survivors, and 3,067 widows of deceased Indian war veterans. The number is growing less each year for all of them are well advanced in years.

Quite a number of these old soldiers live in the State of Texas, and perhaps a majority of them live in what is known as the Western States, or in the great Southwest.

The service they rendered their country in protecting the frontiers, and in the preservation of life and property can not be measured in dollars and cents. They endured the same hardships and privations, displayed the same dauntless courage, and risked their lives with the same abandon, as have the American soldiers of all wars. A just government should give them the same recognition and the same compensation in their declining years. They are not numerous enough to flood Congress with letters or petitions in their behalf. They are old, most of them are poor, their political influence is limited and circumscribed, because they are few in number and scattered in many States, but the Congress of the United States should not adjourn at this session without passing this bill and thereby give recognition to the justice of their cause.

EXTENSION OF REMARKS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a speech delivered by Dr. Nicholas Murray Butler on lawlessness.

Mr. STALKER. Mr. Speaker, I object.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to—

Mr. HARE (at the request of Mr. DOMINICK) on account of illness.

Mr. GIBSON (at the request of Mr. BRIGHAM), indefinitely, on account of illness.

ADJOURNMENT

Mr. TILSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 58 minutes p. m.) the House adjourned until to-morrow, Tuesday, February 22, 1927, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Tuesday, February 22, 1927, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON APPROPRIATIONS

(10.30 a. m.)

Second deficiency bill.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 17128. A bill granting the consent of Congress to the State of Indiana, its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River, and permitting the State of Kentucky to act jointly with the State of Indiana in the construction, maintenance, and operation of said bridge; without amendment (Rept. No. 2171). Referred to the House Calendar.

Mr. STALKER: Committee on the District of Columbia. S. 2322. An act to provide for the elimination of the Michigan Avenue grade crossing in the District of Columbia, and for other purposes; without amendment (Rept. No. 2172). Referred to the Committee of the Whole House on the state of the Union.

Mr. WAINWRIGHT: Committee on Military Affairs. S. 2597. An act authorizing the President to appoint and retire certain persons first lieutenants in the Medical Corps, United States Army, without amendment (Rept. No. 2173). Referred to the Committee of the Whole House on the state of the Union.

Mr. STALKER: Committee on the District of Columbia. S. 3888. An act to provide for the elimination of grade crossings of steam railroads in the District of Columbia, and for other purposes; without amendment (Rept. No. 2174). Referred to the Committee of the Whole House on the state of the Union.

Mr. STALKER: Committee on the District of Columbia. S. 5435. An act to provide for the widening of C Street NE., in the District of Columbia, and for other purposes; without amendment (Rept. No. 2175). Referred to the Committee of the Whole House on the state of the Union.

Mr. LUCE: Committee on the Library. H. R. 17156. A bill to authorize the construction of new conservatories and other necessary buildings for the United States Botanic Garden; without amendment (Rept. No. 2176). Referred to the Committee of the Whole House on the state of the Union.

By Mr. HILL of Maryland: Committee on Military Affairs. H. R. 17222. A bill to authorize an additional appropriation for Fort McHenry, Md.; without amendment (Rept. No. 2177).

Referred to the Committee of the Whole House on the state of the Union.

Mr. HILL of Maryland: Committee on Military Affairs. H. R. 17243. A bill to authorize appropriations for construction at military posts, and for other purposes; with amendment (Rept. No. 2178). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. H. R. 16350. A bill to provide for the collection and publication of statistics of tobacco by the Department of Agriculture; with amendment (Rept. No. 2185). Referred to the House Calendar.

Mr. HAUGEN: Committee on Agriculture. H. R. 17227. A bill providing for horticultural experiment and demonstration work in the southern Great Plains area; with amendment (Rept. No. 2186). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. UNDERHILL: Committee on Claims. S. 1752. An act for the relief of the Near East Relief (Inc.); without amendment (Rept. No. 2179). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 2197. An act for the relief of Paul B. Belding; with amendment (Rept. No. 2180). Referred to the Committee of the Whole House.

Mr. WOLVERTON: Committee on War Claims. S. 2722. An act for the relief of the Muscle Shoals, Birmingham & Pensacola Railroad Co., the successor in interest of the receiver of the Gulf, Florida & Alabama Railway Co.; without amendment (Rept. No. 2181). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 3283. A bill for the relief of William Bardel; with amendment (Rept. No. 2182). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 17230. A bill for the relief of Olof Nelson; without amendment (Rept. No. 2183). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 17211) granting a pension to Abbie F. Daniels; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 14806) granting a pension to Richard F. Gray; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as folows:

By Mr. ARNOLD: A bill (H. R. 17264) to extend the time for commencing and completing the construction of a bridge across the Wabash River at city of Mount Carmel, Ill.; to the Committee on Interstate and Foreign Commerce.

By Mr. DICKSTEIN: A bill (H. R. 17265) to amend section 29 of the radio act of 1927; to the Committee on the Merchant Marine and Fisheries.

By Mr. QUIN: A bill (H. R. 17266) authorizing the Secretary of the Interior to sell and patent certain land in Louisiana and Mississippi; to the Committee on the Public Lands.

By Mr. ZIHLMAN: A bill (H. R. 17267) to authorize the closing of certain streets in the subdivision known as Wesley Heights, in the District of Columbia; to the Committee on the District of Columbia.

By Mr. MENGES: A bill (H. R. 17268) to authorize the coinage of 50-cent pieces in commemoration of the one hundred and fiftieth anniversary of the meeting of the Continental Congress at York, Pa., September 30, 1777, and for other purposes; to the Committee on Coinage, Weights, and Measures.

By Mr. MORIN: A bill (H. R. 17269) to provide for the policing of military roads leading out of the District of Columbia; to the Committee on Military Affairs.

By Mr. CANNON: A bill (H. R. 17270) granting the consent of Congress to R. A. Breuer, H. L. Stolte, John M. Schermann, O. F. Nienhueser, and Robert Walker, their successors and assigns, to construct, maintain, and operate a bridge across the Missouri River; to the Committee on Interstate and Foreign Commerce.

By Mr. GOODWIN: A bill (H. R. 17271) to extend the time for constructing a bridge across the Mississippi River between the city of Anoka, in the county of Anoka, and the village of Champlin, in the county of Hennepin, State of Minnesota; to the Committee on Interstate and Foreign Commerce.

By Mr. EDWARDS: A bill (H. R. 17272) authorizing an appropriation of $250,000 with which to acquire sea island cottonseed and to reestablish the growing thereof; to the Committee on Agriculture.

By Mr. ENGLEBRIGHT: A bill (H. R. 17273) to exempt from taxation income derived from the mining of gold; to the Committee on Ways and Means.

By Mr. GASQUE: A bill (H. R. 17274) to amend the immigration act of 1924; to the Committee on Immigration and Naturalization.

By Mr. GRAHAM: A bill (H. R. 17275) granting immunity to certain witnesses; to the Committee on the Judiciary.

By Mr. VESTAL: A bill (H. R. 17276) to amend sections 1 (e) and 25 (e) of the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909; to the Committee on Patents.

By Mr. ZIHLMAN (by request of the Commissioners of the District of Columbia): A bill (H. R. 17277) to provide books and educational supplies free of charge to pupils of the public schools of the District of Columbia; to the Committee on the District of Columbia.

By Mr. FAIRCHILD: Joint resolution (H. J. Res. 366) proposing an amendment to the Constitution of the United States; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. DEMPSEY: Joint resolution (H. J. Res. 367) providing for hearings by a joint committee during the recess on S. 5769 and H. R. 17245; to the Committee on Rules.

By Mr. MENGES: Concurrent resolution (H. Con. Res. 56) for the appointment of a joint committee of the House and the Senate to join and participate in the celebration as representing the Congress of the United States in the observance of the one hundred and fiftieth anniversary of the meeting of the Continental Congress at York, Pa., September 30, 1777, and for other purposes; to the Committee on the Library.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the Legislature of the State of Minnesota, urging the passage of S. 3027 and H. R. 4548, for the relief of disabled emergency officers; to the Committee on World War Veterans' Legislation.

Memorial of the Legislature of the State of Oregon, for further continued development of the nucleus of a naval base already established at Tongue Point near Astoria, and that this development, at least, take form sufficient to accommodate the personnel of the Pacific submarine fleets; to the Committee on Appropriations.

Memorial of the Legislature of the State of Washington, requesting an amendment to the Constitution whereby officers of the Federal Government will take office promptly after election; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. BRIGHAM: Memorial of the Legislature of the State of Vermont, requesting that remedial measures be taken to suppress alien smuggling across the Vermont-Canadian border; to the Committee on Foreign Affairs.

By Mr. GIBSON: Memorial of the Legislature of the State of Vermont, favoring a more adequate immigration border patrol to prevent smuggling of aliens across the Vermont-Canadian border; to the Committee on Foreign Affairs.

By Mr. JOHNSON of Washington: Memorial of the Legislature of the State of Washington, requesting an amendment to the Constitution whereby officers of the Federal Government will take office promptly after election; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. O'CONNELL of New York: Memorial of the Legislature of the State of Oregon, to provide funds needed for a further continued development of the nucleus of a naval base already established at Tongue Point near Astoria; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRAND of Ohio: A bill (H. R. 17278) granting an increase of pension to Mary J. Coulson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17279) granting a pension to Lydia A. Chandler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17280) granting an increase of pension to Edna Olney Chrisman; to the Committee on Invalid Pensions.

By Mr. CARPENTER: A bill (H. R. 17281) for the relief of James M. E. Brown; to the Committee on Claims.

By Mr. COLLIER: A bill (H. R. 17282) to correct the military record of Cromwell L. Barsley; to the Committee on Military Affairs.

By Mr. CORNING: A bill (H. R. 17283) granting an increase of pension to Ellen Van Kleeck; to the Committee on Invalid Pensions.

By Mr. KING: A bill (H. R. 17284) granting a pension to Margaret L. Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17285) granting a pension to J. H. Hunter; to the Committee on Invalid Pensions.

By Mr. McFADDEN: A bill (H. R. 17286) granting an increase of pension to Louise A. Miller; to the Committee on Invalid Pensions.

By Mr. McLEOD: A bill (H. R. 17287) to correct the military record of Michael S. Spillane; to the Committee on Military Affairs.

By Mr. STRONG of Kansas: A bill (H. R. 17288) granting a pension to Siaria N. Allen; to the Committee on Invalid Pensions.

By Mr. WILLIAMS of Illinois: A bill (H. R. 17289) granting an increase of pension to Mamie Hailey; to the Committee on Invalid Pensions.

By Mr. BACON: A bill (H. R. 17290) to control the distribution of military arms; to the Committee on Militarv Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7175. By Mr. ADKINS: Petition of citizens of Stewardson, Ill., urging that immediate steps be taken to bring to a vote the Civil War pension bill now pending in Congress; to the Committee on Invalid Pensions.

7176. By Mr. ARNOLD: Petition from citizens of Marion County, Ill., urging favorable consideration of the Civil War pension bill; to the Committee on Invalid Pensions.

7177. Also, petition from citizens of Bridgeport, Ill., indorsing pension legislation in behalf of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7178. Also, petition of citizens of Bridgeport, Ill., urging the enactment of the Civil War pension bill; to the Committee on Invalid Pensions.

7179. By Mr. BACHMANN: Petition of Kamawha Camp, No. 2, United Spanish War Veterans, of Charleston, W. Va., in general assembly on February 1, 1927, indorsed Senate bill 5363, and urge the speedy passage of same; to the Committee on Pensions.

7180. By Mr. BARBOUR: Senate joint resolution, California Legislature, indorsing House bill 14696, amending an act to provide for classification of civilian positions, etc.; to the Committee on the Civil Service.

7181. Also, senate joint resolution, California Legislature, indorsing House bill 359, amending classification act of 1923; to the Committee on the Civil Service.

7182. Also, senate joint resolution, California Legislature, indorsing House bill 4866, amending act for retirement of civil-service employees; to the Committee on the Civil Service.

7183. Also, petition of citizens of Shafter, Calif., protesting against all Sunday observance bills affecting the District of Columbia; to the Committee on the District of Columbia.

7184. Also, senate joint resolution, California Legislature, indorsing House bill 8821, affecting California Indians; to the Committee on Indian Affairs.

7185. Also, senate joint resolution, California Legislature, indorsing Robinson bill for elimination of Pullman surcharge; to the Committee on Interstate Commerce.

7186. By Mr. BOWLES: Petition of residents of Springfield, Mass., urging immediate action on proposed legislation to increase the pensions of Civil War soldiers and widows of soldiers; to the Committee on Invalid Pensions.

7187. By Mr. BROWNE: Petition of citizens of Arpin, Wood County, Wis., urging the immediate passage of the Civil War pension bill; to the Committee on Invalid Pensions.

7188. Also, petition of inmates of the hospital at Wisconsin Veterans' Home, Waupaca County, Wis., urging the immediate passage of the Civil War pension bill; to the Committee on Invalid Pensions.

7189. Also, petition of citizens of Colby, Marathon County, Wis., urging the immediate passage of the Civil War pension bill; to the Committee on Invalid Pensions.

7190. By Mr. BRUMM: Petition of citizens of Pottsville, Pa., urging immediate action on the pending bill to provide an increase of pension for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7191. By Mr. BYRNS: Petition of citizens of Montgomery County, Tenn., for the increase of pensions to the widows of the veterans of the Civil War; to the Committee on Invalid Pensions.

7192. By Mr. CHAPMAN: Petition of W. B. Wood, L. A. Massie, William Stamper, R. C. Suter, and numerous other citizens of Gratz, Owen County, Ky., urging Congress to take immediate steps to bring to a vote pending Civil War pension measures that relief may be had for needy and suffering veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

7193. By Mr. DICKINSON of Missouri: Petition by 32 voters of the sixth Missouri congressional district, urging the passage of House bill 10311, known as the Lankford Sunday rest bill; to the Committee on the District of Columbia.

7194. Also, petition by 36 voters of Collins, Mo., urging the immediate passage of a Civil War pension bill to increase the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7195. By Mr. DRANE: Petition signed by Catherine Lanphere, of Tampa, Fla., urging the passage of pension legislation for the relief of veterans of the Civil War and widows of veterans at the present session of Congress; to the Committee on Invalid Pensions.

7196. Also, petition signed by Mr. W. D. Allen and others, of Sarasota County, Fla., urging the passage of pension legislation for the relief of veterans of the Civil War and widows of veterans at the present session of Congress; to the Committee on Invalid Pensions.

7197. Also, petition signed by Mr. W. J. Carter, of Tampa, Fla., and others, urging the passage of pension legislation for the relief of veterans of the Civil War and widows of veterans at the present session of Congress; to the Committee on Invalid Pensions.

7198. By Mr. EATON: Petition of the American Legion, Department of New Jersey, urging immediate and favorable action by the House on House bill 4548; to the Committee on World War Veterans' Legislation.

7199. By Mr. ENGLEBRIGHT: Petition of Mrs. Eleanor N. Drew, of North San Juan, Calif., and various other citizens, favoring the enactment of legislation providing for the increase of pension of widows of Civil War veterans; to the Committee on Invalid Pensions.

7200. Also, petition of Mrs. J. S. Lattimore, Redding, Calif., and various other citizens of that locality, protesting against compulsory Sunday closing in the District of Columbia; to the Committee on the District of Columbia.

7201. By Mr. ROY G. FITZGERALD: Petition of 62 voters of West Carrollton, Ohio, praying for the passage of a bill to increase the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7202. By Mr. FUNK: Petition of citizens of Pontiac and Dwight, Ill., favoring the passage of further legislation providing increases for veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

7203. Also, petition of citizens of Lincoln, Ill., favoring the passage of further legislation providing increases for veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

7204. By Mr. GALLIVAN: Petition of Boston Society of Landscape Architects, Boston, Mass., urging early and favorable consideration of House bill 3890, relating to the choice of Mount Hamilton as the site for a national arboretum; to the Committee on Agriculture.

7205. By Mr. GARBER: Petition urging enactment of legislation for relief of Civil War veterans and widows of veterans by the citizens of Woodward, Okla.; to the Committee on Invalid Pensions.

7206. Also, petition urging enactment of legislation for relief of Civil War veterans and widows of veterans by the citizens of Douglas, Okla.; to the Committee on Invalid Pensions.

7207. By Mr. GOODWIN: Petition signed by Frank S. Gadbois and 67 other citizens of the tenth congressional district, Hennepin County, Minn., urging the immediate passage of legislation according relief to the needy and suffering veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

7208. Also, petition signed by J. M. Boyle and 104 other citizens of Pine City, Pine County, Minn., urging the immediate

passage of legislation according relief to the needy and suffering veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

7209. Also, petition signed by Atwood Welker and 115 other citizens of the tenth congressional district, Delano, Wright County, Minn., urging the immediate passage of legislation according relief to the needy and suffering veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

7210. Also, petition signed by Mr. C. S. Strout and 21 other citizens of the tenth congressional district, Monticello, Wright County, Minn., urging the immediate passage of legislation according relief to the needy and suffering veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

7211. Also, petition signed by Mr. and Mrs. Francis G. Hildahl and 11 other citizens of the tenth congressional district, Minneapolis, Hennepin County, Minn., urging the immediate passage of legislation according relief to the needy and suffering veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

7212. By Mr. HERSEY: Petition of C. E. Chase and 27 other residents of Exeter, Me., urging passage of Civil War bill to aid the soldiers and their dependents; to the Committee on Invalid Pensions.

7213. By Mr. HICKEY: Petition of Mrs. Eleanor M. Mossey and other citizens of South Bend, Ind., urging the passage of a bill increasing the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7214. By Mr. HOCH: Petition of 93 citizens of Burlington, Kans., urging passage of bill increasing pensions of Civil War veterans and veterans' widows; to the Committee on Invalid Pensions.

7215. Also, petition of 125 citizens of Osage City, Kans., urging passage of bill to increase pensions of Civil War veterans and veterans' widows; to the Committee on Invalid Pensions.

7216. By Mr. JOHNSON of South Dakota: Petition of the American Legion, Department of South Dakota, recommending the passage of disabled emergency officers' legislation; to the Committee on World War Veterans' Legislation.

7217. By Mr. JOHNSON of Texas: Resolution of American Legion, adopted at their State convention held at Department of Texas, Amarillo, Tex., indorsing the Tyson-Fitzgerald bill (S. 3027 and H. R. 4548); to the Committee on World War Veterans' Legislation.

7218. Also, petition of Messrs. E. E. Nettles, Hal C. Johnson, and R. H. Daniel, of Navarro County, Tex., favoring House bill 16294, extending free-delivery system of Post Office Department; to the Committee on the Post Office and Post Roads.

7219. By Mr. JOHNSON of Washington: Petition of citizens of the State of Washington in behalf of increased pensions for veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

7220. By Mr. KEARNS: Petition of citizens of Hillsboro, Ohio, requesting passage of Civil War pension bill carrying rates proposed by the National Tribune; to the Committee on Invalid Pensions.

7221. Also, petition of citizens of Greenfield, Ohio, urging passage of Civil War pension bill carrying rates proposed by the National Tribune; to the Committee on Invalid Pensions.

7222. By Mr. KIEFNER: Petition from citizens of De Soto, Mo., urging Congress to pass legislation for the relief of needy and suffering Civil War veterans and widows of veterans; also, petition by citizens of Coldwater, Mo., urging the passage of legislation by Congress for the relief of needy and suffering Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7223. By Mr. KING: Petition signed by Mrs. W. B. Dennis and 135 other citizens of Kewanee, Ill., urging that immediate steps be taken to bring to a vote a Civil War pension bill granting relief to veterans and widows of veterans; to the Committee on Invalid Pensions.

7224. Also, petition signed by Mrs. Elizabeth E. Lake and 124 other citizens of Kewanee, Ray, and Rushville, Ill., urging the immediate passage of legislation according relief to the needy and suffering veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

7225. By Mr. LEA of California: Petition of 95 residents of Marin County, Calif., favoring passage of Civil War pension legislation; to the Committee on Invalid Pensions.

7226. By Mr. LOZIER: Petition of numerous citizens of Miami Station, Mo., urging the enactment of certain pension legislation for veterans of the Civil War and their dependents; to the Committee on Invalid Pensions.

7227. By Mr. McDUFFIE: Petition of 10 citizens of Prichard, Ala., favoring increase of pension to Civil War soldiers and widows of soldiers; to the Committee on Invalid Pensions.

7228. By Mr. McFADDEN: Petitions of residents of Noxen, Wyoming County, and Towanda, Bradford County, Pa., to bring to a vote a Civil War pension bill carrying the rates proposed by the National Tribune; to the Committee on Invalid Pensions.

7229. By Mr McLAUGHLIN of Michigan: Petition of Mrs. Mattie A. Linn and 115 residents of Muskegon, Mich., for legislation in behalf of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7230. By Mr. McSWEENEY: Petition of the citizens of Uhrichsville and Dennison, Ohio, the twin cities, asking for immediate consideration of bill for the further relief of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7231. By Mr. MAGRADY: Petition signed by numerous citizens of Sunbury, Northumberland County, Pa., urging passage of Civil War pension bill for relief of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7232. By Mr. MANLOVE: Petition of Lorenda Vice, Mandy Harnor, Jim Divine, and 12 other residents of McDonald County, Mo., urging legislation for the relief of veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

7233. Also, petition of Perry K. Hurlbut, S. D. Parker, jr., Bert W. Blizzard, and 60 other residents of Jasper County, Mo., urging the passage of legislation to bring relief to veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

7234. By Mr. MILLIGAN: Petition signed by citizens of Mercer County, Mo., urging early consideration of the Civil War pension bill; to the Committee on Invalid Pensions.

7235: Also, petition signed by citizens of Ray County, Mo., urging early consideration of the Civil War pension bill; to the Committee on Invalid Pensions.

7236. Also, petition signed by citizens of Mercer County, Mo., urging that consideration be given the Civil War pension bill; to the Committee on Invalid Pensions.

7237. By Mrs. NORTON: Resolution adopted by the New Jersey American Legion at its 1926 department convention held at Belmar, N. J., September 9–11, 1926, indorsing the disabled emergency Army officers' proposed legislation; to the Committee on World War Veterans' Legislation.

7238. By Mr. O'CONNELL of New York: Petition of the William F. Scannell Chapter, No. 6, Liberty, N. Y., favoring the passage of the House bill 17157, known as general hospital bill; to the Committee on World War Veterans' Legislation.

7239. By Mr. PATTERSON: Memorial of American Legion, Department of New Jersey, at its 1926 department convention, September 9 to 11, 1926, indorsing the disabled emergency Army officers' proposed legislation; to the Committee on World War Veterans' Legislation.

7240. Also, petition of residents of Camden County, N. J., indorsing passage of bill to increase pensions of Civil War veterans and the widows of Civil War veterans; to the Committee on Invalid Pensions.

7241. By Mr. ROMJUE: Petition of sundry citizens from the State of Missouri, opposing the passage of House bill 10311, the Sunday observance bill; to the Committee on the District of Columbia.

7242. By Mr. SHALLENBERGER: Petition of citizens of the fifth congressional district of Nebraska, for Civil War pension legislation; to the Committee on Invalid Pensions.

7243. Also, petition against compulsory Sunday observance; to the Committee on the District of Columbia.

7244. By Mr. SINNOTT: Petition of citizens of Umatilla County, Oreg., protesting against House bill 10311 or any other bill to enforce the observance of the Sabbath; to the Committee on the District of Columbia.

7245. By Mr. SWEET: Petition, signed by 1,293 members of Sons of Union Veterans of the Civil War, of New York State, urging the passage of the Elliott pension bill; to the Committee on Invalid Pensions.

7246. By Mr. SWING: Petition of certain residents of Orange, Calif., protesting against the passage by Congress of any legislation making compulsory the observance of Sunday; to the Committee on the District of Columbia.

7247. By Mr. TEMPLE: Evidence in support of House bill 17178, granting a pension to Josephine Christopher; to the Committee on Invalid Pensions.

7248. By Mr. TINCHER: Petition of sundry residents of Pratt, Kans., urging the passage of a Civil War pension bill

for the relief of needy Civil War veterans and the widows of veterans; to the Committee on Invalid Pensions.

7249. By Mr. UPDIKE: Petition of Lewis E. Frazeur, Edd McGovern, W. L. Bedford, Bert Buchanan, and Grant Moore, all residents of Marion County, Ind., who hereby favor legislation to increase the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7250. By Mr. VESTAL: Petition of Mrs. John Wilhelm et al., of Adams County, Ind., relative to the passage of general pension legislation; to the Committee on Invalid Pensions.

7251. Also, petition of William Ratcliff et al., of Madison County, Ind., urging enactment of pension legislation; to the Committee on Invalid Pensions.

7252. By Mr. WASON: Petition of Mary E. Law and three other citizens of Penacook, N. H., urging early and favorable action on the Civil War pension bill at this session of Congress; to the Committee on Invalid Pensions.

7253. Also, petition of Raymond J. Carr and 26 other residents of Lancaster, N. H., urging that immediate steps be taken to bring to a vote a Civil War pension bill in order that relief may be accorded to needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

7254. Also, petition of W. H. Little and 16 other residents of Warren, N. H., urging early and favorable action on the Civil War pension bill at this session of Congress; to the Committee on Invalid Pensions.

7255. By Mr. WATSON: Petition from members of Local Union No. 225, United Garment Workers of America, Pottstown, Pa., favoring House bill 8653; to the Committee on Labor.

7256. Also, petitions from residents of Bucks and Montgomery Counties, Pa., urging the passage of legislation increasing the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7257. By Mr. WOOD: Petition signed by residents of Hammond, Ind., asking that the Civil War pension bill become a law at this session of Congress; to the Committee on Invalid Pensions.

7258. By Mr. WURZBACH: Petition of Roxie Searcy, A. D. Peter., and other citizens of San Antonio, Tex., requesting the passage of bills favoring increased pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

SENATE

TUESDAY, *February 22, 1927*

The Sen .e met at 11 o'clock a. m.

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our gracious heavenly Father, Thou hast been very loving and tender in Thy relations with Thy people. Thou hast ministered to them in days of weakness and of anxiety and when great crises confronted them.

We bless Thee for the history of our Nation, and we thank Thee for him who has been so honored through the years, loved for his integrity and devotion to truth and duty. We do ask our Father that this day may have for us singular associations of increased confidence in Thee and in the work before us.

Hear us, we beseech Thee. Give to our Nation and all who have to do with its government the light of Thy presence and the wisdom which only comes from Thee. Hear us and be constantly our guide. We ask in His name whose name is above every name, Christ our Lord. Amen.

The Chief Clerk proceeded to read the Journal of the proceedings of the legislative day of Thursday, February 17, 1927, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

ROLL CALL

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Copeland	Fess	Hale
Bayard	Couzens	Fletcher	Harreld
Bingham	Curtis	Frazier	Harris
Blease	Dale	George	Harrison
Bratton	Deneen	Gillett	Heflin
Broussard	Dill	Glass	Howell
Bruce	Edge	Goff	Johnson
Cameron	Edwards	Gooding	Jones, Wash.
Capper	Ernst	Gould	Kendrick
Caraway	Ferris	Greene	Keyes
King	Nye	Sackett	Stewart
La Follette	Oddie	Schall	Swanson
Lenroot	Overman	Sheppard	Trammell
McKellar	Phipps	Shipstead	Tyson
McLean	Pine	Shortridge	Wadsworth
McMaster	Pittman	Simmons	Walsh, Mass.
McNary	Ransdell	Smith	Walsh, Mont.
Metcalf	Reed, Mo.	Smoot	Warren
Moses	Reed, Pa.	Stanfield	Watson
Neely	Robinson, Ark.	Steck	Willis
Norris	Robinson, Ind.	Stephens	

Mr. McMASTER. I wish to announce the necessary absence of the senior Senator from South Dakota [Mr. NORBECK] on account of injuries received in an automobile accident.

The VICE PRESIDENT. Eighty-three Senators having answered to their names, a quorum is present.

Pursuant to the order of January 24, 1901, the Senator from Georgia [Mr. GEORGE], designated by the Chair, will read Washington's Farewell Address.

READING OF WASHINGTON'S FAREWELL ADDRESS

Mr. GEORGE read the address, as follows:

To the people of the United States:

Friends and fellow citizens, the period for a new election of a citizen to administer the Executive Government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and I am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed toward the organization and administration of the Government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset of the inferiority of my qualifications, experiences, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes

of fortune often discouraging—in situations in which not unfrequently, want of success has countenanced the spirit of criticism,—the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficience—that your union and brotherly affection may be perpetual—that the free constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue—that, in fine, the happiness of the people of these states, under the auspices of liberty, may be made complete by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end but with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquility at home; your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But, as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth; as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite moment, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as of the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, sufferings and successes.

But these considerations, however powerfully they address themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest. Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the Union of the whole.

The North, in an unrestrained intercourse with the South, protected by the equal laws of a common government, finds in the productions of the latter, great additional resources of maritime and commercial enterprise and precious materials of manufacturing industry. The South, in the same intercourse, benefiting by the same agency of the North, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the North, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The East, in a like intercourse with the West, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The West derives from the East supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the secure enjoyment of indispensable outlets for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as one nation. Any other tenure by which the West can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource, proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government: which their own rivalship alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter. Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your Union ought to be considered as a main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind, and exhibit the continuance of the Union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its hands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by geographical discriminations,—northern and southern—Atlantic and western; whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations: they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head: they have seen, in the negotiation by the Executive, and in the unanimous ratification by the Senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general Government and in the Atlantic States, unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which they were procured? will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanancy of your Union, a government for the whole is indispensable. No alliances, however strict, between the parts can be an adequate substitute; they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This Government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and containing within itself a provision for its own amendment, has a just claim to your confidence and your

support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political systems is the right of the people to make and to alter their constitutions of government. But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power, and the right of the people to establish government, presuppose the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency. They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and, according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, abitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reins of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state, it is requisite, not only that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be invited, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:—that experience is the surest standard by which to test the real tendency of the existing constitution of a country:—that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion: and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government, with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of faction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to the founding them on geographical discrimination. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind. It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism. But this leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one part against another; foments occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchial cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warming, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern: some of them in our country and under our own eyes. To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates. But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil, any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation desert the oaths which are the instruments of investigation in courts of justice? and let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinion should cooperate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes; that no taxes can be devised which are not more or less inconvenient and unpleasant; that

the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties,) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice towards all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be that Providence has not connected the permanent felicity of a nation with its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature. Alas! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachments for others, should be excluded; and that, in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness, is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another, disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment, sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigating by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest, in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessarily parting with what ought to have been retained, and by exciting jealously, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gilding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils! Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence, (I conjure you to believe me fellow citizens,) the jealousy of a free people ought to be constantly awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little political connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith:—Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the Government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe, my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both Houses of Congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound, in duty and interest, to take a neutral position. Having

taken it, I determined, as far as should depend upon me, to maintain it with moderation, perservance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me, a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize, without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

UNITED STATES, GEO. WASHINGTON.
17th September, 1796.

ORDER OF PROCEDURE

Mr. CURTIS. Mr. President, I understand that the House of Representatives desires to have the Senate come to its Hall as soon as possible after 12 o'clock.

Mr. PITTMAN. Mr. President, will the Senator allow me to make a statement before he asks for a recess?

Mr. CURTIS. Certainly.

Mr. PITTMAN. I gave notice upon yesterday that I would desire to address the Senate on the pending measure this morning, if the Senator from Arizona [Mr. ASHURST] had completed his speech by that time. He has concluded his speech, and if we are going to be in session any longer, I will proceed. If we are not, I shall ask to speak after we reconvene.

Mr. CURTIS. I thought we should have a quorum call, and by that time it would be 12 o'clock, and we should then proceed to the House and return immediately after the President's address before the two Houses was concluded.

PRESIDENTIAL TERMS

Mr. LA FOLLETTE. Mr. President, out of order I submit the following resolution, and ask that it may be read and lie over under the rule.

The VICE PRESIDENT. Without objection, the clerk will read the resolution.

The Chief Clerk read the resolution (S. Res. 365), as follows:

Resolved, That it is the sense of the Senate that the precedents established by Washington and other Presidents of the United States in retiring from the presidential office after their second term has become, by universal concurrence, a part of our republican system of government, and that any departure from this time-honored custom would be unwise, unpatriotic, and fraught with peril to our free institutions.

Mr. ROBINSON of Arkansas. Mr. President——

Mr. CURTIS. Mr. President, I will delay for a few moments a call for a quorum, and asking for a recess, if Senators want to transact routine business.

Mr. BLEASE. What became of the resolution?

The VICE PRESIDENT. The resolution will go over, at the request of the Senator from Wisconsin.

[Routine business was transacted, which appears later, with other routine business, under proper headings.]

LOANS TO VETERANS UPON CERTIFICATES

Mr. ROBINSON of Arkansas. Mr. President, last night the Senate considered for some hours the veterans' loan bill, and the bill failed of passage. I believe that if an arrangement can be effected to consider the measure for a short time in the early future it may be finally disposed of. I do not ask that the proposed unanimous-consent agreement, which I send to the clerk's desk, be entered into now, but I ask that it be read, and I give notice that on to-morrow, soon after the Senate convenes, I shall ask the Senate to enter into the agreement.

The VICE PRESIDENT. The clerk will read the proposed unanimous-consent agreement.

The Chief Clerk read as follows:

It is agreed, by unanimous consent, that on Thursday, February 24, 1927, at 3 o'clock p. m., the unfinished business, if any, be temporarily laid aside, and that the Senate proceed to the consideration of H. R. 16886 for one hour, unless said bill shall be sooner disposed of.

The VICE PRESIDENT. Is there objection?

Mr. REED of Pennsylvania. What is the title of the bill?

The VICE PRESIDENT. It is the veterans' loan bill.

Mr. CURTIS. I understand the Senator from Arkansas is not asking for action on the request this morning. He said he would call it up to-morrow morning.

Mr. ROBINSON of Arkansas. I present it now in order that Senators may consider it, and I give notice that I shall call it up to-morrow.

ORDER OF PROCEDURE

Mr. SHORTRIDGE. Mr. President, I understand that the junior Senator from Arizona [Mr. CAMERON] now has the floor, and will resume his address on the unfinished business after we return to the Senate Chamber. I had indicated that I desired to make a few remarks in support of the pending measure, and I had also indicated that I would desire to follow the Senator from Arizona. I hope that it will be proper for the Chair to recognize me when the Senator from Arizona shall have concluded his address.

Mr. PITTMAN. Mr. President, I do not want any misunderstanding with the Senator from California; but when the Senator from Arizona [Mr. ASHURST] started to speak yesterday morning I interrupted him for the purpose of asking when he thought he would finish, and announced then that with the consent of the Senate I would follow him in support of this bill. After the reading of the farewell message this morning I again rose for the purpose of being recognized, and I asked the Senator from Kansas then if he preferred that the Senate should take a recess before we started in on any other business, and I understood him to say he did. Otherwise, I would have had the floor now.

Mr. SHORTRIDGE. I also rose; but the Vice President recognized another, properly enough. I rose for the very same purpose.

Mr. CURTIS. Mr. President——

Mr. PITTMAN. Just a second. I have the floor, and I will proceed to discuss this measure.

Mr. CURTIS. If the Senator will yield to me, I will suggest the absence of a quorum and then ask for a recess.

Mr. WALSH of Montana. Will the Senator withhold his request for a moment?

Mr. PITTMAN. I am very sorry that I can not do it, under the circumstances. I have the floor for the purpose of addressing myself to this bill, and I can not yield for any purpose at all, unless the Senator from Kansas desires——

Mr. SHORTRIDGE. Mr. President, a point of order. I understand the Senator from Arizona [Mr. CAMERON] has the floor.

The VICE PRESIDENT. The Boulder Canyon bill is not before the Senate. The Senate adjourned last night, and the unfinished business will not come before the Senate until 1 o'clock.

Mr. CURTIS. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Asburst	Deneen	Gould	Lenroot
Bayard	Dill	Greene	McKellar
Bingham	Edge	Hale	McLean
Blease	Edwards	Harreld	McMaster
Bratton	Ernst	Harris	McNary
Broussard	Ferris	Harrison	Metcalf
Bruce	Fess	Heflin	Moses
Cameron	Fletcher	Howell	Neely
Capper	Frazier	Johnson	Norris
Caraway	George	Jones, Wash.	Nye
Copeland	Gillett	Kendrick	Oddie
Couzens	Glass	Keyes	Overman
Curtis	Goff	King	Phipps
Dale	Gooding	La Follette	Pine

Pittman	Schall	Stanfield	Wadsworth
Ransdell	Sheppard	Steck	Walsh, Mass.
Reed, Mo.	Shipstead	Stephens	Walsh, Mont.
Reed, Pa.	Shortridge	Stewart	Warren
Robinson, Ark.	Simmons	Swanson	Watson
Robinson, Ind.	Smith	Trammell	Willis
Sackett	Smoot	Tyson	

The VICE PRESIDENT. Eighty-three Senators having answered to their names, a quorum is present.

JOINT MEETING OF THE TWO HOUSES

Mr. CURTIS. Mr. President, I move that the Senate now proceed to carry out the order of January 29 last to attend a joint meeting of the House and Senate in the Hall of the House of Representatives, and that on the conclusion of the services in the House the Senate return to its Chamber for the continuation of business.

The VICE PRESIDENT. Without objection, it is so ordered.

The Senate, preceded by the Sergeant at Arms and the Assistant Doorkeeper, the Vice President and the President pro tempore, the Secretary and the Chaplain, proceeded to the Hall of the House of Representatives to receive the President's address before the two Houses of Congress on the subject of the Bicentennial Anniversary of the Birth of George Washington.

At 1 o'clock and 20 minutes p. m. the Senate returned to its Chamber, and the President pro tempore took the chair.

PRINTING OF THE PRESIDENT'S ADDRESS

Mr. FESS submitted the following concurrent resolution (S. Con. Res. 28), which was considered by unanimous consent and agreed to:

Resolved by the Senate (the House of Representatives concurring), That there shall be compiled, printed with illustrations, and bound, as may be directed by the Joint Committee on Printing, 75,000 copies of the address delivered to the American people in the House of Representatives on February 22, 1927, on the subject of the proposed celebration of the two hundredth anniversary of the birth of George Washington, including all the proceedings and the program of exercises, of which 8,000 copies shall be for the use of the Senate, 17,000 copies for the use of the House of Representatives, and 50,000 copies for the use of the United States Commission for the Celebration of the Two Hundredth Anniversary of the Birth of George Washington, established by the joint resolution of Congress, approved December 2, 1924.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following resolutions of the Legislature of the State of Texas, which were referred to the Committee on Agriculture and Forestry:

HOUSE OF REPRESENTATIVES, STATE OF TEXAS,
OFFICE OF CHIEF CLERK,
Austin, February 19, 1927.

The honorable PRESIDENT OF THE SENATE,
Washington, D. C.

DEAR SIR: I am inclosing house concurrent resolution No. 2, which was unanimously adopted by the legislature recently and which is self-explanatory.

Sincerely yours,

M. LOUISE SNOW, *Chief Clerk.*

House Concurrent Resolution 2

Whereas in recognition of the universal acceptance by every progressive people that agricultural industry represents the foundation of all real progress by the social body, governments have come to lend their just powers and influence to conserve the integrity and stability of farming enterprise in its various forms as a necessary service for the protection and promotion of public welfare; and

Whereas agencies created by and under the just powers and authority of the Government of the United States, and functioning under proper governmental supervision, in accordance with a judicious public policy, have developed conditions tending to the intelligent mobilization of the Nation's credit resources for the determination of the great transportation and labor problems of the country, and for the well-being of commerce and manufactures; and

Whereas agricultural industry, the greatest of all the Nation's enterprises and the foundation of national security, prosperity, and development, is without the equal recognition and the cooperating and directing services which the national authority and influence may justly lend: Therefore be it

Resolved by the Legislature of Texas, That we respectfully and earnestly commend to the favorable consideration of the Congress of the United States the need for the creation at the earliest practicable time of such judiciously devised and well-balanced agencies for the accomplishment of the stabilization and well-being of essential agricultural industry of the Nation to the end that the great problems of sound economic agricultural production and judicious distribution and stimulus to more general beneficial utilization may have the most intelligent and capable cooperation and direction in their adjustment to the welfare of the country, and may exercise the fullest measure of their influence upon the security of agricultural enterprise.

Resolved, That a copy of this resolution, duly attested, be transmitted by the chief clerk of the house to the honorable, the President of the Senate of the United States; to the honorable, the Speaker of the House of Representatives of the Congress of the United States; the honorable Secretary of Agriculture of the United States; and to each Member of the Texas delegation in the Congress.

FRANK C. BOBBITT,
Speaker of the House.
M. LOUISE SNOW,
Chief Clerk of the House.
BARRY MILLER,
President of the Senate.
W. V. HOWERTON,
Secretary of the Senate.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Colorado, which was ordered to lie on the table:

STATE OF COLORADO,
OFFICE OF THE SECRETARY OF STATE.

UNITED STATES OF AMERICA,
State of Colorado, ss:

CERTIFICATE

I, Chas. M. Armstrong, secretary of state of the State of Colorado, do hereby certify that the annexed is a full, true, and complete copy of House Joint Memorial 3, which was passed by the Twenty-sixth General Assembly of the State of Colorado and signed by the Governor of the State of Colorado on the 19th day of February, A. D. 1927.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Colorado at the city of Denver this 19th day of February, A. D. 1927.

[SEAL.]

CHAS. M. ARMSTRONG,
Secretary of State,
By E. W. BROWN, *Deputy.*

House Joint Memorial 3, by Representative Robinson, concerning retirement of disabled emergency officers of the World War

Be it resolved by the house of representatives of the twenty-sixth general assembly (the senate concurring), That this general assembly favors the prompt enactment of legislation now pending before the Congress of the United States, known as the Tyson bill in the Senate, and the Fitzgerald bill in the House of Representatives, which will remove the discrimination that now exists between disabled emergency officers of the World War and officers of the Regular Establishment, and that this general assembly believes that this will tend to bring about justice to these officers in accordance with the provisions of section 10, the selective service act of May 18, 1918, which provides as follows:

"All officers and enlisted men of the forces herein provided for other than Regular Army shall be in all respects on the same footing as to pay, allowances, and pensions as officers and enlisted men of the corresponding grades and length of service in the Regular Army"; and be it further

Resolved, That the United States Senators and Members of the United States House of Representatives representing the State of Colorado are hereby earnestly requested and urged to exert their efforts to secure the passage of this legislation by Congress, and that copies of this resolution be sent to the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and to the Senators and Representatives of the State of Colorado in Congress.

JOHN A. HOLMBUN,
Speaker of the House of Representatives.
GEORGE M. CORLETT,
President of the Senate.
WM. H. ADAMS,
Governor of the State of Colorado.

Mr. BRATTON. Mr. President, the New Mexico State Convention of the American Legion adopted a resolution on August 28, 1926, with reference to the so-called Tyson-Fitzgerald disabled emergency officers' retirement bill. I ask unanimous consent that it may be printed in the RECORD and lie on the table.

There being no objection, the resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

Resolution passed by New Mexico State Convention of the American Legion, August 28, 1926

Be it resolved, That this convention heartily indorses the demand for recognition of the equality of service on the part of the officers of the Regular Army and of the emergency forces in the proposal to grant retirement to disabled emergency officers upon the same basis and with the same privileges as have been granted to the disabled officers of the Regular Establishment, and we strongly oppose any modification of this plan which would create any distinction between disabled regular and

emergency officers, particularly the proposal to create a separate list for disabled emergency officers and the payment of retiring pay to such officers through the Veterans' Bureau.

Mr. STEPHENS. Mr. President, I ask unanimous consent that resolutions adopted by the State convention of the American Legion at Vicksburg, Miss., on August 30 and 31, 1926, relative to the so-called Tyson-Fitzgerald disabled emergency officers' retirement bill, may be printed in the RECORD and lie on the table.

There being no objection, the resolutions were ordered to lie on the table and to be printed in the RECORD, as follows:

VICKSBURG, MISS., *August 30, 1926.*

Resolution

Whereas the Congress of the United States in the selective service act of May 18, 1917, promised that all volunteer officers commissioned under that act should be "in all respects on the same footing as to pay, allowances, and pensions as officers of corresponding grades and length of service in the Regular Army"; and

Whereas of the nine classes of officers who served during the World War eight classes—namely, regular officers of the Army, Navy, and Marine Corps; provisional officers of the Army, Navy, and Marine Corps; and emergency officers of the Navy and Marine Corps—have been granted by Congress the privileges of retirement for disability when incurred in line of duty, leaving only the disabled emergency officers of the Army without such retirement; and

Whereas an overwhelming majority of the Members of each Congress since the armistice has promised to correct the injustice to disabled emergency Army officers by the enactment of legislation designed to adjust the unfair conditions imposed upon these men; and

Whereas the United States Senate has twice passed measures to correct this condition—the vote in the Sixty-seventh Congress being 50 to 14, the vote in the Sixty-eighth Congress being 63 to 14; and

Whereas in the present Sixty-ninth Congress of the United States there are pending two identical bills seeking to accomplish this worthy end, namely, the Tyson bill, S. 3027, and the Fitzgerald bill, H. R. 4548; and

Whereas the Senate Committee on Military Affairs at the first session of the current Congress favorably reported the Tyson bill and the House Committee on the World War Veterans' Legislation favorably reported the Fitzgerald bill, both of which measures are on the respective calendar of the Senate and the House awaiting a final vote: Now, therefore, be it

Resolved, That the American Legion in State convention assembled at Vicksburg, Miss., August 30 and 31, 1926, urges and demands that the principles of retirement already established for the eight other classes of officers who served during the World War be granted to the disabled emergency officers who are handicapped from the sacrifice which the Nation demanded of them during their service for America in the World War and indorses as proper legislation to accomplish this end the pending Tyson bill, S. 3027, and Fitzgerald bill, H. R. 4548; and be it further

Resolved, That all Members of the Sixty-ninth Congress be, and they hereby are, most strongly urged to lend their most active support in securing the enactment of this pending legislation as early as possible during the short session of the current Congress; and be it further

Resolved, That copies of this resolution be sent to the Vice President of the United States and to each Member of the United States Senate and House of Representatives.

Adopted in regular convention assembled in Vicksburg, Miss., August 31, 1926.

[SEAL.]

H. D. MORROW,
Adjutant the American Legion,
Department of Mississippi.

Mr. HARRISON presented resolutions adopted by the State convention of the American Legion at Vicksburg, Miss., August 30 and 31, 1926, favoring the passage of the so-called Tyson-Fitzgerald disabled emergency officers retirement bill, which was ordered to lie on the table. (See resolutions printed in full when presented to-day by Mr. STEPHENS).

Mr. WALSH of Massachusetts presented petitions of sundry citizens of the State of Massachusetts, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

He also presented a letter and telegrams in the nature of petitions from sundry citizens of New Bedford, Taunton, Athol, and Ludlow, all in the State of Massachusetts, praying for prompt and favorable action on Senate Joint Resolution 147, creating a commission to investigate the subject of civil-service retirement and the operation and administration of the law relative thereto, which were referred to the Committee on Civil Service.

Mr. BRUCE presented a petition of sundry citizens of Baltimore, Md., praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which was referred to the Committee on Pensions.

He also presented a memorial numerously signed by sundry citizens of Tacoma Park., Md., remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, or any other legislation religious in character, which was referred to the Committee on the District of Columbia.

Mr. DILL presented numerous memorials of sundry citizens of the State of Washington, remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, or any other legislation religious in character, which were referred to the Committee on the District of Columbia.

Mr. WILLIS presented petitions of sundry citizens of Cleveland and Cincinnati, in the State of Ohio, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

CHANGES OF REFERENCE

On motion of Mr. WADSWORTH, the Committee on Military Affairs was discharged from the further consideration of the following bills, and they were referred to the Committee on Claims:

A bill (H. R. 15253) for the relief of certain officers and former officers of the Army of the United States; and

A bill (H. R. 16155) for the validation of the acquisition of Canadian properties by the War Department and for the relief of certain disbursing officers for payments made thereon.

REPORTS OF COMMITTEES

Mr. GILLETT, from the Committee on the Judiciary, to which was referred the bill (S. 4840) to provide for the appointment of an additional judge of the District Court of the United States for the Northern District of New York, reported it without amendment and submitted a report (No. 1557) thereon.

Mr. WALSH of Montana, from the Committee on the Judiciary, to which was referred the bill (S. 5770) granting immunity to certain witness, reported it without amendment and submitted a report (No. 1558) thereon.

Mr. BORAH, from the Committee on the Judiciary, to which was referred the joint resolution (H. J. Res. 207) directing the Comptroller General of the United States to correct an error made in the adjustment of the account between the State of New York and the United States, adjusted under the authority contained in the act of February 24, 1905 (33 Stat. L. p. 777), and appropriated for in the deficiency act of February 27, 1906, reported it with amendments and submitted a report (No. 1559) thereon.

Mr. MAYFIELD, from the Committee on Claims, to which was referred the bill (S. 3882) for the relief of Bert Moore, reported it without amendment and submitted a report (No. 1561) thereon.

Mr. MEANS, from the Committee on Claims, to which was referred the bill (H. R. 15253) for the relief of certain officers and former officers of the Army of the United States, reported it without amendment and submitted a report (No. 1562) thereon.

Mr. CARAWAY, from the Committee on Claims, to which was referred the bill (H. R. 8932) for the relief of William F. Redding, reported it without amendment and submitted a report (No. 1563) thereon.

Mr. BAYARD, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (H. R. 6057) for the relief of George Boiko & Co. (Inc.) (Rept. No. 1564);

A bill (H. R. 9804) for the relief of the Pacific Steamship Co., of Seattle, Wash. (Rept. No. 1565); and

A bill (H. R. 10422) for the relief of William J. O'Brien (Rept. No. 1566).

He also, from the same committee, to which was referred the bill (H. R. 12563) for the relief of Walter B. Avery and Fred S. Gichner, reported it with an amendment and submitted a report (No. 1567) thereon.

He also, from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (H. R. 1595) for the relief of Fannie Kravitz (Rept. No. 1568);

A bill (H. R. 2718) for the relief of M. F. Snider (Rept. No. 1569);

A bill (H. R. 8739) for the relief of Lim Toy, of the city of Boston, Mass. (Rept. No. 1570);

A bill (H. R. 9150) for the relief of the Niagara Machine & Tool Works (Rept. No. 1571);

A bill (H. R. 10035) for the relief of Albert H. Hosley (Rept. No. 1572);

A bill (H. R. 12404) for the relief of Shadyside Bank (Rept. No. 1573); and

A bill (H. R. 12388) for the relief of K. I. Ward (Rept. No. 1574).

Mr. HARRELD, from the Committee on Indian Affairs, to which was referred the bill (H. R. 16207) to authorize an appropriation to enable the Secretary of the Interior to provide an adequate water supply for the Sequoyah Orphan Training School, near Tahlequah, Cherokee County, Okla., reported it without amendment.

R. W. HILDERBRAND

Mr. STEPHENS. From the Committee on Claims I report back favorably without amendment the bill (H. R. 11064) for the relief of R. W. Hilderbrand, and I submit a report (No. 1560) thereon. I ask unanimous consent for the immediate consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill. It proposes to pay to R. W. Hilderbrand $1,361.35 in full and final settlement for injury received in raiding an illicit still on or about August 14, 1925.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McKELLAR:

A bill (S. 5789) to authorize certain officers of the United States Navy and Marine Corps to accept certain decorations conferred upon them by the Government of Greece; to the Committee on Naval Affairs.

A bill (S. 5790) granting the consent of Congress to the department of highways and public works of the State of Tennessee to construct, maintain, and operate a bridge across the Clinch River in Hancock County, Tenn.; to the Committee on Commerce.

By Mr. DENEEN:

A bill (S. 5791) to extend the times for commencing and completing the construction of a bridge across the Wabash River at the city of Mount Carmel, Ill.; to the Committee on Commerce.

By Mr. JONES of Washington:

A bill (S. 5792) to further develop an American merchant marine, to assure its permanence in the transportation of the foreign trade of the United States, and for other purposes; to the Committee on Commerce.

By Mr. BRUCE:

A bill (S. 5793) to provide a memorial branch library building in the District of Columbia; to the Committee on the Library.

By Mr. WATSON:

A bill (S. 5794) to increase the minimum rate of pensions; to the Committee on Pensions.

By Mr. METCALF:

A bill (S. 5795) to amend sections 57 and 61 of the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909; to the Committee on Patents.

By Mr. WHEELER:

A bill (S. 5796) granting an increase of pension to Elizabeth Nickens; to the Committee on Pensions.

By Mr. EDGE:

A joint resolution (S. J. Res. 168) proposing an amendment to the Constitution relating to intoxicating liquors; to the Committee on the Judiciary.

RELATIONS WITH MEXICO AND CENTRAL AMERICAN COUNTRIES

Mr. BORAH submitted the following resolution (S. Res. 366), which was referred to the Committee on Foreign Relations:

Resolved, That the Senate Committee on Foreign Relations, or any duly authorized subcommittee thereof, is hereby authorized to investigate and study conditions and policies bearing upon the relationship between the Central American countries, Mexico, and the United States. For the purposes of this resolution the committee, or subcommittee, is authorized to visit such countries, to sit during the recess of Congress and at such times and places, to employ such clerical, stenographic, or other assistance, to require the attendance of such witnesses and the production of such documents and papers, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable.

The expenses of the committee, or subcommittee, which shall not exceed $10,000, shall be paid out of the contingent fund of the Senate.

EQUALITY FOR AGRICULTURE WITH INDUSTRY

Mr. SHIPSTEAD. Mr. President, I ask unanimous consent to have printed in the RECORD an address by George Nelson Peek, chairman executive committee, North Central States Agricultural Conference, delivered before the Academy of Political Science in the city of New York in January, 1927, entitled "Equality for agriculture with industry."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I

We are engaged to-day in the most interesting and, from the American point of view, one of the most vitally important experiments the world has ever witnessed—a test of whether an independent agriculture, enjoying the advantages and benefits of life on a level comparable with that prevailing in our cities and towns, can be established and maintained.

Excepting on the North American Continent, the labor of farm production is nearly everywhere performed by a peasant class. Farming has tended to become a peasant occupation because rewards are so uncertain and frequently so low that they permanently attract only those who are content with harder work and lower living standards than the more resourceful and aggressive demand. The uncertainty is not only one of yields but of prices; the uncontrolled risks such as weather and pests are followed by other and often equally disastrous risks in the market.

The day of the self-contained farm, existing on its own production aided by a little barter, is definitely past. So is the day when rising land values will compensate for unprofitable crop prices. The condition that has succeeded them is dangerously weakening our farm structure. The issue which the present experiment is to determine is whether our ideal of American agriculture, as distinguished from peasant agriculture, can endure.

II

The facts, figures, and causes of our postwar agricultural depressions have too long been matters for discussion. The rehabilitation of the farmer and a method of preventing a recurrence of agricultural depressions now compel attention and immediate action.

To anyone really familiar with the present status of the farmer, certain conclusions are inevitable. He has been producing food for the Nation at prices which have been exhausting the accumulated resources of the generations which preceded him, because they have not yielded cost of production. He has been attempting to buy the actual necessities of life at prices which reduced his purchasing ability to a point which prohibited him from buying what he needed.

In the past 15 years the farm debt has trebled[1] and actual farmland values have declined one-fifth.[2] During the past six years the dollar value of the farm investment has declined twenty billions,[3] while our industrial and urban wealth has increased by that amount or more.[4] These are evidences of a progressive draining away of wealth from the country to the city, which is inevitable as long as the products of the farm remain low in price compared with goods and services which the farmers must buy.

The purchasing power of farm products (according to the index used by the Bureau of Agricultural Economics)[5] has ranged from a yearly average of 69 per cent of pre-war in 1922 to 89 per cent in 1925 and at the last-published calculation stood at 83 per cent in August,

[1] The mortgage and personal debt of farmers of the United States is estimated at $4,200,000,000 for 1910—Brookmire Economic Service, generally accepted as approximately correct. The estimated total debt for 1920 used as a basis for its calculations by the Bureau of Agricultural Economics is $12,250,000. The farm census of 1925 has not been finally tabulated on mortgage debt reported, but the figures for States announced to date by the Bureau of the Census show an increase in 1925 over 1920. Census figures show trends of indebtedness rather than totals.

[2] Using census figures as a base of current dollar value and correcting by the use of the all-commodity index of the Bureau of Labor Statistics shows that the 1925 purchasing power of the lands of the 12 North Central States was but 78.96 per cent of that of 1910. In other parts of the United States, excepting the South Atlantic group, the same general percentage was recently announced in the Journal of Land Economics, by Dr. Paul Eke, of the University of West Virginia.

[3] Dr. O. C. Stine and L. H. Bean, of the Bureau of Agricultural Economics, Income from Agricultural Production, in table, p. 29, Annals of American Academy of Political and Social Science, January, 1925 (based on Dr. W. I. King's studies for Bureau of Economic Research), give total farm property value for 1920 as $79,607,000,000; for 1924, $59,409,000,000.

[4] In general, this statement is verified by the National Industrial Conference Board (The Agricultural Problem in the United States), p. 54, table 14, which shows that total national wealth increased between 1912 and 1922 from one hundred and eighty-six to three hundred and twenty-one billions, whereas the total agricultural wealth between the same years increased only from forty-two to fifty-nine billions.

[5] This index compares the farm price of 30 leading items of farm production with the wholesale price of nonagricultural commodities as reported by the Bureau of Labor Statistics on the basis of the five years, 1910–1914, as $100. (See The Agricultural Situation.)

1926.[6] In the words of the National Industrial Conference Board: "It is often said if we could adjust prices to their comparative relationship to other prices which we had in the period from 1909 to 1914, everything would be all right; but, as a matter of fact, there is very little evidence that agriculture was in a sound condition in this country before the war."

The limits of this paper will not permit extended reference to evidences of the results of the disparity which have been pointed out by the National Bureau of Economic Research, the National Industrial Conference Board, the United States Department of Agriculture, and numerous other institutions and investigators. Our farm plant is contracting in comparison with our population and with other industries; our agricultural exports per capita have declined 28 per cent,[7] and our agricultural imports per capita have increased 30 per cent since 1900;[8] there is persistent and increasing disparity between the per capita share in the national income received by farmers compared with nonfarmers;[9] returns on capital invested in agriculture are small compared with those of other investments.[10] Most of these are involved in the long-time trends of agriculture.

Of the recent developments the National Bureau of Economic Research says: "The great agricultural depression of 1921 and 1922 was not due to the fall in general prices, but to the fact that the prices of agricultural commodities fell more rapidly and to lower levels than did the prices of the articles the farmers bought."

Another industry finding itself unable to return production costs would restrict output and regulate its movement to market, until prices properly related themselves to costs of production. The major branches of farming, however, face this problem with the certainty that, even if the acreages of the millions of individuals could be accurately regulated no power on earth could forecast what production would be.

So the producers of our basic crops have hung on, year after year, unable to make protective devices that work for other groups operate for them. They are forced to see their total current supply equated to current demand at a disastrous price because of their inability to lengthen the equation over a number of years, through effective holding and storing against future needs.

If the wheat farmers could adjust their supply to the needs and purchasing power of their several markets they could use the tariff to protect their domestic price levels. If the cotton growers as a whole could own and carry their temporarily unneeded supplies they could stabilize their market over a period of years at the best obtainable price, instead of taking the price which the current demand affords, regardless of what the needs of to-morrow may be. The present crisis in cotton provides a case in point. Favorable crop conditions combined with a large acreage to produce a large yield. Prices collapsed upon crop forecasts to a point barely equivalent in purchasing power to 5-cent cotton before the war. Congress, a few months ago, failed to pass a measure under which the cotton growers themselves could have adjusted supply to demand. Now the Government is attempting to arrange for the withdrawal of 4,000,000 bales of cotton under conditions which may help the banker who has cotton loans, and the cotton buyers and spinners who have loaded up while prices were at the bottom, but which, under no conceivable circumstance, can be of assistance to the cotton farmer who has been forced to let his crop go.

III

This condition strongly emphasizes the need of a new agricultural policy. It must be broader than any one bill or remedy. The sound program for America must aim toward the development of a well-balanced national life—one which will not stimulate any one form of productive effort at the expense of other equally essential producers. If we pursue this it will inevitably take us into fields of taxation, of transportation, of finance, and of markets. But in the brief time allotted to me I wish to confine myself to the particular phase of the problem which organized farmers have sought to attack through legislation in the Sixty-eighth and Sixty-ninth Congresses.

When a surplus agricultural production was necessary to repay foreign investors in the United States, and to pay for our imports our national policy of expanding agriculture upon an export basis worked admirably. When our greatest national test came it was our surplus food production that fed the Allies and decided the issue of the World War. But the international balance shifted as a result of the war. We have the gold. The rest of the world owes us. These facts inevitably limit the volume of exports, both industrial and agricultural, from the United States. Our wheat, pork, cotton, and sometimes beef, can bring the farmers only the price which foreign buyers will pay for what is left after the domestic need is satisfied. This condition is crucifying agriculture. It is directly due to our past policy of agricultural expansion, and to the development of the American protective system which keeps farm costs on a high domestic plane while farm prices remain relatively low, due to the influence of world competition.

In my reference to the American protective system I include not only the tariff but such measures and devices as the Adamson law, restriction of immigration, the Esch-Cummins law, the Railroad Labor Board, and others of like purpose. These all have tended to protect, stabilize, and hold immune from world influence industry and labor, and to make effective the work of their organizations in holding up the prices of their commodities and services.

Agriculture, on the other hand, remaining unorganized is still subject to world influences on export crops, because the American price of these crops is not determined here by American conditions, but is determined in foreign markets by world conditions. We sell our surplus abroad in world competition, at a price determined by world supply and demand, and regulated by world conditions. It follows that the price of the surplus is the price of the crop. This is axiomatic.

For nearly five years this condition, as one of the principal reasons for the existing inequality, has been known by our national administrations. The agricultural conference convoked by President Harding in the early months of 1922 called, by resolution, upon the President and Congress to take such steps as were necessary immediately to restore the fair exchange value of the farmers' dollar. The chairman of that conference, who was also chairman of the Congressional Joint Commission of Agricultural Inquiry, appointed by Congress "to determine the cause of the agricultural depression," refused to permit a discussion of what is now generally recognized as the principal cause of the depression, because he said it involved the tariff. In its report, covering some four volumes of facts, figures, and diagrams, this commission failed to mention the only thing it was appointed to determine—the cause of the agricultural depression.

IV

The remedy lies in one of two directions. One, repealing all protective measures enacted for the benefit of other groups, thus enabling the farmer to buy as well as sell in a world market; the other, including the farmer in the protective system by organizing and financing agriculture so that it, too, can adjust supply to demand, and if necessary divert surplus to export, as industry does, and is encouraged to do by the Webb-Pomerene and Edge laws.

The first remedy, the repeal of all protective legislation, is legislatively impossible and certainly undesirable, since protection furnishes security for American standards of living against descent to the level of the world at large. Farmers have not advocated this policy. Even if by cheapening other goods and services their purchasing power could be restored, the low dollar price would leave them under a great disadvantage in relation to their debt. Their indebtedness has mounted from about $4,000,000,000 in 1910 to over $12,000,000,000 in 1925 (Cf. supra, note 1)—a sum greater than the original foreign debt to the United States. If the farmers are ever going to pay that debt, it should be with commodities as high in dollar value as when the debt was incurred—or as near to that figure as possible. To reduce the dollar value of other goods and services might raise the exchange value of farm crops, but if the price level for all commodities, including agricultural products, were thereby lowered and held down, the debt-paying power of the farmer would be reduced.

The second remedy—to include the farmer in the protective system—is no difficult matter. It requires only a mechanism which the producers of the primary surplus crops can use to regulate the movement of their crops to market, with the cost of withholding unneeded supplies, or of diverting small surpluses to export markets, assessed against all the producers of the commodity affected. If you withhold or skim off the surplus which for natural reasons can not be controlled or prevented in the production stage, the demand can still be satisfied, but at a fair exchange value for the farmer.

This principle would work out in different ways with different crops. The growers of cotton could secure relative price stability through balancing supply and demand over a period of years instead of currently. They could secure for themselves whatever economic advantage there may be in their position as producers and exporters of two-thirds

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[6] The Agricultural Situation, October, 1926, (p. 6), says: "The general index of purchasing power of farm products in terms of nonagricultural commodities again declined three points from the month previous and stood at 82, the five pre-war years being considered as 100. One year ago this index stood at 93. This latest figure of 82 represents the lowest point reached in 26 months." (The Agricultural Situation in November revised its August index from 82 to 83.)

[7] Dr. Virgil Jordan, chief economist of the National Industrial Conference Board, Chicago, Oct. 1, 1926: "The increasing effectiveness of competition of foreign producers in both foreign and domestic markets is shown by the downward trend of exports and the rise of imports after 1900, both of which were interrupted only temporarily by the exceptional conditions during the war period. Since about 1900 our exports per capita in quantity of agricultural products have declined about 28 per cent, whereas the volume per capita of our agricultural imports has risen about 30 per cent."

[8] Idem.

[9] To show "the persistent and increasing disparity between the per capita share in the national income of those engaged in agriculture and that of those engaged in other major occupations," Doctor Jordan gave the following figures: "For $100 that went to each person engaged in all other branches of our productive life each person engaged in agriculture received $46 in 1900. It has gone down in 1910 to $40 and in 1920 to $39. We find that the percentage of the total national income which has gone to agriculture has steadily declined since 1920 from 13.8 per cent in 1920 to about 7.5 per cent in the last fiscal year, 1925–26."

[10] National Industrial Conference Board; Dr. O. C. Stine, L. H. Bean, Income from Agricultural Production cited above.

of the world's international trade in cotton. Growers of other crops like wheat, of which the exportable surplus is relatively small compared with domestic consumption, could secure the advantage of tariffs in the domestic market.

The essential element in such a mechanism is the universal assessment or "equalization fee," which distributes the cost of caring for surpluses over all the producers of a particular crop whose excess supplies have to be dealt with to prevent price demoralization.

V

Opponents of the movement have made much use of adjectives and epithets to condemn it without entering into a discussion of the economic principles involved. "Economically unsound," "price fixing," "unworkable," "socialistic," "class legislation," and other inspired phrases have found receptive places in the minds of many well-meaning people. They are not intellectual arguments, and appeal only to prejudice. The people who utter them will do well to stop and reflect. A decaying agriculture is a sure sign of a decadent nation.

I confess I do not know just what is meant by the term "economically unsound." We are discussing laws of trade as distinguished from laws of production, and it is our purpose to extend the laws of trade as applied to agriculture. All trade laws are man made; and if the proposal of the farmers under discussion is economically unsound, then so are many laws of trade which permit holding by an industry of supply and releasing it to demand at will.

In this connection it may be interesting to note that in a full discussion of the subject, extending over a period of more than a year, conducted by Mr. Chester C. Davis and the writer, through General DAWES, with Sir Josiah Stamp, of England,[11] the question of the economic soundness was never raised by Sir Josiah. On the contrary, he said:

"As has already been emphasized in previous correspondence, the ultimate test of the scheme is whether the return on the capital and labor of the farmer is fair and reasonable in comparison with that secured by capital and labor in other economic spheres. The late Henry C. Wallace, according to the views quoted from his book entitled 'Our Debt and Duty to the Farmer' holds that it is not. A judgment on this matter can only be formed by those on the spot."

In speaking of the charge that the proposal is "price fixing," he said: "The scheme is thus not a price-fixing one, for it merely creates an addition to a moving world price. This, on the assumptions given one, is economically feasible and not fallacious." Of its workability he said: "There seems to be no reason why this process should not be carried on until the domestic price is pushed to the point at which the return to the farmer will bring his economic position into favorable comparison with that of other producers."

If it is "socialistic" and "class legislation," it must be borne in mind that it is merely a demand of the farmers for relief from the effect of special legislation already enacted by Congress in the interest of other groups.

Many objections have been raised. Only a few of them are worthy of consideration or can be considered here. Two arguments are frequently heard against effective action along this line for agriculture: First, that it would raise the cost of living and thus lead to demands for higher wages, the so-called "vicious circle"; second, that it would stimulate production, thus aggravating the difficulty. If we admit either one as a valid argument we confess that there is no solution short of tearing down industry and labor; that farm prices must continue to be low, compared with other prices. This denial to the farmer of his production cost plus a small profit means that we insist that his present position of disadvantage must be made permanent in order to keep industry satisfied.

Much of the mention of increased living costs as a reason for opposing farm legislation does not come from the consumers at all. As a matter of fact, I am convinced that fair prices to the farmer would not mean in the long run any appreciable hardship to the retail consumer. There are adequate safeguards to the consumer against unduly high prices. Imports would flow in when prices rise at home to the limit of the tariff above prices outside. There is a point, too, at which consumers would turn to substitutes, which would naturally limit prices, just as stimulated production would increase the supply and check prices if they tended to get definitely out of line with fair production costs.

Retail prices which consumers pay in many cases do not reflect the change in price levels at which farmers sell these great staple crops, which is one reason for the comparative inelasticity of demand. For example, the farm price of cotton in January, 1924, was 32.5 cents per pound; in January, 1926, it had declined to 17 cents per pound; and to-day the farmer is getting 10 to 11 cents per pound on the farms of the South. There has been a drop in the farmer's price to about one-third of the price 34 months ago, yet how much has the retail price of cotton goods to the American consumer declined? The farm price of wheat dropped over a dollar a bushel in 1920, without any corresponding reduction in the price of bread, and it has had an up and down range of nearly 90 cents a bushel during the last two years, but the only way the consumer of bread learned of it was to read it in the papers.[12]

We must recognize that increased farm prices would react on the cost of living to exactly the same degree, no matter whether the rise was due to voluntarily limited production or to control of supply by cooperative organization or to Government action.

As to stimulated production, any one of the methods suggested above would have to increase farm prices so greatly that farming would be attractive to capital in competition with other investment before production could be materially expanded. There is a long gap to be filled before that point is reached. Our per capita farm acreage and production alike are falling steadily behind our population.[13]

The argument that increased production will follow farm legislation, advanced in a country where every public policy has been aimed at the expansion of farm production, would be absurd if it were not urged seriously by men of influence. Among them are our foremost advocates of Government help to expand farm production. Singularly enough men will condemn one method proposed to increase farm prices on the ground that its adoption would stimulate production and advocate another method to accomplish the same purpose without recognizing that the effect upon production, whatever it might be, would probably be identical in both cases. Finally, even if production should increase, the farmer alone would bear the burden of it under the plan proposed.

VI

There are many elements in the agricultural problem to-day that are new. They contribute to the forces that have pressed agriculture out of adjustment in our national life. It is necessary that we understand them and in the light of that understanding define a new national policy.

Foreign countries can not well pay in gold for either industrial or agricultural products, because we now have the gold; they can not advantageously pay for our agricultural products with their industrial products because of the tariff. They can not pay for industrial exports with competing agricultural products because of the tariff, and because of our surplus production in many lines. Yet in the midst of such wealth as no other country has ever possessed, one-third of our people are witnessing the transfer of their savings and capital into the hands of other economic groups. This impoverishment of agriculture, our basic industry, must go down in American history as a dark blot upon our statesmanship.

Without further delay we should, through legislation, make it possible for agriculture to attain economic equality with industry and labor in the domestic market, and then in the future let all three groups make adjustments together to meet changing conditions whenever it seems necessary to do so, as a matter of national policy.

I repeat, the sound program for America should aim toward the development of a well-balanced national life, one which will not stimulate any one form of productive effort at the expense of other equally essential producers.

LOWER COLORADO RIVER BASIN

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3331) to provide for the protection and development of the lower Colorado River Basin.

Mr. JOHNSON. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum being suggested, the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[11] On January 5, 1925, Gen. Charles G. Dawes, Vice President, submitted a statement of a proposal to manage and divert the exportable surplus of wheat in the interest of stable domestic prices to Sir Josiah C. Stamp, English economist. Upon receipt of Sir Josiah's comment, General Dawes invited George N. Peek to correspond with Sir Josiah Stamp, through the Vice President as an intermediary. The American side of the correspondence was carried on by Mr. Peek and Mr. Chester C. Davis. The Vice President explained that he hoped to bring about a discussion confined strictly to the economic merits of the proposal. This interchange of comment continued until the final summary by Sir Josiah C. Stamp on May 13, 1926, during his visit to the United States.

[12] This is supported by common knowledge and postwar experience with prices of (1) wheat and bread, (2) cotton and cloth.

[13] Describing "the contraction of our agricultural 'plant' and its production relative to the growth of our population," the National Industrial Conference Board says: "Since the beginning of the century our mining production increased about 281 per cent, our manufacturing production about 190 per cent, whereas agricultural production only increased 38 per cent. The number of acres in farms per capita increased up to 1860, but then started to decline, since it was then limited by the limits of our territory. The per capita of improved farm land increased up to 1880, but since then has shown a downward trend. The acreage in harvested crops per capita increased up to 1900. Since then it has shown a downward trend. In the period 1920–1925 this decrease was very sharp, between 9 and 10 per cent. Instead of this process resulting in an increase in yield per acre to make up for the declining per capita acreage in crops, there has been a slackening in the upward tendency in the yield per acre, which was in evidence before the beginning of the century. Neither has there been any increase in the total per capita agricultural production. In fact the period 1920–1925 shows about 5 per cent below the pre-war years 1910–1914." Also see Brief of American Council of Agriculture, filed with President's Agricultural Conference, December, 1924.

Ashurst	Fletcher	Lenroot	Shipstead
Bayard	Frazier	McKellar	Shortridge
Bingham	George	McLean	Simmons
Blease	Gillett	McMaster	Smith
Borah	Glass	McNary	Smoot
Bratton	Goff	Mayfield	Stanfield
Broussard	Gooding	Metcalf	Steck
Bruce	Gould	Moses	Stephens
Cameron	Greene	Neely	Stewart
Capper	Hale	Norris	Swanson
Caraway	Harreld	Nye	Trammell
Copeland	Harris	Oddie	Tyson
Couzens	Harrison	Overman	Wadsworth
Curtis	Hawes	Pepper	Walsh, Mass.
Dale	Heflin	Phipps	Walsh, Mont.
Deneen	Howell	Pine	Warren
Dill	Johnson	Pittman	Watson
Edge	Jones, Wash.	Robinson, Ark.	Wheeler
Edwards	Kendrick	Robinson, Ind.	Willis
Ernst	Keyes	Sackett	
Ferris	King	Schall	
Fess	La Follette	Sheppard	

The PRESIDENT pro tempore. Eighty-five Senators having answered to their names, a quorum is present.

Mr. PITTMAN. Mr. President, the Boulder Canyon bill is not a reclamation bill, and it is not a power bill. Its pendency is due solely and entirely to the necessity for flood-control of the Colorado River. Anything that is in this bill with reference to irrigation or hydroelectric power is purely incidental to the primary purpose of the bill, which is to control the flood waters of the Colorado River.

The Colorado River is peculiar among the rivers of the United States. All of our great rivers suffer from disastrous floods. It has been found possible, however, to protect against the destruction of the floods on most of the rivers through the use of levees. That is impossible on the Colorado River. This is due to the fact that the Colorado River for several hundred miles flows through a canyon varying in depth from 1,000 to 3,000 feet. The water is confined in that narrow, deep canyon. This canyon is several hundred miles long. The flood waters that come from the melting snows of Wyoming and Colorado and Utah find their way into this narrow channel, and come tearing through it with a force destructive beyond description. As they come through with that tremendous speed and power the flood waters tear down the banks and fill the river with silt. In fact, there is more silt in the Colorado River than in any other river in the United States. Every year that river discharges enough silt to cover 100,000 acres of land 1 foot deep with silt. In the last several years it has actually filled up a volcanic lake adjacent to the Imperial Valley.

After the river goes through this canyon that I have described to you, it comes out on a flat country. It comes out on what you might term the long beach of the Gulf of California. For at least 75 miles the land is almost entirely flat. It is a delta. It has been built up through the ages by the silt coming out of these canyons of the Colorado River. As the silt would fill up the bottom of the Colorado River, down toward this delta, it would overflow and build up the banks with silt, and then the bottom would build up with silt until it has actually elevated the river above the surrounding country. The river is running on a ridge for about 50 miles until it enters the Gulf of California.

To the west of the river is Imperial Valley—a valley that probably has as much land in it as all of the land area of the State of Rhode Island. Most of that land is from 100 to 200 feet below the sea level. Of course, it is an equal distance below the bed of the Colorado River, which flows along the rim of that sunken valley.

When the great floods have come efforts have been made to prevent the river breaking its banks into that sunken valley by building levees. Those levees are built of silt, and they are built on silt. It is material that is like the most impalpable sand. It caves and washes and changes. It is so unstable, sir, that in the course of the last 20 years the course of the river through this delta has changed several times; and along in 1906, in spite of the levees they had, when one of the great floods came down from the melting snows in the spring, the whole bank carrying the levee and all caved away and a vast quantity of the water of the Colorado started pouring into the Imperial Valley. At that time, sir, there was not much cultivation there. At that time the valley was inhabited by only a very few people. To-day there are 70,000 or 80,000 people in that valley, and several towns of good size. To-day there are three or four hundred thousand acres of the richest land in the world under cultivation.

It will be remembered that in 1906, when that great break came, the then President of the United States appealed to Mr. Harriman, of the Southern Pacific Railroad Co., whose railroad passed through the valley along the river, to use every effort to stop the break. One of the greatest efforts of that character was made. Mr. Harriman stopped running his passenger trains on the Southern Pacific road. He loaded freight cars with rocks, ran them along the banks where the break was, and dumped the freight cars into the water, not having time to unload them, and after a long, serious fight the gap was stopped; but it was not stopped until a large portion of the Imperial Valley was made into an inland lake, known as the Salton Sea. If that break had not been stopped in the course of a short time, that whole beautiful valley would have been an inland sea, an inland sea for all time, because it could have been emptied only by pumping, as it is below the sea level.

The emergency of this thing is admitted. No one who is familiar with the facts denies the emergency. There is no engineer who has not reported that any flood, any spring, may tear down those weak banks and weak levees and inundate the valley. There is a chance, sir, that for seven or eight years they may stave it off; but all of the reports agree that the silt that is going down and filling the bed of the river in the delta will so fill up all of the available space for water surrounding the delta in seven or eight years that there will be nowhere for the river to go but into the Imperial Valley.

It must be apparent that there is only one way to protect the valley. There are lands in Arizona not so dangerously situated, because they are not below the level of the sea, that have been overflowed every now and then, that are protected in the same way, by miles and miles of levees—these are lands that will from time to time be devastated by these floods. It has been determined by all of the engineers who have investigated this river—and it has been under investigation ever since 1902—that there is only one possible way to prevent the destruction of Imperial Valley, and that is by holding back the flood waters of the Colorado River. The question is, Where shall they be held back?

There are some who advocate that the dam should be on the upper reaches of the river, in Wyoming or Colorado. There are others who believe that it should be at Bridge Canyon or at Glen Canyon, both canyons being above the proposed dam at Boulder Canyon.

What are the questions that must be determined in deciding where this dam shall be? Mr. Davis, who was the head of the Reclamation Service for years, who was its chief engineer, who for 41 years has been in the Government service as an engineer, and Mr. Weymouth, who has been with the Reclamation Service for 20 years, who has been its chief engineer, have made most careful studies of this problem. Mr. Hoover, who, under an act of Congress, represented the Federal Government in forming the compact among the seven States, has made a study of the problem. Those three engineers all agree on certain fundamental principles. They agree, in the first place, that the dam must be at a place where it will catch the flood waters. If it is built on the upper reaches of the river, then the flood water from the side streams that come in will reach the mouth of the river. It has to be built below where the great watershed exists. It has to have sufficient capacity not only to reduce the flood waters of the lower Colorado to a safe flow but to take care of the silt that will be deposited from the water in the storage reservoir back of the dam.

Under the report of these great engineers it will be necessary to impound 8,000,000 acre-feet of water every year during the flood season to make the river safe; and not only must that be done but it will be necessary to provide a storage space for this mud or silt to deposit in; and there should be, even above that, a reservoir capacity for some extraordinary flood such as has happened on rare occasions on that river.

Why was it that this site was selected? Because it is at the lower end of the canyon system of the Colorado River, and all of the streams that come into the river above the canyon will have their water impounded in the reservoir that this dam makes.

For what other reason did they select this site? Because it is one of the few dam sites on the Colorado River that has a sufficient reservoir capacity. It happens that the mountain range on the north side of the river, just above Boulder Canyon, has been eroded away by the action of the Virgin River. With the exception of that short space in there of probably 100 miles, both sides of that river for several hundred miles are walled in by these canyons from 1,000 to 3,000 feet in height. It would take a dam of immense height to obtain any storage in a canyon, but where there is this great eroded valley at this dam site at Boulder, we find that by a dam 550 feet in height a reservoir can be made that will be 100 miles long and in places 20 or 30 miles wide. It will have a capacity of 28,000,000 acre-feet of water, and for the benefit of those who do not understand what an acre-foot of water is, I will say that it means the amount of water necessary to cover an acre of land 1 foot deep. When I speak of 28,000,000 acre-feet of water,

therefore, I mean that there will be enough water impounded in that reservoir to cover 28,000,000 acres of land 1 foot deep. So the capacity can be realized.

This reservoir must serve not only the purpose of impounding these flood waters but it must take care of the silt. The testimony is undisputed that there is no economical way to get the silt out of one of these reservoirs when it is once deposited there. It is cheaper to build a new dam than to try to get it out. Consequently, if a reservoir for water is to be constructed, the builders do not want a reservoir that will fill up with sediment in 10 or 15 years. It has been testified that if the dam were built at Bridge Canyon, which is 120 miles up the river from Boulder Canyon, in 15 years' time it would be full to the top with sediment, although the dam would be 550 feet high, because it would only make a storage reservoir of 1,000,000 acre-feet, while 28,000,000 is required.

Even this reservoir, 100 miles long, with a capacity of 28,000,000 acre-feet, will in the course of time be filled up with silt. It is estimated that in 300 years it will be filled with silt. In 100 years it will be one-third full of silt. But by the time the 100 years have passed, yes, in my opinion, inside of 10 years, there will be numerous dams built up the river above that point, and then those dams will commence to take up a part of the flood water and part of the silt. So there will not be the necessity for so large a capacity in the Boulder dam reservoir site for storage, and it will thus be compensated for by being made smaller by silt.

The only reason for giving any consideration to irrigation and power is that it is the policy of this Government—and I take it a wise policy—to attempt to recover back its investments if possible. A reservoir could be built at Mojave, which is down the river much below Boulder Canyon. It is down where the hills are getting very small and low, toward the flat country. But it would cost almost as much to build a dam at Mojave sufficient to impound these waters as it would to build it at Boulder, because at Mojave there is not a narrow canyon; the dam would have to be much wider.

There is another thing to be taken into consideration. The total practical capacity of the dam at Mojave would be only 10,000,000 acre-feet, while the minimum amount of impounded water necessary would be 8,000,000 acre-feet. How long would that dam last? The silt would fill it up in a very few years.

Not only that but every dollar the Government put into that would be pratically a gift, because the amount of land that may be irrigated from a 10,000,000 acre-foot reservoir, or the amount of power that may be created from a flat dam, is negligible. But here the Government is asked to build a dam 550 feet high, because it must have a capacity of 28,000,000 acre-feet so as to insure a long life for the dam and absolute safety to the lands below. But it happens that with a dam 550 feet high, with an immense reservoir back of it, such as this will be, the water that is naturally let down the stream for the purpose of equalization of the flow below it during the year will create 550,000 firm horsepower, and will create 1,000,000 horsepower on a 55 per cent basis.

Not only will it create 550,000 horsepower but it will hold back flood waters in addition necessary to protect the lower reaches of the river, and by the stabilization of the flow when the water is needed in the lower river it will irrigate over a million and a half additional acres of land.

What would be the result of this transaction? If the Mojave Reservoir should be built at a cost of $28,000,000, the Government would never get back its money; it would not be beneficial to irrigation, it would not create power. If the Boulder dam is built, it catches practically all of the flood waters of the Colorado River; it catches all of the silt of the river; it gives storage capacity ample to protect against floods, leaving a margin over and above the 8,000,000 acre-feet, and at the same time not only aids in the development of the whole West by irrigation and power but it guarantees the return of this money to the Government dollar for dollar, with interest, in 25 years.

Let me place in the RECORD here just exactly what is said with regard to Boulder dam. I shall now read from the testimony of Mr. Weymouth, whom I have described. I do not think that Mr. Weymouth has any superior in the United States as a hydraulic and irrigation engineer. He has been connected with the Government Reclamation Service for 20 years. I read from page 96 of volume 1 of the hearings on the first bill introduced of this character, known as Senate bill 727. Mr. Weymouth said:

> The foundation conditions and right of way difficulties at the Mojave Valley site are unknown.
>
> The Bridge Canyon, Spencer Canyon, and Devil's Slide sites have only incomplete topography from which estimates can be made.
>
> A reservoir at Boulder Canyon with dam constructed at the lower site in Black Canyon would have the following advantages:
>
> It is readily accessible.
>
> Foundation conditions at the dam site are excellent.
>
> Construction materials of demonstrated suitability are available near the dam site in sufficient quantity for the construction of any dam considered.
>
> In contrast with a reservoir at Mojave Valley it would not interfere with any proposed irrigation project.
>
> Within the limits considered estimates indicate that storage can be created in Boulder Canyon Reservoir at less cost than at any other known site on the lower river, with the possible exception of a flood-control reservoir only at Mojave, which could probably be built at about the same cost.
>
> It is a better power site than the Diamond Creek site developed to utilize the full drop in the river below greater reservoir capacity for the same raise in water surface, which increases the potential power; and, secondly, to the shorter distance to the principal power market, which makes power developed of greater unit value.
>
> It is better adapted to development of power in connection with a flood-control dam than is the Mojave Reservoir on account of the greater head available.
>
> In case of the larger reservoirs the area of water service exposed to loss through evaporation is less than at other sites.
>
> It is so located as to control discharge from all important tributaries with the exception of the Williams and Gila Rivers.
>
> It is the nearest to the lands to be benefited of any point on the river where it is feasible to construct a reservoir adequately providing for ultimate requirements of flood control, silt storage, and irrigation storage combined.
>
> It is the most advantageous site at which the entire cost of construction can be repaid through the marketing of power developed incidentally at the dam site.
>
> The dam site is adapted to raising a dam built originally for flood control alone to the height necessary to provide the required ultimate irrigation storage, or possibly to the height necessary to utilize the entire drop in the water between Diamond Creek and the dam site.
>
> If a dam is built at the Mojave site it will inundate a large irrigable area of about 35,000 acres in a valuable portion of an Indian reservation, submerge a town which is the division point of a transcontinental railroad, and make necessary the reconstruction of 22 miles of main-line double-track of railroad, involving additional length of line. It will make necessary the reconstruction of a portion of a transcontinental highway. It is not a good power site. The site is not adapted for raising a dam to provide for ultimate storage requirements as economically as another site.

Something has been said about Glen Canyon. One must be familiar with the river to understand the contest between these various dams. Boulder Canyon dam site is situated about 400 miles from the mouth of the river. Two or three hundred miles below that is this Mojave dam site, about which we have been speaking.

The Mojave dam has already been turned down by all the engineers. It is not in question. It is hardly in dispute in this argument. In fact, I know of no one who brings it into dispute. Its capacity is insufficient and it would not pay. But there are three or four dam sites on the Colorado River in the Colorado Canyon above this dam site. Some of those sites have been contended for by Arizona and engineers representing Arizona. For instance, Glen Canyon, which is situated probably three or four hundred miles up the river as the river flows, above Boulder dam site, near the Utah-Arizona line, has been considered as a possible site for the impoundment of flood waters. Let us see what the engineers have to say with regard to Glen. I am reading now from page 91 of the testimony of Mr. Weymouth, given at the same hearing which I referred to previously:

> At one time it was strongly argued by some that the best large reservoir site on the river is the one located at Glen Canyon, just above Lees Ferry, near the northern boundary of the State of Arizona. Two different dam sites were considered at Glen Canyon, one 4 miles and the other 9 miles upstream from Lees Ferry. The rock at both sites is a soft sandstone, massive in structure, but made up of exceedingly fine-grained quartz loosely cemented. The rock resembles in hardness the type of soft brick known as salmon brick. It crushes under shock, such as that of ordinary blasting, and small fragments can be crushed to sand between the fingers. The section of the dam is much larger than a dam for a reservoir of equal size at Boulder Canyon, and owing to the unfavorable foundation conditions in the larger section a dam at that point would cost from two and one-half to three times as much as one that would store an equal amount at Boulder Canyon.

Thus we see that Glen Canyon has not a suitable foundation, according to the testimony, and if it did have a suitable foundation the cost of the dam and impounding exactly the same

amount of water as would be impounded at Boulder would cost the Government at least twice as much. But that is not the only objection. Other tributaries come in with an immense flow of flood water and silt below the Glen Canyon dam site.

I read further:

Senator ASHURST. You surely do not mean to say—and I have a high regard for your opinion—that the idea of the construction of the dam at Glen Canyon is fantastic?

Mr. WEYMOUTH. Not for a low dam; no, sir. But I think it is nearly fantastic for a high dam.

Senator ASHURST. Do you think it too far to bedrock?

Mr. WEYMOUTH. The foundation is so soft. It is like soft brick, as I have described it. For instance, I went in there with a board of consulting engineers, and we did our best to get some of the best samples. We put them in our packages, and when they were opened that stone was all sand.

Senator ASHURST. How far down did you bore?

Mr. WEYMOUTH. In this particular case the Southern California Edison Co. was drilling in there, and they selected a site in the canyon walls where was located about the best rock that we could find. We shot the side wall a small charge of powder, and then we selected some for our samples of stone in that section. The stone there is not suitable to make gravel for concrete; neither would it be suitable for sand. So, if a concrete dam is built there, it would be necessary to ship the material in. Now, it may be possible to find suitable material for concrete about 18 miles downstream, but even so, we would be required to build on this soft foundation. So, in my judgment, it would not be safe to build a really high dam at Glen Canyon. A low dam could be built, but it would be very expensive. Neither would this sandstone be suitable for rock filling, because it would disintegrate into a sand pile.

Senator ASHURST. For practical purposes, you seem to treat Glen Canyon dam as fantastic.

Mr. WEYMOUTH. Not for a real low dam.

Senator ASHURST. I mean for a high dam.

Mr. WEYMOUTH. Yes; I certainly would.

Senator ASHURST. And you give that as your opinion?

Mr. WEYMOUTH. I do.

* * * * * * *

Mr. WEYMOUTH. Besides, there are apparently no suitable materials for a dam, either of concrete or rock-fill type. The material therefore would have to be hauled a long distance, 18 or 20 miles. The dam is inaccessible in comparison with other proposed reservoir sites. It is too far from the lands to be protected to serve adequately in the prevention of floods in the lower valley unless another reservoir is provided near the lands to be irrigated. Another very important reason is the distance of this site from the principal power markets, it being about 300 miles greater than from the Boulder Canyon. The cost of a dam at this site would be from two and a half to three times as much as a dam built to store an equal amount of water at Boulder Canyon.

Senator ASHURST. Have you been at Glen Canyon?

Mr. WEYMOUTH. Yes, sir. I went there in company with a board of engineers, with Mr. A. J. Wiley and Mr. Luis Hill and with Professor Ransome, the geologist. We spent some time there examining the site.

* * * * * * *

Mr. WEYMOUTH. Yes, sir; since storage in the upper basin or at Glen Canyon does not meet the requirements, it follows that storage should be provided below the Grand Canyon National Park. Various dam sites that have been considered from the Grand Canyon National Park, named in their order downstream are as follows: Diamond Creek, Bridge Canyon, Spencer Canyon, Devil's Slide, Boulder Canyon, Black Canyon, Bull's Head, Mohave, and Parker.

The more important factors involved in the proper development of the entire section below the Grand Canyon National Park in the order of importance are as follows:

1. Adequate storage capacity for irrigation and flood control with a minimum evaporation loss.
2. Construction cost.
3. Maximum power output with maximum flexibility. This includes no needless sacrifices of head.
4. Minimum destruction of developed and undeveloped property.

A good reservoir site is a somewhat rare topographic feature. Satisfactory foundation conditions must exist at the dam site from the standpoint of strength, tightness, and depth. The reservoir should be large and must be tight so that the losses will be small. Other considerations are its accessibility, available construction material, and amount of evaporation from the reservoir surface. It is therefore not surprising that of the hundreds of proposed reservoir sites that have been investigated only a few are worthy of serious consideration.

He goes on further to say:

As no feasible storage possibilities with sufficient capacity exist above the Boulder Canyon Reservoir site, it follows that in order to obtain a maximum product the plan adopted must be a compromise between a sacrifice of operating head and of storage capacity. The best use of Colorado River power is possible only with a large storage reserve at a strategic point that will permit a flexible power output.

So much for Glen Canyon. Now I wish to turn to Bridge Canyon. Bridge Canyon has been considered by Arizona as a point of diversion of enough water to irrigate 3,000,000 acres of land in Arizona. The plan provided for the storing of water at Glen Canyon, the raising of the water to a height of 900 feet by a dam at Bridge Canyon, a canal 656 miles long, and a tunnel 82 miles straight through the mountain. Mr. Weymouth and other engineers testified with regard to this proposition. They testified that it would cost between $600,000,000 and $700,000,000; that it was a visionary scheme, in other words. As a matter of fact, I would not expect any argument to be made in favor of that proposition on the floor of the Senate, because there is nothing to substantiate the plan. And yet, as much as I regret to say it, the evidence discloses that unless the so-called high-line scheme of raising the water by dam 900 feet high, digging a tunnel through a mountain 82 miles long, and carrying water then 656 miles, at an expense of between $600,000,000 and $700,000,000 is feasible, then there is no place that Arizona can get any water above Boulder Canyon.

Unfortunately there are certain physical conditions which make against both Arizona and Nevada. We do not have sufficient land lower than the level of the river. We do not have sufficient land in the low regions of the river. There are hundreds of thousands of acres of open fertile Government land in Nevada which is as rich as any land in the Imperial Valley if we could get water on it. Why can we not get water on it? It is because the Colorado River is at the bottom of a canyon from 1,000 to 3,000 feet deep and there is no way of getting that water through those great walls without a tunnel. It is totally infeasible and impracticable. When we get below the canyon area, when we get below Boulder Canyon and the foothills break away and the valleys begin to appear, then we find the evidence to show that 298,000 acres of Arizona land is capable of being irrigated by gravity with water impounded in the Boulder Dam. We find that from the water impounded in Boulder Dam and let out of the reservoir, Arizona can pump to irrigate 600,000 acres more of land. But as far as I can see Arizona can no more be benefited than can Nevada by a dam farther up the Colorado River. It is not a question of where the dam may be located. It is a question of where these great mountain ranges are on each side. They are there.

Now, let us turn to Bridge Canyon and see what has actually been said with regard to it. I refer now to Mr. Weymouth's testimony, volume 4, page 481. What did Mr. Weymouth have to say about the Bridge Canyon dam site? The proposed Bridge Canyon dam site is about 127 miles above the Boulder Canyon dam site, and the proposed Boulder Canyon dam site will not flood the Bridge Creek dam site. In other words, the building of the Boulder Canyon dam would not interfere with the building of Bridge Canyon dam or any other dam, but here is what the engineers have to say with regard to Bridge Canyon dam, as found on page 486, volume 4, of the hearings:

Mr. WEYMOUTH. I am basing that statement upon a table, on page 72, I think it is, of the La Rue report, where he states that there is no storage available for flood control or storage by dam of that height, but on a diagram in his report he shows for a dam 550 feet about a million and a half acre-feet, but the engineers in the Reclamation Service, with the data that we had available, find with a dam 900 feet only 1,000,000 acre-feet of storage. Now, there may be some difference in the basic data. He might have more topographic information than was furnished the Reclamation Service, but the table of Mr. La Rue is on page 72.

Take the estimates of either Mr. La Rue or the Reclamation Department and it makes no difference in the result whether the dam is 550 feet high, as Mr. La Rue propose at Bridge Canyon, or 900 feet, as the Government engineers say it will have to be. It would only produce 1,000,000 acre-feet of storage. Of course, 1,000,000 acre-feet of storage amount to nothing in the case of the Colorado River. The minimum is 8,000,000 acre-feet of storage for flood control and that is a dangerous minimum. As a matter of fact, it is necessary always to have a little leeway in case of some unusual flood. When you realize, Mr. President, the peculiar character of the floods in that river you will understand what is meant by that statement. The water flow of that river varies from 250,000 second-feet to 8,900 second-feet in low water.

Mr. KING. Is it not 210,000 second-feet?

Mr. PITTMAN. No; 250,000 second-feet. Now, let us stop to think about that. Here is a river which at one time flows 9,000 second-feet of water, we will say. Nine thousand second-feet of water means 9,000 cubic feet passing any given point

in a second. So one can get an idea of what that volume of water is; and yet when it comes to the flood season it frequently goes to 200,000 second-feet in the same river where the flow was once but 9,000 second-feet. The average flow of the river is only 20,000 second-feet. When one stops to think of a river whose average flow in its banks is 20,000 second-feet, increasing to 200,000 second-feet, he gets some idea of the difficulty of controlling that river. There are reports that the river has at times, as shown by watermarks, even reached 500,000 second-feet. That, however, is not authenticated, because the reports which come in are not from Government sources.

Mr. KING. Mr. President, will the Senator from Nevada permit an interruption?

The PRESIDING OFFICER (Mr. TYSON in the chair). Does the Senator from Nevada yield to the Senator from Utah?

Mr. PITTMAN. I yield.

Mr. KING. Recurring to the statement made by the Senator from Nevada concerning Mr. La Rue's estimate, my recollection is that Mr. La Rue advocated a dam not in Boulder Canyon but at a higher point on the river, and suggested, of course, a number of dams, one to be at Lees Ferry. I should like to ask the Senator from Nevada for information as to that point, for my recollection is somewhat hazy and it is not quite in harmony with the statement made by the Senator.

Mr. PITTMAN. My recollection is that he provided for three dams, and that the storage dam was to be at Glen Canyon.

Mr. KING. And that would contain more than a million acre-feet of water?

Mr PITTMAN. Oh, yes; there is no question about that. The storage dam was to be at Glen Canyon, which is near the line of Utah and Arizona, 400 or 500 miles up the river above Boulder Canyon as the river runs, and below that he was to have two other dams, both of them very close to where Bridge Creek is. They were to be at Bridge Creek. The Bridge Creek dam was to serve two purposes—power and diversion of water, if possible, into Arizona. Mr. La Rue contended that there would be a saving of 400,000 horsepower in that stretch of the river by that procedure. In answer to that, as I read here, the Government engineers, Mr. Weymouth and Mr. Davis, contend that there is no foundation for a storage dam at Glen Canyon; that an examination of the rock shows that it will not stand the pressure. I just read their statement. They also contend that a storage dam at Glen Canyon would be above the Little Colorado River and the Virgin River, and therefore would not catch the flood waters of those rivers or the silt that comes out of those rivers into the Colorado River. That was the difference between those two engineers.

Mr. KING. However, in the aggregate the storage which Mr. La Rue's plan provided would be substantially as great as the storage which it is contemplated will be possible at the Boulder Canyon or Black Canyon.

Mr. PITTMAN. Yes. I do not think that Mr. La Rue and the Government engineers differed as to what the capacity of the reservoir should be. It seems that La Rue felt that the increase of 400,000 horsepower would be more valuable to the Government than the catching of the silt and flood waters of the Little Colorado and the Virgin Rivers. That was the difference of opinion between those two engineers.

Mr. President, we come now to the proposition as to whether or not this bill is fair to the States of Arizona and Nevada, whether it is in accord with the original theory which brought about the convention of the seven States looking to the seven-State compact. I think that the contention of Arizona is correct, in that it was the original intention to allocate equitably the waters of the Colorado River among the seven States in the Colorado River Basin; but after months and months of meeting it was found very difficult to allocate to each State its portion of the water. As the upper-basin States, namely, Wyoming, Colorado, Utah, and New Mexico, were not ready to use their water, were not prepared to estimate how much water they wanted, and as the only immediate development which was going to take place affected directly the States of Arizona, California, and Nevada, it was agreed that the waters of the Colorado River should be divided into two parts; that there should be allocated to the upper-river section, consisting of the States I have named—Wyoming, Colorado, Utah, and New Mexico—7,500,000 acre-feet of water, and that an equal amount should be allocated to the three lower States—Arizona, California, Nevada—with the possible right to 1,000,000 acre-feet more, which was put there for the purpose of settlement.

If we go back to the original theory that each State was to have an equitable proportion of that water by reason of the sovereignty of States over water, then naturally it follows that it was the intention when this compact was made giving half the water to the lower States and half to the upper States that there should be an apportionment between the lower States and that in the future, when the upper States desired to use their water, there should be an apportionment between the upper States. That apportionment has been attempted as between Arizona, California, and Nevada. Numerous meetings have been held for the purpose of getting together in the matter; but so far no agreement has been reached.

I can state Nevada's position in this matter. I do not know what will be the position of Arizona. While Nevada would be entitled, sir, to one-third of the water allotted to the three lower States if it had the land upon which that water could be put—and in that case I would insist on it—it unfortunately happens that the land in Nevada is so situated with relation to that water that we can utilize it for the irrigation of only the small amount of 15,000 acres. Therefore, it would be unreasonable for us to deny the use of the water for irrigation where it could be used for irrigation whether that be in Arizona or in California.

Mr. ASHURST. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Arizona?

Mr. PITTMAN. I yield with pleasure.

Mr. ASHURST. If I understood the able Senator aright, he stated that Nevada would claim from the waters of the Colorado River all or as much thereof as might be necessary to irrigate her irrigable lands, even if it went to one-third of the river, if such were physically possible.

Mr. PITTMAN. I do not know that the Senator has exactly expressed my idea. If we could get the water on the land, we would claim it. We have about 15,000,000 acres of rich valley lands, but we are unable to get the water on them.

Mr. ASHURST. Will the Senator further yield?

Mr. PITTMAN. I yield.

Mr. ASHURST. Since the Senator frankly states—and I honor him for his statement—that if they could get the water from the Colorado River on their irrigable lands they would do so, I will state that Arizona has 3,000,000 acres of land upon which the water may easily be placed from the Colorado River; but the Boulder Canyon bill only allots to her water sufficient for about 150,000 acres. Can not my able friend see, therefore, some justice in Arizona's position, when he himself asserts that he would claim for his State enough water to irrigate the whole 15,000,000 acres? Does he blame Arizona for claiming from the waters of that river enough to irrigate her irrigable lands?

Mr. PITTMAN. Where would the Senator divert that water?

Mr. ASHURST. At Bridge. I thank the Senator. I should not have interrupted him.

Mr. PITTMAN. I said that I would claim water for the 15,000,000 acres up to one-third of the water if it could be placed upon the land. Mr. Weymouth testifies that 298,000 acres can be irrigated by gravity from Boulder water and 600,000 acres by pumping in Arizona.

I have already stated what the engineering commission said about the feasibility of diverting water at Bridge, but right at this point I will read what they said. This is from Mr. Weymouth's testimony, on page 476, part 4, of the hearings:

Mr. WEYMOUTH. The members of the board signing the report are Spencer Cosby, who is a colonel in the Corps of Engineers, United States Army; W. Kelley, chief engineer of the Federal Power Commission; E. B. Dabler, engineer of the Bureau of Reclamation; and Herman Stabler, chief of land classification branch of the Geological Survey; Walker R. Young, engineer of the Bureau of Reclamation, and myself. I might say this particular letter refers to the engineering report of Sturdevant and Stam, which was filed with your committee a few days ago. The report, of which I will read the major portion, is as follows:

"In accordance with your request, the committee of engineers appointed by you to consider the problems of the Colorado River has the honor to submit the following report on the canal project set forth in the report of G. W. Sturdevant and E. L. Stam, dated September 18, 1923:

"This project is a proposal to divert water from the Colorado River at or near Spencer Canyon for the irrigation of 3,500,000 acres of land in southwestern Arizona.

That is the project with which the Senator says they could irrigate 3,000,000 acres of land.

"The canal, with an intake elevation of 2,000 feet, would be constructed down the canyon to a few miles above Grand wash, thence by alternating tunnels and open channels it would extend in a southwesterly direction across Grapevine Creek, Hualpai wash, and Detrital or Squaw wash, and the intervening mountain ranges to the western slope of the Black Mountains about 5 miles east of the old Eldorado Ferry; thence down the west slope and around the southern extremity of the Black Mountains, crossing the Santa Fe Railroad about 3 miles south of Yucca Station; thence down the east side of Sacramento Valley and

through a long tunnel to the Williams River Valley at the head of Mohave Creek; thence up the Williams Valley, crossing Big Sandy and Santa Maria Rivers about 10 miles above their junction; thence in a southwesterly direction across Data Creek and Bullard wash, under a low divide into Butler Valley, and down the west slope of Harcura Mountains to a crossing of the Santa Fe Railroad about 3 miles east of Vicksburg Station. Here the main body of irrigable land would begin and the first main lateral would branch off.

* * * * * * *

"The low-water level at Spencer Canyon—

That is, Bridge Creek—

as determined in the survey made by the Geological Survey during the past summer, is 1,112 feet. It will therefore be necessary to construct a dam for diversion about 900 feet high above low-water level. It is not known how far below water level satisfactory foundations can be found.

"With our present knowledge of the principles of dam design, it is questionable whether a dam from 900 to 1,000 feet high, developing stresses within ordinary allowable limits, is practicable or economically feasible. It is known that the upper 200 feet of this dam would have shale abutments, which probably would not be found permissible in a dam of this character.

"There is still to be considered a difficulty which is perhaps the most serious of all—the operation of a canal system 700 miles long with 500 miles of main canal in rough, mountainous country. The difficulties of handling a river with three times the low-water flow of the Colorado River along canyon walls, rough lava mountain slopes, and across wide detrital washes for 500 miles are hard to visualize, and one break in this canal would mean the shutting off of water to this entire area for a period which would ruin crops. A storage and regulating reservoir on the canal line near the irrigable area of sufficient capacity to tide over such an emergency or, indeed, to meet ordinary requirements in operating so huge a system, seems to be unavailable, and no mention of such a necessary adjunct to the system has been made by the promoters.

"Messrs. Sturdevant and Stam state that the construction cost of their project, including dam, high-line canal, and lateral canals, will be $200,000,000. It is believed that the actual construction cost of such a project, if indeed it is feasible at all, would far exceed this estimate.

"We consider that this project is inadvisable and is not worthy of serious consideration."

Senator SHORTRIDGE. What is your idea as to the approximate cost of that canal?

Mr. WEYMOUTH. More money than there is in the world, I guess.

Senator SHORTRIDGE. Well, that, of course, is an answer; but have you made any approximation as to the total cost?

Mr. WEYMOUTH. We tried to make some estimates and I judge it would be at least six or seven hundred millions of dollars.

Mr. SHORTRIDGE. Mr. President, Mr. Weymouth was testifying there concerning Bridge Canyon, was he?

Mr. PITTMAN. He was testifying with regard to Spencer Canyon, which is at the same place with the Bridge Canyon dam site. They are right together. Sometimes one of them is called Bridge, and sometimes the other is called Spencer, just as we have Boulder and Black Canyons. They are practically together.

Mr. NORRIS. Mr. President, how far is Bridge Canyon from the site of the proposed Boulder dam?

Mr. PITTMAN. Bridge Canyon is 127 miles upstream above Boulder, and the water impounded by the proposed dam under this bill would not reach the base of Bridge Canyon. In other words, the building of this dam will not interfere with the building of the Bridge Canyon dam or the Diamond Creek dam or the Glen Canyon dam.

Mr. NORRIS. Where is that?

Mr. PITTMAN. The Diamond Creek dam site is still farther up the river.

Mr. NORRIS. No one of the dams the Senator mentions would interfere with any of the others?

Mr. PITTMAN. Not at all, sir; not one of them.

Mr. NORRIS. Of course, in order to get the maximum amount of benefit they all ought to be built.

Mr. PITTMAN. They will. The engineers' testimony is to the effect that the proposed construction of Boulder dam is such as not to interfere with the plan of dam sites laid out on the river all the way up. The only difference is that there are those—namely, the "high liners" of Arizona—who had the visionary idea of irrigating 3,000,000 acres of land by this 900-foot dam at Bridge Creek, 700 miles of canal and 82 miles of tunnel, at a cost of $600,000,000. It would possibly interfere with Bridge Creek if the dam at Boulder were built sufficiently high, but a 550-foot dam would not reach anywhere near the base of the proposed Bridge Creek dam.

Mr. NORRIS. As I understand, they could even build the dam at Boulder Canyon to a height of 600 feet or more without interfering with the other dam.

Mr. PITTMAN. It would have to go to a height of 690 feet before it would interfere with Bridge.

I return now to the argument I was making before, and that is this: I say that I have great sympathy with many of the contentions of Arizona. I maintain that a State has sovereignty over the water within the borders of the State. That has been recognized from the beginning of our Government. It has been reaffirmed by Supreme Court decisions. As I said before, and I repeat, the very object of having a convention of the seven States was to allocate equitably the benefits of the water. Their intentions were, as I said before, to allocate the water to every State; but they found out that the upper States were not ready to use their water, and the lower States were. Consequently they divided it in two, with the expectation that the lower States would enter into a compact among themselves. They have tried to do that and they have failed. The question that I must consider in this connection in behalf particularly of the citizens of my own State is, Is this bill unfair to my State?

There are two benefits to be derived from the building of this dam outside of flood control. Flood control, of course, is the dominant purpose of it; but, as affecting my State and as affecting portions of Arizona, we are interested in the incidental benefits, which are power and irrigation.

I had stated, when interrupted by the Senator from Arizona [Mr. ASHURST], that if we had sufficient irrigable land in the State of Nevada that could be irrigated from the water impounded behind this dam, I should insist that Nevada have one-third of that water, because that is the theory upon which we entered into this compact; but it happens that the topography of our State is such that we can only put this water on 15,000 acres. We can not do it because between our land and this reservoir there is a high mountain range. It would be necessary for us to have an 82-mile tunnel run from this reservoir through the mountains to get even to our lowlands. We do not consider it feasible or practicable. We consider it visionary and absurd. Therefore we come down to the proposition that on behalf of the State of Nevada we are not contending with regard to the water.

The Senator from Arizona has said that they are contending for the dam at Bridge Creek, so that they can get enough water to irrigate 3,000,000 acres of land.

[At this point a message was received from the House of Representatives, which appears elsewhere in to-day's RECORD.]

Mr. PITTMAN. Mr. President, at the time I was interrupted I was dealing with the apportionment of water between the three lower States. I have already said that as a matter of right each of the lower States has a right to one-third of the water that it can use for irrigation. We can not use much water for irrigation and we are not demanding any more than we can use.

I hold that in a matter of this kind, where it is almost essential that the States should not violate the principle of State rights, no State should make a demand with regard to the waters which are mutual and beneficial beyond that amount which it can profitably and economically use. I do not see why there should be any dispute with regard to water under this bill.

The bill does not grant any water to anyone. The bill can not grant any water to anyone. It does make the water in existence available for irrigation and power, because it provides for the storage of the flood waters for use in irrigation during the irrigation season.

Under the law which gives the States sovereignty over the water within their borders, the water can not be removed without permission of the States. But of course a peculiar situation is met where there is a river forming the dividing line between two States. In such case both States have an equal sovereignty in the water running between them, each of them, possibly, to the middle of the river. But how can one of them control the amount of water the other may take out of that river? California may take out of the Colorado River all the water that has not been appropriated when the river reaches a point in California, and so Arizona may, on its side of the river, take out of the river all the water that has not been appropriated.

That goes to show that there is bound to be an interminable dispute between States unless we can reach some agreement. Already there have been lawsuits between States bordering on the Colorado River over the question of the equitable allocation of the waters of the river. That is the very reason why we got the seven States together, to try to agree on a permanent allocation of the water.

Mr. DILL. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. DILL. What is the Senator's suggestion as to what this bill should do, if anything, to prevent the added water that will flow into Mexico from being used by Mexico and acquired for her land under the comity of nations?

Mr. PITTMAN. I want to read an answer to that by a very eminent engineer.

Mr. DILL. While the Senator is looking for that, I may say that on the investigating trip of the committee the one thing that impressed me about Arizona's contention was that while she was not able to use the water now, she hoped to be able to use it at a future time, but in the meantime the water would be flowing into Mexico, it would be applied on Mexican lands, and under the comity of nations the right to it would be acquired, and Arizona would be forever deprived.

Mr. PITTMAN. The Senator, by asking the question, and by injecting the argument, has brought up two or three questions to be answered, and I will try to remember them all as I go along.

In the first place, as was stated by Mr. Hoover when he was asked that very question, I think by the Senator from Washington, when he was on the stand before the Senate committee, the same amount of water would flow down to Mexico, no matter where the dam was built. If the dam were built at Boulder, whatever was lost at the dam and was not intercepted would flow down to Mexico. If the dam were built at Bridge Creek, whatever water was lost at the dam would flow down to Mexico unless it was intercepted. Consequently, the only way to prevent waters from flowing down to Mexico is to intercept them. This bill proposes an all-American canal which will intercept a great portion of that water. It will not intercept all of it. But all of it can not be intercepted in any way unless there is land to put it on.

The Bridge Creek dam would do no good. If the water were impounded at Glen Canyon and diverted at Bridge Creek into Arizona, then it could be prevented from going down to Mexico, and at the same time it would be prevented from going down to California, because the amount of water they ask for the 3,000,000 acres of Arizona by diversion at Bridge Creek dam is 15,000,000 acre-feet. But there is no use in arguing that method of preventing it from going to Mexico, because the testimony of all of the engineers shows that it is unfeasible and can not be done. The proposition of building a dam 900 feet high at Bridge Creek and carrying the water through a tunnel as big as an apartment house for 82 miles, then carrying it in a river for 600 miles, across great canyons and gulches, in the most mountainous country in the world, is perfectly absurd. The lowest estimated cost would be $600,000,000.

If the water can not be intercepted there, there is a place where some of it can be intercepted, and that is referred to in this report; that is, by building an additional low dam down the river below Boulder Canyon, where some power can be created if the water is stored at Boulder. The water will be raised a hundred feet, and by pumping 200 feet 600,000 acres of good land in Arizona can be irrigated. But this can only be accomplished by storing the water at Boulder dam, for there is no storage below, and by utilizing the cheap power generated at Boulder dam that 600,000 acres in Arizona, together with the two million-odd acres already provided for under this bill, would take care of the situation, so that there would not be very much water going to Mexico.

Mr. DILL. Mr. President, does not the Senator think that we might well put a provision in this bill giving notice to Mexico that we reserve for the use of lands in the United States all added waters flowing in as a result of this dam; and would that be effective?

Mr. PITTMAN. My view of the law is that whether we give notice to Mexico or do not give notice to Mexico in the matter, we have an equitable right, as well as a legal right, to all of the increased flow of the river caused by our work and our expense, and I have never heard that proposition legally contradicted.

Mr. DILL. I want to say to the Senator that that is the one phase of this situation that concerns me. I do not want to see legislation enacted that will allow Mexico to acquire a right to the use of this water under the comity of nations, water that could possibly be used some day by the lands in the State of Arizona. I should like, if possible, to take steps in this legislation, by some such provision as I have mentioned, to prevent Mexico doing that, at least without notice. It seems to me it is extremely important that the State of Arizona should some day have the right to use the water that can be used on her land.

Mr. JOHNSON. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. JOHNSON. May I say to the Senator that the only method by which the water that flows into Mexico can be controlled is by the bill that is before us, by a high dam at Boulder Canyon. Let me say, too, that this is recognized in some degree by the various departments of the Government. Pending here now is a resolution asked for by the Secretary of State and the President for the extension of the powers of a commission which deals with the Rio Grande, and which the Secretary of State asks might deal as well with the Colorado. Collect the necessary data, and then endeavor to negotiate with Mexico concerning the waters of the two rivers. This bill, particularly the all-American canal, will be a great aid to such negotiations and will be persuasive with Mexico in making a fair treaty. The Senators from Arizona objected to the consideration of that resolution. I want the Senator to have that in mind.

Mr. PITTMAN. Of course, I would have no objection at all to seeing an amendment of that kind put on. While it might not affect it legally, it might save Mexico making some mistakes. I have no doubt whatever but that the United States is going to assert its legal right, and that legal right certainly is to use all of the storage water that it creates. That equity even exists as between individuals in our own country, and that equity and that legal right will be enforced against Mexico.

But I want to get back to the question of water. I say that the question of water should have nothing to do with the consideration of this bill, in view of the undisputed evidence. I take it that the undisputed evidence in this matter is that the State of Nevada could not irrigate over 15,000 acres from the waters that flow down there under any conditions.

I might say, "Give me, on behalf of the State of Nevada, one-third of the water, so that if in the future it becomes practicable to pay a thousand dollars an acre to pump water into the land, it would be possible to do it." I do not want to do that. I do not want to block development by any kind of visionary or unreasonable demand. So I say that we can not use the water, and we do not demand a third of it.

The evidence in the case shows that Arizona can not irrigate more than 298,000 acres by gravity water, because the only way she could use more than 298,000 acre-feet by gravity would be from Bridge Creek dam under conditions which board after board of engineers have declared unfeasible and practically absurd. Therefore, what water does the bill take away from Arizona? If a diversion dam is built at Parker down the river below there, and Arizona could get cheap power with which to pump, she could, of course, increase her irrigable acreage by virtue of impounding the water at Boulder dam by 600,000 acres. But that is the limit for Arizona. When they pump for 600,000 acres they will pretty nearly have exhausted the limits of the supply of water allotted to the lower States. So in my opinion the bill does not deprive Arizona of any water but makes available water for an additional 1,000,000 acres in Arizona.

We come back then to the proposition of power. As I said in the first place, irrigation and power are only incidental to the purposes of the bill. The bill would not justify being presented here to-day if it were not that we are following the policy of the Government of protecting against destructive floods of its rivers over which it has control. A dam must be built, because it is the only method by which we can prevent the destruction of human life in Imperial Valley. If a dam is built, under all the evidence at the present time there is only one place to build it, and that is where it will intercept the flood waters, and not only that, but where there will be a reservoir to store those waters. There is but one place that will intercept the flood waters and furnish a reservoir to store them, and that is Boulder Canyon dam site, and there is no dispute about it. There is no question that when we provide a reservoir site of sufficient capacity to protect against all danger, which is 28,000,000 acre-feet, and fill it, that part of the water has to be let off to make room for the flood coming the next season, and with this surplus water power will be generated.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Nebraska?

Mr. PITTMAN. I yield.

Mr. NORRIS. I am very much impressed with the frank and honest way in which the Senator is discussing the question, but I want to ask him a question which carries on the statement that there is only one way to prevent disaster, and that is by building a dam which will have storage capacity and will be far enough down the river to intercept the waters which cause the destruction, which site he has stated is located at Boulder Canyon. Is it not true that it is inevitable in time—while we

can not say when, whether this year or next year or 10 years from now—this destruction must come, this damage by flood must come, unless the flood waters are held back by a dam?

Mr. PITTMAN. Absolutely.

Mr. NORRIS. Is it not true that it is going to be a physical impossibility to prevent destruction coming some time by the construction of levees and embankments, because the river itself is building itself higher and ultimately it will go above any possible embankments that men can put there?

Mr. PITTMAN. There is no doubt about it at all. The evidence on that subject from every source, from those who favor the bill to those who oppose it, from those who favor a dam at Boulder to those who oppose it, is that nothing can prevent the inundation of Imperial Valley within six or seven years as a certainty, and possibly sooner, except the impounding of the flood waters and the desilting of those flood waters. The reason for it is perfectly simple. When the water breaks out of the seven or eight hundred miles of canyon, through which it comes roaring and tearing down, bringing silt with it, as it reaches the flat country of the Gulf of California the silt deposits in the bed of the river itself and the bed rises, and the river overflows the banks and drops the silt on the banks, and the banks rise, and we have a continual process of rising until to-day we have the peculiar situation of a great river running on a ridge. The river breaks off of this ridge and cuts another channel and then breaks out of that channel and cuts still another channel, until it has made a vast delta 20 or 30 miles wide by 50 miles long, where it is impossible to tell the location of the channel. At the present time they have dug a little channel which will last probably six or seven years. It may fill up in a year. But when that is gone, all the engineers testify that it is the last possible channel except to go into the Imperial Valley. Consequently we face the situation that unless we can hold back the flood waters we are going to have, within six or seven years, an inland sea or lake in the Imperial Valley, because it is 300 feet below sea level.

It is not a visionary thing. It came near being an inland lake in 1906. It would have been a lake at that time except that the Southern Pacific Railroad Co. took off all its passenger trains and dumped trainload after trainload of rock into the gap. Even then they had the beginning of a salten sea there, and it would all have been a salten sea in a few more weeks. They never could have stopped it even in that way except that the break occurred right under the Southern Pacific Railroad. If it had occurred anywhere else we would not have been discussing the Imperial Valley to-day. We would have had a lake there that could never have been dried up.

Mr. NORRIS. Mr. President, I think, if the Senator will permit an interruption, that he ought to call attention to the fact that these breaks where the levees must be built are in Mexico, and that to protect the Imperial Valley we have to put these improvements on land which is under a foreign flag.

Mr. PITTMAN. It has been testified by Mr. Davis, who was for years head of the Reclamation Service, that the United States was not permitted to take any part in the building of those levees in Mexico. No American officer was permitted in there for that purpose. It became necessary for us to organize a corporation to carry out a subterfuge and the United States Government to furnish the corporation money to allow it to go into Mexico and build the levee on that river. We have no control, as we should have, over the levees. The levees are made of silt—silt that melts away often like fog. Every year the high waters lean against those levees, and it is just a question of moments sometimes whether they will pass out. But whether they hold or do not hold, the life of Imperial Valley is only seven years long unless we stop the silt from going down there. The only way we can stop the silt from going down there is to impound the flood waters below these rivers which throw in the floods and the silt and let that silt settle in the reservoir. If it continues on down through the channels which are there now, in seven years' time there will be only one channel, and that will be the Imperial Valley.

They speak of a reservoir at Mojave. I have read the evidence. Ten million acre-feet is the capacity there. The water deposits at the rate of 100,000 acre-feet of silt a year. In a few years it would be full. Every engineer of any consequence has testified that the only safety is to reduce the flow of the water to the Imperial Valley so that the river will always be within its banks, not even resting against the levee. The only way we can do that is to reduce the flow to not to exceed 40,000 second-feet. That means 40,000 cubic feet of water passing a given point within a second. We must have a large-capacity reservoir to do that, when we realize that the flood waters of the Colorado River are sometimes 200,000 second-feet of water. The average flow is 20,000 second-feet, while the flood flow is 200,000 second-feet, ten times as great.

As I have read here, it was essential that the Government find certain things meeting. In the first place, they had to find a dam site on the river that was below the rivers which flow into the Colorado and bring their silt and their flood. That meant that it had to be at the lower end of the canyon. Others had urged that we should have the storage in the upper States of Colorado or Wyoming. But all of the engineers stated that they could not find up there a dam site with a reservoir capacity—in some cases to hold the water, and in other cases where they had the site with capacity they did not have the water. Mr. Davis testified that it would be an outrage upon the upper tier of States to put the storage reservoir there, because it would deprive the upper States of using the reservoir site freely for irrigation of their own land. They would be governed rather by flood control than by irrigation.

Then, having determined that the site had to be down the river, they went to the end of the canyon, and they had to find some place in the canyon where there was a sufficient foundation for a large dam. They tried Glen Canyon, but the rock was soft like brick, so they could not use it. If they put it at Bridge Canyon or Spencer Canyon, it would be right in the middle of the reservoir site instead of at the lower end of it. If they put it at Boulder Canyon, it would be at the lower end of the great reservoir, and the only great reservoir at the lower end of the Colorado River. So they selected that site.

When that water is backed up there will be a space back of the dam in the reservoir of 5,000,000 acre-feet to take care of the depositing silt. There will be a layer of 15,000,000 acre-feet for irrigation, and above that there will be a layer of 8,000,000 acre-feet to store the flood waters. As the silt decreases the size of the reservoir, as it will, it does not decrease the storage. It possibly eats into the irrigation supply.

But what takes place? In four or five or six years other dams for irrigation and power are constructed higher up the river in Wyoming, Colorado, and Utah. Then much of the flood waters will be held up there, the silt will be partially held up there, and there will be more space in the reservoir at Boulder dam for irrigation. So it equalizes itself and there will be this situation.

The only complaint that has been made against it is that the bill is unfair in that it takes something away from somebody. So I have dealt with the water question. I contend that Nevada has an equal right with Arizona and California to the water of the lower States if the compact means anything; but I do not believe that it is reasonable or just or to the interest of the lower section that one-third of that water should not be put to a beneficial use; and Nevada can not use one-third of it; we can put to beneficial use but a very small quantity of the water. I want that water to be put to a beneficial use. I want Arizona to have every gallon of water that she can put to beneficial use. If I thought that Arizona would not get every gallon of water that she can put to beneficial use under this bill, I would not vote for it. I have looked in vain to find where or how any of that water is to be taken away from Arizona. I have been looking to find any evidence at all in any of the hearings that Arizona can use any more water than for 298,000 acres by gravity anywhere in the State from any source on the Colorado River.

Mr. KENDRICK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Wyoming?

Mr. PITTMAN. I yield.

Mr. KENDRICK. I desire to ask the Senator whether he believes in case this bill should be enacted into law and Arizona should remain out of the compact, as she is out of the compact at the present time, that it would in any way adversely affect her rights to her water in the Colorado River or its tributaries?

Mr. PITTMAN. It would not do so in the slightest degree. I have no doubt about it. If a dam shall be built at Boulder Canyon it will impound certain waters and equate the flow below. The water below will be subject to appropriation and use by both California and Arizona, and Arizona, according to the evidence, can use water for 298,000 acres by gravity, and she can irrigate 600,000 acres additional by pumping; that is all; and in California there can be an additional three hundred or four hundred thousand acres irrigated. That is all.

Mr. KENDRICK. In other words, the compact between the States which ratified deals only with such equities as the respective States have in the water and will not interfere in any way whatsoever with the right of those States which failed to ratify?

Mr. PITTMAN. In other words, there is nothing in this proposed legislation that could prevent Arizona from appropriating from the Colorado River within her borders all of the water she could use for irrigation.

Mr. SMOOT. Mr. President, that does not apply in toto, I will say to the Senator. It is understood that 7,000,000 cubic feet of water must be used in order to operate the plant, but to operate the plant fully, if this proposed legislation shall be carried into effect, will require 12,000,000 cubic feet of water. If that 12,000,000 cubic feet, which is over and above the agreed amount shall be used, the appropriation of the water will run against the upper States. Who is going to lose in that event? I do not know whether it will be Arizona or whether it will be Utah, but perhaps it will be both of them. I think that is admitted.

Mr. PITTMAN. The Senator from Utah is getting off the question that was asked here, but it is along the same line, so it is all right. The Senator from Wyoming [Mr. KENDRICK] desired to know whether Arizona would be injured by the enactment of this bill into law or whether any rights which she now enjoys would be taken away from her. I replied no, so far as the upper States are concerned, for there are 7,500,000 acre-feet plus a million acre-feet allotted to the lower States, and there can not be found that much irrigable land for such a quantity of water.

Mr. SMOOT. But there can be used for power 5,000,000 cubic feet more, and if that is used, title will be acquired to it, providing it is used before the upper States utilize the water for irrigation purposes; and that will happen, I will say to the Senator.

Mr. PITTMAN. Providing the Government, which is a party to this compact, and the States which are in the compact are going to sanction a deliberate violation of the agreement.

Mr. SMOOT. I can not see that that would be a violation; I would not say it was a violation if they did do so.

Mr. JOHNSON. But the bill writes the compact into the very distribution of the water.

Mr. SMOOT. Then why in the world have a power plant that will take 12,000,000 cubic feet if it is not going to be used?

Mr. JOHNSON. The Senator is talking of a different proposition; but I repeat that the bill writes the pact into the distribution of the water, and the water must be used in conformity with the division made by the upper basin States.

Mr. SMOOT. Mr. President, it is all well enough to stand here on the floor and say that.

Mr. JOHNSON. But the bill says it; it is not I who say it.

Mr. SMOOT. I want to say that provision is being made for a power plant to take 12,000,000 cubic feet of water, and if it is put into operation and that water is applied for that purpose, those using the water will acquire a right to it, and they are going to claim it.

Mr. PITTMAN. Let the two upper States fight it out, then.

Mr. KENDRICK. Mr. President, will the Senator from Nevada yield to me further?

Mr. PITTMAN. I yield.

Mr. KENDRICK. I wish to ask the Senator from Utah if he believes that the employment of the water of the Colorado River for power purposes—that is, the initiation of the development of the canyon for the production of hydroelectric power—will have an adverse effect on the water rights for agriculture in the States of the upper basin?

Mr. SMOOT. I have not the least doubt of it.

Mr. KENDRICK. In that event, does the Senator not believe that it is a tragic situation that faces us to-day, when the Federal Water Power Commission is delaying granting the right to begin that construction from month to month in order to give the several States interested an opportunity to compose their differences and by a pact to establish their rights to the water?

Mr. SMOOT. It is all well enough if it could be done, but if this measure goes through it can not be done. For instance, the Senator knows very well, and I think he knows the State of Utah well enough to know, that as to the whole Green River Valley, with hundreds of thousands of acres of land, it is going to take a long time before ever we can get water there. Now, let me say further to the Senator——

Mr. PITTMAN. Mr. President, I think I shall have to proceed.

Mr. KENDRICK. Mr. President, if the Senator from Nevada will pardon me for a moment, I estimate that to-day the development of those upper basin States is anywhere from 25 to 50 years deferred.

Mr. SMOOT. There is no doubt about that at all. Now, let me call attention to the fact that we can not tell what may come in the way of development and we can not say whether it will come in 3 years or 20 years; but if the right to the water is taken away those States never can be developed.

Mr. KENDRICK. Yes; but the Senator will agree that the danger of acquiring priorities for agricultural purposes rests largely with California and old Mexico in the lower basin.

Mr. SMOOT. I would not stand here for one moment and deny everything to California that could be given her; I have not the least thought of taking an ounce or a drop of water from her; but if Congress enacts legislation providing that the power plant may take the amount of water I have indicated and shall make beneficial use of it, how in the world can the upper States get back that right? I do not favor such legislation.

Mr. KENDRICK. Mr. President, does not the Senator believe it will make a distinct difference if the Government itself shall construct the dam and the Congress of the United States shall write into the compact the condition that no single bit of construction shall be started on the dam until the States have divided the waters equitably among themselves?

Mr. SMOOT. The Senator does not yet see the point at all, it seems to me.

Mr. PITTMAN. Mr. President, I can not yield further. I do not consider this a material part of the argument at all.

Mr. SMOOT. I beg pardon of the Senator.

Mr. PITTMAN. Mr. President, I do not consider that the suggested objection by the Senator from Utah has any foundation at all. This act is undoubtedly binding on the Government of the United States, if on no one else, in its control of the dam and of the water impounded. The pact expressly provides that there shall not be used for purposes of the lower States in excess of 7,500,000 acre-feet, and the pact is made a part of this bill.

The Government is going to build this dam. It is going to have control of the impounded water. The Government of the United States would not use power to such an extent as to take away from the upper States any portion of the 7,500,000 acre-feet which the Government had agreed to in the compact it was enforcing and carrying out. We can not conceive of such a thing as that. It is perfectly absurd to suppose that the Government of the United States, which builds this dam by virtue of the compact, because it is part of the bill, which impounds the water by virtue of the compact, which creates the power and irrigates the land by virtue of the compact that is written all the way through the bill, could be a party to a fraud on the upper States.

Who can get a vested right, and how? Some one might get a vested right to the use of water; but there is no such thing as a vested right, so far as I know, in power. Who is going to use the water? The irrigators? There is not enough land below the dam that water can be put on, that is irrigable, to consume the 7,500,000 acre-feet. The thing some people are afraid of is that because the water can not be consumed on the land in the United States, it will go to Mexico. That is what they have been arguing.

It is true that there is not enough land available in the United States to consume all the water. Therefore, the irrigators do not get any vested right to all of it. Then who is going to get a vested right? The people who buy electricity from the Government for power purposes? Why, every power company or State or individual that buys power from the United States Government buys it under notice as to the limitations of water that may be used to create that power. The Government does not dare enter into any contract with regard to power without having a limitation in the contract to the effect that when it is necessary to use that water for irrigation or to use that water for storage purposes or flood control, or to use that water in the upper belt, the supply to the power company shall cease. That will be in every contract. There is no danger of that.

The whole proposition is a simple one. There is no other way on earth to prevent the destruction of Imperial Valley in seven years except by impounding the flood waters. There is no place to impound the flood waters except at the lower end of the canyon. There is no place in the lower end of the canyon to build a dam that will have a reservoir site above it except Boulder Canyon. There is no place where you can build a dam and get the necessary capacity of 28,000,000 second-feet, which they practically all agree on, except at Boulder Canyon. The dam has to be built; and if the dam is built, there is an incidental creation of power and use of water for irrigation; and the Government, through that incidental power, always holding it subservient to flood control, can develop the country, earn back its money, and damage no one, because no one is damaged. The Government, by the passage of this bill, gives its solemn pledge that there shall be 7,500,000 acre-feet of that river always held in reserve for the upper States; and the Government can be trusted to keep its word.

But it is said that the bill is unfair; that it takes away the water from Arizona. The only water that Arizona can put into her State from the Colorado River, as all the testimony shows, is below Boulder dam.

The only other scheme she ever had for putting it in was what is called the high-line canal, with a dam at Bridge Creek 900 feet high, a tunnel through the mountains for 82 miles, 600 miles of canal through the roughest country on earth, and an expense of between six hundred and seven hundred million dollars. Everybody has denounced the thing as absolutely visionary and absurd, so there is not any other suggestion as to how they can get water in except below Boulder Canyon dam. All the water, according to the highest estimate that has been made, that can be used by gravity flow from the Colorado River is enough for 298,000 acres, and by pumping 600,000 acres. They can irrigate 600,000 acres by pumping to a height of 200 feet from below Boulder dam. That is all of the available land that water can be put on in Arizona; and we, unfortunately, are in a worse fix. Our land is so situated that we can not by gravity irrigate over 15,000 acres. California herself can not irrigate over 1,000,000 acres. All of the irrigable land in California, Nevada, and Arizona is not enough to take up the 7,500,000 acre-feet. The water proposition cuts no figure at all, but it will create, incidentally, 550,000 hydroelectric horsepower.

I take it, sir, that irrigation is an incidental benefit of the bill. I take it that the three lower States would be entitled to equal treatment with regard to irrigation; that if each of the States had land in plenty, the water that could be put on it would be divided equally between the three States. I take it that power is one of the beneficial uses of water, and that if we are entitled to an equal right in the water, we are entitled to an equal right in the power. Two hundred and thirty thousand horsepower are estimated to be required to pump the domestic water supply from the Colorado River into Los Angeles and surrounding country. That takes up 230,000 horsepower. There are 550,000 firm horsepower there.

Los Angeles will get its 230,000 horsepower at 3 mills per kilowatt-hour. That will be the price fixed by the Government—the cost price. That is the price at which the investment will be returned to the Government in the time fixed in the bill, with interest. So Los Angeles can afford to pump its water to a height of 1,300 or 1,400 feet before it starts to run into Los Angeles. Arizona, however, has 600,000 acres of land that may be irrigated by pumping water from a dam below the Boulder dam.

The Parker dam site is not worth anything unless the Boulder dam is built; but if it is built, the Parker dam site is worth something, and at that point Arizona can pump sufficient water to irrigate 600,000 acres in its State; but it must have cheap power. It needs cheap power to pump water on its 600,000 acres of land, just the same as Los Angeles must have cheap power to pump its domestic water, its potable drinking water, into Los Angeles.

It is perfectly just and fair that Los Angeles should be allowed to purchase 230,000 horsepower at the cost-plus price, so that her people can get the benefit of it. It is equally proper that the State of Arizona should be allowed to purchase enough horsepower to pump the water on its lands at the same price; and it is equally fair that the State of Nevada should be allowed to purchase enough of that power at the Government price to pump water on its land, to open up its mines, and to develop its resources.

Mr. President, Nevada is in worse shape than the other States that are quarreling over this proposition. We get only 15,000 acres irrigated. There are about 1,200,000 acres to be irrigated in Arizona and California. Arizona to-day has her great power systems at the Roosevelt Dam and below it. There is plenty of power in Arizona to-day. Nevada has no power in it. California has its great oil fields and its fuel and its timber. Arizona has its coal and timber. Nevada has no oil, no coal, no timber, no fuel; and we are charged more to-day for power, probably, than anywhere else in the United States.

There is a mountain range lying between the rich lands and valleys of Nevada and the Colorado River, as there is between the Colorado River and most of Arizona. We can not pump over that mountain range; but we have 15,000,000 acres of valleys, rich land, good soil, underlaid with subsurface waters. The big, high mountains that run parallel through our State, north and south, are covered with snow even during the summer, and waters run down into those valleys covered with sand, and they are sand-covered rivers. The waters are from 15 to 200 feet deep. Give us cheap electric power and we will be able to pump from wells all over those great valleys of southern Nevada, and raise there semitropical fruits and plants as they do in Arizona and southern California. We are entitled, Arizona is entitled, to that consideration.

The State of Nevada has asked for an amendment to this bill, a very reasonable amendment, and that is that we be treated as Los Angeles is treated; that we be treated as private power companies are treated; that Los Angeles be allowed to buy her 230,000 horsepower at the Government price to pump its water into Los Angeles, and that Arizona be allowed to purchase at the Government price its power, and that Nevada be allowed to purchase it.

I have a proposed amendment here, sir, which I intend to offer when amendments are in order. The amendment is as follows:

AMENDMENT TO BE PROPOSED BY MR. PITTMAN TO S. 3331

On page 25, line 5, after the semicolon, strike out lines 5 to 11, inclusive, and insert:

"Provided, That in the event no such compact is entered into between the States of Arizona, California, and Nevada, or between the State of California and the State of Nevada, prior to March 4, 1927, then there shall be reserved for acquisition by the State of Nevada, its agents, licensees, or assignees, at the switchboard, at the plant or plants operated through the use of water impounded by said dam, electrical energy equivalent to 15 per cent of the total electrical energy made available by the use of such impounded water, to be contracted for by said State, or its agents, licensees, or assignees, within six months after notice by the Secretary of the Interior, and to be paid for as and when said electrical energy is ready for delivery. If said plant or plants are operated by the Government, then said electrical energy shall be delivered on the terms and charges provided in the general regulations for delivery of electrical energy at the switchboard to municipal corporations and political subdivisions. If, however, said plant or plants are operated by licensee or licensees of the Government, then said electrical energy shall be delivered at the switchboard by said licensee or licensees upon terms and charges equivalent to those that would have been fixed by the Government had the Government delivered such energy, and said equivalent terms and charges to be made by said licensee or licensees shall be established and fixed by the Government.

The VICE PRESIDENT. The amendment will lie on the table and be printed.

Mr. PITTMAN. Mr. President, I say that the Senators from California and the Representatives from California, with regard to that matter, who are here have considered this amendment with me and have agreed that it is reasonable and proper, and they will support its adoption when it is presented to this bill.

I feel that Nevada is entitled to anything with regard to power to which Arizona is entitled, and I feel that Arizona is entitled to anything to which Nevada is entitled. Whatever rights a State has in water, in navigable streams and nonnavigable streams, Nevada and Arizona have the same in the Colorado River at Boulder dam.

This dam is to be built in a canyon lying between Arizona and Nevada. If the river is navigable, then the States have sovereignty over the bed of the river to the middle of the river. Whether it is navigable or is not navigable the States have sovereignty over the waters within their boundaries. I do not say ownership, I say sovereignty. They have a right to control the disposition of the water in the States, subject, of course, to the rights they surrender to the Federal Government in the Constitution to control navigation in those waters.

There is no conflict there that I know of. There is a legal right in the State of Nevada which I do not believe any attorney can successfully contradict. Nevada has made no relinquishment, as it is alleged Arizona has. If the Colorado is a navigable stream, then Nevada has sovereignty over the bed of that stream to the middle of the river, and that sovereignty carries with it certain rights that even the Federal Government can not impose on. When I say "impose on," I mean that the Federal Government can not interfere with beyond the constitutional authority that has been granted to it by the States.

The State has a right of sovereignty over the water within or on its border, both navigable and nonnavigable. The Supreme Court of the United States has held time and again that jurisdiction over the waters within a State is a necessary incident to sovereignty. The Federal Government, in the Federal power act, has provided a royalty of 5 per cent for the use of its public domain for a dam site or for a right of way. In my opinion there is no reason on earth why a State could not charge a royalty for the use of the water of a State within the State.

I do not believe the Federal Government could grant a power or a privilege to any licensee to use the bed of a navigable stream for a dam that was not intended to benefit navigation. They could not do it for reclamation purposes, they could not do it for power purposes, because the States have not relin-

quished the control over the beds of navigable streams within their borders for those purposes. You can not interfere with the Government building a dam in a river to make it navigable, because the States have specifically surrendered that power to the Federal Government in the adoption of the Constitution of the United States.

I am only making this statement because we are drifting too far. We drifted too far when we passed the Federal power act. Some of us thought we knew the construction of the Federal power act, but the administrators of the Federal power act have undoubtedly thought something else. They have felt that by that act the Federal Government was given absolute and exclusive control over any river that was subject to the power act. All that act does is to provide that the Government, in the case of navigable rivers, gives a permit and says that the kind of a dam to be built shall not interfere with navigation, and on public lands all the permit amounts to is the right to use the public lands. The permit does not give the grantees any right to the use of water in a State whatever, nor does it give them any right to the use of the bed of a navigable stream in a State unless it be for the purpose of regulating navigation.

Mr. McKELLAR. Mr. President, the Senator knows that the Federal Government Power Commission has assumed jurisdiction not only of navigable streams but of all unnavigable streams on the ground that the water in the unnavigable streams flows into the navigable streams. I want to say to the Senator that I agree with him entirely that Congress never had any idea of giving authority to the Federal Power Commission over unnavigable streams, and I have a bill now before the Committee on Commerce which would remedy that assumption of authority. I hope that when it comes up the Senator will take the same view of the question he takes now. I am sure he will, because we all recognize that the United States Government has no authority over unnavigable streams.

Mr. PITTMAN. Mr. President, it was these serious questions of jurisdiction, it was the question of right as between the various States, and the question of rights as between the States and the Federal Government, that caused the movers in this pact to believe that it was absolutely essential that some form of agreement be brought about among the States and the Federal Government to avoid litigation and to avoid discrimination.

I think the agreement has been largely brought about. I think the pact is largely successful. I think that some of the fears manifested in the upper States with regard to the Federal Government taking more water from the upper States than should be taken is without any foundation whatever. I think there is more water allotted to the southern States—Arizona, California, and Nevada—than there is land on which it can be put. I think all three States will get enough water to irrigate all of the land that can be economically irrigated, so I do not think water has anything to do with the matter.

I think, however, the equitable distribution of the power is absolutely essential to the development of those States, and they must be developed by pumping rather than by gravity flow. We insist, of course, on this amendment providing that Nevada be given 15 per cent of the available power as and when produced at the price the Government charges everyone else. I will support an identical amendment for Arizona, and, if agreed to, Arizona should accept the bill.

Mr. DILL. Mr. President, will the Senator yield right there?

Mr. PITTMAN. I yield.

Mr. DILL. Will the same rate that is proposed to be charged to Los Angeles be applied to all the power sold from this dam for the 500,000 horsepower?

Mr. PITTMAN. I would judge so, from the report that is filed.

Mr. DILL. That was my understanding. After the bonds have been paid for, what is to be done with the receipts from the sale of this power?

Mr. PITTMAN. There is no provision in the bill as to what shall be done with such receipts. Of course, those in charge should give the benefit of the receipts in some form to those who had been paying for the power and those who had been paying for reclamation. In other words, the project having been amortized, paid for, the Government then could afford, of course, to reduce the charges to everyone.

Mr. DILL. Would it not be a desirable thing to place in the bill a provision that the price of power should be reduced so as simply to provide the amount necessary to keep up the dam and keep up the improvements?

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER (Mr. WHEELER in the chair). Does the Senator from Nevada yield to the Senator from Nebraska?

Mr. PITTMAN. I yield.

Mr. NORRIS. It seems to me that would follow, if we are to use this money to pay for this improvement. The principal would be paid off, and we would still have some expenses, and will always have expenses. The dam will have to be maintained. There will be improvements to make, accidents will happen that will involve the expenditure of money, and all those things must be provided for; but that is all that must be provided for. Those things should embrace everything covered by the charge for electricity. The Government does not want to make any profit off these people. It would naturally follow, it seems to me, that the price paid for electricity should be decreased when the works were paid for, so that there would be just enough left to pay for maintenance and upkeep.

Mr. DILL. It would be extremely small, because even the 3 mills charge would be exceedingly small.

Mr. NORRIS. Of course, the charge would be extremely small, but that naturally follows in the case of any electrical development. When once the installation charges are paid, if the works are permanent, as these would be, the upkeep being rather small, the equation of cost is practically eliminated.

Mr. PITTMAN. I feel perfectly confident that that will be accomplished through a reduction of cost. It can not be entirely wiped out, for the reasons the Senator has stated. There will be some maintenance and replacement charges.

I have about concluded, Mr. President. I am in perfect harmony with Arizona with regard to its view of the law in most cases. I am in harmony with Arizona with regard to its assertion that it is entitled to all the water up to one-third for use on lands that may be economically irrigated.

We do not maintain at this time the proposition that Nevada should have a royalty on the power that goes out of the State. Whether we have a legal right to insist on a royalty or not it is unnecessary for me to discuss, because my State is satisfied with the agreement that I have reached with the Senators from California and the Representatives from California.

The bill itself provides for a separate compact between the State of California and the State of Nevada. This constitutes now the compact which I am offering as an amendment, and I have no doubt, of course, that the agreement between those States will be confirmed by Congress and maintained.

With the adoption of my amendment my State will be content. With equal treatment of Arizona all objections should be removed.

I know that an emergency exists for this legislation. Human life is at stake. I hope the bill passes in the form that I have stated.

I ask leave to publish in the RECORD from the report on the bill the estimate of the costs and disbursements, receipts, and revenues as submitted by the Secretary of the Interior.

The PRESIDING OFFICER. Without objection, it is so ordered.

The estimate is as follows:

PART VI. FINANCIAL SOUNDNESS OF PROJECT

FINANCIAL SET-UP

The Secretary of the Interior, in his report of January 12, 1926, gives his estimate of the financial working of the project as follows:

Capital investment

Estimated cost for—	
26,000,000 acre-foot reservoir	$41,500,000
1,000,000-horsepower development	31,500,000
The all-American canal	31,000,000
Interest during construction on above five years at 4 per cent	21,000,000
Total	125,000,000

Annual operation

Estimated gross revenues from—	
Sale 3,600,000 kilowatt-hours, power at three-tenths cent	10,800,000
Storage and delivery of water for irrigation and domestic purposes	1,500,000
Total	12,300,000
Estimated fixed annual charges for—	
Operation and maintenance, storage, and power	700,000
Operation and maintenance, all-American canal	500,000
Interest on $125,000,000 at 4 per cent	5,000,000
Total	6,200,000

Estimated annual surplus, $6,100,000, or thought to be sufficient to repay the entire cost in 25 years.

It will be observed that the allowances he makes for operation and maintenance are extremely liberal. The testimony points to costs being more favorable than thus indicated.

Mr. PITTMAN. I also ask leave to have printed in the RECORD as a part of my remarks some correspondence I have

had on the subject very largely bearing upon the amendment which I have just read.

The PRESIDING OFFICER. Without objection, the correspondence will be printed in the RECORD.

The correspondence is as follows:

UNITED STATES SENATE,
COMMITTEE ON IMMIGRATION,
February 12, 1927.

Hon. KEY PITTMAN,
Addressed.

DEAR SENATOR: I am confirming now what recently I said to you concerning the amendment, copy of which you sent me, to the Boulder dam bill.

I submitted your proposed amendment to those here interested in the measure, and they agree to it. Therefore, I will gladly agree to it and accept it.

Yours sincerely, HIRAM W. JOHNSON.

EXECUTIVE CHAMBER, STATE OF NEVADA,
Carson City, January 20, 1927.

Hon. KEY PITTMAN,
Senate Office Building, Washington, D. C.

DEAR SENATOR: I have your note of the 14th instant, inclosing copy of a letter written by yourself to the Secretary of the Interior of even date relative to your proposed amendment to Boulder Canyon dam bill.

I have this date transmitted to the legislature by special message copy of Senate Joint Resolution No. 1, eighth session of Arizona Legislature, and also a copy of their senate bill No. 9, referring to the Colorado River matter.

I am advised that the senate has directed the printing of this message with accompanying documents, and no doubt some action may be expected thereon in the immediate future, and I shall be glad to advise you by wire.

Since writing the above, I understand the matter has been referred to the Federal relations committee, of which Senator Henderson, of Clark County, is chairman.

In reference to the amendment proposed by you to S. 3331, I am advised that the Colorado River Commission of the State of Nevada is in accord with the same. Said commission is now in conference with the like commissions from the States of California and Arizona and we expect some definite action to be taken by the legislature upon the matters contained in the amendment after conferring with the members of our commission at Los Angeles and dependent upon the outcome of their labors there.

Very truly yours,

F. B. BALZAR, *Governor.*

CARSON CITY, NEV., *February 11, 1927.*

KEY PITTMAN,
Senate Chamber, Washington, D. C.:

Your amendment Swing-Johnson bill meets my approval. Legislative action on this matter to be taken Monday. Will advise result.

F. B. BALZAR.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, returned to the Senate, in compliance with its request, the bill (S. 4411) granting the consent of Congress to compacts or agreements between the States of South Dakota and Wyoming with respect to the division and apportionment of the waters of the Belle Fourche and Cheyenne Rivers and other streams in which such States are jointly interested.

The message announced that the House had passed without amendment the following bills and joint resolution of the Senate:

S. 722. An act to authorize the selection of certain publicly owned lands by the State of Oregon;

S. 2714. An act to authorize the cancellation, under certain conditions, of patents in fee simple to Indians for allotments held in trust by the United States;

S. 4812. An act amending the statutes of the United States as to procedure in the Patent Office and in the courts with regard to the granting of letters patent for inventions and with regard to interfering patents;

S. 4910. An act granting certain lands to the State of New Mexico for the use and benefit of New Mexico College of Agriculture and Mechanic Arts, for the purpose of conducting educational, demonstrative, and experimental development with livestock, grazing methods, and range forage plants;

S. 4957. An act to amend section 129 of the Judicial Code, allowing an appeal in a patent suit from a decree which is final except for the ordering of an accounting;

S. 4974. An act to amend and reenact an act entitled "United States cotton futures act," approved August 11, 1916, as amended;

S. 5082. An act authorizing an appropriation of $8,600,000 for the purchase of seed grain, feed, and fertilizer to be supplied to farmers in the crop-failure areas of the United States, and for other purposes;

S. 5585. An act to extend the time for construction of a bridge across the southern branch of the Elizabeth River near the cities of Norfolk and Portsmouth, in the county of Norfolk, State of Virginia;

S. 5588. An act granting the consent of Congress to the Big Sandy & Cumberland Railroad Co. to construct and maintain and operate a bridge across the Tug Fork of Big Sandy River at Devon, Mingo County, W. Va.;

S. 5598. An act to extend the time for constructing a bridge across the Ohio River approximately midway between the city of Owensboro, Ky., and Rockport, Ind.;

S. 5620. An act granting the consent of Congress to John R. Scott, Thomas J. Scott, E. E. Green, and Baxter L. Brown, their successors and assigns, to construct, maintain, and operate a bridge across the Mississippi River; and

S. J. Res. 120. Joint resolution authorizing the acceptance of title to certain lands in Teton County, Wyo., adjacent to the winter elk refuge in said State established in accordance with the act of Congress of August 10, 1912 (37 Stat. L. p. 293).

The message also announced that the House had passed the followings bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 2615. An act to authorize common carriers engaged in interstate commerce to transport any blind person, accompanied by a guide, for one fare; and

S. 5596. An act granting the consent of Congress to Dauphin Island Railway & Harbor Co., its successors and assigns, to construct, maintain, and operate a railroad bridge and approaches thereto and/or a toll bridge across the water between the mainland at or near Cedar Point and Dauphin Island.

The message further announced that the House had passed the following bills of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 2849. An act to provide for an additional Federal district for North Carolina;

S. 4876. An act providing for the erection of a monument on Kill Devil Hill, at Kitty Hawk, N. C., commemorative of the first successful human attempt in history at power-driven airplane flight; and

S. 5083. An act to supplement the act entitled "An act granting the consent of Congress to the city of Louisville, Ky., to construct a bridge across the Ohio River at or near said city," approved April 2, 1926.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 10976. An act to amend the act entitled "An act for the survey and allotment of lands now embraced within the limits of the Fort Peck Indian Reservation, in the State of Montana, and the sale and disposal of all the surplus lands after allotment," approved May 30, 1908, as amended, and for other purposes;

H. R. 11487. An act granting a right of way to the county of Imperial, State of California, over certain public lands for highway purposes;

H. R. 12442. An act to amend section 128, subdivision (b), paragraph first, of the Judicial Code, as amended February 13, 1925, relating to appeals from district courts;

H. R. 12532. An act granting pensions to certain soldiers who served in the Indian wars from 1817 to 1898, and for other purposes;

H. R. 12708. An act for the hospitalization of persons discharged from the United States Navy or Marine Corps who have contracted tuberculosis in the line of duty while in the naval service;

H. R. 13450. An act granting pensions and increase of pensions to widows and former widows of certain soldiers, sailors, and marines of the Civil War, and for other purposes;

H. R. 13477. An act to amend the act entitled "An act to amend the act entitled 'An act for the retirement of employees in the classified civil service, and for other purposes,' approved May 22, 1920, and acts in amendment thereof," approved July 3, 1926, and for other purposes;

H. R. 13483. An act authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Louisiana State Museum, of the city of New Orleans, La., the silver bell in use on the battleship *New Orleans;*

H. R. 14251. An act to provide additional pay for enlisted men of the United States Navy assigned to duty on submarine vessels of the Navy;

H. R. 14831. An act to amend section 107 of the Judicial Code;

H. R. 15131. An act to authorize the Secretary of the Navy to modify agreements heretofore made for the settlement of certain claims in favor of the United States;

H. R. 15650. An act to amend section 10 of the act entitled "An act extending the homestead laws and providing for right of way for railroads in the District of Alaska, and for other purposes," approved May 14, 1898 (30 Stat. L. p. 409);

H. R. 15822. An act authorizing the county of Escambia, Fla., and/or the county of Baldwin, Ala., and/or the State of Florida, and/or the State of Alabama to acquire all the rights and privileges granted to the Perdido Bay Bridge & Ferry Co. by chapter 168, approved June 22, 1916, for the construction of a bridge across Perdido Bay from Lillian, Ala., to Cummings Point, Fla.;

H. R. 15905. An act to authorize the Postmaster General to cancel a certain screen-wagon contract, and for other purposes;

H. R. 16017. An act granting public lands to the city of Golden, Colo., to secure a supply of water for municipal and domestic purposes;

H. R. 16024. An act to amend the act entitled "An act granting the consent of Congress to the Yell and Pope County bridge district, Dardanelle and Russellville, Ark., to construct, maintain, and operate a bridge across the Arkansas River at or near the city of Dardanelle, Yell County, Ark.," approved March 3, 1925, and to extend the time for the construction of the bridge authorized thereby;

H. R. 16074. An act to amend section 2 of the act of Congress of March 3, 1921 (41 Stat. L., p. 1249), entitled "An act to amend section 3 of the act of Congress of June 28, 1906, entitled 'An act for the division of the lands and funds of the Osage Indians in Oklahoma, and for other purposes;'"

H. R. 16104. An act to amend the act entitled "An act granting the consent of Congress to the county of Barry, State of Missouri, to construct a bridge across the White River," approved March 31, 1926;

H. R. 16105. An act to amend the act entitled "An act granting the consent of Congress to the county of Barry, State of Missouri, to construct a bridge across the White River," approved March 31, 1926;

H. R. 16110. An act to amend section 2455 of the Revised Statutes of the United States, as amended, relating to isolated tracts of public land;

H. R. 16116. An act granting the consent of Congress to the Henderson Bridge Co., its successors and assigns, to construct, purchase or lease, maintain, and operate a bridge across the Kanawha River at or near the town of Henderson, W. Va., to a point opposite thereto in or near the city of Point Pleasant, W. Va.;

H. R. 16165. An act granting the consent of Congress to the commissioners of the county of Cook, State of Illinois, to reconstruct the bridge across the Grand Calumet River at Burnham Avenue, in said county and State;

H. R. 16207. An act to authorize an appropriation to enable the Secretary of the Interior to provide an adequate water supply for the Sequoyah Orphan Training School, near Tahlequah, Cherokee County, Okla.;

H. R. 16217. An act to amend an act entitled "An act to establish a Code of Law for the District of Columbia," approved March 3, 1901, and the acts amendatory thereof and supplementary thereto;

H. R. 16281. An act to grant to the city of Fort Wayne, Ind., an easement over certain Government property;

H. R. 16284. An act to authorize the Secretary of the Navy to dispose of the former naval radio station, Marshfield, Oreg.;

H. R. 16287. An act for the irrigation of additional lands within the Fort Hall Indian irrigation project in Idaho;

H. R. 16551. An act to permit the granting of Federal aid in respect of certain roads and bridges;

H. R. 16580. An act to authorize the Secretary of the Navy to declare the naval dispensary at the United States naval station, Guantanamo, Cuba, to be a naval hospital, and for other purposes;

H. R. 16649. An act to extend the time for construction of a bridge across the Susquehanna River, in Northumberland and Snyder Counties, State of Pennsylvania;

H. R. 16652. An act granting the consent of Congress to the Lawrenceburg (Ind.) Bridge Co., its successors and assigns, to construct, operate, and maintain a bridge across the Miami River between Lawrenceburg, Dearborn County, Ind., and a point in Hamilton County, Ohio, near Columbia Park, Hamilton County, Ohio;

H. R. 16685. An act granting the consent of Congress to the Carrollton Bridge Co., its successors and assigns, to construct, operate, and maintain a bridge across the Ohio River between Carrollton, Carroll County, Ky., and a point directly across the river in Switzerland County, Ind.;

H. R. 16744. An act to authorize a per capita payment from tribal funds to the Fort Hall Indians;

H. R. 16770. An act granting the consent of Congress to the Starr County Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Rio Grande River;

H. R. 16773. An act to amend an act entitled "An act authorizing the construction of a bridge across the Ohio River between the municipalities of Rochester and Monaca, Beaver County, Pa.";

H. R. 16778. An act to extend the times for the construction of bridges across the Mississippi River at Alton, Ill., and across the Missouri River near Bellefontaine, in Missouri;

H. R. 16840. An act to authorize the Secretary of the Interior to expend certain Indian tribal funds for industrial purposes;

H. R. 16845. An act to amend section 1 of the act approved May 26, 1926, entitled "An act to amend sections 1, 5, 6, 8, and 18 of an act approved June 4, 1920, entitled 'An act to provide for the allotment of lands of the Crow Tribe, for the distribution of tribal funds, and for other purposes'";

H. R. 16887. An act granting the consent of Congress to George A. Hero and Allen S. Hackett, their successors and assigns, to construct, maintain, and operate a bridge across the Mississippi River;

H. R. 16950. An act granting the consent of Congress to the department of highways and public works of the State of Tennessee to construct, maintain, and operate a bridge across the Clinch River in Hancock County, Tenn.;

H. R. 16954. An act granting the consent of Congress to the city of Blair, in the State of Nebraska, or its assignees, to construct a bridge and approaches thereto across the Missouri River between the States of Nebraska and Iowa;

H. R. 16971. An act granting the consent of Congress to the South Carolina and Georgia State highway department, their successors and assigns, to construct, maintain, and operate a bridge across the Savannah River;

H. R. 17089. An act relative to the dam across the Kansas (Kaw) River at Lawrence, in Douglas County, Kans.;

H. R. 17131. An act authorizing the construction of a bridge across the St. Lawrence River near Alexandria Bay, N. Y.;

H. R. 17181. An act to extend the time for constructing a bridge across the Rainy River, approximately midway between the village of Spooner, in the county of Lake of the Woods, State of Minnesota, and the village of Rainy River, Province of Ontario, Canada;

H. J. Res. 345. Joint resolution amending the act of May 13, 1924, entitled "An act providing a study regarding the equitable use of the waters of the Rio Grande," etc.; and

H. J. Res. 363. Joint resolution amending the joint resolution entitled "Joint resolution directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes," approved June 5, 1924.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 46) requesting the President to enter into negotiations with the Republic of China for the purpose of placing the treaties relating to Chinese tariff autonomy, extraterritoriality, and other matters, if any, in controversy between the Republic of China and the United States of America upon an equal and reciprocal basis, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were thereupon signed by the Vice President:

S. 1155. An act for the relief of Margaret Richards;

S. 1515. An act to extend the benefits of the employees' compensation act of September 7, 1916, to Daniel S. Glover;

S. 1517. An act authorizing and directing the Secretary of the Treasury to pay to W. Z. Swift, of Louisa County Va., the insurance due on account of the policy held by Harold Rogis;

S. 1899. An act for the relief of Delaware River Towing Line;

S. 2090. An act for the relief of Alfred F. Land;

S. 2353. An act to amend the military record of Leo J. Pourciau;

S. 2474. An act for the relief of the Riverside Contracting Co.;

S. 2619. An act for the relief of Oliver J. Larkin and Lona Larkin;

S. 2899. An act for the relief of the owner of the American steamship *Almirante* and owners of the cargo laden aboard thereof at the time of her collision with the U. S. S. *Hisko;*

H. R. 11278. An act to authorize the erection of a statue of Henry Clay;

H. R. 14842. An act granting the consent of Congress to the Pomeroy-Mason Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near the town of Mason, Mason County, W. Va., to a point opposite thereto in the city of Pomeroy, Meigs County, Ohio;

H. R. 14920. An act to amend an act entitled "An act granting the consent of Congress to the Weirton Bridge & Development Co. for the construction of a bridge across the Ohio River near Steubenville, Ohio," approved May 7, 1926; and

H. R. 16775. An act to limit the application of the internal-revenue tax upon passage tickets.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles and referred as indicated below:

H. R. 16281. An act to grant to the city of Fort Wayne, Ind., an easement over certain Government property; to the Committee on Public Buildings and Grounds.

H. R. 16551. An act to permit the granting of Federal aid in respect of certain roads and bridges; to the Committee on Agriculture and Forestry.

H. R. 15905. An act to authorize the Postmaster General to cancel a certain screen-wagon contract, and for other purposes; to the Committee on Post Offices and Post Roads.

H. R. 13477. An act to amend the act entitled "An act to amend the act entitled 'An act for the retirement of employees in the classified civil service, and for other purposes,' approved May 22, 1920, and acts in amendment thereof," approved July 3, 1926, and for other purposes; to the Committee on Civil Service.

H. R. 13450. An act granting pensions and increase of pensions to widows and former widows of certain soldiers, sailors, and marines of the Civil War, and for other purposes; and

H. R. 12532. An act granting pension to certain soldiers who served in the Indian wars from 1817 to 1898, and for other purposes; to the Committee on Pensions.

H. R. 12442. An act to amend section 128, subdivision (b), paragraph 1, of the Judicial Code as amended February 13, 1925, relating to appeals from district courts;

H. R. 14831. An act to amend section 107 of the Judicial Code; and

H. R. 16217. An act to amend an act entitled "An act to establish a Code of Law for the District of Columbia," approved March 3, 1901, and the acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

H. R. 12708. An act for the hospitalization of persons discharged from the United States Navy or Marine Corps who have contracted tuberculosis in the line of duty while in the naval service;

H. R. 13483. An act authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Louisiana State Museum, of the city of New Orleans, La., the silver bell in use on the battleship *New Orleans;*

H. R. 14251. An act to provide additional pay for enlisted men of the United States Navy assigned to duty on submarine vessels of the Navy;

H. R. 15131. An act to authorize the Secretary of the Navy to modify agreements heretofore made for the settlement of certain claims in favor of the United States;

H. R. 16284. An act to authorize the Secretary of the Navy to dispose of the former naval radio station, Marshfield, Oreg.;

H. R. 16580. An act to authorize the Secretary of the Navy to declare the naval dispensary at the United States naval station, Guantanamo, Cuba, to be a naval hospital, and for other purposes; to the Committee on Naval Affairs;

H. R. 10976. An act to amend the act entitled "An act for the survey and allotment of lands now embraced within the limits of the Fort Peck Indian Reservation, in the State of Montana, and the sale and disposal of all the surplus lands after allotment," approved May 30, 1908, as amended, and for other purposes;

H. R. 16074. An act to amend section 2 of the act of Congress of March 3, 1921 (41 Stat. L. p. 1249), entitled "An act to amend section 3 of the act of Congress of June 28, 1906, entitled 'An act for the division of the lands and funds of the Osage Indians in Oklahoma, and for other purposes'";

H. R. 16207. An act to authorize an appropriation to enable the Secretary of the Interior to provide an adequate water supply for the Sequoyah Orphan Training School near Tahlequah, Cherokee County, Okla.;

H. R. 16287. An act for the irrigation of additional lands within the Fort Hall Indian irrigation project in Idaho;

H. R. 16744. An act to authorize a per capita payment from tribal funds to the Fort Hall Indians;

H. R. 16840. An act to authorize the Secretary of the Interior to expend certain Indian tribal funds for industrial purposes; and

H. R. 16845. An act to amend section 1 of the act approved May 26, 1926, entitled "An act to amend sections 1, 5, 6, 8, and 18 of an act approved June 4, 1920, entitled 'An act to provide for the allotment of lands of the Crow Tribe, for the distribution of tribal funds, and for other purposes'"; to the Committee on Indian Affairs.

H. R. 15822. An act authorizing the county of Escambia, Fla., and/or the county of Baldwin, Ala., and/or the State of Florida, and/or the State of Alabama to acquire all the rights and privileges granted to the Perdido Bay Bridge & Ferry Co. by chapter 168, approved June 22, 1916, for the construction of a bridge across Perdido Bay from Lillian, Ala., to Cummings Point, Fla.;

H. R. 16024. An act to amend the act entitled "An act granting the consent of Congress to the Yell and Pope County bridge district, Dardanelle and Russellville, Ark., to construct, maintain, and operate a bridge across the Arkansas River at or near the city of Dardanelle, Yell County, Ark.," approved March 3, 1925, and to extend the time for the construction of the bridge authorized thereby;

H. R. 16104. An act to amend the act entitled "An act granting the consent of Congress to the county of Barry, State of Missouri, to construct a bridge across the White River," approved March 31, 1926;

H. R. 16105. An act to amend the act entitled "An act granting the consent of Congress to the county of Barry, State of Missouri, to construct a bridge across the White River," approved March 31, 1926;

H. R. 16116. An act granting the consent of Congress to the Henderson Bridge Co., its successors and assigns, to construct, purchase or lease, maintain, and operate a bridge across the Kanawha River at or near the town of Henderson, W. Va., to a point opposite thereto in or near the city of Point Pleasant, W. Va.;

H. R. 16165. An act granting the consent of Congress to the commissioners of the county of Cook, State of Illinois, to reconstruct the bridge across the Grand Calumet River at Burnham Avenue in said county and State;

H. R. 16649. An act to extend the time for construction of a bridge across the Susquehanna River in Northumberland and Snyder Counties, State of Pennsylvania;

H. R. 16652. An act granting the consent of Congress to the Lawrenceburg (Ind.) Bridge Co., its successors and assigns, to construct, operate, and maintain a bridge across the Miami River between Lawrenceburg, Dearborn County, Ind., and a point in Hamilton County, Ohio, near Columbia Park, Hamilton County, Ohio;

H. R. 16685. An act granting the consent of Congress to the Carrollton Bridge Co., its successors and assigns, to construct, operate, and maintain a bridge across the Ohio River between Carrollton, Carroll County, Ky., and a point directly across the river in Switzerland County, Ind.;

H. R. 16770. An act granting the consent of Congress to the Starr County Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Rio Grande River;

H. R. 16773. An act to amend an act entitled "An act authorizing the construction of a bridge across the Ohio River between the municipalities of Rochester and Monaca, Beaver County, Pa.";

H. R. 16778. An act to extend the time for the construction of a bridge across the Mississippi River at Alton, Ill., and across the Missouri River near Bellefontaine, in Missouri;

H. R. 16887. An act granting the consent of Congress to George A. Hero and Allen S. Hackett, their successors and assigns, to construct, maintain, and operate a bridge across the Mississippi River;

H. R. 16950. An act granting the consent of Congress to the department of highways and public works of the State of Tennessee to construct, maintain, and operate a bridge across the Clinch River in Hancock County, Tenn.;

H. R. 16954. An act granting the consent of Congress to the city of Blair, in the State of Nebraska, or its assignees, to construct a bridge and approaches thereto across the Missouri River between the States of Nebraska and Iowa;

H. R. 16971. An act granting the consent of Congress to the South Carolina and Georgia State highway departments, their successors and assigns, to construct, maintain, and operate a bridge across the Savannah River;

H. R. 17089. An act relative to the dam across the Kansas (Kaw) River at Lawrence, in Douglas County, Kans.;

H. R. 17131. An act authorizing the construction of a bridge across the St. Lawrence River near Alexandria Bay, N. Y.; and

H. R. 17181. An act to extend the time for constructing a bridge across the Rainy River, approximately midway between the village of Spooner, in the county of Lake of the Woods, State of Minnesota, and the village of Rainy River, Province of Ontario, Canada; to the Committee on Commerce.

H. R. 11487. An act granting a right of way to the county of Imperial, State of California, over certain public lands for highway purposes;

H. R. 15650. An act to amend section 10 of the act entitled "An act extending the homestead laws and providing for right of way for railroads in the District of Alaska, and for other purposes," approved May 14, 1898 (30 Stat. L. p. 409);

H. R. 16017. An act granting public lands to the city of Golden, Colo., to secure a supply of water for municipal and domestic purposes;

H. R. 16110. An act to amend section 2455 of the Revised Statutes of the United States, as amended, relating to isolated tracts of public land; and

H. J. Res. 363. Joint resolution amending the joint resolution entitled "Joint resolution directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes," approved June 5, 1924; to the Committee on Public Lands and Surveys.

H. J. Res. 345. Joint resolution amending the act of May 13, 1924, entitled "An act providing a study regarding the equitable use of the waters of the Rio Grande," etc.; to the calendar.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 46) requesting the President to enter into negotiations with the Republic of China for the purpose of placing the treaties relating to Chinese tariff autonomy, extraterritoriality, and other matters, if any, in controversy between the Republic of China and the United States of America upon an equal and reciprocal basis, was referred to the Committee on Foreign Relations.

NAVAL APPROPRIATIONS—CONFERENCE REPORT

During the delivery of Mr. PITTMAN'S speech,

Mr. HALE. Will the Senator from Nevada yield to me for the presentation of a conference report?

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Maine?

Mr. PITTMAN. I will not yield if it is going to take any time.

Mr. HALE. I do not think it will take any time. If it does, I will withdraw the request.

Mr. DILL. What conference report is it?

Mr. HALE. The conference report on the naval appropriations bill.

Mr. DILL. It will take a little time, for I wish to discuss one phase of the report. I understand a Senate amendment has been eliminated and I want to take a little time to discuss it.

Mr. NORRIS. Mr. President, let me ask, if the Senator from Nevada will permit me, why is not the Senator from Maine permitted to file his conference report? I think he has a right to do that at any time—not to take it up and have it considered, but to file it and have it printed.

Mr. DILL. I have no objection to that being done.

Mr. PITTMAN. Mr. President, let me go on for a few minutes. If the Senator from Maine wishes to ask unanimous consent to present the report, so far as I am concerned, I will not object, but I want to follow the topic under discussion now, if I may.

Mr. HALE. Very well, I will file the report and ask unanimous consent later to have it considered.

Mr. PITTMAN. I hope to finish in a few minutes.

The VICE PRESIDENT. The Senator from Maine presents a conference report, which will be read.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 15641) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1928, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 4, 7, 8, 22, 23, and 24.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 5, 6, 15, 16, 18, 19, and 26, and agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$65,068,250"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,362,533"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$124,428,702"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$19,128,975"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$4,535,250"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$148,092,927"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$8,522,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$20,100,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$9,480,000"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 25 and 27.

FREDERICK HALE,
LAWRENCE C. PHIPPS,
GEORGE WHARTON PEPPER,
CLAUDE A. SWANSON,
CARTER GLASS,
Managers on the part of the Senate.

BURTON L. FRENCH,
GUY U. HARDY,
JOHN TABER,
W. A. AYRES,
W. B. OLIVER,
Managers on the part of the House.

Mr. JOHNSON. Mr. President, may I inquire whether or not the cruiser amendment has been agreed to in the conference report?

Mr. LENROOT. The conference report has not been taken up.

Mr. CURTIS. The conference report is not now before the Senate.

Mr. JOHNSON. I merely wish to make an inquiry as to the fact.

Mr. HALE. Mr. President, I will say in answer to the Senator from California that there has been no agreement as to the cruiser amendment. That matter will have to be voted on in the House.

ORDER FOR RECESS

Mr. CURTIS. Mr. President, will the Senator from Nevada yield to me in order that I may make a request for unanimous consent?

Mr. PITTMAN. I yield.

Mr. CURTIS. After conferring with the minority leader and others, I ask unanimous consent that when the Senate concludes its business this afternoon it take a recess until 12 o'clock tomorrow.

The VICE PRESIDENT. Is there objection? Without objection, it is so ordered.

INCOME-TAX REFUNDS

Mr. McKELLAR. Mr. President, I desire to ask unanimous consent to place in the RECORD a letter—incorporated in the Comptroller General's reply—which I wrote to the General Ac-

counting Office, and the reply of Comptroller General McCarl thereto, in reference to a proposed amendment to the deficiency appropriation bill. I ask unanimous consent to have the letter printed in the RECORD and also the proposal, which I understand has been agreed to, printing the purported proviso first.

The PRESIDING OFFICER (Mr. WHEELER in the chair). Without objection, it is so ordered.

The matter referred to is as follows:

Provided, That no part of this appropriation shall be available for paying any claim allowed in excess of $75,000 until after the expiration of 60 days from the date upon which a report giving the name of the person to whom the refund is to be made, the amount of the refund, and a summary of the facts and the decision of the Commissioner of Internal Revenue is submitted to the Joint Committee on Internal Revenue Taxation.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, February 21, 1927.

Hon. KENNETH MCKELLAR,
United States Senate.

MY DEAR SENATOR: I have your letter of this date, just received by messenger, as follows:

"When the first deficiency bill was before the Senate, I offered an amendment as follows:

"'*Provided*, That no part of this appropriation shall be used to pay any claim in excess of $50,000 until such claim has been approved by the Comptroller General of the United States in accordance with existing law.'

"This provision is now in dispute in conference.

"It is claimed:

"First. That you haven't a sufficient organization of specialized experts to pass upon these claims.

"Second. That it might take $24,000,000, or a very large sum, to set up such an organization in your bureau to pass upon these claims.

"Third. That under the law these claims bear interest at 6 per cent and the interest would be an enormous additional cost to the Government because of the delay in settlement.

"Will you kindly answer these questions?

Assuming that there are about 550 claims that would go to your bureau under this amendment, how long a time would you think would be necessary for these several claims to be passed upon by your bureau?

"Second. Would you have to have a separate and distinct organization to pass upon them or could they be passed by your present organization?

"Third. What additional appropriation would be necessary either for personnel or otherwise in order for you to pass upon these claims?"

As I understand the purpose of the amendment it is, in general, that before the appropriation involved may be used to pay an income-tax refundment of $50,000 or more, the case must be submitted to the General Accounting Office and receive the approval of the Comptroller General. There is apparently contemplated no taking of present duty or responsibility from the Bureau of Internal Revenue in the Treasury Department, but rather a setting up of a further safeguard against improper payments by requiring, in addition to what is now required, prior approval by the Comptroller General in cases involving refundments of $50,000 or more. If this be the purpose, I am impressed there should not be occasion for great delay in this office.

Inasmuch as the major value of an audit or independent review in fiscal matters lies in the administrative knowledge that such independent examination of the transaction is to occur, it seems fair to assume that before cases are submitted to this office they will be most carefully worked out, and that the administrative conclusion or recommendation as to the payment believed authorized will be fully and clearly supported. To examine such a record here should not, it would seem, require a vast amount of time nor a large increase in present organization, nothing like the time or organization that might be required, if the responsibility for the primary or original action were upon this office. Delay would probably be involved in those not fully and clearly supporting the administrative action and thus necessarily to be questioned.

So far as the elements of time and expense are concerned, should the amendment become the law, it would seem the matter will be largely dependent upon the time and manner in which cases are submitted here by the Bureau of Internal Revenue, and the condition of the record in each case. But to be more specific—

Because of the element of interest, payable by the United States, such cases would, of course, be given first attention by this office, and there would be required nothing like the organization suggested by you. How long a time would be required in the event there are approximately 550 cases, I can not state more definitely than is stated above because of the elements mentioned. My present thought is that it would be preferable not to ask additional appropriation at this time but to make use of the funds available for the work of this office during the fiscal year 1928, to the extent actually necessary and with a view to requesting only such additional funds as may develop to be required for this particular work.

Permit me to suggest further, that if the duty be entrusted to this office it will be regarded a responsibility demanding its best efforts.

Sincerely yours,

J. R. MCCARL,
Comptroller General of the United States.

After the conclusion of Mr. PITTMAN'S speech,

NAVAL APPROPRIATIONS

Mr. SHORTRIDGE obtained the floor.

Mr. HALE. Mr. President, will the Senator yield to me to enable me to call up the conference report on the naval appropriation bill?

Mr. SHORTRIDGE. I yield for the purpose indicated.

Mr. HALE. I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of the conference report on the naval appropriation bill.

Mr. SHORTRIDGE. It will take but a few moments, as I am given to understand, and I yield for that purpose.

Mr. DILL. Mr. President, I want to discuss it for a few minutes.

Mr. HALE. It will not take long, in any event.

Mr. JOHNSON. If it will take but a few moments, I would not object.

Mr. DILL. That is all I ask.

Mr. NORRIS. Mr. President, I had wanted to discuss the conference report, but I am not going to insist on it, because I do not want to delay progress of the Boulder dam bill. We are all up against the proposition now that all of the time seems to have been farmed out, and perhaps a little more than exists between now and the 4th of March. I did want to discuss the conference report. Probably I shall take opportunity to do it when it comes up again. There will be another report, as I understand it, submitted on the naval appropriation bill.

Mr. HALE. That depends on what action the House takes on the Senate amendment with reference to cruisers. If the House agrees to the amendment, I think that will conclude the matter, but if it does not, it will come back to the Senate for further action.

Mr. DILL. I do not want to delay action on the Boulder dam bill. I am just as anxious to help it along as any other Senator, but the conferees have stricken out the amendment which forbids the use of naval radio stations for propaganda purposes, and I want to discuss that a few minutes.

Mr. HALE. I think it will not take long.

The PRESIDING OFFICER (Mr. WHEELER in the chair). Is there objection to the request of the Senator from Maine?

Mr. JOHNSON. Just a moment, Mr. President, if you please. I do not want to be in the situation of precluding the Senator from Nebraska from discussing the matter if he desires. That is not just, even though he be so kind to me as to say he does not want to interfere with the measure now pending, and, of course, it is not just to ask the Senator from Washington to defer his discussion. It is obvious, it seems to me, that we will have more than a few minutes taken up with the discussion, and because it is obvious I do not feel that I ought at the moment to consent. There will be ample time to take up the conference report, and way will be given to it, of course, because it is in the nature of a privileged matter.

Mr. HALE. Does the Senator mean that we are not going to have a chance to take it up to-day? I had hoped very much to take it up.

Mr. NORRIS. Why does the Senator have to take it up to-day?

Mr. HALE. I merely hoped that we could do so.

Mr. SHORTRIDGE. Mr. President, there seems to be objection. I am perfectly willing to waive any right I have to address the Senate and to proceed at once to a vote upon the bill which is now the unfinished business, namely, Senate bill 3331. We have listened long and patiently, and really I would not feel disappointed if I had no further opportunity to address the Senate on it. I would be very glad to have a vote taken now on the pending bill.

Mr. NORRIS. Let us vote.

The PRESIDING OFFICER. Is there objection to laying aside the unfinished business?

Mr. JOHNSON. I object, under the circumstances, at this particular time.

The PRESIDING OFFICER. Objection is made. The junior Senator from California has the floor.

DEFINITION OF AMERICANISM

Mr. FRAZIER. Mr. President, last Friday the junior Senator from Colorado [Mr. MEANS] had placed in the RECORD a definition of Americanism which was severely criticized by some women's organizations especially. I have here a definition of Americanism by the Women's Peace Union, which I ask unanimous consent to have printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

WASHINGTON'S BIRTHDAY, 1927—DEFINITION OF AMERICANISM

Americanism is the brave and true love of and loyalty to the belief that the people of the United States, as individual citizens, are free and equal, and that the Government of the United States is established by the people to exercise powers delegated by them in order to secure the blessings of liberty to themselves and their posterity.

WASHINGTON, D. C., *February 22, 1927.*

DAUPHIN ISLAND RAILWAY & HARBOR CO. BRIDGE

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 5596) granting the consent of Congress to Dauphin Island Railway & Harbor Co., its successors and assigns, to construct, maintain, and operate a railroad bridge and approaches thereto and/or a toll bridge across the water between the mainland at or near Cedar Point and Dauphin Island, which was, on page 3, after line 25, to insert:

The provisions of sections 2 and 3 of this act shall not be applicable in the event that the bridge constructed under authority hereof shall be designed, constructed, and used for railway or combined railway and highway purposes and connection be made or provided for between the same and a carrier on the mainland subject to the interstate commerce act.

Mr. JONES of Washington. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

MONUMENT AT KILL DEVIL HILL, KITTY HAWK, N. C.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 4876) providing for the erection of a monument on Kill Devil Hill, at Kitty Hawk, N. C., commemorative of the first successful human attempt in history at power-driven airplane flight, which were, on page 1, line 5, after the word "successful," to insert "human"; on page 2, after line 10, to insert:

SEC. 4. The design and plans for the monument shall be subject to the approval of the Commission of Fine Arts and the Joint Committee on the Library.

And to amend the title so as to read: "An act providing for the erection of a monument on Kill Devil Hill, at Kitty Hawk, N. C., commemorative of the first successful human attempt in history at power-driven airplane flight."

Mr. BINGHAM. I move that the Senate concur in the House amendments.

The motion was agreed to.

BELLE FOURCHE AND CHEYENNE RIVERS

The PRESIDING OFFICER laid before the Senate the bill (S. 4411) granting the consent of Congress to compacts or agreements between the States of South Dakota and Wyoming with respect to the division and apportionment of the waters of the Belle Fourche and Cheyenne Rivers and other streams in which such States are jointly interested, returned from the House of Representatives at the request of the Senate.

Mr. KENDRICK. I move that the Senate reconsider the vote by which the Senate disagreed to the amendment of the House and requested a conference on the disagreeing votes of the two Houses.

The motion to reconsider was agreed to.

Mr. KENDRICK. I move that the Senate agree to the House amendment.

The motion was agreed to.

ADDITIONAL FEDERAL DISTRICT FOR NORTH CAROLINA

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2849) to provide for an additional Federal district for North Carolina, which were, on page 2, line 1, after "Brunswick," to insert "Durham"; on page 2, line 3, after "Gates," to insert "Granville"; on page 2, line 4, to strike out "Hoke"; on page 2, line 7, after "Tyrrel," to insert "Vance"; on page 3, line 6, to strike out "Durham"; on page 3, line 6, to strike out "Granville"; on page 3, line 6, before "Lee," to insert "Hoke"; on page 3, line 8, to strike out "Vance"; on page 3 to strike out all after the word "Rockingham" in line 11 down to and including "Durham" in line 12; on page 3, line 18, to strike out "Winston-Salem" and insert "Winston-Salem and"; on page 3, line 18, to strike out "and Durham"; on page 3, line 22, to strike out "Durham" and insert "Rockingham"; on page 4, to strike out lines 21 to 25, inclusive; and on page 5 to strike out lines 1 and 2 and insert:

That there shall be a judge appointed for the said middle district in the manner now provided by law who shall receive the salary provided by law for the judges of the eastern and western districts, and a district attorney, marshal, clerk, and other officers in the manner and at the salary now provided by law.

Mr. OVERMAN. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 15547) to authorize appropriations for construction at military posts, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 16462) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1927, and prior fiscal years, and to provide urgent supplemental appropriations for the fiscal year ending June 30, 1927, and for other purposes.

LOWER COLORADO RIVER BASIN

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3331) to provide for the protection and development of the lower Colorado River Basin.

Mr. SHORTRIDGE. Mr. President, my desire for an early passage of the bill pending before us is so earnest, so sincere, that I do not intend to delay a vote or imperil its passage by any elaborate speech. I heartily approve of the measure. I have given much thought to it, and I am familiar with the facts concerning which so much testimony has been taken. I visualize, I see before me, the concrete facts, the mountains and the valleys, the canyons, and the rushing waters of the Colorado River. I have devoted some thought to the legal questions which have arisen, to certain constitutional principles which some mistakenly think will be trodden down or ignored or impaired by the passage of this bill as amended.

I regret exceedingly that the bill has not been brought before the Senate earlier in the session. I criticize no one for the delay in bringing it forward. It is not my habit to impute evil motive or sinister purpose to anyone. I am far from criticizing anyone for the delay in the bringing of the bill up for consideration or action by the Senate. Doubtless there has been reason for seeming delay. But I can not but express regret that the bill, which was on the calendar at the opening of the session, was not brought up sooner and in time for action by the Senate.

But the days are running and the years are running and the waters of the river are running, and the danger this bill would remove threatens. It is no figure of speech, it is no attempt to play with words, when I say in plain, homely English that great sections of our country, great numbers of our people, and all their possessions are in mortal peril. I do not think of California alone, and lest I forget I hasten to say that I personally and my State have the most cordial and affectionate feeling toward Arizona, toward Nevada, and indeed toward each and all of the seven States immediately concerned with the harnessing and control of this mighty river. Far from feeling or being hostile, we have the most cordial and affectionate regard for all these States, and, if I may say so, for all the States of the Union.

I am not complaining of the vigilance of the capable and eloquent champion of Arizona. Arizona is great territorially and great in the Senators she sends to this body. Assuredly, I am not complaining of the senior Senator from Arizona [Mr. ASHURST] because he has imputed to California hostile feelings or the robber instinct. I imagine his vigorous language was born of his zeal for his own State rather than from any desire or intention to offend or to alienate those representing California. Nor do I criticize his vigilant colleague [Mr. CAMERON] because of his opposition to this legislation, which I think is meritorious from every point of view. Certainly I have the most kindly feeling and admiration for the distinguished Senator from Nevada [Mr. PITTMAN] who this day has delivered such an instructive and illuminating address concerning the subject matter before us.

It so happens, Mr. President, that I am very familiar with the section of our country involved. Over a quarter of a century ago I visited what is now Imperial County, then a part

of San Diego County, and spent much time in that section of California. From that remote time hitherto and up to this day I have come and gone and viewed that section of our State. I am also well acquainted with Arizona, Nevada, and the other States directly interested in this river. I need not say more upon that point. I mention it merely in order that Senators may understand, if they will do me the honor to listen, that I know in a measure whereof I speak.

The controlling of the Colorado River is no new problem. The records before us disclose that for practically half a century the Federal Government has been interested in this subject. I shall not now take the time to read the messages of Presidents, the reports of commissioners, and the testimony of civil engineers, all bearing on this problem and its solution. The records are here; they are printed and are available. I must assume, in the interest of time, that Senators are acquainted with the facts involved and are not unfamiliar with the legal questions which have been raised.

I do not wish to appear dogmatic, but I say, with due respect to all who may differ from me, that the overwhelming evidence shows that the place for a dam in that great river is at Boulder or Black Canyon. Here before me are some seven or eight volumes of testimony taken by the House committee; here also are seven or eight volumes taken by the Senate committee, and having in mind the testimony of different civil engineers, I repeat the statement that the overwhelming evidence, by which I assume we are to be guided, is that the ideal site for the high dam is at the place designated in this bill—Boulder or Black Canyon. The site of this proposed dam is in the Colorado River where that stream flows between Arizona and Nevada and at a point about 25 or 26 miles southerly from the town of Las Vegas, in the State of Nevada.

There are questions of fact to be considered; there are questions of law to be resolved; there are the rights of States to be guarded; and there is the right of the Federal Government not to be overlooked. A detailed and thorough discussion of all these questions as they relate to this problem, I realize, would take many hours. I do not purpose going into details either as to the facts or as to the legal matters which we must consider, and, of course, have in time gone by considered and will consider before action is taken.

So much has been said explanatory of the physical situation that I need to do no more than refer to it. I assume that Senators recall their geographies and visualize that river as it rises yonder in Wyoming, pursues its way in part through the States of Colorado and Utah, on down through Arizona for several hundred miles, then between Arizona and Nevada, and, turning south, runs between California and Arizona until it finds its way into the Gulf of California.

In the low-water season it is as tranquil as the waters of sweet Afton, on whose green banks Bobby Burns's Mary fell asleep, but in the high-water season it is a wild, raging torrent, carrying terror, destruction, and death. It is an awe-inspiring river, terrible in its moments of rage. In flood season it discharges over 200,000 cubic feet per second! In August, September, and October the flow is as low as 2,500 cubic feet per second! It has been as low as 1,300 cubic feet per second! Thus at one season it means flood; at another season, draught.

I also assume that Senators will remember that the Gulf of California once extended northward up into what is now Imperial Valley, California. That was centuries ago. This mighty river passing through a certain character of soil, gathers up and carries along a vast quantity of débris or silt, carrying it on down to the lower reaches of that great stream, on toward the gulf. The result was, in ages gone, that there was formed across the Gulf of California a bar which, rising, shut off the waters to the north from those to the south, creating an inland sea or lake. In the course of centuries by evaporation there was left the Imperial Valley, two or three hundred feet below the level of the sea. In the meantime this treacherous, and at seasons dangerous, river struggled to find its way to the Gulf of California; but such was and is the condition of things there, as we are now made fully to understand, that the bed of the river is now above the level of the valley to the west. The admitted fact is that the valley is subject to being inundated and drowned.

In 1906 and 1907 the river broke its banks, flowed westward and northward into the valley, and to-day there remains what is called the Salton Sea, some twenty-odd miles in length, in the northwest part of the Imperial Valley. If the break in the river had not been closed—and it was closed after an heroic effort—the whole valley would have been inundated; there would have been a vast inland sea, and the tragedy would have been beyond any recorded in history.

I do not wish to stir up emotions or make any emotional appeal to the hearts of men. It may be easy to play upon the heartstrings: I am appealing to the judgment and the intellect of the Senate; and I say, not to alarm anyone or to disturb anyone far away who does not hear me speak to-day, that the great Imperial Valley of California, with its 65,000 or 70,000 citizens, with its churches, its schools, its cities, its vast investments, rests under a great danger which may overwhelm it during the coming season.

The purpose of the pending measure, Mr. President, is to control that river as it now flows, as through the long ages past it has flowed, through its canyons and on through its banks into the Gulf of California without rendering any great service to man. We, however, have the power, we have the intelligence, we have the resources to take possession, so to speak, of that river and make it the servant of man—his helpful and obedient servant.

The question is, Shall we do so, and, if so, when? Why should we not do so now without further delay? Why argue longer? Why quarrel over nice questions of law which can be composed and amicably adjusted and composed by future conference?

I repeat, Mr. President, the problem is not a new one. The evidence is abundant; all the questions involved, both engineering and legal, have been considered by Cabinet officers, by commissioners appointed, by engineers selected, by public bodies, by private citizens, and there is really nothing new that can be added to the discussion. If I were to stand here and speak for hours, I question whether I could add anything new to the discussion. Wherefore prudence and common sense dictate that I not long delay the Senate, nor shall I do so.

Not in a spirit of challenge but in candor I ask any Senator to point out wherein any of the upper or lower basin States will be deprived of any legal, equitable, constitutional right by the enactment of the bill before us? I do not forget the rights of the States. I happen to know, as you know, Mr. President, something of the formation of our Government and of the rights, sovereign or quasi sovereign, of the several States of the Union.

I know that when California came into this Union 75 years ago, dressed, I am proud to say, in the garments of freedom, she came in and took her place equal to that of great New York or glorious Virginia. Arizona, when she came in 15 years ago or more, took her place as an equal of her older sisters. But the learning of the Senators from Arizona will find it difficult to point out why Arizona did not freely, voluntarily, with beautiful eyes wide open, concede, if it was within her power to concede or acknowledge, the reserved rights of the Federal Government to certain powers over the territory and the waters of Arizona. I do not seek to embarrass that State nor to offend her; but there is such a thing as a State being estopped, as there is a principle of law and equity which estops an individual. There is such a thing as a State being bound by its own solemn contracts, as men are governed by their solemn contracts. Arizona is bound by the enabling act admitting her into the Union and by her own constitution.

One great difference between Arizona and California was this, which Senators will recall: California never had a Territorial form of government. She just sprang, like Minerva, out of the brain of Jove, and came and rapped at the door of Congress and was admitted as a State without having gone through the preliminary stages of Territorial government. Arizona, however, was a part of the territory which we took over under the treaty of Guadalupe Hidalgo. I pause to remark that in negotiating that treaty with Mexico we made a great mistake. We should have taken all of Lower California, or the line should have been so directed westward as to give us full control of the Colorado River. I further pause to detain the Senate by adding that there was a mistake in running that line. It ought to be some 33 or 34 miles south of its present latitude, namely, on the original line dividing Lower from then Upper California, according to the old Mexican maps and charts. I imagine that an appropriate proceeding might be brought now to correct that territorial boundary.

The point I wish to make, however, is that many of the questions of law raised by Arizona are without merit, for the reason that she consented to all that the Government now proposes to do. I shall not pause to read the provisions in her State constitution or the provisions in the enabling act which brought her into the Union. I believe they have been introduced into the RECORD; but I invite special attention to these provisions in her constitution:

> Twelfth. The State of Arizona and its people hereby consent to all and singular the provisions of the enabling act approved June 20, 1910, concerning the lands thereby granted or confirmed to the State, the terms and conditions upon which said grants and confirmations are made, and the means and manner of enforcing such terms and condi-

tions, all in every respect and particular as in the aforesaid enabling act provided.

Thirteenth. This ordinance is hereby made a part of the constitution of the State of Arizona, and no future constitutional amendment shall be made which in any manner changes or abrogates this ordinance in whole or in part without the consent of Congress.

I have only to add that in and by the enabling act referred to do the United States reserved the right to do what it now proposes to do and what Arizona solemnly agreed might be done.

Therefore I turn from that question, Mr. President; but before doing so I wish to say that I hold myself ready to show that there is nothing in this bill which invades any constitutional right of Arizona, and certainly there is nothing which invades any right of Nevada. I beg to add, with respect for lawyers who have discussed this matter in briefs that have been filed, that there is nothing in this bill which denies to the so-called upper-basin States any constitutional or statutory right.

In other words, if this bill is enacted in its present form, without any amendment, Arizona will not be injured. Nevada will not be injured. Not one of the upper-basin States will be injured. Putting the matter in affirmative form, it will be beneficial certainly to California, certainly to Arizona, certainly to Nevada, and I think in years to come it will be highly beneficial to each and every one of the upper-basin States.

Wherefore, Mr. President, I again ask, Why are we quarreling? Why are we curiously considering legal questions? Why longer delay action?

I do not doubt but that Arizona honestly thinks she is in danger; but in candor and in earnestness I inquire wherein is the danger to that splendid State, made up of splendid men and women? It would be my duty to advocate California's cause perhaps even if it injured others, though I should hesitate to do that; but I am as sure as that I am here that the building of this dam at the point named would not be injurious to Arizona, to Nevada, or to any other State.

What do we hope to accomplish by this proposed legislation? We wish to control the great flood waters of the Colorado River, in order that they may not overflow and inundate and destroy and drown a great section of our State. We wish to divert waters in order to irrigate lands in California; also, if they desire, in Arizona and Nevada. We wish to take water from the great reservoir which will be created and carry it miles westward in order to accommodate the great and growing population of southern California. We wish also, through the desilting of the muddy waters of the Colorado, to relieve the silt danger which causes the filling up of the channel of the river and the filling up of the canals and ditches carrying the water into the Imperial and Coachella Valleys. Do my friends of Arizona see any danger to them in that portion of the enterprise?

In order to carry out this great work money is required. Everything is relative in this world—relatively great, relatively small. Even if the Federal Government should appropriate outright $125,000,000 for this great enterprise, it would not be an unwise appropriation. But in order to finance this enterprise, to build the dam, to build the canal, to do the necessary engineering work, we propose utilizing the waters in the development of hydroelectric power; so that, as this bill is designed, the whole cost of the completed enterprise will be self-sustaining, without any undue burden upon municipality, corporation, or person and without in any manner embarrassing the Federal Treasury.

My colleague [Mr. JOHNSON], who introduced this bill, has taken counsel of many of the Cabinet officers, as, indeed, I have. The Secretary of the Interior is familiar with every dip and spur and angle of this bill. The Secretary of the Treasury is familiar with all its financial features, or those features of the bill designed to finance the enterprise, and I think I am warranted in saying that the President is not unfamiliar with the framework and the design of this measure. The Secretary of Commerce has had much to do with solving this great problem. I am not authorized specifically to speak for any of those distinguished men, but I am justified in relying upon their printed words, their printed statements; and from those printed words and statements I conclude that they approve of this legislation, that they see in it no danger to individual or to State or to Nation. On the contrary, they see benefits for all.

I realize that I am going over ground plowed and harrowed many times, hence I feel an embarrassment in speaking when it seems to be merely repetition; but I do insist that the bill now before us has been given the most careful study by men deeply interested in the problem, and is here before us with their approval—not that we are to abdicate, not that we are to surrender our judgment, but perhaps it is proper for us to pause and to consider and perhaps be persuaded, perhaps convinced, that they are right in their conclusions.

Therefore, I undertake to say, as I do say, that this measure is workable, is financially workable, is financially self-supporting, and that all this great physical work contemplated can be carried on and finished without any loss to the Federal Government, without any undue burden ever being placed upon the shoulder of municipality, district, or person, artificial or natural. In a word, by the plan made so clear in this bill the work can be carried on and financed. No one need be alarmed, or affect to be alarmed, over the condition of the Treasury, or lest the work can not go on for want of funds, or that it will embarrass any financial program of this or any other administration.

What harm can come to anyone from the passage of this proposed law? Who will be injured? Mr. President, I am assuming that Senators are more or less familiar with the testimony which has been taken. I am assuming, and I think I may, with perfect safety, assume, that they are familiar with the general framework of the bill, and also familiar with the facts which are involved. Therefore I might well pause here. But suffer me to add just a few words.

I repeat, however, for those who may read, that the purpose of the measure is to control the river in the interest of the people of State and Nation; that in order to achieve that great end, a dam is necessary; that the overwhelming testimony is to the effect that the site for such dam is at Boulder, or Black, Canyon; that the building of such a dam will not only control the flood waters, but will also make it possible to divert sufficient water through a canal to be built wholly upon our own territory to irrigate many hundreds of thousands of additional acres of land now fertile, waiting only for water; that it would be possible to carry water across the plains, over the mountains or through tunnels, to the coastal cities of southern California, to meet industrial or domestic needs; that in order to do all this by the utilization of the waters, we develop power, and the sale of that energy, that power, will finance the whole proposition, and possibly in less than 30 years, repay to the Federal Government all the cost of the whole work to be done.

It can be done. The Government can do it in the way suggested in this bill. Why should it not be done? Do private interests object? Wherein are they to be hurt? Not one step is to be taken in the carrying out of this enterprise until the Secretary of the Interior shall have entered into contracts whereby there shall be a return sufficient to pay the current interest on bonds to be issued nd ultimately to pay or retire those bonds.

Municipalities, districts, corporations, individuals may apply for and enter into contracts for the purchase of power. No one is to be shut out. There is to be an open field, and therefore I do not see any reason why any interest, corporate or individual, should oppose this measure. Upon the one hand it will be a great blessing. Upon the other I see no injury to any individual or State.

I had hoped that this bill would pass at this session. I have not abandoned that hope. We have several days yet remaining, and I am willing to stay here uninterruptedly to bring it to a vote. What is the use of further discussion?

Mr. President, I repeat myself when I say that to all these legal questions I have devoted earnest thought and attention. I do not enter into a detailed discussion of them, because it would take too much time. As to the questions of fact, I have contented myself with saying that the overwhelming evidence sustains this bill.

So, not to delay a vote or to delay other matters, I am hopeful—very, very hopeful—for the passage of this bill; hopeful that the Senate and the House will act favorably before adjournment. I do not think it necessary to add that my position has long been what I have just now indicated, but I do say to the Senate that for over 30 years I have been familiar with the questions discussed to-day, and at no time have I seen any way to remove the danger of the river save by a high dam at the point named.

I hope that Arizona, I hope that Nevada, I hope that my eloquent friends who are now discussing the bill in the center aisle will agree with me that we should take action during this session of the Senate. I have not especially singled out Utah, with her great Senators and her spendid and noble history, in my comments, but I do say with unfeigned respect, and with no desire to seek reciprocal compliment, that the great State of Utah will suffer nothing by the passage of this measure; and as for Wyoming, the same; and New Mexico the same. Nevada has spoken; Arizona has spoken; and Utah will speak.

Mr. SMOOT. Mr. President, I want to say to the Senator that if I, as one of the Senators from Utah, felt that the passage of this bill would not interfere with the rights of Utah I would

support it, but I am as convinced as that I live that it will, and therefore I must do what I can to defeat it.

Mr. SHORTRIDGE. I appreciate the attitude of the Senator; and if he had been here when I opened my desultory remarks this afternoon he would have heard me say that I did not question the motive of any Senator—that I imputed no wrong or sinister purpose. I may add that there is not one Senator on this floor whose motives I have ever questioned. I realize that honorable men differ, that honorable men may differ as to questions of fact, they may differ as to questions of law; that honorable men may view questions from different angles and reach a different conclusion; but, while that is true, it never is offensive to address an honorable man and undertake to show or to suggest or to convince him that his fears are groundless or that his conclusions are erroneous.

So, while I have read, I think, every brief that has been filed by gentlemen representing the one or the other side of this legislation, and particularly those which I think have emanated, very properly, from Utah, and some from Colorado, and some from other States, and have conversed with the authors of certain of these briefs—and, if I may say so, having devoted 40 years to the practice of the law, I claim a sort of speaking acquaintance with some of its principles—after all this reading and discussion, I repeat, with deference, with respect for the opinions of others, and particularly the Senators from Utah, that I do not see where any present vested right, or any future to-be-acquired right, of Utah particularly, or of any of the upper-basin States, will be imperiled by the passage of this bill.

I am well aware that lawyers learned in their profession may differ, but I have in mind what we term vested rights under State law and under Federal protection. I have in mind what are regarded as rights to be exercised in future. I have in mind that the Congress can not divest a State of a constitutional right. I have in mind that the Congress can not divest an individual of a constitutional right, and, of course, I have in mind that no State can deprive a citizen of a vested right.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. SHORTRIDGE. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. I have listened with great interest to the very eloquent answer the Senator has made to the Senator from Utah. It seems to me the Senator has with a great deal of eloquence made a very fine appeal to the Senator from Utah. It hardly seems to me, in the light of that appeal, that the Senator from Utah could remain cold and adamant. I would ask the Senator from California to appeal to him on the basis of regularity. I understand this is an administration measure.

Mr. SHORTRIDGE. I said a moment ago that I was not authorized to speak for the administration or, indeed, to speak for anyone except for my own poor self. But I have come to have a very sincere—and scholars will recall the etymology of that word and its true meaning—regard for the Senator from Utah. He is well advised and informed as to the mechanism of our Government and as to the cost of the maintaining thereof. I do not intend to detain the Senate longer, but since we are in a smiling mood I want to remind my friend from Utah that the dam which we contemplate constructing will cost, say, $41,500,000. The power-development works it is estimated will cost about $31,500,000. The canal to carry the water on our own territory, not in part through the adjacent or contiguous territory of Mexico, will cost, roughly, $31,000,000.

The interest on these several sums, expended as the work goes on, estimated for a period of five years, at 4 per cent, will be the sum of $21,000,000. This makes in all the small sum of $125,000,000. Since we are talking of billions and trillions, what is $125,000,000? The amount does not stagger the imagination or appall the financiers. It can be handled without any difficulty.

That brings me back to the point, however, if all this should be carried out according to the terms of the bill would it imperil the present or future rights of the State of Utah? Without multiplying words or undertaking to give my reasons, which would take too long, I reply or repeat that I do not see how it would in any way take from that State any present vested rights growing out of waters of that river in Utah or how in the years to come it would imperil those rights to be exercised in future.

I am familiar, of course, with the doctrine that the application or use of those waters in the lower reaches might create vested rights which could not be interfered with by use of the waters in the upper States; in other words, that if the dam should be built and waters put to beneficial uses, a vested right to their continued use might spring up and that at some time in the future Utah might wish to use the waters of this river running through Utah and it would be claimed that by so using, the vested rights of the lower States would be imperiled, and hence the necessity, in such an event, of some suit brought in a court of equity to prevent the threatened injury. Upon that question a great deal can be said, much has been said. But I maintain that the fears entertained by the upper States are groundless.

Mr. SMOOT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Utah?

Mr. SHORTRIDGE. I yield.

Mr. SMOOT. Perhaps at this time it would not be out of place to call attention to a circumstance which happened in the southeastern part of our State. Near Grand Junction, Colo., was a tract of land producing wonderful peaches. In the southeastern part of our State there was a tract of a thousand acres of land which was identical in quality with the tract of land near Grand Junction. Capital was raised, the land secured, and water was to be secured from a waterfall to develop it. A reservoir about 200 feet high was to be built, the water falling over a cliff of about that height. The water ran about four months in the year, but during the remaining eight months of the year the stream was as dry as a bone. But it was thought that by building the reservoir enough water could be impounded to bring the thousand acres of land under cultivation by means of irrigation, and there could thus be produced peaches just the same as were being produced near Grand Junction, Colo.

The land was plotted, advertising was begun, and it was thought there was no question about getting the rights from the Government for the use of the water by appropriation.

When application was made for the water, the promoters were denied the use of the water because of the fact that it was a waterfall, a water power, and that when it did run the water went into the Green River and from there to the Colorado River, and that the Colorado River was a navigable stream and hence it was interfering with navigation. The whole scheme had to fall to the ground.

I will say to the Senator now, that I have stood where the waterfall is eight months in the year dry, and the place was as dry as a bone, and yet because we wanted to use the water, and a little of that water during four months of the year went into the Green River and then into the Colorado River, we were held to be interfering with navigation.

The burnt child always dreads the fire. I want to say now that if there be utilized the 12,000,000 acre-feet of water and the power plant at the proposed Boulder dam and it runs on for years and is used without question, then whenever we may want the proportion of the 5,000,000 cubic feet of water over and above what the contract calls for in the lower basin States, we will find that it is not there, and we will be denied it, and in the denial there will be involved all of that southeastern part of our State. The Moffat Tunnel is completed; I believe there is a celebration to-day of the completion of the tunnel; and a railroad will be constructed into that section of the country and then we can have people there to develop the land. But if that water is taken away from us, the land will remain just as it is to-day, almost a barren wilderness. I know the Senator does not want to bring about that situation. I have just as much love for the State of California as I have for any other State in the Union. I love to go there. I will do anything for her people that I can, but when it comes to a question of my State suffering, I must enter my protest as long as such a condition exists.

Mr. SHORTRIDGE. Replying to the earnest words of the Senator from Utah, permit me to say in the nature of repetition that I think his fears are altogether groundless, that the rights which might be acquired by the building of a dam and the beneficial use of the waters would be acquired as subservient to existing and future rights of the upper States, that all contracts entered into or rights springing out of the contracts would be subservient to the rights of those upper States. Yet his fears, although groundless, are perhaps natural and I shall not quarrel with him.

I now conclude with the expression of the hope that we can get a vote and pass the bill during this session of the Congress.

NAVAL APPROPRIATION BILL—CONFERENCE REPORT

Mr. HALE. Mr. President, I now renew my request for unanimous consent to take up the conference report on the naval appropriation bill.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Is there objection to the request of the Senator from Maine?

Mr. JOHNSON. As I understand it, the pending unfinished business will be laid aside temporarily, and I have the assurance of the Senator from Washington [Mr. DILL], who desires to speak upon the subject, that he will speak very briefly.

The PRESIDING OFFICER. There being no objection, the unfinished business is temporarily laid aside and the Chair lays before the Senate the conference report on the disagreeing votes

of the two Houses on the bill (H. R. 15641) making appropriations for the Navy Department and the naval service. The report will be read.

The Chief Clerk read the conference report.

Mr. HALE obtained the floor.

Mr. BLEASE. Mr. President——

Mr. HALE. I yield to the Senator from South Carolina.

Mr. BLEASE. I want to inquire what became of the amendment relating to the three additional cruisers?

Mr. HALE. The conferees could not agree upon the amendment and it is to be voted on in the House.

The PRESIDING OFFICER. The Chair will inform the Senator from South Carolina that that matter is still in conference.

Mr. WATSON. What are amendments numbered 25 and 27?

Mr. HALE. No. 25 is the amendment relating to the three cruisers which was adopted by the Senate. The conferees could not agree on the amendment, and it is to be taken to the House for a separate vote. Amendment No. 27 is the labor amendment, which comes up every year. The conferees had no power to agree on it, and it has to be voted on in the House.

Mr. ROBINSON of Arkansas. Mr. President, can the Senator from Maine state to the Senate the situation respecting the so-called three-cruisers amendment and the possibility of an agreement regarding it?

Mr. HALE. There is no prospect of an agreement among the conferees on that amendment. It has to be voted on in the House.

Mr. ROBINSON of Arkansas. When do they expect to have the vote taken?

Mr. HALE. That I can not tell the Senator. I presume as soon as the papers are returned to the House the vote will be taken.

Mr. SWANSON. The purpose is to insist on the Senate amendment. The House conferees can then move to concur in the Senate amendment, and if that motion is agreed to it would end the matter.

Mr. BLEASE. If we adopt this part of the conference report, then all the House has to do is to refuse to agree to the other amendment and the bill will become a law.

Mr. ROBINSON of Arkansas. Oh, no; the Senator from South Carolina is in error about that. If no agreement is reached respecting the amendment, the bill would not go to the President until some concurrent action was taken by the two Houses respecting the amendment. This is the usual motion, as I understand, that is made in cases where only a partial agreement has been reached?

Mr. SWANSON. The effect of the motion of the Senator from Maine, if agreed to, would be to confirm what the conferees have agreed on.

Mr. BLEASE. That is all right.

Mr. SWANSON. Then the Senator from Maine will make the motion to insist on the amendments still in disagreement between the two Houses, and the question will go back to the House. If the House recedes from the Senate amendments, then the bill will be passed and it will mean that the three cruisers will be included. If, however, the House insists on its disagreement to the Senate amendments, then the bill goes back to conference.

Mr. BLEASE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maine yield further?

Mr. HALE. I yield.

Mr. BLEASE. Mr. President, there have been so many different constructions of the rules of the Senate by various presiding officers that I desired to have it understood just what was meant by the action proposed. That is why I asked the question. I do not wish to vote to adopt the conference report if it eliminates the appropriation for the three cruisers.

Mr. HALE. I think the Senator from South Carolina may feel that I am just as anxious as is he to get the three cruisers.

Mr. BLEASE. Very well. Then the Senator and I are partners in relation to that matter.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. DILL. Mr. President——

The Presiding Officer. Does the Senator from Maine yield to the Senator from Washington?

Mr. HALE. I yield to the Senator from Washington.

Mr. DILL. Mr. President, the conference report eliminates the amendment which I offered and which was accepted by the Senator from Maine to prohibit the use of naval radio stations for other than official business, excepting Weather Bureau reports and time signals. I recognize, of course, that it would be futile for me to attempt to hold up the conference report because this amendment has not been included, and I do not know that I should want to attempt to do that if I had the power, but I wish to say just a few words about the use of naval radio stations.

Since the amendment was adopted by the Senate, I have been visited by a number of persons who tried to convince me that they had a right to use the Government naval radio stations, because of the things they wanted to do. It is only an example of people wanting something for nothing.

The naval radio stations are established for the use of the Navy. Under the radio bill which was passed by both Houses and which will be signed by the President probably in a day or two the President has authority to take any wave length, any frequency, that he sees fit in time of peace and give it to the Government stations. I think that is a proper power to be exercised in behalf of the Navy, but I object to these stations being operated at the expense of the Government for the interest of private parties or in the interest of causes for which private parties may want to carry on propaganda. The Pan-American Union claims that it should be permitted to use the naval radio stations because it is said the Government pays a certain percentage of the expenses of the Pan-American Union, and if we do not permit it to use these stations it will involve that much more expense to the Government in the end. The Public Health Service wants to do certain broadcasting; the Naval Hospital representatives want to discuss certain subjects over the naval radio. Then there are persons who say that they have organized patriotic societies, and they want to broadcast patriotism from the naval radio stations. The difficulty with broadcasting patriotism is that individuals or groups of individuals put their own interpretation upon what patriotism means.

Either the naval radio stations should be confined to Government business for which they are established or there should be rules and regulations requiring them to permit both sides of any public question to be discussed. If the Government is to pay for the operation of these stations when they are being used for public discussion, then the public should hear both sides. Personally, I do not believe that they should be so used, and I hope that the officials of the Navy Department will not think that because this amendment has been dropped out and no further protest or effort is made to keep it in the Senate has no interest in that subject or that it is an authorization by Congress to open up these radio stations for this purpose.

It is worth recalling now to the Senate that in the radio bill there was originally a provision that would have permitted the naval radio stations to be used for commercial business when they were not being operated for private business, but such a strenuous opposition was raised to that provision because its opponents stated that the Government radio stations would be going into competition with private radio stations that we struck it out; yet we leave in this proposed law a provision that will permit those stations, which are paid for by the Government, to be operated by private parties without pay. We struck from the radio bill a provision that would have permitted the Government stations to make far more than enough money out of the commercial business to pay the expenses of running them, but we now propose to make an appropriation for the use of naval radio stations and leave it within the discretion of the Secretary of the Navy to permit private parties to use them for nothing.

Mr. ROBINSON of Arkansas. Will the Senator from Washington yield to me?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Arkansas?

Mr. DILL. I yield.

Mr. ROBINSON of Arkansas. I wish to ask to what extent are these naval radio stations used by private persons or for private purposes?

Mr. DILL. They have not been used to a great extent. It is the beginning of the practice that I hope to stop, and I am also hoping that the fact that this amendment was submitted and accepted by the Senate and the discussion I am now making will be sufficient to prevent a repetition of the use of these stations by private parties. If such shall not be the result, I shall feel at the next session of Congress constrained to insist upon legislation that will protect the public against this kind of private propaganda.

Mr. ROBINSON of Arkansas. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield further to the Senator from Arkansas?

Mr. DILL. I yield.

Mr. ROBINSON of Arkansas. The Senator from Washington has stated so clear and strong a case that I am wondering what

is the other side, what justification there can be for opposition to his proposal.

Mr. HALE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Maine?

Mr. DILL. I yield.

Mr. HALE. I think I can answer the question of the Senator from Arkansas. The conferees investigated this matter very carefully and found that objections were made to the amendment of the Senator from Washington. In the first place, it was contended that it would prevent the Public Health Service making statements over the radio; in the second place, that it would deprive the Pan American Union of the opportunity of broadcasting South American music, which has been done in the past; and, in the third place, that it would prevent the broadcasting of concerts given for the benefit of the men on the ships. We found that there were many activities that were affected and we were afraid that others might develop that we knew nothing about. So we could not reach any intelligent agreement.

I entirely approve of what the Senator from Washington has stated, and I think his statement has served a good purpose.

Mr. ROBINSON of Arkansas. Let me suggest to the Senator from Maine that it would seem a modification of the amendment could have excepted from its provisions those instances which he has cited and still have left the amendment in the bill with sufficient force to protect against the use of public instrumentalities for private purposes.

Mr. HALE. The conferees felt, Mr. President, that we did not know enough about the exceptions that might come up and that we ought to take care of to enable us to legislate intelligently. We therefore had to leave the amendment out.

Mr. DILL. Mr. President, I may add that there is something to be said for the Public Health Service broadcasting some programs. I myself think there is very little to be said for the Pan American Union being permitted to use a naval radio station free of charge. As to the concerts for the men on the ships there is not anything to be said for them, because there are so many concerts on the air all the time that putting any more on by naval radio stations would merely tend to add to the confusion now existing.

Mr. HALE. The matters I have referred to were those which were especially brought to our attention.

Mr. DILL. As I have said, it is a practice which has not been carried to such an extent that I feel justified in delaying the conference report or insisting upon the amendment being included in the bill this year.

Mr. SWANSON. Mr. President, will the Senator permit me to interrupt him?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Virginia?

Mr. DILL. I yield.

Mr. SWANSON. I fully agree with the Senator from Washington that the Navy ought to make regulations regarding its radio stations so as to prohibit their use for private propaganda. If, however, we had adopted the amendment, we might have legalized in some way something that ought to be excluded, I think we asked the Senator from Washington to prepare an amendment that would cover all cases and take care of the situation, but we did not have time to look into it, and we reached the conclusion that we had better wait until next year so that we might know better what we were doing and know what we were excluding and what we were making legal. We realized that we might do an injustice, but we realized at the same time that the naval radio stations should not be used for the purposes suggested by the Senator from Washington. If the Navy shall not make proper regulations to prevent in the future abuses in connection with the use of the naval radio, I fully agree with the Senator from Washington that Congress itself ought to make such provision.

Mr. DILL. Mr. President, I shall not delay the Senate further, but I wanted to make these observations so as to make it clear that the offering of the amendment was not an idle gesture on my part, but that there was a real basis for the amendment. I regret that some amendment of this nature was not included in the bill.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. HALE. Mr. President, I move that the Senate further insist on its amendments numbered 25 and 27.

The PRESIDING OFFICER. The question is on the motion of the Senator from Maine.

The motion was agreed to.

BOARD OF VISITORS TO PHILIPPINE ISLANDS

Mr. BINGHAM. Mr. President, will the Senator from Arizona yield to me?

Mr. CAMERON. Does the Senator wish me to yield for a question or for a speech?

Mr. BINGHAM. I do not desire to make a speech, and wish the Senator to yield to me only for a moment. I ask unanimous consent that the unfinished business may be temporarily laid aside and that the Senate consider Order of Business No. 1242, being the bill (H. R. 4789) providing for the biennial appointment of a board of visitors to inspect and report upon the government and conditions in the Philippine Islands. If the bill shall lead to any debate I will withdraw it. I have been asked by the chairman of the House committee to secure action on the bill. It is a House bill which passed that body in June last.

The PRESIDING OFFICER. Without objection, the bill will be reported by the clerk for the information of the Senate.

Mr. JOHNSON. Mr. President, I shall object if the bill leads to any debate or the consumption of time.

Mr. BINGHAM. I shall withdraw the request if the bill leads to debate.

The PRESIDING OFFICER. The bill will be read for the information of the Senate.

The bill was read.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. ROBINSON of Arkansas. Mr. President, I understand the report is unanimous?

Mr. BINGHAM. The report from the committee is unanimous.

Mr. ROBINSON of Arkansas. I have no objection.

Mr. BINGHAM. Mr. President, there is a short amendment which I should like to offer to the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. BINGHAM. There is a short amendment which I should like to offer to the bill.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, line 19, it is proposed to strike out the period and insert a comma and the following words:

which shall be paid, three-eighths out of the contingent fund of the Senate and five-eighths out of the contingent fund of the House of Representatives, upon vouchers, countersigned by the chairman of said board, and approved by the Committee to Audit and Control the Contingent Expenses of the Senate and the Committee on Accounts of the House of Representatives, respectively.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas object to the present consideration of the bill?

Mr. CURTIS. No; but if the bill proposes to take money out of the contingent fund it must be referred to the Committee to Audit and Control the Contingent Expenses of the Senate under the law.

The PRESIDING OFFICER. The point is well taken. The bill will be referred——

Mr. ROBINSON of Arkansas. Mr. President, I suggest to the Senator from Connecticut that he withdraw his amendment.

Mr. BINGHAM. I desire to withdraw the amendment.

Mr. JONES of Washington. I wish to ask, Does this bill provide for a trip to the Philippine Islands?

Mr. BINGHAM. This is a bill which came over from the House last June and has been reported unanimously by the Senate committee providing for a board of visitors to the Philippine Islands.

Mr. JONES of Washington. Who is to constitute the board of visitors?

Mr. BINGHAM. It is provided in the bill that the board shall consist of three Members of the Senate and three Members of the House of Representatives.

The PRESIDING OFFICER. Does the Senator from Washington object to the consideration of the bill?

Mr. JONES of Washington. I think the bill had better go over.

The PRESIDING OFFICER. Under objection the bill will go back to the calendar.

LOWER COLORADO RIVER BASIN

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3331) to provide for the protection and development of the lower Colorado River Basin.

Mr. CAMERON. Mr. President——

Mr. BRUCE. Mr. President——

The PRESIDING OFFICER. The Senator from Arizona has the floor. Does the Senator from Arizona yield to the Senator from Maryland?

Mr. BRUCE. I do not think it would be fair to ask the Senator to yield to me. I was going to make a motion to take a recess. Mr. President, I move that the Senate take a recess in accordance with the unanimous-consent agreement.

Mr. JOHNSON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Edwards	McKellar	Robinson, Ark
Bingham	Ferris	McNary	Robinson, Ind.
Blease	Frazier	Mayfield	Sackett
Borah	George	Metcalf	Schall
Bratton	Hale	Moses	Sheppard
Broussard	Harris	Neely	Shipstead
Bruce	Harrison	Norbeck	Shortridge
Cameron	Hawes	Norris	Smoot
Capper	Heflin	Nye	Stewart
Caraway	Howell	Oddie	Swanson
Copeland	Johnson	Phipps	Trammell
Couzens	Jones, Wash.	Pine	Walsh, Mont.
Curtis	Kendrick	Pittman	Warren
Deneen	Keyes	Ransdell	Watson
Dill	King	Reed, Mo.	Wheeler
Edge	La Follette	Reed, Pa.	

Mr. BLEASE. The senior Senator from my State [Mr. SMITH] is absent on account of illness in his family.

The VICE PRESIDENT. Sixty-three Senators having answered to their names, a quorum is present. The question is on the motion of the Senator from Maryland.

Mr. BRUCE. I made a motion to recess in accordance with the unanimous-consent agreement.

The VICE PRESIDENT. The question is on the motion of the Senator from Maryland. The motion is not debatable.

The motion was rejected.

Mr. CAMERON. Mr. President, I think I have the floor.

The VICE PRESIDENT. The Senator from Arizona.

Mr. CAMERON addressed the Senate in continuation of the speech begun by him yesterday. After having spoken for about five minutes,

Mr. WHEELER. Mr. President, will the Senator yield to me for a moment?

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Montana?

Mr. CAMERON. I yield to the Senator from Montana.

Mr. WHEELER. I desire to send to the desk a conference report and ask for its immediate consideration.

Mr. JOHNSON. Mr. President, I am compelled to object temporarily. I will explain to the Senator subsequently.

Mr. WHEELER. This will not take a second.

Mr. JOHNSON. I realize that; but, at the same time, it is obvious that an endeavor is being made here to indulge in dilatory motions, and I do not wish business to intervene; so I object, Mr. President.

Mr. CAMERON resumed his speech, which is as follows:

Mr. President, when all the facts in this extraordinary evolution of the Fall-Davis report plan for flood control are known and understood, no reason can be found for the plan that has been adopted except that it was a deeply laid conspiracy to devise a plan whereby more than a million acres of land in Mexico should be provided with water for its reclamation at the expense of Arizona.

In other words, when the bill now under consideration is understood, it presents but one issue which stands head and shoulders above all others in national importance, and that is—

Shall the United States of America spend $125,000,000 to transplant Asiatic competition from Asia to America, put more than a million acres of Mexican lands under Asiatic cultivation, plant Asiatic factories manned by Asiatic coolie labor in a world seaport at the back door of southern California and Arizona, and establish an Asiatic-controlled airplane base at the head of the Gulf of California, only 330 miles from Los Angeles, 150 miles from Phoenix or Tucson, and 440 miles from El Paso, and breed an Asiatic-American war to be launched from that airplane base?

The mere statement of that issue must command the instant and absorbed attention of every Member of this Senate. No person in the United States can afford to ignore it. When once known, that issue can not be subordinated to any of the minor purposes or benefits claimed for this bill.

The advocates of the bill must face that issue; and the whole sordid, unpatriotic, cold-bloodedly selfish and treasonable scheme that resulted in the selection in the Fall-Davis report of a dam site at Boulder Canyon must be stripped of its shroud and exposed in all the foul nakedness of its pestilential and rotting corpse.

I say that without temper or exaggeration. The scheme is a rotting corpse. It is dead to-day, because the evil of it, the wickedness of it, the desperate national danger from it, are slowly seeping into the public mind; and before this year has come to an end it will stink to high Heaven.

It is only necessary that the facts should be known to the Senate in order that this hearing should be the funeral services over the grave of this most nationally potential evil purpose that ever possessed the mind of man; and I shall present those facts to this Senate step by step, incident by incident, in all their brazen and traitorous nakedness, stripped of every subtle deception and cunning concealment.

I know that the Senate will gladly give the time necessary for that exposure, but I ask for more than that. I ask for your earnest and absorbed personal attention and interest, so that no Member of this body will need to vote on this measure without knowing the whole chain of facts that prove the scheme to put a profit of anywhere from $100,000,000 to $500,000,000 into the pockets of its promoters as the fruits of a treasonable conspiracy.

I have made these deliberate charges against the originators and beneficiaries of this Asiatic-Mexican conspiracy at this point, Mr. President, in order that this Senate may realize and understand the almost inconceivable importance of this measure to the whole people of the United States.

You are sitting here in judgment on the question whether the future of one of the sovereign States of this Union, my own State of Arizona, shall be ruined in order that a group of speculators in Mexican lands shall be enabled to profit enormously by putting through a treasonable scheme to rob Arizona of the waters of the Colorado River to irrigate more than a million acres in the delta of the Colorado River in Mexico; and upon your decision in that case depends the national safety of the United States of America. No one can deny or evade or side-step that fact when we know that the theft of those waters is for the purpose of bringing into existence an Asiatic colony, industrial city, and airplane base in Mexico, under Asiatic domination and control, and inevitably breed the war with Asia that will result from that appalling national folly on our part.

First, I shall briefly sketch the remaining facts that complete the plan I propose for protecting the Imperial Valley from floods by the construction of one great flood-control emergency impounding basin on the Colorado River. Then, I shall step by step lay before the Senate the facts sustaining every charge I have made as to the primary and ultimate purpose of the originators of this Boulder Canyon scheme.

If we are to separate flood protection for the Imperial Valley for this most shameful attempt to rob Arizona for the benefit of a cabal of conspirators owning a principality in Mexico and lay the foundation for a war with Asia, launched from an Asiatic-controlled airplane base at the head of the Gulf of California in Mexico, we must recognize that the model for the plan for flood control by a storage dam on the river must be patterned after the Miami River system of storage reservoirs that have been built for flood control only and are merely emergency flood-impounding basins. They are designed for use in no other way than for flood control.

Since the Boulder dam iniquity was launched in the Albert B. Fall-Arthur P. Davis report, the struggle we made to break through the cordon of obstructions that were put in our way finally resulted in a complete survey of the Colorado River for dam sites by a survey party, put in the field by the United States Geological Survey under the command of Colonel Birdseye, Chief of the Topographical Bureau of the Geological Survey.

That party went down through the Grand Canyon of the Colorado and surveyed every reservoir site between the north line of Arizona and the international boundary line.

The party was a completely equipped surveying party. They risked their lives in order that we might get the facts that had been ignored in the Fall-Davis report and know whether the plan proposed by that report could survive the knowledge of the complete investigation made by the Birdseye party of Government surveyors.

The way this remarkable report, made by the Geological Survey in 1925, three years after the Fall-Davis report, has been utterly ignored by the proponents of the Boulder dam scheme is one of the most extraordinary facts connected with this effort to rob Arizona of her birthright for the benefit of a group of American land speculators in Mexico, most of whom live in Los Angeles.

In order that the completeness, the thoroughness, the fairness, the absolute and unqualified dependability and safety as a guide of this United States Geological Survey and report shall be conclusively brought before the Senate, I want to read just a few words from it, to show what Secretary of the Interior Work said about this wonderfully able and valuable work of his department.

The report is entitled:

United States Geological Survey Water Supply Paper, 556, by E. C. La Rue, with a foreword by Hubert Work, Secretary of the Interior.

I read from that foreword:

FOREWORD

By Hubert Work, Secretary of the Interior

The Department of the Interior is authorized to investigate, through the Geological Survey, and report on the natural resources of the country, including minerals of various kinds and sources of water available for use in irrigation, the development of water power, industrial processes, and municipal supplies. The whole task is enormous and necessarily must be accomplished in parts. The endeavor is made to so plan the investigations that information will be available as needed, and the results accomplished are being used extensively as a basis for the safe and sane development of the public domain and for the classification of Government lands with respect to their entry and use under the public land laws. This work will be completed only when all our natural resources have been examined, and the map of our country is made to show their location, magnitude, and value.

Congress has recently provided in the Temple Act for a program of mapping which is designed to complete the topographic map of the country in 20 years. In the interest of economy and efficiency it is planned in connection with this program to make such detail surveys of rivers and of dam, reservoir, and power sites as to afford an adequate topographic basis for comprehensive plans for controlling and utilizing the water resources of the country. This topographic basis must be supplemented by adequate records of river discharge and engineering and geologic investigations.

Study of water resources must of necessity anticipate by many years the needs of development, because surface streams vary widely in their discharge, and safe and economical design of hydraulic structures must be based on records showing maxima, minima, and average yields of rivers over long periods. In wise anticipation of the utilization of Colorado River, the Geological Survey began many years ago to collect records of discharge of the river and its tributaries, and as funds were available it has made surveys of stretches of river in this basin to show sites for possible reservoirs, water-power plants, and diversion dams, routes for canals, and the location of irrigable lands. The information thus collected has been published in the survey reports and maps and particularly within the last few years has been largely utilized in the formulation of projects for the control and development of the resources of Colorado River, which constitute perhaps the greatest undeveloped asset of several States.

Maps showing the topography of the canyons and gorges, the position of the rapids, and especially the sites for dams that would be valuable either for the creation of storage reservoirs or for the development of water power have also recently been published.

The most urgent needs of development relate to flood control, in order that lives and property on the lower river may not be subjected to the annual menace of destruction. I am concerned for the future of the people who are menaced by floods inadequately controlled, and I entertain a lively sense of the necessity and the importance of conserving this magnificant potential natural resource for the great waiting territory that is to be directly benefited, for the benefits will also extend to the United States as a whole.

The Colorado River Basin has been under observation, survey, and study and has formed the subject of reports to Congress since the end of the Civil War. The program of investigations initiated by the Geological Survey is now substantially completed. Maps of Colorado River and its tributaries are available from the headwater region to the Mexican boundary, and records of stream flow in the basin have been placed on a sound, continuing basis. When a modest program of preliminary drilling at apparently favorable dam sites shall have been completed, the time will have arrived when the Government should decide on at least the main features of a comprehensive plan of development by which this great river, now a natural menace, may be converted into a national resource.

This report was not the first report made by E. C. La Rue on the Colorado River. The first report by him, United States Geological Survey Water Supply Paper 395, was made in 1916.

The map in that report (Plate XIII, Water Supply Paper 395) showed the Glen Canyon reservoir and its wonderful extent as a flood-storage reservoir, and the report, on page 194, contains a table showing the run-off from above Glen Canyon at the mouth of the Paria River near Lees Ferry, Ariz., as compared with that at Yuma, to be 92.5 of the total flow passing Yuma.

In other words, more than 90 per cent of the flood flow of the Colorado River that forms the floods at Yuma and menaces the Imperial Valley comes from above Lees Ferry, above the Glen Canyon dam site and would be controlled by a flood-control dam at Glen Canyon.

Yet, in the Fall-Davis report, issued in 1922, no locality for a flood-control dam in the basin of the Colorado River is shown on the map of that basin, forming plate 1 of the Fall-Davis report, between Boulder Canyon at the lower end of the Grand Canyon and the Flaming Gorge dam site on the Green River, at the north line of Utah and the Dewey site on the Grand River almost up to the Colorado line in Utah.

Now, we have the Geological Survey report, the second La Rue report, Water Supply Paper 556, in which the whole plan for the control of the floods for the benefit of the lower basin is based upon a great flood-control dam at Glen Canyon. No report was ever submitted for the information of Congress in which the facts are more thoroughly and exhaustively set forth as a basis for the recommendations of the report than is the case with this La Rue report. I present it as the foundation for the recommendation that forms the final suggestion of the things that should be done with all possible expedition for the prevention of a devastating flood in the Imperial Valley and all the other valleys I have named that are in need of flood protection on the lower Colorado River.

My suggestion is based not only on the report but also on the testimony before the Senate committee, in which Mr. La Rue sustained the conclusions and recommendations of the report. The essential facts that prove the wisdom in its recommendations were further proved, in my judgment, by the statement of Mr. Weymouth, a former Reclamation Service engineer, who was called as a witness in behalf of the Boulder dam. It was Mr. Weymouth who brought out the fact that the proposed dam at Black Canyon, which must always be remembered as the dam proposed by the advocates of the Boulder Canyon dam scheme, would only provide available storage of 15,500,000 acre-feet.

In the years when the river reaches a flow of over 25,000,000 acre-feet in one year and the earlier stages of the annual flood of the river fill that reservoir full to the brim and the full flood flow of over 200,000 second-feet keeps right on coming down the river for weeks afterwards, is it not manifest that the reservoir of the so-called Boulder Canyon project would be filled by the flood during its early stages? The later flow from the same flood would go right over the Black Canyon dam and raise the river to a height against the Imperial and Yuma Valleys just as high as that to which it would have gone if there had been no reservoir built at Black Canyon dam for flood protection.

For these reasons, and other reasons that I shall hereafter present, I insist that the only way to afford protection for the Imperial and Yuma and other valleys by a flood-control reservoir, without entanglements that will delay it beyond the time when such protection must be had, is for the Federal Government to base its plan for immediate action upon the Glen Canyon dam for flood control.

An appropriation should be made at this session of Congress requiring the Army engineers to make a survey, additional borings for bedrock where necessary, and an investigation, plan, and estimate of cost of a flood-control dam at Glen Canyon without any thought of using the dam immediately for any other purpose than flood control.

With that report before it at the next session of Congress the Congress of the United States can work out a plan for the immediate construction by the Federal Government of this Glen Canyon flood-control dam.

The estimates of the cost of the proposed Sentinel flood-control dam do not go over $5,000,000 and the estimates of the cost of the Glen Canyon dam that are available do not go over $50,000,000.

The value of the resources created or made available for development by the building of the Glen Canyon dam runs into the billions of dollars.

I shall return to that point later in my remarks, and fully outline and specify those resources and their stupendous magnitude as they will be rescued from waste and brought within the scope of public or private enterprise by the building of the Glen Canyon dam as a flood-control dam by the Federal Government.

At this point I want to emphasize and drive home the fact that the flood-protection plan suggested by me for the Imperial, Yuma, and other valleys of the lower basin of the Colorado River, is more complete than the Boulder dam scheme, guarantees better security, and will bring assured safety immediately, and permanent immunity in much less time than the Boulder dam scheme.

Furthermore, I want to emphasize and drive home, right here and now, the fact that the plan I propose, every feature of it, every appropriation to be made, every structure to be built, is clearly and unquestionably within established policies and functions of the Federal Government.

It disentangles flood protection from the wholly unjustifiable effort to deprive Arizona of her constitutional rights as a sovereign State, of her greatest agricultural asset in the form of the waters of the State and their use within the State.

It puts Arizona on a par with all the other States of the basin as a participator in benefits without being deprived of basic rights.

It creates no entanglements with reclamation, either in Mexico or in the Imperial Valley.

It involves flood control in no controversy as to public or private development or distribution of hydroelectric power.

It is a clean-cut, simplified method of providing immediate and permanent flood protection—leaving other controversies to be fought out by themselves.

And it places the proponents of reclamation in the Imperial Valley, the proponents of the all-American canal, the advocates of a system for furnishing domestic water for Los Angeles and other southern California cities, the beneficiaries under the plan for furnishing hydroelectric power for southern California, not in a worse, but in a better position to press their claims for those benefits from the development of the Colorado River than they are, or ever can be, under the Boulder dam scheme or any scheme like it that necessitates giving water to Mexico that ought to be used in Arizona.

The things I am now urging for flood protection are:

1. Immediate flood protection to safeguard against this year's flood on the Colorado River.

2. A perfected permanent levee system affording protection from both the Gila and the Colorado while flood-storage emergency impounding basins are being built on those rivers.

3. An emergency impounding basin on the Gila River at Sentinel.

4. An emergency impounding basin on the Colorado River at Glen Canyon, in accordance with the complete plan for the development of that river recommended in the La Rue report. Water Supply Paper 556.

Each and every one of these propositions is necessary for flood safety in the Imperial Valley.

Not one of them can be omitted without endangering that community and all its property and lives.

The first proposal, protection against this year's flood, is unprovided for in the Swing-Johnson bill.

The second proposal, a perfected levee system pending the construction of flood storage reservoirs, is ignored in the Swing-Johnson bill.

The third suggestion, an emergency flood-storage basin to safeguard against floods from the Gila, finds no place in the Swing-Johnson bill, which makes no provision to safeguard against the Gila River floods.

As a flood protection measure the Swing-Johnson bill fails to meet the necessities for protection for the flood-menaced communities it claims to protect.

It fails to do that, not only because the three last above specified necessities for complete flood safety are not provided for, but also because the Boulder Canyon project, with the reservoir formed by the Black Canyon dam, affords only 15,500,000 acre-feet of available storage, which is not enough to insure safety in years of excessive flood.

In the 22 years covered in Table No. 6, at the bottom of page 5 of the Fall-Davis report, there were six years when the annual flow of the river equalled or exceeded 20,000,000 acre-feet a year, and in one year it exceeded 25,000,000 acre-feet.

The Glen Canyon site for a flood-storage dam will create a reservoir capacity at a height of 693 feet of 50,501,260 acre-feet. At a height of 573 feet the available reservoir capacity would be 26,749,950 if used only for flood control. The Black Canyon dam, at a height of 552 feet, would nominally create a total of 26,000,000 acre-feet of storage, but of this 10,500,000 acre-feet would be dead storage, leaving only 15,500,000 acre-feet of available storage.

This comparison clearly shows the immense superiority of Glen Canyon over Black Canyon for flood storage. Let me again call attention to the fact that the site for a dam at Boulder Canyon has been abandoned and is no longer under consideration.

We hear constantly about the Boulder Canyon dam, but there is to be no Boulder Canyon dam. The only dam proposed now is at Black Canyon, 40 miles farther down the river, where the elevation above sea level is 60 feet lower than at Boulder Canyon.

The Glen Canyon dam will create such vast potential natural resources and wealth that it needs no support from any of the sources from which it is proposed to repay the Government for its investment in the construction of the Black Canyon dam. It can stand absolutely on its own bottom, so far as that is concerned.

The urgent and imperative need for an emergency flood-storage basin or reservoir on the Colorado River for the benefit of the lower basin of that river would fully warrant the building by the Federal Government of the Glen Canyon dam to the full height of 693 feet, thereby providing a total storage of over 50,000,000 acre-feet.

The wonderful horseshoe formation at Glen Canyon makes it one of the most remarkably well-adapted reservoir sites in the world. The La Rue report, Water Supply Paper 556, Plate V, and photographs opposite page 22, give a graphic conception of the advantages of this now far-famed reservoir and dam site, and on the same Plate V there is a diagram giving the elevation above sea level, the area in acres, and the capacity in acre-feet of the Glen Canyon reservoir at progressive elevations up to a height of dam of 773 feet, at which height the reservoir would have a capacity of 72,045,060 acre-feet.

The Glen Canyon dam, being built for flood control and flood immunity, would render entirely unnecessary any other dam below on the Colorado River for flood storage, unless the Mohave dam was advisable as an additional safety against the possible breaking of any of the dams that will ultimately be built to fully utilize the hydroelectric potentialities of the Colorado River.

The vast expenditures of the Federal Government on the Mississippi River for flood protection, running into the hundreds of millions of dollars; its expenditures in the Appalachian region for national forests, having for their primary purpose the prevention of flood run-off; and other expenditures for flood control form a conclusive precedent for the building of the Glen Canyon dam as a purely flood-control structure, like the Miami River emergency flood-impounding basins.

In addition to this, however, the dam at a height of 693 feet would serve all flood-control purposes and at the same time create nearly 200 miles of navigable channel, forming a connecting link between railroads in Arizona and those in Colorado and Utah.

I quote from page 5 of Water Supply Paper 556:

> A dam in Glen Canyon will make easily accessible by motor boat 150 to 200 miles of river above, including besides Glen Canyon, the wonderful Rainbow Bridge, and many beautiful canyons of tributary streams.

It will standardize the flow of the Colorado River so as to make available for development by either public or private enterprise a total potential resource of hydroelectric power aggregating close to 4,000,000 primary horsepower.

It will so regulate the flow of the river that the reclamation of 3,000,000 acres of land in Arizona, by building a diversion dam at Glen Canyon and the Arizona high-line canal can be financed and carried out by private enterprise, if the Government itself should ultimately decide that this development should be left to private enterprise. The building of the Glen Canyon dam makes the plan feasible by either private, State, or national agencies or by a combination of them.

If the Glen Canyon dam, to a height of 693 feet, creating 50,000,000 acre feet of storage, were known to be an assured fact—known to be an absolutely certain Federal structure to be built without delay—it would, in my judgment, remove every objection on the part of Arizona to any of the provisions which the upper basin States have contended for in the Colorado River compact for their own benefit or protection.

Every provision in the compact relating to Mexico, or the use of surplus or any waters in Mexico, or the provision by Arizona of any part of a deficiency in Mexico, will have to be eliminated from any compact if it is desired to secure the approval of it by the State of Arizona.

But I believe that Arizona would approve the provision reserving 7,500,000 acre-feet annually for the upper basin, and the provision that the upper basin might furnish that in 10-year periods, and the provision that present perfected rights under the laws of prior appropriation shall be traded for reservoir rights, if it were known, beyond any possibility of doubt, that the Federal Government would build the Glen Canyon dam to the required height of 693 feet without delay.

If the Glen Canyon dam were assured, and the proponents of the Swing-Johnson bill still desired to "fight it out on that line" all they would have to do would be to substitute Bridge Canyon for Black Canyon in their bill, and go ahead.

They would have to go 50 miles farther for the power, but that would be more than offset by greater advantages to southern California and Los Angeles.

The Mulholland plan for domestic water for Los Angeles and other cities proposes to use up forever over 200,000 horsepower to pump the water over Shavers Summit. It would have to be pumped 1,400 feet. That is a stupendous undertaking and a stupendous waste of power perpetually, because, from Bridge Canyon the water can be taken to Los Angeles by gravity.

If southern California were allotted half the water at Bridge Canyon, and wanted to drop it over the dam there for power and let it run down the river to be diverted onto lands in California, lower down, that half of the water at Bridge Canyon would develop more power than all the water at Black Canyon.

At Black Canyon the total power development would be only 550,000 horsepower.

The La Rue report, Water Supply Paper 556, gives the power development at Bridge Canyon on pages 75 and 77.

Now note the advantage the Bridge Canyon dam has over the Black Canyon dam for power:

If the Bridge Canyon dam were temporarily built to a height of only 566 feet—14 feet higher than the proposed 552-foot dam at Black Canyon, one-half of the water falling over the Bridge Canyon dam would develop 507,500 horsepower for southern California and save over 200,000 horsepower by making it possible to take the water to Los Angeles by gravity.

The Bridge Canyon dam would undoubtedly as soon as practicable be raised to its full height approved by La Rue of 825 feet, creating a static head of 785 feet. Then the half of the water going over the dam would develop 640,000 horsepower for Southern California. And the other half of the water would be diverted by Arizona into the Arizona high-line canal and would irrigate 3,000,000 acres of magnificent land in Arizona and develop 600,000 horsepower in the drops of the Arizona high-line canal system, as estimated by competent Arizona engineers.

What possible earthly reason can there be for so obstinately opposing this vastly better plan, which we may call the Glen Bridge high-line all-gravity American plan, and insisting on the Black Boulder low-line Asiatic-Mexican plan unless it be that under the Glen Bridge high-line plan or project Arizona's rights are recognized and protected and Arizona is not robbed for the benefit of a politically and financially powerful group of American land speculators in Mexico in the delta of the Colorado River? There can be no other reason.

Measured by flood control, the Black Boulder low-line project as embodied in the Swing-Johnson bill is a delusion and a snare. It does not pretend to do anything for flood protection for the Imperial Valley except to give flood storage after the Black Canyon dam has been built. The building of that dam must require a considerable number of years.

No one could possibly read the Fall-Davis report and then read the La Rue report—Water Supply Paper 556—and not be convinced that the Glen Canyon dam gives better flood protection and gives it quicker than would be possible if the Black Canyon dam were selected for construction for that purpose.

On page 35 of the La Rue report, Water Supply Paper 556, will be found the statement:

> It is estimated that a dam which would provide about 8,000,000 acre-feet of storage capacity could be completed in six years.

And on page 36 we find the following:

> The Glen Canyon dam would relieve the flood menace, provide water for future irrigation development, more than double the quantity of power that could be developed on the lower river, and greatly reduce the cost of all dams subsequently built on the river below Glen Canyon.
>
> In view of the benefits of many kinds that may ensue from the completed project, the Glen Canyon dam would probably be the most valuable flood-control dam on the river.

In his comprehensive plan for the full development of the river from the north line of Arizona to the international boundary below Yuma, La Rue adopts the Glen Canyon dam and eliminates the Boulder Canyon dam entirely, approves a high dam at Bridge Canyon, with a series of low dams below it, as follows: Devils Slide, 163 feet high; Hualpai Rapids, 225 feet high; Lower Black Canyon, 194 feet high; Mohave Canyon, 158 feet high; and Parker, 99 feet high.

Speaking of the Bridge Canyon dam, on pages 76 and 77 of the La Rue report, Water Supply Paper 556, the report states:

> At some future time it may be necessary to divert 1,500 to 2,000 second-feet of water from Colorado River to augment the domestic water supply of the cities of southern California. If a gravity system is built, the point of diversion would probably be at Bridge Canyon. * * * Under a static head of 785 feet, the amount of power that could be developed at the diversion dam would be 1,280,000 horsepower. * * * The value of this power would more than offset the cost of the diversion dam. It therefore appears that the plan calling for the construction of a gravity system has merit.

And on page 71 a high dam at Bridge Canyon is approved—

> as a point of diversion for a gravity water supply for irrigation in Arizona or for domestic use in the cities of southern California.

A map has been prepared which shows the location of the Glen Canyon and Bridge Canyon dams and the proposed Arizona high-line canal, which form the Glen Bridge high-line all-gravity American project, and the lands irrigable under that project, and the location of the now abandoned Boulder dam site, for which Black Canyon has been substituted. The Black Boulder low-line project may be readily located on this map. It also shows the location of the lands proposed to be irrigated in Mexico under the Black Boulder low-line project.

I will ask that this map be inserted on one page of the CONGRESSIONAL RECORD with my remarks. It could not be reduced to a smaller space without becoming illegible in some of its most important illustrations and statements.

This map shows how the waters of the Colorado River could be taken to the coast basin for irrigation and furnish a supply, supplementing natural rainfall, that would provide every acre of irrigable land between Ventura and San Diego with an adequate supply for irrigation, besides furnishing domestic water for Los Angeles and other southern California cities, but there is not the slightest idea that there is any necessity for southern California to adopt that plan unless it is their own wish and desire.

All that we now ask is that they join hands with us to secure the building of the Glen Canyon dam, and that being assured, that they accept the Bridge Canyon dam instead of the Black Canyon dam as a point for the development of hydroelectric power for southern California.

Not only Arizona and California but every other State in the basin of the Colorado River will secure greater benefits and advantages from the Glen Bridge project than from the Bridge Boulder project.

All the waters of the Colorado River originate in the United States of America. Arizona, as a sovereign State, has rights to those waters which can not be taken away from her, either for the benefit of another State or for the benefit of this Nation as a whole or for the benefit of any other nation.

Under the Constitution and laws of the United States, and under international law, as laid down by Attorney General Harmon in the Rio Grande case (opinions of the Attorneys General, vol. 21, pp. 274 to 283) the State of Arizona, as a sovereign State, or the United States of America, under its proprietary rights as owner of the public domain, has the absolute and unqualified right to divert for beneficial use from the Colorado River all the waters of the river originating in the United States to which prior rights have not been acquired under the laws of the United States or the States bordering the river.

Whether any claim under the comity of nations could arise from the use of the waters in Mexico is "a question of policy only," according to the Rio Grande decision by Attorney General Harmon, and not a right under international law.

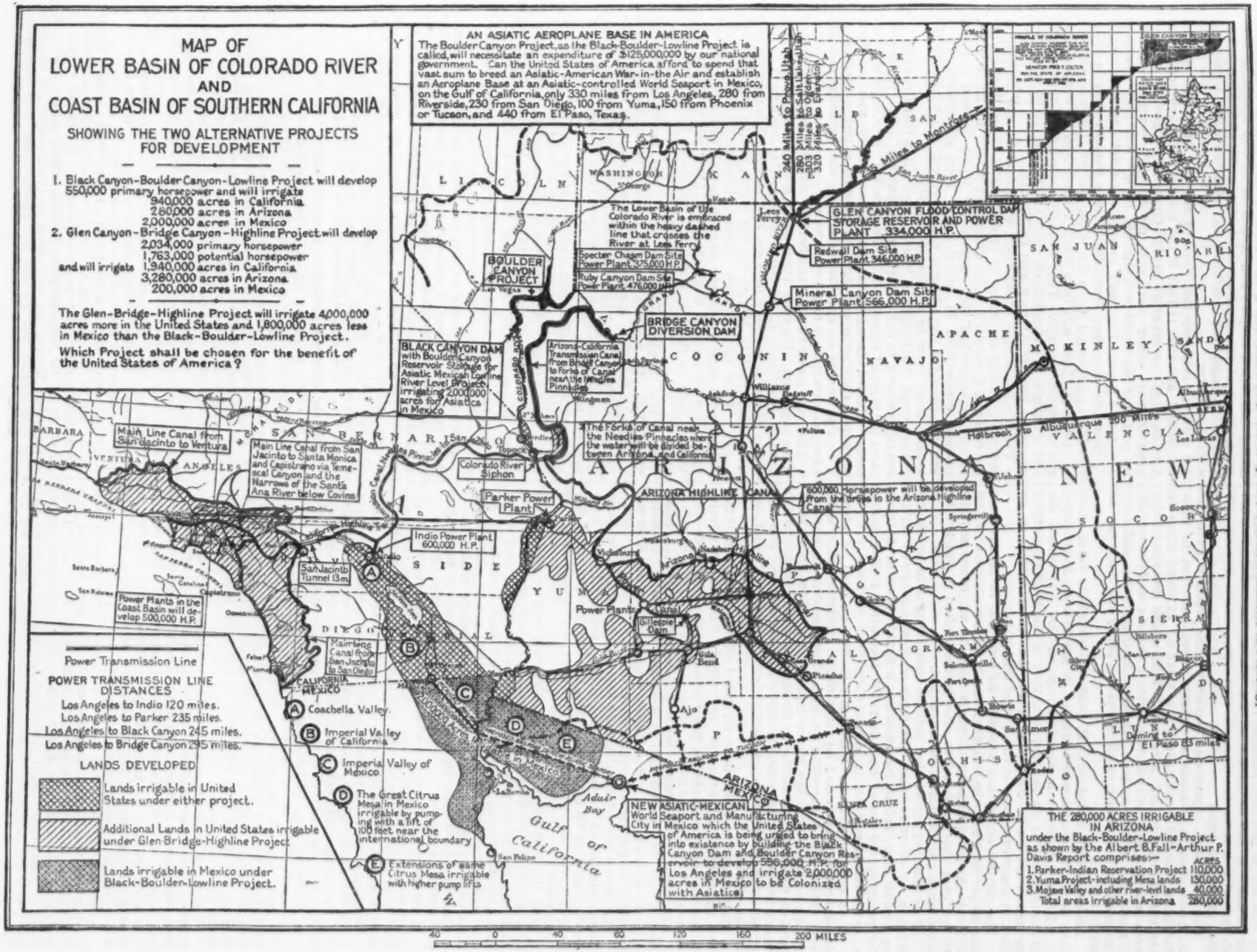
On the Cheng-tu Plain, in the Province of Sze Chuan, in western China, a population of 4,000,000 is supported, chiefly by agriculture, on 1,600,000 acres of irrigated land, all under the same system of irrigation, drawing its water from the Min River, a tributary of the Yangtsze, through one great rock cut and intake canal.

Shall we dedicate 8,000,000 acre-feet of water from the Colorado River to duplicate that Asiatic population in America around the head of the Gulf of California in Mexico? That is the question which now faces the people of the United States of America, and must be answered.

The Boulder Canyon dam, or the Black Canyon dam, or the Diamond Creek dam, either one of the three, if built, or the Santa Fe-Colorado River compact, if adopted, would forever surrender to Mexico 8,000,000 acre-feet annually of the waters of the Colorado River. That is water enough to reclaim and irrigate 2,000,000 acres in Mexico from the regulated flow of the Colorado River.

The Swing-Johnson bill provides for the building of the Boulder Canyon project, as it is designated in the bill. If the Boulder Canyon project is built, that 8,000,000 acre-feet of water annually goes to Mexico irrevocably forever. It will go there by the law of gravity, which can not be altered, modified, or repealed by any agreement between the States or treaty with Mexico. The resulting inevitable Asiatic absorption of the Imperial Valley of Mexico and adjacent citrus mesa lands in Sonora will nullify or make futile everything we have heretofore done to avoid Asiatic absorption and competition in

Map supplementary to speech of Hon. RALPH H. CAMERON, of Arizona, in the United States Senate, Tuesday, February 22, 1927
[Inserted in the RECORD by authority of the Joint Committee on Printing]



America. That 8,000,000 acre-feet of water will go to Mexico by the law of gravity, because there is no other place for it to go after it has dropped over the Black Canyon dam to an elevation so low as the base of that dam, which is only 645 feet above sea level.

The Fall-Davis report was perfectly right when it gave the irrigable area in Arizona at 280,000 acres and that in California at 940,000 acres, making a total of 1,220,000 acres in the entire lower basin. Afterwards that whole problem of the area irrigable by gravity in the State of Arizona was thoroughly investigated by the Arizona Engineering Commission and they included a few other small areas to bring the total up to 300,000 acres.

Albert B. Fall and Arthur P. Davis were entirely right when they declared in authorized articles in the Arizona Republican, which were inserted in the hearings on this bill before the House Committee on Reclamation, that if the Boulder Canyon project were built, 40 per cent of the water would go to Mexico and 60 per cent to the United States.

The 820,000 acres they specified as irrigable in Mexico was the 40 per cent and the 940,000 acres in California and 280,000 acres in Arizona, making 1,220,000 acres in all, comprised the 60 per cent they proposed to allot to the United States by the building of the Boulder Canyon project.

After the iniquity of that scheme was brought to public attention, an effort to break the force of it was made by trying to evolve a project to increase the irrigable area in Arizona by pumping the water up again 200 feet after it had fallen over the Boulder or Black Canyon dam.

It is claimed that by pumping 200 feet an area of about 600,000 acres more could be irrigated in Arizona under what was called the Parker-Gila project. That scheme is a mere smoke screen to get the water into Mexico. The Parker-Gila project will never be built. It is so utterly uneconomic to lift water 200 feet for agricultural use in Arizona that any one who seriously proposes it merely shows their ignorance of conditions in that State.

All the land proposed to be irrigated with a pump lift of 200 feet under the Parker-Gila project, will be irrigated by gravity under the Arizona high-line project, and that is the only way it ever will be irrigated.

Any claim that 700,000 acres can be irrigated in Arizona from either the Boulder dam or the Black Canyon is an illusive scheme, unworthy of the slightest consideration, and will not be urged by anyone knowing the facts.

The entire flow of the Colorado River at Laguna Dam, above Yuma, and above the mouth of the Gila, is fixed by the Fall-Davis report at 16,400,000 acre-feet, and by La Rue in Water Supply Paper 395 at 16,200,000 acre-feet, averaged over 20 or more years.

Take the Fall-Davis estimate, 16,400,000, and 40 per cent of that makes 6,510,000 acre-feet annually, which both Albert B. Fall and Arthur P. Davis publicly declared should and would go to Mexico if the Boulder dam were built. That is an annual irrigation of 4 acre-feet on 1,640,000 acres; and that is almost the exact area which supports an Asiatic population of 4,000,000 on the Cheng-Tu plain in the Province of Sze Chuan in western China.

It did not need the Fall-Davis report to make the frank admission, and publish the maps showing it to be true, that after the water had fallen over the Boulder or Black Canyon dam, enough would go to Mexico to irrigate 1,600,000 acres or more.

The fact is proved by facts and figures that are unanswerable. Take the Davis figure of 16,400,000 acre-feet of average flow per year. In California and Arizona 1,220,000 acres would require not over 5,000,000 acre-feet for its irrigation. Add to that 1,000,000 to go to Los Angeles by the Mulholland scheme for pumping the water 1,400 feet over Shavers Summit and you have a total possible use in Arizona and California of 6,000,000 acre-feet, which leaves 10,400,000 acre-feet to go to Mexico. Eight million acre-feet will irrigate 2,000,000 acres in Mexico, and more than that will be left after allowing for all losses by evaporation.

Now, these facts are simply unanswerable. They are proved by the report of ex-Secretary Fall and ex-Director of the Reclamation Service Arthur P. Davis, which is the whole basis for the Boulder Canyon project. That is the report which one of the most zealous advocates of the scheme said before the Senate Committee on Reclamation at Los Angeles is "The Bible" of the Boulder dam scheme.

I can not say with too much emphasis to my friends who are pushing the Boulder dam scheme on this floor that all they have to do to bring about perfect harmony between all the States of the Colorado River Basin with reference to this problem, and secure flood protection quickly for Imperial Valley, power for Los Angeles, and the all-American canal for the Imperial Valley, is to break away from this iniquitous scheme to bring into existence a vast Asiatic agricultural competitive colony and world seaport and Asiatic-controlled aeroplane base at the head of the Gulf of California in Mexico, and permit Arizona to enjoy her constitutional right to develop Arizona with that water.

I want to call attention here to one fact that must not be overlooked, and that is that if the waters are taken out in the Arizona high-line canal at Bridge Canyon and used to irrigate 3,000,000 acres under that canal, the return seepage which will be available for reuse will amount to not less than 4,000,000 acre-feet a year. That will enlarge the total available supply to 20,000,000 acre-feet annually. If the Boulder dam is built, and the water forced down the wide, shallow, tortuous channel of the river, there will be a much greater loss by evaporation, and no return seepage. That 4,000,000 acre-feet of return seepage is enough to irrigate more than 1,000,000 acres of otherwise worthless land in Arizona and California.

The United States of America a generation ago adopted a policy of Asiatic exclusion to protect itself from Asiatic competition and absorption. The Chinese exclusion act has worked. It has accomplished the purpose for which it was enacted. Chinese competition in America has been eliminated. If it had not been for the Chinese exclusion act, the whole Pacific littoral would now be a Chinese country.

Then came the Japanese. Their competition threatened to be equally ruinous to our American standards of life. We denied them the right of citizenship. The so-called "gentlemen's agreement" limited immigration into this country and excluded laborers. California and Arizona adopted antialien land laws. Unable to buy or even to lease land, the Japanese farmers have been compelled to go elsewhere.

They are going in vast numbers to South America. Mexico welcomes them with open arms, and a great colony of Japanese is being established on 200,000 acres near Guadalajara.

The recent new treaty between Mexico and Japan guarantees to the Japanese in Mexico all the rights of the most-favored nation. They may become citizens, intermarry, invest their capital with safety, buy and own land, and, in short, have all the rights of native Mexicans. We have driven them out. Mexico calls to them to come, and welcomes them with open arms.

This new Mexican-Japanese treaty was finally ratified in May, 1925. It appears to have been negotiated and put through to facilitate the acquisition of the lands in the delta of the Colorado River by Japanese, if the conspiracy to secure the waters of the Colorado River for their irrigation could be brought to fruition.

On October 25, 1924, our embassy reported that it had received information from the Mexican foreign office that the treaty would shortly be submitted to the Senate for ratification. On the same identical date, October 25, 1924, the following article appeared in El Heraldo de Mexico, in Mexico City:

THE JAPANESE WILL COLONIZE IN LOWER CALIFORNIA—MEXICALI, LOWER CALIFORNIA

A special train carrying 18 Japanese passed through here yesterday. They were all men of business and expert financiers. They are going to investigate conditions, relative to the lands along certain portions of the Colorado River, with the intention of establishing colonies which will bring together about 20,000 sons of the yellow race. It is said that there is a step on foot to colonize all the region near Mexicali if the waters of the Colorado can be diverted and used for the irrigation of the land. These men are all agriculturists in the major part. This move is creating quite a little bit of comment.

Note the serious significance of those words:

* * * To colonize all the region near Mexicali, if the waters of the Colorado can be diverted and used for the irrigation of the land.

How are they scheming to get those waters for that purpose? By the passage of the Boulder dam bill, ratifying the Colorado River compact, supplemented by a treaty with Mexico secured through the machinery which it is now proposed to set in motion by hooking the Colorado River up with the Rio Grande, so as to get through a concession of Colorado River waters for this Japanese colony in Mexico in exchange for concessions from Mexico on the Rio Grande.

There are no Asiatic complications on the Rio Grande. For that reason the Rio Grande should never be tied to the Colorado River in any negotiations with Mexico.

The Colorado River problems are loaded with Asiatic dynamite. There can be no safety for the United States of America from Asiatic aggression in America except to dry the Colorado River up at the Mexican international boundary line. We can compensate Mexico for any claim to those waters, if she has any just claims, but we can not afford under any conditions

to permit a Japanese agricultural competitive colony to be established in the delta of the Colorado River.

A part of the plan undoubtedly is the establishment of an Asiatic-controlled world seaport at the head of the Gulf of California, furnishing an airplane base in the event of war only 150 miles from Phoenix or Tucson, 330 from Los Angeles, and a little over 400 from El Paso, Tex.

This is a proposition to create a military menace of such inconceivably vast proportions that it rises above all other problems of the defense of the Nation in importance. No such problems exist on the Rio Grande, and they should never be imported into the negotiations with reference to that river between our country and Mexico.

Every tub should stand on its own bottom.

This new treaty between Mexico and Japan was signed by President Calles of Mexico on December 2, 1924, having previously been ratified by the Mexican Senate. It was ratified by Japan on May 14, 1925. Apparently, all knowledge of this Mexican-Japanese treaty was concealed from the people of the United States until too late for publicity to have interfered with its final ratification by Japan. Our State Department informed a Member of the House of Representatives on February 27, 1925, that the treaty had not been ratified, though it had been ratified by Mexico in December, 1924.

The first public announcement of the provisions of this treaty was through the publication in several newspapers in this country of an article which appeared in the New Orleans Times-Picayune on May 10, 1925, as follows:

MEXICO GIVES FAVORED-NATION STATUS TO JAPAN IN NEW TREATY—ORIENTALS ASSURED OF SAME TREATMENT AS NATIVES UNDER TERMS; MAY ACQUIRE LAND AND PROPERTY AND ENTER BUSINESS—IMMIGRANTS URGED TO CROSS PACIFIC—INTERMARRIAGE ALLOWED AND MILITARY SERVICE NOT DEMANDED; INSURANCE COMPANIES ARE INVITED

[By John Cornyn, The Times-Picayune foreign service]

MEXICO CITY, May 8.—The text of the Mexican-Japanese treaty given out last night shows that Mexico treats Japan as a favored nation. Japanese are encouraged to come to Mexico and they are assured of the same treatment as Mexicans.

They are allowed to acquire land and property, enter business, and to have all rights before the Mexican courts.

The treaty is one of commerce, navigation, and friendship. Japanese are encouraged to come to Mexico with their families, settle in industrial and agricultural districts, and to enter trade, commerce, manufacture, and professions. Special encouragement is given to Japanese insurance companies. This is of special interest as the powerful American insurance companies, like the New York Mutual, withdrew from Mexico 10 years ago because they found conditions were not inviting.

Japanese are also given the right to intermarry with Mexicans, as many are already doing. The treaty exempts Japanese residing in Mexico from military service. Mexican papers in the past objected to Japanese because they never became Mexican citizens and never entered the army.

Japanese are assured the right of port entry and duties similar to those conceded goods brought in Mexican boats. This is an important concession as it places Japanese on a par with Mexicans using the Mexican national marine.

Mexico also agreed to attempt to arrest and to return to Japanese ships Japanese sailor deserters.

The conspiracy to steal the waters of the Colorado River for lands in Mexico harks back to the purchase, more than 20 years ago, of the Andrade grant in the Delta of the Colorado River by the Los Angeles syndicate, of which Harry Chandler is now the head.

American land speculators now own more than a million acres on both sides of the Colorado River in Mexico. The Chandler syndicate owns over 800,000 acres. They have not the shadow of right to any of the waters of the Colorado River for irrigation, unless it be to claim under the comity of nations the right to the continued use of enough water to irrigate about 200,000 acres which they have already put under irrigation.

The Fall-Davis report, which was the start of the Boulder Canyon dam scheme, proposed to irrigate 820,000 acres in Mexico and 1,220,000 acres in California and Arizona—40 per cent for Mexico and only 60 per cent for our own country, as they both publicly declared to be their plan.

The Boulder Canyon or Black Canyon dam, if built, would give to Mexico water enough to irrigate 2,000,000 acres, because if the dam is placed so low down the river the waters can only be diverted over the 1,220,000 acres designated in the Fall-Davis report and the rest of the water goes to Mexico.

If that dam is built, Mexico will get over 8,000,000 acre-feet annual average, which will irrigate 2,000,000 acres.

On the Cheng-tu Plain, in western China, 1,600,000 acres sustains a population of 4,000,000 Chinese.

It is admitted that 1,600,000 acres are irrigable from the Colorado River in Mexico, and they will be so irrigated if the Boulder Canyon dam is built, and we will have spent $125,000,000 of Uncle Sam's good money to build an Asiatic annex in America if we build the Boulder or Black Canyon dam, because the lands so irrigated will inevitably fall into the hands of Japanese colonists. There is no escape from that proposition. Driven out of the Imperial Valley of California by the antialien land laws, they would only have to step across an invisible international boundary line, acquire the lands they want in Mexico, and sell their products in ruinous competition with every farmer in the Southwest.

Tens of thousands of dollars have been spent in a great nation-wide publicity campaign to force the Boulder Canyon bill through Congress. But the fact that the Boulder dam project will irrigate 2,000,000 acres in Mexico and create Asiatic competition on a stupendous scale for every American farmer and worker and manufacturer has been studiously misrepresented or concealed by the proponents of that bill.

It has been said, in opposition to this Swing-Johnson bill, that it is in reality a scheme to get power for Los Angeles under the guise of a flood-control bill. That is an inadequate view of the matter. In fact and in reality, the underlying and fundamental motive force behind this Boulder dam scheme has been the plan to get the waters of the Colorado River for reclamation in Mexico, and to get it without the shadow of a right to it by a scheme in which other alleged necessities would form the smoke screen behind which the real purpose would be concealed.

This treasonable conspiracy to get waters in Mexico for the profit of a group of American land speculators harks back to more than 20 years ago when Gen. Harrison Grey Otis formed a syndicate in Los Angeles to purchase the Andrade grant of over 800,000 acres of land in what now forms the Imperial Valley of Mexico, in the delta of the Colorado River below the international boundary line.

The American purchasers of that vast principality in Mexico knew perfectly well that they had no right under international law for water from the Colorado River for its reclamation. That being so, they evolved a claim to what they called an "equitable apportionment" of the waters of the Colorado River. They claimed that they were entitled to water for their lands in Mexico in the proportion that those lands bore to the lands reclaimable from the river in the lower basin in the United States of America. In other words, their claim was to 40 per cent of the water, and when the Albert B. Fall-Arthur P. Davis report came out of the hopper that was what it gave to Mexico.

The original preliminary report was even more brazen in its concessions and declarations with reference to the surrender of Arizona's waters to Mexico for the benefit of the Harrison Grey Otis syndicate, of which Harry Chandler, son-in-law of General Otis and present manager of the Los Angeles Times, is now the head.

The most significant fact with reference to this whole scheme is that it was all worked out under an act of Congress in which no reference was made to Mexico. If such a reference had been made it is safe to say that Congress would never have passed the bill.

The preliminary report above referred to is entitled:

Sixty-sixth Congress, third session. House of Representatives. Committee print. Department of the Interior, United States Reclamation Service. Preliminary report on problems of Imperial Valley and vicinity, required by act of Congress approved May 18, 1920, Public, No. 298, Sixty-sixth Congress, January, 1921.

That act of Congress is printed in full as Appendix A of that preliminary report on pages 20 and 21.

Under that authorization, in which no reference to Mexico is made, the Reclamation Service proceeded to work out and propose plans for the irrigation of 820,000 acres in Mexico.

On page 18 we find the following:

No branch canal lines were surveyed for Mexican lands. The lands in Lower California would probably be best supplied by extensions from the Imperial Canal as constructed, and those in Sonora by enlargement and extension of the main canal of the Yuma project.

The Fall-Davis final report did not contain this statement.

The preliminary report frankly recommended that the Mexican lands should contribute their share of the cost of reservoir storage.

Under the Swing-Johnson bill they will get more than the 40 per cent of that water proposed to be surrendered to them by the Fall-Davis report, and get it for nothing—contributing not a

cent to the cost of construction of the necessary storage works originally proposed by the preliminary Fall-Davis report.

The final Fall-Davis report, so often referred to in this statement of facts, is Senate Document 142, Sixty-seventh Congress, second session, and in that report the scheme for paying for the dam through the sale of power by the Federal Government is evolved and proposed as a way to finance the scheme.

The difficulties that have been thrown in the way of Arizona in her determined efforts to protect her rights and secure the information necessary for that purpose have been so persistent as to be almost insurmountable.

Away in the far southeastern corner of Arizona, the whole San Simon Valley has been topographically surveyed and plots made from which a plan for flood control and reclamation in that valley was worked out, showing the value of those United States Geological Survey plots, but for some inexplicable reason the topographic surveys have never been made of lands that will be irrigated under the Arizona high-line canal in the western part of the State.

In order to get the levels of the country through which that great artery of Arizona's future prosperity must run, private subscriptions had to be raised, and at last a State survey was obtained, after overcoming the most insistent opposition.

The source of that opposition and of the determined and insistent conspiracy to force the compact on Arizona and anchor her future to the ball and chain of an obligation to furnish half of a deficiency for irrigation in Mexico can be traced straight to the camp of the secret beneficiaries under this Swing-Johnson bill, the successors in interest of the Otis Syndicate in Mexico.

The establishment of an Asiatic colony on more than a million acres in the Imperial Valley of Mexico will create conditions more dangerous by far than would have been created by the Chinese or the Japanese in California.

The competitive conquest of California by the Chinese was averted by the Chinese exclusion act. Shall we now surrender the waters of the Colorado River to establish a more dangerous Asiatic competition in the delta of the Colorado River in Mexico? We were compelled to protect ourselves against Japanese competition by enacting State laws against alien land ownership or land leasing.

The Imperial Valley of California was fast becoming a Japanese colony. It is now, by those laws, protected from that fate, and from the competition of the cheap coolie labor from Asia—a competition destructive to both farms and factories in the United States of America. The Boulder Canyon project is equivalent to a deliberate proposition to nullify those antialien land laws by donating to a group of American land speculators 8,000,000 acre-feet of water annually from the Colorado River to reclaim their lands in Mexico which will be sold to Japanese when reclaimed.

We deny to the Japanese in California the right to either own or lease land or to become citizens. Mexico, by her new treaty with Japan, finally ratified in May, 1925, offers them all those privileges if they will come to Mexico. So all the Japanese will have to do in the future, if we surrender the water from the Colorado River to irrigate the land in the Imperial Valley of Mexico, will be to walk across an invisible boundary line between our country and Mexico, and become Mexican citizens, and buy and own land irrigated with our river, and raise on it the crops that will ruinously compete with every farmer on our side of the line. That amounts to nothing less than a nullification of our antialien land laws. And it surely puts California in a unique position before the people of the East, to insist on the enactment of antialien laws that give offense to a friendly nation and exclude them from owning or leasing land in California, and then ask Congress to spend Uncle Sam's money to build a dam on the Colorado River that will create more dangerous competition in Mexico than that which we have safeguarded against in California.

The Japanese in Mexico, where we have no control over them, are a greater menace than they were in California, where they were under the control of our laws and subject to them.

The reason why the Boulder Canyon project will irrevocably surrender 8,000,000 acre-feet annually to Mexico is that the dam is to be a power dam. The power must be developed by dropping the water from the reservoir back to the base of the dam. That drops it back to a level so low that it can never afterwards be diverted from the river high enough to cover the irrigable lands in the United States of America. At the Boulder Canyon dam the water would fall back to the 706-foot level. At the Black Canyon dam it would fall to the 645-foot elevation above sea level.

After falling over the dam to either of those low levels, the water can go nowhere else except to Mexico. It will go to Mexico by the law of gravity, unless the law of gravity can be amended or repealed, or unless some kind of water can be found that will climb a canyon wall and crawl out over the edge of the mesa onto the land that it ought to irrigate.

To irrigate that mesa land in Arizona, and take the water to the coast basin of southern California by gravity, the water must be diverted from the river at an elevation of 2,000 feet.

The only point on the river where the water can be diverted on the 2,000-foot level is at Bridge Canyon. If diverted there the water will irrigate 3,000,000 acres in Arizona by gravity, and will flow by gravity over any lands in the coast basin of southern California that are below the 1,500-foot contour above sea level. The practicability of the necessary siphon under the Colorado River below Topock is proved by the Yuma siphon and the Hudson River siphon which is part of the new aqueduct system for New York.

If the Bridge Canyon dam is built, the American land speculators in Mexico will not get the water. That accounts for the bitter opposition to the Bridge Canyon dam, and all the controversy over the Colorado River. Were it not for that opposition there would be no controversy.

Compare the two alternative projects:

The Boulder Canyon project will develop 550,000 primary horsepower and then irrigate 280,000 acres in Arizona and 940,000 acres in California, of low river-level or below-sea-level lands in the Imperial, Coachella, and Palo Verde and other valleys. Water enough will go to Mexico forever to ultimately irrigate 2,000,000 acres below the international boundary line.

The all-gravity American project, with the Glen Canyon reservoir, the Bridge Canyon diversion dam, and the Arizona-California Highline Canal, will develop 2,000,000 primary horsepower immediately available, with a potential reserve of 2,000,000 more between Glen Canyon and Bridge Canyon.

The value of that power will cover the construction costs of both dams and also of the Arizona-California Highline Canal, leaving only an acreage charge of $50 an acre for the cost of the distribution works to be borne by the reclaimed lands.

In addition to all the lands irrigable under the Boulder Canyon project in those two States, the all-gravity American project will reclaim 3,000,000 acres of otherwise irreclaimable desert in Arizona, and will furnish a supplemental supply adequate for the abundant irrigation of 1,000,000 acres in the coast basin of southern California, all the way from San Diego to Ventura.

Is there any question as to which of these two alternative projects should be chosen for construction by our National Government, from the standpoint of the development of a great national asset?

The Fall-Davis report recommended the construction of the Boulder Canyon dam. Subsequently it was found that a dam could not be built at Boulder Canyon because of impossible conditions as to bed rock and foundation. The Black Canyon dam, 40 miles farther down the river, was afterwards substituted for the Boulder Canyon dam in the Boulder Canyon project, as it is designated in the Swing-Johnson bill.

If the Boulder Canyon dam, or the Black Canyon dam as a substitute for it, is built, the 8,000,000 acre-feet annually that will thereby be irrevocably surrendered to Mexico will be taken from Arizona and California to be used in Mexico. To use it in Mexico will deprive California of the water needed to irrigate 1,000,000 acres in the coast basin of southern California between San Diego and Ventura. It will deprive Arizona of the water needed to reclaim 3,000,000 acres under the Arizona Highline Canal, and dedicate that vast acreage to the desert forever.

If this water goes to Mexico it will destroy in the United States of America national wealth in potential land values and annual productive values running into many billions of dollars. And Mexico has not the slightest right to the water under international law or the comity of nations.

We are warming a serpent in our bosom. It menaces our national existence. The American people must be aroused from their lethargy. They must cast off the reptile before it comes to life and stings them to death. This poisonous reptile has taken the form of the Colorado River conspiracy to plant Asiatic competition on American soil irrevocably.

It plans, to create in America, at the head of the Gulf of California, a vast center of Asiatic agricultural, commercial, manufacturing, and industrial production, enterprise, and competition.

It will bring from Asia to America the deadly, tireless, never-sleeping "drag-down" of the competition of the cheap coolie labor and low living standards of Asia. That competition will

be felt on every farm and in every factory in America, and in every home where a family is supported by labor in tilling the soil or turning the wheels of industry.

Either we will bequeath a war for existence to our children, or our national fate will be slow strangulation. Another race will submerge us beneath the waves of countless millions working and living on a lower plane of existence. Our American high standards of life will be crushed down under the sheer weight of the competition in America of vast hordes from Asia's swarming hive. Asia has swarmed more than once before and is ready to swarm again. They only await the day when China will have become as completely militarized as Japan became to prepare for her war with Russia.

We may save ourselves from that menace if we keep the Pacific Ocean between the two competing races. Our doom will be sealed unless we fight and win a war with Asia, if Asia once gets the foothold in America which our American Colorado River conspirators now contemplate, provided they can get the waters of the Colorado River to irrigate the lands they are planning to sell to the Japanese.

There never was before, and never will be again in this country, a great public emergency calling so loudly for patriotic support and the resistless energy that fights for national existence as the present crisis brought on by the scheme to build the Black Canyon dam. The subtly concealed purpose of the Black Canyon dam is to get 8,000,000 acre-feet annually of the waters of the Colorado River to run to Mexico by the law of gravity, without the shadow of a right to those waters being now vested in the American conspirators who own the land in Mexico and who are now endeavoring to put through this treasonable scheme by the passage of the Swing-Johnson bill.

An ounce of prevention is worth a pound of cure.

Is it not better to strangle that conspiracy before its fruits can be harvested than to stupidly stay asleep until we have ourselves been strangled by those fruits? America must be aroused from her present stupor and made to see the danger that confronts her future. We must safeguard the Nation against the danger by preventing the danger from coming into existence.

We must use the Colorado River in the United States of America—not merely talk about using it. We must not allow it to run down to Mexico by gravity. We must actually and in fact build the works necessary to reservoir every drop of the river's flow high enough up the river to turn it out on the thirsty desert lands in our own country.

The most serious aspect of the present Colorado River problem is that the American people know nothing of the menace lurking in it of a long competitive struggle with Asia's cheap labor and competitive farm and factory products. They do not know that such a struggle would inevitably lead to international friction, making war inevitable.

The most shocking feature of the present effort to get the United States of America to build the Black Canyon dam to furnish water for Mexico is that every American citizen who advocates the Black Canyon dam must have answered in the affirmative the following question:

Shall we use the Colorado River to create an Asiatic population of several million in the delta of the Colorado River and around the head of the Gulf of California in the Mexican States of Lower California and Sonora?

That question alone suggests a possibility of racial conflict demanding instant national public protest.

Yet that absorption by Asiatics of waters from the regulated flow of our second greatest American river is exactly what is designed by the conspiracy of American speculators in Mexican lands in that region.

It is the inevitable result of their deliberate effort to deceive, delude, and mislead the American people into abandoning more than 8,000,000 acre-feet annually of the waters of the Colorado River to reclaim 2,000,000 acres in Mexico.

A part of their plan from the beginning has been to sell those lands to Japanese for Asiatic agricultural colonization in America in competition with American agriculture.

That vast Asiatic agricultural annex in America is to be the "back country" for a competitive world seaport and manufacturing city, connected by rail with American markets and by sea with the world's markets. This new city at the head of the Gulf of California, in Mexican territory, but under Asiatic control, could not but become an Asiatic airplane base in America.

When this Colorado River conspiracy has fully fruited, and those conditions have been created, competition will create war. America will have to war with Asia, and dislodge Asia from this vantage ground in America, or be submerged by Asiatic competition.

Chinese conquest of California by the sheer power of cheap labor, absorbing agriculture and driving American factories out of business, was prevented only by the Chinese exclusion act. But for that, it would have led to war. There would have been no alternative but to fight for it, if that became necessary, to drive the Chinese out of California, or surrender the country to competition we could not stand against.

History has repeated itself. We have been forced to enact antialien legislation to prevent similar agricultural absorption by the Japanese. They have been forced out of California. They are going to Mexico. Unable to even rent land in the Imperial Valley of California, they step across an invisible international boundary line, and can buy as much or as little land as they want in the Imperial Valley of Mexico.

The Japanese in Hawaii are a menace. The Japanese in Mexico will be a much greater menace just below our boundary, irrigating their lands from our river and with both Mexico and the Japanese Empire to stand behind them in any international friction developed by their claims to the waters of that river.

Yet in the face of that appalling military menace to the Nation, the conspiracy has gone steadily forward to secure the waters of the Colorado River for 2,000,000 acres of Mexican lands to be colonized by the Japanese.

Knowing they have no right to the waters under international law, the conspirators have been for years endeavoring to get the Colorado River regulated for power by building a dam so far down the river that the waters can not be diverted to American lands, and, as a necessary consequence, must go to Mexico by gravity.

The Boulder Canyon dam project was the fruition of that scheme.

The Black Canyon dam project is still farther down the river.

The Black Canyon dam would utilize the same reservoir site as the Boulder Canyon dam would have used. The scheme makes necessary the use of the same reservoir for flood control, water storage, silt storage, and regulation for power development.

The Black Canyon dam, if once built, would forever prevent the works from being built farther up the river, which are indispensable for the use of the waters of the Colorado River for reclamation in the United States of America.

The project that provides for the ultimate use of all the waters of the Colorado River in the United States of America is the Glen Canyon dam for storage and the Bridge Canyon dam for diversion.

The Bridge Canyon dam makes possible the diversion of the river at an elevation high enough for a gravity supply for 1,000,000 acres of now unirrigated lands in southern California and for the reclamation of 3,000,000 acres in Arizona that can not be irrigated from the Black Canyon project.

That diversion for irrigation in Arizona and for a gravity supply for southern California's coast basin must be at an elevation of not less than 2,000 feet above sea level. Bridge Canyon is the only point on the Colorado River where the water can be diverted for those two purposes at a sufficient elevation. The Glen Canyon site is the only available site for a storage reservoir above Bridge Canyon for the benefit of the lower basin.

A COMPARISON OF THE TWO PROJECTS AND THEIR RESULTS

The Black Canyon-Boulder Canyon low-line project, if built, would dedicate forever, for the benefit of a group of conscienceless American speculators in Mexican lands, more than 8,000,000 acre-feet annually of the waters of the Colorado River to reclaim 2,000,000 acres of land in Mexico for the establishment in America of a competitive Asiatic world seaport and Asiatic agricultural colony.

At the same time, as the inevitable consequence of that unbelievable national folly—that racial and international unforgivable sin—that irremediable crime against Arizona and America, the Black Canyon-Boulder Canyon low-line project would dedicate forever to the desert 3,000,000 acres in Arizona.

In addition to that, the Black Canyon-Boulder Canyon low-line project, if built, would donate to American speculators in Mexico the waters which otherwise will be taken by gravity to the coast basin of Southern California to supplement local water and give to 1,000,000 acres an ample irrigation supply, besides furnishing all the water needed for domestic use to every city from San Diego to Ventura.

Everyone who supports the Black Canyon-Boulder Canyon low-line project must necessarily advocate those results, because there is no escape from them if the Black Canyon dam is built.

Albert B. Fall, when Secretary of the Interior, was the first Secretary of the Interior to approve this scheme to reclaim a

vast area in Mexico with the waters of the Colorado River, waters to which Mexico has no right under international law.

That Mexico has no such right was determined by Attorney General Judson Harmon in the Rio Grande case. (Opinions of the Attorneys General, vol. 21, pp. 274 to 283.)

If we sleep on our rights, and do not use the water in this country, a claim to it under the comity of nations will be made, based on beneficial use in Mexico.

On February 28, 1922, Secretary Fall transmitted to Congress with his approval and official recommendation, the plan for the Boulder Canyon dam, as set forth in the report known as the Fall-Davis report, Senate Document No. 142, Sixty-seventh Congress, second session.

On page 5 of that report is a table showing the annual flow of the Colorado River to be 16,400,000 acre-feet per year at the Laguna Dam, 12 miles above Yuma, and a few miles above the mouth of the Gila River, averaged over 20 years, from 1899 to 1920.

That water is the run-off from a watershed of 244,000 square miles in the United States of America, excepting the Gila River watershed. The run-off from the Gila River watershed is not included in that estimate of 16,400,000 acre-feet per year. In the same period of 20 years it amounted to an average of 1,070,000 acre-feet a year.

The question we now face is whether half of that 16,400,000 acre-feet of water shall be used in Mexico or in the United States of America

In that same Fall-Davis report the total area irrigable in the United States in the lower basin from the Colorado River below the north line of Arizona is fixed at 1,220,000 acres and no more if the Boulder Canyon dam were built.

That is all that ever will be irrigated in that country if the Black Canyon dam should be built, because the water falling over the dam to develop power drops back to the 645-foot level. At Boulder Canyon it would drop back to the 706-foot level. Once at that low level, at the base of either dam, the water can not be diverted high enough to cover lands in Arizona or California, except the 1,220,000 acres in these States designated in the Fall-Davis report.

The water necessarily must run down to Mexico by gravity, and the Mexican lands get the water; that is, they inevitably get it, unless the law of gravity can be repealed or water made to run uphill. If the Black Canyon dam should be built, the scheme of the Colorado River conspirators—the American speculators in Mexican lands—will have succeeded.

With no right to the water, they get it in Mexico by the law of gravity, because the river has been regulated for power development and the dam for power put so far down the river that after the water falls over it there is no possibility of diverting it onto the lands on which it ought to be used in our own country, because those lands are at too high an elevation. They can not be irrigated unless the water is diverted from the river at the Bridge Canyon dam.

In the Fall-Davis report there is a map opposite page 20 and another opposite page 62, Plates V and XIX, and a tabulated statement of the lands on page 48, showing the area to be irrigated in the United States to be 1,220,000 acres.

That acreage would require for its irrigation 5,000,000 acre-feet annually. That being deducted from the total flow of 16,400,000 acre-feet annually would leave 11,400,000 acre-feet per year to go down to Mexico by gravity.

Since the Fall-Davis report the Mulholland scheme has been evolved to take 1,000,000 acre-feet a year to Los Angeles by pumping it 1,400 feet to Shavers Summit. From there it will run by gravity to Los Angeles. That additional diversion would still leave 10,400,000 acre-feet per year to go to Mexico.

All the water they need in Mexico to irrigate 2,000,000 acres is 8,000,000 acre-feet a year.

If the Black Canyon dam were built, the average regulated flow of the river to Mexico would never be reduced below an annual average of 8,000,000 acre-feet.

On the other hand, if the Glen Canyon and Bridge Canyon dams are built, all that water will be used in the United States of America.

To summarize: If the Black Canyon dam is built—

1. American speculators in Mexican lands will get 8,000,000 acre-feet of water per year to sell to Asiatic agriculturists in America and create ruinous competition for American farmers.

2. That water will be taken from Arizona and will leave 3,000,000 acres in that State a desert forever.

3. Southern California will lose water for 1,000,000 acres in the coast basin of southern California that will otherwise be abundantly irrigated.

Keep that picture of disaster and irretrievable ruin in mind as the result of building the Black Canyon dam and power plant.

Then look at what will happen if Glen Canyon and Bridge Canyon dams are built instead of Black Canyon.

First. The 8,000,000 acre-feet will be used in our own country and the Mexican lands will remain a desert, thereby safeguarding us against every form of Asiatic aggression from that vantage ground in America.

Second. The Arizona highline canal will be built to take water from the Bridge Canyon diversion dam. More than 3,000,000 acres will be reclaimed under that canal in Arizona. That will create 10 new taxable units of wealth-producing prosperity, each as populous and prosperous as the area under the Roosevelt system in the Salt River Valley. The annual taxes paid to the State and districts and municipalities by that newly created property will be at least $25,000,000 a year.

Third. The waters will be taken to southern California by gravity for every municipality between San Diego and Ventura, including Los Angeles. In addition the system will ultimately carry enough more water to supplement local water supplies sufficiently to abundantly irrigate 1,000,000 acres now unirrigated, or inadequately irrigated, in the coast basin of southern California. And the increase in State and county taxes annually contributed from this increase of permanent wealth in California will be more than $25,000,000 a year. A more intensive development and a denser population will immediately result in California than in Arizona.

Anyone who has seen southern California and can realize what it would mean to the people of the United States of America to abundantly irrigate every acre of irrigable land between San Diego and Ventura, or who has seen the Salt River Valley in Arizona and can realize what it would mean to create 10 new units in that State, each duplicating in area and wealth production the present unit under the Roosevelt Dam, will readily understand the immensity of the national crime involved when it is proposed to surrender to a group of American land speculators in Mexico at least 8,000,000 acre-feet of the flow of the Colorado River, enough to irrigate 2,000,000 acres of land, from the regulated flow of the Colorado River which is indispensably necessary to the development above described in Arizona and southern California.

And that national crime becomes nothing short of treasonable when the added fact is known that the use to which that land in Mexico will be devoted will be the establishment on it of a vast Asiatic agricultural colony and world seaport and manufacturing city, to breed an Asiatic-American war in the air as the result of the ruinous competition of Asiatic cheap labor and products with American farmers, workers, and manufacturers, and provide an Asiatic-controlled airplane base on Adair Bay in Mexico.

With the Black Canyon dam built to a height of 552 feet, the cost of the Black Canyon-Boulder Canyon project is estimated by the Reclamation Bureau of the Interior Department at $125,000,000.

With the Bridge Canyon dam built to a height of 566 feet, and the Glen Canyon dam high enough to store 26,000,000 acre-feet, and those two dams substituted for the Black Canyon dam, the cost of the project, including the all-American canal, would be $175,000,000.

The total power development at Black Canyon will be only 550,000 primary horsepower. The development at Glen Canyon will be 345,000, and at Bridge Canyon, with the dam built to a height of only 566 feet, the development will be 1,015,000 horsepower, a grand total of 1,360,000 primary horsepower which can be developed at Glen Canyon and Bridge Canyon.

There will be a market for all that power before the works can be completed to furnish it. It will all be needed in Arizona, California, and Nevada without seeking a market in any of the other States.

The increased cost resulting from including the Glen Canyon dam would be only $50,000,000.

The increased power development would be 810,000 continuous primary horsepower.

The increased annual net income value of that additional power would be $9,000,000 on the basis of value adopted by the estimate of the Reclamation Bureau in fixing the annual net income value of the 550,000 primary horsepower at Black Canyon at $6,100,000.

That estimate adopted 4 per cent as the rate of interest on the capital to be invested. At that rate the capitalized value of the additional 810,000 horsepower developed by Glen Canyon and Bridge Canyon would amount to $250,000,000.

That $250,000,000 would represent the added capitalized value created by the additional investment of $50,000,000 required by the Glen Canyon-Bridge Canyon project, accepting the basis of valuation adopted by the advocates of the Bridge Canyon dam, which is absurdly low.

The average dividend earnings of all the power companies in the United States is $36 per horsepower. On that basis the 810,000 horsepower is worth an annual net income value of $29,160,000. At 4 per cent that would give a capitalized value of $729,000,000 created from an investment of $50,000,000.

That huge return for an investment of $50,000,000 takes no account of an additional potential power development of 1,751,000 additional horsepower brought into existence by the building of the Glen Canyon dam. That potential power could be utilized by building the Redwall, Mineral Canyon, and Specter Canyon power dams to develop power with the standardized flow of the river between the Glen Canyon dam and the Bridge Canyon dam.

In the face of these almost inconceivable additional benefits, Congress is urged to build the Black Canyon-Boulder Canyon low-line project instead of the Glen Canyon-Bridge Canyon high-line project, not to save taking $50,000,000 from the Treasury that would have to be raised by taxation, but to avoid an additional bond issue of $50,000,000, making it $175,000,000 instead of $125,000,000, the whole bond issue to be amortized in 25 years.

Bridge Canyon would be only 50 miles farther from Los Angeles than Black Canyon. It would be 50 miles nearer to every point of use in Arizona.

Power at Glen Canyon is no farther from Salt Lake City than power at Black Canyon is from Los Angeles.

If neither Utah nor Colorado provided a market for the Glen Canyon power, every single horsepower of it would be used in Arizona and New Mexico.

An extension of a power line from San Simon to Deming would mean the salvation of the farmers of the Mimbres Valley, in New Mexico. Only 80 miles farther, and the power would be at El Paso.

Mr. ASHURST. Mr. President, will my colleague yield to me for the purpose of calling for a quorum?

The PRESIDING OFFICER (Mr. HOWELL in the chair). Does the Senator from Arizona yield to his colleague?

Mr. CAMERON. I yield.

Mr. ASHURST. I suggest the absence of a quorum.

Mr. JOHNSON. Mr. President, a point of order. The call for a quorum is entirely out of order at the present time, no business having been transacted since the last quorum call.

The PRESIDING OFFICER. The Chair will hold that the point of order is well taken.

Mr. ASHURST. Mr. President, will my colleague yield to me?

The PRESIDING OFFICER. Does the junior Senator from Arizona yield to the senior Senator from Arizona?

Mr. CAMERON. I yield.

Mr. ASHURST. I ask unanimous consent at this juncture to introduce some amendments to the pending bill.

Mr. JOHNSON. I object, Mr. President, to the introduction of any amendment at this particular point.

The PRESIDING OFFICER. The Chair will say that he has been informed that there was a motion made to take a recess until to-morrow, and, therefore, the point raised by the Senator from Arizona is in order.

Mr. JOHNSON. Pardon me a moment, Mr. President, but the motion to take a recess was made prior to the calling of the roll for a quorum.

The PRESIDING OFFICER. The Chair is informed that the motion was put after the call of the quorum.

Mr. JOHNSON. But the motion was made prior to calling the roll for a quorum.

Mr. ASHURST. Mr. President, will the Senator from California yield to me?

Mr. CAMERON. I still have the floor.

Mr. ASHURST. I wish to observe that the roll was actually called, responses were made, and the result announced after——

Mr. JOHNSON. After the motion.

Mr. ASHURST. After the motion.

Mr. JOHNSON. Yes; that is true.

Mr. ASHURST. Then, some business must have intervened.

Mr. JOHNSON. Not at all.

The PRESIDING OFFICER. The Chair will hold that voting upon the motion to take a recess is business, and therefore the point raised by the Senator from Arizona is in order.

Mr. ASHURST. Mr. President, if my colleague will yield for the purpose of suggesting the absence of a quorum, I desire to make that suggestion, but first I ask my colleague if he will yield for that purpose?

The PRESIDING OFFICER. Does the junior Senator from Arizona yield to his colleague?

Mr. CAMERON. I yield for that purpose.

Mr. ASHURST. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Hale	McKellar	Sackett
Bingham	Harris	McNary	Sheppard
Bratton	Harrison	Moses	Shortridge
Bruce	Heflin	Norbeck	Stewart
Cameron	Howell	Norris	Trammell
Copeland	Johnson	Nye	Walsh, Mass.
Curtis	Jones, Wash.	Oddie	Watson
Deneen	Kendrick	Pine	Wheeler
Ferris	Keyes	Pittman	
Frazier	La Follette	Robinson, Ark.	

The PRESIDING OFFICER. Thirty-eight Senators having answered to their names, a quorum is not present. The clerk will call the list of absent Senators.

The legislative clerk called the names of the absent Senators, and Mr. CAPPER responded to his name when called.

Mr. MAYFIELD and Mr. STEPHENS entered the Chamber and answered to their names.

The PRESIDING OFFICER. Forty-one Senators have answered to their names. A quorum is not present.

Mr. JOHNSON. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay Mr. PHIPPS, Mr. EDWARDS, Mr. SHIPSTEAD, Mr. SCHALL, Mr. BORAH, and Mr. WALSH of Montana entered the Chamber and answered to their names.

After a little delay Mr. REED of Pennsylvania, Mr. GOULD, Mr. GLASS, Mr. NEELY, Mr. GOODING, and Mr. FESS entered the Chamber and answered to their names.

The PRESIDING OFFICER. Fifty-three Senators having answered to their names, a quorum is present.

USE OF COLORADO RIVER IN OUR OWN COUNTRY

Mr. CAMERON. Mr. President, "where there is no vision the people perish."

Every American citizen who favors or aids the use of the Colorado River in Mexico is false to every obligation of humanity and patriotism. The Asiatic-American war bred by that use of the river would be a war in the air—a war of annihilation—a war to determine whether the Asiatics or Americans should possess the fertile shores of the Pacific in America.

Every American citizen who will learn the facts and give thought to them will be irrevocably convinced that the waters of the Colorado River must and shall be used for irrigation in the United States of America, and not in Mexico.

They must and shall be used to reclaim 5,000,000 acres in Arizona and California, which should include irrigating 1,000,000 acres in the coast basin of southern California, extending from San Diego to Ventura, instead of being used in the Imperial Valley of Mexico and on the great citrus mesa stretching away to the east from the Colorado River in the State of Sonora, in Mexico.

"Get the vision" of what the coast basin of southern California will be when every irrigable acre from the mountains to the sea, all the way from San Diego to Ventura, is abundantly irrigated with local waters supplemented by an adequate supply from the Colorado River. Then every acre may be an irrigated rural home, and every town and city in that whole region will have an ample domestic supply from that river, and a dense population will sustain itself by labor in industries furnished with power from the inexhaustible waterpower resources of the Colorado River.

"Get the vision" of what the Imperial Valley of California, and the Coachella Valley and the Palo Verde Valley, will be when those valleys, with their million acres of reclaimed lands abundantly supplied with water from the regulated flow of the Colorado River have been transformed into intensively cultivated garden farms, date gardens, orchards, vineyards, and vast fields of cotton, corn, alfalfa, melons, and vegetables, with all fear of flood or drought forever removed.

"Get the vision" of what the State of Arizona will be after the construction of the storage dam at Glen Canyon, forming the largest reservoir in the world, and the diversion dam at Bridge Canyon, and the great Arizona high-line canal. That irrigation system will furnish water for the reclamation of 10 new acreage units, each unit as large and rich and productive and populous as the Salt River Valley unit under the Roosevelt Reservoir. It will create new wealth that will be the basis for State and county taxes of $25,000,000 a year. It will provide over 3,000,000 hydroelectric horsepower for mines and industries that will be generated within the State.

Then ask yourself what it is worth to the people of the United States of America to bring all that vast wealth and benefit to humanity into existence, and whether we can afford to surrender to Asiatics in Mexico the waters that will accomplish such a miracle if used in our own country.

If the regulated flow of the Colorado River is not used in Arizona and California, it will run down the channel of the river by gravity to Mexico. If that happens, no power on earth can prevent it from being used in Mexico to create a vast competitive Asiatic agricultural annex in America, with a competing Asiatic world seaport and manufacturing city at the head of the Gulf of California.

The time has come when every American citizen who has an ounce of patriotism or loyalty to our own country in his soul, when every American business man or farmer who has an atom of common, every-day horse sense in his head, and wants to avoid ruinous competition in the future, must first fix his mental vision on the above description of what the Colorado River, when used for irrigation in Arizona and southern California, will bring into existence in those States in the near future. Then he must turn to the alternative picture of a vast Asiatic settlement and development from the Colorado River in Mexico, look it straight in the face, and—

"Get the vision" of what that Asiatic agricultural annex in America will be after its full realization. Except that it will be both Japanese and Chinese, it will duplicate the great city and plain of Cheng-tu, in the Province of Sze Chuan, in western China, where a population of 4,000,000 is sustained by agriculture on 1,600,000 acres of land irrigated by one system of irrigation works taking water from the Min River, a tributary of the Yangtsze. Substitute the Colorado River for the Min River, and the similarity is complete. In the Imperial Valley of Mexico and the Delta of the Colorado River and on contiguous citrus mesas around the head of the Gulf of California, with the waters of the Colorado River for irrigation, 1,600,000 acres will sustain a population of 4,000,000 Asiatic competitors of American farmers, and reproduce the intensive cultivation and amazing fertility of the Cheng-tu Plain.

The following description is quoted from The Yangtsze Valley and Beyond, by Bird Bishop, published in 1900 by G. P. Putnam's Sons, New York:

> The Cheng-tu Plain has an area of about 2,500 square miles (1,600,000 acres). Its chief products are rice, silk, opium, tobacco, sugar, sweet potatoes, indigo, the paper mulberry, rape and other oils, maize, and cotton, along with roots and fruits of all kinds, both muskmelons and watermelons being produced in fabulous quantities. From any height the plain looks like a forest of fruit trees. * * * Oranges reappear in splendid groves. * * * The soil, absolutely destitute of weeds, looks as if it were cultivated with trowels and rakes. * * * It has an estimated population of 4,000,000, and is sprinkled with cities and flourishing marts and large villages, Cheng-tu, the capital, having at least 400,000 people. Along the main roads the population may be said to constitute a prolonged village.

Once sure of the Colorado River for reclamation, as they would have been if the recommendations of the Fall-Davis report had been accepted and the Boulder dam authorized by Congress, this vast Asiatic settlement and development in Mexico would move rapidly forward to its full realization. With 500,000,000 to draw from in heavily overpopulated Japan and China, the Japanese would bring 4,000,000 from Asia to this new Asiatic Eldorado in America in Japanese steamships just as fast as we regulated the flow of the river so they could be assured of its use for reclamation. If the Boulder dam had been built, this would have been immediately on the completion of that dam.

If Arizona should be cajoled, coerced, or corrupted into ratifying the Santa Fe-Colorado River compact, the same result would follow, as it likewise would if the Federal Power Commission were to grant the power permit for a dam at Diamond Creek, or if the Black Canyon dam were to be built as a substitute for the Boulder Canyon dam. The inevitable consequence would be that this Asiatic colony and city in America would be a breeding ground for international competition and friction, resulting in an Asiatic-American war, which would ultimately end in another World War worse than the last.

Between those two alternatives of either using the water of the Colorado River in our own country, or allowing them to go to Mexico for Asiatic agriculture in that country, the American people must make their choice. They can have either the one or the other. They face the certainty that the water will be used in Mexico for Asiatic settlement and development, if we do not use it in the United States of America for irrigation, after having regulated it for power, as would have been done by the Boulder Canyon dam, or as would be done if the Black Canyon dam were constructed.

If the decision of the people of the United States of America is to use the water in our own country, instead of to create Asiatic competition in Mexico, then there is no escape from the fact that the necessary irrigation works must be built to provide for that use, and to divert the water from the river to 5,000,000 arid acres in Arizona and California.

And this must be done just as soon as the floods of the river are stored and the flow regulated for power, because the necessary irrigation works must be built and the water actually and in fact used to irrigate these 5,000,000 acres in Arizona and California before the use of the water in Mexico has established a claim under the comity of nations for the perpetual right to use the water in that country.

Consequently, the building of these works for irrigation in Arizona and California must go hand in hand with the regulation of the flow of the river for power anywhere in its watershed.

IF THE WATER GOES TO MEXICO THIS IS WHAT WILL HAPPEN

American land speculators now own practically all the lands that will be reclaimed from the Colorado River in Mexico. Those lands will be sold to Japanese. The new treaty between Mexico and Japan has made that certain. It was ratified by Japan in May, 1925.

Under the rights and privileges granted to them by that treaty the Japanese will rapidly develop a population of several million Asiatics in the delta of the Colorado River and around the head of the Gulf of California, in Mexican territory, but in reality under Japanese control.

The Japanese, under that treaty, will become Mexican citizens, buy and own the land, control politics, and cheerfully pay the taxes which will be a huge accretion to the Mexican treasury. They will densely populate and intensively cultivate an ultimate area of 2,000,000 acres of reclaimed land irrigated from the Colorado River. They will sell their products in competition with every American farmer in every American market.

We sought protection from their competition by our anti-alien land laws. And now we are contemplating giving them the Colorado River to reestablish in the Imperial Valley of Mexico a more dangerous competition than existed in our own country, and in the Imperial Valley of California.

Asiatic competition in Mexico, on lands irrigated from the Colorado River, will ruin every fruit grower, and every producer of melons, vegetables, and garden or farm products in Arizona and Southern California who is dependent on a local market in those States. Every American farmer in any of the intermountain States or in Nevada or Utah, looking to the Southwest for a market will find it absorbed by these Asiatic competitors in Mexico. The products from this Asiatic agriculture in Mexico will rub shoulders in competition with the products of American farms anywhere, which yield the same products and seek the same market. Every American producer will have to pay the American wages while his Asiatic competitors below the line in Mexico will pay the Asiatic wages, or cultivate their own little garden farms each for his own living according to their Asiatic standards, which is the most dangerous form of this rural competition.

Asiatic competition will put out of business every citrus fruit grower in southern California as soon as the citrus fruit lands in Mexico irrigable from the Colorado River can be brought into bearing. The great level mesa extending far to the east from the Colorado River in the State of Sonora in Mexico is the finest citrus fruit belt in the world. It is several hundred thousand acres in extent, and large areas can be irrigated with a very low lift of from 50 to 100 feet from the Colorado River. The Japanese, with their immaculate orchards, will see to it that no ban on their products is maintained, and the efforts to secure tariff protection would end as it failed when the effort was made to get protection for lemons and long-staple cotton.

Asiatic competition will cut heavily into the ocean commerce of the city of Los Angeles, because the Japanese, encouraged by their new treaty with Mexico, and to the great advantage of Mexico, will establish a competing world seaport on the Gulf of California, on the southern shore of this great citrus fruit mesa. They will give cheaper rail and water rates than Los Angeles to the markets of the world for all the products of the orchards, vineyards, gardens, farms, factories, mills, and mines of the Imperial Valley, the whole Colorado River country, and the ultimate Southwest. Their ocean-going steamships will return laden with imports for that vast territory. This immense commerce will be lost to Los Angeles.

I want to say right here that this would be the best seaport in the United States. Coming from the mouth of the Panama Canal, we have to reach San Francisco at the present time before we have an entrance to a seaport, that being the first port of entry on the Pacific coast. But here they would have the best kind of a naval base that could be found any place on the coast of the United States, located on the land which they have acquired bordering on the Gulf of California. I

have gone into that matter in great detail. In 1909 and 1910 I made a very careful study of the western coast of Mexico, and I can assure everyone in the Senate and in the United States that there is no place, either on the Atlantic coast or the Pacific coast, for a rendezvous for a big Navy and deep sea harbor like there is at the head of the Gulf of California.

Asiatic competition from this new Asiatic manufacturing city in America will be as disastrous to American manufacturers as was the Asiatic competition of the Chinese factories in California before the Chinese exclusion act stopped it. At this new competing seaport Asiatics will establish great factories to fabricate every product of human industry into which human labor largely enters. They will compete with every American manufacturer. With their raw materials at tidewater and their labor by the shipload from Asia, they will undersell in every American market. No tariff will ever cover the difference between Asiatic wages and American wages.

The new treaty between Japan and Mexico contemplates that exact thing. The industrial genius and capital of Japan will establish vast enterprises in Mexico. They will not compete with or exploit the Mexicans. They will bring to that country a new development otherwise impossible and a new prosperity which they will share with the Mexican people. Japan can and will supply all that Mexico lacks and needs to make our sister Republic one of the greatest nations of the world in the closest alliance with Japan.

In all of Mexico there is only this one location where a new world port and manufacturing city can be located "where rail and water meet," as they will at the point where this new Asiatic city in America will be established. At this point it will have a back country in Mexico of 2,000,000 acres of the richest garden and citrus fruit land in the world. Only a stone's throw from our southern boundary line, it will have a rail connection with the whole railroad system of the United States of America. It will have a water connection from which Japanese steamships will reach the oceans of the world and ply to every world market, connecting with the Atlantic through the Panama Canal.

That new seaport city will be at the head of the Gulf of California, on the northern shore of the gulf, about half way between Mexicali and Tucson. It will be connected with Yuma and Ajo by branches to the north from a railroad running about 125 miles from Mexicali to the new seaport on the Gulf of California and thence 150 miles to Tucson. At Tucson it will connect with the Southern Pacific and the El Paso and Southwestern, and over them with the Rock Island at El Paso and the Santa Fe at Deming.

Once this new railroad, which is now under construction west from Mexicali, is completed, the traffic of the interior Southwest will slide to tidewater at the head of the Gulf of California, instead of at Los Angeles. Los Angeles will then have paid a heavy penalty for her acquiescence in the conspiracy to steal the Colorado River for Asiatic development in Mexico.

American manufacturers are asleep at the switch. They assume that they have no concern with the Colorado River, while a conspiracy of American land speculators, scheming to make a huge profit by stealing an American river and selling it to build an Asiatic competitive colony and manufacturing city in Mexico, would cut the very ground from under the feet of many American industries by bringing the competition of the Asiatic wage scale to America and planting it where its competition would be inescapable.

An Asiatic wedge would be driven into the heart of America! And if that should be done, as the result of the apathy and indifference of those who have the most to lose by it, agricultural, commercial, industrial, and labor competition will inevitably cause international friction that will in the end bring on a war between Asia and America. It will be a war in the air.

The world port in Mexican territory under Asiatic control will constitute an airplane base within an hour by fast military airplanes from the city of Los Angeles. Whenever that war is begun, fleets of bombing planes will wreck every source of water supply in the Southwest, the Los Angeles Aqueduct; the San Diego, Bear Valley, and Hemet Reservoirs; the Roosevelt, Mormon Flat, and Granite Reef Dams; the Elephant Butte and Lahontan Government projects; and will ruin every city from Santa Barbara to El Paso and destroy their populations with fire and poison gas.

CONSPIRACY TO STEAL COLORADO RIVER A MILITARY MENACE

As a measure of national safety, to promote peace, to prevent war, to safeguard the world against a worse calamity than the last World War, the use of the Colorado River to reclaim lands in Mexico that are destined in that event to become an Asiatic agricultural annex in America must be prevented, by our own National Government, at all hazards, and with a classification of the cost as a military necessity, ranking with the millions we now spend on Army, Navy, and fortifications.

The world calamity that would result from the establishment of this little Asia in America, can be prevented in no other way but by using the water in the United States of America. That water must be used to build American homes under the American flag, develop American institutions, establish American industries, and protect our country from the menace that always would hang over it if the Colorado River were used to bring into existence a vast Asiatic settlement and development below the line in Mexico. The question of what we can afford to spend for that purpose must be decided in comparison with the inevitable alternative of war—a war more destructive and disastrous than anything the world has yet seen.

The Japanese have been forced out of California because we can not compete with them in this country. Their competition below the international boundary line in Mexico would be much more dangerous. We have passed the antialien land laws which prevent them from even renting land in the Imperial Valley of California, or anywhere else in California. Shall we now give them the Colorado River to reclaim and populate the Imperial Valley of Mexico?

Since the Japanese were legislated against in California, Mexico has made a treaty with Japan which extends a most cordial invitation to them to come to Mexico as citizens of a most-favored nation. There is a racial affinity between the Japanese and the Mexicans. The Mexican people will be the stronger from the merger of the races that will ultimately result in Mexico. The Japanese in Mexico will become a part of the body politic, just as the Anglo-Saxons or Europeans have with us. That is Mexico's right, and it is equally Japan's right. So far as we are concerned they may well say to us that it is none of our business.

But it is our business when a group of American land speculators buy all the land in the delta of the Colorado River, including vast adjacent citrus fruit mesas, and then deliberately scheme to steal the Colorado River to reclaim that land and sell it to Japanese capitalists to become a Japanese colony with all the evil consequences to the United States of America that would result from the success of that speculation.

And it is our business to frustrate that conspiracy by seeing to it that the waters of the Colorado River do not go to Mexico; but if we are to do that we must actually, and in fact, use those waters in the United States of America.

And right there is the crux of this great national problem.

Shall we really, in good faith, do what is necessary to use the water in the United States, or shall we just talk about it, pass legislative resolutions about it like those passed in the last Arizona Legislature, and let it end in bluff and bluster, or in sham and pretense, saying much and doing nothing?

When the Albert B. Fall-Arthur P. Davis report was made, and the Fall-Davis newspaper interviews were given out, at the time the Colorado River Commission was meeting in Phoenix, Ariz., the fact was flaunted in the faces of those who demanded that the water should be used in our own country that 40 per cent of the waters of the Colorado River should go to Mexico and 60 per cent to the United States of America.

The scheme proposed in that Fall-Davis report, Senate Document No. 142, known as the Boulder dam report, actually and in fact surrendered to Mexico eleven-sixteenths of the water for irrigation, with a good chance that they would ultimately get more than twelve-sixteenths, or 75 per cent instead of 40.

Yet there are some who are still calling that report "the Bible of the Colorado River" and urging the construction of the Boulder Canyon dam, or the Black Canyon dam, which is practically the same thing only a little worse.

The Boulder Canyon dam, built to develop power, would drop the water back to the 706-foot level at the base of the dam. From that elevation it would never again be diverted by gravity onto any lands in Arizona and California except 1,220,000 acres, as set forth in the Fall-Davis report. The Black Canyon dam is farther down the river and would, if built, drop the water to a still lower level. The bed of the river at Black Canyon is 60 feet lower than at Boulder Canyon.

PATRIOTIC PUBLIC OPINION WILL ULTIMATELY PREVAIL

The light is beginning to dawn. The people of this country are at last slowly waking up. The facts are becoming known. Few and far between are those who do not now concede that this second greatest American river must be used in our own country to reclaim our own deserts, instead of being given to a few speculators to be sold at a huge profit to Asiatics in Mexico.

As yet, however, there are some who do not realize that the only way to make sure that the Colorado River shall be used for irrigation in the United States of America, and not in Mex-

ico, is to build the irrigation works necessary for its use in our own country, and actually use it ourselves before any alleged right to it can have been established in Mexico by prior use under the comity of nations.

The reason the river has heretofore run to waste in the Gulf of California to such a large extent, instead of being used in Mexico, is because the flood waters can not be used in Mexico for irrigation unless they are reservoired and the flow of the river regulated by storage in the United States.

If we store the floods and regulate the flow of the Colorado River and use it for power development in the United States of America, and do not at the same time provide the necessary works to insure its use for irrigation in our own country, then the regulated flow of the river will run to Mexico by gravity.

Every drop of such regulated flow will be immediately diverted from the river and used in Mexico and made the basis for a claim under the comity of nations.

THE COLORADO RIVER AMERICAN HIGH-LINE SYSTEM

There is no practicable plan that can be devised by the genius of man that will provide for the use of the waters of the Colorado River for irrigation in the United States of America, and prevent their going to Mexico by gravity, except the building of the Colorado River American high-line system, which must include the Glen Canyon storage dam and reservoir, the Bridge Canyon diversion dam, and the Arizona high-line canal.

The lands necessary to be irrigated in the United States to prevent the water from going to Mexico by gravity can not be irrigated unless the water is diverted from the river into the Arizona high-line canal at an elevation of 2,000 feet above sea level.

The only place where the water can be taken from the river at that elevation is at Bridge Canyon. If the water is diverted at Bridge Canyon it can be led out by gravity over 3,000,000 acres in Arizona, and can be taken by gravity to Los Angeles, or anywhere in the coast basin of southern California from San Diego to Ventura, between the base of the mountains and the ocean.

Of course, there must be a large storage reservoir above the diversion dam at Bridge Canyon. The only place where such a storage dam and reservoir can be constructed above Bridge Canyon to store the floods and regulate the flow of the river for use in the lower basin is at Glen Canyon. The Glen Canyon dam site is just above Lee's Ferry, near the north line of Arizona. The reservoir would extend back into Utah, leveling that reach of the river between its canyon walls for nearly 200 miles.

Consequently it is mere idle talk to declare that the waters of the Colorado River must be used in the United States unless the fact is frankly conceded that this can not be done without building the Glen Canyon storage dam and the Bridge Canyon diversion dam and the Arizona high-line canal. They must constitute the Colorado River American high-line system for the use of the waters of the Colorado River for irrigation in the United States of America instead of in Mexico. Without that system any declaration against the use of the water in Mexico such as that embodied in the resolution passed by the last Arizona Legislature is merely "words, words, full of sound and fury, signifying nothing."

No one should be heard to make the declaration that the water should be used in the United States unless they are willing to squarely meet the issue and demand the building of the Colorado River American high-line system, embracing the Glen Canyon dam, the Bridge Canyon dam, and the Arizona high-line canal. Otherwise the declaration deceives those who are ignorant of the facts, and in that way does great harm, besides creating doubt as to the sincerity of the maker of the declaration.

The people of the United States as a whole face the issue, and there is no escape from it, that they must either make sure and this Colorado River American highline system is built and thereby use the Colorado River in our own country, or let it go to Mexico to be used to transplant millions of Asiatics to America to compete with American labor, American farmers, and American manufacturers.

It is only necessary that the American people should know the facts, to determine that question.

No matter what else we may do in this country, if the Glen Canyon storage dam and the Bridge Canyon diversion dam and the Arizona highline canal are not built, the Asiatics in Mexico will get 8,000,000 acre-feet of water annually from the Colorado River, and that is enough to irrigate 2,000,000 acres in Mexico.

They will get that 8,000,000 acre-feet annually just as soon as the river is regulated for power in the United States, as was proposed to be done at the Boulder Canyon dam by the Fall-Davis report, and as is now proposed to be done at the Black Canyon dam, which is urged as a substitute for the Boulder Canyon dam, on account of better bedrock conditions. The Black Canyon site is only 40 miles farther down the river than the Boulder Canyon site, and would use the same reservoir site for storage.

The time has come when the development of the Colorado River for power is inevitable. The power is needed, and communities needing the power will not go without it merely to prevent Mexico from getting the water for irrigation. That has been proved by the campaign for the Boulder Canyon-Black Canyon power project.

If the Colorado River compact were ratified, as formulated at Santa Fe, or if the Boulder Canyon dam or the Black Canyon dam or the Diamond Creek dam were built, Mexico would get not less than 8,000,000 acre-feet annually, enough to irrigate 2,000,000 acres.

The reasons for that is that if either of those four things were done, it would be impossible to ever get the Bridge Canyon dam built, and at no other place on the river can the water be diverted at a high enough elevation to irrigate the lands in the United States of America.

If the Colorado River American high-line system, hereinafter explained and advocated, including the Glen Canyon storage dam and the Bridge Canyon diversion dam, and the Arizona highline canal, is built, that 8,000,000 acre-feet annually will not go to Mexico. It will be used to irrigate 5,000,000 acres in Arizona and California.

THE REGULATED FLOW OF THE COLORADO RIVER

The total regulated flow of the Colorado River, averaged over 20 years, is something over 16,000,000 acre-feet at the Laguna Dam above the mouth of the Gila River. The waters of the Gila River are not included in this estimate.

It was estimated at 16,400,000 acre-feet in Senate Document 142, Sixty-seventh Congress, second session, page 5. It was estimated at 16,200,000 acre-feet in United States Geological Survey Water Supply Paper 395, page 192.

It is conceded that there will be no appreciable diminution of this flow for many years resulting from increased irrigation in the upper basin. In the meantime, the water necessarily goes to Mexico, and they will have set up a prior claim under the comity of nations by actual use in Mexico long before the water can be used in the upper basin. The Mexican lands, long owned and cultivated by Asiatics, will thereby cut out any latent right of the upper basin to take it away from them at some future time. As against any use in the United States of America the rights of the upper basin can be reserved, but any such reservation would be practically futile as against actual use by the Japanese in Mexico.

All the regulated flow of the Colorado River, everything that comes into the lower basin, will be used in Mexico for irrigation as fast as it is regulated in the United States of America except what is actually used for irrigation in Arizona and California.

If the Arizona high-line canal is not built, the area irrigable in Arizona and California is fixed by the Fall-Davis report (S. Doc. No. 142) at 1,220,000 acres in both States; 940,000 in California and 280,000 in Arizona. This will require not over 5,000,000 acre-feet annually. Add to this 1,000,000 acre-feet anually for Los Angeles, and the total for California and Arizona is 6,000,000 acre-feet.

Let it be assumed that Arizona will dry up the Gila River, and that the upper basin will gradually increase their use 2,000,000 acre-feet more. Even then the total use in the United States of America would, under those circumstances, be only 8,000,000 acre-feet, which leaves the remaining 8,000,000 acre-feet for Mexico.

If the Boulder Canyon dam and reservoir had been built as proposed in the Fall-Davis report, already referred to, that 8,000,000 acre-feet annually would have gone to Mexico forever. It would have been stored and regulated in the United States of America, and used in Mexico to create an Asiatic agricultural annex in America comprising an ultimate 2,000,000 acres, with a population of four or five million Asiatics, around the head of the Gulf of California in Mexico.

It matters not where the water is stored in the United States of America; if it is used in this country for power development, after being regulated for that purpose by the storage of the floods, and is not used for irrigation in this country, then what is not used for irrigation in our own country must inevitably go to Mexico and be used there for irrigation. So, even though the Glen Canyon dam were built for storage, if the Bridge Canyon dam were not also built for diversion and the Arizona high-line canal also built for the transmission of the water

from the point of diversion to the irrigable lands in our own country, Mexico would still get the water for irrigation.

The water must be stored in a reservoir higher up the river than the Bridge Canyon dam, and Glen Canyon is the only place where it can be done. Therefore, to emphasize this stupendously important fact, let it be said again that the whole system for irrigating our own country for the benefit of Americans, instead of irrigating Mexico for the benefit of Asiatics, necessitates not only the Glen Canyon dam for storage, but also the Bridge Canyon dam for diversion and the Arizona high-line canal for the transmission of the water to the lands to be irrigated.

Let that fact be constantly borne in mind. All the water that comes to the lower basin of the Colorado River that is not used in California can and must be used in Arizona. No one questions but that Nevada should have water to irrigate all the lands that can be reclaimed in that State from the Colorado River; but the area does not exceed 100,000 acres, requiring only 300,000 acre-feet of water annually. This land can be irrigated if the Bridge Canyon dam is built, but would be submerged under the reservoir created by either the Boulder Canyon or Black Canyon dams.

California has asked for water for use in that State aggregating only 4,000,000 acre-feet a year for irrigation and 1,000,000 acre-feet for Los Angeles. If California wants more, she has not yet proposed any plan for using it in that State. To apportion water to California, when no plan for using it in California is contemplated or proposed by anyone representing that State, would be merely to permit California to be used as a smoke screen behind which to secure the water for Mexico.

THE INTEREST AND OBLIGATION OF THE NATIONAL GOVERNMENT

The problems of the Colorado River, the second greatest American river, are national, international, and interstate. They can not be solved without the cooperation of the National Government of the United States of America, and they can be solved without doing injustice to any of the States in the basin or watershed of the Colorado River.

Any right plan for the full development of all the resources of the Colorado River now lying latent and undeveloped, because this stupendous national asset is largely unused and wasted, will have the support of all the States whenever the facts are known to the people.

The plan urged in the Fall-Davis report—the Boulder Canyon power project, which is now known as the Black Canyon power project—will never have the support of the people of the country at large, because it is manifestly on its face a scheme to use the necessities of Los Angeles for power as a leverage to secure for American speculators in Mexican lands what amounts to a donation of 8,000,000 acre-feet annually, or 50 per cent of the regulated flow of the Colorado River, to be sold to Japanese for a great Asiatic colonization scheme in America.

The Colorado River drainage basin naturally divides into the upper and the lower basin at Lees Ferry, just below the north line of Arizona; and nature has provided at that location a great reassembling and reregulating reservoir known as the Glen Canyon dam site and storage reservoir.

The problems of the lower basin of the Colorado River must be separately studied and solved. They must not be complicated by any effort to interrelate them with the problems of the upper basin. All the water coming down the river from the upper to the lower basin, no matter when or how or for what purpose it has been used above, will find its way into the Glen Canyon reservoir. It can be drawn from that reservoir at any time or in any quantity required for its highest economic use in the lower basin of the Colorado River in the United States of America.

The annual flow of the Colorado River varies from a total of about 8,000,000 acre-feet to about 25,000,000 acre-feet, according as the years are wet or dry. To insure the conservation and use of all this irregular annual flow, a reservoir of at least 40,000,000 acre-feet storage capacity should be built at Glen Canyon, in which water could be carried over from the wet years for use in the dry years, and the flow of the river equated in all years, notwithstanding seasonal variations. This would require a dam 653 feet above stream level, which would create a reservoir capacity of 41,454,380 acre-feet. See the "Map, cross section, and area and capacity curves for Glen Canyon flood control and power site No. 1," Plate V, opposite page 22, with photographs, La Rue report, Water Supply Paper 556.

The Glen Canyon storage dam and reservoir should be built by our National Government for (1) flood control, (2) navigation, (3) river regulation, and (4) to safeguard the Nation against war and promote peace, by obviating the international competition and consequent friction which would inevitably result from the creation of a vast Asiatic settlement in Mexico. These purposes are all within well recognized and established policies of the National Government.

1. FLOOD CONTROL

For flood control, this Glen Canyon dam and reservoir would protect the entire lower river from the menace of destructive floods from the Colorado River, all the way from Glen Canyon to the Mexican line, including the Mohave Valley, the Palo Verde Valley, the Yuma Valley, and the Imperial Valley. Ninety per cent of the flood water that now menaces those valleys comes from above Glen Canyon. All possible danger from the floods of the Gila River should be eliminated by a flood-control dam to utilize the Sentinel reservoir site for flood control. It is conceded to be practicable and available for that purpose, and should be built.

2. NAVIGATION

The Colorado River is navigable, and in the future long reaches of it will be actually navigated to supply links connecting with railroad transportation. This future use will be larger and of greater economic importance than the navigation of the old steamboat days on the river, before the railroads, when freight and passengers were carried as far up as Callville by the river route.

The first link to realize this great potential future era of revived navigation on the Colorado River will result from the building of the proposed Glen Canyon dam. That structure will create a reservoir in the narrow canyon of the river which will provide a waterway nearly 200 miles long from Glen Canyon almost to the mouth of Green River, with long navigable reaches up the San Juan and the side canyons. This waterway would open up to the world all the southern part of Utah. It would connect at the Glen Canyon dam with a railroad that would be an extension to Glen Canyon from the present Santa Fe Railroad to the Grand Canyon at El Tovar. That railroad would be a necessary adjunct to the building of the Glen Canyon dam, and its cost would be justified by the future traffic that would be developed for the railroad by its connection with this navigable waterway in Utah. It is officially estimated that if this great river improvement were made, 200,000 tourists annually would visit this region. It would be of inestimable advantage to the State of Utah.

Mr. NEELY. Mr. President——

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from Arizona yield to the Senator from West Virginia?

Mr. CAMERON. For a question.

Mr. NEELY. I merely desire to ask the Senator if he will not talk a little louder. We can not hear him over here at all.

Mr. CAMERON. I will say to the Senator that if he will move over this way there is lots of room.

Mr. NEELY. I do not want to crowd the Republican side of the Chamber.

Mr. CAMERON. We welcome the Senator over here.

3. RIVER REGULATION

National resources saved from waste and made available to produce new national wealth and supply the needs of the people would alone justify the building of the Glen Canyon dam. The complete standardization of the flow of the Colorado River below Glen Canyon, and its equalization over a period of years of varying flow, would create over 4,000,000 potential horsepower, and make possible the reclamation of 5,000,000 acres of fertile but now arid land in Arizona and southern California. These vast national resources would be thus created practically out of nothing, and by the building of the Glen Canyon dam would be brought within reach of development by the States of the lower basin or by private enterprise or quasi public irrigation or power districts, or both combined, either with or without the cooperation of States or municipalities.

4. PREVENTION OF WAR

Most important of all, and the most urgent and imperatively necessary reason for the building of the Glen Canyon dam by our National Government, is that if this is not done the larger portion of the waters of the Colorado River will go to Mexico and be used there to irrigate an Asiatic settlement ultimately cultivating 2,000,000 acres of land. This land will inevitably be acquired and owned by the Japanese. The scheme for its reclamation includes a world seaport on the north coast of the Gulf of California, with a railroad about 125 miles in length connecting it with Mexicali, and 150 miles in length to Tucson. Control of this railroad would give actual control of the country, just as the Japanese now control Manchuria through their control of the South Manchuria Railway.

There is no way to prevent the driving of this Asiatic wedge into the heart of America except for the National Government to build the Glen Canyon dam. If it is built as a storage reservoir only, for flood control, navigation, river regulation, and to safeguard the Nation against war, the building of the Bridge Canyon dam and the Arizona high-line canal will follow. All the waters of the Colorado River will be absorbed for the irrigation of lands in the United States of America—3,000,000 acres in Arizona and 2,000,000 acres in southern California. Of the land in California, 1,000,000 acres will be in the Colorado River Basin and 1,000,000 in the coast basin. The building of the Glen Canyon storage dam thus becomes an inescapable military necessity to prevent international competition, obviate international friction, promote friendly international relations, safeguard against an Asiatic-American war, and preserve the peace of the world.

Mr. McKELLAR. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Tennessee?

Mr. CAMERON. For a question.

Mr. McKELLAR. Where is that land—the 2,000,000 acres of which the Senator speaks?

Mr. CAMERON. It is right adjacent to our southern boundary line, between Yuma and the Imperial Valley. I have a map of it here which will be inserted in the RECORD. There it is, right there [exhibiting map]. Here is Arizona, and here is California.

We are living in an era of spasmodic economy. The Glen Canyon dam, built to a height of 653 feet, forming a reservoir holding 40,000,000 acre-feet, will cost $50,000,000. It is more economical to spend that amount to build the Glen Canyon dam than run the risk of a war with Asia. Our late unpleasantness in Europe cost this Nation $40,000,000,000, and it would cost many times that huge national expenditure to win a war with Asia. The big interests and men with big incomes who are so determined, at all hazards, to secure a reduction in their taxes should do a little figuring on the cost of a war with Asia.

There may be some who do not "anticipate" an Asiatic-American war. There are no doubt others who do not wish to concede that we are "preparing" for such a war. But the fact remains that we are spending hundreds of millions of dollars to be ready for it when it comes—fortifying Manila, making Hawaii impregnable, protecting the Pamana Canal, patrolling the Pacific with our Navy, and launching our naval airplanes for flights to Asia.

This is not written to object to the doing of those things. It is written to protest against making them all foolish and useless, by establishing the enemy in our rear, while at the same time we make the war inevitable. We might admit that all these measures for national defense are taken only for the edification of the South Sea Islanders or the Aleutian Islanders, or to impress the Thibetans and Tungus Tribes. But is it not the last limit of national idiocy and infinite futility to spend millions upon millions for national safety or defense in the way we are doing, while we either ignorantly, or blindly, or deliberately, or treasonably, give away the waters of the Colorado River to be used to transplant a huge slice of overpopulated Asia to the back door of Los Angeles, and root it there at the head of the Gulf of California, in an Asiatic agricultural colony and world seaport, in Mexican territory, but under Japanese control, which, in the event of war with Asia, could not but constitute an Asiatic airplane base?

From that Asiatic airplane base in Mexico it would be not over an hour's run by fast military airplanes to every city in southern California and southern Arizona, and to all the great sources of water supply in that territory and works for its distribution for irrigation and domestic use. Their destruction would force the abandonment of that country for human habitation and transform it back into a desert waste.

The mere suggestion that such a military menace would be created by a conspiracy to surrender the waters of a great American river to Asiatic aliens in Mexico is a shock to patriotism and loyalty to our country. Yet that is exactly what the Fall-Davis-Boulder Canyon dam and power project for the ostensible benefit of Los Angeles contemplated, and would have accomplished, supplemented by the iniquitous Santa Fe-Colorado River compact, if the whole scheme had not been mercilessly exposed and held up to the public scorn which it deserved.

Now, the Black Canyon dam has been substituted for the Boulder Canyon dam, but the scheme is still essentially the same. If anything, it is more treacherous and dangerous, because more plausible and deceptive. There is not one objection to the Boulder Canyon scheme that does not hold against the Black Canyon scheme.

IF SUCH A SCHEME IS NOT TREASON, WHAT IS IT?

Every man is presumed to intend the consequences of his own acts.

And when the consequences of those acts are so inconceivably appalling and destructive to a nation, will its citizens be heard to say that their only purpose was profit for themselves?

Why were we so sensitive about Magdalena Bay, and the fact that Japan happened to have a warship anchored there, and now so apathetic about a project which creates for all future time a menace that strikes at the very heart of the safety of this Nation and the peace of the world?

Has a far-reaching conspiracy by American speculators in Mexican lands, promising a profit of half a billion dollars, become so sacrosanct that it "doth make cowards of us all," and has the power to put to sleep the constituted authorities charged with the national defense; strangle efforts to arouse governmental agencies to a realization of national danger; suppress every expression of national patriotism; prevent the survey, study, and investigation of physical facts indispensable to a right determination of the problem; deceive and mislead the people by gross exaggeration of construction costs and undertake thereby to discredit practicable plans for using the waters in the United States of America?

All this has been done in the hope that the people of this country will permit the waters to go to Mexico under the mistaken belief that they can not be used in our own country.

THE FALL-DAVIS REPORT TOLD ITS OWN STORY

That report, entitled "Problems of Imperial Valley and Vicinity" Senate Document No. 142, Sixty-seventh Congress, second session, was transmitted to Congress by then Secretary of the Interior, Albert B. Fall, on February 28, 1922. It followed the "Preliminary Report" which was transmitted to Congress by Arthur P. Davis on November 27, 1920.

The "Preliminary Report" was an even more brazen scheme than the later report for the reclamation of an empire in Mexico with our second greatest American river, without any effort to work out a plan for the use in this country of waters to which Mexican lands are now conceded to have no moral or legal right whatsoever. The United States of America has the full and perfect moral, as well as the legal rights, under admitted international law to use those waters within its own territory.

The preliminary report contained the following, which was omitted from the final report:

> No branch canal lines were surveyed for Mexican lands. The lands in Lower California would probably be best supplied by extensions from the Imperial Canal as constructed, and those in Sonora by enlargement and extension of the main canal of the Yuma project.

The last suggestion is, in so many words, equivalent to a recommendation that the main canal of a United States Government project, built under an act passed by Congress to encourage homemaking in our own country, should be used to build up a huge competitive production in Mexico to ruin the producers under the Laguna and Salt River Valley projects, as well as every other farmer in the Southwest.

The address of Albert B. Fall at the Riverside Colorado River Congress in December, 1921, was followed by the Fall-Davis report above referred to, transmitted to Congress on February 28, 1922, and further supplemented by the newspaper article from Albert B. Fall which appeared on page 5 of the Arizona Republican on March 23, 1922. The meat of this article will be found on page 1520 of the hearings before the Committe on Irrigation and Reclamation of the House of Representatives on the Swing bill on April 23, 1924.

Since Albert B. Fall ceased to be Secretary of the Interior others high in the councils of the National Government have ably continued his efforts to send the waters of the Colorado River to Mexico, and frustrate every effort to provide for their use in the United States of America.

The weirdly inexplicable situation has existed that while belittling and endeavoring to discredit every attempt to save the Colorado River for our own country they strenuously protest that they are against giving Mexico any water. At the same time they advocate a plan which makes it impossible that 8,000,000 acre-feet of regulated annual flow can go anywhere else than to Mexico. Then they crack the lash over Arizona and endeavor to force that State to surrender its own birthright and the rights of the Nation to this great national resource by the ratification of the iniquitously deceptive Colorado River compact as formulated at Santa Fe and repudiated by Arizona.

Would anyone question the applicability of the word "treasonable" to a conspiracy to bring about the surrender and reannexation to Mexico of the territory acquired by us under the Gadsden Purchase in 1853, and thereby nullify our alien land

laws as to that territory, and open it up to Japanese exploitation under the recent treaty between Japan and Mexico?

Yet the national resource that would thereby be torn from territory now under our flag would be of less economic value to the United States of America than the waters of the Colorado River when used to irrigate 1,000,000 acres in the coast basin of southern California, 1,000,000 acres in the Colorado River Basin in California, and 3,000,000 acres in Arizona, with all the accompanying American population, production, and prosperity that would result from that use of the water in the United States of America.

It will not be long before the American people wake up to the fact that they are being grossly misled by this Colorado River conspiracy. The vision will get into their minds of what any airplane traveler of the future will see after that conspiracy has been defeated, who starts from Casa Grande and encircles the Salt River Valley, sailing the air over green fields and fertile farms in the Paradise Valley, Deer Valley, the Vicksburg Valley, the Bouse Valley, the Butler Valley, the great Cactus Plain, and then following the river back from Parker to Yuma. Then from Yuma to the Gillespie Dam, overlooking the whole vast lower Gila River Valley teeming with a happy and prosperous people on irrigated farms. Then to the coast basin of California and flying over all that is now in southern California with the added miracle of what will be there when another million acres of now unirrigated land has been abundantly irrigated from the Colorado River between Ventura and San Diego. Then crossing the mountains between San Diego and the Imperial Valley, to view that marvel of fertility, forever safeguarded against the menace of either drought or flood, and with the Palo Verde and Coachella Valleys making its annual contribution to the world's wealth.

When the general mass of the public mind has once conceived that vision, is it believable that they will throw it all away in order that below the line in Mexico the waters shall be used to reclaim 2,000,000 acres of lands to be cultivated by Asiatics in competition with the farmers under the American flag, who are bearing their share of the burdens of sustaining American institutions instead of Asiatic institutions?

No attempt to "carry water on both shoulders," or pretend one thing and do another, can be longer tolerated in this great battle for the Colorado River.

Either the waters are to go to Mexico or they are not!

If the Boulder dam is built, the waters go to Mexico. If the Black Canyon dam is built, the waters go to Mexico. If the Glen Canyon dam is built for storage and the Bridge Canyon dam is built for diversion, the waters do not go to Mexico. If the Glen Canyon dam is built for storage and the Bridge Canyon dam is built for diversion, instead of going to Mexico those waters will be used to irrigate 1,000,0000 acres in the coast basin of southern California and 3,000,000 acres in Arizona.

Just two things are necessary to accomplish that stupendous benefit to the United States of America. The first necessity is that the National Government shall build the Glen Canyon dam at a cost of $50,000,000. It may recoup its investment from more than 2,000,000 potential horsepower of hydroelectric energy brought into being by that structure; and

The second necessity is that the city of Los Angeles will temporarily accept from the Bridge Canyon dam, only 50 miles farther from Los Angeles, the same resource of hydroelectric power that it is now urging shall be developed at the Black Canyon dam. Those two necessities being conceded, the rest of the problem of saving the river for our own country becomes easy of accomplishment.

Where is the loyal and patriotic American who will hesitate when called upon to decide that question for this country between the Black Canyon project on the one hand and the Glen Canyon-Bridge Canyon project on the other? Whatever public sentiment has been built up by newspaper advertising and propaganda in behalf of the Boulder Canyon or Black Canyon dam is a misinformed or uninformed public opinion and will vanish into thin air whenever the facts get before the people.

The constructive plan hereinafter set forth, which includes the Glen Canyon storage dam and the Bridge Canyon diversion dam, will—

(1) Prevent the waters from going to Mexico.

(2) Insure the use of those waters in our own country.

(3) Afford complete protection against Colorado River floods.

(4) Settle the silt without detriment to reservoir requirements.

(5) Regulate the flow of the river for irrigation and power.

(6) Irrigate 1,000,000 acres in the coast basin of California.

(7) Reclaim 1,000,000 acres in Colorado River Basin in California.

(8) Turn 3,000,000 acres of Arizona desert into fertile fields.

(9) Develop more power at less cost than any other proposed plan.

(10) Furnish 1,000,000 acre-feet of clear, pure, desilted water to fully supply every future need of Los Angeles and all other southern California cities for water for domestic and municipal use, to be pumped 1,400 feet or transported by gravity, as they see fit, provided always, however, and only upon condition that under no circumstances shall any water be allotted or apportioned to California or reserved to California in excess of that to which rights have already vested in that State, unless a practicable plan is simultaneously adopted and its construction assured which furnishes an absolute guaranty that the waters shall be used in California and not in Mexico. California must not be allowed to be used as a stalking ox behind which to put through some subtle and deceptive scheme to secure water for Mexican lands.

All waters not used in California must be used in Arizona.

The above conditions, each and all of them, are completely provided for in the following specific, definite, and detailed constructive plan, which should be known as—

THE COLORADO RIVER AMERICAN HIGH-LINE SYSTEM

First. The Glen Canyon dam: The Federal Government of the United States of America must realize that the problem from a national point of view is one primarily of national security—of peace or war—rather than merely economic; and as a measure of national defense against future international competitive controversy and conflict, as well as against the destroying forces of nature, must build the Glen Canyon dam to create a storage reservoir in which the whole flow of the Colorado River, both flood and normal, shall be impounded and reassembled for use in the lower basin, after having served every beneficial use to which it can be put in the upper basin.

Second. The Bridge Canyon dam: In addition, for the same reasons, as a necessary adjunct to the Glen Canyon dam, and a part of the same ultimate complete system for storage and regulation and diversion and use in the United States of America of all the waters of the Colorado River, the Federal Government must first build the Bridge Canyon dam to a height of 566 feet, as recommended in United States Geological Survey Water Supply Paper 556, entitled "Water Power and Flood Control of Colorado River below Green River, Utah, by E. C. La Rue, with a foreword by Hubert Work, Secretary of the Interior," issued in 1925, which is known as the La Rue report. The recommendations referred to will be found on pages 45, 71, 72, and 77 of that report. See also Plates XLVIII and XLIX opposite page 72. The Bridge Canyon dam must subsequently be raised to a height of something over 800 feet to be used as a diversion dam.

Third. The Bridge Canyon power plant: To bring into immediate use the great water-power resource thus created and provide for an annual income from it while the other structures forming an essential part of the completed Colorado River American high-line plan are being built, the Federal Government should build a power plant at the Bridge Canyon dam, when built to a height of 566 feet, to develop the full capacity of that dam for the development of hydroelectric power from the flow of the Colorado River when regulated by the Glen Canyon storage reservoir.

The following estimate of that power capacity will be found on page 75 of the La Rue report, Water Supply Paper 556:

Power capacity: The static head at the Bridge Canyon site would be 566 feet. The power capacity with this head and the water supply given in the preceding paragraphs would be as follows: * * *

With storage in Glen Canyon and with irrigation and power development in upper basin as in 1922:

Continuous power available, 1,015,000 primary horsepower.

This power plant would be only 50 miles farther from Los Angeles than the proposed power plant at Black Canyon dam. It would be 50 miles nearer to all points for the proposed use of power in Arizona than a power plant at Black Canyon. The Bridge Canyon power plant would be only 10 miles farther from Jerome than the proposed Diamond Creek power plant. The power plant at Bridge Canyon would serve all the needs of Arizona, California, and Nevada better than any other location for a large power development anywhere on the Colorado River.

So far as a market for the power is concerned, the location at Bridge Canyon is preferable to the location at Black Canyon.

The foregoing facts alone show the superiority of the Bridge Canyon site for a power plant over the Black Canyon site, and the temporary transmission of power 50 miles farther to Los Angeles for a few years is the only alternative advantage that can be pleaded in mitigation of the national crime of surrender-

ing 8,000,000 acre-feet annually of the regulated flow of the Colorado River to be used in Mexico to create ruinous competition for American agriculture and eventually involve us in a war with Asia.

That fact alone shows the national necessity for an insistent and inflexible public demand for the construction of the Bridge Canyon instead of the Black Canyon dam and power site.

An estimate has been made in the Interior Department, doubtless by the Reclamation Bureau, of the annual net income from a power plant at Black Canyon developing 1,000,000 horsepower. That estimate is $6,000,000 annually, which is thought to be sufficient to repay in 25 years the entire cost of the construction of works costing $125,000,000.

Let the dam be built at Bridge Canyon instead of at Black Canyon, and the transmission lines for the distribution of the power in both Arizona and California will be completed when the dam and power plant are completed at Bridge Canyon, and then this annual net income of $6,100,000 will be immediately available.

Keep in mind the fact that this estimate of $125,000,000 as an aggregate capital investment is an official Government estimate approved by Secretary of the Interior Hubert Work, as is also the estimate of an annual net income of $6,100,000 which it is estimated will be "sufficient to repay the entire cost in 25 years."

It is further recommended by this same high and authoritative official source that the proposed capital investment shall be provided by an issue of bonds of the United States of America, because that plan for financing "will obviate disturbance of the regular fiscal operations of the Government," and "will obviate provision by the Budget for the money needed during construction."

Accept this suggestion and apply it to the Glen Canyon-Bridge Canyon system, and then analyze the proposition, and see what additional burden would be imposed on the American people as the cost of saving for the use of their own country 8,000,000 acre-feet annually of the waters of the Colorado River for the irrigation of 1,000,000 acres in the coast basin of California, and the reclamation of 3,000,000 acres in Arizona that must be abandoned to the desert forever if the waters go to Mexico, as they inevitably will if the Black Canyon dam is built.

In the estimate of the reclamation bureau above referred to, of the cost of the Black Canyon dam, the figures are misleading. The estimate is for a 550-foot dam, and it is stated that the 550-foot dam will create a total storage capacity of 26,000,000 acre-feet; but, as was explained by Engineer Weymouth when before the Senate Committee on Irrigation and Reclamation, of that 26,000,000 storage capacity behind the Black Canyon dam, only 15,500,000 is available storage, or, as he defined it, "control storage." The remaining 10,500,000 acre-feet is dead storage, unavailable for any purpose except to raise the level of the water so it will run over the dam at the fixed level to which the reservoir can be drawn down during the year for power development.

Consequently the Black Canyon dam only provides 15,500,000 acre-feet of available storage. If the remaining 10,500,000 were completely filled with silt the reservoir would be of just as much real service for water storage.

Consequently the above estimate, when it refers to the cost of a "26,000,000 acre-foot reservoir" at Black Canyon by building a 550-foot dam, should contain the explanation that the actually available storage is only 15,500,000 acre-feet.

There will be no difference in the cost of the dam and power plant at Bridge Canyon in place of that at Black Canyon, except that the Bridge Canyon site is the best site, and the cost would no doubt be less at Bridge Canyon than at Black Canyon for a dam of the same height.

A reservoir at Glen Canyon providing actual and available "control storage" for the full 26,000,000 acre-feet would cost not over $40,000,000. A storage dam at Glen Canyon providing 40,000,000 acre-feet has been estimated by engineers of unquestionable ability to cost $50,000,000.

Take the estimate of $40,000,000 for a "26,000,000 acre-foot reservoir," which will really create that capacity of available storage, and add it to the estimate of $125,000,000, and we have the result hereinafter stated.

The following estimate for Black Canyon is quoted from the report of the Reclamation Bureau, referred to above:

Capital investment

Estimated cost for—	
26,000,000 acre-foot reservoir	$41,500,000
1,000,000-horsepower power development	31,500,000
The all-American canal	31,000,000
Interest during construction on above five years, at 4 per cent	21,000,000
Total	125,000,000

Now add construction costs at Glen Canyon—

Glen Canyon, 26,000,000 actual available storage	$40,000,000	
Interest during construction, five years at 4 per cent	10,000,000	
		$50,000,000
Total cost with Glen Canyon storage reservoir and Bridge Canyon diversion dam to a height of 566 feet, and power plant at that dam		175,000,000

The estimated net annual income of $6,100,000 will pay 4 per cent interest on $175,000,000—the total cost of the Glen Canyon-Bridge Canyon system.

Therefore, when the two plans are compared, the only advantage to the Federal Government of the Black Canyon plan over the Bridge Canyon plan would be that the costs under the Black Canyon scheme could be amortized in 25 years, by the application of $1,000,000 a year to that purpose which, under the Glen Canyon-Bridge Canyon plan would be absorbed by current interests on the added $50,000,000 of costs of construction.

Better than either of these two plans would be the adoption of a plan similar to the Smith-Fletcher plan for financing the construction of the complete Colorado River American high-line system, as hereinafter fully explained.

The added cost for the Glen Canyon dam would be avoided if the Glen Canyon dam were substituted for the all-American canal in the Reclamation Bureau estimate. Undoubtedly a dam can be built at Glen Canyon that would provide more "control storage" than the proposed 550-foot dam at Black Canyon for $31,000,000—the estimated cost of the all-American canal in the above Reclamation Bureau estimate.

If the all-American canal were separately financed, so that it would "stand on its own bottom" financially and the $31,000,000 were spent to build the Glen Canyon dam to a temporary height, providing not less "control storage" than the Black Canyon dam, then the estimate would stand as follows:

Glen Canyon reservoir for storage	$31,000,000
Bridge Canyon dam to height of 566 feet	41,500,000
1,000,000-horsepower development	31,500,000
Interest during construction on above, 5 years, at 4 per cent	21,000,000
Total	125,000,000

Mr. NEELY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from West Virginia?

Mr. CAMERON. I yield for a question.

Mr. NEELY. I hope the Senator will not consider it any very great asperity on my part if I ask what time he expects to conclude his address.

Mr. CAMERON. It will take me at least two hours and a half longer.

Mr. NEELY. If the Senator will further yield I think I should say that I owe it to the distinguished senior Senator from California [Mr. JOHNSON] to notify him now that I will have to break the promise which I recently made to him to vote for the bill. I understood the dam which is contemplated was for the purpose of generating power. I think the power ought to be generated down in that section of the country by wind instead of by water, so I am going to withdraw my promise.

Mr. CAMERON. Under this plan the "estimated annual surplus, $6,000,000" could all be applied as contemplated in the Reclamation Bureau estimate and would "be sufficient to repay the entire cost in 25 years."

It is infinitely absurd and utterly inexplicable, in the face of these facts, that the Congress of the United States should be asked to build the Black Canyon project instead of the Glen Canyon-Bridge Canyon project, when in addition to all the beneficial results that would accrue from the building of the Black Canyon dam, the Glen Canyon-Bridge Canyon project will—

1. Regulate and standardize the flow of the river through the canyon, and thereby create 2,000,000 potential horsepower, worth over $2,000,000,000, which would continue to be wasted if the floods were not stored and the flow of the river regulated until it reached the Black Canyon-Boulder reservoir at the lower end of the canyon.

2. Provide an available storage capacity, actual "control storage" of more than twice the "control storage" capacity of the Boulder reservoir with the Black Canyon dam, for a less proportional "capital investment," thus making possible the storage of the full flood flow of the river in the years when that flow aggregates as much as 25,000,000 acre-feet. Of course 25,000,000 acre-feet could not be stored and carried over for use in future years in a reservoir like the Black Canyon-Boulder Canyon reservoir which provides only 15,500,000 acre-feet of available "control storage."

3. Create a diversion dam 566 feet high, which would only need to be raised an additional 259 feet to divert the water from

the river at an elevation from which it can be taken to Los Angeles or any part of the coast basin of southern California by gravity and led by gravity over 3,000,000 acres in Arizona, thus making possible the use of all the waters of the Colorado River in the United States of America.

The practicability of thus raising the Bridge Canyon dam "as a point of diversion for a gravity water supply for irrigation in Arizona, or for domestic use in the cities of southern California," is pointed out in the La Rue report, United States Geological Survey Water Supply Paper No. 556. The above quotation is from page 71 of that report, and the subject is further elucidated on page 77, where it is stated that the value of the power which could be generated at the dam "would more than offset the cost of the diversion dam," and that this use of the Bridge Canyon dam as a diversion dam would "preclude the utilization of the Diamond Creek site."

The foregoing plan for building the Bridge Canyon dam to a height of 566 feet and afterwards raising it to 825 feet facilitates comparison between the Boulder Canyon-Black Canyon project and the Glen Canyon-Bridge Canyon project; but a still better plan for construction would be to build also the Parker dam for immediate power for Los Angeles and complete the Bridge Canyon dam to its full height as soon as possible.

THE AMERICAN COLORADO RIVER HIGH-LINE SYSTEM SHOULD BE FINANCED BY POWER DEVELOPMENT UNDER THE SMITH-FLETCHER REVOLVING BOND ISSUE PLAN

The Salt River Valley-Roosevelt Reservoir system is a success because of the value of its power development, and the fact that the value of that power has been used to help to finance the reclamation project.

The Salt River Valley system would be a financial wreck today if it had been forced to put the entire burden of the construction of the reclamation system on the irrigated lands, and the power had been given to the city of Los Angeles, or to some other city, or to the Power Trust, as is now sought to be done in the development of the power and reclamation resources of the Colorado River in the lower basin of the river.

That wrong system of development has been adopted as the basis of every exaggerated estimate of the cost of the works constituting the American high-line system, particularly the Arizona high-line canal. The most atrocious instance of this was the estimate of Army engineer water-power agencies, which put the cost of reclaiming 3,500,000 acres in Arizona at a total of $1,774,500,000, an average acreage cost of $535.71.

Nowhere, either in that estimate or anywhere else, has anyone connected with the Army engineers or the water-power interests of the Federal Power Commission intimated any connection between construction costs for power and reclamation on the Colorado River. Yet that power is known to have a value of $2,400,000,000 and by far the larger part of it is just as much an asset of the State of Arizona as was the power that is now being and has in the past been developed in the Salt River Valley-Roosevelt Reservoir system, which is now being used to help finance that reclamation system.

The Army engineer estimate above referred to places the construction costs at $175,000,000 for the "canal and lateral system below Vicksburg, 3,500,000 acres," $50 an acre. The plan urged in this brief includes even the main-line canals below Vicksburg in the construction units to be financed by the power, leaving reclamation to bear only the cost of the local distribution systems. However, accepting the Army engineer estimate, the plan herein proposed reduces the cost of reclamation to $50 an acre, instead of $535.71 per acre. The plan provides for the full development of both power and reclamation, and insures the reclamation of 3,500,000 acres which would otherwise remain a desert forever in the United States of America, while Mexico would get the water and use it to develop Asiatic competition for American agriculture.

The apparent determination of the Army engineer, Federal Power Commission, United States Reclamation Bureau, from the Fall-Davis report to date, to prevent the use of the waters in the United States of America with the inevitable alternative that they will be used in Mexico, is a mystery that needs explanation. Pending that explanation there should be a suspension of the efforts to bamboozle, bluff, bully, or browbeat Arizona into surrendering the water by ratifying the Colorado River compact or abandoning the fight for the Glen Canyon and Bridge Canyon dams and the Arizona high-line canal.

The principle that power shall finance reclamation must be extended to the Colorado River development problem, and applied to the construction of all the works necessary for the fullest and most complete utilization of the resources of that river for both reclamation and power in Arizona, California, and Nevada.

From the La Rue Report, United States Geological Survey Water Supply Paper 556, the following is quoted:

The power value of Colorado River between Green River, Utah, and Parker, Ariz., may be summarized as follows:

"With the water supply as determined in 1922, and with the storage at the site near Lees Ferry (Glen Canyon), the total continuous power available would be about 4,345,000 horsepower. If the plants operated under a load factor of 60 per cent, the total installed plant capacity would be 7,242,000 horsepower."

Four million horsepower is doubtless available for development between the north line of Arizona, or Glen Canyon, and Yuma, Ariz.

The speech of Senator Charles H. Rutherford, in opposition to the Colorado River compact, delivered in the Arizona State Senate on February 20, 1925, contains a mine of valuable information on the subject of the value of Colorado River power and its development.

The following is quoted from that speech:

For, if the present United States average net income available for dividends upon each horsepower per year, of $36, be taken as a factor, the total ultimate income from the power available on the Colorado River within Arizona will reach the stupendous sum of $144,000,000 per annum, which sum, if capitalized on the basis of 6 per cent per annum, will show a total capitalization of $2,400,000,000 carried by the river.

Of course this requires that there shall be a market for the power, but there can be no possible question or doubt that, as has happened in California, there will be a market for all that Colorado River power just as fast as the necessary works can be built to make it available for use, and at a price that would net the annual income and carry the capitalization above set forth.

The plan hereinafter proposed and advocated for the building of the Colorado River American highline system contemplates the construction of the entire system in units which shall be built separately and consecutively, one after the other, as fast as, but no faster than the market for the power will be developed, and provide an annual net income that will carry, and amortize in not over 50 years a bond issue on each unit large enough to cover all costs of construction, and interest during the period of construction.

The Glen Canyon dam will regulate and standardize the flow of the river within a brief time so that the Parker power dam could be built and at least temporarily used to furnish an immediate additional supply of power to Los Angeles. That city has filed an application with the Federal power commission for a permit to build the Parker dam for power, wherein the estimate of power that can be developed is fixed at 100,000 horsepower. On page 85 of Water Supply Paper 556, La Rue estimates the power possibility of this site at 70,000 horsepower. The water would be afterwards used on the Yuma project and in the Imperial and Palo Verde Valleys and other low lands in the river valleys below Parker.

This Parker power plant, so far as power is concerned, would be a temporary expedient, to meet the needs of Los Angeles pending the completion of the Bridge Canyon power plant. The value of the power at the Parker power plant would justify the construction of the plant under some plan of cooperation between the Federal Government and Los Angeles and Arizona. Preferably the Parker dam and power plant should be built by the Federal Government as a part of the first unit to be constructed of the Colorado River American high-line system, as hereinafter specified.

The proposed Los Angeles City Aqueduct, to furnish Los Angeles with 1,500 second-feet of water, or approximately 1,000,000 acre-feet annually, for a municipal and domestic water supply, would be just as well served by the Glen Canyon-Bridge Canyon system as by either the Boulder or the Black Canyon dam. It could be undertaken at any time after the construction of the Glen Canyon dam was assured to create a storage reservoir to regulate the river's flow, provided the Bridge Canyon power plant was assured as a source for the necessary power for pumping the water from the proposed point of diversion above Blythe to an elevation at Shavers Summit requiring a pump lift of 1,600 feet, as proposed by Engineer Mulholland.

If this plan for pumping 1,400 feet to Shavers Summit were adopted, it would require the continuous use of more than 200,000 horsepower, which could be furnished from the Bridge Canyon power plant. This 200,000 horsepower could be saved for use for other purposes if the gravity system instead of the pumping system were adopted. The value of the power that would thus be saved is estimated by La Rue at $100,000,000. Irrespective of that saving, and without taking the value or

cost of the power into consideration, La Rue estimates the cost of the gravity system at $164,000,000 and Mulholland estimates the cost of the pumping system at about $150,000,000. Those two estimates are so close to each other that it may be roughly estimated that the advantage of the gravity system over the pumping system is the value of 200,000 horsepower, whatever that may be regarded as worth. At $50 per horsepower, 200,000 horsepower would be worth $100,000,000. It is claimed that any power project in California can be financed on the basis of a value of $200 per horsepower, and whatever the value is today, it will be far more in the future.

It must be borne in mind, however, that the water can never be taken to Los Angeles by gravity if the Black Canyon or Boulder Canyon dam is built. The base of the Boulder Canyon dam at stream level would be 706 feet above sea level and the base of the Black Canyon dam is about 60 feet lower than that. The level of the bed of the river at Bridge Canyon is 1,207—500 feet higher than at Boulder Canyon. It is high enough so that if the water were diverted on the 2,000-foot level it could be taken to Los Angeles or to any other point between the base of the mountains and the sea in southern California.

The penalty Los Angeles would pay if they were able to force the construction of the Black Canyon dam instead of the Bridge Canyon dam, and thereby donate to Mexico 8,000,000 acre-feet of water that should be used in Arizona and southern California, would be that they would have perpetually and forever to pump water 1,400 feet that could be taken to their city by gravity from the Bridge Canyon dam. To pump the water they would have to use over 200,000 horsepower which otherwise would be available for municipal and industrial uses for which it will be desperately needed in the near future in either California or Arizona.

The clarification of the water is most important for domestic use. If the water for the aqueduct were desilted at Black Canyon and then picked up silt and alkali all the way from there to the intake near Blythe, it would be unfit for domestic use when it reached the intake of the aqueduct unless filtered. On the other hand, if desilted at Glen Canyon, and again at Bridge Canyon, and still again at the Parker dam, the silt content would be negligible when it was diverted into the aqueduct. If the aqueduct started from Bridge Canyon dam, the water having first been desilted at the Glen Canyon reservoir, and then again at Bridge Canyon, when it entered the aqueduct it would be crystal clear, pure, potable water for domestic use.

It would be entirely optional with the city of Los Angeles whether they would use the Parker power plant during the construction of the Glen Canyon and Bridge Canyon dams and the Bridge Canyon power plant. If they did so, there would be no need for installing the power plant at Bridge Canyon until the final completion of the dam to its ultimate height for use as a diversion dam for California and Arizona. If Los Angeles should decide not to use the Parker power plant, the power plant at Bridge Canyon could be installed when the dam had reached a height adequate for the development of power and so built that it could be adapted to the higher static head after the full completion of the dam to its full ultimate height.

The fact must not be overlooked that under the American high-line plan, as proposed in this brief, the Glen Canyon dam and the Bridge Canyon dam can both be built simultaneously as quickly as the Black Canyon dam alone can be built, if the Bridge Canyon dam were to be built only to the same height as that proposed for the Black Canyon dam; but to build the Bridge Canyon dam to its full ultimate height of perhaps something over 800 feet would require additional time. However, the foundation conditions at Bridge Canyon are believed to be better than at Black Canyon. At Bridge Canyon both foundation and side walls of the canyon are granite.

No estimates of cost of the Parker dam and power plant are available except those made by the Arizona engineering commission, of which La Rue was a member. That report estimates the cost of the dam at $4,700,000, and of the power plant at $3,604,000, and the power to be developed at 82,000 horsepower, assuming a regulated flow over the dam of 10,000 second-feet.

It will thus be seen that the cost of the whole Parker dam and power plant and transmission lines to Los Angeles would be easily within the reach of municipal construction; but, if so built, it would have to be under careful restrictions and conditions which would make certain that no rights under it should ever be allowed to interfere with the ultimate adoption and construction of the best possible system for the use of the entire reclamation, irrigation, and power resources of the river under the American high-line system when completed.

A dam at Parker is suggested at a part of the La Rue plan, set forth in Water Supply Paper 556, for the utilization of the resources of the river to best advantage. If built, it would always serve a useful purpose, justifying its construction as a part of the greater system ultimately to be completed. With the Bridge Canyon dam built and in use as a diversion dam, the river would be entirely diverted at that point; but there would always be more or less water coming into the river between the Bridge Canyon and Parker dams—some years considerable, other years comparatively little. The Grand Wash and Virgin River and Williams River enter the main river in that section of its course. In years of plentiful supply this water could be stored and diverted at Parker. In the dry years the supply would have to be supplemented with water from the high-line canal drawn from the Glen Canyon Reservoir. This supplemental supply would produce power in the drop from the high-line canal, and being then used to standardize the flow at the Parker dam the power plant at that point would always have a value, and would never be abandoned.

Whenever the Glen Canyon dam has been built for storage, and Bridge Canyon dam for diversion, and the Arizona high-line transmission canal has been completed from Bridge Canyon to The Needles Pinnacles, then the only dams that will ever be built or that could serve any useful purpose below Bridge Canyon will be the Parker dam and the Mohave dam. The Mohave dam would be built for flood control to safeguard against any failure of any of the dams ultimately built between Glen Canyon and Bridge Canyon, and for storage to hold back until beneficially used any waters coming from floods below Glen Canyon. The Bridge Canyon dam would have no value whatever as a storage dam. It would be used only as a diversion dam, and would also completely desilt the river at that point without any diminution of reservoir storage for either irrigation or power. The Mohave dam should be built whenever the Colorado River siphon is built as a unit of the California high-line transmission canal, and should be included in the third construction unit of the American high-line system.

The Parker dam should be included in the first construction unit, and should be pushed to completion as rapidly as possible, for several reasons:

First. It will provide Los Angeles with a supply of power adequate for all immediate needs pending the completion of the Bridge Canyon dam to its full height as a diversion dam.

Second. It will provide water by gravity for the reclamation of 124,000 acres in Arizona and 140,000 acres in California, and would in that way meet the desire for some immediate development on the Colorado River.

The lands irrigable from the Parker dam by gravity in Arizona are located as follows: Parker Mesa, 4,000 acres; Colorado River Indian Reservation, 104,000 acres; Cibola Valley, 16,000 acres; total, 124,000 acres. The lands in California are located as follows: Between the Parker diversion dam and the Blythe intake, 50,000 acres; Palo Verde Valley, 79,000 acres; Palo Verde Mesa, 20,000 acres; total, 149,000 acres.

The reclamation by pumping of any lands in either California or Arizona from the Parker dam as a source of supply should not be considered. In Arizona every available drop of water is needed for lands that can be irrigated by gravity from the Arizona high-line canal with much better economic results, and in California the water should be used in the coast basin rather than to reclaim more desert land in the Colorado River Basin.

Whenever the resources of the Colorado River for both power and irrigation have been studied from the standpoint of the best interests of southern California, in the light of the constructive plan proposed in this brief, then it will follow "as the night the day" that—

Southern California will insist, with a demand that will be irresistible, on the California high-line transmission canal and the Colorado River siphon from The Needles Pinnacles to Indio, and thence to near Cabazon, where a tunnel only 13 miles long will bring the water into the San Jacinto Valley at an elevation of 1,500 feet above sea level.

One reason for this is that the value of the additional power developed over what can be developed at the Black Canyon dam will cover the entire cost of the construction of the additional works necessary for the transmission of the water from Bridge Canyon to the Indio power plant, and from there through the San Jacinto tunnel to the power plants in the coast basin of southern California.

That statement, startling though it may seem, is proved by the following facts:

With the entire regulated flow of the Colorado River falling over the dam, and more than half of it necessarily going from there to Mexico, never less than 8,000,000 feet being thus assured to Mexican lands, the total power development at the Boulder Canyon or Black Canyon dams would not exceed 550,000 primary horsepower, providing an installed capacity, with a load factor of 55 per cent, of 1,000,000 horsepower. The estimates that follow are all of primary horsepower, and must be compared with the 550,000 primary horsepower at Black Canyon.

The comparatively small total of horsepower development at Black Canyon is due to the mistaken policy of trying to use the same dam for flood control, storage, irrigation, and power. The head is a variable one because of the variation in the level of the surface of the reservoir as water is drawn from it. The static head must always be less than the total height of the dam, because the drop for power is established by the abandonment of the 10,500,000 acre-feet out of 26,000,000 acre-feet to dead storage, leaving only 15,500,000 acre-feet of control storage.

With these facts in mind, make the comparison:

The development at Black Canyon is 550,000 horsepower, with all of the regulated flow of the river passing over the dam and used for power development.

At Bridge Canyon, with all the water flowing over the dam, the static head would be 785 feet and the power development would be 1,280,000 horsepower, more than twice the development at Black Canyon, only 50 miles farther from Los Angeles, and 50 miles nearer to all points of use in Arizona.

Now, to make the comparison, assume for that purpose only that the regulated flow of the river at Bridge Canyon is equally divided between California and Arizona, and California's half of the water is taken across through the Arizona-California high-line transmission from Bridge Canyon to The Needles Pinnacles, about 12 miles below Topock, where the Santa Fe Railroad crosses the Colorado River.

The drop constituting the static head at that point from the forks of the canal to the bed of the river would be 1,400 feet, and the power development, with only half the water, would be nearly twice the total development at Black Canyon.

But to drop the water there is by no means the best plan for California. The total flow of the river at Bridge Canyon would be 22,000 second-feet. If half that is apportioned to California a transmission canal of practically the same size as the Chicago Drainage Canal, with a siphon under the Colorado River with no greater pressure than the siphon under the Hudson River, that brings water to the city of New York, will land that water at a point 1,600 feet or more above Indio, where the drop or static head will be twice that at Bridge Canyon.

Let half the 11,000 second-feet that has been brought to this point from Bridge Canyon be dropped at Indio, and 5,500 second-feet, falling 1,600 second-feet, will develop 704,000 horsepower. The formula for calculating power development will be found on page 39 of the La Rue report, Water Supply Paper 556.

That 704,000 horsepower within 100 miles of Los Angeles, estimating its value at the low rate of $36 per horsepower net annual income, will produce a total net annual income of $25,344,000. That is the amount which any private power company owning the developed power would pay out as dividends on its stock after paying all costs of operation, and they would capitalize the asset on a 6 per cent basis at $422,400,000.

The Sturtevant estimate of the cost of the Arizona-California high-line transmission canal from Bridge Canyon to The Needles Pinnacles is $137,000,000. Charge half of that to California, $68,500,000, and deduct it from $422,400,000, and it leaves a balance of $353,900,000 available, covered by the capital value of the power alone, to finance the cost of the construction from the Needles Pinnacles to Indio.

The remaining 5,500 second-feet, about 4,000,000 acre-feet, if taken through the San Jacinto Tunnel, would develop 550,000 horsepower at various drops in its fall from the outlet of the San Jacinto Tunnel, 1,500 feet above sea level, to the point of final use on the land for irrigation. Under this plan the same amount of power would be developed in the coast basin of southern California, as the Black Canyon scheme will develop, and 250 miles nearer to Los Angeles.

The total power development under this plan—700,000 at Indio and 550,000 in the coast basin—gives a total power development for southern California of 1,250,000 horsepower, delivers 4,000,000 acre-feet of water for the irrigation of the Imperial Valley at Indio, and carries 4,000,000 acre-feet through the San Jacinto Tunnel for power and irrigation in the coast basin, where it will irrigate 2,000,000 acres of land.

The water duty in the coast basin is less than half what it is in the Colorado River Basin. In the latter basin it is 4 acre-feet a year; in the coast basin, 1.75 acre-feet a year. Therefore, to the fullest possible extent that the water can be used in the coast basin instead of on new lands in the Colorado River Basin, it should be used in the coast basin.

But this almost inconceivably huge benefit to California from building the California transmission canal from Bridge Canyon to Indio, and thence through the San Jacinto Tunnel to the coast basin of southern California, is not all the benefit that would accrue from it.

Suppose California should divide the water with Arizona at Bridge Canyon, and let California's half fall over the dam and go down the river to the Laguna Dam, to be taken out there for the irrigation of the Imperial Valley: California would then get 640,000 horsepower at Bridge Canyon, half of a possible total of 1,280,000 that would be developed if all the river flowed over the dam.

The total use of water for irrigation in the Colorado River Basin should not exceed 4,000,000 acre-feet. If the Los Angeles aqueduct were built, it would take another 1,000,000 acre-feet, making 5,000,000 in all from 16,000,000 acre-feet measured at Laguna Dam. The rest of the water would go to Mexico forever. California would lose 3,000,000 acre-feet a year of water to Mexico which could be used in California if the transmission canal were built from Bridge Canyon to Indio.

That is not all. There would be a loss of water from California's half of 1,000,000 acre-feet annually between Bridge Canyon and the Laguna Dam, which would be saved by taking the water across from Bridge Canyon to Indio in a cemented and covered canal. What would that water be worth in southern California? It would irrigate 500,000 new acres, worth with that water $500 an acre to-day. It would be worth $1,000 an acre within 20 years.

Under present conditions, the river measures about the same at Glen Canyon and at the Laguna Dam. It picks up about a million acre-feet between Glen Canyon and Bridge Canyon, and loses it between Bridge Canyon and the Laguna Dam. If standardized by the Glen Canyon reservoir, and the flow at Bridge Canyon fixed at 22,000 acre-feet, the loss from letting half the water run down the channel of the river instead of taking it across to Indio, would be 1,000,000 acre-feet a year. A much greater proportion of the water flowing from Bridge Canyon to Laguna Dam would be lost if the flow is regulated—and all through the hot season of the year the water is flowing slowly through a shallow crooked channel and winding about over mud flats—than is lost now when the larger proportion of it rushes down in great floods as is the case at present.

The saving of water represented by this 1,000,000 acre-feet saved by the California Transmission Canal from The Needles Pinnacles to Indio, worth to-day $250,000,000 in the coast basin, and having a potential value of $500,000,000 within 20 years, is an added financial basis for building the canal from Bridge Canyon to Indio, and thence through the tunnel to the San Jacinto Valley.

If a steady all-the-year round flow of 5,500 second-feet, an annual supply of 4,000,000 acre-feet, enough to abundantly irrigate 2,000,000 new acres in southern California between San Diego and Ventura, making the land with the water worth $500 an acre to-day and creating an aggregate value for both of $1,000,000,000, were turned into the San Jacinto Valley to-morrow by some convulsion of nature from the Colorado River it would instantly increase values in the coast basin of southern California more than $2,000,000,000. The mere fact that it was available would do that, and the financing of the cost and the construction work necessary to distribute the water for beneficial use on the land and to develop 550,000 horsepower would follow as a matter of course.

No effort will be made in this speech to enter into a consideration of that field of values as a basis for the construction of the great works necessary to bring that water to the San Jacinto Valley for the coast basin. The power alone is sufficient basis for the cost of construction, under the plan for financing it hereinafter proposed. The agricultural values can be left to bear the cost of distributing the water for irrigation. Those values are ample, and more than ample for that purpose, both in Arizona and California.

The plan contemplates the consecutive construction of the three units of construction, but there is not the slightest reason why all three should not be simultaneously constructed, if Southern California could be weaned away from the support of the conspiracy to surrender the waters to Mexico, after giving California 550,000 horsepower from the Black Canyon dam, and 4,000,000 acre-feet for the irrigation of the Imperial, Coachella, and Palo Verde Valleys, and 1,000,000 acre-feet for Los Angeles and to destroy Arizona by reducing her acreage to be irrigated from the Colorado River from 3,280,000 acres to

280,000 acres, and to send 8,000,000 acre-feet annually to Mexico to be used to develop a competitive Asiatic city and colony, and breed an Asiatic war.

Let California accept, heartily, sincerely, and earnestly the all-gravity American Glen-Bridge high-line plan, instead of the Black-Boulder low-line Asiatic-Mexican plan, and the whole American high-line all-gravity system could be completed in 10 years. The Glen Canyon dam, affording complete flood protection can be finished in six years, according to the La Rue report, and afford complete flood protection sooner than it can possibly be provided by the building of the Bridge Canyon dam.

NATIONAL WEALTH CREATED BY THE ALL-GRAVITY AMERICAN COLORADO RIVER CONSTRUCTIVE PLAN IN THE UNITED STATES OF AMERICA

Let the people of our own country once understand the value of the waters of the Colorado River as a national asset of the United States of America, and that moment the Black Canyon-Boulder Canyon project, with its subtly concealed purpose to surrender 8,000,000 acre-feet of water annually to Mexico perpetually, will be dead beyond hope of resurrection.

No matter what new bill may be introduced, no matter what new scheme may be proposed, no matter what bait or bribe may be offered to Arizona in the form of a royalty on power developed in Arizona for use elsewhere, the acid test that will be applied to that new bill or new scheme, from the point of view of the Nation and by the Congress of the United States, will be:

Will it give that 8,000,000 acre-feet annually to Mexico to reclaim and irrigate 2,000,000 acres in the Imperial Valley of Mexico and on the great Citrus Mesa in Sonora, Mexico?

If it does, no matter how carefully the wolf may have been concealed in sheep's clothing, the people of the Nation will repudiate the scheme, and Congress will reject any proposed bill that would bring the scheme to fruition.

The people of the United States of America and the Congress of the United States must know the facts demonstrating the value of this great national asset of the Nation which now lies latent in the flood waters of the Colorado River.

The first fact necessary to be known is the available annual water supply that will be provided for the lower basin, after the floods of the Colorado River have been completely reservoired in the United States of America, and the flow of the river thereby regulated and standardized, so that it will flow substantially the same volume of water evenly through the year—in all years.

1. THE AVAILABLE WATER SUPPLY FOR USE IN THE LOWER BASIN

The most satisfactory table establishing the water supply that will be made available for the lower basin of the Colorado River by the building of the Glen Canyon storage reservoir and Bridge Canyon diversion dam is to be found on page 37 of the Fall-Davis report, Senate Document, No. 142, Sixty-seventh Congress, second session.

That table establishes the discharge of the Colorado River at Yuma, averaged from 1902 to 1920, at a total annual regulated flow of 17,550,000 acre-feet. This includes the 150,000 acre-feet diverted above Yuma at the Laguna Dam for the Yuma project, and includes also the now wasted average discharge of the Gila River, estimated at 1,080,000 acre-feet.

That estimate of 17,550,000 acre-feet is an established and dependable estimate, which may be taken as a fixed fact in dealing with the problem of the use that is to be made of that water. One "acre-foot" is water enough to cover an acre 1 foot deep.

Attention is called to the fact, on page 37 of that Fall-Davis report, that the lands on which the waters which were stored at Boulder Canyon would be used are so situated that there would be little return seepage from those lands. The lands referred to are the 280,000 acres in Arizona and 940,000 acres in California, which are elsewhere in that report, shown to be irrigable from the Black Canyon-Boulder Canyon project.

That is one of the most important advantages of the Glen Canyon-Bridge Canyon-Arizona high-line project over the Black Canyon-Boulder Canyon project. The Glen Canyon-Bridge Canyon-Arizona high-line project provides for the irrigation of high mesa lands sloping always to the river.

First. All the lands irrigated from the Arizona high-line canal, from the intake of the canal at the Bridge Canyon dam to Lone Mountain Pass, would drain into the Colorado River between Bridge Canyon and the Laguna Dam.

Second. From Lone Mountain Pass to the end of the canal, where it would tail into the Waterman wash, after encircling the Salt River Valley and Casa Grand Valley, the return seepage would be into the Gila River above the Gillespie dam.

Third. That return seepage would be redistributed through canals heading at the Gillespie dam for use on lands adjacent to and draining into the Gila River between the Gillespie dam and the mouth of the river.

Fourth. The return seepage coming into the river below the Gillespie dam and flowing down the Gila River to its mouth, with a low pump lift, could be used to supply lands under the Yuma project for which water is to be pumped, or for the Imperial Valley, or it could be used by gravity to irrigate the 200,000 acres in Mexico heretofore irrigated.

The return seepage from the original diversion at Bridge Canyon would increase the total volume of water available for use in Arizona and in the Imperial Valley of California not less than 4,000,000 acre-feet.

The total water supply for the entire system would thus be increased 4,000,000 acre-feet as time passed and the underground reservoirs became filled and the water table raised. The proportion of return seepage would steadily increase until it exceeded 4,000,000 acre-feet annually.

Another increase of 1,000,000 or more acre-feet in the total available water supply would result from diverting the water from the river at Bridge Canyon and distributing it in a cemented canal system instead of having it run down the long, shallow, tortuous channel from Bridge Canyon to Yuma.

The flow of the river is increased over 1,000,000 acre-feet between Glen Canyon and Boulder Canyon, but it now loses that increase by evaporation between Boulder Canyon and Yuma. That saving would add another million acre-feet to the total supply available for the lower basin.

The total supply available for the lower basin would thus be—

	Acre-feet
1. Discharge at Yuma, including 150,000 acre-feet diverted above for Yuma project and also including the 1,080,000 acre-feet coming from the Gila River	17,550,000
2. Return seepage from waters originally diverted into the Arizona high-line canal at Bridge Canyon Canal	4,000,000
3. Saving of evaporation losses between Bridge Canyon and Yuma	1,000,000
Total	22,550,000

The question of subsequent depletion of this total available quantity for irrigation in the lower basin is an intricate and complicated question, and has never been sufficiently studied to make it possible to reach an entirely satisfactory conclusion.

This thorough study is one of the things most necessary to be done before any plan is irrevocably adopted for the development of the Colorado River.

There are those who have studied the question for many years, and are qualified to form an expert opinion on the subject, who are satisfied that future irrigation in the upper basin will never appreciably deplete the flow of the river at the north line of Arizona, or at the Glen Canyon dam.

There are those who have made the most careful estimates and studies based on thorough investigation of the known facts who believe that the upper basin can never use more than half of the 7,500,000 acre-feet reserved for the upper basin in the Colorado River compact and that the only effect of that reservation would be to increase the quantity that would go to Mexico if the compact were ratified.

The Fall-Davis report, Senate Document No. 142, above referred to, gives the following estimate of future depletion from use in the upper basin and from reservoir evaporation, on page 37:

	Acre-feet
Future depletion from development in upper basin	4,230,000
Future depletion from evaporation from reservoirs in canyon section	2,070,000
Total future depletion	6,300,000
As heretofore shown, the total available supply, including return seepage, for the lower basin amounts to	22,550,000
Deduct from this the total estimated depletion	6,300,000
And it leaves the total available for use	16,250,000

2. THE AREAS THAT CAN BE IRRIGATED IN THE LOWER BASIN

The 16,250,000 acre-feet that will ultimately be available for use in the lower basin include 4,000,000 acre-feet from return seepage into the natural channels, which can again be diverted and used for irrigation.

It takes several years for this return seepage to develop. Until that happens the available quantity is limited to the original flow of the stream, but the return seepage is a steadily enlarging reflow into the river, increasing each year for a long period of time.

If the 4,000,000 acre-feet of return seepage be deducted from the 16,250,000 acre-feet estimated to be the ultimate quantity available, it leaves 12,250,000 acre-feet available from the moment the construction of the irrigation works is completed.

BUT THAT IS NOT ALL THE WATER THAT WILL BE AVAILABLE

The 4,320,000 acre-feet estimated in the Fall-Davis report as the eventual depletion in the upper basin will continue to come to the lower basin for many years to come. It will flow down

the river to the Glen Canyon reservoir until it has been actually consumptively used in the upper basin.

The process of depletion will be slow, extending over many years before the water will all be used in the upper basin. The period that will elapse before that consumptive use has been fully accomplished has been variously estimated at from 25 to 150 years.

In the meantime, until the water has been so used in the upper basin, it will continue to flow down to the lower basin, and the total quantity available in the lower basin to start with when the irrigation works are first built and irrigation begun will be as follows:

	Acre-feet
Available quantity without return seepage	12,250,000
Amount reserved for upper basin depletion	4,230,000
Total quantity available for lower basin	16,480,000

Were it not offset by return seepage, that annual supply might slowly decrease from year to year as the depletion resulting from the irrigation of larger areas in the upper basin increased from year to year.

But this fact must never be overlooked: Any depletion in the lower basin of the supply available for that basin resulting from a larger use in the upper basin would be more than offset each year by the steadily increasing reflow due to return seepage from lands irrigated under the Arizona high-line canal.

Consequently the total quantity available for the lower basin would never be less than the quantity available when the water was first turned out of the river into the canals.

The importance of that fact can not be realized unless thought is given to it, so that the mind will fully grasp the fundamental fact that before the depletion by a larger use in the upper basin has been felt in the lower basin, it will be more than compensated for by the increased return seepage in the lower basin.

The return seepage will always more than counterbalance the depletion, and there will always continue to be 16,250,000 acre-feet or more available for use in the lower basin, provided the Arizona high-line canal is built.

This remarkable creation of reflow or return seepage, which will make it possible to increase the total supply available until the return seepage extends 4,000,000 acre-feet, exceeds the greatest possible depletion resulting from the enlarged use in the upper basin, has never been heretofore taken into consideration as one of the greatest values created by the Arizona high-line canal.

Four million acre-feet of return seepage is water enough to irrigate more than 1,000,000 acres of land in Arizona and southern California, and is worth for that purpose more than $300,000,000.

Three hundred million dollars is more than enough to build the Arizona high-line canal. The Sturtevant estimate of its cost from Bridge Canyon to the end of the canal at Waterman Wash is $212,000,000.

If the Black Canyon dam were built, and the Arizona high-line canal were thereby made impossible, the loss from this one result of the building of the Arizona high-line canal is alone enough to build both the Glen Canyon and Bridge Canyon dams, in place of the Black Canyon dam, with enough left over to build the Arizona high-line canal.

With such facts as these staring any one in the face who will take the trouble to ascertain them, can it be possible that the public can be permanently deceived or deluded by any smoke screen that can be thrown out to get the Black Canyon dam built and a profit of a billion dollars put into the pockets of the American speculators in Mexican lands?

Therefore, from the completion of the Bridge Canyon dam and the Arizona-California high-line canals, the full quantity of the permanent supply of 16,250,000 acre-feet for the lower basin will be available.

That 16,250,000 acre-feet will adequately irrigate the following lands:

	Acre-feet
In Arizona:	
280,000 acres comprising 130,000 acres in the Yuma project, 110,000 in the Parker Indian Reservation project, and 40,000 acres of other river-level lands, requiring for its irrigation	740,000
3,000,000 acres irrigable from the Arizona high-line canal system, requiring for its irrigation	8,000,000
In California:	
1,000,000 acres in the Colorado River Basin, in the Imperial, Palo Verde, and Coachella Valleys	4,000,000
1,000,000 acres in the coast basin of southern California, and including all irrigable lands not now irrigated between Ventura and San Diego	1,750,000
The Mulholland project for pumping water 1,600 feet over Shavers Summit for a domestic water supply for Los Angeles, if built, will require	1,000,000
Total in the United States of America	15,490,000
In Mexico:	
The above apportionment and use of the available water supply will leave a surplus of 760,000 acre-feet for use in Mexico, which is enough to irrigate the 200,000 acres, which is all they can claim a right to irrigate in Mexico. This 760,000 acre-feet would flow down to the international border in the channel of the Colorado River	760,000
Total uses of available supply for the lower basin	16,250,000

3. LAND VALUES CREATED IN THE UNITED STATES OF AMERICA

The Black Canyon-Boulder Canyon project, as shown by the Fall-Davis report, will irrigate 1,220,000 acres in the United States of America, of which 280,000 acres are in Arizona and 940,000 acres in California, all worth, when irrigated within 20 years	$610,000,000
The Glen Canyon-Bridge Canyon project, in addition to this 1,220,000 acres, will irrigate the following lands, which will remain unirrigated forever if the Black Canyon dam is built—	
3,000,000 acres under the Arizona high-line canal in Arizona worth when irrigated within 20 years	1,500,000,000
1,000,000 acres in the coast basin of southern California, between San Diego and Ventura, worth, when irrigated within 20 years	$1,000,000,000
Total additional land values created by the Glen Canyon-Bridge Canyon project	2,500,000,000

These additional land values in the United States of America will never come into existence if the Black Canyon dam is built, because the water necessary for the irrigation of the land will be surrendered to Mexico irrevocably if that dam is built.

Can the United States of America afford to make such a stupendous national sacrifice as that merely to enable a group of American speculators in Mexican lands to realize a profit of approximately a billion dollars from their speculation of selling to Asiatics lands irrigated with the water of the Colorado river; when that water, if used in the United States of America, would create land values of $2,500,000 within 20 years?

There will be no return seepage if the water goes to Mexico. The losses from evaporation between Bridge Canyon and Yuma, which will be saved if the waters are diverted at Bridge Canyon, will continue forever if the waters are first used in Mexico.

The losses from those two causes will aggregate 5,000,000 acre-feet annually, and continue forever, if the right is established to use the waters in Mexico, as must happen if the Black Canyon dam is built.

The Glen Canyon-Bridge Canyon project will provide enough water to irrigate the 200,000 acres heretofore irrigated in Mexico, which is all they can by any possibility claim a right to under the comity of nations.

The Black Canyon-Boulder Canyon project will provide not less than 8,000,000 acre-feet of water for Mexico, which will increase the irrigated area in that country 10 times and bring 2,000,000 acres under irrigation, to be sold to Asiatics to compete with American agriculture.

American agriculture has troubles enough now without subjecting it to the competition of 2,000,000 acres in Mexico intensively cultivated with Asiatic coolie labor and irrigated from the Colorado River.

The contrast between the plan for the highest utilization of the regulated flow of the waters of the Colorado River, which constitutes the all-gravity American Colorado River constructive plan, and is based on the construction of the Glen Canyon dam for storage and the Bridge Canyon dam for diversion, on the one hand, and, on the other hand, the Mexican-Asiatic low-line river level plan, based on the Black Canyon dam utilizing the Boulder Canyon reservoir site, ought to be enough to satisfy any fair and unprejudiced American citizen that the Black Canyon dam should be abandoned and the Glen Canyon dam built as a substitute for it.

4. THE BLACK CANYON DAM GIVES 8,000,000 ACRE-FEET TO MEXICO

The reason the Black Canyon dam gives 8,000,000 acre-feet annually to Mexico is that the dam is located so far down the river that after the water has dropped over the dam to develop power it has fallen to so low an elevation above sea level that it can never be afterwards diverted from the river high enough for the lands that are to be irrigated in Arizona or high enough to be taken by gravity to the coast basin of southern California.

The level of the bed of the river at the base of the proposed Boulder Canyon dam was 706 feet above sea level. Black Canyon is farther down the river and still lower.

The water must be diverted from the river at an elevation of 2,000 feet if it is to be used for irrigation in Arizona or takes by gravity to the coast basin of southern California.

Any scheme for pumping for reclamation is uneconomic and impracticable, and before it could be put through the waters would have been used in Mexico so long that the claim to them would have ripened under the comity of nations.

As a national and inevitable consequence, once the waters have fallen to the base of the Black Canyon dam, they must

go to Mexico by the law of gravity, and there they will continue to go forever.

The quantity going to Mexico is easily established:

On page 5 of the Fall-Davis report, Senate Document 142, is a table showing the average discharge of the Colorado River at the Laguna Dam, not including the Gila River.

It is fixed at 16,400,000 acre-feet.

From this must be deducted all that can be used for irrigation in the States of Arizona and California, if the Black Canyon dam is built.

This is fixed by the Fall-Davis report at 1,220,000 acres:

	Acre-feet
The water required for its irrigation is	5,000,000
Add the quantity required for the Mulholland Los Angeles aqueduct scheme	1,000,000
And the total quantity that can be diverted from the river below the Black Canyon dam, so that it will not go to Mexico, is	6,000,000
From the amount going to Mexico, a further deduction must be made of the quantity estimated on page 37 of the Fall-Davis report as the reservoir evaporation	2,070,000
This makes a total deduction of	8,070,000

Deduct this 8,070,000 acre-feet from the total discharge at the Laguna dam of 16,400,000 acre-feet and it leaves to go to Mexico 8,330,000 acre-feet.

That is more than enough to irrigate the 2,000,000 acres for the Asiatic principality in America.

The foregoing facts are absolutely and unqualifiedly true.

They are—

The truth, the whole truth, and nothing but the truth.

They are as conclusively demonstrated by undeniable facts as that the Washington Monument stands in Washington or that the United States of America exists as a Nation.

It would be a national crime to despoil Arizona, a sovereign State of this Union, and rob her of a natural resource of such stupendous magnitude as the waters to reclaim from the desert 3,000,000 acres of irrigable land, leaving it an irreclaimable desert forever, and give that water to a group of conscienceless, if not criminally treasonable, conspirators against the peace and welfare of their own country.

If the water goes to Mexico it will be used to drive an Asiatic wedge into the heart of America at the head of the Gulf of California and establish an Asiatic world seaport at the back door of Los Angeles and Arizona.

It would shock the moral sense and patriotic instincts of the whole American people.

That proposed national iniquity raises an "irrepressible conflict" as to which there can be no compromise, no concession, no adjustment.

Eliminate that contemplated national crime from the problem and every difference between citizens or sections of the United States of America or projects proposed for the benefit of the people of our own country can be amicably adjusted.

Arizona insists that the Colorado River shall not be stolen from her for the benefit of American speculators in Mexican lands.

The objections of southern California will be just as vigorous and just as implacable whenever the people of the coast basin discover that water enough to furnish an abundant water supply for Los Angeles and every other city and town in the coast basin from Ventura to San Diego, and every acre of inadequately irrigated land in that territory, aggregating at least a million acres, can be taken by gravity from Bridge Canyon to Los Angeles and to that entire region between the mountains and the ocean.

Let it be once definitely determined that waters shall not be surrendered to Mexico to which she has no right, morally or legally, under international law or under the comity of nations, and no controversy remains that can not be amicably adjusted between the interests in the United States of America.

The total area irrigated in Mexico from the Colorado River was fixed by the Fall-Davis report in 1922 at something less than 200,000 acres, requiring for its irrigation not more than 740,000 acre-feet annually.

If it were assumed that Mexico should be conceded a right under the comity of nations to the water necessary for the continued irrigation of that 200,000 acres, the claim could not be for more than 740,000 acre-feet annually.

Seven hundred and forty thousand acre-feet annually is the maximum limit of Mexico's moral claim under the comity of nations.

Whether that claim should be allowed for the benefit of the American speculators who would profit by it depends on facts which cast a doubt upon it.

The American Government before conceding the claim should demand to know the whole truth as to the methods that have been adopted to frustrate every effort to bring about the utilization of the waters of the Colorado River in the United States of America instead of in Mexico.

"He who comes into equity must come with clean hands," is a motto of courts of equity that would apply with full force to that speculative conspiracy against the United States of America.

There can be no doubt that there is in Mexico more than 2,000,000 acres of irrigable land which could be irrigated from the waters of the Colorado River if the Black Canyon dam were built.

A large map which has hung in the office of the Committee on Irrigation and Reclamation of the House of Representatives for many months specifies the lands irrigable in Mexico as follows:

Areas in Mexico. "A," under present canal system: Land & Water Co. of Lower California, 72,000 acres; small tracts near Mexicali, 10,000; International Co., 12,000; Imperial Development Co., 15,000; Easton tract, 15,000; Government lands, 8,000; Colorado River Land Co., 208,000; total under present canals, 340,000 acres.

"B," additional lands: Mesa lands under all-American canal, 43,000 acres; delta lands, chiefly Colorado River Land Co., 510,000; Sonora lands, 550,000; Pattie Basin, 400,000; total, 1,503,000.

Making a total irrigable area in Mexico of 1,843,000 acres.

And this estimate does not include more than 200,000 acres of the finest citrus-fruit land in the world, in an absolutely frostless region, on the great citrus mesa in the Mexican State of Sonora, lying farther east than the 550,000 acres of Sonora lands above referred to, which would ultimately be irrigated for citrus-fruit culture by pumping, as the Yuma Mesa is now being irrigated.

The total area eventually irrigable in Mexico exceeds 2,000,000 acres.

If the water to irrigate that 2,000,000 acres goes to Mexico, it deprives the United States of America of water which, if used first in the coast basin of southern California and on the high mesa lands of Arizona lying under the Arizona high-line canal, will make 1,000,000 acres of land in southern California worth a billion dollars more than it is worth to-day, and will make 3,000,000 acres in Arizona worth a billion dollars more than it is worth to-day.

It will transform that 3,000,000 acres in Arizona into a fertile and populous region large enough to be the equivalent of 10 units each the equal in wealth and population of the Salt River Valley unit under the Roosevelt Dam.

Arizona's revenue from State, county and municipal taxation on that vast wealth-producing territory would exceed $25,000,000 per annum.

That is what Arizona loses if the Black Canyon-Boulder project is built.

Is it conceivable that the Congress of the United States, representing the whole American people will wreck that vast national resource in order to present a fortune of a billion dollars or more to a group of American land speculators in Mexico?

It is unbelievable!

And it is still more unbelievable when the fact is known that by building the Glen Canyon-Bridge Canyon project this huge national sacrifice becomes unnecessary.

Arizona can not, under any circumstances, consent to the Black Canyon-Boulder Canyon project, without consenting to her own ultimate ruin.

The question to be first determined is whether some other plan can be evolved which will not ruin Arizona, and will at the same time afford to all other interests and sections in the United States of America all the advantages they seek from the development of the Colorado River.

If everything those interests or sections require can be given to them without injuring or destroying the future development of Arizona, the plan that will do that will be adopted, whenever the facts are made known to the people of the entire Nation.

The Black Canyon-Boulder Canyon project should be known as the Asiatic-Mexican low-line, river-level Colorado River project, because if built it will surrender 8,000,000 acre-feet a year of water to Mexico and create an Asiatic annex in America.

The Glen Canyon-Bridge Canyon project should be known as the all-gravity American Colorado River project, because it will utilize that same water in Arizona and California, where it will irrigate over 3,000,000 acres in Arizona, that must re-

main a desert forever if the water goes to Mexico, and 1,000,000 acres in the coast basin of southern California, having no other source for an adequate water supply.

ENGINEERING WORKS NECESSARY TO BE BUILT FOR THE AMERICAN COLORADO RIVER CONSTRUCTIVE PLAN

1. THE ALL-AMERICAN CANAL

Whatever plan may be adopted for the financing of the proposed Boulder Canyon project, including the Black Canyon dam, will fit just as well the Glen Canyon-Bridge Canyon project, so in that respect there is no difference between the two.

The all-American canal for the Imperial Valley is an integral part of both plans, and it matters not to the people of the Imperial Valley which plan may be adopted, so far as the all-American canal is concerned.

It is urged under both plans that the all-American canal should be built and its cost eventually financed and paid for from the power resource, so that no burden shall rest on the local landowners, either now or hereafter, as the result of its construction.

The Glen Canyon-Bridge Canyon project as embodied in the American Colorado River constructive plan goes further, however, and contemplates that the all-American canal shall be cemented for the entire distance that it parallels the international boundary line and covered wherever necessary to protect it from shifting sands.

This additional cost should be regarded as a measure for military safety for the Nation, and should be financed from the power resource the same as the cost of construction for the all-American canal as included in the Black Canyon-Boulder Canyon project.

2. FLOOD PROTECTION FOR IMPERIAL VALLEY AND OTHER COMMUNITIES

The Glen Canyon dam will provide flood protection for the Imperial Valley, the Palo Verde Valley, the Yuma Valley, and all communities and lands in the entire flood-menaced region of the Colorado River country from Glen Canyon to the International Boundary line.

All the waters coming into the river below the Glen Canyon reservoir from every source could never create a flood below that reservoir that could by any possibility endanger the Imperial Valley.

The Glen Canyon dam and storage reservoir would furnish complete flood protection from the Colorado River.

The Sentinel dam on the Gila River should be built as an additional safeguard, solely as a flood-control dam, like the Miami River flood-control dams.

The cost of the Sentinel dam would not exceed from three to five million dollars, and should be added to the project and its construction cost financed the same as other construction units.

The necessity for flood-protection for the Imperial Valley has been the point most vociferously urged by those whose interest in the Black Canyon-Boulder Canyon project is chiefly because it will send the waters to Mexico.

That protection is completely given without sending the waters to Mexico by the Glen Canyon dam and storage reservoir.

The Sentinel dam on the Gila River is an additional safeguard, not provided in the Black Canyon-Boulder Canyon project.

3. REGULATION OF THE FLOW OF THE COLORADO RIVER

(a) The people of the Imperial Valley want the flow of the river regulated so as to increase the low-water flow for irrigation.

(b) The people of Los Angeles want the low-water flow increased to supply their infiltration canal, from which they propose to pump the water 1,600 feet over Shavers Summit to Los Angeles for a municipal supply.

(c) The people of Los Angeles want the flow of the river regulated and standardized throughout the year so it may be used for hydroelectric power development.

For all three of these purposes the flow of the river will be regulated just as well by building the Glen Canyon dam as by building the Black Canyon dam.

For increased irrigation supplies in the low-water season, for a municipal supply for Los Angeles, and for power development the Glen Canyon dam will serve just as well; and it has many advantages, even for those three purposes, over the Black Canyon dam.

The Black Canyon dam is referred to by its proponents as creating a storage reservoir with a capacity of 26,000,000 acre-feet. This is a delusion. The Black Canyon dam will hold behind the dam 26,000,000 acre-feet, but 10,500,000 acre-feet of that reservoir capacity is "dead storage." Once filled it will never again be emptied. If that space were filled with silt, it would serve every useful purpose just as well. The available storage is only 15,500,000 acre-feet.

The Glen Canyon dam can be built to a height that will create available storage of 26,000,000 acre-feet for less money than the Black Canyon dam can be built to provide only 15,500,000 acre-feet of available storage. And even though the Glen Canyon dam were only built to a height sufficient to hold 8,000,000 acre-feet, as suggested in the La Rue report, Water Supply Paper 556, it would fully serve the purpose of providing all three of the requirements above specified: (a) Increased water for irrigation in the low-water season; (b) the increased flow necessary to provide the 1,000,000 acre-feet annually to be diverted into the Mulholland-Los Angeles-Colorado River aqueduct system; (c) power development for Los Angeles.

4. HYDROELECTRIC POWER FOR LOS ANGELES

The most insistent influence behind the Black Canyon-Boulder Canyon project has been the Municipal Power Bureau of the city of Los Angeles. They have spent huge sums conducting a local campaign in behalf of it, subsidized the Boulder Dam Association, and spent a large amount in newspaper advertisements of the project in the Los Angeles newspapers.

The Boulder Canyon dam, originally advocated, has been abandoned because of the great depth to bedrock making it impracticable to build a dam at Boulder Canyon. The Black Canyon dam is now advocated as a substitute for the Boulder Canyon dam.

The objections to the Black Canyon dam hereinbefore set forth furnish a much weightier reason for abandoning the Black Canyon dam and the whole "Boulder Canyon project" and substituting for it the Glen Canyon storage dam and the Bridge Canyon diversion dam.

There is nothing that the Black Canyon dam can provide for Los Angeles in the way of power development that can not be provided better by the Glen Canyon-Bridge Canyon project. The Black Canyon dam sends the waters to Mexico, and the Glen Canyon-Bridge Canyon project does not send the waters to Mexico.

Los Angeles has filed on the Parker site for a power dam, which, its application states, will develop 100,000 horsepower.

The Glen Canyon dam will regulate the flow of the river so as to make the immediate utilization of this Parker River plant by the city of Los Angeles practicable.

This site will furnish Los Angeles with all immediate needs for power. If Los Angeles wishes to build the Parker dam and power plant, well and good. It is entirely within the resources of the city.

If Los Angeles wishes to have this Parker dam and power plant made one unit of the Glen Canyon-Bridge Canyon project, well and good. In either way, it provides Los Angeles with power for immediate use while the larger units of the system are being built.

No California interest need have any anxiety about whether or not the Arizona-California transmission canal from Bridge Canyon to The Needles is or is not practicable, or whether the waters of the Colorado River can be taken from Bridge Canyon to southern California by gravity.

If California does not want the 2,000,000 acre-feet of water for the irrigation of 1,000,000 acres in the coast basin, and does not want the Los Angeles supply to be taken to Los Angeles by gravity instead of pumping it 1,600 feet forever, it is not necessary to force it upon her.

All the water California does not want can and will be used in Arizona, and that will prevent it from going to Mexico.

The Bridge Canyon dam being built, the drop is so much greater at Bridge Canyon than at Black Canyon that half the regulated flow of the river at Bridge Canyon will develop more power than all the flow at Black Canyon.

If California should take only the 4,000,000 acre-feet required for the irrigation of the lands in that State in the Colorado River basin, and the additional 1,000,000 acre-feet required for the Mulholland aqueduct pumping scheme, making 5,000,000 acre-feet in all, supplemented by the Arizona water to be used on low river-level lands, that water, falling over the Bridge Canyon dam, and producing power there, and again falling over the Parker dam and developing power there, would generate approximately as much power as would be developed at Black Canyon.

California would have to go about 50 miles farther than to Black Canyon for the power at Bridge Canyon, but the power at Parker would be nearer to Los Angeles than at Black Canyon, and California would get just as much power without additional cost.

5. TAKING THE WHOLE PROJECT INTO CONSIDERATION

(1) The cost of the all-American canal for the Imperial Valley would be the same under either project. If the cost were

increased to cover cementing the canal, and covering it where necessary, that additional cost would be advanced by the National Government and repaid from the revenues from the power resources.

(2) The Glen Canyon dam for flood prevention and protection and for river regulation would cost no more than the Black Canyon dam and would develop 334,000 horsepower, enough to finance its cost. That power would be immediately needed and used in Arizona, Utah, Colorado, and New Mexico.

(3) The cost of the Parker dam and also of the Sentinel flood-control dam could be added to that of the Glen Canyon dam, and it would still cost less than the Black Canyon dam if built to provide the same storage capacity.

When the situation is thus analyzed it becomes manifest that if the Mexican scheme is eliminated every other interest in the United States of America can be provided with every benefit sought from the Colorado River, without any additional cost, under the Glen Canyon-Bridge Canyon project.

6. THE FINANCING OF THE BRIDGE CANYON DAM

No matter which of the alternative systems may be adopted for the use of water from the Colorado River in California, that State can be supplied with as much power from the Bridge Canyon system as from the Black Canyon system, and at no greater cost.

The power developed by the building of the Bridge Canyon dam will entirely finance the cost of the dam, and the power developed from the Arizona high-line canal will finance the construction of that canal, just as it financed the Roosevelt Dam and the Salt River reclamation project and is now expected to finance the all-American canal.

The entire development of primary power at the Black Canyon dam will be only 550,000 horsepower. The dam will be 552 feet in height.

At the Bridge Canyon site, if the dam were built to a height of 566 feet, as suggested on page 75 of the LA RUE report, United States Geological Survey Water Supply Paper 556, the power development would be 1,015,000 primary horsepower.

If the dam were built to its full height of 800 feet, the static head being 785 feet, as stated on page 77 of the La Rue report, the development of primary power would be 1,280,000 horsepower.

Note here, again, that one-third of the water required to develop 550,000 horsepower at Black Canyon would develop over 400,000 horsepower at Bridge Canyon, and one-half of the water would develop 640,000 horsepower.

This gives an idea of the power that would be developed at Bridge Canyon with the California water if it were dropped over the dam at Bridge Canyon and power developed with it there, and all the water for Arizona taken out into the Arizona high-line canal at Bridge Canyon dam.

If 60 per cent of the water were taken out at Bridge Canyon for Arizona, it would develop 660,000 horsepower from the drops in the Arizona canal.

Any way it may be figured there is over 600,000 horsepower available to finance the cost of the Bridge Canyon dam, and more than another 600,000 available to finance the cost of the Arizona high-line canal.

If California does not participate in the benefits of the transmission canal from Bridge Canal to The Needles, more power can be developed for California under the Glen Canyon-Bridge Canyon project at Bridge Canyon dam, and at less comparative cost, than can be developed at the Black Canyon dam, because of the large share of the cost of the Bridge Canyon dam that would be allocated to the Arizona high-line canal.

Why, then, must the Black Canyon-Boulder Canyon project be built instead of the Glen Canyon-Bridge Canyon project, and why do its promoters cling with such desperate tenacity to the Black Canyon dam, if it is not because it gives the water to Mexico?

Under the Glen Canyon-Bridge Canyon project:

1. The Imperial Valley gets the all-American canal;
2. The Imperial Valley gets complete flood-protection;
3. The Imperial Valley gets increased irrigation water;
4. The city of Los Angeles gets more hydroelectric power;
5. The city of Los Angeles gets 1,000,000 acre-feet for its Colorado River Municipal Aqueduct;

And, in addition to all this:

6. Southern California gets by gravity water to adequately irrigate 2,000,000 acres;
7. Arizona gets 3,000,000 acres reclaimed that will remain a desert forever if the Black Canyon dam is built.

Mr. MOSES. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Arizona yield to the Senator from New Hampshire?

Mr. CAMERON. I do.

Mr. MOSES. I wish to ask a question. Does the Senator from Arizona wish to go on with his illuminating speech to-night, or does he wish to resume the floor at some other time?

Mr. CAMERON. I yield to my colleague [Mr. ASHURST].

Mr. MOSES. Does the Senator yield the floor?

Mr. CAMERON. I yield the floor.

Mr. ASHURST obtained the floor.

Mr. BRUCE. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Maryland?

Mr. ASHURST. I yield.

Mr. BRUCE. I move that the Senate take a recess in accordance with the unanimous-consent agreement.

The PRESIDING OFFICER. The question is on the motion of the Senator from Maryland.

The motion was rejected.

Mr. ASHURST addressed the Senate. After having spoken for 15 minutes,

Mr. BRUCE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Maryland?

Mr. ASHURST. I do not wish to yield the floor.

Mr. BRUCE. May I note the absence of a quorum?

Mr. ASHURST. I beg the Senator not to do so at this time. I thank him. I do not wish to have any dilatory motion made. I do not mean by that that the motion would be dilatory, but the able and the alert opponents might say, in some moment of injustice, that I had consented to some matter that might be frivolous. The Senator from Maryland is not in the habit of doing frivolous things. He is one of the Senators whose conduct is characterized by high motives, and I hope he will excuse me. I used the word "frivolous," but I am under fire. I am under a sort of a searchlight and do not intend that anything shall be done or consented to by myself that might hereafter be charged against me as having indulged in any sort of a filibuster.

Mr. CURTIS. Mr. President, does the Senator want to finish his speech to-night?

Mr. ASHURST. I am hoping that the able Senator from California [Mr. JOHNSON] will soon move to recess, in order to relieve me from the necessity of speaking, and relieve Senators from the necessity of having a speech from me inflicted upon them.

Mr. JOHNSON. Mr. President, I can not imagine that there could be anything more charming than a speech at this time of night by the Senator from Arizona. I am most anxious to listen to it, and if the Senator from Colorado [Mr. PHIPPS], who has a speech, will only come in here and deliver it, I would be charmed, too.

Mr. ASHURST. Mr. President, from the time of my youth I have admired the senior Senator from California, and one thing that has attracted my admiration for him is that in the hottest conflict that Senator is always a gentleman, and I thank him for his compliment.

Mr. PHIPPS. Mr. President, will the Senator yield?

Mr. ASHURST. I yield.

Mr. PHIPPS. I simply want to call the attention of the Senator from California to the fact that I am paying close attention to the discourse of the Senator from Arizona.

Mr. JOHNSON. Mr. President——

Mr. ASHURST. I must not lose the floor.

Mr. JOHNSON. I am delighted that the Senator from Colorado is paying such close attention to the discourse of the senior Senator from Arizona that he paid to the discourse of the other Senator from Arizona, and I am hoping that we may have the opportunity to pay that close attention to his dissertation upon this very important bill that I know he has prepared elaborately, and that he is ready to make between now and 4 o'clock in the morning.

Mr. ASHURST resumed his speech. After having spoken for 10 minutes,

Mr. BRUCE. Mr. President, will the Senator yield to me for just a moment?

Mr. ASHURST. I yield.

Mr. BRUCE. I move that the Senate do now take a recess. It seems to me the Senator from Arizona might renounce the chivalrous impulses by which he seemed to be actuated when last I made the motion.

Mr. MOSES. Does the Senator from Arizona yield for that purpose?

The VICE PRESIDENT. The question is on the motion of the Senator from Maryland.

Mr. MOSES. I do not like to interrupt the illuminating history of the compact which the Senator from Arizona is entering upon. May I be assured that he will resume his speech when we meet again to-morrow?

Mr. ASHURST. I shall regret very much to be obliged to talk further on the subject. Let me say to the Senator from California [Mr. JOHNSON] who is not in the Chamber, but if he will step in I will say to him——

Mr. BRUCE. Mr. President, I ask unanimous consent that the Senator from Arizona be allowed to continue his observations to-morrow.

Mr. LA FOLLETTE. I object.

Mr. MOSES. If we take a recess the Senator from Arizona would have the floor.

Mr. ASHURST. I assure the Senator——

The VICE PRESIDENT. The question is on the motion of the Senator from Maryland that the Senate take a recess, the recess being until noon to-morrow.

On a division the motion was rejected.

Mr. MOSES. Mr. President——

Mr. ASHURST. I must resume now.

Mr. MOSES. It ought to be possible——

Mr. ASHURST. I can not yield for the moment.

The VICE PRESIDENT. The Senator from Arizona has the floor.

Mr. ASHURST. It is no pleasure to me to be required to talk to-night. I had to consult a physician late last week with respect to throat trouble and if my words are not painful to others they are painful to me. I am glad at any time to have any Senator move to adjourn or take a recess, but I repeat I do not intend that when this RECORD is explored in the future it can be said that I made a single motion which could be considered dilatory or looking even toward a frivolous matter.

Mr. MOSES. Mr. President, will the Senator yield to me for one observation?

Mr. BRUCE. Mr. President——

Mr. ASHURST. I feel that I must yield first to the Senator from New Hampshire.

Mr. MOSES. I can not permit this session to come to a close without expressing my opinion that no matter how repugnant it may be to the Senator from Arizona to hear his own voice, there are those of us who wish to hear it, and I insist that he shall be permitted to go on either to-night or to-morrow, as he may see fit.

Mr. ASHURST. I yield now to the Senator from Maryland.

Mr. BRUCE. Mr. President, I note the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Fess	McKellar	Pittman
Bingham	Frazier	McMaster	Robinson, Ark.
Blease	Gillett	McNary	Sackett
Bratton	Hale	Mayfield	Schall
Bruce	Howell	Moses	Sheppard
Cameron	Johnson	Neely	Shipstead
Copeland	Jones, Wash.	Norris	Shortridge
Curtis	Kendrick	Nye	Stephens
Edwards	La Follette	Phipps	Trammell

Mr. PITTMAN. Mr. President, the junior Senator from Nevada [Mr. ODDIE] was here a few moments ago, but he has been suffering from influenza and was compelled to leave.

The VICE PRESIDENT. Thirty-six Senators having answered to their names, a quorum is not present.

Mr. JOHNSON. I first ask that the names of the absent Senators be called.

The VICE PRESIDENT. The clerk will call the names of the absent Senators.

The legislative clerk called the names of the absent Senators, and Mr. DENEEN answered when his name was called.

Mr. BRATTON. I desire to state that my colleague [Mr. JONES of New Mexico] is necessarily absent on account of illness. I ask that this announcement also stand with reference to the last roll call this evening.

The VICE PRESIDENT. Thirty-seven Senators have answered to their names. A quorum is not present.

Mr. JOHNSON. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

Mr. BLEASE. Mr. President, I wish to state that the senior Senator from South Carolina [Mr. SMITH] is absent on account of illness in his family, and, if the motion of the Senator from California shall be adopted, I hope the Sergeant at Arms will not disturb him because it is his wife who happens to be sick.

Mr. McMASTER. I desire to announce that my colleague, the senior Senator from South Dakota [Mr. NORBECK], was forced to retire from the Chamber this evening on account of illness. I trust the Sergeant at Arms will not disturb him.

Mr. BRUCE. I move that the Senate now take a recess according to the unanimous-consent agreement.

Mr. JOHNSON. The motion which I made has precedence and the motion of the Senator from Maryland is out of order. I make the point that it is out of order and submit it to the Vice President.

Mr. BRUCE. I understand the Senator makes the point.

Mr. JOHNSON. Yes; I have made the point and ask the Vice President to rule on it.

The VICE PRESIDENT. The Chair sustains the point of order.

Mr. BRUCE. I will be very glad to have an opportunity to get information from the Senator from California, however dubious in value it may be.

The VICE PRESIDENT. The question is on the motion of the Senator from California that the Sergeant at Arms be directed to request the presence of absent Senators.

The motion was agreed to.

The VICE PRESIDENT. The Sergeant at Arms will execute the order of the Senate.

After a little delay,

Mr. BRUCE. Mr. President, I move that the Senate take a recess.

Mr. NORRIS. I make the point of order that the motion is dilatory.

The PRESIDENT pro tempore. The point of order is well taken. For the information of the Senate, the Chair will state that under the previous order of the Senate no business is in order except the securing of a quorum.

Mr. BRUCE. I was hoping that the present occupant of the chair might reverse that decision.

The PRESIDENT pro tempore. Sotto voce, the Chair will say to the Senator from Maryland that he also is a slave to precedent.

Mr. FESS. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Ohio will state it.

Mr. FESS. Does the Presiding Officer's decision mean that a motion to adjourn could not be made?

The PRESIDENT pro tempore. Under the unanimous-consent agreement no motion is in order except one to recess, such as the Senator from Maryland has made; but unless the proceedings are vacated under the last motion to direct the Sergeant at Arms to procure the attendance of a quorum, no motion can be entertained.

Mr. BRUCE. Mr. President, it is always with the greatest regret that I take any appeal from the decision of the Chair. In this case, however, I feel the less hesitation in doing so because I think that the Chair has simply felt——

Mr. NORRIS. Mr. President, I object to an argument. The Senator has no right to make a speech.

Mr. BRUCE. I am not making any speech.

Mr. NORRIS. Maybe it will not quite reach that high, but I do not know what else to call it. I make the point of order that an argument now is out of order.

Mr. BRUCE. I am taking an appeal; and I simply say, as a matter of courtesy to the Chair—the Senator is a stranger, perhaps——

Mr. NORRIS. I make the point of order that the Senator is making an argument. If he wants to appeal, let him take an appeal.

The PRESIDENT pro tempore. The Chair holds that no immediate business is in order except a motion to vacate the proceedings to procure the attendance of a quorum, following which a motion to carry out the unanimous-consent agreement is in order. If the Senator from Maryland wishes to make a motion to vacate the proceedings——

Mr. NORRIS. I submit to the Chair that it is not the duty of the Chair to suggest to those who are filibustering how they ought to do it. Let them follow their own advice.

Mr. ROBINSON of Arkansas. Mr. President, the Senator from Nebraska objected to an argument from the Senator from Maryland, and now he is making an argument himself.

Mr. NORRIS. Yes; and the Chair did not sustain the objection; so, under that precedent, I am entitled to make one.

Mr. BRUCE and Mr. ROBINSON of Arkansas addressed the Chair.

The PRESIDENT pro tempore. For the moment all Senators will suspend. The point of order is made by the Senator from Nebraska that the Senator from Maryland should not proceed to argue the question of his appeal. Is that the status of the business before the Senate?

Mr. NORRIS. I think so.

Mr. BRUCE. Mr. President, I appeal from the decision of the Chair.

Mr. NORRIS. I make the point of order that the appeal is dilatory, and ought not to be entertained.

Mr. ROBINSON of Arkansas. Mr. President——

The PRESIDENT pro tempore. The Senator from Arkansas.

Mr. ROBINSON of Arkansas. Surely the Chair——

Mr. NORRIS. I object to the Senator from Arkansas making an argument on the matter.

Mr. ROBINSON of Arkansas. I understand that the Senator objects; but certainly the Chair would not deny the Senate the right of an appeal from his decision.

The PRESIDENT pro tempore. Certainly not.

Mr. ROBINSON of Arkansas. I feel that it is proper to say——

Mr. NORRIS. If the Senator from Arkansas is going to argue the matter——

Mr. ROBINSON of Arkansas. I have as much right to argue it as the Senator from Nebraska has.

Mr. NORRIS. I am objecting to the Senator from Arkansas arguing it.

The PRESIDENT pro tempore. The Chair understands the Senator from Arkansas to be stating a point of order.

Mr. ROBINSON of Arkansas. I am not stating a point of order.

Mr. NORRIS. All right; then I make the point of order that the Senator from Arkansas is out of order.

Mr. ROBINSON of Arkansas. I am arguing the appeal of the Senator from Maryland.

Mr. President, I feel that in all fairness the Senator from Maryland is entitled to have his appeal put. Those who think that the time has come when the Senate should discontinue this session are not filibustering against this bill. I do not propose to be put in that attitude.

The PRESIDENT pro tempore. May the Chair say that absolutely no debate whatever is in order until a quorum is procured?

Mr. NORRIS. I want to state to the Chair that I made that point; but it seems that the Senator from Arkansas can go on and make an argument without a quorum.

The PRESIDENT pro tempore. That point of order the Chair sustains.

Mr. ROBINSON of Arkansas. Mr. President, the Senator from Nebraska seems to think that he alone has the right to make an argument.

Mr. NORRIS. If the Chair wants to enforce his ruling, I suggest that he do so.

Mr. ROBINSON of Arkansas. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Arkansas will state it.

Mr. ROBINSON of Arkansas. Is an appeal pending from the decision of the Chair?

The PRESIDENT pro tempore. The Chair is of opinion that under the motion made by the Senator from California no debate and no business whatever is in order until a quorum is obtained; but under the unanimous-consent agreement heretofore entered into the Chair would hold that a motion to take a recess is tantamount to a motion to adjourn, which is always in order, and the Chair is entirely willing to entertain such a motion.

Mr. ROBINSON of Arkansas. Mr. President, I move that the Senate take a recess.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Arkansas. [Putting the question.] The Chair is in doubt.

Mr. ROBINSON of Arkansas. I call for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. PITTMAN (when Mr. ODDIE's name was called). The junior Senator from Nevada [Mr. ODDIE] is detained on account of illness. If he were present, I am informed that he would vote "nay."

The roll call was concluded.

Mr. McKELLAR. I have a general pair with the senior Senator from Ohio [Mr. WILLIS], which I transfer to the junior Senator from Arkansas [Mr. CARAWAY], and will vote. I vote "yea."

Mr. GILLETT (after having voted in the negative). I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the Senator from Vermont [Mr. GREENE], and will let my vote stand.

Mr. JONES of Washington. I desire to announce the following general pairs:

The Senator from Oklahoma [Mr. HARREL] with the Senator from North Carolina [Mr. SIMMONS];

The Senator from Delaware [Mr. DU PONT] with the Senator from Florida [Mr. FLETCHER]; and

The Senator from Colorado [Mr. MEANS] with the Senator from Virginia [Mr. SWANSON].

The roll call resulted—yeas 14, nays 21, as follows:

YEAS—14

Ashurst	Bruce	Hale	Robinson, Ark.
Bingham	Cameron	McKellar	Stephens
Blease	Curtis	Moses	
Bratton	Fess	Phipps	

NAYS—21

Copeland	Jones, Wash.	Neely	Sheppard
Edwards	Kendrick	Norris	Shipstead
Frazier	La Follette	Nye	Shortridge
Gillett	McMaster	Pittman	
Howell	McNary	Sackett	
Johnson	Mayfield	Schall	

NOT VOTING—60

Bayard	Gerry	McLean	Stanfield
Borah	Glass	Means	Steck
Broussard	Goff	Metcalf	Stewart
Capper	Gooding	Norbeck	Swanson
Caraway	Gould	Oddie	Trammell
Couzens	Greene	Overman	Tyson
Dale	Harreld	Pepper	Underwood
Deneen	Harris	Pine	Wadsworth
Dill	Harrison	Ransdell	Walsh, Mass.
du Pont	Hawes	Redd, Mo.	Walsh, Mont.
Edge	Heflin	Reed, Pa.	Warren
Ernst	Jones, N. Mex.	Robinson, Ind.	Watson
Ferris	Keyes	Simmons	Weller
Fletcher	King	Smith	Wheeler
George	Lenroot	Smoot	Willis

The PRESIDENT pro tempore. On this question the yeas are 14, the nays are 21. No quorum is voting; but the motion is lost, and the Sergeant at Arms will proceed to carry out the orders of the Senate.

Mr. NEELY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. NEELY. Was the Sergeant at Arms instructed to request or to compel the attendance of absent Senators?

The PRESIDENT pro tempore. To request the attendance of absent Senators, as the Chair understands.

Mr. NEELY. I move, as a substitute for that motion, that the Sergeant at Arms be required to compel the attendance of the absent Members.

The PRESIDENT pro tempore. It is not necessary to make that motion as a substitute. That motion is in order.

Mr. NEELY. I make it, then.

The PRESIDENT pro tempore. The question is upon agreeing to the motion of the Senator from West Virginia.

Mr. JOHNSON. Mr. President, may I not ask the Senator from West Virginia to withhold that motion until the Sergeant at Arms reports upon the order that already has been made?

Mr. NEELY. If that is the wish of the Senator from California, I will withhold it. I should like to have somebody speaking here as soon as possible, though, and I do not want us to lose any time. I know that the Senator from Arizona is anxious to proceed.

Mr. ASHURST. Mr. President, debate is not in order.

The PRESIDENT pro tempore. No debate whatever is in order pending the carrying out of the order.

At 12 o'clock and 5 minutes a. m. Wednesday,

Mr. BRUCE. Mr. President, I rise to a parliamentary inquiry.

The PRESIDING OFFICER (Mr. NYE in the chair). The Senator will state the inquiry.

Mr. BRUCE. I would like to ask how long, in the opinion of the Presiding Officer, the Senate should wait for a report of the Sergeant at Arms as to absent Members of the Senate?

The PRESIDING OFFICER. The Chair would state that until the Sergeant at Arms makes a report there is nothing in order except to wait.

Mr. BRUCE. Suppose it should become necessary to send some one after the Sergeant at Arms? That might become necessary. Would we continue to sit here until to-morrow morning at breakfast time?

The PRESIDING OFFICER. The Chair would so rule.

Mr. DILL entered the Chamber and answered to his name.

Mr. NEELY. Mr. President, I renew the motion which I withdrew a while ago at the request of the Senator from California [Mr. JOHNSON]. I now move that the Sergeant at Arms be directed to compel the attendance of absent Senators.

The PRESIDING OFFICER. The question is on the motion of the Senator from West Virginia.

On a division, the motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will carry out the order of the Senate.

Mr. DILL. Mr. President, I voted to compel absent Senators to come in because I took the request of the Sergeant at Arms as an order to attend. I consider, when he calls me up and tells me to come, that it is an order of the Senate to appear. I think any Senator who does not so respect such a request ought to be compelled to attend.

The PRESIDING OFFICER. The order to compel Senators to attend will be entered.

At 12 o'clock and 20 minutes a. m., Wednesday, February 23, 1927, the Sergeant at Arms (David S. Barry) appeared at the Vice President's desk.

Mr. JOHNSON. Mr. President, I ask that the Sergeant at Arms may submit his report.

The PRESIDING OFFICER. The Senate will hear the report of the Sergeant at Arms.

Sergeant at Arms BARRY. The Sergeant at Arms has endeavored to reach by telephone every Senator who is not recorded as being present except those who are ill.

Mr. BAYARD could not come because he is getting ready to go out of town to attend a funeral to-morrow.

At Mr. BORAH'S residence there is no answer.

Mr. BROUSSARD is ill.

At Mr. CAPPER'S residence there is no answer.

Mr. CARAWAY'S telephone, it is said, has been discontinued.

Mr. COUZENS has gone to bed ill.

Mr. DALE said that he would come later if necessary, but he was in bed.

Mr. DILL is coming.

SEVERAL SENATORS. The Senator from Washington [Mr. DILL] is present.

Sergeant at Arms BARRY. Then he has come in since the report was made to me.

Mr. EDGE is not at home.

Mr. ERNST says he waited too long to be called and went to bed.

Mr. FERRIS says he is tired out and can not come.

Mr. FLETCHER will come.

Mr. GEORGE is ill.

Mr. GLASS will come.

Mr. GOFF has gone to bed with a bad cold.

Mr. GOODING is in bed, but says, "All right; I will come over."

Mr. GOULD has gone to bed.

Mr. HARRIS is sick.

Mr. HARRISON is not at home.

Mr. HAWES reported that he was in bed, but says he will be here.

Mr. HEFLIN is reported as being ill, and can not come.

Mr. KEYES is in bed, but says he would think it over. [Laughter.] I think he was serious about that, and that he is considering coming. [Laughter.]

Mr. NEELY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. NEELY. Did the Sergeant at Arms inform the Senators that he would arrest them and bring them here, if necessary in chains, if they did not come, or is he letting them escape by simply allowing them to state that they have gone to bed? That is not any defense to a peremptory call of the Senate and a requirement that the Sergeant at Arms compel them to attend.

The PRESIDING OFFICER. The Sergeant at Arms advises the Chair that he has no power to arrest a Senator who does not comply with a request or a demand made for his attendance here.

Mr. ROBINSON of Arkansas. Mr. President, I suggest that the Sergeant at Arms continue his report.

Sergeant at Arms BARRY. Mr. KING is ill.

At Mr. MCLEAN'S residence, we reached some one on the telephone, who refused to give him the message.

Mr. METCALF'S telephone does not respond, and we got no reply, although we tried several times.

At Mr. PINE'S residence there is no answer to his telephone. Although he lives in a hotel, we could not get any reply.

Mr. RANSDELL, no answer.

Mr. REED of Missouri, no answer.

Mr. REED of Pennsylvania, no answer.

Mr. ROBINSON of Indiana is coming over.

Mr. SMITH has illness in his family.

Mr. STANFIELD, no answer.

Mr. STECK is on his way to the Senate.

Mr. STEWART gave a jocular reply. I do not know exactly how definite it was; I do not know just what he did say.

Mr. NEELY. Well, that is contempt. [Laughter.]

Sergeant at Arms BARRY. Mr. SWANSON is ill.

Mr. WADSWORTH is out.

Mr. WALSH of Montana said, all right, he would come.

Mr. WALSH of Massachusetts said he would see, but is reported as being on his way.

Mr. WATSON is ill.

We have no answer from Mr. WHEELER.

Mr. JOHNSON. I inquire what is the number of Senators who have answered to the roll call?

The PRESIDING OFFICER. Thirty-eight Senators have now answered to the roll call.

Mr. BRUCE. Mr. President, the famous French writer Rabelais——

Mr. JOHNSON. Mr. President, I rise to a point of order. If the Senator has a motion to make, let him make it; but I submit that debate is not in order at this time.

Mr. BRUCE. I did not know that my eloquence was of such a distressing nature to the Senator from California.

Mr. President, I move that the Senate now take a recess in order to bring this farce to an end.

Mr. NORRIS. I make the point of order that that is dilatory, no business having been transacted since we voted on that same motion previously.

The PRESIDING OFFICER. The Chair will rule the point of order well taken.

Mr. DILL. Mr. President, a parliamentary inquiry. Do I understand that the Sergeant at Arms has no power to arrest Senators when the Senate has ordered them to be brought in?

The PRESIDING OFFICER. The Sergeant at Arms so states.

Mr. DILL. I thought, perhaps, the Chair could give me some further information.

Mr. NEELY. Mr. President, without intending any reflection on the Sergeant at Arms—for he always does his duty—I wish to say if the Sergeant at Arms has no power other than the power to request the attendance of absent Senators, of course, the rules are meaningless, because the rules specifically provide that he may request, and, if necessary, compel the attendance of absent Senators. Compelling the attendance of absent Senators is not requesting them to come here for a session of the Senate and then accepting an excuse that they have gone to bed.

Mr. LA FOLLETTE. Mr. President, I think the usual procedure, I will say to the Senator from West Virginia, is to adopt a special resolution or order empowering the Sergeant at Arms to arrest and compel the attendance of absent Senators.

Mr. DILL. I thought we had adopted such a motion.

Mr. LA FOLLETTE. There was no such motion, as I recall.

Mr. JONES of Washington. Mr. President, I wish to suggest that there was a motion adopted directing the Sergeant at Arms to compel the attendance of absent Senators. Whether or not that motion was in the regular legal form, I am not prepared to say, but such a motion was adopted.

Mr. BRUCE. Mr. President, I should like to ask the Senator from Washington if that motion has not intervened since the last motion to take a recess was made? Is that the recollection of the Senator from Washington?

Mr. JONES of Washington. My recollection is that that was the last motion made.

Mr. BRUCE. So there has been intervening business, Mr. President, and I renew my motion that the Senate now take a recess.

Mr. NORRIS. I make the same point of order and the assertion also that the Senator, in my judgment, as I remember the proceeding, is entirely mistaken.

Mr. JONES of Washington. A parliamentary inquiry, Mr. President. I wish to ask the Chair if the motion to take a recess is not still pending? A roll call was ordered on that motion but developed there was no quorum present. Therefore, in my judgment, the motion to take a recess is still pending awaiting the development of a quorum.

Mr. NORRIS. The Chair held, and so announced, that the motion was lost, and that it did not require a quorum to take a recess or to adjourn.

At 12 o'clock and 30 minutes a. m. Mr. LENROOT entered the Chamber and answered to his name.

At 12 o'clock and 40 minutes a. m. Mr. ROBINSON of Indiana entered the Chamber and answered to his name.

Mr. SACKETT. Mr. President, I move that the Senate take a recess.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Kentucky.

On a division, the motion was rejected.

The PRESIDENT pro tempore. The Sergeant at Arms will proceed to execute the order of the Senate.

Mr. NEELY. Mr. President, because of the well-known austerity of the present Presiding Officer, I think if the Sergeant at Arms would inform the absent Members who is now in the chair perhaps they would be more responsive to his request to attend.

The PRESIDENT pro tempore. The Sergeant at Arms will take judicial notice of the suggestion of the Senator from West Virginia.

At 12 o'clock and 45 minutes a. m. Mr. STECK entered the Chamber and answered to his name.

Mr. NEELY. Mr. President, I offer the following order:

IN THE SENATE OF THE UNITED STATES.

Whereas under the rules of the Senate a call of the Senate has been ordered: and

Whereas the following-named Senators are absent without leave of the Senate, to wit (their names to be filled in):

Whereas it is necessary to compel the attendance of said absent Senators in order that the Senate may proceed to the transaction of its business: Therefore it is

Ordered, That the Sergeant at Arms be, and he is hereby, directed to compel the attendance on the Senate of said named absent Senators, unless they be ill; and it is further

Ordered, That warrants for the arrest of said Senators be forthwith issued under the signature of the Presiding Officer, attested by the Secretary, and that the Sergeant at Arms be, and he hereby is, directed to execute such warrants forthwith by arresting each of said named absent Senators and bringing them, and each of them, before the bar of the Senate; and that he make due return to the Senate of the execution of said warrants; and that this order shall be continuing until fully executed unless otherwise ordered by the Senate.

The PRESIDENT pro tempore. The question is on agreeing to the order proposed by the Senator from West Virginia.

Mr. BRUCE. Mr. President, is that debatable?

The PRESIDENT pro tempore. The Chair will hold that the order offered by the Senator from West Virginia is in line with the two previous motions entertained and carried by the Senate, the first for requesting and the second for compelling the attendance of Senators, and therefore that is not debatable pending the arrival of a quorum.

The question is upon agreeing to the order offered by the Senator from West Virginia. [Putting the question:] The "ayes" have it, and the motion proposed by the Senator from West Virginia will be entered as an order of the Senate, and the Sergeant at Arms will proceed to act thereunder.

After a short delay.

Mr. LA FOLLETTE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Wisconsin will state it.

Mr. LA FOLLETTE. Are the writs being prepared pursuant to the order just adopted by the Senate?

The PRESIDENT pro tempore. The Chair so understands.

After further delay,

Mr. NEELY (at 1 o'clock and 55 minutes a. m.). Mr. President, may we have some report from the Sergeant at Arms, who has just entered the Chamber, as to the progress he is making in arresting absent Senators?

Sergeant at Arms BARRY. The Sergeant at Arms reports that an order of arrest has been prepared, certified, and signed by the President of the Senate, and that under it the order of the Senate is being carried out as rapidly as possible, which is not very rapidly. Senator GOODING has been the first one to respond to this order of arrest, and he is on his way to the Senate now.

Mr. BRUCE. Mr. President, may I ask the Sergeant at Arms how many have been served, if he knows?

Sergeant at Arms BARRY. All will be served. I do not know how many have been served.

Mr. BRUCE. You do not know that enough have been served to constitute a quorum, added to the number who are here now?

Sergeant at Arms BARRY. I think not, sir.

At 2 o'clock and 10 minutes a. m. Mr. GOODING entered the Chamber and answered to his name.

At 2 o'clock and 20 minutes a. m. Mr. FERRIS entered the Chamber and answered to his name.

At 2 o'clock and 25 minutes a. m. Mr. REED of Missouri entered the Chamber and answered to his name.

Mr. REED of Missouri. Mr. President, I wish to understand whether or not I am under arrest. If I am, I want to purge myself of contempt.

Mr. COPELAND. I move that the Senator from Missouri be purged from contempt, if he is in contempt.

The PRESIDING OFFICER (Mr. ROBINSON of Indiana in the chair). In the opinion of the Chair, the Senator from Missouri is not under arrest.

Mr. REED of Missouri. Mr. President, I want to say, if the Senate is properly in session so that I may say anything, that I left here to-night before 6 o'clock with the information that the Senate would probably continue in session only for half or three-quarters of an hour and that no vote was expected. I had no notice whatever that there was a night session in progress or I would have been there.

When it shall be in order for me to speak I intend to express myself regarding what I think is an inexcusable outrage.

At 2 o'clock and 30 minutes a. m. Mr. HAWES entered the Chamber and answered to his name.

At 2 o'clock and 35 minutes a. m. Mr. PEPPER entered the Chamber and answered to his name.

At 2 o'clock and 36 minutes a. m. Mr. STANFIELD entered the Chamber and answered to his name.

At 2 o'clock and 40 minutes a. m. Mr. PINE, Mr. GOFF, and Mr. GOULD entered the Chamber and answered to their names.

The PRESIDENT pro tempore. Fifty Senators having answered to their names, a quorum is present.

[TO BE CONTINUED.]

HOUSE OF REPRESENTATIVES

TUESDAY, *February 22, 1927*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, our heavenly Father, we praise Thee for Thy most merciful providences which have come to our beloved country. We thank Thee that we are citizens of this Republic. In grateful remembrance the past rises before us in bold and distinct outline. Years of national growth and development are evidences of Thy bounty. To-day we are the recipients of the chivalry and the traditions of our forefathers, who carried a millenium in their breasts and a Republic in their brains. They challenge our intellects and our hearts, because they still minister unto us and unto the world. May we feel the resistless spirit of him who we gratefully call "The Father of his Country." It was his balanced intellect, understanding, and his greatness of soul that steadied and preserved the infant Government against peril and prejudice. Be Thou the guardian of those principles which he so thoroughly incarnated; may they always be ours to cherish and to defend. Do Thou keep Thy hand upon the life and destiny of our land, and on this memorable day may our fellow citizens everywhere rededicate themselves to those fundamentals on which the sleepers of our great free institutions must ever rest for their glory and perpetuity. Through Jesus Christ our Lord. Amen.

The SPEAKER. Without objection, the reading of the Journal will be deferred until later in the day.

There was no objection.

RECESS

Mr. TILSON. Mr. Speaker, I ask unanimous consent that the House stand in recess, to reassemble at the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Accordingly, at 12 o'clock and 7 minutes, the House stood in recess, at the call of the Speaker.

EXERCISES AT JOINT SESSION ON WASHINGTON'S BIRTHDAY

At 12 o'clock and 10 minutes p. m. the Doorkeeper, Mr. Bert W. Kennedy, announced the Vice President of the United States and the Members of the United States Senate.

The Members of the House rose.

The Senate, preceded by the Vice President and by the Secretary and Sergeant at Arms, entered the Chamber.

The VICE PRESIDENT took the chair at the right of the Speaker and the Members of the Senate took the seats reserved for them.

The Doorkeeper announced:

The Chief Justice and the Associate Justices of the Supreme Court of the United States.

The ambassadors and ministers of foreign governments.

The chief naval officer, the chief of staff, and the commandant of marines.

The descendants of the family of George Washington.

The President and members of his Cabinet.

The SPEAKER. In pursuance of arrangements made by the joint committee, the Vice President will conduct further proceedings.

The VICE PRESIDENT. The Chair presents the vice chairman of the commission on the celebration of the two hundredth anniversary of the birth of George Washington, the Senator from Ohio [Mr. FESS].

Senator FESS. In accordance with the resolution creating the commission to study and recommend a proper celebration of the two hundredth anniversary of the birth of George Washington,

to be held in 1932, and in pursuance of a provision in the resolution that an address shall be delivered to the American people on the significance of such an event, it is most fitting that that address should be delivered by the one person whose voice is most powerful in the affairs of the world to-day, and therefore it is a great honor to present to official Washington now assembled in the Chamber of the National House of Representatives in the Capitol of the Republic the President of the United States, Calvin Coolidge. [Applause.]

President COOLIDGE. My fellow Americans, on the 22d day of February, 1932, America will celebrate the two hundredth anniversary of the birth of George Washington. Wherever there are those who love ordered liberty, they may well join in the observance of that event. Although he belongs to us, yet by being a great American he became a great world figure. It is but natural that here under the shadow of the stately monument rising to his memory, in the Capital City bearing his name, the country made independent by his military genius, and the Republic established by his statesmanship, should already begin preparations to proclaim the immortal honor in which we hold the Father of our Country.

In recognition of the importance of this coming anniversary, more than two years ago the Congress passed a joint resolution establishing a commission, which was directed to have this address made to the American people reminding them of the reason and purpose for holding the coming celebration. It was also considered that now would be an appropriate time to inform the public that this commission desires to receive suggestions concerning plans for the proposed celebration and to express the hope that the States and their political subdivisions under the direction of their governors and local authorities would soon arrange for appointing commissions and committees to formulate programs for cooperation with the Federal Government. When the plans begin to be matured they should embrace the active support of educational and religious institutions, of the many civic, social, and fraternal organizations, agricultural and trade associations, and of other numerous activities which characterize our national life.

It is greatly to be hoped that out of the studies pursued and the investigations made a more broad and comprehensive understanding and a more complete conception of Washington, the man, and his relation to all that is characteristic of American life may be secured. It was to be expected that he would be idealized by his countrymen. His living at a time when there were scanty reports in the public press, coupled with the inclination of early biographers, resulted in a rather imaginary character being created in response to the universal desire to worship his memory. The facts of his life were of record, but were not easily accessible. While many excellent books, often scholarly and eloquent, have been written about him, the temptation has been so strong to represent him as an heroic figure composed of superlatives that the real man among men, the human being subjected to the trials and temptations common to all mortals, has been too much obscured and forgotten. When we regard him in this character and have revealed to us the judgment with which he met his problems, we shall all the more understand and revere his true greatness. No great mystery surrounds him; he never relied on miracles. But he was a man endowed with what has been called uncommon common sense, with tireless industry, with a talent for taking infinite pains, and with a mind able to understand the universal and eternal problems of mankind.

Washington has come to be known to the public almost exclusively as the Virginia colonel who accompanied the unfortunate expedition of General Braddock, as the commander in chief of the Continental Army during the Revolutionary War, as the first President of the United States, and as the master of the beautiful estate at Mount Vernon. This general estimate is based to a large extent on the command he held in time of war and the public office he held in time of peace. A recital of his courage and patriotism, his loyalty and devotion, his self-sacrifice, his refusal to be king, will always arouse the imagination and inspire the soul of everyone who loves his country. Nothing can detract from the exalted place which this record entitles him to hold. But he has an appeal even broader than this, which to-day is equally valuable to the people of the United States. Not many of our citizens are to be called on to take high commands or to hold high public office. We are all necessarily engaged in the ordinary affairs of life. As a valuable example to youth and to maturity, the experience of Washington in these directions is worthy of much more attention than it has received.

We all share in the benefits which accrued from the independence he won and the free Republic he did so much to establish. We need a diligent comprehension and understanding of the great principles of government which he wrought out, but we shall also secure a wide practical advantage if we go beyond this record, already so eloquently expounded, and consider him also as a man of affairs. It was in this field that he developed that executive ability which he later displayed in the camp and in the council chamber.

It ought always to be an inspiration to the young people of the country to know that from earliest youth Washington showed a disposition to make the most of his opportunities. He was diligently industrious—a most admirable and desirable, if seemingly uninteresting, trait. His father, who had been educated in England, died when his son was 11 years old. His mother had but moderate educational advantages. There were no great incentives to learning in Virginia in 1732, and the facilities for acquiring knowledge were still meager. The boy might well have grown up with very little education, but his eager mind and indomitable will led him to acquire learning and information despite the handicaps surrounding him.

His formal schooling, which was of a rather primitive character, ended at the age of 13. His copy and exercise books, still in existence, contain forms of bills, receipts, and like documents, showing he had devoted considerable time to that branch of his studies. He was preparing himself to be a practical business man. When his regular instruction ended, his education was just beginning. It continued up to his death, December 14, 1799. If ever there was a self-made man, it was George Washington. Through all his later years he was constantly absorbing knowledge from contact with men, from reading whenever time and facilities permitted, and from a wide correspondence.

When 16 he became a surveyor and for four years earned a living and much experience in that calling. Although considerable has been written about it, not many people think of our first President as an agriculturist. He prepared a treatise on this subject. Those who have studied this phase of his life tell us he was probably the most successful owner and director of an agricultural estate in his day. A visitor in 1785 declared "Washington's greatest pride was to be thought the first farmer in America." Toward the end of his life he wrote:

> I am led to reflect how much more delightful to an undebauched mind is the task of making improvements on the earth than all the vain glory which can be acquired from ravaging it by the most uninterrupted career of conquests.

He always had a great affection for Mount Vernon. He increased his land holdings from 2,500 to over 8,000 acres, 3,200 of which he had under cultivation at one time.

His estate was managed in a thoroughly businesslike fashion. He kept a very careful set of account books for it, as he did for his other enterprises. Overseers made weekly statements showing just how much each laborer had been employed, what crops had been planted or gathered. While he was absent reports were sent to him, and he replied in long letters of instruction, displaying wonderful familiarity with details. He was one of the first converts to the benefits of scientific fertilization and to the rotation of crops, for that purpose making elaborate tables covering five-year periods. He overlooked no detail in carrying on his farm according to the practice of those days, producing on the premises most of the things needed there, even to shoes and textiles. He began the daily round of his fields at sunrise, and often removed his coat and helped his men in the work of the day.

He also showed his business ability by the skillful way in which he managed the considerable estates left to his two stepchildren by their father. So successfully was this done that John Parke Custis became, at the age of 21, the richest young man in the Old Dominion. Prussing tells us that Martha Custis was advised to get the ablest man in the colony to manage her estate and to pay him any salary within reason. And he adds: "That she chose wisely in marrying the young colonel, and got the best of a good bargain, is the opinion of many."

He was engaged in many business enterprises. That of the Dismal Swamp, comprising drainage and lumber operations south of Norfolk, was handled efficiently by Washington for five years subsequent to 1763. In addition to his land holdings, wisely chosen, the rise in value of which accounted in no small degree for his fortune, Washington participated in a number of real estate and transportation companies. As a private citizen he was constantly on the outlook for sound investments and for ways to increase his capital. In the purchase of frontier lands and in the promotion of plans for the building up and development of new parts of the country he was performing important public service.

Dr. Albert Bushnell Hart, distinguished historian and a member of our commission, says:

Washington has been criticized for buying up land warrants and holding on to his title in the face of squatters. Actually no American has ever done so much to open up vast tracts of land, first under the British, and then under the American flag, fitted to become the home of millions of American farmers.

After 13 years of effort Washington forced the British Government to give to the Virginia veterans of the French and Indian wars the 200,000 acres of western lands promised by the governor of that colony. His management and distribution of these bounties were carried out in an eminently efficient and satisfactory manner. He acquired two large farms in Maryland. During a trip in New York State in 1783 he saw the possibilities of a waterway from the sea to the Great Lakes by way of the Hudson River and the Mohawk Valley—the present route of a great barge canal. Because of his business vision he joined with General Clinton in the purchase of 6,000 acres near Utica.

To Washington, the man of affairs, we owe our national banks, for had he followed the advice of other leaders, great but less enlightened on matters of finance, the plans of Alexander Hamilton would not have been realized. As a result of the war the country was deeply in debt and had no credit, but the solution of our financial difficulties suggested by the first Secretary of the Treasury was opposed by those from rural communities. They argued that the large commercial cities would dominate to the detriment of other parts of the country. Both Jefferson, Secretary of State, and Randolph, Attorney General, in writing opposed the incorporation by Congress of a national bank. They were joined by Madison and Monroe. All argued against the constitutionality of this proposition. Hamilton answered their arguments fully in his famous opinion. But had the President not been a man of affairs, had he not been for many years a large holder of stock in the Bank of England, coming from the estate of Daniel Parke Custis, he might have yielded to the opposition. Because he knew something about bank accounts and bank credits the bill was signed and the foundation of our financial system laid.

Washington was also a stockholder in the Bank of Alexandria and in the Bank of Columbia at Georgetown. In his last will and testament he directed that such moneys as should be derived from the sale of his estate during the lifetime of Mrs. Washington should be invested for her in good bank stocks.

After his retirement from the Presidency in March, 1797, Washington spent more than two and a half happy years at Mount Vernon. In his last summer he made a will, one of the most remarkable documents of its kind of which we have record. Again he showed his versatility in disposing of his many properties under a variety of bequests and conditions without legal advice. It has been called an autobiographic will—it shows in its manifold provisions his charitable thoughtfulness for his dependents and his solicitude for the future welfare of his country.

As President he was always an exponent of sound and honest public finance. He advocated the payment of our debts in full to holders of record, and the assumption by the Nation of the debts incurred by the various States to carry on the Revolution. His support of financial integrity, because it was morally right, strengthened the Union.

This practical business ability and interest in broad and general affairs made him one of the first to realize that the future of the American Empire lay in the regions beyond the Alleghenies in the territory of the Ohio and the Mississippi. Because of this belief, he is said to have been the moving spirit in the first plans for the organization of our public lands. His association with the West may have started in the period 1749–1751, when he assisted his brother, Lawrence, in his various business enterprises, among them the Ohio Co., which had a grant of 500,000 acres of land on the east side of the Ohio River. The French having driven out the early British settlers who had started a fort where Pittsburgh now stands, Washington, at the age of 21, volunteered to head an expedition for its recovery. The comprehensive report of this young man was considered of enough importance to be sent from London to all the European capitals, by way of justifying Great Britain in making war upon France. In 1763 he organized the Mississippi Co. to take the place of the Ohio Co., which was one of the casualties of the war. He applied for a grant of 1,000,000 acres of land, though he did not receive it. But he made his own investments so that in the schedule of his property attached to his will we find western lands appraised at over $400,000—along the Ohio, the Great Kanawha, in western Pennsylvania, in Kentucky, and in the Northwest Territory.

Having a vision of what the West meant in the future prosperity of the new Republic, Washington in 1784 journeyed out into the wilds. His diary of the trip is filled with interest and enthusiasm over the possibilities of that region. Hulbert, who has made a study of it, calls him our first expansionist, the originator of the idea of possessing the West through commercial relations. "It was a pioneer idea, instinct with genius," this author writes, "and Washington's advocacy of it marks him as the first commercial American, the first man typical of the America that was to be." Due to his investments, he became the president of the James River Co. and of the Potomac River Co., organized in 1785 to look into the possibility of opening navigation through to the West. To the Potomac Co., which involved the first interstate commerce negotiations in this country, he devoted four years of service. It has been thought that these negotiations entered into by Washington led up almost directly to the calling of the Constitutional Convention. They revealed clearly the difficulty under the Articles of Confederation of accomplishing anything involving the welfare of all the States, and showed the need of a more strongly centralized national government. His ability as a business man was the strong support of his statesmanship. It made his political ideas intensely practical.

Washington's Atlantic-Mississippi waterway plan was never carried out. But his advocacy of it without doubt had much to do with preventing a break in the Union, which threatened serious consequences. The people of western North Carolina, now Tennessee, shut off from the east by mountains, had no outlet to the sea other than the Mississippi, and Spain, controlling the mouth of this river, levied heavy tribute on all commerce passing through it. Disappointed at the inability of the National Government to get concessions from Spain, they, in 1784, established a separate State and started negotiations for an association with that foreign country. This action was rescinded after Washington put forth his waterway plan.

That he should have been responsible in large measure for the opening of the West and for calling attention to the commercial advantages the country might derive therefrom is by no means the least of his benefactions to the Nation. He demonstrated that those who develop our resources, whether along agricultural, commercial, and industrial lines or in any other field of endeavor, are entitled to the approval, rather than the censure, of their countrymen.

Washington was a builder—a creator. He had a national mind. He was constantly warning his countrymen of the danger of settling problems in accordance with sectional interests. His ideas in regard to the opening of our western territory were thought out primarily for the benefit of the Nation. It has been said that he would have been "the greatest man in America had there been no Revolutionary War."

He was largely instrumental in selecting the site for our National Capital, influenced in no small degree by his vision of the commercial possibilities of this locality. It included his plan of the waterway to the West, through the Potomac, the Monongahela, and the Ohio Rivers, which he used to speak of as "the channel of commerce to the extensive and valuable trade of a rising empire." He, of course, could not foresee the development of railway transportation and the great ocean-going vessels, because of which the seat of our Government became separated from active contact with commerce and was left to develop as the cultural and intellectual center of the Nation. Due to the genius of L'Enfant, the great engineer, this city from the first has had a magnificent plan of development. Its adoption was due in no small degree to the engineering foresight and executive ability of Washington. By 1932 we shall have made much progress toward perfecting the ideal city planned by him in the closing days of the eighteenth century.

Washington had the ability to translate ideals into the practical affairs of life. He was interested in what he believed contributed to the betterment of every-day existence. Perhaps because he realized the deficiency of his own early education, he was solicitous to provide liberal facilities for the youth of the future. Because as a man of affairs he knew the every-day uses of learning, in an early message to the Congress and in his will he sought methods for the establishment of a national university. Even in his Farewell Address we find this exhortation:

"Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it is essential that public opinion should be enlightened."

He desired his system of education to be thoroughly American and thoroughly national. It was to support the people in a knowledge of their rights, in the creation of a republican spirit, and in the maintenance of the Union.

It was with the same clear vision that he looked upon religion. For him there was little in it of emotionalism. He placed

it on a firmer, more secure foundation, and stated the benefits which would accrue to his country as the results of faith in spiritual things. He recognized that religion was the main support of free institutions. In his Farewell Address he said:

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism who should labor to subvert these great pillars of human happiness—these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, Where is the security for property, for reputation, for life, if the sense of religious obligation desert the oaths which are the instruments of investigation in courts of justice? And let us with caution indulge the supposition that morality can be maintained without religion.

Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect that national morality can prevail in exclusion of religious principle. It is substantially true that virtue or morality is a necessary spring of popular government. The rule indeed extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Without bigotry, without intolerance, he appeals to the highest spiritual nature of mankind. His genius has filled the earth. He has been recognized abroad as "the greatest man of our own or any age." He loved his fellow men. He loved his country. That he intrusted their keeping to a Divine Providence is revealed in the following prayer which he made in 1794:

Let us unite in imploring the Supreme Ruler of Nations to spread His holy protection over these United States; to turn the machinations of the wicked, to the confirming of our Constitution; to enable us at all times to root out internal sedition and put invasion to flight; to perpetuate to our country that prosperity which His goodness has already conferred; and to verify the anticipations of this Government being a safeguard of human rights.

He was an idealist in the sense that he had a very high standard of private and public honor. He was a prophet to the extent of being able to forecast with remarkable vision the growth of the Nation he founded and the changing conditions which it would meet. But essentially he was a very practical man. He analyzed the problems before him with a clear intellect. Having a thorough understanding, he attacked them with courage and energy, with patience and persistence. He brought things to pass. When Patrick Henry was asked in 1774 whom he thought was the greatest man in the Continental Congress he replied:

If you speak of eloquence, Mr. Rutledge, of South Carolina, is by far the greatest orator; but if you speak of solid information and sound judgment Colonel Washington is unquestionably the greatest man on that floor.

His accomplishments were great because of an efficiency which marked his every act and a sublime, compelling faith in the ultimate triumph of the right. As we study his daily life, as we read his letters, his diaries, his state papers, we come to realize more and more his wisdom, his energy, and his efficiency. He had the moral efficiency of an abiding religious faith, emphasizing the importance of the spiritual side of man, the social efficiency shown by his interest in his fellow men, and in his realization of the inherent strength of a people united by a sense of equality and freedom, the business efficiency of a man of affairs, of the owner and manager of large properties, the governmental efficiency of the head of a new Nation, who, taking an untried political system, made it operate successfully, of a leader able to adapt the relations of the Government to the people. He understood how to translate political theory into a workable scheme of government. He knew that we can accomplish no permanent good by going to extremes. The law of reason must always be applied. He followed Milton, who declared "* * * law in a free nation hath ever been public reason," and he agreed with Burke that "men have no right to what is not reasonable."

It is a mark of a great man that he surrounds himself by great men. Washington placed in the most important positions in his Cabinet, Jefferson, with his advocacy of the utmost degree of local self-government and of State rights, and Hamilton, whose theories of a strong national government led him to advocate the appointment of State governors by the President. Either theory carried to the extreme soon would have brought disaster to what has proved the most successful experiment in liberty under proper governmental restraint in the history of the world.

It is due to his memory that we guard the sovereign rights of the individual States under our Constitution with the same solicitude that we maintain the authority of the Federal Government in all matters vital to our continued national existence.

Such is the background of a man performing the ordinary duties of life. As it was George Washington, of course he performed them extraordinarily well. The principles which he adopted in his early youth and maintained throughout his years are the source of all true greatness. Unless we understand this side of him we shall fail in our comprehension of his true character. It was because of this training that he was able to assume the leadership of an almost impossible cause, carry it on through a long period of discouragement and defeat, and bring it to a successful conclusion. In advance of all others, he saw that war was coming. With an Army that was never large and constantly shifting, poorly supported by a confederation inexperienced, inefficient, and lacking in almost all the essential elements of a government, he was victorious over the armies of seasoned troops commanded by Howe, Burgoyne, Clinton, and Cornwallis, supported by one of the most stable and solid of governments, possessed of enormous revenues and ample credit, representing the first military power of the world.

As an example of generalship, extending over a series of years from the siege of Boston to the fall of Yorktown, the Commander in Chief of the Continental Armies holds a position that is unrivaled in the history of warfare. He never wavered, he never faltered from the day he modestly undertook the tremendous task of leading a revolution to the day when with equal modesty he surrendered his commission to the representatives of the independent Colonies. He triumphed over a people in the height of their glory who had acknowledged no victor for 700 years.

Washington has come to personify the American Republic. He presided over the convention that framed our Constitution. The weight of his great name was the deciding factor in securing its adoption by the States. These results could never have been secured had it not been recognized that he would be the first President. When we realize what it meant to take 13 distracted Colonies, impoverished, envious, and hostile, and weld them into an orderly federation under the authority of a central government, we can form some estimate of the influence of this great man. But when we go further and remember that the Government which he did so much to bring into being not only did not falter when he retired from its administration, but, withstanding every assault, has constantly grown stronger with the passage of time and been found adequate to meet the needs of nearly 120,000,000 people occupying half a continent and constituting the greatest power the world has ever known, we can judge something of the breadth and soundness of his statesmanship.

We have seen many soldiers who have left behind them little but the memory of their conflicts, but among all the victors the power to establish among a great people a form of self-government which the test of experience has shown will endure was bestowed upon Washington, and Washington alone. Many others have been able to destroy. He was able to construct. That he had around him many great minds does not detract from his glory. His was the directing spirit without which there would have been no independence, no Union, no Constitution, and no Republic. His ways were the ways of truth. He built for eternity. His influence grows. His stature increases with the increasing years. In wisdom of action, in purity of character, he stands alone. We can not yet estimate him. We can only indicate our reverence for him and thank the Divine Providence which sent him to serve and inspire his fellow men. [Applause.]

AFTER THE RECESS

At 1 o'clock and 22 minutes p. m. the House was called to order by the Speaker.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

TWO HUNDREDTH ANNIVERSARY OF THE BIRTH OF GEORGE WASHINGTON

Mr. TILSON. Mr. Speaker, I offer the following concurrent resolution which I send to the desk and ask to have read, and ask for its present consideration.

The Clerk read as follows:

House Concurrent Resolution 57

Whereas the joint resolution of Congress approved December 2, 1924, created the United States Commission for the Celebration of the Two Hundredth Anniversary of the Birth of George Washington, composed of 19 commissioners, as follows:

The President of the United States; Presiding Officer of the Senate and the Speaker of the House of Representatives, ex officio; eight persons appointed by the President of the United States; four Senators and four Representatives, whose duty it is to prepare a plan or plans and a program signalizing the two hundredth anniversary of the birth of George Washington, and to take such steps as may be necessary in the coordination and correlation of plans prepared by State commissions or by bodies created under appointment by the governors of the respective States and by representative civic bodies: Therefore

Resolved by the House of Representatives (the Senate concurring), That the Congress of the United States earnestly and respectfully invites the full cooperation of the legislatures and the chief executives of the respective States and Territories of the United States in the execution of the joint resolution of Congress creating the United States Commission for the Celebration of the Two Hundredth Anniversary of the Birth of George Washington in such manner as may seem to them most fitting to the end that the bicentennial anniversary of the birth of him who was "first in war, first in peace, and first in the hearts of his countrymen"—the pioneer, the soldier, the statesman, the husbandman, the exemplar of American citizenship—George Washington, may be commemorated in the year 1932 in such manner that future generations of American citizens may live according to the example and precepts of his exalted life and character and thus perpetuate the American Republic; and be it further

Resolved, That an engrossed copy of these resolutions be transmitted by the Clerk of the House of Representatives to the presiding officers of the senate and house of representatives of the legislature and to the chief executive of each State and Territory of the United States.

Mr. TILSON. Mr. Speaker, this resolution was prepared and approved by the George Washington Bicentennial Commission, and I present it at the request of that commission.

The SPEAKER. Is there objection to the present consideration of the concurrent resolution?

There was no objection.

The SPEAKER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its principal clerk, announced that the Senate had passed Senate bills of the following titles, in which the concurrence of the House is requested:

S. 4330. An act authorizing the Secretary of War to make settlement of the claim of the Franklin Ice Cream Co.; and

S. 4782. An act to remove a cloud on title.

SENATE BILLS REFERRED

Under clause 2 of Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred as indicated below:

S. 4330. An act authorizing the Secretary of War to make settlement of the claim of the Franklin Ice Cream Co.; to the Committee on Claims.

S. 4782. An act to remove a cloud on title; to the Committee on the Public Lands.

URGENT DEFICIENCY APPROPRIATION BILL, 1927

Mr. WOOD. Mr. Speaker, I call up the conference report upon the bill (H. R. 16462) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1927, and prior fiscal years, and to provide urgent supplemental appropriations for the fiscal year ending June 30, 1927, and for other purposes, and I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Indiana calls up the conference report upon the urgent deficiency appropriation bill, and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The Clerk read the statement of the conferees.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate numbered 8, 9, and 10 to the bill (H. R. 16462) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1927, and prior fiscal years, and to provide urgent supplemental appropriations for the fiscal year ending June 30, 1927, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 10.

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "*Provided*, That no part of this appropriation shall be available for paying any claim allowed in excess of $75,000 until after the expiration of 60 days from the date upon which a report giving the name of the person to whom the refund is to be made, the amount of the refund, and a summary of the facts and the decision of the Commissioner of Internal Revenue is submitted to the Joint Committee on Internal Revenue Taxation"; and the Senate agree to the same.

WILL R. WOOD,
LOUIS C. CRAMTON,
JOSEPH W. BYRNS,
Managers on the part of the House.

F. E. WARREN,
CHARLES CURTIS,
LEE S. OVERMAN,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate Nos. 8, 9, and 10 to the bill (H. R. 16462) entitled "An act making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1927, and prior fiscal years, and to provide urgent supplemental appropriations for the fiscal year ending June 30, 1927, and for other purposes," submit the following statement in explanation of the action agreed upon by the conference committee and submitted in the accompanying conference report:

On No. 8: In connection with the appropriation of $175,000,000 for refunding taxes illegally collected, the Senate inserted the following limitation:

Provided, That no part of this appropriation shall be used to pay any claim in excess of $50,000 until such claim shall be approved by the Comptroller General of the United States in accordance with existing law.

In this report herewith submitted, the House has receded from its disagreement to the Senate amendment and agreed thereto with an amendment substituting for the language of the Senate the following limitation:

Provided, That no part of this appropriation shall be available for paying any claim allowed in excess of $75,000 until after the expiration of 60 days from the date upon which a report giving the name of the person to whom the refund is to be made, the amount of the refund, and a summary of the facts and decision of the Commissioner of Internal Revenue is submitted to the joint committee on internal-revenue taxation.

On No. 9: Makes a verbal correction in the text of the bill caused by the insertion of amendment No. 8.

On No. 10: Restores to the bill the language, inserted by the House and stricken out by the Senate, relating to the refund of certain taxes levied in connection with automobile accessories by the revenue acts of 1918, 1921, and 1924.

WM. R. WOOD,
LOUIS C. CRAMTON,
JOSEPH W. BYRNS,
Managers on the part of the House.

Mr. WOOD. Mr. Speaker, I move the adoption of the conference report.

The SPEAKER pro tempore (Mr. SNELL). The gentleman from Indiana moves the adoption of the conference report.

Mr. MacGREGOR. Mr. Speaker, may I ask the gentleman what this does? I am very much interested in the original proposition. I do not think it was fair. I would like to know how this cures it.

Mr. WOOD. Mr. Speaker, the Senate has receded upon the provision that has reference to the refund concerning the automobile accessories. With reference to amendment No. 8, the House will remember that under the amendment adopted by the Senate it was provided that on all refunds amounting to $50,000 or more, before the same should be paid, the refund should be referred to and passed upon by the General Accounting Office in accordance with existing law. To that your conferees did not agree. After several conferences and by way of compromise we did agree upon the following language as a substitute:

Provided, That no part of this appropriation shall be available for paying any claim allowed in excess of $75,000 until after the expiration

of 60 days from the date upon which a report giving the name of the person to whom the refund is to be made, the amount of the refund, and a summary of the facts and decision of the Commissioner of Internal Revenue is submitted to the Joint Committee on Internal Revenue Taxation.

We have a Joint Committee upon Internal Revenue Taxation, to which all of these reports may be referred. This substitute effects a delay of 60 days in the payment of any refund in excess of $75,000 by requiring it to be reported to this joint committee. In my opinion, it merely adds to the duties of this committee by giving them notice of the refund for 60 days before it may be paid.

Mr. DENISON. Mr. Speaker, will the gentleman state what are the duties of this committee and what jurisdiction it has and what they may do?

Mr. WOOD. This committee may now call upon the Commissioner of Internal Revenue to furnish them with the facts.

Mr. MADDEN. It is a joint committee that was created by law.

Mr. WOOD. Yes. They can examine into any particular case. The gentleman from Texas [Mr. GARNER] is familiar with it.

Mr. GARNER of Texas. Mr. Speaker, will the gentleman yield to me?

Mr. WOOD. Yes.

Mr. GARNER of Texas. This joint committee under the act of 1926 has a right to do what we are doing now. We can have them send down reports; we can send a man to the Treasury to look into each return; we can do anything we want to with reference to an examination of Internal Revenue taxation in the Treasury Department. This provision merely goes through the form of a camouflage of sending something down to the committee which they can store away and keep filed, if they want to, or, for instance, Brother Green can look it over, but you can not give it publicity. Do not forget that. This does not provide for any publicity. Under the law this does not become public and no newspaper man can look at it. I think these gentlemen in the Senate thought that that was what they were going to get, but they did not get it.

Mr. NEWTON of Minnesota. This eliminates the Comptroller General altogether.

Mr. GARNER of Texas. Absolutely.

Mr. CHINDBLOM. In each case of $75,000 it will add $750 of interest to be paid out of the Treasury by a delay of 60 days.

Mr. WOOD. Oh, no.

Mr. MADDEN. The gentleman is mistaken about that. The moment the audit is made and agreement reached the interest stops, but before the payment can be made it will be held 60 days after reporting it to the joint committee. That is all there is to it.

Mr. CHINDBLOM. Then the purpose is to withhold payment for 60 days without interest?

Mr. GARNER of Texas. The Senate put on an amendment that undoubtedly would have encumbered the Treasury Department with a lot of delay in paying the taxpayers. The Senate did not have any confidence in the present method and workings of the Treasury Department, so they undertook to have somebody else look it over in the person of Mr. McCarl. I am not entirely adverse to looking the thing over, but I do not think that is the best way to do it, and delay the taxpayer for a year or two or five years, as the case may be. I want the House to understand and the RECORD to show that so far as this amendment is concerned it is absolutely harmless.

It only encumbers by sending a duplicate copy to be filed with the joint committee, that is all it does.

Mr. WOOD. Absolutely.

Mr. GREEN of Iowa. As I understand the gentleman it is not construed the word "submitted" required any action on the part of the committee. That is not the intent.

Mr. WOOD. And never was the intent.

Mr. GREEN of Iowa. And the joint tax committee is not in a position to make a complete review of this matter at all. It has auditors and accountants so that it can examine a case and make a report.

Mr. NEWTON of Minnesota. If the gentleman will yield further, does not the gentleman think if we are to hold a $75,000 claim that should be refunded we ought to pay interest on it for the 60-day period in which the payment is withheld?

Mr. WOOD. Well, the law now is that interest ceases when the commissioner approves the claims.

Mr. BYRNS. I want to say just a word to the gentleman from Illinois [Mr. CHINDBLOM] because there ought not to be any misunderstanding about this, and that is, I understand the refunds will draw interest for the 60 days that they are on file with the tax commission. We were informed that it is not the intention of the Commissioner of Internal Revenue to approve these cases until after the time that they are to be on file has expired.

Mr. MADDEN. Will the gentleman yield to me?

Mr. BYRNS. Yes.

Mr. MADDEN. The law provides when the commissioner approves the claim the interest stops.

Mr. BYRNS. That is true.

Mr. MADDEN. It is not referred to the joint committee until the claim is approved.

Mr. GARNER of Texas. Let us see. It is not to be submitted to Mr. Green's committee by the commissioner until it is finally approved, and when he has done that the interest begins.

Mr. CHINDBLOM. No; stops.

Mr. GARNER of Texas. The 60 days is not counted as interest.

Mr. BYRNS. I understood the Deputy Commissioner of Internal Revenue to say that if this course is pursued in the very nature of things the commissioner would not finally approve the cases until they had been left with the joint committee for the time required. I thought that statement ought to be made. If there is final approval, there is no interest, but I do not understand that is the plan. That is what the Senate's insistence on the amendment will cost by way of interest.

Mr. GREEN of Iowa. If the gentleman will yield, the gentleman from Tennessee has stated correctly what the deputy commissioner said. It is entirely the way the department works it out. They could work out the case and put the final approval on it before it is sent up to the committee if they choose.

Mr. CHINDBLOM. Then I am perfectly correct in my statement and I will add that I do not think they should finally approve payment until the joint committee has had an opportunity to investigate, and I want to say further that I think interest should be paid.

Mr. GREEN of Iowa. Oh, I can not say positively what they will do. They can do either way. They can arrange whether it shall draw interest or not.

Mr. HUDSON. If they make final approval it does draw interest for 60 days——

Mr. WOOD. My judgment is before any claims are submitted to this committee that the commissioner will have made his final approval.

Mr. GREEN of Iowa. That means to stop interest.

Mr. WOOD. Yes; that would stop interest.

Mr. HUDSON. In this final conference report are the accessory parts left as adopted by this House? Has there been any change?

Mr. WOOD. No; the Senate recedes.

Mr. JOHNSON of Washington. If the gentleman will yield, what has been done, if anything, toward legislation which will permit the payment of expenses when officers of certain branches of the Government are to be transferred from one place to another?

Mr. WOOD. That is under this other bill, it is not in this bill at all.

Mr. JOHNSON of Washington. I know; but the committee contemplates that action?

Mr. WOOD. Yes.

Mr. BANKHEAD rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Alabama rise?

Mr. BANKHEAD. I would like to know what is going on on the other side.

The SPEAKER pro tempore. The gentleman from Indiana [Mr. WOOD] has a conference report up.

Mr. LINTHICUM. Mr. Speaker, will the gentleman yield there?

Mr. WOOD. Yes.

Mr. LINTHICUM. What was the result of the amendment on the refund of taxes?

Mr. WOOD. That is what we have been talking about.

Mr. LINTHICUM. There has been so much noise we could not hear it.

Mr. WOOD. If the gentleman will read the report he will find out exactly what we are trying to do in the report.

Mr. LINTHICUM. I have been within 10 feet all along, but there has been so much conversation that I could not hear it.

Mr. WOOD. I move the adoption of the conference report.

The SPEAKER pro tempore. The question is on agreeing to the motion of the gentleman from Indiana for the adoption of the conference report.

The conference report was agreed to.

SECOND DEFICIENCY APPROPRIATION BILL, 1927

Mr. WOOD. Mr. Speaker, I desire to submit under the rule the second deficiency appropriation bill and accompanying report.

The SPEAKER pro tempore. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 17291) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1927, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1927, and June 30, 1928, and for other purposes.

The SPEAKER pro tempore. Referred to the Union Calendar and ordered to be printed.

Mr. BYRNS. Mr. Speaker, I reserve all points of order.

The SPEAKER pro tempore. The gentleman from Tennessee reserves all points of order.

Mr. MADDEN. Mr. Speaker, in connection with this bill that has just been reported, I would say, with the consent of the gentleman from Tennessee [Mr. BYRNS], that I would like to give notice that we will take this bill up to-morrow for discussion, for general debate, but not for consideration of the items in the bill, after any other important business has been disposed of. We will not now fix the time for general debate, but go on with the general debate and agree upon the time later.

Mr. HOWARD rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Nebraska rise?

Mr. HOWARD. For the purpose of suggesting the hunger of humanity, and that we should take a recess for 40 minutes.

The SPEAKER pro tempore. The Chair does not recognize the gentleman for that purpose.

CONSTRUCTION AT MILITARY POSTS

Mr. JAMES. Mr. Speaker, I call up the conference report on the bill (H. R. 15547) to authorize appropriations for construction at military posts, and for other purposes.

The SPEAKER pro tempore. The gentleman from Michigan calls up the conference report on the bill H. R. 15547, which the Clerk will report.

The conference report and accompanying statement were read.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 15547) to authorize appropriations for construction at military posts, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 1 and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the matter proposed by the amendment of the Senate insert the following:

"SEC. 3. That in order to make further provision for the military post construction fund established by the act approved March 12, 1926, the Secretary of War is authorized to cause to be retransferred to the War Department, subject to the approval of the President, all real property heretofore transferred, or any part thereof, since January 1, 1919, from the War Department to other departments, bureaus, branches, or activities of the Government and no longer actually and necessarily required for their use, respectively, and upon the retransfer to the War Department of and such property the Secretary of War shall report the same to the Congress with recommendations as to its sale and the deposit of the proceeds to the credit of the military post construction fund."

And the Senate agree to the same.

W. FRANK JAMES,
JOHN PHILIP HILL,
JOHN J. MCSWAIN,
Managers on the part of the House.

J. W. WADSWORTH, JR.,
DAVID A. REED,
HIRAM BINGHAM,
DUNCAN U. FLETCHER,
MORRIS SHEPPARD,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 15547) to authorize appropriations for construction at military posts, and for other purposes, submit the following written statement explaining the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report:

On amendment No. 1: On the evening of January 5, five temporary buildings at Governors Island, N. Y., were destroyed by fire. These buildings were occupied by troops of the Sixteenth Infantry, and although they had been patched up with salvaged material in an effort to make them habitable, they constituted a constant fire hazard. Consequently when they caught fire there was no chance to save them. Troops of the Sixteenth Infantry are now without shelter, except through being quartered with other troops. This crowding is insanitary and renders the living conditions intolerable. This amendment provides authorization for an appropriation that will permit the replacement of these barracks.

On amendment No. 2: This amendment is self-explanatory. It will materially increase the prospect of an earlier alleviation of the conditions with which the Army is now faced by reason of the small amount of money which it has in prospect for the purposes of housing its soldiers. The amendment to the Senate amendment provides that Congress shall be properly advised of all transactions of this nature, and have an opportunity to pass on them.

W. FRANK JAMES,
JOHN PHILIP HILL,
JOHN J. MCSWAIN,
Managers on the part of the House.

Mr. JAMES. Mr. Speaker, I move the adoption of the conference report.

The conference report was agreed to.

THE M'NARY-HAUGEN BILL

Mr. BRAND of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the farm relief bill.

The SPEAKER pro tempore. The gentleman from Ohio asks unanimous consent to extend his remarks on the farm relief bill. Is there objection?

There was no objection.

Mr. BRAND of Ohio. Mr. Speaker, now that the McNary-Haugen bill has passed the Senate and the House and probably will be signed by the President and become a law, there has already been an effect upon the prices of wheat, cotton, and corn, and I want to read you some of the articles in the papers.

From a Chicago (Ill.) paper:

McNary-Haugen bill center of interest. Belief in favorable legislation advances price of wheat.

Another paper in Chicago:

Wheat traders ignored weaker Liverpool markets to-day and bought in the belief that Congress will pass the McNary-Haugen bill, causing prices to advance. Corn was helped by the same influence.

Now, from New York:

Cotton advances on short covering. Farm-relief encouragement is factor in trading in staple to-day.

Now, from New Orleans:

Fear of opposition to farm relief bills that may endanger enactment kept cotton prices on the decline early to-day.

There have been many in the House who have said they were friendly to the farmer and acknowledged his position of inequality, but they thought nothing could be done by legislation, and so I offer this condition of the grain and cotton markets to show you that the traders think that this McNary-Haugen bill will be effective and they are already gambling, buying these products, with the belief that there is a possibility of this relief coming, and they believe that the price will be higher when it comes.

This is not the only evidence we have had in this debate about this bill that the legislation will be effective.

Mr. Mellon gave the best evidence last year in his statement as to what his belief was. He said, in effect, that this relief for farmers could not be granted because industry could not afford it. Now, that meant, if it meant anything, that this legislation would be effective and would raise the prices of farm products. This statement of Mr. Mellon's has proven the greatest argument for the bill in the agricultural districts of the United States. The sentiment was intolerable to the farmers, but the admission proved that relief is possible.

We raise 60 per cent of the cotton of the world, and we raise 93 per cent of the corn of the world, and we are raising them now at a loss. These two products represent the two greatest products of America. One in the South and one in the North. They represent the greatest amount of new wealth that comes to the Nation in the year's time, and yet we are selling these

products to ourselves and to the world for little more than half the cost of their production. I wonder if we are smart business men.

Let us see if any other countries do differently. As we look over the world we find surplus crops under control—not everywhere. As we study the different countries we find a line of demarkation. In the countries where industry has developed and where cities have developed in excess of the rural population we do not find these controls of agricultural surplus, but we do find them in those countries where the rural people still have control of the legislatures.

We find in Greece control of the main product, currants; and we find in Brazil control of coffee; and we find in Mexico control of sisal; we find in Ceylon and Malaya control of rubber; we find in South Africa, New Zealand, and Australia control of practically every agricultural product; and we find in each instance they are paying some kind of an equalization fee; and we find in some of these countries these controls have been going for many years, 20 and 25 years, and some for a less number of years; but we do not find a single country where this kind of control has been started where the laws have been repealed, and we do not find a single country where any expense attached to these controls has been paid out of the treasury of that country, but always by some kind of an equalization fee. But the point I wish to make is that we are raising our corn and cotton for less than the cost of production and we are trading them out over the world for the things we want, and we are bringing back coffee, rubber, and currants, and so forth, from those countries that are protecting their products. They are getting the cost of production plus a reasonable profit. We are selling to them at less than the cost of production.

Now, we must admit that this is not good business and that this does not represent intelligent transaction, and when we attempt to correct the situation we are up against this argument that the equalization fee in the McNary-Haugen bill is unconstitutional. Now, Members of the House, I do not believe that those who are opposed to this bill on that account are entirely candid. I say that those Members of this House who were most determined to pass the Federal reserve act are the ones that are taking that position. I want to call your attention to the fact that the Federal reserve act delegates a power to tax. Now, what does the Federal reserve act do? It says to the Federal board, Go into every national bank in the United States and take out of their vaults 10 per cent of all of their deposits and take them over and put them down in the vaults of the Federal reserve bank and do not pay one penny of interest on that money.

Pile up 10 per cent from each (national) bank in the United States in the vaults of the Federal reserve bank and then loan that money out, pull it in as it suits the purposes of the board, thereby controlling the surplus of credit in the United States; thereby controlling the rate of interest in the United States; thereby providing credit under all conditions, but the power is given in that act to force every national bank in the United States to give up 10 per cent of their deposits without getting any interest thereon and every (national) bank in the United States loses to that extent for the privileges of the Federal reserve act and, therefore, I say that these men who refuse to vote for the equalization fee so that we may control the surplus of agricultural products have already voted for a fee for the bankers to pay for a similar privilege. You know, I think it is very unbecoming for any banker to oppose the McNary-Haugen bill, because they have a bill of their own, enacted into law, which does everything for them that the McNary-Haugen bill will do for farmers.

And then I say again, these ones who oppose the McNary-Haugen bill on account of the equalization fee being unconstitutional, I say, you were the ones who were the most ardent supporters of the transportation act and, in that act, you have an equalization fee just as unconstitutional as the equalization fee in the McNary-Haugen bill, because you delegated the power to the Interstate Commerce Commission to recapture all the money over 6 per cent earned by the prosperous railways and delegated the power to take that away from that railway and turn it over to the weaker road. That is equivalent to delegating power to tax.

Now that is not all. Those of you who were the most ardent supporters of the tariff bill are the same ones who are most ardently against the McNary-Haugen bill and, in the tariff act, you delegate to the President the power to increase or decrease all the tariff taxes by 50 per cent. Oh, this is no new question. You have already voted on this question three different times, and those of you who are opposed to the McNary-Haugen bill and the equalization fee are the ones that were most ardently for the three other bills which contained the same principle in effect.

EFFECT ON COST OF LIVING

Therefore I say that you can not be against this bill on that account. There is some other reason, and I want to give you that reason, and I will refer you to an editorial in the Washington Post, which has been about the most unfair paper in the country in opposition to the McNary-Haugen bill, but they have finally come to a candid conclusion, and here is their conclusion:

> The opposition is because the McNary-Haugen bill sets up a bureaucracy in Washington to boost the cost of living for all.

That is the real reason. Because you think the price of food is going to be increased. These farm representatives in this Congress and in the Congresses past, the people that come from the farming part of the country, have voted continuously for all these measures that have added to the income and wages of everybody else. They voted for the railway transportation act, that raised the income of railways $2,000,000,000 a year, because they are American citizens and they wanted their country to prosper and they wanted adequate railway facilities. They voted for the tariff always for a hundred years, because they are proud of their country and they want these great cities to be built and they want them to flourish and prosper. They voted for the Federal reserve act, because they want this country to have the most stable credit of any country on the globe. They voted for the immigration bill and the 8-hour law for labor, and now they find they have gotten themselves in a hole and their backs against the wall, and now they come to Congress and ask for equality. They say they can not live here this way, under these conditions, following these various laws passed lifting others up on a higher plane while they compete for the most part with the world. And what is the answer? There is only one set that they have helped that responded favorably, and what set is that? Why, it is the poorest group in the lot, the people that have the least—the laboring man. They have reached out their hand to the farmer and said: "Yes; we have received the benefits of these laws and we want to grant equality to you." But how about the other groups? "It is as easy for a camel to go through the eye of a needle as it is for a rich man to enter the kingdom of heaven."

It is a known fact that the farmers are losing about $2,000,000,000 a year in exchanging their products for the products made by these other groups; and if this McNary-Haugen bill is enacted into law, those who are for it believe that it will raise the products of agriculture to an extent that will equalize and give agriculture $2,000,000,000 a year more income.

Now, will this raise the price of food? I know that if I can get every man in this House to see that it will not raise the price of food we would have little or no opposition to this bill.

The farmers of the country get about $10,000,000,000 a year for all their products, and there are accountants here in the departments at Washington who have stated that those same products bring about $30,000,000,000 when sold to the consumer, so that there is a spread of some $20,000,000,000.

Now, if you add $2,000,000,000 to the $10,000,000,000 now received by agriculture, agriculture will then receive $12,000,000,000. Will that $2,000,000,000 be added onto the $30,000,000,000 now received from the consumer?

Let us see about cotton. Cotton went down last July and August nearly half. What has happened to cotton goods? Last week I did not know, and I wanted to find out, and I asked Mrs. Brand to go down to a big department store here in Washington, and she did go, and she went to the clerk in the shirt department and looked at shirts, and she inquired about the prices, and then she said, "Are not those prices just the same as I paid last year?" The clerk bristled up and said, "Why, yes, ma'am; we sell these very close." "And there has been no decline?" "Oh, no; there could not be." And so Mrs. Brand went around to the sheet and all other departments that sell cotton goods, and she did not find a counter where there has been one single penny of decline in cotton goods, although the farmer of the South raising cotton is in terrible straits because he has had to accept about half for his cotton. Do you know that there is not more than 10 cents worth of cotton in a shirt that you pay $1.50 for; and if that cotton in that shirt cost 15 cents, it will not change the price of that shirt? In other words, gentlemen from the South, if your cotton in the South had stayed all this fall and winter at the same price that it was a year ago, the cotton products would not have cost the consumer in America one penny more than they are costing today, and we can raise cotton 5 cents a pound without enhancing the price to the consumer at all.

Now, your Democratic leader on this floor yesterday intimated he believed the McNary-Haugen bill could not favorably affect cotton. He does not agree with the traders, who are

willing to stake their money on the passage of the bill. Yes; we can help cotton greatly; not only by storing the surplus and allowing it to go out in an orderly way on the market at a fair price—just as Brazil does with her coffee in a most successful way and has done it for 20 years—but there is another problem relative to cotton, another avenue of help. When this organization created by the McNary-Haugen bill gets to work on cotton they will find there is a way to substitute cotton for another article and thereby use up the surplus. We are importing into the United States about $120,000,000 worth a year of jute and its products, and there is not anything we make out of jute that we can not make out of cotton. I have letters from cotton mills stating that we can use 1,500,000 bales a year of cotton to take the place of jute raised in India. Why, I want to say to you that right down in the Southland to-day you are packing every bale of your cotton in jute when you are suffering from a surplus of cotton. When this organization under the McNary-Haugen bill gets into business handling cotton, I think they will have brains enough to separate from this cotton they buy the low grades and then strive for a market for those low grades to take the place of jute, and then they will come to this Congress and ask for a tariff on jute. I hope there will be some northern man on that cotton organization that will have the brains to see that you need a tariff on jute to protect the cotton industry of the United States. And then this organization handling the cotton will separate the low grades of cotton, and they will be able to make a price under the terms of the McNary-Haugen bill on cotton for the purpose of substituting it for jute. They will be able to encourage that substitution and lose some money on what is used at the low price. Yes; and what they lose on a million or so bales used to take the place of jute will add ten times as much on the balance of the crop. If you in the Southland arrange to use 1,500,000 bales of cotton to supplant jute you will raise the price of the whole crop 5 cents a pound.

Now about wheat. You know in this House that I have had some experience studying wheat and bread. I understand there are a lot of bakers telegraphing in here that this McNary-Haugen bill will hurt their business. Now, what the baker does is to take about 2½ cents' worth of flour and other ingredients and knead them up with water and make a loaf of bread that sells for 8 cents. If the McNary-Haugen bill goes into effect, we on this side admit that the 2½ cents for ingredients would be raised to probably 3 cents, and he will have 5 cents spread instead of 5½ cents on a loaf of bread. Now, what will he do? Will he raise the price of bread above 8 cents? I think not. In the last five years I have seen wheat go to $1.85 a bushel, and that did not raise the price. Why? Why, they tell me because the women begin to bake bread when they go above the 8-cent price. Did they make money selling at 8 cents when wheat was $1.85? I know one concern that paid 48 per cent dividend that year. Why, do you know, gentlemen, when I was studying this bread question a couple of years ago the Corby Baking Co. here in Washington, I found, were selling the retail grocers their bread at 7 cents and the consumer paid 8 cents and right at that time they had a contract with the Government at 3.29 cents per loaf of the same bread identically.

And during that time, I was over in England and I found over there that they were buying our wheat over here and paying freight across, and making it into bread in factories that were expensive because they lack machinery and yet they were delivering their bread to the homes in London for 4½ cents a pound. Now, I say to you, knowing all that, that the bakers of the United States can allow a decent price to the farmer for raising the wheat and continue to sell bread at 8 cents. Cotton goods will not go up if you raise cotton 5 cents a pound and bring it up to the cost of production. Bread will not go up if you raise wheat to the extent of the tariff. There is little connection between the price the consumer pays and the price the farmer gets. The price of milk has nothing to do with the price of ice cream. The price of hides has nothing to do with the price of shoes. The price of wool has nothing to do with the price of a suit of clothes.

We are simply letting the farmer take less than is fair and getting no advantage as consumers, and this McNary-Haugen bill has this purpose: We, who are for it, see that agricultural products in the United States are stabilized after they leave the farmers' hands, and what this McNary-Haugen bill will do is to stabilize them before they leave the farmers' hands.

It is altogether possible to pass this bill and have it work and not have it cost an additional amount for food to the consumers of the United States.

My study has been finding precedents in the legislation which we have enacted for others which are similar to the McNary-Haugen bill and in also studying precedents of the same class of legislation throughout the world.

I first find that the Federal reserve act is very much a McNary-Haugen bill for bankers.

To me it seems the bankers sought to control the surplus of credit for a very good reason. Too much credit or too little credit are both bad, and there was no power anywhere residing to control the surplus or deficiency before this Federal reserve act was passed.

The Federal reserve act does this: It takes now 3 per cent of each bank's capital and surplus and invests it in stock of a Federal reserve bank. In addition to that, it requires on an average about 10 per cent of each bank's demand deposits to be deposited in a Federal reserve bank, and 3 per cent of their time deposits.

Upon this basis of credit the Federal reserve banks can issue currency to an amount of about three times the amount of money the banks have deposited with them. With the Federal Reserve Board thus empowered, they can restrict or enlarge at their will credit facilities.

Now, if there is created an agricultural board that could automatically secure 10 per cent of any crop, that board would control the surplus each year of that crop, but the Federal Reserve Board controls more than 10 per cent of the credit.

To prove this, we had a large crop of corn in 1925, and at the end of the season we carried over a surplus of 181,000,000 bushels, which was 6 per cent of the total production. That 6 per cent ruined the price in 1925 and made the farmers sell at very much less than the cost of production, and that same 6 per cent carried into the 1926 crop lowered the price for the 1926 crop with similar results, and note that only 6 per cent of one year's crop did all of this damage, and note it would be only 3 per cent of two years' crops, and yet two crops were ruined as to price.

Is there an equalization fee in the Federal reserve act? I think so. The banks depositing 10 per cent of their demand deposits with the Federal reserve bank lose interest on that amount of money absolutely. In my little town of Urbana it costs the banks, if money is worth 6 per cent, about $9,000 a year, and yet there are bankers who are vociferous against the McNary-Haugen bill for farmers.

Now, again, the transportation act was an attempt to give fair returns to the railways for reasons which were manifest. The difficulty in the measure was to arrange a rate that would suit all railroads. A rate that was right for the average railroad produced revenue too much for some and too little for others, so an equalization fee was placed in the bill, and the railroad receiving too great a revenue must share with the railroad receiving too little.

Now, as to foreign legislation. I have been in the currant importing business all my life, and 30 years ago we were buying currants from Greece, delivered in New York, for about 2 cents a pound, and this was ruinous to the growers in Greece.

The Greek Government passed a law relative to the currant business. Currants can be disposed of for two purposes—as dried currants and for wine. In the old days, before the law was passed, the price for wine controlled, but the law provided that the growers turn over to a government organization the currants not needed as dried currants. This resulted in about 35 per cent of the crop being retained each year by the government organization. This organization took these currants and made wine or alcohol out of them and returned to the growers a small amount for this surplus. The 65 per cent left are sold as currants over the world. The average price has been 7 or 8 cents a pound during the last 25 years, duty paid.

This law has worked continuously for 25 years successfully and no public man in Greece can afford to repeal this law.

No doubt the coffee situation in Brazil is quite familiar. The growers down there, before 1912, were receiving a very small price for coffee—about 4 to 5 cents per pound—until the Government offered to help by creating an organization that lifted the surplus off the market, and an equalization fee was levied of 55 cents a bag, applied in transportation of the coffee from the plantation to Santos. A year ago I looked up the price of coffee, and it looked like about 13 cents a pound. Of course, there are many grades. I took up this matter with the embassy here in Washington from Brazil and I was told that the Government had never used a cent out of the treasury for this purpose and that the law had been satisfactory and helpful, and I find there is no inclination to repeal such legislation in Brazil.

As to sisal in Yucatan, Mexico, the situation down there before 1912 was something like this: The buyers of sisal, mostly American buyers, had organized themselves together, and these buyers controlled the patents on machinery which made sisal

into twine. Thus organized they were able to dictate a price and the growers of sisal had no protection from this organization. Therefore they appealed to their Government for a buying power with funds, and the first Mexican legislation was about 1912, which has been continued ever since, with many ups and downs, which is natural in that country.

There was an equalization fee applied to each bale of sisal which created a fund, or reimbursed the fund, used for the control of the surplus. This legislation continues to this day; and while the Department of Commerce says sisal is now 7½ cents a pound, and therefore argues that the measure is not effective, yet there were times without legislation when sisal sold for 2 cents a pound.

Nitrates are controlled by Chile, and are less successful now, owing to the fact that Germany is producing nitrates out of the air. Potash is controlled by Germany. Legislation in Japan has been helpful to both camphor and silk. In the English colonies the English Government has sponsored a great many different pieces of legislation, each one having an equalization fee, and covers rubber in Ceylon and Malaya, spice in various countries, cotton in Egypt, and practically all of the agricultural products of Australia, New Zealand, and South Africa.

There is an export tax on a standard quantity of rubber exported, and if more is exported there is a larger tax, and this tax is graduated until it amounts to confiscation when a certain amount is reached. They went too far with this law a year ago, but they have come back to earth again and are allowing a larger quantity to go out as standard export.

The laws in Australia, New Zealand, and South Africa are very interesting. They create export controls and permit export through these controls only. This throws the surplus into the hands of this export organization without question, and different equalization fees are applied. Sometimes bounties on exports are paid, but the producers in these colonies do not throw their products upon the auction block of the world, allowing the world to take them at its price. This control dickers with the world. For example, they have arranged with Canada to take their fruits with a low tariff and at the same time apply a high tariff to American fruits.

Have these foreign controls been satisfactory or profitable? I think about the best evidence I can offer you is a report made by the Department of Commerce October 25, 1926, relative to "foreign-government price fixing of our import raw materials," by Everett G. Holt, Chief of the Rubber Division. He says:

> Some of these controlled commodities are of small dimensions, others of vast importance, but the very number of these controls indicates a trend. There are some 20 or 30 other commodities in the world for which we are at present dependent on import, and which could likewise be controlled by action of one government or by agreement between two governments. In fact, it is possible thus to control a very large portion of the raw materials which we do not ourselves produce. Unless some deterrent arises, the enormous profits of some of the controls already in operation will not only stimulate unreasonable prices for other controlled products but will serve to encourage attempts upon other commodities.

We were asked to decide whether to substitute the Crisp bill for the Senate bill, which is the McNary-Haugen bill. In the first place, I do not like the way the agricultural board is appointed in the Crisp bill. Under its terms the board might be all selected from Vermont or they might be selected from political workers over the United States, who know little or nothing about this great measure. I have been informed that the Federal reserve act almost broke down in the beginning because of appointments of this kind clear down through the working machinery of the bill, and my information came from people associated with the work, and I might add that the farm-loan banks suffered at the start from the same cause.

Or, under the Crisp bill, this board might be made up of grain dealers, especially exporters, which would be all right if they were in hearty sympathy with the bill but disastrous if they were against it. The McNary-Haugen bill requires that the farmers' organizations nominate 36 members, out of which the President may choose the 12. This leaves this board a farm board, and it might be thought that such a board would be unfair to the consumers of the country, but it seems to me that this is safeguarded against by the Capper-Volstead law which, while it relieves the farm organizations from antitrust laws of the Nation, yet it requires that prices be reasonable, and a reasonable price for an agricultural product is conceded to be the cost of production plus a reasonable profit.

I do not like the Crisp bill because it deals with world surpluses, and our problem, outside of cotton, is not a problem of world surpluses but is simply a matter of handling the products of American farmers which exceed the American consumption. The purpose of the bill is to grant agriculture an amount equal to the tariff over and above world prices. This is granted to industry and the farmers are entitled to equality of treatment. As to cotton, we undoubtedly will have to affect the world price of cotton and raise it to the cost of production plus a reasonable profit by the purchase of the surplus and withholding it from the market and exerting every effort to use up that surplus by means of substitution of cotton for articles like jute, which is practically interchangeable with cotton. We must get into position to make a low price on low grades of cotton to meet the competition on jute. We can use up a million and a half bales a year in this way and we will need the McNary-Haugen bill and the equalization fee to bring about this result. You can not displace jute with cotton without sustaining a loss and that loss must be paid by the equalization fee or it must be paid out of the United States Treasury, and the amount of gain to the rest of the crop of cotton, by using up a million and a half bales of low-grade cotton, should bring $10 to every producer of cotton where the equalization fee amounts to $1.

I don't like the Crisp bill because it contemplates making prices adequate to the efficient producer and does not state where that producer is. Is that efficient producer in the Argentine or in the United States?

I do not like the Crisp bill because it does not contemplate raising prices but rather the stabilization of prices. The proponents of the bill have told me privately, and Judge CRISP'S own defense of the bill indicates that it is simply a stabilization of prices and, therefore, will lose no money out of the revolving fund.

What does a stabilization of prices mean without advancing prices? The farmer now has an 80-cent dollar; last year he had a 90-cent dollar; some two years ago he had a 70-cent dollar. Now, stabilization means that he will get an 80-cent dollar all the time instead of enduring the hills and hollows.

What the McNary-Haugen bill means is that there will be a serious attempt to give him a 100-cent dollar. That is, that his products will sell for a price equivalent to the prices of things he buys.

Now, supposing the Crisp bill supporters say that this position is not correct on this bill—that it is intended, like the McNary-Haugen bill, to raise prices. What will be the result?

If you raise wheat to the amount of the tariff, as is contemplated by the McNary-Haugen bill, you will have to sell the surplus over the world at a loss equal to the amount you raise the price in the United States above the world price, and we have from 75 to 150,000,000 bushels of this wheat each year upon which we must sustain this loss, so that an actual loss will be sustained on wheat amounting to from $25,000,000 to $50,000,000 a year.

If, in handling cotton, we follow the plan of only withholding from the market, we do not know what the loss will be. It all depends on what future crops amount to. The loss may be very heavy or it may be very light. If we follow the plan of substituting cotton for jute there will be a loss. I think it is perfectly fair to say that we will have a loss in handling cotton of $25,000,000 a year, and I expect the equalization fee to amount to $2 a bale, and I think it can be held at that amount. On the other articles, this revolving fund will be called upon and there will be a loss sustained if we accomplish any good, and, all told, we can anticipate that there will be $100,000,000 a year in losses.

Now, under the terms of the Crisp bill this money will be taken out of the revolving fund, and every year, if the Crisp bill means to raise prices, there will be an appropriation bill before this House asking for at least $100,000,000 out of the Treasury to replenish the revolving fund, and every year we will be voting on this farm measure for and against. Under these circumstances you are asking the country to put up a subsidy of at least $100,000,000 a year for agriculture, and I tell you, that, under those circumstances, the people of the country will fight it and that the Crisp bill, therefore, will not be a permanent solution for agriculture.

The only way to have a permanent solution is to vote for a sound bill in which the farmers themselves replenish their revolving fund to the amount that it is exhausted.

ASKING FOR RECESS

Mr. HOWARD rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Nebraska rise?

Mr. HOWARD. To ask unanimous consent that we may have a recess for 40 minutes.

The SPEAKER pro tempore. The Chair does not recognize the gentleman for that purpose.

LEAVE OF ABSENCE

Mr. WILLIAM E. HULL. Mr. Speaker, in behalf of my colleague from Illinois, Mr. IRWIN, I ask that he may have leave of absence until the next Congress on account of the illness of his wife.

The SPEAKER pro tempore. Without objection, the leave asked for will be granted.

There was no objection.

GEORGE WASHINGTON

Mr. JOHNSON of Texas. Mr. Speaker, I ask unanimous consent to speak out of order for five minutes.

The SPEAKER pro tempore. The gentleman from Texas asks unanimous consent to speak out of order for five minutes. Is there objection?

There was no objection.

Mr. JOHNSON of Texas. Mr. Speaker, on this the birthday of George Washington I desire to read into the RECORD, so that it may be preserved, an editorial appearing in the London Times in its issue of November 9, 1796. An original copy of this newspaper of that date is in the possession of Mr. W. H. Hastings, of Corsicana, Tex. He has furnished me with a photographic copy of a portion of the editorial page containing an announcement and comment of the contemplated retirement of George Washington as President of the United States of America. The retirement is therein referred to as a "resignation," and the article evidently refers to the issuance of what we know as George Washington's Farewell Address.

This editorial is of especial interest in that it reflects the esteem in which the Father of our Country was held by the English, at least by England's greatest newspaper, at the time of his retirement from the Presidency.

It is also of interest to note that in 1796 it took 42 days to cross the Atlantic. The *Belvidere*, which carried the news from America to England of Washington's decision to retire from public life, sailed from New York on September 27 and arrived in England on November 8. I ask that the Clerk read it in my time.

The SPEAKER pro tempore. Without objection, the Clerk will read.

The Clerk read as follows:

LONDON, November 9, 1796.—We are sorry to announce the resignation of George Washington, Esq., of his situation of President of the United States of America.

This event was made known yesterday by the arrival of the *Belvidere*, from New-York, with letters from thence of the 27th of September.

Notwithstanding the intention of General Washington had been long announced, it was expected that the solicitations of his friends would have prevailed upon him to continue in office, for the peace of America. He has however declined all further public business, and, in resigning his station, has concluded a life of honour and glory. His Address in resigning his office, is a very masterly performance; and we shall give it at length.

It is expected that Mr. Adams will be chosen his successor.

FARM RELIEF, RETIREMENT OF DISABLED EMERGENCY ARMY OFFICERS, AND EXCERPT FROM MINUTES OF THE ANNUAL CONVENTION OF THE AMERICAN LEGION

Mr. GARNER of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting some communications I have received from the State of Texas.

The SPEAKER pro tempore (Mr. NEWTON of Minnesota). The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. GARNER of Texas. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following:

House Concurrent Resolution 2

Be it resolved by the Legislature of the State of Texas—

Whereas in recognition of the universal acceptance by every progressive people that agricultural industry represents the foundation of all real progress by the social body, governments have come to lend their just powers and influence to conserve the integrity and stability of farming enterprise in its various forms as a necessary service for the protection and promotion of public welfare; and

Whereas agencies created by and under the just powers and authority of the Government of the United States, and functioning under proper governmental supervision, in accordance with a judicious public policy, have developed conditions tending to the intelligent mobilization of the Nation's credit resources, for the determination of the great transportation and labor problems of the country, and for the well-being of commerce and manufacturers; and

Whereas agricultural industry, the greatest of all the Nation's enterprises and the foundation of national security, prosperity, and development, is without the equal recognition and the cooperating and directing services which the national authority and influence may justly lend: Therefore be it

Resolved by the Legislature of Texas, That we respectfully and earnestly commend to the favorable consideration of the Congress of the United States the need for the creation at the earliest practicable time of such judiciously devised and well-balanced agencies for the accomplishment of the stabilization and well-being of essential agricultural industry of the Nation, to the end that the great problems of sound economic agricultural production and judicious distribution and stimulus to more general beneficial utilization may have the most intelligent and capable cooperation and direction in their adjustment to the welfare of the country, and may exercise the fullest measure of their influence upon the security of agricultural enterprise.

Resolved, That a copy of this resolution, duly attested, be transmitted by the chief clerk of the house to the honorable the President of the Senate of the United States, to the honorable the Speaker of the House of Representatives of the Congress of the United States, the honorable Secretary of Agriculture of the United States, and to each Member of the Texas delegation in the Congress.

BARRY MILLER,
President of the Senate.
W. V. HOWERTON,
Secretary of the Senate.
ROBERT LEE BABBOTT,
Speaker of the House.
N. LOUISE SNOW,
Chief Clerk of the House.

House Concurrent Resolution No. 22

Whereas there are nine classes of officers in the World War—the Regular, provisional, and emergency officers of the Navy, Marine Corps, and Army; and

Whereas eight of these classes have been granted by the Congress honorable retirement for their wounds and disabilities received as a result of their services in camp and field; and

Whereas the emergency Army officers, who fought heroically as evidenced by more than 2,000 battle deaths in France, have alone failed to receive the honorable retirement accorded all other classes of officers; and

Whereas there are 1,646 of these disabled emergency Army officers now suffering from disabilities received on the field of battle whose honorable retirement has not been granted by Congress; and

Whereas we are informed that legislation is pending in both Houses of Congress, being reported favorably by their respective committees and now on the calendar of each House (the Tyson bill, S. 3027; the Fitzgerald bill, H. R. 4548): Therefore be it

Resolved by the house (the senate concurring), That we do urgently request our Members in Congress to use their best efforts to have this legislation removing this discrimination passed at this session of Congress; be it further

Resolved, That the clerk of the house of representatives and the senate join in sending a copy of this resolution to each United States Senator and Member of the House of Representatives from Texas.

ROBERT LEE BABBOTT,
Speaker of the House.
M. LOUISE SNOW,
Chief Clerk of the House.
BARRY MILLER,
President of the Senate.
W. V. HOWERTON,
Secretary of the Senate.

[Excerpt from the minutes of the eighth annual convention, American Legion, Department of Texas, Amarillo, Tex., September 8, 9, and 10, 1926]

Whereas the Congress of the United States in the selective service act of May 18, 1917, promised that all volunteer officers commissioned under that act should be "in all respects on the same footing as to pay, allowances, and pensions as officers * * * of corresponding grades and length of service in the Regular Army"; and

Whereas regular officers of the Army, Navy, and Marine Corps, provisional officers of the Army, Navy, and Marine Corps, and emergency officers of the Navy and Marine Corps have been granted by Congress the privileges of retirement for disability when incurred in line of duty, leaving only the disabled emergency officers of the Army without such retirement; and

Whereas an overwhelming majority of the Members of each Congress since the armistice have promised to correct the injustice to disabled emergency Army officers by the enactment of legislation designed to adjust the unfair conditions imposed upon these men; and

Whereas the United States Senate has twice passed measures to correct this condition, the vote in the Sixty-seventh Congress being 50 to 14, the vote in the Sixty-eighth Congress being 63 to 14; and

Whereas in the first session of the current Congress (the Sixty-ninth) the Senate Committee on Military Affairs favorably reported the Tyson bill (S. 3027) and the House Committee on World War Veterans' Legislation favorably reported the Fitzgerald bill (H. R. 4548), similar bills in their provision for the retirement of disabled emergency Army officers who incurred physical disability in line of duty during the World War, both of which bills are now on their respective calendars in the United States Senate and House of Representatives awaiting a final vote; and

Whereas the House Committee on World War Veterans' Legislation will in all probability have a committee day upon which it may bring out its own legislation for consideration and vote on the floor of the House in the next session of the Sixty-ninth Congress: Now, therefore, be it

Resolved, That the Department of Texas of the American Legion in its annual convention assembled at Amarillo, Tex., this 10th day of September, 1926, do, and hereby does, most heartily indorse the principles of retirement for disabled emergency Army officers as already established for the other eight classes of disabled military and naval officers of the World War and which principles are embodied in pending measures now before the Congress, the Tyson bill—S. 3027—and the Fitzgerald bill—H. R. 4548; be it further

Resolved, That the members of the United States Senate and House of Representatives from the State of Texas be, and hereby are, most strongly urged to lend their active support in securing the enactment of this pending legislation as early as possible in the next session of the current Congress.

A DELEGATE. I move its adoption.

A DELEGATE. I second the motion.

The CHAIR. The motion is carried and the resolution is adopted.

NO QUORUM—CALL OF THE HOUSE

Mr. SNELL. Mr. Speaker, I call up a privileged resolution from the Committee on Rules.

Mr. BLANTON. Mr. Speaker, before this rule is called up I make the point of order that there is no quorum present.

Mr. LINTHICUM. Mr. Speaker, will the gentleman withhold that for a moment?

Mr. BLANTON. I will withhold it.

Mr. LINTHICUM. I ask unanimous consent to extend in the RECORD my remarks on House Concurrent Resolution No. 46, respecting treaty relations with China.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. BLANTON. Mr. Speaker, I renew the point of no quorum. We want one before we take up an important bill like the medicinal liquor bill.

The SPEAKER pro tempore. The gentleman from Texas makes the point of no quorum.

Mr. SNELL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER pro tempore. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 36]

Almon	Fredericks	Lee, Ga.	Spearing
Andrew	Gallivan	Lehlbach	Stevenson
Anthony	Garrett, Tenn.	Letts	Strother
Arentz	Garrett, Tex.	Lowrey	Sullivan
Auf der Heide	Gibson	McClintic	Sweet
Beedy	Glynn	McDuffie	Swoope
Begg	Goldsborough	McFadden	Tincher
Bell	Gorman	McLaughlin, Nebr.	Tinkham
Bixler	Greenwood	Manlove	Treadway
Brand, Ga.	Griffin	Mansfield	Tydings
Briggs	Hall, N. Dak.	Mead	Underhill
Brigham	Hare	Merritt	Vare
Britten	Haugen	Mills	Voigt
Carss	Hill, Md.	Montague	Walters
Christopherson	Hill, Wash.	Montgomery	Warren
Cleary	Houston	Morin	Wefald
Collins	Hull, Tenn.	Nelson, Wis.	Wheeler
Coyle	Hull, M. D.	Oliver, N. Y.	Williams, Ill.
Cramton	Irwin	Phillips	Wilson, Miss.
Crisp	Jenkins	Prall	Wingo
Crumpacker	Keller	Purnell	Winter
Curry	Kelly	Ransley	Woiverton
Deal	Kendall	Rayburn	Woodyard
Dempsey	Kiefner	Sanders, N. Y.	Wurzbach
Doyle	King	Sears, Nebr.	Wyant
Esterly	Kunz	Seger	
Fish	Kurtz	Smithwick	
Fitzgerald, Roy G.	Lampert	Sosnowski	

The SPEAKER pro tempore. Three hundred and twenty-three Members are present, a quorum.

Mr. SNELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

EXTENSION OF REMARKS

Mr. JOHNSON of South Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on Senate bill 5082, the seed grain bill which was passed yesterday, by inserting a letter from the Secretary of Agriculture and Mr. Warburton, his assistant.

The SPEAKER pro tempore. The gentleman from South Dakota asks unanimous consent to extend his remarks in the RECORD as indicated. Is there objection?

Mr. RANKIN. Mr. Speaker, reserving the right to object, what is that letter?

Mr. JOHNSON of South Dakota. It is a letter from the Secretary of Agriculture and his assistant, Mr. Warburton, telling how the bill will operate if it is signed.

Mr. RANKIN. If the bill is signed by the President?

Mr. JOHNSON of South Dakota. Yes.

Mr. RANKIN. Does the gentleman think it is necessary, after appropriating $8,600,000, to be distributed in the way provided by that bill, to have the head of some bureau or some department write a letter telling Congress how the law is to be administered?

Mr. JOHNSON of South Dakota. This is a letter written to the committee and it just gives the machinery.

Mr. RANKIN. The bill is now past the committee and was rushed through the House under suspension of the rules. Does the gentleman think it necessary to encumber the RECORD with that sort of material? Does the gentleman believe it will give the House any information?

Mr. JOHNSON of South Dakota. No; but it will give the farmers a lot of information.

Mr. RANKIN. Does not the gentleman believe the farmers will know how to plant these seed after they get them without being informed by the committee or by the Department of Agriculture?

Mr. BLANTON. Mr. Speaker, reserving the right to object, I want to ask the gentleman a question, as he is the chairman of the Committee on World War Veterans' Legislation. The law allowing compensation to disabled veterans in hospitals will expire this summer while we are in recess. When is the gentleman going to bring up the bill in reference to extending that law allowing compensation to disabled ex-service men in hospitals?

Mr. JOHNSON of South Dakota. That bill has been reported by the committee, but I do not know that I yield to the gentleman for this purpose.

Mr. BLANTON. I did not ask the gentleman to yield, as I have the floor under my reservation. We would like to hear from the gentleman, because that is a matter of extreme importance to every one of us having disabled ex-service men in our districts.

Mr. JOHNSON of South Dakota. I will say to the gentleman that such a bill has been introduced by the committee. It will be reported to-day and brought up at the first opportunity.

Mr. BLANTON. Does the gentleman believe it will be brought up in time to be passed by the House and Senate and become a law before we adjourn? He should get a rule or obtain recognition to pass it under suspension.

Mr. JOHNSON of South Dakota. It was added to the compensation bill in the Senate last night.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

Mr. RANKIN. Mr. Speaker, I object.

MEDICINAL SPIRITS

Mr. SNELL. Mr. Speaker, I call up House Resolution 432, a privileged resolution from the Committee on Rules.

The SPEAKER pro tempore. The gentleman from New York calls up House Resolution 432, which the Clerk will report.

The Clerk read as follows:

House Resolution 432

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of a bill (H. R. 17130) to conserve the revenues from medicinal spirits and provide for the effective Government control of such spirits, to prevent the evasion of taxes, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by those favoring and opposing the bill, the bill shall be read for amendment under the five-minute rule. At the conclusion of the reading of the bill for amendment the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments

thereto to final passage without intervening motion except one motion to recommit.

Mr. SNELL. Mr. Speaker, before discussing the resolution I would like to ask the gentleman from Alabama [Mr. BANKHEAD] whether he desires any time on the rule?

Mr. BANKHEAD. Yes. I have requests on this side for about 15 minutes. I shall not consume more time than that.

Mr. SNELL. Mr. Speaker, I ask unanimous consent that discussion on the resolution be limited to 30 minutes, 15 minutes to be controlled by the gentleman from Alabama [Mr. BANKHEAD] and 15 minutes by myself, and at the end of that time the previous question shall be considered as ordered on the resolution.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent that debate on the rule be limited to 30 minutes, 15 minutes to be controlled by the gentleman from Alabama [Mr. BANKHEAD] and 15 minutes to be controlled by the gentleman from New York [Mr. SNELL], and that at the conclusion of debate the previous question shall be considered as ordered on the resolution. Is there objection?

There was no objection.

Mr. SNELL. Mr. Speaker, the resolution just presented needs no special explanation. It provides for the consideration of H. R. 17130, which is commonly known as the medicinal spirits bill. I desire only to make a very short statement in regard to this legislation. In the first place I want to make it plain to the Members of the House that this is neither a wet nor dry proposition, and it should not be considered by the Members of the House from that standpoint. It has been recognized in the Constitution, in the law for the enforcement of the eighteenth amendment, and also by decisions of the various courts that the Federal Government is in duty bound to furnish the necessary medicinal spirits for medicinal purposes. This can not be efficiently done under the present act. It has been the experience of the Treasury Department that if they even tried that they would get into a great deal of trouble in administering the present law, for it is very indefinite in this respect. That is one reason for bringing forward this proposed legislation, and it comes as the result of the experience of the department in trying to administer the present law.

At the present time there are about 9,000,000 gallons of spirits in this country, representing a supply of practically four and a half years, as we are using at the present time for medicinal purposes about 2,000,000 gallons per year.

For this reason it is necessary to bring up this legislation and have it passed at the present session. It is admitted by the people who are experts on medicinal spirits that it takes about four years for liquor to be properly aged in charred barrels and before it can be used for medicinal purposes, and as we could not get any liquor properly distilled or start distilling it before the coming fall, because none of the distilleries are ready to start at once, and as there are only four and a half years' supply on hand at the present time, this makes it very essential that the legislation should be enacted into law before the close of the present session.

In general, the pending bill provides for the purchase of the present supply by the permittees under the bill. It does not call for the expenditure of a single dollar out of the Federal Treasury. It also provides for the bottling of the present supply, which can not be done under the present law; and if done at once, it will further conserve the present supply. Also it provides for the concentration of all of this medicinal liquor in six bonded warehouses. It is now in 31 bonded warehouses. It also provides for the issuing of permits for the manufacture of liquor to experienced distillers, not less than two nor more than six, which assures reasonable competition and as economical manufacture as possible.

The best part of this bill, perhaps, is that it does not provide for the expenditure of a single dollar out of the Treasury of the United States, and we are confidently assured that the administration of the proposed law over the present one will save $1,000,000 a year to the Federal Government.

No one claims this is the best possible legislation in the world, but it is the best thing that can be presented at this time, and to a reasonable degree takes care of the future supply of medicinal spirits. And, as I understand it, it has the approval not only of the representatives of the dry forces but the representatives of the wets, and it comes to the House at this time with the unanimous approval of the Ways and Means Committee and of the Rules Committee. I feel it is essential legislation, that it is emergency legislation, that it can be conscientiously supported by all, and should be passed by the House at this time.

Mr. SUMMERS of Washington and Mr. GREEN of Florida rose.

Mr. SNELL. I yield first to the gentleman from Washington.

Mr. SUMMERS of Washington. Wherein does the Constitution recognize medicinal liquor?

Mr. SNELL. In the fact that it only prohibits it for beverage purposes.

Mr. SUMMERS of Washington. It prohibits the manufacture, sale, and transportation of beverage liquor.

Mr. SNELL. And in that way it has been construed by the court as recognizing it for medicinal purposes.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. LaGUARDIA. Then in order to make it comply with the constitutional provision with respect to whisky used as a medicine, how is it to be administered?

Mr. SNELL. I am not going to get into any constitutional discussion of this question. If the gentleman has a question to ask me which I can answer and applies to the matter before the House, I will be very glad to do so.

Mr. GREEN of Florida. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. GREEN of Florida. Does not the gentleman think it would be much better to discontinue the manufacture of liquor altogether and let the department give out this captured or confiscated liquor?

Mr. SNELL. I do not think I care to answer that question at the present time.

Mr. BLANTON. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. BLANTON. The gentleman says this bill has the approval of both the wets and the drys. Does he mean by that statement that Mr. Mellon and General Andrews have approved it?

Mr. SNELL. I do.

Mr. BLANTON. And who else?

Mr. SNELL. Oh, I can not give the names of all the various people who have indorsed it, but the representatives who come here and who generally say they speak for these organizations have approved this bill; at least that is the information that came to the Rules Committee, and I am so informed by the gentleman who has charge of the bill, the gentleman from Oregon [Mr. HAWLEY].

Mr. BLANTON. The wets and the drys embrace 110,000,000 people, and the committee has held no public hearing on this bill——

Mr. SNELL. Oh, the Ways and Means Committee held hearings for weeks, and the gentleman knows it.

Mr. BLANTON. I am talking about open public hearings on this bill.

Mr. GREEN of Iowa. Yes; we held open, public hearings.

Mr. BLANTON. Yes; on the Green bill, which was killed in committee by a vote of 16 to 8. Here is an advertisement in this morning's paper by the retail druggists, consisting of an entire page, saying they have been given no opportunity to be heard. And on this Hawley bill now before us no open hearings were held.

Mr. SNELL. I know about certain things in that advertisement that are not true, although I do not know about all of it, but in a general way I believe it to be a misrepresentation of the facts.

Mr. BLANTON. They claim they have not been heard and that no public hearings was held, and I am getting letters and telegrams from prominent drys over the country, including men like Col. Herman P. Faris, a prominent Republican, who has been a dry all his life and a leader of the drys in the State of Missouri for years, and he is not in favor of this bill.

Mr. SNELL. There are probably individuals on both sides of this question all over the United States who are not in favor of this legislation. I have never known any legislation to be passed here that had the approval of every individual in the country, but I know that the Ways and Means Committee has discussed this matter and held public hearings on the matter for weeks. The bill has been very carefully considered by the committee. No one on the committee opposed the reporting of it, and on the whole it is a pretty good bill.

Mr. BLANTON. I want to deny the fact that the chairman of the Committee on Rules [Mr. SNELL] can speak for either the wets or the drys of this country.

Mr. SNELL. I did not pretend to speak for either one. I have never assumed such authority unto myself on the floor of the House, and I think any man who does is very foolish. Furthermore, I have never contended with anyone for leadership in either cause.

Mr. BLACK of New York. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. BLACK of New York. It seems to me this is a health matter instead of a wet and dry question. What do the health associations say about it?

Mr. SNELL. They are for it. The ones that have sent any information to the Committee on Rules about it are in favor of it.

Mr. BLACK of New York. Are the names of the ones who are in favor of it in the RECORD?

Mr. SNELL. I have not the names of any such organizations before me.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. GREEN of Iowa. I will say to the gentleman from Texas, illustrating how correct the statements are in the advertisement to which the gentleman referred, that the representatives of the retail druggists were heard at great length before our committee at a public hearing.

Mr. SNELL. Mr. Speaker, I reserve the balance of my time.

Mr. BANKHEAD. Mr. Speaker and gentlemen of the House, the chairman of the Committee on Rules very correctly stated that this rule was brought in by the unanimous action of the Committee on Rules. It was represented to the committee that this was not only an important matter of administration and recommended by the Treasury Department, but the bill came before our committee with the unanimous report of the Committee on Ways and Means. Carrying out the policy of our committee, generally speaking, to expedite legislation, it received the unanimous support of the Committee on Rules; but in voting for the reporting of the resolution—and I shall vote for the adoption of the rule merely in order to give this matter consideration—I want to say, Mr. Speaker, I am opposed to this bill. [Applause.] In the time I have remaining of my three minutes, under the rule, I will not have an opportunity to present any views in opposition; but when we get into the House, unless some member of the Ways and Means Committee who is opposed to this bill asks for recognition, I shall ask for recognition in opposition to the bill. With this statement I now yield back any time I may have remaining.

Mr. SNELL. Mr. Speaker, the gentleman from Texas [Mr. GARNER] made his usual interesting speech and usual attack on the Treasury Department. He spent practically all of his time talking about something not before the House at this time and wound up his speech by saying he would vote for the bill. Therefore, Mr. Speaker, I move the previous question and ask for a vote on the resolution.

The SPEAKER pro tempore. The question is on the adoption of the resolution.

The question was taken, and the Speaker announced the ayes appeared to have it.

On a division (demanded by Mr. LINTHICUM) there were—ayes 107, noes 54.

Mr. LINTHICUM. Mr. Speaker, I object to the vote and make the point of order there is no quorum present.

The SPEAKER pro tempore. The Chair will count. [After a pause.] There is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 234, nays 111, not voting 87, as follows:

[Roll No. 37]

YEAS—234

Adkins	Cannon	Fitzgerald, W. T.	Hoch
Aldrich	Carpenter	Fletcher	Hogg
Allen	Carss	Fort	Holaday
Allgood	Chalmers	Foss	Hooper
Almon	Chindblom	Frear	Houston
Andresen	Clague	Free	Hudson
Andrew	Cole	Freeman	Hull, Morton D.
Arentz	Collier	French	Hull, William E.
Aswell	Collins	Frothingham	Jacobstein
Ayres	Colton	Fulmer	James
Bacharach	Connally, Tex.	Funk	Jeffers
Bachmann	Connolly, Pa.	Furlow	Johnson, Ill.
Bacon	Cooper, Wis.	Garber	Johnson, Ind.
Bailey	Cox	Garner, Tex.	Johnson, S. Dak.
Bankhead	Crisp	Glynn	Johnson, Wash.
Barbour	Crowther	Goodwin	Kearns
Barkley	Dallinger	Graham	Kemp
Beedy	Darrow	Green, Fla.	Kerr
Berger	Deal	Green, Iowa	Kiess
Bowles	Dempsey	Griest	Kincheloe
Bowman	Denison	Hadley	Knutson
Box	Dickinson, Mo.	Hale	Kopp
Briggs	Doughton	Hall, Ind.	Kvale
Brigham	Drane	Hammer	LaGuardia
Browne	Drewry	Hardy	Lazaro
Brumm	Eaton	Haugen	Lea, Calif.
Bulwinkle	Elliott	Hawley	Leatherwood
Burtness	Ellis	Hayden	Leavitt
Burton	Englebright	Hersey	Letts
Butler	Faust	Hickey	Lineberger
Byrns	Fenn	Hill, Ala.	Little
Campbell	Fish	Hill, Md.	Lozier
Luce	Oldfield	Sinclair	Tucker
Lyon	Parker	Sinnott	Underwood
McDuffie	Parks	Smith	Updike
McFadden	Patterson	Snell	Vaile
McLaughlin, Mich.	Peery	Speaks	Vincent, Mich.
McMillan	Perkins	Spearing	Vinson, Ga.
MacGregor	Perlman	Sproul, Ill.	Vinson, Ky.
Magee, N. Y.	Pratt	Stalker	Wainwright
Major	Rainey	Stegall	Wason
Mapes	Ramseyer	Stedman	Watres
Martin, La.	Rankin	Stobbs	Watson
Martin, Mass.	Ransley	Strong, Kans.	Weaver
Menges	Rathbone	Swartz	Welch, Calif.
Merritt	Reece	Sweet	Welsh, Pa.
Michaelson	Reed, Ark.	Swing	White, Kans.
Michener	Reed, N. Y.	Taber	White, Me.
Miller	Reid, Ill.	Taylor, Colo.	Whittington
Milligan	Robinson, Iowa	Taylor, N. J.	Williamson
Moore, Ohio	Robsion, Ky.	Temple	Wilson, La.
Moore, Va.	Rogers	Thatcher	Winter
Morgan	Romjue	Thompson	Wolverton
Murphy	Rubey	Thurston	Wood
Nelson, Me.	Sabath	Tillman	Woodruff
Nelson, Mo.	Sanders, N. Y.	Tilson	Wyant
Newton, Minn.	Sandlin	Timberlake	Zihlman
O'Connell, R. I.	Scott	Tolley	
O'Connor, La.	Shreve	Treadway	

NAYS—111

Ackerman	Dickstein	Ketcham	Quayle
Appleby	Dominick	Kindred	Quin
Arnold	Douglass	Kirk	Ragon
Auf der Heide	Dowell	Lampert	Rouse
Beers	Driver	Lanham	Rutherford
Black, N. Y.	Dyer	Lankford	Sanders, Tex.
Black, Tex.	Edwards	Larsen	Schafer
Bland	Eslick	Lindsay	Schneider
Blanton	Evans	Linthicum	Shallenberger
Bloom	Fisher	Lowrey	Simmons
Bowling	Gambrill	McClintic	Somers, N. Y.
Boylan	Gardner, Ind.	McKeown	Sproul, Kans.
Browning	Gasque	McLeod	Stevenson
Buchanan	Gibson	McReynolds	Strong, Pa.
Busby	Gilbert	McSwain	Summers, Wash.
Canfield	Griffin	Magrady	Sumners, Tex.
Carew	Hall, N. Dak.	Manlove	Swank
Carter, Okla.	Harrison	Mooney	Taylor, Tenn.
Celler	Hastings	Moore, Ky.	Taylor, W. Va.
Chapman	Hill, Wash.	Morehead	Thomas
Cochran	Howard	Morrow	Tydings
Connery	Huddleston	Norton	Upshaw
Cooper, Ohio	Hudspeth	O'Connell, N. Y.	Warren
Corning	Johnson, Ky.	O'Connor, N. Y.	Weller
Crosser	Johnson, Tex.	Oliver, Ala.	Whitehead
Cullen	Jones	Oliver, N. Y.	Williams, Tex.
Davis	Kahn	Peavey	Wright
Dickinson, Iowa	Keller	Prall	

NOT VOTING—87

Abernethy	Fairchild	Lehlbach	Smithwick
Anthony	Fitzgerald, Roy G.	McLaughlin, Nebr.	Sosnowski
Beck	Fredericks	McSweeney	Strother
Begg	Gallivan	Madden	Sullivan
Bell	Garrett, Tenn.	Magee, Pa.	Swoope
Bixler	Garrett, Tex.	Mansfield	Tincher
Boies	Gifford	Mead	Tinkham
Brand, Ga.	Golder	Mills	Underhill
Brand, Ohio	Goldsborough	Montague	Vare
Britten	Gorman	Montgomery	Vestal
Burdick	Greenwood	Morin	Voigt
Carter, Calif.	Hare	Nelson, Wis.	Walters
Christopherson	Hull, Tenn.	Newton, Mo.	Wefald
Cleary	Irwin	Phillips	Wheeler
Coyle	Jenkins	Porter	Williams, Ill.
Cramton	Kelly	Pou	Wilson, Miss.
Crumpacker	Kendall	Purnell	Wingo
Curry	Kiefner	Rayburn	Woodrum
Davenport	King	Rowbottom	Woodyard
Davey	Kunz	Sears, Fla.	Wurzbach
Doyle	Kurtz	Sears, Nebr.	Yates
Esterly	Lee, Ga.	Seger	

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Cramton (for) with Mr. Gallivan (against).
Mr. Morin (for) with Mr. Woodrum (against).

General pairs:

Mr. Vare with Mr. Mead.
Mr. Purnell with Mr. Pou.
Mr. Cramton with Mr. Doyle.
Mr. Madden with Mr. Kunz.
Mr. Carter of California with Mr. Mansfield.
Mr. Begg with Mr. Oliver of Alabama.
Mr. King with Mr. Rayburn.
Mr. Williams of Illinois with Mr. Hare.
Mr. Anthony with Mr. Goldsborough.
Mr. Wheeler with Mr. Davey.
Mr. Lehlbach with Mr. Bell.
Mr. Britten with Mr. Abernethy.
Mr. Curry with Mr. Tydings.
Mr. Gifford with Mr. Wilson of Mississippi.
Mr. Jenkins with Mr. Cleary.
Mr. Golder with Mr. Garrett of Tennessee.
Mr. Vestal with Mr. Lee of Georgia.
Mr. Kendall with Mr. Smithwick.
Mr. Underhill with Mr. Wingo.
Mr. Seger with Mr. Sullivan.
Mr. Porter with Mr. Brand of Georgia.
Mr. Newton of Missouri with Mr. Garrett of Texas.
Mr. Mills with Mr. Montague.
Mr. Kurtz with Mr. Sears of Florida.
Mr. Tinkham with Mr. Greenwood.

Mr. Yates with Mr. Hull of Tennessee.
Mr. Burdick with Mr. Beck.
Mr. Coyle with Mr. Wefald.
Mr. Esterly with Mr. Voigt.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present.

The doors were opened.

CONFERENCE REPORT, NAVAL APPROPRIATION BILL

Mr. FRENCH. Mr. Speaker, I offer a conference report for printing under the rule.

The SPEAKER. The gentleman from Idaho offers a conference report, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 15641) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1928, and for other purposes.

The SPEAKER. Ordered printed.

MEDICINAL SPIRITS

Mr. HAWLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 17130.

Mr. JAREW. Mr. Speaker, something has been said about this being a unanimous report from the Committee on Ways and Means and I am going to claim the right to control the time in opposition to this bill, because I have been opposed to it both in the committee and here. Before that motion is put I would like to have the gentleman from Oregon understand if he is to control the time in favor of the bill I am going to ask recognition in opposition to the bill.

The SPEAKER. The Chair thinks the gentleman is entitled to recognition. The question is on the motion of the gentleman from Oregon.

The question was taken, and the motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 17130, with Mr. MICHENER in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 17130, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 17130) to conserve the revenues from medicinal spirits and provide for the effective Government control of said spirits, to prevent the evasion of taxes, and for other purposes.

Mr. HAWLEY. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

Mr. BLANTON. Mr. Chairman, reserving the right to object, if the gentleman will couple with that request that the bill be printed at this juncture without reading I shall not object. This bill needs to go in the RECORD.

Mr. HAWLEY. I have no objection.

The CHAIRMAN. Is there objection?

Mr. LINTHICUM. I object. Mr. Chairman, if the gentleman will couple with his request, as suggested by the gentleman from Texas, that this be printed in the RECORD I withdraw my objection.

The CHAIRMAN. The gentleman withdraws his objection.

The Clerk began the reading of the bill.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent that the bill be printed in the RECORD without reading.

Mr. O'CONNOR of New York. Mr. Chairman, I renew the objection which has been withdrawn; I think it ought to be read.

The CHAIRMAN. Objection is heard, and the Clerk will read.

The Clerk read as follows:

[H. R. 17130, 69th Cong., 2d sess.]

A bill to conserve the revenues from medicinal spirits and provide for the effective Government control of such spirits, to prevent the evasion of taxes, and for other purposes

Be it enacted, etc.—

That as used in this act—

(a) The term "person" means an individual, partnership, association, or corporation.

(b) The term "distilled spirits" means whisky, brandy, rum, gin, and other distilled spirits, except alcohol.

(c) The term "warehouse" means any bonded warehouse, including any general, special, distillery, concentration, or customs bonded warehouse and any tax-paid warehouse.

MANUFACTURE

SEC. 2. (a) To the extent necessary in the opinion of the Secretary of the Treasury to maintain stocks of distilled spirits suitable for medicinal and nonbeverage purposes in a quantity sufficient in each year to supply the requirements therefor, the Secretary of the Treasury is authorized to issue permits for the manufacture of such distilled spirits by such persons as he may select, and for such periods, in such quantities, and subject to such other requirements as he may prescribe; except that—

(1) Not less than two and not more than six permits shall be outstanding at any one time.

(2) Each permit shall require manufacture according to formulas prescribed by the Secretary of the Treasury.

(3) A permit may be issued for any period expiring not more than 10 years after the 31st day of December next succeeding the issuance thereof. Such permit shall provide for manufacture in each year of such quantities as the Secretary of the Treasury shall from time to time prescribe.

(4) Permits may be renewed unless the permittee has failed to carry out in good faith the provisions of this act, the regulations issued thereunder, or the terms of the permit, or has violated any provision of law relating to intoxicating liquors.

(5) Each permit shall require that the permittee shall sell distilled spirits manufactured thereunder at a price not in excess of a fair and reasonable price, based on cost of manufacture, carrying charges, preparation for market, distribution, and a fair profit to the manufacturer; and the permittee shall at all reasonable times keep his books open for inspection by the Secretary of the Treasury or his representatives.

(6) The permittee shall be required to comply with the provisions of section 5, relating to the acquisition of existing stocks of distilled spirits.

(b) The Secretary of the Treasury may revoke any permit issued under this section if the permittee has violated the provisions of this act, the regulations issued thereunder, the terms of the permit, or any provision of law relating to intoxicating liquors.

(c) No permit shall be issued under this section for the manufacture of distilled spirits in any State the law of which prohibits the manufacture, sale, or use of distilled spirits for medicinal purposes.

CONCENTRATION

SEC. 3. In order to conserve the revenues, prevent the evasion of taxes, and provide for the more effective enforcement of national prohibition, all the existing stocks of distilled spirits held in warehouses shall, within two years from the approval of this act and under regulations to be prescribed by the Secretary of the Treasury, be concentrated in not more than six concentration internal-revenue bonded warehouses consisting of one or more buildings or parts thereof, with land necessary therefor (including a tax-paid warehouse in connection with each), owned or leased by permittees under section 2 and authorized by the Secretary of the Treasury to be maintained by such permittees. Such warehouses shall be located at such places as the Secretary of the Treasury may determine. After the expiration of such two-year period, no permit shall be issued for the maintenance, and no permit then in force shall authorize the maintenance, of any warehouse other than those authorized under this section. As a condition to the issuance of the permit for any warehouse authorized to be maintained under this section, the permittee shall comply with such regulations as the Secretary of the Treasury may prescribe as to the bottling, storing, and handling of distilled spirits in, and the conduct of, the warehouse, including maximum rates to be charged for bottling, storage, and other services. Any concentration internal-revenue bonded warehouse authorized to be maintained under this section, including the tax-paid warehouse in connection therewith, is referred to hereinafter in this act as an authorized concentration or tax-paid warehouse.

BOTTLING OF EXISTING STOCK

SEC. 4. In order to conserve the revenues, prevent the evasion of taxes, and provide for the more effective enforcement of national prohibition, the Secretary of the Treasury is authorized in his discretion to cause all or any part of the distilled spirits suitable and intended to be used for medicinal purposes in any warehouse to be bottled at such times and under such terms and conditions as he shall by regulation prescribe and as shall be in accordance with law. In case any distilled spirits are unsuitable for use for medicinal purposes solely by reason of the fact that such spirits are not of standard strength as to proof, the Secretary of the Treasury may by regulation provide for the raising of the proof of such distilled spirits to 100 per cent proof by the addition of spirits of the same kind and season's production and produced by the same producer, or, if such spirits are not available, then by the addition of other spirits of the same kind, in order to raise such spirits to 100 per cent proof. Such mixing of distilled spirits for the purposes stated shall not be held to be rectification, and the mixture may be bottled in bond under regulations of the Secretary of the Treasury.

ACQUISITION OF EXISTING STOCK

SEC. 5. (a) Permittees under section 2 shall acquire distilled spirits only at a price which is the fair and reasonable value of the spirits, and in no case at a price in excess of the sum of (1) the fair market value at warehouses on December 1, 1926, of distilled spirits of like kind, age, and quality, and (2) the charges and expenses necessary for carrying the distilled spirits from December 1, 1926, to the date of

acquisition. Such acquisition shall be made without discrimination between the owners of such spirits. All contracts for the acquisition of such spirits shall, before performance in whole or in part, be submitted by the permittee to the Secretary of the Treasury for his approval or disapproval of the terms thereof. In case any such contract submitted by the permittee is not approved, the contract may be submitted to a board of arbitration selected as provided in subdivision (b). The Secretary of the Treasury shall approve or disapprove the contract in accordance with the decision of the board of arbitration. No permit shall be issued to purchase distilled spirits covered by such contract unless such contract has been approved under this section.

(b) Each board of arbitration shall be constituted as follows: The contracting party proposing to sell shall select one member, the Secretary of the Treasury shall select a second member, and the individuals so selected shall select the third member. Members of such boards shall receive a reasonable compensation, to be fixed by the Secretary of the Treasury, but not exceeding $25 per diem, and traveling and other actual expenses incurred while engaged on the business of the board. The seller and purchaser under the contract shall each pay one-half of such compensation and expenses. The Secretary of the Treasury may prescribe all needful regulations in respect of such boards of arbitration.

DISTRIBUTION

SEC. 6. (a) Whenever the Secretary of the Treasury finds that distilled spirits in the amount of 5,000,000 gallons have been concentrated in authorized concentration or tax-paid warehouses, he shall by order promulgate such finding. Commencing 30 days after the date of such order, distilled spirits shall not be acquired by any person, other than a permittee under section 2, except (1) from stock in authorized concentration or tax-paid warehouses, or (2) from stock forfeited to the United States, or (3) in retail quantities from retail druggists.

(b) The Secretary of the Treasury may by regulation require the transportation of distilled spirits acquired from an authorized concentration or tax-paid warehouse to be made in whole or in part direct by railway express from the warehouse to retail druggists or other persons authorized under existing law to receive and use distilled spirits for nonbeverage purposes.

(c) If the Secretary of the Treasury finds that any person authorized to sell distilled spirits at retail has, after the approval of this act, sold any distilled spirits for more than their fair market value, he is authorized to revoke the permit of such person.

DISTINCTIVE BOTTLES—LABELING

SEC. 7. (a) All distilled spirits bottled under section 4 and all distilled spirits manufactured under section 2 and bottled—

(1) Shall be placed in distinctive bottles made under permit of, and in accordance with a design approved by, the Secretary of the Treasury;

(2) Shall be tested as to their character and quality at the time of bottling in accordance with regulations prescribed by the Secretary of the Treasury;

(3) Shall bear upon the bottles in which contained a label, made under permit of, and in accordance with a design approved by, the Secretary of the Treasury, certifying that the spirits are medicinal spirits bottled under the medicinal spirits act of 1927, and stating such other facts in such manner as the Secretary of the Treasury may by regulation prescribe;

(4) Shall, when withdrawn from an authorized concentration or tax-paid warehouse pursuant to a permit to purchase, bear upon the label of each bottle a statement, in accordance with regulations prescribed by the Secretary of the Treasury, of the price at which the bottle of spirits has been sold to the permittee holding the permit to purchase. The term "price" as used in this paragraph means that part of the total price under the contract of sale which is attributable to such bottle of spirits upon a basis of delivery in a deliverable state to the permittee at the authorized concentration or tax-paid warehouse from which withdrawn; and

(5) Shall not bear upon the bottles to which contained any label, brand, mark, trade-mark, or trade name, except such as are required by law or may be authorized hereafter by the Secretary of the Treasury. This paragraph shall apply only to distilled spirits manufactured under section 2.

(b) Commencing six months after the approval of this act, no permit shall be issued for the purchase, and no permit then in force shall authorize the purchase, of distilled spirits by any retail druggist or physician unless such spirits are medicinal spirits bottled under this act.

(c) Any person (1) who knowingly forges, counterfeits, or falsely makes any label approved under this section, or uses, attempts to use, possesses, distributes, obtains, accepts, or receives any such label knowing it to be forged, counterfeited, or falsely made, or to be used unlawfully, or to have been procured by fraud or unlawfully obtained, or (2) who, except under permit of the Secretary of the Treasury, knowingly designs, engraves, sells, or has in his control or possession any plate in the likeness of a plate used for any such label, or makes any plate, photograph, or impression of any such likeness, or has in his possession, a distinctive paper for use for any such label, shall, upon conviction thereof, be fined not more than $2,000 or imprisoned for not more than two years, or both.

(d) Any person who with intent to defraud, alters, mutilates, destroys, obliterates, or removes any label required under this section to be placed upon any bottle containing medicinal spirits bottled under this act, so long as such spirits are held for resale, shall upon conviction thereof be fined not more than $1,000 or imprisoned for not more than one year, or both.

(e) Any person (1) who, except as permitted under regulations prescribed by the Secretary of the Treasury, knowingly sells, or holds, or offers for sale except in the original unopened bottle, and distilled spirits bottled under this act, or (2) who knowingly counterfeits or falsely makes any distinctive bottle approved under this section, or uses, attempts to use, possess, distributes, obtains, accepts, or receives any such bottle knowing it to be counterfeited or falsely made, or to be used unlawfully, or to have been procured by fraud or unlawfully obtained, or (3) who, except under permit of the Secretary of the Treasury, knowingly designs, sells, or has in his control or possession any mold in the likeness of a mold used for any such bottle, or (4) who, except under permit of the Secretary of the Treasury, knowingly refills, in whole or in part, with any liquid any distinctive bottle approved under this section and sells, or holds, or offers for sale such liquid in such bottle, shall, upon conviction thereof, be fined not more than $2,000, or imprisoned not more than two years, or both.

IMPORTATION

SEC. 8. If the Secretary of the Treasury at any time finds that the available stocks of distilled spirits, suitable for medicinal purposes of any class or kind, are insufficient to meet the demand for distilled spirits of such class or kind for use for medicinal purposes, he is authorized to issue permits for the importation of such distilled spirits by such persons, for such times, in such quantities, and subject to such other requirements as he may prescribe.

SEPARABILITY OF PROVISIONS

SEC. 9. If any provision of this act is declared unconstitutional, or the application thereof to any person or circumstance is held invalid, the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

EXISTING LAW

SEC. 10. (a) The provisions of this act shall not be held to repeal any provision of the existing laws pertaining to intoxicating liquors or regulations or permits thereunder, unless in direct conflict with such laws or regulations.

(b) The provisions of this act shall not apply to the manufacture of grape brandy for fortification of sweet wines, or of rum for denaturation, or for export for nonbeverage purposes, or for use for nonbeverage purposes in customs bonded manufacturing warehouses, nor to the concentration, bottling, or distribution of such brandy or rum.

SHORT TITLE

SEC. 11. This act may be cited as the "medicinal spirits act of 1927."

The CHAIRMAN. The gentleman from Oregon [Mr. HAWLEY] is recognized for one hour in favor of the bill.

Mr. HAWLEY. Mr. Chairman and gentlemen of the House, this bill deals solely with pure medicinal spirits recognized by the eighteenth amendment and the existing laws for its enforcement and deals with the conservation, concentration, and better control of existing stocks, as well as of stocks to be made for replenishment, and with better control of the manufacture of new stocks of such spirits. H. R. 17130 proposes to effect the purposes of existing legislation at less expense to the Government and more efficiently.

Mr. KINDRED. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Oregon yield for a parliamentary inquiry?

Mr. HAWLEY. Not if it is to be taken out of my time.

Mr. KINDRED. Who has control of the time in opposition?

The CHAIRMAN. The gentleman from New York, as I understand.

Mr. HAWLEY. The bill, I repeat, proposes to do two things which the department has found necessary by the experience and information obtained. It proposes better methods for the manufacture of replenishment stocks and the handling of existing stocks with less machinery, and reduces the costs of administration and the costs to all others concerned, including those who use the spirits. It also assures the purity and soundness of the medicinal spirits. It does not modify existing law in any principle. It simply extends the principles upon which the existing law is based, or modifies rather than extends them for a more effective control of the conditions now confronting the country.

Under existing law when the stock of medicinal spirits in this country has been reduced by use until there is only about

a four-year supply on hand, the Treasury Department is required to issue permits for the manufacture of replenishment stocks, as spirits must be aged four years in charred barrels before they can be used as medicinal spirits. The Attorney General's office has advised the department that when replenishment becomes necessary, and permits are issued for that purpose, under existing law they will have to be issued to all who have like qualifications. Such permits will have to be issued this fall, as we understand. If these permits are issued to any one person—and there are 15 applications already pending—then other persons properly and correspondingly qualified can compel permits to be issued to them.

There were some 300 permittees or manufacturers before prohibition, and if the present law remains unchanged without a limit on the number of those to whom licenses must be given, we will have the condition as it was many years ago with distilleries manufacturing medicinal spirits scattered all over the country.

If this bill becomes a law, it will neither hasten nor delay the date at which the manufacture of medicinal spirits will begin.

Mr. CELLER. Mr. Chairman, will the gentleman say that the Secretary would not have the right to say that the commissioner should not issue as many permits and grant as many applications for permits as have been made to him? Would he not have some discretion to grant or refuse under the present law?

Mr. HAWLEY. The Attorney General has advised the department, after examination of decisions, that when the issuance of permits is begun permits would have to be issued to all applicants with qualifications similar to those who had been granted them and that the courts would compel this to be done.

Mr. CELLER. As I understand it, the situation is quite the contrary.

Mr. HAWLEY. I base my statement on the authority given. The bill limits the number of distilleries to not less than two nor more than six. If only two permits are given, it is understood that one will be for Bourbon and one for rye. Four more permits may be issued in case of emergency or in case it is thought two distilleries do not produce satisfactory competition or that prices are unreasonable. This will greatly reduce the cost of the administration of the law.

Mr. HILL of Maryland. Mr. Chairman, will the gentleman yield for a question?

Mr. HAWLEY. I regret I can not. I must take only 10 minutes.

When prohibition went into effect there were about 69,000,000 gallons of liquor in the country known as medicinal spirits. This was authorized to be concentrated in 37 warehouses, which number has been reduced to 31. There are now about 10,000,000 gallons of medicinal spirits. No one can tell the exact gallonage until a regauge has been made.

Mr. BARKLEY. Mr. Chairman, will the gentleman yield there?

Mr. HAWLEY. Yes.

Mr. BARKLEY. I am informed that last July it was reported that there were 46,000,000 gallons of medicinal whisky on hand.

Mr. CELLER. That was the original gauge, made back in 1923.

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield there?

Mr. HAWLEY. Yes.

Mr. LINTHICUM. What is the annual consumption of liquor?

Mr. HAWLEY. The annual consumption of medicinal spirits is about 2,000,000 gallons a year.

Mr. SABATH. That is, for medicinal purposes.

Mr. HAWLEY. Yes. That is all that this bill deals with.

Mr. LINTHICUM. Do you undertake to say that these two distilleries shall produce a million dollars worth a year for consumption?

Mr. HAWLEY. If there are only two?

Mr. LINTHICUM. Yes.

Mr. HAWLEY. They will produce about 3,000,000 gallons a year, which at the end of four years, after evaporation, leakage, and so forth, will be reduced to about 2,000,000 gallons in a year. The number of gallons being reduced to 10,000,000, it is no longer necessary to keep 31 warehouses in use. We propose to reduce the number of concentration warehouses to six. This will reduce the cost of administration by $1,000,000.

Mr. GARNER of Texas. Under the present law you can reduce it to six without further authority of law. The Treasury Department now can reduce it to six without an act of Congress?

Mr. HAWLEY. I believe so; but that it may be definitely settled the bill fixes the number at six. Six are amply sufficient to care for 10,000,000 gallons, which is the total amount, under present experience, that will be in them in order to provide a continuous supply.

Also since Congress must make the appropriations for the guarding, inspection, and so forth, of these warehouses, and since it involves a question of policy, it is believed that Congress should definitely fix the number.

Mr. GARNER of Texas. It seems to me strange they have not done it, if they have the authority.

Mr. HAWLEY. We propose at this time that all the spirits shall be bottled in distinctive bottles bearing distinctive labels; that only spirits so bottled and labeled can be sold, for the purpose of preventing diversion, protecting the purity of the spirits, and assuring to the Government the tax. If they are not bottled now, in four years the Government will lose in revenue from them about $4,000,000; but by putting them in bottles and putting the bottles in concentration warehouses the Government will secure the tax on the full amount of existing spirits. The owners of the property will also be benefited in the preservation of their property.

Mr. LaGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. CELLER. Will the gentleman yield right there?

The CHAIRMAN. Does the gentleman yield?

Mr. HAWLEY. I prefer to make my statement. The gentleman will have time later.

Each manufacturer is required to conform to the existing law, the regulations, and the terms of his permit.

The Constitution prohibits the manufacture, sale, and transportation only of intoxicating liquors as a beverage; and the medical associations of the United States have urged that the manufacture be begun at once, because at the time the present stocks are consumed, if no manufacturing is done immediately—the spirits being made only in the spring and fall—there will be a time when none of this material will be available for medical purposes.

Health officers, hospital officials, and other agencies interested in pure medicines have strongly indorsed this bill. The associations both for and against prohibition are favorable to the bill. When it was voted on in the Committee on Ways and Means, there was not a vote against it. As to that I have refreshed my memory by talking with several members of the Ways and Means Committee, and they all agree with me.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. HILL of Maryland. I understood the gentleman to say that the organizations both for prohibition and against it are for this bill.

Mr. HAWLEY. I have information to that effect, and will include it in my remarks.

Mr. HILL of Maryland. As I read the hearings, on page 178, the Anti-Saloon League is for it, and on page 119 the Association Against Prohibition is for it.

Mr. HAWLEY. As I have said, the question of wet and dry is not involved, nor is it a partisan question. It is simply a question of conserving the present stock and the manufacture of new stocks of medicinal spirits, and the proper control of the manufacture, warehousing, and distribution of them.

Mr. GARNER of Texas. The gentleman from Maryland is referring to hearings held on a bill which the committee killed by a vote of 16 to 8. They are not the hearings on this bill. So far as I know, no associations, even for or against prohibition, have expressed themselves on this particular bill. I think the gentleman from Oregon ought to put in the RECORD just the information he has.

Mr. HAWLEY. I have already stated that I have in my possession information from all the associations in this country that I know of, for or against prohibition, as well as from other organizations favorable to the provisions and purposes of this bill, and I have not a word from any of them against it. The only organization that is represented to be unfavorable is that of the retail druggists. I think they have been given unsound and misleading statements, which is certainly true if they are relying upon statements similar to those given in full-page advertisements in the local press. However, another speaker will discuss this matter fully.

Mr. BLANTON. Will the gentleman yield for one question?

Mr. HAWLEY. If the gentleman will make it brief.

Mr. BLANTON. Section 3 of this bill is the only section in the bill that has gotten the approbation of any prohibitionist. Section 3 is the only worthy section in the whole bill, and if you take it out it is nothing in the world but a wet bill pure and simple.

Mr. HILL of Maryland. Does the gentleman from Texas think it is a wet bill?

Mr. BLANTON. It is so wet that I will not vote for it at all.

Mr. SCHAFER. And it is so dry that I am not going to vote for it.

Mr. HAWLEY. I can not agree with the gentleman from Texas. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The gentleman has 48 minutes remaining.

Mr. HAWLEY. The proposed legislation, adhering to the principles of existing laws, brings the legislation up to date and is based upon experience. The original legislation was largely for work in an untried field. Modifications in the methods of handling the existing stocks are for the interest and benefit of all concerned who have respect for law. It provides a simpler and less expensive method for handling them. When the original legislation was enacted no one could foretell what the annual consumption of medicinal spirits would be. We now know. The bill, based upon the information acquired by experience, contains the necessary provisions to provide for sufficient supplies, under proper control, in the interest of the Government and all others concerned.

If any person opposed to the use of liquors as medicinal spirits thinks that by defeating the pending bill he could thereby prevent the further manufacture of medicinal spirits, and the bill should not pass, the result would be that the department will be compelled to issue a large number of permits to distilleries scattered throughout the country, in which would be made spirits of varying quality with increased opportunities for diversion and would undo the work of years. When medicinal spirits are to be made for replenishment they should be made pure, without possibility of adulteration or cutting and conserved, cared for, and transported under conditions that assure their purity to the retail druggist and the sick for whose use they are intended.

Bootleggers can oppose the bill because it is adverse to their illegal operations.

The provision requiring the spirits to be bottled in distinctive bottles, with distinctive labels makes the sale in any other container to be known as illegal and that the seller is engaged in an illegal traffic.

It is not possible in the brief time at my disposal to state in full all the beneficial provisions of the bill nor to discuss the measure in detail. The committee gave weeks to the hearing, heard all who desired to discuss the matters involved in this bill, and they were heard at such length as they desired. The all but unanimous opinion, as expressed by the witnesses who represented all varieties of opinion on the prohibition question, was that legislation of this kind was urgently needed, and such was the conclusion of your committee.

In addition to its other features, the committee considered it essential that the bill should be workable, that its language should be clear and easily understood, and that its purposes should be plainly stated. This, we believe, we have accomplished.

The Treasury Department believes the bill effective and capable of successful administration, as well as being vital to the proper administration of enforcement.

TREASURY DEPARTMENT,
ASSISTANT SECRETARY,
Washington, February 16, 1927.

Hon. WILLIS C. HAWLEY,
House of Representatives.

MY DEAR MR. HAWLEY: I understand that you desire an expression from me as to whether H. R. 17130 meets the administrative requirements in the medicinal spirits emergency situation. I believe it does.

It limits permits to manufacture new spirits for replenishment, in the Secretary's discretion, to not less than two and not more than six distilleries, thus avoiding the serious alternative, under existing law, of having to grant an indefinite number; it also provides for concentration in glass of all existing stocks into not more than six concentration warehouses, and thus accomplishes most desirable conditions for law enforcement and economy, as well as conservation of existing stocks and increased tax revenue; it also provides for placing all existing spirits into distinctive bottles under distinctive labels, with severe penalties for imitation, adulteration, etc., and, most desirable for law enforcement, provides for direct shipment from concentration warehouse to retail druggist, eliminating all middlemen and commission agents; it provides for importation, if importation be necessary, to provide medicinal spirits of any given class or kind, an important provision in case of future need.

To sum up, I believe the bill will accomplish the two main administrative purposes that I had in mind in recommending legislation at this time. It makes provision for the future supply of medicinal whisky under proper control and, in the second place, it corrects those existing conditions which make it difficult to prevent the diversion of medicinal whisky to beverage purposes and the adulteration of the supply actually sold in the retail trade for legitimate medicinal use.

Sincerely yours,
L. C. ANDREWS,
Assistant Secretary.

The several associations favoring the eighteenth amendment and the legislation for its enforcement, which associations have nation-wide organizations, favor the principles and purposes contained in the proposed legislation. That their position may be accurately represented, letters from their accredited representatives are printed below:

LEGAL DEPARTMENT, THE ANTI-SALOON LEAGUE OF AMERICA,
Washington, D. C., February 19, 1927.

Hon. WILLIS C. HAWLEY, M. C.,
Washington, D. C.

DEAR MR. HAWLEY: We have looked over your bill, H. R. 17130, relating to medicinal spirits, and find a number of helpful provisions in it relating to a better control of the distribution of such liquors. As an organization we are interested in those provisions of the bill which we believe make for better enforcement of the prohibition laws.

The national prohibition act, which prohibits the manufacture and sale of intoxicating liquors for beverage purposes, but does not prohibit them for medicinal purposes, places the responsibility upon the Treasury Department for the supervision of the supply, sale, and distribution of liquors for such medicinal purposes except in States where it is prohibited by State enactments.

H. R. 17130 sets forth methods proposed to meet this responsibility and to prevent the diversion of such liquors to beverage purposes as follows:

The reduction of the cost of administration; the providing of heavy penalties for the unlawful use of various labels, brands, and trademarks used by the bootleg industry; the concentration of all whisky from 37 bonded warehouses into 6; the limiting of replenishment of medicinal whisky supply to the operation of not more than six distilleries, whereas under the present law as many as might apply would have to be considered; the elimination of the bootleggers' supply of domestic bonded whisky for flavoring and coloring his alcoholic beverages; the provisions for the maximum of supervision of the distribution of medicinal spirits; the provision for the direct distribution of medicinal whisky from concentration warehouses to the retail distributer; and other eliminations which prevent opportunities for diversion and will aid law enforcement.

We suggest that you consider the advisability of reducing the number of distilleries that may be authorized to manufacture medicinal whisky as not to exceed four. There is no question but that six is more than sufficient to make the needed supply. Also a provision to eliminate sales agents by distillers to drum up trade, confining solicitation to correspondence by mail with retail druggists holding permits to sell.

If there is any doubt that the distiller should be required to give bond, this should be added. It is not mentioned, but is authorized under the existing law.

A provision penalizing the forging, uttering or possession of forged prescriptions would also be helpful in confining the distribution to strictly medicinal use, if such a provision would be germane to the bill. No adequate penalty for this offense is provided by existing law.

It would be helpful also to require that the whisky on hand, not already regauged, be regauged before manufacture is renewed in order to determine accurately the amount on hand.

We suggest these amendments in the interest of strengthening the bill, which seems to us, as a whole, will be an aid in law enforcement.

Yours cordially,

F. SCOTT MCBRIDE,
General Superintendent.
W. B. WHEELER,
General Counsel and Legislative Superintendent.

BOARD OF TEMPERANCE, PROHIBITION, AND
PUBLIC MORALS OF THE METHODIST EPISCOPAL CHURCH,
Washington, D. C., February 17, 1927.

Hon. WILLIS C. HAWLEY,
House of Representatives, Washington, D. C.

MY DEAR FRIEND: I want to congratulate you upon what seems to be a proper solution of the very vexing question as to how the Government can furnish medicinal spirits without contributing to the possibility of their diversion to beverage purposes.

Your bill, as reported from the committee, seems to me a happy solution of this problem, though, dealing with the kind of men we have to encounter in the liquor business, no law will operate very smoothly that puts any restrictions on them. So far as I can see, your bill carries out the constitutional amendment and properly safeguards the handling of liquors so as to keep it out of the hands of bootleggers. I want to congratulate you and wish you every success in having it enacted into law, for I am sure the department would have to handle

the subject anyway and it would be very much better to have it handled under a strict regulation, such as the bill provides, than to leave it to individuals to construct a method for carrying out the constitutional provisions.

Thanking you for the great pains you have taken in listening to all sides and, finally, constructing this statesmanlike piece of legislation, I am,

Sincerely your friend,

CLARENCE TRUE WILSON,
General Secretary.

THE NATIONAL TEMPERANCE BUREAU,
Washington, D. C., February 17, 1927.

Hon. WILLIS C. HAWLEY, M. C.,
House of Representatives, Washington, D. C.

MY DEAR MR. HAWLEY: On January 14, when H. R. 15601 was being considered by the Ways and Means Committee, I took occasion to write the chairman of that committee, Mr. GREEN, expressing my approval of the principles embodied in the proposed legislation.

Now, as the bill introduced by yourself, H. R. 17130, has been reported to the House with the recommendation that it do pass, permit me to say that the sentiments I expressed concerning the former bill apply to this later bill by yourself.

Concentration of all existing stocks of spirits should have been effected when the eighteenth amendment became operative, and I believe that this section of your bill, section 3, is essential for the supervision and distribution of alcohol and spirits through legitmate channels only. I believe that the methods provided in this bill for the manufacture and distribution of spirits for legitimate purposes would materially aid in better control of such spirits and therefore should have the support of those who favor the enforcement of the law.

Very sincerely yours,

EDWIN C. DINWIDDIE, *Superintendent.*

FEBRUARY 18, 1927.

Hon. W. C. HAWLEY,
House of Representatives, Washington, D. C.:

The National Woman's Christian Temperance Union desires to express its interest in H. R. 17130, and particularly indorses the following provisions in revised medicinal spirits bill: Those preventing diversion medicinal spirits for beverage purposes, providing severe penalties for imitation labels, for stronger Government supervision, and for further concentration of existing supplies. We believe these provisions will very greatly help law enforcement.

ELLA A. BOOLE,
President National W. C. T. U., Evanston, Ill.

A nation-wide indorsement of the bill by health officers, hospital officials, and others interested in the public welfare is also indicated in the following printed statements:

ASSOCIATION AGAINST IMPURE LIQUOR,
New York, N. Y., February 21, 1927.

Hon. WILLIS C. HAWLEY,
House of Representatives,
Washington, D. C.

MY DEAR SIR: I am sending you herewith clippings from to-day's New York newspapers, giving the result of a survey on the medicinal bill and reflecting the viewpoint of outstanding health officers, hospital officials, physicians, and laymen in all parts of the country urging the passage of this bill.

We trust that you will give their plea for immediate action to halt the bootleg menace your immediate consideration.

Very truly,

CHARLES CAPEHART.

P. S.—This, coming as it does, coincident with the statement of the head of the New York State health department—Dr. Matthias Nicoll—on the increase in alcoholic mortality, makes the need for the bill more urgent.

[From the New York Times, Monday, February 21, 1927]

REPORTS MANY BACK PURE LIQUOR BILL—ASSOCIATION GIVES OUT RESULT OF SURVEY ON MEDICINAL SPIRITS MEASURE—NAMES HEALTH LEADERS—DECLARES THAT BOTH WETS AND DRYS ARE IN FAVOR OF ACT PENDING IN CONGRESS

Health officers, hospital officials, physicians, and laymen from all parts of the country in response to queries from the Association Against Impure Liquor have sent telegrams indorsing the medicinal spirits bill, according to an announcement of the association yesterday. Dr. Charles Norris, medical examiner, is chairman of the association's advisory board.

The bill, now pending in Congress, seeks to place under Government supervision the existing supply of pure medicinal whisky. It is regarded as equally important for insuring the quality of the product on the one hand and preventing its diversion into bootleg channels on the other. For this reason, the association points out, it is favored equally by both wets and drys.

The association, says the measure, has the approval of the United States Treasury Department, of the American Medical Association, and of many different organizations, both medical and lay.

Those mentioned as favoring the bill include Representative OGDEN L. MILLS, Howard Chandler Robbins, dean of the Cathedral of St. John the Divine; Robert W. De Forest; the Rev. Charles S. MacFarland, general secretary of the Federal Council of Churches of Christ in America; Dr. S. Adolphus Knox, Dr. Bernard S. Oppenheimer, Dr. C. L. Dana, chairman of the public health committee of the New York Academy of Medicine; Dr. James M. Anders of Philadelphia, Dr. David G. Wylie, president of the Lord's Day Alliance, and Dr. George A. Collins of Denver, Colo.

Hospital superintendents who indorse the bill include Renwick R. Ross, General Hospital, Buffalo; John F. Bush, Presbyterian Hospital; Louis C. Trimble, Post Graduate Hospital; Louis J. Frank, Beth Israel Hospital; James U. Norris, Woman's Hospital; and Thomas K. Robertson, New York Eye and Ear Infirmary.

Health officers who indorse the bill include Dr. E. T. Handley, Seattle, Wash.; Dr. Thomas Tetreau, Portland, Me.; Dr. J. W. Wiltse, Albany, N. Y.; Dr. Wilmer Krusen, Philadelphia, Pa.; Dr. Leon Banov, Charleston; Dr. A. C. Bulla, Raleigh, N. C.; Dr. W. W. Gray, St. Joseph, Mo.

Others signifying their approval include Sumner N. Blossom, editor of Popular Science Monthly; Louis S. Bishop; Richard E. Danielson, Boston; L. F. Barker, Baltmore; L. B. Anderson; Walter W. McLaren, Williamsport, Mass.; Dr. John C. Hemmeter and Emma Fox, Detroit.

[From the New York World, February 21, 1927]

MEDICINAL LIQUOR BILL WIDELY URGED—PASTORS JOIN PHYSICIANS IN ASKING PASSAGE OF MEASURE NOW IN THE HOUSE—TELEGRAMS TO DOCTOR NORRIS—PURE SUPPLY HELD VITAL FOR TREATING PATIENTS

Vigorous approval of the medicinal spirits bill now before the House of Representatives is expressed in a flood of telegrams from prominent citizens, both wet and dry, to Chief Medical Examiner Charles Norris, of New York City, chairman of the advisory board of the Association Against Impure Liquor.

The need of pure liquor for therapeutic purposes was emphasized by the physicians expressing their views.

Some of the telegrams follow:

Dr. C. L. Dana, chairman of the public health committee of the New York Academy of Medicine: I am strongly in favor of any measure that insures druggists having good brandy and whisky. The present situation favors the bootlegger.

REASONABLE PRICES STRESSED

Robert W. De Forest: I am personally in favor of any bill to insure a continuous supply of pure medicinal spirits in retail drug stores at reasonable prices which has your approval and that of the Treasury Department.

Dr. S. Adolphus Knopf: I most emphatically indorse bill to assure continuous supply of pure medicinal spirits in retail drug stores at reasonable prices to prevent the diversion of medicinal spirits to beverage use. With equal emphasis I indorse the proposed measure fixing severe penalties for imitating labels on domestic brands in bootleg hands.

Dr. Bernard S. Oppenheimer: Strongly urge passage medicinal spirits act before Congress. Necessary for sick and old people to be assured pure supply medicinal spirits.

Louis J. Frank, superintendent Beth Israel Hospital: I heartily indorse the medicinal spirits bill. It is essential that an adequate supply of good whisky is at hand always for medicinal purposes. In diabetes whisky is the food which raises the caloric value without causing harmful results. Whisky is very useful in acute respiratory infections.

OF VITAL IMPORTANCE

James E. Norris, superintendent Woman's Hospital: Medicinal spirits most essential and constantly needed in treatment of our patients. Consider assurance continuous supply pure medicinal spirits of vital importance.

John F. Bush, superintendent Presbyterian Hospital: Continuous supply pure medicinal spirits absolutely essential to good medical practice. Physicians at present are greatly hampered by impossibility of securing legal supply of pure medicinal spirits at reasonable prices.

Dr. David G. Wylie, president Lord's Day Alliance: Any bill that guarantees purity, supplies medical liquor at a reasonable price, puts heavy penalties on imitating labels, seeks to curb bootlegging, our national disgrace, should receive the support of all loyal citizens. Let us stop poisoning our people.

A DISTINCT NEED

Dr. Leon Banov, health officer, Charleston, S. C.: Although our State laws prohibit sale medical spirits, I can see a distinct need for such medication and heartily indorse any bill that prevents the sale

of impure and ofttimes dangerous beverages under the guise of pure liquor.

Dr. John C. Hemmeter, of Baltimore, declared he had observed poisoning from supposedly medicinal spirits containing higher alcohol. Others urging the bill included Dean Howard Chandler Robbins, of the Cathedral of St. John the Divine; the Rev. Charles S. MacFarland, general secretary of the Federal Council of Churches; and public health officers in various cities.

AMERICAN MEDICAL ASSOCIATION,
BUREAU OF LEGAL MEDICINE AND LEGISLATION,
Chicago, February 18, 1927.

Hon. WILLIS C. HAWLEY,
House of Representatives, Washington, D. C.

SIR: I inclose herewith a confirmatory copy of a telegram sent to you on the 17th instant by Dr. Edward B. Heckel, chairman board of trustees, American Medical Association, relative to pending legislation looking toward the safeguarding of the supply of medicinal liquor.

Respectfully,

WM. C. WOODWARD,
Executive Secretary Bureau of Legal Medicine and Legislation.

CHICAGO ILL., *February 18, 1927.*

Hon. WILLIS C. HAWLEY,
House of Representatives, Washington, D. C.:

The house of delegates of the American Medical Association in 1922 adopted a resolution, as follows:

"*Resolved*, That the house of delegates of the American Medical Association in convention assembled, representing a membership of over 80,000 physicians, appeals to the Secretary of the Treasury and to the Congress of the United States for relief from the present unsatisfactory conditions and recommends that provisions be made for supplying bonded whisky for medicinal use only at a fixed retail price to be established by the Government."

The board of trustees, in session February 17, 1927, indorses the bill now pending in Congress—H. R. 17130—in so far as it carries out the principles embodied in this resolution.

EDWARD B. HECKEL,
Chairman Board of Trustees.

The Association Against Prohibition indorses the bill:

THE ASSOCIATION AGAINST THE
PROHIBITION AMENDMENT (INC.),
Washington, D. C., February 16, 1927.

Hon. WILLIS C. HAWLEY,
House of Representatives, Washington, D. C.

DEAR MR. HAWLEY: We have just received a copy of your bill (H. R. 17130) providing for the manufacture of medicinal spirits.

I think I may fairly say that our organization is the only important wet organization doing work in the District of Columbia, and if we can do anything concrete to aid in securing the passage of this at the present session, you have only to call upon us and we will work with you.

Unfortunately, my business office is here in Baltimore, but if you will get in touch with our offices in Washington (709 Lenox Building, phone Main 997), our Mr. Hempstead will be glad to come to see you at any time and will then communicate with me, and our whole organization will do anything that you want done.

On the whole, we somewhat regret the alterations that have been made in the original bill proposed by General Andrews; nevertheless, we do feel, first, that those who are sick and actually need medicinal spirits will be greatly benefited by your bill and that health will be bettered and lives saved by it. Second, we believe that General Andrews and the Treasury Department generally are entitled to any help we can give to bring about conditions which will enable them to better administer the law.

In short, we are against the eighteenth amendment as being governmentally bad; we are against national prohibition as being impracticable; and we are against the Volstead Act as being in many respects a usurpation of power and as defeating the cause of real temperance through its fanatical clauses. However, in spite of all these things, we do believe that while the law is on the books we, and everybody else, while free to work for its alteration, should be earnest in our efforts to uphold the hands of its officers and to lift the great burden which this sort of legislation has laid upon them. To that end we are ready to work with you at the slightest hint.

Sincerely yours,

W. H. STAYTON,
National Chairman.

Favorable statement is made by the representative of the operators of concentration warehouses and the present owners of considerable quantities of medicinal spirits.

WASHINGTON, D. C., *February 18, 1927.*

Hon. W. C. HAWLEY,
House of Representatives, Washington, D. C.

DEAR SIR: H. R. 17130, relating to medicinal spirits control, has come to my attention as counsel for concentration warehouse operators and owners of distilled spirits under existing law. My clients are, of course, deeply interested in this subject, as they are responsible as warehousemen for not less than 80 per cent of the existing medicinal spirits in bond and are large owners of medicinal spirits.

As I stated before the Ways and Means Committee respecting the first proposed single Government controlled corporation, my clients were in the position neither of approving nor opposing that measure. Some features therein tended to arouse question in their mind as to the workability of such a single corporation, to say nothing of the coercive provision therein which tended to divest existing owners of any independence in business operation with respect to their property. On the other hand, the measure seemed to be the only proposal then put forward to deal with the necessity of new production of medicinal spirits in the face of what is a certain exhaustion of existing stocks. My clients being fully familiar with the existing state of facts and the certain prospects of ultimate exhaustion of existing domestic supplies, fully realize that, unless some more definite provision for replenishment of stocks is created by Congress, the existing provision of the Willis-Campbell Act will be practically impossible of orderly administration.

The concentration warehousemen generally find the fundamental principles of the present bill feasible. These men believe that they can cooperate and privately finance two or more corporations, according to the provisions in that regard, and can over a period of time maintain fair prices for medicinal spirits, while at the same time providing funds for continuous crops of new spirits, to be marketed at fair prices in accordance with the provisions of the bill. At the same time the Government would effect savings in supervision and can secure the economies due to avoidance of evaporation and leakage in present stocks. Aside from these considerations the prime necessity for legislation of this kind at this time, as was stated before the Ways and Means Committee, is found in the problem of new production.

Two reasons exist for the limitation of manufacturing permits. In the first place if a large number of manufacturers engage in production, there is the danger that continuous crops in regular volume would not be produced, the production would be scattered, and in the small individual quantities the cost would be excessive, Government supervision expenses would be multiplied, and the entire operation would be uneconomical. It is, of course, undesirable to scatter the stocks. This would be contrary to the principle upon which the concentration provision was founded and would tend to difficulty of prohibition enforcement with respect to individual stocks maintained in many separate places.

In the second place, it is very doubtful whether the financing of new production, which will require the investment of capital in maturing stock for at least four years, would be feasible if a large number of individuals attempted to engage pro rata in manufacture. Experience in the concentration operation has shown that the warehousing of medicinal spirits and a fortiori, the more elaborate undertaking of manufacture can not safely be conducted either from the business standpoint or from the prohibition-enforcement standpoint, except by houses of substantial financial strength. Concerns in a failing financial condition are naturally subject to temptation to depart from the rigor of the prohibition laws when the profits possible thereby may recoup increasing losses. On the other hand, soundly financed establishments adhere strictly to the law, if for no other reason than to maintain the protection of their investment from any danger due to Government prosecutions.

There have been substantially no criticisms of the soundly financed concentration operations conducted by management experienced in the storage and handling of spirits. It is, of course, necessary in case of manufacture that men experienced in the art should be responsible for new production.

You may safely be assured that the existing interests in the business, if intrusted with manufacturing permits under the proposed law, would be fully competent both in a financial way and in business experience to conduct this further operation.

It should be kept in mind by Congress that the eighteenth amendment to the Constitution expressly reserves from the prohibition of that amendment distilled spirits for nonbeverage purposes, and, of course, the chief nonbeverage use for aged spirits is for medicinal purposes.

To this extent the eighteenth amendment constitutionalizes medicinal spirits, and as a pharmaceutical product medicinal spirits are exempt from the eighteenth amendment, except for the power of Congress to regulate their manufacture, control, and distribution in order that beverage uses thereof may be prohibited. Congress in this field is dealing with an ordinary pharmaceutical subject only to the power to regulate. Congress should, however, realize that no prohibition or non-

prohibition question is presented in dealing with the problem of assurance of supply of medicinal spirits thus expressly reserved in the eighteenth amendment. It may well be stated that it is the duty of Congress to assure proper stocks of these medicinal spirits. In fact, the original national prohibition act so provided, and the Willis-Campbell Act, supplemental thereto, shows that therein Congress again undertook to make arrangements regarding these supplies. It is only the unworkability of that act which makes necessary a further and more definite provision in this regard, full attention being given to the necessity of supply on the one hand and proper control thereof for prohibition enforcement on the other.

Medicinal spirits are truly a pharmaceutical product, and any failure of the public authority either through action or nonaction to secure supplies of this pharmaceutical product is in itself a negation of the constitutional provision.

In dealing with a State statute of Kentucky attempting arbitrarily to tax medicinal spirits after the adoption of the eighteenth amendment, Circuit Judge Denison, sitting on a special court of three Federal judges, enjoined State collection of the tax on the ground that the tax was confiscatory, and took occasion to point out that the constitutional and statutory prohibitions of intoxicating liquor as a beverage had gone far to remove the burden of public reprobation which formerly attended the general trade in beverage-distilled spirits, and concluded that these pharmaceutical products were by virtue of the changed state of the law subject to treatment as any other merchandise. (Frieberg v. Dawson, 274 Fed. 420.)

I mention this case as pertinent only in suggesting that Congress in dealing with this question should realize that no aspect can arise by virtue of difference of opinion on the fundamental question of prohibition policy. The prime topic in this matter is one of means of production of medicinal spirits, the necessity for a supply of which is already sanctioned by the constitutional amendment and existing general statutes.

Respectfully,

LEVI COOKE.

Mr. Chairman, I reserve the balance of my time.

Mr. CAREW. Mr. Chairman, I rise in opposition to the bill.

The CHAIRMAN. The gentleman from New York, a member of the Ways and Means Committee, is recognized for one hour in opposition to the bill.

Mr. CAREW. Mr. Chairman and gentlemen of the committee, I do not know of any reason why this legislation should be proposed or furthered. I do not think there is a single thing proposed in it that can not be done now under the present existing law.

The gentleman from Oregon, of course, is not a lawyer. He said that the Attorney General had in some way or other advised him or somebody on the committee that if the Commissioner of Internal Revenue or the Secretary of the Treasury now wanted to issue permits to manufacture liquor they would not have any discretion as to the number of persons to whom they should issue permits. Now, I do not believe there can be found any well-considered opinion, neither of a court nor of the Attorney General, to that effect. I am very confident that under the present law, if the Secretary of the Treasury wanted to authorize 5, 10, 15, or 20 distillers to start in on the process of distilling liquor, he would be upheld in his right to do it, and without limit, by any court before which any other applicant might make application. I do not believe any responsible lawyer on the floor of this House who considers this question will differ with me on that proposition.

I am opposed to this legislation because I think it is unnecessary. Of course, as the gentleman from Texas [Mr. GARNER] said, this is a great deal better than the villainous proposition that was first brought before the Ways and Means Committee. That was really as finely adjusted a machine for the blackmailing of those who might be indirectly or directly interested in the liquor business as I ever saw, but due to the energy of the gentleman from Texas even the chairman of the committee, who had sponsored that bill, finally repudiated that bill, and the proposal which he now brings before the House strikes me as being more of a milk-and-water proposition than anything else. It really does not do any good, and I do not believe it will do a lot of harm except, if it gets into the hands of men who want to, it will be the source of a great deal of corruption in the Government. God knows the prohibition law has already injected an immense amount of corruption and villainy into the civil service, the military service, the naval service, and the Coast Guard Service of the United States. I do not remember in my time that I ever heard of so much rottenness as this Volstead law has injected into the personnel of the Government.

I am afraid this bill is simply going to aggravate the situation. I think we are going to have more scandals. I think that even honest men are going to be unjustly scandalized and slandered because of the fact they will be put in contact with the administration of this law.

In my opinion the real remedy for this situation is the repeal of the Volstead law and the repeal of the eighteenth amendment. [Applause.]

Mr. UPSHAW. No.

Mr. BLANTON. Reserve the balance of your time.

Mr. CAREW. I am not going to reserve the balance of my time until I walk over here and pay my respects to my good friend from Georgia. I have known him for a long while. He has been a source of amusement to me [laughter] ever since he appeared here and a delight. He has added to the gaiety of nations; but, on the other hand, I have the idea way in the back of my head that he has made the United States a sort of object of ridicule and a joke to the rest of the world.

I think there is no solution of this problem except the one I have indicated, and I am going to reserve the balance of my time, Mr. Speaker, in the hope that some of my wet and dry friends on this side and on that side of the House will contribute their little to the destruction of this villainous piece of legislation. [Applause.]

Mr. HAWLEY. Mr. Chairman, I yield eight minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, in answer to the gentleman who has just taken his seat, who says that he neither believes in the eighteenth amendment nor the Volstead Act, I want to say I believe in both, and I believe we should do everything we can to enforce the eighteenth amendment. [Applause.] This bill is intended to assist in that purpose.

I hold in my hand an extract from an opinion which I will later insert in the RECORD, given by the Attorney General, in Volume 32, Opinions of Attorneys General, page 467, directly contrary to the opinion which the gentleman from New York has just expressed. The gentleman takes the position we can control the output by the number of places licensed or the number of permittees for the manufacture of medicinal spirits, but, according to the opinion that I will insert in the RECORD, permits must be issued on application, just so long as the applicant is properly qualified. It is to avoid that very feature, to a large extent, that we have prepared this bill. We say definitely by law now, when this bill is passed, that only from two to six places may manufacture medicinal spirits in the future. This is exactly what we want to accomplish. We also want to accomplish by this bill the concentration of existing supplies of medicinal spirits and to limit just as closely as we possibly can the future manufacture.

Mr. HILL of Maryland rose.

Mr. TREADWAY. I am very sorry I can not yield, but I have only eight minutes.

Mr. HILL of Maryland. I only want——

Mr. TREADWAY. I know the gentleman only wants to ask one question, and probably others would like to do the same, but I must decline to yield in the brief period I have, if the gentleman will permit.

Mr. Chairman, I think we have reached this point: We either want to make every effort possible under the law to see that pure medicinal whisky is supplied for medicinal purposes by doctors' prescriptions and assure the doctor and the patient that they are getting a pure medicinal liquor, or else we want to leave the business wide open and not try to enforce the Volstead Act or the eighteenth amendment. This House to-day has the opportunity to choose between these two courses and that is all there is before us.

This bill has been most carefully prepared. As has already been said, the Committee on Ways and Means refused to recommend the bill suggested by the Treasury Department. I was one of those voting against reporting that bill. We have taken out of this measure all speculative or profiteering opportunities and we have placed safeguards around the entire disposition, both of the present stock of liquor and the newly manufactured liquor. Beginning with the concentration period and the bottling period, it must be sold at a fair and reasonable price clear through to the retail druggist who sells to the consumer.

Mr. BLANTON rose.

Mr. TREADWAY. I have already declined to yield.

This is what we accomplish under the terms of this bill if the bill is enacted into law as written, and that is the sole purpose of the bill. It is in no sense, as the chairman of the Rules Committee has said, a wet or dry proposition. It is a medicinal spirits proposition.

So far as I know the only people opposing the measure are the retail druggists, and I do not think they actually know what is in the bill. The retail druggists are represented in Washington by a gentleman who is now in the gallery and who, I think, does the retail druggists much more harm than he does good.

He has passed the word to every retail druggist in the United States through the State associations that this is an effort to prevent them from selling goods at a fair price. It is no such thing. It is as much a protection to the retail druggist as it is to the doctor or the patient for whom the doctor is prescribing. I have a lot of friends who are retail druggists, who do not want to profiteer and who would rather not sell bootleg liquor.

They will be pleased when they know the provisions of this bill, because they will be protected not only in securing a good quality of medicinal whisky but in addition to that they will be protected in making a fair profit on the transaction.

A misleading pamphlet and incorrect page advertisement have been issued by the gentleman to whom I referred which contain erroneous and inaccurate statements. The druggists with whom I am acquainted—and I know a great many of them—are law-abiding citizens, anxious to do business only in a proper and legal manner. This bill will be of direct benefit to them in enabling them to do business in that way.

I am authorized to say that the physicians strongly favor this measure. One of the trustees of the American Medical Association, a leading physician in this city, has just returned from Chicago, where he attended the meeting of this board of trustees. The board is authorized to act for the American Medical Association between the sessions of that association, which comprises 90,000 of the reputable physicians of this country. These trustees had before them last week in Chicago, House bill 17130, the form in which the bill is before the House to-day, and they went on record as indorsing its provisions.

I also received this morning from the director of the Association Against Impure Liquor in New York clippings from yesterday's New York papers giving the result of a survey on this bill and reflecting the opinions of prominent health officers, hospital officials, physicians, and laymen in various parts of the country urging the passage of the bill. The director urges immediate action to stop the bootleg menace, and in a postscript he adds that this survey, coming so near the time the head of the New York State Health Department, Doctor Nicoll, made his statement on the increase in alcoholic mortality makes the need of the passage of the bill all the more urgent. This association has received replies from many leading physicians, superintendents of hospitals, health officers, and leaders in public welfare, all indorsing this particular bill.

It will develop during this debate that there are two sets of Members opposed to the bill. One group is comprised of the extreme wets, who acknowledge they do not wish any effort made to live up to the eighteenth amendment. The other group is composed of the extreme drys, who if they had their way would prevent the use or manufacture of any medicine containing alcohol. Neither of these groups exercises reason. Here is a measure framed to carry out, so far as we can see, the proposition of the legal use of alcohol for medicinal purposes and to add to the existing law sufficiently to prevent the illegal manufacture or sale of liquor injurious to the public health.

For my part I prefer to be grouped with the class following the sane, middle course, rather than with either of the two extremes to which I have referred.

Mr. ROBSION of Kentucky. I would like to know who fixes the price.

Mr. TREADWAY. In every instance the bill designates that a fair and reasonable price can be had under the authority of the Secretary of the Treasury and under the provisions made by his regulations. There is also provision for arbitration if parties fail to agree. I, for one, let me say, have much more confidence both in the Secretary of the Treasury and his enforcement officers under General Andrews than was expressed by my good friend from Texas [Mr. GARNER]. [Applause.] We believe that they are offering us a sincere effort to see that medicinal spirits are supplied at the proper price to the consumer or, to use a better word, patient, for whom the doctor prescribes it as a medicine in 26 out of 48 States. There is the whole story.

One other thing; the statement has been made by the Senator elect from Kentucky [Mr. BARKLEY] that there is not a chance to pass this bill in the Senate. I suppose his word as to what the Senate will do is better than ours, but he has not yet been sworn in as a Senator. On the other hand, we are assured by the leaders of the Senate that if the House passes the bill the Senate will do so, because we have reached the time where, if there is a desire for real enforcement, preparations must be made for the future. There is not to exceed four years' supply of medicinal whisky now in the bonded warehouses. The testimony before us shows that it requires at least four years to prepare whisky, and to age it as should be done for proper use as medicinal spirits. Therefore we face an emergency that ought to be acted upon before the expiration of this Congress. I say to you that it is our duty to pass the bill to-day, and the duty of the Senate to pass it when it reaches that body. [Applause.]

The provisions of the bill have been explained in the report of the committee and in the remarks of the chairman of the subcommittee which framed it. I am gratified to have been a member of the subcommittee, particularly in view of the fact that the original bill was disapproved by the committee and that, as reframed, it received the hearty indorsement of those who had previously opposed the Treasury measure.

Reference has been made to the amount of available medicinal spirits. On page 25 of the hearings is a table inserted by General Andrews at the request of Mr. GARNER. It will be noted that the total entry gauge made in 1922 shows the presence then in concentration warehouses and elsewhere of 23,814,000 gallons. Ten per cent evaporation of this quantity in four and one-half years, together with sales to January 1, 1927, reduced the maximum quantity on hand to 12,788,000 gallons. It is conservatively estimated that there are not to exceed 10,000,000 gallons now available. This is additional evidence of the need of prompt action.

The opinion of the Attorney General, to which I referred, together with several supporting decisions of Federal courts, follows:

DEPARTMENT OF JUSTICE,
March 5, 1921.

SIR: This will acknowledge receipt of your letter of February 21, requesting an opinion on the following questions:

"1. Whether the Commissioner of Internal Revenue is authorized under the Volstead Act to issue a permit for the manufacture of whisky for medicinal purposes.

"2. Whether the Commissioner of Internal Revenue is authorized under the Volstead Act to issue a permit for the manufacture of beer and other malt liquors, with an alcoholic content in excess of one-half of 1 per cent for medicinal purposes.

"3. Whether the Commissioner of Internal Revenue is authorized under the Volstead Act to issue a permit for the manufacture of wine and other vinous liquors, with an alcoholic content in excess of one-half of 1 per cent for medicinal purposes.

"4. If your answer is in the affirmative in any or all of the above-mentioned cases, please advise me whether by regulations, approved by the Secretary of the Treasury, the quantity to be prescribed by physicians may be limited or controlled.

"5. If your answer is in the affirmative as to one or all of questions Nos. 1, 2, and 3, please advise me as follows:

"(a) May the commissioner under regulations to be approved by the Secretary of the Treasury limit the number of permits for manufacture or sale within any particular State, subdivisions of States, or locality after he has determined as a matter of fact that a certain number of permits would be all that reasonably would be necessary to take care of these products for medicinal purposes?

"(b) May the commissioner as a matter of administration in the exercise of his administrative judgment determine that no permits whatsoever should be issued in any particular State, locality, or subdivisions of States, or in the country as a whole?"

In answering the first three questions it may be well to quote the language of my opinion of December 13, 1920 (32 Op. 361), where, in referring to section 1, Title II of the national prohibition act, I said: "The word 'liquor' is expressly defined in section 1, above quoted, to include whisky and other liquors there enumerated." In section 1 it is provided that the term "liquor" includes "alcohol, brandy, whisky, rum, gin, beer, ale, porter, and wine, and in addition thereto any spirituous, vinous, malt, or fermented liquor." (41 Stat. 307.) It will thus be seen that the liquors enumerated in your first three questions come within the definition of the term "liquor."

It was not the purpose of Congress to prohibit the use of liquor for nonbeverage purposes, as is evidenced by the wording of the title of the national prohibition act.

"An act to prohibit intoxicating beverages and to regulate the manufacture, production, use, and sale of high-proof spirits for other than beverage purposes, and to insure an ample supply of alcohol and promote its use in scientific research and in the development of fuel, dye, and other lawful industries." (41 Stat. 305.)

However, it was necessary to regulate the traffic in nonbeverage liquor in order to accomplish the purpose of the act, which was, as stated, to prevent the use of liquors for beverage purposes. The use of liquor as a medicine was recognized by Congress to be a nonbeverage use. This is shown by the provisions made for the issuance of permits to prescribe. (See sec. 7, Title II, 41 Stat. 311.) I am therefore of opinion the commissioner may issue permits for the manufacture of liquors for medicinal purposes.

If by your fourth question you mean to inquire whether it is competent by regulation to limit, except as prescribed by the statute in the case of spirituous liquor, the quantity of liquor that a physician may

prescribe for the same patient within a given period of time, I think the question must be answered in the negative. The statute forbids a physician to prescribe liquor except when, after the required examination or investigation, "he in good faith believes that the use of such liquor as a medicine by such person is necessary and will afford relief to him from some known ailment." Congress has imposed the sole additional limitation that not more than a pint of spirituous liquor shall be prescribed for the same person within any period of 10 days. Subject to this limitation, obviously there has been committed, not to the judgment of the commissioner and the Secretary of the Treasury but to the professional judgment of the physician, the question of the quantity of liquor that may be used to advantage as a medicine in each case. As to this question, I think the intention was to leave the physician unfettered by governmental control but subject to be dealt with criminally and by revocation of his permit if he acts in bad faith. A regulation, therefore, which would substitute the judgment of the commissioner and the Secretary of the Treasury for the good faith of the physician by fixing a limit upon the amount that could be prescribed in a given emergency or during a given period of time would, in my opinion, be without authority and void.

However, the authority to make regulations governing the manner in which liquor may be prescribed is clear and ample. Any regulation reasonably deemed by the commissioner and Secretary proper to limit the distribution of liquors for medicinal purposes to cases in which a physician, in good faith, believes necessary will be valid. To authorize a physician to prescribe at one time a large quantity of liquor on the theory that the necessity for its use will probably continue during a long period in the future would lead to abuses and enable persons to obtain liquors that might in fact never be required for the purpose for which prescribed. This, I think, was never contemplated, and I am of opinion that the regulations may very properly limit the quantity of liquor of any and all kinds which shall be called for by a single prescription. The regulation may provide that no prescription shall call for more than the physician, acting in good faith, believes will actually be required during a given number of days, or it may simply provide that no prescription shall call for more than a given quantity.

In answer to your questions 5 (a) and 5 (b), I am constrained to the view that the commissioner and the Secretary are without authority to limit the number of permits to be issued for the manufacture or sale of liquor for medicinal purposes within a particular section of the country upon the sole ground that a given number will be sufficient.

The manufacture or sale of liquor for medicinal purposes has not been prohibited. The constitutional amendment does not expressly confer power to prohibit either. It may be assumed that Congress, for the purpose of making the prohibition law effective, could have placed some limit upon the quantity of liquor that should be either manufactured or sold for medicinal purposes, and that it might have indicated, in general terms, the character of such limitation and authorized the executive officers to carry out the purpose thus expressed by proper regulations. I can find in the act, however, no purpose either to directly impose such a limitation or to confer upon the executive officers any power to do so. I think, therefore, that a regulation having this in view would be in effect an amendment of the statute and not a mere regulation to carry out the expressed purpose of Congress. Section 6 of the act contains a number of provisions relating to permits, and must be taken to describe in general the scope of the regulations which may lawfully be promulgated. There is no reference here, however, to a purpose to limit the quantity produced or sold. With respect to the sale at retail for medicinal purposes the act itself confines such sales to a very narrow limit by providing that—

"No permit shall be issued to anyone to sell liquor at retail unless the sale is to be made through a pharmacist designated in the permit and duly licensed under the laws of his State to compound and dispense medicine prescribed by a duly licensed physician. No one shall be given a permit to prescribe liquor unless he is a physician duly licensed to practice medicine and actively engaged in the practice of such profession." (41 Stat. 310, sec. 6.)

Practically, therefore, no permit for sales at retail can be granted except to a druggist who is himself a licensed pharmacist or who employs such a pharmacist. As between different applicants for permits who meet this and the other requirements of the act, I am unable to find any authority for discriminating. I think it was the intention of Congress that all reputable drug stores authorized to compound and dispense medicine prescribed by physicians should be entitled to a permit to sell liquor at retail on such prescriptions. I can not believe that it was the intention that the executive officers should have authority to say that one reputable druggist in a community should have a permit and another equally reputable should not. If there are a number of reputable drug stores in a community, I can not find in the act anything which authorizes the commissioner and Secretary to say that some of them shall be denied a permit merely because, in the opinion of these officers, the others will be able to meet the legitimate demand for liquor for medicinal purposes. It may be that Congress might have conferred the power to thus select what may be deemed a sufficient number to receive permits and then to deny all other applications made from the same community. But I do not think this has been done.

With respect to sales at wholesale for any nonbeverage purpose, the act imposes limitations as to the class of persons who may receive permits. But again I can find no authority to discriminate between persons within that class by limiting the number of permits to be issued.

With respect to persons who may receive permits to manufacture, there does not seem to be any limitation as to the class of such persons.

On the whole, I am of opinion that there is no authority to limit the number of permits, either locally or for the country as a whole, because the commissioner and Secretary may be of opinion that a larger number are not necessary. I must, therefore, answer the two questions embraced in your No. 5 in the negative.

Respectfully,

A. MITCHELL PALMER.

To the SECRETARY OF THE TREASURY.

The following decisions of the Federal courts support the above opinion of the Attorney General:

Vollmer Beverage Co. *v.* Blair (2 Fed. (2d) 469, D. C. E. D. Pa., Nov. 19, 1924); Fred Feil Brewing Co. *v.* Blair (2 Fed. (2d) 879, D. C. E. D. Pa., Dec. 23, 1924); Gautieri *v.* Sheldon (7 Fed. (2d) 408, D. C. D. R. I., Aug. 6, 1925).

The opinion of the Supreme Court of the United States in Ma-King *v.* Blair (1926), 271 U. S. 479, holds that the Commissioner of Internal Revenue has power to refuse permits to applicants not qualified therefor, but does not in any way dispute the propositions set forth in the above decisions that the Commissioner of Internal Revenue may not discriminate in the issuance of permits between applicants who are properly qualified or deny a permit to any applicant so qualified.

Mr. CAREW. Mr. Chairman, I yield the balance of my time to the gentleman from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. Mr. Chairman, I yield six minutes to the gentleman from New York [Mr. KINDRED].

Mr. KINDRED. Mr. Chairman and gentlemen of the committee, I approach this question, in the very brief discussion of it, in the time given me, strictly from a doctor's standpoint. It is a singular fact that there is no reference in this bill to the important matter of fixing the standard of quality of medicinal spirits as medicine for the sick. In several sections of the bill this feature should be most carefully safeguarded in this particular. It does provide in certain sections of the bill that the standard of alcoholic strength by volume and weight shall be maintained by mixing similar stocks with each other if necessary. But it is a matter of absolute importance from the standpoint of the sick man as well as in the administration of any drug—and alcohol is a drug in the sense in which we are now speaking of it—that the drug administered should have the standard of drugs made by Squibb, Parke Davis, and some other manufacturers; but under the terms of this bill there is a studied neglect to fix the most important element—that is, the highest standard of quality of medicinal spirits, as an important drug.

I want to refer briefly in this connection—and I shall refer to it more in detail later—that there is a very important and vital question as to the regulation by the Treasury Department in placing in nonmedical whisky the poisonous elements in lethal doses to kill the poor unwary fellow who sometimes takes the chance of taking a drink.

There is another feature of the bill to which I desire to call attention, and that is the price to the poor sick patient of an important drug like medicinal spirits is not fixed, but with studious care is open to a loose construction in the bill, which in my opinion will rob the poor sick of this country in behalf of the most stupendous trust ever constituted by law.

That is the trust which is to be legalized here, to be limited to not less than two nor more than six licensees, who are to control and own the 2,000,000 gallons of medicinal spirits which are consumed in each year, and also to the unlimited supply that will be manufactured after the first year under the operation of this law, as well as other existing supplies, amounting to approximately 27,000,000 gallons.

Now, in support of both of those statements, I refer to the provisions of the bill, which simply uses the language that liquor shall be sold by the licensees or permittees at a reasonable price. Gentlemen, having lived under the shadow of Wall Street during the past 35 or 40 years, I know that this trust can water every share of stock that they issue, and will as a complete monopoly, and keep up the price of medicinal spirits to the public. We know that the salaries can be fixed by this Whisky Trust at outrageously large sums, we know that it can be loaded with unreasonable expenses, and that those extravagant salaries and other charges can be charged up to cost and be sustained probably in a court. There should be a limitation in this respect as to what is a reasonable cost of medicinal spirits to the public and especially to sick poor.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. KINDRED. I am sorry I have not the time. There is another aspect of the bill which deals with the druggist. The neighborhood druggist is the friend of the poor people everywhere. In exceptional cases we know—and to my knowledge it is so—some druggists have violated the law, some have diluted the liquor and made it impossible for those who really need the liquor in the quantities now allowed physicians under the regulations of the Treasury Department, namely, 1 pint in 10 days to each patient, to obtain it in pure, unadulterated form and at a price within their means; but I am glad to bear testimony to the fact that the vast majority of the 53,000 retail druggists in this country are law-abiding, worthy citizens, who desire only a square deal under this bill.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. HAWLEY. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. CROWTHER].

Mr. CROWTHER. Mr. Chairman and gentlemen of the committee, of course there still exists a great difference of opinion among physicians as to the medicinal value of alcohol. I should say they are divided about evenly, from my experience with them.

Mr. KINDRED. Mr. Chairman, will the gentleman yield?

Mr. CROWTHER. The gentleman will excuse me, as I have only five minutes, and I can not yield at this time. However, this legislation will be helpful in enforcing the Volstead Act—and I am just as strongly in favor of that as my colleague from Massachusetts [Mr. TREADWAY], and I will support the eighteenth amendment and the Volstead Act as long as they are the law of the land. Of course, a great many will vote for this bill on both sides of the House, irrespective of their political affiliation and will always stand by the dry side of the question; but I say to my Republican friends that if we expect to be successful in this coming national election the only thing for the Republican Party to do is to stand foursquare in favor of the eighteenth amendment, the Volstead Act, and say to the people of this great Nation that we have an enduring faith in the Constitution of the United States. [Applause.]

This we must do, without any side-stepping, ducking, or dodging of any kind or description. Gentlemen of the committee, the Volstead Act recognizes medicinal whisky and its value, and does so by a provision in the law; and so long as a physician may supply those who need it with a pint every 10 days, I think we should provide for the necessity of replenishment. Of course, I am not foolish enough to believe that every prescription which is issued is for somebody who is sick. I know that a great many of them are issued for those who have a thirst. It may be said there is provision made in the present law for replenishing. I would term it a mere authorization, because there is no real provision made, but the law states that the commissioner may replenish his supply by importation and by manufacture. That is in the present act. So I think we ought to comply with that, and I think that is what the language in this bill does. This bill was prepared by the subcommittee and is the result of careful study, after hearings that went to a considerable length in the discussion of the subject.

I think it is a fair measure. I do not look with such great suspicion as does my friend from Texas [Mr. GARNER] upon everyone who is connected with the Government. I believe we ought to act upon the supposition that the Treasury Department as well as every other department of the Government has at its head an American citizen of integrity and that the employees in the departments are honest and capable and desirous of rendering the Government real service. I think they ought to be honored for their loyal efforts rather than to be constantly under suspicion. [Applause.]

A very radical dry Member said to me, "Oh, do not have any legislation of this kind at all; let it go." I said to him that we only had four and a half years' supply, and he answered, "Use it all up, and then the country will be dry, just as it ought to be." Mr. Chairman, that is not the right way to approach this subject. We have recognized medicinal whisky, and let me say to those who favor prohibition that if this bill is defeated, or if by any other gesture we suggest to the people of the United States in a spirit of intolerance that we are not going to recognize medicinal whisky, we shall dea' prohibition the worst blow that has been dealt it in many years. [Applause.] For that reason, if for no other, I ask the Members to support this bill.

I know that we have differences of opinion here on the wet and dry question, but I think that on the whole the eighteenth amendment and the Volstead Act have been for our moral and social betterment and will be of lasting benefit to the people of these United States in the generations to come. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BANKHEAD. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, last December the Secretary of the Treasury, Mr. Mellon, prepared what he called his "medicinal spirits replenishment bill" and sent it to the chairman of the Ways and Means Committee, Mr. GREEN, who, knowing nothing of its contents, purposes, and far-reaching effects, introduced it in the House of Representatives on December 22, 1926, as H. R. 15601, which bill was referred to his Committee on Ways and Means and thereafter became known as the Green administration medicinal whisky bill.

PROHIBITION SUPPORT

To my great surprise the press reported that this bill had the support of Hon. Wayne B. Wheeler, Bishop Cannon, and other distinguished and loyal prohibitionists. But when I began to inquire into the matter I learned that it had been given out by General Andrews, the head of the Prohibition Unit, under Secretary Mellon; that he deemed this bill necessary; and that its feature which required the concentration of all bonded liquor into six warehouses was essential to enforcement of law. And I learned also that, without knowing the other features of the bill, said prohibitionists had accepted General Andrews's say so that it was necessary, and had approved the bill simply because of its provision requiring concentration in six warehouses.

EVERY PROHIBITIONIST FAVORS CONCENTRATION

Why, of course, every prohibitionist favors concentration. I have favored it ever since the eighteenth amendment and the Volstead law was passed. I have urged the concentration of all of it into one warehouse, controlled exclusively by the Government, so that we could prevent leakages which have so often occurred in large quantities. But the Secretary of the Treasury does not seem to be in favor of concentration, for he has not concentrated. Under the existing law he could now concentrate all bonded liquor in six warehouses. But he has not done it. Under existing law he could now concentrate all bonded liquor in one warehouse. But he has not done it. And to get dry votes for his "plenty-of-good-whisky" bill, for that is its proper name, he has proposed in it to concentrate in six warehouses.

PRESS REPORTED FAVORABLE REPORT

The press reported that the Committee on Ways and Means was soon to favorably report the Green bill, H. R. 15601, and on January 30, 1927, my colleague from Texas on that committee [Mr. GARNER] requested that I give the bill careful study, and I know that it was then in his mind that unless some one made a fight against it the Committee on Ways and Means was going to report the bill favorably for passage.

DENOUNCED BILL ON JANUARY 31, 1927

I had secured time on January 31, 1927, to speak on another subject, but on that date I used all of my time in denouncing this Green, Andy Mellon, administration, plenty-of-good-whisky bill, and within less than a week thereafter the Committee on Ways and Means by a vote of 16 to 8 killed the Green bill, Mr. GREEN himself voting against his own bill, which he had introduced for the Secretary of the Treasury.

Let me quote from page 2651 of the RECORD for January 31, 1927, some of the contentions I made against the Green, Mellon, administration, whisky bill:

Mr. BLANTON. But I not only want to know that it comes properly branded, I want to know that it comes from real prohibition sources, and that it is to help, not hinder, prohibition.

Why, every prohibitionist in the land—I don't care whether he is an orthodox Republican or not—knows that the main thing that has stood in the way of enforcement of the prohibition law is the fact that enforcement is placed in the charge of the present Secretary of the Treasury, Mr. Mellon, who is not a prohibitionist and does not believe in it. We all know that he does not believe in it. It has been admitted from the floor many times, and never denied, that the Secretary of the Treasury is financially interested in the business. He has been a large owner of distillery stock; he has been a large owner of stock in bonded warehouses; and under the present law they can not sell that stuff. If they could sell it, it would bring an enormous price, but they can not sell it, because the Volstead law and the eighteenth amendment stops them, except for medicinal purposes. And this "Mellon bill" is to make it lawful for them to sell it.

I am in favor of preventing doctors from issuing prescriptions for straight whisky.

One of the greatest surgeons known in the United States, Doctor Mayo, of Rochester, Minn., in the Nation's Capital here the other day indicated that in his honest judgment it was not needed.

Mr. LOWREY. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. LOWREY. And so did Dr. Howard Kelly, of Baltimore.

Mr. BLANTON. Certainly. Some of the best minds in the United States from a medical standpoint, physicians and surgeons, say it is not necessary; but we are not deluding ourselves when in this legislative body we call whisky designed for beverage "medicinal whisky." We know that 99 per cent of it is gotten for beverage purposes. This bill from Secretary Mellon provides for a Government corporation to act as a monopoly in the liquor business.

I wonder if our distinguished friend from Iowa, Uncle BILLY GREEN, is proud of this measure that bears his name? I know it is inconsistent with his own personal belief, it is inconsistent with his legislative career here, it is inconsistent with his lifelong tenets of faith and procedure, but he had to introduce it because it comes from the Secretary of the Treasury. I wonder if the Secretary of the Treasury is going to be strong enough to put this bill down the throats of the Members of Congress, and I wonder if he is going to be strong enough to get it out of the Committee on Ways and Means. He will do it if they do not get up there and do some fighting. Let me read you just a provision or two from this bill. Here is one of the powers that this corporation is to have—

"to hold, sell, bottle, transport, and distribute medicinal spirits owned by it for medicinal and other nonbeverage purposes, and for no other purpose."

"Medicinal and other nonbeverage purposes!" If medicinal were a nonbeverage purpose, it would not be so bad, but when we know that the great bulk of the so-called medicinal liquor is bought by well men from doctors and drug stores when they do not need it for medicinal purposes, when they are strong, well, able-bodied citizens and merely want a drink, then such a phrase sounds ridiculous.

Let me read this other power that you are asked to give them:

"To provide for the necessary replenishment of the supply of medicinal spirits by manufacture by the corporation or by importation for sale by the corporation, in accordance with law and regulations thereunder; and for the purpose of such manufacture to acquire by purchase, lease, or construction, and to operate and maintain not more than two distilleries and to so acquire and maintain a tax-paid warehouse in connection with each."

Note that you are asked in this Mellon bill to grant this liquor corporation the right to import liquors. It is now against the law to import it. But this quasi-governmental liquor corporation is to be given the exclusive right to import it.

Note that you are asked in this Mellon bill to grant to this liquor corporation the exclusive right to operate and maintain two distilleries for the manufacture of intoxicating liquor, pure and undefiled, pleasing to the palate, and this is a boon that none of the big liquor men in the United States smaller than Mr. Secretary Mellon himself would ever dare even to suggest to the Congress of the United States.

And note that you are asked in this Mellon bill to grant to this quasi-governmental liquor corporation the exclusive right to acquire and maintain a tax-paid liquor warehouse in connection with each of its said distilleries. Oh, what an opportunity for distributing this wholesome, palatable, so-called "medicinal whisky" to every thirsty man in every State of the Union by increasing the present number of bootleggers to handle it.

Mr. HUDSON. Will the gentleman yield?

Mr. BLANTON. In just a second. I promise you there will be more liquor floating around in all of the 48 States if you pass this law than you ever dreamed of, and I wonder if the prohibitionists of Michigan are going to be hoodwinked.

Mr. HUDSON. This gentleman never answers except for himself.

Mr. BLANTON. I wonder how this legislation appeals to the gentleman? If my friend is standing with Mellon, why I have not any time to yield to him.

Mr. HUDSON. The gentleman has not said he is standing with Mellon. I rose to ask a question. I wanted to ask the gentleman if he does not think this is the opening wedge for Government ownership and control of the liquor traffic?

Mr. BLANTON. It is an opening wedge for thirsty men all over the United States to get all the liquor they want—that is what it is—in every State in violation and in spite of the eighteenth amendment and in spite of the Volstead law.

Let me quote from this Mellon bill just three more rights you are asked to confer by law upon this monopolistic, governmental liquor corporation:

"(3) In accordance with law and regulations thereunder, to hold, sell, bottle, transport, and distribute medicinal spirits owned by it, for medicinal and other nonbeverage purposes and for no other purpose.

"(4) To acquire by purchase, lease, or construction, and to maintain, not more than six concentration internal-revenue bonded warehouses (consisting of one or more buildings or parts thereof) including land necessary therefor; and to so acquire and maintain a tax-paid warehouse in connection with each.

"(5) To provide for the necessary replenishment of the supply of medicinal spirits by manufacture by the corporation or by importation for sale by the corporation, in accordance with law and regulations thereunder; and for the purpose of such manufacture to acquire by purchase, lease, or construction, and to operate and maintain, not more than two distilleries, and to so acquire and maintain a tax-paid warehouse in connection with each."

I do not see how any real prohibitionist can support that bill. The Ways and Means Committee should not report it. And if they do, we must kill it here.

ECHO FROM PITTSBURGH

Not long after I made that speech a citizen of Pittsburgh wrote here the following:

In connection with a speech, recently made in Washington, D. C., by Congressman THOMAS L. BLANTON of Texas, House of Representatives, relative to the laxity of Federal officers, in enforcing the national liquor laws, as set forth in the eighteenth amendment to our Constitution, it would be interesting to trace the origin of manufacture, the transfer of ownership, and the storage of the immense quantity of high-proof whisky, now held in barrels, in warehouses, at Freeport, on the Allegheny River, in Pennsylvania, also at Brownsville, on the Monongahela River, near Pittsburgh, Pa.

The statements made by Mr. BLANTON were published in the Pittsburgh newspapers at that time. Mayors and burgesses in small cities and the larger towns have known for a long time that they do not get the same kind of loyal support to their Federal cases, that they receive from county and State officials. Mr. BLANTON states the reason for this ably and courageously in his speech. For further indorsement as to the truthfulness of his statements, one only need make some investigation and inquiry around these warehouses near Pittsburgh, where this immense amount of high-proof whisky is stored.

This liquor is now becoming old. It was made years ago. It is believed to be the largest amount in storage in any one place in the United States. In connection with some of the statements of his speech, it might be interesting for Mr. BLANTON'S friends to make some inquiry of the neighbors around Freeport, also to trace the transfers of ownership of this liquor, since manufacture, and investigate the withdrawals and thefts from the store during the past three years.

COMMITTEE SHOULD INVESTIGATE FREEPORT AND BROWNSVILLE, PA.

It would be a safe thing for the Ways and Means Committee to do to investigate the immense quantity of high-proof whisky now held in barrels, in the warehouse at Freeport, Pa., and in the warehouse in Brownsville, Pa., and to trace the origin of manufacture, the transfer of ownership, and the storage of same, before they create this special whisky monopoly for Andrew W. Mellon and his distillery friends.

GREEN-MELLON BILL ADMITTEDLY BAD

The Green-Mellon bill was approved by General Andrews, yet it is admittedly bad. It was approved by Wayne B. Wheeler, yet it was afterwards condemned two to one by prohibitionists on the Ways and Means Committtee. It was approved by Bishop Cannon, yet when its monstrous provisions were analyzed by prohibition legislators on the committee, the Ways and Means Committee killed it by a vote of 16 to 8. Now, if these leading prohibitionists made a mistake in approving the Green-Mellon administration bill, why is it not possible that they have made a mistake in approving this new Hawley bill, which is the Mellon bill rewritten.

COMPARE GREEN AND HAWLEY BILLS

Practically all of the special pet provisions which Andrew W. Mellon sought to enact into law in his Green bill, are provided for in this Hawley bill now before us. This Hawley bill will appear in this RECORD just preceding this debate, and I want the 50,000 daily readers of this CONGRESSIONAL RECORD to turn back a few pages to it and read its provisions carefully, and then compare them with the excerpts I have already quoted from the Green-Mellon bill, that the committee killed by a vote of 16 to 8, and such readers will see that Mr. Mellon is getting practically what he wants in this Hawley bill.

TOO GREAT POWER GIVEN TO ONE MAN

Remember that Andrew W. Mellon is one of the leading whisky men in the United States. He believes in manufacturing it. He believes in selling it. He believes in men drinking it when they want it. He does not believe in prohibition. Yet you are conferring on him limitless powers concerning whisky that no one man should have. Let me quote from section 2 of this bill to show you just what you are proposing to grant to Andrew W. Mellon, the antiprohibitionist:

The Secretary of the Treasury is authorized to issue permits for the manufacture of such distilled spirits by such persons as he may select, and for such periods, in such quantities, and subject to such other requirements as he may prescribe; except that—

(1) Not less than two and not more than six permits shall be outstanding at any one time.

(2) Each permit shall require manufacture according to formulas prescribed by the Secretary of the Treasury.

When he wanted only two distillers to have the right to manufacture whisky, and so proposed in his Green bill, do not you know that under the above provisions of this bill, he is not going to grant permits to but two distillers, so what was the use of the committee giving him the discretion to grant six, when they know he will only grant two?

DISTILLER MELLON FIXES PRICE

It is the Secretary of the Treasury who is to say what is a fair price. He is the big cheese all the way through the bill. Let me quote subdivision 5:

(5) Each permit shall require that the permittee shall sell distilled spirits manufactured thereunder at a price not in excess of a fair and reasonable price, based on cost of manufacture, carrying charges, preparation for market, distribution, and a fair profit to the manufacturer; and the permittee shall at all reasonable times keep his books open for inspection by the Secretary of the Treasury or his representatives.

GOOD MARKET FOR ALL

And remember, just as the Green bill did, so does this bill provide a good market for all whisky now in warehouses which at present can not be sold, but which, as soon as this Hawley bill becomes a law, can be sold at prices fixed by Secretary Mellon himself, who is more interested than any other one man in the United States in seeing that the owners of such whisky sell it for a good price. Let me quote part of section 5 of this bill:

SEC. 5. (a) Permittees under section 2 shall acquire distilled spirits only at a price which is the fair and reasonable value of the spirits, and in no case at a price in excess of the sum of (1) the fair market value at warehouses on December 1, 1926, of distilled spirits of like kind, age, and quality, and (2) the charges and expenses for carrying the distilled spirits from December 1, 1926.

It is not the fair market price of this whisky in normal saloon days when it was lawful to sell it, but it is its fair and reasonable value on December 1, 1926, and all charges and expenses for carrying it over since that time. And it is Mr. Secretary Andrew W. Mellon who, for himself and his friends, is to say what is this fair, reasonable price. In other words, he is to sell and fix his own price. For no other person in the United States can say one word against the price he fixes. And his price can not be reviewed by any court. It is simply ridiculous for us to think of passing such a law.

AMENDMENTS SUGGESTED BY M'BRIDE AND WHEELER

I am glad to note that Hon. F. Scott McBride, general superintendent, and Hon. Wayne B. Wheeler, general counsel and legislative superintendent of the Anti-Saloon League, have suggested that this bill be amended. In their letter which on February 19, 1927, they wrote to our colleague, Mr. HAWLEY, copy of which I have, they suggested over their signatures the following amendments, to wit:

We suggest that you consider the advisability of reducing the number of distilleries that may be authorized to manufacture medicinal whisky so as not to exceed four. There is no question that six is more than sufficient to make the needed supply. Also, a provision to eliminate sales agents by distilleries to drum up trade, confining solicitation to correspondence by mail with retail druggists holding permits to sell.

If there is any doubt that the distiller should be required to give bond this should be added. It is not mentioned, but is authorized under existing law.

A provision penalizing the forging, utter, or possession of forged prescriptions would also be helpful in confining the distribution to strictly medicinal use, if such a provision would be germane to the bill. No adequate penalty for this offense is provided by existing law.

It would be helpful also to require that the whisky on hand, not already gauged, be regauged before manufacture is renewed in order to determine accurately the amount on hand.

Yours cordially,

F. SCOTT MCBRIDE,
General Superintendent.
WAYNE B. WHEELER,
General Counsel and Legislative Superintendent.

NATIONAL ASSOCIATION OF RETAIL DRUGGISTS PROTEST

In a whole page protest published to-day in the leading daily newspapers the National Association of Retail Druggists and the State and local pharmaceutical associations protest against this bill, and among many other things they claim that:

Competition in manufacture and distribution destroyed by monopoly to be created under authority granted by H. R. 17130, to limit exclusive permits to not less than two nor more than six distillers.

Special rule has been granted to "railroad" bill dangerous to the public interest through Congress without a public hearing before any committee.

The acquisition of existing stocks of old whisky by the preferred two to six exclusive permittees and the transfer of those stocks with their own by themselves at an unlimited price to the corporation ultimately formed by them would double the price to retail druggists and to the public.

No emergency exists requiring the proposed legislation because existing law authorizes the Treasury Department in its discretion to issue or deny permits to manufacture and distribute medicinal whisky, alcohol, and all other kinds of intoxicating liquors. (Ma-King Products Co. *v.* David H. Blair, commissioner, 70 L. Ed. Adv. Op. p. 625.) The opinion states, "It is clear that Congress in providing that an adverse decision of the commissioner might be reviewed in a court of equity, did not undertake to vest in the court the administrative function of determining whether or not the permit should be granted."

The quality and purity of medicinal whisky are fixed by the standard in the United States Pharmacopoeia. Any retail druggist who dispenses medicinal whisky below this standard is subject to revocation of his license as a registered pharmacist, under State law, and to the loss of his permit under the Federal law, because not dispensing in good faith. Severe penalties are also imposed by Federal law.

The insincerity of the proposed legislation is demonstrated by the testimony before the Ways and Means Committee (p. 87, hearings, January 11, 12, 15, 18, and 20, 1927) in relation to H. R. 15601, which was rejected, showing that the known diversion of alcohol to unlawful purposes was 27,000,000 gallons in 1925, while the total distribution of medicinal whisky under Government permits in 1926 was less than 2,000,000 gallons, and the manufacture of alcohol has increased to more than 200,000,000 gallons in 1926, with the authorized purchase of medicinal whisky still less than 2,000,000 gallons.

The National Association of Retail Druggists is affiliated with 46 State pharmaceutical associations and city and county associations throughout the United States, representing 53,000 retail druggists and the interest of hundreds of thousands of drug-store patrons. The signatures of the officers of some of the associations are hereto subscribed and all of them would be appended if time permitted.

The foregoing is signed by—

The National Association of Retail Druggists, by Samuel C. Davis, Nashville, Tenn., president; Samuel C. Henry, Chicago, Ill., secretary; Julius H. Riemenschneider, Chicago, chairman of executive committee; Paul Pearson, chairman legislative committee; and Eugene C. Brokmeyer, general attorney.

And it is also signed by the following State and local pharmaceutical associations:

West Virginia Pharmaceutical Association, H. C. Wallace, president; J. Lester Hayman, secretary.

New Hampshire Pharmaceutical Association, Frank French, president; D. Leo Hallisey, secretary.

Oregon State Pharmaceutical Association, L. B. Russell, president; Frank S. Ward, secretary.

Colorado Pharmacal Association, J. A. Vanlopik, president; Charles J. Clayton, secretary.

South Carolina Pharmaceutical Association, John H. Prierson, president; Frank M. Smith, secretary.

Mississippi Pharmaceutical Association; J. T. Mathis, president; A. S. Goody, secretary.

Missouri State Pharmaceutical Association, H. C. Tindall, president; W. H. Lamont, secretary.

Massachusetts Pharmaceutical Association, William H. Townsend, president; James F. Guerin, secretary.

Rhode Island Pharmaceutical Association, Charles F. Gilson, president; Frank J. Duffy, secretary.

Alabama Pharmaceutical Association, H. E. Duncan, president; W. E. Bingham, secretary.

Vermont Pharmaceutical Association, W. E. Chapman, president; F. W. Churchill, secretary.

Texas Pharmaceutical Association, Zeb. W. Rike, president; Walter D. Adams, secretary.

Kentucky Pharmaceutical Association, Edward H. Hinkebein, president; J. W. Gayle, secretary.

Tennessee Pharmaceutical Association, Frank Bogart, president; William P. Winters, secretary.

Virginia Pharmaceutical Association, N. G. Miller, president; A. L. I. Winne, secretary.

Connecticut Pharmaceutical Association, James W. Lynch, president; P. J. Garvin, secretary.

Minnesota Pharmaceutical Association, A. L. Malmo, president; Gustav Bachman, secretary.

New Jersey Pharmaceutical Association, Frank P. Strehl, president; Robert P. Fischelis, secretary.

Pennsylvania Pharmaceutical Association, Joseph W. England, president; J. G. Noh, secretary.

Utah Pharmaceutical Association, E. E. Carr, president; John Cully, secretary.

New York Pharmaceutical Association, T. Bruce Furnival, president; E. S. Dawson, secretary.

Illinois Pharmaceutical Association, J. B. Mickels, president; W. B. Day, secretary.

Chicago Retail Druggists' Association, Henry J. Krueger, president; H. J. Holthoefer, secretary.

St. Louis Retail Druggists' Association, W. C. Todd, president; S. H. Wortmann, secretary.

District of Columbia Retail Druggists' Association, Paul Pearson, president; Norman D. Parker, secretary.

Associated Druggists of New Jersey, George I. Schreiber, executive secretary.

Idaho Pharmaceutical Association, H. T. Davis, president; J. C. Anderson, secretary.

North Carolina Pharmaceutical Association, C. L. Eubanks, president; J. G. Beard, secretary.

Now, the above is one pretty big organization which claims it has not been given a hearing on this Hawley bill.

Mr. SCHAFER rose.

Mr. BLANTON. I can not yield to my "wet" friend from Wisconsin. I am sorry, because I noticed that the gentleman applauded my "dry" friend, Doctor CROWTHER, when he was making a speech for this bill, and if I get any applause I do not want it to come from Wisconsin. [Applause.]

Some of you say there are only nine of ten million gallons of whisky left and say we use 2,000,000 a year for medicinal purposes, and it will be a necessity in about four and a half years. I tell you the last check-up we had of the liquor now in warehouses was 26,000,000 gallons, and I ask any Member here to deny it—26,000,000. Yet you say it is only 9,000,000 gallons, and it will only last four and a half years. Wayne B. Wheeler has asked you to make a new count on it.

Mr. COOPER of Ohio rose.

Mr. BLANTON. I regret I can not yield now, but I will later. Do you remember the bill the Ways and Means Committee brought in here to pay back to certain of our bonded liquors owners $13.60 a case in refund of tax? Do you remember that bill? Let me read you a little colloquy that occurred on the floor here concerning that bill. We asked our friend from Kentucky [Mr. JOHNSON] how much money did that bill involve, and here is the colloquy that occurred:

Mr. JOHNSON of Kentucky. The report says about $200,000.

Mr. BLANTON. The gentleman represents one of the biggest whisky districts in the United States, and yet in practice he is one of the strongest prohibitionists in the House.

Mr. JOHNSON of Kentucky. And I will say, in addition, that the first vote I ever cast when I became of age was to close the barrooms in my town, and I have been voting and acting that way ever since. [Applause.]

Mr. BLANTON. Does the gentleman think that his statement, that this is in furtherance of prohibition, is exactly true?

Mr. JOHNSON of Kentucky. The Prohibition Unit says so.

Mr. BLANTON. Does Wayne B. Wheeler say so?

Mr. JOHNSON of Kentucky. I have not asked him about it, but I have heard no protests from him about it.

Mr. BLANTON. Does the gentleman from Michigan approve of this and the gentleman from Georgia [Mr. UPSHAW]?

Mr. JOHNSON of Kentucky. The Ways and Means Committee unanimously reported this bill, with some extreme prohibitionists on that committee.

Mr. BLANTON. We can not always trust the Ways and Means Committee on prohibition, though. Has anyone who really stands for prohibition, outside of the business of it, approved of this bill?

Mr. JOHNSON of Kentucky. The Prohibition Unit does.

Mr. BLANTON. Well, that is their business. I am talking about men who are pronounced prohibitionists not from a business standpoint but from a moral standpoint.

You see he quoted the Prohibition Unit. This is what is being done to-day on this bill. The wets are opposed to this Hawley bill because they know that this whole liquor business will be placed in the hands of Secretary Mellon, who will name the two permittees to control the business. They know that every single bit of the 26,000,000 gallons of liquor now in the bonded warehouses will be sold at high prices under this bill to Mr. Mellon's two permittees, and it will be sold at prices fixed by the Secretary of the Treasury, and that it will cost them more money.

I want you to get and examine the speech of Mr. LAGUARDIA, of New York, made on the floor of this House after this other bill from the Ways and Means Committee passed paying $13.60 a case refund back to the owners of the bonded liquor. Get Mr. LAGUARDIA'S speech and read where he said Mr. Mellon himself got much of that $200,000 refund. That bill had a unanimous report of the Ways and Means Committee. I want to say to my friends on this question of prohibition and on this liquor question I am going to do my own thinking. I am going to look at these bills, I am going to analyze their provisions, and I am not willing to place in the hands of any man, especially not in the hands of the prince of all liquor owners of the United States the greatest power that was ever placed in any man's hands in the United States. This is a monstrous bill and it ought not to be passed. It is not a bill that ought to appeal to the statesmanship of this House. It is not a bill that ought to appeal to the drys.

I do not blame the wets for fighting this wet bill, because they know that Mr. Mellon has an interest in this business. The wets of the country know that Mr. Mellon could easily make millions of dollars out of this bill for himself and for his friends and at their expense. That is the reason why they are against it.

Mr. COOPER of Ohio. Mr. Chairman, will the gentleman yield there?

Mr. BLANTON. I am sorry I can not just now. In a minute I will. I will tell you why some of the drys are for it. They are for it simply because of section 3. That is the only reason why any dry has ever gotten behind this bill. It is because it provides for concentration in six warehouses.

Under the present law Mr. Secretary Mellon, if he wanted to, could concentrate this same liquor now in one warehouse. There is nothing in the present law that would prevent him. He could put it in six now.

That was a pertinent question propounded by my colleague from Texas [Mr. GARNER] a few moments ago, when he replied to Mr. HAWLEY that if a million dollars could be saved by concentrating, why has not Mr. Mellon been saving that million dollars annually all along by concentrating the warehouses to six. I have been in favor of concentrating all the liquor in this country in one warehouse, where it could be watched by the officers of the Government. When you take the concentration part, section 3, out of this bill, there is no dry part of it left. It is a wet bill straight out from top to bottom.

Mr. COOPER of Ohio. Now, will the gentleman yield?

Mr. BLANTON. I gladly yield to my friend from Ohio, who is one of the most dependable drys in the Nation.

Mr. COOPER of Ohio. I know that the gentleman is sincere in his effort to bring about prohibition law enforcement.

Mr. BLANTON. I have fought side by side with the gentleman from Ohio on the prohibition enforcement question, and will follow him on that question anywhere.

Mr. COOPER of Ohio. I have never fully made up my mind, but whom would the gentleman have to supervise the distillation and distribution of medicinal liquor?

Mr. BLANTON. I would have a dry, and not a wet, and Mr. Mellon is the prince of the wets in the United States.

Mr. COOPER of Ohio. That does not answer my question.

Mr. BLANTON. Does the gentleman deny that he is a wet, that he is the prince of wets?

Mr. COOPER of Ohio. I am not bringing his name into it. But whom would the gentleman have to supervise this business?

Mr. BLANTON. I would have an earnest, conscientious dry man who believes in prohibition and in the administration of the law, a man like my distinguished friend from Ohio [Mr. COOPER]. I would confidently leave it to him. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. WILLIAM E. HULL rose.

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. WILLIAM E. HULL. Mr. Chairman and gentlemen of the committee, medicinal spirits, according to the Volstead law, must be manufactured in such quantities as the Secretary of the Treasury may deem necessary for the current needs for all nonbeverage uses.

Several bills have been introduced and have been considered by the Ways and Means Committee: H. R. 15601, introduced by Mr. GREEN; H. R. 16841, introduced by Mr. HULL; and H. R. 17130, introduced by Mr. HAWLEY.

The first two bills were written with the idea of purchasing all of the available spirits in the United States for the purpose of preserving it for medicinal use and to be distributed in accordance with the law. However, the Ways and Means Committee could not see their way clear to accept either the Green bill or the Hull bill, because the Green bill put the purchasing power in the hands of a monopoly or a number of large holders of whisky, with no restriction on the price that would be charged. The Hull bill put the purchasing power in the hands of the Secretary of the Treasury and organized a corporation, similar to the Panama Canal Corporation, so that the Government would not only purchase all of the available spirits but

would distribute the same after they are bottled and would give authority to certain distillers who might desire to go back into the manufacturing business to make whiskies under a formula prescribed and at a price of profit stipulated in the bill not to exceed 10 cents per gallon.

The committee, however, decided to write their own bill, which is known as the Hawley bill, H. R. 17130, and makes provision for the contracting of medicinal spirits to not more than six nor less than two distilleries in the United States to make the required amount of medicinal spirits in accordance with the formula provided by the Secretary of the Treasury. It does not, however, provide any competent rule for the price to be charged for the manufacture of such medicinal spirits. Nor neither does it provide for the selling price to the consumer in any direct way.

For the few minutes assigned to me I shall analyze this bill merely for the purpose of giving the House what information I may have in reference to it.

The bill provides on page 2, section 2, line 8 to line 12, that—

the Secretary of the Treasury is authorized to issue permits for the manufacture of such distilled spirits by such persons as he may select, and for such periods, in such quantities, and subject to such other requirements as he may prescribe, except that—

First. Not less than two and not more than six permits shall be outstanding at any one time.

Second. Each permit shall require manufacture according to formulas prescribed by the Secretary of the Treasury.

Third. A permit may be issued for any period expiring not more than 10 years after the 31st day of December next succeeding the issuance thereof. Such permits shall provide for manufacture in each year of such quantities as the Secretary of the Treasury shall from time to time prescribe.

Fourth. Permits may be renewed unless the permittee has failed to carry out in good faith the provisions of this act, the regulations issued thereunder, or the terms of the permit, or has violated any provision of law relating to intoxicating liquors.

The above, in my judgment, is a fair bill so far as it goes. It does give the Secretary of the Treasury, of course, the opportunity of making a monopoly of the distilling and whisky business, and this will be an absolute monopoly for 10 years, and therefore I want every Member of this House to keep before him this fact.

In order that the public may not be overcharged for medicinal spirits I propose at this point to put in an amendment. This will be an amendment to section 5.

I think the amendment will be meritorious, because if the bill passes as it is written, with only the words "a reasonable price," which means nothing, for what might seem reasonable to one man might not seem reasonable to another, or it might cost 20 cents to 25 cents a gallon more for one distiller to make whisky than it would another, and while 25 cents a gallon does not seem to be a great overcharge, yet after you have carried the whisky four to five years and added 25 cents a gallon for carrying charges and then allow the shrinkage that will necessarily occur, you bring the price of this whisky up to a considerable amount. And therefore I propose when the proper time comes to offer an amendment to this paragraph. This is the amendment I shall offer:

On page 3, line 3, strike out the word "each" and the following words down to and including the word "manufacturer," on line 7, and insert in lieu thereof the following: "Permits shall be awarded to the applicants possessing the most advantageous qualifications, on the basis of information furnished by them, as to plant equipment, warehousing, and shipping facilities, location for distribution purposes, and low cost of production and margin of profit: *Provided*, That no permit shall be awarded to anyone whose margin of profit for manufacture exceeds 10 cents per gallon and for bottling 50 cents per case, and charges for storage exceeds 8 cents per barrel per month."

I want to speak on that amendment for just one minute.

Mr. BLANTON. Is the gentleman against this bill?

Mr. WILLIAM E. HULL. Yes; as it stands.

Mr. BLANTON. And the gentleman was formerly in the distilling business?

Mr. WILLIAM E. HULL. Yes. This is one of the most important things in the bill that I know of.

Mr. TREADWAY. Where does the gentleman propose to insert his amendment?

Mr. WILLIAM E. HULL. On page 3, line 3.

Any distiller in the United States would be glad to accept this proposition, and it will enable the whisky to be made for 40 cents a gallon.

And, then again, on line 15, page 3, I intend to offer another amendment so as to strengthen the amendment mentioned above.

Again, I intend at the proper time to offer an amendment to section 4, on page 9, to protect the consumer from an overcharge to be made by the druggist.

With these three amendments to this bill, I am inclined to believe that the bill will be satisfactory to the general public.

And, while I would much prefer bill H. R. 16841, which was written for the purpose of giving to the country a practical bill on this subject where there could be very few opportunities for deceiving the public or the Government, but realizing that you can not always get into a bill all that is necessary for the best interests of the public, I believe that the bill offered by Mr. Hawley, which is agreed to by the committee, with the amendments that I am to offer, will give to the public a good medicinal whisky for the future at prices that will be reasonable or about the same as they were before the war.

In order that you may thoroughly understand what the prices should be, I will explain.

A good rye whisky before the war could be made at 40 cents per gallon; a good Bourbon whisky could be made for 37½ cents per gallon. It could be bottled and sold to the trade at $9 per case for 2 dozen pints; it could be sold at retail at 75 cents a pint, and there is no reason now when you start again to manufacture whisky, if the contracts are properly let and the profits are justly arranged, that the patient buying whisky for medicinal purposes should be charged more than 80 cents to $1 per pint.

The interest that I am taking in this matter is solely for the reason that I believe the poor man and the laboring man is just as much entitled to purchase medicinal whisky for his sick as the rich man is for his.

Mr. KINDRED. Mr. Chairman, will the gentleman yield?

Mr. WILLIAM E. HULL. Yes.

Mr. KINDRED. The gentleman is an authority on the making and distribution of whisky, and good whisky. Now, on the gentleman's authority would it be fair to say that after taking into consideration all the items that enter into the production of whisky by the distiller and in the distribution could a sick patient in the country expect to get it as low as $1.50 a pint?

Mr. WILLIAM E. HULL. They could get it at 80 cents a pint. That would give the druggists 100 per cent profit. These are the additional amendments I propose to offer at the proper time:

On page 3, line 15, after the word "permittee," insert the following: "has made any false statement, or failed to carry out representations made, in any application for a permit, or"

On page 9, line 5, after the word "treasury," strike out the word "of" and the following words down to and including the word "withdrawn" on line 12 and insert in lieu thereof the following: "a suggested resale price to be fixed by the Secretary of the Treasury at which such distilled spirits shall be sold to the public, which price shall not exceed the price plus 100 per cent gross profits."

On page 9, line 12, after the word "withdrawn" strike out the semicolon and insert a period and add the following words: "Such label shall also bear a statement of the resale price to be fixed by the Secretary of the Treasury at which it is suggested such distilled spirits shall be sold by the retail druggists to the public, which price shall not exceed the price to the retail druggist, plus 100 per cent gross profit."

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BANKHEAD. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. JOHNSON].

The CHAIRMAN. The gentleman from Kentucky is recognized for 10 minutes.

Mr. JOHNSON of Kentucky. Mr. Chairman, I had hoped to be able to discuss this bill this afternoon more at length than I have time at my disposal, but if I had the time I would not be able to discuss it as I would like for the reason that I am now in the throes of grippe; I am suffering intensely and I shall have to go home immediately after concluding my remarks.

I believe this report contains more misstatements and more misinformation than any report I have ever seen filed in this body during the 20 years I have been here. One bill, called the Green bill, has been defeated. This is as "verdant" as that was. The only material difference between them is that the United States Government was to furnish $35,000,000 to finance the purchase and manufacture of whisky under the other bill, but it is not to furnish the money under this bill. All the ugly features of the other bill, clothed in different language, are in this bill. There is a distinction but not a real difference in these two bills, except the one I have mentioned.

Reference has been made here to the attorney for the druggists. I bear no commission for him; he is a stranger to me, but I venture the opinion that his reputation for integrity

will compare most favorably with a concern that, in my opinion, is to be designated as one of the manufacturers of whisky if this bill should pass. That concern, which, I believe, is to be designated as one of the manufacturers, is a Kentucky distillery, and it has paid to the United States Government one of the biggest fines ever assessed for fraud against a distillery in the United States since the manufacture of whisky was commenced. That concern has had its lobbyists here with the committee and around this House seeking the passage of the other bill, and now is seeking the passage of this bill. He is cooperating, as they would have it appear, with the drys; yet the manufacture and the sale of whisky is to be put in the hands of this man, I believe; in other words, prohibition, by this bill, is to be put into the hands of whisky people who have been branded as crooks. I can not possibly see it in any other way.

I am not able, as I would like, to address the committee longer; I am too sick. Mr. Chairman, I yield back the remainder of my time. [Applause.]

The CHAIRMAN. The gentleman from Kentucky yields back six minutes.

Mr. BANKHEAD. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR of New York. Mr. Chairman and gentlemen of the committee, when this bill came before the Rules Committee, of which I am a member, and the proponents of the bill asked for a rule, I am confident I speak the opinion of the rest of the committee when I say that at the close of the hearing we could not tell whether the proponents were for the bill or against the bill. Some of them would not permit questions directed to that point and appeared as dubious as we did as to just what beneficial purpose the measure would serve.

I do not know whether it is a coincidence that this particular subject matter is brought up for discussion on this historic day. Is it because history records that the illustrious gentleman whose birthday we have just celebrated so impressively was not entirely unfamiliar with the subject matter of this "whisky" bill and its manufacture? But I rose principally to answer some remarks made on the floor to-day, although I had not intended to participate in the debate. My first observations were that each side was calling its experts to state the need for whisky and the necessity for the monopoly of its manufacture. The solemn gentleman from Oregon first told us of the dire straits we were in because of the approaching day when the stock of "100 proof" would be depleted. Then the opponents called to arms the gentleman from New York, one of America's most distinguished physicians and psychiatrists, Doctor KINDRED. He gave us the benefit of his expert opinion on the bill, and when he had taken his seat the gentleman from Oregon [Mr. HAWLEY], in charge of the bill, announced, in his usual sonorous voice, that he yielded five minutes to none other than "Doctor" CROWTHER of New York. I could sense the hush which fell on the committee as the gentleman from Schenectady strode into the rostrum with all the bearing and dignity of a major-domo and proceeded to expound to us his experience as an expert on the subject matter of the bill. The battle of the giants of the profession was on. I knew the gentleman from New York was called "doctor," but I was surprised to hear that he was learned in medicine. So to refresh my recollection I looked again in the Congressional Directory. There he has himself recorded that after being born in England he obtained a degree of D. M. D. at a dental school. It is not stated whether he ever practiced the trade. I, of course, with no "M" in my degrees can not dispute his technical knowledge, but I do wish to reply to certain remarks he made as a political prophet. With all the assurance of a "spokesman," he sounded the first note of the next Republican presidential campaign. Mark you well! The Republicans would go to the country on the sole issue of the eighteenth amendment and the Volstead law.

The tariff, foreign relations, farm relief, tax reduction, all those mooted questions were to be abandoned. "Beer" is to be the shibboleth. We are to understand he spoke for the President, who was here only to-day, and has never yet spoken for himself. We have yet to hear the Chief Executive of this country state his position on the Volstead law or the eighteenth amendment. New York is willing to go to the country on the issue the gentleman has framed, but, of course, we refuse to cast into the discard the other great issues which distinguish the two parties. It may be well to recall that recently we had a referendum in New York, by which the gentleman from New York, "Doctor" CROWTHER, refused to abide after the overwhelming vote of the people of his State. As far as his State is concerned, that issue has been settled.

The gentleman from Texas [Mr. BLANTON] has said that the "wets" are for this bill because they are interested in the whisky interests. He has got to find some explanation for being in the same bed with them in this instance. He and the gentleman from Georgia [Mr. UPSHAW] are at present experiencing the ague because they are lined up with the "wets" in opposition to this bill. That is the first time I have ever heard the charge made on this floor that any "wet" was interested in anybody engaged in the making or selling of liquor. On the contrary, the gentleman from Illinois [Mr. WILLIAM E. HULL], whom the gentleman from Texas [Mr. BLANTON] always twits as being a big distiller, is for the bill. Again, the gentleman from Kentucky [Mr. JOHNSON], who represents the greatest whisky-distilling district in this country, is against the bill. Where are we at? The Anti-Saloon League is the chief proponent of the bill, and, lo and behold, we find UPSHAW, BLANTON, HUDSON, and other uncompromising and unreasonable "drys" opposed to it. Is this gratitude? What was it some one said about "the hand that fed us"?

It was just such confusion under which the Rules Committee labored when it heard the application for consideration of this measure. The "drys" were for it, the "wets" were for it. The "drys" are now against it, the "wets" are now against it. Who will stand forth and admit its parentage? Sotto voce in this Chamber it is being accused of having been born out of wedlock, and now the nuptial is about to be performed between the "wets" and the "drys."

Some of us with senses other than smell, can see beyond any "wet" and "dry" issue in this bill. Its legislative history casts a blight on it. The great Ways and Means Committee voted it out unanimously, but it was hardly printed until members of that committee began to question its merit. Other members disowned it. Many of the remaining members of that committee feel stultified to vote for the bill, although their comment and questions indicate their dubious state of mind. Witness the uncertain attitude of the gentleman from Texas [Mr. GARNER]. All this, gentlemen, has overnight created enough doubt in the minds of many members, irrespective of whether they are "wet" or "dry," to inquire into the bill and to ask what is this "thing"; what ulterior motive is behind this measure which it is sought to force through at this late day in the session? Is it to give the Mellon interests a monopoly on the manufacture of whisky? What hearings were held on this bill?

Mr. GREEN of Iowa. My friend surely does not want to create the impression there were no hearings.

Mr. O'CONNOR of New York. Oh, no; there were hearings on whisky bills, but not on this particular bill, as I am informed. The hearings were held on other measures which were voted down and were not identical with this bill.

The health of the country is involved in this bill. Shall there really be medicinal whisky? The eighteenth amendment sanctions it.

Shall there be sufficient for the needs of all the people? Shall its price be so regulated that rich and poor may be able to obtain it when their health requires it?

I am willing to accept the challenge of the gentleman from New York, "Doctor" CROWTHER, and go to the country on a measure like this. If this is the way you propose to safeguard the health of the people of this country, we will meet you on the issue.

This is a question of wealth against health. You create a monopoly of a necessity and then permit the prescribing of formulas by the Secretary of the Treasury. Will it be 100 proof for the rich and poison for the poor? Some of us are more concerned with the health of the people of this country than we are that the control of this great medicinal enterprise be lodged in the hands of just two persons selected by the Secretary of the Treasury at the possible cost of the health of millions of the people of this country. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BANKHEAD. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman and gentlemen of the committee, in answer to the gentleman from Mississippi [Mr. COLLIER] who has just addressed you, and answering my colleague from New York [Mr. CROWTHER], I desire to say that the American Medical Association is on record that whisky is a proper medicinal reagent, and in proof thereof the American Medical Association, through its counsel, appeared as amicus curiae in the case of Dr. Samuel W. Lambert against Edward C. Yellowby, decided November 29, 1926, in the United States Supreme Court. The association appeared in opposition to these features of the Willis-Campbell Act, which put restriction on doctors in prescribing whisky.

But we must not lose sight of the fact that this Congress in passing the Volstead Act recognized the therapeutic value of whisky, therefore any lay or professional opinion now given

to the effect that whisky has no medicinal properties is now beside the point.

Gentlemen of the committee, there is actually no necessity for this bill to pass at all. We have heard much from lawyers and laymen of the House as to whether or not there would be confusion in granting permits to distillers, and that under present law every distiller applying would have to be granted a permit. Gentlemen, I venture the assertion, and I know whereof I speak, because I have been engaged in cases in which distillers have been involved. I have appeared for and against distillers, and I know something about the work they do—and I venture the assertion that there will not be one distiller seeking a bona fide permit for the manufacture of whisky under the provisions of this bill.

Oh, yes, there are applications on file, but those are only to safeguard their rights. So the proposition of a distiller would be insane to risk his capital upon a venture so hazardous as the manufacture of whisky. He would be subject to the will and caprice of Congress, dominated to-day by the Anti-Saloon League and tomorrow by another league, probably just as intolerant. This bill offers no safeguard to the distiller. It does not guarantee that his investment will be safe. It takes four years to age whisky. For those years he could not obtain one cent's worth of return on his investment. I repeat, a distiller would be foolish to attempt to distill unless better inducements were offered him than are contained in this bill. But once you offer him inducements the "drys" would set up a huge cry against it. To my mind, there is only one thing to be done, and that is to have the Government distill for future needs. In due time I shall offer such an amendment to the bill.

But going back to the Willis-Campbell Act, we know that Congress gave the right to the Commissioner of Internal Revenue—not to the Secretary of the Treasury—to grant permits for the manufacture of whisky and to import whisky from abroad when it was essential for him to do so to safeguard and replenish the present existing stock.

The portions of the Willis-Campbell Act referred to are as follows:

> No spirituous liquors shall be imported into the United States, nor shall any permit be granted authorizing the manufacture of any spirituous liquor save alcohol until the amount of such liquor now in distilleries or other bonded warehouses shall have been reduced to a quantity that, in the opinion of the commissioner, will, with liquor that may thereafter be manufactured and imported, be sufficient to supply the current need thereafter for all nonbeverage purposes.

Now it is said that the Attorney General has ruled that this legislation is necessary in view of the decisions, and it is implied that, other things being equal, the Commissioner of Internal Revenue would have to grant permits to all distillers applying therefor and that there would result a multiplicity of distilleries and consequent confusion. With all due respect to the Attorney General, I am of the opinion that he is in error. I direct attention to the case of Ma-King Products Company *v.* David H. Blair, Commissioner of Internal Revenue, Case 333, United States Supreme Court, decided June 1, 1926, Justice Sanford delivering the opinion; and I specifically direct that case to the attention of the gentleman from Massachusetts [Mr. TREADWAY].

That case must be read in connection with the provisions of the Willis-Campbell Act heretofore referred to. The Ma-King case was a review of the action of the commissioner in refusing to grant a permit to operate a plant for denaturing alcohol. The court held that it was clear that the national prohibition act did not impose upon the commissioner a mere ministerial duty of issuing a permit to anyone making an application on the prescribed form. On the contrary, there was placed upon the commissioner a responsibility of granting or withholding a permit depending upon the facts in each case. Speaking of the national prohibition act the court held "it does not provide that the commissioner shall issue any liquor permits but merely that he may do so." "These provisions, as well as the purpose of the act, are entirely inconsistent with any intention on the part of Congress that the commissioner should perform the merely perfunctory duty of granting a permit, to any and every applicant without reference to his qualification and fitness."

Now, gentlemen, that is decisive of the proposition. He has the right to grant an application or refuse an application provided he does not act arbitrarily and provided he does not act from caprice or for transient reasons.

Mr. GREEN of Iowa. No one has contended that he has not the right to refuse to issue a permit to one that was not properly qualified.

Mr. CELLER. The case goes further than that. This is the first case on record where the Supreme Court has officially decided the question that the commissioner has discretion in the matter of these permits. Now we must furthermore read the Ma-King case in the light of the Willis-Campbell provisions.

Suppose the commissioner grants four or five permits to distill (the instant bill provides that there may be granted upwards of six permits) and it is deducible that these four or five plants or distilleries, in the opinion of the commissioner, will be sufficient to supply the current needs of the next 10 years. An additional application is then made for a permit. Under the Ma-King case the commissioner would have the right to refuse a permit.

I repeat, therefore, there is no need for the present bill as to future manufacture of whisky as a result of grant of additional powers. There is ample power in the present law and the commissioner should immediately grant, if my amendment for governmental manufacture does not go through, several permits for distillation. Under the last findings of the Commissioner of Internal Revenue (see his report ending fiscal year July 1, 1926, p. 144) there were in bond 26,553,999.5 proof gallons of distilled spirits in some 36 or 37 warehouses. I say to the gentleman from Kentucky [Mr. BARKLEY], who seemed to imply that huge amount should be sufficient to supply our needs for years to come, that those figures represent original gauge. A regauge would cause these figures to shrink to about 9,000,000 gallons. The difference is due to natural evaporation, leakage, as well as from stealage and substitution of water for whisky. For general information purposes:

Prior to the Willis-Campbell Act, I am informed that there was whisky distilled—that is, after the passage of the Volstead Act—and that the Large Distilling Co., of Pennsylvania, between the dates of January 17, 1920, and November 23, 1921, produced 765,073.6 proof gallons, and that the Gwynbrook Distilling Co., of Maryland, in that same period, produced 513,076.8 proof gallons.

There is also sufficient warrant of law for the Commissioner of Internal Revenue to further concentrate whisky. He has already reduced the warehouses to 31. I believe that is the number in existence to-day. The commissioner had power, therefore, to reduce the number of warehouses to 31. He could further reduce them to 6. No further legislation is necessary.

The National Association of Retail Druggists is opposed to the bill and I herewith submit a portion of a statement that it offers against it:

> The quality and purity of medicinal whisky are fixed by the standard in the United States Pharmacopœia. Any retail druggist who dispenses medicinal whisky below this standard is subject to revocation of his license as a registered pharmacist, under State law, and to the loss of his permit, under the Federal law, because not dispensing in good faith. Severe penalties are also imposed by Federal law.
>
> The insincerity of the proposed legislation is demonstrated by the testimony before the Ways and Means Committee (p. 87, hearings, January 11, 12, 15, 18, and 20, 1927) in relation to H. R. 15601, which was rejected, showing that the known diversion of alcohol to unlawful purposes was 27,000,000 gallons in 1925, while the total distribution of medicinal whisky under Government permits in 1926 was less than 2,000,000 gallons, and the manufacture of alcohol has increased to more than 200,000,000 gallons in 1926, with the authorized purchase of medicinal whisky still less than 2,000,000 gallons.
>
> The wholesale druggist is the credit mainstay of the retail druggist, and H. R. 17130 deprives the wholesale druggist of any participation in the distribution and sale of medicinal whisky to the retail druggist trade.
>
> The bill proposes to label each pint of whisky with the wholesale cost to the retail druggist, to make it appear that the retail druggist is "profiteering," which is not true, the cost of whisky representing only 59 per cent of the retail druggist's necessary selling price.
>
> Organized pharmacy is opposed to H. R. 17130 because a monopoly of the manufacture and distribution of medicinal spirits would increase the price to the public, encourage consumption of alcohol for beverage purposes, and compel more burdensome regulations for retail druggists handling alcohol only. Competition, not legislation, is the public's safeguard for pure whisky at reasonable prices.
>
> The National Association of Retail Druggists, representing the distributers of medicinal whisky designated by Congress, were denied a copy of the original bill until it was furnished the public, although drafted by the Treasury Department in consultation with the preferred distillers, as shown by the hearings. The association was ignored when it offered to cooperate with the Ways and Means Committee in preparing H. R. 17130. The Rules Committee curtly declined a tender of aid by the association, so that the pending bill is being pushed through Congress without a public hearing and due consideration of any but purely selfish interests.
>
> The National Association of Retail Druggists is affiliated with 46 State pharmaceutical associations and city and county associations throughout the United States, representing 53,000 retail druggists, and the interest of hundreds of thousands of drug-store patrons. The sig-

natures of the officers of some of the associations are hereto subscribed and all of them would be appended if time permitted.

THE NATIONAL ASSOCIATION OF RETAIL DRUGGISTS

By Samuel C. Davis, Nashville, Tenn., president; Samuel C. Henry, Chicago, Ill., secretary; Julius H. Riemenschneider, Chicago, chairman executive committee; Paul Pearson, chairman legislative committee; Eugene C. Brokmeyer, Washington, D. C., general attorney.

STATE AND LOCAL PHARMACEUTICAL ASSOCIATIONS

West Virginia Pharmaceutical Association, H. C. Wallace, president; J. Lester Hayman, secretary.

New Hampshire Pharmaceutical Association, Frank French, president; D. Leo Hallisey, secretary.

Oregon State Pharmaceutical Association, L. B. Russell, president; Frank S. Ward, secretary.

Colorado Pharmacal Association, J. A. Vanlopik, president; Charles J. Clayton, secretary.

South Carolina Pharmaceutical Association, John H. Prierson, president; Frank M. Smith, secretary.

Mississippi Pharmaceutical Association, J. T. Mathis, president; A. S. Goody, secretary.

Missouri State Pharmaceutical Association, H. C. Tindall, president; W. H. Lamont, secretary.

Massachusetts Pharmaceutical Association, William H. Townsend, president; James F. Guerin, secretary.

Rhode Island Pharmaceutical Association, Charles F. Gilson, president; Frank J. Duffy, secretary.

Alabama Pharmaceutical Association, H. E. Duncan, President; W. E. Bingham, secretary.

Vermont Pharmaceutical Association, W. E. Chapman, president; F. W. Churchill, secretary.

Texas Pharmaceutical Association, Zeb. W. Rike, president; Walter D. Adams, secretary.

Kentucky Pharmaceutical Association, Edward H. Hinkebein, president; J. W. Gayle, secretary.

Tennessee Pharmaceutical Association, Frank Bogart, president; William P. Winters, secretary.

Virginia Pharmaceutical Association, N. G. Miller, president; A. L. I. Winne, secretary.

Connecticut Pharmaceutical Association, James W. Lynch, president; P. J. Garvin, secretary.

Minnesota Pharmaceutical Association, A. L. Malmo, president; Gustav Bachman, secretary.

New Jersey Pharmaceutical Association, Frank P. Strehl, president; Robert P. Fischelis, secretary.

Pennsylvania Pharmaceutical Association, Joseph W. England, president; J. G. Noh, secretary.

Utah Pharmaceutical Association, E. E. Carr, president; John Cully, secretary.

New York Pharmaceutical Association, T. Bruce Furnival, president; E. S. Dawson, secretary.

Illinois Pharmaceutical Association, J. B. Mickels, president; W. B. Day, secretary.

Chicago Retail Druggists' Association, Henry J. Krueger, president; H. J. Holthoefer, secretary.

St. Louis Retail Druggists' Association, W. C. Todd, president; S. H. Wortmann, secretary.

District of Columbia Retail Druggists' Association, Paul Pearson, president; Norman D. Parker, secretary.

Associated Druggists of New Jersey, George I. Schreiber, executive secretary.

Idaho Pharmaceutical Association, H. T. Davis, president; J. C. Anderson, secretary.

North Carolina Pharmaceutical Association, C. L. Eubanks, president; J. G. Beard, secretary.

Mr. BANKHEAD. Mr. Chairman, I yield five minutes to the gentleman from Georgia [Mr. UPSHAW].

Mr. UPSHAW. Mr. Speaker, and gentlemen, in voicing my honest opposition to this bill I pause in passing long enough to say that if I have "furnished gaiety for this House and the nations of earth," as the "damp" gentleman from New York [Mr. CAREW] facetiously declared, I have made that contribution on the side of the Constitution of my country—personal and national sobriety—and I have practiced what I have preached. [Applause.]

And, very frankly, I would rather furnish gaiety for "this House and the nations of earth" than to furnish the gloom that was produced by the old saloon—yea, the 177,000 saloons that were put out of business by the eighteenth amendment, which the gentleman and his wet companions in New York and in this House want to see repealed. The gentleman from wet New York is greatly mistaken again when he says that prohibition has "introduced corruption." Verily, as some philosopher recently said: "Prohibition has not made criminals—it has only revealed them."

But such argument should not have been introduced into this discussion. All of us who are loyal, honest Americans are anxious to obey and help to enforce our prohibition law.

However, this medicinal whisky bill is something in which we find honest men sharply differing—men on both sides of the aisle and both sides of the wet and dry question. Naturally, I would love to support General Andrews, for whose honest ability I have such high regard, and also with Wayne B. Wheeler, for whose brilliant, fearless, and consecrated leadership I entertain the most enthusiastic admiration. Both of these leaders believe that this bill will produce conditions better than the present. Perhaps so; but I feel somehow that the working principle of the thing is wrong. To give two or three or six men the privilege of making private money out of this great liquor monopoly, with all its insidious suggestions of graft and corruption, is just as wrong as the eighteenth amendment is right. Remember that this liquor monopoly would be in the hands of men who have been making money all their lives by distilling and selling liquor.

I am afraid of it. I am afraid of them. If medicinal liquor must be made, let the Government make it and dispense it at actual cost. Let the alluring seduction of private gain be forever eliminated. Or, if this bill must pass as an emergency measure, let the elastic word "reasonable," as applied to profit, be eliminated and a stipulated per cent be substituted so there will be no door through which flagrant abuses may enter. I would love to vote for this bill if it could be so amended and safeguarded as to allow me to still sleep with my conscience. But with some independence of thought and regnancy of conscience still left, I must refuse to be driven from my honest conviction on the question, because I find some wets who happen to be clear-headed enough for once to vote on the right side. [Applause.] Naturally I had hoped that this emergency bill would command my support. I love to see my "dry" crowd united, but I would rather look in the glass at a man who, though perhaps mistaken, had been true to his convictions.

Mr. SCHAFER. Mr. Chairman, will the gentleman yield?

Mr. UPSHAW. Pardon me, please, I am quite busy. [Laughter.] I remember that the gentleman from Wisconsin tried to throw a bottle of beer into my speech the other day [laughter], and I am afraid he might do it again. I would rather find myself voting right on the same side with some man who sometimes votes wrong than to vote on the side of the lobbyist of a distiller who hopes to be designated as one of the men to do the manufacturing of this liquor, as was brought out by the gentleman from Kentucky [Mr. JOHNSON]. [Applause.] Some one said playfully, on this side, "Oh, if we could only just be one of the six distillers." If I had the privilege of being one of the six to make money privately out of a thing as debauching as liquor, God knows I would turn it down, if it amounted to a million dollars a year. I do not want any money in my hands that came from poisoning humanity. This is my position.

If we had to vote permanently for the question between 66 medicinal distilleries and 6, of course, I would vote for 6. I frankly believe that it could be reduced to six distilleries and six warehouses now if the Treasury Department were so minded, but the thing the people can not understand—the thing that those who honestly oppose liquor in any form now object to—and it is the thing that controls me chiefly in this matter—is this: The proposition to put into the hands of private individuals the right to manufacture and sell liquor when their compensation depends on the genius, the energy, and the resourcefulness with which they manufacture and distribute it. I am opposed to the manufacture and sale of liquor by any private individual. It is already prohibited by the eighteenth amendment. I said three years ago that I was in favor of the Government's taking over at fair valuation every gallon of liquor in this country, and allowing no private individual to make any sort of profit out of it. The devilish stuff is so insidious—it gets such a deadly hold upon its victims whether maker, seller, buyer, or user—that I am opposed to private, gainful contact with either its creation or distribution. The great Doctor Mayo, the famous surgeon, of Rochester, Minn., recently declared here in Washington that we do not need liquor as a medicine.

And another great physician, Dr. Lamartine G. Hardman, the next governor of Georgia, declares that for 35 years in his sanitarium he has never used it, because he found that it hurt his patients instead of helping them. He and Doctor Mayo agree with an increasing number of leading physicians that there are safe substitutes for whisky as a medicine, and that alcohol as a whole is a blight instead of a blessing. The truth is, I am greatly inclined to believe with Sam Jones, the famous Georgia evangelist, who used to say when furiously fighting saloons on every side: "Yes, whisky is a good thing in its place, but its place is in hell."

We do not want to let the wires carry to-morrow across the world the announcement that the United States that outlawed the manufacture and sale of liquor has proposed to go again into its manufacture by individuals by giving a monopoly to two or three, or six old-time distillers for the continuation of its manufacture. Let us break with the whole thing, and obey the Bible injunction to "abstain from every appearance of evil" by never again allowing any sort of private gain from the manufacture of intoxicating liquors. [Applause.]

Mr. COOPER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. UPSHAW. If I have the time.

Mr. COOPER of Ohio. The gentleman from Georgia surely does not want to contend that the Constitution prohibits the distillation of medicinal liquor.

Mr. UPSHAW. Certainly, it does not, but if I had had my way, the Volstead law, which was enacted for the support of the Constitution, would not only have prohibited that, but it would have taken all stocks of liquors from the cellars of the rich—for they have been like many drug stores that sell, and want to sell, medicinal liquors—like a nest of vipers—full of poison and death. [Applause.]

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. HAWLEY. Mr. Chairman, I yield five minutes to the gentleman from Georgia [Mr. CRISP].

Mr. CRISP. Mr. Chairman, I can not yield, in the five minutes that I have, to anyone. So I trust no one will interrupt me. I do not think the gentleman from Iowa [Mr. GREEN], the chairman of the Committee on Ways and Means, is subject to criticism for having introduced an administration bill on this subject. It is customary for the chairman of a committee to introduce an administration bill. I want to say for my friend from Iowa that he is diligent, sincere, and follows his convictions, and when he has introduced a bill, if it does not meet with his approval, he votes against it just as he voted against this original administration liquor control bill. [Applause.]

The committee had long hearings on this subject, and the committee could not in its wisdom favor the bill sent down by the Treasury Department, and it was defeated by a vote of 16 to 8. The committee then instructed a subcommittee after our hearings to see if they could prepare a bill that would carry out what General Andrews, the head of the Prohibition Enforcement Unit, said was essential if the prohibition law was to be enforced, to wit, power to concentrate the liquor from 36 warehouses into 6, and to place some limitation upon the number of permits that could be issued in the future for the manufacture of necessary medicinal liquor. The solicitor of the Prohibition Unit and General Andrews contended before the committee that if nothing was done he would have to issue permits this year for the manufacture of medicinal liquor, that under the American pharmacopœia they could not use liquor for medicinal purposes until it had been manufactured four years, and unless they started to manufacture liquor this year there would be no supply after four years as only 10,000,000 gallons of lawful whisky was in the bonded warehouses, four years' supply, and as under the Constitution medicinal liquor is recognized and legal, he would be forced to issue permits for its manufacture. General Andrews and the Prohibition Unit contended that if there was not some limitation placed upon the permits, when he issued one, or two permits to manufacture the liquor, others who met the requirements of the law could come in and mandamus him and compel him to grant them permits also. He feared he would be forced to issue 50 or 60 permits. The committee then figured two things. Some of the committee believed that the department has now the power, that it can limit the permits issued, that it can force a concentration in six warehouses; but there was some doubt about it, and the committee decided, if there was any doubt, to resolve the doubt in favor of giving the Prohibition Unit the authority they said was necessary for the enforcement of the law. I know some very sincere friends of prohibition are here opposing this bill. I also know a number of gentlemen, who have much to say about the nonenforcement of the prohibition law, are here opposing this bill which the Treasury Department and which General Andrews say is necessary to stop bootlegging and to insure pure medicinal liquor and the enforcement of the prohibition law. If there is any doubt about it, I am going to vote to give them the authority they say is necessary to enforce the law.

Mr. BLANTON. Will the gentleman yield?

Mr. CRISP. I can not. This bill does not require anyone to sell liquor they now have. They can concentrate their liquor in one of the warehouses, and the future manufacture of liquor is to be absolutely under the control and supervision of the Government, as it is to-day. This bill changes in no respect the powers of the Government to supervise, protect, and direct the manufacture of liquor. Yes; it is a monopoly, and it is a monopoly to-day. The man who has liquor stored in one of the bonded warehouses can not use it or sell it until he gets from the Government a permit. This in no wise changes existing law so far as the sale of medicinal liquor is concerned.

Mr. CELLER. Will the gentleman yield?

Mr. CRISP. Mr. Chairman, I stated at the outset I was not going to yield. Many say something about the high cost of medicinal liquor. I care nothing about the high cost of medicinal liquor. I am supporting this bill for the purpose of giving authority to enforce the prohibition law, and, in my judgment, not 5 per cent of the selling of liquor is used for medicinal liquor. I care nothing about what it cost. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. BANKHEAD. Mr. Chairman, I yield five minutes to the gentleman from Maryland [Mr. LINTHICUM]. [Applause.]

Mr. LINTHICUM. Mr. Chairman and gentlemen of the committee, I am opposed to this bill regarding medicinal liquor. I think it creates another one of those monopolies and limits to two and not more than six distillers a right to manufacture liquor. And, observe, it not only limits the authority to two and not more than six distillers to manufacture liquor, but they must manufacture the liquor in accordance with a formula prescribed by the Secretary of the Treasury, so this will not only limit the manufacture of liquor to these distilleries, but, according to subsection 2 of section 2, the Secretary of the Treasury has the right to prescribe the formula for the manufacture of liquor. Now, I am informed that the Secretary of the Treasury has been interested in the liquor business and perhaps so long as he is Secretary of the Treasury we might procure a very good formula, but we do not know that he shall always be Secretary of the Treasury.

Mr. HILL of Maryland. Suppose our colleague [Mr. UPSHAW] became Secretary of the Treasury, what kind of a formula do you think he would prescribe?

Mr. LINTHICUM. I should rather have our colleague from Illinois [Mr. HULL] Secretary of the Treasury, to prescribe that formula.

Mr. UPSHAW. I expect that testimony from my dry friends. [Applause.]

Mr. LINTHICUM. I do not think there is a real necessity for this law. The gentleman from Oregon [Mr. HAWLEY] said even at the present time under the present law and situation there were only 15 distilleries in the country who have asked for permits to manufacture liquor. We know there are a number of very good distilleries in this country who manufacture a particular brand of liquor. They have continued to manufacture this liquor for the past 100 years or more, and people have preferred some particular brand of liquor.

I think under a proper construction of the present law the Government has the right to limit manufacture to a certain number of distilleries. I should like to see the distilleries having the reputation for the production of splendid liquors for many years have a chance under the present law to manufacture liquor. This bill would remove all competition—all competition as to price or as to quality. There would be only about two distilleries manufacturing liquor under the formula prescribed by the Secretary of the Treasury, and under the absolute domination of the Prohibition Unit. All liquor, just as soon as 5,000,000 gallons of that now in existence is brought under control of the permit distilleries, must be supplied from the stock and storage liquor of the permittees.

Mr. HILL of Maryland. Will the gentleman yield for a question?

Mr. LINTHICUM. I will.

Mr. HILL of Maryland. Does not section 2 on page 2 put in the discretion of the Secretary of the Treasury the whole question of determining whether there is an emergency?

Mr. LINTHICUM. Oh, I think subsection 2 of section 2 is a most dangerous one. According to that, if the Secretary wanted to prescribe some formula that did not have much alcohol in it and which would not be suitable for medicinal purposes he could do so. Why he has full control under this bill, of course. That is the aim of such legislation. In other words, this bill creates a huge monopoly under the Treasury Department. Fixes prices, presents formulas, compels private owners to sell or store their liquor at the permit distilleries, removes competition as to quality and price. We have divested Congress of the designation of cost and location of public buildings and vested it in the Treasury; we have vested in the War Department the expenditures and designations for river and harbor improvements, and so forth. Shall we take this further step in Government monopoly? Personally, I think it unwise. [Applause.]

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. BANKHEAD. Mr. Chairman, I would like to inquire as to the time of the debate.

The CHAIRMAN. The gentleman from Alabama has 12 minutes remaining and the gentleman from Oregon [Mr. HAWLEY] 15 minutes.

Mr. HAWLEY. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. RAINEY].

The CHAIRMAN. The gentleman from Illinois is recognized for 10 minutes.

Mr. RAINEY. Mr. Chairman and gentlemen of the committee, I am going to read now from the bill:

> The provisions of this act shall not be held to repeal any provisions of existing laws pertaining to intoxicating liquors or regulations or permits thereunder.

I have read this for the purpose of calling it to the attention of those gentlemen who have been placing so much misinformation in this RECORD; for the purpose of calling their attention to the fact that this does not change or alter the terms of the national prohibition act; that it does not change or alter the terms of the act of 1922, or of any act amendatory of those two acts except in two particulars. It is necessary now to provide for replenishment, and this bill does that. It is necessary also to provide——

Mr. CHINDBLOM. The gentleman did not read all of that paragraph.

Mr. RAINEY. No. If the gentleman will listen now, he will find out why. It is necessary to provide for concentration in fewer warehouses.

In those two particulars and in unimportant particulars connected therewith this bill does amend and extend existing laws and repeals that part of existing laws in conflict with this act. It does not interfere with the laws regulating the purity of liquor. A little while ago I said to my friend from New York, Doctor KINDRED, "Are you entirely satisfied with existing laws in the matter of regulating the purity of liquor?" He said he was satisfied with existing law. And now I call his attention to the fact that the existing law in this particular remains in force.

Now, I attended all of these hearings, and the hearings lasted many weeks. I was a member of the subcommittee which drafted this bill, and I know something about this bill and what it attempts to do, and I now know something about the subject. Under the five-minute rule I expect to call attention to a number of things, but in the brief time I have now I want to answer, if I may, the most apparently plausible and apparently forceful attack made on this bill.

The morning papers, I presume, throughout the entire United States carry the full-page advertisement attacking this bill which I hold now in my hand, and that is what I want to answer. The advertisement was prepared by Mr. Eugene G. Brokmeyer, general attorney for the retail druggists of the United States. I know him. I have heard his arguments before committees many times. He is a man of great ability, and he contributed much information on this subject and was given unlimited time in the hearings. In his zeal, however, he has assembled in this advertisement more misinformation than I thought it was possible for any one man to print on any one page of any newspaper. This appeal by him purports to be signed by 30 secretaries of pharmaceutical associations in 30 States.

Now, there are 10 of those associations which have no interest whatever in this bill. The associations for the States of West Virginia, Oregon, South Carolina, Mississippi, Alabama, Tennessee, Utah, North Carolina, Maine, and Idaho have no interest whatever in this subject, because you can not sell medicinal whisky in any one of those States. There are 46 States affiliated in this organization. Here are 10 of these secretaries whose names appear signed here who, if they knew anything about it, would know that they have no interest in it whatever; and there are secretaries of pharmaceutical associations in 20 of the States who do not sign. There are secretaries of pharmaceutical associations in at least 26 States that I know of, out of 46 affiliated with this organization, who do not approve and have never heard of this advertisement, and I doubt if any of them has ever heard of it. The president of the National Association of Retail Druggists, Mr. Samuel E. Davis, of Tennessee, signs this, and in Tennessee they can not sell medicinal liquor.

Mr. TREADWAY. Will the gentleman yield?

Mr. RAINEY. I will yield to the gentleman.

Mr. TREADWAY. Does the gentleman think that many of the gentlemen who signed that sheet of advertisement ever saw H. R. 17130?

Mr. RAINEY. I do not think any of them ever saw it.

Mr. TREADWAY. Or knew of its contents?

Mr. RAINEY. They could not have seen it. Now, I want to answer this advertisement—I am talking now for the committee and not for the galleries—and as I answer this advertisement I want you to open your bill, 17130, the bill we are considering.

The first paragraph of the advertisement charges that existing stocks of old whiskies are to be acquired at a price fixed by the corporation and that the price is to be unlimited. In connection with that paragraph, let me call attention to section 5, paragraph (a), on page 6 of your bill. We peg the price at the price of December 1 last.

The stocks of old whisky are to be acquired at a reasonable price, which is to be determined by boards and the elaborate machinery provided, but under this bill it can not exceed the price of December 1, 1926. Of course, whisky went up $1 a case not long ago. It is selling for more now than it did on December 1, when Congress commenced its session, but they can not get any more than the price it sold for at that time, and the price it sold for at that time was $26 a case, and there are 3 gallons in a case in bottles.

Now, he calls attention in the next paragraph, to the fact that a bill was sent down by the Treasury Department, which was defeated, permitting the control of the stock by bootleggers, and that this bill will enable the same proposition to prevail in this country. If the original bill permitted control by bootleggers—and that is what he said in the hearings—we so provide that this bill can not do it, because we limit the acquisition of the existing stock, as to manufacture and the replenishment of stock, to not less than two and not more than six distillers, and we control their selection by the Secretary of the Treasury. It is unthinkable to believe that a Secretary of the Treasury would permit bootleggers to engage in this business. It is unthinkable that the Secretary of the Treasury would give these valuable permits to violators of the law. [Applause.]

The next paragraph in this remarkable and misleading advertisement advising the public that under the existing law the Treasury Department can issue or deny permits to manufacture and distribute medicinal whisky. This is a part truth. Under existing law, permits can be issued to manufacture whisky but the permits under existing law can only run one year. Medicinal whisky must remain in the wood four years before it can be bottled for medicinal purposes. It is impossible to get a distiller to manufacture a crop of whisky this year for sale five years from now, and the bill we are considering in effect merely extends the time which can be covered by these permits, and this is in effect, the only change made in this particular. A distiller who receives a permit can therefore finance his enterprise and manufacture each year for sale five years from date of manufacture. It is a business proposition which makes possible replenishment for medicinal purposes, and this extension of the time to be covered by the permits is absolutely necessary.

The next paragraph calls attention to the fact that under existing law the standard of purity and quality of medicinal whisky is fixed by the standard in the United States Pharmacopœia. The gentleman who framed this advertisement is absolutely right about it, and the bill we are considering does not repeal or modify in any way that provision of existing law, and is not intended to repeal or modify it. The penalties to which he calls attention in this paragraph are in no way altered or changed by the bill we are considering.

The next paragraph calls attention to the diversion of alcohol for unlawful purposes, and the diversion probably amounted to 27,000,000 gallons in 1925 as he states. We are not attempting in this bill to deal with the question of renatured denatured alcohol. The law regulating this stands just as it is. It may need amending later on in order to correct abuses. The bill we are considering now is a medicinal whisky act and nothing more, and does not attempt to remedy the unlawful diversion of industrial alcohol to which he refers in this paragraph.

The next paragraph in this advertisement asserts that the wholesale druggist is eliminated in the distribution of liquor. This statement is absolutely untrue. I call attention to section 6, paragraph B, of page 7 of the bill. The wholesale druggist can do business just as he does now. There is nothing to limit it except that the whisky he sells must be shipped direct from the concentration warehouse to the distributing retail druggist. The object of this bill is to eliminate the stealing of medicinal whisky in transit and the "cutting" of medicinal whisky, and it enables the retail druggist to avoid, if he desires to do so, the intermediate profit of the wholesaler. The retail druggist can order direct from a concentration warehouse if he desires to do so, and eliminate this profit in the interest of the consumer and in his own interest. This advertisement purports to be a

protest of retail druggists. I know of no reason why retail druggists should attempt to protect the profits of wholesale druggists.

The next paragraph is as misleading as any of the others. It charges that there is an attempt to show that the retailer is a profiteer. There is no such attempt. The bottles containing medicinal whisky will simply be labeled under the bill with the cost at the concentration warehouse tax paid. This is necessary in order to establish a fair selling price to the sick in the communities where medicinal liquor is sold. It enables the person who buys to know what the retail druggist paid for it at the concentration warehouse, and that is all. Retail druggists operating in the same community will have exactly the same overhead, their overhead consisting of express charges, rents, and so forth, and express charges will be the charges from the same concentration warehouse—the presumption is that they will buy from the nearest concentration warehouse.

The next paragraph contains a statement of alleged fact absolutely without any foundation. The bill in its restrictions to which I have before called attention compels the distribution of medicinal spirits at a less price than would prevail without the bill.

The next paragraph charges that the bill was drawn by the Treasury Department in consultation with preferred distillers. The bill was drafted by a subcommittee of the Ways and Means Committee of the House of Representatives. I served on that committee. I know how it was done. It is a committee bill. The administration did not draft it. Afterwards the administration admitted that the bill could be enforced and would accomplish the purposes the administration had in mind. The retail druggists were represented by Mr. Brokmeyer in the hearings we had, and he was given unlimited time and most courteous treatment. It is not being rushed through without a public hearing as stated in this paragraph.

I have now called attention to every paragraph in this remarkable advertisement. The statements in each of these paragraphs are entirely unsupported by the evidence, and the facts are just the reverse of the facts stated in this advertisement. I therefore can say that I have never before come in contact with so much misinformation assembled on any single page of a newspaper. I have not indulged in any characterizations of the gentleman who is responsible for this kind of a presentation. It would not add to my argument to do so. The National Association of Retail Druggists is a dignified organization of respectable business men in the United States. They have been grossly misrepresented in this advertisement.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BANKHEAD. Mr. Chairman, I yield myself five minutes.

The CHAIRMAN. The gentleman from Alabama [Mr. BANKHEAD] is recognized for five minutes.

Mr. BANKHEAD. Mr. Chairman and gentlemen of the committee: I realize the hour is growing very late and that you have probably heard practically everything that could be suggested with reference to the merits or demerits of this bill, although they have not all been discussed in detail.

I am opposed to this legislation and to this bill primarily because, not seeing the necessity for its present enactment, the next inquiry naturally arises: Why is it then pressed so vigorously for enactment under those circumstances. It has been admitted by those who have argued in favor of the bill that the Secretary of the Treasury and General Andrews have ample authority under existing law to concentrate all of these liquors in a few warehouses. That is one feature of this bill. If it is not necessary to enact additional legislation to effectuate the purpose they have in mind then why pass any legislation at all, particularly when it is susceptible to the suspicion, at least, that this bill carries?

It has been openly charged, and I do not think it will be denied, that there is a group of seven men who own at the present time 75 per cent of all of the available liquors in the United States, and under the terms of this bill, owning that preponderance of the available supply, they would be in a position practically to determine what price they would receive if it were purchased by the Treasury Department. It is said that there is a limitation in this bill in that it provides that only a fair and reasonable price can be charged.

But, gentlemen, that is a very elastic term, and from the standpoint of the protection of the ultimate, necessary consumers of this medicinal liquor, it throws the field wide open for them to be profiteered against. [Applause.] There is another thing in this bill that has not been mentioned which I think I should call to your attention. This bill not only confers upon the Secretary of the Treasury the right to select as small a number as two, if he sees fit to do so, as the number that shall be licensed to manufacture liquor, but it provides that a permit may be issued for any period expiring not more than 10 years after December 31, 1927. This means, gentlemen of the committee, giving the Secretary of the Treasury the power to license only two distillers, if he exercises it in that way, and he would thereby give to two distillers in this country the absolute authority to manufacture all medicinal liquors and give them a permit for 10 years, which, in my opinion, would raise the question most seriously whether they would not thereby acquire a vested right under their contract with the Government giving them a monopoly for a period of 10 years from December 1, 1927.

Congress or the country in its wisdom—because this is a volatile question—may change its opinion on some of these questions of administration, but if you pass this bill, you are giving the authority to the Secretary of the Treasury to institute a situation of the very character I have described, and I am not willing to vote for such a proposition, along with other objections which I have to this bill.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. OLIVER of Alabama. It also insures a renewal at the expiration of 10 years unless they have violated some of the terms of the contract within the 10-year period.

Mr. BANKHEAD. Exactly; and thereby further extend the monopoly probably for a period of 20 years.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. BANKHEAD. I yield myself two minutes more, Mr. Chairman.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. HILL of Maryland. Subsection 2 of section 2 on page 2 says that each permit shall require manufacture according to formulas prescribed by the Secretary of the Treasury; does this mean there would be alcoholic medicines in the sense they are used there, or could not the Secretary of the Treasury prescribe anything he pleased?

Mr. BANKHEAD. Of course, that is carried out by the very terms of the bill itself.

Mr. HILL of Maryland. Then that could be done?

Mr. BANKHEAD. Gentlemen, there is another proposition involved. There is no limit in this bill as to the amount of liquor the Secretary can authorize to be made. It is left to his wide-open discretion. He could license two distillers to-morrow under this bill to go ahead and manufacture 50,000,000 gallons of liquor, and I ask any gentleman favoring this bill to think of that proposition. In addition to that, there is this opportunity, and this fair opportunity, to secure the necessary supplies of medicinal liquors. Under the present law and under the power contained in this bill on page 11, section 8, the Secretary of the Treasury is allowed to import such character of medicinal liquors and in such amount as may be reasonable and necessary to meet the medicinal necessities of the country. So that for this reason there is no necessity for the bill.

There are a number of other arguments that might be made against it, but I have not the time to discuss them. I shall oppose the passage of the bill. There are some amendments that may be offered that might help it.

I yield the balance of my time, Mr. Chairman, to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, if there is one man on the floor of this House in support of this bill who can tell the House the potable or chemical difference between spirits for nonbeverage purposes or medicinal spirits and honest-to-goodness, everyday booze, I will vote for your bill.

Mr. GREEN of Iowa. What has that got to do with it?

Mr. LAGUARDIA. It has the whole thing to do with it.

Mr. GREEN of Iowa. That has not anything to do with the bill.

Mr. LAGUARDIA. Why all this hypocrisy? Coming here and asking us to replenish the quantity of whisky in this country and not having the courage to call it whisky, but coming here and calling it medicinal spirits, nonbeverage spirits. Let us be perfectly frank about this.

It was whisky that brought prohibition to this country, and I will fight whisky now as I have always fought whisky.

Mr. WILLIAM E. HULL. Will the gentleman yield?

Mr. LAGUARDIA. No; I asked the gentleman to yield to me, and he would not.

The gentleman from Georgia [Mr. CRISP], who talked in favor of this bill, made this startling statement, and it is true. He said but 5 per cent of the amount of liquor withdrawn for medicinal purposes is really used for that purpose, and the gentleman is right.

I will tell you what this is, gentlemen. The surplus contagion has hit the Treasury Department. They have heard so much about surplus from the Department of Agriculture that now the Treasury Department comes in and wants to buy up the surplus whisky. It is a wonder you have not provided an equalization fee to tax the bootleggers.

Mr. CHINDBLOM. Then the gentleman would vote for it. He did the other day. [Laughter.]

Mr. LAGUARDIA. I wish the gentleman would not interrupt me when I am talking about agriculture. [Laughter.]

I believe in being perfectly sincere about this matter. I want a change in the constitutional amendment, and I am fighting for that along proper legislative and constitutional lines.

But I refuse a palliative of this kind. This is a mere whisky bill. I do not see how any sincere dry can absolutely support this bill. If to-morrow the sale of whisky was lawful I would take a stand against it because it was whisky that brought in these intolerable conditions that we have to-day. Here you have a bill to replenish the quantity of whisky, and you have not got the courage to call it by its right name.

Gentlemen, the purpose of this bill is so clear that it is not necessary to talk about it. It is to put the control of whisky into a few hands and then in the event that there is a change in the law through constitutional amendment or otherwise within 10 years the permittees will continue to have an absolute monopoly.

Mr. HUDSON. There will be no change.

Mr. LAGUARDIA. Well, I will take my chance on that, but under the present situation I do not wish to support a bill of this kind. Every sincere dry and every sincere wet who does not seek to avoid the law, but to change it in the proper way, ought to vote against this bill.

Now, what does beverage in the Constitution mean? It says manufactured and transported for beverage purposes. It does not say "medicinal." That is an implication put in by the drys. What is a beverage? A beverage is anything to drink artificially prepared and with an agreeable flavor. That is the definition.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. HAWLEY. Mr. Chairman, I yield the balance of my time to the gentleman from Iowa, the chairman of the committee.

The CHAIRMAN. The gentleman from Iowa is recognized for five minutes.

Mr. GREEN of Iowa. Mr. Chairman, there are two classes of Members who can consistently vote against this bill; one is represented by the gentlemen from New York [Mr. CAREW] and [Mr. LAGUARDIA], who says that the only remedy for the situation is the repeal of the Volstead Act and the eighteenth amendment. The other class is represented by gentlemen who do not believe in intoxicating liquor or whisky ever being sold or manufactured even for medicinal purposes. Such gentlemen can consistently vote against this bill. Otherwise I do not see how anyone else can, whether he is wet or dry.

Mr. SCHAFER. Will the gentleman yield?

Mr. GREEN of Iowa. No; I have only five minutes. It is true that at the request of the Treasury I introduced the bill brought before my committee. Every Member knows that I never supported that bill and did nothing more than to bring it forward at the request of the Treasury to be considered by the committee. I finally voted against it in preference to this bill here. I want to say that the subcommittee that prepared this bill has done one of the best jobs ever done in Congress by any committee.

Now let us see why the drys ought to vote for the bill. They tell you in the first place that the Secretary of the Treasury can now concentrate in six warehouses if he wants to and that that is all the bill proposes.

That is not all the bill proposes, and it is not all that the prohibition unit wants, and needs. The bill proposes not only to concentrate the liquor but that to have it bottled and have it put up in such shape that they can not get it out surreptitiously—so that it shall not be stolen in the manner that it is now being done. General Andrews wants to regulate its going out. Is there any dry in the House who is opposed to that? I do not think so.

Now, let us take the other matter, the granting of these permits. Some gentlemen have had the temerity to argue that the Secretary of the Treasury could now restrict the number of permits to manufacture. He can not according to the opinion of the Attorney General. We may differ here as to the law, but we can not well discuss it here, and the Attorney General has said that the law does not now permit it. Later on there will be an explanation with reference to the decision showing it has no application to this case.

Is there any dry in the House who does not want the number of these permits restricted, which the Secretary of the Treasury can not do? Who is he? Where is he?

Mr. SCHAFER. Right here.

Mr. GREEN of Iowa. The gentleman is a dry?

Mr. SCHAFER. Yes.

Mr. GREEN of Iowa. The gentleman is the kind of a dry I should expect to make exceptions. He is literally dry.

Mr. HILL of Maryland. Possibly the gentleman meant thirsty and not dry.

Mr. GREEN of Iowa. Exactly. The drys are supporting this provision, and it is an absolutely necessary feature if they are to enforce the law. Why should the wets support this bill? Because they believe in getting pure medicinal liquor at a reasonable price; and I shall show that it does even by the testimony of one of the wets, the gentleman from New York [Mr. LAGUARDIA]. He has just made that statement in his speech.

Mr. MACGREGOR. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. I can not yield. The whole question at this time is this: Do you want to support the man who by almost universal approval of the drys has been put in charge of the enforcement of the prohibition law? If so, you will vote for this bill.

The CHAIRMAN. The time of the gentleman from Iowa has expired. All time has expired, and the Clerk will read.

Mr. BLANTON. Mr. Chairman, I suggest that it is now 20 minutes of 6 and we ought to stop.

Mr. HAWLEY. Mr. Chairman, I ask unanimous consent to address the committee for one minute.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HAWLEY. Mr. Chairman, it had been the intention to proceed with the consideration of this bill, but a number of gentlemen say that on account of this being Washington's Birthday they have made arrangements for dinner parties and other celebrations. We have the practical assurance of being recognized again for consideration of the bill on Thursday, so that after the reading of the first section I shall move to rise.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc.—

That as used in this act—

(a) The term "person" means an individual, partnership, association, or corporation.

(b) The term "distilled spirits" means whisky, brandy, rum, gin, and other distilled spirits, except alcohol.

(c) The term "warehouse" means any bonded warehouse, including any general, special, distillery, concentration, or customs bonded warehouse and any tax-paid warehouse.

Mr. HILL of Maryland. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HILL of Maryland. At the conclusion of the reading of the section will it be in order to move to strike out the last word and have that amendment pending?

The CHAIRMAN. Amendments may be offered at the conclusion of the reading of the section.

Mr. GARNER of Texas. Mr. Chairman, would it not be in order, after the reading of the first section, to move to strike out the enacting clause?

The CHAIRMAN. The section has been completed. The Chair thinks it would be in order to move to strike out the enacting clause, providing the rule so provides.

Mr. BLANTON. That would be a preferential motion.

Mr. GARNER of Texas. I just want to reserve that motion.

Mr. HAWLEY. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MICHENER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 17130, and had come to no resolution thereon.

A LITTLE FARM BILL

Mr. EDWARDS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing therein a short editorial from the Savannah (Ga.) Morning News, on the Capper-Ketcham agricultural bill.

The SPEAKER. The gentleman from Georgia asks unanimous consent to extend his remarks in the RECORD by printing a short editorial on the subject of the Capper-Ketcham agricultural bill. Is there objection?

There was no objection.

Mr. EDWARDS. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following from the Savannah Morning News of February 21, 1927:

A LITTLE FARM BILL

While Congress and politicians have been footballing various bills for alleged farm relief, and while the big measures that have occupied time in the two Houses of Congress have shown themselves to be purely political bills for effect and not founded upon sound economic basis, there is one bill, a little fellow that might easily be lost in the shuffle, that is sound and safe and good. This bill had hearings beginning Wednesday of last week before the Senate Committee on Agriculture. It is the House bill known as the Capper-Ketcham agricultural extension bill. It provides for an appropriation of only $10,000 to each State, that sum to be used in agricultural extension work for the next fiscal year, and used through the means of the State agricultural colleges in such work as is seen in the activities of the county agents, the home demonstration agents, the vast and varied extension work done directly for the farmers by the experts of the college. The bill provides for annual increases for the next few years.

The State of Georgia is mightily interested in the passage of this measure. Georgia is essentially an agricultural State. Just now of all times in her history the farmers are seeking all the help in demonstration and advice by specialists they can get. Diversification is in its crucial stage. Barriers once up are now razed and the work of the extension men is welcomed and even eagerly sought. The supply of this help is nothing like equal to the demand. The State receives, of course, funds for a part of this work from the Smith-Lever appropriations, but the State would receive, under the provisions of the Capper-Ketcham bill, more than from the Smith-Lever bill's provision. There are now nearly 30 counties begging for agents and there is no fund with which to support their work. With this additional financial aid from the Federal Government other lines of the extension service for the farmers could be strengthened. Last week in Atlanta leaders of agriculture from 16 Southern States went on record as earnestly urging the passage of this measure. If those who are interested in the farmers of the South just now will do a bit toward letting Congress know that the measure is needed and wanted it is likely to pass.

POSTAL RATE BILL

Mr. GRIEST. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 13446, the postal rate bill, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to take from the Speaker's table the bill H. R. 13466, with Senate amendments thereto, disagree to the Senate amendments and ask for a conference. Is there objection?

Mr. GARNER of Texas. Mr. Speaker, reserving the right to object, I shall object unless the gentleman can make the regular statement. The gentleman knows the rule, or, if he does not, he ought to become acquainted with it, that he must say that he has conferred with the minority on his committee with reference to the matter.

Mr. GRIEST. What makes the gentleman think that I have not conferred with them?

Mr. GARNER of Texas. Because the gentleman has not said so.

Mr. GRIEST. I say so now. And I say also that I have always conferred with pleasure with the minority of my committee.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER appointed the following conferees: Mr. GRIEST, Mr. RAMSEYER, Mr. SANDERS of New York, Mr. BELL, and Mr. ROUSE.

WASHINGTON'S BIRTHDAY ADDRESS OF PRESIDENT COOLIDGE

Mr. TILSON. Mr. Speaker, I ask unanimous consent that the address delivered by the President to-day may be printed as a House document.

The SPEAKER. Is there objection?

There was no objection.

Mr. TILSON. Mr. Speaker, I also ask unanimous consent that the proceedings of the joint session may be printed in the RECORD of to-day.

The SPEAKER. The gentleman from Connecticut also asks unanimous consent that the proceedings of the joint session may be printed in the RECORD. Is there objection?

There was no objection.

EVENING SESSION, THURSDAY, FEBRUARY 24, 1927

Mr. TILSON. Mr. Speaker, I ask unanimous consent that on Thursday of this week it may be in order at any time not later than 6 o'clock p. m. to take a recess until 8 o'clock in the evening, for the consideration of bills unobjected to on the Private Calendar.

The SPEAKER. Is there objection?

Mr. GARNER of Texas. Mr. Speaker, reserving the right to object, may I ask the gentleman a question? I am in sympathy with the idea of the consideration of the Private Calendar, but is he not going to give the Consent Calendar a chance to be called at an early date?

Mr. TILSON. The last six days of the session are by the rules suspension days.

Mr. GARNER of Texas. I know they are suspension days, but I am speaking of unanimous consent.

Mr. TILSON. They can be set apart any time we may see fit to agree to an order to make them unanimous consent days.

Mr. GARNER of Texas. If I recall there are 150 bills on the Consent Calendar. Now, I imagine there are at least 125 of those bills to which there will be no objection, and it does seem to me that those who are interested—I do not happen to have one—in those bills ought to have a chance, and the majority leader ought to provide for a chance for those bills to be in order, and where there is no objection pass them.

Mr. TILSON. I am thoroughly in accord with the gentleman from Texas and shall make every effort to bring that about. Let me add to my request for unanimous consent that we begin on the Private Calendar where we left off.

The SPEAKER. Let the Chair present the request. The gentleman from Connecticut asks unanimous consent that it shall be in order to recess not later than 6 o'clock Thursday afternoon to meet at 8 o'clock, when it will be in order to consider unobjected bills on the Private Calendar beginning with the star.

Mr. HILL of Maryland. Mr. Speaker, reserving the right to object—and I shall not—I would like to ask the floor leader if it is his intention to bring up to-morrow a continuation of the bill we have been discussing in relation to medicinal spirits?

Mr. TILSON. No; I think that appropriation bills ought to have the right of way.

Mr. HILL of Maryland. This bill will not come up?

Mr. TILSON. Not until after the deficiency bill.

Mr. GARNER of Texas. Will the gentleman yield? I have just been reminded by one of my colleagues that on next Thursday night we were notified that the Democrats were going to have a caucus.

Mr. TILSON. I thought it was Monday night.

Mr. GARNER of Texas. My impression is that it was Thursday; I beg the gentleman's pardon.

Mr. BLANTON. Mr. Speaker, reserving the right to object, I would like to ask the distinguished majority leader if he would not make that order for Friday night instead of Thursday night. The gentleman knows there are a few of us Members who have done a lot of hard work on the Private Calendar and we have to adjust our office affairs to be here that night, but if the gentleman can make it Friday night and give one more day so that we can arrange same, there would be no objection.

Mr. TILSON. I think those who are doing this work would be better satisfied with Thursday than with Friday.

Mr. BLANTON. As one of the few who have been doing this work on this Private Calendar, I would prefer Friday night.

Mr. TILSON. Well, then, some other gentlemen would be inconvenienced.

Mr. BLANTON. There are but about two Members of the majority and two or three of the minority who look after all these bills, and the gentleman ought to give some consideration to them.

Mr. TILSON. I have tried to fix a day that would be most convenient to most of the Members, and that was Thursday.

Mr. BLANTON. For the present I am going to object.

Mr. TILSON. The gentleman may defeat the purpose in mind, and, if so, I wish the responsibility to be placed where it belongs.

Mr. BLANTON. My colleague knows I work as hard as any Member here, and he ought to give some consideration to our business engagements already arranged, but I shall not stand in the way of having these private bills considered and passed on by the House.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut? [After a pause.] The Chair hears none.

Mr. SCHAFER. Regular order, Mr. Speaker.

The SPEAKER. The regular order is, Is there objection to the request of the gentleman from Connecticut?

There was no objection.

THE TRUE GEORGE WASHINGTON

Mr. CELLER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address given by me over the radio February 21, 1927:

The good Lord left George Washington childless so that he might become the Father of his Country, but it is a wise country that knows its own father.

How well does our citizenry know George Washington? I am sure they know him merely as a hero of sugar-coated schoolbooks. The problem is first to rescue Washington from such stories as that of the "cherry tree." Parson Weems first invented this tale in his desire to make of Washington a sainted paragon of truth. Others followed with tales more ludicrous, until Washington has become a mere plaster saint; a demigod, instead of a truly great man, but one beset with human frailties. As a shrewd British historian, Philip Guedalla, now sojourning with us, observed in his "Fathers of the Revolution," "The Father of his Country has been deprived of his identity by his grateful children * * * the very faultlessness of (his) singular career seemed to invite the worst that pious ingenuity could do for him. * * * Misconceived panagyric has made him seem almost ridiculous."

He must be made of giant strength. Hence tales were invented of his great physical prowess. He threw a stone across the Rappahannock. The latter story was improved upon, and, instead of a stone, Washington threw a silver dollar across the river. Some mad wag said, "Of course, a dollar went further in those days."

There is no doubt of Washington's lofty character and his penchant for truthfulness; but how absurd to say "he never told a lie"; how still more absurd to teach our boys and girls that lie. Mark Twain facetiously said he was a greater man than Washington, for the latter "could not tell a lie," while he could but wouldn't.

Recent biographies have unduly set into relief his faults and failings; but to my mind they serve to strengthen him and make him more natural and reveal him as a man among men, influenced and limited by human passions, yet strong, sturdy, stalwart, who led his people in a successful rebellion and helped set up the United States of America.

He was a good husband and a good son. His mother, however, was a crochety old lady and a source of constant annoyance to him. She often complained of his treatment of her, although he gave her every comfort and supplied her every want. She sorely tried him with her unjust complaints, but her son was most patient and kind.

His 40 years of marriage with the rich widow, Martha Custis, brought him much conjugal happiness. I think, however, that young Washington, "ever land loving" and with a true sense of money's value, was greatly tempted to propose to her because of her rich Virginia holdings. She was the richest woman in Virginia. She had no deep influence upon his life. Not much is known of her, other than that she was "a pretty kind of woman, sociable, matronly, * * * with perfect good breeding." Washington was always chivalrous and watchful of her welfare. He took on the management of the household when it got beyond her.

He even saved her much of the details of ordering her clothing. He writes his London agent, "Mrs. Washington sends home a green sack to get cleaned or fresh dyed of the same color; made up into a handsome sack again, would be her choice; but, if the cloth won't afford that, then to be thrown into a genteel nightgown."

He fathered her children as though they were his own. Little "Jack" and "Patsey"—one 4 and the other 6—were the apples of his eye. In the first invoice of goods to be shipped to him from London after he had become their step-father, Washington ordered "10 shillings' worth of toys, six little books for children beginning to read."

When at battle and away from her, he wrote her endearing epistles. When he left Mount Vernon in May, 1775, to attend the Continental Congress, he had not anticipated his appointment as commander in chief, and after his appointment he wrote Martha as follows:

"You may believe me, my dear, when I assure you in the most solemn manner, that so far from seeking this appointment, I have used every endeavor in my power to avoid it, not only from my unwillingness to part with you and the family, but from the consciousness of its being a trust too great for my capacity, and that I should enjoy more real happiness in one month with you at home than I have the most distinct prospect of finding abroad if my stay were to be seven times seven years. * * * I shall feel no pain from the toil or danger of the campaign; my unhappiness will flow from uneasiness I know you will feel from being left alone."

When he was 22 he grew fond of Sally Fairfax, the wife of his best friend; but nothing yet produced indicates that their love ever grew into anything more than the platonic. I stress this in view of the insinuations to the contrary, lately revived. He may have desired Sally Fairfax, but he was honest enough with himself and her to know that any such liaison would be unthinkable. The episode clearly indicates that he was not immune from human emotions, but it also exemplifies a strength of character that fled from a love that must have alike allured and harassed him.

Washington was at times expedient and willing to sacrifice principle for immediate gain. I do not say this by way of captious criticism, but just to state the facts and to prove that he was not a plaster saint.

In 1757 he ran for the Virginia House of Burgesses. He had fought the tippling houses and flayed the drunken soldiers. He essayed to close up many drinking places. He was overwhelmingly defeated. Next time he changed his tactics. He took a page from the book of his opponent, and the following election he was successful. But he too, had "tickled" the voters and flooded the district with rum, rum punch, wine, and beer. Of course, he was using the known and recognized weapons of political warfare of that day.

But with what a glow and shining light he appears, when he takes a fling at nepotism. He had pulled himself up by his own bootstraps by sheer merit. He frowned upon relatives who sought office at his hands. They should also rise by merit. To his favorite nephew, who sought an appointment in the new Government, he wrote:

"However deserving you may be * * * your standing at the bar would not justify my nomination of you as attorney to the Federal district court in preference to some of the older and most esteemed general court lawyers in your State, who are desirous of this appointment. My political conduct in nominations, even if I were influenced by principle, must be exceedingly circumspect and proof against just criticism; for the eyes of Argus are upon me, and no slip will pass unnoticed, that can be improved into a supposed partiality for friends or relatives." Words of Washington's example should be emblazoned upon the walls of every statehouse and city hall.

We are rarely, if ever, privileged to see any humor in Washington. This is because we see him crossing the Delaware, praying at Valley Forge, or in equestrian majestic pose in cold marble. We never dissociate him from these serious occasions. He, therefore, becomes synonymous with severe austerity. Yet we know that Washington "out of harness" was a man of some humor. He liked good wine, was fond of dancing and picnics, fishing, billiards, music, and the theater. He favored fine clothes, enjoyed riding to hounds, and was wont to gamble a bit.

Such a man were strange, indeed, if he did not enjoy a little frolic and banter. Considerable and unnecessary formalities were used at the first presidential levee in New York by Washington's master of ceremonies. The pomp was laid on pretty thick, and the occasion was made to appear a bit ridiculous. Not without humor, however, he said to his amateur chamberlain, "Well, you have taken me in once; but, by God, you shall not take me in a second time."

When the Democrats were charging the Federalists with having stolen from the Treasury, he wrote to a Cabinet official: "And pray, my good sir, what part of the $800,000 has come to your share? As you are high in office, I hope you did not disgrace yourself in the acceptance of a paltry bribe—of $100,000 perhaps."

He joked about his own death after Braddock's defeat and said he had heard an account of his own death and dying speech and takes this particular opportunity of contradicting the first and of giving the assurance that he did not, as yet, compose the latter.

It has often been asserted that Washington was a man without friends. This is slander of the worst sort. It is probably due to the fact that most historians have neglected his private life in the study of his public career. His life was enriched with sincere friendships. I like Washington all the more because of his intense loyalty to his friends. With him it was a religion. Phelps, in his Human Nature in the Bible, points out that selfish and calculating persons often do not understand the meaning of the word "loyalty," and it is not very often fully understood by men of pure intellect. There is something splendid about people who possess it. You remember the scene in Shakespeare, when the nobles are disputing Henry's claim to the throne, how refreshing then it is to hear that clear, strong voice of Clifford:

"King Henry, be thy title right or wrong,
Lord Clifford vows to fight in thy defense."

Washington had such loyalty, almost to a fault. He was Clifford to all his friends. Witness his loyalty to the members of the Fairfax family, whose lord had originally engaged him as surveyor. In the name of that friendship and at the risk of his own reputation he saved several of the Fairfax family, who had become Loyalists and Tories, from serious persecution and confiscation of property. Benjamin Harrison, Patrick Henry, Generals Greene and Knox were always dear to him. Hamilton was probably his closest friend, and he spoke of him always as "my boy." There was the strongest devotion and love between Lafayette and Washington, and at one of the leave takings at Mount Vernon Lafayette said:

"Everything that admiration, respect, gratitude, friendship, and filial love can inspire, is combined in my affectionate heart to devote me most tenderly to you. In your friendship I find a delight which words can not express."

"Light Horse Harry" Lee was one of the young officers on Washington's staff. The first liking that Washington had for him grew into a life-long friendship. Lee was in Congress when the death of Wash-

ington was announced, and it was he who coined the famous "First in war, first in peace, and first in the hearts of his countrymen."

He was modest and often lost his tongue in public speeches. Many great men are not gifted orators. Moses was so poor a speaker that he had to have Aaron as his mouthpiece. Benjamin Franklin, Thomas Jefferson, and Grover Cleveland were great statesmen, but like Washington had no forensic ability. At Washington's inauguration as President, Senator Maclay noted that "this great man was agitated and embarrassed more than ever he was by the leveled cannon or pointed musket."

Although not a pious man or a regular churchgoer, he was God-fearing. Above all, he respected the religious views of others. In 1775, when the New England troops intended to celebrate Guy Fawkes day as usual, the general orders issued by him expressed surprise at "the observance of that ridiculous and childish custom of burning the effigy of the Pope," and deplored the lack of common sense of some officers and soldiers who failed to see "the impropriety of such a step." His many examples of religious tolerance might well be emulated in certain benighted parts of our country.

In conclusion, let us reaffirm, on the morrow, his birthday, our admiration for Washington, hero and man, who physically, mentally, and spiritually represents the genius of the American people. But let us always remember what he himself observed, "That I have foibles, and perhaps many of them, I shall not deny. I should esteem myself, as the world would, vain and empty were I to arrogate perfection." But despite those foibles we have a remarkable man; a military genius, greater, perhaps, in his deft withdrawals and retreats than in his victories; a more stubborn defender than aggressive contender, who conquered rather by strength of character than force of arms, and who was statesman enough after the battle to turn the sword into a plowshare and lead his country as honorably in peace as in war.

ENROLLED BILLS PRESENTED TO THE PRESIDENT

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that this day they presented to the President of the United States, for his approval, the following bills:

H. R. 5823. An act to amend the Code of Law for the District of Columbia in relation to the qualifications of jurors;

H. R. 9916. An act to revise the boundary of the Grand Canyon National Park, in the State of Arizona, and for other purposes;

H. R. 9971. An act for the regulation of radio communications, and for other purposes;

H. R. 15414. An act to authorize the United States Veterans' Bureau to accept a title to lands required for a hospital site in Rapides Parish, La.;

H. R. 16576. An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1928, and for other purposes; and

H. R. 16863. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1928, and for other purposes.

HOUSE ENROLLED BILL SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled House bill of the following title, when the Speaker signed the same:

H. R. 10485. An act for the relief of William C. Harllee.

ADJOURNMENT

Mr. HAWLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 50 minutes p. m.) the House adjourned until to-morrow, Wednesday, February 23, 1927, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Wednesday, February 23, 1927, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON APPROPRIATIONS

(10.30 a. m.)

Public buildings bill.

COMMITTEE ON BANKING AND CURRENCY

(10.30 a. m.)

To amend the Federal farm loan act (H. R. 15540).

COMMITTEE ON IMMIGRATION AND NATURALIZATION

(10.30 a. m.)

To provide for the deportation of certain alien seamen, and for other purposes (S. 3574).

COMMITTEE ON THE JUDICIARY

(10.30 a. m.)

Providing for the investigation of Judge Frank Cooper, of the northern district of New York (H. Res. 398 and 400).

COMMITTEE ON WAR CLAIMS

(3 p. m.)

For the relief of Maude A. Sanger (H. R. 13193).

COMMITTEE ON WAYS AND MEANS

(10.30 a. m.)

To consider the salaries of employees in the customs service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WOOD: Committee on Appropriations. H. R. 17291. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1927, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1927, and June 30, 1928, and for other purposes; without amendment (Rept. No. 2188). Referred to the Committee of the Whole House on the state of the Union.

Mr. VESTAL: Committee on Patents. H. R. 13486. A bill to protect trade-marks used in commerce, to authorize the registration of such trade-marks, and for other purposes; without amendment (Rept. No. 2203). Referred to the Committee of the Whole House on the state of the Union.

Mr. DYER: Committee on the Judiciary. H. R. 16022. A bill to increase the salaries of the assistant to the Attorney General and the Assistant Attorneys General; with amendment (Rept. No. 2204). Referred to the Committee of the Whole House on the state of the Union.

Mr. LUCE: Committee on the Library. H. R. 17024. A bill authorizing the appropriation of $2,500 for the erection of a tablet or marker at Medicine Lodge, Kans., to commemorate the holding of the Indian peace council, at which treaties were made with the Plains Indians in October, 1867; with amendment (Rept. No. 2205). Referred to the Committee of the Whole House on the state of the Union.

Mr. WAINWRIGHT: Committee on Military Affairs. H. R. 17182. A bill authorizing construction of barracks at Fort Jay, Governors Island, N. Y.; without amendment (Rept. No. 2206). Referred to the Committee of the Whole House on the state of the Union.

Mr. DYER: Committee on the Judiciary. H. R. 16256. A bill to amend section 215 of the Criminal Code; without amendment (Rept. No. 2207). Referred to the House Calendar.

Mr. TILLMAN: Committee on the Judiciary. H. R. 17038. A bill to amend section 71 of the Judicial Code, as amended; with amendment (Rept. No. 2208). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII.

Mr. UNDERHILL: Committee on Claims. H. R. 7168. A bill for the relief of the owner of the schooner *Sentinel;* with amendment (Rept. No. 2190). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 15305. A bill for the relief of Ben Wagner; with amendment (Rept. No. 2191). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 16482. A bill for the relief of Pocahontas Fuel Co. (Inc.); with amendment (Rept. No. 2192). Referred to the Committee of the Whole House.

Mr. McSWAIN: Committee on Military Affairs. S. 2279. An act for the relief of James C. Baskin; without amendment (Rept. No. 2193). Referred to the Committee of the Whole House.

Mr. JOHNSON of Indiana: Committee on Military Affairs. H. R. 1386. A bill for the relief of Purdy Trager; with amendment (Rept. No. 2194). Referred to the Committee of the Whole House.

Mr. JOHNSON of Indiana: Committee on Military Affairs. H. R. 13090. A bill authorizing the President to reappoint John P. Pence, formerly an officer in the Signal Corps, United States Army, an officer in the Signal Corps, United States Army; without amendment (Rept. No. 2195). Referred to the Committee of the Whole House.

Mr. WRIGHT: Committee on Military Affairs. H. R. 14955. A bill for the relief of William Earhart; without amendment (Rept. No. 2196). Referred to the Committee of the Whole House.

Mr. FURLOW: Committee on Military Affairs. H. R. 15274. A bill for the relief of William Morin; without amendment (Rept. No. 2197). Referred to the Committee of the Whole House.

Mr. FURLOW: Committee on Military Affairs. H. R. 15357. A bill authorizing the President to order Richard B. Baruitz before a retiring board for a hearing of his case and upon the findings of such board to determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his resignation; without amendment (Rept. No. 2198). Referred to the Committee of the Whole House.

Mr. FURLOW: Committee on Military Affairs. H. R. 16091. A bill to correct the military record of Charles B. Holmes; without amendment (Rept. No. 2199). Referred to the Committee of the Whole House.

Mr. WHEELER: Committee on Military Affairs. H. R. 16658. A bill to amend the military record of Robert Zink; with amendment (Rept. No. 2200). Referred to the Committee of the Whole House.

Mr. QUIN: Committee on Military Affairs. H. R. 16897. A bill for the relief of William G. Beaty, deceased; without amendment (Rept. No. 2201). Referred to the Committee of the Whole House.

Mr. TUCKER: Committee on the Judiciary. H. R. 17108. A bill giving jurisdiction to the Court of Claims to hear and determine the claim of the Butler Lumber Co (Inc.); without amendment (Rept. No. 2202). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WOOD: A bill (H. R. 17291) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1927, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1927, and June 30, 1928, and for other purposes; committed to the Committee of the Whole House on the state of the Union.

By Mr. BURTNESS: A bill (H. R. 17292) granting the consent of Congress to the States of North Dakota and Minnesota to construct, maintain, and operate a bridge across the Red River of the North; to the Committee on Interstate and Foreign Commerce.

By Mr. HAYDEN: A bill (H. R. 17293) granting a part of the Federal building site at Phoenix, Ariz., to the city of Phoenix for street purposes; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 17294) granting certain lands within the Papago Saguaro National Monument in Arizona to the State of Arizona and the town of Tempe, Ariz., for park and other purposes; to the Committee on the Public Lands.

By Mr. WOLVERTON: A bill (H. R. 17295) granting the authority of Congress to the Kanawha Falls Bridge Co. (Inc.), to construct a bridge across the Kanawha River at Kanawha Falls, Fayette County, W. Va.; to the Committee on Interstate and Foreign Commerce.

By Mr. GRAHAM: A bill (H. R. 17296) establishing a division of identification under the jurisdiction of the Bureau of Investigation of the Department of Justice; to the Committee on the Judiciary.

By Mr. WILSON of Louisiana: A bill (H. R. 17297) granting the consent of Congress to the Fisher Lumber Corporation to construct, maintain, and operate a railroad bridge across the Tensas River in Louisiana; to the Committee on Interstate and Foreign Commerce.

By Mr. SNELL: A bill (H. R. 17298) granting the consent of Congress to the States of New York and Vermont to construct, maintain, and operate a free highway bridge across Lake Champlain; to the Committee on Interstate and Foreign Commerce.

By Mr. HAUGEN: Resolution (H. Res. 434) to provide for the consideration of the bill H. R. 16350, entitled "A bill to provide for the collection and publication of statistics of tobacco by the Department of Agriculture; to the Committee on Rules.

By Mr. MOORE of Virginia: Resolution (H. Res. 435) relative to affairs in Nicaragua; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the Legislature of the State of Texas, regarding the agricultural condition, and urging legislation for its regulation; to the Committee on Agriculture.

Memorial of the Legislature of the State of Oregon, urging the providing of available funds for the construction of a storage reservoir at Benham Falls, in Deschutes County, on the Deschutes River; to the Committee on Irrigation and Reclamation.

Memorial of the Legislature of the State of Colorado, concerning the retirement of disabled emergency officers of the World War; to the Committee on World War Veterans' Legislation.

By Mr. O'CONNELL of New York: Memorial of the Legislature of the State of Oregon, favoring the passage of the Sinnott-McNary bill for the construction of a storage reservoir at Benham Falls, Oreg.; to the Committee on Irrigation and Reclamation.

By Mr. SINNOTT: Memorial of the Legislature of the State of Oregon, urging enactment by Congress of legislation providing for the designation of the Deschutes project, Oregon, as a Federal reclamation project; to the Committee on Irrigation and Reclamation.

Also, memorial of the Legislature of the State of Oregon, in regard to Tongue Point naval legislation; to the Committee on Naval Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CRUMPACKER: A bill (H. R. 17299) granting a pension to Eliza D. Welsh; to the Committee on Invalid Pensions.

By Mr. O'CONNOR of Louisiana: A bill (H. R. 17300) for the relief of Robert Michael White; to the Committee on Public Buildings and Grounds.

By Mr. SNELL: A bill (H. R. 17301) granting an increase of pension to Mary Rock; to the Committee on Invalid Pensions.

By Mr. TILLMAN: A bill (H. R. 17302) granting a pension to Elizabeth Fry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17303) granting an increase of pension to Katy Neale; to the Committee on Invalid Pensions.

By Mr. VINCENT of Michigan: A bill (H. R. 17304) granting a pension to Warren Campbell; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7259. By Mr. BECK: Petitions of voters of LaCrosse, Wis., urging Congress to pass Civil War veterans' pension legislation; also, of voters of Adams County, Wis., urging the passage of Civil War veterans' legislation; to the Committee on Invalid Pensions.

7260. By Mr. BRIGHAM: Petition of Roy De P. Haas and other citizens of Wolcott, Vt., favoring the passage of legislation for the relief of Civil War soldiers and widows of soldiers; to the Committee on Invalid Pensions.

7261. By Mr. BURTNESS: Petition of 28 members of Jerry Rusk Relief Corps and citizens of Towner, N. Dak., urging passage of legislation providing increase of pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7262. Also, petition of 93 members of Abraham Lincoln Relief Corps and citizens of Minot, N. Dak., urging passage of legislation providing increase of pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7263. Also, petition of 130 residents of Towner County, N. Dak., urging passage of legislation providing increase of pension for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7264. By Mr. CELLER: Petition of the Quentin Roosevelt Chapter, No. 5, of Los Angeles, of the Disabled American Veterans of the World War, favoring the passage of House bill 4548; to the Committee on World War Veterans' Legislation.

7265. By Mr. COOPER of Ohio: Petition of Sarah J. McAleer and other citizens of Warren, Ohio, urging increase of pension for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7266. Also, petition of A. A. Beebe and other citizens of Trumbull County, Ohio, favoring increases of pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7267. Also, petition of Mrs. Lucinda Burns and other residents of Trumbull County, Ohio, favoring increases of pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7268. Also, petition of Mrs. Addie Pruden and other citizens of Geneva, Ohio, favoring increases of pension for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7269. By Mr. DRIVER: Petition signed by citizens of Clay County, Ark., urging the Congress to pass legislation granting additional relief to our Civil War veterans, widows, and dependents; to the Committee on Invalid Pensions.

7270. By Mr. DOWELL: Petition of citizens of Des Moines, Polk County, Iowa, urging enactment of legislation increasing pensions of veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

7271. By Mr. EVANS: Petition of citizens of Victor, Mont., urging prompt action on the legislation granting increase in pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7272. By Mr. ROY G. FITZGERALD: Petition of 33 voters of Butler County, Ohio, praying for the passage of a bill to increase the pensions of Civil War veterans, widows, and dependents; to the Committee on Invalid Pensions.

7273. Also, petition of the American Legion of Fabens, Tex., urging immediate vote on House bill 4548, for the retirement of disabled emergency officers of the World War; to the Committee on World War Veterans' Legislation.

7274. By Mr. GALLIVAN: Petition of Lewis-Mears Co., Boston, Mass., recommending early and favorable consideration of the Johnson-Swing bill, providing for the improvement of the Imperial Valley; to the Committee on Irrigation and Reclamation.

7275. By Mr. GREEN of Florida: Petition of H. S. Simmons and other veterans of the War between the States, urging the passage of the National Tribune's pension bill; to the Committee on Invalid Pensions.

7276. By Mr. HERSEY: Petition of Eddie E. Beaulieu and 10 other residents of Caribou, Me., urging passage of National Tribune Civil War pension bill; to the Committee on Invalid Pensions.

7277. By Mr. HUDSPETH: Petition of the Legislature of the State of Texas, urging passage of House bill 4548, for the retirement of disabled emergency officers; to the Committee on World War Veterans' Legislation.

7278. Also, petition of the American Legion, urging passage of House bill 4548, for retirement of disabled emergency officers of the World War; to the Committee on World War Veterans' Legislation.

7279. By Mr. LINTHICUM: Petition of J. Engel & Co., Baltimore, favoring House bill 16545; to the Committee on Interstate and Foreign Commerce.

7280. Also, petition of the Izaak Walton League of Baltimore, favoring the Hawes-Hull bill; to the Committee on the Merchant Marine and Fisheries.

7281. Also, petition of Independent Citizens Union of Maryland, protesting against the Reed bill; to the Committee on Immigration and Naturalization.

7282. Also, petition of McCormick & Co., H. M. Rowe Co., and the Arnold Co., all of Baltimore, Md., protesting against House bill 13446; to the Committee on the Post Office and Post Roads.

7283. By Mr. McLAUGHLIN of Michigan: Petition signed by citizens of Nessen City, Mich., favoring the passage of further legislation providing increases in pensions for veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

7284. By Mr. MAJOR: Petition of citizens of Humansville, Mo., urging passage of Civil War pension bill, providing increases of pensions for veterans and widows of veterans; to the Committee on Invalid Pensions.

7285. By Mr. MANLOVE: Petition of Mrs. J. B. Willard, Mrs. F. C. Kick, Mr. C. L. Braden, and 20 other residents of Vernon County, Mo., urging Congress not to pass the Sunday bill; to the Committee on the District of Columbia.

7286. Also, petition of L. W. Terry, H. Tarr, L. M. Wilson, and 12 other citizens of Vernon County, Mo., urging Congress not to pass the Sunday bill; to the Committee on the District of Columbia.

7287. By Mr. MILLER: Petition of citizens of Seattle, Wash., for legislation increasing pension of Civil War veterans and removal of limitation on date of marriage of Civil War widows; to the Committee on Invalid Pensions.

7288. By Mr. O'CONNELL of New York: Petition of G. A. Pfeiffer, president of the Richard Hudnut Co., favoring the passage of the Swing-Johnson bill; to the Committee on Irrigation and Reclamation.

7289. Also, petition of the Brooklyn Chamber of Commerce, Brooklyn, N. Y., favoring the passage of House bill 16435, amending the act of February 28, 1925, reclassifying the salaries of postmasters; to the Committee on the Post Office and Post Roads.

7290. Also, petition of William H. Kobbe, of New York City, favoring the Fitzgerald bill (H. R. 4548); to the Committee on World War Veterans' Legislation.

7291. Also, petition of A. J. Homeyer, Springfield Gardens, Long Island, N. Y., favoring the passage of House Joint Resolution 325; to the Committee on the Judiciary.

7292. By Mr. REID of Illinois: Petitions of numerous citizens of Elgin and Aurora, Ill., urging Civil War pension legislation; to the Committee on Invalid Pensions.

7293. By Mr. ROWBOTTOM: Petition of Mrs. R. A. Fairchild and others of Evansville, Ind., that the bill increasing pensions of Civil War widows be enacted into law at this session of Congress; to the Committee on Invalid Pensions.

7294. By Mr. SINNOTT: Petition of certain citizens of Baker County, Oreg., asking for further increase of pensions for veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

7295. Also, petition of citizens of Baker County, Oreg., asking for further increase of pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7296. By Mr. SWING: Petition of certain residents of Santa Ana, Calif., urging the passage by Congress of legislation granting increased pensions to Civil War veterans and the widows of Civil War veterans; to the Committee on Invalid Pensions.

7297. Also, petition of certain residents of Redlands, Calif., urging the passage by Congress of legislation granting increased pensions to Civil War veterans and the widows of Civil War veterans; to the Committee on Invalid Pensions.

7298. By Mr. TILLMAN: Petition of J. H. Smith and others, of Springdale, Ark., against Senate bill 4821 and similar bills; to the Committee on the District of Columbia.

7299. Also, petition of D. M. Twiggs and many other citizens of Gentry, in the third congressional district of Arkansas, against House bill 10311 and similar bills; to the Committee on the District of Columbia.

7300. Also, petition of Mary E. Chamberlain and many other citizens of the third congressional district of Arkansas, asking for speedy legislation for pensions and increase of pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7301. Also, petition of J. P. Reed and others, of Decatur, Ark., against Senate bill 4821; to the Committee on the District of Columbia.

7302. By Mr. VINCENT of Michigan: Petition of residents of the eighth congressional district of Michigan, urging immediate legislation for increases in pensions of veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

7303. By Mr. WATSON: Resolutions passed by members of the Eastern District Conference of the Mennonite Church of North America, in opposition to modification of the eighteenth amendment or the Volstead Act; to the Committee on the Judiciary.

7304. By Mr. WINTER: Petition of the voters of Greybull, Wyo., urging the passage of Civil War veterans' pension legislation; to the Committee on Invalid Pensions.

SENATE

WEDNESDAY, *February 23, 1927*

(Continuation of proceedings of legislative day of Tuesday, February 22, 1927, after a quorum had been obtained at 2 o'clock and 30 minutes a. m. on Wednesday, February 23, 1927)

The Senate had under consideration, as in Committee of the Whole, the bill (S. 3331) to provide for the protection and development of the lower Colorado River Basin.

Mr. ASHURST. Mr. President——

The PRESIDENT pro tempore. The Senator from Arizona.

Mr. JOHNSON. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator from California will state it.

Mr. JOHNSON. The Senator from Arizona is out of order, in that he has twice spoken upon the question in debate upon the same day.

Mr. ASHURST. Mr. President, I am willing to let the RECORD speak for itself. During the course of my remarks I was interrupted by the Senator from California, the Senator from New York, and the Senator from Wyoming; and I took particular pains to say, when interrupted, that I could not

capitulate or bargain with the Senate or the Chair and that I yielded with the express understanding that I was not to be deprived of the floor by yielding. The Senator, by examining the RECORD, will find that statement.

Mr. JOHNSON. Mr. President, will the Senator yield? It is not upon that ground that I make the point of order. During this evening, while the Senator assumed the floor and was delivering his address upon the matter in debate, twice he yielded to the Senator from Maryland [Mr. BRUCE] for motions made by the Senator from Maryland—motions to adjourn, motions for a recess. On each occasion he yielded to the Senator from Maryland, on each occasion the motions were put, and the motions were passed upon by the Senate.

Mr. ASHURST. Mr. President, I do not wish to cavil with the able Senator from California. I offer the amendment which I send to the desk to the substitute reported by the committee, and ask to have it stated; and I will speak on that amendment.

The PRESIDENT pro tempore. The point of order made by the Senator from California, according to the RECORD, is, in the opinion of the Chair, well taken.

Mr. ASHURST obtained the floor.

Mr. CURTIS. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Arizona yield to the Senator from Kansas?

Mr. ASHURST. I am willing to yield, but I do not want my courtesy to be used as blades against me later.

Mr. CURTIS. It was not for that purpose; it was on the point of order on which the Chair rendered a decision, and I wanted to call the Chair's attention to the rule. I think the Chair probably overlooked a point of the rule. If the Chair held that the Senator was out of order, the matter should have been submitted to the Senate as to whether or not the Senator could proceed, and that should be decided without debate.

The PRESIDENT pro tempore. Under Rule XX?

Mr. CURTIS. Rule XIX provides that—

> No Senator shall speak more than twice upon any one question in debate on the same day without leave of the Senate, which shall be determined without debate.

The PRESIDENT pro tempore. The Chair did not understand the Senator from Arizona to ask for leave of the Senate to proceed, and the Chair ruled under Rule XIX.

Mr. CURTIS. If the Senator will permit me, the question was raised several times during Vice President Marshall's term of office, and he submitted the question on several occasions without the request having been made.

Mr. ASHURST. I shall not be put into the position of being required to ask the Senate to allow me, as a matter of grace, to speak. I owe that much to the dignity of the Senate. Surely, after having yielded to questions on matters of courtesy, expressly stating at the time that I did not wish to be a party to a frivolous motion, it is ill-graced to try to deprive me of the floor. I hope the able Senator, who has conducted his bill with a high order of ability, will not now mar that record by resorting to such means to deprive me of the floor.

Mr. JOHNSON. Mr. President, will the Senator yield?

Mr. ASHURST. Provided I do not prejudice my rights.

Mr. JOHNSON. Certainly not. It was not upon any yielding, as the Senator suggests, in the slightest degree, that the point of order was made. That ought to be thoroughly understood. The point of order was made because the Senator yielded during this evening, in the matter of the presentation of his views upon this debate, when it was obvious that the motions were made for the purpose of filibustering, so far as that debate was concerned.

Mr. ASHURST. I am sure the Senator will not say that I had any knowledge of such a motion.

Mr. JOHNSON. Whether the Senator did or not, it is the fact, and because it was the fact was the reason that the point of order was made by me, not upon any point of yielding by the Senator under the circumstances that he has detailed, not in the slightest degree.

Mr. ASHURST. Mr. President, I rise to a question of personal privilege.

The PRESIDENT pro tempore. The Senator from Arizona will state it.

Mr. ASHURST. When I was interrupted for a brief period I was attempting to make some description of the Colorado River Basin, which, as I said, comprehends some 250,000 square miles in area.

Mr. LA FOLLETTE. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LA FOLLETTE. The Senator from Arizona is not discussing a question of personal privilege.

The PRESIDENT pro tempore. Up to the moment the Senator from Arizona has not discussed the question of personal privilege, but the Chair is assuming that presently he will approach it.

Mr. ASHURST. Mr. President, there is no set of men in the Senate or out of the Senate that can run a steam roller over me.

Mr. JOHNSON Mr. President——

Mr. ASHURST. I can not yield. Are amendments in order?

The PRESIDENT pro tempore. Amendments are clearly in order.

Mr. ASHURST. Then I offer the following amendment, and on that I wish to be heard.

The PRESIDENT pro tempore. The amendment will be reported.

Mr. BLEASE. Mr. President——

The PRESIDENT pro tempore. The Senator from Arizona is recognized. The amendment to the amendment will be stated, however.

The CHIEF CLERK. On page 14, line 8, strike out the words "Black Canyon or Boulder Canyon" and insert in lieu thereof the words "a site to be selected by a board of competent engineers, to be appointed by the President."

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Arizona, and the Senator from Arizona is recognized to speak on his amendment.

Mr. ASHURST. I am in no mood for flattery at this hour. I recall that Andy Gump said that "apple sauce" is the one thing in this world of which the demand never equals the supply; but I am in no mind to hand bouquets about. I feel comfortable when the Senator from New Hampshire [Mr. MOSES] occupies the chair. He is a rapid-fire gun, but I believe he protects the rights of every Senator. I am not boasting, but if an occupant of the chair should attempt to deprive me of any right I possess under the rules, I would find ample means to enforce that right.

The PRESIDENT pro tempore. May the Chair interrupt to say that the Senator from Arizona is perfectly at liberty to take the Chair to task whenever he is infringing the rights of a Senator.

Mr. ASHURST. No, Mr. President; I have occupied the chair. I appreciate the difficulties under which the Chair labors, and the Chair always has my sympathy.

Mr. STANFIELD. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Arizona yield to the Senator from Oregon?

Mr. STANFIELD. It is almost 3 o'clock in the morning. I have the highest regard for the Senator from Arizona; I know he is discussing a question that is very near his heart; but I wonder if it would not be better if we took a recess and met to-morrow morning.

Mr. ASHURST. I have been voting to recess.

Mr. STANFIELD. It is most unusual for the Senate to be in session at this hour in the morning.

Mr. ASHURST. Mr. President——

The PRESIDENT pro tempore. The Senator from Arizona has the floor.

Mr. ASHURST. I thank the able Senator from Oregon for that suggestion, and it is sweet music to my ears, but I shall decline to yield to the Senator to make a motion to recess.

Mr. STANFIELD. Mr. President——

The PRESIDENT pro tempore. Does the Senator yield further to the Senator from Oregon?

Mr. ASHURST. I can not yield.

The PRESIDENT pro tempore. The Senator declines to yield.

Mr. ASHURST. I will hear the Senator for a moment.

Mr. STANFIELD. Mr. President, I went to bed at a reasonable hour, and was called out of my bed between 1 and 2 o'clock and came down here to a session, an unheard of thing. I wonder why we could not take a recess and have this debate in the daylight hours of to-morrow, rather than continuing it on to-night?

Mr. ASHURST. It is obvious to me that a majority of this body intend to keep this bill before the Senate until 5.30 o'clock this afternoon, when we must recess for an evening session on the calendar.

Mr. STANFIELD. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Arizona yield to the Senator from Oregon?

Mr. ASHURST. I respectfully beg the Senator to permit me to decline to yield.

Mr. STANFIELD. I suggest the absence of a quorum.

Mr. ASHURST. I do not yield for that purpose.

Mr. NEELY. Regular order!

The PRESIDENT pro tempore. The Senator from Arizona declines to yield for any purpose whatever.

Mr. ASHURST. I would yield to the Senator from California to make a motion to recess. I do not intend to be placed in a position where, by courtesy, I raise up blades and thorns that I must encounter. I shall not take them to my breast.

Mr. STANFIELD. Mr. President——

Mr. ASHURST. The Senator must permit me to decline to yield.

The PRESIDENT pro tempore. Does the Senator from Arizona yield further to the Senator from Oregon?

Mr. ASHURST. I must decline to yield.

PHYSICAL FEATURES OF THE COLORADO RIVER BASIN

Mr. President, the region drained by the Colorado River and its tributaries, known as the Colorado River Basin, is about 900 miles long, from 300 to 500 miles wide, and embraces 251,000 square miles, an area larger than Georgia, New York, North Carolina, Pennsylvania, and Virginia combined.

The Colorado River proper is formed by the junction of the Green and the Grand; the name of the Grand was by act of Congress approved the 25th day of July, 1921, changed to the Colorado. Green River from its source to its junction with the Grand is 700 miles long. The Grand River from its source to its junction with the Green is about 450 miles long.

Green River heads near Fremont Peak in the Wind River Mountains, Wyoming, in a group of alpine lakes fed by perpetual snows. The source of the Grand is in Colorado. Like the Green, it is fed by small alpine lakes that receive their waters directly from snow banks. Including the Green, the Colorado River is about 1,700 miles long and empties into the Gulf of California in latitude 31° 53′ and longitude 115°.

The Colorado River enters Arizona from Utah near what is called the Crossing of the Fathers and flows in Arizona on a meandered line 330 miles to the Arizona-Nevada State line, in Iceberg Canyon. From this point the river forms the western boundary line of Arizona on a meandered line for 400 miles, to the point where it intersects the boundary line between Arizona and Old Mexico.

The Colorado River Basin—that is to say, the region traversed by this river and drained by its tributaries—contains mountains reaching to a height of 13,500 feet, belted at the base by forests of vivid green, and capped with gleaming snow; it contains playas and inland lakes below the level of the sea; it contains vast plateaus of rugged, black scoria; immense forests of pine, cedar, and pinion, and in these forests are hundreds of small parks, bowl-like gems of exquisite scenery; it contains the largest area of recent volcanic action to be found on the continent, "recent" being employed in its geological sense. It contains a real desert where the raw and scorching sun comes down as a pitiless flail, where the sand reflects the heat and glare and distresses the eye of the traveler, and where little dew or moisture is deposited, but where a wind, hot as a furnace blast, sometimes blows from the south.

Before a railroad was built through it a journey over this desert was at times dangerous and always fraught with discomfort. Day after day nothing was to be seen but an expanse of hot sand, with now and then a cactus lifting its thorny arms into the brazen gloom. The loneliness of the pioneer pilgrim there seemed to sever him from human things and to remove him an infinite distance from the world, with its interests and its occupations, but nature, in one of her capricious moods, also placed in this same basin the richest agricultural lands in the Western Hemisphere.

In some parts of this basin, which were populous before the pyramids were built, ancient peoples builded cities not wholly lacking in grandeur. These peoples of antiquity wove and spun cotton and flax into gaudy tapestries before Romulus and Remus were suckled. They melted gold and silver into chieftain's ornaments and queens' girdles before Cæsar's legion brought tribute back to imperial Rome.

Centuries before the Knickerbocker set foot on Manhattan Island, tribes of men now vanished irrigated the fertile sands of the lower basin of the Colorado River from canals and reservoirs finished with hard linings of tamped or burnt clay which in some degree possessed the endurance of our modern concrete. The origin of this people is enwrapped in the mists of antiquity. Nothing has been found of sufficient distinctiveness to enable us to do more than speculate and form ingenious theories as to whence they came, how long they enjoyed their tolerable civilization, and whither and why they went.

Within this basin and in Arizona is the Petrified Forest, whose trees lived their green millenniums and put on immortality in Triassic time, 7,000,000 years ago. The trees were of several kinds, most of them being related to the Norfolk Island pines. A small amount of iron oxide is distributed through the logs, which gives them their beautiful yellow, brown, and red tints.

Within the region traversed by the Colorado River and drained by its tributaries is the Painted Desert, in which at a distance you perceive the "sea of jasper" and the face of cliffs that gleam like jewels; you seem to descry fortifications with flags flying on their ramparts, and walled towers on conical hills amidst an admixture of light and shade.

Within this basin and in Arizona is the Grand Canyon, of wondrous colors, of bold escarpments, pyramids, swelling domes, mosques, minarets, and isolated mesas through which rolls and tumbles the Colorado River.

On the 5th day of January, 1886, in the Forty-ninth Congress, the first bill to make the Grand Canyon a national park was introduced in the Senate by the late ex-President Benjamin Harrison, then a Senator from Indiana. This bill failed to become a law, and the project was presented to the Congress from time to time since 1886.

In the Sixty-fifth Congress I introduced a bill to make the Grand Canyon a national park. The bill was referred to Secretary of the Interior Lane for a statement of the facts relating to the subject, and in the Secretary's report to the committee he states as follows:

> It seems to be universally acknowledged that the Grand Canyon is the most stupendous natural phenomenon in the world. Certainly it is the finest example of the power and eccentricity of water erosion, and as a spectacle of sublimity it has no peer.
>
> It would be futile to attempt to describe the Grand Canyon. However, a review of a few facts with relation to the canyon would be pertinent to a report of this character.
>
> The Colorado River, which flows through the gorge, drains a territory of 300,000 square miles, and it is 2,000 miles from the source of its principal tributary to its entrance into the Gulf of California. It is one of America's greatest rivers. It is proposed by this bill to establish a national park at the point in the river's course where it has worn a channel more than a mile deep. This enormous gulf measures occasionally 20 miles across the top.
>
> The sides of the gorge are wonderfully shelved and terraced, and countless spires rise within the enormous chasm, sometimes almost to the rim's level. The walls and cliffs are carved into a million graceful and fantastic shapes, and the many-colored strata of the rocks through which the river has shaped its course have made the canyon a lure for the foremost painters of American landscapes.
>
> * * * * * * *
>
> It seems that the Grand Canyon, therefore, is entitled to the same status and to an equal degree of consideration by Congress as are enjoyed by Yellowstone, Yosemite, and the other great national parks which contain natural phenomena of the first order, and I heartily recommend immediate favorable action looking toward the enactment of this bill.

The bill passed both Houses of Congress and was approved by President Wilson on the 26th day of February, 1919.

The Grand Canyon National Park represents an area of approximately 950 square miles, a greater part of which is within the walls of the canyon.

FUTURE OF THE COLORADO RIVER BASIN

What is to be the future of the Colorado River Basin, a country larger in area than the tract of land which Virginia, with princely liberality, ceded to the General Government in 1787, out of which five States were erected?

Of course, its forests will be utilized, its mineral wealth will be sought, its scenic beauties will be unfolded; but its greatest development must come from its water resources, upon which the development of its other resources must largely depend. Without the water afforded by Colorado River and its tributaries, vast tracts of its land would remain unproductive and practically useless; but the Hand that formed this land, cleft its mountains in twain, filled their caverns with precious metals, painted its landscapes in colors warranted never to fade, and that replenishes this river left it feasible for man not only to construct large irrigation systems and to build towns, cities, and prosperous agricultural communities within this basin, but to generate hydroelectric power for lighting, heating, industrial uses, and the transportation of freight and passengers.

In discussing the broader possibilities and problems of the Colorado River Basin there are hundreds, even thousands, of minor yet important possibilities of expansion that I necessarily must leave unmentioned, although these future minor auxiliary developments will have much local importance and in the aggregate true natural significance. In general such minor or auxiliary projects do not preclude the larger use of the river, but must be undertaken as part of that larger use.

The record of accomplishment of the United States Reclamation Service enriches the annals of the American people. Irrigation projects charm the imagination with their wizardry.

Their power of transforming barren deserts into grain and cotton fields, into orchards and vegetable and flower gardens makes the lamp of Aladdin and the purse of Fortunatus seem tame and prosaic. The wildest hyperbole would not overestimate the strength, wealth, beauty, comfort, and public order that would be added to this Nation were all the unemployed agencies of the Colorado River utilized.

In order more readily to comprehend the potentialities of the Colorado River, it may be helpful at this point to translate some technical terms into common expressions.

One second-foot is a flow of 1 cubic foot of water per second.

One acre-foot is a volume of water sufficient to cover 1 acre 1 foot deep; 16,400,000 acre-feet of water would submerge the District of Columbia over 400 feet.

A horsepower is a rate of work equal to lifting 33,000 pounds 1 foot per minute. Originally based on observations of dray horses, it greatly exceeds the average performance of an ordinary horse.

The combined peak demand on all power plants in the District of Columbia in 1920 was 95,000 horsepower.

The total development at Niagara in 1916 was 575,000 horsepower.

The installed substation capacity on the Chicago, Milwaukee & St. Paul Railway electrification is 180 horsepower per mile.

At 200 horsepower per mile, 4,800,000 horsepower would serve 24,000 miles of electrified railroad, which roughly approximates the total railroad mileage in Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming.

POWER

A vast amount of power is dissipated in the fall of the Colorado River. Imaginative France calls water power "white coal," and this brilliant characterization suggests a coal free from dust, cheaper, easier handled, a supply inexhaustible, which after used flows on to the projects below and may be used again and yet again.

Thus on the main stream of the Colorado River below the junction of the Green and the Grand known power sites on the river have 6,000,000 potential horsepower, and of this 6,000,000 potential horsepower 4,000,000 thereof would be developed and generated in the State of Arizona.

The percentage of water which the States within the Colorado River Basin contribute, respectively, to the Colorado River is about as follows:

	Per cent
Arizona	28
California	00
Colorado	53. 7
Nevada	.3
New Mexico	1
Utah	7
Wyoming	10
Total	100

I now read the following letter, which is self-explanatory:

UNITED STATES DEPARTMENT OF THE INTERIOR,
GEOLOGICAL SURVEY,
Washington, April 2, 1926.

Hon. HENRY F. ASHURST,
United States Senate.

MY DEAR SENATOR ASHURST: In response to your letter of March 31, I am inclosing a statement in tabular form which I believe will supply the information you desire respecting the flow of Colorado River at Lees Ferry and points below. Attention is called to the fact that the averages for the stations at Bright Angel Creek and Lees Ferry are based on records extending over but three and four years, respectively, and are probably below a long-time average inasmuch as the years 1924 and 1925 were years of low run-off in Colorado River Basin.

Flow in second-feet may be converted into acre-feet by multiplying by the number of days that the flow existed and that product by 1.98. If the rate of flow of a stream is 15,000 second-feet the run-off in one day will be 29,700 acre-feet; in a 30-day month it will be 891,000 acre-feet; and in one year 10,840,500 acre-feet. The computations may be reduced and results obtained within 1 per cent by using 2 as the factor instead of 1.98.

Yours very cordially, GEORGE OTIS SMITH, *Director.*

Annual flow of Colorado River at points in Arizona

Gaging station	Years of record [1]	Second-feet			Acre-feet		
		Maximum year	Minimum year	Average	Maximum year	Minimum year	Average
Lees Ferry	1922–1925	22,300	15,800	19,400	16,100,000	11,400,000	14,000,000
Bright Angel Creek	1923–1925	23,500	16,100	19,200	17,000,000	11,700,000	13,900,000
Topock	1918–1925	29,800	16,200	22,900	21,500,000	11,700,000	16,600,000
Yuma	1903–1924	36,000	13,600	23,700	26,100,000	9,870,000	17,200,000

[1] Years ending Sept. 30.

NAVIGABILITY

Prior to the construction of the Southern Pacific Railroad into Yuma, in 1876, practically all of the supplies reaching Arizona for the settlers and the troops came from California by steamer to Yuma, Ariz., where the ocean steamers lightered and their cargo was transferred to river steamers, which distributed the merchandise to the various settlements along the river between Yuma and Callville, thence to be hauled into the interior of Arizona by ox teams. For many years two steamers, the *Esmeralda* and the *Nina Tilden*, made regular trips up and down the river between Callville and Yuma, at which latter place they connected with steamships plying between Yuma and San Francisco. The owners of these river boats seeking trade carried standing advertisements in the Salt Lake City and San Francisco newspapers up to 1867.

FLOODS ON COLORADO RIVER

Hernando de Alarcón sailed in May, 1540, to explore the region north of New Spain, and reached the head of the Sea of Cortes, now known as the Gulf of California. He says: "And it pleased God that after this sort we came to the very bottom of the bay, where we found a very mighty river which ran with so great fury of a stream that we could hardly sail against it." Here began the acquaintance of Europeans with the river now known as the Nile of the West. Alarcón proceeded up the Colorado in small boats to a point about 100 miles above the mouth of the Gila River.

Owing to the gradual upbuilding of its deltaic bed and banks and its aggressive "cutting edge" the flood menace on the Colorado River is an ever-recurring problem.

The Gulf of California once extended northwestward to a point a few miles above the town of Indio, or about 144 miles from the present head of the gulf. The Colorado River, emptying into the gulf a short distance south of the international boundary, carried its heavy load of silt into the gulf for centuries, gradually building up a delta cone entirely across the gulf and cutting off its northern end, which remains as a depression from which most of the water has evaporated, leaving in its bottom the Salton Sea of 300 square miles, with its surface below sea level.

The river flowing over its delta cone deposits silt in its channel and by overflow on its immediate banks, so that it gradually builds up its channel and its banks and forms a ridge growing higher and higher until the stream becomes so unstable that it breaks its banks in the high-water period and follows some other course. In this manner the stream has in past centuries swung back and forth over its delta until there exists as a broad flat ridge between the gulf and the Salton Sea, about 30 feet above sea level, and on the summit of this has formed a small lake called Volcano Lake, into which the river flows at present, the water then finding its way to the southward into the gulf.

The floods of the Colorado divide themselves naturally into two general classes—those from the Colorado River, which drain the large areas in Arizona, Colorado, New Mexico, Nevada, Utah, and Wyoming, and those from the Gila River, of Arizona.

The Gila River, owing to its temperamental and flashy nature, sometimes furnishes a volume of water and flood waves at its mouth near Yuma almost as large as the maximum discharge of the Colorado at the same point.

During the past 25 years at flood seasons the Colorado and the Gila have overflowed their banks and have done damage to the landowners and water users on the eastern side of the river below Yuma, and although the land in that region is very fertile and the average yield per acre is high, the expense of controlling this mighty river and keeping it in a fixed channel is a burden of crushing weight which can not be borne by the farmers there.

If Imperial Valley in California is imperiled by floods of the Colorado River, the blame can not be laid at Arizona's door. If disaster should come to Imperial Valley, Arizona will sympathize deeply with the citizens of that valley. Every responsible citizen of Arizona is now and always has been in favor of the all-American canal and flood-control to protect Imperial Valley. Arizona has extended to Imperial Valley the hand of friendship, and has spoken in the calm language of justice. The Arizona delegation in Congress is not only willing but anxious to vote for any and all appropriations necessary to build the all-American canal and secure flood control for Imperial Valley.

Let me read to you from a speech delivered by Hon. Thomas Maddock at the conference held at Phoenix, Ariz., on August 17, 1925, at which conference there were present the following delegates:

California: Senator Ralph E. Swing, of San Bernardino, chairman; Assemblyman A. C. Finney, of Brawley, secretary; Senator L. L. Den-

nett, of Modesto; Assemblyman Walter J. Little, of Los Angeles; Arthur P. Davis, Oakland, engineer.

Nevada: Charles P. Squires, Las Vegas, chairman; George A. Cole, Carson City; George W. Borden, Carson City; Levi Syphers, St. Thomas.

Arizona: Cleve W. Van Dyke, of Miami, chairman; H. S. McCluskey, of Phoenix, secretary; Thomas Maddock, of Phoenix; F. A. Reid, of Phoenix; A. C. McGregor, of Warren.

Mr. Maddock is an able and experienced engineer and an eminent citizen of Arizona. In the course of his well-considered speech he said the following:

Now, here is one point, I want to say to you, we believe we can give you everything that you want or need in both California and Nevada, but we are not willing to let the sheep of flood protection cover up the wolf of power and water greed. We will not allow you to get away with our resources just simply because you need protection. We want to give you that protection. We would be glad to. We would be glad to help you in any way to get the Imperial Valley away from the menace of the Mexican control. We are glad to help you that way and if the people of this State feel that way I will tell you that our Representatives and Senators will be that way or we will change them. Now, then, I want to say one thing and just this in closing, if this delay that I prophesy does occur, and if finally you do start something, but the engineering estimate is from 10 to 20 years, you run up against the inevitable breaking of the Colorado River back into the Imperial Valley. If this two or three years delay, added to the construction period, so delays that you get a big flood there and forever drowns out your valley, I say to you gentlemen that the blood of your people of that valley be on your own heads.

If the advocates of the Swing-Johnson bill had exercised the energy, prescience, and judgment employed by the Arizona delegation in Congress, Imperial Valley would to-day have been protected from floods of the Colorado River and the all-American canal would have been nearing completion; but, most unfortunately for Imperial Valley, the advocates of the Swing-Johnson bill preferred to spend their time and energy in planning how most effectively to exploit Arizona's resources rather than to spend their time and energy in securing the relief which Congress would quickly and amply grant. Just so long as Imperial Valley continues to be beguiled by those urban Pollyannas who seek to acquire Arizona's potential hydroelectric energy, just so long will Imperial Valley be imperiled.

There is ample time remaining during the life of this Congress to authorize flood control and the all-American canal for Imperial Valley if she will but consent to accept such relief.

Arizona knew full well that she could not defer flood-protection, river-front, and levee work until the Swing-Johnson bill should become a law; so, with foresight and prudence, assisted by Col. Benjamin Franklin Fly—the able parliamentary solicitor for the Yuma irrigation project—Arizona's delegation in Congress finally convinced Congress of the injustice of requiring the water users and landowners of the Yuma irrigation project to bear the expense of holding the Colorado River within a fixed channel at Yuma, and the following legislation was enacted:

[Public, No. 585, Sixty-eighth Congress]

[H. R. 11472]

An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes

* * * * * * *

SEC. 16. (a) That there is hereby authorized to be appropriated, out of any moneys in the Treasury of the United States not otherwise appropriated, the sum of $650,000, or so much thereof as may be necessary, to reimburse the reclamation fund for the benefit of the Yuma Federal irrigation project in Arizona and California for all costs, as found by the Secretary of the Interior, heretofore incurred and paid from the reclamation fund for the operation and maintenance of the Colorado River front work and levee system adjacent to said project.

(b) That there is hereby authorized to be appropriated, out of any moneys in the Treasury of the United States not otherwise appropriated, the sum of $50,000, or so much thereof as may be necessary, to be transferred to the reclamation fund and to be expended under the direction of the Secretary of the Interior for the purpose of paying the operation and maintenance costs of said Colorado River front work and levee system adjacent to said Yuma project, Arizona-California, for the fiscal year ending June 30, 1926.

(c) That there is hereby authorized to be appropriated, out of any moneys in the Treasury of the United States not otherwise appropriated, for the fiscal year ending June 30, 1927, and annually thereafter, the sum of $35,000, or so much thereof as may be necessary, as the share of the Government of the United States of the costs of operating and maintaining said Colorado River front work and levee system.

Approved, March 3, 1925.

[Public, No. 560, Sixty-ninth Congress]

[H. R. 11616]

An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

* * * * * * *

That there is hereby authorized to be appropriated, out of any moneys in the Treasury of the United States not otherwise appropriated, for the fiscal year ending June 30, 1928, and annually thereafter, the sum of $100,000, or so much thereof as may be necessary, to be spent by the Reclamation Bureau under the direction of the Secretary of the Interior, to defray the cost of operating and maintaining the Colorado River front work and levee system adjacent to the Yuma Federal irrigation project in Arizona and California.

Section 16 (c), act approved March 3, 1925 (43 Stat. L., p. 1198), is hereby repealed.

Politically, financially, industrially, socially, and economically California is one of the most powerful States of the Union, and if her congressional delegation will but labor for Imperial Valley along the same practical lines that Arizona labored for Yuma success will abundantly crown their efforts.

If the sword of Damocles is suspended over Imperial Valley and the waters of wrath are held in check only by a tricky guard of sand, let the California delegation follow the example of Arizona and obtain the relief which Congress would be willing to grant.

Arizona is a State of slow growth compared with California, and we do not intend that our future and our opportunity for development and growth shall be foreclosed by the avidity of southern California, which is a country of rapid development.

I know the generosity of Senators will pardon me if I now presume to solicit their attention while I make a reference personal to myself. My forebears were members of that bold advance guard of pioneers who 70 years or more ago explored the Colorado River Basin. From the time of my youth to the present day I have wielded ceaselessly what strength was mine, which was modest and small enough, to bring about the development of the potentialities of the Colorado River. The time now seems not far distant when my hope shall be realized, and there shall be brought forth within and for the United States the inland empire of the Colorado River Basin, an empire wealthier than that which Pizarro added to the dominions of Charles V, and more splendid and more durable than that of the Cæsars. Unfortunately, however, the legislation now proposed for development of the Colorado River (S. 3331) is sectional in character, is wholly in the interest of California, and disregards the rights of Arizona.

The Colorado River is the Nation's most remarkable and dramatic river in its value for irrigation and hydroelectric energy. It combines concentration of fall, sites for power plants, reservoir sites for controlling the river flow, and a vast volume of water for irrigating several million acres of land.

Other rivers may be used, either for irrigation or for hydroelectric power, but no other river in the Western Hemisphere presents such enormous opportunity for the use of its waters for both irrigation and power.

In approaching the problems of a river so pregnant with possibilities for development, it is important that all the factors connected therewith—engineering and economic—should be fully evaluated and that expediency shall play no part therein.

It is the opinion of all experts that there is no surplus water in the Colorado River, therefore in any plan of developing that river, extreme care should be exercised so that no practicable potentiality shall be needlessly sacrificed.

There exists now in some sections of the Colorado River Basin a demand for irrigation, hydroelectric power, and flood control, and whilst the development proposed by this bill is dazzling, nevertheless, a visualization of farms, fields, factories, towns, and cities yet to arise of which the Colorado River must be the alimentary canal is equally as important, hence no plan or scheme should be adopted which would forever preclude the possibility of a full use of all the water resources of the river.

Before many years shall have passed the demand for water within the Colorado River Basin will be as great, possibly greater, than the available supply; therefore it would be a tragic blunder were the initial dam placed at a point so far downstream as to preclude construction in the future of other dams or series of dams which will inevitably be necessary higher up the river, and unfortunately that is what the bill S. 3331 proposes to do.

The logical and practical way to develop a river is to begin at its source and work toward its mouth. This bill proposes to reverse this logical and practical order of development.

The elevation of the water surface of the Colorado River at Glen Canyon is 3,127 feet, at Bridge Canyon it is 1,207 feet, and at Boulder Canyon it is 705 feet.

ARIZONA

Ninety-seven per cent of the entire area of the State of Arizona is within and constitutes 43 per cent of the total area of the Colorado River drainage basin.

Arizona contributes about 28 per cent of the waters of the Colorado River.

Of the 6,000,000 firm horsepower of potential hydroelectric energy in the lower basin 4,000,000 thereof is in Arizona, but the Boulder Canyon plan of development would allot to Arizona only an insignificant fraction of this hydroelectric power.

Of the lands in Arizona susceptible of irrigation, all thereof to be irrigated must obtain their water from the Colorado River or its tributaries in Arizona; they have no other waters from which to draw.

CALIFORNIA

Only 2 per cent of the Colorado River drainage basin is in California.

California contributes no water to the Colorado River.

The Boulder Canyon plan of development allots to California 37 per cent of the waters of the Colorado River.

The Boulder Canyon plan allots to California practically all of the hydroelectric power to be generated in the lower basin of the Colorado River.

California has 18,000,000 acres of land irrigable by waters other than by the waters of the Colorado River.

Of potential hydroelectric energy, California has 6,000,000 horsepower which may be developed within her borders on streams other than the Colorado River or its tributaries.

The Boulder Canyon plan allots to California practically all the hydroelectric power developed in Arizona, but California would not permit Arizona to direct the allocation of the hydroelectric power developed on California streams.

It is the opinion of numerous engineers of large ability and vast experience that to place the initial high dam at Boulder Canyon would sacrifice priceless resources of this river inasmuch as a high dam at Boulder Canyon would defeat a comprehensive and systematic plan of maximum development.

A storage dam at Glen Canyon, with a diversion dam at Bridge Canyon, would achieve precisely what is sought by a dam at Boulder Canyon, viz, flood control, irrigation, hydroelectric power, and domestic water for the cities and towns of southern California; and, furthermore, such dams at Glen Canyon and at Bridge Canyon would sacrifice no potentiality of the river.

Attention is directed to the testimony of Mr. O. C. Merrill, executive secretary of the Federal Power Commission (see p. 505, vol. 5, hearings before Senate Committee on Irrigation and Reclamation):

> While the resources of the Colorado River approximate from 4,000,000 to 6,000,000 horsepower, way beyond present-day requirements of the Southwest, and including in the Southwest the southern half of California, there is no reasonable doubt that within the next half century at the outside there will be demand for all the hydroelectric energy that the lower Colorado River at least can supply, and care must, therefore, be taken in any scheme of development of the river to see that we do not sacrifice, unless for outstanding reasons, any future possibilities of power.

It is, of course, true that we should attempt to serve our generation and meet the needs and requirements of our own day, but it is none the less true that we will never be forgiven at the bar of public opinion if in serving our own day and generation we reject a plan for Colorado River development (viz, storage dam at Glen Canyon and diversion dam at Bridge Canyon), which plan if consummated would furnish all the practical results needed and desired by this generation and would at the same time conserve all the natural advantages of this river for those who in the days yet to come are to live in the Colorado River Basin. It is entirely within the realm of practicability to irrigate every acre of land within the Colorado River Basin susceptible of irrigation if science and national welfare, instead of expediency and selfishness, be allowed to control.

There will be no remorse so poignant as that which will come from a realization, after the expenditure has been made, that in placing the high dam too far down on the river—at Boulder Canyon—a potential empire in the lower basin has been stunted.

The enactment of this bill into law would sentence Arizona to obscurity and render impossible in that State any large development in the future.

This bill, however, with all its vices, is at least free from the vice of hypocrisy. It sedulously and intentionally proposes to sever Arizona's jugular.

The bill is intended to be, and is, an attempt to coerce Arizona. One administration unsuccessfully attempted to coerce Arizona into joint statehood with New Mexico. Another administration unsuccessfully attempted to coerce Arizona upon certain provisions of her constitution, and those of the present administration who are attempting by this legislation to coerce Arizona will ultimately discover that they have simply been standing like large locomotives on a sidetrack, without driving rods, wasting their steam in vociferous and futile sibilation.

What abysmal folly to condemn, as this bill does, 200,000 firm horsepower, which is over one-third of all the electrical energy proposed to be generated at Boulder Canyon, eternally to the task of lifting 1,500 second-feet of water to a height of 1,730 feet and pumping the same to the cities and towns of southern California for their domestic use, when at no greater cost the same supply of domestic water may be sent to these same cities and towns of southern California by gravity from a diversion dam at Bridge Canyon, and thus save and release for other purposes this enormous quantity of horsepower!

What reckless disregard of the public interests to build a dam at Boulder Canyon, as this bill proposes, which at most could irrigate only 200,000 acres of land in Arizona, whilst the storage dam at Glen Canyon and the diversion dam at Bridge Canyon would irrigate at least 3,000,000 acres of land in Arizona!

The bill (S. 3331) is objectionable, among other reasons, because it attempts to compel the settlement of a controversy among various States, which controversy the Federal Government has no authority to enter and could not settle even if it should enter.

On February 21 the senior Senator from California [Mr. JOHNSON] stated, among other things, that it was his information that a tentative agreement had been reached between the States of Arizona and California as to the distribution of the water, but it is my information that no agreement has been reached because of remissness or indifference of California, as indicated by the telegrams addressed by the Arizona commissioners to Representative HAYDEN, of Arizona, which are as follows:

LOS ANGELES, CALIF., *February 9, 1927.*

Hon. CARL HAYDEN,
100 Maryland Avenue NE.:

California this morning for the third time requested 24 hours' delay to consider our latest proposal, one member even advocating 10 days recess. The press reported speech that we have agreed to a tentative one-third two-thirds division of the water of the main Colorado is absolutely incorrect. It was a California proposal unaccepted by us. We are asking for an equal division with California.

McCLUSKEY and MADDOCK,
Arizona Commissioners.

PHOENIX, ARIZ., *February 18, 1927.*

Hon. CARL HAYDEN,
House of Representatives, Washington, D. C.:

The tri-State conference which was to resume negotiations at Los Angeles this morning was postponed because of wire from California advising us California commission was unable to get together to-day; that they would advise us earliest date possible to confer. We shall be ready to meet them whenever they get date.

McCLUSKEY, MADDOCK, and GUST,
Arizona Commission.

PHOENIX, ARIZ., *February 21, 1927.*

Hon. CARL HAYDEN,
100 Maryland Avenue NE.:

Have wire from Charles P. Squires, chairman tri-State conference, suggesting Thursday, the 24th, for next meeting.

H. S. McCLUSKEY,
Arizona Commissioner.

PHOENIX, ARIZ., *February 22, 1927.*

CARL HAYDEN:

Statement in press from Pound, chairman of California commission, Arizona responsible for present delay or, in fact, any delay since com-

mission was created, untrue. California responsible for recess in present and former cases. We have repeatedly urged speed in negotiations.

McCLUSKEY AND MADDOCK,
Arizona Commissioners.

I ask the clerk to read the late proposal made by the Arizona commissioners to the California commissioners, to which the California commissioners have not replied, so far as I am advised. The proposal is dated February 7, 1927.

The PRESIDING OFFICER (Mr. NYE in the chair). Is there objection?

Mr. LA FOLLETTE. I object.

Mr. ASHURST. I have no comment to make on the objection of the Senator from Wisconsin. He is within his rights. I now read the Arizona proposal, to wit:

PROPOSAL SUBMITTED BY ARIZONA TO CALIFORNIA AND NEVADA ON FEBRUARY 7, 1927

ARTICLE I

It is recognized by the parties hereto that the unregulated normal flow of the Colorado River is insufficient to irrigate properly the lands already under cultivation by irrigation from the waters of said river; that the benefits within the United States of the flood waters of said river belong wholly to the citizens of the respective States; that without disparagement of the treaty-making power of the United States Government, the States party hereto and the Congress of the United States in consenting to this agreement shall be understood as declaring: That it is their purpose and intention to utilize within the borders of such States all of the waters of the normal flow of the Colorado River heretofore appropriated and put to beneficial use in accordance with the laws of the States in which the same are being put to beneficial use, and all of the flood waters of the Colorado River capable of being utilized within the borders of the United States for any purpose by the construction of storage dams within the United States; and that all persons shall take notice that they can not acquire any moral or equitable claim to the waters of the Colorado River temporarily made available for use by the regulatory effect of any dam or dams constructed in pursuance of this agreement, as it is the intention of the parties hereto to eventually put to beneficial use within the signatory States all of such water. Any declaration or inference contained in or drawn from any instrument, agreement, or compact signed prior to this agreement which is inconsistent herewith is hereby withdrawn.

ARTICLE II

The States of Arizona, California, and Nevada hereby agree that the water of the Colorado River and its tributaries in such States shall be divided, allotted, and appropriated as follows:

(a) All of the water of the tributaries of the Colorado River which flows into said river below Lees Ferry, Ariz., are hereby allotted and appropriated exclusively in perpetuity in the States in which such tributaries are located and may be stored in and diverted from said tributaries for use in said States.

(b) There is hereby allotted and appropriated in the State of Nevada for use in said State that portion of the total amount of the water of the main Colorado, measured at the point of diversion from said river, which can be beneficially used for agricultural and domestic purposes, not exceeding 300,000 acre-feet per annum. There is hereby allotted and appropriated for agricultural and domestic use to each of the States of Arizona and California from the remainder of the water available one-half of the water of the main Colorado River.

(c) The flow of the river shall be measured at each point of diversion and the proportion allotted to each State shall be computed as the proportion of the amount diverted for use in such State bears to the total flow of the river at such point.

(d) The States of Arizona, California, and Nevada hereby agree to limit and control future appropriations and beneficial use of water in said respective States to such an amount and in such manner as will insure that present perfected rights in each said State will be fully protected and supplied out of water hereby allotted to said State.

ARTICLE III

The following rules shall apply to the use and storage of water under this agreement:

(a) The use of water for irrigation and domestic purposes allotted in Article II hereof shall be superior to any right of storage for power purposes or navigation, and any of said States may divert from the river the water allotted to it at any point on the river, provided that if any State shall take any water so allotted to it out of the main channel of the Colorado River at a higher elevation than the highest elevation of the bed of said river in said State the works constructed for such purpose shall not interfere with a beneficial development of the fall of the river in any State other than the State taking out water at such higher elevation, and the State or States taking out water at such higher elevation shall fully compensate the other States affected thereby for the loss of power caused thereby in such States.

(b) The prior construction of any dam or reservoir shall not give any prior or superior right to such dam or reservoir to the flow of the river for the benefit of such dam or reservoir for power purposes, but the rights of all dams and reservoirs constructed under this agreement shall be on an equality for power purposes, regardless of the date of construction thereof.

(c) Yearly and seasonal stored water shall be held at as high elevation on the river as practicable in order to reduce evaporation losses and provide regulation for power as well as for irrigation, domestic and flood-control purposes.

(d) Reregulation storage for seasonal and daily variations in demand shall be located as close to the land to be irrigated as practicable, and water for irrigation and domestic purposes shall be supplied first from the nearest reservoir above the point of diversion of such water.

ARTICLE IV

The territory of no State shall be entered upon for the purpose of constructing or maintaining works utilizing the water of the Colorado River except with the consent and subject to the laws of such State, but each of the States hereby agree to grant all necessary permits, licenses, sites, and rights of way over State lands that may be required to carry out the provisions of Articles III and VI hereof.

ARTICLE V

The United States recognizes the necessity for flood protection and development of the Colorado River and hereby agrees to grant the necessary sites, rights of way, and licenses over public lands for the construction and operation of works for the control and utilization of the Colorado River for flood protection, irrigation and domestic uses of water, and the construction of dams for power purposes in pursuance of the provisions of this agreement.

ARTICLE VI

Each of the States party hereto, and the United States, recognize the acute necessity for flood and drought protection for lands now in cultivation by irrigation from the waters of the Colorado River and hereby pledge their good faith to grant the necessary permits, licenses, and sites for such construction, also rights of way to any district or agency that may be created in pursuance of the terms of this agreement for the immediate construction of a reservoir in the main channel of the Colorado River at such point as may be determined upon by the Federal Government, if it be a Government project, or by the majority of the States party to this agreement, if by some other agency. Such permits, licenses, sites, and rights of way shall include those necessary for the construction of the dam and reservoir and appurtenant works, including hydroelectric power plants and transmission lines: *Provided*, That no dam or other works shall be built in the bed of the Colorado River at any point in the river which when constructed will back up the water of the river so as to limit or interfere with the construction of a dam heretofore selected by any other States for the diversion of water for irrigation or domestic purposes in that State.

ARTICLE VII

(a) It is expressly agreed and understood that the signatory States in this compact, and their political subdivisions, shall possess the right to derive revenue for public purposes from power developed within their territory or on their boundary.

Such revenue may be derived by any manner or kind of taxation in each State as may be imposed by such State under its constitution and laws, but whatever kind or manner of taxes are imposed the total revenue derived from such taxation in any State shall be limited to the amount that would be derived from a property tax, at the rate levied by such State or taxing districts, therein upon other like or similar property within the State, upon the property employed or used in the production of such power on the same basis of valuation used by such State or taxing district in taking other like or similar property therein. The value of the right to utilize natural resources for the production of power, including dam sites, reservoir sites, the water, and the fall thereof, in the production of said power may be considered as property used in the production of said power and included in the valuation upon which the limitation of such tax is based.

In order that the benefits of the development of the Colorado River may be distributed among the respective States as if said development were made by private capital, the United States agrees that if it shall undertake the construction of any Federal project or projects on the main Colorado River wholly or partly within any of the States party hereto, it will make provision in the sale or lease of power or power privileges from such project or projects for payment to the respective States of the same amount of revenue from the power produced by such Federal project or projects as such States would derive under this agreement, if such Federal project or projects had been constructed by private capital.

If in the opinion of any of the signatory States the taxes imposed by any other State upon a project constructed by the Federal Government

or a project constructed on the boundary of two or more States are excessive, such State or States shall have the right to appeal to a board of equalization for an adjustment of the valuation limiting such taxation. The Colorado control commission shall constitute such board of equalization. In case of appeal, the decision of this board shall be final and binding, subject only to appeal to the Federal courts.

No revenue shall be received by or paid to any State on account of taxation of a power project except to the extent the project shall have been completed and placed in operation.

ARTICLE VIII

Any State in which reservoir sites exist in the Colorado River or its tributaries, directly or through any district or agency created in pursuance of and hereafter authorized by the laws of said States, may build dams, hydroelectric-power plants, and appurtenant works in such State and operate or lease the same. Where the reservoir is situated in two or more States, such dams, power plants, and appurtenant works may be built, operated, or leased jointly by the two or more States, or by any district or agency that may be created in pursuance of the laws of such States. Such State or States may sell or lease the power produced by such dams or power plants. The cost of the construction of all such development works shall be borne by the respective States, districts, or agencies created in pursuance of the laws of such States.

ARTICLE IX

Where development works are constructed in two or more States, the entire hydroelectric plant, including dams, reservoirs, power houses, and appurtenant works shall be considered a unit in all matters relating to the financing of construction, the operation lease and taxation, regardless of the location of the power plants with reference to State boundaries. All power and revenue from the sale or lease of power or valuation of such power or works for the purpose of taxation of such power shall be divided among the States in direct proportion to the present amount of fall which the river makes in each State between the dam and the elevation of the bed of the stream reached by the backwater when the reservoir is filled. Where the river forms the boundary between the States, each State shall be allotted one-half of the fall which occurs in the present river bed on such joint boundary for the purpose of computing the relative proportions allotted to each State.

ARTICLE X

(a) The use of power developed by such dams and works shall never vest in perpetuity in any private person or corporation, but the States and citizens of States in which such power is developed shall have preferred rights in its use whenever the need for it may arise: *Provided*, That leases for the use of power for terms not exceeding 50 years may be made by any such State or any district or agency hereafter created in pursuance of law when approved in such manner as may be provided by the laws of such State in which the power sites are situated.

(b) Power developed by projects located on the borders of two or more States may be constructed in perpetuity to political subdivisions of States: *Provided*, That there shall be reserved to each of the States in which the project is located an amount equal to 20 per cent of the power developed.

ARTICLE XI

In the construction and operation of all dams and power plants for the utilization of the waters of the Colorado River, undertaken in pursuance of the terms of this agreement, the following rules shall apply:

Every dam constructed on the Colorado River shall be a unit in a comprehensive plan which will insure the maximum water for domestic and irrigation use and for the development of the maximum amount of power.

Where dams and power plants are located wholly in one State, the laws of that State shall govern such construction and operation. Where such dams and power plants are located in more than one State, the States affected shall agree upon the plans and rules and regulations for such construction and operation and upon the agency to be adopted for such joint construction and operation; provided that in the event two States are affected and they shall be unable to agree upon any such matter, the Colorado River control commission shall decide the question.

ARTICLE XII

In the event the United States shall undertake the construction, financing, and operation of any development on the Colorado River, for flood control, irrigation, or power purposes, and requires the repayment of funds advanced for such purposes, such repayment to the Government shall be made in accordance with the United States reclamation act and amendments thereto.

Operation and administration of the same shall be under the direction of the Colorado River control commission.

After all obligations to the Government have been met, the entire benefits shall become the property of the State interested.

ARTICLE XIII

For the administration of the provisions of this compact, there shall be constituted a commission to be known as the Colorado River control commission, consisting of three members, one to be designated by each of the three signatory States.

Each State shall choose and fix the terms of office and salary of the members representing it.

The commission shall be allowed their necessary traveling expenses incurred in performing the duties of their office.

The commission shall have the authority to employ such assistants as may be necessary to carry out their duties.

The cost of administration shall be included in the cost of operation of the project or projects.

In case the commission is unable unanimously to agree in regard to policy or procedure, they shall call to their assistance such official of Utah and New Mexico as is charged with the engineering duties in connection with the administering of the water resources of these States. These, with said commission, shall constitute a board which shall by majority vote decide the questions in dispute.

During the reading,

Mr. LA FOLLETTE. A parliamentary inquiry.

The PRESIDING OFFICER (Mr. NYE in the chair). The Senator will state it.

Mr. LA FOLLETTE. Has the Senator from Arizona yielded the floor?

Mr. ASHURST. No.

Mr. LA FOLLETTE. It is impossible to hear the Senator.

Mr. ASHURST. I am not responsible for the defect in any of the faculties of the Senator from Wisconsin.

Mr. LA FOLLETTE. The Senator realizes that fact. However, the Senator is not reading in an audible tone of voice.

Mr. ASHURST. If the Senator will listen he will hear me.

Mr. BLEASE. Mr. President, will the Senator yield to me? The Senator will not lose the floor. I suggest the absence——

Mr. ASHURST. I beg the Senator not to do that.

Mr. BLEASE. The Senator will not lose the floor.

Mr. ASHURST. A quorum could not be developed now, and it would be charged against me.

The PRESIDING OFFICER. If the Senator from Arizona will suspend for a moment, the Chair will state that he ruled a while ago on the objection of one Member of the Senate to the consent which was asked to have read by the clerk the paper to which the Senator from Arizona referred. The Chair was not mindful of Rule XI——

Mr. ASHURST. I have not found fault with the Chair. The Chair is trying to be fair.

The PRESIDING OFFICER. But the Chair has been unfair.

Mr. ASHURST. No; the Chair has not been unfair.

The PRESIDING OFFICER. The rule is clearly written that when there is objection it shall be determined by a vote of the Senate, without debate.

Mr. ASHURST. I find no fault with the Chair. If the Senator from Wisconsin [Mr. LA FOLLETTE] prefers to have me rather than the clerk read the proposal I shall read it, but I thought the clerk's voice was richer than mine. However, my friend apparently loves my voice better than he does that of the reading clerk.

The PRESIDING OFFICER. The Senator from Arizona does not prefer that the Chair shall put the question to the Senate?

Mr. ASHURST. No, sir.

After the reading,

Mr. ASHURST. Mr. President, I have here the opinion of a firm of able lawyers regarding some features of the constitution of Arizona. I ask that the clerk read the same.

The PRESIDING OFFICER. Is there objection?

Mr. LA FOLLETTE. I object.

The PRESIDING OFFICER. The question is——

Mr. ASHURST. I do not quarrel with the objection.

The PRESIDING OFFICER. The question under the rule is, Shall the objection of the Senator from Wisconsin be sustained?

Mr. ASHURST. The Senator from Wisconsin has the right to object.

Mr. BLEASE. Mr. President, will the Senator yield to me now?

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from South Carolina?

Mr. ASHURST. I can not yield. [Reading:]

KIBBEY, BENNETT, GUST, SMITH & LYMAN,
Phoenix, Ariz., January 31, 1927.

Hon. CARL HAYDEN,
House of Representatives, Washington, D. C.

DEAR SIR: Section 28 of the enabling act of Arizona reads as follows:

"There is hereby reserved to the United States and excepted from the operation of any and all grants made or confirmed by this act

to said proposed State, all land actually or prospectively valuable for the development of water power or power for hydroelectric use or transmission, and which shall be ascertained and designated by the Secretary of the Interior within five years after the proclamation of the President declaring the admission of the State, and no land so reserved and excepted shall be subject to any disposition whatsoever of said State, and any conveyance or transfer of such land by said State or any officer thereof shall be absolutely null and void within the period above named; and in lieu of the land so reserved to the United States and excepted from the operation of any of said grants, there be and is hereby granted to the proposed State an equal quantity of land to be selected from land of the character named and in the manner prescribed in section 24 of this act."

In our opinion said provision does not affect the legal status of the Colorado River. It makes no reference to the Colorado River nor to any river. It refers only to grants made or confirmed by said enabling act. A grant is a transfer of real property. (1 Bouvier Law Dictionary, p. 900.)

Referring to said enabling act, it appears that the only transfers of real property mentioned in that portion of the act relating to Arizona are the grants of public land made by the United States to the State of Arizona in sections 24 and 25 of the enabling act, viz, sections 2, 16, 32, and 36, granted or confirmed to the State for common-school purposes, and the right granted to the State to select certain acreages for institutional and other purposes. The grants referred to do not include the beds of navigable streams. In Shively *v.* Bowlby (152 U. S. 1, 58), the Supreme Court of the United States, after a thorough review of the subject, reached the conclusion that "Grants by Congress of portions of the public lands within a Territory to settlers thereon, though bordering on or bounded by navigable waters, convey of their own force no title or right below high-water mark and do not impair the title and dominion of the future State when created." Undoubtedly the same rule applies to grants by Congress of portions of the public lands to a State for school, institutional, or other purposes.

Since the grants referred to in the above extract from the enabling act do not include the beds of navigable rivers, it follows that the exception from such grants can not include the beds of such rivers because by its very nature and exception from a grant must be carved out of the grant and can not extend beyond the limits of the grant. Neither can the reservation to the United States include any lands not included within the terms of the grants referred to, because the lands reserved are the lands excepted. There is nothing whatever in such provision to indicate that the reservation to the United States was intended to be broader than the exception from the grants. That said reservation is not broader than the grants is made conclusive by the words, "And in lieu of the land so reserved to the United States and excepted from the operation of any of said grants, there be, and is hereby, granted to the proposed State an equal quantity of land, to be selected from land of the character named and in the manner prescribed in section 24 of this act."

In connection with this subject the disclaimer by the inhabitants of the State of all right and title to the public lands within the State contained in section 20 of the enabling act must also be considered. Said disclaimer reads as follows:

"That the people inhabiting said proposed State do agree and declare that they forever disclaim all right and title to the unappropriated and ungranted public lands lying within the boundaries thereof."

This disclaimer, unlike the reservation from section 28 above set forth, did not make its first appearance in the Arizona enabling act. In a slightly different form it originated in a resolution of the Continental Congress adopted September 6, 1780. It was inserted in the enabling act of Alabama when that State was admitted into the Union, and construed by the Supreme Court of the United States in the year 1844 as not including land in the bed of a navigable river in Pollards, lessee, *v.* Hagan (3 Howard 219, 224).

The enabling act of the State of Oregon, adopted February 14, 1859, required that the people of Oregon should provide by ordinance, irrevocable without the consent of the United States, that said State shall never interfere with the primary disposal of the soil within the same by the United States or with any regulation Congress may find necessary for securing the title in said soil to bona fide purchasers. The legislative assembly of Oregon adopted this condition by act of June 3, 1859. Notwithstanding this condition and the acceptance thereof, the title of the State of Oregon to tidewater lands is unquestioned, Shively *v.* Bowlby (152 U. S. 1, 58), and the title of said State to the beds of navigable rivers rests upon the same basis. Johnson *v.* Knott (10 Pac. 418 (Oreg.); Brewer Elliott Oil Co. *v.* U. S., 260 U. S. 77.)

The disclaimer above quoted from section 20 of the Arizona enabling act is evidently taken almost verbatim from the enabling act of North Dakota, South Dakota, Montana, and Washington, approved February 22, 1889. Article XVIII of the constitution of Washington, adopted in pursuance of said enabling act, expressly asserted the title of the State to the beds and shores of all navigable waters in the State up to and including the line of ordinary high waters, and the title of the State so asserted has never been questioned. Eisenback *v.* Hatfield (26 Pac. 539; Yesler *v.* Commissioners (146 U. S. 646); Port of Seattle *v.* Railroad Co. (255 U. S. 56.)

The same disclaimer is found in the enabling act of Oklahoma, and Chief Justice Taft has recently declared that Oklahoma has title to the beds of navigable rivers within its boundaries. Brewer Elliott Oil & Gas Co. *v.* United States (67 Law Ed. 140.)

The above decisions conclusively establish that the disclaimer of title to the public lands contained in section 20 of the Arizona enabling act does not apply to lands in the beds of navigable streams. It is impossible to reasonably argue that the reservation in section 28 of the enabling act has any broader application. It follows that the said reservation does not affect the title to the beds of navigable streams. But if there were any doubt upon the question, that doubt would have to be resolved in favor of sustaining the title of the State to the beds of such streams for the reason stated by the Supreme Court of the United States in the following language:

"The United States early adopted and constantly has adhered to the policy of regarding lands under navigable waters in acquired territory while under its sole dominion as held for the ultimate benefit of future States, and so has refrained from making any disposal thereof save in exceptional instances when impelled to particular disposals by some international duty or public exigency. It follows from this that disposals by the United States during the Territorial period are not lightly to be inferred and should not be regarded as intended unless the intention was definitely declared or otherwise made very plain." (United States *v.* Holt State Bank, 70 Law Ed. 213.)

In an earlier case this rule of construction in favor of equality among the States was asserted by the Supreme Court of the United States as follows:

"It is impossible to suppose that by such indefinite language as was used in the enabling act Congress intended to differentiate Nebraska from her sister States, even if it had the power to do so, and attempt to impose more onerous conditions upon her than upon them." (Boiln *v.* Nebraska, 176 U. S. 83.)

It has been suggested that if said reservation does not include the beds of navigable streams, it was a vain and useless act. Such is not the fact. The unnecessary prohibition upon the State's power of disposal found in the provision indicates that the main purpose of Congress in inserting the provision in the enabling act was to prevent valuable power sites from being acquired by private individuals through purchase from the State. This purpose has been fully achieved. With the ownership and control of the lands bordering on the Colorado River vested in the United States, neither the State of Arizona nor private individuals are in a position to develop or exploit the river without the approval of the United States.

We are of the opinion that the said reservation would be unconstitutional if it were construed so as to reserve to the United States the beds of the navigable waters within the State. In general, new States when admitted into the Union are admitted with all of the powers of sovereignty and jurisdiction which pertain to the original States, and such powers may not be "constitutionally diminished, impaired, or shorn away by any conditions, compacts, or stipulations embraced in the act under which the new State came into the Union, which would not be valid and effectual if the subject of congressional legislation after admission." (Coyle *v.* Oklahoma, 221 U. S. 559, 573.) Construed as merely a reservation of the public lands, subject to the disposition of the United States, the said reservation is undoubtedly within the powers of Congress. Construed as an attempt to deprive the new State of the right to control the beds of navigable streams for the public benefit of the State, it clearly deprives the new State of that "equality of constitutional right and power" which is "the condition of all States of the Union, old and new." (Coyle *v.* Oklahoma, 221 U. S. 575.)

In the case of Pollard *v.* Hagan (3 Howard, 219) it was intimated that the United States had no power to dispose of lands under navigable waters, but must hold them in trust for the future State. This was later modified in Goodtitle *v.* Kibbe (9 Howard, 471) and in Shively *v.* Bowlby (152 U. S. 1), the rule was declared that "Congress has the power to make grants of lands below high-water mark of navigable waters in any Territory of the United States whenever it becomes necessary to do so in order to perform international obligations or to effect the improvement of such lands for the promotion and convenience of commerce with foreign nations and among the several States, or to carry out public purposes appropriate to the objects for which the United States hold the territory."

This rule was again considered by the Supreme Court of the United States in a case arising in Oklahoma, involving a conflict between a grant by the United States of the bed of a portion of the Arkansas River to the Osage Indians before the admission of Oklahoma as a State, and certain oil leases made by the State of Oklahoma under the claim that the Arkansas River was a navigable river and the State the owner of the bed thereof. Chief Justice Taft, after stating the rule laid down in Shively against Bowlby, supra, says:

"If the Arkansas River were navigable in fact at the locus in quo, the unrestricted power of the United States when exclusive sovereign to part with the bed of such a stream for any purpose asserted by the

circuit court of appeals would be before us for consideration. If that could not be sustained, a second question would arise whether vesting ownership of the river bed in the Osages was for 'a public purpose appropriate to the objects for which the United States hold territory.'" (Brewer Elliot Co. v. United States, 67 Law Ed. 145.)

It seems clear that even if the question thus left open by Chief Justice Taft were decided in favor of the unrestricted power of the United States to dispose of such lands before the admission of the State, under the rule laid down in Coyle against Oklahoma, supra, the power of the United States to reserve to itself the title to lands under navigable water by a provision in an enabling act could be exercised only for a purpose which would be a proper subject of congressional legislation after admission. Thus, Congress might, perhaps, have reserved the lands within the bed of the Colorado River for the purpose of maintaining the navigability of the river, for the purpose of building bridges for post roads over the same, or even for purposes of flood control or the reclamation of arid lands, but the reservation in question is plainly for the purpose of producing and transmitting power. The production and transmission of power is not a function vested in the Federal Government by the Constitution. The Federal water power act, the Swing-Johnson bill, and other similar acts recognize this fact by being so drawn as to bring the same within some of the recognized powers of the Federal Government, with the production of power as an incident.

We desire to call attention to the fact that this opinion does not attempt to solve the Colorado River problem. It leaves untouched many legal questions.

The purpose of this opinion is limited to making it clear that the State of Arizona has the same rights in the Colorado River, including the land under it, as have the other States through which it flows, and the same rights in the Colorado River, including the land under it, as have other States in similar rivers which flow through them. If this proposition is accepted, it follows: (a) That the State of Arizona may negotiate with the other States with reference to the Colorado River on an equality and (b) that the State of Arizona may properly urge Senators and Representatives of other States to oppose the Swing-Johnson bill or any other bill that disregards the rights of Arizona in the Colorado River, upon the ground that the passage of such act will establish a precedent extremely dangerous to other States.

Very truly yours,

KIBBEY, BENNETT, GUST, SMITH & LYMAN,
By J. L. GUST.

Mr. President, the State of California is the agency demanding this legislation, and California is a State which, as I have heretofore said, contributes no water to the Colorado River, yet demands 37 per cent of the water thereof; a State which contains but 2 per cent of the area of the Colorado River Basin, and demands all but an insignificant fraction of the electrical energy proposed to be developed by this bill; and to crown the summit of audacity, California assumes no risk whatever under this bill.

The bill proposes to authorize an appropriation of $125,000,000, to be expended as follows:

Estimated cost of the dam	$41,500,000
Estimated cost of the canal	31,000,000
Estimated cost of the power plant	31,500,000
Estimated interest during construction	21,000,000
Total expenditure	125,000,000

I now read copious excerpts from the statement of Representative HAYDEN, of Arizona before the Committee on Rules of the House of Representatives on January 21, 1927, opposing the Swing bill, a companion of the pending bill.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON RULES,
Friday, January 21, 1927.

The committee met at 10 o'clock a. m., Hon. Theodore Burton presiding.

* * * * * * *

STATEMENT OF HON. CARL HAYDEN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ARIZONA

Mr. HAYDEN. Mr. Chairman and gentlemen of the committee, I appear in opposition to the rule and in opposition to the Swing bill, H. R. 9826, which would be made in order under the rule. The rule proposes to bring a vote on this measure in the House after only four hours of general debate. I object to the bill because its primary purpose is to force the settlement of a controversy between States. It is proposed to use the power of Federal Government to give one State an advantage of her sister States.

* * * * * * *

THE POWER PLANT

So, first, there is to be a dam; and the next proposal in the bill is the construction of a power plant. The bill reads as follows in that respect:

"also to construct and equip, operate, and maintain, at or near said dam, and within a State which has approved the Colorado compact hereinafter mentioned, a complete plant and incidental structures suitable for the fullest economical development of electrical energy from the water discharged from said reservoir."

I direct your attention particularly to the words "and within a State which has approved the Colorado River compact."

The dam is to be located on the Colorado River, where it forms the common boundary between the States of Arizona and Nevada. Arizona has not approved the Colorado River compact, and the intent and purpose of these words is that the power plant shall not be constructed in the State of Arizona, but in the State of Nevada, which has approved the compact.

The proposed power plant is to produce, according to the majority report, 550,000 firm or constant horsepower, or 1,000,000 horsepower on a 55 per cent load factor. That is not quite three times the firm horsepower produced by the Wilson Dam at Muscle Shoals. The cost of this power plant is to be $31,500,000, and it is to produce an estimated revenue of $10,800,000 a year. That revenue is to be obtained by contracts which the Secretary of the Interior is authorized to make. To quote the exact language:

"The Secretary of the Interior shall make provision for revenues, by contract or otherwise."

And then the bill says that—

"Contracts for the sale and delivery of electrical energy shall be made with responsible applicants therefor, who will pay the price fixed by the said Secretary."

In that respect this bill repeals the Federal water power act. This is to be a Government dam; and if nothing was said in the bill as to what should be done with the power to be produced, automatically the Federal Power Commission would assume jurisdiction over the disposition of the power. When the Federal Government constructs a dam for navigation, that being the paramount purpose, the dam is operated by the Secretary of War for navigation, but any power must be disposed of by the Federal Power Commission.

FEDERAL WATER POWER ACT RECOMMENDED

I favor an amendment to this bill to make the Federal water power act applicable to the Boulder Canyon dam. I have supported such an amendment after listening to four members of the President's Cabinet who appeared before the Committee on Irrigation and Reclamation and advocated that policy. Secretary Weeks, Secretary Work, and Secretary Wallace appeared before our committee not only in person but by a joint letter in writing, recommended that any legislation authorizing the construction of a dam at Boulder Canyon should provide that the Federal water power act shall operate there. They all opposed its being taken out from under the water power act by a special law. In addition, Secretary Hoover appeared before the committee and testified to the same effect.

When four Cabinet members calmly passed upon this issue and advocated that the Federal water power act should apply to this dam I agreed with them and have not changed my opinion in any respect since. That was the sound and sensible conclusion which all four of them presented to the Committee on Irrigation and Reclamation.

Mr. SMITH. I only want to suggest that that commitment was made two and a half years ago, when the legislation was first brought before the committee. Since then Secretary Work has taken the opposite view, as indicated in his report to the committee.

Mr. HAYDEN. I think that of all the members of the Cabinet the one who knows the most about the Colorado River is Mr. Hoover. It was less than a year ago, on March 3, 1926, when Secretary Hoover testified as follows:

"That it is desirable to provide that the Federal Power Commission should make the division of power entirely under the water power act, including the whole of the act. The licenses should, of course, be issued subject to the approval of the Secretary of the Interior in order to secure the financial arrangements which would bring to him the necessary revenue to carry the necessary amortization and interest on bond issues. * * * I think Congress ought to maintain the national policies laid down in the water power act."

That is Secretary Hoover's recommendation, and when I read to him the recommendations made by the three other Secretaries to which Mr. LEATHERWOOD has referred, he concurred therein.

Mr. RAMSEYER. Was he talking about this particular dam?

Mr. HAYDEN. Secretary Hoover was talking about the Boulder Canyon dam provided for in this particular bill, which was later reported to the House by the Committee on Irrigation and Reclamation.

Mr. RAMSEYER. What he is recommending is that after the dam is built the Federal Power Commission should be given authority to allocate the power; is that it?

Mr. HAYDEN. That is it exactly, and that is what Mr. LEATHERWOOD proposed in his amendments to the bill.

REFERENCE TO STATES AND MUNICIPALITIES

I was a member of the committee which reported the Federal water power act to the House. It is a good law. It lays down a general water-power policy for the United States. In that act preference is

guaranteed to States and municipalities where applications are made for power, so that, other things being equal, the public rather than private enterprise gets the benefit. I believe in that policy. I can see no reason why the Boulder Canyon dam should be taken out from under that general act.

Mr. RAMSEYER. If this bill were enacted into law, then the Secretary of the Interior would have that power instead of the Federal Water Power Commission?

Mr. HAYDEN. Yes. The bill attempts to provide that the Secretary of the Interior shall act and proceed as though he were the Federal Power Commission. We have had Secretaries of the Interior whom we could trust, and we have also had Secretaries who could not be trusted. I prefer the general law, which provides that three members of the Cabinet shall pass on all applications for water-power permits.

Mr. RAMSEYER. These warnings as to Secretaries apply to the present and to the future, do they?

Mr. HAYDEN. I have the highest respect for the present Secretary of the Interior, but we do not know that he will be Secretary when the provisions of this bill are administered.

When the power plant at Boulder Canyon is built and when the contracts are made to obtain $10,500,000 of revenue from the sale of 550,000 firm horsepower, the United States will be obligated to the consumers of that power for its delivery. That means power available to the consumers 24 hours a day every day in the year. The Federal Government will be required to deliver that power to them by formal contract. Therefore the power must be produced and to produce it water must pass out of the dam, which means a continuous flow of water from the Boulder Canyon reservoir into the Colorado River below the dam.

What is going to become of that water? In the first place, we should know about how much there will be of it. According to this unpublished report of the United States Reclamation Service, made in February, 1924, it is estimated that there will be available for diversion below the Boulder Canyon dam 9,341,000 acre-feet of water each year. In 1925 the United States Geological Survey made a report, Water Supply Paper No. 556, on water power and flood control on the Colorado River, which states that 9,593,000 acre-feet will be available for irrigation below Boulder Canyon. Let us, for convenience, say nine and a half million acre-feet. There will be nine and a half million acre-feet of water available for use for irrigation after it has produced power at the Boulder Canyon dam.

Where is that water to be used? The bill says that the Secretary of the Interior is to construct a main canal and appurtenant structures located entirely within the United States connecting the Laguna Dam with the Imperial and Coachella Valleys in California.

Mr. BURTON. Where is the Laguna Dam?

Mr. HAYDEN. I had best point that out on the map. Here [indicating] is Boulder Canyon. The water, after passing out of the power plants, will flow down the Colorado River some 300 miles to the Laguna Dam, just north of Yuma, Ariz. The Laguna Dam was completed by the United States Reclamation Service in 1909 to divert water from the Colorado River for the use of the Yuma reclamation project.

PROPOSED ALL-AMERICAN CANAL

It is proposed to build an all-American canal to cost, according to the majority report, $31,000,000 to convey water from the Colorado River at Laguna Dam into the Imperial Valley for the irrigation of lands in that valley and the Coachella Valley which lies north of the Salton Sea. That canal is to be wholly within the United States. In order to keep it within the United States it is necessary to pass through a range of shifting sand hills [indicating on map], and there is good engineering authority to say that a canal of the capacity necessary to convey the quantity of water needed for the irrigation of those lands can not be constructed for $31,000,000 through that kind of country.

Mr. BURTON. What is the maximum elevation produced by that canal?

Mr. HAYDEN. I do not remember the details, but I do know that it is a country of shifting sand, and there is not only the question of constructing the canal through the dunes, but its maintenance afterwards in order to prevent its being filled with the wind-blown sand.

The report of the Reclamation Service engineers states that there can be irrigated from the proposed all-American canal 785,000 acres of land in the Imperial and Coachella Valleys. About 400,000 acres are now, under the existing canal system, supplied with water, and about 385,000 acres of new land will be irrigated. That is all the bill does. It stops right there. It provides for the construction of an all-American canal for the irrigation of 785,000 acres of land in California. The Reclamation Service report states that such land will require 4½ acre-feet of water per acre. Multiplying 785,000 acres by that figure we get 3,533,000 acre-feet of water per annum that will be required for the California lands under the all-American canal.

Mr. GARRETT. How does the land through which this proposed all-American canal would pass compare to that through which the present canal in Mexico passes?

Mr. HAYDEN. The present canal begins about a mile above the international line, crosses the Mexican boundary and follows the old channel of the Alamo River around the end of the sand-dune country—completely evades it. The water is then conveyed back into the United States.

I want this committee to consider the bill and the bill alone, just as it stands. There is to be available approximately nine and a half million acre-feet of water, flowing from the Boulder Canyon reservoir, but the bill provides for the use of only about three and a half million acre-feet. So there will be 6,000,000 acre-feet of water that will be available every year about which the bill is absolutely silent. No provision of any kind is made for its use.

WATER FOR DOMESTIC USE

What is to become of that 6,000,000 acre-feet of water? We are told in the majority report that the city of Los Angeles hopes to obtain about 1,500 second-feet, which is equivalent to about 1,100,000 acre-feet, of water from the Colorado River for domestic use. It will cost, perhaps, a quarter of a billion dollars to convey that water 250 miles over a mountain range to the city of Los Angeles.

Mr. MICHENER. Who pays that?

Mr. HAYDEN. The city of Los Angeles, I presume. It will take about 250,000 firm horsepower perpetually to pump that water into Los Angeles. That is a serious undertaking, and, in my judgment, it will never be accomplished.

Mr. MICHENER. Did you say a quarter of a billion?

Mr. HAYDEN. Yes; about $250,000,000. The city of Los Angeles, as stated in my minority report, can obtain a better quality of water wholly within the State of California from the Sierra Nevada Mountains.

Mr. MICHENER. Why, then, is Los Angeles wanting this?

Mr. HAYDEN. I have always believed that this scheme to secure domestic water from the Colorado River was an alternative proposed in the interest of certain condemnation suits in the State of California whereby the city of Los Angeles seeks to acquire water rights in the Owens River and the Mono Basin.

Mr. MICHENER. You would think, then, that if this becomes a law they will have a leverage whereby they can get cheaper water somewhere else, and will not take this?

Mr. HAYDEN. That is my opinion, and I have good engineering authority to justify it. My minority report goes into detail, showing the hardness of the water and the difficulty of obtaining it from the Colorado River, and that a better quality of water can be obtained at less cost in California.

But supposing that Los Angeles and the other municipalities of southern California do take 1,100,000 acre-feet of water from the Colorado River. There are now under irrigation in the Yuma project, the Palo Verde Valley, and near Parker approximately 100,000 acres of land, which will require about 400,000 acre-feet of water. With the 1,100,000 acre-feet that Los Angeles may use, and the 400,000 acre-feet that will be used by existing canals, we have nearly one million and a half acre-feet accounted for. That leaves four and one-half million acre-feet still in the Colorado River, and no provision made in the bill as to where that water is to go.

I can tell you where it will go—into the Republic of Mexico, to irrigate approximately 1,000,000 acres of land.

Mr. RAMSEYER. Does it not go there now?

Mr. HAYDEN. In floods; yes. But the Boulder Canyon dam will equate the flow of the Colorado River.

Mr. RAMSEYER. In other words, Mexico will get regulated flow then.

IRRIGABLE LANDS IN MEXICO

Mr. HAYDEN. Yes. There is now under irrigation in Mexico about 200,000 acres of land, and that takes about half of the minimum flow of the stream. There is no immediate prospect of any great increase in the irrigated area either in Mexico or in the Imperial Valley of California until the Colorado River is equated. When that is done there will then, according to this bill, be placed under irrigation 785,000 acres in the United States and water provided for a million more acres of land in Mexico. There are a million acres of irrigable land in Mexico, according to this unpublished report of the United States Reclamation Service which I hold in my hand.

Mr. BURTON. How about land in Arizona not yet utilized? Would water be available for that?

Mr. HAYDEN. That is what the State of Arizona would like to see done.

Mr. BURTON. How much land is there in Arizona that would ultimately be utilized?

Mr. HAYDEN. There is more land in the State of Arizona which could be reclaimed than there will ever be water in the Colorado River to irrigate. Land is the thing Arizona has and water is the thing she lacks.

Mr. MICHENER. Are you ready at this time, however, to put the land and the water together?

Mr. HAYDEN. Arizona is not ready to do that at this time.

Mr. MICHENER. In other words, you want this matter to stand in statu quo for a period of probably 50 years, until the country increases in population and you need more farms and industries?

Mr. HAYDEN. That is the point I want to bring out. I can show by this report, made by the United States Reclamation Service, that there are a million acres of level delta land in Lower California, Mexico, of the same kind which exists in the Imperial Valley. When the flow of the Colorado River is equated the Mexican landowners will immediately put the water to beneficial use by applying it to their lands.

The Reclamation Service engineers say that there are under irrigation in Lower California at this time about 200,000 acres, and that immediately after the water is available another 300,000 acres will be irrigated, and that in the near future another 300,000 acres will be reclaimed.

It is not necessary for me to testify as to the kind of people who will occupy the Mexican lands in Lower California. All you have to do is to read the testimony in the hearings before our committee of the gentleman from California, Mr. SWING, as to the Chinese coolies, the Japanese laborers, and the Mexican peons who are now in that country. It is cheap labor of that character with which they grow crops in Mexico. The principal crop produced is cotton. It is a wonderful cotton country. The United States will furnish water to a million acres of Mexican land upon which crops grown by cheap labor will compete with those grown by American farmers. The Delta of the Colorado River in Mexico is the only place, under the terms of this bill, where the water stored at Boulder Canyon can go, and that is just what will happen if this bill becomes a law.

AMERICAN LANDS SHOULD OBTAIN BENEFITS

The people of my State believe that no such thing should be permitted to happen. The people of Arizona insist that if the United States of America is to expend money out of its Treasury for impounding and controlling the waters of the Colorado River, over which we have absolute jurisdiction within the limits of our own country, that the benefits to come from that storage and impounding of waters should go to the people of the United States and not be given away without cost to the owners of land in Mexico.

Mr. BURTON. Is it not probable that the land in Arizona would be utilized as rapidly as the land in Mexico?

Mr. HAYDEN. Unfortunately, no. As the map will indicate, the Delta of the Colorado River is low and level, which makes it easy to apply the water to beneficial use. The lands in Arizona which can be irrigated to any great extent are away from the Colorado River—mesa or bench lands—lands to which it will be more expensive to convey the water from the river. We realize that to carry out a plan of reclamation which would use 4,500,000 acre-feet of water in Arizona is a matter that must be delayed, because the expense of construction is not now justified by the present prices paid for agricultural products. We know that the population of the United States is increasing at the rate of over a million a year. We believe that the Arizona lands will be reclaimed for farms and homes when the pressure of population demands it. What the State of Arizona asks, and has presented to Congress by a memorial passed by its legislature, is that in connection with any legislation enacted for the development of the Colorado River there be included a notice to the Republic of Mexico that we are spending American money on American soil to impound American water, and that the American people intend to obtain all of the benefits that will come from that expenditure.

Mr. RAMSEYER. How would you get that notice to Mexico except through a treaty?

Mr. HAYDEN. By a legislative declaration by Congress.

Mr. RAMSEYER. That would not be binding.

Mr. HAYDEN. I am aware that it would not be binding, but it would be very persuasive. It is the water law of the West, that the initiation of an appropriation—and time is the element—dates back to the original notice of intention to use it. The first in use is the first in right. There is a case in Colorado where an appropriation was dated back 21 years to the time when the first stake was driven into the river bank. Everybody understands that an appropriation can be dated back so long as due diligence is employed.

MEXICO WILL CLAIM WATER RIGHTS

If the bill remains completely silent and no notice is given, the four and a half million acre-feet will flow into Mexico and the Mexican landowners, with perfect propriety, will apply it to their lands. Mexico has the same law that we have—that the first in use is the first in right—and that land will be put in cultivation just as fast as is possible. Then later, when the State of Arizona or any other part of the United States wants to use the water, the Mexicans will say, "You sent this water to us and nothing was said about it. We were the first to apply it to beneficial use. It is ours."

Mr. MICHENER. Is that Mexican land to which you are now referring owned by Mexicans or by Americans?

Mr. HAYDEN. According to the Reclamation Service report, largely by Americans, but there are some national lands of the Republic of Mexico in the Colorado River delta.

Mr. BANKHEAD. Have we any existing treaty with Mexico affecting the amount of water that Mexico shall be entitled to under present conditions?

Mr. HAYDEN. There is no such treaty.

Now, how can the United States prevent Mexico from using this 4,500,000 acre-feet of water? The best way, of course, is by treaty, and such a treaty was once proposed.

Mr. BURTON. Is there not a form of agreement already with Mexico for a division of the water for irrigation?

Mr. HAYDEN. No, sir. All that now exists is a mere concession and not a treaty between the United States and Mexico. Those interested in the development of the Imperial Valley in California organized a Mexican corporation. That Mexican corporation, of which the Imperial irrigation district now owns all the stock, obtained a concession from the Republic of Mexico permitting the construction of a canal in Mexico for the diversion of water and providing that half the water might be used on Mexican lands.

Mr. BURTON. Half the water that attaches merely to that canal?

Mr. HAYDEN. To that canal only. There was a proposal for a treaty made in about 1910, just before the close of the Diaz régime. Mr. Louis C. Hill was appointed as commissioner for the United States, and he conferred with a Mexican commissioner named Puga. On page 17 of my minority report you will find the tentative agreement then made, the substance of which is as follows:

"(1) Mexico and the United States to abrogate such parts of the treaty of Guadaloupe Hidalgo as conflicted.

"(2) The two nations to divide the low-water flow of the Colorado equally between them. (Mexico's share of this would be less than 1,500 second-feet, and hence less than will irrigate the lands in Mexico now irrigated by Colorado River.)

"(3) The United States to build reservoirs if it so desires to impound all the remaining water of Colorado River for the purposes, among others, of irrigating all the land which can be irrigated by Colorado River waters either by gravity or by pumping.

"(4) That Mexico be permitted by paying her pro rata part of the cost of the reservoirs and their operation to have the use of such remaining water as can not be utilized in the United States.

"This was considered by the Mexican representatives as a most fair and friendly proposal.

"It gave to Mexico nothing the United States could use, but at the same time shared with Mexico the storage facilities on the upper river, facilities which do not exist in Mexico."

Mr. BURTON. Do I understand that that took the form of a treaty?

Mr. HAYDEN. It was a tentative agreement for a treaty made by a Mexican and an American representative appointed by the two Governments to negotiate a treaty.

Mr. BURTON. No treaty was negotiated?

Mr. HAYDEN. No treaty was negotiated. A treaty of that kind would be entirely equitable to both countries. But nothing was actually accomplished, and we do not know when any treaty will be made. A treaty is the best way of settling the difficulty, but in the absence of a treaty the people of Arizona insist that notice be given to Mexico as the next best thing that can be done. It is absolutely essential that notice be given in this bill. If that is not done, the Mexican landowners will acquire water rights which the United States will never, by reason of international comity, take away from them.

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FLOOD CONTROL

Mr. POU. There is one phase of this matter that I would like to have somebody discuss for a little while. There are two policies, as I understand. One is the policy proposed by this bill to build a dam over 550 feet high to provide water for irrigation purposes and also to provide an enormous amount of electrical energy. Now, at the same time, I understand that the people of the Imperial Valley are in danger of the Colorado River at some time breaking over its banks and inflicting enormous damage. I would like to have somebody discuss what is necessary to prevent that from taking place; that and nothing more. It is the duty of the Government, of course, which is conceded by everybody, to look out after the safety of those people, but it is a controverted fact as to whether or not it is the duty of the Government to provide electrical energy.

Mr. HAYDEN. If all of the delta of the Colorado River were within the United States, the first line of defense against floods would be levees.

Mr. POU. How much of a dam would be necessary to adequately protect the people of that valley?

Mr. HAYDEN. I have stated in my minority report, and I think that opinion is based upon very good engineering evidence, that a dam could be built solely for flood control, for no other purpose, built with an opening in it so that the water could immediately flow out of it, with an appropriation of $15,000,000 or $20,000,000. Thirty million dollars would be ample if flood control were the sole object.

Mr. RAMSEYER. Do you mean at the same place?

Mr. HAYDEN. No; it would be at another location farther down the stream. I have never advocated that policy. It appears to me to be an economic waste, just to do the one thing that is necessary for flood control when other benefits might readily be obtained.

Mr. POU. Does it not involve the difference between an appropriation of around $30,000,000 or $40,000,000 and a possible appropriation of $200,000,000?

Mr. HAYDEN. There is no question about that; but I think it would be better not to take a sum of money and spend it on a flood-control project which would be useful for no other purpose. I think it more advisable to take that same sum of money and tender it to a water-power authority or some agency that the Government may designate and let the Federal contribution for flood control be put into a scheme that will pay.

Mr. POU. Pardon this question, but would it not be possible, in order to protect them against the possible overflow of the Colorado River, to start out with an appropriation of, say, whatever was necessary, $30,000,000 or $35,000,000—and I have heard $14,000,000 given as the sum necessary—and start out in such a way that that appropriation would not be a waste if, later on, the Government decided to carry out a larger project?

Mr. HAYDEN. That might be a very desirable way of going about it.

A SERIOUS INTERNATIONAL SITUATION

I desire to impress upon the committee that the most serious objection to this bill is the international situation which will arise if it is enacted. If this bill becomes a law, the United States of America will lose a million acres of irrigated land. That much American land must remain a desert if a million acres in Mexico is irrigated. Is the Congress, by its silence, as this bill is silent, going to allow that to take place?

Mr. RAMSEYER. Is that your main objection?

Mr. HAYDEN. That is the most serious objection I have to the bill.

Mr. RAMSEYER. I am very much interested in knowing just what the primary objection of the State of Arizona is. Utah has withdrawn recently, and, if I understand its Representatives correctly, they are ready to back in as soon as Arizona gets in, provided California comes out and approves the project without a reservation.

Mr. HAYDEN. I shall discuss the differences between California and Arizona in detail.

Mr. RAMSEYER. I would be very much interested if you will tell us on just what conditions Arizona will come in.

Mr. HAYDEN. The four States of the upper basin—namely, Utah, New Mexico, Colorado, and Wyoming—will never consent to the enactment of any legislation for the development of the Colorado River which does not contain in it a guaranty to them for the use of such water as they may need for agricultural purposes in the future. There will never be any such legislation by Congress unless those four States are protected.

Mr. RAMSEYER. What do you refer to, the action of Utah?

Mr. HAYDEN. The attitude of Utah, Wyoming, Colorado, and New Mexico in past years, with respect to the Colorado River, has been that they will not consent to any development until a compact is approved which will take care of their agricultural needs. Arizona sympathizes with them in that view. They are entitled to that protection, and we would be glad to give it to them.

Against whom do the upper basin States need the protection? It is California. California is the only State that now proposes to undertake any large agricultural development through the aid of the Federal Government by the enactment of this bill.

ARIZONA ENTITLED TO SAME PROTECTION AS UPPER BASIN STATES

Now, the people of Arizona say that if New Mexico, Utah, Colorado, and Wyoming are entitled to protection against the acquisition of prior rights by California, Arizona is also entitled to the same protection. That is all Arizona asks. She asks nothing more than that, and she will never consent to anything less. Arizona has said to the State of California that she demands an equitable division of the waters of the Colorado River. That demand has been presented time and time again at conferences and by commissions. There is now in session in the city of Los Angeles a new commission, established by the Legislatures of the States of Arizona, California, and Nevada.

Mr. RAMSEYER. The lower basin States?

Mr. HAYDEN. Yes. Through its legislature the State of Arizona made this fair proposal: That the State of Nevada, which has very little irrigable land, may have such water as it desires, and that the States of California and Arizona shall equally divide the remainder of the water in the Colorado River. That is the offer Arizona made to California. There is nothing unfair about it. Each State would then use the water allocated to it as it saw fit.

Mr. MICHENER. The real trouble is that California is now ready to use the water and, if this proposition goes through, will immediately appropriate the water. Your State is in position where it will not be ready to use the water for possibly 50 years, assuming your population increases, and the real trouble is that California wants relief now, and you want the matter held in abeyance until such time as that country will have grown to such an extent where you will want the water.

Mr. HAYDEN. Arizona is perfectly willing to agree with the State of California that she may take her share of the water as agreed upon by a division among the States and use it immediately. We have no objection to that.

Mr. RAMSEYER. If that were done and you were guaranteed your part of the water, of course you could not use it now. That water would immediately proceed to go down through Mexico, and what would prevent Mexico from appropriating water other than a limitation of acreage?

Mr. HAYDEN. The best way to obtain that protection would be by treaty. In the absence of treaty, then let the Congress of the United States serve notice on Mexico by declaring an intention to use the water on American soil.

Mr. RAMSEYER. Do you think the possibilities in Arizona are there for it ever to appropriate as much water as California can use?

Mr. HAYDEN. There is more land in Arizona than there is in California which might be irrigated from the Colorado River.

Mr. MICHENER. Yes; but at an additional cost. In other words, your land is bench land. California can use a lot of this water by the method of gravitation, but you must pump that water.

Mr. HAYDEN. Arizona is willing to give California one-half of the water in the Colorado River. There should be no quarrel between Arizona and California about the quantity of water each State is to receive.

NEW LANDS TO BE RECLAIMED

This bill immediately creates a controversy between Arizona and Mexico. This bill gives California all the hydroelectric power she needs and all the water she needs for her Imperial Valley lands. The bill is silent about the rest of the water which will go to Mexico and a million acres in my State will never be irrigated. I submit to any fair-minded man that when the State of Arizona offers to divide equally with the State of California, each to put the water to use on new lands, to reclaim new areas from the desert, that one State has as much right to ask for water as the other.

It is not a question of recognizing a vested right but the opportunity to apply water to new lands and bring them under cultivation.

Mr. BURTON. What is your practical suggestion as to how that will be accomplished?

Mr. HAYDEN. By an agreement or compact between the States. But the State of California, believing that this bill will be enacted by Congress and thereby she will secure the benefits from the Boulder Canyon dam and the all-American canal and all the other water she desires, will not agree with Arizona on a division of water.

Mr. MICHENER. Assuming that you all agreed and we proceeded to authorize this rule and legislation was passed, the dam constructed and California immediately appropriated the water to which it was entitled under the agreement, what would become of the rest of the water that you expect to use 50 years from now unless you had a treaty with Mexico?

Mr. HAYDEN. That is why we say that notice to Mexico is absolutely vital.

Mr. MICHENER. There is not just a question of agreement between the States involved; there is also the question of treaty. You must have your treaty to save your water from appropriation in Mexico.

Mr. HAYDEN. That is correct.

Mr. MICHENER. Before you have your agreement.

Mr. HAYDEN. But while Arizona will not be as well protected by notice as she would be by a treaty——

Mr. MICHENER (interposing). Suppose that Congress should give notice to Mexico that at some time in the dim and distant future we expect to appropriate water out of the Colorado River to irrigate bench lands, to be used only in case pumps are used.

Mr. HAYDEN. I think that notice to Mexico would be most valuable. Under international law, a nation is sovereign over all the waters within its own jurisdiction. You will find a very complete statement of the international law relating to rivers in an opinion written by Judson Harmon on December 12, 1895, who was Attorney General in President Cleveland's Cabinet. The Mexican Government made a claim for $35,000,000 damages because certain lands in Mexico had been deprived of water. Mr. Harmon held that the United States or its citizens had a perfect right to use all of the water in the Rio Grande River, and that Mexico had no valid claim.

Mr. BURTON. Without expressing any opinion, I may say that that opinion of Judson Harmon has been criticized by writers of international law.

Mr. HAYDEN. What later happened on the Rio Grande is that when the United States Government built the Elephant Butte Dam above El Paso a treaty was made with Mexico, granting to that country some surplus water, as a matter of international comity. And I do not believe that once the Mexican lands in lower California are placed under cultivation they will ever be dried up. Under existing international law the United States has a right to use all of the water in the Colorado River. Congress should declare our intention to use it and we ought to fortify our claim to it by a proper allocation of water to the State of Arizona.

Mr. RAMSEYER. Would Arizona be ready to go along and get into the compact and join in this resolution if she could amicably come to terms with California and the Congress would serve notice on Mexico in this bill as indicated by you?

Mr. HAYDEN. There is, first, the question of water, which the State of Arizona is willing to settle with the State of California on a 50–50 basis.

ARIZONA AND NEVADA ASK COMPENSATION IN LIEU OF TAXES

There is only one other difference between the two States. The people of Arizona prefer that this dam or any other similar dam built on the Colorado River should be under public rather than private control. If the Federal Government does build a dam as proposed in this bill, what benefits will the States of Arizona and Nevada obtain? Forty-one million dollars will be spent at Boulder Canyon. There will be two little boom towns on each bank of the Colorado River during the period of construction. Then the workmen will go away and the money paid for wages will be spent. The power will be transmitted over into California, where, we are told by the Hearst newspapers, it will promptly add a million to the population of that State and ten or twelve billions to its wealth.

The State of Arizona says that if the Federal Government is to engage in the business of generating power, a sum equal to the taxes which would be paid if the same site were owned and developed by private enterprise should be paid to each of the States. They reason by analogy in making this request, for, in the case of the national forests where the timber can not be taxed, the Federal Government pays to the States 35 per cent of the gross receipts. In the case of coal, oil, and gas on the public domain, 37½ per cent of the income goes to the State, and the same is true of any Federal income under the water power act.

Then there is a further reason. The Federal Government is now collecting income tax from the employees of cities engaged in the business of selling water, light, and power because such municipal activities have been held to be not a governmental function. I have here some letters discussing that issue which I shall include in the record. I wrote to the Commissioner of Internal Revenue two years ago, and among the other precedents he referred to the decision of the Supreme Court of the United States in the case of South Carolina against the United States (199 U. S. 437). When that State went into the liquor business and maintained dispensaries, South Carolina claimed that as a State it was not required to pay the Federal revenue tax, but the Supreme Court said that the operation of dispensaries was not a governmental function, and therefore the State must pay the internal revenue tax on intoxicating liquor. The court held that otherwise the State might go into every kind of business and thereby deprive the Federal Government of all its revenues. If it can be held by a bureau of the Federal Government that the sale of water and the production of power and light by municipalities are not governmental functions, and therefore the Federal Government can tax income from that source, then the rule should work the other way. If the Federal Government engages in the manufacture of hydroelectric power within a State, that not being a governmental function, the State should be entitled to taxes on the site, the dam, and the power plant.

ARIZONA, CALIFORNIA, AND NEVADA ONLY STATES CONCERNED

What shall be paid in lieu of taxes upon power developed on the Colorado River is a question to be settled by the States of Arizona, California, and Nevada. If the State of California, where the power is to be used, agrees with the States of Arizona and Nevada upon some reasonable compensation in lieu of taxes, Congress should consent to the agreement, because the payments to be made are not a matter of the least concern to the Federal Government.

Mr. RAMSEYER. How long have these commissioners of the lower-basin States been in session?

Mr. HAYDEN. The Governor of Arizona took the first step toward the appointment of commissioners nearly three years ago, but the Governor of California would not appoint anybody. Over a year ago when the commissioners from the three States first met, the Californians opened the negotiations with an ultimatum which said, in effect, "We will get the Boulder Canyon dam, as provided in the Swing-Johnson bill. After that is conceded we will talk to you."

Mr. RAMSEYER. Are they in session now?

Mr. HAYDEN. Yes; in Los Angeles.

Mr. RAMSEYER. Are they making any progress?

Mr. HAYDEN. I think they are. California first asked for three-fourths of the water of the river, but Arizona insists that it should be divided equally.

Mr. RAMSEYER. The Arizona commissioner has not come down any from the 50 per cent proposal?

Mr. HAYDEN. The negotiations are still going on. Arizona has offered to divide the water equally in the main stream of the Colorado River, and California now wants two-thirds of it.

On the question of power, California has offered to pay $1 a horsepower a year, admitting the principle that something should be paid in lieu of taxes, but the State of Arizona says that the payment should be equivalent to the average taxes paid on other property in the State.

Mr. GARRETT. How much of the Colorado River Basin is in California?

Mr. HAYDEN. About 2 per cent. California contributes no water to the stream at all, except some torrential rains from sand washes. California contributes less water than any other State in the Colorado River Basin.

Mr. BANKHEAD. I must confess that my chief interest in this whole proposition now is based on the question of relieving the danger that the people of the Imperial Valley are in from possible inundation.

Mr. HAYDEN. That danger is no graver menace to the people of the Imperial Valley than it is to the people of the Yuma Valley in my State.

Mr. BANKHEAD. Conceding that menace, I want to ask this question: Have you in your mind any alternative legislation which you can offer at the present time?

Mr. HAYDEN. I have said to my people, and I say to this committee that this is not an issue which can be disposed of by Congress alone. The place to begin is by an agreement among the States. If the States of California, Arizona, and Nevada get together and settle their differences, then there will be no difficulty in securing a seven-State agreement. All the States can then come to Congress to secure the approval of a plan of development which has their united support. Under the plea of flood control, this bill provides for an enormous power development and a great irrigation scheme, all coupled together and all for the benefit of California. There is nothing in this bill which provides for the irrigation of 1 acre of land in Arizona or in any other State; only in California, and the great bulk of the power bill will go to California. It is nothing but a California measure.

Mr. RAMSEYER. The result of your contention is that unless all of the States can agree upon the terms of a compact affecting all of the equations involved, that Congress should not attempt to legislate?

ONLY TWO WAYS TO SETTLE THE CONTROVERSY

Mr. HAYDEN. There are only two ways in which this controversy can be settled. Either the States can agree upon an equitable apportionment of waters of the Colorado River or, in the absence of a compact, the Supreme Court of the United States can determine what the rights of the various States are in and to that stream.

Mr. MICHENER. Do you not think that you could simplify matters here by having your State ratify the compact conditionally, as California has, and stating just what you will insist upon before you agree to a ratification of the compact?

Mr. HAYDEN. That is just what the Arizona Legislature did two years ago.

Mr. MICHENER. That has been done?

Mr. HAYDEN. Yes; and California would not accept the proposal.

Mr. MICHENER. Why have you not ratified it just as much as California has?

Mr. HAYDEN. In a sense Arizona has. The Legislature of the State of Arizona up to this time had never taken any positive action rejecting the Colorado River compact. It may never have approved it, but the first legislature which considered the compact took no action at all and the next one, by a concurrent resolution, approved it conditionally. Arizona has gone as far as California in that regard.

Mr. MICHENER. Did the governor veto that?

Mr. HAYDEN. The Governor of Arizona vetoed the concurrent resolution, but the two houses of the legislature took the action that I have indicated.

IRRIGATED LANDS IN TEXAS

I want to speak frankly to the committee about one phase of the international situation which is at least peculiar. There are certain persons, residents of the State of Texas, urging the passage of this bill for the reason that they believe that impounding the waters of the Colorado River at Boulder Canyon will in some way benefit them by obtaining additional water from Mexico on the lower Rio Grande. All of the watershed of the Colorado River is within the United States, but some of the water is used for irrigation in Mexico. On the lower Rio Grande the water supply comes from Mexican tributaries of that stream and is used to irrigate land in the United States. The people living in the delta of the Rio Grande in Texas with whom I have talked desire certainty as to their water supply. That certainty can only be obtained by treaty with Mexico. Some of them have been led to believe that they can get the benefits of a more favorable treaty if the Boulder Canyon dam is built.

It is my contention that the construction of the Boulder Canyon dam, as provided in this bill, will delay the time when any treaty relating to the boundary waters can be made with Mexico. Without notice of the intention of the United States to use the waters of the Colorado River, the Mexicans have everything to gain by putting water on as much of their land as they can. Therefore they will delay making any kind of a treaty until all of the land in Lower California is under cultivation.

With a notice to Mexico, the burden is promptly transferred to that Republic to make a treaty. Such notice will do more than anything else to bring about a treaty. Nothing is to be gained for anyone in Texas by the passage of this bill in its present form. Upon the contrary, its enactment will positively injure them. This bill should therefore be amended in the following manner:

"That until such time as a treaty between the United States of America and the United States of Mexico providing for an equitable apportionment of the waters of the Colorado River is ratified by the

Governments of both Nations, it is hereby declared to be the policy and purpose of the Government of the United States of America to reserve for use within the boundaries of the United States of America all waters of the Colorado River which may be stored or impounded therein, to the end that the Government of the United States of Mexico, the citizens of that Republic, and the owners of Mexican lands may have direct and timely notice and warning that the use by them of any such waters as may temporarily flow into Mexico shall establish no right, legal or moral, to the continued use of such waters."

CONGRESS CAN NOT APPORTION WATERS

Now, let me conclude, gentlemen, because I have taken much more time than I intended. I wanted to make it perfectly clear to you that the objections which the State of Arizona has to the enactment of this legislation can not be cured by Congress or by amendment to the bill. Arizona denies that it is within the power of Congress to apportion the waters of an interstate stream among the States. The States themselves must do that by agreement, or it must be done by the Supreme Court of the United States. The withdrawal of the State of Utah from the six-State compact merely emphasizes the position of Arizona that the Federal Government and any three States or four States or six States can not apportion the waters of the Colorado River. Nor can anything less than all of the seven States apportion the water in which they are all interested.

Arizona believes that the State of Utah acted wisely when it withdrew from the six-State compact. The only way that the State of Utah can be completely protected is by a seven-State agreement; that is the only way in which her agricultural future can be assured. Any act of Congress providing that Utah shall have so much water and Arizona so much and California so much is void. The attempt made in this bill to approve a six-State compact, or a five-State compact as its proponents are now suggesting, would be without effect. Any such act of Congress would be vain and futile. Arizona insists that the only real protection which all the States can secure is for them all to be in accord. There is no other way out.

ARIZONA MUST PROTECT HER FUTURE

The State of Arizona asks nothing unreasonable, asks nothing unfair. As the record now stands, everything Arizona seeks should be granted to her. The reason why Arizona and California have not come to an accord is that the people of California have been led to believe that the Congress of the United States would enact this legislation which gives them all that they seek without the necessity of any agreement with Arizona. So long as they believe that, there will be no agreement. Whenever those in authority in California are convinced that they can not come to Congress and obtain all that they demand they will be more just and reasonable with the other States. Arizona asks here to-day that Congress shall not throw into balance which weighs this interstate controversy the power and authority of the Federal Government for the sole benefit of the State of California.

The State of Arizona intends to protect her agricultural future, and that future depends entirely upon water. If this bill is enacted, the waters of the Colorado River, which otherwise would be used by Arizona, will go into Mexico. The State of Arizona can do nothing but fight with every ounce of energy she possesses against that evil consequence.

Arizona regrets to take that action, but she will be compelled to defend her rights with respect to the Colorado River by bringing proceedings in the Supreme Court of the United States. She will use every known means to delay the construction of any dam, the building of any works the effect of which is to deprive the State of Arizona of its fair and proportionate use of the waters of the Colorado River. Arizona will have to do that; there is nothing else for my State to do.

CALIFORNIA CAN AFFORD TO BE LIBERAL

Why place Arizona in that position? A great State like California is rich enough not to need all the benefits she is demanding from the Colorado River. The lower Colorado River Basin is an economic unit. It is but a night's ride by railroad train from Phoenix to Los Angeles, and people frequently make the trip by automobile in a day. If Arizona prospers, it will be sure to benefit one of the great cities of the world. The coming metropolis at Los Angeles will need the crops grown on Arizona's irrigated lands. California can afford not only to be just to Arizona but liberal. There is no necessity for the narrow, selfish attitude that California—and California alone—shall get all the benefit of congressional action on the Colorado River. Arizona rightfully considers the bed of the Colorado River, the water in the river, and the fall of that river to be natural assets of that State, just as much as coal is a natural asset and resource of Alabama and iron ore of Minnesota. Arizona is entitled to compensation for the use of her natural resources, and all that she asks is a reasonable payment in lieu of taxes. Under the present circumstances the Congress of the United States should not act upon this bill, but should make known to the State of California that she can not come here and have a bill forced through which does an injustice to other States.

Mr. RAMSEYER. How much of the land along the Colorado River, where it flows through the State of Arizona and along the boundary of the State of Arizona, is public land?

Mr. HAYDEN. A very large part of it. I would say that 90 per cent of the lands adjoining the Colorado River in Arizona is either in the public domain or in the national park or in Indian reservations, title to which is in the United States. Arizona concedes that the Federal Government has complete control over the public lands. The State of Arizona can not enter upon the public lands to do anything toward the development of that river without the consent of Congress. While the United States has jurisdiction over the public lands, the jurisdiction and control over the water is in the State of Arizona. The State is completely sovereign there and her consent must be likewise obtained before anything can be done.

Mr. RAMSEYER. You do not claim title to the banks and the bed of the river that is on public land?

Mr. HAYDEN. Arizona claims title to the bed wherever the Colorado River is navigable.

Mr. RAMSEYER. Even though the Federal Government owns the land on both banks of the river?

Mr. HAYDEN. Yes; that does not give the United States title to the river bed. While the enabling act admitting Arizona to the Union contained a condition that Arizona would never claim title to public lands, there is nothing in that act which prevented the State of Arizona from acquiring title to the bed of a navigable stream upon its admission into the Union upon an equality with all the other States.

Mr. RAMSEYER. You could not get to the bed, because the Federal Government owns the land.

TWO SOVEREIGN GOVERNMENTS

Mr. HAYDEN. There are two sovereigns to be satisfied. The Federal Government owns the public lands, and nothing can be done without its consent. The State of Arizona has control of the bed of the river and the flowing water, and nothing, likewise, can be done without its consent.

Mr. BANKHEAD. You stated that there are two alternatives, one by agreement among the States and the other by submitting this question of the appropriation of water to the Supreme Court of the United States. For my information, will you tell me what would be the process for initiating an appeal to the Supreme Court of the United States for distribution of these waters among the several States?

Mr. HAYDEN. All that is necessary is for some one State to file an original suit in the Supreme Court of the United States, just as was done in the case of Colorado against Kansas or Colorado against Wyoming.

During the delivery of Mr. ASHURST's speech,

Mr. BLEASE. Mr. President, will the Senator yield to me?

Mr. ASHURST. Yes; for a question.

Mr. BLEASE. Mr. President, I rise to a parliamentary inquiry.

The PRESIDING OFFICER (Mr. CAMERON in the chair). The Senator will state it.

Mr. BLEASE. I demand the presence of a quorum.

Mr. ASHURST. I decline to yield for that purpose.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. LA FOLLETTE. I call for the regular order.

Mr. BLEASE. The Senator has a right to speak twice on his amendment. A demand for a quorum is made now, and a quorum should be present.

Mr. ASHURST. I do not deem that the Senator rises in hostility to my attitude.

Mr. BLEASE. On the contrary, Mr. President, I think the Senator is unconsciously going beyond his own physical ability, and I think it would be a courtesy to him to demand a quorum at this time; and if for any reason a quorum should not be here, it would not take him from the floor.

Mr. LA FOLLETTE. I call for the regular order.

The PRESIDING OFFICER. The Senator has declined to yield.

Mr. ASHURST. I thank the Senator with all my heart.

Mr. ASHURST resumed his speech. After having spoken for some time,

Mr. GOFF. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Arizona yield to the Senator from West Virginia?

Mr. ASHURST. I yield for a question.

Mr. GOFF. Will not the Senator yield for the suggestion of the absence of a quorum?

Mr. ASHURST. Let me say to the able Senator from West Virginia that I believe his suggestion is prompted by a desire to relieve a tense situation here. I occupied the floor for three hours on the 21st opposing this bill, and I have occupied the floor for three hours this morning. In the earlier part of the evening I occupied the floor an hour, and in good faith I yielded to many Senators.

Mr. BLEASE. Mr. President, I move that the Senate take a recess.

Mr. ASHURST. I have not yielded for that purpose.

Mr. BLEASE. I am not asking the Senator to yield.

Mr. GOFF. May I say, in reply to the Senator——

Mr. ASHURST. Let me finish this: Whereupon my courtesy in yielding was later construed as an attempt to take part in some frivolous filibuster; hence I shall not yield for any motion that might cause the Senate to suspect that I am encouraging any frivolous motions.

Mr. GOFF. I merely wanted to suggest, in reply to the Senator, that since I had come here at the hour of 2.30 this morning to hear the distinguished Senator, I was prompted not by either hostility or a desire to filibuster, but I wanted other Senators who had not come here to hear the distinguished Senator from Arizona.

Mr. ASHURST. Many thanks.

Mr. GOFF. Certainly; and I should like to have others come here.

Mr. ASHURST. Let me finish this, Mr. President, and then I will yield.

I have not many supporters on this subject——

Mr. BLEASE. Oh, yes; the Senator has.

Mr. ASHURST. There are not many Senators in this Chamber now who are friendly to my attitude on this bill. Of that I make no complaint. When this contest began several Senators asked questions of me, and whilst I would not resort to the unseemly procedure of calling witnesses, but if it were necessary I could call 40 Senators who would testify that I have always said, "Do not solve this enormously important question on the basis of friendship. Vote your convictions, because this is as important a bill as any you shall ever consider."

I was led to make such replies, partly by my own philosophy and partly by a lesson I learned in the Judiciary Committee of the Senate from the Senator from West Virginia [Mr. GOFF]. A matter arose which might have been of importance to him, but he said, "I want Senators to decide this question on its merits, and to disregard any personal feeling I may have in the matter."

That is the conduct a Senator should pursue. No Senator who is a friend of mine will pay me much of a compliment or pay himself much of a compliment if he votes against this bill because of any friendship for me. It is too large a question to be thus approached. This bill means the life of a State; and Senators will pardon me if I seem at times to speak with asperity. Into the trembling scales here, where we are weighing this vital bill, no consideration for a Senator's feelings or for his political future must be permitted to enter or sway the balances. This bill deals with a region—the Colorado River Basin—richer than that which Pizarro added to the dominions of Charles V, and more splendid than the empire of the Cæsars.

I appreciate more than I am able to express the manifestations of personal sympathy that have been expressed regarding myself upon this subject. I have already said that this contest is not going to diminish the admiration I have always borne for the two California Senators.

Nobody shall lead me into any pasture where I must interrupt the esteem I entertain for them. This is going to be a savage fight. Do not beguile yourselves into the belief that this is going to be a soft-glove affair. This is a fight to a finish, Marquis of Queensberry rules or London prize-ring rules, so far as the genial Presiding Officer and the rules of the Senate permit.

Now, the amendment I have just offered proposes that instead of the site of the dam being located by politicians, a commission of engineers to be appointed by the President of the United States shall locate the dam site. I ask for the yeas and nays on my amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Arizona, and on that question the yeas and nays are demanded.

Mr. BLEASE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Goff	McMaster	Pittman
Blease	Gould	McNary	Schall
Bratton	Hawes	Mayfield	Sheppard
Cameron	Howell	Moses	Shortridge
Deneen	Johnson	Norris	Stephens
Edwards	Jones, Wash.	Nye	
Ferris	Kendrick	Phipps	
Frazier	La Follette	Pine	

The PRESIDENT pro tempore. Twenty-nine Senators having answered to their names, a quorum is not present.

Mr. BLEASE. Mr. President, I move that the Senate now take a recess.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from South Carolina.

Mr. JOHNSON. I ask for a division.

On a division, the motion was rejected.

The PRESIDENT pro tempore. The clerk will call the roll of the absentees.

The Chief Clerk called the names of the absent Senators, and Mr. ROBINSON of Arkansas answered to his name when called.

The PRESIDENT pro tempore. Thirty Senators having answered to their names, a quorum is not present.

Mr. JOHNSON. I move that the Sergeant at Arms be directed to request the absentees to attend.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to.

The PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

Mr. GOFF. Mr. President, I rise to a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from West Virginia will state it.

Mr. GOFF. Can a minority of the Senate keep the majority of the Senate in session during its absence? I would just like to know. This may be an early hour to ask the question.

The PRESIDENT pro tempore. In view of the manner in which the parliamentary inquiry is propounded, the Chair is inclined to answer in the negative, inasmuch as a minority can not keep the majority in session during the absence of the majority.

Mr. GOFF. Then I will join in the request that the Sergeant at Arms bring in the absent Members of the Senate, in order that they may not only attend this session of the Senate, but that they may appreciate by being present what they have been missing by their absence. [Laughter.]

After a little delay,

Mr. LA FOLLETTE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Wisconsin will state it.

Mr. LA FOLLETTE. Has the order entered upon the motion of the Senator from West Virginia [Mr. NEELY] been vacated?

The PRESIDENT pro tempore. It has not, and the Chair will supplement that by saying that he has directed the Sergeant at Arms to proceed under that order.

Mr. LA FOLLETTE. Very well, Mr. President; I thank the Chair.

After a little further delay,

Mr. GOFF. Mr. President, may I rise to another parliamentary inquiry?

The PRESIDENT pro tempore. The Senator from West Virginia will state it.

Mr. GOFF. How long, under the rules, must a minority of the Senate remain in session?

The PRESIDENT pro tempore. Until a majority presents itself.

Mr. GOFF. I see. The answer is as indefinite as my inquiry.

At 5 o'clock a. m. Mr. CURTIS entered the Chamber and answered to his name.

At 5 o'clock and 3 minutes a. m. Mr. NEELY entered the Chamber and answered to his name.

Mr. GOFF (at 5.50 o'clock a. m.). Mr. President, may I make a parliamentary inquiry?

The PRESIDING OFFICER (Mr. SHEPPARD in the chair). The Senator will state it.

Mr. GOFF. Is the Senate in session when the floor is vacant?

The PRESIDING OFFICER. The Senate is in session until a motion to adjourn or to recess has been made and carried.

Mr. GOFF. I move that the Senate take a recess.

The PRESIDING OFFICER. The question is upon agreeing to the motion proposed by the Senator from West Virginia.

Mr. JOHNSON. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. JONES of Washington. I desire to announce the following general pairs:

The Senator from Pennsylvania [Mr. REED] with the Senator from Delaware [Mr. BAYARD];

The Senator from Delaware [Mr. DU PONT] with the Senator from Florida [Mr. FLETCHER];

The Senator from Connecticut [Mr. MCLEAN] with the Senator from Virginia [Mr. GLASS];

The Senator from Ohio [Mr. WILLIS] with the Senator from Tennessee [Mr. MCKELLAR];

The Senator from Wyoming [Mr. WARREN] with the Senator from North Carolina [Mr. OVERMAN];

The Senator from Oklahoma [Mr. HARRELD] with the Senator from North Carolina [Mr. SIMMONS];

The Senator from Colorado [Mr. MEANS] with the Senator from Virginia [Mr. SWANSON]; and

The Senator from Massachusetts [Mr. GILLETT] with the Senator from Alabama [Mr. UNDERWOOD].

I am not advised how any of these Senators would vote on this question if present.

Mr. ROBINSON of Arkansas. Mr. President, I desire to announce that the Senator from Delaware [Mr. BAYARD] is absent from the Senate in attendance on the funeral of former Senator Saulsbury.

The result was announced—yeas 13, nays 17, as follows:

YEAS—13

Ashurst	Deneen	Moses	Stephens
Blease	Ferris	Phipps	
Cameron	Goff	Pine	
Curtis	Gould	Robinson, Ark.	

NAYS—17

Bratton	Jones, Wash.	Neely	Sheppard
Copeland	Kendrick	Norris	Shortridge
Frazier	La Follette	Nye	
Howell	McMaster	Pittman	
Johnson	Mayfield	Schall	

NOT VOTING—65

Bayard	Gerry	McNary	Steck
Bingham	Gillett	Means	Stewart
Borah	Glass	Metcalf	Swanson
Broussard	Gooding	Norbeck	Trammell
Bruce	Greene	Oddie	Tyson
Capper	Hale	Overman	Underwood
Caraway	Harreld	Pepper	Wadsworth
Couzens	Harris	Ransdell	Walsh, Mass.
Dale	Harrison	Reed, Mo.	Walsh, Mont.
Dill	Hawes	Reed, Pa.	Warren
du Pont	Heflin	Robinson, Ind.	Watson
Edge	Jones, N. Mex.	Sackett	Weller
Edwards	Keyes	Shipstead	Wheeler
Ernst	King	Simmons	Willis
Fess	Lenroot	Smith	
Fletcher	McKellar	Smoot	
George	McLean	Stanfield	

So Mr. GOFF's motion was rejected.

Mr. JOHNSON (at 6.25 a. m.). Mr. President, I ask for a report from the Sergeant at Arms under the order of the Senate last made.

The PRESIDING OFFICER (Mr. FRAZIER in the chair). A report from the Sergeant at Arms is requested. The Sergeant at Arms will report under the order of the Senate.

Sergeant at Arms BARRY. I have not been very successful in serving notices under the arrest order. I am now calling on Senators to explain about the second order, which merely directs me to request attendance and I am requesting their attendance. It is thought that in a short time there will be a quorum, because a number of the Senators have answered that they will come to the Senate. As it is getting later in the morning I think that soon they will all answer.

Mr. BORAH was called and told about the order and the request, and he said he understood.

Mr. ERNST said he would come.

Mr. KEYES said he would come.

Mr. METCALF said he would come.

Mr. WADSWORTH is coming.

Mr. DALE, no answer.

Mr. REED of Pennsylvania, no answer.

Mr. STEWART, no answer.

From the others with whom communication was had there was no answer, but as the morning approaches more are answering, as shown by this list of Republican Senators, and it is thought that in a short time a quorum will be present.

At 6 o'clock and 47 minutes a. m. Mr. WADSWORTH entered the Chamber and answered to his name.

At 7 o'clock and 23 minutes a. m. Mr. CAPPER entered the Chamber and answered to his name.

At 7 o'clock and 37 minutes a. m. Mr. ERNST entered the Chamber and answered to his name.

At 7 o'clock and 40 minutes a. m. Mr. RANSDELL entered the Chamber and answered to his name.

At 7 o'clock and 44 minutes a. m. Mr. WALSH of Massachusetts entered the Chamber and answered to his name.

At 7 o'clock and 45 minutes a. m. Mr. WATSON entered the Chamber and answered to his name.

At 7 o'clock and 46 minutes a. m. Mr. WALSH of Montana entered the Chamber and answered to his name.

At 7 o'clock and 47 minutes a. m. Mr. DALE entered the Chamber and answered to his name.

At 7 o'clock and 53 minutes a. m. Mr. HARRELD entered the Chamber and answered to his name.

At 8 o'clock and 9 minutes a. m. Mr. FESS entered the Chamber and answered to his name.

At 8 o'clock and 11 minutes a. m. Mr. SMITH entered the Chamber and answered to his name.

At 8 o'clock and 14 minutes a. m. Mr. GREENE entered the Chamber and answered to his name.

At 8 o'clock and 25 minutes a. m. Mr. HARRISON entered the Chamber and answered to his name.

At 9 o'clock and 5 minutes a. m. Mr. WARREN entered the Chamber and answered to his name.

At 9 o'clock and 7 minutes a. m. Mr. WILLIS entered the Chamber and answered to his name.

At 9 o'clock and 10 minutes a. m. Mr. GOODING, Mr. EDGE, Mr. REED of Pennsylvania, Mr. KEYES, Mr. MCKELLAR, Mr. OVERMAN, and Mr. BINGHAM entered the Chamber and answered to their names.

The PRESIDENT pro tempore. Fifty-five Senators having answered to their names, a quorum is present. The question is on agreeing to the amendment proposed by the Senator from Arizona [Mr. ASHURST] to the amendment of the committee.

Mr. PHIPPS. Mr. President, I understand the pending amendment to Senate bill 3331, as offered by the Senator from Arizona [Mr. ASHURST] to the amendment of the committee, provides for a board of engineers who would be authorized to recommend a place for the location of the proposed dam on the lower Colorado River. That amendment is somewhat similar to the one which I sent to the desk two or three days ago, which was printed, and which provided that the dam be located at Boulder Canyon, Black Canyon, or such other advantageous place as may, in the judgment of the Secretary of the Interior, be found more suitable. I shall advert to that amendment later.

For some time past I have been convinced that a dam should be constructed on the lower reaches of the Colorado River primarily for flood control, and that in the erection of a dam we could well consider the advisability of making it high enough not only to provide the supply of water which might be found necessary for irrigation and domestic uses but at the same time to provide for the development of hydroelectric power which would mean a very large output. In my judgment a market for such power, while not there to-day, would soon come, because there is a growing demand, and I believe California, Arizona, and Nevada can within a reasonable length of time absorb the hydroelectric horsepower which could be produced at a dam of the capacity which has been recommended by the various engineers.

As I have stated, the primary purpose would be flood control. I have endeavored to spend as much time as has been available in the study of the question. I have attended nearly all the hearings of the Senate Committee on Irrigation and Reclamation, and also accompanied the committee on its trip to California, Arizona, and Nevada in the fall of 1925. It is true, as stated by the Senator from Arizona [Mr. ASHURST] that the committee did not find it convenient, because the time was not available, to visit dam sites other than the one at Black Canyon, which is commonly known as Boulder Canyon. The two terms are not exactly synonymous, but the general location is the same, Black Canyon being a little lower down the river than Boulder Canyon proper, I believe.

There are a number of reports of engineers, Government employees, who scouted the river and the entire territory over the past several years, but I have been unable to find any report in which any committee of engineers has agreed in recommending that one certain location on the lower Colorado River would be preferable for the purpose of constructing a high dam over other locations on the stream. In passing, I may say that I have recently introduced a resolution which would provide for an examination along the lines I have just suggested.

Mr. President, I have been in favor of the building of a dam. I think when a dam is built that it should be the high dam which has been suggested. I want to see the construction of that dam commenced as soon as possible and pushed to completion.

But, Mr. President, I think there are questions involved and obstacles in the way which can not be overcome immediately. I believe that a careful examination should be made before the definite location of the dam is decided upon.

I also feel that we should be informed and that the committee should determine what other steps, if any, are necessary for flood control after the dam has been erected and completed, because the damage heretofore has occurred in the Imperial Valley, well down the river. Some injury has occurred at Yuma, but practically all damage has taken place below the outlet of the Gila River, where it joins the Colorado River. It is true that reservoirs, one of which has already been completed and another of which is in course of construction on the Gila River, will in a measure lessen the danger from great floods coming out of the Gila River. That river is essentially a flash stream; that is to say, flood periods come on very suddenly, are very high, and pass very quickly; but it only takes a very short time for the current which comes down the Colorado River in flood stage to cut through the embankments, which are composed of silt.

The secondary use of the water for irrigation and domestic purposes is such as should properly repay the additional ex-

pense required for that use, and, further, the hydroelectric power should be produced at a cost which will enable its sale, after allowing a fair return for the use of the water, so as to repay the extra cost of the high dam, as against the lower one, which could properly be allocated to that use. I believe the demands for water in the lower Colorado River Basin for all of the three uses specified are such as to justify the construction of a high dam, as disclosed in the testimony secured by the House and Senate committees.

One provision of the pending bill to which I seriously object would clothe the Secretary of the Interior with authority to decide whether the hydroelectric plant in connection with the proposed dam shall be built and operated by Federal authorities at an outlay of some $35,000,000 and the output sold at the switchboard or whether the right to use the water shall be leased to municipalities, corporations, or individuals, in that event the plants to be constructed by private enterprise, the Government to receive a revenue for the use of the water.

Mr. President, I have not endeavored to ascertain the views of any power companies which might possibly be interested, or even those that could not possibly be interested, as to the manner in which they would prefer to contract for the hydroelectric power that might be produced; but it seems to me that their desire would be to have the Government build the plant, thereby securing the current at the switchboard without incurring any risk and without having been put to the expenditure necessary to construct the plant.

It is true that the Government can supply the money at a lower rate of interest than it may be secured by private enterprise, a difference possibly of 1 per cent. But, Mr. President, it seems to me that the power companies should be willing and would be willing to enter into leases giving them the right to use the water and paying on a kilowatt-hour basis for the hydroelectric energy produced in plants which they would themselves erect.

As I say, I have had no communication with them. I did receive a note from an old-time acquaintance of mine, who, I think, is connected with one of the electric railways in New England. At least, he was so associated the last time I knew of his vocations. He said, in effect, that he believed the power companies would be willing to contract and pay for the right to use the water, provided they had a market for the power and provided also that the power would not cost them more than they could secure it for elsewhere.

Mr. President, for myself, from what little insight I have had into the business, merely as an investor, I would say that if I owned or controlled an electrical company that was in position to distribute electric power, hydro or steam, in California or in the region of which we are speaking, personally I would prefer to buy the power at the switchboard just as is written in this bill.

But I am opposed to that method, as it would take the Government into a producing or manufacturing business. If we are to embark on that course, there is no telling how far we may go in the matter, not to say competing with private enterprise, because largely the districts to be developed are not now provided with power facilities and electrical facilities. Perhaps not in our generation, though probably in the next 50 years, many high dams may be erected on the Colorado River alone, and in every instance the opportunity to produce hydroelectric power will be or should be utilized.

We have in the northwestern section of the country a very large stream, the Columbia River, which is comparable with the Colorado River in many respects, draining a vast territory. An investigation of that stream and of the basin is being made at the present time for the use of water for agricultural purposes, and the first estimate that comes to our committee for the cost of the first dam proposed to be erected on that stream is $45,000,000, without figuring anything whatever for the hydroelectric plant or a canal to supply with water the lands to be irrigated. That dam would be only one of a series on the river, as I understand.

Then we have the St. Lawrence River project, and there are, no doubt, many others of magnitude; so that if the door is once opened and the precedent established every section in the United States where high dams may be erected will be asking that they be treated in the same way as we treat the Colorado River.

Mr. President, I believe that private enterprise will willingly undertake the erection of the hydroelectric plants. The best evidence of that is the fact that several filings were made on the Colorado River by people backed with ample funds, who would pay for the construction of the dam structures as well as the hydroelectric plants, and that, too, without expecting to derive any benefit from irrigation enterprises.

Throughout our hearings in the West and here in Washington the question was asked repeatedly whether or not the proposed dam could be financed without calling upon the Federal Treasury for funds. The inquiry may not have been stated in those exact terms, but was put in this way, namely, Were those who expressed an interest able to finance themselves? In answer to that question we were repeatedly told they were; and in many instances we were told that municipalities and corporations were prepared and able to finance themselves if the dam could be assured. I would understand that to mean that they would raise the money themselves in the usual form of issuing bonds or in some other manner, but not that they were to make loans from the United States Government or that the Treasury was to advance the money without demanding any obligation for repayment other than a mere verbal promise to pay or a promise to use the structures that might be erected, without guaranteeing in any way that the full amount of the expenditure would be returned. The bill as written leaves that in the judgment of the Secretary of the Interior to determine.

Before passing from that topic, Mr. President, I wish to say for myself that if I felt at any time in voting on any feature of this bill or the bill itself that my personal interest in any way was influencing me or affecting my vote, I should refrain from voting; but as I see it and as I now feel——

Mr. JOHNSON. Mr. President——

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Colorado yield to the Senator from California?

Mr. PHIPPS. I will ask the Senator to wait a moment until I finish the sentence. As I now feel, when the vote comes on the question of the hydroelectric plants, I shall in all probability be voting against what might be the wishes of the management of a company in which I am interested.

Mr. JOHNSON. What does the Senator mean when he says his "personal interest"?

Mr. PHIPPS. Oh, I think it is well known that I have been a stockholder in a power company that was organized in Denver, Colo., many years ago for the purpose of furnishing power for the mining ventures in Nevada, and which was afterwards extended down into California and became the Nevada-California Electric Co., in which I have a reasonable though not a controlling interest. I am not a member of the board.

Mr. JOHNSON. What is the name of the company, please?

Mr. PHIPPS. The Nevada-California Electric Corporation.

Mr. JOHNSON. Is there any other electric company in which the Senator is interested?

Mr. PHIPPS. That is a holding company. It has subsidiaries, one of which is the Southern Sierras Power Co. in the Imperial Valley. I think it is called there the Imperial Valley Ice Co. or some similar name.

Mr. JOHNSON. Does the Southern Sierras Co. furnish power to southern California?

Mr. PHIPPS. Oh, yes; it furnishes power to the Imperial Valley at the present time.

Mr. JOHNSON. Does the holding company furnish power in Nevada?

Mr. PHIPPS. No. There is another subsidiary there of a somewhat similar name—the Nevada-California Power Co.

Mr. JOHNSON. Is not the Senator its present owner?

Mr. PHIPPS. No; I have no controlling interest and I do not know that I am the largest owner, though I may be.

Mr. JOHNSON. It is a corporation——

Mr. PHIPPS. What does the Senator desire to know? I am glad to have the Senator ask me questions.

Mr. JOHNSON. I am trying to develop what the Senator said.

Mr. PHIPPS. And I am trying to answer the Senator.

Mr. JOHNSON. The Senator from Colorado spoke of his personal interest.

Mr. PHIPPS. Yes.

Mr. JOHNSON. I want to know what that personal interest is in connection with the development of power in the Southwestern section.

Mr. PHIPPS. It lies in the possibility that a company in which I am interested may in some way desire to contract for a portion of the power that may be produced or to join with other companies in the building of a plant or some work that might help to develop and make use of the power that might be produced at the Boulder dam.

Mr. JOHNSON. So that if the Boulder dam project were consummated the Senator's company would be a prospective purchaser or a prospective contractee for power at the Boulder dam?

Mr. PHIPPS. Possibly so.

Mr. JOHNSON. And it is because of the Senator's knowledge of power and power companies, as I understood him, that he says he would not leave the option in the Secretary of the Interior to construct the works.

Mr. PHIPPS. That is correct in a sense; but my reasons are that I think it is too much authority to lodge with any official of the Government, even though he may be the head of a department. The question might be determined during the administration of the present incumbent, or it might be determined by some one not yet named. I intended to touch on that later in my remarks.

Mr. JOHNSON. One other question, and I will not disturb the Senator further.

Mr. PHIPPS. It does not disturb me at all.

Mr. JOHNSON. As I understood the Senator, he stated, from his knowledge of power companies, that power companies would not wish the alternative provision authorizing the Secretary to build?

Mr. PHIPPS. Oh, I do not believe that they would object to that being in the bill. I think their natural inclination would be to endeavor to contract with the Secretary for hydroelectric power at the switchboard instead of leasing the right to use the water, and that it might in that way come to the point where the Secretary would be impressed with the belief that the return to the Government under the alternative plan would be larger by contracting for sale of the hydroelectric power at the switchboard rather than leasing the right to use the water.

Mr. JOHNSON. But I understood the Senator to say, from his knowledge of power companies, that in his opinion power companies would prefer to contract for the water, and the power companies would not desire the alternative provision exercised by the Government.

Mr. PHIPPS. No, no; I said that the power companies would prefer to contract for the delivery of the hydroelectric current at the switchboard, and not to lease the use of the water for power purposes; but I did not mean to intimate that they objected in any way. I have never heard that anyone has objected, on the part of any power company, to having the alternative provision in this bill. I am the one that is objecting to that.

Mr. JOHNSON. Let me ask the Senator which would be more profitable to power companies; to have the alternative provision carried out by the Secretary of the Interior or to lease the water?

Mr. PHIPPS. The question should be stated the other way, I think.

Mr. JOHNSON. State it any way you wish.

Mr. PHIPPS. Stating it the other way, in my judgment, the Government is much better off from every standpoint to lease the right to use the water than it is to undertake the business of erecting hydroelectric plants.

Mr. JOHNSON. The Government is better off doing that?

Mr. PHIPPS. Yes.

Mr. JOHNSON. And the power companies would be better off if the alternative provision were exercised, and the Government built?

Mr. PHIPPS. That would be my personal judgment; but I do not pose as an authority. Since I came to the Senate eight years ago I have had nothing to do with active business. I leave all that to my secretary and my son, who is an able young man. I have not followed the details. I get a statement and look at it, and it goes in the file nine times out of ten.

Mr. JOHNSON. Do the Senator's secretary and son manage, operate, conduct, and control the particular electrical companies of which he has spoken?

Mr. PHIPPS. No; the secretary has nothing whatever to do with them. My son is in the management.

Mr. JOHNSON. He manages the company?

Mr. PHIPPS. No; he does not manage it; but he is one of the members of the board and is an officer of the company; but I do not know that that is a matter that will interest the Senate or the general public.

Mr. JOHNSON. I must disagree with the Senator there. It is extremely interesting from the standpoint of the construction by the Government on the one hand of the power plant, or the leasing of the water without the construction on the other hand. The Senator, if he will pardon me, would be an expert witness on that subject.

Mr. PHIPPS. Oh, no; I could not qualify as such at all.

Mr. JOHNSON. The Senator, I think, is too modest in that regard.

Mr. PHIPPS. I thank the Senator.

Mr. JOHNSON. I think the Senator could say whether the power companies would prefer the one scheme or the other carried out.

Mr. PHIPPS. No, I can not; because, as I said at the outset of my remarks on that topic, I have not been in touch with them. I have not even asked a member of the company of which we have been talking what they would prefer, so I am not informed as to that.

Mr. JOHNSON. Let us take the Senator's knowledge of a concern or corporation such as he formed, and such as his son is one of the managers of at the present time. Would that company, in the Senator's opinion, prefer the construction by the Secretary of the Interior of the works and the leasing of the units of power then, or the leasing of the water merely for the power?

Mr. PHIPPS. That would depend very much on the market for money at the time. It would depend upon a number of things, I should say to the Senator. The main objection that I have is to the Government going into a manufacturing business. I think that the other elements that enter, which a power company would naturally consider, would be that while the Government has, say, a 4 per cent interest rate, the company would hardly expect to borrow on its own bonds for less than 5 per cent, and it could not borrow up to the full amount of the expenditure. There must be a margin. Then comes the question of deciding upon the definite plans; and the power companies, with their trained experts who have grown up in the business or who are paid larger salaries than our Government engineers are paid, are, perhaps, better qualified to say just what machinery should be put in the plant and how it should be designed so as to find the capacity that would be best suited; and then, after the plant is erected, the question of operation and management. Those are elements that all enter into the consideration which a power company would naturally give to a proposition if it were put to them in the alternative.

Mr. JOHNSON. May I assume that here is presented a particular scheme by which there are alternative provisions; and may I ask, with that naked scheme presented by a bill, whether, in the judgment of the Senator, the power companies would prefer the one or the other?

Mr. PHIPPS. That I have tried to answer by saying it would depend upon many elements that the power companies necessarily would have to consider—the question of financing——

Mr. JOHNSON. Let us assume that there was financing that was appropriate: Which would the power company prefer?

Mr. PHIPPS. I can not answer the Senator on that point. I have no information that would qualify me to make a reply to that inquiry.

Mr. JOHNSON. That is all I desired. The Senat. is unable to answer it.

Mr. PHIPPS. I refer the Senator to my previous statements. Mr. President, I do not care to give a description of the proposed site at the Black Canyon. I mentioned the fact that I visited it a year and a half ago. I expressed myself at the time as believing that it was an ideal site, perhaps the most attractive site for the purpose of storing water that I had ever seen. I have not seen all of the sites on the Colorado River by any means, and unfortunately I did not see the other sites that have been mentioned by other Senators.

The real problem is flood control; and I think that subject has been fairly well covered by other speakers. I do not care to dwell upon it at length; but I have been convinced for some time that the Government has a duty to provide that control. It has recognized that obligation, I think, by affording to the Yuma enterprise in Arizona funds that have been and are to be expended in protecting the levees along the irrigated lands bordering the Colorado River.

It is true that since the last break in the river in 1907—that is, the break which occurred in 1905 and was closed in 1907—there is better protection in the form of levees built up of cribbing and filled with stone, or the stone without cribbing, than there had been prior to that time; but there is danger—and in this case eternal vigilance is the price of safety—because any slight deflection in the course of the channel will throw the full body of the stream against one of these levees at an angle. Instead of its crowding over the top of the levee, it burrows underneath until the structure crumbles and falls into the water and is swept away, and the stream rushes through.

It is true that the Imperial Valley irrigation district, as I believe it is called, has annually expended large sums of money in the upkeep of these levees; but recently there have been reports of a dangerous situation, and, as suggested to the Senators from California, I agree with the statement that was made that a reasonable means of protection—authority to the Secretary of War, perhaps, to act in case of emergency—should be granted by this Congress.

The all-American canal is made one of the leading features of this bill. The purpose is worthy from more standpoints than

one. I motored along the line of the proposed canal from the suggested intake near Yuma down through the sand dunes over the hills to the desert land and the high mesa at the upper or northerly end of the Imperial Valley. This project has been figured over year after year by engineers in an endeavor to find the most effective means of bringing water to the lands of the Imperial Valley, including the mesa lands and the adjoining lands of the Coachella Valley, which lie to the west and slightly northwest. As I am informed, the route that has been practically agreed upon by all of them is through these sand dunes, involving very heavy cuts and fills of desert sand where the winds have drifted, year by year, these sands into hills in some cases higher than the gallery there, and in other cases as high as the ceiling of this Chamber.

The upkeep of such a canal, which would be about 60 feet wide at its base, and on a one-and-a-half slope, and nearly a hundred feet wide at the top, or, perhaps, in some cases as wide as 120 feet, is quite a problem, involving not only heavy initial expenditures but an uncertain quantity in the matter of operation and maintenance.

It has occurred to me that instead of limiting the proposed canal in the manner indicated in the bill, and by the language designating it, there should be a broader provision which would enable the Secretary of the Interior to authorize the lifting of the water from the river at some other point instead of conducting that water, as is now done, a distance of about 60 miles over a circuitous route through the foreign country of Mexico, entailing, as it does, an obligation on the part of those who are responsible for this canal to turn over 50 per cent of the water conveyed to the residents of Mexico for irrigation and other purposes, regardless of whether the United States, in the Imperial Valley, we will say, has under cultivation 400,000 acres or more, whereas Mexico has under cultivation 240,000 acres or less.

I think it most desirable that the Imperial Valley supply should come over a route that does not pass through a foreign country, where all of the water that is turned out of the river for that valley will go to it, and not first have to pass through a foreign country, where it is a very easy matter, in handling the flood gates, to allow the people under the Mexican ditches to use much more water than they are justly entitled to under the agreement.

Mr. President, I am not an engineer, and, perhaps, I am not qualified to make an expression as to what might be accomplished there; but I have suggested an amendment which would permit the Secretary of the Interior and his assistants to exercise their judgment if it were found feasible to lift the water by pumping out of the river at a cost less than would be involved by the payment of interest on the original investment involved in digging the all-American canal through the sand-dune country.

The attempt at a financial plan provided for in the bill, which I understand the author of the measure now seeks to eliminate by an amendment, involves advances on the part of the United States Government to individuals, companies, or municipalities who agree to repay them, in the total sum of $125,000,000, to be carried at a rate of 4 per cent interest. If the money is to be advanced, I see no objection to the rate, but it is left with the Secretary of the Interior to decide whether the irrigation enterprises, and the production of hydroelectric power, either in plants built by the Government under this bill, or through the leasing of the right to use the water, shall repay to the Government within a period of 50 years the original advances, with interest.

Mr. President, I think the item for the hydroelectric-power plants, which would involve, with interest, during the time of construction, an expenditure of about $35,000,000, should be eliminated from this bill, and for that purpose I presented an amendment two days ago, which has been printed.

One provision of the bill is that the United States shall ratify the Santa Fe compact, not in its original form, the form in which it was signed by the representatives of the United States Government and the seven States at Santa Fe, but in a modified form whereby partial ratification only is required. That is to say, a six-State compact containing provisions similar to that original seven-State compact was subsequently drawn up and agreed to by five of the six States. Since that time one State has withdrawn her adherence to the compact, leaving only five States who agree to be obligated under the same, and one of those States consents only on condition that this dam be built at Boulder Canyon.

It does not seem to me that we have a feasible or workable proposition. Of the six signatory States referred to—Wyoming, Utah, Colorado, New Mexico, Nevada, and California—the four upper-basin States had signed unconditionally; Nevada had signed, making five, and California ratified only conditionally, as I have stated. Later Utah withdrew, something like a month ago. Utah was at perfect liberty to withdraw her signature and assent to the compact, and every one of the other four States which signed unconditionally is equally at liberty to withdraw. They can withdraw at any time. I would not be surprised to see another of those States withdraw, although I have no basis for saying that any move in that direction is contemplated, or has been recommended.

The whole theory of the compact is unanimous consent; that is to say, it is an agreement under which the waters of the river were divided in such manner that the States would know what they could do without being in danger of an attack in the courts by some sister State drawing from the same river. Colorado has had her experiences. We have been in the courts with Kansas; we have been in the courts with Nebraska. Even in the Supreme Court we feel we lost on a point where our people were confident that we were right and should have won. We want to avoid litigation. Since the decision of the Supreme Court I have mentioned, we have entered into a compact with New Mexico for a division of the waters of the La Plata River. We have entered into a compact with Nebraska for a division of the waters of the South Platte River. Our commissioner is now negotiating with those representing Nebraska and Wyoming for a compact covering the waters of the North Platte River. In short, the whole purpose of a compact is to allow the States to know what their rights are, what the citizens can do, and to avoid the delays and expense incident to carrying the differences through every court up to and including the court of last resort.

Mr. President, I have never been able to find anything in the seven-State compact to which exception might be taken other than the point raised by the Senator from Arizona [Mr. ASHURST] with reference to division as between two basins rather than allocating to the States in the basin. That point did not touch the upper-basin States because of the geographical location of the various tributaries of the Colorado and the main stream as it passes through Wyoming and Colorado, as it was found that each State could use the waters of the tributaries flowing through its domain, so to speak, without encroaching on the rights of any other State.

The matter mentioned by the Senator from Arizona, the failure to agree among the lower-basin States over the distribution of the water, appears to be in a fair way for settlement and determination, as stated by the Senator from California [Mr. JOHNSON].

Mr. President, I have faith that the seven-State compact could be made effective before the close of the present calendar year if the representatives of the three lower-basin States were given to understand that unless and until the seven-State compact is signed and made effective, no dam will be built on the Colorado River, either at Boulder Canyon or any other point; and that meanwhile the Federal Power Commission will refuse to issue permits for further construction on the main Colorado River or any of its branches. I have faith that the representatives of those States can and will get together.

I am not overlooking the statement made by the able Senator from California [Mr. JOHNSON] with reference to the demand of Arizona for a so-called royalty or tax on the hydroelectric power that might be produced at a dam located along the stream where Arizona claims to own the bed of the stream. There is always a point where the man who is selling something finds that if he is asking too much he has no market. If, as intimated, the original figures suggested by Arizona were $6 per horsepower year, which would be equivalent, I am told, to .15 mills per kilowatt hour, Arizona would be standing in her own light to insist on such a royalty because that figure would represent 50 per cent of what the horsepower would cost to produce.

Mr. KENDRICK. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. REED of Pennsylvania in the chair). Does the Senator from Colorado yield to the Senator from Wyoming?

Mr. PHIPPS. I yield.

Mr. KENDRICK. Does the Senator believe that it is constitutional to pay Arizona a royalty for her power or does he believe that it is consistent with the Federal water power act for her to levy a royalty for her power?

Mr. PHIPPS. I am sorry that I have not gone into that question deeply enough to give the Senator from Wyoming an answer that would be worth anything. Not being an attorney, I am really unqualified to express an opinion on that point, and I am sorry. The Senator will remember that on our visit to Arizona, I think at Prescott, we came into contact with a certain attorney whom our chairman, the Senator from Oregon [Mr. MCNARY], requested to give us a brief on that

point. I believe the Senator received a copy of the brief. I confess that there was one part of the testimony I never read, and I have read a great deal of it too.

The seven-State compact to which I referred was signed in 1922. That is a long time in which to have to wait for ratification. But California, having first ratified, withdrew and then, at the time she signed the six-State compact, she attached conditions, as I understand it, which would also apply to the seven-State compact.

I have not been officially informed as to the reasons for Utah's withdrawal from the six-State compact, but she has withdrawn. That is the situation to-day. Four States are still signatories to the six-State compact without condition, and one is a signatory only with conditions, as I have already stated.

Mr. KENDRICK. Mr. President, will the Senator yield to me again?

Mr. PHIPPS. I yield.

Mr. KENDRICK. May I ask the Senator if he would prefer not to be interrupted?

Mr. PHIPPS. I am perfectly willing to answer questions. I know the Senator is not going to propound any dilatory question. I know the Senator is really interested.

Mr. KENDRICK. And nothing is, in any way, I believe, too difficult for the Senator to answer.

Mr. PHIPPS. I might differ with the Senator as to that, but I can assure him that it will not disturb me at all for him to make inquiries.

Mr. KENDRICK. In connection with the limited number of States or the reduced number of States now signatory to the compact, I am reminded to say to the Senator that one of the protests of Arizona against the compact was that it did not subdivide the waters of the river among the States. The Senator, I believe, will agree with me that while that might have been a consistent contention for the States of the lower basin, under the circumstances the physical conditions of the upper-basin States made such a division entirely unnecessary.

Mr. PHIPPS. That point I have tried to explain. I have made that statement. I have acquired the belief in some way that, up to within a very few months ago, almost weeks ago, there was never any definite attempt by the representatives of the two States of Arizona and California to come to an agreement as to a division of the water. I am inclined to take the view of the Senator from California [Mr. JOHNSON] that there is no difficulty there that can not be overcome by conference and a little patience.

On the other point, I think that is a matter largely for California and Nevada. If the United States Government comes into the problem in any manner, then I would say we are in for lawsuits, because the United States authorities should never for a moment, in my judgment, admit that Arizona had the right to assess royalties on the hydroelectric power produced where the dam is built within her borders.

Mr. KENDRICK. But the Senator will, I believe, agree to the fact that both Arizona and Nevada would have the right to ask for a division of the power for their separate States?

Mr. PHIPPS. That point came up in discussion a day or two ago, and the statement was made by th able Senator from California [Mr. JOHNSON] that there was no difficulty on that score, that the power which Nevada was not ready to use now, but believed she would have need for later on, could be reserved so that she might have it, and in the same breath he said, "and Arizona can have the same if she wants it."

Mr. KENDRICK. The point to which I want to call the Senator's attention is that, inasmuch as the physical conditions subdivide the waters between the upper-basin States, then for that very reason neither one of those States has any occasion for any anxiety because of priorities acquired against each other. That being true, it brings us to the point at issue in reference to the limited number of States and the fact that Utah has withdrawn. In effect, the priorities which may be acquired in the Colorado River against the upper-basin States will be acquired by either Arizona, California, or old Mexico, and therefore the fact that Utah has withdrawn from the compact would not afford any occasion for anxiety on the part of the upper-basin States. Our troubles are with the lower-basin States.

Mr. PHIPPS. Pardon me, I would not go quite that far. The Senator will recall that the main stream of the Colorado River flows through the State of Utah for quite a considerable distance.

Mr. KENDRICK. Yes; but I call the Senator's attention to the fact that the waters of Wyoming, the waters of Utah, and the waters of Colorado, in leaving the borders of those States, respectively, where they might be diverted, plunge into a rock-wall canyon a thousand miles long, and therefore each State in its own right can use its own water. That State alone, from my viewpoint, can divert the waters to successful reclamation and irrigation within its borders. That is the point I am trying to make. If Utah has withdrawn, all we can say to her is "Hail and farewell" for the time being, but we will not by that fact interfere with her rights to her water, and we will not have occasion to be disturbed by it because of the further fact that she would not, in any event, acquire any priorities against us.

Mr. PHIPPS. I am glad to learn by inference that the Senator has assurance that it is practically impossible for Utah to use and divert from the main channel of the Colorado River any waters for her own use so as to be in a position to set up her priorities as against Wyoming and Colorado and also old Mexico.

Mr. KENDRICK. I think that fact is admitted. I do not care to be quite definite about it, but that is my understanding.

Mr. PHIPPS. The Senator may be correct in his information. The fact that the waters of the tributaries could be so readily divided among the upper-basin States also led to the disclosure of the fact that Lees Ferry was approximately the proper dividing line as between the upper-basin States and the lower-basin States.

The great trouble with the six-State compact, even if Utah came back in and California signed without condition, leaving Arizona out, is that Arizona would be free to appropriate water for her uses and thereby be in position to set up priorities as against the claims of the upper-basin States. That is a danger which Colorado wants to avoid. A burnt child dreads the fire. We have had our day in court and we are not inclined to buy into another lawsuit if we can help it. The seven-State compact would settle this question beyond any peradventure of doubt. It would avoid expensive litigation which would be certain to creep in, unless every one of the seven States agreed to the compact. Our present legal situation would not be improved at all unless we got the compact. We would have no legal protection against the nonratifying States. And yet I again express not only the hope but the belief that the seven-State compact can and will be made effective and binding.

Mr. President, I prepared an amendment in the form of a substitute which I sent to the desk and had printed two days ago. That amendment provides for the ratification of the seven-State compact before construction and that licenses on the river and its branches shall be suspended until the ratification shall be completed. To that I shall refer later.

As I said in a statement recently made in Denver, Colo., regarding this interstate agreement, I am firmly convinced that there must be voluntary ratification on the part of each interested State in order to make the compact effective. This is the only method of settling possible controversies permanently and of putting the water of the stream to its highest beneficial use. It is the only satisfactory method; it is the only legal method to avoid proceedings in the courts which would prove costly and almost interminable.

As to the proposed six-State compact provided for under the Swing-Johnson bill as originally drawn, if the bill passes California's assent is certain, and it is almost equally certain that Arizona will not enter into the league of States, but will attack the constitutionality of the act in the courts. Now that Utah has withdrawn from the pact she would, in all probability, follow suit.

I believe this attempted arrangement to be both unwise and dangerous. I believe that instead of settling water-right disputes among States, as was the original and main purpose, it will only lead to greater conflict and jeopardize Colorado River possibilities for years to come. Probably 10 to 15 years at least.

My conclusion is based on two reasons at least:

First. Forced settlements and coerced agreements are repugnant to the American theory of government, except possibly as a last resort when all other means have failed. While I hold no brief for Arizona, and have at all times urged that she ratify this compact, she should do so voluntarily, and it seems to me that any attempt to force her hand is poor policy, if not, indeed, poor statesmanship. On the other hand, why must the upper States, such as Colorado, accept this Boulder Canyon project in its present form, including features to which they might properly object? Bear in mind that it is a project from which they can hope to derive no direct benefit. Why must the upper States accept this bill—this or nothing—merely because of their natural desire for the ratification of the Colorado River compact, a ratification which will not be complete in any event and may cause conflict rather than harmony among the States it is designed to serve?

Mr. KENDRICK. Mr. President, will the Senator from Colorado yield to me?

Mr. PHIPPS. I yield.

Mr. KENDRICK. I want to ask the Senator if he does not believe that not only all of the seven States but every State in the Union ought to be interested in the protection of the people of California against the floods of the Colorado River?

Mr. PHIPPS. Absolutely; and I have so stated.

Mr. KENDRICK. Just one more question. Does not the Senator believe that the construction work under the proposed Boulder Canyon dam would afford the safest and most secure protection that could be provided against those floods?

Mr. PHIPPS. I have stated in the earlier part of my remarks that it would not be absolutely complete on account of the fact that the proposed dam site, and no doubt any other site that might be selected for a high dam, would be miles above the Gila River, which is a dangerous, flash stream, as the Senator knows.

Mr. KENDRICK. Yes; but if the Senator will permit further interruption, he will recall that there is now construction work proceeding on the Gila River that will have real effect and influence on controlling the waters of that river.

Mr. PHIPPS. But not absolutely. I stated in the earlier part of my remarks to-day that one dam was constructed and another was now under way which would be helpful, but that will not afford complete protection.

Mr. KENDRICK. But it will be sufficient to control that situation to a large extent.

Mr. PHIPPS. I know beyond any question that it should be very helpful, but I am not informed at the moment as to the location of the territory which has caused these washouts in the past. Probably it is territory subject to the same form of a water curse that we have in Colorado and Wyoming, a real waterspout which might be termed torrential.

To my mind, the fact can hardly be concealed that the main purpose of this bill is not flood control but hydroelectric power. I think the bill, when it shall pass—which I hope it will in an amended form—will make flood control so paramount that the Government officials will never dare allow it to be lost sight of.

Mr. KENDRICK. The Senator will concede that both of those purposes are very proper and consistent with each other?

Mr. PHIPPS. Yes; I am not opposed to them, I will say to the Senator; I have declared on the floor that I favor both of them, and I see many reasons why the Government is called upon and, in a way, has a duty to provide flood control, just as it does in the case of other streams, such as the Mississippi, for instance.

Mr. President, the only real argument in favor of the bill which has been presented to Colorado citizens or which, in fact, can be offered, is that thereby the compact will be ratified; while as a matter of fact we already have the unconditional approval of five States—now four States—and can only expect one more, that of California, if the bill becomes law. I believe this method of obtaining approval of the agreement among the States, which is based on necessity or expediency, should only be adopted as a last resort.

Mr. KENDRICK. Mr. President——

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Colorado yield to the Senator from Wyoming?

Mr. PHIPPS. I yield.

Mr. KENDRICK. Mr. President, I wish to state here that more than once it has been charged that California has imposed conditions involving an enormous expenditure upon entry on her part into the compact. I wish to ask the Senator if he does not believe that California has something less to gain by the compact because of priorities than any other State in the group of seven? In other words, the question would be, Has she any interest whatsoever in entering into the compact other than, we will say, a desire to see the waters equitably divided among the several States and also to secure the protection of her people, which is just as vital to her, at least, as perpetual rights to the water are vital to the States of the upper basin?

Mr. PHIPPS. Now the Senator opens another door. The Senator is quite right in saying that California has already arranged to use and is using more water than any other of the Colorado River Basin States; and California is, perhaps, in a position to develop more rapidly than her sister States additional lands to be brought under cultivation; but the Senator must remember that California has two forms of law in the matter of the acquisition of water rights, one being by appropriation and the other riparian, and that circumstance would enter into the equation in the event of a contest which would go to the Supreme Court of the United States in a fight over priorities.

Mr. KENDRICK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield further to the Senator from Wyoming?

Mr. PHIPPS. I yield to the Senator from Wyoming.

Mr. KENDRICK. I think the Senator has not mentioned the principal advantage that California enjoys in this situation——

Mr. PHIPPS. But the Senator interrupted me.

Mr. KENDRICK. I beg the Senator's pardon.

Mr. PHIPPS. That is all right.

Mr. KENDRICK. I should like to point out that while the people of the upper basin or those located on the upper levels of the Colorado River understand the economic law that applies to the use of the waters of the river in that the water used in the upper basin of the river has a very large return flow and is used over and over again on its way to the sea, California is situated at a lower point on this great river than any of the other States, and I seriously question whether she would ever note any difference in her water supply if every drop of water were diverted by the upper-basin States that could be diverted. I think her supply even in that event would be equal to every need that she would have. That was the thought in my mind. So, enjoying this advantage, she had less to gain by entering a compact than the upper-basin States.

Mr. PHIPPS. The Senator's views and my own are quite in accord; or, rather, I am quite willing to subscribe to everything he has said. I was intending to complete my answer to his initial inquiry.

Mr. KENDRICK. I beg the Senator's pardon.

Mr. PHIPPS. As I was saying, each of the seven States admits that there should be a compact in order that they may have the benefit to be derived from the waters of the Colorado; most of them concur that the tentative agreement is an equitable one. California states that she will sign it if the Boulder Canyon dam is to be built, and Arizona indicates that a supplemental agreement among California, Nevada, and herself will solve the difficulty. I can not, therefore, escape the conclusion that further attempts to arbitrate differences and to obtain approval of the compact on a voluntary basis will accomplish the desired result in a quicker, better, and more satisfactory manner than to force a partial adjustment through the agency of the Swing-Johnson bill.

Mr. President, in the minority views of Congressman LEATHERWOOD on House bill 9826, which, I understand, is a companion or duplicate of the one here, Senate bill 3331, he calls attention to the fact that on page 11 of the committee report—referring to the majority report—there appears this statement:

> By "enthroning the Colorado River compact" it assures to the States of Colorado and New Mexico, Utah, and Wyoming, the water rights so essential to their future.

In response to that statement of the majority side, he says:

> The above statement has no foundation either in fact or in law. The ready consent of California to the reducing of the height of the dam at Boulder Canyon from 605 feet to 550 feet proves conclusively that the above statement was not made in good faith. By consenting to the lowering of the dam to a height not to exceed 550 feet it will be possible for Arizona to construct two high dams between Boulder Canyon and Glen Canyon and also a third dam at Glen Canyon. Arizona is not bound by the terms of the compact and any appropriation of water that she might make by the construction of these dams would constitute a priority against the upper States provided the appropriation was prior in time to the application of the unappropriated water of the river to beneficial use by the upper States. Arizona is therefore in a position by the construction of these dams to gain a priority over the upper basin States to every acre-foot of water allocated to them by the Colorado River compact. There is not a single reservation in the bill that will protect Utah or any one of the upper basin States from such a contingency. Utah was given to understand that the purpose of the six-State compact was to hasten a settlement of the differences between Arizona and California, but if this bill is enacted into law California has no concern about reaching any agreement with Arizona. She will be fully protected and her sister States that have been so anxious to bring about a friendly solution of the whole problem, so that development in the lower river might go forward, will be left without any protection and at the mercy of a State not bound by the compact. If this bill is passed by Congress there will never be any ratification of the seven-State compact. California never intimated that she intended to ratify with reservation until after the upper basin States had acted. There is not a single reservation in the bill that will protect Utah and the other upper States against the danger that I have just pointed out.

Mr. President, I am taking a little time to look at my notes, because I do not want to put anything in the RECORD that I think has already gone in; and I do not wish to occupy the floor of the Senate any longer than is necessary for me to present the statements that I have in mind.

Mr. KENDRICK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Wyoming?

Mr. PHIPPS. I yield to the Senator.

Mr. KENDRICK. I want to suggest to the Senator that he need not have any concern about putting material in the RECORD the second time, because, in case he finds it necessary to do so, it will not be the first time on record.

Mr. PHIPPS. Does the Senator mean the first time the Senator from Colorado has so offended, or is that a general statement?

Mr. KENDRICK. I mean it as a general statement.

Mr. PHIPPS. I thank the Senator. I did not want anyone to think that I might be the culprit the Senator had particularly in mind.

Mr. President, in connection with the uses of water, domestic use is possibly greater in value and should be classed higher than water devoted to irrigation. I find in the same minority report, made by Mr. LEATHERWOOD to the House, certain statements which I desire to quote. Speaking of domestic water supply for Los Angeles and other towns in southern California, I quote:

The claim of Los Angeles for an additional water supply from the Colorado River for domestic purposes, even if sincere, is not well founded. The cost of taking water out of the Colorado River Basin to Los Angeles, even with power furnished by the taxpayers of the country at 3 mills per kilowatt-hour, would be prohibitive. Francis L. Sellew, a consulting engineer of Los Angeles, Calif., submits the following data as to the cost of taking water from the Colorado River Basin over the divide into the Los Angeles Basin:

"Under the plan proposed about 1,500 cubic feet per second are to be lifted against a head of 1,500 feet"—

I may say, parenthetically, that I have been informed that that head may be 1,750 feet—

"the cost of pumping alone being 5 cents per 100 cubic feet. (Mulholland, Senate hearings on Colorado River, October 26–27, 1925, p. 113.)

"On this basis the cost of pumping will be—

One second	$0.75
One minute	45.00
One hour	2,700.00
One day	64,800.00
One year	23,652,000.00

which at 6 per cent is the interest on $394,200,000."

Mr. Sellew further says:

"The present supply for Los Angeles is obtained from Owens Valley, which, in conjunction with Mono Lake, will yield 834,000 acre-feet annually. (California Board of Public Works—Report to Legislature, 1923, Appendix A.) Allowing 80 per cent conservation, there results 585,000,000 gallons daily, which, at 130 gallons per capita, is sufficient for 4,500,000 people, or at least four times the present population of Los Angeles."

Mr. President, as a matter of information on this same subject I desire to quote from the testimony of Mr. Thomas H. Means, which is found in Report 1657, part 3, of the House hearings on the Boulder Canyon project:

Mr. HAYDEN. Is it not true that to get water into Los Angeles from the Colorado River would require a lift of 1,200 feet, and as Mr. Mulholland told us, that would require, if the total quantity that the city needed were utilized, a continuous application of some 200,000 horsepower from the Colorado River to lift the water over the mountains; whereas, the water from Mono Basin and the upper reaches of the Owens River, if conserved and stored, would flow by gravity down to the city. Instead of using a tremendous quantity of power to lift it to the city, the water would produce power as it came down?

Mr. MEANS. The difference is this: In one case you have a drop of about 4,000 feet, through power plants; in the other case you have to lift water, according to Mr. Mulholland, 1,200 feet. My figures are 1,500 feet—that the water will have to be lifted in order to bring it to Los Angeles.

So we have in one case pumping water up 1,500 feet, and in the other case water falling down 4,000 feet.

Mr. HAYDEN. What is the value of the power that could be extracted from that fall of 4,000 feet?

Mr. MEANS. The value of the power that could be extracted would be sufficient to pay all of the cost of bringing the water to the city at the present rates at which the city is selling power. * * *

Mr. HAYDEN. Which do you think would be most advantageous to the city of Los Angeles, in order to furnish a domestic water supply for 5,000,000 people—to get the water from the Colorado River or to get it from Mono Basin and the Owens River?

Mr. MEANS. To get it from Mono Basin and the Owens River, for two reasons: First, the cheapness of the water, due to the power developed; that is to say, the power will pay the cost of getting the water to Los Angeles. And, second, the question of quality of the water, which is exceedingly important.

It has been said that the water of the Colorado River is not a desirable water for a large city. When I was in the Reclamation Service I had collected waters from all important western streams for chemical analysis. Among others we collected water nearly every day from the Colorado River at Yuma; and we collected water from the Owens River.

I may say that the results of those analyses were published in Water Supply Papers Nos. 237 and 274.

Briefly, the Colorado River carries, on the average, about 700 parts of total solids per million parts of water and has considerable hardness. The Colorado River carries 700 parts of total solids, as against 288 in Owens River. The Colorado River carries 324 parts of hardness per 1,000,000 parts of water, as compared with 98 parts of hardness in the Owens River.

Mr. HAYDEN. If the waters of the Colorado River were stored and desilted, and the clear water came out of the reservoir——

Mr. MEANS (interposing). This is in solution; it is not in suspension; it is material dissolved in the water.

Mr. HAYDEN. It would be perfectly clear to the eye and still carry the solids?

Mr. MEANS. Yes. In other words, the Colorado River carries twice the solidity of the Owens River, and nearly four times the hardness, making it not a satisfactory water for a large city. I can say without fear of successful contradiction that if Los Angeles uses that water supply they will have the poorest water supply in America for a large city.

Mr. President, I was glad to note in one of these statements which I have read within the last few minutes a declaration to the effect that the 550-foot height proposed for the Boulder Canyon dam would still leave Arizona the opportunity to construct at least two power plants above Boulder Canyon and below Lees Ferry, or, say, at Glen Canyon and one or perhaps two other points. I think that Arizona should be left with an opportunity to develop her lands when she is ready to do so later on, and I realize that it may not be feasible to divert the water which would be impounded by the Boulder Canyon dam so as to introduce it on the higher mesa lands in Arizona, but I do think it important that Arizona's opportunity to irrigate her own territory should be provided for, should not be overlooked.

I desire to hurry on, but there are some remarks that I have made myself and some made by others which should be in the RECORD at about this point. I have made a statement heretofore as to power companies, and I will not repeat it in full, to the effect that my impression is that corporations would prefer to have the Government put up the necessary $35,000,000 rather than erect the hydroelectric plants themselves. I further stated that it is admitted on all sides by those who favored Government ownership and by those who favored private operation that there is or will be a greater need for this additional power in the West; that there will be an ample market for it over and above the present consumption of power. Consequently, private and municipal corporations would welcome this additional supply, whether privately or publicly operated, and are anxious for the early construction of a dam on the lower Colorado River.

I have here a statement issued in 1924 and signed by the then members of the Federal Power Commission, Secretary of War Weeks, Secretary of the Interior Work, and Secretary of Agriculture Wallace, and would like to have a portion of it inserted in the RECORD without reading.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

In so far, at least, as the project proposed exceeds the requirements of flood control and irrigation, the bill proposes that the United States undertake a new national activity, namely, the business of constructing facilities for production of electric power for general disposition, an activity which if logically pursued has possibilities of demands upon the Federal Treasury in amounts far beyond those now involved in reclamation and highway construction combined. While the United States has heretofore constructed power developments in connection with irrigation projects, these developments have been merely incidental to the projects, have been of a few thousand horsepower only, and have been primarily for use on the projects themselves. The construction of a reservoir having a capacity of from four to eight times the needs of irrigation and flood control and of a power development twenty times in excess of the probable power needs of the irrigated lands and adjacent communities is a complete departure from former policies. The only undertaking by the United States at all comparable in magnitude with the proposals at Boulder Canyon is at Muscle Shoals, and this project was undertaken to furnish munitions in time of war. In so far as it was to serve the needs of peace, it was to furnish an essential commodity for all sections of the United States and was not for the special benefit of a limited area.

If the United States is to embark upon a general policy of public development of electric energy at Federal expense, it should do so only after full consideration of what the step means. The present investment in the United States in central electric stations—that is, in those

plants engaged in developing electric power for general distribution and sale—is approximately $4,500,000,000. That investment will require to be more than doubled in the next 10 years if the demands of industry are to be met. A policy of Federal development would therefore require continuous expenditures of not less than one-half billion dollars per annum, for it could not be expected, in the face of such a policy supported by Government funds and with tax-exempt properties, that private industry could afford to put any additional investment into the central-station business. Under such circumstances we must assume that any such a policy or program of Federal activities is impracticable and undesirable.

If the proposal in H. R. 2903 with respect to power development is not the first step in a general program of like undertakings, it can be justified only on the clear proof that peculiar conditions in this particular case, conditions not prevailing elsewhere, justify the Federal Government in taking action that it does not propose to duplicate elsewhere. Such action can not rest on the ground that the Federal Treasury is the only available source of funds, for private funds are available now, and have been for several years, to undertake immediately such development as is justified by the needs of flood control, irrigation, and energy supply; or on the ground that the territory to which the greater part of the power must be delivered is in any immediate need of added power, for that territory is already better supplied and at a cheaper rate than any similar territory in the United States. It has been argued that the United States should finance this power development, because with a lower interest rate, absence of profit, and freedom from taxation power could be delivered at a less cost than if developed by private capital. This is by no means a necessary conclusion, but even if it were, electric power is only one element in industry, and if Federal financing is justified in the present case on such grounds it is similarly justified in all other cases and in all branches of industry. With the authority that exists in the States and in the United States to regulate and control private or municipal power development, distribution, and sale, we do not believe that the United States should undertake such development unless it can be clearly shown that the development can not otherwise be had.

In 1920, after many years of consideration, Congress adopted a general national policy with respect to power development on sites under Federal control. That policy has been attended with marked success. Millions of horsepower are being constructed under the terms of the Federal water power act. These sites are being held in public ownership under public control, with every essential public interest protected. There is no occasion for going outside of the terms of that act to secure the production of all the electric energy required at terms fair, both to the developer and the user. Under such circumstances we do not deem it desirable to enact special legislation modifying the established policy by giving to any individual, corporation, or community special privileges not accorded to all.

Congress also, in the Federal water power act, created a single executive agency for the administration of all water powers under Federal ownership or control. The plan thus adopted is proving eminently satisfactory. We believe any change in such method of administration is undesirable, and therefore, whether the Boulder Canyon dam or some other be built and whether at public or private expense, we believe the disposition of any power developed should be handled by the Federal Power Commission under the general terms of the Federal water power act and not as proposed in the bill. All interests of the Department of the Interior will be adequately met through the membership of the Secretary of the Interior on the commission.

Mr. PHIPPS. Mr. President, in Congressman LEATHERWOOD'S report, on page 11, there is repeated a letter which Secretary Mellon addressed to Chairman ADDISON SMITH, of the House Committee on Irrigation and Reclamation, dated March 18, 1926, which reads in part:

I believe that, in general, sound public policy in America, as elsewhere, is to encourage private initiative and not to have Government ownership or operation of projects which can be handled by private capital under proper Government regulations. The Government operation of railroads in this country was our largest experiment on this line, and a comparison of public and private operation in that field justifies my faith in private enterprise. Canadian and European experience is the same. To get the Government out of business, whether it be in banks, utilities, or monopolies, has become one of the most essential steps to a permanent fiscal restoration of Europe, and I am loath to have the United States embark on enterprises not strictly governmental in their nature. The fact that a government can furnish capital at lower rates of interest is illusionary, if there be taken into account that the public project pays no tax, and therefore does not bear its share of the cost of government. It seems to me that if the project is one which can pay its own way, private capital can be found. If it can not pay its own way, then we should consider whether all taxpayers throughout the United States should be taxed for the benefit of a part of the country.

I quote from the statement of Secretary Hoover, released March 3, 1926, found on page 12 of this pamphlet, as follows:

It seems to me that we should not depart from the national policy established by the water power act and that the handling of the power question at this dam should be placed in the hands of the Federal Power Commission to give licenses for the use of the water for power purposes under the water power act without imposing a new system of allocation. Of course, any licenses issued should be subject to the approval of the Secretary of the Interior as to the major purposes of finance of the obligations of the Government and other requirements of the region.

I may be guilty of repetition, because I have read a part of that statement where it was quoted in a different place. But there are points involved here which I think are of vital importance. Upon those I do not care to dwell further. I repeat what I have already said, that the bill as drawn involves the embarkation by the Government into the manufacturing business, and no man can tell how much money will be required. While I hope that the $500,000,000 a year estimated by our Federal Waterpower Commission is a gross exaggeration, it may be more nearly correct than any of us could guess.

Mr. President, I think the plan is paternalistic. It is contrary to the genius of the Republic. It would set the worst possible precedent not only in the hydroelectric power business but for other business undertakings as well.

I wish to refer for a moment to the amendments which I have had printed and would merely call attention to them without attempting to discuss them further at the present time, with the exception of the substitute, which I do desire to explain. While it would apply to the seven-State compact, the other amendments which I have offered would apply to the six-State compact were it put into effect and the dam constructed under the provisions of the pending bill.

The intention of this amendment offered as a substitute is to safeguard the rights of the upper basin States, as well as those of the other States, in the waters of the Colorado River. I believe if it were adopted it would bring about a speedy solution of the questions now in controversy. The changes as compared with the bill reported out by the Committee on Irrigation and Reclamation are about as follows:

First. That the act shall go into effect and the dam shall be built only after each one of the seven States in the river basin has ratified the Colorado River compact. That would protect the rights of all the States to the use of the water in the stream and require the approval of the United States which is given in the amended bill.

Second. Pending ratification of the Colorado River compact, no further licenses shall be issued by the Federal Power Commission on the Colorado River or its tributaries.

Third. The dam shall be located at Boulder Canyon, Black Canyon, or such other advantageous place as may, in the judgment of the Secretary of the Interior, be more suitable.

Fourth. The Federal Government shall not construct a hydroelectric plant or other works for the generation of electrical energy, but the use of the water for such purposes shall be leased at advantageous terms under licenses issued by the Federal Power Commission.

Fifth. The Secretary of the Interior is granted discretion either to build the all-American canal or to construct such other irrigation works as may most efficiently and economically serve the Imperial and Coachella Valleys in California for irrigation and domestic purposes.

Sixth. Other minor changes in the wording of the bill as reported are contained in the substitute. I will merely call attention to them. They are corrective of language rather than otherwise, and it is not necessary to discuss them. They apply to the bill now before the Senate in such manner as to strike out the features to which I have called attention and to which I object.

I believe that my substitute for the Boulder Canyon bill, if adopted, would provide a constitutional, practical, and business-like solution of the Colorado River problem. By insisting upon complete ratification of the Colorado River compact by the seven States before construction of the dam, and by stipulating that no licenses shall meanwhile be issued, the rights of each State in the river basin are protected. At the same time these amendments make it to the interest of every one of the States to get together on an agreement for an equitable division of the waters of the stream. These provisions meet constitutional objections to the bill as reported and will probably avoid years of litigation, during which the construction of the project will doubtless be enjoined if the present bill becomes a law.

By eliminating the power plant provisions, to which there has been serious opposition, by permitting the Federal Power Commission to license the use of surplus waters for power purposes instead, by giving the Secretary of the Interior the right to select the best method of irrigating the Imperial and Coachella Valleys, as well as the right to select the most suitable dam

site, the expense of the undertaking is reduced more than $35,000,000, while at the same time it is made much more feasible, practical, and likely of success. In short, I believe that the substitute I have offered provides the only means whereby the dam can actually be constructed for flood control, irrigation, and use of water for power purposes, with reasonable probability of economical, businesslike operation, and adequate legal protection to all of the States claiming right to the waters of the Colorado River.

It has been asked, Why should Colorado be interested in the amount of money expended at Boulder Canyon, or how it is to be expended, provided she get her share of the waters of the stream? I will tell the Senate why. In the first place, Colorado taxpayers will stand a part of the cost of construction. Second, and more important, upon the success or failure of this huge public undertaking, its economical construction, and efficient management will largely depend the attitude of the United States Government toward future irrigation or reclamation projects in Colorado, in Utah, in New Mexico, and in other Western States.

We are all vitally concerned in this matter, as the distribution and use of the water of the Colorado River will affect the whole Nation; may not be limited, in fact, to this country's boundaries, for this is an international stream. We must work and pray for the ratification of a water compact free, fair, and just to each State in the river basin. We must work for the construction of a proper dam in the lower Colorado River, and, above all, we must hasten the day when each State in the league shall secure the full benefit of the water to which it is justly entitled, thereby insuring proper development of our vast natural resources and a prosperity heretofore unequaled in the history of the West.

Mr. KING. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BINGHAM in the chair). The absence of a quorum being suggested, the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	George	McLean	Sheppard
Bingham	Gillett	McMaster	Shipstead
Borah	Glass	McNary	Shortridge
Bratton	Goff	Mayfield	Smith
Bruce	Gooding	Metcalf	Stephens
Cameron	Hale	Moses	Stewart
Capper	Harreld	Neely	Swanson
Caraway	Harris	Norris	Trammell
Copeland	Harrison	Nye	Tyson
Curtis	Heflin	Overman	Underwood
Dale	Johnson	Phipps	Wadsworth
Deneen	Jones, Wash.	Pine	Walsh, Mass.
Dill	Kendrick	Pittman	Warren
Edge	Keyes	Ransdell	Watson
Edwards	King	Reed, Mo.	Wheeler
Ernst	La Follette	Reed, Pa.	Willis
Ferris	Lenroot	Robinson, Ind.	
Fess	McKellar	Schall	

Mr. McMASTER. I desire to announce that the senior Senator from South Dakota [Mr. NORBECK] is unavoidably absent because of injuries received in an automobile accident. I request that this announcement may stand for the day.

Mr. SHIPSTEAD. I wish to announce that the Senator from Montana [Mr. WALSH], the Senator from Arkansas [Mr. ROBINSON], and the Senator from Pennsylvania [Mr. PEPPER] are detained from the Senate on the business of the Committee on Foreign Relations.

Mr. JONES of Washington. I desire to announce that the Senator from Nevada [Mr. ODDIE] is absent on account of illness.

I also wish to announce that the Senator from North Dakota [Mr. FRAZIER] is detained in committee.

Mr. HARRISON. I wish to announce that the Senator from Delaware [Mr. BAYARD] is necessarily detained from the Senate by his attendance upon the funeral of former Senator Willard Saulsbury, of Delaware.

The PRESIDING OFFICER. Seventy Senators having answered to their names, there is a quorum present.

Mr. KENDRICK. Mr. President, because of the importance of the question which is now under discussion, I should like to ask the Senators to indulge me with their attention for a brief time. I think every Member of the Senate will agree that during my service in this body I have not offended by consuming much of the time of the Senate. I have been, however, a good listener to other speakers. On many occasions I have been, as a listener, the sole survivor.

Mr. President, we have heard a great deal said about the development of the lower Colorado River, and nearly all the discussion has had to do with that section. We have not, however, up to this time, except from the Senator from Colorado [Mr. PHIPPS], heard anything as to the viewpoint of the upper-basin States, and if I may have the attention of the Senate for a few moments I shall endeavor to reflect as best I can the attitude of those States.

First, Mr. President, I want to emphasize the fact that California is not the only State that is vitally interested and that will be vastly benefited by the enactment of this legislation. It has been contended that if the bill becomes a law California is to receive the primary benefits. I do not agree with that contention and I hope to convince those who listen to me that the provisions of the bill are not limited to one State but will apply to every one of the States joining in the Colorado River compact.

During the discussion here we have heard this great river described in detail and it is unnecessary to say much more on that point. The Colorado River is approximately 1,800 miles in length from its source at the foot of Fremont's Peak in Wyoming to its outlet in the Gulf of California. Between the edge of the Green River Basin in my State—that is to say, where the river crosses the Wyoming line and enters the State of Utah—to where it leaves the rock hills bordering on the State of California there intervene a thousand miles of rock-wall canyons.

The flow of the river, as I believe, includes a sufficient supply of water to reclaim every foot of the more than 6,000,000 acres of irrigable lands within its drainage. I may say, Mr. President, that you have heard a good deal of discussion here about water, and it is difficult for Senators from Eastern States to conceive the importance of water in the development of our arid West. In spite of its desolate appearance, our soil in the arid States contains in its very nature the accumulated fertility of the ages, and yet, with only 8 or 10 inches of rainfall, and without the use of water for irrigation, it is almost entirely unproductive. When irrigated it produces more abundantly than under any other form of agriculture.

It has been contended here, too, by some Senators that we are expending unnecessary governmental funds in reclamation at a time when there is already overproduction. On the most of our irrigated lands in the West, Mr. President, the products of the soil do not come in competition with the products of the country farther east. In many cases they are different kinds of products, and in many other cases they are a higher quality of products.

This legislation involves three or four different subdivisions. The first of these is the building of a high dam for the purpose of flood control and the development of hydroelectric water power.

I think it has been indicated here by either direct or indirect statements that this question of flood control in the Imperial Valley was of limited importance. I hope no Senator in this Chamber who has ever witnessed the devastation of floods will allow himself to be misled on that point. No one of the group of Senators who visited the banks of this great river, where it runs along on a high dike that it has built up by its own silt, hundreds of feet above the surrounding territory, could have reached such a conclusion. The volume of water in time of floods is, at best, practically uncontrollable, and when one observes that its low-lying banks are easily dissolved by contact with the water, the danger becomes more evident. It is to be hoped also that no Senator here will conclude that the thousands of American citizens whose lives and property are endangered by the floods of this river are as foreigners to him. It is a fact that the people of the Imperial Valley hail from every State in the Union.

In its original state the Imperial Valley would have been more properly termed the "Imperial Desert"; a territory entirely unproductive in character and so uninviting in appearance as to suggest the closing lines of the wonderful poem entitled "The Desert":

> God must have made thee in His anger and forgot.

Inspired by the spirit of crusaders, the people of the Imperial Valley have won from the desert this the last frontier of the country, and have transformed it into a vast oasis from which the Nation already is drawing its winter supply of fresh fruits and vegetables. The harvest time in other sections of the land becomes seed time for the Imperial Valley, so that the agricultural products of this section come not into competition with those of other States. Surely such a people are as much entitled to protection as those who have profited by the splendidly fertile lands of the lower Mississippi Valley.

During the discussion of this measure reference has been made more than once to the designs of California cities upon the waters impounded to meet the needs of their different municipalities. What of it? These cities are proposing to pay the full cost to the Government for additional water supplies to meet their urgent needs. As builders they too have wrought

worthily and well in the development of a new country and are entitled to every consideration that can consistently be given to them by Congress.

One or more Senators, during the discussion of this bill, have suggested its unconstitutionality. It is to be hoped that in passing upon a question which involves the consideration of life and property, that we are not to find the Constitution and the Colorado River in collusion against the people of the Imperial Valley.

The highest engineering authority of the country has pronounced the Boulder Canyon dam as the best known means of flood control of the Colorado River, for which reason every State in the Union should be interested in the building of this dam in order to protect the lives and property of our people. It follows that every State in the Union should be interested in the building of power plants for the production of hydroelectric power as the best means of guaranteeing to the Government a return of the cost of construction. All of the seven States directly interested in the waters of the Colorado River must be interested in the building of the all-American canal as the only practical method of discontinuing, at the earliest opportunity, the possible acquisition of priorities on the part of Mexican lands to the waters that are later on to be so sorely needed in the reclamation of the arid lands of the United States. In building the canal through which, at the present time, water is conveyed from the Colorado River into the Imperial Valley, it was found necessary, because of the physical condition of the country, to detour for some distance across Mexican territory.

Such necessity provided an opportunity for the owners of Mexican lands who, we are informed, are American citizens, to exact from the builders of the canal a contract under which they were compelled to deliver an amount of water for the irrigation of Mexican lands, equivalent to the amount delivered to the Imperial Valley. So it follows that an increase in acreage in the Imperial Valley means a corresponding increased acreage in Mexico or at least a basis on which to claim priorities. This increased acreage is now estimated at about 25,000 acres per annum, and on a basis of 4 acre-feet of water this would mean that the lands of old Mexico are establishing a claim to an additional 100,000 acre-feet per annum. As already stated, every one of the seven States interested may well be anxious to terminate a condition which imposes such a tragic loss.

Those who would delay action on this bill insist that there is no international law under which we would be obligated to deliver any water in this international stream to the people of a foreign country. In passing upon the merits of this contention, we may well bear in mind that any rights to the waters of the Colorado River for use on Mexican lands have been established through the cooperation of American citizens, as already stated. When the time comes to write a treaty it is unlikely that this Government can be induced to deal with the people of Mexico in any other than a spirit of characteristic fairness.

Mr. President, the purpose of this legislation is to provide for the ultimate development of the Colorado River from one end to the other. From my viewpoint, it provides for one of the greatest plans of conservation that has ever been attempted in this country. One of the most important provisions of the bill is a condition imposed, as follows:

SEC. 4. (a) No work shall be begun and no moneys expended on or in connection with the works or structures provided for in this act, and no water rights shall be claimed or initiated hereunder, and no steps shall be taken by the United States or by others to initiate or perfect any claims to the use of water pertinent to such works or structures until the States of California, Colorado, Nevada, New Mexico, Utah, and Wyoming shall have approved the Colorado River compact mentioned in section 12 hereof and shall have consented to a waiver of the provisions of the first paragraph of Article XI of said compact, which makes the same binding and obligatory only when approved by each of the seven States mentioned in said section 12, and shall have approved said compact without condition save that of such six-State approval, and until the President by public proclamation shall have so declared.

The bill provides further:

SEC. 8. (a) All appropriations of water from the Colorado River, incident to or resulting from the construction, use, and operation of the works herein authorized, shall be made and perfected in, and in conformity with the laws of those States which may or shall have approved the Colorado River compact ratified in section 12 of this act.

This, to my way of thinking, compels an equitable division of the waters between the States; and since the Government is lending its credit to the construction provided for in the bill, it will constitute the best of all guaranties to the upper-basin States that their rights to their waters so vitally necessary in the reclamation of their arid lands shall be perpetuated for all time.

Owing in part to the lack of economic need and to an absence of capital the reclamation of our lands in the lower levels of the river may be long deferred; but when our day of development comes, as it will surely come, it will be possible for us, under the provisions of this bill, to invest our money in consistent construction of irrigation works rather than in costly and even hopeless litigation over our water rights.

I assert here, and I do not believe it will be contradicted by any of the able lawyers among the Senators from the West, that during the last 50 years there has been expended in our western country as much money in litigation over water rights as has ever been employed in the building of dams and canals. This compact, written into and becoming the warp and woof of this legislation, will protect our States in the upper basin against that kind of economic waste in the years to come.

Not the least of the cost included in litigation is that of endless delays in securing decisions. In the suit between Wyoming and Colorado, from which I shall quote later, the bill was filed May 29, 1911, and the decision was rendered June 5, 1922, 11 years after the suit was begun. With the many other precarious circumstances coincidental with reclamation, any cloud upon the title to the water precludes arbitrarily any prospect of development.

One of the regrettable features of this controversy is found in the failure of one or more of the States to enter into the compact. I want to say here that the people of my State would not be a party, knowingly or otherwise, to any agreement or to any legislation that would deprive a sister State of any of her rights whatsoever. We have not attempted, as I understand it, to coerce any State to come in. We certainly have not been precipitate in our action. The discussions of this measure have now extended over a period of four years' time, and I may say that the original question of a compact was raised because of the very danger to the people of the Imperial Valley referred to in this debate. If I am not mistaken, the people of California and Arizona both appealed to the people of the upper-basin States to join them in another appeal to the Government for this relief, and when that was done our people very naturally said, "We, too, have great interests at stake here. We would like to join you, provided that in doing so we did not establish priorities that would prove detrimental to us later on." So from that very fact arose the talk of this agreement; and while it was hoped that every one of the States would come in, they have failed so far to agree on terms.

I do not believe that anyone who has listened to the discussion here will conclude from it that there is any denial to the State of Arizona of her share of the water in this river, and I point out to the Senate that the compact which she was asked to sign dealt almost exclusively with the division of the water and hardly touched upon anything else. It did have to do somewhat with and provided for the classified use of the water, if I may use that term; that is to say, provided that municipal needs should be met first, agricultural needs should be second, and power needs should be third.

Mr. COPELAND. Mr. President, may I ask the Senator a question?

Mr. KENDRICK. I yield.

Mr. COPELAND. Is there anything in this measure which would interfere with the State of Arizona at some later time, or at any time it chooses to do so, going up the river and building the dam at the point where the advocates of that measure desire to build it at the present moment?

Mr. KENDRICK. Mr. President, in discussing this matter before the Committee on Irrigation and Reclamation I asked that question of the former chief engineer of the Reclamation Service, Mr. Weymouth, and he stated that if the dam at Boulder Canyon did not exceed in height 550 feet, it would not interfere in any way with later development and the building of a dam at Bridge Canyon in Arizona.

Mr. COPELAND. Will this dam be any higher than 550 feet?

Mr. KENDRICK. It is not intended and not proposed to build it higher than that. The original plan did provide for a dam, as I recall, 600 feet high.

Mr. COPELAND. Am I right in this, may I ask the Senator? If we go forward with this project and build the dam as now planned, and in that way all the States shall be benefited, after that, if at any time this Government or the State of Arizona decided to go up the river and build a dam, it could do so, could it not? In other words, if I may ask the Senator, are we by this project interfering at all with the later development of the Colorado River in a way which will prove beneficial to the State of Arizona along the plans which they are discussing?

Mr. KENDRICK. It does not interfere in any way; and will not, at the most, exert any other influence on the Bridge Canyon dam than possibly to delay the construction of it a few short years. It is inevitable, from my viewpoint, that all of these splendid dam sites are in the future to be employed in order to meet the growing needs for power in that western country.

I pointed that fact out within the past three or four days to the Senator from Arizona [Mr. ASHURST], who was speaking on the subject, and stated that the construction of the Boulder Canyon dam would not interfere with the building of the dam at Bridge Canyon.

Mr. PITTMAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Nevada?

Mr. KENDRICK. I yield.

Mr. PITTMAN. Permit me to make a statement, so that there will be no mistake in the RECORD as to figures. Mr. Weymouth, who was formely the chief engineer of the Reclamation Service, and who was also on the Board of Engineers, employed by Arizona to survey from Bridge Canyon for the so-called high-line canal in Arizona, testified that Bridge Canyon was about 127 miles above Boulder Canyon, and that the Boulder Canyon dam would have to be 690 feet high to make it possible for the water to reach the base of the proposed Bridge Canyon.

Mr. COPELAND. Mr. President, may I ask the Senator if it would annoy him to ask him a question?

Mr. KENDRICK. Not in the least.

Mr. COPELAND. Last night the Senator from Arizona, in his address, referred to the compact between the States of Pennsylvania, New York, and New Jersey. He seemed to hold the view that the conditions were identical. I said to the Senator that they did not seem to me to be identical, because, if the plan as to our section shall be carried out, and if the diversion provided in the compact were planned for New York and Pennsylvania, New Jersey would be cut out entirely from any benefit in the water, while in the case of the project under discussion, if the plan is carried out and the dam built at Boulder Canyon, the State of Arizona will get all of her rights and her proportionate share of the water and power without in any sense interfering with future development, which would be the case if we were to do the same thing with regard to the tri-State compact in the East. So I take exactly the same view the Senator takes, that the rights of Arizona are not infringed upon in the least.

Mr. KING. Mr. President, will the Senator yield?

Mr. KENDRICK. I yield.

Mr. KING. I just want to state to the Senator from New York that his position shows that he does not know the record, and he is assuming something that can not be substantiated from the record. He is so anxious to precipitate himself into this debate that he forgets the facts.

Mr. COPELAND. Mr. President, if the Senator from Wyoming will yield for one moment; I think some of us who stayed here all night and tried to get the facts last night are in even better temper than the Senator from Utah, who comes in cross even though he had a night's sleep. But I can not see what facts the Senator refers to. If the facts are as stated by the Senator from Wyoming—and I have his assurance that what he states are the facts—I think the assumption which I have reached is entirely correct.

Mr. KENDRICK. I referred a moment ago to the question of the division of the waters between Arizona and California. When the compact was entered into at Santa Fe between the seven States, each one of the States had appointed a commissioner to represent it, and all the commissioners signed the compact. As it seemed at the time, for all practical purposes, the compact allocated the water into what were known as the upper and lower basins. I may say that the allocation to the upper basin was entirely consistent, because the physical condition in the four upper-basin States divides the water naturally, and under the terms of the compact each State was allowed to use, practically and substantially, the water that had its source within the borders of that State. So it was just as well that there was no subdivision of the waters between the four upper-basin States.

When it came to the lower-basin States, that was an entirely different matter. Arizona in asking for a subdivision of the water between herself and California was raising the exact question that concerned the people in the upper-basin States, that of protecting against the acquisition of priorities down the stream after the water had passed her borders and because of prior development. So, as I understood it, Arizona was entirely right in that contention, and she refused to ratify until such a division was made. Subsequent events compel the belief, and, in fact, I think when studied will leave no doubt whatsoever, that California is ready and willing to agree with Arizona on any kind of a reasonable division of the water. There is on my desk now a letter which has been referred to heretofore by the Senator from California, written by the mayor of San Diego, in which he stated that the commissioners appointed by the two States had met, as I understand it, in San Diego, and after certain preliminaries had practically agreed upon a division of the waters between the two States. This agreement provided that Arizona should have all of the water for her own use—that is, the right to use it within her own borders—which originates in the State of Arizona, and then she should have one-third of the flow of the Colorado River. As I understood the tone of the letter, that adjustment seemed fair to the representatives of Arizona at the time, though they contended they had not the authority to sign an agreement to that effect.

But it seems, as we have already been told, that this question was not the only one. Arizona contended, and, as I understand it, now contends, that she should have certain payments per horsepower for all the power generated within the borders of her State. I do not believe that this contention can be maintained.

In my opinion it is in conflict with the Federal water power act, and is also inconsistent with the Constitution of the United States. In any event I have reason to believe that it would defeat the purpose of the bill in securing from the production of the power the money with which to return to the Government the cost of construction. Inasmuch as the power plan does deal with the production of power, it is a perfectly consistent thing, as proposed by the Senator from Nevada [Mr. PITTMAN] that the power produced should be divided between the States. As already indicated, we of the upper basin are not interested in this controversy. We do not ask for any of the benefits of the power nor any division of the power. We will take care of those things in our own way and in our own section of the river when the time comes. Passing on from that point, I want to say that I believe it would be just as consistent for the Senators from Alabama to say that no power should be produced at the Muscle Shoals Dam unless the State of Alabama should receive a royalty per horsepower on that production. In view of the unusual proposition to levy a per horsepower tax on a Government-constructed and Government-owned dam, the conviction is inescapable that Arizona is disposed to use California's necessity as her opportunity in creating an equity to accrue to herself which does not otherwise exist.

As already stated, the upper-basin States are not particularly interested in the controversy between those States in the lower basin.

Arizona may well plead for the protection of her heritage, but I ask the Senator from Arizona [Mr. ASHURST], who stated so eloquently last evening that he maintained an attitude of broadmindedness and vision that compelled him to remember at all times that he was a United States Senator, and I ask those who are opposing the pending legislation to bear well in mind the risk to which my State is exposed in the loss of this the greatest asset the State has, not excepting her enormous mineral wealth. We, too, are facing an emergency.

We have no war with Arizona or with any other State that would remain out of the compact, and we do not believe that by this action we are going to in any way interfere with, intimidate, or deny to Arizona or Utah or any other State any of their equities and rights simply because we propose to deal with our own resources and reach in our own way and to the best possible advantage a composition of the differences in regard to the resources of the Colorado River. As I have already stated, the seven States are sustaining a common loss of 100,000 acre-feet of water annually. These seven States are also to-day standing in the shadow of a grave danger in connection with the issuance by the Federal Water Power Commission of permits to proceed with the building of power plants in the Colorado River Canyon.

Mr. WHEELER. Mr. President, will the Senator yield to me for just a moment?

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Montana?

Mr. KENDRICK. Yes.

Mr. WHEELER. The Senator said something about the power companies going in there. I did not catch just what he meant by that.

Mr. KENDRICK. This is the answer: For the past three or four years the power companies have importuned the Federal Water Power Commission for permits to begin the construction of dams for the purpose of generating hydroelectric power. At

least two, if not three, times the governors of the Western States, in complete concurrence with the people interested among the seven States, have joined whole-heartedly in urging delay in granting such authority until the States shall have an opportunity to reach an agreement; and in each case, if I am not mistaken, the Federal Water Power Commission has given us one more lease of life.

The commissioners have informed us in effect, "We will withhold authority to begin construction for at least a reasonable time so that the States interested will have one more chance to get together and proceed with their development." The point involved there is that if the compact should be entered into between the States, it will forever, as I believe, foreclose the opportunity of power companies to establish priorities of rights on account of the power.

Mr. WHEELER. In other words, the Senator feels that the waters of the river ought to be used for irrigating the lands of the West rather than for power purposes?

Mr. KENDRICK. There should be preferred uses, as is indicated in the Colorado River compact, first for municipal purposes, second for agricultural purposes, and third for power purposes, in the order which I have named. That is written in the compact, and in every case, as I have said, where an application has been made the power companies have, as I am told, agreed to concede that preferred use of the water. Of course the power companies which are asking for permits to proceed with such development are claiming that they are perfectly willing to concede prior use to agriculture and irrigation, but we all know the benevolent attitude of corporations. If they ever begin the development of power we are going to be reminded of the old couplet:

> The devil was sick—the devil a monk would be.

We know we are going to have our troubles and we are going to sustain losses on account of power development if we ever come to that proposition.

Mr. President, the vital need of the upper-basin States to protect against the acquisition of priorities in the lower basin becomes more evident in view and because of Supreme Court decisions, one of which will suggest the exact situation. In the case of Wyoming *v.* Colorado (vol. 259, U. S. Repts., p. 423), the court held:

> The question of the effect of State lines upon the rights of appropriators in different States has been before the courts of the arid region in a number of cases. The universal holding is, that priority of appropriation gives priority of right on interstate streams, the same as on streams wholly within one State.

Therein lies the whole difficulty with our upper-basin States, because of the fact that if priorities are first established lower down the streams there is every reason to expect that those priorities to that extent will forever deny the people in the upper basin the use of the water. We of the western plains proved long ago that the only plan of conservation in the use of water is to apply it first on the higher levels of the stream, and under such application there is an enormous return flow to the streams. It has been demonstrated over and over again that irrigation in the higher levels of a stream does not decrease or limit the flow of such stream lower down; it does serve to make such flow more dependable and uniform in volume. This is due to the fact that irrigation in the higher level of a stream serves much the same purpose as any other kind of storage.

The waters that flow down from the mountain sides, as if "poured from the hollow of His hand," are not, as a rule, the melting snow banks but are waters that have filtered away in the ground and find their way into the streams after long periods of time.

Within the drainage of the Colorado River it is shown by actual surveys that the area of irrigable lands in the several States is as follows: Colorado, 1,758,000 acres; Utah, 815,000 acres; Arizona, 1,177,000 acres; Wyoming, 910,000 acres; New Mexico, 517,000 acres; Nevada, 7,000 acres; and California, 939,000 acres.

Mr. President, at the extreme head of the Colorado River, within the boundaries of Wyoming and what is known as the Green River Basin, lie these 910,000 acres of undeveloped land. Five hundred thousand acres of these lands are found in one contiguous tract, which constitutes, so far as I know, one of the very largest solid blocks of land suitable for reclamation which is left untouched in the United States. Lying hundreds of feet just above it, under the shadow of Fremont Peak, are eight great mountain lakes which may be used for reservoir sites. There is an abundance of water for the reclamation of this land, and at moderate cost sufficient reserve water may be impounded in these reservoirs. To perpetuate the use of these waters for the lands described constitutes the great benefit which my State is to derive from the enactment of this legislation.

Mr. WHEELER. Mr. President, can we not have order in the Chamber?

The PRESIDING OFFICER (Mr. MCKELLAR in the chair). The point of order is well taken. The Senate will be in order.

Mr. ASHURST. Mr. President, the Senator from Wyoming [Mr. KENDRICK], to my mind, is making one of the clearest, one of the fairest, and, I think, when it is read it will be discovered to be one of the most comprehensive speeches that has been made with respect to the Colorado River Basin. There are large numbers of us here who are anxious to hear him, and we desire that order shall be preserved in the Chamber.

The PRESIDING OFFICER. The Senate will be in order.

Mr. KENDRICK. An examination of the map will show that nearly every one of the great rivers of the West has its origin in the State of Wyoming, and in many instances these streams flow directly across the line into other States. It is also true that the State of Wyoming has a vast territory of irrigable land which at present, because of limited rainfall, is unproductive. The still further fact applies that the lands nearer the mountains involve a higher per acre cost of development than do those which are farther removed from the mountains. Very naturally, reclamation is proceeding across our State line in advance of such development in Wyoming and other Mountain States. The result of this is that our neighboring States are acquiring prior rights to the waters of Wyoming in reclaiming vast tracts of land, while Wyoming is denied the benefit of such reclamation, at least for a time.

The inequality of this situation is better understood by a study of Wyoming's contribution to the reclamation fund. Second only in importance to her millions of irrigated and irrigable lands, Wyoming contains within her borders the largest storehouse of the baser minerals of any State of the Union. When the natural resource act was passed it was provided that 37½ per cent of the royalties derived from the operation of the law should be paid to the State from which the mineral came and 52½ per cent should be paid to the reclamation fund. With a well-justified faith in Wyoming's resources, the Hon. F. W. Mondell, her Representative in the House, and the Wyoming Senators made a special plea for a provision in the bill that would allocate the funds derived from mineral royalties in a State to the reclamation of lands of that State. This provision was rejected by the Congress. That the faith of Wyoming's Representatives was well justified is shown by the almost $30,000,000 which she has already contributed to the reclamation fund under the operation of the natural resource act.

I wish now to give to the Senate a single striking illustration of Wyoming's experience with a sister State in the development of the North Platte River. When the Reclamation Bureau began the development of the valley of the North Platte River, the territory first examined and considered for development was located about one-third in Nebraska and two-thirds in Wyoming. As the development proceeded, it was found that the lands of Wyoming involved a higher per acre cost for irrigation than those farther down the river, and no doubt, in order to make the best showing for a given amount of money, the department began to eliminate from its plan of development the lands of Wyoming and to increase the territory irrigated within the sister State of Nebraska. The final result shows to date, lands reclaimed in Nebraska, 103,063 acres; in Wyoming, 27,058; or instead of one-third in Nebraska and two-thirds in Wyoming we have approximately three-fourths in Nebraska and one-fourth in Wyoming. These figures have a more important meaning in view of conditions governing this situation. A measurement of the waters of the North Platte at Whalens Canyon shows a flow of about 1,600,000 feet, in Nebraska the flow is about 500,000 or 600,000 feet, indicating that Wyoming furnishes about three-fourths of the water and Nebraska one-fourth. Since the enactment of the natural resource act, Nebraska has contributed to the fund $39,770. Wyoming has contributed $29,913,093.74. These figures have been furnished me by the Reclamation Department. Under such an inequitable distribution of benefits it is but natural that the people of Wyoming should become impatient and even resentful.

It happens that one of the subdivisions of the original plan of reclamation in the North Platte River Basin, which was afterwards at least temporarily abandoned, was known as the Casper-Alcova project, containing about 75,000 acres of land contiguous to the city of Casper, with a population of 30,000 people. This city includes various industries, among which are two main-line railroads, and more particularly the second largest oil refinery in the world. Practically adjoining this city on the north are the great oil fields of Salt Creek, a community of several thousand people.

Under present conditions there is no agricultural production in this section and it is therefore necessary not only for the city and town mentioned, but other communities in the neighborhood to ship in all of the food products which they consume. It also occurs that the oil field referred to, located in the same county with the Casper-Alcova project, has contributed to the reclamation fund within the past six years $23,000,000.

Actuated by a spirit of impatience and even resentment, the people of Wyoming selected a small committee of six prominent citizens, including in its membership two ex-governors, together with the State engineer, who is at present the chief executive of the State, and sent them to Washington to urge upon Congress the necessity of initiating development on this project, where a local market could be had for everything in the way of agricultural products that could be produced. The delegation appeared before the House and Senate Committees on Reclamation and Irrigation. After hearing the testimony of the witnesses, the committee of the Senate promptly reported a bill for the initiation of development on the Casper-Alcova project. Within a few days thereafter the bill was passed unanimously by the Senate, both the Senators from Nebraska and from Colorado approving the measure on its merits. A similar bill was introduced in the House. That bill was also reported favorable by the Committee on Irrigation and Reclamation and was placed on the House Calendar about one year ago, and there it has remained to this day because the Representatives from the State of Nebraska, as I am informed, objected to action on the ground that the States of Nebraska and Wyoming had not agreed upon a division of the waters of the North Platte River.

Hoping to bring about an adjustment of this situation and to secure action on the Casper-Alcova bill, I introduced here in the Senate a measure providing for voluntary action on the part of the three States interested in the waters of the Platte River. This measure provided for the appointment of a commissioner from each of the three States—Colorado, Nebraska, and Wyoming—and the appointment of a fourth commissioner by the President to represent the Department of the Interior. Section 3 of this measure provided:

> No such compact or agreement shall be binding or obligatory upon either of such States unless and until it has been approved by the legislature of each of such States and by the Congress of the United States.

This shows the entirely voluntary character of the measure. In substance it provided an orderly way for the three States interested in these waters to reach an agreement as to a division of the water, and which would prove effective in solving this complicated question. This measure also passed the Senate, went to the Committee on Reclamation and Irrigation in the House, was reported favorably by that committee about a month ago, and was placed on the House Calendar. When it was reached on the Unanimous-Consent Calendar recently the representative from the district, including the North Platte Valley of Nebraska, objected to the consideration of the measure because he "had not heard from some people at home." Think of such a situation; Wyoming furnishes three-fourths of the water, all of the reservoir sites, and a large share of the funds employed by the Reclamation Bureau in development in all of the States. In the basin of the North Platte River, where the two States are jointly interested, Wyoming receives one-fourth of the development and Nebraska receives three-fourths; and yet Nebraska denies to Wyoming the right to employ any of her own resources in the development of her own territory.

Let it be understood that a mere assumption of ownership of the waters of Wyoming will not be conclusive with the people of Wyoming. Wyoming has never invited contention with her neighbors; on the other hand, she has sought constructive cooperation. If her neighbors voluntarily open a row, we of Wyoming propose to sit in the game with them and help them finish it.

The foregoing is important only as a signal indicating the dangers we now face in connection with the waters of the Colorado River. Available lands in the North Platte Basin would not exceed 200,000 acres, while those in the basin of the Green River, on the head of the Colorado River, exceed a million acres.

Mr. President, under the provisions of the natural resource act, Wyoming is contributing a disproportionate amount of her vast resources to the reclamation fund. This fact of itself does not disturb our people, but we give notice here and now that in so far as it is possible to prevent we do not intend in the future that our neighboring States shall employ the funds d .wn from the mineral resources of Wyoming in establishing inequitable priorities to the waters that have their source within the State of Wyoming.

This is one of the primary reasons why we are for the Swing-Johnson bill.

Finally, Mr. President, the enactment of this legislation will open the door of opportunity to seven Western States; and the pity of it all is that we who would benefit by such opportunities are unable, at this critical time, to harmonize our differences and to proceed under a plan of salutary action in the development of this great river throughout its course from the Rocky Mountains to the Gulf of California. This measure involves one of the greatest plans of conservation ever attempted in the history of the Nation. By protecting the States of the lower basin against floods and properly regulating the flow of the Colorado River, it will render fruitful a territory not unlike the valley of the Nile. By allocating an equitable proportion of the waters to the States of the upper basin, it will provide for the highest economic use of that water. It will transform more than 6,000,000 acres of arid and unproductive lands into productive and prosperous farms and ranches. It will provide homes for thousands of people yet unborn; it will fill this waste land with the scenes and sounds of the countryside where now reigns only the silence of desolation.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 13446) to restore the rate of postage of 1 cent each to private mailing or post cards, requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. GRIEST, Mr. RAMSEYER, Mr. SANDERS, Mr. BELL, and Mr. ROUSE were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 57) inviting the full cooperation of the legislatures and the chief executives of the respective States and Territories of the United States in the celebration of the two hundredth anniversary of the birth of George Washington, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution and they were thereupon signed by the Vice President:

S. 722. An act to authorize the selection of certain publicly owned lands by the State of Oregon;

S. 2714. An act to authorize the cancellation, under certain conditions, of patents in fee simple to Indians for allotments held in trust by the United States;

S. 4411. An act granting the consent of Congress to compacts or agreements between the States of South Dakota and Wyoming with respect to the division and apportionment of the waters of the Belle Fourche and Cheyenne Rivers and other streams in which such States are jointly interested;

S. 4812. An act amending the statutes of the United States as to procedure in the Patent Office and in the courts with regard to the granting of letters patent for inventions and with regard to interfering patents;

S. 4910. An act granting certain lands to the State of New Mexico for the use and benefit of New Mexico College of Agriculture and Mechanic Arts, for the purpose of conducting educational, demonstrative, and experimental development with livestock, grazing methods, and range forage plants;

S. 4957. An act to amend section 129 of the Judicial Code, allowing an appeal in a patent suit from a decree which is final except for the ordering of an accounting;

S. 4974. An act to amend and reenact an act entitled "United States cotton futures act," approved August 11, 1916, as amended;

S. 5082. An act authorizing an appropriation of $8,600,000 for the purchase of seed grain, feed, and fertilizer to be supplied to farmers in the crop-failure areas of the United States, and for other purposes;

S. 5585. An act to extend the time for construction of a bridge across the southern branch of the Elizabeth River, near the cities of Norfolk and Portsmouth, in the county of Norfolk, State of Virginia;

S. 5588. An act granting the consent of Congress to the Big Sandy & Cumberland Railroad Co. to construct and maintain and operate a bridge across the Tug Fork of Big Sandy River at Devon, Mingo County, W. Va.;

S. 5598. An act to extend the time for constructing a bridge across the Ohio River approximately midway between the city of Owensboro, Ky., and Rockport, Ind.;

S. 5620. An act granting the consent of Congress to John R. Scott, Thomas J. Scott, E. E. Green, and Baxter L. Brown, their

successors and assigns, to construct, maintain, and operate a bridge across the Mississippi River;

H. R. 10485. An act for the relief of William C. Harllee; and

S. J. Res. 120. Joint resolution authorizing the acceptance of title to certain lands in Teton County, Wyo., adjacent to the winter elk refuge in said State established in accordance with the act of Congress of August 10, 1912 (37 Stats. L. p. 293).

ELECTRIC POWER COMPANIES

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Federal Trade Commission, transmitting, in partial response to Senate Resolution 329, Sixty-eighth Congress, second session (agreed to February 9, 1925), a report dealing with the organization, control, and ownership of commercial electric power companies, which, on motion of Mr. NORRIS, was ordered to lie on the table and to be printed with the illustrations.

MUSCLE SHOALS

The VICE PRESIDENT laid before the Senate the following communication from the Governor of Alabama, which was referred to the Committee on Agriculture and Forestry and read, as follows:

EXECUTIVE DEPARTMENT, STATE OF ALABAMA,
Montgomery, February 21, 1927.

The VICE PRESIDENT OF THE UNITED STATES,
Washington, D. C.

DEAR SIR: Believing that the State of Alabama owns, subject to navigation and war rights of the United States, the bed, shores, water, and the power in the water of that part of the Tennessee River within Alabama, the Legislature of the State of Alabama has created a commission, known as the Muscle Shoals Commission. This commission is charged with the duty to investigate the right, title, and interest of the State in and to the power dam, power site, and other improvements at Wilson Dam and Muscle Shoals, to report back to the legislature its findings and conclusions, and to recommend such legislation as will preserve and conserve such right, title, and interest.

As Governor of the State of Alabama, I am directed by the Muscle Shoals Commission, and the Alabama Public Service Commission, to give to interested parties formal notice of the intention of the duly constituted authorities of the State to undertake to protect and preserve such rights of the State of Alabama as the commission's investigation may reveal. The State further gives notice of its intention to claim and to assert Alabama's interest in the dam at Muscle Shoals, Alabama's ownership of the bed, shores, and water of that part of the Tennessee River within the State of Alabama, as well as its ownership of the power heretofore developed and hereafter to be developed at Muscle Shoals.

Respectfully,

BIBB GRAVES, *Governor.*

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint memorial of the Legislature of the State of Oregon, which was referred to the Committee on the Library:

DEPARTMENT OF STATE, STATE OF OREGON,
Salem, February 17, 1927.

To the honorable the PRESIDENT OF THE UNITED STATES SENATE,
Senate Chamber, Washington, D. C.

DEAR SIR: I have the honor to transmit herewith for your information certified copy of Senate Joint Memorial No. 9, adopted by the Senate and House of Representatives of the Thirty-fourth Legislative Assembly of the State of Oregon and filed in the office of the secretary of state of the State of Oregon February 16, 1927.

Very respectfully,

SAM A. KOZER, *Secretary of State.*

Senate Joint Memorial 9

To the honorable Senate and House of Representatives of the United States of America in Congress assembled:

Whereas the department of Oregon, the United Spanish War Veterans, at their annual encampment at Port Orford, Oreg., in 1925, appointed a committee to erect a monument in memory of Theodore Roosevelt on Battle Rock, one of the most westerly points on the mainland of the United States; and

Whereas the Roosevelt Highway is being built by the State of Oregon and the Federal Government and passes within a stone's throw of Battle Rock, and the said monument when erected will be viewed by hundreds of thousands of tourists passing along this highway, which when completed will be the most marvelous and scenic highway in the world; and

Whereas Theodore Roosevelt, while born in the East, typified the true western American spirit greater than any American President in history, and a monument erected to his memory here, gazing westward across the vast expanse of the Pacific Ocean will be an inspiration to all of our people and, especially the younger generation, viewing it to fashion their lives more in harmony with the ideals he espoused; and

Whereas the cost of this memorial statue will be $50,000, of which sum the Spanish War Veterans will be able to contribute $25,000: Now, therefore, be it

Resolved by the Senate of the State of Oregon (the House of Representatives jointly concurring therein), That we, your memorialists, the Senate of the State of Oregon, the House of Representatives concurring, respectfully ask that Congress make an appropriation to assist the Spanish War Veterans in erecting this memorial statue and appropriate in aid thereof the sum of $25,000.

Adopted by the senate February 8, 1927.

HENRY L. CORBETT,
President of the Senate.

Concurred in by the house of representatives February 14, 1927.

JOHN H. CARKIN,
Speaker of the House.

[Indorsed: Senate Joint Memorial No. 9. Introduced by Senator Upton. John P. Hunt, chief clerk. Filed February 16, 1927, Sam A. Kozer, secretary of state.]

UNITED STATES OF AMERICA,
STATE OF OREGON,
OFFICE OF THE SECRETARY OF STATE.

I, Sam A. Kozer, secretary of state of the State of Oregon, and custodian of the seal of said State, do hereby certify that I have carefully compared the annexed copy of Senate Joint Memorial No. 9 with the original thereof adopted by the Senate and House of Representatives of the Thirty-fourth Legislative Assembly of the State of Oregon and filed in the office of the secretary of state of the State of Oregon February 16, 1927, and that the same is a full, true, and complete transcript therefrom and of the whole thereof, together with all indorsements thereon.

In testimony whereof, I have hereunto set my hand and affixed hereto the seal of the State of Oregon.

Done at the capitol at Salem, Oreg., this 17th day of February, A. D. 1927.

[SEAL.]

SAM A. KOZER,
Secretary of State.

Mr. SHIPSTEAD presented the following resolutions adopted by the Legislature of the State of Minnesota, which were ordered to lie on the table:

Whereas there is now pending in the Senate of the United States Senate bill No. 3027, known as the Tyson bill, and the same bill is now pending in the United States House of Representatives, designated as House bill No. 4548; and

Whereas both of said bills provide for the retirement of disabled emergency Army officers on equal pay and under the same conditions provided for the retirement of disabled Regular Army officers and disabled emergency officers of the Navy and Marine Corps; and

Whereas all officers disabled in line of duty in the service of the United States during the World War are allowed to be retired on 75 per cent of the pay given their rank at time of disability, except the emergency Army officers disabled in line of duty during the World War; and

Whereas it is simple justice to the officers who served during the emergency of the World War as emergency officers of the United States Army and who were disabled to receive the same benefits accorded disabled emergency officers of the Navy and Marine Corps: Therefore be it

Resolved by the House of Representatives of the State of Minnesota, That we request the Congress of the United States to pass Senate bill No. 3027, or its companion bill in the House, being House bill No. 4548, or some other measure designed to give relief to said disabled emergency officers as provided in said bills; and be it further

Resolved, That the secretary of the house be instructed to furnish each Member of the Minnesota delegation in Congress and the President of the United States with a copy of this resolution.

Adopted by the House of Representatives of the State of Minnesota the 8th day of February, 1927.

JOHN A. JOHNSON,
Speaker of the House of Representatives.

JOHN J. LEWIS,
Chief Clerk, House of Representatives.

Mr. SHIPSTEAD also presented petitions of sundry citizens of Minneapolis and vicinity, in the State of Minnesota, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

Mr. WARREN presented a petition of sundry citizens of Natrona County, Wyo., praying for the passage of legislation granting increased pensions to Civil War soldiers and their dependents, which was referred to the Committee on Pensions.

Mr. COPELAND presented petitions of sundry citizens of the State of New York, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

Mr. DILL presented petitions of sundry citizens of Spokane and Seattle, in the State of Washington, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

He also presented a memorial of sundry citizens of Spokane, Wash., remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, or any other legislation religious in character, which was referred to the Committee on the District of Columbia.

Mr. WILLIS presented petitions of sundry citizens of the State of Ohio, praying for the prompt passage of legislation granting increased pensions to Civil War veterans, which were referred to the Committee on Pensions.

He also presented a memorial of sundry citizens of Cleveland, Ohio, remonstrating against the passage of the bill (S. 4821) to provide for the closing of barber shops in the District of Columbia on Sunday, or any other legislation religious in character, which was referred to the Committee on the District of Columbia.

He also presented resolutions adopted by Akron (Ohio) Post No. 209, the American Legion, favoring the establishment in northern Ohio of a hospital, with a bed capacity of 300, for the care of ex-service men suffering from neuropsychiatric diseases, which were referred to the Committee on Finance.

Mr. WALSH of Massachusetts presented petitions of sundry citizens of the State of Massachusetts, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

He also presented a petition of sundry citizens of Harvard, Mass., praying for the passage of the so-called McNary-Woodruff bill, being Senate bill 718, authorizing an appropriation to be expended under the provisions of section 7 of the act of March 1, 1911, designed for the protection of watersheds of navigable streams, which was referred to the Committee on Agriculture and Forestry.

REPORTS OF COMMITTEES

Mr. KENDRICK, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them each without amendment, and submitted reports thereon:

A bill (H. R. 9640) to add certain lands to the Shoshone National Forest, Wyo. (Rept. No. 1575); and

A bill (H. R. 10467) authorizing the city of Boulder, Colo., to purchase certain public lands (Rept. No. 1578).

Mr. METCALF, from the Committee on Patents, to which was referred the bill (S. 4811) to protect trade-marks used in commerce, to authorize the registration of such trade-marks, and for other purposes, reported it with amendments and submitted a report (No. 1576) thereon.

Mr. MAYFIELD, from the Committee on Claims, to which was referred the bill (H. R. 11852) for the relief of M. Tillery and Mrs. V. D. Tillery, reported it without amendment and submitted a report (No. 1577) thereon.

Mr. CURTIS. For the senior Senator from Utah [Mr. SMOOT], who is detained because of illness in his family, I report two bills for the calendar.

The PRESIDENT pro tempore. The reports will be received.

Mr. CURTIS (for Mr. SMOOT), from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (H. R. 13050) releasing and granting to the State of Utah and the University of Utah any and all reversionary rights of the United States in and to the grounds now occupied as a campus by the University of Utah (Rept. No. 1579); and

A bill (H. R. 13212) granting certain lands to the city of Bountiful, Utah, to protect the watershed of the water-supply system of said city (Rept. No. 1580).

Mr. COPELAND, from the Committee on Naval Affairs, to which were referred the following bills, reported them severally with an amendment and submitted reports thereon:

A bill (H. R. 1691) for the relief of Henry F. Downing (Rept. No. 1581);

A bill (H. R. 4600) for the relief of Frederick D. W. Baldwin (Rept. No. 1584); and

A bill (H. R. 5263) for the relief of Charles James Anderson, former commander United States Naval Reserve Force (Rept. No. 1582).

He also from the same committee, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (H. R. 1840) for the relief of Edward A. Grimes (Rept. No. 1583); and

A bill (H. R. 6697) for the relief of Alfred W. Mathews, former ensign, United States Naval Reserve Force (Rept. No. 1585).

ENROLLED BILLS PRESENTED

Mr. GREENE, from the Committee on Enrolled Bills, reported that on February 23, 1927, that committee presented to the President of the United States the following enrolled bills:

S. 1155. An act for the relief of Margaret Richards;

S. 1515. An act to extend the benefits of the employees' compensation act of September 7, 1916, to Daniel S. Glover;

S. 1517. An act authorizing and directing the Secretary of the Treasury to pay to W. Z. Swift, of Louisa County, Va., the insurance due on account of the policy held by Harold Rogis;

S. 1899. An act for the relief of Delaware River Towing Line;

S. 2090. An act for the relief of Alfred F. Land;

S. 2353. An act to amend the military record of Leo J. Pourciau;

S. 2474. An act for the relief of the Riverside Contracting Co.;

S. 2619. An act for the relief of Oliver J. Larkin and Lona Larkin;

S. 2770. An act to confer United States citizenship upon certain inhabitants of the Virgin Islands and to extend the naturalization laws thereto; and

S. 2899. An act for the relief of the owners of the American steamship *Almirante* and owners of the cargo laden aboard thereof at the time of her collision with the U. S. S. *Hisko*.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RANSDELL:

A bill (S. 5797) granting the consent of Congress to the Fisher Lumber Corporation to construct, maintain, and operate a railroad bridge across the Tensas River in Louisiana; to the Committee on Commerce.

By Mr. PEPPER:

A bill (S. 5798) for the relief of Atlantic Refining Co., a corporation of the State of Pennsylvania, owner of the American steamship *H. C. Folger*, v. U. S. S. *Connecticut;* to the Committee on Claims.

By Mr. RANSDELL:

A bill (S. 5799) to regulate interstate shipments of cotton, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. DILL:

A bill (S. 5800) to provide for a preliminary examination and survey of Grays Harbor, Wash.; to the Committee on Commerce.

By Mr. FESS:

A bill (S. 5801) to conserve the revenues from medicinal spirits and provide for the effective Government control of such spirits, to prevent the evasion of taxes, and for other purposes; to the Committee on Finance.

By Mr. SHEPPARD:

A bill (S. 5802) to transfer Willacy County, in the State of Texas, from the Corpus Christi division of the southern district of Texas to the Brownsville division of such district; to the Committee on the Judiciary.

AMENDMENTS TO SECOND DEFICIENCY APPROPRIATION BILL

Mr. PHIPPS submitted an amendment proposing to appropriate $350,000 to enable the Secretary of Agriculture to construct at Bear River Bay and vicinity, Utah, such dikes, ditches, spillways, buildings, and improvements as may be necessary, in his judgment, for the establishment of a suitable refuge and feeding and breeding ground for migratory wild fowl, etc., intended to be proposed by him to House bill 17291, the second deficiency appropriation bill for the fiscal year 1927, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. FLETCHER submitted an amendment intended to be proposed by him to House bill 17291, the second deficiency appropriation bill for the fiscal year 1927, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 48, after line 2, to insert:

"Naval air station, Pensacola, Fla.: For construction of Bayou Grande bridge and water line, $200,000."

AMENDMENT OF THE FEDERAL HIGHWAY ACT

Mr. ODDIE submitted an amendment intended to be proposed by him to the bill (S. 4530) amending sections 11 and 21 of the Federal highway act, approved November 9, 1921, amending paragraph 4, section 4, of the act entitled "An act making appropriations for the Post Office Department for the fiscal year ending June 30, 1923, and for other purposes," prescribing

limitations on the payment of Federal funds in the construction of highways, and for other purposes, which was ordered to lie on the table and to be printed.

POSTAL RATES

Mr. MOSES. I ask the Chair the lay before the Senate the action of the House on House bill 13446.

The PRESIDING OFFICER (Mr. McKELLAR in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 13446) to restore the rate of postage of 1 cent each to private mailing or post cards, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. MOSES. I move that the Senate insist upon its amendments, accede to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. MOSES, Mr. PHIPPS, and Mr. McKELLAR conferees on the part of the Senate.

Mr. COPELAND. The Chair was very hasty in appointing conferees. I wish to put myself on record as one Senator that I want to see the Senate amendments adopted, and I hope the Senator in charge of the bill is going to insist upon the adoption of these amendments.

Mr. MOSES. I will say to the Senator from New York that the three conferees who have been named on the bill are pretty robust in their opinion with reference to the matters contained in the bill and are also pretty robust in their opinion as to their duties as conferees.

Mr. COPELAND. I trust the conferees will prove themselves to be robust in the results of the conference.

TRANSPORTATION OF BLIND PERSONS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2615) to authorize common carriers engaged in interstate commerce to transport any blind person, accompanied by a guide, for one fare, which was to amend the title so as to read: "An act to amend paragraph (1) of section 22 of the interstate commerce act by providing for the carrying of a blind person, with a guide, for one fare."

Mr. WADSWORTH. The House amendment is merely a change in the title. It makes no substantive change in the text of the bill. I move that the Senate concur in the House amendment.

The motion was agreed to.

TWO HUNDREDTH ANNIVERSARY OF THE BIRTH OF WASHINGTON

The PRESIDING OFFICER laid before the Senate the concurrent resolution (H. Con. Res. 57) inviting the full cooperation of the legislatures and the chief executives of the respective States and Territories of the United States in the celebration of the two hundredth anniversary of the birth of George Washington, which was read, as follows:

Whereas the joint resolution of Congress approved December 2, 1924, created the United States Commission for the Celebration of the Two Hundredth Anniversary of the Birth of George Washington, composed of 19 commissioners, as follows: The President of the United States; Presiding Officer of the Senate and the Speaker of the House of Representatives ex officio; 8 persons appointed by the President of the United States; 4 Senators and 4 Representatives, whose duty it is to prepare a plan or plans and a program signalizing the two hundredth anniversary of the birth of George Washington, and to take such steps as may be necessary in the coordination and correlation of plans prepared by State commissions or by bodies created under appointment by the governors of the respective States and by representative civic bodies: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That the Congress of the United States earnestly and respectfully invites the full cooperation of the legislatures and chief executives of the respective States and Territories of the United States in the execution of the joint resolution of Congress creating the United States Commission for the Celebration of the Two Hundredth Anniversary of the Birth of George Washington in such manner as may seem to them most fitting, to the end that the bicentennial anniversary of the birth of him who was "first in war, first in peace, and first in the hearts of his countrymen"—the pioneer, the soldier, the statesman, the husbandman, the exemplar of American citizenship, George Washington, may be commemorated in the year 1932 in such manner that future generations of American citizens may live according to the example and precepts of his exalted life and character and thus perpetuate the American Republic; and be it further

Resolved, That an engrossed copy of these resolutions be transmitted by the Clerk of the House of Representatives to the presiding officers of the senate and house of representatives of the legislature and to the chief executive of each State and Territory of the United States.

Mr. FESS. I ask unanimous consent for the immediate consideration of the concurrent resolution.

The concurrent resolution was considered by unanimous consent and agreed to.

PRESIDENTIAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that the President had approved and signed the following acts:

On February 15, 1927:

S. 4553. An act granting the consent of Congress to the Chesapeake Bay Bridge Co. to construct a bridge across the Chesapeake Bay from a point in Baltimore County to a point in Kent County, in the State of Maryland.

On February 21, 1927:

S. 68. An act authorizing Dominic I. Murphy, consul general of the United States of America, to accept a silver fruit bowl presented to him by the British Government;

S. 598. An act for the relief of Alexander McLaren; and

S. 5259. An act granting permission to Maj. Charles Beatty Moore, United States Army, to accept the following decorations, namely, the Legion of Honor tendered him by the Republic of France, and the officers' cross of the Order Polonia Restituta tendered him by the Republic of Poland.

On February 23, 1927:

S. 4756. An act for the relief of Capt. Ell's E. Haring and Edward F. Batchelor;

S. 5084. An act to provide for the payment of the amount of an adjusted service certificate to Irving D'Forest Parks, beneficiary, designated by Corpl. Steve McNeil Parks, deceased; and

S. 5622. An act authorizing the acceptance by the Navy Department of a site for an aviation training field in the vicinity of Pensacola, Fla., and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 4893. An act to authorize oil and gas mining leases upon unallotted lands within Executive order Indian reservations; and

S. 5671. An act to amend paragraph (c) of section 4 of the act entitled "An act to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes," approved June 3, 1924.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were thereupon signed by the Vice President:

S. 2849. An act to provide for an additional Federal district for North Carolina;

S. 4876. An act providing for the erection of a monument on Kill Devil Hill at Kitty Hawk, N. C., commemorative of the first successful human attempt in history at power-driven airplane flight;

S. 5596. An act granting the consent of Congress to Dauphin Island Railway & Harbor Co., its successors and assigns, to construct, maintain, and operate a railroad bridge and approaches thereto and/or a toll bridge across the water between the mainland at or near Cedar Point and Dauphin Island; and

H. R. 11064. An act for the relief of R. W. Hilderbrand.

BUREAUS OF CUSTOMS AND PROHIBITION

Mr. CURTIS. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of House bill 10729, a bill to create a bureau of customs and a bureau of prohibition in the Department of the Treasury.

The PRESIDING OFFICER. The Senator from Kansas asks unanimous consent that the Senate proceed to the consideration of the bill that he has named. Is there objection?

Mr. EDWARDS. I object.

The PRESIDING OFFICER. The Senator from New Jersey objects.

Mr. CURTIS. Mr. President, before I make the motion I am about to make, which will be to take up the bill, I may state that I have had a conference with the Senator from Maryland [Mr. BRUCE] and others in regard to this measure, and we agree on all the amendments except one, and I believe that after some discussion we may be able to agree upon that. I thought it best to make that statement before I made my motion.

I now move that the Senate proceed to the consideration of H. R. 10729, a bill to create a bureau of customs and a bureau of prohibition in the Department of the Treasury.

Mr. JOHNSON. Mr. President——

Mr. CURTIS. I yield to the Senator.

Mr. JOHNSON. I want to be heard for just a moment concerning the motion.

Mr. CURTIS. After the question is stated, I will yield the floor.

The PRESIDING OFFICER. The Senator from Kansas moves that the Senate proceed to the consideration of House bill 10729.

Mr. HARRISON. Mr. President, before the question is put may I ask the Senator one question. If the motion prevails, having in mind what transpired the latter part of last week, will the Senator have objection to two hours' time being given to the consideration of the Muscle Shoals measure, this measure to be laid aside temporarily during that time?

Mr. CURTIS. If we can not get it through within a reasonable time. My own judgment is we can get this bill through within a reasonable time this afternoon.

Mr. BRUCE. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from Maryland?

Mr. CURTIS. I yield the floor.

Mr. JOHNSON. Mr. President, I do not wish to stand in the way of any legitimate legislation. I do not wish to object, indeed, to laying aside temporarily the very important measure which is now before the Senate in order that other business may be transacted, if it be essential that the measure should thus be laid aside; but I can not consent to permit, upon a vote, if I am able to prevent it, the displacing entirely of the business that is now before the Senate, the Boulder dam bill, upon which we have been debating for the last day and a half; it seems like a month and a half to me.

Mr. President, the reason why I can not consent is not on account of any hostility to the measure that is presented by the Senator from Kansas, not, I repeat, from a desire to monopolize the time of this body—because I would willingly consent to lay aside temporarily this measure in order that others might be considered—but the reason, sir, is because events have demonstrated that, so far as we are able, those of us who believe in the Boulder dam legislation must keep it before the Senate and ultimately endeavor to have the Senate act upon it.

I may say, sir, to you and to others who are familiar with this legislation, or attempted legislation, that to-day the House finally has given a rule with six hours debate upon a similar bill, and it is confidently expected, because the House has thus yielded a rule, that the bill will be passed in the House during this week. For this reason, I do not want to have the measure displaced. I trust that there may be some method by which we may consider all the bills that may be deemed to be appropriate or may be deemed important, but I hope that they may be considered without displacing the pending measure.

Mr. CURTIS. Mr. President——

Mr. JOHNSON. I yield.

Mr. CURTIS. If a rule has been brought into the House to consider the measure, would not the Senator save time if he should wait until the House measure reached the Senate and offer that as a substitute for the Senate bill?

Mr. JOHNSON. Not necessarily, because if we are displaced it will be rather difficult for us to determine when we will ever get back.

Mr. CURTIS. It can be taken up on motion.

Mr. JOHNSON. The opposition to the measure, skillful and able by various Senators, as is their right, that is presented here, is an opposition which must of course be taken into account in the endeavors we make to pass the bill; and for that reason I do not want to have it displaced, and I hope it will not be displaced.

Mr. BRUCE. Mr. President, I desire to say that I am delighted to see that the Senator from California [Mr. JOHNSON] is not willing to give his assent to any proposition looking to the exchange of whisky for Colorado River water. As far as I am concerned, there has never been a time when I should not have been glad to see the Senator have an opportunity to obtain a vote upon his bill, and I should have nothing to say if within the next half hour he could obtain a vote upon that measure. Personally, I do not expect to vote for it, but that is no reason why I should filibuster against it or attempt to obstruct its passage or to throw any obstacle of any kind in its pathway. But I do object at the present time to this contemplated displacement.

The Senator from Kansas always acts in perfect good faith whenever he deals with anyone. That has been my experience with him; and it is all very well for him to say that he thinks that an agreement may be arrived at between me and the sponsors of this prohibition reorganization bill with reference to the section in the bill to which I object, but I know, and every Member of this body knows, that, strong as the Senator from Kansas is, there are influences back of him and pushing him forward stronger than he is, and, I regret to say, apparently stronger than the majority of the Members of this body.

The other night I supposed I had arrived at an agreement with my friend the senior Senator from Utah [Mr. SMOOT], whom I regard as one of the ablest and most useful public servants in this body.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from Kansas?

Mr. BRUCE. I yield.

Mr. CURTIS. I should have stated that I made the motion to take up this bill at the request of the Senator from Utah [Mr. SMOOT], who is detained from the Senate because of the serious illness of his wife.

Mr. BRUCE. Yes; I regretted very much to hear that the wife of the Senator from Utah was so ill.

I thought I had arrived at an understanding with the Senator from Utah in relation to this bill. He said that he was perfectly satisfied with the amendments that I suggested. Unfortunately, however, through an oversight on his part, and my part, too, the amendment that was incorporated in the bill when it was last up overlooked the fact that assistant or deputy commissioners in the customs department of the Government are at present under the civil service law, and therefore should not be exempted from its operation. But the Senator from Utah informed me that, much to his regret, he had been unable to obtain the assent of the real sponsors of this bill—Wayne B. Wheeler and the rest—to the amendments that I proposed. He was frank and generous enough to say so, and nothing was left for me to do except to antagonize the bill as though no overtures of compromise had been made to me.

I shall oppose the consideration of the bill unless I am assured in advance of favorable action by the Senate upon my proposed amendment, which would eliminate from the bill paragraph (b) of section 5, which endeavors to bring all the prohibition field agents under the civil service law.

Of course, I speak only for myself. I have no right to speak for anybody else in this body with respect to the bill; not for the senior Senator from New Jersey [Mr. EDGE], for instance, nor for the junior Senator from New Jersey [Mr. EDWARDS], nor for anybody else. I am simply stating what I personally am willing to do with respect to the bill. If the section to which I have referred be stricken out, then I shall have no further objection to the measure. I have no objection to the organization of the proposed bureau of commerce nor to the organization of the proposed bureau of prohibition. All I insist upon is that no classified civil service employee shall be brought into intimate contact with the contaminating and corrupting influences of prohibition. I am too much wedded to the merit system of appointment; I took too active a part in its adoption by the Federal Government in my youth; my best efforts were too long enlisted in the application of that impersonal system of appointment to the subordinate officeholders of the State of Maryland and of the city of Baltimore to be willing that prohibition field agents, appointed under the merit system of appointment, should go the evil way that a large percentage of the prohibition field agents heretofore appointed have gone.

The fact was brought out last spring during the prohibition hearings that no less than 875 of some 10,000 prohibition officeholders had been dismissed since the enactment of the Volstead Act from the service of the Government, either for violations of the Volstead Act or for misconduct in some other form or other. And as I showed a few weeks ago, the debasing influence of the practical workings of prohibition has been just as pronounced since those hearings as before them.

Not a day elapses that there is not brought home to us the fact that some prohibition administrator or field agent or some State or city policeman has succumbed to the insidious temptations of prohibition.

Some of you will remember the two Pullman cars that went down from Ohio to the Federal prison at Atlanta freighted with policemen convicted of violations of the Volstead Act.

A few days ago we read of a large number of police officers in Florida who had just been convicted of offenses against the Volstead Act.

A short time ago we read that at a place in South Carolina, called "Hell Hole"—an appropriate name for any place where prohibition is doing its worst—that a number of State police officers had been convicted of participation in violations of the Volstead Act. And so it goes from month to month.

When the Volstead Act was under consideration Mr. Wayne B. Wheeler was not willing that the field prohibition agents should be brought within the scope of the Federal classified service. He wanted to trade the offices to be held by those agents for congressional votes. That fact was brought out some

time ago by Mr. Foulke, one of the former members of the Civil Service Commission. But now, having found that nearly 10 per cent of all the Federal prohibition officeholders appointed at the instance of church organizations or the Anti-Saloon League or himself have been depraved by the insidious effects of prohibition, Mr. Wheeler seeks the enactment of this bill into law.

Mr. REED of Missouri. Mr. President——

Mr. BRUCE. I yield to the Senator from Missouri.

Mr. REED of Missouri. The number of dismissals for cause nobody pretends covers the number of men who were prompted to resign or who might have resigned under charges. Neither does anybody pretend that we can even hazard a guess as to the number who were not caught and who were neither convicted nor compelled to resign in order to escape discharge or punishment under the law. So that 10 per cent does not at all cover the facts.

Mr. BRUCE. Not at all. It is fair to assume that not a few were not caught because so many other prohibition agents had no wish that they should be caught.

Mr. REED of Missouri. The prohibition director of the State of Missouri, appointed on the suggestion of the superintendent of the Anti-Saloon League, is one of those who is counted here, of course, but his case affords an example. This man, leading this movement in the State of Missouri, was attacking the character of good men. Finally a case was brought into court, and they started to take evidence regarding the gentleman himself. He compromised on an agreement that he would resign his office and cease his activities if the case were not pressed. I have not any doubt there are dozens of such cases right in the department.

Let me make the further suggestion to the Senator, if he will pardon me for making any suggestion——

Mr. BRUCE. With pleasure.

Mr. REED of Missouri. We never have had an investigation of the Prohibition Bureau. We had a hearing upon some bills. The hearing was limited in time. Subpœnas were denied for witnesses, and the evidence which was produced was just such evidence as could be obtained under circumstances of that kind, so there was no chance to follow up and ascertain what the real facts are with reference to the number of men who have been detected in culpable acts.

Mr. BRUCE. Unquestionably only the surface of the corrupt conditions created by prohibition has been opened up.

Now, existing methods of appointment to the prohibition field service having been brought into discredit, it is proposed that prohibition shall extend its corrupt sway into the sphere of the Federal classified service, too. I have not the slightest doubt, such is my confidence in the merit system of appointment, that prohibition field agents appointed under the Federal merit system of appointment would for a time be a decided improvement over the present prohibition field agents. But they, too, would succumb, for sooner or later all men seem to succumb to the degrading influence of this law, which works shipwreck of human character, because it has no real moral force behind it, because it is a violation of reason, because it is a violation of nature, because it attempts at all times and at all places and under all circumstances to make something criminal per se which is not essentially criminal at all. Those are the reasons why the Volstead Act commands no full measure of popular acquiescence. Those are the reasons why almost everybody, high or low, who has anything to do with its administration sooner or later becomes besmirched. We have had illustrations of the fact that even prohibition administrators yield to its base solicitations. So if we bring the prohibition field agents under the civil service system the only effect will be to vitiate that system, to bring it into popular disrepute, and to give political intriguers and spoilsmen a better opportunity than they have ever had in the past to assert their unremitting hostility to it.

As I have often had occasion to say on the floor of the Senate, the State of Maryland ever since the enactment of the Volstead law has refused to enact any State prohibition enforcement law. The main reason why it has refused to do so is because it did not want the police force of Baltimore City to be tarred with the dirty stick of prohibition. What is the result?

Our police headquarters in the city of Baltimore are on one side of a square. The Federal district court is on the other side of the square. The Baltimore Evening Sun stated a few days ago that there has been one arrest for violation of the Volstead Act for every 200 inhabitants of the city of Baltimore. Day after day we have a file of bootleggers and other liquor offenders and their accomplices and abettors passing through the corridors of the Federal district court of Baltimore, and so overwhelming has been the pressure of the business of the court resulting from prohibition that our Maryland Federal district judge—an able and active judge—is afraid that he will have to take to his bed and remain there indefinitely. He is, I am informed, more than a year behind with the business of his court. The suitor, the lawyer, the citizen, everybody is complaining of the arrearages that are clogging its docket. In this court, too, persons have been arrested and convicted who were present or former prohibition agents or individuals connected in some way or other with Federal prohibition enforcement.

How is it at the city police headquarters on the other side of the square? How far have they been protected from abuses by the refusal of the State Legislature of Maryland to have any hand in the enforcement of the prohibition law? I may be wrong, and it is always dangerous to rely on one's memory too confidently when speaking on the spur of the moment, but if I am not mistaken scarcely a single police officer of the city of Baltimore, if any, has ever been involved as such in a prohibition scandal. We know that that would not have been the case if the Baltimore city police had been required to cooperate with the Federal prohibition agents in the enforcement of the Volstead Act.

Mr. CURTIS. Mr. President——

Mr. BRUCE. I yield to the Senator from Kansas.

Mr. CURTIS. I understood the Senator in his opening remarks to say that if the two amendments which he has suggested were agreed to he would have no opposition to the bill.

Mr. BRUCE. None at all.

Mr. CURTIS. Of course, I can not agree for the Senate, but so far as I am individually concerned there will be no opposition to the two amendments on my part, if the measure can be acted upon this afternoon.

Mr. BRUCE. I thank the Senator. He has reached the same conclusion which the Senator from Utah [Mr. SMOOT] reached, and which I think that any reasonable, open mind would reach under the circumstances. For the present, therefore, I have nothing more to say.

Mr. NORRIS obtained the floor.

Mr. WALSH of Massachusetts. Mr. President, a parliamentary inquiry. Is it permissible to amend the motion by striking out the number of the bill and inserting the number of another bill?

The PRESIDING OFFICER. It is not permissible.

Mr. NORRIS. Mr. President, I am in favor of the bill which the Senator from Kansas has proposed by his motion to take up, but I am not in favor of taking it up at the expense of displacing the unfinished business, the Boulder dam bill.

I want to call the attention of the Senate first to the fact that the bill, which the Senator by his motion proposes to take up, is a House bill which has already passed the House. The unfinished business is a Senate bill, so that it has farther to travel than the House bill, practically twice the distance, before it can be enacted into law. In my judgment it is unfair to take the bill which has the farthest to travel and displace it with a bill that has only to pass through the Senate. It may be said that the House bill may be amended. That may be true, but the same thing can be said of the other bill, which may be amended in both Houses. It rather seems to me that if the unfinished business, the Boulder dam bill, were displaced now by the bill to which the Senator from Kansas has referred, it would be a physical impossibility to pass the Boulder dam bill before the fourth day of March.

I know Senators have preferences between these two bills, and I am not complaining of that, but I believe a majority of Senators are in favor of both bills. It does not seem to me to be fair after we have considered the pending bill for a little over a day and there has developed against it a filibuster that we should then lay it aside and take up some other measure. Does the Senate propose to take up the bill which the Senator from Kansas [Mr. CURTIS] would have taken up by his motion, and if there is a filibuster against it lay it aside; and so will we travel on, meaning logically that from now until the 4th of March we shall pass no bill unless it shall be practically by unanimous consent?

Mr. President, I do not believe the Senate ought to say, now that we have wasted all the time that has been devoted to this bill, that we shall now start on a new one, that, as I said, has already passed the House of Representatives. I wish to see both these bills enacted into law, but, anxious as I am for the passage of the bill which the Senator from Kansas has proposed to be considered by his motion, I do not believe and I will not admit that it is of greater importance, in fact, I think, important as it is, it is of less importance than is the Boulder dam bill. I do not know when we have had in recent days or months a bill before us that is of more national importance and which comes nearer to laying down a national

policy in the control, management, and improvement of the national resources of the country than the bill which is now the unfinished business. I do not intend to detain the Senate long nor to enter into a discussion of the merits of either one of these bills, but I do feel that I am justified, since I have not spoken upon this bill, to call attention briefly to what are admitted to be the facts which, in my judgment, are the material facts in connection with the Boulder Canyon bill.

Thus far the debate has been entirely on the part of Senators who represent some one of the States that are directly involved. Everybody knows that the State which I in part represent has no such interest in the question; it has only the interest that every citizen of the United States ought to have; and from my study of the bill and an examination of the ground, both of the dam site and of Imperial Valley and the irrigation ditch therein and the river on Mexican soil, I have reached the conclusion that there is more humanity in this bill than in almost any other bill that the Senate has ever had before it. So I wish briefly to call attention to what everybody admits to be true.

Imperial Valley, lying in some places more than 300 feet below sea level, depending for its water, depending for every blade of grass that grows there upon irrigation, depending upon irrigation in most parts of the valley for its domestic supply of water—Imperial Valley, whose soil is as rich as any soil on earth, is inhabited by 65,000 American citizens, with their homes, their husbands, their wives and children, and with everything on earth they have invested there. It has cities of considerable size, modern in every respect, with paved streets and beautiful public buildings, and a citizenry almost entirely American, as patriotic, as intelligent as any that dwells anywhere beneath our flag.

Senators may say those people went there of their own accord. It is true they did, but they went there with our consent; they went there under the laws of the United States. They have redeemed the desert and made it into a garden. They are dependent, however, for their existence, for their livelihood, for everything they have that is near and dear to them that has come from their sacrifices and their toil—they are dependent upon water, and they are at the mercy, and so is all that property, so are their homes, at the mercy of the flood waters of the Colorado River, which flows above them; and it is admitted here, admitted by all students who have studied the subject, that eventually, unless in some way the flood waters of the Colorado River shall be restrained, Imperial Valley will again become part of the ocean. There is no escape from that conclusion; nobody denies it; those who oppose the bill admit it; it is as true as gospel that unless in some way those flood waters shall be controlled that time must come, because if Senators will study the formation of the Imperial Valley they will find that once it was a part of the ocean; all of that territory was built up by the silt that was brought down from the Colorado River. The Colorado River, which brings down silt, is daily lifting its bed higher and higher, and it will be an impossibility to continue to build the dikes higher and higher.

The catastrophe may not come to-day, or it may be that it will come, before the sun sets to-night; it may not come in the next year or in the next five years; but in all probability it will not be much longer delayed than that, because they have almost reached the limit of raising the dikes to keep the flood waters back, and eventually it will be impossible, because as the bed of the river gets higher the dikes must be built still higher or the river will overflow the valley in times of flood. That is the condition of Imperial Valley. It can not be permanently saved by the building of dikes; it can not be permanently saved unless the flood waters of the Colorado River shall be controlled, and they can not be controlled unless a dam is built not farther up the river than the point above which a great portion of the water comes into the river. A flood-control dam to amount to anything can not be built unless it is built at the mouth of a natural reservoir. Such a reservoir is Boulder Canyon, which is the nearest available site to the mouth of the Colorado River and is below most of the flood waters which come into the Colorado River. That is the first place in traveling up the river where there is a natural location for works to secure such flood control.

Mr. FLETCHER. Mr. President, may I ask the Senator a question?

Mr. NORRIS. Yes.

Mr. FLETCHER. I have never been out there, and therefore am ignorant of the conditions. Do the people of the Imperial Valley get all the water they want now?

Mr. NORRIS. No; they do not.

Mr. FLETCHER. I understood that they were in quite a flourishing condition now and were getting ample water.

Mr. NORRIS. There is only a little over half the Imperial Valley that is irrigated; the remainder of it is above the ditch. The passage of this bill will enable them to build what is called an all-American ditch instead of going around into Mexico, and it will strike the basin higher up than in the case of the present ditch.

Mr. FLETCHER. Where is the Roosevelt Dam located?

Mr. NORRIS. Oh, that is on a different stream entirely; that has nothing to do with this; it is a different watershed, I will say to the Senator.

Mr. JOHNSON. Mr. President, may I say in answer to the Senator from Florida that the Imperial Valley does not have all the water it wants. It has two troubles; first, flood, and next drought. In the low season of water Mexico takes the 50 per cent to which Mexico is entitled, and what is left goes into the Imperial Valley. Two years ago the losses were $6,000,000 because of the lack of water.

Mr. FLETCHER. Is there any danger if this dam shall be built of diverting any of the water that ought to go into the Imperial Valley into some other region?

Mr. JOHNSON. No; if this dam shall be built, there is a unified plan by which an all-American canal will be constructed, as well, fed from the great storage reservoir that will be created back of the dam, and that all-American canal, with its regulated flow, will provide all of the water that is essential to remove all danger of drought.

Mr. FLETCHER. I did not know whether this dam might result in diverting some of the water elsewhere, to some other region.

Mr. NORRIS. No; there is no such proposition involved in any pending legislation; none whatever. It is proposed to provide an immense reservoir, as I have said, and it will be the nearest reservoir to the mouth of the Colorado River. Everybody admits that a dam for the purpose of flood control ought to be constructed. Flood control is the most important thing. Irrigation and water power sink into insignificance, in my opinion, when the homes and lives of men and women are involved—at least the homes, for the inhabitants could drive out before the Colorado River would fill up the entire basin, even if it were flowing right into it to-day. The important thing is that human life is in a measure involved, and that the property of men and women, who have worked their entire lives to acquire it, will be absolutely destroyed unless some time before it is too late provision shall be made to hold back the flood waters of that stream.

What it is proposed to do is to build a dam at Boulder Canyon which will create an immense lake back of it, able to hold the flood waters of the Colorado River and to regulate the flow of the stream. There are times now when there is not enough water to irrigate the Imperial Valley, especially if the waters must also irrigate lands in Mexico; there will be times when the dam will let out more water than flows into the Colorado River at its low stage; but there never will come a time, judging from the experience of the past—and we believe that this is a reliable guide—when it will not be able to hold back the flood waters, at least not for several generations.

That is the proposition involved here; that is what it is proposed to do. We are late now in doing this for our fellow citizens; and, Mr. President, regardless of what may be said about power, regardless of what may be thought about irrigation, I can not conceive how anyone can be against a bill of this kind that seeks to save the homes of 65,000 of our people who are honestly, lawfully, and legitimately in possession of that territory.

The irrigation ditch, the only one that comes into Imperial Valley, is taken out of the Colorado River near the Colorado line, on the American side of the line; but the way the land runs it has to go over into Mexico, 60 miles of it, so that when it gets back on the American side—being compelled, of course, to run by gravity all the time—it is lower down on the side of this basin that comprises Imperial Valley than the water would reach that valley if, instead of going around through Mexico, it went straight through American territory. Hence the all-American canal will almost double the irrigable land of Imperial Valley. It will reach land that can not be reached now. But now, Senators, anyone in Mexico under a foreign flag, any dozen men, any one man, could often ruin the ditch that carries water to all these people, and if that water ceased to flow it would not be 10 hours before the suffering would begin. You can not raise anything in Imperial Valley without irrigation. It is a garden spot with water. It is a barren desert, without any green growing thing in it, if the water is not there.

Now we are asked to displace this bill and take up another bill which I admit is important, which I want to see enacted into law, but I am unwilling to displace a bill of this importance for the purpose of doing that. I do not believe there

is a Senator here, regardless of what he may think about water power and irrigation, who, if he really could see the condition of the Imperial Valley and realize what this legislation means to those people, would not be willing to stay here day and night until we passed or at least got the expression of the Senate on legislation of that kind.

You could build a dam somewhere else, 125 miles farther up. There is not as good a basin for the holding of water there. It will not hold nearly as much. If you did it, there would be a lot of water that comes into the stream below that dam that your basin would not catch. That is admitted. Nobody disputes it. Everybody admits that whether we postpone it or not, if we are going to save Imperial Valley this dam must be built at the particular place designated in this bill. Now, why delay it, when delay may mean the destruction of hundreds of millions of property of men who have acquired it as honestly and fairly and legitimately as property has ever been acquired anywhere?

I remember another thing that I think the Senate ought to know. The place where these breaks occurred in the banks of the Colorado River is not on American soil. It is over in Mexico; but the Americans have to take care of the dikes over there. The Farmers' Irrigation Co., which owns the water that goes into Imperial Valley, owns a railroad that crosses the line and goes over into Mexico, where they have carried thousands and thousands of carloads of dirt and of rock and dumped it along the railroad where the break made it necessary to build the dike. They have paid thousands and thousands of dollars of tariff to the Mexican Government for the right to take this rock into Mexico to build up the dikes that do just as much good to the Mexican irrigators as they do to the Americans. They had to pay a tariff upon the rails and the ties that are in the railroad. This bill will make those people in the Imperial Valley independent of a country over which we have no control whatever; and I appeal to Senators that it is only fair, it is only just that we should fight this thing out while we are part way through, and not change horses in the middle of a stream.

Mr. EDGE. Mr. President, as I have already announced in this Chamber, I am not opposing the so-called prohibition reorganization bill, because, as has been expressed by the Senator from Maryland [Mr. BRUCE], I think it is good policy to have other departments cleared of the contaminating influences of attempted prohibition enforcement, particularly the splendid Department of Customs; and, as I understand existing law, they are intertwined, and the Customs Department has suffered considerably thereby.

Mr. CURTIS. Mr. President, will the Senator yield for a moment?

The PRESIDING OFFICER (Mr. CARAWAY in the chair). Does the Senator from New Jersey yield to the Senator from Kansas?

Mr. EDGE. I do.

Mr. CURTIS. If it is evident that the Senator from New Jersey and others intend to take up the time until half past 5 in discussing this motion, I feel like withdrawing it.

Mr. EDGE. Mr. President, I can speak only for myself. I am not going to take the time of the Senate for 10 minutes. I want to express my own view, and that is all I desire to say.

Mr. CURTIS. Then, when the Senator concludes, I will raise the question again.

Mr. EDGE. I believe in the enforcement of all law, no matter how much I disagree with the law; and I am convinced, further, that a prohibition department absolutely by itself, in no way intertwined with the Customs Department or any other department of the Government, will probably have a better opportunity and perhaps meet with more success, and everybody knows more success is needed. But, Mr. President, I oppose this motion partially for the reasons expressed by the Senator from Nebraska and for other reasons. I believe with a little generalship, a little give and take, the opposition to this reorganization bill possibly could be removed and the bill passed.

The Senator from Maryland [Mr. BRUCE] has clearly indicated that viewpoint. I have likewise. I can not speak for others; but, at least, the effort could be made. If this motion should prevail, however, it is perfectly evident that if any effort is made to delay consideration days probably will elapse before a vote could be reached; and even if, as has been suggested, or perhaps threatened, cloture should be invoked, everyone knows that that means, under the rules, another 48 hours, with, following that, an hour allotted to every Senator who desires to use it to speak, which would extend the time of the consideration of this measure practically until next week.

Why is that necessary? Why not make further efforts to reach an agreement and pass this bill, in view of the fact that most of the opposition seems to have been met, and not in the last days of the session, with much more important legislation which we should consider, consume this time, it seems to me, absolutely unnecessary?

Mr. BRUCE. Mr. President, will the Senator yield?

Mr. EDGE. I yield to the Senator from Maryland.

Mr. BRUCE. May I say, especially is that so as there is another bill pending here seeking to bring these prohibition field agents under the civil-service system.

Mr. EDGE. I was just going to refer to that. I wanted, however, to draw attention particularly to the Alien Property Custodian bill, which has been reported from the committee and is on the calendar, which affects thousands and thousands of citizens. In my judgment, there is a moral obligation to make some final disposition of that measure, getting it into conference, probably, so that the two Houses, if possible, could agree upon a bill. If, however, we are going to consume four or five days on a bill, the principle of which seems to be generally agreed upon, the separation of the two bureaus, it is unfair to other legislation.

Mr. CURTIS. Mr. President, if the Senator will yield, I will withdraw my motion.

Mr. EDGE. I yield the floor.

Mr. CURTIS. I withdraw my motion.

The PRESIDING OFFICER. The Senator from Kansas withdraws his motion to proceed to the consideration of House bill 10729.

Mr. REED of Missouri. Mr. President, I am perfectly aware of the fact that time consumed in speaking for the Boulder dam bill is probably, in effect, an injury to the bill. I simply want to say a very few words touching that measure.

In my judgment, the work proposed to be done is a very great and important one. The objections that I have heard raised do not seem to me to be sufficient to warrant the postponement of this work.

The question of the disposition of power is one that can be controlled by the Government. If the Government builds this dam and creates this power, it ought to be able so to control the situation as to see to it that the power is not monopolized and no State is treated unjustly.

So far as I am concerned, I am rapidly coming to the conclusion that, no matter how much we may be opposed in principle to the Government entering into business, as we sometimes state it, if the great water powers of this country are either to be monopolized by one or two great power combinations or that power must be controlled by the Government and then under some equitable and proper system the power sold to power companies, so that the people may get some benefits from these natural resources, it seems to me that the Government is going to be practically compelled for the protection of the people to continue to control in those cases where the Federal Government expends the money and has the right to control, and that in other cases the Federal Government ought not to interfere so that the States can not control their own water powers.

That is little aside from this bill. I have heard no argument against this bill that is convincing to me. The benefits to accrue are very great. In one sense an emergency exists, and I think that this bill ought to be kept before the Senate until it is disposed of, and when it is disposed of there is another great bill that ought to receive the attention of the Senate at this session, and that is the alien property bill.

Millions of dollars are being withheld from people who are justly entitled to their money. The honor of the Nation is involved. We made our peace with Germany; the war is over by treaty regulations, and I hope that its animosities are disappearing from the hearts of our people and that our eyes are turned to the future and toward the establishment of friendly relations with those peoples with whom we were recently in conflict.

One thing that ought to be done, since we have made these treaties—one thing, indeed, which ought to have been done in consonance with the treaty which existed when the war broke out—is to deal honestly and fairly with the people whose property was impounded during the war.

I do not want to take time to discuss that. That bill is here, and for eight or nine years the owners of those properties and claims have been deprived of their money. The honor, the integrity, the good faith of this Nation can be seriously impaired if that bill is not considered and if just recompense is not made to those people who are suffering the loss of their money.

These two great measures ought to be considered. The Boulder dam proposition is here now; let us dispose of it. We

spent all night last night in an effort to bring that measure to a vote. The Senator from Arizona [Mr. ASHURST], believing that the interests of his people were affected, stood on his feet—I do not know how many hours, but he stood here in his determined opposition—and made as splendid a fight as I ever saw made on the floor of the Senate.

On the other hand, the proponents of the bill stood here contending for the bill. If we were going to reduce this to a question of exhaustion so as to get a vote and prevent the defeat of this bill by a filibuster, the bill should have been kept here this morning, and no person should have spoken except those who were carrying on—I do not like to call it a filibuster, but I guess it was pretty nearly that—who were carrying on the filibuster.

We have taken up the whole of the forenoon to-day in the consideration of other matters, and, of course, a good thoroughbred horse like my friend from Arizona needs only a few hours' rest, and he is ready for another marathon.

Let us dispose of this business. Let those who are opposed to the bill continue their opposition as long as they can. Let us keep the bill before the Senate, and when we are through with that let us take up the alien property bill and dispose of that.

As far as the prohibition bill is concerned, twice the proponents of prohibition have drawn their own measures, twice they have brought them here, and the law has been enacted as it was dictated from the gallery of the Senate by paid gentlemen who come here and lobby all the year around.

Now they have brought forward another bill. I do not know whether it is sound or unsound. I want a little time, at least, to look into it and to know what is back of it. I am not in favor of postponing these great measures for this other measure, which is, in my judgment, somewhat inconsequential.

Mr. ASHURST. Mazeppa answered, "Ill betide the school wherein I learn'd to ride!" Mr. President, if I have spoken at undue length, I learned that dubious art from a master at whose feet I have sat for some years, the eminent Senator from Missouri [Mr. REED]. He has taught many lessons. I am not nominating anyone for President of the United States, the people will do that, but the able Senator from Missouri [Mr. REED], wherever his white plume appears, attracts the admiration and the just admiration of men, whether we agree with him or not.

In bygone days——

Mr. CARAWAY. Mr. President, may I interrupt the Senator?

Mr. ASHURST. Certainly.

Mr. CARAWAY. While the two Senators apparently are on different sides of this question, I judge from the compliments that they certainly have some kind of an understanding.

Mr. ASHURST. I can not withhold a compliment due to the Senator from Missouri simply because he opposes me on the Boulder Canyon bill. I have seen him stand almost alone and fight valiantly for what he believed to be a great cause and a principle. Surely he does not draw strictures upon me for following his shining example.

Mr. REED of Missouri. I am not criticizing the Senator from Arizona at all.

Mr. CARAWAY. I thought I was right about it. [Laughter.]

LOANS TO VETERANS UPON CERTIFICATES

Mr. ASHURST. Mr. President, it must be obvious to men who think into things instead of around things that the Boulder Canyon dam bill can not pass at this session. That is not a threat. I have a sort of contempt for men who make threats.

It is impossible for the Senate within the next eight and a half days to pass the Boulder Canyon bill. Neither the modest efforts of myself nor those of my colleague, nor those of other Senators who view the matter as I do, could stay the progress of the Senate on a bill of this sort, except for the fact that, as Senators begin to examine this bill, they will discover that it deals with one of the most complex and difficult subjects with which they will ever deal, and that legitimate debate would take not less than a fortnight. We have only eight and a half days.

Whilst we are discussing measures which ought to pass, let us not forget the soldier, his widow, and his orphan. Mr. President, I ask to have inserted in the RECORD an editorial from the Asheville Citizen and an editorial from the Arizona Daily Gazette.

I also ask to insert in the RECORD a resolution adopted by the Morgan McDermott Post, No. 7, of the American Legion, Tucson, Ariz., on January 20, 1927.

The PRESIDING OFFICER (Mr. TYSON in the chair). Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[From the Asheville Citizen, February 14, 1926]

ROBBING THE VETERAN

Here is an outrage that tops the list of all those things, ancient and modern, commonly cited to prove the ingratitude of governments. It is the clause in the World War veterans' act, section 202, article 7, which reads:

"After June 30, 1927, the monthly rate of compensation for all veterans (other than those totally and permanently disabled) who are being maintained by the bureau in a hospital of any description and who are without wife, child, or dependent parent, shall not exceed $40."

That for sheer cruelty and picayune rapacity excels every littleness of which governments have been capable. It strikes at sick and crippled men who, called by their country from the business of laying the foundations of their futures, took ship for another country and there fought above the clouds on the wings of death and plunged laughing into the hell of single-handed conflict, and fronted avalanches of shell and steel, and scaled mountains belching fire, and in the end planted their banners on the heights of victory to make our happiness sure and our liberties everlasting.

It robs weak and helpless men who got their wounds and lost their limbs because they gave to their country and their flag all they had—their health, their strong young bodies, their ambition for careers in their chosen lines of endeavor, their dreams of love and hopes of a home and wife and children to welcome them at the close of the day's work. It robs them, because they were rich in heroism, the thing we promised to repay with medals, honors, and a Nation's unlimited generosity.

Their reward is a bed of pain and a hospital's walls and the reflection that because they have won a war and are to-day fighting a long, unending battle they are enriched to the extent of less than $10 a week.

Pending in Congress to-day is a bill to do away with this governmental meanness, and the wonder is that it is still pending instead of enacted into law. The original outrage was perpetrated when patriotism slumbered and justice was off duty. But now that it is detected no citizen will excuse it, no Congressman vote to prolong it.

If such statutory greed can be continued, fair play is dead in our halls of legislation. The man who, prating of patriotism and debts to heroes, advocates that unplumbed depth of littleness is a traitor to his country and his trust. He is worse than that; he is blood brother to the Judas who marked his Master with a kiss and sunk his own soul with the unbearable burden of its cheapness.

[From the Oregon Daily Gazette]

It has been brought to our attention by the disabled veterans at the United States Veterans' Bureau hospital at Whipple that under a clause in the World War veterans' act the compensation of all disabled veterans without dependents will be cut to not to exceed $40 a month after June 30, 1927.

This measure will work a great hardship on the men to whom it applies. These men are in hospitals suffering from disabilities which are directly the result of their war service. They are fighting valiantly to regain the health lost during their war activities so that they may again take their place in the world. They are still fighting the war, though it may be but a dim memory to the great majority.

The men against whom this unjust measure is aimed need the small monetary assistance they are now receiving to help provide for future welfare, to prepare for the time when they may be able to leave the hospital, and to supply small comforts while hospitalized. The clause permits of an interpretation which would take compensation away entirely from these disabled veterans.

The number of men who come under this clause is comparatively small, and therefore the economy it represents is negligible compared to the amount of benefit these men derive from the compensation it would deprive them of.

We can not believe that it is the sentiment of the American public that these men should be cut down in this manner. If anything the veterans who were so badly disabled that they have needed hospitalization down through the years since the war should be given a premium for the suffering they have been forced to undergo. It would be an act of loyalty to these men, who were loyal to us to the point that they sacrificed their health and their future, if every person enjoying the blessing of good health would communicate with the Members of Congress and urge them to support the amendment to section 202, article 7, of the World War veterans' act, which will correct this wrong that will otherwise be inflicted on them after June 30.

Resolution

Whereas the last provision of paragraph 7, section 202, of the disabled American veterans' relief act, passed by Congress on June 6, 1924, as amended by act of Congress of July 2, 1926, reads as follows, to wit:

"After June 30, 1927, the monthly rate of compensation for all veterans (other than those totally or permanently disabled) who are being maintained by the bureau in an institution of any description,

and who are without wife, child, or dependent parents, shall not exceed $40"; and

Whereas this provision constitutes a clear and unjustified discrimination against veterans of that class who are seeking to regain their health in Government hospitals and places a penalty upon the honest effort of the men who are taking advantage of the opportunities to regain their health which are offered to them, and the placing in effect of this provision would likely be the cause of many men leaving Government hospitals before their physical condition justified the leaving of a hospital; and

Whereas the Congress of the United States should not at any time, or in any manner, make or seek to make any distinction between disabled veterans, except upon the question of physical disability alone, and any effort of the Congress to discriminate as between disabled veterans of the same degree of disability should be branded as inequitable, unfair, and plainly unjust; and

Whereas any disabled veteran who has been or may hereafter be awarded compensation in accordance with the degree of his disability is entitled to the payment of full compensation for his disability, without regard to his being or not being a patient in a Government hospital, and without regard to his being or not being married, or having or not having children or dependent parents, and any distinction made between men of the same degree of disability is arbitrary and against the American spirit of a square deal; and

Whereas we fear that the enforcement of this provision would prove to be an opening wedge of a concerted effort to deprive all disabled veterans of the right of compensation, and that its enforcement would pave the way for the reduction of compensation of those veterans described in said provision to an absolute minimum, the provision setting out that the monthly rate of compensation of such veterans "shall not exceed $40," thereby giving the bureau an unrestricted power to reduce the compensation of such veterans to nothing at all, pauperizing them and rendering them helpless; and

Whereas such condition would, beyond question, bring about an untold amount of mental suffering and worry which would naturally react to the detriment of the physical condition of such veterans, thereby tending to break down and destroy whatever good results which might have been attained by the long-continued fight for the relief of disabled veterans: Now, therefore, be it

Resolved by members of Morgan McDermott Post, No. 7, the American Legion, Tucson, Ariz., in regular meeting assembled on this 20th day of January, 1927, That we unanimously recommend the repeal of the provision of the law quoted above, and that we sincerely urge the Congress of the United States to repeal said provision on the grounds of fairness, justness, and square dealing; and be it further

Resolved, That copies of this resolution be forwarded to the Hon. CARL HAYDEN, Member of Congress, and the Hon. HENRY F. ASHURST, United States Senator, and to the Hon. RALPH H. CAMERON, United States Senator, and to the Hon. LEWIS DOUGLAS, Congressman elect from Arizona, and to the Committee on World War Veterans' Legislation of the House of Representatives.

* * * * * * *

The foregoing resolution was unanimously adopted at a regular meeting of Morgan McDermott Post, No. 7, the American Legion, Tucson, Ariz., on January 20, 1927.

Mr. ASHURST. Mr. President, I now move that the Senate proceed to the consideration of H. R. 16886, a bill to authorize the Director of the United States Veterans' Bureau to make loans to veterans upon the security of adjusted-service certificates.

I demand the yeas and nays upon that motion.

The PRESIDING OFFICER. The question is upon the motion of the Senator from Arizona.

Mr. JOHNSON. Mr. President, there is no reason, of course, why this legislation can not be passed, and will not be passed. There is no necessity, except the necessity that confronts the Senator from Arizona in this particular controversy, for moving to take it up at this particular time. The design, of course, is obvious. I presume the Senator seeks to displace the pending business.

Mr. ASHURST. Will the Senator yield?

Mr. JOHNSON. Surely.

Mr. ASHURST. The Senator is a student of natural philosophy, and knows that two bodies can not occupy the same place at one and the same time. Of course I intend to try to displace the bill the Senator has so ably advocated.

Mr. JOHNSON. Mr. President, that is part of the filibuster which is being attempted upon the Boulder dam bill. I do hope, while we may make the arrangements which are essential for taking up this veterans bill at any time and under any circumstances, that this motion will not be agreed to.

We have just had a discussion here concerning another bill which was designed to displace the unfinished business. There is no reason in the world why this veterans bill, to which there is no opposition, and which ultimately will be passed, of course, should displace the unfinished business that is before the Senate now, the Boulder dam bill. I trust that those who believe in that legislation, as well as those who believe in the legislation that is sought to displace it, will not permit the motion to prevail.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona, on which the yeas and nays have been demanded.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. FLETCHER (when his name was called). I have a general pair with the junior Senator from Delaware [Mr. DU PONT]. In his absence I withhold my vote.

Mr. REED of Pennsylvania (when his name was called). I have a general pair with the senior Senator from Delaware [Mr. BAYARD]. I do not know how he would vote. I am unable to obtain a transfer and therefore withhold my vote.

The roll call was concluded.

Mr. BRATTON. My colleague, the senior Senator from New Mexico [Mr. JONES], is absent on account of illness. If he were present, he would vote "yea" on this question.

Mr. McMASTER. My colleague, the senior Senator from South Dakota [Mr. NORBECK], if present, would vote "nay."

Mr. ROBINSON of Arkansas. I desire to announce that the senior Senator from Delaware [Mr. BAYARD] is detained from the Senate by reason of the funeral of former Senator Willard Saulsbury.

Mr. PITTMAN. I wish to announce that the Senator from Rhode Island [Mr. GERRY] is necessarily detained from the Senate. If present, he would vote "yea."

Mr. JONES of Washington. I desire to announce the necessary absence of the Senator from Nevada [Mr. ODDIE] on account of illness.

The result was announced—yeas 31, nays 43, as follows:

YEAS—31

Ashurst	Glass	Neely	Steck
Blease	Harris	Overman	Stephens
Bratton	Hawes	Phipps	Swanson
Broussard	Heflin	Pine	Trammell
Cameron	King	Ransdell	Tyson
Caraway	McKellar	Robinson, Ark.	Underwood
Ferris	Mayfield	Sheppard	Walsh, Mass.
George	Metcalf	Smith	

NAYS—43

Bingham	Ernst	Kendrick	Sackett
Borah	Fess	Keyes	Schall
Bruce	Frazier	La Follette	Shipstead
Capper	Gillett	Lenroot	Shortridge
Copeland	Goff	McMaster	Stewart
Couzens	Gooding	McNary	Wadsworth
Curtis	Gould	Moses	Walsh, Mont.
Dale	Hale	Norris	Warren
Dill	Harrison	Nye	Watson
Edge	Johnson	Pepper	Willis
Edwards	Jones, Wash.	Reed, Mo.	

NOT VOTING—21

Bayard	Harreld	Oddie	Stanfield
Deneen	Howell	Pittman	Weller
du Pont	Jones, N. Mex.	Reed, Pa.	Wheeler
Fletcher	McLean	Robinson, Ind.	
Gerry	Means	Simmons	
Greene	Norbeck	Smoot	

So Mr. ASHURST's motion was rejected.

ALIEN PROPERTY ADJUSTMENT

Mr. ASHURST. Mr. President, this may be the last opportunity Senators will have to do justice to those ex-service men who went through the iron storm of war in order that liberty and opulence might prevail throughout the United States. A high duty of a nation is to keep its treaty. Therefore I now move that the Senate proceed to the consideration of Calendar No. 1415, the bill (H. R. 15009) to provide for the settlement of certain claims of American nationals against Germany and of German nationals against the United States for the ultimate return of all property of German nationals held by the Alien Property Custodian, and for the equitable apportionment among all claimants of certain available funds. Upon that motion I ask for the yeas and nays.

Mr. REED of Pennsylvania. Mr. President, on Monday evening last the Senate wasted the entire evening. I was more to blame perhaps than any other Senator for promoting that waste in the controversy over the bill to permit loans from the Veterans' Bureau directly to the holders of adjusted compensation certificates. Every Senator present, so far as I could discover, was in favor of that bill. The bill was not passed because the Senate had added to it an amendment offered by the Senator from New Mexico [Mr. BRATTON] changing some of the provisions of the World War veterans' act of 1924, and because of the controversy over that amendment the bill in which we all believed was forced back to the calendar on Monday night.

We are going to take up the calendar again to-night, and that bill will again be reached, and there is every reason to anticipate a similar controversy and a similar result.

I have not changed my mind in the least about the amendment of the Senator from New Mexico, but I realize that it is doing a great injustice to many meritorious bills on the calendar to allow that controversy to be renewed again to-night and to waste three hours of the time of the Senate which ought to be spent on the calendar.

Therefore, swallowing my opinion about the amendment, I am going to ask unanimous consent, that the unfinished business be temporarily laid aside and that the veterans' loan bill, with the amendment of the Senator from New Mexico——

Mr. ASHURST. Or any other amendment any Senator sees fit to offer.

Mr. REED of Pennsylvania. Will the Senator permit me to finish—with the amendment of the Senator from New Mexico in the shape in which it came from the Committee of the Whole and is now pending in the Senate, so that that bill may be considered and passed at this time. I am convinced it will be passed in 60 seconds if consent is given.

Mr. JOHNSON. Mr. President, I very gladly consent to the course suggested by the Senator from Pennsylvania.

Mr. ROBINSON of Arkansas. Mr. President, I gave notice on yesterday, a notice which was read and printed in the RECORD, that some time to-day I would make a request similar to that which the Senator from Pennsylvania [Mr. REED] has just made. I want to say that I think the request should be granted. The bill unquestionably would have passed on Monday evening last but for the fact that just prior to the time when the Senate had agreed to adjourn, at 11 o'clock, a demand was made on the Senator from New Mexico [Mr. BRATTON] to the effect, substantially, that he consent to a reconsideration of the vote by which his amendment had been agreed to; otherwise that the bill should fail. It was manifestly impossible under the circumstances to secure action on the bill, because the Senate had expressed itself by an overwhelming vote in favor of the amendment of the Senator from New Mexico. I believe that the Senate ought to pass the veterans' loan bill, and I hope that some agreement may be entered into looking toward that end.

Mr. BORAH. Mr. President, do I understand that the unanimous-consent agreement provides for the consideration of the bill and any amendments which may be offered?

Mr. REED of Pennsylvania. If any additional amendments should be offered, I should feel compelled to call for the regular order.

Mr. BORAH. Before I agree to the unanimous-consent agreement, I should like to know whether that would be the effect of the unanimous-consent agreement, if entered into, that amendments may be offered in case the bill comes before the Senate?

The VICE PRESIDENT. The understanding of the Chair is that the bill is to be considered in its present shape.

Mr. ROBINSON of Arkansas. I did not hear the statement of the Chair.

The VICE PRESIDENT. The understanding of the Chair is that the unanimous-consent agreement would cover the bill in its present shape, the bill as amended. The status of the bill is that it is in the Senate, and the question is upon its third reading.

Mr. ROBINSON of Arkansas. I did not understand that the request of the Senator from Pennsylvania precluded the offering of additional amendments.

The VICE PRESIDENT. In the case of the bill referred to the question is on concurring in the amendments made as in Committee of the Whole.

Mr. REED of Pennsylvania. I think it is too late in the progress of the bill to offer any other amendments.

Mr. MOSES. The bill will be in the Senate and will be open to amendment.

Mr. REED of Pennsylvania. The bill has been in the Senate.

Mr. MOSES. And it is in the Senate now.

The VICE PRESIDENT. Neither of the amendments made as in Committee of the Whole has been concurred in in the Senate; the bill is yet in the Senate and is open to amendment.

Mr. ROBINSON of Arkansas. That was my understanding; and the unanimous-consent request submitted by the Senator from Pennsylvania does not preclude the offering of other amendments.

Mr. MOSES. I want to be sure about that before assent is given.

Mr. REED of Pennsylvania. Mr. President, in view of that fact, I want to say that I shall feel obliged to call for the regular order if it should be attempted to tack any other amendments onto the bill.

Mr. ASHURST. I ask for the yeas and nays on the motion to take up Order of Business 1415, being House bill 15009, which is known as the alien property bill, and which is a bill to keep our treaties.

Mr. BORAH. Mr. President, I think the Senator from Arizona is mistaken about this being a bill to keep our treaties. It is a bill not to keep our treaties, and could not be possibly disposed of between now and 5 o'clock.

Mr. ASHURST. I hope not.

Mr. BORAH. I do not want to become particeps criminis to that character of proceedings; that is what I was going to say.

Mr. ASHURST. The Senator has taken a part——

Mr. BORAH. No.

Mr. ASHURST. I withdraw that. I was thinking of another Senator. [Laughter.]

Mr. BORAH. I can not myself vote for the motion, although I am in favor of taking up the bill, but I want to have ample time in which to dispose of it.

Mr. ASHURST. The Senator will have ample time if the bill shall be taken up. I ask for the yeas and nays on my motion.

Mr. REED of Pennsylvania. Mr. President, I ask that the motion may be stated.

The VICE PRESIDENT. The motion of the Senator from Arizona is to proceed to the consideration of House bill 15009, which is known as the alien property bill.

Mr. REED of Pennsylvania. A parliamentary inquiry. If that motion shall prevail, will not that bill be the unfinished business when the Senate finishes its morning business to-morrow?

Mr. ASHURST. Yes, sir.

Mr. REED of Pennsylvania. So that the bill does not need to be disposed of by 5 o'clock to-day.

Mr. ASHURST. No.

The VICE PRESIDENT. Should the Senate adjourn while the bill is pending to-night it will be the unfinished business. The motion is debatable.

Mr. ASHURST. I ask for the yeas and nays on my motion.

The yeas and nays were ordered.

Mr. TYSON. Mr. President, a parliamentary inquiry. What is the question before the Senate?

The VICE PRESIDENT. The question is on the motion that the Senate proceed to the consideration of the alien property bill. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FLETCHER (when his name was called). Announcing my pair as before, with the Senator from Delaware [Mr. DU PONT], and not knowing how he would vote, I withhold my vote.

Mr. UNDERWOOD (when his name was called). I have a general pair with the senior Senator from Massachusetts [Mr. GILLETT]. He is absent, and, as I do not know how he would vote if present, I withhold my vote.

The roll call was concluded.

Mr. REED of Pennsylvania. I have a general pair with the Senator from Delaware [Mr. BAYARD], who is absent. I think I can state that, if present, he would vote "yea" on this motion. Therefore I feel at liberty to vote, and vote "yea."

Mr. McMASTER. I wish to announce that the senior Senator from South Dakota [Mr. NORBECK], if present, would vote "nay."

Mr. MOSES. I inquire if the junior Senator from Louisiana [Mr. BROUSSARD] has voted?

The VICE PRESIDENT. The Senator from Louisiana has not voted.

Mr. MOSES. I have a general pair with that Senator, and, inasmuch as he has not voted, I withhold my vote.

Mr. JONES of Washington. I desire to announce the necessary absence of the Senator from Nevada [Mr. ODDIE] on account of illness.

Mr. ROBINSON of Arkansas. I wish to announce that the senior Senator from Delaware [Mr. BAYARD] is necessarily detained by attendance upon the funeral of former Senator Willard Saulsbury, of Delaware

I also desire to announce that the senior Senator from Rhode Island [Mr. GERRY] is necessarily detained. If present, the Senator from Rhode Island would vote "yea."

The result was announced—yeas 29, nays 44, as follows:

YEAS—29

Ashurst	Ferris	Overman	Steck
Bingham	Glass	Pepper	Stephens
Blease	Goff	Phipps	Trammell
Bratton	Gould	Ransdell	Wadsworth
Cameron	Hawes	Reed, Pa.	Walsh, Mass.
Caraway	King	Robinson, Ark.	
Edge	McLean	Simmons	
Edwards	Metcalf	Smith	

NAYS—44

Borah	Gooding	La Follette	Sackett
Bruce	Hale	McKellar	Schall
Capper	Harreld	McMaster	Sheppard
Copeland	Harris	McNary	Shipstead
Couzens	Harrison	Mayfield	Shortridge
Curtis	Heflin	Neely	Stewart
Dale	Howell	Norris	Walsh, Mont.
Dill	Johnson	Nye	Warren
Ernst	Jones, Wash.	Pine	Watson
Fess	Kendrick	Pittman	Wheeler
Frazier	Keyes	Reed, Mo.	Willis

NOT VOTING—22

Bayard	Gerry	Moses	Swanson
Broussard	Gillett	Norbeck	Tyson
Deneen	Greene	Oddie	Underwood
du Pont	Jones, N. Mex.	Robinson, Ind.	Weller
Fletcher	Lenroot	Smoot	
George	Means	Stanfield	

So Mr. ASHURST's motion was rejected.

Mr. REED of Pennsylvania. Mr. President, I wish to give notice that as soon after 4 o'clock to-morrow afternoon as I can obtain recognition I shall move that the Senate proceed to the consideration of the alien property bill.

LOANS TO VETERANS UPON CERTIFICATES

Mr. ROBINSON of Arkansas. Mr. President, pursuant to the notice I gave on yesterday, I ask unanimous consent that on to-morrow, Thursday, at 3 o'clock p. m., the unfinished business before the Senate, if any, be temporarily laid aside, and that the Senate proceed to the consideration of the veterans' loan bill for one hour, unless the bill shall be sooner disposed of.

The VICE PRESIDENT. Is there objection?

Mr. BINGHAM. Mr. President, what would be the parliamentary situation if the bill should not be disposed of at the end of an hour?

Mr. ROBINSON of Arkansas. The bill would go back to the calendar, of course.

The VICE PRESIDENT. Is there objection? The Chair hears none. The request of the Senator from Arkansas is agreed to.

MUSCLE SHOALS

Mr. HARRISON and Mr. COPELAND addressed the Chair.

The VICE PRESIDENT. The Senator from Mississippi.

Mr. HARRISON. I voted against taking up other bills and stopping consideration of the Boulder dam measure because I wanted to see the Senate have a reasonable time to consider it.

I had understood, too, from the Senator from California that he had no objection to laying it aside temporarily for the consideration of other important measures.

On last Friday or Saturday I brought to the attention of the Senate, when this matter was pending in the Senate, the question of Muscle Shoals, and the consideration of the report of the joint committee. I ask unanimous consent now that the Boulder dam bill be temporarily laid aside, and that we take up Senate bill 4106, dealing with Muscle Shoals, and that we consider it for two hours.

The VICE PRESIDENT. Is there objection?

Mr. REED of Pennsylvania. Mr. President, the Senator from Illinois [Mr. DENEEN], who has been very active in this matter, is not here. It does not seem right to take it up in his absence.

Mr. NORRIS. Mr. President, I should like to suggest to the Senator that I would not object to doing that if he will fix a day any time after to-morrow. The reason I suggest that is because the Committee on Agriculture and Forestry, which were to take up a resolution pending before the committee yesterday—I think it was yesterday; I have rather lost track of the time—were precluded from doing so on account of the Senate meeting at 11 o'clock. That meeting was adjourned, therefore, until to-morrow morning. We will have that resolution up to-morrow morning. It is possible that the committee will act on it. If they do, and report out anything, it ought to come up at the same time with the bill to which reference has been made.

Mr. HARRISON. The Senator from Illinois [Mr. DENEEN] is now on the floor, may I say to the Senator from Nebraska.

Mr. NORRIS. I have not said anything about the Senator from Illinois.

Mr. HARRISON. The Senator from Pennsylvania [Mr. REED] suggested that the Senator from Illinois was not then on the floor. That is why I made the observation.

Mr. NORRIS. Will the Senator make that the next day? As it is now, it fixes to-morrow. Make it Friday.

Mr. HARRISON. I am asking for the consideration of this bill, which was recommended by the joint committee. Of course, if the Committee on Agriculture and Forestry should take an adverse position on this proposition and should report out a bill that the Senator from Nebraska has introduced, I might support the measure if the Senate should take unfavorable action upon this bill; and I would rather have the Senate take action now, so that we will know where we are, rather than to wait until Friday.

Mr. NORRIS. I think we will conserve time if we take it all up at once. I will not object if the Senator will make the time Friday; but I should not want to take up that measure to-day, and then on Friday take up another one.

Mr. SMITH. Mr. President, if the Senator from Mississippi will allow me, I think the Senator from Nebraska is correct. We have before us a proposal which is in the nature of a compromise; and, in view of the communication that has already come from the State of Alabama, I think all this matter ought to be laid before the committee that has this legislation in charge, which meets to-morrow to consider this very question. I desire to call the Senator's attention to the fact that in view of the action of the other body I think it would be an absolutely futile thing for us even to consider the resolution that is now on our table, because it is likely that it would receive the same fate in the House that this proposition has received in the committee.

I hope, therefore, that the Senator from Mississippi will not insist that we take up this measure to-day, but that he will allow us to report from the committee what in the judgment of the committee would be the best for us to do in the interest of that for which the bill was originally framed.

Mr. NORRIS. I should like to add to what the Senator has said that if we take up this bill and the substitute, which the Senator from Alabama has proposed for it, a bill that has never yet been taken up in the Senate, that disposes of this property, that has never been considered by a standing committee of the Senate——

Mr. SMITH. The Senator means the substitute proposed by the Senator from Alabama?

Mr. NORRIS. I mean the bill which the Senator from Mississippi asks unanimous consent to take up—we can not dispose of that in an hour or two hours.

Mr. HEFLIN. The Senator is referring to the American Cyanamid Co's. bid, as I understand.

Mr. HARRISON. Mr. President, may I say, in reply to the Senator from South Carolina and the Senator from Nebraska, that for eight years, or about that time, this Muscle Shoals proposition has been before the American Congress. The Boulder dam proposition, which I am in favor of staying here a reasonable time to consider, has been before Congress only a few months. One means as much to the people of the South as the other means to the people of the Southwest. The Committee on Agriculture and Forestry of the Senate has reported out, I think, at least two bills to the Senate, and the Senate has passed at least one bill, the so-called Underwood bill, which died only in the closing hours of the Congress on a conference report.

If there is one subject that Senators should know something about, it is the Muscle Shoals proposition, when you consider the length of time that proposition has been before Congress.

A year ago, I think, both Houses of Congress appointed a joint committee to go out and receive bids, and to report to Congress the lowest and the best bid. From the Senate, distinguished Senators were appointed on this joint committee. The same is true of the House. They brought into conference with them Cabinet members. They brought to their support, in conference, experts on this question. They brought there the bids submitted after advertisements were made broadcast throughout the country. They made their recommendation months ago. It is pending before this body in the form of this Senate bill. It carries with it the recommendation of a bid that means millions of dollars more than any other bid that has been made, or any other bid presented to this committee. Out of respect to this committee, it is due to them that the Senate should at least give some consideration to their recommendation.

I have not tried to delay the consideration of other propositions; but I do think that two hours, at least, of time at this stage of the session should be given to the consideration of the report of this joint committee. These members, able gentlemen as they were, gave their time and services at the direction of both Houses of Congress to consider these bids, and it seems to me that we ought to consider them. Of course, if there is going to be some filibuster against a two-hour discussion of the matter, and we can not get any result therefrom, it is useless to take up the time of the Senate to-day in the consideration of Muscle Shoals; and I am going, if it meets with the approval of other proponents of this bill, to assent to the suggestion of the Senator from Nebraska, who has offered a compromise measure, temporary in character, until Friday.

So I ask unanimous consent that on Friday, immediately following the reading of the Journal of the Senate, if the Senate should adjourn on Thursday, or, if it should recess, at the

opening of the session, Senate bill 4106 be taken up for consideration, and that it be considered for two hours.

Mr. UNDERWOOD. Mr. President, I do not want the unanimous-consent request put until I obtain recognition. I did not want to interrupt the Senator.

I shall not object to the unanimous-consent request made by the Senator from Mississippi, although I am not in favor of the bill proposed by the joint committee of the two Houses. I have no idea that this proposition can be disposed of in two hours. I wish it could be. I wish it could be solved and disposed of. After debating the issues involved here now for practically a whole winter, only two years ago, I am not at all inclined to think that the Senate can reach a conclusion in two hours; but I believe an effort ought to be made. If the issue comes before the Senate, and an opportunity is offered, I prefer another solution of the problem to that which is offered by the committee or by my friend from Nebraska, and I certainly should take advantage of the opportunity of offering it.

I wanted to say this, though: I am not prepared to commit myself to the proposal made by the Governor of Alabama in his letter just laid before the Senate, because I have not investigated the proposition that comes before us to an extent that would justify my reaching a conclusion on what is said; but I know that the Governor of Alabama will be here tomorrow to present the views of the State of Alabama to the President of the United States, and I understand that he hopes to have an opportunity on Friday next to present his views to the committee.

As this great enterprise is located in Alabama, and the governor speaks for the State in which it is located, and there is only a day intervening, of course I think that it would be eminently proper that the Governor of Alabama should have the opportunity to present the viewpoint of the State before action is taken; but I do not believe that this conflicts with what my friend from Mississippi or my friend from Nebraska now proposes.

Mr. NORRIS. Mr. President, if the Senator will permit me to interrupt him, I certainly make no objection to the Governor of Alabama presenting his views to the committee. I shall be glad to have him do it, and I am willing that everything shall wait until he comes, or go on with this other matter and let him be heard afterwards. The Senator, I think, will recognize that the unanimous-consent agreement does not necessarily dispose of it.

Mr. UNDERWOOD. Oh, no; I recognize that. The only reason why I am speaking briefly now is that the question is before the Senate, and unfortunately I have been ill all winter, and something might happen to prevent my being here on Friday; and I merely wanted to occupy a short space of time in presenting my viewpoint in the RECORD, now that the issue is before the Senate.

Mr. KING. Mr. President, will the Senator suffer an interruption?

Mr. UNDERWOOD. Yes.

Mr. KING. The Governor of Alabama, in the letter just read, as I interpret it, announces what I conceive to be a very sound doctrine, and one which every Democrat should support; namely, that the States have sovereignty over the streams, the beds of the streams, the banks, and the water within the banks within their respective boundaries. Do I understand the Senator from Alabama—I could not hear all that he said—to differ from the very sound exposition of a fundamental principle of the able Governor of the State of Alabama?

Mr. UNDERWOOD. I stated very clearly—and I think my friend would have understood me if he had been listening—that I did not take issue with the governor's position, although I did not commit myself to the position he takes.

Mr. NORRIS. Mr. President, may I interrupt the Senator again?

Mr. UNDERWOOD. Yes.

Mr. NORRIS. I think that anything the Governor of the great State of Alabama should announce as a program ought to be given consideration. I do not agree with the governor in this at all; but if the governor is right—and the Senator from Utah believes he is right—and if the Congress shall act on his suggestion, it would settle the Muscle Shoals problem very easily. All we will have to do will be to give a deed to the State of Alabama for the property that the Government has there, and then make an appropriation of several million dollars to pay Alabama for the electric current we would consume down there, both for governmental purposes and for sale, and that would end it all. If that view is to be taken, we need not discuss any of these bills. If that view is to be taken, we will not have anything to do at Muscle Shoals except to deed it all to the State.

Mr. UNDERWOOD. Mr. President, I want to say to the Senator from Utah that I do not contest the proposition he has just stated, because it has been decided by the Supreme Court of the land that the original States owned the beds of rivers within their boundaries; and I take it that Alabama has the same right, having been admitted to the Union, that the original States had.

Mr. ASHURST. Mr. President——

Mr. UNDERWOOD. I do not want to get into a controversy, if the Senator will pardon me.

Mr. ASHURST. I am immensely gratified to hear what the Senator has said.

Mr. UNDERWOOD. I am speaking under some difficulty, and I ask my friends not to interrupt me.

Mr. ASHURST. The Senator's statement was sweet music to my ears. I will not interrupt him further.

Mr. UNDERWOOD. I have no controversy on that issue with the Senator from Utah, none at all, nor with the Governor of Alabama, but this is a navigation dam, built primarily for the purpose of navigation. That raises another question, and I do not foreclose that question or attempt to decide it.

The governor of my State will present his own viewpoint to the Congress and to the committee, and as I shall retire within about a week it is a heritage that does not belong to me. It belongs to my colleague and my successor, and therefore I do not care to discuss it. But I wish to say this, that my objection to the bill which my friend from Mississippi desires to call up is that it does not go to the point, in my judgment, to which we are really committed. I do not believe the Congress would ever have spent a dollar in building the great dam at Muscle Shoals if it had not done so as a matter of national defense and, secondly, to supply fertilizers to the farmers of America.

I realize that the proposal made by the committee seems to cover that point. It apparently seeks to provide for the manufacture of nitrogen, but I never have been satisfied that the proposal could carry out the question of making nitrogen, and therefore I have never stood for it.

For the same reason I do not favor the proposal made by my friend from Nebraska to lease this dam for five years for the power that can be created in the dam, because whether we use it or whether we do not the Government has put in the bed of this river $50,000,000 to make nitrogen for national defense, and I think that plant should stand there for national defense as a battleship stays on our coast for national defense. That ought to be the primary object, and we should not be diverted to any other purpose.

We may make a mistake in building a battleship, but we do not scrap it. This plant may not be the last word in making nitrogen, but nitrogen has been made there, and the plant was built for national defense. To say that we will delay this matter further seems to me to be an indictment against the competency of the Congress of the United States.

This issue has been before us practically since the Great War. The dam was nearing completion the year after the Great War, and the Congress then began to consider what disposition should be made of it. We not only spent weeks, but months, in discussing the problem to which we are already committed in the enabling act, that the dam should be built for the purposes of national defense, and the power in time of peace should be used for the manufacture of fertilizer in the plant that is already there.

I am not going to resist the consideration of the question in the closing hours of this Congress. I think the opportunity to reach a result has been foreclosed, unless a miracle happens, for we can not discuss it within the time remaining and reach a final conclusion. I hope we can. There is no question that I would rather see finally disposed of at this time than the Muscle Shoals Dam proposition. But I do not believe there is time to complete it.

If this were a new proposal and we had not considered it, there might be a great deal in the suggestion of the Senator from Nebraska that we take time to look into it, but the Congress has been looking into it for the past five years, discussing it and considering it, and in my judgment the time has come for action, not further consideration, not further investigation. Here is a great investment of the Government, a business investment that can produce the interest on the money which the Government has expended on it, a remarkable expenditure in that respect, and rivaled by no other that has ever been made in this country.

Does that mean, Mr. President, that the Congress of the United States is incompetent to pass on a business proposal; that when a real business question comes before the Congress

of the United States we are unable to consider it and ultimately pass on it in a business way? It seems so.

I think one sitting on the outside years from now and reading the record, divorced from all feeling of prejudice in the matter, must come to the conclusion that we fail to act in the disposition of this great problem simply because of our inability to do so. So that I should welcome a real consideration of this question if we could have it. But I do not think anything will be accomplished by a perfunctory consideration, although I have no objection to it being debated. I do hope, however, that if that is the viewpoint of the Congress, we may take up the question with a real determination to solve it, and give an opportunity to those who have proposals to make to submit their proposals, limit debate, and vote on it as a business proposition.

As I have said, I differ with the proposal of the committee. I differ with the proposal of my friend from Nebraska. I have a viewpoint of my own, but I would be perfectly satisfied if I could get an opportunity to propose my viewpoint and get a vote.

Mr. SMITH. Mr. President, in reply to what the Senator from Alabama has said about the Congress evidencing its inability to dispose of this, a great business project, in a businesslike way, the Senate must not forget that every resolution we passed, in an effort to solve the difficulty, was so hedged about with restrictions that when the committees or the commissions that we appointed reported, in accordance with the terms imposed by the Congress, the Congress would not accept the proposals. All the bids which have been submitted to this body for Muscle Shoals have carried in them such monstrous differences between what we considered the value of the property and what was offered that of course, as business men, we would have nothing to do with them.

The fact of the matter is that we ought to do one of two things. Under the original proposal, which is now the law, we ought to provide means for the Government to go ahead and develop the processes for which this property was dedicated, and demonstrate whether or not it is feasible to do the things for which it was dedicated, and for which we have taxed the American people $150,000,000.

We have come to the point, as the Senator from Alabama knows, when the power is now available, when the latest process of making nitrates is available. We should now take the turbines that are now installed at Muscle Shoals, use the power, and proceed with the dead work (to use the language of the inventor), and demonstrate to the American people to what extent this property, solemnly dedicated for a specific purpose, can perform that purpose; when we shall have so determined whether or not it is, then to take such action as, in our judgment, is beneficial for the American people.

It is a very simple proposition. The Senator from Alabama and I were the original proponents of this measure, which became law, dedicated to the purpose of producing nitrogen for defense in time of war and the solution of the fertilizer problem in time of peace.

Now, we have come to a stage where we have the power, we have the machinery, and are on the very threshold of demonstrating what the Senator and I told the American people was our intent and purpose, and so earnest were we that we incorporated in the fundamental law a provision that no private individual, no outsider, should have any part or parcel in this tremendous work for the defense of the country and for the maintenance of the plant to produce fertilizers during times of peace.

Now that we have come to where the power is produced and the money has been expended, the good faith of the American people and the good faith of the Congress are put to the test. We have spent five or six years dickering with private corporations which in their very bids have evidenced the fact that they do not propose to enter into a contract unless the Government, in the concessions it makes, will give them at least $70,000,000 as a bonus yearly out of the property of the American people and then leave it to their sweet will as to what extent they will carry out the dedicatory purposes of the measure. It is to the shame of the American Congress, with the express order of this body in good faith in behalf of the people who have paid their taxes, that just at the moment when we are able to demonstrate what may be done and what can not be done, we turn about face and, because the war is not driving us to provide for our defense in time of distress, we propose to lease this property to private individuals who are not going to touch it with anything like a reasonable return to the Government until the art of developing nitrogen has been so standardized. They do not propose to jeopardize their dollars by carrying on the dead work. The Government should hold and operate it at least until the dead work has been accomplished and the public knows whether or not these ingredients can be made in the form in which we dedicated this plant to make.

Now, what is the natural thing for us as business men to do, the term used by the Senator from Alabama [Mr. UNDERWOOD], in reference to this project at Muscle Shoals? If we are business men, honest men keeping the faith with the people, proposing to lease this property, ought we not to know what we are leasing? What are we leasing? I ask anyone here, who has in good faith studied the matter for the people, what we propose to lease at Muscle Shoals? There is but one thing developed beyond any question. There is but one art in the proposition which has reached its perfection and standardization, and that is the development and transmission of power, which is the great desideratum of the commercial world. It lights our homes. It runs our street cars. It has to do the great manufacturing work of the country. It is in great demand, and therefore that art being perfected there is a clamor to convert this plant into a power project.

What about the millions of acres in your State and in my State which have to pay practically the gross proceeds of those acres for the fertilization that went into them? Do not you and I owe anything to this vast army, disorganized and helpless, who are dependent upon the return from the soil for the miserable existence they eke out? Are we not under any obligation to those for whom we pledged on our part the development of this great property when we on this floor solemnly pledged them we would set aside a water power or water powers and demonstrate whether or not nature had provided a storehouse in the air from which an unlimited amount of fertilizer might be drawn for their benefit, and then in the very moment of possible fulfillment of that promise we propose to turn it over to the very people who from time immemorial have been extracting from them an unjust proportion of their production.

Mr. UNDERWOOD. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from South Carolina yield to the Senator from Alabama?

Mr. SMITH. I yield.

Mr. UNDERWOOD. I do not know whether the Senator was addressing his remarks to me, although he was speaking to me. I do not want my attitude misunderstood in the RECORD. In the remarks I made a moment ago I said the original purpose of the initial act should be carried out. The Senator probably was not in the Chamber when I made the statement. I never have stood for anything else, and I am for no other proposal than that we shall agree to a proposition which will put national defense first and fertilizer second in the disposition of the Muscle Shoals property. But I do think that in approaching the matter the Congress of the United States is subject to the indictment of failing to transact business in a businesslike way.

Mr. SMITH. The indictment of the Senator is correct, and the cause is not hard to see. In the first place, we have not studied the proposition as a body to know just what is involved. The necessity for this fertilization exists in only a portion of our country. There are very few people outside of the Atlantic seaboard States and a few of the Gulf States who know what the necessity for artificial fertilization means. Strangely enough, what used to be called the pine-barren lands of the South have been proven to be the most fertile lands in America when artificially fertilized. They will produce more corn to the acre than any land in America. The prize for the greatest production of corn to the acre in the world, so far as statistics and investigation show, was given to Jerry Moore, of Florence, S. C., who made upward of 225 bushels to 1 acre of artificially fertilized pine-barren land.

The lands of North Carolina, South Carolina, and Georgia, properly fertilized with concentrated fertilizer, will produce more oats to the acre than any land in the world. They will produce more cotton per acre than any land in the world. In Texas, Oklahoma, Arkansas, and the valley of the Mississippi cotton grows luxuriously, and seemingly that would be the place of maximum production. The artifically fertilized States will not produce nearly so large a weed, but three to four times the amount of fruit that can be produced elsewhere. The whole coastal plain from Maine to Florida is totally dependent upon artificial fertilization. Outside of a few by-products of other enterprises, there is not a source of nitrogen in America.

We had here in Washington a few days ago a banquet for those who produced the greatest amount of corn and of cotton and of other field products per acre, from our section the greatest amount of cotton, from the Corn Belt the greatest amount of corn. Prizes were awarded to those who produced the greatest amount of corn and cotton and other products. The banquet which was given in commemoration of the event

was to demonstrate the power of Chilean nitrate in the production of these articles. The basis of the fertilizer was nitrate imported by a company in this country from Chile. Every agricultural department in the country has demonstrated that the basis of grain production is nitrogen. We can dispense with phosphoric acid, we can dispense with potash, but give our land an abundance of nitrogen and it will give a maximum yield. Yet the highest-priced ingredient in the fertilization of the soil of the country, the most costly and the scarcest, is nitrogen. Four-fifths of every cubic foot of air is pure nitrogen. The ingenuity of man has discovered the process by which it can be extracted in unlimited quantities.

Believing that the art would develop, we enacted this law because, curiously enough, the very thing we are dependent upon to feed us is the very thing we depend upon to defend us. Nitrogen is the basis of explosives and the basis for grain production. Therefore, we were in a happy position. We could, by virtue of a constitutional provision, provide for the national defense by producing nitrogen and, by the same token, having our great plant during times of peace necessarily always equipped to defend us, we could run it to produce that which during times of peace would feed us. And yet with that solemn dedication on the statute books and with us spending $150,000,000 of the people's money to demonstrate and carry out this process we propose to stop our work and turn it over to private enterprise. The art is so far developed now that it is said that water power is too dear, that the process is so cheapened that with a minimum of coal, a minimum of power, we can produce a maximum of nitrogen from the by-product of the disintegrated coal in producing the steam, that we can get phosphoric acid and potash to the value of the nitrogen and, therefore, the use of coal is cheaper than the use of water.

No man can sustain that proposition for the reason that water power is as eternal as gravitation and moisture, while the supply of coal in this country is limited. There are inventors and scientists who say it is criminal on our part to run our automobiles with gasoline, that it is criminal to run great manufacturing plants with coal—why? There is not a piece of metal in the world that can become metal until we carbonize it. Carbon is the heart and soul and base of every piece of metal in the world. How are we to carbonize our aluminum and our iron and steel if we foolishly are to destroy our storehouse of carbon in the foolish and wasteful way in which we are now doing it?

Contiguous to this city, almost within its boundaries, is a great water power capable of carrying on every industry in Washington, lighting every house, carrying on the street-car transportation; and why is it not developed? It would pay for itself a thousand times over in the length of time that the Capital has been established and during which time the water has poured over Great Falls. Need we ask why? It is because it is not to the interest of certain corporations to develop it. A bill was passed through this very body appropriating a certain amount of money to develop Great Falls and utilize that power, never young and never old, as eternal as the law of nature itself. All that would have been necessary was from time to time to repair and renew the dynamos and clean out the turbines, with the great engine of nature running all the time; and yet thousands of horsepower are going to waste to the ocean every hour; why?

We are talking about business men and a business proposition. We have too much of it in the wrong place. Mr. President, our duty now is to pass a resolution authorizing the officers who were mentioned and constituted in the original act to proceed at once to utilize the power that is already developed, and to proceed through the proper experimentation to the perfection of the art of fixing nitrogen and combining it with the other ingredients. This is the object of all I have to say: When we, in honor and good faith as a Government, have demonstrated that we can fix all the nitrogen necessary for national defense and can or can not produce fertilizer, then we shall be in a position to lease Muscle Shoals; but I maintain until we do that we have broken faith with the American people and have convicted ourselves of that which I refrain from characterizing on this floor.

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement proposed by the Senator from Mississippi [Mr. HARRISON]?

Mr. UNDERWOOD. Mr. President, I have only a few words to say in answer to the remarks of my friend from South Carolina [Mr. SMITH]. We are in thorough accord in regard to the purpose of the building of the Muscle Shoals Dam. As the Senator has stated, we collaborated in passing the original act to create water power for the manufacture of nitrogen for defense and fertilizer in time of peace. I only differ from the Senator in his remarks in which he stated that we may be violating the promise to the American people that we made in the initial act favoring the manufacture of nitrogen for defense and for fertilizer if we shall lease the dam at Muscle Shoals.

Mr. President, if we should lease the dam for manufacturing uses or for some primary purpose other than that of national defense and fertilizer, I would be in entire accord with the Senator from South Carolina. That is the reason I am not in favor of the other proposals that have been made. However, when it comes down to carrying out the purpose—and the purpose of the enabling act was nitrogen for defense and nitrogen for fertilizer, and the issue was not involved as to how it should be made—I myself made a proposal here, which passed the Senate but unfortunately died in conference, which provided primarily that this dam might be leased with an obligation on the part of the lessee to make 40,000 tons of nitrogen and utilizing the entire capacity of the plant, and if that could not be done an alternative was provided that the Government should do it.

Could there be any clearer fulfillment of the obligation of the enabling act than to try to get a private individual to lease and deliver under bond—for the bond he would make would be a primary obligation for a large investment of money—40,000 tons of nitrogen, and, in the event a lease of that kind could not be obtained, that the Government should proceed to operate the plant? It seems to me that was an absolute fulfillment of the act in as strong terms as it was possible to carry it out.

The Senator from South Carolina speaks of the advance in the art of making nitrogen. I agree with him; I, too, think we are in the infancy of the science of chemistry; we are in the infancy of the art of taking nitrogen out of the air; but should we cease our labors and be unprepared because possibly next year or two decades from now a better method may be found?

Mr. SMITH. Mr. President, I object to the Senator from Alabama putting any such words in my mouth.

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from South Carolina?

Mr. UNDERWOOD. I yield.

Mr. SMITH. What I said was that the art being in its infancy it was the duty of the Government to hold on and advance step by step with every process that might be developed, for the very good reason that any company that invested its money in a plant which day after to-morrow might become obsolete would scrap it, and, if it should, the American people would have to pay twice the value of the scrapped machinery. We are advancing every day in the design of our war vessels and they become obsolete almost overnight. It is the duty of the Government not to jeopardize the hopes and wishes of the farmers of the country by incurring the danger of obsolescence of certain nitrogen plants at Muscle Shoals while the power-development art is being perfected.

Mr. UNDERWOOD. Mr. President, no man would dispute what the Senator from South Carolina has just stated, that we should advance with the art, but we have a finished plant, we have a great dam; we have a large quantity of available horsepower. Despite that, the proposal now is that we should pause, we should stop. I do not say that it is the proposal of the Senator from South Carolina because I am not sure exactly what his proposal is.

Mr. SMITH. Then, let me state it so that the Senator may use it or not as he speaks. My proposal is for the Government to take the art just where it is, utilize whatever power is essential to run the plant to capacity, and as the art develops, change the plant until it shall become standardized.

Mr. UNDERWOOD. I see. The Senator, then, does not propose to lease the plant for an indefinite term until we find out something.

Mr. SMITH. That is right.

Mr. UNDERWOOD. The Senator does.

Mr. SMITH. I said that is my proposition; we ought not to lease it for any term until we find out what is the capacity of the plant and what can be done reasonably with the art of fixing nitrogen.

Mr. UNDERWOOD. Mr. President, that is exactly what I have objected to in all these years and exactly where I differ with the Senator from South Carolina. He proposes to halt the column; I do not.

Mr. SMITH. No; will the Senator state how I propose to halt it?

Mr. UNDERWOOD. The Senator must really allow me to maintain the floor and finish my sentence.

Mr. SMITH. Certainly; but I do not want the Senator to misquote me.

Mr. UNDERWOOD. I am not going to do so.

Mr. SMITH. I do not want to halt; I want to get going.

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from South Carolina?

Mr. UNDERWOOD. Of course, I would be delighted to yield to my friend from South Carolina, but I can not explain to the Senator unless I am allowed to finish the sentence.

The column that I say the Senator proposes to halt is the column of production. The Senator intends to advance the column of experimentation, of investigation; that is the Senator's column. I have no objection to that column advancing; there is ample opportunity for that column to advance, and the Government has a special experimental station across the river for the advancement of the Senator's column; but on the Tennessee River at Muscle Shoals we have a battalion already prepared for battle.

Mr. SMITH. It is obsolete.

Mr. UNDERWOOD. The Senator from South Carolina says it is obsolete, and that is the cry of those who do not want performance.

The plant was built during war times, and for a short while it ran and produced nitrogen. The same class of plants is being run in the United States to-day and in Canada; in fact the largest producing plant in America is the cyanamid plant across the river from Buffalo. There are other means of producing nitrogen, I admit, but the Muscle Shoals plant can produce it.

Now, the Senator says it is obsolete; but, Mr. President, there are men who have recently submitted bids to the committee to operate the plant which is already there, the column which is already organized, and to produce nitrogen and fertilizer. That is not to be done at the risk of the Government of the United States; it is to be done at the risk of the contractor, and, if his bid is accepted, he has got to make good or surrender his lease. So the real issue is: Shall we allow the battalion of battle, the battalion that is already organized and prepared to produce results, to stop its onward movement, remain where it is until, forsooth, we may experiment in years to come to find out if there is not some better method?

I hope and expect that there will be better methods found; but if we can find somebody who is willing at his own expense to undertake to produce nitrogen and fertilizer with the machinery we now have, why should they not be produced? God knows the farmers of the Southland, if not of America generally, need it. They do not need it 15 years from now or 5 years from now, or 1 year from now; they need it to-day; they need it next year in the preparing of their crops. The plant is organized, the electric power is there, and the only thing that keeps the Government from making a contract for producing actual fertilizer that can go onto the farmer's field is the fact that the Congress of the United States does not allow a contract to be made by which a contractor can deliver results.

Mr. HEFLIN. Mr. President, will my colleague yield to me just there?

Mr. UNDERWOOD. I yield.

Mr. HEFLIN. I want to say that the fertilizer made at Muscle Shoals has been used by the farmers in that locality, and they have testified that it produced a greater amount of cotton to the acre than the common commercial fertilizer now being used.

Mr. UNDERWOOD. Undoubtedly. So that I come back to the original indictment. I am sorry that the Senator from South Carolina and I separate in the advancement of the column. I have no objection in the world to the advancement of his column of experimentation; I think it would be most wise to provide money to allow it to advance; but I do separate from the Senator from South Carolina when he says the battle column that he and I helped to organize, the column that can produce results, shall die without action when there has been an opportunity to advance it.

Mr. COPELAND obtained the floor.

Mr. SMITH. Mr. President, will the Senator from New York allow me just about two minutes, in connection with what the Senator from Alabama has said?

The PRESIDING OFFICER. Will the Senator from New York permit the Chair to inquire of the Senate whether there is objection to the unanimous-consent agreement proposed by the Senator from Mississippi?

Mr. REED of Pennsylvania. May we have it read?

The PRESIDING OFFICER. It will be stated for the information of the Senate.

The legislative clerk read as follows:

Ordered, by unanimous consent, That on Friday, February 25, 1927, immediately after the reading of the Journal, the Senate proceed to the consideration of the bill (S. 4106) to authorize and direct the Secretary of War to execute a lease with the Muscle Shoals Fertilizer Co. and the Muscle Shoals Power Distributing Co., and for other purposes, and continue the same for not more than two hours, at the expiration of which time a vote be taken on any motion pending, if any.

The PRESIDING OFFICER. Is there objection?

Mr. BINGHAM. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. BINGHAM. Does not that require a quorum call, in view of the fact that a vote is to be taken?

The PRESIDING OFFICER. The present occupant of the chair would hold that it does not, in view of the fact that the proposed agreement does not provide for a final vote on the passage of any motion or resolution.

Mr. McKELLAR. May the unanimous-consent request be restated?

The PRESIDING OFFICER. The Senator from New York [Mr. COPELAND] has the floor.

Mr. COPELAND. I yield for the purpose of having the agreement stated.

The PRESIDING OFFICER. The proposed agreement will be restated for the information of the Senate.

The legislative clerk restated the proposed unanimous-consent agreement.

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSON. Mr. President——

The PRESIDING OFFICER. The Senator from New York has the floor. Does the Senator from New York yield to the Senator from California?

Mr. SMITH. Mr. President, I shall have to object to this proposed agreement, because I do not understand the last sentence.

Mr. SACKETT. That is all right.

The PRESIDING OFFICER. Objection is made.

Mr. SMITH. I object because I do not understand the purport of the last sentence.

Mr. HARRISON. Mr. President, may I ask the Senator——

The PRESIDING OFFICER. The Senator from New York has the floor. To whom does he yield?

Mr. SMITH. I should like to make a statement, if the Senator will yield to me.

Mr. HARRISON. Will not the Senator reserve his statement until he can get an explanation of what is meant by the proposed agreement, so that we can re-form the unanimous-consent request if necessary?

Mr. SMITH. Yes; if the Senator from New York will yield for that purpose, I will do that.

Mr. HARRISON. What is it that the Senator objects to?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Mississippi?

Mr. COPELAND. I do.

Mr. SMITH. I object to the clause which says that we are to reach a final vote.

Mr. HARRISON. It does not say "a final vote." I had understood that the chairman of the Agricultural Committee, during the two hours granted for the consideration of this matter, might want to make a motion to refer it to his committee.

Mr. SMITH. Or to pass it.

Mr. HARRISON. Or to pass it. That gives to the chairman of the committee the right to make his motion if he wants to. If the Senate should want to take a vote upon the passage of the bill, of course, they have a right to do that under this unanimous-consent request. If I want to make a motion to proceed further with the consideration of this bill, I have a right to make that motion; but it is all up to the Senate.

Mr. SMITH. All right. Put that within the limitation of the two hours; but, as it is, we can discuss it for two hours and then the proposition in the unanimous-consent request is that we are then to proceed to vote on any amendment that may be offered to the bill. If you will put all of that within the two hours, so that at the expiration of the two hours we shall have disposed of the committee proposition, I shall have no objection.

The PRESIDING OFFICER. May the Chair suggest that the proposed unanimous-consent agreement once more be read for the information of the Senate?

Mr. HARRISON. It can not be prolonged longer than two hours unless the Senate, by majority vote, vote for it to be continued.

Mr. McKELLAR. Mr. President, before the proposed agreement is read, may I ask the Senator from Mississippi if this unanimous-consent request does not confine the discussion or debate and the disposition of the matter entirely to that particular proposal?

Mr. HARRISON. The Senate bill.

Mr. McKELLAR. Nothing else?

Mr. HARRISON. A substitute might be offered for it, and a motion might be made to refer it to the committee.

Mr. McKELLAR. I think that ought to be stated in the proposed agreement—"any amendment or substitute."

Mr. HARRISON. Put in "any amendment or substitute," then.

Mr. JOHNSON. Mr. President, will the Senator yield for a moment?

Mr. COPELAND. I yield.

Mr. JOHNSON. May I ask the Senators to defer the acceptance of the matter for a very brief period, until the Senator from Oregon [Mr. McNARY] returns? He was called out of the Chamber, and he will be back in just a few moments; and, as I understood him when he left, there was one part of the proposed unanimous-consent agreement as read that he did not think should be there. He will be back, I am sure, in a very few minutes.

Mr. HARRISON. Very well; let it be pending until he comes back.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. SMITH. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from South Carolina?

Mr. COPELAND. I yield.

Mr. SMITH. The Senator from Alabama [Mr. UNDERWOOD] said that I would halt the procession, and he called attention to the fact that there were corporations who in their bids were ready now to proceed, at their expense or at their risk, to make cyanamide or nitrogen in that form. The Senator knows that the proposition of the resolution was that they would produce 40,000 tons at 8 per cent on cost, and there was no limit to cost. Of course, anybody would produce it under those conditions, but the farmer would not use it under those conditions.

There is the possibility of a modification of Nitrate Plant No. 2 to accommodate it more nearly to present methods than the cyanamide process. What would one think of the Government, if we had discovered a process of making guns or some form of explosives that was infinitely better than the ones we were using, if we did not use it? As a matter of course, if it was known before we started into war, and it was possible, we would equip ourselves with the latest improved implement.

That is just exactly the condition now. Right now we can prepare for next year's crop by a modification of Nitrate Plant No. 2 to equip it to meet the advance of the art and produce the stuff.

Mr. UNDERWOOD. Mr. President, if the Senator will allow me——

The PRESIDING OFFICER. Does the Senator from New York yield, and, if so, to whom?

Mr. COPELAND. I yield to the Senator from Alabama.

Mr. UNDERWOOD. I merely wanted to suggest to the Senator that although there are pending offers to make the nitrogen with cyanamide, my proposal has always been, with the limitation "or the products of nitrogen" written in the bill, that we leave it to the Chief Executive of the land to make the contract; and, if there are better methods, it would be in his power to make a contract that would apply those methods.

Mr. SMITH. That is exactly in accord with what I have been saying, except that the Senator would use a private corporation to do that through the instrumentality of the President, while I maintain that it would be more practical and efficient for us to do it for the present as the owners of the plant, with the interests of the people at heart, and not profit. There is the fork of the road. The Government would go on hoping to benefit the people without profit, while the private corporation would go on hoping to benefit the people and thereby increase their profit. That is the difference.

I say until this dead work is done, and the art has reached a point where it can be definitely known what we are leasing, we have no right to lease the plant. We have no moral right to lease it until we have demonstrated what the art may do. Then we could call in a corporation and say, "The Government has now developed this art, or it has been developed by the ingenuity of our inventors, to a point where it is definitely ascertained how much can be produced under given circumstances, and, according to the Government's tests, at what cost. Now, if you want to lease it, we have something definite to lease to you." As it is now, there is not a scientist in America who would swear that it was possible for the Government to make a contract in regard to this product which is to the best interest of the people.

Mr. CARAWAY. Mr. President, will the Senator from New York yield to me?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Arkansas?

Mr. COPELAND. I do.

Mr. CARAWAY. I merely want to say, in reply to the Senator from South Carolina, that I gather from his statement that he wants to do nothing until there is nothing else that could be done in this case.

Mr. SMITH. No.

Mr. CARAWAY. Just a minute. The Senator says we do not know what we have to lease. We have had 10 years for the Government to try to find out what we have to lease, and we are no nearer to it, according to the Senator's statement, than we were when the war ended.

Mr. SMITH. If the Senator will allow me, in all justice—because I do not generally try to throw bouquets to modify any statement I am going to make—I will state that I have considered the Senator from Arkansas [Mr. CARAWAY] as fair and clear in the position he takes on any question as any man I have had to deal with. We know that we tried the cyanamide process, and it was not satisfactory. Lawsuits arose in my State because of the effect of the lime content on the persons who attempted to distribute it. The best that can be done with it is to mix it with other fertilizers in the manufacturing process.

In a word, what I am saying is this: Let the Government now, in the present empirical stage of the art, carry on experiments just as we are experimenting in other departments until there is a reasonable surety that the art has reached a definite stage. In the meantime, let the Government be producing to the full capacity of the last word in the art. If, after a series of years, the art is not any further developed, then we will know exactly what we have. Until we do, now that we have possession of it, let us hold on to it until the art, in its rapid development, has reached a definite stage. I think I can say without fear of contradiction that there is no art known that has developed more rapidly than that art has in the last four or five years. Until we do know what we have possession of, as I say, let us hold on to it.

Mr. CARAWAY. Mr. President, will the Senator yield to me for just a minute?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from South Carolina?

Mr. COPELAND. I yield for the reply of the Senator.

Mr. CARAWAY. Of course the Senator from South Carolina disarms me by saying that I am ordinarily fair and clear, and I must concede that he is always fair and clear; but if what he says does not resolve itself into the proposition that you shall do nothing until you find out that you can do nothing else, I do not understand his argument. In the next place, the Senator from South Carolina says that the process of manufacture where the corporation agrees that it will make 40,000 tons at cost plus 8 per cent would result in its making the product, but no one would buy it. I am curious to know why a corporation should want to make its processes of manufacture so extravagantly high, and conduct them under such uneconomic conditions, although it has to continue year in and year out making 40,000 tons of this material, that it can not sell a pound of it; it will be a dead loss every day in the year.

Mr. SMITH. If the Senator will allow me, that was one of the very objections to the bill, because there was a provision in the contract that if they found it was unprofitable there was a loophole for them to get out.

Mr. CARAWAY. There is not in this contract.

Mr. SMITH. It is in the very one that we passed. I do not know what is in this one.

Mr. CARAWAY. The Senator is unwilling for us to find out. I am curious to know why anybody in America should say, "There is no hope of progress except through governmental agencies." The Government never has done anything that has been in excess, so far as cheapness and efficiency is concerned, of what private initiative has done. It had to turn to private concerns to arm its soldiers, although it has had arsenals ever since the Revolutionary War.

We were going to arm our troops with Springfield rifles, and then we found out that we did not even have the patterns, and if it had not been for private initiative we would have had an Army without a gun, as we had an Army without explosives, as we had one without sufficient field artillery.

I think that every man's experience on this floor will justify the assertion that if we look for the Government to lead the way to some cheap and efficient and economical development, we are going to wait a long, long time.

We have waited 10 years for the Government to do something with Muscle Shoals, and we have always been met with the statement that they are just about to discover some process that will make it entirely a success but never have succeeded. It is always just about to succeed. I submit that we have waited long enough on this problem.

Mr. COPELAND. Mr. President, may I ask the Chair what the parliamentary situation is?

The PRESIDING OFFICER. There is pending a unanimous-consent agreement proposed by the Senator from Mississippi.

Mr. McKELLAR. Mr. President, so that there can not be any misunderstanding about it, I object.

The PRESIDING OFFICER. Objection having been made, the question is on the amendment of the Senator from Arizona.

Mr. HARRISON. Mr. President, I will wait until the Senator from New York gets through, and then I shall make a motion to proceed to the consideration of the measure about which I asked unanimous consent.

Mr. HARRISON subsequently said: Mr. President, in the interest of harmony and peace, may I be permitted to submit my unanimous-consent request again? I think now it will not elicit any objection.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). The proposed unanimous-consent agreement will be read for the information of the Senate.

The legislative clerk read as follows:

Ordered, by unanimous consent, That on Friday, February 25, 1927, immediately after the reading of the Journal, the Senate proceed to the consideration of the bill (S. 4106) to authorize and direct the Secretary of War to execute a lease with the Muscle Shoals Fertilizer Co., etc., and continue the same for not more than two hours.

The PRESIDING OFFICER. Is there objection?

Mr. McKELLAR. Mr. President, a few moments ago I objected to the unanimous-consent agreement as it was presented because, apparently, at the close of the proposed agreement there was a suggestion that a final vote might be required. That provision has been stricken out, and I now have no objection to it at all.

Mr. MOSES. Mr President, I merely wish to suggest the absence of the Senator from Nebraska [Mr. NORRIS].

Mr. McNARY. Mr. President, I can speak for the Senator from Nebraska. I think I must supplement the proposition now presented by saying, with reference to the agreement that during the hour or two hours given for discussion of the measure, I, as chairman of the Senate Committee on Agriculture and Forestry, will move to recommit the bill and all other bills for further consideration to the Committee on Agriculture and Forestry. I only mention that so that anyone who is desirous of being present for the purpose of meeting that issue may know that it is to be presented.

Mr. CARAWAY. That does not necessarily mean that the Senator expects to get a vote in the two hours?

Mr. HARRISON. Oh, no.

The PRESIDING OFFICER. Is there objection?

Mr. TRAMMELL. Mr. President, may I make the suggestion to the Senator from Mississippi that in view of the fact that he will have two hours' debate on the question, not more than 15 minutes should be allowed to any one Senator.

Mr. HARRISON. I have no objection to that suggestion.

Mr. TRAMMELL. I suggest that as an amendment.

Mr. HARRISON. Adding "and that each Senator be limited to not more than 15 minutes."

Mr. McNARY. I could not agree to that provision. I do not believe that would conform to the pleasure of the Senator from Nebraska, and therefore, I must object, if that provision is included, until the Senator from Nebraska is present.

The PRESIDING OFFICER. The Senator from Nebraska has just entered the Chamber. The proposed unanimous-consent agreement will be once more read for the information of the Senate.

The legislative clerk read the unanimous-consent agreement, as modified, as follows:

Ordered, by unanimous consent, That on Friday, February 25, 1927, immediately after the reading of the Journal, the Senate proceed to the consideration of the bill (S. 4106) to authorize and direct the Secretary of War to execute a lease with the Muscle Shoals Fertilizer Co., etc., and continue the same for not more than two hours, and that each Senator be limited to not more than 15 minutes.

Mr. HARRISON. May I say to the Senator from Nebraska that the last suggestion was made by the Senator from Florida [Mr. TRAMMELL].

Mr. NORRIS. I have no objection to that.

The PRESIDING OFFICER. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

BOARD OF VISITORS TO THE PHILIPPINES

Mr. BINGHAM. I ask unanimous consent that the bill (H. R. 4789) providing for the biennial appointment of a board of visitors to inspect and report upon the government and conditions in the Philippine Islands, be taken from the calendar and referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The PRESIDING OFFICER. Without objection, the bill will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. KING. I ask the Senator what is the bill?

Mr. BINGHAM. It is House bill 4789. When reached on the calendar objection was made that it should be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. KING. If the Senator asks unanimous consent that the bill be taken from the calendar, I object.

The PRESIDING OFFICER. The Senator from Utah will have to ask unanimous consent to reconsider the action by which the bill was referred to the committee, inasmuch as the Chair had put the question and there was no objection.

Mr. KING. I confess I did not understand the Chair had ruled that it was referred.

The PRESIDING OFFICER. The Chair had referred the bill before the Senator entered his objection. The Chair thought he had waited a sufficient length of time before the order was made.

Mr. KING. Will the Senator from Connecticut assure me that he will give me ample opportunity to express my views when the bill is taken up? I tell the Senator I shall oppose it and do everything I can in a parliamentary way to defeat it, but if the Senator will advise me when he intends to bring it up that I may be present, and I am usually here, I shall not move now to reconsider the action taken.

Mr. BINGHAM. Certainly I shall do so.

CLAIMS OF THE ASSINIBOINE INDIANS—CONFERENCE REPORT

Mr. WHEELER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2141) entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Assiniboine Indians may have against the United States, and for other purposes," having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 2, 5, 6, and 7.

That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to same with the following amendments: Line 13 of the engrossed amendments strike out the words "or any"; and after the word "treaty" insert the words "agreement or"; line 14 of the engrossed amendment, after the word "or," insert "any"; page 2, line 8, of the engrossed amendment, strike out the following: "any act or acts of Congress, or by any treaty made with any other Indian tribe or nation" and insert in lieu thereof "the Government of the United States by acts of Congress or otherwise."

That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to same with the following amendment: Strike out "together with interest thereon at 4 per cent per annum from the date thereof" and insert in lieu thereof the following: "together with any interest thereon which may have accrued by virtue of the failure or delay of the United States to pay over to or employ for the benefit of the Assiniboine Indian Nation or Tribe, moneys so required to be paid or employed by any act of Congress, at the rate of interest provided by such act or acts of Congress."

That the Senate recede from its disagreement to the amendment of the House numbered 4, and agree to same with the following amendments: Page 2, line 6, of the engrossed amendments, strike out the word "tribes" and insert "tribe"; and strike out the word "bands" and insert "nation"; line 7, of the engrossed amendments, strike out "or any of them."

Page 3, line 2, of the engrossed amendments, strike out "tribes" and insert "tribe"; and the Senate agree to same.

B. K. WHEELER,
RALPH H. CAMERON,
JOHN B. KENDRICK,
Managers on the part of the Senate.

SCOTT LEAVITT,
WILLIAM WILLIAMSON,
CARL HAYDEN,
Managers on the part of the House.

The report was agreed to.

LOWER COLORADO RIVER BASIN

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3331) to provide for the protection and development of the lower Colorado River Basin.

Mr. COPELAND. Mr. President, I am very much obliged to the President for giving me recognition. I have been trying to get recognition ever since the Senator from Arizona presented his various motions, first relating to the Veterans' Bureau bill, and second, relating to the alien property bill.

I yield to no man in the Senate in my regard for the Senator from Arizona. I like him for himself, for the great university from which he came, and for his many fine qualities and his senatorial ability. But having applied this sugar coating I want to say that I think it was very unfair for him to place Senators in the position of having to vote against measures so very close to their hearts, measures which they thoroughly indorse. I have indulged in filibustering myself, and I think there are times when a filibuster is the proper means of defeating legislation. However, in justice to Senators, I think it was unfair of the Senator to cause any Member of the Senate to be under the necessity at this time of voting against certain measures for parliamentary reasons alone.

Mr. ASHURST. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Arizona?

Mr. COPELAND. It is only right that I should yield.

Mr. ASHURST. I shall not fear to be unfair to Senators, if by being unfair to Senators I may thereby be fair to the soldiers who upheld our standard in the iron storm of war.

Mr. COPELAND. Well, Mr. President, this very statement confirms the feeling which I have regarding the proposal of the Senator from Arizona to displace the pending measure, against which he is urging every effort to bring up this other matter, which will be treated and considered in an orderly way at the proper time.

Mr. ASHURST. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Arizona?

Mr. COPELAND. Of course I do.

Mr. ASHURST. Since it is certain that the Swing-Johnson bill, the Boulder Canyon bill, could not pass the Senate, instead of being unfair, am I not fair to the Senate, and fair to the soldiers, in stating the fact boldly and moving to take up legislation which a majority are for?

Mr. COPELAND. The reason the Johnson-Swing bill can not pass is because of the well-organized filibuster led by the Senator from Arizona. If this bill could be voted upon on its merits at this moment, it would be overwhelmingly carried by the Senate.

Mr. ASHURST. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Arizona?

Mr. COPELAND. I yield further to the Senator.

Mr. ASHURST. That statement may be true, but there are few Senators who know what this bill is.

Mr. COPELAND. I thank the Senator.

Mr. ASHURST. Let me say——

The PRESIDING OFFICER. Does the Senator from New York yield further?

Mr. COPELAND. I yield.

Mr. ASHURST. I am not inveighing against the Senator because of his lamentable, abysmal ignorance on this bill. I myself, confess an ignorance, and I have studied it for three years. It is one of the most complex bills ever presented, and I did not mean that description as an epithet. In his chosen profession the Senator is a master, honored by the Nation. In the field of literature he has some importance, and we belong to the same alma mater, as he has said. He possesses the power to write with a fluidity and a ductility that attracts the great metropolitan journals, and my family and I read his articles, and read them with profit and with interest, and it is no epithet, therefore, to say to him that he is profoundly, lamentably, abysmally ignorant on the subject of the Boulder Canyon bill, which he is trying to drive through. [Laughter.]

The PRESIDING OFFICER. The Senate will be in order.

Mr. COPELAND. Mr. President, the Senator is very welcome. I thank him for his fine words about my writings. I hope the message he has given here will be conveyed to the publishers, in order that the recompense may be increased. But the Senator has admitted that he is in abysmal ignorance regarding his own bill——

Mr. ASHURST. Oh, no——

Mr. COPELAND. Regarding the bill which he is seeking to defeat.

Mr. ASHURST. Mr. President, it is not my bill. The Committee on Irrigation and Reclamation labored for months, and brought in a bill providing for an issue of bonds in the amount of $125,000,000, whereupon I made the point that the Senate was not the eligible authority to originate legislation proposing a bond issue, whereupon the Senator from California [Mr. JOHNSON] retreated precipitately and properly from such provisions, because he is a great lawyer. Now we are invited to consider a bill different in character from the bill the committee reported. Is there a Senator here who has read the bill as it has been proposed to be amended by the learned Senator from California? If so, I pause for his answer.

Mr. COPELAND. Has the Senator finished?

Mr. ASHURST. I am obliged to the Senator. I must not trespass on his courtesy.

Mr. COPELAND. Mr. President, in spite of the eloquence of the Senator from Arizona and his very positive statement of his convictions of heart and soul, I am sure I am right in saying that the Senate, if it had an opportunity—it may be because of the abysmal ignorance of the Senate, to use the language of the Senator from Arizona, or it may be because of its enlightened knowledge of the measure before us—I am sure the Senate would vote favorably upon the measure.

If this bill is not brought to a vote in the Senate, it will be because of one of the best organized filibusters ever put over the United States Senate. If the Senator from Arizona were not a great lawyer and a great Senator, if I were the president of one of the South American republics I would hire him at a million dollars a year to run my army, because he certainly is a success as a field general.

Mr. ASHURST. Mr. President, I did not hear all of that, and it must not escape me. [Laughter.]

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Arizona?

Mr. ASHURST. I did not have any sleep last night, and I failed to hear that.

Mr. COPELAND. It was mere persiflage and is not worth while repeating.

Mr. ASHURST. Will the Senator yield to me?

Mr. COPELAND. Of course.

Mr. ASHURST. I do not want to act as a Uriah Heep. I admire the Senator from New York but, if I be a filibusterer, I learned the method from him. When there was before the Senate the Isle of Pines treaty, the Senator from New York split the ears of groundlings. He was for eight hours the most peripatetic orator who ever served in the Senate, and he walked all over the Chamber and spoke luminously and ably, opposing that treaty, and I agreed with him.

Mr. COPELAND. For eight hours?

Mr. ASHURST. For eight hours the Senator spoke in opposition to the Isle of Pines treaty, he and I mustered six or seven votes. I see here my learned friend the Senator from Ohio [Mr. WILLIS]. He voted with us.

Mr. WILLIS. There were 15.

Mr. CARAWAY. And there were 15 of you wrong. [Laughter.]

Mr. ASHURST. When I put my hand to a proposition, there will not be any default or any neglect. The filibuster, with which the Senator is pleased to charge me, will be successful.

Mr. BRATTON. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. The Senator from New York has the floor. Does he yield?

Mr. COPELAND. I yield to the Senator.

Mr. BRATTON. I want to inquire under what order of business we are operating.

Mr. COPELAND. Mr. President, the Senator from New York learned something from his filibuster on the Isle of Pines treaty. I spoke for eight hours, and, as the Senator has said, got 15 votes. It will be a wonder to me if the Senator from Arizona and his cohort get half a dozen votes against this bill. They will defeat the measure, because of the shortness of the time and the quality of the filibuster, and not by reason of

any logic or any conviction brought to the soul of any Senator in this body by reason of arguments presented.

Mr. ASHURST. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Arizona?

Mr. COPELAND. It is only fair, of course, that I should yield.

Mr. ASHURST. I hold in my hand copy of a compact signed on the 13th day of January, 1927, among the States of New York, Pennsylvania, and New Jersey, affecting the Delaware River. The Governor of New York has protected the State of New York against Federal domination. Does the Senator from New York agree with the efforts of the present Governor of New York in that respect?

Mr. COPELAND. In that respect, and in every other.

Mr. ASHURST. Then, why am I to be pilloried as a filibusterer because, forsooth, I stood for my State, just as the governor of the Senator's own State stands for his? If it be wrong for me to try to protect Arizona, why is it not wrong for the Governor of New York to protect New York?

Arizona is contending as New York contends, and so long as I am here the rights of Arizona will not be overthrown, Arizona shall not be exploited with my consent.

New York may have more votes than Arizona; but in this Chamber all men are equal. Arizona, in the Senate, is the peer of New York, New Jersey, Virginia, or California. Let that be understood now. I have very scant patience with the expressions of contempt and with the snarls which come from lips here when I attempt to defeat the Swing-Johnson bill. Arizona is a sovereign State, and this hand that holds high her effulgent standard will hold that standard with a firm grasp.

Mr. COPELAND. May I say to my friend from Arizona that neither his hand nor voice can be considered weak on this subject. He has presented the matter well.

Mr. ASHURST. I am completely disarmed now.

Mr. COPELAND. I was very much pleased at the happy reference of the Senator from Arizona to the governor of my State. He asked me if I agreed with him on this matter of the tri-State compact. My reply was that I agreed with that and with everything else in a public way that has been undertaken by the Governor of New York. I hope that the happy reference of the Senator from Arizona means that he will be numbered with the enthusiastic Democrats who will nominate Alfred E. Smith for the Presidency in 1928 and put him in the White House.

Mr. ASHURST. Mr. President, nobody is authorized to commit me to the Governor of New York, or to anyone else, for the Presidency. I am not making committments as to the Presidency now. I am engaged in defeating the Swing-Johnson bill and not taking any part in making or unmaking Presidents.

Mr. COPELAND. The Senator wanted to know if I did not consider that the compact between the States of Pennsylvania, New York, and New Jersey was parallel to the matter here under consideration and that the same course should be followed in the pending matter as was taken in the matter of the tri-State arrangement. There is no more relation between those two projects, the tri-State plan in the East and the Boulder Canyon project in the West, than there is between the camels which Lieutenant Beale brought over from Africa and sent across Arizona in the early forties, and a groundhog—no more. They are entirely different.

The purpose of the tri-State arrangement was to safeguard the interests of those three States as regards the particular project which was being undertaken. If I am any judge at all of the matter pending before us now, the project does not hazard, in any way, the rights or future possibilities of development of the State of Arizona. But I did not rise for the purpose of discussing this problem, but for another one.

The Senator from Arizona proposed to replace the pending measure with the German alien property bill. I am sure there is no Member of this body more interested in that bill, involving the return of the German property, than is the Senator now speaking.

We entered into a war with the German nation and emerged from that war victorious. We have demanded nothing from that conquered nation to repay us for our injuries, for our costs, or for the necessary upheaval of our whole economic structure. We have said that we fought for a principle, and we have maintained that principle.

The cost of this war was staggering beyond human belief. It was inevitable that some of our own citizens should be injured, and it is the part of the conqueror to impose upon the conquered the payment for such injuries.

But who, in this instance, is the conquered? Is it the German nation as a whole, or is it those few whose property the Alien Property Custodian now holds? If we take from the German nation as a whole sufficient to compensate our citizens for the damage done to them, then the proper debtor is paying his debt. But if we take in whole or in part the property, not of the German nation as a whole but of a few individuals to satisfy the claims of our citizens, then we are seizing without right, warrant, or justice property which does not belong to the debtor. Under these circumstances, to do so is to subject our Nation to the penalties imposed by the commandment—Thou shalt not steal.

I believe that in the name of morals and of law and of decency we should return this property. It is not fair that any Senator should be put in the position before the country of having opposed that very laudable, very proper, very righteous, and very necessary bill.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. COPELAND. When the time comes, so far as I am concerned, I am going to give every bit of my power and such influence I possess and the vote I have to the passage of the bill. I yield to the Senator from Arizona.

Mr. ASHURST. I am sorry the Senator placed upon my shoulders the responsibility for his voting against this bill. I did not direct his vote. All he had to do was to be a free man, to vote the way his mind and heart told him. I abandon any attempt to describe the bill better than he has done. He says he is going to labor here to secure the passage of that bill. Sir, have you read John J. Ingalls's poem "Opportunity"?

> Master of human destinies am I!
> Fame, love, and fortune on my footsteps wait.
> Cities and fields I walk; I penetrate
> Deserts and seas remote, and passing by
> Hovel and mart and palace—soon or late
> I knock unbidden once at every gate.
> If sleeping, wake; if feasting, rise before
> I turn away. It is the hour of fate,
> And they who follow me reach every state
> Mortals desire, and conquer every foe
> Save death; but those who doubt or hesitate
> Condemned to failure, penury, and woe,
> Seek me in vain and uselessly implore,
> I answer not and I return no more.

Sir, you may never have another chance in this Congress to vote for that bill. You may have had your day of grace.

Mr. COPELAND. Is it not a pity, Mr. President, that we have to consume any of our time with the ordinary routine business of the Senate when we have one so eloquent, so fascinating, so seductive, as the Senator from Arizona?

Mr. ASHURST. The Senator can not get me to vote for his bill by talking that way.

Mr. COPELAND. Mr. President, having been up all night on official business, I think Senators must agree that I have shown some degree of patience in yielding to my various colleagues who have had bills to introduce and reports to submit. If I am to conclude, however, before the end of the hour I must proceed.

If the Senate shall have no opportunity to vote in an orderly way upon the alien property return bill, it will be the fault of the Senator from Arizona [Mr. ASHURST].

But I have fault to find with him, not alone because he brought up that bill and attempted to substitute it for the pending unfinished business. He used his influence to substitute other bills, the authors of which did not see fit to accede to his request. In addition to the bills I have mentioned was the bill to provide loans to veterans upon the security of their adjusted-service certificates.

Mr. President, no veteran in this country, certainly not in my State, is ever going to question my loyalty to the veterans or my devotion to the cause of the veterans.

Mr. ASHURST. Mr. President, will the Senator from New York yield to me there?

Mr. COPELAND. I yield to the Senator.

Mr. ASHURST. Mr. President, I would be cowardly if I failed to say that the statement of the Senator from New York is absolutely true. The ex-service man in this country will look in vain for a better friend in a practical, sensible way than is the Senator from New York. I want that to go into the RECORD.

Now, let me make a short statement. The Senator from New York has put me into a position where apparently I need exculpation. I deny categorically and emphatically that I intended or attempted to embarrass anybody by moving to take up those two bills. I am profoundly convinced and was then profoundly convinced that the pending bill can not pass.

Mr. COPELAND. Pardon me. No one better than the Senator from Arizona can speak on that subject.

Mr. ASHURST. With that knowledge or with that firm belief, what unfairness was there in moving to take up those two bills?

Mr. COPELAND. Mr. President, I can yield no further. If the Senator from Arizona does not see the unfairness, if he has not on this occasion that brotherly consideration which is so characteristic of him, then I can not by any poor words of mine bring home to him the embarrassing position in which he has placed some of us who are favorable to the legislation which he has used as a part of a filibuster.

Mr. ASHURST. Mr. President, will the Senator yield for a question?

Mr. COPELAND. I yield for a question.

Mr. ASHURST. Wherein have I been unfair in being an humble medium of affording the Senator from New York an opportunity to vote for two bills which he favors?

Mr. COPELAND. Ah, Mr. President, the Senator from Arizona and every other Senator here knows that there is prepared by the dominant party across the aisle, through its steering committee, a program of procedure.

Mr. ASHURST. Now will the Senator yield at that point?

Mr. COPELAND. Oh, no; Mr. President, I am not going to yield any more. I want to finish my remarks.

Mr. ASHURST. I will say that I do not blame the Senator from New York. He has been more than generous. He may not have been just this afternoon, but he has been generous.

ORDER FOR ABSENT SENATORS

Mr. NEELY. Mr. President, will the Senator from New York yield to me?

Mr. COPELAND. I yield to the Senator from West Virginia.

Mr. NEELY. Mr. President, at 3 o'clock this morning the Senate, on my motion, adopted an order directing the Sergeant at Arms to arrest the absent Members of the Senate and bring them here in order that the Senate might transact business. As the purpose of the order has been accomplished, I ask unanimous consent that the proceedings under it be discontinued.

The PRESIDING OFFICER. Without objection, the order will be discontinued. The Senator from New York.

Mr. COPELAND. Mr. President, may I ask my friend from West Virginia, does that also release the Senator from New York from arrest and custody?

Mr. NEELY. Yes, Mr. President; provided the eloquent Senator from New York will promise never again to absent himself from a session of the Senate without leave, even for an hour.

LOANS TO VETERANS UPON CERTIFICATES

Mr. COPELAND. Mr. President, the Senator from Arizona attempted out of order—I mean out of the order imposed upon us by the party in power—to force action upon and discussion of two measures of vital interest to Senators as well as to millions of citizens. I know that the time will come during the next few days when by our votes we may demonstrate our desire to pass those measures. Having said that much, I am going to turn away for the moment from my very patient friend from Arizona, my eloquent and usually sweet friend from the great Southwest.

Mr. President, no veteran in this country is going to be misled by what the Senator from Pennsylvania said the other night.

Mr. REED of Pennsylvania. Mr. President, is this a private fight, or am I to be admitted into it now? [Laughter.]

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Pennsylvania?

Mr. COPELAND. I have already yielded, Mr. President; and I may say to my friend from Pennsylvania that we are going to have a little private fight for a few minutes, and I suppose when it is over I shall have another black eye. However, that is a penalty of alleged statesmanship, is it not?

The other night the Senator from Pennsylvania sought to place upon the broad shoulders of the Senator from New Mexico [Mr. BRATTON] the failure of decisive action at that session on the veterans' loan bill. Mr. President, I want to remind the veterans of this country while they are in their present position regarding these loans that when this matter was up for discussion in 1924 there were some of us upon this floor who tried in season and out of season to give the veterans a cash option. Instead of presenting to them a graveyard benefit, to be paid about the time they are ready to die, they would have had the use of the money during these three years to carry on their enterprises, to set themselves up in business, to buy little homes, to go forward in the way they were entitled to go because of the sacrifices they made in the great World War.

I think one of the things which has sickened the American Nation of war was the contrast between the men who stayed at home and enjoyed the benefit of high wages and the opportunity to profiteer and to acquire great fortunes and the men who sacrificed comfort, time, opportunity, health, and life when they went across the sea.

Mr. President, the memory of man is short, and we live in an age of camouflage. There will be influence used to make the veterans feel that somehow or other those who defeated the cash bonus in 1924 have become great friends of the soldiers. In April of 1924 I presented to the Senate a cash option bill. I argued for the bill providing for the cash bonus, but when that was put up to the Secretary of the Treasury—"the greatest Secretary of the Treasury since Alexander Hamilton!"——

Mr. HEFLIN. Is the Senator committing himself to that characterization?

Mr. COPELAND. Oh, no; I put it in quotation marks, I will say to my friend, with an exclamation point after it.

Mr. HEFLIN. I am glad to hear that is so.

Mr. COPELAND. The bill introduced by me to which I have referred was presented to the Secretary of the Treasury, and on March 7, 1924, "the greatest Secretary of the Treasury since Alexander Hamilton!" said the country could not stand it. We could not stand it; why? The last paragraph of his letter is as follows:

> It should also be borne in mind that the Finance Committee has under consideration H. R. 6715, a bill to reduce and equalize taxation, to provide revenue, and for other purposes, and, if such bill becomes a law with its present provisions, it is estimated that there will be a reduction in revenue for the year 1925 of about $450,000,000. It is estimated the reduction is greatly in excess of the surplus for the year 1923, and it will undoubtedly result in a deficit. To add expenditures resulting from the proposed bill—
>
> The cash bonus bill—
>
> would necessarily mean a further increased deficit, which could only be met by taxation in some form and would undo the work of tax reduction.

I want every veteran in this country to recall that this administration, headed by the President of the United States and largely influenced by the Secretary of the Treasury, Mr. Mellon, set up the question of tax reduction against the rights and privileges of the veterans and their opportunity to have such a bonus. There could be no tax reduction if there was a cash bonus was the argument used.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield?

Mr. COPELAND. I think it is only fair to yield to the Senator from Pennsylvania.

Mr. REED of Pennsylvania. The Senator speaks of his desire to benefit the veterans and to help pass the bill allowing loans on their adjusted-compensation certificates. I want to say to the Senator that if at this minute he will ask unanimous consent to take up and pass that bill, with the amendment proposed by the Senator from New Mexico [Mr. BRATTON], I will be glad to agree to it.

Mr. COPELAND. Does the Senator mean with the amendment attached to the bill?

Mr. REED of Pennsylvania. Yes; with the amendment attached to the bill.

Mr. COPELAND. Mr. President, I ask unanimous consent——

Mr. ROBINSON of Arkansas. I suggest that a unanimous-consent agreement has been entered into to consider that bill to-morrow, and that in all probability it had better follow the arrangement that has already been made.

Mr. COPELAND. Of course I bow to the Senator from Arkansas; but I want to say that so far as I am concerned, I am ready to accept the challenge of the Senator from Pennsylvania [Mr. REED] right this minute.

Mr. REED of Pennsylvania. Then why does not the Senator accept it? I am ready to see the bill passed right now with that amendment on it. If the Senator is so anxious to see it passed, why does he not ask it?

Mr. COPELAND. Mr. President, I do ask that that be done right now—that the pending business be temporarily laid aside, and that we vote now on this question.

The VICE PRESIDENT. There would have to be a quorum call. The proposed agreement fixes a time for voting.

Mr. COPELAND. I hope some Senator will suggest the absence of a quorum. I do not want to lose the floor.

Mr. CAMERON. I suggest the absence of a quorum.

The VICE PRESIDENT. The Senator from Arizona suggests the absence of a quorum. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Fess	McKellar	Schall
Bingham	Fletcher	McMaster	Sheppard
Blease	Frazier	McNary	Shipstead
Borah	George	Mayfield	Shortridge
Bratton	Glass	Metcalf	Simmons
Broussard	Goff	Moses	Smith
Bruce	Gooding	Neely	Steck
Cameron	Hale	Norris	Stephens
Capper	Harris	Nye	Stewart
Caraway	Harrison	Overman	Swanson
Copeland	Hawes	Phipps	Trammell
Couzens	Heflin	Pine	Tyson
Curtis	Howell	Pittman	Walsh, Mass.
Deneen	Johnson	Ransdell	Walsh, Mont.
Dill	Jones, Wash.	Reed, Mo.	Warren
Edge	Kendrick	Reed, Pa.	Watson
Edwards	Keyes	Robinson, Ark.	Wheeler
Ernst	La Follette	Robinson, Ind.	Willis
Ferris	Lenroot	Sackett	

Mr. BRATTON. I desire to state for the RECORD that my colleague [Mr. Jones of New Mexico] is necessarily absent on account of illness.

The VICE PRESIDENT. Seventy-five Senators having answered to their names, a quorum is present. The Senator from New York asks unanimous consent for an immediate vote upon the veterans' loan bill, as amended. Is there objection?

Mr. TYSON. Mr. President, a parliamentary inquiry: What is the situation of that bill?

The VICE PRESIDENT. The bill is in the Senate, and the question is on concurring in the amendment made as in Committee of the Whole.

Mr. TYSON. What is the amendment? Is it the soldiers' bill?

The VICE PRESIDENT. The soldiers' bill.

Mr. TYSON. Mr. President, I was in the Senate at the time this unanimous-consent agreement was made, and no roll call was had at that time.

The VICE PRESIDENT. Consent has not yet been given. Unanimous consent is asked. The quorum was called for the purpose of making it possible to present the request for unanimous consent fixing a time to vote.

Mr. TYSON. In view of the fact that one hour to-morrow has been set aside for this purpose, I shall have temporarily to object, unless the Senators on the other side, who have been opposing Senate bill 3027, will agree that we shall have a time to consider that bill, and, after having had two or three hours upon it, to get to a final vote.

Mr. BINGHAM. Mr. President, my understanding was that this request made by the Senator from New York [Mr. COPELAND] was with regard to a bill providing loans to the soldiers who are entitled to compensation, that there was no objection to that bill, and that it was hoped that the bill might be passed immediately. That was my understanding of the request of the Senator from New York.

Mr. COPELAND. Not quite. It includes the amendments made the other night.

Mr. REED of Pennsylvania. That was the understanding—with all amendments heretofore made—and the request is for an immediate vote on final passage.

Mr. BINGHAM. No other bill should be put on it as an amendment which would endanger its passage.

Mr. TYSON. Mr. President, the Senator from Connecticut [Mr. BINGHAM] and the Senator from Pennsylvania [Mr. REED] kept the bill from passing the other night. They are the Senators who kept the bill from passing. We now have a unanimous-consent agreement that this bill is to be taken up to-morrow, as I understand, at 3 o'clock, and debated for one hour. Therefore it already has a status, and I see no reason why the proposed agreement should be made at this time.

Mr. BINGHAM. But it is the Senator from Tennessee now who is preventing us from voting on the bill we all want to pass.

Mr. TYSON. Very true; but the Senator from Connecticut has been preventing me from getting a vote for about a year and a half now.

Mr. BINGHAM. That is another bill.

Mr. TYSON. Now the Senator desires to get the soldiers' bill through, when he has been trying to kill it for a very long time.

Mr. BINGHAM. That is another bill. The Senator from Tennessee must not charge me and others with attempting to kill the bill which the Senator from New York has now asked to have passed, which I am in favor of, and have been in favor of, and he is asked to let it pass now without further debate.

Mr. NEELY. Mr. President, a parliamentary inquiry: Who has the floor?

The VICE PRESIDENT. The Senator from Tennessee [Mr. TYSON] has the floor.

Mr. NEELY. Will the Senator from Tennessee yield to me?

Mr. TYSON. I yield.

Mr. NEELY. The Army officers' retirement bill which the Senator from Tennessee is sponsoring and which proposes to grant relief to approximately 1,500 commissioned officers is, in my opinion, a highly meritorious measure. I purpose to aid to the limit of my capacity in enacting it into law. There is on the Senate Calendar a bill (H. R. 16886) to authorize the director of the United States Veterans' Bureau to make loans to veterans upon the security of their adjusted service certificates. This bill proposes necessary relief for more than 3,000,000 enlisted men. It ought to be passed without a moment's delay.

Mr. President, these very worthy measures are not dependent. They are independent. The latter is practically without opposition. The former is opposed by some of the most ferocious and effective filibusterers in the Senate. We can pass the latter, if it be unincumbered by the former, in 5 minutes. But if the measures are joined both of them will probably be defeated.

Is it possible that the distinguished Senator from Tennessee [Mr. TYSON] who, as a great and gallant general, commanded 8,000 of our enlisted men in the World War, and the equally able Senator and courageous ex-soldier from Connecticut [Mr. BINGHAM], intend to grind the proposed legislation for both officers and enlisted men of the World War between the upper and nether millstones of their conflicting legislative undertakings?

Mr. REED of Pennsylvania. Will the Senator yield for a question?

Mr. NEELY. Will not the Senator from Tennessee now permit us to dispose of the enlisted men's loan bill upon the assurance that all of us who have been supporting his retirement bill will do everything in our power to assist him in passing it through the Senate? Let us not throw away the present opportunity to afford great relief to the World War veterans simply because a few willful Members of the Senate refuse for the moment to permit us to perform a valuable service for 1,500 deserving and disabled officers.

Mr. REED of Pennsylvania. If this procedure continues, nobody will get any relief; and not only will the enlisted men be denied the relief that I know the distinguished Senator from Tennessee wants to have them granted, but the officers whose bill he is sponsoring will be denied any relief also.

Mr. TYSON. Mr. President, I wish to say to the Senator that this bill is set for to-morrow at 3 o'clock. There is to be an hour of debate upon it. There is no question about that bill being passed to-morrow. Therefore I shall have to ask if these two Senators will give me the assurance that the Senator from West Virginia said I should have in regard to Senate bill 3027, the emergency officers' retirement bill. If these two Senators, one from Pennsylvania and the other from Connecticut, will give their consent there will be no trouble about passing that bill.

Mr. REED of Pennsylvania. Mr. President, I would agree that the Tyson bill should be substituted in the unanimous-consent agreement for to-morrow, so that it could be debated at the same time as suggested in the agreement propounded by the Senator from Arkansas.

Mr. HEFLIN. Provided we vote now on this bill.

Mr. REED of Pennsylvania. Provided you will dispose of this bill now.

Mr. ROBINSON of Arkansas. Mr. President, it is easily within the power of the Senate, under the unanimous-consent agreement entered into this morning and of which I gave notice yesterday, to vote upon both the veterans' loan bill and the amendment proposed yesterday by the Senator from Tennessee providing for the retirement of disabled emergency officers.

Of course, the object of the Senator from Pennsylvania in making the suggestion at this time is to divest himself of the responsibility which he so readily assumed Monday evening in defeating the veterans' loan bill, and at the same time his object is to make certain that the Senate will not consider the Tyson amendment to the veterans' bill.

Mr. TYSON. Absolutely.

Mr. ROBINSON of Arkansas. If the Senate desires to do so, after we proceed to-morrow under the unanimous-consent agreement to the consideration of the veterans' loan bill, the Senator from Tennessee having been permitted to offer his amendment, if the Senate desires to do so it can then provide for cloture on the veterans' loan bill and force a vote on that bill and on the Tyson amendment.

I did not expect to have to enter into a debate on the subject at this time, but the Senator from Pennsylvania is attempting to escape responsibility for his action on Monday and at the same time deny the Senate its right to a procedure which has heretofore been ordered by the unanimous-consent agreement made this morning to take a vote on an amendment which the Senate has passed in identical language by an overwhelming vote in two previous sessions of Congress, and the vote heretofore taken upon which during this session of Congress indicates that if the Senator from Pennsylvania and other Senators in a very small number will permit the Senate to express its views on the subject, it will pass by an overwhelming majority.

Mr. REED of Pennsylvania. Mr. President, will the Senator from Tennessee yield to me to reply to the Senator from Arkansas?

Mr. TYSON. I yield.

Mr. REED of Pennsylvania. I want to call attention to the fact that the request for the immediate consideration of this veterans' bill comes from the Senator from New York [Mr. COPELAND].

Mr. ROBINSON of Arkansas. But the suggestion of the Senator from Pennsylvania, who made the same request this morning before the unanimous consent was entered into by the Senate, was agreed to.

Mr. REED of Pennsylvania. I call the Senate's attention to the fact that, nevertheless, it was the Senator from New York who asked to bring this bill up now, to which the Senator from Arkansas objects, and I call the Senate's attention also to the fact that a bill for the relief of 3,000,000 veterans which the Senator from New York is trying to get up, is being held up by the insistence of one Senator who has a bill for the relief of 1,500 officers. The rights of 3,000,000 men are being sacrificed to-day in order that a pet scheme for 1,500 officers may be advanced.

Mr. TYSON. Mr. President, let me ask the Senator who it was on Monday night who insisted that that bill could not be passed, and threatened the Senator from New Mexico [Mr. BRATTON], saying to him that "that bill can not pass if you insist on putting that amendment on"?

Mr. REED of Pennsylvania. It was I who did it, and I did it because I thought his amendment favored a class that did not deserve it.

Mr. TYSON. Why has the Senator changed his mind now?

Mr. REED of Pennsylvania. If the Senator will yield to me to answer, I have changed my mind because I have come to realize that these 3,000,000 men are being sacrificed on a question that involves only a few hundred.

Mr. TYSON. The Senator will realize before long that 2,000 other officers of the emergency Army are also being sacrificed. More than 50 of them have died in the last 12 months, and 250 have died since this bill has been before Congress. The Senator can not escape the responsibility for refusing to permit this bill to pass the other night, and now he wishes to take advantage of his own error in not permitting it to pass.

Mr. REED of Pennsylvania. I leave the RECORD to answer that. I intend to continue to object to the bill of the Senator from Tennessee because it is an indefensible discrimination against the enlisted men.

Mr. TYSON. Others do not think so.

Mr. REED of Pennsylvania. Then why does not the Senator bring his bill up by itself?

Mr. TYSON. Because the Senator, with two or three others, has kept me from having an opportunity to get a vote upon it. If the Senator will give me a vote on it, that is all I want.

Mr. REED of Pennsylvania. If there is any merit in the Senator's bill he can get it to a vote, but he is trying to tie it to the coat tails of the bill which the Senator from New York wants to get up for the benefit of 3,000,000 men.

Mr. TYSON. And the Senator from Pennsylvania was not willing on Monday night to accept the amendment offered by the Senator from New Mexico, but now he is willing to accept it.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. TYSON. I yield.

Mr. COPELAND. Would it be proper to link these two pending requests for unanimous consent, changing the Robinson agreement to the extent of placing Senate bill 3027 where the House bill now is? In that way we would vote to-day, finishing the question of the loans to veterans, and to-morrow there would be one hour of discussion and a vote on the merits of the Tyson bill?

Mr. LENROOT. Mr. President, will the Senator yield at that point?

Mr. TYSON. I yield to the Senator from Wisconsin.

Mr. LENROOT. I would like to suggest to the Senator from Tennessee that if he would accept the suggestion of the Senator from New York he would be in much better position in reference to his bill. The Senator from Tennessee may not be aware of the fact that the moment cloture is adopted, the rule of germaneness applies. No amendment, under the rule, can be received that is not germane, and under the unbroken line of precedents, after cloture is adopted, if that is what is to be done, the Senator's amendment would not be in order.

Mr. TYSON. I would like to ask the Senator from Wisconsin if he considers the amendment of the Senator from New Mexico as germane?

Mr. LENROOT. The rule of germaneness does not apply before cloture is adopted.

Mr. ROBINSON of Arkansas. Under the rules of the Senate the question as to whether or not an amendment is germane is submitted to the Senate, and the Senate, if it has the votes to pass the bill as amended, would probably hold the amendment to be germane.

I am not going to object to the request which is now made by the Senator from New York, provided the veterans' loan bill is passed. The Tyson bill will then be before the Senate for such action as the Senate may desire to take, and there would be an opportunity for the application of cloture if Senators desired to take advantage of it.

Mr. TYSON. Mr. President, I did not understand the suggestion of the Senator from New York in regard to the unanimous-consent agreement.

Mr. ROBINSON of Arkansas. I can state it to the Senator from Tennessee. I understood it. It is that the unanimous-consent agreement be modified so as to include in its terms the bill of the Senator from Tennessee relating to the retirement of emergency officers, and that the Senate now proceed without further debate or further amendment to vote on the veterans' loan bill as amended as in Committee of the Whole.

Mr. TYSON. That puts Senate bill 3027 in the present agreement for consideration.

Mr. COPELAND. To-morrow.

Mr. TYSON. At 3 o'clock.

Mr. ROBINSON of Arkansas. That is right.

Mr. BRUCE. Mr. President, I want to understand about that. I am opposed to the bill of the Senator from Tennessee.

Mr. ROBINSON of Arkansas. I trust the Senator from Maryland will not object to its being considered by the Senate for one hour. That is the effect of the agreement this afternoon.

Mr. BINGHAM. There was no agreement, may I say to the Senator from Maryland, that we should vote to-morrow, but, as I understand it—and the Senator from Tennessee and the Senator from New York will correct me if my understanding is not correct—the loan bill, with the amendment of the Senator from New Mexico as adopted the other night, is to be voted on now without further discussion and without further amendment. To-morrow at 3 o'clock, instead of the loan bill coming up for one hour's discussion, the emergency officers' retirement bill, the so-called Tyson bill, will come up for one hour's discussion.

Mr. COPELAND. The Senator has stated the proposal correctly.

Mr. ROBINSON of Arkansas. The agreement does not limit the consideration of the bill to discussion, but it is to be up for such consideration and action as the Senate shall desire to take.

Mr. BINGHAM. Certainly; but there is no agreement as to a vote.

Mr. BRUCE. I thank the Senator from Connecticut. I understand the situation now. I was out of the Chamber when the discussion started. I have no objection.

Mr. BRATTON. I am informed that the clerks at the desk failed to get the unanimous-consent agreement as modified by the Senator from Arkansas, and I suggest that he restate it.

Mr. ROBINSON of Arkansas. That the unanimous-consent agreement heretofore entered into this day relating to the consideration of the veterans' loan bill on to-morrow be modified so as to substitute in said agreement the bill, S. 3027, the retirement bill for disabled emergency officers, and that the Senate now proceed, without further debate or amendment, to vote upon the veterans' loan bill as amended in Committee of the Whole.

Mr. COPELAND. Mr. President, the Senator has stated it exactly as I desire to present it, and I trust that there will be no objection to it, and that we may proceed now to vote.

The VICE PRESIDENT. Is there objection?

Mr. EDGE. Mr. President, reserving the right to object—though I have no desire to object—I want to know how that will leave us to-night. We will be proceeding under Rule VIII to-night, and if the Senator from Tennessee, his bill being, as I recall, the fifth or sixth bill on the calendar, should move to take it up to-night, we would have another three hours of discussion on it. If we are going to give a definite hour to-mor-

row to that bill, it seems to me it should be understood that to-night we can go through the calendar without having the entire evening spent on that bill.

Mr. TYSON. I do not believe I would be willing to agree to this, because of the fact that I will get only one hour, and I am confident that the gentlemen who have been filibustering here for so long can talk more than an hour on this bill whenever they get ready.

Mr. COPELAND. Mr. President, if the Senator from Tennessee objects, I renew my original request for unanimous consent.

Mr. ROBINSON of Arkansas. Let me say to the Senator from New Jersey that the unanimous-consent agreement as proposed does not limit or restrict the arrangement already entered for consideration this evening, of bills already on the Calendar under Rule VIII, and that unless the unanimous-consent agreement is modified—and I do not intend to modify it in that particular—the Senator from Tennessee would have a chance to have consideration of his bill this evening if he choose to proceed in the way that is necessary to get the bill up.

Mr. EDGE. I merely draw attention to it because I think it is fair to have it understood that when we come back to-night, those who favor the bill of the Senator from Tennessee will defer bringing it up to-night, so that we can transact some other business.

Mr. TYSON. Would the Senate agree to give me three hours to-morrow, instead of one hour?

Mr. REED of Pennsylvania. Surely, it is not necessary to do that.

Mr. ROBINSON of Arkansas. Mr. President, frankly, if cloture is not to be applied on the bill of the Senator from Tennessee, three hours debate would accomplish no more than one hour of debate, because I see before me, Senators whose loquacity, verbosity, and eloquence would, I am sure, consume more than three hours, in view of their well-known attitude respecting the bill. I do not object to an extension of the time, but it seems to me that it would be a useless consumption of time.

Mr. MOSES. It would be a mere moot debate, if there were no agreement for a vote.

Mr. LA FOLLETTE. I rise to a point of order.

The VICE PRESIDENT. The Senator will state his point of order.

Mr. LA FOLLETTE. I make the point of order that there is confusion in the Senate and it is impossible to understand what is going on in the Chamber.

The VICE PRESIDENT. The Senate will be in order.

Mr. TYSON. I accept the unanimous-consent agreement as modified by the Senator from Arkansas and the Senator from New York.

The VICE PRESIDENT. Is there objection?

Mr. REED of Pennsylvania. As representing the opposite side of the controversy, I hope that the agreement will be entered into, and I join in the expression of a hope to that effect by the Senator from Tennessee. I do not think it is necessary to ask him to waive any rights to-night, but I firmly believe that if he knows his bill is coming up to-morrow, he will not expect to occupy all of this evening's session. We can leave that to his good sense when we reach the bill on the Calendar.

Mr. BRUCE. Mr. President, I simply desire to say, so that there will be no misunderstanding about this matter, that some of the rest of us are interested in bills which may come up on the Calendar to-night. Some of us did not get an hour's sleep last night, but are so much interested in the bills on the Calendar that we are ready to drag our weary frames here to try to get an opportunity to have them brought up to-night. The Senator from Tennessee has made two presentations of his ideas with regard to his bill, one of which was pronounced by the Senator from New York to be an uncommonly able presentation, and it was. So I venture to say that he has consumed at least two or three hours already in the discussion of his bill, and the Senator from New York and the Senator from Pennsylvania have presented their ideas very fully. It does seem to me that if the Senator is allowed an hour to-morrow to present his views for the third time, that ought to suffice, and that he should not take up so much time to-night when we are going over the Calendar as to interfere with other measures on the Calendar.

Mr. COPELAND. I renew my request for unanimous consent that we proceed at once to the consideration of the veterans' loan bill, with the amendment, and that on Thursday at 3 o'clock the unfinished business, if any, be temporarily laid aside and the Senate proceed to the consideration of Senate bill 3027, the so-called Tyson bill, for one hour unless that bill shall be sooner disposed of.

SEVERAL SENATORS. Regular order!

The VICE PRESIDENT. Is there objection?

Mr. MOSES. We can not take that bill up for one hour only.

Mr. SWANSON. Mr. President, I serve notice that there is no use taking the whole afternoon trying to reach an agreement which is never submitted. There is no use talking here of a unanimous-consent agreement which no one understands.

Mr. BRUCE. So far as I am concerned, the Senator from Tennessee is put on his election. He can either move to have his bill taken up to-night or he can accept the suggestion which has been tacked on to the unanimous-consent agreement.

The VICE PRESIDENT. Is there objection to the unanimous-consent agreement?

Mr. BRUCE. I object.

The VICE PRESIDENT. The Chair hears no objection, and it is so ordered.

Mr. BRUCE. Mr. President, I certainly objected. Senators sitting near me will bear me out. I objected to the unanimous-consent agreement.

The VICE PRESIDENT. The Chair did not hear the Senator.

Mr. HARRISON. The Senator from Maryland did object.

Mr. HEFLIN. Mr. President, I make the point of order that the Chair asked, "Is there objection?" The Chair then said, "The Chair hears none, and it is so ordered." Let the reporter's notes be read and see if they do not show that to be the fact.

Mr. HARRISON. Mr. President, what the Senator from Alabama said is true. I immediately called the attention of the Senator from Maryland to the fact that his objection had not been heard by the presiding officer.

The VICE PRESIDENT. The Chair did not hear the objection of the Senator from Maryland.

Mr. HARRISON. I am sure the Chair did not hear it, but the Senator from Maryland did make the objection.

Mr. HEFLIN. I heard what the Senator from Maryland said.

Mr. BRUCE. Mr. President, I withdraw the objection.

The VICE PRESIDENT. The objection is withdrawn.

SEVERAL SENATORS. Vote! Vote!

The VICE PRESIDENT. House bill 16886, the veterans' loan bill, is in the Senate. The question is, shall the amendments made as in Committee of the Whole be engrossed and the bill be read a third time?

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The VICE PRESIDENT. The question is, shall the bill pass?

Mr. NEELY and Mr. REED of Pennsylvania. Let us have the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. FLETCHER (when his name was called). I have a general pair with the junior Senator from Delaware [Mr. DU PONT]. I am advised that he would vote as I shall vote. I therefore vote; I vote "yea."

Mr. REED of Pennsylvania (when his name was called). I have a general pair with the senior Senator from Delaware [Mr. BAYARD]. I know that he would vote as I intend to vote. Therefore I vote; I vote "yea."

The roll call was concluded.

Mr. BINGHAM. I desire to state that my colleague, the senior Senator from Connecticut [Mr. MCLEAN] is unavoidably absent. If present, he would vote "yea."

Mr. MCMASTER. The senior Senator from South Dakota [Mr. NORBECK] if present, would vote "yea."

Mr. BRATTON. My colleague the senior Senator from New Mexico [Mr. JONES] is absent on account of illness. If present, he would vote "yea."

I also desire to announce that the Senator from Rhode Island [Mr. GERRY] and the Senator from Alabama [Mr. UNDERWOOD] are necessarily absent. If present, these Senators would vote "yea."

Mr. PITTMAN. My colleague the junior Senator from Nevada [Mr. ODDIE] is absent on account of illness. If present, he would vote "yea."

Mr. JONES of Washington. I desire to announce that the Senator from Colorado [Mr. MEANS], the Senator from Massachusetts [Mr. GILLETT], the Senator from Utah [Mr. SMOOT], the Senator from Vermont [Mr. DALE], the Senator from Oregon [Mr. STANFIELD], the Senator from Maryland [Mr. WELLER], the Senator from Vermont [Mr. GREENE], the Senator from Maine [Mr. GOULD], the Senator from Pennsylvania [Mr. PEPPER], and the Senator from New York [Mr. WADSWORTH] are necessarily absent. If present, all these Senators would vote "yea."

The result was announced—yeas 75, as follows:

YEAS—75

Ashurst	Fess	McKellar	Schall
Bingham	Fletcher	McMaster	Sheppard
Blease	Frazier	McNary	Shipstead
Borah	George	Mayfield	Shortridge
Bratton	Glass	Metcalf	Simmons
Broussard	Goff	Moses	Smith
Bruce	Gooding	Neely	Steck
Cameron	Hale	Norris	Stephens
Capper	Harris	Nye	Stewart
Caraway	Harrison	Overman	Swanson
Copeland	Hawes	Phipps	Trammell
Couzens	Heflin	Pine	Tyson
Curtis	Howell	Pittman	Walsh, Mass.
Deneen	Johnson	Ransdell	Walsh, Mont.
Dill	Jones, Wash.	Reed, Mo.	Warren
Edge	Kendrick	Reed, Pa.	Watson
Edwards	Keyes	Robinson, Ark.	Wheeler
Ernst	La Follette	Robinson, Ind.	Willis
Ferris	Lenroot	Sackett	

NOT VOTING—20

Bayard	Gould	McLean	Smoot
Dale	Greene	Means	Stanfield
du Pont	Harreld	Norbeck	Underwood
Gerry	Jones, N. Mex.	Oddie	Wadsworth
Gillett	King	Pepper	Weller

So the bill was passed

Mr. REED of Pennsylvania. Mr. President, I move that the Senate insist upon its amendments, ask a conference with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Vice President appointed as conferees on the part of the Senate Mr. SMOOT, Mr. REED of Pennsylvania, and Mr. SIMMONS.

Mr. COPELAND. Mr. President, I had intended to go on at greater length, but since this matter has gone on so happily I leave the matter where it is.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. COPELAND. Certainly.

Mr. ASHURST. I congratulate the Senate upon passing this bill. I was this afternoon the victim of a terrific flailing. The Senator from New York rose at 3 o'clock and charged me with attempting to pass this veterans' bill which has just been passed by the Senate, and for which the Senate has unanimously voted. The Senator's conscience hurt him so much because he voted against the bill on that vote that in order to extricate himself from the position in which his vote had plunged him, responding to the monitor within his breast, he came forward and manfully assisted in passing the bill.

Mr. COPELAND. I think, in view of the very happy ending, that we need not split hairs. If I hurt the feelings of the Senator from Arizona I am very sorry.

But, of course, there is a great difference between attempting to substitute a bill for the sole purpose of blocking legislation, as the Senator did, and passing a bill without setting aside the pending business. I am sure serious contemplation will cause him to see the difference.

EXECUTIVE SESSION

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After eight minutes spent in executive session the doors were reopened.

RECESS

Mr. CURTIS. I move that, under the unanimous-consent agreement previously entered into, the Senate take a recess until 8 o'clock this evening.

The motion was agreed to; and (at 5 o'clock and 23 minutes p. m.) the Senate took a recess until 8 o'clock p. m.

EVENING SESSION

The Senate reassembled at 8 o'clock p. m., on the expiration of the recess.

THE CALENDAR

The VICE PRESIDENT. The Senate will proceed with the calendar under Rule VIII.

The bill (S. 2607) for the purpose of more effectively meeting the obligations of the existing migratory-bird treaty with Great Britain by the establishment of migratory-bird refuges to furnish in perpetuity homes for migratory birds, the provision of funds for establishing such areas, and the furnishing of adequate protection of migratory birds, for the establishment of public shooting grounds to preserve the American system of free shooting, and for other purposes, was announced as first in order.

Mr. BRUCE. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2808) to amend section 24 of the interstate commerce act, as amended, was announced as next in order.

Mr. WILLIS. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

TRUTH IN FABRICS

The bill (S. 1618) to prevent deceit and unfair prices that result from the unrevealed presence of substitutes for virgin wool in woven or knitted fabrics purporting to contain wool and in garments or articles of apparel made therefrom, manufactured in any Territory of the United States or the District of Columbia, or transported or intended to be transported in interstate or foreign commerce, and providing penalties for the violation of the provisions of this act, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over!

Mr. CAPPER. Mr. President, the bill, known as the truth in fabrics bill, is supported by all the farm organizations and many of the consumers' associations throughout the country. I had intended to ask that it be brought before the Senate this evening for consideration and a vote. The senior Senator from Utah [Mr. SMOOT], who has given the proposed legislation a great deal of study, has been awaiting an opportunity to discuss it, as he stated on the floor a week or two ago. He specially requested me not to permit the bill to come before the Senate unless he could be present and have an opportunity to discuss it. He has a number of important amendments which he intends to offer.

The Senator from Utah is unavoidably detained on account of the serious illness of a member of his family; in deference to his request, therefore, I shall not press the bill for consideration this evening. I shall endeavor, however, to have it come to a vote in the Senate in the near future.

The VICE PRESIDENT. The bill will be passed over.

PROTECTION OF WATERSHEDS AND REFORESTATION

The bill (S. 718) authorizing an appropriation to be expended under the provisions of section 7 of the act of March 1, 1911, entitled "An act to enable any State to cooperate with any other State or States, or with the United States, for the protection of the watersheds of navigable streams, and to appoint a commission for the acquisition of lands for the purpose of conserving the navigability of navigable rivers," as amended, was announced as next in order.

Mr. OVERMAN. Mr. President, I do not want to stand in the way of the Senator from Oregon [Mr. MCNARY] bringing up the bill. I showed him an amendment which I desire to offer to it. If he will accept it, I have no objection to the passage of the bill.

Mr. MCNARY. I regret exceedingly to say that I could not accept the Senator's amendment. I have given it my best thought and study during the afternoon. I think the bill itself embodies all the features which are set forth in the Senator's amendment.

Mr. OVERMAN. I think the Senator is right about that; but it has been construed differently and the commission is now acting differently. The commission is buying lands everywhere in the United States, not for the protection of watersheds but buying other lands. It will take some time if we get into a discussion of the measure. The bill appropriates $40,000,000 and I do not think it ought to pass without some discussion. If the Senator wants to take it up and discuss it, I have no objection to doing that.

Mr. MCNARY. I am very earnestly anxious that the bill shall come up for consideration. It applies to the Great Lakes States, the Southern States, and the New England States, and not at all to the Western States, from one of which I come. I can not accept the Senator's amendment. If the Senator is not willing to have the bill come up by unanimous consent, I shall move that the Senate proceed to its consideration.

Mr. OVERMAN. The Senator knows that he construes the bill as I do in most respects. I ask him if he will not accept my amendment, which is for the purpose of protecting the headwaters of navigable streams. Why not put that language in the bill? That is all my amendment provides.

Mr. MCNARY. I have a very appreciative knowledge of the Senator's legal acumen; but his amendment, I think, is covered by what is called the Clarke-McNary Act, which covers the whole question of reforestation, and I do not believe it enlarges it at all or restrict it.

Mr. OVERMAN. If the Senator believes that, why not put my amendment in his bill?

Mr. MCNARY. Because I fear that some court not having general jurisdiction might hamper the work of the commission.

Mr. OVERMAN. The Senator knows that this measure was brought up some 14 years ago and was declared by a unanimous

report of the Committee on the Judiciary to be unconstitutional, and they reported that such a bill should not be passed. However, I do not want to stand in the way of the Senator. I know that he is anxious to get the bill through. I know he is a very able Senator. It is only proper that an appropriation should be made for the purchase of lands for the protection of the headwaters of navigable streams.

Mr. McNARY. That is true.

Mr. BRUCE. Mr. President, I rise to a point of order.

The VICE PRESIDENT. The Senator from Maryland will state the point of order.

Mr. BRUCE. Consideration of the bill has been objected to. Of course, the Senator from Oregon can now move that the Senate proceed to its consideration.

Mr. McNARY. I appreciate the suggestion of the Senator from Maryland. I shall, in deference to him, if he thinks proper at this particular moment, move that the Senate proceed to the consideration of Senate bill 718.

Mr. BRUCE. That is what I supposed the Senator would do.

Mr. OVERMAN. The Senator knows that the bill authorizes an appropriation of $40,000,000 to buy land. I know the people in my State who are not really acquainted with the bill have been telegraphing me to vote for it. I hope the Senator can see his way clear to accept the amendment and let it go through.

Mr. McNARY. I want to be quite in order and follow the rules of the Senate. I feel that the Senator from Maryland has suggested the proper procedure and accordingly I move that the Senate proceed to the consideration of the bill. Then I shall discuss it very briefly, and I think effectively, from the point of view I entertain respecting the position of the Senator from North Carolina.

The VICE PRESIDENT. The motion is not debatable. The question is on the motion of the Senator from Oregon.

The motion was agreed to, and the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 718) authorizing an appropriation to be expended under the provisions of section 7 of the act of March 1, 1911, entitled "An act to enable any State to cooperate with any other State or States, or with the United States, for the protection of the watersheds of navigable streams, and to appoint a commission for the acquisition of lands for the purpose of conserving the navigability of navigable rivers," as amended.

Mr. McNARY. I ask that the bill may be read.

The VICE PRESIDENT. The clerk will read the bill.

The Chief Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any moneys in the United States Treasury not otherwise appropriated, to be expended under the provisions of section 7 of the act of March 1, 1911 (36 Stat. L., p. 961), as amended by the acts of March 4, 1913 (37 Stat. L., p. 828, June 30, 1914 (38 Stat. L., p. 441), and the act of June 7, 1924 (Public, 270), $3,000,000 available July 1, 1926; $3,000,000 available July 1, 1927; $3,000,000 available July 1, 1928; $3,000,000 available July 1, 1929; $3,000,000 available July 1, 1930; $5,000,000 available July 1, 1931; $5,000,000 available July 1, 1932; $5,000,000 available July 1, 1933; $5,000,000 available July 1, 1934; $5,000,000 available July 1, 1935; in all for this period, $40,000,000, to be available until expended.

Mr. BORAH. Mr. President, is the Senator going to explain the bill?

Mr. McNARY. I should like to have an opportunity to proceed very briefly.

Mr. BORAH. I was going to ask a question, but I will withhold it until the Senator gets through with his statement.

Mr. CURTIS. Mr. President, may we not at this time have the amendment reported so that we may consider the bill and the amendment together?

Mr. McNARY. I shall be very happy to accede to the request of the Senator from Kansas.

The VICE PRESIDENT. The amendment is not on the desk of the clerk. Will the Senator please state it?

Mr. OVERMAN. My amendment proposes to include at the proper place in the bill the following proviso:

Provided, That no lands shall be purchased except those lands which are necessary for the protection of the headwaters of navigable streams.

Mr. McNARY. Mr. President, I shall first address myself very briefly to the general purpose of the bill. The purpose of the bill is simply to acquire large areas of forested, denuded, and cut-over lands in areas comprising the watershed of navigable streams in the Great Lakes States, the States of the South, and the States of New England, for the purpose of conserving the water supply and navigation under the section of the Constitution which is familiar to all of us.

Some years ago the National Forest Reserve Commission was created by this body, in cooperation with the House, and during the past 11 years they have acquired about 3,000,000 acres of land in the three districts or sections of the country to which I have referred. They have acquired during that period approximately 3,000,000 acres at an average cost of $4.93 per acre. This does not apply to the West or any of the section of the country west of the Mississippi River.

The thought of those who have framed the bill and placed it in my charge is to increase the national forests in the East in order that we may conserve the forests on the watersheds of navigable streams, and promote reforestation in the denuded areas in order that we might conserve the waters which flow in the navigable streams of the country.

The bill, as indicated by its reading, forms a national policy, appropriating $3,000,000 annually over a period of five years, making $15,000,000, and $5,000,000 annually over a period of five years, amounting to $25,000,000, making a total of $40,000,000. The thought and hope of those who are interested in conservation is that we may have better and purer water for the States; that we may in some degree take care of our annual rainfall; that we may conserve the forests and rebuild and replace them.

The East, as we all know, including, as I said, in that term a differentiation from the far West, and referring to the Great Lakes States, the Southern States, and the New England States, whose forests have been cut over, whose towns have been ill supplied with water, is in contemplation in order that we may have growing forests to take the place of the primeval forests upon a large and general plan. Hence I have offered the bill to cover a series of forests and the rebuilding of them.

The bill passed the House some months ago, but on account of the attitude of the Director of the Budget the sum was somewhat reduced. I am now proposing the larger sum, namely, $40,000,000, with hope and confidence that when it comes down to the question of the conference the Senate conferees will be successful in maintaining the amount of money provided for in the bill irrespective of the attitude of the House.

Mr. WARREN. Mr. President——

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Wyoming?

Mr. McNARY. I yield.

Mr. WARREN. Has the Senator submitted the bill to the Secretary of the Interior or the Chief Forester?

Mr. McNARY. The Department of Agriculture, speaking through the Bureau of Forestry, has reported on the bill favorably; but in all candor, as I said, the Bureau of the Budget has reduced the amount from $3,000,000 annually to $1,000,000 annually.

Mr. WARREN. What about the term of 10 or 15 years through which the appropriation is to continue?

Mr. McNARY. The program has not been reduced at all.

Mr. WARREN. Does the Senator think that the way to approach the subject is to undertake to provide a program covering such a long period of time?

Mr. McNARY. The bill provides for a 10-year program.

Mr. WARREN. I am only too anxious to aid in forestry and in what the Senator desires, except that I can not vote for any measure which deliberately ties us up for a specified sum per year for a long period of years. We can not tell what may be our circumstances or the amount of money we may be able to appropriate in the years to come. This is merely an expression of my personal opinion.

Mr. McNARY. If I may recall it to the mind of the able Senator from Wyoming, in nearly every appropriation bill there has been a commitment from either the Director of the Budget or Congress regarding the appropriation of money.

Mr. WARREN. Each year.

Mr. McNARY. And this is not a singular situation.

Mr. WARREN. Yes, it is; because these amounts are authorized for 10 years in advance, and the sums named are required to be appropriated annually.

Mr. McNARY. I quite agree with the Senator from Wyoming. I know that some of the matters appertaining to the Department of Agriculture were matters in which there have been commitments for periods of 5 or 10 years. I do not know about some of the other departments, but in this situation it is necessary to lay out a program in order to accomplish the big thing desired to be accomplished, namely, to preserve the watersheds of the navigable streams.

Mr. WARREN. Very well; I shall not detain the Senator further.

Mr. McNARY. If we are going to act upon a penny-wise plan by buying a few acres this year and none next year, we will find that the lands to-day which are susceptible of purchase by the Government and capable of retaining the moisture of the country will fall into private ownership in the next few years and be subject to decrees of condemnation. It is neces-

sary, if we are going into a large field to conserve our supplies of water for navigable streams, to enter into a program which extends over a period of years.

Hence, it is necessary, in my humble judgment, to prepare a plan that will comprehend at least a 10-year program.

Mr. McKELLAR. Before the Senator concludes, will he state why he is unwilling to accept the amendment offered by the Senator from North Carolina [Mr. OVERMAN]?

Mr. McNARY. It is my judgment, and the judgment of those who are better advised than I am, that that amendment, if adopted, perhaps, would restrict the operation of the National Forest Reservation Commission to forested areas. The Senator knows, he must know, that much of the land to-day is logged over and cut over. What is known as the reforestation bill, which is frequently referred to as the Clark-McNary bill, in section 6 provides that not only forested areas but cut-over and denuded lands shall be purchased. What we want to do is to build up those denuded lands, comprising watersheds, in order that they may conserve the water and add to the navigability of the streams of the watersheds. Hence, I think, the amendment of the Senator from North Carolina might limit the operation of the commission to purchasing forested areas, which would not meet the situation, in the great New England States, in States of the South, and a number of States along the Great Lakes; and if we are attempting to build up a national plan why should we look to the virgin forests that are nearly all destroyed? We should go out and try to preserve and build up areas that have been denuded and cut over. Now, I yield to the Senator from Idaho.

Mr. BORAH. I think the purpose of the bill is a very excellent one, but the only thing I was interested in was as to how much latitude and discretion is given to the commission in making purchases.

Mr. McNARY. Mr. President, the limitation is only upon the amount of money they may expend. We know that the future has always been judged by the past. I said a moment ago that the 3,000,000 acres which have heretofore been purchased by the commission have only cost the Government approximately $4.95 an acre.

Mr. BORAH. As I understand the amendment of the Senator from North Carolina, the Senator desires to confine the purchase to the protection of watersheds. Do I understand that the Senator from Oregon desires that they shall be privileged to go beyond that?

Mr. McNARY. Not at all.

Mr. OVERMAN. Mr. President, if the Senator will yield to me, I desire to say that I am on the commission with the Senator from New Hampshire [Mr. KEYES] which bought $50,000 worth of land in Michigan, which they said was not purchased for the purpose of preserving the headwaters of navigable streams. We had a meeting three weeks ago, at which I protested that lands were being acquired which were not for the purpose of protecting the headwaters of navigable streams. I made the stenographer take my statement down and Senators will find it in the record. Are we going to buy land all over the country without regard to the protection of the watersheds of navigable streams?

Mr. McNARY. Mr. President, I appreciate the concern of the Senator from North Carolina and I have read his notes with very much interest and some edification.

I think the Senator is not quite accurate in his statement—not purposely so, however. It is a physical impossibility to buy either cut-over or forested land that do not somewhere contribute to the navigability of a stream, because every stream has a watershed. Section 6 of the act to which I have referred enlarges the Weeks Act because it uses the words "cut-over or denuded lands" rather than "forested areas." I am conscious of the fact that if the money is appropriated it would be without the jurisdiction of the commission to purchase land that is not adapted to protect navigation interests.

Mr. CARAWAY. Mr. President, may I ask the Senator from Oregon a question?

Mr. McNARY. I am glad to yield to the Senator.

Mr. CARAWAY. The Senator may have discussed the matter about which I desire to ask him a question while I was called out of the Chamber; but if the Senator from Oregon and the Senator from North Carolina agree that the Constitution restricts the purchase of lands to those at the headwaters of navigable streams, what objection would there be to incorporating such a provision in the proposed act so that the commission would be compelled to confine purchases to lands the conservation of which would protect the navigability of rivers?

Mr. McNARY. There was a particular provision of that character, I will say to the Senator from Arkansas, in section 6 of the original Weeks Act, but section 6 of the act of June 7, 1924, enlarges the Weeks Act because it looks to the purchase not only of forested areas but also of denuded and cut-over lands. Under the Weeks Act all purchases were to be made of forested areas—standing timber—but much of the land which once was forested is now cut over and denuded, and the subsequent act allows the purchase of such land for the purpose of reforestation.

Mr. CARAWAY. If the Senator will pardon me, the amendment of the Senator from North Carolina would not restrict the purchase of cut-over lands; it would only confine the areas in which they were bought, not the character of the land.

Mr. McNARY. That is true; but the difficulty that I and those who are interested in the bill find in the matter is that it indicates that there is a doubt in the mind of Congress whether we can go beyond the Weeks Act, which we tried to enlarge in the other forestation act, which in section 6 provides for the acquisition of "forested cut-over or denuded lands within the watersheds of navigable streams." Is not that a satisfactory answer to the argument of the Senator from North Carolina?

Mr. CARAWAY. If the Senator will pardon me—and then I shall not interrupt him again—it appears to me that the very hesitancy that is displayed here in accepting an amendment of that kind would seem to indicate that the commission was invited to go out and purchase lands that would not naturally fall within the restriction.

Mr. McNARY. Not at all, because section 6 does not admit of that discretion. It attempts the enlargement of the Weeks Act, which limited purchases to forested areas. As one speaking for the interest of the South and the East and the New England States and the Great Lakes States, I fear that the amendment might be construed as a limitation upon the authority of the National Forest Reservation Commission.

Mr. CARAWAY. I am frank to say that I do not follow the Senator.

Mr. McNARY. I can not conceive of any reason for attempting to limit the authority granted in the conservation act. Without attempting further to discuss the matter, I will say that all of those interested in forestation, all of the organizations, have appealed to Congress to support the bill that has been heretofore offered so as to establish a national plan whose purpose is simply to establish in the Great Lakes section, in the South, and in the East the policy which has been carried on there in the West from the time statehood was granted. I speak most unselfishly and disinterestedly for those who are interested in this legislation.

Mr. OVERMAN. Mr. President, we have heard for years protests being made by western Senators against the Government owning so much land in their States; they want the Government to give it back to them so that it may not be removed from the taxing power of the States; but here is a proposition to extend the same system to the Southern and Eastern States, to acquire great bodies of land and take them out of taxation and put them under control of the Government.

This is not the first time this question has been up here. We appropriated two weeks ago $1,000,000 to buy lands, and we have been appropriating every year for a number of years from $1,000,000 to $3,000,000 with which to buy land to protect the watersheds of navigable streams. The Government owns millions of acres of land in Arkansas, Georgia, South Carolina, Pennsylvania, and the Appalachian Range, and we are buying more land. The Government owns 378,000 acres in my State.

When the term of former Senator Shields, of Tennessee, expired I was asked to go on the Forest Reservation Commission. I went on the commission. I found when I attended a meeting of the commission that they were buying lands away from navigable streams, old pine lands, cut-over land, and I said, "Gentlemen, you have no constitutional power to do that; we are acting under the Weeks law." That law was a compromise.

About 15 years ago, not knowing as much about the Constitution as I now know, I introduced a bill to buy lands for this purpose. The bill passed the Senate and went to the House. That was in 1914, and I have the RECORD here which sets forth that the House referred the bill to the Judiciary Committee to ascertain whether or not the bill was constitutional. Without a single exception the 17 great lawyers of the House of Representatives, then constituting the Judiciary Committee of that body, submitted a report in which they said that the bill was unconstitutional. Senator Weeks and myself and a few others got together and asked if the power to purchase were limited to land protecting the watersheds of navigable streams, would not that be constitutional? That question was taken under advisement, and we were informed that under the clause of the Constitution providing that the Government should have control of navigable streams, Congress had the power to keep the silt from going in and also had the power to provide for keeping the silt out. In accordance with that

idea, we frequently make appropriations to clean out rivers. In the Appalachian region, where there are few lakes, the waters are held by the rootlets of trees and when the spring rains fall they wash over the land and carry the silt down to the rivers. So we came to the conclusion that there ought to be some way by which the Government could acquire the lands at the headwaters of the streams. President Roosevelt sent a strong message to Congress asking that that be done.

Mr. President, I will ask the clerk to read the conclusion of the unanimous report of the Committee on the Judiciary of the House, which was one of the ablest committees that ever sat in the House of Representatives. Judge Jenkins was chairman and Wayne Parker and other Representatives of similar high ability were on the committee. I will not ask the clerk to read the whole report; it would take almost all night to read it, but to read the resolution of the committee showing its conclusion.

The VICE PRESIDENT. Without objection, the clerk will read as requested.

The Chief Clerk read as follows:

[From the CONGRESSIONAL RECORD, Senate, of May 16, 1908, page 6395]

Resolved, That the committee is of the opinion that the Federal Government has no power to acquire lands within a State solely for forest reserves; but under its constitutional power over navigation the Federal Government may appropriate for the purchase of lands and forest reserves in a State, provided it is made clearly to appear that such lands and forest reserves have a direct and substantial connection with the conservation and improvement of the navigability of a river actually navigable in whole or in part, and that any appropriation made therefor is limited to that purpose.

Resolved, That the bills referred to in the resolutions of the House (H. R. 10456 and H. R. 10457) are not confined to such last-mentioned purpose and are therefore unconstitutional.

Mr. OVERMAN. Mr. President, the committee were not unanimous in the opinion that we might buy the land for that purpose, but a majority of them were. Senator Weeks and I prepared a bill providing for the purchase of land at the headwaters of navigable streams for the purpose of protecting the watersheds of navigable streams. That bill passed, and under it we have been appropriating, as I have said, from one to three million dollars every year to purchase such lands. Then came along another measure, the Clarke-McNary Act, affecting the subject.

When it passed I thought it had the same object as the original act. The Senator from Florida [Mr. FLETCHER] told me he thought it had and I understood the Senator from Oregon [Mr. MCNARY] to say the same thing. I was astonished, however, when I went before the commission, of which I am a member, to find that they were buying pine land from a university in one State that could not avail for the protection of the watershed of a navigable stream. It looked as if land was going to be purchased here and there and everywhere without regard to the Weeks law. I called their attention to it, and I protested against it. Several members voted with me, but a majority overruled me, and the chairman said, "Well, I have some doubt about this, so I will recommend that the commission refer it to the Attorney General to see what he says about it." What do you suppose, Mr. President, the Attorney General said? He wrote back, "Follow the law." They had asked him for an opinion on this subject and his opinion was, "Follow the law."

Mr. KING. Was that Attorney General Sargent?

Mr. OVERMAN. Yes.

Mr. CARAWAY. I am glad that he recognized that there was such a law.

Mr. OVERMAN. Since that time, after I returned to Washington I attended another meeting at which a report was presented in which it was shown they were buying lands here and there. I asked the very question, "Are you buying this land for the purpose of protecting the watersheds of navigable streams?" and the reply was, "No."

Mr. MCNARY rose.

Mr. OVERMAN. Does the Senator wish to ask me a question?

Mr. MCNARY. Mr. President, I agree with the Senator in the proposition, of course, that we can not go out—and the bill does not contemplate such a course—and buy up forests as such. The power is limited both in the Weeks Act and the reforestation act and this bill to the conservation of watersheds of navigable streams.

Mr. OVERMAN. That is what the Weeks bill was for.

Mr. MCNARY. Why, certainly.

Mr. OVERMAN. That is what we ought to do, and I am as strong for it as my friend the Senator from Oregon; but when they go out here and there and buy land everywhere, old fields here and old fields there, I think they are going too far.

Mr. MCNARY. Mr. President, there is no intention whatsoever to do that. If the Senator will permit me to refresh his memory by speaking of the last act which was the product of the reforestation committee, section 6——

Mr. OVERMAN. I know what the act says. I know how they construe it.

Mr. MCNARY. All the members of the National Commission on Conservation, all of those who are interested in reforestation through the country, the great organizations, have construed it as it has been construed, happily, by myself; and the Senator from North Carolina has been alone in his own construction.

Mr. OVERMAN. I do not understand why the Forest Reservation Commission is buying these lands contrary to what, I think, is the law and what the Senator thinks is the law. I shall be satisfied if you will put on my amendment, which limits them to buying forested lands and cut-over lands. They are buying cut-over lands in my State now to protect the headwaters of navigable streams. It is the headwaters of navigable streams that they are trying to protect. What I am protesting against is buying land that does not protect the headwaters of navigable streams, unless the Senator contends that land a thousand miles away from the Mississippi River is required for the protection of a navigable stream.

Mr. MCNARY. Mr. President, anyone who has ever been in a forest knows that all the forests are found in the watersheds. Every forest in this country, every tree that grows in this country, is in some way connected with the watershed of a navigable stream.

Mr. OVERMAN. Mr. President, that reminds me of what is going on in another field. The other day there was a great development made in my State, and they were going to flood three acres that belonged to the Government. The power company offered them 100 acres for 3 acres, and they decided that they could not make the exchange, because it was the headwaters of Wilsons Creek, and Wilsons Creek was the headwaters of another creek, and another creek was the headwaters of another river, and another river was navigable. The Senator from Georgia [Mr. GEORGE] knows about it. He and I have both been up there trying to settle that question, and that is what they hold.

Mr. MCNARY. Does not the Senator realize that all of those tributary streams give their waters to some navigable stream?

Mr. OVERMAN. If they run a thousand miles, perhaps. In my State there are two springs. One is the headwaters of the Great Kanawha, and the other is the headwaters of the Peedee; and they are within a hundred yards of each other. That might be said to be the headwaters of a navigable stream, because the water ran into the Peedee and ran into the Great Kanawha.

Mr. MCNARY. Of course, Mr. President.

Mr. OVERMAN. Then, that takes in all the land of the United States, and you can buy a thousand acres in North Carolina; and if you can buy a thousand acres you can buy a hundred thousand, and you can buy 200,000, and take it out of taxation, and destroy my State.

Mr. CARAWAY. Mr. President, may I ask the Senator from Oregon a question? If the Senator is correct in his holding that every tree is on the headwaters of a navigable stream, what was the object of putting in the Weeks bill a provision that they could buy only timbered lands, only to protect the headwaters of navigable streams? If they are all on the headwaters of navigable streams it would seem to be perfectly useless language.

Mr. MCNARY. It may have been; but that was the idea of the author of the bill, who wanted to use the language thereof.

Mr. CARAWAY. What did they put it in there for?

Mr. MCNARY. Mr. President, every one knows, whether he is from Arkansas or elsewhere, that under the Constitution no bill of this kind can stand the test of the courts unless it is connected with navigability, which is also connected with the headwaters of a stream and the watershed.

Mr. CARAWAY. But I thought the Senator said there was not a tree that grew that was not growing on the watershed of a navigable stream. Therefore, since all of them are, what is the use of saying that only those that are within the watersheds of navigable streams shall be purchased?

Mr. MCNARY. Mr. President, we have to say some things in bills for those who construe the laws, but some of us know what they mean. That might apply very well to the Senator from Arkansas.

Mr. CARAWAY. I am frank to say that with the Senator's language and his explanation, I do not know. The law says the land can not be purchased unless it is on the watershed of a navigable stream, and the Senator says that all trees are on the watersheds of navigable streams. That may be a tremendously forceful argument, but the Senators must furnish the information, I presume, because I never heard of such a thing before. I presume that if he were to die, all wisdom would die with him.

Mr. McNARY. Mr. President, anyone who has thought seriously on this subject and is not a known jester——

Mr. CARAWAY. If the Senator thinks I am jesting about it, the Senator does not know what he is talking about. The Senator can make his statement in his own time or in any way he wants to, but I hope he will make his arguments without making offensive references to me.

Mr. McNARY. Mr. President, I have no desire to refer to the Senator from Arkansas at all, because we are now considering a serious matter.

Mr. CARAWAY. That is what I thought until the Senator made a joke about it by saying that all trees were on the watersheds of navigable streams.

Mr. OVERMAN. Mr. President, will the Senator tell me why he will not accept my amendment? If the Senator says that is what the law means, why not accept it?

Mr. McNARY. I will tell the Senator why I can not accept it. In the Weeks Act the attempt was made——

Mr. CARAWAY. I wonder how that "Weeks" is spelled.

Mr. McNARY. I have no doubt about that. In the Weeks Act it was attempted to limit the operations of this commission to the purchase of forested areas.

Mr. OVERMAN. The Senator knows that it is not limited to that, because they are buying cut-over land everywhere. They bought the Vanderbilt lands.

Mr. McNARY. That may have been a question of execution. Under the act, which was known as the reforestation act, there was an attempt by the Government to acquire denuded and cut-over lands. The objection I have to the Senator's proposition is that it might restrict the commission to purchasing land that was not forested area. I am anxious, Mr. President, to get property within the watershed which section 6 of the reforestation act——

Mr. OVERMAN. How far would the Senator go?

Mr. McNARY. I will not yield for a minute.

Mr. OVERMAN. I have the floor.

Mr. CARAWAY. No; the Senator lost it by the Weeks Act.

Mr. McNARY. Very well; if the Senator does not want me to explain, I will do so in my own time.

Mr. OVERMAN. I do not want to be discourteous at all. I want the Senator to say what he was going to say. I was asking why he would not accept my amendment.

Mr. McNARY. I was trying to distinguish between the Weeks Act and the reforestation act, all of which appertains to the South and the Great Lakes States and the New England States. It was thought by those who administered the act that they were restricted to forested areas. Section 6 of the reforestation act plainly provides that it applies not only to forested areas but to cut-over areas and denuded areas, all within the watersheds of navigable streams.

Mr. OVERMAN. How far would the Senator extend the watersheds—how many miles away?

Mr. McNARY. Mr. President, any one knows that a watershed is that part of the topography of the country that sends water from springs and streams and rainfall and melting snow to add to the water that is carried down into the navigable parts of the stream.

Mr. OVERMAN. That takes in the whole thing, then.

Mr. McNARY. Why, certainly. As I said a moment ago, there is no tree that grows in all the country——

Mr. OVERMAN. It takes in the whole United States.

Mr. WALSH of Montana. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Montana will state it.

Mr. WALSH of Montana. Are we proceeding under Rule VIII?

The VICE PRESIDENT. Under Rule VIII; a motion was made to proceed to the consideration of the bill, and it was carried.

Mr. OVERMAN. Mr. President, I will ask the Senator if he will not permit to be done what was done 15 years ago in the case of a similar bill—let it be referred to the Committee on the Judiciary to say whether it is constitutional?

Mr. McNARY. I could not do that.

Mr. OVERMAN. I suppose not.

Mr. HARRISON. Mr. President, will the Senator yield for a question?

Mr. OVERMAN. I shall be glad to yield.

Mr. HARRISON. Would not the Senator from North Carolina be satisfied and the Senator from Oregon be satisfied if the amendment should read:

Provided, That no land shall be purchased except cut-over, forested, or denuded lands within the watersheds of navigable streams.

That includes the language embraced in the act of 1925.

Mr. OVERMAN. If the Senator made it read "the headwaters of navigable streams," I should be satisfied with it.

Mr. HARRISON. I was merely quoting the exact language of that act.

Mr. McNARY. Certainly; I shall be very glad to accept that, because of this fact: The headwaters, in my opinion, is synonymous with the watershed; and that is the language of the reforestation act of 1924, which was the result of the work of a commission of the Senate. I shall gladly accept the amendment. It carries out my theory entirely.

Mr. OVERMAN. I have the floor. The Senator says the headwaters means all the land in the States and in the United States, and therefore under his bill appropriating $40,000,000, and maybe $40,000,000 more, if we start on this proposition, he can buy up the whole United States and destroy the States. Is not that so?

Mr. McNARY. Of course, that is perfect nonsense.

Mr. OVERMAN. The Senator admitted that it would take in a whole State.

Mr. McNARY. Not at all. I say that any tree that grows in this country is more or less associated with the watersheds of the country. Trees do not grow in the arid West. Trees grow in the South, where there is rainfall and snowfall; perhaps in the Great Lakes States and in the New England States, because of moisture; and any tree that grows more or less contributes to conservation of the navigability of the streams which have their sources in its watershed.

Mr. GEORGE. I should like to say to the Senator that many of them grow right down on the coast, right against the Atlantic and against the Gulf.

Mr. McNARY. That is true.

Mr. GEORGE. And they would be purchasable under this bill.

Mr. McNARY. Entirely so; and is it not true that they suspend the evaporation of water that finally percolates into the streams of the country; and does the Senator from Georgia object to the acquisition of those headwaters?

Mr. President, I am willing to accept the amendment offered by the Senator from Mississippi, because it entirely conforms to the spirit of the act of 1924. If the Senator from North Carolina, who stands alone among all of those who advocate this bill, would accept the amendment we could get together and pass the bill.

Mr. OVERMAN. Mr. President, I should like the Senator to carry out what he says is the policy; not go a thousand miles away from some navigable stream and buy land, but buy it on the headwaters of the stream. That was the provision of the Weeks Act. Under that act they have been buying cut-over land, and they are buying thousands and thousands and thousands of acres of land. Congress every year for 15 years has appropriated from one to two million dollars for that purpose. Why does the Senator want this other bill?

Mr. McNARY. Because it is a lot better bill for the country and the Senator's country, and everybody knows it but the Senator.

Mr. OVERMAN. That may be the Senator's opinion, but I know it is not.

Mr. McNARY. The Senator stands alone to-day in all those in the South against the South's interests.

Mr. OVERMAN. I am willing to do that, Mr. President. I opposed this bill four years ago, and was reelected by 50,000 majority.

Mr. McNARY. I appreciate that. I wish it had been 150,000.

Mr. OVERMAN. We had this matter up, and I know there is a propaganda going on for this bill. I know that your forest commission was a very extravagant body—one of the most extravagant bodies in this Government. We are now appropriating $8,000,000 to them, and they want $40,000,000 to go out and buy land everywhere in the headwaters of streams. That is what they did three weeks ago, away off from navigable streams.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. OVERMAN. I will.

Mr. LENROOT. The Senator would not limit it, for instance, in the case of the Mississippi River, to only the headwaters of the Mississippi River, and say that no land could be purchased along the Mississippi River in the Southern States?

Mr. OVERMAN. No. We are buying land now on the headwaters that make the Mississippi River, the Kanawha River, the New River, the Ohio River, and all the great rivers.

Mr. LENROOT. But they are not all navigable streams.

Mr. OVERMAN. But the Senator from Oregon contends that they are navigable streams. Any water that runs into the Mississippi River, if it is from a spring or a creek a hundred miles away, is a navigable stream. That is what the Senator from Oregon contends.

Mr. McNARY. Mr. President, I do not take the narrow view that you have to buy a few acres of land on the Columbia River or the great Colorado River or the Mississippi River or the Missouri River to make it navigable. Every tributary stream carries its quota of water, and every tree along that stream in the watershed is a contributing and a valuable factor.

Mr. OVERMAN. If the Senator will confine it to watersheds, I will accept it; I will make no objection to his bill.

Mr. McNARY. Now the Senator is getting around to my viewpoint.

Mr. OVERMAN. Will the Senator accept my amendment, then?

Mr. McNARY. What is the Senator's proposition?

Mr. OVERMAN. Has the Senator my amendment? I showed it to him. I had hoped that we could settle this matter without any contest.

Mr. McNARY. I can not accept the amendment, Mr. President.

Mr. OVERMAN. The Senator will not accept it?

Mr. McNARY. No; not at all.

Mr. OVERMAN. All right.

Mr. KEYES. Mr. President, it seems to me that we are getting a little confused as to the question before the Senate. I did not understand that it was a question of amending our present law. The bill is simply to authorize appropriations to carry into effect law that we already have. In 1911 we passed the Weeks Act, providing for the acquisition of lands on the headwaters of navigable streams. In 1904 section 6 of that act was amended, enlarging the scope of the law. This bill before us to-night is simply to carry into effect the legislation we already have, nothing more.

Mr. OVERMAN. The Senator was present at the meeting when we considered this matter.

Mr. KEYES. Yes.

Mr. OVERMAN. The Senator will remember I asked the question, "Is this land to be purchased for the purpose of protecting the headwaters of navigable streams?"

Mr. KEYES. Yes.

Mr. OVERMAN. And they said "no."

Mr. KEYES. Yes. I may say that there are seven on the committee, of which the Senator and myself happen to be members. They said "no" because we had before us section 6 of the law, which provides in the very last clause in regard to the purchase of land what I shall read. I think perhaps I had better read the whole section:

SEC. 6. That section 6 of the act of March 1, 1911 (36 Stat. L., p. 961), is hereby amended to authorize and direct the Secretary of Agriculture to examine, locate, and recommend for purchase such forested, cut-over, or denuded lands within the watersheds of navigable streams as in his judgment may be necessary to the regulation of the flow of navigable streams, or for the production of timber, and to report to the National Forest Reservation Commission the results of such examinations; but before any lands are purchased by the commission, said lands shall be examined by the Secretary of Agriculture, in cooperation with the Director of the Geological Survey, and a report made by them to the commission showing that the control of such lands by the Federal Government will promote or protect the navigation of streams, or by the Secretary of Agriculture, showing that such control will promote the production of timber thereon.

Mr. OVERMAN. And yet the Senator says I asked whether the land was bought for the purpose of protecting the headwaters of a navigable stream, just as that law provides, and they said, "No; it is not." They had their men go out in a little place somewhere and report on cut-over pine lands that had nothing to do with any streams at all. The Senator remembers that?

Mr. KEYES. Yes. I do remember it very well; but I call the Senator's attention to the last words of the section, "That such control will promote the production of timber thereon." That is the law. The commission simply tried to carry out the law. I want to call the Senate's attention to the fact that there has not been one single acre of land purchased, in spite of what my good friend from North Carolina has stated here to the effect that we are buying land all over the United States, all kinds of land. There has not been one single acre purchased up to the present time.

Mr. OVERMAN. How about the Michigan lands?

Mr. KEYES. They have not been purchased.

Mr. OVERMAN. We paid $50,000 for a little tract out there, and that is the very land I was protesting about, and the Senator himself admits here that the witnesses said it was not for the purpose of protecting the timber.

Mr. KEYES. I maintain that not one acre of land has been purchased. The commission authorized the purchase of some 50,000 acres of land in Michigan at $1 an acre. The purchase has never been consummated, and the question of the constitutionality of this matter, it seemed to at least six members of the commission, was a matter that would be determined by the courts. The commission simply endeavored to carry out the law as it exists, and the bill before us to-night is nothing more than a measure to authorize appropriations to carry into effect existing law.

Mr. WADSWORTH. Mr. President, will the Senator yield?

Mr. KEYES. I yield.

Mr. WADSWORTH. Will the Senator state what the purpose of the proposed Michigan purchase was?

Mr. KEYES. It was not to protect the headwaters of navigable streams. It was to be purchased under section 6, which was really for timber production on the waters of navigable streams, or lands about navigable streams.

Mr. WADSWORTH. Do I understand the Senator to say that the commission is authorized by the existing law to purchase land for either one of two purposes, first, to protect the watershed of a navigable stream; and, second, to encourage the growth of timber?

Mr. KEYES. Exactly. One is for stream protection and the other for timber production. I think that is the law.

Mr. WADSWORTH. If that is true, and that second alternative just described by the Senator is in the statute, then, of course, there is no limit on the purchases to be made by the commission, except the funds appropriated by Congress. They can go anywhere, in any State, provided they can assume to their own satisfaction that the land they are buying can be used for the encouragement of the growth of timber or the preservation of the timber supply. I am merely translating what the Senator himself has said in reply to my question.

Mr. KEYES. It refers to navigable streams.

Mr. WADSWORTH. I know; that is settled. But how about the other alternatives?

Mr. KEYES. I mean that the lands which are being purchased for timber production must be around navigable streams.

Mr. WADSWORTH. Were the 50,000 acres in Michigan around navigable streams?

Mr. KEYES. Some of it was.

Mr. WADSWORTH. What stream?

Mr. KEYES. I am unable to give the Senator the name of the stream, but it is my understanding that some of that land was around a navigable stream.

Mr. OVERMAN. Or tributary to the Great Lakes.

Mr. KEYES. Streams running into the Great Lakes.

Mr. WADSWORTH. Half the United States is tributary to the Great Lakes.

Mr. GOODING. It is just as important to protect the watershed of the Great Lakes as of any other body of water in the United States, and the object of a protective-forest cover is to hold the moisture.

Mr. WADSWORTH. Then, there is no limit at all. Why not say in the statute that the commission may purchase lands anywhere?

Mr. GOODING. The author of the bill said there was no limit.

Mr. CARAWAY. Mr. President, I do not subscribe to the theory that is being advocated by the people who want to take over all the streams and all of the woodland of this country, who claim that every drop of water that trickles is a part of some navigable stream, and that the Government may extend its jurisdiction to the very springs that flow out of the rocks, and take charge of them. If so, it can take charge of every stream in America, and if the explanation of the Senator from Oregon is correct, it can take charge of all the forest lands.

I am curious, then, to know what it is that the Federal Government does not own, what it is that the State has a right to control, what it is that lies outside of the jurisdiction of the Federal Government. I feel no particular interest in the legislation one way or the other; I am not pa ticularly friendly with this idea of extending the Federal ownership of lands.

I have heard the gentleman from the West complaining about so much of their lands being in Federal control. I have heard

it advocated upon this floor that the Federal Government ought to contribute toward the upkeep of some of the States by reason of the fact that most of the lands are in Federal control, and I have almost been persuaded that there was some justice in that claim.

Mr. GOODING. Mr. President, will the Senator yield?

Mr. CARAWAY. I yield.

Mr. GOODING. May I say to the Senator from Arkansas that the West, my State, and I think all the States in the West, as far as the timber is concerned, are cooperating with the Government now in reforesting. We think it is going to mean a great asset to the West in time as timber becomes valuable, and I can agree with the Senator from Oregon that practically every tree in this country that is on a watershed contributes to the watershed in conserving the moisture, making a forest bed so that the snows will not run off in great torrents and great floods. That is the object of forestation, conserving the watersheds, conserving the moisture.

Mr. CARAWAY. That is doubtless true.

Mr. GOODING. Improving the conditions not only of the streams but of the country generally.

Practically all the trees except the trees along the seaboard——

Mr CARAWAY. The Senator is parting company with the Senator from Oregon, who assured the Senator from Georgia that every tree that grew along the sea was a part of the forest protection.

Mr. GOODING. It can be said that 97 per cent of all the forests are on watersheds or contribute to some river, to some stream, that makes up the Mississippi or one of the other great rivers of America.

Mr. CARAWAY. The Senator's contention is that the Federal Government could acquire all the forests in America?

Mr. GOODING. No; I would not put it that way; but the forests ought to be conserved wherever we can conserve them. In a few years we will not have any timber in America. We are wasting our forests faster than any other country on earth, and in 25 years we will be paying twice as much for lumber as we are now.

It is only the General Government and the States that can encourage forestry, because no individual can afford to pay taxes on a great body of land and wait for a forest to develop. So it is a necessity for either the States or the General Government to cooperate if we are to have forests in America.

Mr. CARAWAY. If that is the Senator's idea, that the Government ought to take over all the forest lands and all the streams, I have no fault to find with him, but as long as the Constitution does not warrant it I do not subscribe to it. That is all I care to say.

Mr. OVERMAN. Mr. President, the milk in the coconut is what the Senator from New Hampshire read about this law—that it was not for the purpose of protecting the headwaters of navigable streams, but was for the protection and production of timber. That is not a matter for the General Government. My State appropriated last year $2,000,000 for the purpose of buying land. If you want to protect the lands in a watershed, let the State do it. Do we want the Government to own all the land in this country? If that is a policy that is adopted, then the Government will own all the land everywhere. The Senator says my people are in favor of this bill. I have no doubt a thousand letters have been written to my State to try to get people to ask me to withdraw my opposition to the measure.

Mr. SHEPPARD. Mr. President, may I ask the Senator a question?

Mr. OVERMAN. Certainly.

Mr. SHEPPARD. Under this bill can we acquire land in a State without the consent of the State?

Mr. OVERMAN. No; we can not. We can not condemn it without the consent of the State. My State has consented to the buying of land for the purpose of protecting the headwaters of navigable streams.

I was about to say that there has been considerable propaganda on this matter. The good women of my State and distinguished men and others have been writing to me asking me to give my support to the bill, but I can not be governed by that sort of thing when I know the Congress would be acting outside of the law. It is unconstitutional, as the Senator admits and as the Congress has stated and as I have tried here to show. It is not within the Constitution. Committees have time and again unanimously said we could not do it. People have asked me to vote for a bill proposing to go outside in the buying of lands for the protection of headwaters, here and there and everywhere, but I can not do it. No matter what the people say, I am going to stand by the Constitution as I see it and as I know it.

Mr. McNARY. Reference has been made by the distinguished Senator from North Carolina to a report of the House committee in 1917. That committee held that we could not go out and buy land disassociated from watersheds or streams. I yield to that argument. I am not impinging upon that argument. We are quite agreed on that point. I only take the view and the large view that we have a right not only to take forest areas but denuded areas and logged-off areas in all the watersheds of navigable streams.

Mr. OVERMAN. The Senator says it is unconstitutional. What is unconstitutional? Under the Senator's argument they could buy land a thousand miles away from a navigable stream.

Mr. McNARY. Oh, no; I have never argued for going out and canvassing where there are no streams, in the Mississippi Valley or the great Gulf States or the western divide of Colorado, for the purpose of buying up land and planting trees.

Mr. OVERMAN. According to the Senator's argument a little stream in Kansas, even a little branch in Kansas, is a headwater of a navigable stream.

Mr. McNARY. There are very few streams in Kansas which flow anywhere or go into a navigable stream.

Mr. OVERMAN. They must go into navigable streams if they go anywhere.

Mr. WALSH of Montana. Mr. President, I inquire if the Senator from Oregon and the Senator from North Carolina have not twice spoken on the subject?

Mr. OVERMAN. I have had the floor and have been interrupted. I am ready to yield the floor. I have offered an amendment and I do not see why it should not be adopted.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from North Carolina.

Mr. HARRISON. Mr. President, about two years ago the Senate appointed a committee to go out and study the question of reforestation. They traveled over the country and made certain recommendations. Those recommendations in part were written into law, and, as I recall it, the act of 1924 is a part of one of the recommendations.

There is nothing complicated about the question now before the Senate. It is merely a request to increase the appropriations for the purchase of the lands embraced in the present law, section 6, of 1924. Section 6, of 1924, gives to the Secretary of Agriculture power to "purchase lands, forested or cut-over or denuded lands, within the watershed of navigable streams as in his judgment," and so forth. Under the present law we can expend so much money a year. We say this question is of such importance that the Congress ought to increase the appropriations annually for the purpose in order that we can conserve some of the forests, that we can purchase more of the lands and bring benefit to the people.

Mr. KING. Mr. President, will the Senator yield?

Mr. HARRISON. I submit the proposition ought to be agreed to. It is not changing any existing law. It is merely carrying out the law by asking for a larger appropriation annually.

I yield now to the Senator from Utah.

Mr. KING. I ask the Senator if it be a fact, as indicated by the Senator from North Carolina, that those administering the law perverted and misinterpreted it and purchased lands which were not within the contemplation of those who enacted the law, is it not proper, indeed, is it not imperative, that hooks should be put into their jaws and that they should be restrained to the legitimate exercise of constitutional power?

Mr. HARRISON. I do not know whether they perverted the law or not. I take it that they have done their duty. But we can hardly find any 160-acre tract of land on any navigable stream in the United States as to which everyone might agree that every part of it constituted a part of a watershed and that if we should purchase timber on every part of it, it would add to the protection of the headwaters of a stream. I submit it is not necessary to adopt the amendment offered by the Senator from North Carolina. If he insists on it being considered, I shall offer a substitute for it.

Mr. BINGHAM. Mr. President, in order to save the time of the Senate I ask permission to have inserted in the RECORD, without reading, portions of several letters from various Connecticut organizations, including the Connecticut Federation of Women's Clubs, the Connecticut Botanical Society, and others, showing a general interest in the bill throughout Connecticut. I should read them, but I merely ask unanimous consent to have them printed in the RECORD without being read in order to save time.

The VICE PRESIDENT. Without objection, it is so ordered.

The letters are as follows:

CONNECTICUT FEDERATION OF WOMEN'S CLUBS,
New Haven, Conn., January 21, 1926.

Senator HIRAM BINGHAM,
Senate Chamber, Washington, D. C.

DEAR SIR: As chairman of conservation of the Connecticut Federation of Women's Clubs, representing 8,000 women, I am writing to ask your favorable consideration of Senate bill 718 to carry out adequately the provisions of the McNary-Woodruff bill.

Having been conservation chairman for 25 years, I can truly say that the women of your State have been very active workers, for constructive conservation, for several years—and wish to see our State in the vanguard of all work, which eventually will bring about a well-developed State policy. The New England Forestry Congress and the Connecticut Forestry Association have indorsed this bill.

Very truly yours,

JESSIE B. GERARD,
Chairman of Conservation Connecticut Federation of Women's Clubs.

THE FORTNIGHTLY.

Mr. HIRAM BINGHAM,
Washington, D. C.

MY DEAR MR. BINGHAM: At its three hundred and thirty-fourth meeting on January 13, the Fortnightly, a club of New Haven women, voted to make known to you and Mr. MCLEAN the hope of its members that their Connecticut Senators would favor the passage of the McNary-Woodruff bill now pending in the Senate. The club is especially interested in the primeval forest of red spruce at Mad Run Notch, N. H., and understands that if this bill is passed its preservation will be assured.

Very sincerely yours,

ELIZABETH C. BEERS, *Secretary.*

NEW HAVEN, January 17, 1927.

THE CONNECTICUT BOTANICAL SOCIETY (INC.),
New Haven, Conn.

Hon. HIRAM BINGHAM,
Senator, Washington, D. C.:

At the annual meeting of the Connecticut Botanical Society, held at New Haven, Conn., January 29, the matter was brought up in reference to help save the forests in the Waterville Valley and Mad River Notch in New Hampshire, and the following resolution was passed unanimously:

Resolved, That this society is in favor of the Government purchasing this tract of land, and that a copy of this resolution be sent to Senator MCLEAN and Senator BINGHAM.

Yours truly,

ARTHUR E. BLEWITT,
Corresponding Secretary.

P. S.—The McNary-Woodruff bill, S. 718, covers this situation.

THE CURTIS HOME,
Meriden, Conn., January 16, 1927.

Hon. HIRAM BINGHAM,
United States Senate, Washington, D. C.

DEAR SIR: My attention has been called, as a member of the Society for the Protection of New Hampshire Forests, to the opportunity of saving 16,000 acres of spruce timber in the township of Waterville, N. H., an area which includes the Notch of the famous Mad River, immortalized by Longfellow, provided the McNary-Woodruff bill shall pass the Senate at this session.

I earnestly hope that you will see your way clear not only to favoring its passage but to using your influence and good offices to bring this desirable action about.

Very respectfully yours,

FREDERICK W. KILBOURNE,
Secretary, Connecticut Chapter Appalachian Mountain Club.

THE STAMFORD CHAMBER OF COMMERCE (INC.),
Stamford, Conn., February 16, 1927.

Hon. HIRAM BINGHAM,
United States Senate, Washington, D. C.

HONORABLE SIR:

* * * * * * * * *

We favor the McNary-Woodruff bill, S. 718. We are particularly anxious to see the National Forest Reservation Commission purchase additional land in New Hampshire for addition to the national forest in the White Mountains.

* * * * * * * * *

Yours very truly,

E. G. KINGSBURY,
Secretary, Stamford Chamber of Commerce (Inc.).

THE WOONSOCKET CHAMBER OF COMMERCE, INC.,
Woonsocket, R. I., February 16, 1927.

Hon. HIRAM BINGHAM,
United States Senate, Washington, D. C.

DEAR SENATOR: At a meeting of the board of directors of this chamber held Monday, February 14, extended consideration was given to the McNary-Woodruff bill, which has to do with the acquisition of additional forest lands in New England.

It is our understanding that the New England council and many other agencies interested in the welfare of New England are in favor of this legislation, and our board wishes to be recorded as being in favor also.

The opinion was expressed that Federal Government should begin at once to carry out a definite program of forestry in the New England States.

We hope that you will do all you can to assist in the passage of this legislation.

Very truly yours,

CHARLES E. SMITH,
Managing Secretary.

BRIDGEPORT CHAMBER OF COMMERCE,
Bridgeport, Conn., February 19, 1927.

Hon. HIRAM BINGHAM,
United States Senator from Connecticut, Washington, D. C.

MY DEAR SENATOR BINGHAM: At the meeting of our board of directors held yesterday resolutions were passed urging your support for the following measures: House bill 8902, "day labor bill," Government forest reservation in New Hampshire. The chamber went on record as favoring immediate action by Congress to purchase tract of some 22,500 acres of forests at the headwaters of the Merrimac River.

I know you will appreciate the fact that our board of directors have no desire to tie your hands in these matters, and the resolutions are submitted to you simply as an indication of the sentiment of the members of our board in regard to these matters.

In case you desire separate letters for presentation to committees, I would be very glad to supply them.

Very cordially yours,

BRIDGEPORT CHAMBER OF COMMERCE,
ROBERT A. CROSBY, *Executive Secretary.*

THE NEW HAVEN CHAMBER OF COMMERCE,
New Haven, Conn., February 21, 1927.

Senator HIRAM BINGHAM,
United States Senate, Washington, D. C.

MY DEAR SENATOR BINGHAM: The New Haven Chamber of Commerce has for a long time been interested in the preservation of the timberland in the White Mountains.

We understand that there is now a chance for the Government to acquire a tract of about 22,500 acres at the headwaters of the Merrimac River, and also that this tract will be cut over within the next year or two unless it is bought by the Government.

We further understand that the logging company is willing to sell at cost, plus interest for one year, and that the timber on it, if cut under Government supervision and according to the best forestry methods, would bring a return to the Government.

The McNary-Woodruff bill, if passed, will give the necessary protection. We hope that you will find it possible to support this bill or, if it fails of passage, to urge that an item be placed in the deficiency bill which will save this very valuable tract.

Very truly yours,

J. F. FERGUSON, *Secretary.*

The VICE PRESIDENT. The question is on the amendment of the Senator from North Carolina [Mr. OVERMAN] to insert, at the proper place in the bill, the following proviso:

Provided, That no lands shall be purchased except lands necessary for the protection of the headwaters of navigable streams.

On a division, the amendment was rejected.

Mr. KING. I desire to give notice that when the bill reaches the Senate I may offer an amendment.

The VICE PRESIDENT. The bill is still as in Committee of the Whole and open to amendment. If there are no further amendments to be offered the bill will be reported to the Senate.

The bill was reported to the Senate without amendment.

Mr. KING. I desire to offer an amendment.

The VICE PRESIDENT. The clerk will read the amendment.

Mr. KING. Preliminary to offering the amendment, if I may have the attention of the Senator having the bill in charge, I inquire why it was deemed necessary to increase the appropria-

tion above the $3,000,000 found in the first line of the bill and the $5,000,000 found in the latter lines of the bill?

Mr. McNARY. Under the present law, as contained in the annual appropriation bills for the Department of Agriculture, $1,000,000 is carried for this purpose. It was thought that for five years it would be well to expend $3,000,000 annually and later for a five-year period expend $5,000,000 annually in order to acquire all the necessary land to protect the watersheds of the navigable streams in a period of a 10-year program. That was the thought of the Secretary of Agriculture, the conservation commission, and those interested in the reforestation problem of the country.

Mr. KING. May I ask the Senator if, when the $40,000,000 shall have been expended, the commission has any program beyond that period?

Mr. McNARY. I have not the power of prophecy. I only know and I anticipate that those who are interested in the reforestation problem in the South, the Great Lakes States, and the New England States will want to keep forest replacement equal to the demands on the forests. I assume there may be a plan yet to be formulated which might be comparable with the needs of the country. I should hesitate to say anything less than that.

Mr. KING. The Senator's statement, for which I thank him, is very illuminating and shows of course the grasping character, shall I say, of the commission. This bill is merely an entering wedge to plans by which undoubtedly not only tens, but perhaps hundreds of millions of dollars will be sought to be expended, without limitation, by the organization charged with this responsibility.

It seems to me the bill is very loosely drawn. Section 6 as amended, as read to us by the Senator from New Hampshire, expands the powers of the commission and imposes no restrictions and no reasonable limitations upon their discretion. Any land which they conceive may possibly relate to navigation, which embraces the springs and the tops of the mountains, may be purchased, as well as lands along the seashore. Any land may be purchased without restriction, according to the interpretation placed upon the law as I understand it.

Of course it means, if Congress is unwise and foolish enough to respond to the demands of the grasping and ambitious organizations, that we shall be called upon to appropriate millions and tens of millions of dollars, and millions of acres of land now in private ownership will be purchased, and purchased as some lands have been purchased at prices very much more than the intrinsic value of the land.

My attention has been drawn to the fact that some cut-over lands have been purchased and efforts have been made to acquire others, and that the prices paid or contracted to be paid or tentatively agreed to be paid, were not justified by any demand in the market for lands of like character. It does seem to me that we are giving too much discretion to Federal officials, to bureaucracy. The power exercised here really is exercised by the Secretary of Agriculture, or such instrumentalities as he may set up. I am opposed to the bill in the present form and if I thought it would be of any avail I should move to restrict the appropriation. I shall not offer the amendment which I contemplated, in view of the vote just had upon the amendment offered by the Senator from North Carolina.

The VICE PRESIDENT. The bill is in the Senate and open to amendment.

Mr. WADSWORTH. Just a few words before the vote is had upon the passage of the bill. Of course, it is true that the bill may be said to be a measure to finance, for 10 years to come, existing law on the subject. That does not detract from its importance from a fundamental standpoint, because when we lay down this 10-year program of financing and purchase, we have taken the first step on a long, long journey, if I read the law aright and catch the spirit of the particular bill and all those people who support it.

I may be wrong, but I can not now recollect any executive department of the Government being authorized to purchase land without submitting estimates to Congress and securing authorization from Congress in each case. Congress has been very jealous in that respect, and I think wisely so. I know, for example, that the War Department is not permitted by the Congress under any circumstances to buy land out of a lump-sum appropriation, but is compelled under our practice here, to submit to Congress a description of the land, its estimated cost, and its description by metes and bounds, and to await the passage of an act authorizing that specific appropriation.

I think that is a wise policy for the Congress to pursue. In the passage of a bill such as this, Congress loses control over the purse strings, and we authorize a commission to spend $40,000,000 in 10 years buying land anywhere.

Mr. HARRISON. Mr. President, will the Senator from New York yield to me?

Mr. WADSWORTH. I will.

Mr. HARRISON. Did the Senator from New York vote for the public buildings bill, giving the Secretary of the Treasury the authority to expend all the money which we therein appropriated?

Mr. WADSWORTH. I did.

Mr. HARRISON. The Secretary of the Treasury has the right to expend that money wherever he chooses; there is no limitation upon him in the appropriation carried in that law.

Mr. WADSWORTH. But in that law there were certain conditions and restrictions laid down, as I recollect.

Mr. HARRISON. The Secretary of the Treasury can select whatever place he chooses and he can expend whatever money he wishes to expend at that particular place.

Mr. WADSWORTH. But I do not think that bill laid down a 10-year program.

Mr. HARRISON. I may say that I voted against the proposition, but I thought the Senator from New York had voted for it.

Mr. WADSWORTH. I do not think the analogy is quite accurate. This bill, as I have stated, proposes a 10-year program, which will be followed by another 10-year program, and we shall not stop at $40,000,000 in the next program. The appropriation will then be $80,000,000 or more. If the intent of the Congress could be described in this particular bill with some degree of strictness to indicate very clearly that we want these lands purchased only where they may be of service in protecting the watersheds of navigable streams there might be a little difference; but, as the Senator from New Hampshire [Mr. KEYES] has explained the law which this bill is to finance the lands to be purchased need not be restricted to that category, but may be purchased for the purpose of encouraging or conserving timber growth, with no relation to watersheds or navigable streams.

There will be a very large number of owners of cut-over land anxious to sell as soon as this bill goes through, and unless, of course, it repeals this proposed act or amends it next year or the year thereafter, presumably the Congress for 10 years will have lost control, for there is no restriction, as I understand, on the discretion of the commission that is to spend the $40,000,000.

Mr. McNARY. Mr. President, if the Senator from New York would read the Weeks Act creating the National Forest Reservation Commission, he would see that there are certain restrictions and reservations and rules to which the commission must conform, and it must report to Congress before the purchase or acquirement of any of these lands.

Mr. WADSWORTH. This bill is an authorization.

Mr. McNARY. Entirely so, operating under the law that is now enacted in the Weeks Act of 1911.

Mr. WADSWORTH. I am perfectly aware that this bill does not actually appropriate the money; but my experience in the Congress thus far has taught me that once an authorization is put upon the statute books, Congress in the future follows it out. My fear is that an authorization of this kind, with scarcely any restriction, as I understand, from the description of the Senator from New Hampshire upon the discretion of the commission, actually embarks this Government upon a program without end. I do not say this as an enemy of conservation; but merely as one having some concern as to the extent of the growth of the Federal power.

Mr. TRAMMELL. Mr. President, will the Senator from New York yield for a question?

Mr. WADSWORTH. I will.

Mr. TRAMMELL. Along the line of the argument being made by the Senator from New York, I desire to say that it seems to me, under the provisions of section 6 of the act of 1924, it was contemplated that the Secretary of Agriculture would select these lands, locate them and report back to the commission. I do not think that that meant that he should report back merely generalities, but that he should report back the particular lands he thought should be purchased and the price. I should like to know if that has been done, or, are we going to make an appropriation, as suggested by the Senator from New York, to purchase lands which have not heretofore been selected?

Mr. WADSWORTH. Of course, I can not answer that question.

Mr. KEYES. Mr. President, will the Senator from New York yield to me?

Mr. WADSWORTH. I yield the floor. I merely wanted to voice my single protest.

Mr. KEYES. The procedure in the purchase of these lands is that the Secretary of Agriculture, when lands are offered, proceeds to make a very careful investigation through the Forestry Service of the land to ascertain what timber may be on it and to what extent it has been denuded. The work is done in very great detail. All of those details and data are submitted to the members of the commission. The commission, after considering each separate unit of the proposed purchase, acts upon the question as to whether or not the purchase shall be made.

Mr. TRAMMELL. Under the provisions of section 6 has the Secretary of Agriculture selected lands and recommended to the commission any particular land to be purchased?

Mr. KEYES. Yes.

Mr. TRAMMELL. I do not find a list of those properties included in the report made by the commission.

Mr. KEYES. Oh, no.

Mr. TRAMMELL. Why has not the commission let the Senate know what lands the commission propose to purchase for this $40,000,000, the price they propose to pay for them, and their location?

Mr. KEYES. The program is outlined so far as it can be by those who are interested in forestry conservation, and in asking for the $40,000,000 they contemplate carrying into effect the original plan of the Weeks Act, which contemplated the acquisition of certain forest reservations on the headwaters of navigable streams in the East extending from New England to the extreme South. That act had in view the purchase of about 6,000,000 acres of land. The Government has already acquired nearly one-half of that acreage, leaving about 3,000,000 acres still to be purchased. It also contemplated the purchase of about 3,500,000 acres of land in the Great Lakes region and about 2,500,000 acres of pine land in the South. The estimates which have been made of the cost of the acquisition of the 3,000,000 acres under the original Weeks Act, the land in the neighborhood of the Great Lakes and the pine land in the South, indicate an expenditure of about $40,000,000. It is to carry out that program that this bill before us is now believed to be desirable.

Mr. TRAMMELL. Mr. President, I am very heartily in favor of reforestation, and on account of my general attitude toward the subject, my general temper toward reforestation, I feel constrained to support the bill; but I think, as suggested by the Senator from New York, that there should be some additional safeguards thrown around the purchase of lands and the investigation of lands for purchase. It is proposed in this bill to authorize the expenditure of $40,000,000 by one of the departments of the Government, and no report is required to be made to Congress or to any committee of Congress so far as the details are concerned. Such a procedure is contrary to good-government policy. In dealing with public matters from the standpoint of the States and the interests of the States, I find that where a requirement is made that the transaction shall be carried on in a public way, that bids or offerings shall be invited through public advertisements, the Government always obtains better results.

One great trouble about this proposal is that many of the cut-over landowners are going to be dissatisfied, because there are going to be many of them who will not be able to sell their land. Take, for instance, States where there are perhaps 6,000,000 acres of cut-over lands, and there are only going to be in the neighborhood of 300,000 to 500,000 acres of such land acquired. In such cases the owners of the other five million or more acres of cut-over land are going to be dissatisfied, because they have not sold their land to the Government. In fairness and justice, I suggest to those who may administer the law that they should invite bids and offerings from owners who have cut-over lands for sale, so that they will all have an opportunity, at least, to offer to the Government the lands which they desire to get rid of in order to avoid taxation. Some systematic policy of publicity of that character ought to be pursued. If it is not pursued, a great many of the Senators are going to be severely censured by nine-tenths of the owners of cut-over lands who do not sell them or even have the opportunity of offering their lands. The owners will say that they did not have an opportunity to sell their lands; that those in charge of the matter went around and carried on star chamber or private negotiations; and they will say, "We found that Mr. A sold his land, but none of the rest of us had an opportunity to sell ours."

As a matter of course, I think that a great deal of the sentiment back of this bill is sincere and is actuated by a sincere desire to bring about reforestation and that is what influences me to support the bill; but, on the other hand, the bill has considerable support on the part of those who desire, it might be said, in a way to sell to the Government their lands. I hope that those who administer the act—and the chairman of the committee has a great deal of influence with the department—will manage the situation so that we will not have too many people in our States dissatisfied because they have not sold their cut-over land.

The VICE PRESIDENT. The bill is in the Senate and is still open to amendment.

Mr. OVERMAN. I offer in the Senate the same amendment which I offered as in the Committee of the Whole, and I ask for the yeas and nays on the amendment.

The VICE PRESIDENT. Is the request for the yeas and nays seconded?

The yeas and nays were ordered.

Mr. BINGHAM. Mr. President, I ask that the question be stated.

The VICE PRESIDENT. The amendment of the Senator from North Carolina is to insert at the proper place in the bill a proviso reading—

Provided, That no lands shall be purchased except those lands which are necessary for the protection of the headwaters of navigable streams.

The clerk will call the roll.

The Chief Clerk called the roll.

Mr. GLASS. I transfer my general pair with the senior Senator from Connecticut [Mr. McLEAN] to the senior Senator from New Mexico [Mr. JONES], and will vote. I vote "yea."

Mr. BRATTON. I desire to announce that my colleague [Mr. JONES of New Mexico] is absent on account of illness.

Mr. HARRELD. I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS]. Not knowing how he would vote on this question, I withhold my vote.

Mr. JONES of Washington. I have been requested to announce the following general pairs:

The Senator from Colorado [Mr. MEANS] with the Senator from Utah [Mr. KING];

The Senator from Delaware [Mr. DU PONT] with the Senator from Florida [Mr. FLETCHER]; and

The Senator from Massachusetts [Mr. GILLETT] with the Senator from Alabama [Mr. UNDERWOOD].

I also desire to announce that the Senator from Nevada [Mr. ODDIE] is absent on account of illness.

The result was announced—yeas 34, nays 25, as follows:

YEAS—34

Ashurst	Edge	McKellar	Steck
Bayard	Edwards	Mayfield	Stephens
Bingham	Fess	Neely	Tyson
Blease	George	Nye	Wadsworth
Bratton	Glass	Overman	Warren
Broussard	Goff	Phipps	Watson
Bruce	Harris	Reed, Mo.	Willis
Caraway	Howell	Robinson, Ind.	
Curtis	Jones, Wash.	Smith	

NAYS—25

Capper	Hale	Metcalf	Stewart
Copeland	Harrison	Pine	Trammell
Couzens	Hawes	Reed, Pa.	Walsh, Mass.
Deneen	Keyes	Sackett	Walsh, Mont.
Ernst	Lenroot	Schall	
Ferris	McMaster	Sheppard	
Gooding	McNary	Shortridge	

NOT VOTING—36

Borah	Gould	McLean	Robinson, Ark.
Cameron	Greene	Means	Shipstead
Dale	Harreld	Moses	Simmons
Dill	Heflin	Norbeck	Smoot
du Pont	Johnson	Norris	Stanfield
Fletcher	Jones, N. Mex.	Oddie	Swanson
Frazier	Kendrick	Pepper	Underwood
Gerry	King	Pittman	Weller
Gillett	La Follette	Ransdell	Wheeler

So Mr. OVERMAN'S amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

INVESTIGATION OF CAMPAIGN EXPENDITURES

Mr. REED of Missouri. Mr. President, I have been trying to get action by the Senate on Senate Resolution 364, which is the resolution authorizing the special committee to complete its work in the investigation which has been conducted.

I ask unanimous consent, out of order, to take up that resolution at this time. I think it will take only a few moments to dispose of the resolution.

The VICE PRESIDENT. Is there objection?

Mr. REED of Pennsylvania. Mr. President, there are a number of matters in that resolution that, I think, deserve some consideration, and I am going to ask that it go over until we can consider it more at length.

Mr. REED of Missouri. Then, Mr. President, I give notice that at the earliest possible opportunity on to-morrow I shall call up this resolution, and, so far as I am able to do so, I shall endeavor to hold it before the Senate until final action.

BILLS PASSED OVER

The bill (S. 66) to provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes, was announced as next in order.

Mr. JONES of Washington. I will ask that that bill go over. We could not complete its consideration at this evening session.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3027) making eligible for retirement, under certain conditions, officers and former officers of the Army of the United States, other than officers of the Regular Army, who incurred physical disability in line of duty while in the service of the United States during the World War, was announced as next in order.

Mr. REED of Pennsylvania. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

SALE OF COTTON AND GRAIN IN FUTURE MARKETS

The bill (S. 454) to prevent the sale of cotton and grain in future markets was announced as next in order.

Mr. WADSWORTH. Let that go over.

Mr. CARAWAY. Mr. President, I hope the Senator who made the objection to the consideration of this measure will withdraw the objection. This bill has been on the calendar for a number of months, and is of very vital importance, and particularly so to people who grow cotton. If the Senator from New York wishes to object to the part of it that deals with grain I shall be willing to accept an amendment striking out all reference to grain, and let us legislate with reference to cotton alone.

Mr. JONES of Washington. Mr. President, I observe that the senior Senator from Louisiana [Mr. RANSDELL] filed a minority report on this bill. I do not see the senior Senator from Louisiana here. Does the Senator think it would be desirable to take up the bill when the Senator from Louisiana is not present?

Mr. CARAWAY. I should like to say to the Senator from Washington that I told the Senator from Louisiana that I intended to try to take up the bill; but I want to say this much, so that I shall be thoroughly understood:

The Senator from Louisiana had a bill on the calendar dealing with cotton. I told him that when it came up I purposed to move to attach this bill as an amendment to his bill. He came to me later and asked me to withdraw any objection to his measure, or not to try to amend it by attaching this, and I told him at the time that I expected to try to take up this bill.

I am particularly anxious that we pass this measure now, in view of the legislation recently passed which was designed to stabilize farm products. It seems to me to be wholly inconsistent to pass a measure with the avowed purpose of stabilizing prices, and then permit the sale in futures of many, many times over the amount of these products that are actually produced. The maximum amount of cotton that we can grow in America this year is estimated at 18,000,000 bales, which is the largest crop we ever grew. The actual amount of cotton that we ordinarily grow is about fifteen or sixteen million bales. They sell on the exchanges anywhere from 100,000,000 to 150,000,000 bales. The speculative market is controlled, or else those who have the best opportunity to know are not candid, because the Department of Agriculture with its experts before the committee during the last session of Congress admitted that the market could be manipulated.

I know from actually watching the cotton market that the future market can be manipulated and the spot market depressed. That has been done every year, and, as everybody who has watched the cotton market knows, it has cost the farmers hundreds of millions of dollars. The legislation that is proposed does not keep a man from selling his product for future delivery. It merely requires that he shall either have the product or have it in course of production. He may sell what he has, or what he expects he will have; but he is not permitted to sell that which he does not have, and which he knows he never will have.

I hope, therefore, that the Senator from New York will withdraw his objection and let us consider the bill without the necessity of voting on the question of taking it up.

Mr. WADSWORTH. Mr. President, I can not do that. I think the whole thing is utterly unsound.

Mr. CARAWAY. Does the Senator know anything about the cotton market?

Mr. WADSWORTH. Very little from personal contact with it; but I can not understand what is to be gained by the Government saying to a man that he shall not purchase a contract for sale, although he may not own the goods at the time.

Mr. CARAWAY. And never expects to own them?

Mr. WADSWORTH. It is not our function to explore his mind as to whether he expects to own something. He is obligated to deliver.

Mr. CARAWAY. No; he is not. The Senator is mistaken.

Mr. WADSWORTH. He must deliver his contract, if not the goods.

Mr. CARAWAY. Oh, no; the Senator is utterly without information as to this subject.

Mr. WADSWORTH. Then he has nothing to sell.

Mr. CARAWAY. Nothing in the world, more than a gambler has anything to sell. All he sells is the bet on the market, and he has depressed the price by it. Anybody knows that the Senator would not for an instant tolerate a man hawking off the stock of a bank that he never owned and never expected to own in order to destroy the confidence people might have in the bank. You can not sell railroad stocks in that way. You can not sell things that are not in existence except when you deal with farmers' products.

Mr. WADSWORTH. It is done again and again in the case of stocks. I can contract to deliver to the Senator from Arkansas stocks on a certain day at a certain price, although on the day when I make the contract I do not own the stocks.

Mr. CARAWAY. And never expect to own them?

Mr. WADSWORTH. I will have to own them in order to deliver on my contract.

Mr. CARAWAY. But you do not have to own cotton in order to deliver on your contract in dealing with futures. You settle on differences. That is what I am complaining about. All I say is that the man may sell as many contracts as he wants to if the goods are in existence and he expects to deliver and has either a contract for their purchase or has them in course of production; that is all.

The PRESIDING OFFICER (Mr. FESS in the chair). The Chair will state that the Senate is operating under the five-minute rule.

Mr. CARAWAY. I am conscious of that. I do not think I have had five minutes.

The PRESIDING OFFICER. Yes; the Senator has.

Mr. CARAWAY. Of course if the Chair, without anybody else calling attention to it, wants to take a Senator off the floor, I presume he can do so while he occupies the chair. Nobody else ever thought it was necessary to do it.

Before yielding the floor, Mr. President, I move to take up the bill.

The PRESIDING OFFICER. The question is on the motion of the Senator from Arkansas to proceed to the consideration of the bill, and that motion is not debatable.

Mr. BROUSSARD. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. CURTIS. I have a pair with the senior Senator from New Mexico [Mr. JONES] on this question. In his absence, not knowing how he would vote, I withhold my vote.

Mr. JONES of Washington. I desire to announce the following general pairs:

The Senator from Delaware [Mr. DU PONT] with the Senator from Florida [Mr. FLETCHER];

The Senator from Massachusetts [Mr. GILLETT] with the Senator from Alabama [Mr. UNDERWOOD];

The Senator from Colorado [Mr. MEANS] with the Senator from Utah [Mr. KING]; and

The Senator from Connecticut [Mr. MCLEAN] with the Senator from Virginia [Mr. GLASS].

The result was announced—yeas, 30, nays 27, as follows:

YEAS—30

Ashurst	Goff	McNary	Steck
Bayard	Gooding	Mayfield	Stephens
Bratton	Harris	Neely	Stewart
Capper	Harrison	Nye	Trammell
Caraway	Heflin	Overman	Tyson
Couzens	Jones, Wash.	Robinson, Ind.	Walsh, Mass.
Ferris	McKellar	Schall	
George	McMaster	Sheppard	

NAYS—27

Bingham	Edwards	Keyes	Smith
Blease	Ernst	Lenroot	Wadsworth
Broussard	Fess	Metcalf	Walsh, Mont.
Bruce	Hale	Phipps	Warren
Copeland	Harreld	Pine	Watson
Deneen	Hawes	Reed, Pa.	Willis
Edge	Howell	Shortridge	

NOT VOTING—38

Borah	Frazier	Jones, N. Mex.	Norbeck
Cameron	Gerry	Kendrick	Norris
Curtis	Gillett	King	Oddie
Dale	Glass	La Follette	Pepper
Dill	Gould	McLean	Pittman
du Pont	Greene	Means	Ransdell
Fletcher	Johnson	Moses	Reed, Mo.

Robinson, Ark.	Simmons	Swanson	Wheeler
Sackett	Smoot	Underwood	
Shipstead	Stanfield	Weller	

So Mr. CARAWAY's motion was agreed to, and the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 454) to prevent the sale of cotton and grain in future markets, and it was read as follows:

Be it enacted, etc., That certain words used in this act and in proceedings pursuant hereto shall, unless the same be inconsistent with the context, be construed as follows:

The word "message" shall mean any communication by telegraph, telephone, wireless telegraph, cable, or other means of communication from one State or Territory of the United States or the District of Columbia to any other State or Territory of the United States or the District of Columbia or to any foreign country.

The word "grain" shall include wheat, corn, oats, and barley.

The word "person" shall mean any person, partnership, joint-stock company, society, association, or corporation, their managers and officers, and when used with reference to the commission of acts which are herein required or forbidden shall include persons who are participants in the required or forbidden acts, and the agents, officers, and members of the board of directors and trustees, or other similar controlling or directing bodies of partnerships, joint-stock companies, societies, associations, and corporations.

And words importing the plural number, wherever used, may be applied to or mean only a single person or thing, and words importing the singular number may be applied to or mean several persons or things.

SEC. 2. It shall be unlawful for any person to send or cause to be sent any message offering to make or enter into a contract for the purchase or sale for future delivery of cotton or grain without intending that such cotton or grain shall be actually delivered or received, or offering to make or enter into a contract whereby any party thereto, or any party for whom or in whose behalf such contract is made, requires the right or privileges to demand in the future the acceptance or delivery of cotton or grain without being thereby obligated to accept or to deliver such cotton or grain; and the transmission of any message relating to any such transaction is hereby declared to be an interference with commerce among the States and Territories and with foreign nations. Any person who shall be guilty of violating this section shall, upon conviction thereof, be fined in any sum not more than $10,000 nor less than $1,000, or shall be imprisoned for not more than six months nor less than one month, or both such fine and imprisonment, and the sending or causing to be sent of each such message shall constitute a separate offense.

SEC. 3. It shall be the duty of any person sending any message relating to a contract or to the making of a contract for future delivery of cotton or grain to furnish to the person transmitting such message an affidavit stating that he is the owner of such cotton or grain and that he has the intention to deliver such cotton or grain; or that such cotton or grain is at the time in actual course of growth on land owned, controlled, or cultivated by him, and that he has the intention to deliver such cotton or grain; or that he is at the time legally entitled to the future possession of such cotton or grain under and by authority of a contract for the sale and future delivery thereof previously made by the owner of such cotton or grain, giving the name of the party or names of parties to such contract and the time when and the place where such contract was made and the price therein stipulated, and that he has the intention to deliver such cotton or grain; or that he has the intention to acquire and deliver such cotton or grain; or that he has the intention to receive and pay for such cotton or grain: *Provided*, That any person electing to do so may file with the telegraph, telephone, wireless telegraph, or cable company an affidavit stating that the message or messages being sent, or to be sent, for the six months next ensuing by such person do not and will not relate to any such contract or offers to contract as are described in section 2 of this act, and any such company shall issue thereupon a certificate evidencing the fact that such affidavit has been duly filed, and such certificate shall be accepted in lieu of the affidavit herein required at all the transmitting offices of such company during the life of said affidavit. Any person who knowingly shall make a false statement in any affidavit provided for in this act shall be punished by a fine of not more than $5,000 nor less than $500, or shall be imprisoned for not more than two years nor less than one year, or by both such fine and imprisonment. And any prosecution under the provisions of sections 2 or 3 of this act the proof of failure to make any affidavit herein required shall be prima facie evidence that said message or messages related to a contract prohibited by section 2 of this act, and the proof of failure to deliver or receive the cotton or grain called for in any contract for future delivery of cotton or grain shall be prima facie evidence that there was no intention to deliver or receive such cotton or grain when said contract was made.

SEC. 4. Any agent of any telegraph, telephone, wireless telegraph, or cable company to whom messages herein described may be tendered is hereby required, empowered, and authorized to administer any oath required to be made under the provisions of this act with like effect and force as officers having a seal, and such oaths shall be administered without any charge therefor.

SEC. 5. It shall be unlawful for any person owning or operating any telegraph or telephone line, wireless telegraph, cable, or other means of communication or any agent, officer, or employee of such person knowingly to use such property or knowingly to allow such property to be used for the transmission of any message relating to such contracts as are described in section 2 of this act. Any person who shall be guilty of violating this section shall, upon conviction thereof, be punished for each offense by a fine of not more than $10,000 nor less than $500, and the sending of each message in violation of the provisions of this section shall constitute a separate offense.

SEC. 6. Every book, newspaper, pamphlet, letter, writing or other publication containing matter tending to induce or promote the making of such contracts as are described in section 2 of this act is hereby declared to be nonmailable matter, and shall not be carried in the mail or delivered by any postmaster or letter carrier. Any person who shall knowingly deposit or knowingly cause to be deposited, for mailing or delivery any matter declared by this section to be nonmailable, or shall knowingly take or cause the same to be taken from the mails for the purpose of circulating or disposing thereof, or of aiding in the violation of any of the provisions of this section, may be proceeded against by information or indictment and tried and punished, either in the district at which the unlawful publication was mailed or to which it is carried by mail for delivery according to the direction thereof, or at which it is caused to be delivered by mail to the person to whom it is addressed. And the punishment for the violation of this section shall be the same as the punishment prescribed in section 2 of this act for the sending or receiving of messages.

SEC. 7. The Postmaster General, upon evidence satisfactory to himself that any person is sending through the mails of the United States any matter declared by section 6 of this act to be nonmailable, may instruct the postmasters in the post offices at which such mail arrives to return all such mail to the postmaster in the post office at which it was originally mailed, with the word "unlawful" plainly written or stamped upon the outside thereof, and all such mail, when returned to said postmaster, shall be returned to the sender or publisher thereof under such regulations as the Postmaster General may prescribe.

SEC. 8. In any proceeding under this act all persons may be required to testify and to produce books and papers, and the claim that such testimony or evidence may tend to criminate the persons giving such testimony or producing such evidence shall not excuse such person from testifying or producing such books and papers; but no person shall be prosecuted or subjected to any penalty or punishment whatever for or on account of any transaction, matter, or thing concerning which he may testify or produce evidence of any character whatever.

Mr. CARAWAY obtained the floor.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Montana?

Mr. CARAWAY. I yield.

Mr. WALSH of Montana. May I inquire of the Senator from Arkansas if the word "requires" in line 21, on page 2, should not be "acquired"?

Mr. CARAWAY. Yes; "acquires" was the word I intended.

Mr. WALSH of Montana. If that should be "acquires," should not the word farther along in the line be "privilege"?

Mr. CARAWAY. Possibly so. I would have no objection to that amendment.

Mr. WALSH of Montana. I will ask the Senator to give his attention to the sentence, and determine whether it makes sense.

Mr. CARAWAY. Let us read the whole section. It is as follows:

It shall be unlawful for any person to send, or cause to be sent, any message offering to make or enter into a contract for the purchase or sale for future delivery of cotton or grain without intending that such cotton or grain shall be actually delivered or received.

Mr. WALSH of Montana. Thus far it is perfectly plain.

Mr. CARAWAY. It continues:

or offering to make or enter into a contract whereby any party thereto, or any party for whom or in whose behalf such contract is made, requires the right or privileges to demand in the future the acceptance or delivery of cotton or grain without being thereby obligated to accept or to deliver such cotton or grain;

I am free to say to the Senator that evidently I either wrote in the wrong word or somebody else got it wrong. It does not make good sense the way it reads.

Mr. MAYFIELD. There seems to be a word left out.

Mr. CARAWAY. I shall offer an amendment to cure that defect.

The PRESIDING OFFICER. The bill is in Committee of the Whole and open to amendment.

Mr. CARAWAY. Just one moment. If I may have the attention of those Senators who feel constrained to oppose the passage of the bill, I would like to say that I think that all anyone ought to want is the right to sell one of the products covered by the bill which he himself owns or expects to own. Under the provisions of this bill there is nothing to prevent a man who expects to grow grain or expects to grow cotton from selling for future delivery the product that he expects to produce.

There is no inhibition against the man who buys a contract from reselling it. The only thing we try to do is to prevent a man selling that which he does not own and which he never expects to own, to somebody who does not expect to take it and never did intend to take it.

Under the present system of selling cotton I know it is true that hundreds of thousands of bales are sold that are not in existence, that never will be in existence, and are not to be delivered, and as to which there was never any expectation of delivery.

It is quite apparent to anybody who thinks a moment that no man would sell a hundred million bales of cotton when he knew there would not be more than one-eighth of that amount in existence unless he knew one of two things—that he could manipulate the price upon which he was to settle at the date of settlement, or could transfer the contract to somebody else who did not understand the nature of the contract.

It is quite apparent that nobody would obligate himself to deliver that which was not in existence, and never would be in existence, unless he had some way to manipulate the price under which he was to settle on deliverance day. Since the man who deals in the future market has some money, we must conclude that he is not an idiot, and he must be either an idiot or he must have some way of manipulating the market. As I said, the fact that he has money would exclude the idea that he did not have any sense, because there is an old saying that "A fool and his money are soon parted."

All we ask is that the farmer shall be permitted to sell what he has or what he expects to grow, and the man who buys that may sell it, but no man may invade his field and sell that against him which does not exist and never is expected to exist.

Anyone knows that we can sell and sell and sell a product until we break the market. Senators have seen that done. Everybody who has ever watched the cotton market has seen that done. Pick up the paper any day and you will see that the market broke under an avalanche of selling, not that a single spot bale was sold, not that a man sold a bale who ever had a bale, or ever expected to have a bale, but he simply sold and sold and sold and sold until the psychology of the selling broke the market.

Everybody here remembers when the Government estimates came out a year and a half ago. The futures market broke, and afterwards it responded, but the spot market never did respond, and the spot market never does respond as the futures market varies up and down. There is always a loss to the producer. He is carrying handicap enough, and all we ask is that the man who wants to sell his product shall own it. There is nothing unreasonable about it, there is nothing that is not honest about it, but there is something that is not honest in selling against a man who exists by the sweat of his brow.

Nobody, for instance, would for a moment countenance an avalanche of selling of bank stock in this city or anywhere else, selling it every day on the street corners until we could break the confidence of the people in the stock of that bank. It can not be done. Every State in the Union has what is called a blue sky law, providing that one can not sell anything unless he can show an ability to perform, except that he can go into the markets and sell and sell all day and all the year around the products of the farm, when everybody knows he can not perform and never expects to deliver and that the man who buys never expects to receive.

I do not know of a single producing farmer anywhere who is in favor of this kind of legislation. Its opposition comes from two sources, first, from those cities in which the stock markets are located and in which large numbers of people are engaged in selling that which they never produce and which comes from people who want to hedge, as they call it, on the market. They say the hedge is an insurance. It is not insurance. They want the farmer to carry the risk both ways, to let them beat down the market and then compel them to pay the hedge.

As the Senator from Kansas [Mr. CAPPER] will recall, the experts in the Department of Agriculture, talking about cotton before the Committee on Agriculture and Forestry at the last session of Congress, admitted that there could be a variation of $7.25 in the manipulation of a bale of cotton—more profit than any farmer ever got out of it.

I want to offer an amendment to meet the suggestion of the Senator from Montana. While I am preparing it I yield the floor to the Senator from New York, who, I believe, wishes to discuss the measure.

Mr. WADSWORTH. Mr. President, the Senator from Arkansas I am sure will agree with the statement that this is an extraordinarily important measure from many standpoints. As I understand it, though I may not understand it completely, it is to bring about a revolution in the method of marketing grain and cotton.

I note a very interesting report submitted by the Senator from Louisiana [Mr. RANSDELL], who, I fear, is not here this evening. I note incidentally that the Committee on Agriculture and Forestry do not recommend the legislation affirmatively. It is reported "without recommendation."

It would be well for Senators to read the report of the Senator from Louisiana, which is an exhaustive discussion of market practices, the constitutional side of the question and the practical operation of the bill should it become a law.

Mr. BINGHAM. Mr. President, will the Senator yield?

Mr. WADSWORTH. Certainly.

Mr. BINGHAM. Is the report of the Senator from Louisiana to be had in the document room?

Mr. WADSWORTH. I have a copy of it in my hand. I got it by sending a page for it to the document room. It is 108 pages long.

Mr. BINGHAM. I suggest that the Senator give us the substance of it.

Mr. WADSWORTH. The Senator from Connecticut suggests that I give him and other Senators the substance of the report of the Senator from Louisiana. That would be a rather difficult thing to do.

Mr. CARAWAY. It would be a very difficult thing to do, if I may say so with all due courtesy to the Senator from Louisiana, because it is made up of a report largely prepared by a firm which is engaged in the selling of contracts on the future market, and it has an absolute contradiction in it. I called it to the attention of the Senator from Louisiana and he told me at one time that he expected to correct it, but evidently he never did it.

Mr. BINGHAM. Is the Senator from Louisiana [Mr. RANSDELL] here at this time and place?

Mr. CARAWAY. I do not know; I do not believe that he is in attendance this evening.

Mr. WADSWORTH. I know nothing about the origin of the report. I know, however, that the Senator from Louisiana stands for it.

Mr. CARAWAY. He stands for it with the suggestion that he and I discussed. He said he never intended to convey the impression which I thought it did convey, and afterwards decided that it did not convey the impression which I thought was conveyed in the report.

Mr. WADSWORTH. The Senator from Arkansas a moment ago said that no producer of grain opposes the bill—I heard him say that—and no producer of cotton as well; that the only people opposed to it are those who deal in future contracts on the grain market. I dislike to inject a personal note into the discussion, but here is one producer of grain who opposes the bill.

Mr. CARAWAY. No; the Senator produces grain by staying in town. The man who grew it might have an entirely different opinion about it.

Mr. WADSWORTH. I thank the Senator for his intimate knowledge of my own affairs.

Mr. CARAWAY. I have seen the Senator every day during the crop-producing season.

Mr. WADSWORTH. We will proceed with Senator RANSDELL's report. I think it would be well if Senators had copies of it before them as I discuss it. I read:

> The following minority report is presented by Senator RANSDELL, of Louisiana, in behalf of those members of the committee who, after careful consideration, are convinced that the proposed legislation is unwise—
>
> It seems that there are other members of the committee who agree with Senator RANSDELL that the legislation is unwise—
>
> and recommend that the bill lie on the table.
>
> The purpose of this bill, broadly speaking, is to prevent contracts for the purchase or sale of cotton or grain for future delivery, unless the same shall be actually delivered or received, and imposes upon the purchaser of these contracts the obligation to accept delivery.

I had gathered from an observation made by the Senator from Arkansas a moment ago that the bill would not prevent the resale of a contract.

Mr. CARAWAY. It does not, and if the Senator will read the bill he will discover that it does not.

May I call the Senator's attention to another fact? The very fact that the report does not say the bill does not permit the resale of a contract when the bill itself does say so, of course, ought to carry very considerable weight when the Senator reads the report and the bill lies before him so he can read both of them.

As a condition precedent to such transactions, both the seller and buyer must make affidavit of their respective intentions actually to deliver and receive the commodity involved.

Just where the Federal Government is to get its constitutional jurisdiction over transactions of this kind I do not know. Certainly an overwhelming majority of them do not relate to interstate commerce.

Mr. COPELAND. Mr. President, will my colleague yield?

The PRESIDING OFFICER. Does the Senator from New York yield to his colleague?

Mr. WADSWORTH. I yield.

Mr. COPELAND. May I call the attention of my colleague to the fact that three successive Secretaries of Agriculture, including the present one, representing both political parties, have unqualifiedly placed the seal of their disapproval on this measure.

Mr. WADSWORTH. I had already gathered that from a hasty perusal of the report. I was coming to that at a later moment.

An interesting part of the report is this:

Any person sending or causing to be sent a message in which an offer is made to enter into a contract for the future delivery of cotton or grain in contravention of the provisions of the bill is penalized in sums ranging from $500 to $5,000 and terms of imprisonment ranging from one month to two years, which also apply to the owner or agent of the telephone, telegraph, wireless telegraph, cable, or other means of communication used in making such offer.

That would be a rather widespread indictment, followed by prosecution.

Mr. CARAWAY. Mr. President, will the Senator permit me to interrupt him?

Mr. WADSWORTH. Certainly.

Mr. CARAWAY. I think possibly when he read that provision, he would find out where the constitutional authority might lie for the Government, because we can prevent people from using the mails for any kind of contract, advertisement or use where the Congress may declare that the purpose is to defraud.

Mr. COPELAND. It seems to me it goes further than that.

Mr. WADSWORTH. It goes away beyond that—"any kind of communication."

Mr. COPELAND. Yes; and any book or newspaper or pamphlet, or any publication.

Mr. WADSWORTH. Free press is destroyed entirely by the bill.

Use of the mails is prohibited for carrying any written or printed matter relating to the class of contracts prohibited by the bill, and penalty is provided for any person who takes such matter from the mails for the purpose of circulating or disposing of it.

This measure is merely a revamping of many similar bills that have gone into the legislative hopper since they made their first appearance in the Forty-eighth Congress (1883–1885), nearly 50 years ago, only to receive the invariable stamp of congressional disapproval, for it has always been realized that, if enacted, they would result in the strangulation of trading on the cotton and grain exchanges of the United States, where those great staple crops are finally marketed.

When this bill, in substantially the same language, was considered in the Sixty-third Congress (1913–1915) it was known as the Candler bill, in honor of the Member from Mississippi who sponsored it at that time, though it is difficult to name the original author of the idea. It was among the numerous cotton bills considered by the agricultural committees of that Congress while the Smith-Lever law to regulate trading in cotton futures was being whipped into shape, and after mature deliberation it was rejected as being unconstitutional as well as ill advised and so stamped by the adverse report made on it.

With the exception of very immaterial changes in phraseology and in the punishment for violations thereof, these bills are as much alike as the proverbial two peas in a pod, and it is doubtful if their creators could tell them apart. Therefore the bill under consideration being in all essential features a verbatim copy of the Candler bill, the report that was made on that measure by Secretary Houston, of the Department of Agriculture, to Mr. Lever, the chairman of the House Committee on Agriculture, under date of April 13, 1914, is still pertinent. After analyzing its provisions section by section, the Secretary at that time proceeded to a discussion of the constitutionality of the bill, in the course of which he said:

"Under the bill as drawn, the prohibition in section 2 extends to the sending of messages by telegraph, telephone, wireless telegraph, cable, and other means of communication. It is not clear just what the phrase 'other means of communication' would include. Under the rule of ejusdem generis it would probably be construed as confined to any possible agencies of communication other than three specifically mentioned, which are based on, or which apply the scientific principles of, the telegraph and telephone. But if the phrase be held to include such means of communication as railroads and boats, which carry corporeal objects instead of intangible messages, there is, at least, a doubt as to the validity of the proposed legislation when applied to such other means of communication. This doubt arises primarily out of certain statements of the United States Supreme Court in Paul *v.* Virginia and cases following it.

"It is firmly established that contracts of insurance are not transactions of interstate commerce which are subject to regulation by Congress under the commerce clause of the Constitution. Likewise, contracts for the sale of an article for future delivery are not, in themselves, transaction of interstate commerce if they do not oblige the transportation of anything from one State, Territory, or District, to another State, Territory, or District of the United States. However, in Paul *v.* Virginia, the court, in the course of its opinion, goes further than to hold that the contracts involved were not in themselves transactions of interstate commerce, and says:

"'These contracts are not articles of commerce in any proper meaning of the word. They are not subjects of trade and barter offered in the market as something having an existence and value independent of the parties to them. They are not commodities to be shipped or forwarded from one State to another and then put up for sale.'

"Because of what has been held in the cases referred to, and particularly because of what was said in the extract just quoted, there is some doubt as to whether the Supreme Court would hold that, under the commerce clause, Congress is empowered to regulate the physical transportation of a written or printed contract or offer to make such contract, which is not itself the subject of interstate commerce."

Mr. REED of Pennsylvania. I make the point of order that the Senate is in great disorder.

The PRESIDING OFFICER. The point of order is well taken. The Senate will be in order. This request applies to the occupants of the galleries as well as to Members of the Senate.

Mr. WADSWORTH. Mr. President, I would not attempt to hold the attention of the Senate one moment if it were not that I am convinced that this measure is one of extraordinary importance. In my humble judgment, should it ever become law, its effect upon the grain producers of this country will be calamitous. As I look upon it, it will destroy the life of the market, it will forbid and prevent that element in trade which injects life and elasticity into the market, upon which the prompt exchange of a great staple such as cotton or corn must be dependent.

Mr. GOODING. Mr. President, does not the Senator from New York think that that same element sometimes injects death also into the market and drives it down, even as the bulls and bears are always playing the market?

Mr. WADSWORTH. The markets must go down sometime; they can not always go up.

Mr. GOODING. But they go down without rhyme or reason, sometimes merely because the bears want to put prices down.

Mr. WADSWORTH. The conception prevails, I know, among a good many minds, that the bulls can force the market up at will and the bears can force it down at will and neither of them lose any money. The bulls can not force the market up except at the expense of loss on the part of the bears, and the bears can not force it down except at the expense of loss on the part of the bulls.

Mr. GOODING. Yes, Mr. President; but——

Mr. WADSWORTH. Neither side has complete control, and it is——

Mr. GOODING. Mr. President——

Mr. WADSWORTH. Just a moment until I finish my sentence. Neither side can have control. There is a contest going on all the time in all commercial life, in and out of great markets, between purchaser and seller. The purchaser wants to buy the article just as cheaply as he can, and the seller wants to obtain the biggest price for it that he can.

Those elements will always be present; and one of the things which make it possible in a corn exchange for the product to be dealt in evenly, constantly, with an ever-present market, is the fact that the element of speculation is always existent, and speculation in such commodities can be conducted on a very narrow margin. You can not drive speculation out of business entirely; there is no law on earth that will do it. If the Senator from Idaho plants an acre of wheat this spring he

is a speculator. He has no idea how many bushels of wheat he is going to raise on that acre, or what the price will be six months hence.

Mr. GOODING. Mr. President——

Mr. WADSWORTH. There is speculation in all these things; and any law of Congress which attempts to say to a citizen that he shall not sell and buy, not only products but evidences of obligations respecting those products, is merely a law which strangles trade.

Mr. GEORGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield; and if so, to whom?

Mr. WADSWORTH. I yield to the Senator from Georgia.

Mr. GEORGE. The Senator may be quite right in his remarks relative to speculation, but the speculation on a cotton exchange is the same sort of speculation which characterizes a poker game.

Mr. WADSWORTH. That is only an assertion, and I should like to have it proved. If it is true, everyone on the cotton exchange would be rich and no one would lose money who operated there.

Mr. GEORGE. Oh, no; every man in a poker game is not rich; somebody is going to lose.

However, let me submit this to the Senator from New York: How is it possible in a legitimate business transaction which is not a pure gambling transaction that cotton at 10 o'clock in the morning may be worth $5 a bale more than it is at 10.15 o'clock that same morning?

Mr. WADSWORTH. There is less demand for it at 10.15 o'clock than there was as 10 o'clock.

Mr. GEORGE. Yes; in that game.

Mr. WADSWORTH. On the cotton market.

Mr. GEORGE. But the value of cotton in the markets of the world can not have changed in 15 minutes; it is beyond any possibility that it could have done so. It changes in that game because the speculation in the game is precisely on all fours with speculation in a poker game.

Mr. GOODING. And there are only a few professionals in the game, who are called the bulls and bears.

Mr. GEORGE. Exactly.

Mr. GOODING. And the public generally suffers, not only those who deal in the grain and cotton or wheat exchange but the public itself.

I think it is a crime, Mr. President, that the vital necessities of life in this country should be made the subject of gambling. I am for any legislation that will cut it out. I quite agree, however, that we must do something to take care of the conditions before we can cut it out entirely. There might be something in that argument.

Mr. WADSWORTH. That is very interesting, Mr. President, but just what it means I do not know.

Mr. GOODING. Mr. President, you can not destroy all machinery without substituting something in its place.

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Idaho?

Mr. WADSWORTH. I yield to the Senator from Idaho.

Mr. GOODING. I do not care to occupy more of the Senator's time.

Mr. WADSWORTH. Mr. President, of course, when the price of a product goes down on an exchange a large number of people are heard to cry "fraud! manipulation! bulls and bears! terrible"! But when it goes up I have never heard the producer complain. The market may go up as the result of wicked speculation just as freely as it goes down as the result of wicked speculation.

Mr. GOODING. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield further to the Senator from Idaho?

Mr. WADSWORTH. I yield again.

Mr. GOODING. The Senator knows as well as I do that even the story of a frost up in Canada, when no frost exists, sends the market up, and that the story of a bumper crop, that may not exist, will send it down. Furthermore, fake telegrams constantly have their influence on the market, as we read in the wheat reports every day. Yet real, honest conditions have not been changed at all, but those controlling the exchange are merely playing a game to fool a lot of people; and they succeed mighty well in doing it. The Senator understands that just as well as I do.

Mr. WADSWORTH. No; I do not; I am sorry.

Mr. GOODING. The Senator never would change that old method. He loves it and he has been successful under the conditions that exist. Why should he change it?

Mr. WADSWORTH. Again, Mr. President, I regret the injection of the personal note. I may say to the Senator from Idaho that I never bought a bushel of wheat or of any other grain or products on a grain exchange.

Mr. GOODING. I was speaking of conditions generally.

Mr. WADSWORTH. I thought the Senator was talking about me. I beg pardon. [Laughter.]

Mr. GOODING. So far as the Senator is concerned, I am speaking of him, for since I have been in the Senate I have not seen him favor a change in present methods at all. They were all right and he was willing to take them as they existed. A lot of people believe in that, Mr. President, and they have been very successful in this life, too.

Mr. HEFLIN. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Alabama?

Mr. HEFLIN. I thought the Senator had concluded. I was going to address the Senate on the same subject.

Mr. WADSWORTH. I will yield in a few moments, if the Senator wishes to speak on this subject.

Mr. President, as to the last observation of the Senator from Idaho [Mr. GOODING], in all seriousness, let me say that grain exchanges and stock exchanges and the great bourses of Europe are the products of years and generations, and, indeed, of centuries of experience. They are a natural growth, an evolution, growing and "evoluting," if I may use such a word, from time to time to meet the changing and expanding demands of business, trade, and commerce.

There is a reason, and a sound reason, for the general practices which prevail in great markets, whether they be grain markets or cotton markets or securities markets or cattle markets. The human race has not just been stupidly foolish in evolving these practices, and the human race has not been stupidly dishonest in evolving them. These practices have been adopted as a result of age-long experience. Ever so often a group of people will rise and announce that a practice which is built upon generations of experience is all wrong and worse than wrong; it is dishonest; let us pick it to pieces and establish something completely new and different, and that is bound to be good because it is new, although there has been no experience upon which to base the contention for its adoption.

As I said a moment ago, I can not see anything intrinsically wrong in the practices denounced by this bill. There is no element of dishonor in them. The Senator from Idaho and the Senator from Arkansas seem to believe that as a result of them people are habitually fleeced through the dissemination of false information. Well, just how and when they are fleeced does not appear. People do lose money, Mr. President, upon occasions in business, and some people lay the blame on other persons who have been more successful. The thing that I dread in all these laws which seek to prohibit men doing things which are not intrinsically wrong is that they so cramp the style of human beings that the human beings will not submit to them; they evade such laws and become violators, intentionally or otherwise, and in the long run a huge injury is done to the overwhelming majority of honest people who are doing business in an honest way.

If there is one thing that is helpful to the agricultural interests of this country, it is the continued existence of a quick market, a market that is elastic in its nature, that responds to every influence of a legitimate character, to the law of supply and demand, to the conflicting judgments of men. So long as we have that kind of a grain market the farmer can sell his grain on a moment's notice; there is a demand for it at some price; but if we clamp restrictions upon those who deal in our markets and say they shall only deal in this way or that way, but never shall deal in that other way, the day will come when the dealing in that other way will be something really to be desired in the interest of the man who produces the product itself.

Mr. President, in this inadequate way, without having a chance to read Mr. RANSDELL'S report of 105 pages, I merely wanted to say something to the effect that I regard this bill as one of most extraordinary importance.

I yield the floor.

Mr. HEFLIN. Mr. President, I am in favor of this bill. It makes cotton the paramount and dominating thing in the contract, and that ought to be the case. Under the present law the cotton exchanges of the United States can sell, and they do sell, more than 200,000,000 bales of cotton in a year, while the farmers make about 16,000,000 bales. The cotton exchanges sell fictitious cotton. They do not possess the cotton; they never deliver the cotton; and they settle the difference between buyer and seller with money. I want the law so framed that when dealing in cotton the farmer who makes cotton must be called on for cotton with which to fill the contract. That is not the case to-day. The exchanges can sell hundreds of

millions of bales, as they do, without having to possess the cotton at all and without delivering the cotton at all. What does that do to the farmer who owns cotton?

Let me illustrate by saying that here is a farmer who has 100 bales of cotton. He does not want to sell. He wants to hold that cotton until the price will justify him in selling. The price, perhaps, is below the cost of production, as it is to-day. Now, get this point, Senators: He wants to hold his cotton because the price does not justify him in selling it. He does hold his cotton. What happens with the speculator? He is not helping anybody but himself. He goes on the exchange and he sells 100 bales without consulting the man who is holding off the market his 100 bales. The sale of this fictitious stuff on the exchange beats down the price; and the next day, in the market where that farmer lives, the price is down $5 a bale, not by the sale of actual cotton but by the sale of a fictitious stuff called "cotton." It is unfair; it is unjust; it is dishonest.

Why should these speculative interests in New Orleans and in New York and in Chicago feed upon the substance of those who make the stuff which clothes the world? It ought not to be. The bill of the Senator from Arkansas provides that those who deal in cotton must possess cotton, must be growers of cotton or men who are going to consume cotton. There is nothing in his bill to prevent a farmer from contracting in the springtime to deliver a hundred bales of cotton in the fall of the year. There is nothing to prevent the spinner from going to the farmer. The spinner consumes cotton. The farmer makes cotton. That is where the spinner ought to go. He ought to go to the farmer. The farmer should sell to the merchant and the buyer in his locality and to the spinner. These are people who really deal in actual cotton.

What objection can be had to that program, Senators? What do some spinners do now? They do not want to pay the price. They go upon the exchange. They sell, in unlimited quantity, a stuff that is not in existence. It is merely called cotton; and by throwing it on the market in unlimited quantity they keep down the price of actual cotton, and the farmer who is holding a crop that is really made, actual cotton, is hurt while he is holding it and keeping it out of the hands of the consumer. It is unfair, I repeat; it is not right to permit this speculative interest to feed upon the farmer in such a fashion.

What can they do, Mr. President? You take a hundred bales of cotton at $75 a bale. The farmer has $7,500 invested in it. He says: "I do not want to sell it until the price will justify me in selling it." The speculator-spinner says: "I will sell it for you." The farmer says: "You can not do it. I am going to hold the cotton." The speculator says: "I do not have to have cotton. I will sell what I call cotton in a contract. I am going to go in on the exchange and sell 100 bales." "Do you mean to tell me you are going to put up $7,500 against what I have invested in this cotton—$7,500?" "Oh, no; I am going to put up $10 a bale. That is all I have to put up; and I am going to use it to beat down the price of the actual cotton that you have"; and that is what happens on the exchange.

Mr. President, why should we permit these people in the United States to sell 50,000,000 bales of cotton on the exchanges, when we make only 15,000,000 or 16,000,000 bales? The bill of the Senator from Arkansas would confine the sale of cotton to the crop of cotton, and that is fair. There ought to be a bale of actual cotton behind every contract that is put upon the market. Nobody can gainsay that proposition.

What happens in the business of real-estate dealing? A man comes and sells me a lot. He makes me a deed to it. I sell the lot and make a deed to it, and the one to whom I sell it sells it again, and makes a deed to it. It is sold a hundred times in a month, and yet back of each sale is a bona fide piece of real estate—a lot, not a fictitious lot. You can not sell a hundred lots when you have only one lot. You would be put in jail for doing that; but that is what is done in the cotton business, Senators. It is unfair to the people of the Cotton Belt, who grow the American cotton crop, to permit such a thing.

In the transaction of this sale of real estate you can go to the records of the county and you can find who first sold that lot, to whom the lot was next sold, and trace it down to the last purchaser. You can trace the title back, and back of it all is real estate—a piece of land. There is not any cotton back of these contracts that are sold. They are fictitious things. They are merely chalk marks on the blackboard in the exchange room.

They are mere lines written on paper between a bull and a bear, the buyer and the seller. They do not represent real products; and yet you permit those who speculate in cotton to take $1,000 and beat down the price of that which the farmer has in his hand worth $7,500.

While you are talking about farm relief, let us have a measure like this, which will grant farm relief. Let all those who want cotton go to the cotton producer. What do they do now? They go to the cotton exchange, where they can sell millions of stuff called cotton by just putting up money. If you did away with these exchanges as they are run to-day, you would drive all those engaged in the cotton business to the cotton farmer, and the cotton farmer for once would have some price-fixing power; and he ought to have power to say something about the price which that which he produces shall bring in the market place.

What happens to the farmer? He goes into a store and he prices a hat. The merchant tells him exactly what he has to pay for it. He prices a suit of clothes made out of cotton—perhaps he produced the cotton—and they tell him what he must pay for that, and he pays it. Then he comes up in the market with a bale of cotton that he produced, and he says, "What is the price of cotton?" He asks somebody else. The other man turns and says, "We have not had a message from the New York Exchange yet; it is early in the morning," or "the New Orleans Exchange," or "the Chicago Exchange. We have to wait to see what the market did yesterday." What market? The market where they sell only paper contracts, chalk marks, fictitious stuff called cotton.

A telegram comes in with the market quotations. It says cotton is off half a cent a pound, $2.50 a bale. They turn to the farmer and say, "Cotton is off. We will pay you so much." He says, "It has fallen since yesterday?" "Yes; $2.50 a bale."

Who fixed that price? The gamblers in cotton in New Orleans, in New York, and in Chicago. Did they fix that price by selling actual cotton? Oh, no; they did not have any. What did they sell? They sold something they called cotton. How much do they sell in a year? Two hundred and fifty million bales, and the farmer is making 15 or 16 million bales in all!

It is outrageous. It can not be defended by anybody; and, Mr. President, I want to see some legislation enacted that will give the farmer a chance to stand up in the market place with his produce and not be the beggar that he is to-day, fast becoming an agricultural slave. I want to see him stand up and get a fair price for his produce, and become a prince in the kingdom of agriculture in America.

Mr. RANSDELL. Mr. President, I am sorry that I have not time to discuss this very important measure. In 20 minutes it is impossible to do so; and I believe that is all the time I have.

The purpose of this bill is to destroy completely, to put out of business, the exchanges in this country which deal in cotton and grain. That would be its effect.

Mr. President, I can not tell you exactly when trading on exchanges began in this country, but certainly it was many years ago. Certainly as far back as 1883 transactions on the New Orleans Cotton Exchange began. They were in existence prior to that on the New York Exchange.

If this bill is passed, Mr. President, the orderly, well-established business in the very important commodities of grain and cotton would be completely destroyed with the signing of this bill, the touching of a pen to it; and nothing, sir, would be established in its place.

It is a serious thing to discommode and wipe out the existing order of things. Of course, sirs, it is justifiable if the existing order be bad. No man should stand for what is bad under any circumstances.

It is not many years, Mr. President and Senators, since the Congress of the United States had a very thorough investigation and discussion of transactions in futures on the exchanges of the land. The resultant was what is known as the Smith-Lever cotton futures bill. It was a piece of legislation which was discussed very fully in both Houses of Congress for at least two years before it was enacted; and it was thought that that bill overcame a number of complaints, a number of things that were wrong or supposed to be wrong in transactions on the New York and New Orleans Cotton Exchanges. In my judgment, that great piece of legislation did correct such evils and inequalities as had grown up on those two exchanges.

Mr. President, what is the purpose of the exchange in cotton and in wheat? What function does it perform? Let me tell you that in one way it performs the extremely valuable function of insurance.

The insurance business throughout the world has for centuries been assuming very large proportions. It is said that the Lloyd's Insurance Association, in England, will insure any transaction in the world that people desire to have insured.

They will even, for a reasonable consideration, guarantee a man that his wife will not have twins. They will guarantee that it shall not rain when there is to be a game of baseball or football or any other great sport that calls for big preparation and the expenditure of considerable sums of money. The functions of insurance are very widespread.

One of the most important functions of the exchange in cotton and grain is to guarantee or insure transactions for the future. Let me illustrate: Suppose a mill in New England is seeking to sell a large quantity of certain brands of cotton goods to customers in India, China, South Africa, or some other country, a large quantity of goods to be manufactured in the future and delivered in the future 6 months, 8 months, 12 months in advance.

Do you not see how difficult it would be for that mill to buy the actual cotton and store it in its warehouses, to be manufactured by it at some future date six to eight months in advance? It would be extremely difficult. That mill could not say to its customers what price it would charge for goods to be manufactured in the future, unless it knew what cotton was going to cost it at the time of manufacture. So, in order to have the transaction, the mill goes to the exchange, it notes on the exchange the quotations in New York, Chicago, and New Orleans, that cotton for delivery six months or eight months in advance is costing, let us say, 15 cents a pound for middling. Middling cotton is the kind desired. It makes its contract, then, to deliver the manufactured goods on the basis that it will have to pay 15 cents for middling cotton, to be manufactured.

It goes on the exchange and enters into a contract on the exchange for the future delivery of enough bales of cotton to enable it to carry out its contract. It does not buy that cotton and store it in warehouses at enormous expense, but it enters into contracts to have what it desires delivered to it at the proper time, a future contract for a small money consideration. When the time comes, it goes into the spot market and buys the actual number of bales needed to carry out its contract for the manufacture of this cotton.

Suppose in the meantime cotton has gone up to 17 cents, 18 cents, or 20 cents per pound. That does not matter to the mill, because it has bought the cotton to be delivered to it at 15 cents per pound, and the guaranty of the future contract holds good, and it can get its cotton at the agreed price. That is the most important function of the exchange.

I am sorry I did not hear my friend the Senator from Arkansas when he spoke on the bill. The Senator from Alabama said that the effect of the exchange was to lower the price of cotton, that there were a lot of gamblers there pulling down the price of cotton. Senators, did you ever think that there can be no buyers unless there are sellers? How can one set of gamblers pull the price of cotton down unless there be another set of gamblers, if you choose to call them by that offensive term, to buy when one set offers to sell? It is a double transaction.

There are just as many buyers as there are sellers; no more, no less. You can not sell unless somebody will buy, and I have always contended, as an humble cotton grower myself, that the more demands there are for my products, the better price I will secure for the products. The more transactions there are in cotton as the result of these exchanges, the greater demand there will be for my product.

If there are no buyers in the real estate market, let us say, if there are no deals going on, no transactions, everything is dull, of course there is not much rise and not much fall, perhaps, in real estate. But if there be a number of transactions, then the real estate business will become pretty lively, and there are many transactions, I would say, in every kind of business.

Mr. President, this method of doing business is carried on throughout the world. There is not a single great business center anywhere on earth, so far as my information goes, where transactions of exactly this character are not carried on.

Suppose the enormous grain center of Chicago were forced to do away with its grain-exchange contracts. Would that stop dealing in grain? Not at all, for there is a very large grain exchange at Winnipeg, in Canada, there are great exchanges in England, in France, in Germany, both in grain and in cotton. You would not stop this method of doing business by stopping it on the Chicago market. It has been in existence for a long time throughout all of these countries, and if we attempt to stop it, we can not prevent it from going on in the other countries. That is one important phase of this business.

I have been in the cotton business all my life. I have had transactions with the New Orleans market and the New Orleans exchange all my life, and it is my sincere conviction that, so far from the exchanges being the enemies of the producer, the producers are beneficiaries of the exchanges.

There was quite a debate in the Senate two or three years age when Senator Comer was pressing his bill so strongly. Senator Comer at that time was a large manufacturer of cotton. He naturally desired to buy cotton just as cheaply as he could and with as little competition as possible.

If we do away with the exchange, with all these people who seek to speculate in cotton, how many buyers would there be for the products of the farm? The cotton farmer has nothing to sell but cotton. If we do away with the speculative element on the exchanges, then the buyers will be limited to the few hundred mills which use the cotton.

It would be entirely possible for those mills to form a kind of combination or understanding among themselves and say, "Well, there is a good big crop of cotton this year. We are satisfied the price will go down. We will not buy except from hand to mouth. We will force the farmers to sell. They are obliged to have money. There will be no buyers except ourselves, and we will get the cotton at a very low price."

Mr. HEFLIN. Mr. President, will the Senator yield right there?

Mr. RANSDELL. I yield.

Mr. HEFLIN. Suppose, while that is taking place, the spinners are saying, "We will not buy now. We will wait." Suppose the farmers then organize and say, "We will not sell unless cotton advances $5 a bale."

Mr. RANSDELL. It would be a very good thing, I will say to the Senator, if the farmers could organize. Unfortunately, we have hundreds of thousands of cotton farmers in the United States and only a few hundred spinners. It is entirely possible to have a few hundred men of the high degree of intelligence that these spinners have to organize. It is not practical, I will say to the Senator from Alabama, for the hundreds of thousands of farmers to organize, many of them not having the same degree of intelligence and many of them having as much or more. It is impossible for them to organize.

Mr. CARAWAY. Mr. President, will the Senator yield?

Mr. RANSDELL. I yield.

Mr. CARAWAY. I thought the Senator was saying that under a bill we recently voted for, the farm relief bill, they could organize. If they can organize, it would be a good thing, then, to get rid of the future market, would it not?

Mr. RANSDELL. No; it would not, under any circumstances, in my judgment, because it would take out of the market a great many men who now buy. It would reduce the number of buyers, and I, as a cotton seller, want all the buyers I can get.

Mr. CARAWAY. The Senator knows he never sold a bale of cotton to a gambler on the cotton market in his life, and never will, and nobody else does. They never buy it.

Mr. RANSDELL. The men who go into the market and deal in these contracts help to make the market active. They make business, and business makes activity, and business activity makes for success. I wish that I could believe all the farmers would organize under the farm relief measure. I voted for that measure, and I believe it will bring some degree of organization and some relief.

Mr. President, I have an elaborate report on this bill which was made on the 20th of April last.

Mr. HEFLIN. Mr. President, the Senator does not think he can read that in a minute, does he?

Mr. RANSDELL. I would not follow the wonderful example of the Senator from Alabama and consume four or five hours of the time of the Senate. In a very polite and dignified way I was about to call to the attention of my friends in the Senate, who desire some real information on this difficult subject, to the learned views of the different remarkably able men who are quoted herein, not my views; I do not claim any learning along this line, but I do say that some very able men have testified on this subject, and they are quoted in this report.

ADJOURNMENT

Mr. CURTIS. I move that the Senate adjourn.

The motion was agreed to; and the Senate (at 11 o'clock p. m.) adjourned until to-morrow, Thursday, February 24, 1927, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 23 (legislative day of February 22), 1927

COMMISSIONER OF IMMIGRATION

John D. Nagle, of California, to be commissioner of immigration at the port of San Francisco, Calif.

REAPPOINTMENT IN THE REGULAR ARMY

ORDNANCE DEPARTMENT

To be assistant to the Chief of Ordnance with the rank of brigadier general

Brig. Gen. Colden L'Hommedieu Ruggles, assistant to the Chief of Ordnance, for the period of four years beginning March 28, 1927, with rank from March 28, 1923.

POSTMASTERS

CALIFORNIA

Elizabeth B. Tyler to be postmaster at Randsburg, Calif., in place of E. B. Tyler. Incumbent's commission expired January 11, 1927.

Meta C. Stofen to be postmaster at Sonoma, Calif., in place of M. C. Stofen. Incumbent's commission expires March 3, 1927.

Antionette E. Williams to be postmaster at Merced Falls, Calif., in place of J. H. McGregor, removed.

COLORADO

James F. Cohig to be postmaster at West Portal, Colo., in place of V. A. Kauffman, resigned.

FLORIDA

William H. Denmark to be postmaster at Carbur, Fla., in place of W. A. Parker. Incumbent's commission expired December 30, 1926.

Millard C. Sullivan to be postmaster at Pinecastle, Fla. Office became presidential July 1, 1926.

ILLINOIS

Blanche V. Anderson to be postmaster at Leland, Ill., in place of B. V. Anderson. Incumbent's commission expired February 19, 1927.

Russell Young to be postmaster at Rossville, Ill., in place of Russell Young. Incumbent's commission expired January 13, 1927.

William E. Thompson to be postmaster at Ferris, Ill., in place of H. G. Sherman, removed.

IOWA

Frank P. Rotton to be postmaster at Essex, Iowa, in place of F. P. Rotton. Incumbent's commission expired December 12, 1926.

Fred A. Hall to be postmaster at Van Wert, Iowa, in place of F. A. Hall. Incumbent's commission expires March 3, 1927.

William J. Campbell to be postmaster at Jesup, Iowa, in place of Margaret Wooff, resigned.

Merle B. Camerer to be postmaster at Oto, Iowa, in place of M. F. Sawin, resigned.

MAINE

Ralph T. Horton to be postmaster at Calais, Me., in place of R. T. Horton. Incumbent's commission expired January 30, 1927.

MARYLAND

Earle H. Ault to be postmaster at Accident, Md., in place of E. H. Ault. Incumbent's commission expired January 4, 1927.

James W. Friend to be postmaster at Friendsville, Md., in place of J. W. Friend. Incumbent's commission expired January 4, 1927.

MASSACHUSETTS

Albert Holway to be postmaster at Bournedale, Mass., in place of Albert Holway. Incumbent's commission expired August 30, 1926.

Edgar O. Dewey to be postmaster at Reading, Mass., in place of E. O. Dewey. Incumbent's commission expired January 24, 1927.

MICHIGAN

James W. Cobb to be postmaster at Birmingham, Mich., in place of J. W. Cobb. Incumbent's commission expired January 30, 1927.

Fred R. Griffin to be postmaster at Manistique, Mich., in place of F. R. Griffin. Incumbent's commission expires March 3, 1927.

MINNESOTA

William B. Stewart to be postmaster at Bemidji, Minn., in place of W. B. Stewart. Incumbent's commission expires February 24, 1927.

Carl G. Hurtig to be postmaster at Buffalo Lake, Minn., in place of C. G. Hurtig. Incumbent's commission expired December 27, 1926.

Charles C. Keller to be postmaster at Cloquet, Minn., in place of C. C. Keller. Incumbent's commission expired May 3, 1926.

Harry S. Gillespie to be postmaster at Virginia, Minn., in place of H. S. Gillespie. Incumbent's commission expired November 17, 1925.

Dwight M. Backman to be postmaster at Whalan, Minn. Office became presidential July 1, 1926.

MISSISSIPPI

Thomas F. Kirkpatrick to be postmaster at Hollandale, Miss., in place of T. F. Kirkpatrick. Incumbent's commission expired September 20, 1926.

John L. Kirby to be postmaster at Water Valley, Miss., in place of J. L. Kirby. Incumbent's commission expired February 14, 1927.

Howard H. Smith to be postmaster at Duncan, Miss., in place of Minnie Davis, resigned.

MISSOURI

David W. Puthuff to be postmaster at Bolivar, Mo., in place of D. W. Puthuff. Incumbent's commission expired February 23, 1927.

Catherine A. McSwiney to be postmaster at Normandy, Mo., in place of C. A. McSwiney. Incumbent's commission expired December 20, 1926.

MONTANA

Melvin W. Markuson to be postmaster at Dooley, Mont. Office became presidential July 1, 1926.

NEBRASKA

Edward T. Best, jr., to be postmaster at Neligh, Nebr., in place of E. T. Best, jr. Incumbent's commission expired February 9, 1927.

Myrtle L. Anderson to be postmaster at Republican City, Nebr., in place of M. L. Anderson. Incumbent's commission expires March 2, 1927.

Percy A. Brundage to be postmaster at Tecumseh, Nebr., in place of P. A. Brundage. Incumbent's commission expires February 24, 1927.

Dayle G. Stallman to be postmaster at Petersburg, Nebr., in place of E. R. Beers, resigned.

NEW MEXICO

Ona Tudor to be postmaster at East Vaughn, N. Mex., in place of Ona Tudor. Incumbent's commission expired March 2, 1926.

John N. Noryiel to be postmaster at Hatch, N. Mex. Office became presidential July 1, 1926.

NEW YORK

Lewis E. Fredenburg to be postmaster at Afton, N. Y., in place of L. E. Fredenburg. Incumbent's commission expired January 11, 1927.

William S. White to be postmaster at Oriskany, N. Y., in place of W. S. White. Incumbent's commission expired February 10, 1927.

William E. Mills to be postmaster at Rose Hill, N. Y., in place of W. E. Mills. Incumbent's commission expires March 1, 1927.

Francis D. Lynch to be postmaster at Stony Point, N. Y., in place of F. D. Lynch. Incumbent's commission expired February 19, 1927.

NORTH CAROLINA

Benjamin E. Atkins to be postmaster at Apex, N. C., in place of B. E. Atkins. Incumbent's commission expires March 2, 1927.

Giles B. Goodson to be postmaster at Lincolnton, N. C., in place of C. G. Mullen. Incumbent's commission expired January 10, 1927.

NORTH DAKOTA

Aloysius A. Allers to be postmaster at Garrison, N. Dak., in place of A. S. Loudenbeck. Incumbent's commission expired January 29, 1927.

OHIO

Anthony L. Stanchina, jr., to be postmaster at Laferty, Ohio, in place of James Azallion. Incumbent's commission expired December 30, 1926.

George R. Irwin to be postmaster at Upper Sandusky, Ohio, in place of G. R. Irwin. Incumbent's commission expires March 2, 1927.

Cora A. Emery to be postmaster at Gates Mills, Ohio, in place of R. L. Russell, resigned.

Otha C. Burris to be postmaster at London, Ohio, in place of J. B. Emery, deceased.

OKLAHOMA

Clyde O. Thomas to be postmaster at Arapaho, Okla., in place of E. M. Cowles. Incumbent's commission expired January 18, 1926.

Maud Cassetty to be postmaster at Calvin, Okla., in place of H. L. Wallace. Incumbent's commission expired July 18, 1926.

Clarence C. Werrell to be postmaster at Depew, Okla., in place of C. C. Werrell. Incumbent's commission expired December 22, 1926.

James H. Sparks to be postmaster at Healdton, Okla., in place of J. H. Sparks. Incumbent's commission expired December 12, 1926.

John P. Rookstool to be postmaster at Hominy, Okla., in place of G. H. Blackwood. Incumbent's commission expires February 24, 1927.

Lillian E. Whitman to be postmaster at Catoosa, Okla., in place of W. W. Whitman, deceased.

Ralph E. Bain to be postmaster at Hitchcock, Okla., in place of L. N. Hawkins, resigned.

PENNSYLVANIA

Ira B. Jones to be postmaster at Minersville, Pa., in place of I. B. Jones. Incumbent's commission expired January 22, 1927.

Eli F. Poet to be postmaster at Red Lion, Pa., in place of E. F. Poet. Incumbent's commission expired January 22, 1927.

Robert H. Harris to be postmaster at Tamaqua, Pa., in place of R. H. Harris. Incumbent's commission expires March 1, 1927.

Chestina M. Smith to be postmaster at Centralia, Pa., in place of L. A. Heffner, deceased.

Shem S. Aurand to be postmaster at Milroy, Pa., in place of W. E. Brown, resigned.

J. Ray Frankhouser to be postmaster at Newton Hamilton, Pa. Office became presidential July 1, 1926.

SOUTH DAKOTA

Bessie A. Drips to be postmaster at Gannvalley, S. Dak., in place of B. A. Drips. Incumbent's commission expired October 8, 1925.

TENNESSEE

Lulu M. Divine to be postmaster at Johnson City, Tenn., in place of L. M. Divine. Incumbent's commission expires March 1, 1927.

Thomas E. Byran to be postmaster at Lebanon, Tenn., in place of B. W. Burford, resigned.

TEXAS

Oliver S. York to be postmaster at Galveston, Tex., in place of O. S. York. Incumbent's commission expired January 9, 1927.

Herman L. Stulken to be postmaster at Hallettsville, Tex., in place of G. A. Young. Incumbent's commission expired April 28, 1926.

UTAH

William T. Boyle to be postmaster at Beaver, Utah., in place of W. T. Boyle. Incumbent's commission expires March 3, 1927.

VERMONT

Earle H. Fisher to be postmaster at Danville, Vt., in place of A. E. Currier. Incumbent's commission expired February 10, 1926.

WASHINGTON

Andrew J. Cosser to be postmaster at Port Angeles, Wash., in place of A. J. Cosser. Incumbent's commission expires March 3, 1927.

WYOMING

George J. Snyder to be postmaster at Glendo, Wyo., in place of G. J. Snyder. Incumbent's commission expired September 8, 1926.

Edward Bottomley to be postmaster at Kleenburn, Wyo., in place of Edward Bottomley. Incumbent's commission expires February 24, 1927.

James E. Hamilton to be postmaster at Meeteetse, Wyo. Office became presidential July 1, 1926.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 23 (legislative day of February 22), 1927

COMMISSIONER OF IMMIGRATION

John D. Nagle to be commissioner of immigration for the port of San Francisco, Calif.

UNITED STATES ATTORNEYS

Alexander C. Birch to be United States attorney, southern district of Alabama.

A. V. McLane to be United States attorney, middle district of Tennessee.

UNITED STATES MARSHAL

Stanley Borthwick to be United States marshal, southern district of Ohio.

REGISTER OF THE LAND OFFICE

Charles Gilbert Boise to be register of land office, Bismarck, N. Dak.

GENERAL OFFICERS IN THE ARMY—BY APPOINTMENT

To be brigadier general, reserve

Mortimer Drake Bryant.
Harold Montfort Bush.
George Rathbone Dyer.
Charles Irving Martin.
Edward Caswell Shannon.
Burke Haddan Sinclair.
Samuel Gardner Waller.

POSTMASTERS

ILLINOIS

Percy Gaston, Centralia.
Bahne E. Cornilsen, Chicago Heights.
Walter C. Yunker, Forest Park.

KENTUCKY

Charles A. Bickford, Hellier.

PENNSYLVANIA

George R. Steiger, Albion.
William D. First, Conneaut Lake.
Joseph A. Hanley, Erie.
Edwin W. Dye, Lawrenceville.

SOUTH DAKOTA

Claud I. Force, Clear Lake.
Leo D. Houk, Colome.
Ernest F. Roth, Columbia.
Israel R. Krause, Java.
Charles E. Smith, Lemmon.
Arnold Poulsen, Lennox.
Garfield G. Tunell, Mobridge.
James E. McLaughlin, Onida.
Albert P. Monell, Stickney.
Joseph Matt, Vivian.
Olof Nelson, Yankton.

TEXAS

James J. Dickerson, Paris.

HOUSE OF REPRESENTATIVES

WEDNESDAY, *February 23, 1927*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Lord God of Hosts, let Thy infinite love cast out all fear. We would have our prayer be the voice of gratitude, the voice of holy ambition to advance to higher degrees of knowledge and wisdom until the perfect day. Oh, let us serve Thee with the spirit of good cheer and our country with deep appreciation. Endow us with a wise, comprehensive outlook on the things of life. With hearty delight may we seek to do Thy will. May we be worthy to love, fortified to suffer, and courageous to persevere. Waken in all of us a sentiment of praise and manifest Thy self in that which we do to-day. In the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its principal clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 15641) entitled "An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1928, and for other purposes," and that the Senate insists upon its amendments numbered 25 and 27 to the said bill.

The message also announced that the Senate agrees to the amendments of the House on Senate bills of the following titles:

S. 5596. An act granting the consent of Congress to Dauphin Island Railway & Harbor Co., its successors and assigns, to construct, maintain, and operate a railroad bridge and approaches thereto and/or a toll bridge across the water between the mainland at or near Cedar Point and Dauphin Island;

S. 2849. An act to provide for an additional Federal district for North Carolina;

S. 4411. An act granting the consent of Congress to compacts or agreements between the States of South Dakota and Wyoming with respect to the division and apportionment of the waters of the Belle Fourche and Cheyenne Rivers and other streams in which such States are jointly interested; and

S. 4876. An act providing for the erection of a monument on Kill Devil Hill, at Kitty Hawk, N. C., commemorative of the first successful human attempt in history at power-driven airplane flight.

The message also announced that the Senate had passed without amendment House bill of the following title:

H. R. 11064. An act for the relief of R. W. Hilderbrand.

The message also announced that the Senate had passed Senate concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 28. Concurrent resolution to provide for the printing of 75,000 copies of address delivered to the American people in the House of Representatives on February 22, 1927, on the proposed celebration of the two hundredth anniversary of the birth of George Washington.

The message also announced that the Senate had passed Senate joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 154. Joint resolution extending the provisions of the acts of March 4, 1925, and April 13, 1926, relating to a compact between the States of Washington, Idaho, Oregon, and Montana for allocating the waters of the Columbia River and its tributaries, and for other purposes.

The message also announced that the Senate had agreed to House concurrent resolution of the following title:

H. Con. Res. 57. Concurrent resolution inviting the full cooperation of the legislatures and the chief executives of the respective States and Territories of the United States in the celebration of the two hundredth anniversary of the birth of George Washington.

The message also announced that the Senate insists upon its amendments to the bill H. R. 13446, entitled "An act to restore the rate of postage of 1 cent each to private mailing or post cards," disagreed to by the House of Representatives, and agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed as conferees on the part of the Senate Mr. MOSES, Mr. PHIPPS, and Mr. MCKELLAR.

The message also announced that the Senate agrees to the amendment of the House of Representatives to the bill S. 2615, "An act to authorize common carriers engaged in interstate commerce to transport any blind person, accompanied by a guide, for one fare."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House of Representatives to the bill S. 2141, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Assiniboine Indians may have against the United States, and for other purposes."

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled Senate bills and joint resolution of the following titles, when the Speaker signed the same:

S. 722. An act to authorize the selection of certain publicly owned lands by the State of Oregon;

S. 2714. An act to authorize the cancellation, under certain conditions, of patents in fee simple to Indians for allotments held in trust by the United States;

S. 4411. An act granting the consent of Congress to compacts or agreements between the States of South Dakota and Wyoming with respect to the division and apportionment of the waters of the Belle Fourche and Cheyenne Rivers and other streams in which such States are jointly interested;

S. 4812. An act amending the statutes of the United States as to procedure in the Patent Office and in the courts with regard to the granting of letters patent for inventions and with regard to interfering patents;

S. 4910. An act granting certain lands to the State of New Mexico for the use and benefit of New Mexico College of Agriculture and Mechanic Arts, for the purpose of conducting educational, demonstrative, and experimental development with livestock, grazing methods, and range forage plants;

S. 4957. An act to amend section 129 of the Judicial Code, allowing an appeal in a patent suit from a decree which is final except for the ordering of an accounting;

S. 4974. An act to amend and reenact an act, entitled "United States cotton futures act," approved August 11, 1916, as amended;

S. 5082. An act authorizing an appropriation of $8,600,000 for the purchase of seed grain, feed, and fertilizer to be supplied to farmers in the crop-failure areas of the United States, and for other purposes;

S. 5585. An act to extend the time for construction of a bridge across the southern branch of the Elizabeth River, near the cities of Norfolk and Portsmouth, in the county of Norfolk, State of Virginia;

S. 5588. An act granting the consent of Congress to the Big Sandy & Cumberland Railroad Co. to construct, maintain, and operate a bridge across the Tug Fork of Big Sandy River at Devon, Mingo County, W. Va.;

S. 5598. An act to extend the time for constructing a bridge across the Ohio River approximately midway between the city of Owensboro, Ky., and Rockport, Ind.;

S. 5620. An act granting the consent of Congress to John R. Scott, Thomas J. Scott, E. E. Green, and Baxter L. Brown, their successors and assigns, to construct, maintain, and operate a bridge across the Mississippi River;

S. J. Res. 120. Joint resolution authorizing the acceptance of title to certain lands in Teton County, Wyo., adjacent to the winter elk refuge in said State established in accordance with the act of Congress of August 10, 1912 (37 Stat. L. p. 293);

S. 2849. An act to provide for an additional Federal district for North Carolina;

S. 4876. An act providing for the erection of a monument on Kill Devil Hill, at Kitty Hawk, N. C., commemorative of the first successful human attempt in history at power-driven airplant flight;

S. 5596. An act granting the consent of Congress to Dauphin Island Railway & Harbor Co., its successors and assigns, to construct, maintain, and operate a railroad bridge and approaches thereto and/or a toll bridge across the water between the mainland at or near Cedar Point and Dauphin Island; and

H. R. 11064. An act for the relief of R. W. Hilderbrand.

COMMITTEE ON ENROLLED BILLS

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that this day they presented to the President of the United States for his approval the following bills:

H. R. 11278. An act to authorize the erection of a statue of Henry Clay;

H. R. 14842. An act granting the consent of Congress to the Pomeroy-Mason Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near the town of Mason, Mason County, W. Va., to a point opposite thereto in the city of Pomeroy, Meigs County, Ohio;

H. R. 14920. An act to amend an act entitled "An act granting the consent of Congress to the Weirton Bridge & Development Co. for the construction of a bridge across the Ohio River near Steubenville, Ohio," approved May 7, 1926; and

H. R. 16775. An act to limit the application of the internal-revenue tax upon passage tickets.

NAVAL APPROPRIATION BILL

Mr. FRENCH. Mr. Speaker and gentlemen of the House, the message which has just come from the Senate indicates that the Senate has approved the report of the conference committee on the Navy appropriation bill and insists upon its amendment carrying three cruisers into the bill. Your committee plans to take up the conference report on the House side to-morrow morning immediately following the disposition of preliminary business upon the Speaker's desk. There is so much interest in this subject that we have felt we ought to notify the House at this time so that everybody will be apprised of what our program is.

Mr. MILLER. Will the gentleman yield?

Mr. FRENCH. Yes.

Mr. MILLER. Is it the gentleman's intention to disagree to the Senate amendment on the cruiser proposition and insist on the House attitude?

Mr. FRENCH. I will say that is embodied in the conference report.

Mr. MILLER. I noticed that in the conference report, but I did not know whether there was some later attitude on the proposition.

Mr. FRENCH. No.

NAVAL ACADEMY

Mr. VINSON of Georgia. Mr. Speaker, I am requested by the chairman of the Naval Affairs Committee to ask unanimous consent to take from the Speaker's table and put upon its passage Senate bill 5699, relating to the admission of candidates to the Naval Academy, a similar bill having been favorably reported by the Committee on Naval Affairs and being on the calendar. The committee authorized me to make this motion.

The SPEAKER. The gentleman from Georgia calls up Senate bill 5699, which the Clerk will report.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to fix the age limits for candidates for admission to the United States Naval Academy," approved May 14, 1918, be amended by the addition of the following proviso:

"*Provided further*, That the foregoing shall not be held to exclude the admission of a candidate the twentieth anniversary of whose birth occurs on the 1st day of April of the calendar year in which he shall enter."

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

A similar House bill was laid on the table.

SURPLUS WAR DEPARTMENT REAL PROPERTY

Mr. JAMES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table Senate bill 4305, to authorize the sale, under provisions of the act of March 12, 1926 (Public, No. 45), of surplus War Department real property, and I ask for its immediate consideration.

The SPEAKER. The gentleman from Michigan asks unanimous consent for the present consideration of Senate bill 4305, which the Clerk will report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McKEOWN. Mr. Speaker, reserving the right to object, what does this bill involve?

Mr. JAMES. It involves the sale of posts no longer used, like Fort Wayne, in my State, and other places.

Mr. McKEOWN. How many are involved?

Mr. JAMES. I suppose about 10 or 12.

Mr. McKEOWN. Has it been reported favorably by the committee?

Mr. JAMES. It was unanimously reported by the committee. Most of the money comes out of my own State of Michigan.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to sell or cause to be sold, under the provisions of the act of March 12, 1926, the several tracts or parcels of real property hereinafter designated, or any portion thereof, upon determination by him that said tracts or parcels are no longer needed for military purposes, and to execute and deliver in the name of the United States and in its behalf any and all contracts, conveyances, or other instruments necessary to effectuate such sale and conveyance:

Name of reservation—Fort Wayne, Mich.; Fort Hayes, Ohio; Matanzas Military Reservation, Fla. (excepting approximately 1 acre on which is located an old Spanish fortification declared a national monument by proclamation of the President under date of October 15, 1924); Camp Upton, N. Y.; Lafayette Cemetery, Philadelphia, Pa. (lot in); Odd Fellows Cemetery, Philadelphia, Pa. (9,040 square feet); American Mechanics Cemetery, Philadelphia, Pa. (six lots); Washington Point, Norfolk, Va.; Fort McPherson Target Range, Waco, Ga.; Fort Moultrie Rifle Range, S. C.; Fort Hunt, Va.; Fort Washington, Md.

With the following committee amendments:

On page 2, in line 3, strike out "Fort Hayes, Ohio"; in line 8 strike out "Lafayette Cemetery, Philadelphia, Pa. (lot in); Odd Fellows Cemetery, Philadelphia (9,040 square feet); American Mechanics Cemetery, Philadelphia, Pa. (six lots); Washington Point, Norfolk, Va."; in line 14 strike out "Fort Moultrie Rifle Range, S. C.; Fort Hunt, Va.; Fort Washington, Md.," and insert "Coronado Beach Military Reservation, Coronado, Calif. (part, approximately 33 acres); Omaha Depot, Omaha, Nebr.; Springfield Armory, Springfield, Mass. (part, approximately 13 acres)."

Mr. McKEOWN. Mr. Speaker, I move to strike out the last word for the purpose of asking a question of the gentleman from Michigan. What protection has the Government as to the manner of the sale of this property, and has that been properly safeguarded?

Mr. JAMES. Yes.

Mr. McKEOWN. The matter of the sale will be properly cared for so that it will bring a fair and reasonable price?

Mr. JAMES. We have all the safeguards that were in the previous bill passed a year ago.

Mr. McKEOWN. Do the safeguards in that bill apply to this bill?

Mr. JAMES. They do.

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

CONSTRUCTION AT MILITARY POSTS

Mr. JAMES. Mr. Speaker, I ask unanimous consent for the present consideration of H. R. 17243, to authorize appropriations for construction at military posts, and for other purposes.

The SPEAKER. The gentleman from Michigan asks unanimous consent for the present consideration of House bill 17243, which the Clerk will report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BLANTON. We would like to know what is in the bill.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated not to exceed $8,491,000; to be expended for the construction and installation at military posts of such buildings and utilities and appurtenances thereto as, in the judgment of the Secretary of War, may be necessary, as follows: Schofield Barracks, Hawaii, hospital, $190,000; Camp Meade, Md., hospital, $150,000 (at an estimated total cost of $450,000); New Primary Flying School, San Antonio, Tex., barracks, $700,000; noncommissioned officers' quarters, $156,000; officers' quarters, $1,020,000; Fort Benning, Ga., barracks, $500,000; Fort Riley, Kans., officers' quarters, $126,000; Camp Lewis, Wash., hospital, $97,000; Fort Humphreys, Va., barracks, $160,000; Maxwell Field, Ala., officers' quarters, $40,000; Camp Devens, Mass., hospital, $100,000; Camp Lewis, Wash., barracks, $500,000; Fort Bliss, Tex., noncommissioned officers' quarters, $300,000; Brooks Field, Tex., officers' quarters, $200,000; barracks, $164,000; Selfridge Field, Mich., hospital, $50,000; Panama Department, Canal Zone, for the Air Corps barracks, $560,000; noncommissioned officers' quarters, $126,000; officers' quarters, $400,000; Bolling Field, D. C., barracks, $240,000; Fort Bragg, N. C., barracks, $262,000; Rockwell Field, Calif., barracks, $240,000; noncommissioned officers' quarters, $78,000; officers' quarters, $200,000; Scott Field, Ill., hospital, $100,000; Fort Jay, N. Y., barracks, $300,000; officers' quarters, Military Academy, West Point, $216,000; Kelly Field, Tex., barracks, $316,000; officers' quarters, $100,000; Camp McClellan, Ala., barracks, $300,000; Camp Meade, Md., barracks, $300,000; Camp Devens, Mass., barracks, $300,000: *Provided*, That any unexpended balances or combined unexpended balances of any of the above amounts shall be available interchangeably for appropriation on any of the hospitals, barracks, or noncommissioned officers' quarters herein authorized.

With the following committee amendment:

On page 2, in line 12, after the word "Zone" insert "for the Air Corps."

Mr. BLANTON. Will the gentleman yield for a question?

Mr. JAMES. Yes.

Mr. BLANTON. All of these amounts come out of the money that the War Department has on hand from the sale of property?

Mr. JAMES. Most of it; yes. However, I talked with the Director of the Budget and he wanted a bill sent up this time so that when he sends in his estimates next December he will know how much to authorize. A certain part of it the Director of the Budget will take out of the general Treasury.

Mr. BLANTON. But most of the money will come out of funds secured from the sale of surplus war property?

Mr. JAMES. Yes; that is correct. It is like the bill we just passed.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote whereby the bill was passed was laid on the table.

ABRAHAM LINCOLN

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent to extend my remarks by printing in the RECORD an address I made before the Lincoln Post No. 17, of the American Legion, at Washington, D. C., January 6, 1927.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. PHILLIPS. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following address:

The honor you have conferred upon me by according me the privilege of addressing Lincoln Post No. 17 of the American Legion is appreciated, and I take this opportunity to pay my respects to your nation-wide organization, which typifies and embodies the very best contained in American life and in American tradition.

The word "Legion" can not be separated from the word "American," for had there been no sacrifice on the field of battle there would be no American Nation of freemen.

Neither can we separate the word "American" from the great men that founded and preserved our Nation.

When you named your post you were indeed happy in the selection of the name "Lincoln," because he typifies the ideals for which you fought. He is the great champion of humanity and the great foe of tyranny.

In 1842, when Lincoln was 33 years old, he was invited to deliver an address on the one hundred and tenth anniversary of the birthday of Washington. He made no reference to Washington until the closing paragraph, when he paid him the following tribute:

"This is the one hundred and tenth anniversary of the birthday of Washington. We are met to celebrate this day. Washington is the mightiest name on earth—long since mightiest in the cause of civil liberty; still mightiest in moral reformation. On that name a eulogy is expected. It can not be. To add brightness to the sun or glory to the name of Washington is alike impossible. Let none attempt it. In solemn awe pronounce the name, and in its naked, deathless splendor leave it shining on."

Little did Lincoln suspect that all he then said in regard to Washington can be applied with propriety to Lincoln himself now that more than a hundred years have passed since his birthday.

On occasions of this nature our minds revert to the two great historical documents which were instrumental, the one in procuring, the other in preserving our independence and our liberties—the Declaration of Independence and the Constitution of the United States, which, however, like Lincoln and Washington, must be contrasted, rather than compared.

The Declaration of Independence proclaims an equality that never did and never can exist. It was by nature revolutionary, and therefore destructive rather than constructive. It well served its intended purpose by stimulating patriotic instincts and crystallizing latent hatred against unwarranted interference with local government and the rights of the individual.

On the other hand, the Constitution makes no mention of equality, does not appeal to sentiment or seek to arouse popular acclaim, but it is supremely constructive. It set up a type of government for which there existed no precedent, and set forth, for the first time in all history in comprehensive and convincing form, the fundamental and primary purposes for which governments should exist:

"We, the people of the United States, in order to form a more perfect Union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America."

For clarity and common sense no language in all literature, unless it be found in Holy Writ, approaches the preamble to the Constitution. Here we find no intimation of aggression, oppression, or suppression, and when all nations adopt in good faith these principles we can beat our swords into plowshares and our spears into pruning hooks, neither learn war any more.

That a declaration of liberty, equality, and fraternity, even when theoretically established by a victorious war and when people are free from governmental restraint, can not produce prosperity or promote general welfare is clearly shown by statements of Washington written after the Revolutionary War, but prior to the adoption of the Constitution. On October 7, 1785, he wrote:

"We are descending into the vale of confusion and darkness."

On July 26, 1786:

"It is shameful and disgusting. We seem either not capable or not willing to take care of ourselves."

On August 1, 1786:

"Your sentiments, that our affairs are drawing rapidly to a crisis, accord with my own. What, then, is to be done? Would to God that wise measures may be taken in time to avert the consequences we have but too much reason to apprehend."

November 5, 1786:

"No day was ever more clouded than the present. We are fast verging to anarchy and confusion."

December 26, 1786:

"I feel, my dear General Knox, infinitely more than I can express to you for the disorders which have arisen in these States. Good God! Who could have foreseen or predicted them?"

The Constitution having been adopted, the clouds of uncertainty, confusion, and anarchy begin to dissipate.

On June 3, 1790, Washington wrote:

"You have doubtless been informed from time to time of the happy progress of our affairs. The principal difficulties seem in a great measure to have been surmounted."

On July 10, 1791:

"The United States enjoys a scene of prosperity and tranquillity under the new Government that could hardly have been hoped for."

On July 20, 1791:

"Our public credit stands on that high ground which three years ago it would have been considered as a species of madness to have foretold."

Bear in mind that Washington was writing about the same people in the same place, tilling the same soil and warmed by the same sun, but under different governmental conditions.

The Declaration of Independence, were it not for the conservative and constructive provisions of the Constitution, would be little more than a sounding brass or tinkling cymbal. Had the Constitution provided for a democracy rather than for a representative Republic, then students of history, with few exceptions, agree that the Revolutionary War would have been fought in vain, for it would have produced more and greater evils than it cured.

Lincoln, in his Cooper Institute address, said:

"Now, and here, let me guard a little against being misunderstood. I do not mean to say we are bound to follow implicitly in whatever our fathers did. * * * What I do say is that, if we would supplant the opinions and policy of our fathers in any case, we should do so upon evidence so conclusive, and argument so clear, that even their great authority, fairly considered and weighed, can not stand."

In this connection it is well to remember that most, if not all of our major political ills have been caused by constitutional amendments and radical departures from the principles of government that were early sanctioned by custom and precedent. Perhaps there would have been no Civil War had it not been for the tenth amendment. Direct and unequal taxation, direct election of Senators, the primary system of nominations, the multiplicity of bureaus with their clerk-made laws, and the recent unprecedented extension of the police powers of the Federal Government are nothing less than the removal of the ancient landmarks so carefully placed by our forefathers.

A representative Republic such as was provided in the Constitution brought order out of chaos and has stood the test of time. It is one of the richest political heritages of the ages, and we of this generation will deserve and receive contempt and condemnation if we fail to protect it and preserve it in its essential principles, so that it may benefit and bless those who are destined to live in the days and years that are to come.

UNITED CONFEDERATE VETERANS

Mr. DRANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table and consider Senate joint resolution (S. J. Res. 156) authorizing the Secretary of War to lend tents and camp equipment for the use of the reunion of the United Confederate Veterans, to be held at Tampa, Fla., in April, 1927.

The Clerk read the joint resolution as follows:

Resolved, etc., That the Secretary of War be, and he is hereby, authorized to lend, at his discretion, to the reunion committee of the United Confederate Veterans, for use in connection with the Thirty-seventh Annual Reunion of the United Confederate Veterans, to be held at Tampa, Fla., on April 5, 6, 7, and 8, 1927, such tents and other camp equipment as may be required at said reunion: *Provided*, That no expense shall be caused the United States by the delivery and return of said property, the same to be delivered to said committee at such time prior to the holding of said reunion as may be agreed upon by the Secretary of War and Sumter L. Lowry, sr., general chairman of said reunion committee: *And provided further*, That the Secretary of War, before delivering said property, shall take from said Sumter L. Lowry, sr., a good and sufficient bond for the safe return of said property in good order and condition, and the whole without expense to the United States.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The joint resolution was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the resolution was passed was laid on the table.

MRS. EMILY MARTIN

Mr. HUDDLESTON. Mr. Speaker, I ask unanimous consent to proceed for one minute.

The SPEAKER. The gentleman from Alabama asks unanimous consent to address the House for one minute. Is there objection?

There was no objection.

Mr. HUDDLESTON. Mr. Speaker, down in Wilson County, Tenn., Mrs. Emily Martin is to-day celebrating her one hundredth birthday. It is a fine thing to have attained such a venerable age. It is still more to have served throughout a long life as a brave, useful, and Christian woman and mother, as Mrs. Martin has.

Mrs. Martin was born in the village of Alexandria, Smith County, Tenn., on February 23, 1827. She is the daughter of William J. Bomar and wife, Elizabeth Terry. Her father was a Christian minister who had emigrated to Tennessee early in the 1800's from Essex County, Va., where he was born. At 4 years of age, her parents removed to a farm near the village of Gladeville, in Wilson County. The house in which they lived was a substantial one, built, as was common in that time, of hewn cedar logs. The farm subsequently passed into the ownership of her sister's husband, Samuel W. Sherrill, who built a new dwelling but preserved the old Bomar house. The latter, many years afterwards, was removed from the spot intact and is even yet in good condition and is the residence of a great-grandson, Tolbert F. Robinson, who owns a part of the old Sherrill farm.

On March 5, 1843, when only 16 years of age, Emily Bomar married Thomas Stacy Martin, and in 1849 she and her husband came to live on the spot where she now resides. A new dwelling was built a few years later, but the original dwelling was preserved as a part of it, and is still in good condition. Here the Martins lived and brought up their children. Here the husband died in 1903, and here the widow now lives in her green old age.

Mrs. Martin is the mother of four children—William L., who served as a brave soldier in the Confederate Army and died in 1924 at the age of 81; Frank and Thomas A., both of whom are now deceased, and Mrs. Victoria Atkinson, who is yet living. Mrs. Martin has 17 grandchildren living, 41 great-grandchildren, and 2 great-great-grandchildren.

Mrs. Martin's father, William J. Bomar, attained the age of 91. Of her full brothers and sisters, three lived until about 80, and one, Riley Bomar, died at San Saba, Tex., a few years ago, at the age of 99.

Mrs. Martin, despite her great age, remains in a good state of health and in full possession of her memory and other mental faculties. She goes to the family table for every meal and frequently performs little tasks about the house, greatly pleased to feel that she is still useful. Her appetite and digestion are good, and she sleeps like a child. She remains rather plump of person. Her complexion is clear, her eyes are large and blue, and holds even yet some traces of the unusual beauty of person and spirit which was hers in her prime.

Mrs. Martin has been a member of the Baptist Church for nearly 75 years. She is fond of conversation and yet retains her interest in neighborhood news and in public affairs. In 1920, when the vote was conferred upon women, she went several miles to the polling place to cast her first ballot.

Such are a few points of the life story of this grand old woman. Universally loved and respected, ripe in years, and full of faith in God and confidence in her fellow creatures—loving all and beloved of all, she is the model by which all good men and women might hope to shape their lives.

SENATE JOINT RESOLUTION 152

Mr. JOHNSON of Washington. Mr. Speaker, by direction of the Committee on Immigration and Naturalization I ask unanimous consent that the Senate joint resolution (S. J. Res. 152) be recommitted to the Committee on Immigration and Naturalization.

Mr. CONNALLY of Texas. Mr. Speaker, reserving the right to object, has the gentleman consulted the gentleman from Texas, Mr. Box?

Mr. JOHNSON of Washington. Yes; the committee voted upon the matter to-day. We will bring out a perfected bill later.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

OIL AND GAS MINING LEASES UPON UNALLOTTED LANDS WITHIN EXECUTIVE ORDER INDIAN RESERVATIONS

Mr. HAYDEN. Mr. Speaker, by direction of the Committee on Indian Affairs I call up and move to take from the Speaker's table the bill (S. 4893) to authorize oil and gas mining leases upon unallotted lands within Executive order Indian reservations, which is substantially the same as the bill H. R. 15021, already favorably reported to the House by the Committee on Indian Affairs, and pass the same.

The Clerk read the title of the bill.

Mr. SPROUL of Kansas. Mr. Speaker, I make the point of order that the bill——

Mr. TILSON. Mr. Speaker, is this claimed to be a privileged matter?

The SPEAKER. The gentleman from Kansas is about to make a point of order.

Mr. SPROUL of Kansas. I make a point of order that the bill is not a proper one to be considered by the House, but rather by the Committee of the Whole House, for the reason it involves the transfer of the property of the Government in the way of an alienation; and it involves a charge against the Treasury. Because of these two features of the bill it is one essentially to be considered in the Committee of the Whole House, where it has not yet been considered.

The SPEAKER. The gentleman from Kansas makes the point of order that the bill is properly on the Union Calendar and hence there is no matter of privilege concerned in calling it up, as has been done by the gentleman from Arizona. The Chair will be glad to hear argument, and the Chair would like to say to the House that in his opinion this is a very important matter and would like the attention of the House during the argument.

Mr. MADDEN. Mr. Speaker, I would like to be heard briefly.

The SPEAKER. Does the gentleman from Kansas desire to proceed now or the gentleman from Arizona?

Mr. SPROUL of Kansas. Mr. Speaker, would it not be in order for the gentleman now to show that his motion is in order?

The SPEAKER. The Chair thinks it would be now in order for the gentleman from Arizona to show that his motion is a proper one.

Mr. TILSON. Mr. Speaker, the gentleman from Illinois wishes to make a brief statement, if the gentleman from Arizona will yield.

Mr. HAYDEN. I yield.

Mr. MADDEN. I understand, Mr. Speaker, this is a case where interest has accumulated on money to the credit of the Indians in the Treasury. Am I right about that?

Mr. HAYDEN. No, sir. I will state to the gentleman from Illinois there is no such issue involved in this bill. No money has as yet accumulated in the Treasury.

The SPEAKER. The Chair would like to ask the gentleman, first, if he is authorized by direction of the committee to make this motion.

Mr. HAYDEN. I was directed by a vote of the Committee on Indian Affairs in regular session to make this motion. The authority was granted to me after the Senate bill had passed, a similar House bill already being on the calendar. Therefore I am acting wholly within the rule in every respect.

The SPEAKER. May the Chair suggest to the gentleman he would like particularly to hear argument as to whether this is property of the United States?

Mr. HAYDEN. Mr. Speaker, section 2 of Rule XXIV, which authorizes this procedure, reads as follows:

> Business on the Speaker's table shall be disposed of as follows:
>
> * * * * * * *
>
> House bills with Senate amendments which do not require consideration in a Committee of the Whole may be at once disposed of as the House may determine, as may also Senate bills substantially the same as House bills already favorably reported by a committee of the House, and not required to be considered in Committee of the Whole, be disposed of in the same manner on motion directed to be made by such committee.

It will be observed that the rule says nothing about on what calendar the House bill may be placed. The sole and only question is whether the Senate bill requires consideration in Committee of the Whole. The bill S. 4893, which, in fact, is identical with H. R. 15021, does not require such consideration.

Bills which require consideration in Committee of the Whole House on the state of the Union are defined in section 3 of Rule XXIII, as follows:

> All motions or propositions involving a tax or charge upon the people; all proceedings touching appropriations of money, or bills making appropriations of money or property, or requiring such appropriation to be made, or authorizing payments out of appropriations already made, or releasing any liability to the United States for money or property, or referring any claim to the Court of Claims, shall be first considered in a Committee of the Whole, and a point of order under this rule shall be good at any time before the consideration of a bill has commenced.

The first section of the bill merely provides that the same law which now authorizes the Secretary of the Interior, with consent of the tribal council, to make oil and gas leases on treaty reservations shall also apply to reservations created by Executive order. It can not be maintained that this section disposes of any property of the United States, because the Supreme Court has repeatedly decided that the right of the Indians to use and occupy the lands within an Executive-order reservation is the

same as within a treaty reservation. In each instance the lands are held by the United States in trust for the Indians.

On May 27, 1924, the then Attorney General, Hon. Harlan F. Stone, now a justice of the Supreme Court, rendered an opinion in which he said:

When, by an Executive order, public lands are set aside, either as a new Indian reservation or an addition to an old one, without further language indicating that the action is a mere temporary expedient, such lands are thereafter properly known and designated as an "Indian reservation"; and so long, at least, as the order continues in force, the Indians have the right of occupancy and use and the United States has the title in fee.

Attorney General Stone then quoted from the case of Spaulding *v.* Chandler (160 U. S. 394), which involved an Executive-order Indian reservation, in which the Supreme Court held:

It has been settled by repeated adjudications of this court that the fee of the lands in this country in the original occupation of the Indian tribes was from the time of the formation of this Government vested in the United States. The Indian title as against the United States was merely a title and right to the perpetual occupancy of the land, with the privilege of using it in such mode as they saw fit until such right of occupation had been surrendered to the Government. When Indian reservations were created, either by treaty or Executive order, the Indians held the land by the same character of title, to wit, the right to possess and occupy the lands for the uses and purposes designated.

Near the close of the Attorney General's opinion he states this final conclusion, based upon a review of all the applicable court decisions and acts of Congress:

The important matter here, however, is that neither the courts nor Congress have made any distinction as to the character or extent of the Indian rights as between Executive-order reservations and reservations established by treaty or act of Congress.

On March 1, 1926, the Supreme Court canceled a patent, issued by the Secretary of the Interior over 50 years prior thereto to the State of Minnesota, for the reason that the land in question was within an Indian reservation. The decision of the court in the case of United States *v.* Minnesota reads:

While the grant as extended to Minnesota was a grant in praesenti, it was restricted to lands which were then public. The restriction was not expressed, but implied according to a familiar rule. That rule is, that lands which have been appropriated or reserved for a lawful purpose are not public and are to be regarded as impliedly excepted from subsequent laws, grants, and disposals which do not specially disclose a purpose to include them.

Since this entire bill relates to lands or the proceeds of lands which are not public but Indian lands it does not require consideration in Committee of the Whole under Rule XXIII. I refer to paragraph 846 of the House Manual (page 383) which reads:

Indian lands have not been considered "property" of the Government within the meaning of the rule.

The citations there given to volume 4 of Hinds' Precedents, sections 4844 and 4845, are as follows:

On August 12, 1890, the Speaker laid before the House the bill of the Senate (S. 4207) extending the time of payment to the purchasers of land of the Omaha Tribe of Indians in Nebraska, and for other purposes.

Mr. W. C. P. Breckinridge, of Kentucky, made the point of order that the said bill should receive its first consideration in the Committee of the Whole on the state of the Union. The Speaker, Mr. Reed, overruled the said point, on the ground that the bill on its face made no appropriation of money or property.

On March 12, 1890, Mr. Bishop W. Perkins, of Kansas, called up and the House proceeded to the consideration of the bill of the House (H. R. 856) to amend section 1 and section 9 of an act entitled "An act to authorize the Denison & Washita Valley Railroad Co. to construct and operate a railway through the Indian Territory, and for other purposes," approved July 1, 1886, reported with an amendment. This land was the property of the Indians and not public lands belonging to the Government.

Mr. Benton McMillin, of Tennessee, made the point of order that under the rule quoted the bill must receive the first consideration in a Committee of the Whole. "After debate on the point of order, the Speaker overruled the same on the ground that the bill granted the right of way and did not appropriate public land."

The second section of the bill deals with the disposal of the proceeds from lands belonging to Indians. The Supreme Court having decided that such lands are not public lands, then the proceeds thereof are not money or property within the meaning of rule 23. Neither does the section make any appropriation of money. The Speaker will note that the bill merely states that the sums derived from rentals, royalties, and bonuses shall be available for appropriation, but no actual appropriation is either made or authorized to be made. All that is accomplished by section 2 is the creation of a trust fund, and the House Manual, on page 378, states that a bill "relating to money in the Treasury in trust is not governed by the rule." Section 4835 of Hinds' Precedents is there cited as follows:

A bill relating to money coming into the Treasury in trust for specifically indicated purposes was held not to require consideration in Committee of the Whole. On April 24, 1878, the House proceeded to consider the bill (S. 15) to alter and amend "An act to aid in the construction of a railroad and telegraph line from the Missouri River to the Pacific Ocean," etc.

The bill having been read, Mr. Benjamin F. Butler, of Massachusetts, made the point of order that the bill must be considered in Committee of the Whole House on the state of the Union, under rule 112.

The Speaker overruled the point of order on the ground that it did not apply to money coming into the Treasury of the United States in trust for purposes which are specifically indicated.

Section 3 of the bill provides a means whereby taxes may be paid to the States, but does not impose any Federal tax upon the people as mentioned in rule 23. The sums so levied and collected are not to be paid from any Federal money, but tribal funds or by the lessees. Therefore nothing in the section requires that the bill be considered in Committee of the Whole.

Neither does section 4 come within the rule because it is purely a legislative limitation upon the authority of the President to change the boundaries of Indian reservations.

The fifth and last section relates solely to the relief of those who made applications under the general leasing act of 1920. The section does not involve any tax or any appropriation of money or property. The bill consists of but five sections, in no one of which, either upon its face or actually, involves any public money or property. Such being the nature of the Senate bill it does not require consideration in Committee of the Whole, and under the authority granted by the Committee on Indian Affairs I am entitled to call it up from the Speaker's table for immediate consideration by the House.

Mr. MADDEN. Mr. Speaker, I would like to say a word on this to indicate what the viewpoint in the Committee on Appropriations has always been in matters of this sort. This bill provides in section 2 that the proceeds from rentals and royalties or bonuses of oil and gas and so on shall be deposited in the Treasury of the United States to the credit of the Indians and that upon the amount so deposited 4 per cent interest shall accrue. The accrued interest, of course, always is credited to the principal sum. It is true that it does create a contingent liability, but the language of section 2 of this bill does not make a charge against the Treasury in the sense that it appropriates, but does reserve to the Congress the right to appropriate out of the aggregate of the two sums, viz, the principal sum received for rents and the accumulated interest. The charge does not go against the Treasury until the appropriation made by the Congress at some future time is passed and signed by the President of the United States. So I think the bill is properly on the House Calendar and subject to the motion made by the gentleman from Arizona [Mr. HAYDEN].

Mr. HAYDEN. I might further advise the Speaker that it has been customary for more than a half century to deposit Indians moneys in the Treasury in special trust funds at interest. Since the money is held for the Indians as an investment, interest is periodically credited by a bookkeeping arrangement. It was also the custom for many years for the Secretary of the Interior, through the Commissioner of Indian Affairs, to expend such trust funds without action by Congress. This procedure resulted in complaints from the Indians, and in some instances formed the basis for claims against the United States.

In order to provide for a better supervision of the expenditures of Indian funds Congress, section 27 of the Indian appropriation act of May 18, 1916 (39 Stat. L. p. 159), declared that—

On the first Monday in December, 1917, and annually thereafter, the Secretary of the Treasury shall transmit to the Speaker of the House of Representatives estimates of the amounts of the receipts to, and expenditures which the Secretary of the Interior recommends to be made for the benefit of the Indians from, all tribal funds of Indians for the ensuing fiscal year; and such statement shall show (first) the total amounts estimated to be received from any and all sources whatsoever, which will be placed to the credit of each tribe of Indians, in trust or otherwise, at the close of the ensuing fiscal year, (second) an analysis showing the amounts which the Federal Government is directed and required by treaty stipulations and agreements to expend from each of said funds or from the Federal Treasury, giving references to the existing treaty or agreement or statute,

(third) the amounts which the Secretary of the Interior recommends to be spent from each of the tribal funds held in trust or otherwise, and the purpose for which said amounts are to be expended, and said statement shall show the amounts which he recommends to be disbursed (a) for per capita payments in money to the Indians, (b) for salaries or compensation of officers and employees, (c) for compensation of counsel and attorney fees, and (d) for support and civilization: *Provided, That thereafter no money shall be expended from Indian tribal funds without specific appropriation by Congress except as follows: Equalization of allotments, education of Indian children in accordance with existing law, per capita and other payments, all of which are hereby continued in full force and effect: Provided further,* That this shall not change existing law with reference to the Five Civilized Tribes.

This change in the law in no manner affected the ownership of such funds. It still remained the property of the Indians, held in trust by the United States for their use and benefit. The fact that the Federal Government holds such money as a trustee is emphasized in section 2 of the bill by the proviso which requires the Indians through their tribal council to be consulted in regard to its expenditure.

Mr. SPROUL of Kansas. Mr. Speaker, the point of order which I make is that Senate bill 4893, now proposed to be substituted for House bill 15021, provides for appropriating the property of the United States and also contains a charge against the people and the Treasury. The material part of Senate bill 4893 reads as follows:

SEC. 2. That the proceeds from rentals, royalties, or bonuses of oil and gas leases upon lands within Executive-order Indian reservations or withdrawals shall be deposited in the Treasury of the United States to the credit of the tribe of Indians for whose benefit the reservation or withdrawal was created or who are using and occupying the land and shall draw interest at the rate of 4 per cent per annum and be available for appropriation by Congress for expenses in connection with the supervision of the development and operation of the oil and gas industry and for the use and benefit of such Indians: *Provided,* That said Indians or their tribal council shall be consulted in regard to the expenditure of such money, but no per capita payment shall be made except by act of Congress.

The rule of the House which I seek to invoke and have applied is as follows:

(Section 3, Rule XXIII, p. 385, House Manual)

All motions or propositions involving a tax or charge upon the people, all proceedings touching appropriations of money, or bills making appropriations of money or property, or requiring such appropriation to be made, or authorizing payments out of appropriations already made, or releasing any liability to the United States for money or property, or referring any claim to the Court of Claims shall be first considered in a Committee of the Whole, and a point of order under this rule shall be good at any time before the consideration of a bill has commenced.

Section 2 of Senate bill 4893 provides for an appropriation of Government property in this—that it provides that rentals, royalties, or bonuses of oil and gas leases upon lands within Executive-order reservations or withdrawals shall be paid into the Treasury of the United States to the credit of certain tribes of Indians.

The bill further provides that when said money is placed in the Treasury to the credit of the Indians the Government shall pay 4 per cent interest thereon. The oil and gas in and under Executive-order reservations and withdrawals is the property of the United States. Why is it the property of the Government? The withdrawals have been made from the public domain which belongs to the Government. The President has no constitutional or legislative authority to transfer the oil and gas rights in the Government lands to Indians or other persons in the manner in which these withdrawals were made. And I herewith quote the wording of one withdrawal involving 250,000 acres of land included in this bill:

It is hereby ordered that the following-described lands in the Territories of Arizona and Utah be, and the same are, withheld from sale and settlement and set apart as a reservation for Indian purposes. (Chester A. Arthur.)

In this withdrawal it will be noted that no particular tribe of Indians was mentioned. In an action brought by the Government against permit holders on a portion of these reservation lands on which an oil well had been drilled and other moneys expended, the United States district court for Utah, in rendering a judgment against the Government, held as follows:

There is no question that rights were as much in the future, so far as the Indians were concerned, as they were on the 17th day of May, 1884, the day the Executive order was made.

The title, both legal and equitable, continued and was in the Government at the time this permit was issued. I shall hold against the contention of the Government.

And thus the United States district court held the title in these Executive-order withdrawals was and continued to be in the Government. This case was appealed to the circuit court of appeals, sitting at Denver, which court certified the case to the Supreme Court, where it is now pending. (Government *v.* Harrison and Midwest Oil Co.) It thus will be seen that the President had no constitutional or congressional authority to transfer the title to the lands in question to the Indians. And it appearing that no court has ever held to the contrary, we therefore submit that section 2 appropriates property of the United States.

That part of section 2 which obligates the Government to pay 4 per cent interest and which has to be appropriated out of the Treasury constitutes another charge against the people and the Treasury. And as to this there can be no question. Suppose the rate of interest which the bill obligates the Government to pay on the bonus, royalties, and money placed in the Treasury to the credit of the Indians was 25 per cent or 50 per cent, could it be said that such a rate of interest was not a charge against the people or the Treasury? The clearness of this proposition can be seen by every fair-minded person. It is our contention, therefore, that this point of order is well taken in this, that the bill not only appropriates property of the United States but involves a charge against the people and the Treasury, and for these reasons the point of order should be sustained.

Mr. CARTER of Oklahoma rose.

The SPEAKER. The gentleman from Oklahoma is recognized.

Mr. CARTER of Oklahoma. Mr. Speaker, I have not had the opportunity to look up the decisions in this case, but if the decisions cited by the gentleman from Arizona [Mr. HAYDEN] are the precedents by which this House is to be governed, then the only question here arising is whether or not the lands on Executive-order Indian reservations are Government lands or Indian lands.

Now let us go just a little into the history of the difference between a treaty reservation and an Executive-order reservation. A treaty reservation is one by which the Indians are placed on certain areas of land under an agreement with the Indians—land usually formerly occupied and owned by these same Indians under right of occupancy. An Executive-order reservation is that which is set aside for the tribe by Executive proclamation and this character of reservation is also usually composed of a portion of lands formerly occupied by such Indians. An Indian tribe has just as much right morally, and I believe legally, to an Executive-order reservation as in a treaty reservation. It is true those rights may not have been vouched for and guaranteed by a written agreement, but the Indians originally owned the land by right of occupancy which antedotes all other claims. That is the fact in connection with this case about the Navajos, of which complaint is made.

Mr. REED of New York. Did not the gentleman make a mistake when he repeated the second time the words "a reservation made by treaty," when he meant "by Executive order"?

Mr. CARTER of Oklahoma. If I did, it was a slip of the tongue. The gentleman from Kansas [Mr. SPROUL] argued that certain rights over these lands were exercised and other things done by the Government and cited those facts as evidence the Government owned the lands.

But I would remind my good friend that that does not go to the ownership of the land. That goes to the right of the Government to supervise and administer the affairs of the Indians, not to the right of ownership of the land.

I want further to remind my friend that the courts have held on numerous occasions that the Government may do as it wills with tribal property until it is individualized. That is clearly set forth in the Lone Wolf case, which involved a treaty reservation. The Indians had made a treaty by which it was stipulated that no part of the land should be sold without the whole tribe concurring in the sale.

A sort of rump convention was held by a few Indians and an agreement was made by which a portion of the lands of the Kiowas and Comanches should be sold. The Kiowas and Comanches contested that on the ground that they had not all been notified of the meeting and that not even a majority was there. The point was conceded by the court, but the court held that in its administration of Indian Affairs the Federal Government had plenary power to do as it willed with the funds, the lands, or any other property of the tribes. And so it was in the Cherokee baby case. In the Cherokee baby case they had

a treaty which provided that no name should be added to the roll after a certain date. Subsequent to that time Congress added to the roll the names of a number of newborn babies and Cherokee citizens contested that in the Supreme Court of the United States, but the Supreme Court again held that the power of Congress and the Government was plenary to deal with those matters as it saw fit. So the mere fact that the Government takes some action with reference to Indian lands or Indian funds does not argue in the least that the lands and the funds do not belong to the Indians, because the Government has that right as the guardian of the Indians.

Mr. HASTINGS. Mr. Speaker, the gentleman from Kansas [Mr. SPROUL] attempts to make a distinction between an Executive-order reservation and a treaty reservation. That is the only point he attempts to make. Now, the gentleman from Arizona [Mr. HAYDEN] cited one decision of a court, and I want to requote two or three lines from the opinion of the Attorney General, who carefully reviewed this question, and which I think is of more importance to the Speaker in ruling than any argument we may make here. He says:

> The important matter here, however, is that neither the courts nor Congress have made any distinction as to the character or extent of the Indian rights, as between Executive-order reservations and reservations established by treaty or act of Congress.

In other words, the Attorney General says that neither the courts nor Congress have made any distinction between them. I wanted to call that to the Speaker's attention.

The SPEAKER. The Chair is prepared to rule. This motion presents a very interesting question. It has been very ably argued, the Chair thinks, on both sides, by the gentleman from Arizona and others on the one side, and by the gentleman from Kansas on the other.

The question presented is this: Is the House bill properly on the Union Calendar or might it not be properly on the House Calendar? If it could be properly on the House Calendar the motion of the gentleman from Arizona is in order, but if it should be properly on the Union Calendar it is not in order. The gentleman from Kansas makes the point of order that the bill should be on the Union Calendar or that it should be considered in the Committee of the Whole under paragraph 3, of Rule XXIII, which provides:

> All motions or propositions involving a tax or charge upon the people; all proceedings touching appropriations of money, or bills making appropriations of money or property, or requiring such appropriation to be made, or authorizing payments out of appropriations already made, or releasing any liability to the United States for money or property, or referring any claim to the Court of Claims, shall be first considered in a Committee of the Whole, and a point of order under this rule shall be good at any time before the consideration of a bill has commenced.

The gentleman from Kansas makes the point of order on two grounds. First, that the bill disposes of property owned by the United States and not owned by the Indians; and, second, that section 2 of the bill provides for an appropriation of money.

Section 2 of the bill provides that the proceeds from rentals, and so forth, of this property—

> Shall draw interest at the rate of 4 per cent per annum and be available for appropriation by Congress.

Query: Is this an appropriation?

Mr. SPROUL of Kansas. If the Chair will permit, the idea I advanced is that it is a charge against the people.

The SPEAKER. The Chair will put it in another way. Does section 2 on its face provide a charge on the Treasury?

The Chair thinks it is a little doubtful on its face, but in view of the statement made by the gentleman from Illinois [Mr. MADDEN], who knows more about practical questions relating to appropriations than any other living man, that under the rules and procedure of his committee this is not an appropriation, the Chair will so hold. As the Chair understands it, this is not a direct charge on the Treasury, but is a fund which is kept to the credit of the Indians and available for all sorts of uses by the Treasury. A mere book account is kept and 2 per cent semiannually is credited to this fund, and the fund is available for any proper use by the Treasury and probably draws interest at the rate of 4 per cent or perhaps more than 4 per cent. Under these conditions the Chair does not think that section 2 of this bill of itself and on its face creates a charge on the Treasury.

As to the question whether this is public land or Indian land, the Chair listened attentively to the argument of the gentleman from Kansas, but if it was doubtful in the past as to whether there is a distinction between lands given to the Indians by treaty or by Executive order, all doubt is removed by the opinion of the Attorney General, as follows:

> When by an Executive order public lands are set aside, either as a new Indian reservation or an addition to an old one, without further language indicating that the action is a mere temporary expedient, such lands are thereafter properly known and designated as an Indian reservation; and so long, at least, as the order continues in force the Indians have the right of occupancy and use and the United States has the title in fee.

The following statement also occurs in his opinion:

> The important matter here, however, is that neither the courts nor Congress have made any distinction as to the character or extent of the Indian rights as between Executive-order reservations and reservations established by treaty or act of Congress.

Furthermore—

> In Spalding *v.* Chandler, which involved an Executive-order Indian reservation, the Supreme Court said (pp. 402, 403):
>
> "It has been settled by repeated adjudications of this court that the fee of the lands in this country in the original occupation of the Indian tribes was from the time of the formation of this Government vested in the United States. The Indian title as against the United States was merely a title and right to the perpetual occupancy of the land, with the privilege of using it in such mode as they saw fit until such right of occupation had been surrendered to the Government. When Indian reservations were created, either by treaty or Executive order, the Indians held the land by the same character of title, to wit, the right to possess and occupy the lands for the uses and purposes designated."

Under these circumstances the Chair thinks, first, that this bill does not create, on its face, a charge on the Treasury; second, that it disposes of lands which are held in trust for the Indians; and being convinced about these two propositions, the Chair thinks the bill does not require consideration in Committee of the Whole.

This being the case, the motion of the gentleman from Arizona is in order and the Chair overrules the point of order made by the gentleman from Kansas.

The Clerk read the bill, as follows:

Be it enacted, etc., That unallotted lands within the limits of any reservation or withdrawal created by Executive order for Indian purposes or for the use or occupancy of any Indians or tribe may be leased for oil and gas mining purposes in accordance with the provisions contained in the act of May 29, 1924 (43 Stat., p. 244).

SEC. 2. That the proceeds from rentals, royalties, or bonuses of oil and gas leases upon lands within Executive-order Indian reservations or withdrawals shall be deposited in the Treasury of the United States to the credit of the tribe of Indians for whose benefit the reservation or withdrawal was created or who are using and occupying the land, and shall draw interest at the rate of 4 per cent per annum and be available for appropriation by Congress for expenses in connection with the supervision of the development and operation of the oil and gas industry and for the use and benefit of such Indians: *Provided*, That said Indians, or their tribal council, shall be consulted in regard to the expenditure of such money, but no per capita payment shall be made except by act of Congress.

SEC. 3. That taxes may be levied and collected by the State or local authority upon improvements, output of mines or oil and gas wells or other rights, property, or assets of any lessee upon lands within Executive-order Indian reservations in the same manner as such taxes are otherwise levied and collected, and such taxes may be levied against the share obtained for the Indians as bonuses, rentals, and royalties, and the Secretary of the Interior is hereby authorized and directed to cause such taxes to be paid out of the tribal funds in the Treasury: *Provided*, That such taxes shall not become a lien or charge of any kind against the land or other property of such Indians.

SEC. 4. That hereafter changes in the boundaries of reservations created by Executive order, proclamation, or otherwise for the use and occupation of Indians shall not be made except by act of Congress: *Provided*, That this shall not apply to temporary withdrawals by the Secretary of the Interior.

SEC. 5. That the Secretary of the Interior is hereby authorized, under such rules and regulations as he may prescribe, to allow any person who prior to May 27, 1924, filed an application for a permit in accordance with the provisions of the act of February 25, 1920, to prospect for oil and gas upon lands within an Indian reservation or withdrawal created by Executive order who shall show to the satisfaction of the Secretary of the Interior that he, or the party with whom he has contracted, has done prior to January 1, 1926, any or all of the following things, to wit, expended money or labor in geologically surveying the lands covered by such application, has built a road for the benefit of such lands, or has drilled or contributed toward the drilling of the geologic structure upon which such lands are located, or who in good faith has either filed a motion for reinstatement or rehearing; or performed any other act which in the judgment of the Secretary of the Interior entitles him to equitable relief, to prospect for a period of two years from the date this act takes effect, or for such further time

as the Secretary of the Interior may deem reasonable or necessary for the full exploration of the land described in his application under the terms and conditions therein set out, and a substantial contribution toward the drilling of the geologic structure thereon by such applicant for a permit thereon may be considered as prospecting under the provisions hereof; and upon establishing to the satisfaction of the Secretary of the Interior that valuable deposits of oil and gas have been discovered within the limits of the land embraced in any such application, he shall be entitled to a lease for one-fourth of the land embraced in the application: *Provided*, That the applicant shall be granted a lease for as much as 160 acres of said lands if there be that number of acres within the application. The area to be selected by the applicant shall be in compact form and, if surveyed, to be described by the legal subdivisions of the public land surveyed; if unsurveyed, to be surveyed by the Government at the expense of the applicant for lease in accordance with rules and regulations to be prescribed by the Secretary of the Interior, and the lands leased shall be conformed to and taken in accordance with the legal subdivisions of such surveys; deposit made to cover expense of surveys shall be deemed appropriated for that purpose, and any excess deposits may be repaid to the person or persons making such deposit or their legal representatives. Such leases shall be for a term of 20 years upon a royalty of 5 per cent in amount or value of the production and the annual payment in advance of a rental of $1 per acre, the rental paid for any one year to be credited against the royalties as they may accrue for that year, with the preferential right in the lessee to renew the same for successive periods of 10 years upon such reasonable terms and conditions as may be prescribed by the Secretary of the Interior. The applicant shall also be entitled to a preference right to a lease for the remainder of the land in his application at a royalty of not less than 12½ per cent in amount or value of the production, the royalty to be determined by competitive bidding or fixed by such other methods as the Secretary of the Interior may by regulations prescribe: *Provided further*, That the Secretary of the Interior shall have the right to reject any or all bids.

Mr. HAYDEN. Mr. Speaker, I yield 10 minutes to the chairman of the Committee on Indian Affairs, the gentleman from Montana [Mr. LEAVITT].

Mr. LEAVITT. Mr. Speaker and Members of the House, no long discussion of this bill should be necessary at this time. On the 16th day of last June, after a very extended and detailed debate with regard to the merits of it, this House passed a bill similar in its wording and identical in its intentions. That bill, however, contained some seeming discriminations between different applicants and permittees who had gone onto lands within the Navajo Indian Reservation, withdrawn under Executive order, and made applications under the general oil leasing act of 1920. For this reason largely the measure was disapproved by the President.

This present bill was introduced at the beginning of the present session by the gentleman from Arizona [Mr. HAYDEN], drawn in a form to meet those objections and to give to all of those who might have even the shadow of a right, under the filings or under the applications, an opportunity to establish such rights and to secure whatever equity they were entitled to.

There was before our Committee on Indian Affairs a delegation of Navajo Indians during the discussion of the bill, and the provision contained in section 5 that has to do with the applicants for oil permits and permittees was understood fully by the Indians. Six of their tribal council, in addition to Chee Dodge, the head of the tribe and the president of the tribal council, stated to the committee that this provision was entirely agreeable to them.

Briefly, the purpose, so far as the Indians are concerned, is to make sure by act of Congress that there can first be a development of possible oil resources on these Executive-order lands; and, in the second place, that with the development of the oil resources the Indians themselves—and the Navajo Indians who are occupying lands on their reservation have been occupying them from a time going back into the traditions of the tribe—shall have the benefit of the development of the natural resources of their reservation instead of having their lands considered to be public lands of the United States with the benefits of such development going to the white people.

Surely the Indians who once possessed all of this country and who now have in their possession only those portions that have been given to them by acts of Congress, Executive orders, and by treaties ought to be allowed to get whatever benefit there is from these remaining areas—the resources under the soil as well as above it—without having the white man come in and profit entirely by these developments.

Mr. SNELL. Will the gentleman yield for a question?

Mr. LEAVITT. Certainly.

Mr. SNELL. As I understand it, no lease will be made until it has been made plain to the Secretary of the Interior that there are valuable deposits of oil or gas.

Mr. LEAVITT. That is true; no new lease.

Mr. SNELL. Lines 18, 19, 20, and 21, on page 4, provide that such leases shall be for a term of 20 years upon a royalty of 5 per cent in amount, and so forth. Why did you arrive at a royalty of 5 per cent? Is not the standard rate in oil leases 12½ per cent?

Mr. LEAVITT. The situation is that under an order of the Secretary of the Interior these lands had been held to be public lands and therefore subject to the oil leasing act of 1920. Twenty-two permits had been issued under that ruling. Then, at a later time, on the 27th of May, 1924, Attorney General Stone held that these were not public lands and therefore not subject to that particular act. No question of good faith has ever been raised with regard to these filings or with regard to these permittees.

Mr. SNELL. That is not the question I am trying to bring out.

Mr. LEAVITT. Just a moment; I want to make this full statement in reply to the gentleman.

Judge Kenyon, who specifically held in the case of the Teapot Dome leases that they were void on account of fraud, handed down a ruling with regard to this case, in which he certified there was no fraud involved.

That being the situation, the feeling of the committee has been that, with the full agreement of the Indians involved, the Indians would lose nothing if those who, when the Secretary held these Indian lands to be public domain, had made application or received permits were allowed to go ahead under the same condition as would be applied under the general leasing act.

Mr. SNELL. But in this bill you are changing the original provision and say that they are not public lands. If you are going to do that, why should not you change the 5 per cent royalty to 12½ cents, which is the prevailing proposition?

Mr. LEAVITT. The gentleman knows that in a new oil country on the public domain which has not been proven there are two or three stages. The first is the wildcat stage; and where wildcat lands have been entered and preliminary steps at considerable expense have been taken, the applicants may be allotted for development certain portions of what they have made application for at a 5 per cent royalty. But on the remainder they must pay a much larger per cent.

Mr. SNELL. That is the vital part of the whole bill. You must convince the Secretary of the Interior that there is existing valuable deposits of oil, and then he may lease it for 20 years. Twenty years is long enough to drain all there is there, and if that is so you are not able to lease any land for more than the 5 per cent royalty.

Mr. LEAVITT. The amount of land that is involved here, of course, is quite large, taken altogether, but only one-fourth of that part of it which prior to May 27, 1924, was applied for is involved in the 5 per cent royalty provision under this bill.

Mr. SNELL. Leases might be granted on all of this land.

Mr. LEAVITT. Not at 5 per cent; not more than one-fourth of his application to any one permittee.

Mr. SNELL. That might be a pretty good oil lease.

Mr. LEAVITT. The situation is exactly the same as on all public domain not developed, where it is not proven that it contains oil.

Mr. ARENTZ. As I understand, the gentleman is trying to find out how many acres in the aggregate are included in the 5 per cent.

Mr. LEAVITT. It can be only on one-fourth of those lands applied for prior to May 27, 1924.

Mr. LETTS. Will the gentleman yield?

Mr. LEAVITT. Yes.

Mr. LETTS. The gentleman will say that there is a lawsuit pending in the Supreme Court of the United States involving this matter?

Mr. LEAVITT. Yes.

Mr. LETTS. In order to drop that suit is it not important that this should be a low figure, such as suggested by the gentleman from New York?

Mr. LEAVITT. As far as I am personally concerned, that does not enter into it.

Mr. LETTS. Is not it an element of the situation?

Mr. LEAVITT. The opponents of the bill will have an opportunity to state their position. This bill is agreed to by the Indians who own the land. These people were in good faith when the Secretary of the Interior held these areas to be public land, and their applications were made in good faith. The difference is that by this bill the royalties will go to the Indians instead of being distributed as under the public lands law of 1920.

The SPEAKER. The time of the gentleman from Montana has expired.

Mr. HAYDEN. I yield the gentleman from Montana two minutes for the purpose of inquiring of him whether this bill has the indorsement generally of the friends of the Indians of the United States.

Mr. LEAVITT. There is no organization of those interested in the welfare of the Indians, as far as I know, that has not indorsed this measure. It has been indorsed by such bodies as the Federation of Women's Clubs and the Indian Rights Association. Now, Mr. Speaker, I wish to have inserted as a part of my remarks a letter which I have received from Gen. H. L. Scott, who is perhaps considered by the Indians as their greatest friend, setting forth the reasons why this particular legislation should be enacted.

Mr. HASTINGS. Does it not have the indorsement of the Bureau of Indian Affairs?

Mr. LEAVITT. Yes; it has that indorsement and the indorsement of the Secretary of the Interior and a large majority of our committee which has considered it in great detail.

The SPEAKER. The gentleman asks unanimous consent to extend his remarks by inserting a letter. Is there objection?

There was no objection.

The letter is as follows:

STATE OF NEW JERSEY HIGHWAY COMMISSION,
Trenton, February 1, 1927.

Hon. SCOTT LEAVITT,
Chairman Committee on Indian Affairs,
House of Representatives, Washington, D. C.

MY DEAR MR. LEAVITT: It is of vital importance for the welfare of the Indians that House bill No. 15021 become a law during the present Congress. This legislation provides that Indians shall receive the benefits derived from oil and gas produced from lands on their respective reservations which have been set apart for their use by Executive order.

The general allotment act of February 2, 1887, as well as subsequent legislation and the decisions of the higher courts have fully recognized and confirmed this right of the Indians to secure these benefits. The Indian department has recognized this Indian title for over 40 years.

To deny this right to the Indians will be to deny their title to their homes on more than 22,000,000 acres of land granted to them by Executive order, and will result in discouragement and retrogression of a race.

I earnestly request your aid in securing approval of this very important legislation.

* * * * * * *

Very respectfully,

H. L. SCOTT.

Mr. HOWARD. Mr. Speaker, will the gentleman yield?

Mr. LEAVITT. My time is up.

Mr. HAYDEN. Mr. Speaker, I yield 10 minutes to the gentleman from Iowa [Mr. LETTS].

Mr. SPROUL of Kansas. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Kansas makes the point of order that there is no quorum present. Evidently there is no quorum present.

Mr. SNELL. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The doors were closed.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 38]

Andrew	Doyle	Knutson	Stevenson
Anthony	Ellis	Kunz	Strother
Appleby	Esterly	Kurtz	Summers, Wash.
Begg	Fredericks	Lea, Calif.	Sumners, Tex.
Berger	Gallivan	Lee, Ga.	Sweet
Bixler	Garrett, Tenn.	Magee, Pa.	Swoope
Boies	Garrett, Tex.	Manlove	Tillman
Bowman	Glynn	Mills	Tincher
Brand, Ga.	Golder	Montague	Tinkham
Brand, Ohio	Goldsborough	Morin	Updike
Britten	Graham	Newton, Mo.	Voigt
Christopherson	Hill, Md.	O'Connor, La.	Walters
Cleary	Hudspeth	Phillips	Wingo
Cooper, Ohio	Hull, Tenn.	Rayburn	Wolverton
Coyle	Hull, Morton D.	Schneider	Woodyard
Cramton	Irwin	Scott	Wurzbach
Crowther	Jenkins	Sears, Fla.	Wyant
Crumpacker	Kelly	Seger	Yates
Curry	Kendall	Spearing	
Dominick	King	Stedman	

The SPEAKER pro tempore (Mr. DARROW). On this call 354 Members have answered to their names, a quorum, and without objection further proceedings under the call will be dispensed with.

There was no objection.

The doors were opened.

The SPEAKER pro tempore. The gentleman from Iowa [Mr. LETTS] is recognized for 10 minutes.

Mr. LETTS. Mr. Speaker and gentlemen of the House, my opposition to this bill relates entirely to my disconnection with the subject with which it deals. I have not an Indian in my district and I know very little about Indian affairs. I have been attempting to labor with the other members of the Committee on Indian Affairs to bring out bills in the interest of the Indians, of course, but I have come to the conclusion that the time has been reached when we must remember as well that there are certain interests of the public which should at times appear on the surface. It is my impression that there is no reason why this bill should pass at this time. My reason for so asserting that opinion is that an action is now pending in the Supreme Court of the United States which deals with the essential facts upon which this proposed legislation is based. When the Supreme Court has passed upon that case and the issues therein involved decided we will know whether or not there is any difference between treaty lands and Executive-order Indian lands in their relationship to the United States Government. My sole reason for opposing the bill is to allow the Supreme Court of the United States to deal with the law points which are involved, so that we may move forward in the light of information which comes to us from that great body and that we may better protect the Indian in his rights and the public in its rights. We occupy the position of guardian of the Indian, and in doing that we must exercise care. Is there any reason for this legislation? To me it seems there is not. It would permit the leasing of these Executive-order lands to a very few who during the régime of Secretary Fall obtained permits and to some others who made applications at that time. These men under the terms of this bill will be given the major benefit of at least having the privileges that attach to the use of a third of the 3,000,000 acres that are involved. You have seen, as was pointed out by the gentleman from New York [Mr. SNELL], that the rate at which they are to pay for the first 20 years is only 5 per cent.

Mr. CARTER of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. LETTS. Yes.

Mr. CARTER of Oklahoma. What is the total acreage of these lands that are involved in these leases?

Mr. LETTS. I understand that there are about 9,000,000 acres that are attached directly to the Navajo Reservation.

Mr. CARTER of Oklahoma. What I want to understand is how much of it is subject to this mandatory provision to lease the land for 5 per cent?

Mr. LETTS. I have understood perhaps about a third of it, but perhaps I am in error about that. There is stated to be 1,000,000 acres of that land.

Mr. FREAR. I think only about 20,000 to 30,000 acres are under the 5 per cent matter, according to the statements made. The rest of the land, of course, is not subject to the 5 per cent.

Mr. LETTS. I also call attention to the fact that the provisions of this bill were contained in the bill which passed the Congress at the last session and was sent to the President, and was by him very promptly vetoed. He gave two reasons for that veto. One involved what seemed to be the rights of some of the applicants who had not been included. My information is that that bill dealt only with the permittees. We have now strengthened the support of this bill by removing that objection which the President raised, by including a number at least of the applicants as well as the permittees.

Mr. JOHNSON of Texas. Is it the gentleman's contention that the bill would still be objectionable to the President in its present form?

Mr. LETTS. In my opinion, yes; and I shall try to explain that. The President made the further objection that the matter was pending in court and that legislation ought to be deferred until the decision is rendered.

There is no necessity for this legislation at this time. I say that because the condition of the Navajo Indians is such that they can well get along without any additional benefits for a great many years. There are something like 3,000,000 acres in treaty reservations; and to give you an idea of the affluence of that people I call your attention to statements made by the gentleman from New Mexico [Mr. MORROW] in a speech that he delivered on this floor on the 28th of June, 1926. In my judgment the gentleman [Mr. MORROW] understands the Indian question; and in that speech he said:

The Government entered into a treaty with the Navajo Indians and returned them to their reservation. They were granted 3,064,320 acres of land on the borders of New Mexico and Arizona. To-day that land is in an oil-developing territory. These Navajo Indians are destined to be, in my opinion, the richest Indians in the entire United States. Just

recently a sale and lease of these lands for oil purposes was made. Three years ago the sale and lease of a portion of these reservation lands was made. One tract of land which then sold for $1,000 has just recently been resold, a one-half interest in the same, for $3,500,000. These Indians are receiving this year from royalties upon oil a half million dollars; this is according to current reports.

What else are they receiving? I want to give you this idea, so that Congress will know that in a short time the Indians will be in a position to repay the Government for the appropriations made for them. The Navajo Indians own 1,000,000 head of sheep. There are about 31,500 Navajo Indians. They own more sheep upon their reservation than all the sheep contained in New England and New York combined. The Navajo Indians own 100,000 head of cattle and horses. They have personal property representing $15,000,000. * * *

* * * I will give you the value of the products of the Navajo Indians for the fiscal year 1925. They received from the production of wool, $519,040; cattle, $399,460; silverwork, $182,976; rugs or blankets, $591,979; sheep, $1,063,550; beadwork, $50,000; pinion nuts, $619,320; beef hides, $1,200; skins and pelts, $34,903; farm products, $11,311; baskets, $625; belts, $15; labor, $50,000; a grand total of $3,524,379 for the year 1925.

This did not include the royalty received from their oil lands, which will run to the sum of one-half million dollars.

Mr. Speaker, the representations made by the gentleman from New Mexico, to which I have referred, are not at variance with the facts presented to the committee and which will be found in the hearings. These facts indicate that the Navajo Indians are not in needy circumstances, as has been represented here. On the contrary, they are worth at least $6,000 per family. They are richer now than the families of many congressional districts. I have heard it frequently said by the friends of the Indians that the Osage Indians have been deprived of their natural aspirations by the ease of luxury which has come to them through the generosity of their guardian, the United States. Now we are told that the fruits of this bill will make the Navajos a richer people than the Osage Tribe. In my judgment, such is not desirable from the point of view of the Indian or of the Government of the United States, his guardian.

There are within the jurisdiction of the United States many needy Indians. Whole tribes of Indians are in need and distress. I suggest that it is more appropriate that we should withhold further bounty to the Navajo Indians until we know their legal rights and the obligations of the United States. That information will come to us with the decision of the United States Supreme Court in the Harrison case, concerning which much has been said in this debate.

It is my wish to do much for the Indian. I would give him every advantage which he is able to use, but I prefer to withhold the further favors of the United States, as guardian, for such Indians as may be shown before the committee and in this House to be needy and worthy of help. If the Supreme Court decides that these rights belong to the Navajo Tribe, I shall be entirely satisfied to abide by such decree. If the decision is otherwise, and it is within the gift of this Congress to bestow these further benefits, such bestowal should be based upon considerations not here involved.

The SPEAKER pro tempore. The time of the gentleman from Iowa has expired.

Mr. HAYDEN. Mr. Speaker, I yield three minutes to the gentleman from Michigan [Mr. HUDSON].

Mr. HUDSON. Mr. Speaker and gentlemen of the House, I want to say in the beginning that this bill, on the whole, contains many constructional features in Indian legislation. It contains much that is of a decided progressive forward movement. It sets out in its details the dealings of Executive-order Indian lands and the proceeds from such, and my whole objection to this bill and my reason for signing a minority report lies on one ground and on one ground only. As stated by the gentleman from Iowa [Mr. LETTS] a moment ago, a similar bill, with the exception of the recognition of this bill of perhaps 120 or 140 applicants, is the same as the bill passed in the last Congress which went to the President and received the President's veto; and may I read the reason as given by the President as one of the reasons for the veto of the bill of last session:

> The fact also that this bill undertakes to decide by legislation a question which is pending in court brings the bill into a position of doubtful propriety. If the interested parties have rights under the law, they will be protected in their enjoyment by the decision of the court. If they have no such right, a great deal of reason for the legislation fails so far as they are concerned. Aside from a possible delay in securing a decision by which opportunity will be given for the development of these lands more quickly, it would not appear that any legal or equitable injury can accrue to the holders of these permits or to the section of the country interested.

And I want to insert in the RECORD right here, Mr. Speaker, the two questions that are cited and certified to the Supreme Court for answer, and not take up the time at this moment to read them. It seems to me that we have got just this before us: It is apparent that the legislation proposed is for the purpose of solving the legal problem which now is before the United States Supreme Court. It would seem the part of wisdom to await the action of the Supreme Court.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. HAYDEN. Mr. Speaker, I yield three minutes to the gentleman from Wisconsin [Mr. FREAR].

Mr. FREAR. Mr. Speaker, the statement made originally by the gentleman from Arizona practically covered most of the questions involved in this bill. The difficulty in talking for three minutes you will all appreciate in trying to cover any reply to those who have preceded me except to say this, that the decision of the Supreme Court we are advised eventually in the Utah case will not determine the question of title at all when the same question is up again. Only the facts in that case are involved. That was stated to our committee repeatedly. This bill has been before the House three times. Twenty-two million acres of land, belonging to the Indians by Executive order, are dependent on this legislation. There are only 20,000 to 30,000 acres at the outside, I believe, that would be affected by this 5 per cent. That is an estimate made to me by the committee clerk. The veto was brought about by parties in Utah, interested, who went in under the Fall order but were not included in the former bill. I understand they are now all satisfied on that score. If the contention of those opposed to this bill is successful the Indians will get nothing from the land. It is their purpose to open it to public entry. That is frankly stated by the gentleman from Kansas [Mr. SPROUL]. They claim this is not Indian land. If they are right, then 22,000,000 acres reverts to the public land department. This is the only way in which we can have the interests of the Indians protected. Every Indian organization I know of in the country is supporting it. I opposed the bill originally because of the taxation feature, but that has been adjusted and in my judgment it is fair now. It seems to me there is no question but that this bill is the best that we can get. It will help the Indians of the country who are interested in Executive-order lands. I have been over the Navajo Reservation, that is, parts of it, and I saw the needs of the Navajos. A great deal of sickness is there and $900,000 to-day of reimbursable charges against the Navajo Indians are a lien against their lands. I can not think of any tribe needing help more than the Navajos, and there are other tribes left to benefit from this bill that covers 22,000,000 acres of land. I have no Indians in my district, but I believe that there should be some protection given to the Indians so that their lands can not be given away by any President on the advice of anyone but only by Congress. This bill protects them in that right.

I do not know the name of a single person or firm that has an oil well driven or to be driven on this land. Senator La Follette, sr., drew the resolution of investigation for the Teapot Dome frauds. Senator LA FOLLETTE, Jr., reported the bill now before us. I know that the Indians are all for it, and hope to get it. Every Indian defense association is for it. The Indian Bureau is for it. The people acquainted with the facts are generally for it unless they are opposed to Indian title to the 22,000,000 acres involved in the bill. The Supreme Court will not decide the question of titles because it is only involved in one phase of the question.

In my judgment the bill ought to pass because it will validate Indian titles to Executive-order reservations and settle the question for all time.

Mr. MILLER. Mr. Speaker, will the gentleman yield there for a short question?

Mr. FREAR. Certainly.

Mr. MILLER. I notice on page 3, line 7, in section 5 of the bill, the date "May 27, 1924." I was listening for some explanation as to the significance of that date.

Mr. HAYDEN. That was the date when Attorney General Stone rendered his opinion. The Secretary of the Interior, Mr. Fall, was wrong in his decision, that the oil leasing act applicable generally to the public domain was applicable to this reservation, so that anyone who at that time had performed any act did it under an opinion which was reversed by the Attorney General.

Mr. MILLER. Has any application since that time been recognized?

Mr. HAYDEN. There is no application made since that time that is recognized here at all.

Mr. CHINDBLOM. Mr. Speaker, will the gentleman yield there?

Mr. HAYDEN. Yes.

Mr. CHINDBLOM. How will the Indians get the 4 per cent interest on the fund covered by this bill?

Mr. HAYDEN. It will be credited on the books of the Federal Government.

Mr. CHINDBLOM. Where does the money come from that is to be credited?

Mr. HAYDEN. The fund comes from the royalties.

Mr. CHINDBLOM. Where does the interest come from?

Mr. HAYDEN. I imagine that it is finally paid out of——

Mr. HUDSON. It comes from the Government using the royalties and paying for the use of the money.

Mr. CHINDBLOM. Then it comes through a loan from the Indians, and the Government pays for the use of those funds 4 per cent per annum?

Mr. HAYDEN. Yes.

Mr. Speaker, I yield five minutes to the gentleman from Kansas [Mr. SPROUL].

The SPEAKER pro tempore. The gentleman from Kansas is recognized for five minutes.

Mr. SPROUL of Kansas. Mr. Speaker and ladies and gentlemen of the House, I would like, if I may, to have the undivided attention and interest of every Member of the House. I only wish that everyone could know the facts and the truth back of and concerning this proposed legislation. Senate bill 4893 provides for transferring the oil and gas rights in 22,000,000 acres of Government land, to the Indians. While this 22,000,000 acres of land is generally known as Executive-order reservations for the use of Indians, there is no title whatsoever in the Indians so far as the oil and gas in the land is concerned. This great body of land formerly was a part of the public domain. Different Presidents at different times without any constitutional or congressional authority, have withdrawn from the public domain certain areas and set it off for the surface grazing, and hunting, and other surface uses, for the Indians. The Presidents have at all times had the same power to restore the land back to the public domain. As I have said, the Presidents have never had any constitutional or legislative authority to make withdrawals of public domain for the benefit of the Indians. Their acts in this regard have at all times been without authority. In 1922 when Albert Fall was Secretary and was leasing the Elk Hills naval reservation to Doheny and the Teapot Dome to Sinclair, he issued a lot of oil leasing permits on Executive-order withdrawals, near the Navajo Indian treaty reservation, in northeastern Arizona. The particular Executive-order reservation involved was 250,000 acres which had been withdrawn from the public domain, merely for the use of Indians, not naming any particular tribe. Certain of these permits were taken over by the Midwest Oil Co. and a good oil well drilled thereon. About this time, Attorney General Stone prosecuted a suit against Harrison and the Midwest Oil Co., to cancel the leasing permits under which the oil wells had been drilled. About that time suits were begun also against Doheny and Sinclair. This particular suit, brought by Attorney General Stone, questioned the right of Secretary Fall to issue drilling permits on the Executive-order reservation in question. The District Court for Utah decided against Attorney General Stone, and in its decision, referring to the rights of the Indians in the Executive-order reservation, the court said:

> There is no question that rights were as much in the future, so far as the Indians were concerned, as they were on the 17th day of May, 1884, the day the Executive order was made. The title, both legal and equitable, continued and was in the Government at the time this permit was issued. I shall hold against the contention of the Government.

The Attorney General appealed the case to the circuit court of appeals sitting in Denver. That court certified the case to the Supreme Court, where it is now pending. It is said that at least two members of the court of appeals expressed approval of the decision of the district court. On the question of title to the minerals in Executive-order reservations, it is difficult to see how laymen even, much less lawyers, could have doubts. It is conceded that the Constitution does not give the President power to alienate Government lands in large tracts to Indian tribes, and it is also conceded that there never has been any congressional authority given him to do so, and it is also conceded further that the Congress has never ratified by legislation any such unlawful efforts to transfer and alienate the title to Government lands. No Federal court of last resort has ever held that the Indians had any title to the oil and gas in these lands or their like. And it seems preposterous to contend that any court would so hold.

Under an Indian oil leasing act of 1891 the Navajo Indian Reservation has been leasable and large areas have been leased for oil development. Within recent years about 20 very profitable oil wells have been drilled by the Continental Oil Co., a subsidiary of the Standard Oil Co. A pipe line has been built into that oil field and is now ready for operation in piping oil away from this valuable oil field. The Midwest Oil Co. involved in the suit last referred to, another subsidiary of the Standard Oil Co., together with the Continental Oil Co., are interested very materially in having the 9,000,000 acres of rich-in-oil Executive-order reservations transferred to the control of the Indian Bureau, so that it may be leasable in large areas and at such times and on such terms as those mammoth oil companies may desire. Under the general leasing act, providing for the development of the public domain, the land would be leasable only in small areas and on very undesirable terms and conditions, making it extremely difficult for big oil companies to procure desired areas and bodies of land. And in view of the very probable holding of the Supreme Court that Executive-order reservations were not Indian lands and not leasable under the Indian leasing law, a movement has been started by those big oil companies—the Continental Oil Co. and the Midwest Oil Co., Standard subsidiaries—to have this legislation enacted, transferring this 9,000,000 acres of rich oil lands from the Government to the Indians, ostensibly for the Indians, but really and truly and in fact for the benefit of the big oil companies.

The Navajo Indians, 30,000 in number, have personal property valued at $33,000,000. They also have a treaty reservation which is rich in oil and is now being leased for oil and on which 20 or more splendid oil wells have been drilled, which treaty reservation, consisting of more than 3,000,000 acres of land, rich in other minerals as well as oil, is reasonably worth some $300,000,000 to $500,000,000. This would certainly show that the Navajo Indians in no sense need a donation of 9,000,000 acres of rich oil lands, which is worth at least $100,000,000. But even though the Navajo Indians are already a rich tribe of Indians, being worth at least $10,000 per capita, and even though this extra donation or gift from the Government of another $100,000,000 would make them the richest people in the entire world, while the Government has many other tribes of very poor and needy Indians, what difference does that make to these two big Standard Oil companies—the Continental and the Midwest. Doheny had gotten his share of the Government's oil. Sinclair had gotten his share of the Government's oil and the Standard subsidiary must surely get the balance of the Government's known oil resources. This cleans up all of the Government's known rich oil reserves. And who is getting it and how?

Let me quote a part of the Constitution. Section 8, Article I, of the Constitution provides that the Congress shall have the power—

> To regulate commerce with foreign nations, and among the several States, and with the Indian tribes.

It will be noted that power to regulate commerce with Indian tribes is given Congress in the same sentence with power to regulate commerce among the States. The Supreme Court has held this power to be plenary or all powerful. The Congress has created an agency known as the Interstate Commerce Commission, to specifically regulate foreign commerce and among the several States. The same Congress has created another agency to look after Indian affairs for it—a Commission of Indian Affairs to function as its agent in looking after Indian affairs. The Congress has the same constitutional power over the commerce between States as it has of Indian affairs. These respective agencies sustain the same relationship to the Congress. Now, let me ask this question: Do the members of the Interstate Commerce Commission ever come before the committees of the House or either branch of the Congress lobbying for the enactment of legislation especially beneficial to the railroads or their owners?

What kind of a spectacle would be presented to the Congress and to the country for the members of the Interstate Commerce Commission to begin lobbying for special legislation for special interests? Would not such lobbying conduct be inconsistent with the high duties imposed upon them by their offices? Would Congress tolerate such conduct from them? And should not the same regard be had for the duties of the Commissioner of Indian Affairs? He exercises great discretionary powers and is the agency of the Government. Does he not hold identically the same agency relationship to the Congress that the members of the Interstate Commerce Commission hold to the Congress? Is it not a fact that he should conscientiously regard and feel continuously that he is acting as the agent of the Congress?

And should not his activities with reference to legislation be limited to complying with requests from the Congress or its Members for information needed in the enactment of legislation? But let me contrast, if I may, the official deportment of our Commissioner of Indian Affairs. I undertake to say that instead of him acting as an involuntary agent of the Congress in furnishing the Congress called-for information to be used in the enactment of legislation he has been functioning, so far as appearances go and indicate, as the agent of big oil companies, which desire legislation for their special benefit. I now cite and herewith incorporate in my remarks copies of correspondence written by the general attorney for one of the big Standard Oil subsidiaries now operating for oil on the Navajo Treaty Reservation, together with others interested in this legislation:

CONTINENTAL OIL CO. (STANDARD SUBSIDIARY),
Denver, Colo., October 4, 1926.

Mr. A. M. EDWARDS,
Renehan Building, Santa Fe, N. Mex.

MY DEAR EDWARDS: The Indian oil bill will be up again at the next session of Congress, and I hope that it may not again get into the jam which seems to have been the fate of several other bills which have been introduced there. The parties who had the matter in charge heretofore did not, I believe, fully appreciate the history which lay back of this needed legislation. Had they done so, I am sure the bill could have been worked up into quite different shape, so that it would have been unobjectionable to anyone. I tried to be helpful in connection with the several bills introduced at the last session, but was unable to be present excepting at intervals, and then only for a short period of time; consequently the bill reached a final form which did not receive my complete approval, knowing as I did that it left unprotected many interests which I felt were entitled to protection; but the bill in its final form had gone so far that it was quite hopeless to attempt to modify it. I hope, however, that at the next session some of us who are more familiar with the whole situation will be in better position to be helpful than we have been heretofore.

I am inclosing herewith a draft of bill which I have assisted in preparing, which, it seems to me, can find no objection from any source. I believe it will have the approval of the Indian Bureau and the Department of the Interior, and so far as I can see the Indian-rights people should be completely in accord with its provisions.

I should be pleased to have you go over the proposed bill and write me your objections, if any, and add any suggestions which you may have for its betterment.

Yours very truly, JAMES G. STANLEY, *General Counsel.*

OCTOBER 8, 1926.

JAMES G. STANLEY,
General Counsel, Continental Oil Co., Denver, Colo.

DEAR MR. STANLEY: I have your letter of October 4, inclosing copy of draft of a bill which it is proposed to submit to the next session of Congress, relating to oil and gas prospecting permits upon proclamation lands. * * *

Yours very truly,

CONTINENTAL OIL CO. (STANDARD SUBSIDIARY),
Denver, Colo., October 13, 1926.

Mr. A. M. EDWARDS,
Renehan Building, Santa Fe, N. Mex.

DEAR MR. EDWARDS: I should be pleased to have you draft a section of the proposed Indian bill which will meet all of your objections and send it to me at an early date.

Very truly yours, JAS. G. STANLEY, *General Counsel.*

OCTOBER 15, 1926.

JAMES G. STANLEY, Esq.,
General Counsel, Continental Oil Co., Denver, Colo.

DEAR MR. STANLEY: I have your letter of October 13.

As suggested in both of your letters, I am inclosing a proposed amendment to section 5 of the bill as prepared by you. * * *

We are not, of course, interested in the disposition of the royalties, except that as citizens of New Mexico we would like to see the State derive some of the benefit from these royalties.

* * * * * * *

In the form of suggested amendments which I have prepared it was necessary for me to make a separate section covering permits which have already been issued. Of course, we have no interest in these permits, and, so far as we are concerned, there will be no objection if the recognition by the department of such permits is done in the way suggested in your bill.

I should be pleased to hear from you at your earliest convenience, with an expression of your views.

Thanking you for your interest in this matter, I am,

Yours very truly,

CONTINENTAL OIL CO. (STANDARD SUBSIDIARY),
Denver, Colo., October 18, 1926.

Mr. A. M. EDWARDS,
Renehan Building, Santa Fe, N. Mex.

DEAR MR. EDWARDS: I am in receipt of your letter of the 15th instant with inclosure of your redraft of section 5 * * *.

* * * * * * * *

I am glad to have your views so that we may know what form of language will protect the interests of your clients. I will keep you advised.

Yours very truly,

JAMES G. STANLEY,
General Counsel.

A bill to authorize oil and gas mining leases on unallotted lands within Executive-order Indian reservations and withdrawals and for other purposes

Be it enacted, etc., That unallotted lands within the limits of any reservation or withdrawal created by Executive order for Indian purposes or for the use or occupancy of any Indians or tribe may be leased for oil and gas mining purposes in accordance with the provisions of the act of May 29, 1024 (43 Stat. 244).

SEC. 2. That the proceeds from rentals, royalties, or bonuses of oil and gas mining leases upon lands described herein shall be deposited in the Treasury of the United States to the credit of the Indians for whose benefit the reservation or withdrawal was created or for the benefit of the Indians who are using or occupying the lands, and shall draw interest at the rate of 4 per cent per annum; that such proceeds shall be available for appropriation by Congress for the use and benefit of such Indians and the Indians or their tribal council shall be consulted in regard to such expenditures. * * *

For brevity sake no more of the bill prepared by the oil company attorney is copied into the record. Suffice to say that the original Senate bill 4893 and the original House bill 15021 were, in form and substance, the same as the one which the oil attorney says he assisted in preparing, a portion of which is hereinbefore set forth.

I call attention also to a copy of the bill prepared by the general attorney of this oil company, which he says will meet with the approval of the Indian Bureau and which I am sure is identical with the form and substance of the original bills introduced in both the Senate and the House, and which are indorsed and approved by the Commissioner of Indian Affairs. Then we find our Commissioner of Indian Affairs coming before both the House and the Senate Indian Affairs Committee, urging and vehemently arguing for the enactment of this legislation which gives away from the Government, the oil rights in 9,000,000 acres of rich land worth $100,000,000; and then find the commissioner on the floor of the House when this legislation is being considered, by his presence and otherwise, lobbying for the passage of this legislation. The correspondence to which I have referred clearly shows where and in whose interest this legislation originated. It clearly shows that our Commissioner of Indian Affairs has gotten off of his agency for the Congress reservation, and has gotten entirely on to and in the big oil company reservations. It shows that instead of his acting as he should be acting, as the agent of the Congress in the discharge loyally of his official duties, that he is rather acting as the agent of the big oil companies. His special friends may say that in this he may be erring in judgment, but that he thinks he is doing the right thing. Be that as it may, there is no question but that he is entirely wrong. Admiral Robison erred in judgment, Doheny erred, Fall erred, Denby erred.

If he would read the Constitution giving Congress the plenary power to deal with Indian Affairs and think a moment of the loyalty that he should display to duty and to his country, he would not be so prone to understand the desires of and to act for the big oil companies. It seems that these big oil companies and other big interests have a wonderfully persuasive kind of logic and argument in convincing certain public officials holding influential positions concerning oil lands.

The reading of this correspondence, with copy of the bill, will tell you who is who, and why. Then think of the pending suit of the Government against Harrison and the Midwest Oil Co. in the Supreme Court, in which the title to all this Executive-order land is involved, and in which it has already been decided that the land is not owned by the Indians, but by the Government, and you will have no trouble whatsoever in deciding who are interested, both directly and indirectly, in these rich oil lands. We will be able to add 2 and 2, and so forth.

The enactment of this legislation is a travesty on justice and right dealing with the Government.

The Great Metaphysician was certainly right when he said we can not serve two masters. Why, they are having our

Commissioner of Indian Affairs and others push this legislation. If this bill becomes a law it will be interesting to see just how the Commissioner of Indian Affairs manages the leasing of these lands. It will also be interesting to see just who—in knowing just who—are the real parties in interest and why. These big oil companies know that the Supreme Court is very apt to decide that this rich oil land is the property of the Government, and in that event it will not be so easy for them to get it all. This is the big reason we can not serve our Government by giving away more than $100,000,000 worth of its rich oil lands.

In my opinion this legislation will be brought by, and will be the result of, malfeasance in the discharge of public duties. May the day be hastened when we shall have a different and better understanding of our duties to our Government.

Mr. HAYDEN. Mr. Speaker, I yield five minutes to the gentleman from Nebraska [Mr. HOWARD]. [Applause.]

Mr. HOWARD. Mr. Speaker, in the brief period of five minutes it would not be possible for me to express my opinion of this legislation. However, I want to call the attention, ever so earnestly, of my fellows here to one particular phase of this proposed legislation. This legislation is admittedly—and I weigh my word when I speak it—launched for the very purpose of interfering with a cause now pending in the United States Supreme Court. Oh, my friends, I often hear so many of our patriotic citizens pleading with us that we shall do nothing to dim the halo that lies above and about the heads of our courts, and I am with them; I am with them to the extent that I do not dare vote for anything of this kind, which is a bold and a brazen attempt on the part of one branch of our Government to interfere with the functioning of another branch of our Government.

What is it that makes men act so peculiarly when they are dealing with these oil matters? Look what happened a few minutes ago. The chairman of our Indian Committee, a magnificent gentleman, and nobody has ever heard aught of ill with reference to his character, stands here answering the questions propounded to him by the Members of the House, and when they asked him who was in favor of the bill he boldly stated that a large majority of the committee was in favor of it.

Mr. LEAVITT. Will the gentleman yield?

Mr. HOWARD. Yes.

Mr. LEAVITT. The vote in the committee was 7 to 5 to report it out. We have already had a speech on the floor by the gentleman from Wisconsin, who was unavoidably absent that day, in favor of it. I have discussed it with many other members of the committee who did not vote, and I repeat my statement that a large majority of the members of the committee is in favor of this bill.

Mr. HOWARD. I now make the statement that the vote in the committee was a tie, and was decided by the vote of the chairman.

Mr. JOHNSON of Washington. Mr. Speaker, I make the point of order that the gentleman is discussing occurrences and votes in the committee.

Mr. LETTS. Will the gentleman yield?

Mr. HOWARD. Yes.

Mr. LETTS. Should it not also be stated that the gentleman from Wisconsin [Mr. FREAR] was on the other side of this question when the matter was up at the last session, and filed a minority report?

The SPEAKER. The Chair sustains the point of order made by the gentleman from Washington.

Mr. HOWARD. Mr. Speaker, I will have the Speaker understand that I sat in that executive session of the committee and by vote of the committee was absolved from allegiance to secrecy as to what happened there, and I claim the right now to speak.

The SPEAKER. If that is the case, the Chair will hold otherwise; but as a general rule, discussion of what occurred in the committee is out of order.

Mr. FREAR. If the gentleman will permit, I wish to state that the gentleman is quite correct in his statement made a moment ago. I did oppose the bill when it was originally before the House because it contained the 37½ per cent tax; but as the bill is now before the House I am supporting it, because I believe it will help the Indians, and I believe this help will all be taken away from them if you oppose the bill and are successful in your opposition.

Mr. HOWARD. The gentleman may make that statement when he comes to make his argument. I surrendered only for a question. I am very sorry, Mr. Speaker and gentlemen of the House, that I was compelled to speak of the conduct of my chairman as I did. I have been very fond of him. This serves as an opportunity for me to illustrate to you something that is ununderstandable to me, and that is as to what influence in the world it is that would transform a magnificent gentleman like the chairman of my committee has always been and make him stand before you to-day and make such a statement as he did. I am not speaking in anger; I am speaking in sorrow. [Laughter and applause.] I do regret that such things can be. I am very, very sure that if the gentleman from Kansas [Mr. SPROUL] might have opportunity under this gag rule to lay before the Members of the House the intense interest which friends of Fall, Doheny, and other Teapot Dome artists have in this legislation—the full meaning of what this bill contains to the country and to them—it would not receive very many votes.

I am not competent to speak of the legal phases. I am competent to interpret the Constitution of my country for my own satisfaction, and it tells me that if I would be a true and loyal citizen under that Constitution, I dare not lend my voice, my vote, my influence in any manner or direction looking to the usurpation of the functions of one department of the Government by another. [Applause.]

Mr. HAYDEN. Mr. Speaker, I yield five minutes to the gentleman from Oklahoma [Mr. CARTER].

Mr. CARTER of Oklahoma. Mr. Speaker, I do not know that I can say anything on this measure that will contribute to the elucidation of the subject or the gaiety of the occasion. The gaiety of this occasion has been amply elaborated by the impassioned appeal of my distinguished friend from Kansas [Mr. SPROUL], who has undertaken in some mysterious way to connect the bill under consideration with the leasing of Teapot Dome and the Elk Hills naval reserve.

The Teapot Dome and Elk Hills leasing proposal was a deplorable affair. No honest man will undertake to uphold them, no honest man will undertake to defend them. But let us not forget that the Teapot Dome and Elk Hills property were at the time of their leasing among the most valuable oil properties in the world fully developed and paying enormous profits. What remote connection there can be between the leasing of Teapot Dome with all its valuable oil content or the Elk Hills reserve, the most valuable perhaps of all, and poor old desolate Navajo Reservation, which at its best is nothing more than a wildcat proposition, is simply beyond the comprehension or even the machinations of my mind. [Laughter.]

I have traveled over the Navajo Reservation from end to end and from side to side. I am so familiar with it that I would know it upside down. Except where irrigated it is a barren waste from one end to the other and there is not any great amount of irrigation. To say that the Navajo Indian is wealthy is to make a man laugh who knows anything about their condition. They do not even have houses to live in, but camp about from place to place with their little flocks of goats and sheep, living in the rudest kind of hogans, eking out a paltry existence in a country and on lands where the most thrifty white man could not exist. So when these gentlemen become excited and enthusiastic, working themselves up into this sophistic logic to visions of Teapot Dome and Elk Hills on the Navajo Reservation, they simply get my goat. [Laughter.]

So much for this feature of the debate. In my limited time I want to confine my remarks to a discussion of just one phase of this question and that is the moral right of an Indian tribe to such royalties as may accrue from a development on an Executive-order reservation. Some gentlemen seem inclined to view this question in an entirely too narrow and technical way. They tell us that the Navajo Indians have no legal right to any of these royalties.

I am not so much concerned with the legal rights of these Indians as I am with the Government's moral obligation to them. They furthermore tell us that if the Navajos receive royalties, they will be made very rich by oil development under this bill and that excessive wealth is a menace and not a benefit to any man or set of men. There may be some virtue in this latter contention, but I have always cherished an insatiable yearning to test it out by having myself placed in the immensely wealthy class.

So far as I know, the courts have never passed upon the difference between the rights of the Indian in a treaty and Executive-order reservation. But let us go a little further into the question than mere legal technicalities and determine our moral obligation to our wards. There was a time when the will of the American Indian was supreme on this continent. He was monarch of all he surveyed, and when his sacred rights were infringed upon he boldly rushed out upon the bloody warpath to enforce those rights just as civilized nations are wont to do in this enlightened age. In fact, so far as this hemisphere was concerned, the American Indian owned the earth and was sitting on top of it, but he surrendered most of his hemisphere in order that his pale-face brother might build a strong and mighty nation. He has now been re-

duced and confined to a reservation, and it matters not whether it be a treaty or Executive order, he has been divested of the major portion of his patrimony.

There is a difference of opinion as to the exact duration of time that the Navajos have lived on their present reservation. Suffice it to say they have owned this reservation by right of occupancy since the time when the pen of history runneth not to the contrary. Since we have taken much of their lands for homes for white people, since great States have been carved and built from their domain, since they have responded to every call of their Government both during peace and war, since by our own act, without their consent, via et armis we have narrowed them down to a small reservation, can it now justly lie in our mouths to say that they are not entitled to all proceeds accruing or that may accrue from the small patrimony they have left? That is the question that must be answered by this House, and I repeat it is narrow, it is unbecoming of this great Government, acting in the capacity of guardian to a helpless ward, to exact that last pound of flesh, as we would be doing should we base our decision here on strictly technical legal grounds.

Mr. HASTINGS. Will the gentleman yield?

Mr. CARTER of Oklahoma. Yes.

Mr. HASTINGS. Is not the only question involved here whether or not to put an Executive-order reservation on the same footing with a treaty reservation?

Mr. CARTER of Oklahoma. Yes; that is the question, and I tried to make it plain in my earlier remarks on the point of order that no court had ever made any distinction between the two reservations, so far as the Indians' rights are concerned.

Mr. HAYDEN. Mr. Speaker, in my remarks on the point of order I described the general nature and purpose of the bill. It proposes to make applicable to Executive-order Indian reservations the same law which is now in effect on treaty reservations providing for the development of oil and gas. The bill gives the Indians 100 per cent of the royalties obtained from that source. It permits the State in which the leased lands are located to levy a tax on the production of oil and gas. It prohibits the President in the future from changing the boundaries of Indian reservations, and reserves that right to Congress. In the final section the bill grants relief to certain applicants who have acted in good faith.

Gentlemen opposing the bill say that if the measure is enacted it would take out of the hands of the Supreme Court a case now pending. I am frank to say that the case will probably be dismissed because the applicants are satisfied with the treatment accorded to them in the bill. However, if nothing was done with the bill the Supreme Court, in passing on the case, in my judgment, would decide just as Attorney General Stone has ruled, that the general laws of the country do not apply to Indian reservations. In that event Congress would still have to enact some law permitting mining on Indian reservations.

Mr. ABERNETHY. Will the gentleman yield?

Mr. HAYDEN. With pleasure.

Mr. ABERNETHY. This bill takes the case out of the court and gives the people who have no right, a prior right——

Mr. HAYDEN. Oh, no; the bill does nothing of the sort.

Mr. ESLICK. Is it not true that on wildcat operation one-eighth of the royalty goes to the owner?

Mr. HAYDEN. Under the general oil and gas leasing act, on the first quarter of the permit the royalty is 5 per cent, and on the remaining three quarters the royalty is 12½ per cent, which may be increased to 33⅓ per cent, according to the amount of oil produced. The greater the production, the higher the royalty; or in other words, the land itself as a producing field determines the amount of royalty; nothing is left to speculation or chance. Each applicant reinstated if he discovers oil on his permit will thereby create a revenue producer, which, if it pays at all, will pay a higher minimum than 12½ per cent; and the more it produces the greater will be the royalty.

Mr. LEAVITT. Will the gentleman yield?

Mr. HAYDEN. Certainly.

Mr. LEAVITT. Is it not true that all parties to the litigation in the courts are satisfied with this legislation and that the Attorney General stated in a letter to the President dated June 30, 1926, as follows:

> That the bill can not adversely affect pending litigation. On the contrary, it makes possible a settlement of the litigation advantageous to the United States. I can, therefore, see no objection to its approval.

Mr. HAYDEN. The gentleman is correct, he is reading from an opinion by the present Attorney General, Mr. Sargent.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. HAYDEN. I yield to my friend.

Mr. MOORE of Virginia. If you enact this legislation, the suit involving the permittees would at once, it seems to me, go out of court because the court would say that it is a moot question.

Mr. HAYDEN. The suit would be dismissed because both the Department of Justice and the permittees are willing to have it go out of court. This bill does not cancel litigation, but gives the Government what it contends for, a definite law covering these lands, and the permittees what they contended for, the protection of their equities which the Government admits. Nothing can be gained by anyone by court action, and this legislation does away with further needless expense and delay.

Mr. MOORE of Virginia. The court would say we will not consider the question any further. It was stated by the gentleman from Kansas, Mr. SPROUL, that there is another suit pending which involves a question whether the lands are Indian lands or public domain. Is that correct?

Mr. HAYDEN. I know of but the one suit, and that is the Harrison case.

Mr. COLTON. Mr. Speaker, will the gentleman yield?

Mr. HAYDEN. I yield to the gentleman from Utah.

Mr. COLTON. Is it not a fact that the suit pending before the Supreme Court need not decide at all the question that the gentleman from Virginia [Mr. MOORE] just raised?

Mr. HAYDEN. That is true, and Congress would still have to enact legislation along the lines contemplated in this bill both to enable development and to protect the innocent permittees who went on the land in good faith and made large expenditures.

Mr. SINNOTT. What was the date of the Executive order of withdrawal of the Navajo Reservation?

Mr. HAYDEN. The Navajo Reservation is made up of numerous withdrawals. They are spread over a long period of years. Originally 3,000,000 acres were included within a treaty reservation, and that acreage has been increased under various Executive orders up to 13,000,000 acres.

Mr. SINNOTT. Have the Indians claimed the land as their own?

Mr. HAYDEN. They have lived on it from time immemorial.

Mr. SINNOTT. Have they claimed it?

Mr. HAYDEN. Certainly; and occupied it continuously.

Mr. WINTER. And is not this the fact, that regardless of what the Supreme Court decides, Congress would have the same right to pass this legislation?

Mr. HAYDEN. This legislation is required, regardless of any decision of the Supreme Court.

Mr. BRIGHAM. Was the President's veto message subsequent to the opinion of the Attorney General cited by the chairman of the Committee on Indian Affairs?

Mr. HAYDEN. I am not sure about that.

Mr. BRIGHAM. I think it was.

Mr. HAYDEN. Perhaps so.

Mr. BRIGHAM. And that was on the ground that it decided a matter that was pending in the courts.

Mr. HAYDEN. I shall conclude my remarks by referring to the report on H. R. 15021, which is exactly the same as S. 4893. The report is as follows:

[H. Rept. No. 1791, 69th Cong., 2d sess.]

OIL AND GAS MINING LEASES UPON UNALLOTTED LANDS

Mr. HAYDEN, from the Committee on Indian Affairs, submitted the following report, to accompany H. R. 15021:

The Committee on Indian Affairs, to whom was referred the bill (H. R. 15021) to authorize oil and gas mining leases upon unallotted lands within Executive-order Indian reservations having considered the same, report thereon with a recommendation that it do pass with the following amendments:

Page 3, line 12, after the word "done" insert "prior to January 1, 1926."

Page 3, line 17, after the word "located" insert the following "or who in good faith has either filed a motion for reinstatement or rehearing, or performed any other act which in the judgment of the Secretary of the Interior entitles him to equitable relief."

The bill has the approval of the Interior Department as is set forth in letter from the Secretary of the Interior under date of January 5, 1927, which is attached hereto and made a part of this report.

DEPARTMENT OF THE INTERIOR,
Washington, January 5, 1927.

Hon. SCOTT LEAVITT,
Chairman Committee on Indian Affairs,
House of Representatives.

MY DEAR MR. LEAVITT: Further response is made to your letter of December 14, 1926, submitting for report H. R. 15021, entitled "A bill

to authorize oil and gas mining leases upon unallotted lands within Executive-order Indian reservations."

The first four sections of the bill are identical with S. 4152, passed by both Houses of Congress last session. S. 4152 was adopted in lieu of S. 1722 and H. R. 9133, upon which reports were made January 28, 1926, and February 16, 1926, respectively. On March 10, 1926, I suggested, by letter to the chairman of the Committee on Indian Affairs of the House of Representatives, an amendment to H. R. 9133 to make it clear that royalties of operators would be taxable, and S. 4152 when it passed the Congress so provided. (See S. Rept. 768 and H. Rept. 763, 69th Cong., 1st sess.) The only difference between H. R. 15021 and S. 4152 as passed by the last session of the present Congress is in section 5, which places all applicants for permits under the act of February 5, 1920, on equal terms, whereas section 5 of S. 4152 made a distinction between an applicant who had been granted a permit and other applicants, the permittee being entitled to favorable consideration if he could show that he, or the party with whom he has contracted, has performed any of the following conditions: Expended money or labor in geologically surveying the land covered by such application, has built a road for the benefit of such lands or has drilled or contributed toward the drilling of the geological structure upon which such lands are located, while applicants were required to show that they had performed all of said conditions. In reports before referred to on S. 1722 and H. R. 9133 I stated:

"In addition to the applications upon which permits were granted, there were filed approximately 400 for which no permits were issued. Undoubtedly many of these applications were purely speculative and nothing expended by the applicants in attempted development, and it is not believed that they should be recognized or given any preference right for leases covering the lands for which they applied."

That opinion was based upon the belief that there is a distinction between a permittee and one who has only filed an application for a permit. One having received a permit would be clothed with a color of authority that an applicant would not possess. I am still of that opinion; but, if the Congress should conclude otherwise and should enact the legislation as now proposed by section 5, it is not believed it will do any material injustice to the Indians.

It is suggested that section 5 of the pending bill be amended by inserting in line 12, page 3, after the word "has" and before the word "done," the words "prior to May 27, 1924."

In his opinion of May 27, 1924, the Attorney General said:

"The important matter here, however, is that neither the courts nor Congress have made any distinction as to the character or extent of the Indian rights, as between Executive-order reservations and reservations established by treaty or act of Congress. So that if the general leasing act applies to one class, there seems to be no ground for holding that it does not apply to the others."

There is pending in the Federal courts the question of whether the general leasing law (act of February 25, 1920) is applicable to the unallotted lands within Executive-order Indian reservations. If the courts should finally decide that the general leasing law does apply to Executive-order Indian reservations, then 52½ per cent of the proceeds therefrom—i. e., the royalties, etc.—would be covered into the reclamation fund; 37½ per cent would go to the State in which the lands are located in aid of roads, public schools, etc.; and 10 per cent would be covered into the Treasury of the United States as miscellaneous receipts. The Indians would receive nothing. If by final decision of the Federal courts it should be held that the general leasing law does not apply to unalloted lands within Executive-order Indian reservations, then there can be no development of such lands for oil and gas purposes until there is legislation by Congress.

Very truly yours,

HUBERT WORK.

The history of this legislation is as follows: On February 9, 1926, a bill was introduced (H. R. 9133) providing for the leasing of Executive-order reservations for oil and gas purposes. This bill had the approval of the Secretary of the Interior, and after exhaustive hearings were held it was reported to the House with amendments. Later S. 4152 was substituted, and that bill passed both Houses of Congress at the last session, but was vetoed by the President on July 2, 1926.

The first four sections of the bill H. R. 15021 are identical with S. 4152, which the President stated he would approve if enacted as a separate measure, and to which there is no opposition from any source. Section 5 of the bill, as now reported, meets the objection of the President in that it eliminates the discrimination embodied in section 5 of S. 4152 as between applicants for permits and permittees by placing upon all the same requirements.

The enactment of this legislation will accomplish the following purposes:

1. Permit the exploration for oil and gas on Executive-order Indian reservations.

2. Give the Indian tribes all the oil and gas royalties.

3. Authorize the States to tax production of oil and gas on such reservations.

4. Place with Congress the future determination of any changes of boundaries of Executive-order reservations or withdrawals.

5. Extend relief to permittees and applicants who in good faith expended money in development looking to the discovery of oil and gas under the general leasing act of February 25, 1920, upon Executive-order Indian reservations, at a time when such lands were held to come within the terms of the said act.

The first section of the bill establishes a uniform policy for the leasing of all Indian reservation lands for oil and gas mining purposes, under the supervision of the Bureau of Indian Affairs. It simply applies existing law relating to treaty reservations to Executive-order reservations. The law of May 29, 1924, applicable to treaty reservations and herein extended to Executive-order reservations, is as follows:

"That unallotted land on Indian reservations other than lands of the Five Civilized Tribes and the Osage Reservation subject to lease for mining purposes for a period of 10 years under the proviso to section 3 of the act of February 28, 1891 (26 Stat. L. 795), may be leased at public auction by the Secretary of the Interior, with the consent of the council speaking for such Indians, for oil and gas mining purposes for a period of not to exceed 10 years, and as much longer thereafter as oil or gas shall be found in paying quantities, and the terms of any existing oil and gas mining lease may in like manner be amended by extending the term thereof for as long as oil or gas shall be found in paying quantities. (43 Stat. 244.)"

The proviso to section 3 of the act of February 28, 1891, is as follows:

"That where lands are occupied by Indians who have bought and paid for the same, and which lands are not needed for farming or agricultural purposes, and are not desired for individual allotments, the same may be leased by authority of the council speaking for such Indians, for a period not to exceed 5 years for grazing or farming or 10 years for mining purposes, in such quantities and upon such terms and conditions as the agent in charge of such reservation may recommend, subject to the approval of the Secretary of the Interior."

Section 2 of the bill provides that the money received from oil and gas mining leases shall be deposited in the Treasury to the credit of the Indian tribes the same as the income derived from leases on treaty reservations. The proviso to section 2 will require the Bureau of Indian Affairs to state the desire of the Indians in submitting estimates of appropriations from such tribal funds to Congress through the Budget.

It is the opinion of your committee that unearned doles in the form of per capita payments are as demoralizing to Indians as like payments would be to an equal number of white people. In times of great drought or other severe and general hardship it may be desirable to make such payments, but the Bureau of Indian Affairs should not have authority to do so without the consent of Congress.

In general, the congressional policy toward the disposal of the wealth of Indian Executive-order reservations has been a uniform one for 50 years, the proceeds from the natural resources as well as the use of the surface having been allowed to the tribes or credited to them, and this policy, continued in the bill now reported, is in evident accord with equity and with the historical fact that the greater part of all the existing Indian reservation area has been created since 1871, the date when the treaty-making power with the Indians was ended.

The terms relating to taxation used in section 3 of the bill are taken from the proviso to section 32 of the general leasing act (41 Stat. 450) which has been construed by the Supreme Court in the case of Mid-Northern Oil Co. against Walker, Treasurer of the State of Montana, as follows:

"We think that the proviso plainly discloses the intention of Congress that persons and corporations contracting with the United States under the [general leasing] act should not for that reason be exempt from any form of State taxation."

In the latter part of section 3 a distinction is made between the State taxes which may be levied upon the property of lessees and upon the share obtained for the Indians by providing that State or local taxes may only be levied upon the rentals, royalties, or bonuses received by the Indians. The effect of this section is to permit the State to collect directly from the oil producer on Indian lands any and every kind of tax that may be assessed against others engaged in like operations elsewhere in the State. The State is not authorized, however, to collect such taxes directly from the Indians but the same are to be paid for them by the Secretary of the Interior, and a proviso is added which exempts the lands or other property of the Indians from any tax lien. The final result of this legislation will be that the entire output of oil and gas will be taxed by the States, the producer paying upon his share and the Indians upon the share obtained for them.

Since Congress has by the act of June 30, 1919 (41 Stat. 3–34), forbidden the further creation of Executive-order reservations, except by act of Congress, section 4 of the bill provides that no changes shall be made in the boundaries of existing Executive-order reservations except by act of Congress.

Section 5 of the bill is necessary to afford equitable relief to those who in good faith expended money in prospecting for oil and gas in accordance with the general leasing act of February 25, 1920 (49

Stat. 437). On June 9, 1922, the Secretary of the Interior promulgated a written opinion holding that land covered by the provisions of the proposed bill came within the terms of the said general leasing act and granted 16 permits to prospect for oil and gas in Utah and 4 in Arizona. A number of other persons made applications for oil and gas prospecting permits, but these permits were not granted, for the reason that on May 27, 1924, the Attorney General of the United States gave his opinion that the general leasing act did not apply to Executive-order Indian reservation lands. The said permits required that work of exploration and development should be diligently prosecuted, and the permittees, 20 in number, and some of the applicants immediately proceeded in the work of exploration and development of the lands covered by the permits and applications, and in so doing expended large sums of money aggregating between $300,000 and $400,000, a substantial part of which sum was expended by the permittees and applicants prior to the rendition of the opinion of the Attorney General, which was not promulgated until nearly two years after the permits had been issued and the applications made.

The bill H. R. 15021 gives relief to such applicants and permittees on the same basis and under the same conditions.

The lands covered by these permits and applications are comparatively barren, although stated by the Commissioner of Indian Affairs and other witnesses to be occupied by Indians. The story of the hardships endured in fulfilling the said obligations is graphically told in the record of the case of United States *v.* Harrison, Equity 8288, United States District Court of Utah.

Based upon the opinion of the Attorney General, the United States brought suits in the United States District Court of Utah to cancel the permits already issued. The court in the United States *v.* Harrison, just cited, refused to sustain the contention of the Government and dismissed the case, and the following language is found in the court's decision, viz:

"The equities are all in favor of the defendant, * * *. The right of the Government to insist upon and enforce what, in effect, is a forfeiture is too doubtful in my mind for the court to adopt that view and deprive the defendants of possible benefits to be derived from the large expenditures which they have made upon this ground in good faith."

The Government promptly appealed the case to the circuit court of appeals at Denver, which court certified certain questions to the Supreme Court of the United States. The questions certified were as follows:

"1. Was there authority in the Secretary of the Interior to issue, under the provisions of the leasing act of February 25, 1920 (41 Stat. L. 437, 441, Comp. Stat. 1923, Supp. sec. 4640¼ ss.) the permit which the United States now seeks to have canceled in this suit?

"If this question be answered in the negative, then we ask:

"2. Can this suit be maintained by the United States in equity to cancel the permit, it having been issued upon formal hearings by the Secretary of the Interior, no claim of fraud or bad faith being made, and the Government having brought no action to cancel the same for 1 year 10 months and 9 days after its issuance, appellees, Midwest Oil Co. and Southwest Oil Co., in that time having expended over $200,000 in developing the property for oil, which to them is a total loss if the permit is canceled?"

The questions certified involve no point of law with respect to the Executive-order reservations and withdrawals in general but exclusively points of law affecting the equitable rights of applicants and permittees whose filings were made within a certain limited area of the Navajo Indian Reservation. The enactment of this bill would not foreclose the court determination of any pending question or deprive any applicant or permittee of any right now assertable in law.

Determination of the certified questions will not even conclude the particular litigation, and final decision can not be expected for probably two years.

From the foregoing it is evident that the permittees and applicants who have made these expenditures and have done this work in good faith have substantial equities which require recognition, and the last section of the bill gives them the right to proceed with their work and, if discoveries result, to obtain leases in the manner provided by the said act of February 25, 1920, under which their applications were originally made. This section is principally a reenactment of the applicable provisions of the said act of February 25, 1920, so that development may proceed under the supervision of the Bureau of Indian Affairs and leases be granted under the provisions and regulations of the general leasing law by virtue of which these equities were created.

The committee amendments to section 5 are designed to grant equitable relief to a comparatively small number of applicants who in good faith have complied with the terms of the general leasing act of February 25, 1920, and have taken proper steps to preserve their interests.

It is believed that the bill is fair and equitable to the Indians, to the States where the Indian reservations are located, and to those who desire to prospect for oil and gas.

Mr. HAYDEN. Mr. Speaker, I move the previous question on the bill to final passage.

Mr. HOWARD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOWARD. The Speaker will pardon my lack of knowledge, but does that mean that we will not have an opportunity to read the bill?

The SPEAKER. The bill has been read. The question is on the motion of the gentleman from Arizona to order the previous question.

The previous question was ordered.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. SCHAFER) there were—ayes 115, noes 59.

Mr. SCHAFER. Mr. Speaker, I object to the vote upon the ground that there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and twenty-seven Members present, a quorum.

Mr. SCHAFER. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. As many as are in favor of ordering the yeas and nays will rise and stand until counted. [After counting.] Thirty-eight Members have risen, not a sufficient number, and the yeas and nays are refused.

So the bill was passed.

On motion of Mr. LEAVITT, a motion to reconsider the vote by which the bill was passed was laid on the table.

A similar House bill was laid on the table.

LIMIT OF COST OF CERTAIN NAVAL VESSELS

Mr. SNELL, from the Committee on Rules, reported a resolution for the consideration of the bill (H. R. 16507) to authorize an increase in the limit of cost of certain naval vessels, and for other purposes, which was referred to the House Calendar and ordered printed.

AUTHORIZING THE SECRETARY OF THE NAVY TO PROCEED WITH CERTAIN PUBLIC WORKS

Mr. SNELL, from the Committee on Rules, presented a resolution for the consideration of the bill (H. R. 16973) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes, which was referred to the House Calendar and ordered printed.

BOULDER DAM

Mr. SNELL, from the Committee on Rules, presented a resolution for the consideration of the bill (H. R. 9826) to provide for the protection and development of the lower Colorado River Basin, which was referred to the House Calendar and ordered printed.

INLAND WATERWAYS CORPORATION

Mr. DENISON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 5671) to amend paragraph (c) of section 4 of the act entitled "An act to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes," approved June 3, 1924, a similar House bill having been reported favorably from the House Committee on Interstate and Foreign Commerce. I am authorized by the committee to take this action.

The SPEAKER. The Clerk will report the bill.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That paragraph (c) of section 4 of the act entitled "An act to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes," approved June 3, 1924, be, and the same is hereby, amended to read as follows:

"(c) In addition to the six members, the Secretary of War shall appoint an individual from civil life, or (notwithstanding section 1222 of the Revised Statutes or any other provision of law, or any rules and regulations issued thereunder) detail an officer from the Military Establishment of the United States as chairman of the board. Any officer so detailed at the date of the passage of this amendatory act shall, during his term of office as chairman, have the rank, pay, and allowances of a major general, United States Army, and shall be exempt from the operation of any provision of law or any rules or regulations issued thereunder which limits the length of such detail or compels him to perform duty with troops. Any individual appointed from civil life shall, during his term of office as chairman, receive a salary not to exceed $10,000 a year, to be fixed by the Secretary of War. The Secretary of War may delegate to the chairman any of the functions vested in the Secretary by this act."

The SPEAKER. Is there objection?

Mr. GARNER of Texas. Mr. Speaker, is this a unanimous report from the Committee on Interstate and Foreign Commerce?

Mr. DENISON. Yes; the bill passed the Senate unanimously and the Committee on Interstate and Foreign Commerce unanimously authorized me to take this action.

The SPEAKER. Is there objection?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

A similar House bill was laid on the table.

GENERAL DEFICIENCY APPROPRIATION BILL

Mr. MADDEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 17291) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1927, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1927, and June 30, 1928, and for other purposes. Pending that motion, I ask unanimous consent that the time for general debate be equally divided between myself and the gentleman from Tennessee [Mr. BYRNS], for the time being represented by the gentleman from Colorado [Mr. TAYLOR]. We are not going to try to fix the time of debate at this time.

The SPEAKER. The gentleman from Illinois moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 17291, and pending that asks unanimous consent that the time for general debate be divided equally between himself and the gentleman from Tennessee [Mr. BYRNS]. Is there objection?

There was no objection.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 17291, with Mr. GREEN of Iowa in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 17291) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1927, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1927, and June 30, 1928, and for other purposes.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. MADDEN. Mr. Chairman, I yield one hour to the gentleman from Michigan [Mr. SOSNOWSKI].

Mr. SOSNOWSKI. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan? [After a pause.] The Chair hears none.

Mr. SOSNOWSKI. Mr. Chairman and gentlemen, it was but yesterday the country at large bowed in prayer and paid tribute to the memory of our first President, George Washington, the Father of our Republic. It was but yesterday that our great President, Calvin Coolidge, delivered his message in this very House on the life of Washington. His voice was echoed not only to the hearts of millions of loyal Americans but also to thousands on foreign shores; not only to men and women, but to the youth of our land, in whose hands will lie the future and destiny of our Nation. How different this message and its effect upon our youth from those other "messages" which have so recently as during the past month been delivered from rostrums in the leading cities of the United States. We who listened to our President's inspiring address can not and must not fail to take notice of these enemies within our gates whose watchword is "Destruction" and whose paths are not those of peace. Mr. Chairman and gentlemen, it is high time that we tore the mask off this hidden viper which, with its poisoned fangs, is destroying the foundation of our Government. I feel I would be remiss in my duty not only as a Member of this House but as a loyal American citizen if I failed to present here the facts which I have uncovered.

When I returned to my home from the last session of Congress I found not only the business interest, but all interests alike, aroused and fearful—aroused because of the ever-increasing activities of communistic forces in the industrial field and fearful lest apathy on the part of those who refuse to look the facts in the face, and apathy on the part of those who sit here in Washington, with the destiny of the Nation in their hands, would permit these forces to gain a position that would mean the ultimate overthrow of our Government, and with it the confiscation of all property rights.

I was importuned from all sides to make a study of the situation, to find out for myself the true conditions. This I did to the best of my ability. I talked with workingmen and I talked with industrial leaders. I interviewed ministers and I interviewed the small business men of Detroit. I found them all apprehensive. I was persistently told that the communists of the United States, acting under direct orders from Russia, were organizing the workmen of the automobile factories of Detroit, with the intention of producing in that important city, that city of prosperity and wealth, the greatest of all "lessons in revolution," all to the end that the industry might be ruined, the Government weakened, and that the hatred implanted in the minds of the workers might later be employed to overthrow the Government of the United States.

Gentlemen, you are not going to meet this situation in the United States by a shrug of the shoulder, by a gesture of contempt, by scoffing at the idea that we have such a thing as communism in the United States, or that it is dangerous. It is here. It is serious. Insidiously it has gained strength in many places. It has won the support and aid of a large number of well-meaning individuals because it has approached them through deception. It is said to be a labor movement. It is to labor what strychnine is to a dog. It is death. Within the past few weeks the head of the American Federation of Labor has denounced the communist move and informed the American people that the American Federation of Labor will rid itself of all who are teaching this false theory. The United Mine Workers almost unanimously voted only the other day to expel every communist from the organization. Gentlemen, do you believe if communism were not a danger, that if it were not active, these organizations would have wasted their time or planned to spend much of their money to destroy the germ?

Within the past four weeks Lenin memorial meetings have been held at many places in the United States. Such a meeting was held right here in Washington under your noses, gentlemen. Probably none of you attended, but a lot of others attended. The man who addressed the gathering, pleading for the overthrow of the Government and the installation of communism in the United States, was C. E. Ruthenberg, now under conviction and sentence to the penitentiary in my State for violating our criminal syndicalism law. He is out on bond pending a decision by the Supreme Court of the United States. The Detroit Free Press, one of the leading papers of this country, under date of January 24, reporting two gatherings in my city which were addressed by William Z. Foster, a man who boasts of the fact that he takes his orders from Soviet Russia, and whose open efforts to arouse violence in industrial struggles is known to everyone, states that 3,500 attended the gathering. Among other things, the Free Press says:

The speeches made no secret of the subversive character of the party, though in the presence of Government stenographers posted in the halls rhetoric was limited to generally abstract terms, such as the overthrow of capitalism and the substitution of a proletariat dictatorship.

Audiences were composed mainly of men, but there was also a considerable number of women and children. The latter wore red kerchiefs about their necks and were made to sing party songs the general exhortation of which was to keep the red flag flying.

Foster described current events in China as being directly attributable to a small band of Lenin-inspired communists who were determined to overthrow the exploitation of their country by foreign capitalists. He said the description of Canton's "red army," as applied to the Chinese rioters, was not entirely true, but was becoming more true every day. The communists, he said, had a fertile field of endeavor among the 400,000,000 people of China.

Gentlemen, I here desire to call attention to a pamphlet distributed to our schools in the city of Detroit announcing that meeting. [Exhibiting, see Exhibit V.] The words are "In memory of Lenin; mass meeting and revolutionary concert."

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. SOSNOWSKI. I will.

Mr. JOHNSON of Washington. Is that pamphlet in reference to this communistic meeting in English?

Mr. SOSNOWSKI. Yes; it is.

But recently, under the persistent hammering of a certain element in the Congress, Secretary Kellogg appeared before the Foreign Relations Committee of the Senate and presented evidence that the occasion for the trouble in Mexico and Nicaragua was due to communist activities. This was answered by a laugh. As yet the committee has not permitted the confi-

dential information supplied by the Secretary to be made public. No one has presented a scintilla of evidence to show the documents furnished by the Secretary were not authentic. Nor has any one presented a bit of evidence to show that the charges made by the Secretary were not true. The only answer yet received by the apologists for the communists, either in or out of Congress, has been "the very idea is absurd."

On March 4 I am retiring from Congress. On my return to Detroit I shall enter the fight with the sound working man, the sane minister, the conservative business man, the conscientious manufacturer, to wipe from our midst that which is far more dangerous to human happiness than the worst of pestilences. I am saying to you now that we will succeed so far as our own community is concerned. That is but one city in hundreds. Michigan is but 1 of the 48 States. Our national salvation lies in wiping this thing called communism from the continent. That task, gentlemen, is up to you. Scoffing at the suggestion that there is such a thing as communism, or asserting that because the known number of the followers is small it can make no progress, will not do. I recall that it was but a few short years ago when it was said by an obscure individual living in an obscure town in Ohio that he was going to obtain a Federal amendment to the Constitution making the manufacture and sale of intoxicating liquors illegal. The answer to his claim was a shrug of the shoulder, a gesture of contempt, sarcastic remarks. Well he did it, did he not? Now look at the Nation!

Gentlemen, I have not the time at my command to go fully into this subject. No man could do it in an hour, or in 10 hours. The documentary and indisputable evidence is extensive and available to every Member of this House who is not mentally too lazy to look into it.

EXHIBIT A IN RE YOUTH MOVEMENT

In Unity for September 6, 1926, Rev. Sidney Strong had an article under the heading "Summer gathering led by radicals." Doctor Strong is one of the "impartial" investigators who recently went to Mexico and who are now engaged in an organized propaganda effort in the United States to prevent the President and his Secretary of State carrying out a policy for protection to American citizens. He is also the father of Anna Louise Strong, whose activities in the aid of communism are well known. The following is quoted from the article:

"Tens and tens of thousands of Americans—especially the younger ones—are attending conferences and camps at this season. These are being promoted chiefly by the churches, the Young Men's Christian Association, and the Young Women's Christian Association, though by no means confined to these summer conferences that the most liberal, even radical ideas are being sown. Outdoor life, with companionship, encourages freedom of thought and speech. A progressive pastor, under the spell of the sea, or lake, or forest, pours out his soul in a way that would startle his deacons who provide the financial support at home. These, however, are safe at home, busy at their tasks. Social and political and industrial ideas of revolutionary character get their innings as these tens and tens of thousands are gathered about the camp fire. If one has a 'gospel,' which would be too progressive for the pews, which he wishes to preach to the people, I should advise him to go to the summer camps and conferences of the American young people.

"To illustrate, I spent a half a day in an Epworth League institute, where gathered 500 young people, who, in tents, were spending a week together. I found that truth had pretty free range. People will converse with truth out in the woods who would not recognize her next day on the street or in the church. The pastors—and the youngest and most progressive pastors are the most popular at such camps—were going around without their clerical labels, either of dress, tone, or speech. The pulpit air had been left at home. So, such conferences become breeding grounds of future reforms of creeds. At one meeting a speaker was referring to war and the attitude young people should take toward it. He gave them a picture of the 'Ponsonby plan for peace' that is being carried forward in England. He said:

"'Do you know that it is expected that 1,000,000 English people, above 16 years of age, will by next November have put their signatures to a letter to the Prime Minister? And they are getting these signatures in the market places, in the work shops, in the homes, in the churches. * * * And these English people are saying in the peace letters to the Prime Minister: "We, the undersigned, convinced that all disputes between nations are capable of settlement either by diplomatic negotiations or by some form of international arbitration, hereby solemnly declare that we shall refuse to support or render war service to any government which resorts to arms."'

"And when these Epworth Leaguers heard what the English were doing in the peace letter to the Prime Minister they broke out into cheers."

EXHIBIT B IN RE YOUTH MOVEMENT

The following quotation is from a communist book, which can be purchased in most any radical bookstore, called Manual for Leaders of Children's Groups:

"Experience has proven the correctness of the principle on which the formation of the groups is based—that the organization and leadership of the children's groups is a task belonging particularly to the young communist leagues. Except for a few individual instances the members of the young communist leagues have proven themselves to be the best fitted for the leadership of the children's groups. * * *

"The Young Workers' League of America has reported to the executive committee of the young communist international that 23 groups of children have been formed in a total of 16 cities of the United States to further the 'class struggle' within capitalism. * * * The Moscow headquarters has instructed the Young Workers' League of America to secure a collection of all textbooks used by the children in the public schools in this country to be sent to Moscow for study as to how the tests can be interpreted to teach communism and to be used to invite the children to actually engage in the 'class struggle.' The report cited asks the young communists international of Moscow to send on a large amount of money for the purchase of these books or to wait a little while until the children can purloin them from the schools and turn them in. * * *

"The communist children's groups * * * must be live organizations to counteract the poison of bourgeois 'education.' * * *

"There is nothing that is unimportant, nothing that is without significance, in the proletarian class struggle. We form the communist children's groups not for the sake of the children alone but for the sake of the whole working class. In them we not only prepare for the future struggle; we also serve the present struggle. Our work in the groups is not confined to use of revolutionary phrases. In them the children are imbued and permeated with the spirit of the proletarian revolution. * * *

"Nothing in the world is easier than to attract children. Youths, boys and girls, of the young communist league, go to the places where children are—on the streets, in the parks, public playgrounds, or some outdoor celebration. Watch the children at play. * * *

"After a time when the children are a little tired say, 'Shall we learn a new song?' At first the little ones may be suspicious, then they will be shy, but eventually they will all join in the 'Red Flag,' 'The International,' or some other revolutionary song. * * * Meanwhile, distribute our paper, inform them that this is the children's paper, and that there are children's meetings. 'Would you like to come?' The children will beg their parents for permission to attend and they will bring their friends and playmates. Children are naturally excellent agitators.

"We communists assert that the child must be enrolled as a fighter in the struggle of its class and must share the fate of its class. * * * Respect for the adult is one of the first things to be removed in communist education. * * *

"The communist groups must show the children how to convert secret hatred and pent-up anger into a conscious struggle * * * against military school discipline * * * for the right of the children to establish their own system of discipline, for the abolition of rigid curriculum. * * * Most important is the struggle against the tyranny of school discipline. Over and over again we hear how children were * * * punished by being given special work to be done or by being prevented from speaking. The child is hurt not only by suppression of his own personality, but he feels as well the injustice when a schoolmate is punished. Children revolt against this and hate the teacher. * * *

"The will of the teacher must retreat before the collective will of the children. * * *

"The opposition to the teaching of national history * * * is an important matter to our young comrades. * * * In order to counteract the nationalistic history which is taught in the schools we have to deal with the historic matters in the groups. We tell the story of the development of human society from the primitive communism up to the present stage. * * * Read to the children such stories as Gorky's Comrades, Jack London's People of the Abyss, or The Iron Heel, Upton Sinclair's Jungle or King Coal, or Jimmy Higgins. * * * Nor dare we shrink from emphasis upon individuals and the part they played in history—such individuals as Spartacus, Marat, Robespierre, Jim Larkin * * * In short, in the teaching of history we must give our lessons a live character by the use of objects. * * *

"The communist children's groups are a class organization, and they do not pretend to be anything else, existing for the purpose of training the children for the class war. * * *

"Let us rid ourselves of all pacifist nonsense and sentimentality. The ultimate victory of the proletariat depends even more upon the soldiers who will fight its battles than upon the politicians and theorists who will discuss its issues. * * * The Red Army needs women fighters as well as men. * * *

"In the realm of physical training we have to deal with the movement which we have too much ignored up to this time—the scout movement. The scout system is the organization of children's games into a uniform system which is to serve the educational purposes of patriotism. Some of our comrades hold to the view that we should reject everything pertaining to scout methods. This conception is fundamentally wrong. It is true that the scout movement educates the

children of the working class in a militaristic spirit and drills them to become soldiers of imperialism. But it is not the method which we reject and oppose; it is only the aim which the leaders and heads of this movement, the military clique, are striving for that we must oppose.

"We dare not ignore the fact that this military clique has succeeded in establishing a great and powerful movement, including hundreds and thousands of children * * * and that it is using this movement to influence the children in the interest of the ruling class. * * * We must utilize the valuable features of them even as we utilize their basis—the tendency of children to herd together for play—and give them a proletarian content. Bearing in mind that the working class struggle requires soldiers, we must use the best method of training soldiers."

EXHIBIT C IN RE COMMUNIST ACTIVITIES IN THE UNITED STATES

(Report made by person attending a Lenin memorial gathering at Turner Hall, Gary, under communist auspices, Saturday evening January 22, 1926. Similar reports from other gatherings show the same kind of utterances as expressed below and in Exhibit D.)

"A Lenin memorial meeting was held last Saturay evening at Turner Hall, Fourteenth and Washington Streets, Gary, under communist auspices. It is estimated that about 400 people were present, the great majority being foreign-born Europeans and Mexicans and negroes. The police department of Gary was represented by several plain-clothes men and two policemen. The hall was decorated in red, with a large picture of Lenin draped in black crêpe over the speaker's stand. A funeral march was played, and the audience was asked to stand during the rendition. Thereafter a number of children were called on the stage to repeat a pledge to the red flag, which pledge stated: 'I pledge allegiance to the red flag and the workers' party, for which it stands.'

"The chairman of the meeting, B. Borisoff (Shklar), a local communist leader, then remarked how necessary it was to get the children into the Communist movement, and asked the parents to see that their children join the young pioneers, a branch of the communist youth movement, that they may be taught the principles of communism.

"Borisoff then announced that those present were honoring the greatest teacher, leader, and revolutionist the world has ever known, after which he discussed the activities of the United States in sending warships to China, Nicaragua, and Mexico to protect the interests of American capitalists. He said that the workers in China were in revolt against foreign capitalists and were fighting their oppressors, and that their victory would be a victory for all workers. He stated that Judge Gary does not like to read about revolts in China; that he trembles when he reads about them, as he is looking forward to the day when China will supply him with cheap labor; that he has been using negroes and Mexicans, and how he has his eyes on China. He said that one of the purposes of this meeting was to raise the voice of the worker in protest against sending ships to foreign countries, such as China, Nicaragua, and Mexico.

"The first speaker introduced was James Ford (colored), of Chicago, an organizer for the American Negro Labor Congress. Ford spoke from prepared notes, and spoke of the greatness of Lenin. States that he himself had been in the Army and fought in France for what he thought was his country, until he got his eyes opened to the fact that it was not his country at all, that it really belonged to the capitalists; that it was the capitalists who were sending ships to South America, China, and other places; and they were exploiting these countries in order to obtain outlets for their products and to invest their surplus wealth, for foreign markets, and for sources of raw materials. He said that the capitalists had found cheap raw materials and cheap labor in Central America, Mexico, the West Indies, and China, and they desired to subjugate the different races inhabiting these lands. He asked the people, and especially the colored people, to learn all the lessons taught by Lenin; that nothing had ever been done for the submerged and oppressed peoples of the world until it was done by Lenin. He also called upon the negroes to protest against sending ships to Mexico, South America, and China, charging that it was being done for such men as Gary; that no ships were ever sent out to protect the American working class. He spoke of steel as the basic product of industry, mentioning numerous things that are made of steel, from the hands of his watch to the tracks of railroads. He urged all men of the Negro race who work with their hands to join the Communist Party to gain their rights, and remarked that the negroes were brought over here 300 years ago against their will as workers. He also urged them to join the American Negro Labor Congress, and said he felt sure that when all the workers of the world, irrespective of creed and color, joined into one great world organization it would be possible to reach hands across the sea and call all the workers comrades. The capitalists' class, he said, does not want to see this consummated, as capitalism thrives by keeping one race fighting another; and when they do this men like Judge Gary and his crowd are always happy.

"After some music, N. Kaplan, of Chicago, who is connected with the Young Workers' League of America, a branch of the Communist Party, was introduced. Kaplan was the most radical of the speakers and vilified everyone. He referred to President Wilson as the champion liar, who advocated peace with one hand and declared war with the other. He stated that when Wilson, 'Silent Cal,' J. P. Morgan, Lloyd George, Clemenceau, and others of World War fame were forgotten a thousand years the name of Lenin will still be cherished. He referred to Secretary of State Kellogg as 'nervous Nellie Kellogg,' who does not know what to do in the execution of the duties of his office from time to time. He stated that 'Silent Cal' was silent because he dared not open his mouth until J. P. Morgan told him what to say. He said that Morgan and William Randolph Hearst were advocating war with Mexico because they had large holdings in that country, and that Mexico was merely making an attempt to enforce its own constitution and laws; that Morgan from time to time got on the telephone and called up 'Nervous Nellie Kellogg' and told him that American lives were in danger and he had better send ships and troops, whereupon 'Nervous Nellie Kellogg' would do as he directed; that President Coolidge got his information from the Department of Justice, which is operated by a lot of dime-novel detectives, who keep him all excited about American citizens being murdered in Mexico and China. The speaker stated that these stern measures were not taken in behalf of workers, because there were no American workers killed in Mexico or China. He then asked any of the workers present who had made trips to China during their vacation period to please raise their hands. Kaplan stated that what has really aroused the capitalistic government of America is that the Mexicans and the Chinese have given their foreign bosses a 'kick in the pants' and have established revolutionary governments. He predicted that the Chinese revolutionists would soon capture Hankow, where the large steel mills are located, and that is the reason the capitalists are yelling that American citizens and American interests are in danger. He suggested that the American workers should follow the example of the Chinese workers, who do not go after their bosses through the ballot box. The Chinese, he said, are too wise for that, and do not waste any time voting. He said that the only Americans who go to China are 'sky pilots' (ministers and priests) and business men, and these classes do not mean a d——— thing to the American working class. The speaker further vilified Judge Gary and all capitalists, and said that he would not be surprised any morning to find big signs up calling upon the American workers to protect the possessions of Gary and other capitalists in these foreign countries. He said: 'Some day, however, the revolution will be in this country, the same as in the past in Russia, and right here in Gary you workers will be fighting to better conditions that exist to-day.' Kaplan closed by saying that if Lenin had lived, how happy he would be to see that his ideas were being adopted and his plans were materializing.

"A letter was read announcing that a Mexican scheduled to speak had found it impossible to be present.

"Max Bedacht, of Chicago, a member of the central executive committee of the Workers' Party, was next introduced. His remarks consisted mainly in eulogizing Lenin and Russia. He advised the people of America to follow the Russian idea and free themselves from capitalism by overthrowing the capitalist system. He stated that Russia was not recognized by this country because the workers of Russia owed money to the American capitalists which they refused to pay.

"He said that while the Czar of Russia was in control and kept the workers and farmers in subjugation he borrowed considerable money from New York banks to finance the wars he waged against the workers and farmers of that country; that the workers printed a paper at that time and warned the American capitalists that if they loaned money to the Czar it would be at their peril; that Morgan and his interests did not believe the workers would get control, so they continued to lend money, which they will never get back. That is the real reason, he said, why the United States will not recognize the present Soviet Government of Russia. Bedacht warned the workers not to let themselves be drawn into another war 'to make the world safe for democracy'; not to let Judge Gary enslave the workers in the steel mills and to refuse to be cannon fodder for Morgan and the rest of the capitalist crew in any future war. Bedacht spoke of race prejudice, and charged that the capitalists encouraged race prejudice and 100 per cent Americanism to keep the workers hostile to one another, because if they did not hate one another they would not fight one another. He stated that while he was in Russia not long ago he was shown copies of the New York World carrying pictures of riots, revolution, and lawlessness in the streets of Moscow, and that the reports and pictures were all untrue, as he was in Moscow at the time, and all was quiet and peaceful and the streets were safer than those of most American cities. He closed with a plea to the Communist Party to make comrades of all men of all races.

"The last speaker was Maximo Lira, of Indiana Harbor, a Mexican who spoke Spanish. I was informed that his remarks were in substance that everyone should join the Workers' (Communist) Party, especially citizens of the Latin-American countries.

"A collection was then taken up, amounting to about $60.

"Paul Glaser was present and made his presence known by being very conspicuous. I am informed that he intends to start a school in Chicago to educate radicals in the fundamentals of communism."

EXHIBIT D IN RE COMMUNIST ACTIVITIES IN THE UNITED STATES

Report made by an adviser attending a Lenin memorial meeting at Chicago, Sunday night, January 23, 1927 (see also Exhibit C):

"The communists of Chicago held a meeting Sunday night, commemorating the third anniversary of the death of Nicolai Lenin. The meeting was held at the Ashland Auditorium, Van Buren Street and Ashland Avenue, and about 3,000 people attended. Arne Swabeck, organizer of Communist District No. 8, was chairman.

"Swabeck, in opening the meeting, eulogized Lenin and stated that the communist movement suffered a great loss when that great leader died. He referred to Lenin as the champion of champions of the workers, not only in Russia, but throughout the world.

"The first speaker was a man named D'Arcy, representing the Young Workers' League. D'Arcy stated that this league for young workers was the vanguard of the communist movement in every country, that the organization had 6,000,000 workers in the movement, that wherever there were any signs of revolution, the members of the Young Workers' League were always taking the lead. For example, in China to-day all the young students that are leading the fighting are members of the Young Workers' branch of the Communist Party, and are a part of the Communist International of Moscow. He said that all the strategy is worked out in Moscow, and he urged every young worker in this country to enroll his name in the Young Workers' League, in order to combat the capitalists of Wall Street. He stated that if the workers of this country were again called upon to go to war, they should refuse to take up arms against the workers of any other country.

"Jay Lovestone, a member of the central executive committee of the Workers' Party, was the next speaker. He stated that only a day or two ago Secretary of State Kellogg paid him a high compliment by reporting that he (Lovestone) had just returned from Mexico, and that all the trouble in Mexico was due to communist propaganda. By inference, Lovestone stated, Kellogg gave him credit for all the turmoil in Mexico. As a matter of fact, Lovestone said, Kellogg was "talking through his hat," as he (Lovestone) was not in Mexico at all, but had just returned from Russia, where for the last two months he was attending the Russian congress in Moscow as a delegate from the Workers' (Communist) Party of America. Lovestone said that he had been in Russia a good many times, and every time he goes there, he finds conditions greatly improved. He notices, especially in Europe, that the revolutionary movement is growing stronger every day, and by the looks of things at the present time, he would not be surprised if the year 1927 would be the best year yet for revolutionary propaganda among the workers. He said trouble was brewing in nearly every country in Europe and Latin America, and that the communist international was back of every bit of the propaganda, including that being circulated in Mexico. He said that if a revolution came in America, the communist international would also be back of it. He said that if the workers of China, or of Latin America take up arms against capitalism in their respective countries, the workers of the United States should do all they can to see that their fellow workers in these foreign countries win the revolution; that eventually the workers will prevail, as Soviet Russia and China can raise 55,000,000 soldiers, whereas the rest of the capitalist countries of the world could not raise more than 40,600,000.

"Chairman Arne Swabeck read a resolution reciting that the Workers of America had no concern in Nicaragua and Mexico and that the capitalistic Government of the United States keep out and not interfere with these countries or with China. This resolution was unanimously adopted.

EXHIBIT E IN RE COMMUNIST SYSTEM OF ORGANIZING AND OPERATING SHOP NUCLEI

Taken from the Daily Worker of May 2, 1926:

"Propaganda in shops: The shop nucleus form means that every member of the party becomes an active member and a propagandist among the nonparty workers with whom he comes in contact in the shop. Propaganda ceases to be the function of a few leading individuals and becomes a function of the entire party.

"Methods of work: There are two incorrect extremes in work in the shop. The comrade who gets a job at 8 a. m. and is called 'Trotsky' by his companions at 10 and is fired by the boss at 12 His spirit is good, but he does not know how to carry on communist work. Then there is the comrade who works 30 years in the shop and even the other party members do not know that he is a party member. He is much worse than the first type. Our work must be done in such a way that it is not easy for the boss to discover who is doing it, and fire him, but at all costs the work must be done.

"Methods of approach: Connect all your propaganda with the shop problems. Utilize everything that comes up in the shop for your propaganda. Start with the particular happening in the shop, and then gradually broaden out the issue. In your personal propaganda with each worker make it your business to know his personal life, his experiences, feelings, interests, etc. Individuals differ greatly, and the same abstract propaganda can not be used for all. For example, even the love of music that a worker may have, and there are very many such, can be utilized. When the party arranges a mass meeting that has an attractive musical program get him to attend the meeting on the basis of the program.

"Distribution of literature: Circulars, leaflets, and factory papers should be distributed with caution. If the boss sees you handing them out, that is the end of your work in the shop. There are many ways to overcome this. For example, leaflets, shop papers, can be dropped into lockers, stuffed into overcoats, posted up in the toilets, left lying around where they will be picked up, and they can be distributed by outsiders at noon hour and at closing time.

"Members of the international branch of your subsection or workers of other factories can be used in front of your factory for this purpose. Another way to distribute circulars so that you shall not be reported as a 'bolshevik' is to come in with a circular and say that it was handed to you in the street.

"Pamphlets: In selling or distributing pamphlets they should be selected for their simplicity, timeliness, and interest to workers. Talk to the workers on current topics of interest, then volunteer to get him a phamphlet that will tell him more about the subject. Become a literature agent to him by always offering to get him any literature he may desire. If he says he has no money, tell him he will pay you on pay day.

"Party press: The proper way to distribute the party press in the shop is to make it interesting to the workers. The key to that is workers' correspondence. Some one in the shop must write an article dealing with the shop in the Daily Worker and other party papers, then order enough copies and tell the workers you have just discovered an article about your shop in the Daily Worker. He will be interested in the paper and the article that deals with his shop.

"Meetings: An important advantage of the shop nucleus form is that we no longer need have meetings where we speak to the same audience—the convinced communist. The shop nucleus should bring the nonparty worker from the shop to the meeting. At the same time care must be exercised in inviting workers to meetings, and a worker to be invited to an open nucleus meeting must be invited with the approval of the entire nucleus. Invite nonparty members to all mass meetings.

"Union organization: The shop and the shop committee are the best organization centers. In urging organization explain how the union can remedy the abuses and help in the particular problems found in your shop. If your shop is already unionized and there is a right and left wing in the union, do not wait until you get to the union meeting to talk about them. Talk about the left-wing issues in the shop and tie them up with shop problems.

"Shop committees: Where you have a shop committee do as much as possible through the shop committee. Initiate problems; be the first to point them out and the first to suggest practical remedies. Work through your shop faction (the nucleus) in the shop meeting and through your party faction in the shop committee. Take up shop problems first. Do not omit party campaigns but base them on and connect them with the concrete problems in the shop. Distribute literature at the shop meetings. Where there is no shop committee point out the advantages and agitate for it. Take the most reliable workers from all departments and discuss with them the shop problems and tell them to discuss in their departments. Thus you will form an unofficial shop committee which in need will become a real shop committee.

"Recruiting: Select the best elements in the shop and invite them to study at the workers' school or section classes in the neighborhood. Try to recruit the best elements into the party.

EXHIBIT F, SHOWING SYSTEM EMPLOYED TO CORRUPT LABOR UNIONS

[Extracts from a resolution of the Workers (Communist) Party of America adopted at its convention held in Chicago, August, 1925]

The main tasks of the party in the trade-unions are—

1. The revolutionizing of the existing unions through strengthening and organizing the left wing of the unions by bringing all the proletarian elements of the party into the unions, by the organization of trade-union factions, the building up of the Trade Union Educational League, and the stimulation of the organization of the progressive opposition bloc.

2. The organization of the unorganized by the strengthening of the existing organizations, the creation of new unions in industries where none exist, the building of shop committees, and the utilization of the shop nuclei as points for inaugurating campaigns to organize the unorganized.

3. The unification of the trade-union movement by the stimulation of the campaign to amalgamate the craft unions into industrial organizations.

The party organization for the carrying on of the trade-union work is still in a primitive and undeveloped state. Considerable improvement has been made during the past year or so. The industrial department has been definitely organized. The district organizers are sub-

mitting regular monthly reports and are devoting more and more attention to the work in the trade-unions in their respective localities. But only a start has been made. Our system of party factions in the unions is still weak and scattering. The Trade Union Educational League groups exist only in the more important industrial centers. The situation must be remedied, and for this purpose a whole series of organizational measures are necessary. We must look forward to the creation of effective factions and Trade Union Educational League groups in all unions and in all industrial centers.

While putting into effect the following organizational measures and in carrying out the trade-union program of the party generally a constant campaign must be prosecuted to awaken the membership to the vital importance of winning over the masses of workers now organized in the trade-unions. Any tendency to consider work in the trade-unions as in some way secondary or unimportant must be ruthlessly liquidated. Likewise, all tendencies such as to consider party work in the trade-unions a function of a specially selected section of our party or the labeling of party activities in the trade-unions as syndicalistic must be vigorously fought against. Because of an insufficient understanding of its importance, the trade-union work has often suffered in the factional fighting in the party.

(A) BRINGING THE MEMBERSHIP INTO THE UNION

The party shall require all its proletarian members to join trade-unions, using the sharpest disciplinary measures, if necessary, to bring this about. To facilitate this there shall be in each nucleus, branch, C. C. C., D. E. C., and other party units specific comrades charged with the responsibility of supervising the trade-union work of the party in their respective spheres.

(B) TRADE-UNION FACTIONS

While building and strengthening the unions, educating the rank and file, fighting the corrupt bureaucracy, and the employers, the Communists must not fail to thoroughly organize themselves to secure leadership over the trade-union masses. This is to be accomplished through party factions. At present the factions in trade-unions are weak and inadequate. The party must devote major attention to their extension and strengthening. The district organizers shall be held directly responsible, in conjunction with the industrial department, for the building of the trade-union factions in the various industrial centers and unions.

EXHIBIT G, SHOWING COMMUNIST SYSTEM OF GAINING CONTROL OF LABOR ORGANIZATIONS

The following is extracted from a Communist document issued in the spring of 1926 entitled "Trade-union Problems and Reorganization":

"The question of drawing the party members into the trade-unions is before every party committee, before every party unit, every party conference. It has been before the party membership for a considerable time, but the progress of 'unionizing' the party is a slow one. Some of the comrades are getting impatient and suggest the adoption of drastic disciplinary measures. 'Ideological preparation of membership—we had enough of it,' they say, 'it's time some other measures be adopted.' Correct. But not measures of mechanical compulsion.

"With the reorganization of the party the problem of drawing the party membership into the trade-unions assumes a new aspect. The reorganization placed before the party the question of activities in the shops among the masses of the unorganized workers. And the first word that the party naturally speaks to these workers after analyzing their conditions is, 'Organize!' In this situation the demand to join the trade-unions becomes for the party members a concrete one, a question of action, a question of participating in the struggles of the unorganized workers for organization. An illustration? Passaic. The textile workers, members of the party in Passaic, hardly needed any disciplinary measures to compel them to participate in the struggles for better conditions and for organization.

"Another illustration: At the recent organization conference of the party in Chicago, in the course of discussion of the trade-union question, one of the comrades related how recently some of the party members in Chicago, millinery workers, enthusiastically joined the trade-union during a drive to unionize the millinery shops. While this interesting experience did not arouse any discussion, yet, in our opinion, it touches the very heart of the problem of the 'unionization' of the party.

"The campaign for drawing the party members into the trade-unions will become a real and a live issue for the membership only when connected with the struggles of the workers, with the struggles of the unorganized workers for better conditions and for organization.

"The reorganization of the party was a revolutionary change; it shook up the party; it placed the membership face to face with new and increased responsibilities, with new problems, new methods of activity. But it is becoming ever clearer that as the party overcomes the difficulties and gradually solves the problems of the reorganization, and especially as it succeeds in drawing the membership into mass activities in the shops, it is becoming ever clearer that because of the reorganization and through it many vexing problem (which in the past appeared almost unsolvable) will be solved the problem of drawing the membership into the trade-unions. The party is an inseparable part of the working class; its every problem is related to the problems of the entire working class and must be solved as related to the problems and struggles of the entire working class. The reorganization of the party has made this exceedingly clear.

"We can, therefore, look forward with confidence to the solution of the problem of drawing the party members into the trade-unions and trade-union activities.

"Our methods of solving the trade-union problem must be: Activization of the shop and street nuclei, demand discipline and activity on the part of every member of the party, develop the organization campaigns of the trade-unions, increase pressure on the trade-union bureaucracy for the organization of the unorganized."

EXHIBIT H

To use women in all forms of subversive and radical activities has long been the program of such movements. The communists have not overlooked the women whom they are using to the limit of their ability. The following is a resolution of the Workers (Communist) Party of America at its last convention, held in Chicago in August, 1925:

"1. In order to unite the work of the women factory circles and the housewife circles, conferences of working-class women shall be called.

"2. These conferences shall be held periodically at least once a month, and shall discuss and act upon all problems arising out of the lives of the working women.

"3. The conference of working women shall consist of (a) women employed in shops, factories, stores, etc.; (b) local trade unions consisting wholly or partly of working women; and (c) organizations of working-class housewives.

"4. These conferences shall elect executive committees to carry on the work between the meetings of the conferences. These committees shall be known as committees of working women.

"5. The following is to be the basis of the program of the conferences of working women:

"(a) To carry on an active campaign to unionize the working women

"(b) To fight for equal pay for equal work.

"(c) To combat child labor.

"(d) To encourage and assist working women to become citizens of the United States.

"(e) To fight for Government maintenance of working mothers for a specific period of time before and after childbirth.

"(f) To develop political consciousness and activity among working women.

"(g) To participate in all struggles of the workers jointly with other labor organizations.

"(h) To provide for the educational, cultural, and social needs of the working-class housewives.

"(i) To render material and moral support to workers engaged in struggles against capitalists. (Relief in time of strikes, lockouts, etc.)

"(j) To combat the high cost of living.

"(k) To fight for better housing facilities for the workers.

"(l) To fight for better sanitary, fire-prevention, and educational facilities for working-class quarters.

"(m) To fight for Government maintenance of the school children of the workers.

"(n) To participate in all struggles of the workers jointly with other labor organizations.

"6. These conferences shall be called in each locality by a special committee to be known as the provisional committee of the conference of working women. The provisional committee is to be made up of men and women engaged in or otherwise connected with the struggle of the working women.

"7. Such provisional committees shall be established immediately. Before calling the conference, a widespread agitation must be carried on among women in the shops, factories, stores, and in the unions, popularizing the task of these conferences."

EXHIBIT I, SHOWING THE COMMUNIST PROGRAM AGAINST PREPAREDNESS AND TO BREAK DOWN THE MORALE OF THE SOLDIERS AND SAILORS

[Extracts from a communist doctrine entitled "Immediate Demands for Soldiers and Sailors," first circulated in the United States early in 1925]

Political demands: (a) The right to join trade-unions and the right to form and join soldiers' and sailors' unions.

(b) The right to elect regimental battalion and company committees to represent soldiers' and airmen's grievances on questions of legal rights, punishment, leave, working hours, and barrack accommodations.

(c) Lowering of the voting age from 21 to 18 years for soldiers of all ranks. Right of all soldiers over 18 years to be elected to Congress and public bodies.

(d) The right to join political parties and to organize branches of these parties in the Army and the right to attend political meetings and demonstrations.

(e) No compulsory church attendance.

Legal rights: (a) No military intervention during industrial disputes.

(b) Abolition of court-martial; military courts to be organized on the basis of an elected jury composed of three soldiers, one noncommissioned officer, and one officer. Right of appeal to civil courts. Abolition of death penalty.

(c) Drastic modification of punishments. Right of appeal to the military court (above mentioned) in cases of all punishment exceeding three days c. b., or equivalent.

Pay: (a) Pay must be fixed according to actual living expenses. Immediate proportionate increases for all noncommissioned grades.

(b) All married soldiers to receive marriage allowances. Abolition of regulation which only entitles soldiers of 25 years of age and over to this allowance.

(c) Special pay for Sunday or general holiday duties, for compulsory or necessary fatigues, for special ceremonial parades and guards occurring outside the ordinary duties.

(d) Increase in overseas-service allowances.

Leave: (a) Right to proceed on pass—without ration allowance—once every week end when not actually detailed for duty. Right to an "early Friday to late Monday" pass at least once a month.

(b) Right to wear civilian clothes outside barracks or camp, whether on leave or "walking out."

Terms of service: (a) Much shorter terms of service with the colors, which will allow soldiers to return to civil life.

(b) Time of service limited to eight hours per day, covering all duties.

(c) Time served in detention barracks to be included in service period.

Trade training: (a) All trade training to be thorough and complete and conducted by qualified civilian instructors and to be under the control of the trade unions.

(b) Full trade-union rates for soldiers in the military workshops.

Food and accommodation: (a) Elected representatives of soldiers to participate in control of food supplies, with facilities for obtaining the advice of medical experts. Military canteens to be controlled in the same way. Control of the central Navy, Army, and air-force institute to be in the hands of an elected board in the ratio of one officer, one noncommissioned officer, and three other ranks.

Cultural demands: (a) Right to form clubs and organizations for enjoyment of spare time. Provision of commodious reading rooms and libraries. Abolition of Y. M. C. A., church, Army, and other propaganda institutions.

(b) Right of military sports organizations to affiliate with whatever organizations they choose.

Pensions: (a) An all-around increase of pensions and provisions of pensions for widows.

EXHIBIT J, SHOWING COMMUNIST CONNECTION AND BACKING OF THE PROPAGANDA OF "IMPERIALISM"

[Resolution of the central executive committee of the Communist Party of America, adopted at a meeting November 11–12, 1926, in which reference is made to its "anti-imperialistic" policy]

The tasks of our party at the present time, as set forth in the resolution of the political committee, are those presented by the conditions of imperialism. American imperialism is able to win over large sections of the American workers by sharing with them a small part of superprofits and continues to extend its hegemony in foreign fields. However, the steady expansion of American capitalism upon an imperialist basis is accompanied by the enormous extension of the vulnerable surface which it presents to attack. Recent months have furnished striking evidence of the widespread movement for Latin-America unity against Wall Street. We cite particularly the present attitude of the Calles government in Mexico—its general Latin Americanism, its policy in Central America, its tendency toward cooperation with the All-American Anti-Imperialist League, and the decision of President Calles to send a personal representative to the Brussels world conference against imperialism.

Significant also are the developments of the Chinese national revolutionary movement, with its undoubted revolutionizing influence upon the Philippine independence movement, all the growth of the tendency toward an intercapitalistic front, with signs of a European debtor bloc coming into being against the United States.

The comintern has repeatedly indicated that a basic task of any party situated in an imperialist country is to stimulate and give aid to the nationalist and national revolutionary movements in the colonial and semicolonial countries under the heel of imperialism. This, together with the work among the American masses, form the basis of our party work. While our party has made considerable progress in anti-imperialist work, it is still far from a proper realization of the importance of this work. A far greater proportion of the party's resources must be utilized in anti-imperialist activities. District executive committees must have standing subcommittees on anti-imperialist activity, and these must be directed by capable comrades. The party machinery on a district, as well as a national scale, must be drawn into this work.

The anti-imperialist work has been greatly hampered by lack of sufficient comrades. The party must take measures to create and train a corps of comrades engaged directly in anti-imperialist work.

In spite of many handicaps we have done much to build the All-American Anti-Imperialist League into an organization engaged in actual struggle against imperialism. We have carried on systematic work inside of the Pan American Federation of Labor and have achieved some valuable results there. We have participated in work against United States imperialism in a number of Latin-American countries, notably Mexico, Porto Rico, Cuba, Panama, and Peru. We have also established some contact with the Philippine independence movement, although we have yet to establish our own nucleus there.

The main task for the period immediately ahead is the building of a substantial section of the All-American Anti-Imperialist League in the United States itself. This will be accomplished through the affiliation of groups organized around specific issues, such as hands-off-Mexico committees, etc. The Workers (Communist) Party must remain the central factor in the United States section of the All-American Anti-Imperialist League, grouping around itself as closely as possible other working-class organizations.

No effort must be spared to make successful the conference for Filipino independence, which is to meet at Washington, D. C., in accordance with the call sent out by the All-American Anti-Imperialist League in collaboration with other groups. With the cause of Filipino independence facing a serious crisis, and the communists appearing for the first time as the leaders of the whole movement in the United States for unqualified independence of the Philippines, the conference presents a valuable opportunity which, if followed up, will lead to direct results for us in the Philippine Islands.

The importance for our party of contact with the world-wide movement against imperialism can not be overestimated. Our party must make every effort to insure the sending of an appreciable delegation from the United States to the World Congress Against Imperialism, which is to meet in Brussels in January, of 1927.

EXHIBIT K, SHOWING THE WORKERS (COMMUNIST) PARTY OF AMERICA TO BE MERELY A BRANCH OF THE COMMUNIST INTERNATIONALE

The following is quoted from the "Program and Constitution of the Workers (Communist) Party of America," issued under the direction of the central executive committee of that organization, 1926:

"The Communist Internationale is an organization for waging class warfare for the liberation of the working class; there can be no reservation in the indorsement and affiliation with it. * * * Indorsement and defense of Soviet Russia with failure to advocate the soviet form of proletarian dictatorship in the United States is hypocrisy. * * * The Communist Internationale alone conducts the struggles of the proletarian for its emancipation. * * * The proletariat must destroy the bourgeois state.

"The Communist Party of America, the revolutionary vanguard of the proletarian movement, calls upon those of the toiling and exploited masses who accept the principles and tactics to join the ranks. * * *

"By the use of force the proletariat destroys the machinery of the bourgeois state and establishes the proletarian dictatorship based on soviet power. * * *

"The object of the class struggle, which inevitably develops into a civil war, is the conquest of political power. * * * The Communist Party of America section of the Communist Internationale is that part of the working class which is most advanced, intelligent, self-sacrificing, and class conscious. It is, therefore, the most revolutionary part of the working class. * * *

"The revolutionary epoch upon which the world has now entered forces the proletariat to resort to militant methods—mass action, leading to direct collision with the bourgeois state. Mass action culminates in armed insurrection and civil war. * * * There can be nothing else but a direct struggle between the armed forces of the capitalist on the one hand and the armed forces of the proletariat revolution on the other. In these mass strikes and demonstrations large masses of workers are united. New tactics and a new ideology are developed. As these strikes grow in number and intensity they acquire political character through the unavoidable collision and open combat with the capitalist state which openly employs all its machinery to break their strikes and crush the workers' organizations. The final result is aimed directly at the destruction of the capitalist state and the establishment of the proletarian dictatorship. This object can not be obtained unless the entire management is under the control and guidance of the Communist Party.

"The Communist Party will keep in the foreground the idea of the necessity of violent revolution for the destruction of the capitalist state and the establishment of the dictatorship of the proletariat, based on soviet power.

"The Communist Party will systematically and persistently propagate the idea of the inevitability of, and necessity for, violent revolution, and will prepare the workers for armed insurrection as the only means of overthrowing the capitalist state."

EXHIBIT L IN RE COMMUNIST PROPAGANDA ON "IMPERIALISM" AND AGAINST AMERICAN DEFENSE

The below is a copy of a circular issued and widely distributed by the Workers (Communist) Party of America and the Workers League of America in June, 1925, against Defense Day:

"Don't mobilize for Morgan.

"This is anti-imperialistic week.

"America's Independence Day is not to be surrendered to the capitalists and the militaristic freebooters after all.

"A new factor has appeared upon the scene, the All-America Anti-Imperialistic League, which has answered President Coolidge's proclamation of 'mobilization day' by a counter proclamation declaring the week of June 29 to July 4 to be 'anti-imperialistic week' throughout America. Representing predominantly national liberation, labor, and student organizations of Latin America, the league has issued a call to all anti-imperialist elements to unite in making 'anti-imperialist week' a mighty demonstration of international solidarity against American imperialism.

"Especially to you, exploited workers of the United States, is the call directed. Let us respond as one man in the name of the common exploitation that weighs us down.

"This week ending July 4 is anti-imperialist week!

"As our great 'national holiday,' the Fourth of July, approaches, we have less and less reason to make it an occasion for glorifying American capitalistic rule, in accordance with the proclamation of President Coolidge. The conditions of the working class are far from what might be expected from the fact that in the vaults of the American bankers lies more than half the gold in the world.

"Insufficient wages and long hours of toil are the rule of the day in every field; all pretense of maintaining an 8-hour work day has been laid aside. But that is not the worst. Unemployment has again laid its dread hand on the industries of the United States. More than 2,000,000 workers are walking the streets in a vain search for a job which will pay them enough to get food and shelter for their families. Moreover, the unemployment roll is swelling. Men who are working to-day live in constant fear that they will be laid off to-morrow.

"The uncertainty is the mark of wage slavery. It is due to the fact that though the worker is the backbone of industry the factory does not belong to him, even after he has given the better part of his life to it. It belongs to the capitalist, who 'provides work' only so long as it is profitable for him to do so.

"What we are now witnessing is a permanent increase in the army of unemployment.

"The profits of the bosses are greater than ever. At the beginning of 1925, 81 industrial corporations reported undivided surplus profits of $1,652,057,381. Monopoly profits may be realized, because every important industry in the land is dominated by a handful of individuals. There is the Oil Trust, the Steel Trust, the Copper Trust, the Electric Trust, the Sugar Trust, the Meat Trust. All that is left of competition on a large scale is the competition of the workers for jobs.

"When the workers combine to improve their conditions, they are greeted with police clubs. If they initiate a big strike, the militia may be called out against them. Injunctions are issued. Meetings are broken up. Strike leaders are arrested.

"For the Government is on the side of the bosses. This means that a handful of monopolists, who control American industry, also control the Federal Government. The policy of the Government is their policy. The power of the Government is theirs to utilize as they see fit—now in West Virginia, against the striking coal miners; now in far-off China, against the natives who revolt against foreign profit intervention.

"It is they who are behind the scheme of general mobilization on July 4. The real decision was reached, not in Washington but in Wall Street.

"Most powerful of all the trusts is the Money Trust, the narrow ring of bankers who control the flow of capital to modern large-scale industry and who make up the ruling obligarchy in our country. If the profits of ordinary monopoly are large, those of the important bankers are truly fabulous. Only a few days ago it was officially announced that the First National Bank of New York is on a dividend basis of 25 per cent quarterly, which means that the fortunate holders of bank stocks are to receive dividends equal to 100 per cent on their capital each year.

"In fact, the capital of the financial kings is increasing so rapidly that they can not find place in the United States to reinvest all of it.

"They cast their eyes abroad, to the so-called backward countries, where raw materials abound, where labor power is dirt cheap and land can be had for next to nothing. Confirmed monopolies, they seek to monopolize the oil of Mexico and Venezuela, the nitrates of Chile, the metals of Bolivia, as well as the virgin investment areas themselves. They even stretch their hands out for Europe through the medium of the Dawes plan.

"The natives (of foreign countries) must be 'colonialized'; that is, they must be virtually enslaved. Wall Street has the armed might of the United States Government at its disposal for this purpose. Many a Yankee soldier has been sent out to Haiti or Central America to fight and die for the National City Bank.

"In China to-day American troops are taking a leading part in the latest outrages against the Chinese people, which have as their purpose the redivision of China among robber imperialists. This is the capitalism of to-day. It is imperialism.

"Imperialism is the final stage of capitalism, resting on the system of wage slavery in the home country and bringing with it new and greater sufferings for the workers.

"Imperialism forces down the standard of living of the workers of the United States, because of the competition with the labor of more backward countries.

"It increases the insecurity of the working class family, makes unemployment a permanent plague.

"It allows bosses to ignore the demands of the workers by simply shutting down plants and shifting production to some other territory.

"It greatly intensifies the class struggle, at the same time opposing the poorly organized workers to a powerful, closely knit ring of finance—monopolists.

"It increases the size and mobility of the military forces to be used against the workers in industrial struggles.

"It results in devastating wars—the bloodiest and most tremendous wars the world has ever seen—tearing the workers from their families and sending them to kill and be killed on foreign battle fields, for the sake of the money kings.

"War is one of the regular forms of competition between the great militarized imperial trusts of modern capitalism. The imperialists of the United States, eagerly striving to force open the already closed door to the treasure house of China, come into open contact with the Japanese imperialists and the British imperialists. In making use of the Monroe doctrine to keep the door closed upon Standard Oil's domination of the petroleum resources of Latin America, they clash directly with the British imperialists who also want to monopolize this petroleum for their own purposes. There are a hundred and one other points of conflict, all of them leading the way to inevitable war.

"The next war is just around the corner.

"Wall Street wants war, and wants it soon, because it feels that it is now in a position to annihilate its strongest rivals.

"Hence the great propaganda against the 'yellow peril' and for 'white supremacy' in the Pacific. Hence the 'friendly' maneuvers of the United States fleet in far off Eastern waters. Hence the widespread development of military training camps. Hence the drilling and training of workers' children in the public schools.

"Hence President Coolidge's call for a general mobilization on July 4, the innocent 'defense test'—to test the willingness of the American workers to defend Morgan's investments in Europe, Latin America, and the Far East.

"The American workers must answer this call with a loud 'No'!

"We must refuse to 'mobilize' for Morgan's next war!

"Let us mobilize, not for Morgan, but against Morgan!

"The proclamation of the All-American Anti-Imperialist League points the way.

"The American trade-unions should be the first to take up the vital struggle of the workers against imperialism. Many of them have already shown their determination to do this. But the bureaucratic officialdom of the trade-unions is not anti-imperialist, but proimperialist. The complacent $10,000-a-year labor leaders are themselves enjoying the fruits of imperialism; the extravagant profits wrung from the toil of colonial and semicolonial peoples enables the imperialists to share a small portion with the so-called aristocracy of labor, a form of bribe money of which the labor fakers are the first to take advantage.

"These 'labor leaders' do not live the lives of workers. They do not represent the interests of the workers. They interfere with every attempt to strengthen the unions by amalgamation.

"They sabotage the movement for the formation of a labor party to give political expression to the workers against the political parties of the bosses.

"They lead the workers to the slaughter whenever a new imperialist profit war breaks out.

"It is from the rank and file of the trade unions that the struggle against capitalist exploitation gets its urge.

"The American workers have one staunch ally, Soviet Russia, which has already vanquished capitalist rule over one-sixth of the surface of the earth and which is bound by ties of revolutionary solidarity to the working-class movement everywhere.

"Another trustworthy ally is the oppressed colonial and semicolonial peoples, the victims of American imperialism in Hawaii and the Philippines, in Porto Rico, in Haiti and Santo Domingo, in Cuba, in Mexico, in Central America, in Venezuela, in Bolivia and Peru.

"These people pay toll to Wall Street no less than we. They are the worst exploited of all. And they are struggling to be free.

"The separate struggles for national liberation have now been united, through the formation of the All-America Anti-Imperialist League, which the American workers have also been invited to join.

"It has put the workers of the United States before a test which is far more direct than President Coolidge's 'election test.' With the United States troops actually occupying foreign territory, the supreme test of the sincerity of every class-conscious worker in this country is militant opposition to American imperialism.

"The week of June 29 to July 4 will be anti-imperialist week throughout the American continent. There is to be a solid week of protest and propaganda in every Latin-American country.

"'Anti-imperialist week' must be celebrated still more widely, still more militantly in the United States itself by American workers.

"The revolutionary working class must be the champion of every oppressed people. Our dead comrade, Lenin, emphasized time and again that no people can be free that oppressed others. The struggle of the American workers and that of the oppressed nations is one.

"The capitalists realize this full well, as is shown by their treatment of the brave soldiers, Paul Crouch and Walter Trumbull, who dared to form a communist organization in the imperial domain of Hawaii.

"The Workers (Communist) Party of America takes up the call of the All-America Anti-Imperialist League in a spirit of comradeship and revolutionary duty. Our party will do everything in its power to make the anti-imperialist week a real mobilization of anti-imperialist forces in this country. Every unit of the party will take part in it. Our publications will issue special 'anti-imperialist' editions. To all working-class organizations we appeal to unite with us in joint mass meetings and demonstrations during anti-imperialist week. We invite the trade-unions, the Socialist Party, the Industrial Workers of the World, the Proletarian Party, and all Farmer-Labor Parties to present a common front with us on this issue.

"We invite negroes and representatives of negro organizations to speak with us from the same platform.

"They are fighting our enemy, American capitalism, on the 'foreign front.'

"The paid press agents of imperialism tell us that the United States has entered these territories 'for their own good,' that American rule is beneficial, that the natives like it, and that 'only a discordant minority' opposes. This is the hypocritical language of imperialism—the same as that used by the British imperialists in India and by profit-seeking imperialists everywhere. What are the facts?

"The Filipino voters have time after time demanded immediate independence from the United States. Both Houses of the Filipino Congress are completely in the hands of the Independence Party, led by Manuel Quezon, who has just scored another overwhelming victory at the polls; Porto Rico has already forced the recall of one American Governor General, and against the open hostility of American officials, has kept in office a legislature elected on a platform of national independence.

"The people of Haiti and Central America have used every means to free themselves.

"And especially do we extend our fraternal appeal to all members of the Chinese Kuo-Min-Tang Party and to Filipinos and Latin-Americans in the United States.

"A united struggle of the working class with all the oppressed peoples of the world will put an end to capitalist rule and usher in the dawn of a society free from oppression of class by class, or race by race, or nation by nation.

"We call upon the American workers to demand:

"Unconditional independence for the Philippines, Hawaii, and Porto Rico!

"Withdrawal of all American military and naval forces from China!

"Withdrawal of all American military forces from Latin-America!

"Hands off Mexico!

"Down with the Dawes plan, Wall Street's scheme for enslaving American and European workers alike!

"Equal rights for negroes with whites!

"Unconditional release for Crouch and Trumbull, victims of American imperialism!

"Enter the American political struggle as a class and form a labor party.

"WORKERS' PARTY OF AMERICA,
"WILLIAM Z. FOSTER, *Chairman*,
"C. E. RUTHENBERG, *Executive Secretary*.
"YOUNG WORKERS LEAGUE OF AMERICA,
"JOHN WILLIAMSON, *Secretary*."

EXHIBIT M IN RE "HANDS OFF" PROPAGANDA

The following is an account of a meeting of communists held at Cleveland late in July, 1925. (See also Exhibit N.) The Ben Gitlow mentioned as the speaker was convicted of criminal syndicalism in New York, but pardoned by Governor Smith. Gitlow is a director of the Garland fund, to which reference was made in the address.

Introducing Gitlow, Swabeck, in part, said:

"'I now have the best part of this program to announce. We have with us to-day a man who is in every way a real communist—a communist in deed and action, a comrade who, though bitterly persecuted by a ruthless government, has never stopped fighting; a comrade who, when sentenced to a long term in Sing Sing Penitentiary, served that sentence and never dropped the red flag of the workers, but kept up the fight and was still fighting when he came from prison; a comrade who has again been sentenced to that same hell-hole for another long term; and a comrade who, in spite of the fact that he must go back to prison, is still fighting and will go on fighting until he dies! Comrade Gitlow.' [Long and sustained applause.]

"Gitlow took the stand amid cheers and vigorous applause. He started to speak, when a group of Jews stood up and started singing the International in Jewish. Everybody stood up until the song was finished. The high lights of Gitlow's speech follow:

"'As I look on this audience to-day and note the fact that at least 18 races are represented here, and see a white man, a colored man, and a Chinese on the speakers' stand, my greatest wish is that the House of Rockefeller, the House of Morgan, and Czar Mellon, of Pittsburgh, might be here and realize just what is happening; that they might see this example of true international communism. They would see represented here all the downtrodden and oppressed races. * * *

"'A representative of the colored race spoke. Do you know that there are 12,000,000 colored people in the United States, and that they are denied all rights due them? Twelve million! Just think what they could do if they were solidified into one militant organization. That time is coming. The big labor organizations are being forced to recognize them and are making a bid for their support. They will be a big factor in the coming revolution. * * * They are learning a bitter lesson now, where, in West Virginia, in company with white workers, they are being thrown into jail for peacefully picketing scab mines. * * * In the Pittsburgh district Czar Mellon has said, "If you will not work, you can starve," and proceeded to close down 52 mines, throwing out of work 14,000 miners with wives and children to support. * * * This Government which claims to be the champion of the oppressed people sends its warships and troops to China, but do they send them to aid the oppressed workmen in China? The Chinese coolies lying in their own blood in the streets of Shanghai is the answer to that question. * * *

"'They "spout" about their territorial rights; their rights—what rights have they in China? Who gave them any rights? Did China ask them to come? No. There are over 100,000,000 people in this country, and 99 per cent of them will never see China. I am sure I have no rights there. * * * The other foreign powers have no rights in China, and when they are talking of rights—the only right thing to do is for all foreign powers to withdraw from China and keep their hands off China. * * *

"'The tide of rebellion is relentlessly arising in China and the Kuo-Min-Tang Party is leading it. The only nation that is not demanding any rights in China, the only nation that is truly a friend of China, the only nation that stands to help China in this crisis is the Soviet Republic of Russia—the Soviet Republic of Russia with 160,000,000 of militant workers. * * * China has 500,000,000 people, and when the Kuo-Min-Tang Party, backed by the communists in Russia, come into power, and those 500,000,000 people become militant, disciplined workers and soldiers, then will the rest of the world look out, for communism will rule the world, and we will have a real proletarianism of the workers of the world. * * *

"'The conditions which exist in China we find all over the world; in Morocco, France is vainly trying to force her imperialism down the throats of the militant Riffs; in Africa and India millions slave under the ruthless heel of British imperialistic domination; in Haiti, Santo Domingo, the United States marines force the helpless natives to bow by force of arms to the dictates of Wall Street. What right has this Nation to dictate to Haiti or Santo Domingo? None. In this vast country there is room for all, and there is no need for us to attempt to acquire extra territory or to infringe on the rights of the workers of other nations; and I say, Haiti for the Haitians, Morocco for the Moroccans, China for the Chinese; let the imperialistic nations keep their hands off China, hands off Morocco, hands off Haiti, hands off Santo Domingo; down with imperialism and up with the red flag of the Soviet Republic of the World.'"

EXHIBIT N IN RE "HANDS OFF" PROPAGANDA

The propaganda of "hands off" China, Mexico, Nicaragua, and other countries where the communists have been sowing their seeds of revolution is not new. The below is a report of a communist gathering in Pittsburgh late in July, 1925. The report follows:

"Among the speakers was a Chinese communist. Chairman Arne Swabeck, a well-known communist leader, in introducing him said:

"'For the first time in the history of the Communist Party in Pittsburgh, we have with us a representative of the Kuo-Min-Tang Party of China. This comrade is the local organizer of the Pittsburgh branch, and is a student here. He will give us a first-hand account

of the terrible condition which exists in China under the imperialist powers.'" [Loud applause greeted Chang as he took the floor.] He said in part:

"'I am very grateful for this most enthusiastic reception, and in return for the sympathy which you are showing, I do not know what to say or do, for I did not expect such sympathy. * * * I will tell you about the conditions as I know them in my own country. Confucius, our great Chinese philosopher, once stated in effect that "all men are brothers," and this is my belief—that all peoples are brothers and sisters, regardless of color or creed, and the students and workers that are being shot down in China are your brothers and sisters. * * *

"'Eighty-five years ago the Chinese door was opened to foreigners, and at that time exploitation of the Chinese people began. The imperialist powers were satisfied with little concessions at that time, but have increased their demands until they became so oppressive that they caused the condition which exists in China to-day. * * *

"'At first the Chinese people thought that the wrongs inflicted on them were not due to the governments involved, but to those in authority representing them in China. But as conditions grew worse and no attention was paid to the protests of our Government, we realized that the foreign powers were to blame. The Chinese are a very patient people, a very patient people. And we have been patient 85 years. * * * We are going to be patient no longer, and the organization of the Kuo-Min-Tang Party is proof. * * * The time has come when we must fight, fight, fight. [Loud applause, especially from the negroes, one behind shouting, "Yes; we will fight like h—."] Give us liberty or give us death. The Chinese worker must have liberty to-day. Men and women work in the foreign factories in the Shanghai district for periods of 12, 14, and 16 hours, for a wage insufficient to live on, and children 8 and 10 years of age work the same hours for half that wage. * * *

"'Under the leadership of the illustrious Dr. Sun Yat Sen the Kuo-Min-Tang Party was organized in China, and through this party the Chinese workers were educated in the principles upon which the party was based, and when the textile workers in the English factories struck for a living wage and the students showed their sympathy for this movement, the foreign powers became alarmed and took steps to put down this so-called rebellion. Students and workers were shot down in the streets of Canton and Shanghai. * * *

"'These events have turned the eyes of the world toward China where, under the leadership of the Kuo-Min-Tang, the Chinese workers are preparing to throw off the yoke of servitude they have borne for the last 85 years. * * * The Chinese are greatly misunderstood. It is thought that we do not like foreigners. We do like them and extend our hand in sympathy to them when their aims and ideals are the same as ours. The allied powers have abused our friendship. They have failed to give us, as you say, a "square deal," and the only answer to their actions is through the Kuo-Min-Tang Party who say to them—"Hands off China—Down with imperialism—Liberty and equality for all races."'" (A profound bow from the speaker, and prolonged and vigorous applause from the audience.)

EXHIBIT O IN RE COMMUNIST PURPOSES

The following are extracts from remarks of prominent Russian communists made public through official papers shortly after the printed announcement, in November of 1926, that the Soviet Republic would slow up on its program of confiscation and commence to recognize private property rights:

"Bukharin: Our revolution is the constructive part of the great international revolutionary process, which includes colonial wars and national revolutions, proletarian risings and incomplete proletarian revolutions, victorious revolutions and all the revolutions yet to come. These will come, for we have finally entered the era of wars and revolutions. * * * We are all here actual international revolutionaries, and we therefore do not shrink from a discussion of an attack against the capitalist countries. * * * For us our revolution is simply the center of a world revolution."

"Molotoff: We have always said, and we repeat to-day, that the ultimate victory of socialism is possible only on an international scale. * * * On the other hand, however, we must realize that the U. S. S. R. is surrounded by countries which are on a higher economic level than ourselves, and therefore the growth of socialism in our country is a powerful factor in encouraging revolution in other countries. With each new success in our own country we are helping the world revolution. * * * And, as a matter of fact, we are combining all our efforts in creating a socialist state here with the interests of the workers of the rest of the world and the proletarian revolution. This can be specially seen from the fact that we are combining our work in a real revolutionary manner with such basic movements in the world revolution as in Britain and in China. * * * The U. S. S. R., the rising British workers, and China's revolutionary forces are the three roads upon which world revolution is traveling toward victory. * * * The policy of the party is the policy of the victory of socialism in our country and at the same time a policy for the final victory of socialism on an international scale. The workers in other countries know that we are not bad internationalists; they know that we are Bolsheviks and that we work only in the interests of the international workers' revolution."

"Osinsky: It is correct to say that we are building socialism in one country not for ourselves alone, but that we are doing this in our country for all, for the whole world. We are building it on an economic basis, and therefore we are taking into consideration the needs of the proletariat in the rest of the world. All our experience will come in useful to them and they will make use of it. But not only in the economic sense, but in the political and military sense, everything that we are doing here and now will be of immense value to the world revolution. Even our military work will assist the world's workers in a practical sense. Who can thus without hesitation proclaim that we have erected here in Soviet Russia a fortress of socialist culture and that we are building socialism in our country, and that we are fighting for world socialism, and therefore we are doing a great work for the world revolution and for the world's proletariat."

"Pravda: We are building socialism in the U. S. S. R. because it is our first international duty. The victory of socialism here is the most correct and the most reliable means of carrying revolution by way of victories in the other countries of the world. Our peaceful gains may become the decisive factors in the most acute class battles for power which are being prepared in the west. This we must never forget. * * * The gigantic globe of world revolution is turning slowly but surely, year after year, toward us. The cataclysm in front of the capitalists is becoming blacker and blacker. The blows that are breaking the chains of slavery are becoming louder. And it is becoming clearer that the world is taking the road shown to it by our revolution."

EXHIBIT P, SHOWING CONDITIONS IN MEXICO AT THE PRESENT TIME

The letters below, sent out of Mexico City on the dates indicated, give a rather perfect picture of certain conditions in that country. The writer must, of necessity, keep his identity buried. He, however, is known to be reliable and his statement would be accepted as true by anyone knowing him:

MEXICO, *January 23, 1927.*

The news on the international situation, as published here, has caused doubt and confusion among foreigners. No one knows what to believe. The action of the Senate Foreign Relations Committee seems incredible to us here, as does the stand taken by some of the large newspapers and prominent men up there. It looks as though it were now obligatory upon President Coolidge to lay his hand upon the table and show all the cards. The mass of evidence and proof his Government possesses, when shown to Congress, will gain him unquestioned support and it were well he publish the main evidence even though this outfit down here took it as an insult and declared war. The people of the United States should be made acquainted with facts and proofs when they also would back up the President, notwithstanding the stand of the opposition—both questionable newspapers and politicians.

It has been rather discouraging to receive such news as has been presented here the last few days. Beyond doubt these have caused the court decisions against granting of amparos to the oil companies. The news fits in nicely with the decisions. They believe that their propaganda in the United States has developed such formidable opposition to the administration's Nicaraguan and Mexican policies that President Coolidge is checkmated and can do nothing but bow to the will of President Calles, of Mexico, and who immediately proceeds to shove ahead the plan for confiscation of oil lands and rights by having the courts refuse the demands for amparo. They persist in their intervention in Nicaragua and only to-day assert that the usurper Diaz is about to be defeated and deposed by Sacasa—the creation of Calles.

They don't relent nor modify any of their projects—be it confiscation through legal forms or establishment of soviet methods and governments to the south. From these court decisions it looks the confiscation process is to be hastened and why should they delay when they are informed that the United States Congress will not permit the President to use any force with Mexico during the recess of Congress. Why, they can't help believe but the whole of the United States is with them and against the President. And in view of their supposed almost unanimous support by the people of the United States they will go ahead a little faster with their intentions and have even taken a renewed persecution against the clergy and church. The clergy are openly accused of instigating the present revolution and the Minister of Interior infers what they will now do to the clergy—and we know what that means.

The churches are being denuded of the buildings attached to the main churches, which are being confiscated for public uses of different kinds. Now comes the famous Patriarch Perez—lately ordained archbishop of the Mexican Apostolic Catholic Church—another creation of Calles's—who petitions the Government for 50 per cent of all the churches for the use of his own church. It's a farce but involves tragedy and the outraging of the soul of an entire nation. It shows to what extremes these men go in their hatred and odium and that

there is nothing they are not capable of doing. We can only trust that President Coolidge will convince Congress and the people that he knows best and while slow to take open and final attitude on questions between Calles and the United States, that when he did do so he did what is right and the only thing to do as President.

As things stand to-day Calles and his group stand before the Mexican people as heroes who have defied the great United States—and won out—that their oppression of the people—confiscation of properties and liberties of the people—their ruinous laws of all kinds bringing disaster and property upon the race—are justified and right, else the great American people would not have accorded him their support as against their own President. That's the flowery position enjoyed to-day by Calles. Hunger and desperation of a nation counts for little when he can show the support of the American people in opposition to their President and in his favor. The Government press insidiously presents news and comments daily to convey this impression and belief. There is no other press.

The Controversia, the only opposition paper being published, has suddenly gone out of existence. Toleration is unfamiliar to the Turks. To-day they make capital out of the New York World's article, "The birth of a new Mexico." It may mean a "new Mexico" hunger ridden, dying industry, unproductive agriculture, mines and furnaces shutting down, no work, no employment, hunger, suffering, deprivation of religious consolation, the only inheritance of the people, revolution, revolts, Yaqui wars, crime waves exceeding all others as a result of conditions, flight of native and foreign capital from the country to the United States for safety, persecutions of all kinds, imprisonments, official assassinations, and what not else; all this on one side of the "birth of a new Mexico," while on the other is the sudden wealth of the official class, the congressmen, the governors of States, and their proselytes, and an army of grafters, exploiters of the people's taxes, the Bolshevik labor leaders and their hangers-on, all flashing their wealth, jewels, automobiles, mansions and flashy clothes, while the afflicted nation suffers, and suffers without the right to their religious and spiritual consolation of their church. There is but one result to all this, which the World does not depict, and that is revolution. Desperation reaches that point where men prefer to die fighting than by slow torture. And revolution there is, notwithstanding the declaration of Minister Tejeda that it had been completely suffocated. Wait and see.

The woman, Madam Kollantay, from Russia published several articles in the Universal Grafica, a virtual propaganda against the United States—irony, satire, and ridicule were her arms. But the Government organ, Yunque, protested against her open methods as being too offensive even for a Government paper. She closed up—at least in print—but no one believes she has desisted from her propaganda. She added to the immoral examples the revolution has been placing before the people for 16 years an even greater immoral advice to women—married, single, of age, or under age—and that is, that the ceremony of marriage is not indispensable for a woman to practice matrimony. Of course, such as this tickles the vanity and coincides with the moral status of almost all the great revolutionists, leaders, and saviors of the fatherland, whose strong point is young girls and more young girls, and then some more. Sensuality to the point of bestiality is the virtue that goes to make up a real man—in the minds of most of the men of the day—controlling the destinies of the nation.

The law permitting reelection has been published, therefore is now in vigor and will permit the reelection of Obregon without question later of legality. There is many a slip, etc., and O. had better have a care, as the people will have none of him, and this reelection business has broken the ranks of the revolutionary group into fragments and promises to divide them into two parties that will take arms up, one against the other. No one believes that this government will last long enough for it and O. to decide who shall be President after C. The delay in raising the embargo on exportation of arms and ammunition from the United States has hampered the more rapid growth of the revolution. But conditions are such that the people must get out and fight or be gradually strangled to death in one way or another, and fight they must with whatever arms God can furnish them, as God is surely on their side. It will take longer for them against modern rapid firers of the army, but they will get them also somehow, mostly from the army itself, unless the embargo is lifted.

They have let it out that this embargo talk has precluded the lifting of the embargo. So it goes; but desperation will know no limit to possibilities, and in the end the people must reign and not an insignificant minority through monetary force. Now comes the announced visit of Obregon to the capitol. It is said he will take back some five millions with which to buy off the Yaquis and thereby release the large army that is up in Sonora trying to hold them down. Such would be bad for the revolution, but others say it would but delay matters. Their determination seems to be unbreakable.

The Government has now refused every petition of the railroad men, and there is reason to believe a real strike will result within the next week or so. There are 50,000 railroad men who have refused to align themselves with the C. R. O. M., and the whole affair is the manipulation of the C. R. O. M. to destroy the union composing the railroad confederation of railroad workers. The C. R. O. M. stops at nothing and has intrigued for years to force the railroad unions into subjection or destroy them. Now comes the rub. This contest may be final, may help overturn the Government itself, or, to the contrary, the C. R. O. M. may impose its will and laws on the railroad operators. The C. R. O. M. is Calles and Morones.

MEXICO, *January 22, 1927.*

The First Federal Court of the Federal District has refused the petition for amparo made by four of the oil companies. These decisions are inspired by the Government, and in this case it is believed to be the direct result of the action taken by the Committee on Foreign Relations of the United States Senate in approving the re-formed resolution of Senator Robinson and the supposed weak position of President Coolidge in his attitude toward Mexico as a consequence of the resolution. The attitude of the Committee on Foreign Relations, the several Senators and Representatives and the newspapers like the World have contributed to the conviction by Calles and his Government that President Coolidge has been checkmated and made impotent to carry out his intention to prevent the confiscation of American-owned oil lands and rights in Mexico.

It is the conviction that had the resolution of Senator Robinson been refused that the court's decision here would have been different and the amparos or injunctions would have been granted and the petitions passed to the Supreme Court for final decision. Every indication is that President Calles shows no intention of relenting, but by his court decision means to persist in the execution of the laws in question, which have been termed as legalized thievery by those interested in such properties. It is also the belief of foreigners here that the play of politics in Washington has caused President Coolidge to keep secret the proofs his Government possesses of the secret Bolsheviki procedures of the Mexican Government in connection with Nicaragua and the oil laws here, and that it is time that President Coolidge took the Senate into his confidence and showed his full hand, which would gain him the united support of Congress and consequently of the American people in his stand against the action of Calles both in Nicaragua and Mexico.

As a proof that Calles does not relent in any of his anticapital policies it is announced that he is to call an extra session of Congress to take final action on the pending labor laws. These laws are in harmony with all his previous legislation and are radical and so favor labor as against industry and capital that the finishing touches will about be applied to these through the passage of the pending legislation.

It is announced that ex-President Obregon is to arrive in Mexico City the coming week. It is also said he is coming for some 5,000,000 pesos with which to bribe the Yaqui Indians into submission and thus free the main nucleus of the army now detained in Sonora by the Yaqui war, and enable the transfer of that army to the interior sections of the country now overriden by revolution.

Mexicans take for granted that the arbitration between the United States and Mexico is an accepted fact and no doubt exists in their minds on that point, due to the propaganda effected in the local press during the last few days and the manner of presenting to the public the information and comments. Arbitration means for Mexico that the legality of their radical constitution would be decided by a third party—some stranger. It is inconsistent that any country should submit its own constitution to such a criticism. It is rumored around that the arbitration agreement as proposed has precluded the possibility of the United States raising the embargo against the exportation of arms and ammunition. This rumor is also inspired. It is intended to discourage the rapidly growing revolution.

MEXICO, *January 24, 1927.*

With the realization that the President of the United States will not permit the confiscation of property and rights of its citizens by foreign governments and that arbitration, which the Government press has led them to believe was settled matter, would not be adopted as a means for settling the questions pending between the two countries, the usual tactics in such cases have been inaugurated for exciting the people and arousing their ire. Yesterday was notable for its two mass meetings, where fire-eater orators vilified and condemned the United States, its Government, its classes and citizens, and quite successfully excited the audiences to the point of passion and hatred desired.

One meeting was organized by the famous Bolsheviki Crom, and the other by residents here from all other Spanish-American countries. In the first meeting the deputy to congress and prominent labor leader, Jose F. Gutierrez, made the principal speech, which is noteworthy only for his insults and defamation of the United States, and in the object of arousing the audience to passion and odium. The other meeting was even worse in vile denunciation and vilification of the United States, its President and Government. The two main orators were Hernan Robleto, subsecretary of education in the so-called government of Sacasa, of Nicaragua. His talk was of an indignant vein, marked by its intense insults toward the United States and a complete defama-

tion of the President and his government. The other was Lawyer Isidro Fabela, ex-secretary of foreign relations for Mexico. This speech was even more violent and offensive than the several predecessors, and resulted in the most insulting and defamatory accusations and virtual blackguardism, and in exciting the audience to the degree of passion aimed at, and the meeting terminated with the mass of followers of Bolshevism flowing into the streets shout death to Coolidge and Kellogg and to the gringo in general.

These tactics are understood by the foreigner here, but not by the native. They are intended to incite the public to passion, hatred, and odium and thereby support the government in the subsequent events that may occur. The audiences were composed almost entirely of the syndicate classes, those influenced by the Russian Bolshevik and Soviet teachings and the classes that are controlled by passion and hatred and not by reason and intelligence. Under excitement there is no crime they will not commit. On such as these the words of Fabela, "It shall not happen; but the day Mexico falls, woe be to Latin America," and others even worse can easily be imagined. With such inciting we may say that in case of a serious break between the two countries woe be to the unprotected and isolated American down here.

It is high time that the Washington Government take due notice of these vile orators, who incite their people to crime, and who are usually but currying favor with the Government for personal benefit. All of them, after insulting and vilifying the United States, its President, Government, and people, on one of many occasions, will at some time either flee to the United States for protection as a refugee or to spend there in opulence the ill-gotten gains, result of theft, graft, or exorbitant gains from politics or the nation's coffers. Without exception, each and every one of them at some time goes to the United States for personal aims. It is due time such should be blacklisted and not permitted at any future time to enter the United States. The dignity of the United States demands such a black list, and such men not be permitted to step on the soil they so bravely insult down here on occasions like yesterday's. The United States embassy and consulates can furnish names of those who in the past have merited exclusion from the United States and from day to day report those who continue to vilify our President, Government, and people.

It is realized to-day that President Coolidge has enlightened the Senate and obtained their support and that the confiscation of American property and rights will not be subjected to arbitration. The people will soon realize matters and support him also. The effect of this is already observed in the treatment of court decisions for amparo or injunction against the Government's acts by the oil concerns. The latest decision refuses the injunction suspending the Government's acts, but opens the way for "revision," which means the petitions will eventually reach the supreme court for final ruling. The decision also grants that part of the petition regarding acceptance of denouncements by others on the lands in question and suspends the right of the Government to accept such denouncements until final decisions are reached. These court decisions are a reflection of the international thermometer.

Few reports of rebel activity get into print, but it is known that in every part of the country there is no abatement in revolutionary movements. No report is published of an all-day and yesterday engagement beyond San Angel, suburb of the capitol, and the sound of which was audible from most parts of the city.

It is stated that machinery purchased in Germany will be installed during this month that will enable the Government to manufacture all its own ammunition. Also said that it is already manufacturing rifles with machinery brought from the same country.

The Crom organ, El Sol, continues its attack on R. Capitran Garza, denouncing him in violent language, and including the clergy along with him.

MEXICO, *January 25, 1927.*

The international situation occupies all minds with increasing interest, and foreigners, especially American residents, are laboring under considerable anxiety. Many conjectures are made about what may be expected and the different versions are interesting. The majority of Americans are inclined to expect the sudden withdrawal of Ambassador Sheffield. The news announcing the cancellation of the drilling permits to those concerns which did not file their titles on December 31 and ultimo is looked upon as inviting the final break between the two countries. Others state they believe Ambassador Sheffield will not leave unless given his passports by the Calles government, but that he will remain even in the event the United States lands marines to occupy lands confiscated or ordered to be by the courts or by the government.

The conviction is now unanimous among Americans here that there will be no arbitration on this point. The menaced oil companies are fast closing down their work camps and throwing thousands of labor out of work. From the highest sources it is learned to-day that nearly all the oil industry will be closed down within the next week. The action of the courts in making decisions on the oil petitions for injunctions is watched anxiously. No sign of relenting or modifying his policies can be observed by Calles or his government. The press has renewed its method of propaganda to create the belief that the opposition and majority of the people of the United States will checkmate President Coolidge's determination and that he will be forced into arbitration. To-day's action by the United States Senate on the Robinson resolution is awaited with great interest, and most Americans are convinced the Senate will back the President at this stage of the proceedings. Naturally little else is talked about among foreigners.

Mexico of to-day is not that of 20 years or even 10 years ago, and the immorality of the revolution and the governing class emanating from it during these years has demoralized, degenerated morally the whole race, and with the teachings of the Bolsheviki and soviet methods and history—propagated through the labor syndicates—nearly all social classes have yielded to these influences. To-day unbridled passion rules them, and under excitement any and all crimes are committed that in former times was so only in minor degree. On Sunday last the practice of exciting the people to crime was inaugurated at the two mass meetings held for that purpose.

The incendiary speeches are but the beginning of what may be expected as the tension grows or a break occurs. Passion, hatred, and odium will run rampant and dominate a large percentage of the masses in the larger cities especially, and the great danger to American lives is foreseen unless they are withdrawn in advance by the Washington Government. While the people almost as a whole are bitterly against the Calles government, yet under the scientific agitation and propaganda already foreseen masses of them will be aroused to vengeance against the unprotected and indefensive American found here. This is meant as a forewarning to our Government.

The government continues to announce the coming submission of the Yaqui Indians, which few believe, but understand as meant to discourage the new revolution. It also publishes a list of defeats of rebels in many sections of the country. Yet the revolution continues to grow and many reports of rebel activity continue. On Sunday the 23d an all-day engagement took place on the limits of the Federal district and the firing was distinctly heard from many points of the city. To-day it is reported on excellent authority that Gen. Gustavo Salinas, one of the most respected army officers and late defeated candidate for the municipal presidency of the capital, has joined the rebel forces.

MEXICO, *January 26, 1927.*

The news to-day of the passage of the Robinson resolution by the United States Senate is the sole topic of conversation. Contrary to the expected, the opinion is almost general that the action of the Senate will have little weight in the solution of the questions pending between the two Governments. The Government-controlled press presents the news in the usual manner to convey the idea that the action of the United States Senate is entirely favorable to Calles. However, close reading reveals that there is no exuberance manifested and plenty of room for doubting the effect of the resolution.

Foreigners continue in their former belief and state that the action of the Senate can not alter the stand taken by President Coolidge to protect property rights of Americans from confiscation, and that the action was one of policy on the part of Senators to prove to the world at large that the United States was employing the limit of tolerance and patience with this Government, which has made war upon all capital, especially on foreign, in all its legislation during the last few years.

The belief prevails that the Washington Government can not avoid action to prevent confiscation in view of the judicial action now under way here to consummate the confiscation in question. These will have been affected during the process of time necessary for arbitration, if such were possible, and that the Senate well knew this, but went on record before the world as a policy to prove to the other nations the spirit of tolerance on the part of the United States.

The statement of the Minister of Industry and Commerce regarding the cancellation of drilling permits, in which he states that all such permits were conditional, strings tied to them, whereby the Government could cancel them at any time, merits no consideration, in view of this statement admitting deception in the wording of the permits, and to the fact that the minister signing is one whose word merits no respect from foreigner or native. He is the creator of the Crom and all the Bolshevik labor syndicates that have ruined the industry of the country. Nothing said over his signature should receive any attention. He is mentioned here merely because he admits that the permits granted the oil concerns were tricky.

Deception has been employed from the start of the arbitration proposition. Calles announced that he would welcome arbitration in a speech to the visiting tourist he had brought here to study conditions and broadcast in the United States the purity and patriotic efforts of this Government to build up a new Mexico. But neither he nor his Government has made any official proposition. Nor can it be seen how they dare do such a thing, which would be submitting their own constitution to the opinion of strangers as to its legality. Nor can the United States witness the confiscation of the property of Americans, pending any attempt to arbitrate its constitutional duty to prevent such confiscation. No such proposition can come from the United States, nor has Calles made any official proposition to that end.

The deception is clear. Effort is evidently being made to have Chile, Argentine, or Brazil make friendly advances to both Governments, whereby they may bring about an agreement for arbitration. The whole thing is full of deception and trickery, and in the meanwhile the court process continues whereby the properties will be confiscated—with or without arbitration.

No one is paying any attention to other news, such as the probable submission of the Yaquis, the surrender of hundreds of rebels in different parts, the political disruption of the controlling party in the Federal Congress, nor any other matter that at other times would cause comment. Little of the news is given credence, but there is satisfaction that the Bolshevik group that controlled this congress has lost the majority, even though a worse group takes its place, which is very likely, and rebel movement continues and the country is in a state of insecurity. Executions of reported-to-be rebels continue on wholesale scale. Persecution of the clergy is even more intense and priests are hiding out, sleeping in different places at night, as large numbers of them have quietly been captured and disappear not to be heard of up to the present time.

MEXICO, *January 27, 1927.*

It is persistently repeated that the Minister of Finance Pani will leave his post the end of this month and be succeeded by Señor Mones de Oca, the present national controller, and who but recently returned from a visit to Washington and other centers of the United States where he investigated government modern methods of accounting with the object of effecting reforms and economies in this Government's methods of conducting accounts and systems. Considerable interest is felt regarding the separation of Mr. Pani, who is looked on as the one competent member of the Calles cabinet.

Notwithstanding the effort made to make capital out of the Senate passage of the Robinson arbitration proposal and the presentation of the news and criticism adverse to President Coolidge in a manner to lead public opinion to believe that Calles has checkmated President Coolidge in his Mexico policy, there is shown no optimism but rather considerable skepticism over the relations between the two countries.

After more mature thought the conviction seems to be general that the arbitration proposition is not practical and quite impossible. The cancellation of the drilling permits and the court refusals to grant permanent injunctions against the Government, judicial proceedings toward confiscation of the properties in question, indicate there is no relenting on the part of the Calles Government, but that the intention is to go right ahead and confiscate no matter what the stand may be by the Washington Government. The courts are complying with the Government's desire, if not orders.

In refusing the injunctions, they sustain the Government's international policy and confirm the legality of the constitution and laws regulating same. However, the door is left open whereby the supreme court can decide the point as it should do if permitted by the Government. This open door is the right to demand of revision, the cases then going to higher courts and eventually to the supreme court. The supreme court is known as revolutionary and a supporter of the constitution and all the laws passed regulating same.

However, if necessity were such and to avoid not only a break in international relations with the United States or prevent armed intervention, the supreme court could or might or may rule that the laws are retroactive as regards all land leases and titles previous to May, 1917, and therefore illegal as far as such are concerned, and which would grant Washington its contention, or it could rule that the laws were confiscatory and only through cash indemnity of values could the Government expropriate the lands.

As stated, the door is left open as an ultimate recourse should the Calles Government desire to work out of the mess in that manner. At the present moment there is no idention other than the continuance of the confiscation process by the courts.

No interest is manifested in other news, such as the fights between rebels and federals, the deaths reported of many rebels in daily engagements, the execution of rebels and prisoners captured, all these said to be caught with arms in hand, but most of whom are known or supposed to be enemies of the Government and are taken from homes or elsewhere and executed. The usual methods employed by all the governments during the past 15 years. It is but adding fuel to the fire and hastens the end.

EXHIBIT R, SHOWING COMMUNIST MEETINGS IN THE UNITED STATES AT WHICH OUR GOVERNMENT WAS ASSAILED

The following list of meetings and speakers is taken from the Daily Worker, a communist daily paper formerly printed in Chicago, now in New York City, of January 22, 1927.

WORKERS! TURN TO LENIN!

From the reports that are coming in from every part of the country it is becoming apparent that the Lenin memorial meetings organized by the Workers' (Communist) Party will be real demonstrations against American imperialism and of the determination of the American workers and farmers to stand together under the flag of Lenin in the bitter struggle against Wall Street and its government.

JANUARY 22

New York City: Madison Square Garden; Ruthenberg, Engdahl, Nearing, Foster, Olgin, and Weinstone.
Toledo, Ohio.
Cincinnati, Ohio: Odd Fellows' Temple; Ben Gitlow.
Norwood, Mass.: J. P. Cannon.
St. Paul, Minn.: Labor Temple, 416 North Franklin; Jay Lovestone.
Hammond, Ind.: 8 p. m., Labor Temple; Shipley and Oakley.
Gary, Ind.: Turner Hall, Fourteenth and Washington, 7.30 p. m.; Max Bedacht.

JANUARY 23

Washington, D. C.: Playhouse; C. E. Ruthenberg.
Pittsburgh, Pa.: Labor Lyceum, 35 Miller Street; W. F. Dunne.
Passaic, N. J.: 8 p. m., 27 Dayton Avenue; A. Markoff.
Buffalo, N. Y.: 2.30 p. m., Workers' Forum Hall.
Perth Amboy, N. J.: 7.30 p. m., 308 Elm Street; Pat Devine.
Minneapolis, Minn.: Jay Lovestone.
Chelsea, Mass.: J. P. Cannon.
Chicago, Ill.: Ashland Auditorium; Max Bedacht.
Bridgeport, Conn.: 8. p. m.
New Haven, Conn.: 2 p. m.
Detroit, Mich.: 2.30 p. m., Finnish Labor Temple, 5969 Fourteenth Street, and New Workers' Home, 1343 East Ferry Street; W. Z. Foster.
Cleveland, Ohio: Moose Hall; Ben Gitlow.
Milwaukee, Wis.: Eric Gemeinde Hall, Eighth and Walnut, 8 p. m.; John Williamson and John Edwards.
Waukegan, Wis.: Workers' Hall, 517 Hemholz Avenue, 2.30 p. m.; Oliver Carlson.

JANUARY 24

Chisholm, Minn.

JANUARY 25

Superior, Wis.

JANUARY 28

Philadelphia, Pa.: C. E. Ruthenberg.
Paterson, N. J.: 8 p. m., Carpenters' Hall; Bert Wolfe.
Newark, N. J.: 8 p. m.; J. J. Ballam.
Duluth, Minn.
Hancock, Mich.

JANUARY 30

Elizabeth, N. J.: 7.30 p. m., Labor Lyceum, 515 Court Street; Charles Krumbein.

EXHIBIT S, SHOWING FEELING AGAINST APOLOGISTS FOR COMMUNISTS IN THE UNITED STATES

The following two quotations are taken from the Detroit Free Press of January 4, 1927. The first, a news item, gives something of the record of Sherwood Eddy, and the second, an editorial, expresses common sentiment:

DECLARES EDDY URGES SEDITION, DR. W. H. HOBBS, OF U. OF M., VOICES OPPOSITION TO "X" MAN'S VISIT TO CAMPUS

(Special to the Free Press)

ANN ARBOR, MICH., February 3.—Sherwood Eddy's scheduled appearance before the student body of the university, opposition to which is rapidly growing on the campus, is opposed "because Mr. Eddy is to-day the outstanding, though thinly disguised, teacher of sedition," Dr. William Herbert Hobbs, professor of geology and director of the geological laboratory and geological museum of the university, declares in a statement issued to the press.

Opposition to Eddy, self-styled "fact finder" to the Russian Soviet régime, has been voiced by the Army and Navy Club, and many members of the faculty and student body. In his statement, Doctor Hobbs quotes extracts from Eddy's book and declares that wherever Eddy has delivered an address he has stirred up feeling and has advocated "defiance of government in connection with our national defense system."

STIRS UP PACIFISM

"In Indianapolis, following his address," Doctor Hobbs's statement declares, "400 young men took the stand that they would defy the Government in a possible future call to the colors. Within a few weeks Mr. Eddy stirred up to action another body of young men assembled in Milwaukee."

In opening his statement, Doctor Hobbs said:

"It is right and proper that the public should know the grounds for the opposition to the appearance of Sherwood Eddy on the campus of the university. There is of course much that could be said in opposition to the propaganda which he is spreading, as a result of the 'impartial' report of the Eddy-Page-Davis 'fact-finding commission,' to the Soviet Government. I think that it is not well known that one member of the commission, the son of Julius Rosenwald, of Chicago, objected to the personal direction of the trip by the Soviet officials and especially by Mr. and Mrs. Skvirsky, the former the head of the Russian information bureau in Washington."

ONE OF MANY

Doctor Hobbs declares that Eddy's commission is only one of many "impartial" commissions which were arranged by the Soviet officials, and which are now flooding the country with literature "glorifying the Soviet régime."

"I feel sure," says Doctor Hobbs, "that the Army and Navy Club shares with me the feeling that it is not well to bring men of the type of Mr. Eddy to disseminate propaganda on the campus unless the student body has some opportunity to hear counter arguments presented.

"The ground of our objection to Mr. Eddy's appearance here is neither his extreme views on sovietism nor his ultrapacifism. In general, we believe that it is far better to allow vociferous advocates of any extreme policy to state their views freely, rather than to have them choked off. It is because Mr. Eddy is to-day the outstanding, though thinly disguised, teacher of sedition, that we object to his appearance here."

QUOTES FROM BOOK

Doctor Hobbs then quotes several extracts from Eddy's book which are as follows:

"Is a student justified in refusing to participate in compulsory military training? I can not answer this question for any other person. I can only say that if I were a student in secondary school or college and held my present convictions concerning the whole war system, I would be compelled to refuse to participate in military training and would be willing to take the consequences of such a refusal. In giving this answer I am assuming that the military training under discussion is under the War Department and is a part of the war system" (p. 208).

"In the last war a few score of genuine conscientious objectors went to prison for their faith. It is only fair to tell the Government frankly in advance that in the next war, not a few score, but many thousands will gladly go to prison or to death rather than take any destructive part in what they believe, with the Federal Council of Churches, 'is the world's chief collective sin'" (pp. 98–99).

Concluding his statement Doctor Hobbs says:

"The Christian association is well understood by the Army and Navy clubs to have been long using the influence by the methods above pointed out to break down our system of national defense and to discourage young men from attendance upon the Citizens' Military Training Camps and the Reserve Officers' Training Corps. It is the intent of the Army and Navy clubs that hereafter this attitude shall be more widely known with a view that red-blooded citizens will withhold their support when it appeals for funds unless its practice is to be materially changed."

[Editorial from the Detroit Free Press of January 4, 1927]

PROFESSOR HOBBS IS RIGHT

Prof. William H. Hobbs has good reason for criticizing those University of Michigan officials who have sanctioned an address in Hill auditorium by Dr. Sherwood Eddy of the Young Men's Christian Association national board of directors.

Doctor Eddy is scheduled to appear in Ann Arbor as an apologist for the Moscow Soviet Government and as an advocate of Russian recognition, and whether he is, or is not, a "thinly disguised preacher of sedition," as Professor Hobbs insists, he certainly is championing the cause of an exceedingly disreputable régime, which through its subsidiary organization, the Third International, has openly and directly declared war against the United States and is carrying on active hostile work against this Republic. Under such circumstances Doctor Eddy certainly should not be given the use of public building for the delivery of a propagandist oration.

President Little has attempted to smooth things over by suggesting that a member of the faculty of the university precede Doctor Eddy on the Hill auditorium platform and "explain to the student audience that the speaker would represent only one side of the question." We can not see how this would help matters. Such an announcement would be no news, and it would not in the least justify or excuse turning over a building of the State university to the champion of an enemy of the Nation, so that he might pursue his activities as special pleader for a hostile government and for a social order that has declared war to the death against American institutions.

As to the question of free speech which has been raised, it isn't involved. There is nothing to prevent Doctor Eddy and his sponsors from hiring a private hall and going to it to the top of their lungs.

EXHIBIT T

The following is a booklet issued by the National Society, Daughters of the American Revolution, as information to its members. In a concise form it presents the relationship of the various "isms" which go to make up the radical movement in the United States and gives reliable information to those who are seeking such information. It further illustrates the fact that this great American organization is fully alive to the situation.

[From the writings of Adam Weishaupt, the real founder of present-day socialism and communism]

"Through women one may often work the best in this world. To insinuate ourselves with these and win their confidence should be one of our cleverest studies. More or less they can be led by vanity, curiosity, sensuality, and inclination. * * * They should consist of two classes, the virtuous and the free-hearted. They must not know each other and must be under the direction of men but without knowing it."

THE COMMON ENEMY

[Written from data supplied by the Key Men of America, a national bureau of information on radical and subversive movements, forces, organizations, and individuals. Every statement of fact contained in this booklet can be substantiated by documentary evidence.]

THE GOAL OF THE WORLD REVOLUTION

The goal of the world revolution is not socialism or even communism, it is not a change in the existing economic system, it is not the destruction of civilization in a material sense; the revolution desired by the leaders is a moral and spiritual revolution, an anarchy of ideas by which all standards set up throughout nineteen centuries shall be reversed, all honored traditions trampled under foot, and above all the Christian ideal finally obliterated. * * *

Socialism with its hatred of all superiority, of noble virtues—loyalty and patriotism—with its passion for dragging down instead of building up, serves the purpose of the deeper conspiracy. If the Christian intelligentsia can be destroyed, or won over, the nation deprived of all its natural leaders, the world revolutionaries reckon that they will be able to mold the proletariat to their desires. This being so, the thing we now call Bolshevism forms only one phase of the movement which is carried on by countless different methods, apparently disconnected but all tending to the same end. * * * I do not believe all this is accidental. * * * The heart of the people is still sound, but ceaseless efforts are made to corrupt it. (Nesta H. Webster in Secret Societies and Subversive Movements.)

Communism, Bolshevism, socialism, "liberalism," and ultrapacifism, tend to the same end.

Those classed under the last two groups are very largely dupes of the world revolutionary movement, a movement which proposes to destroy civilization and Christianity. Those in the first three groups, especially the first two, are largely adepts carrying out the program of the leaders of the world revolutionary movement under the direction of leaders who are not citizens of the United States.

The six objectives of communism, Bolshevism, socialism, "liberalism," and ultrapacifism are the same. They are—

1. The abolition of government,
2. The abolition of patriotism,
3. The abolition of the property right,
4. The abolition of inheritance,
5. The abolition of religion, and
6. The abolition of the family relations.

These six principles were laid down as objectives of the world revolutionary movement many years ago, and they have never been changed. (The World Revolution, Nesta H. Webster.) In the United States, and some other countries, the last two objectives are more or less concealed, although in every country, within the last few years, they have been rather cleverly stressed through the formation of many atheistic movements and the organized scheme to break down morals, as evidenced by the continual growth of the "free love" idea which, if continued, will certainly accomplish the sixth objective.

The communists and Bolsheviki on the one hand and the socialists, "liberals," and pacifists on the other, in seeking to obtain these objectives, differ only on the question of tactics. Those in the three latter groups protest vigorously when charged with advancing communism. At times there appear in the press accounts of an open break between the communists and the socialists. This is to deceive the people and to keep in line the vast and obedient army of dupes among the "liberals" and pacifists.

The communists contend the only way to attain the six objectives stated is through the use of "force, violence, and acts of terrorism." They insist their first work is to carry on an intense propaganda campaign designed to create a bitter class feeling, then to organize all wage earners into "one big union," bring about the "general strike" which will lead to civil war—the much-talked-of revolution.

ONE REVOLUTIONARY MOVE

Those who follow the teachings of communism produced a revolution in Russia and took possession of all the wealth. In that country they have put into operation the six objectives. In Great Britain the communists secured control of labor organizations and brought about the general strike, which did not develop into the revolution as they had planned because in London, the center of activities, the great mass of the people are native born, and when they found the strike was an attack on their Government they displayed their patriotism. Do not forget, in this connection, that should these forces be able to produce

in the great cities of the United States—New York, for instance—a similar situation, with the large number of foreigners, well educated in revolutionary doctrines, the outcome might be quite different.

Further illustrations of the tactics of the communists and Bolshevists will be found in their activities in France, Japan, the Philippines, many Southern and Central American countries, Mexico, and China. In all these countries, and in others not mentioned, the communists, using money taken from the people of Russia, have carried on extensive work to bring about revolutions. In both China and Mexico the communists to-day are seeking to become the dominating force.

Those who belong in the socialist, "liberal," and pacifist groups—again we refer to the guiding spirits, not the rank and file—insist that the only tactics to be employed is "legislative action." "Legislative action" means the adoption of constitutional amendments and laws, both federal and state, on the theory that these amendments, or laws, will cure some alleged political, moral, social, or economic ill, but which, as a matter of fact, when in operation merely centralize government, or in some manner destroy the proper functioning of the constitution. When the desired legislation has been obtained—and in most cases the enforcement of the amendment or law requires the setting up of some new board, bureau, or commission—the next step is to secure the appointment of socialist adepts in strategic places on such boards, bureaus, and commissions.

The appointment of a dupe whose actions can be easily directed is obtained when it is impossible to secure the appointment of an adept. This same system is employed in many organizations. The heads are persons of high standing, well meaning, sincere, but they are directed in their actions by destructive influences "boring from within." It is not necessary to illustrate how this is done. You have only to know the system and then personally survey conditions familiar to you.

To understand the full purpose of the "legislative action" branch of the world revolutionary movement, one has but to read the Declaration of Principles of the Socialist Party, found in many authoritative socialist books, which follow:

"Its purpose is to secure a majority in Congress and in every State legislature, to win the principal executive and judicial offices, to become the dominant party, and when in power to transfer the industries to ownership by the people, beginning with those of a public character, such as banking, insurance, mining, transportation, and communication, as well as the trustified industries, and extending the process to all other industries susceptible of collective ownership.

"It also proposes to socialize the system of public education and health and all activities and institutions vitally affecting the public needs and welfare, including dwelling houses."

In the constitution of the Socialist Party, is this:

"The Socialist Party of the United States * * * is a party of the international working class movement."

The great majority of those who call themselves liberals or pacifists are in harmony with these principles.

This system of "legislative action" has been going on in the United States for many years. It has already attained a degree of success that has brought much harm and will bring still more unless the system is exposed and destroyed. In the employment of these tactics, the socialist-radical-ultra-pacifist groups have secured the aid of a large number of well-meaning persons, some of them men and women of high standing whose loyalty and patriotism no person would think of questioning. We have already written into our Federal and State constitutions amendments which have done much to centralize government, and we have adopted a large number of Federal and State statutes which have gone much further in that direction. These statutes have brought into existence a large number of boards, bureaus, and commissions, which have taken from the constitutional branches of the Government—executive, judicial, and legislative—their proper functions.

USED LEGISLATIVE ACTION

The most perfect illustration of success of the "legislative action" system will be found in Mexico. There it was put over in a very clever manner by a group of Socialists and "Liberalists" before the Lenin-Trotski revolution in Russia, but no sooner was the change made than the Communist leaders, ever militant and wholly without regard for decency or fair play, stepped in and took control.

The Mexican Government, as it existed, has been destroyed, the sentiments of patriotism are being weakened; the private property rights of all excepting Mexicans—and few Mexicans own any property—have been abolished; the right of inheritance by the legal heirs of property owners who are not Mexican citizens has been taken away. The initial step to the complete abolition of Christianity has already gone far beyond the initial stage. (See Constitution of Mexico; Sidney Sutherland, Liberty Magazine.)

Now seated in Mexico City as the recognized ambassador of Communist Russia is Alexandra Kollontay, the world's most notorious woman in the teaching of "free love" and the abolition of the family relations. Alexandra Kollontay is said to practice what she preaches. She has been a world revolutionist for over 27 years. She has been arrested in Russia, Germany, and Sweden for her revolutionary utterances and acts. She was denied permission by the State Department of the United States, which department is well acquainted with her purpose on the Western Hemisphere, to pass through this country (Associated Press Report, November 4, 1926), and she was denied the right to land in Cuba when her boat docked at Habana.

THE SITUATION IN MEXICO

Mexico has about reached the position of Russia in the establishment of the six objectives of the world revolutionary movements and this without invoking the communist tactics of force and violence—a bloody revolution—but rather through the deceptive system of "legislative action."

Under the able direction of Alexandra Kollontay communism will be extended. She is a believer in the "nationalization" of children, a scheme devised to destroy the last remnants of the family relations held sacred by every civilized country on the face of the globe, the foundation rock upon which Christianity rests, and a part of the teachings of every religion, ancient and modern.

From her stronghold in Mexico City, Alexandra Kollontay is to direct the activities of her kind in the Central American States and in the United States. Adepts from these countries will find it exceptionally easy to confer with her and her communist chiefs, who get their instructions direct from Russia, and taking their orders will return to their respective homes to set in motion their hordes of dupes, all swayed by some emotional appeal.

Since we have a country influenced by communism to the south of us, and since activities there and in the United States are now to be directed by a clever woman saturated with the theories of the "world revolution," all to the end that the six objectives first stated may be put into complete operation here, it is important at this time that the people grasp the truth and understand the situation.

IS "BORING FROM WITHIN"

The world revolutionary movement—and it matters little under what name it is working—encouraged by its advancement in Russia, Mexico, and other countries, firm in its belief that it can and will destroy the Government of the United States by the slow yet certain "poison of liberalism," is working here through every possible agency. It is "boring from within"—

The schools and colleges.
The churches and educational organizations.
The labor unions.
The farmers' organizations.
The women's organizations, and others.

This system is set forth in detail in a document which reached the United States in 1921, signed by N. Bucharhin, now head of the Third (communist) International and for a time manager of "Novy Mir," a radical publication issued from New York. Leon Trotsky was one of the editors. In that document, among other instructions to gain the support of dupes, appeared the following:

"Nuclei shall be established in all existing organizations, such as fraternal, religious, and labor organizations, cooperatives, tenant farmers' leagues, etc.

"Organizers and speakers shall be sent among the people in order to inform and win their confidence.

"Newspapers and publications shall be established, or when this is not feasible, news services shall be established by friendly cooperation with newspapers of liberal tendencies.

"Friendship of liberal-minded ministers shall be sought, as these men are at the present time the leaders of the masses, and many of them are earnest but lack scientific knowledge.

"Conferences on the economic conditions among the people shall be held from time to time with these ministers, educators, and other liberal elements, and through their influence the party shall aim to secure a more favorable hearing before the people.

"By means of its membership the party shall penetrate the existing forums, literary societies, lyceums, schools, colleges, teachers' institutes, and establish forums of its own for the enlightenment of the population."

Now do a bit of investigating for yourself. You will find that the "nuclei" have been formed as directed; that organizers are constantly in the field; that newspapers and publications have been established; that radical press bureaus are at all times active; that the friendship of "liberal-minded ministers" and educators has been overworked; that conferences "on the economic conditions" have appeared in your community; and that "forums, literary societies, lyceums, schools, colleges, and teachers' institutes" have been invaded.

ARE REWRITING OUR HISTORIES

A new theory of economics has sprung up almost overnight. It is the theory of Marx, hailed as the founder of modern socialism, communism, Bolshevism, "liberalism," and pacifism. The school histories are being rewritten, omitting the names of those who appeal to the sentiment of national loyalty and patriotism. You will find, if you investigate, that those who are "rewriting" history are following the socialistic or communistic theory, although the majority merely call themselves "liberal."

Cooperative organizations of every kind are used as "centers" through which socialist or communist agents operate. The recent national convention of a group of cooperatives, largely made up of

farmers, which met at Minneapolis, was dominated by the communists. The great majority of the delegates were ignorant of this control, and yet the communists, in their publications, have proudly boasted of it. (Daily Worker, Chicago.)

The world revolutionary movement circulates in the United States over 600 publications—the number is constantly changing because of the disappearance of some and the establishment of others—every one of which is carrying on a set program of propaganda designed to weaken the Nation, and enable the employment of either the socialist or communist tactics to put into effect the six objectives stated. It makes little difference what system may be used to win—force and violence were employed to gain control of Russia, and the "legislative action" was used to gain control of Mexico.

SOME OF THE ORGANIZATIONS USED

The world revolutionary movement operates through more than 200 different organizations, many of them national in scope with large memberships, others merely local in operation, designed to meet the requirements of some one particular group or community. But a few of these organizations are openly communist or socialist. In most instances the purpose is well concealed. The best known communist organizations are:

The Workers (communist) Party.
The Trade Union Educational League.
The International Labor Defense Council.
The Anti-Imperialist League.
The Council for the Protection of the Foreign Born Worker.
The American Negro Labor Congress.
The Young Communist League.
The Young Peoples Communist League.
The Young Pioneers.

There are, however, many others, with new ones appearing in some section of the country almost daily.

The best known of the open socialist organizations are:

The Socialist Party of the United States.
The League for Industrial Democracy (formerly the Intercollegiate Socialist Society).
The Workingmen's Circle.
The Young Peoples Socialist League, commonly known as the YPSEL.
The Pioneer Youths.

Although there are many others.

Among the most prominent "liberal" and pacifist organizations are:

The American Civil Liberties Union (which in a measure might come under a combined classification of the communist and socialist since its national committee is made up, in addition to so-called liberals, of both communists and socialists).
The Fellowship of Reconciliation.
The Fellowship of Youth for Peace.
The War Resisters' League.
The Women's International League for Peace and Freedom.
The Woman's Peace Party.
The Fellowship for a Christian Social Order.
The Foreign Policy Association.
National Council for the Prevention of War.
Public Ownership League.
The Peoples' Reconstruction League.
The Conference for Progressive Political Action.
The People's Legislative Service.
The Federated Farmer-Labor Party, and others.
(The last five named operate particularly in the political field.)

USE EMOTIONAL APPEALS

Among the "liberal" and pacifist groups there may be many well meaning, conscientious Americans who have been duped into becoming members because of some emotional appeal—never by a frank statement of the truth, or by logical reasoning.

These emotional appeals are designed to gain the attention of people with different points of view. One of the most effective has been "no more war," the emotional appeal of all organizations directed by the "liberals" and pacifists, although originated by the world revolutionary movements and spread to the two last-named groups through the socialists and communists. This is an appeal which has naturally gained the attention of women, ministers, professors, teachers, and the young people. No one wants war. Everyone abhors war, but there are things worse than war. The establishment of the six objectives named would be far worse. This appeal has brought to the support of the world revolutionary movement a large respectable support and this support is now being extensively used.

"Production for use, not for profit," is another enticing appeal. "The new social order," painted as a "social order" where there will be neither poverty nor riches—a sort of heaven on earth—has gained the attention of a large number, especially ministers, professors, and college students. "Industrial democracy" is still another appeal. Just what "industrial democracy" is has never been defined, but it rolls from the tongues of adepts so smoothly that it has enticed a large number of people.

ONLY TO PRESENT THE TRUTH

This little pamphlet is designed merely to carry a few fundamental truths to the members of the Daughters of the American Revolution. Your ancestors engaged in war—a war for human rights and liberties—and they established here, on the American Continent, the most wonderful Nation on the face of the globe. Our form of government—a republican form of government by which the people speak through selected agents—has proven the most desirable for the advancement of the individual and for human happiness. Under that form of government administered and sacredly watched by a sound people, the United States to-day 150 years after the Declaration of Independence, stands forth as the richest, the finest, and the greatest Nation on earth, spiritually, morally, and physically.

The Daughters of the American Revolution would be sadly derelict in their duty, supine and cowardly in their action, devoid of gratitude to their ancestors, if now, having the facts, they did not join with all other good, loyal, patriotic Americans and present a solid phalanx against the open attacks of communism, and the insidious attacks of socialism, "liberalism," and pacifism.

EXHIBIT U

Letter head of the League for Industrial Democracy, formerly the Inter-Collegiate Socialist Society, showing the nature of its work in the schools and colleges and a list of prominent radicals who are among its advisers on the board of directory and on the national council:

LEAGUE FOR INDUSTRIAL DEMOCRACY (INC.),
NEW YORK CITY, *January 10, 1927.*

To friends of the League for Industrial Democracy:

Here are some facts about the League for Industrial Democracy in 1926 which you won't want to miss. Blanshard and Lindsay, Thomas and Laidler, addressed some 52,000 students in 136 colleges and college conferences from the Atlantic to the Pacific, from Maine to Texas. The attendance at noncollege meetings, public forums, labor unions, and all sorts of gatherings would run to much higher figures. We have maintained and increased our editorial news service which now goes to 130 labor, farm, and college publications. We have added, as you know, to our pamphlet literature. Directly and through autonomous committees which we have set up we have cooperated with the Passaic strike and other industrial struggles. We have fought American imperialism in China and elsewhere and we have worked for a solution of the problems of coal and superpower.

All this we have done on a budget not much in excess of $30,000. Our audit has not yet been made, but we know that, thanks to your generosity, we close the year without deficit. But we also close it without financial reserves, and with our college and other work in full swing. We have to pay as we go. We do not plan any particular increase in budget this year but the American Fund's appropriation for field work has been reduced in accordance with its "tapering off" policy. Some generous givers will not be able to renew their gifts of last year so that our financial problem for this year will be substantially more difficult.

As a matter of economy in office work and of information to you this letter is going to practically our entire list of members and contributors. To you all it bears personal thanks for what you have done. To a few it bears extra thanks—and no further appeal—for pledges already renewed for 1927. To many it carries with it dues notices. It will help if they can be promptly paid and it will be greatly appreciated if in addition something extra can be given by way of contribution. Unfortunately dues alone are by no means enough to keep us going. Nevertheless, we understand very well how hard it often is to give, and most of all we want your friendship. With that assured we believe we can also obtain the immediate gifts and pledges which must provide the essential financial basis for any effective work in this huge country.

With the season's greetings, believe me

Sincerely yours, NORMAN THOMAS.

EXHIBIT V

(Sample of communistic literature distributed in public schools)

IN MEMORY OF OUR LENIN, 1870 TO 1924

(Mass meeting and revolutionary concert, Sunday, January 23, at 2.30 p. m., Detroit Armory, Brush and Larned Streets. Admission, 25 cents)

PROGRAM

Opening remarks by chairman, R. Baker.
Finnish Workers Band, F. Vilen, conductor.
Young Pioneer chorus.
Unveiling of portrait of Lenin.
Pioneer pledge, joint recitation.
The builders, song.
The young guards, song.
Finnish Workers Band.
Walter M. Trumbull, representing Y. W. L.

Ukrainian Workers chorus (in native costume), Ivan Atamanec, director; Revolutionary Funeral March; Ukrainian folk songs.

Stefan Kozakevich, baritone, Volga Boatmen Song, Dubinushka, Red Army Marching Song.

Rebecca Grecht, "Lenin's Contribution to the World Revolution."

William Z. Foster, principal speaker, "Lenin, His Life and Work."

Singing by audience, International.

Adjournment.

Auspices Workers (Communist) Party and Young Workers (Communist) League.

THE INTERNATIONAL

(To be sung by the audience at end of meeting)

Arise, ye prisoners of starvation!
Arise, ye wretched of the earth,
For justice thunders condemnation,
A better world's in birth.
No more tradition's chain shall bind us;
Arise, ye slaves! No more in thrall!
The earth shall rise on new foundations;
We have been naught; we shall be all.

Refrain

'Tis the final conflict;
Let each stand in his place.
The international soviet
Shall be the human race.

(Repeat)

—Eugene Pottier.

For further information about the Workers (Communist) Party or the Young Workers (Communist) League write or call at 1967 Grand River Avenue.

THE PIONEERS

This is an organization of working-class children ranging from 10 to 15 years of age. Its purpose is to give the children a working-class education and viewpoint. The activity consists in meetings, recreation, singing, and education, which is conducted under the supervision of responsible members of the Young Workers (Communist) League. The groups meet Saturday afternoons and Sunday mornings in labor halls. If you wish to give your children a working-class training, call at 1967 Grand River Avenue for further information.

NICOLAI LENIN

(Vladimir Ilyitch Ulianoff)

(Born April 10, 1870; died January 21, 1924)

Hundreds of millions of workers in all countries of the world to-day are paying homage and honor to the memory of Lenin, the greatest leader and teacher of the working class the human race has known. Lenin not only established the first victory and the impregnable fortress of the proletariat, the Soviet Republic of Russia, but he laid down the iron program and the immutable law by which the workers of all countries shall seize power.

"All power to the workers through the proletarian dictatorship" is the inspiring slogan of untold millions of class-conscious workers under the leadership of the Communist International.

Lenin formulated the program of the communists.

The Communist International is the world party of Lenin.

Lenin is dead. Leninism lives and thrives and vibrates in the hearts and minds of millions of members of the Communist Parties in all countries.

In America the party of Lenin is the Workers (Communist) Party.

Mr. SOSNOWSKI. We have in the city of Washington a radical book store run by one Lynn Gale who spent his time in Mexico while dodging the draft. You can go there and buy communistic literature, literature which will make your blood boil. And it has that effect on those who buy and read it, but their blood boils in hatred against you, gentlemen, here on on the hill who represent, in part, the law-making body of the Nation, and their blood boils against our Government which this literature seeks to teach them is designed wholly for the benefit of the rich, and for the exploitation of the poor working man. You know this to be untrue. I know it to be untrue. That it is untrue is such a self-evident fact that you think the statements do not require refutation.

Turn your eyes for a few minutes to the land south of the Rio Grande. That the Government of Mexico is communistic in its purpose, certainly no sane man who has read its constitution—or rather its alleged constitution—or knows the character of the men who are really directing affairs down there, can deny. The same communistic agencies that finally gained complete control in Russia were busy in Mexico even before the Kerensky revolution. Yucatan has long been communistic in everything. We Americans appear to have mighty short memories. Revolutions in Mexico have become so common that we give little heed to what is back of them. In 1920 a Senate committee made a rather extensive investigation of conditions there. During that investigation a vast amount of information was secured which should be interesting in the light of present day events. Let me read you extracts from some of the evidence found in the hearing before a subcommittee of the Committee on Foreign Relations, United States Senate, No. 22, in 1920:

Conditions in Yucatan: Socialism of a more radical character has invaded the State of Yucatan and is destroying order, law, and wealth. The authorities now controlling the situation in Yucatan are carrying their radical campaign in the name of the Mexican Government, but it is in reality they themselves who are looking for their own interests. The abuses have assumed such a degree of violence that the Federal Government of Mexico is considering the federalization of the Port of Progreso in order to close up that source of infection. Louis Cabrera has been sent by the Government of Carranza to Yucatan to improve the situation there. Robert Haberman is a prominent socialist worker of Merida, Yucatan.

Independent Workers of the World activities in Mexico: Propaganda is spreading to precipitate strikes in that Republic, and also in other Latin-American countries. Mexican workmen in Tampico, following suggestions from Independent Workers of the World organizations in New York, have appointed a committee to plan out strikes in the various oil-producing camps.

Information has been received from Mexican labor headquarters that they have received requests from various American labor groups asking the moral support of Mexican labor unions to aid in securing freedom of socialists held in prison in the United States for opposing the draft and obstructing military operations of the United States.

Influence of the Rand School of Bolshevism: The workers' proamnesty committee of United States has asked funds from Mexico labor committees with the purpose of continuing their propaganda to obtain the freedom of the socialistic leaders now in prison in the United States. The Mexico labor committees, following suggestions from above-mentioned American labor organization, have named a commission to organize sympathetic strikes in the petroleum camps. The petroleum companies have refused to pay workers according to the new labor law. The labor unions of Vera Cruz, Tamaulipas, Orizaba, etc., are in sympathy with the intended strike movements.

The above-mentioned workers' proamnesty committee is really an Independent Workers of the World defense union, constituted of 170 union committees under the auspices of the Rand School, 5 East Fifteenth Street, New York, in December, 1918. This sympathy of Tampico workers is illustrative of the influence of the Rand School of Bolshevism.

Bolsheviki propaganda: Socialist propaganda of the most radical character is steadily increasing in Mexico. Among the men who are spreading revolutionary propaganda the following are widely known: Ezequiel Salcedo, Ignacio Rodrigues, Juan Rico, Rosendo Salazar, Sr. Deculna, Ricardo Trevino, P. Nacho, and Thomas Valenzuela.

There is a continuous stream of dangerous literature being sent from Mexico to South American countries. It usually comes into this country through the ports of Eagle Pass and Laredo, some little amount coming through El Paso, and is intended to proceed to New Orleans or New York for transmittal to destination. Apparently there is a close tie binding the agitators in the Latin-American countries with these in Mexico, and they are all united in their conclusions that the Government and the people of the United States have decided to exploit the peoples of the Latin-American countries for their own use and profit, and that therefore it is the clear duty of all Latin Americans to fight the activities of the United States with all their strength.

El Democrata, of Mexico City, published a cartoon of a great American octopus seated at the Capital of Washington and stretching its tentacles throughout all the Americas, and an article, by Ramon Sanchez Arreola, of the Mexican consulate, at Los Angeles, Calif., containing a hymn to La Raza, explaining that La Raza (the race) represents the Spanish and 20 Latin-American countries all joined together in opposition to the United States. They intend to oppose a Spanish-American solidarity against Pan Americanism of the Monroe doctrine.

It is apparent that the drift in Mexico is toward radical legislation, the confiscation of property, and the repudiation of foreign debts.

The man, Robert Haberman, there mentioned is now known as Roberto Heberman. He is said to be in the city of New York at the present time engaged in radical activities, and to have been the guiding spirit for the activities of a large number of pacifist organizations that have been sending broadcast literally millions of letters and circulars to men and women, asking them to write or wire their Senator and Congressman to prevent war with Mexico, to stand for arbitration, to oppose the foreign policy of the administration. Every member has received such letters and telegrams. Some are signed by individuals and some by organizations, the organization ones usually stating a certain large number of persons are represented by them. If the signers could be brought before this

House and questioned you would find that not 5 per cent of them knew what it was all about, that they thought the sending of marines into Nicaragua was a declaration of war, and that it was the determination of the President and his Secretary of State to cover Mexico a foot deep with soldiers of the United States.

This man Haberman, known in 1920 to have been engaged in subversive activities against the United States—he dodged the draft and went to Mexico when we were thrown into war with the Central Powers—is the founder of an organization in New York City known as the Civic Club which, because of the deceptive character of the name, can put over and does put over a lot of mighty dangerous propaganda.

The record shows that Mexico is communistic in its purpose and its activities. I am not charging the President of that country with being a member of the Communist Party. Probably he is not. As a matter of fact, he is not the boss of things down there. The controlling force is the Confederación Regional Obreras Mexicano, better known as the Crom, the name being taken from the initials. At the head of this organization is one Louis Morones, who is generally credited with being a communist. Mexico has distinctively a government for but one class called labor. Nothing else is given the slightest attention. The Crom is as vicious in its demands and its practices as is the Third International in control of Russia. That the Crom directs the actions of the President and that he dare not act contrary to the demands of this organization, should he even want to act contrary to them, is proven by an agreement into which he entered, and which I wish to read to this body. It follows:

General Plutarco Elias Calles contracts the following obligation with the Confederación Regional Obreras Mexicano:

First. To respect in every way the movement of the workers' organizations belonging to the Confederación Regional Obreras Mexicano, always providing that these are made in accord with the corresponding authority.

Second. To provide all facilities and expenses as the Confederación Regional Obreras Mexicano shall require for its organization.

Third. To generally dissolve the national army within a year, or when he shall have taken possesion of the presidency of the Republic, and to replace it with battalions of workmen's syndicates belonging to the Confederación Regional Obreras Mexicano.

Fourth. To accept the general staff selected by the Confederación Regional Obreras Mexicano, which will take charge of creating the new organization of the proletariat army, whose appointments shall be communicated to the secretary of war when it is deemed necessary.

Fifth. To mediate with governors of the States by means of special commissions for a good understanding in case of a difference arising between them and the workers' organizations belonging to the Confederación Regional Obreras Mexicano or when an organization of distinct purposes should propose to invalidate this agreement.

Sixth. To appoint Luis N. Morones, secretary of industry, and commerce, and labor, in order to organize the workers under the program of the Confederación Regional Obreras Mexicano.

The Confederación Regional Obreras Mexicano obligates itself through its central committee, to Comrade Plutarco Elias Calles:

First. To inform with priority the general government of that of the states as to any movement of the workers that may be planned by the workers' syndicates against capitalistic organizations.

Second. To render a monthly statement of sums of money received and expenses incurred by the workers' organizations.

Third. To organize as a military the workers syndicates in order that when the moment arrives they may supersede the national army.

Fourth. To select 20 persons who shall form the staff of the new proletarian army.

Fifth. To uphold by means of workers movements, all rulings, provisions, and decrees emanating from his government and most especially when taxpayers attempt to avoid any payments to the federation of the states.

MEXICO, *November 29, 1925.*

PLUTARCO ELIAS CALLES.
LUIS N. MORONES.

Now, let me read just a few extracts taken at random from an authentic confidential report which recently reached the United States and, lest our friends at once begin a tirade against Secretary Kellogg for propagandizing in favor of his own country, let me add I did not get this through the Secretary or any other official department:

Two years ago Calles caused the permanent suspension of the Mexican paper Omega for predicting accurately the course of the presidential succession. The paper at that time said Calles had been installed as the Mexican ruler by the machinations of his predecessor and against the will of the people. It predicted that at the expiration of Calles' term he would so maneuver that Obregon would be his successor, a fact now accepted by every informed person in Mexico, and that the process of reciprocation might continue ad infinitum.

But revolution is now rife throughout the country and it is possible that the property-owning class, together with the sorely oppressed religious people, will rise in their might and upset the well-laid plans of these two communists. That will mean bloodshed, barbarous warfare, and a repetition of all the horrors that a succession of Mexican revolutions has imposed upon the world during the past decade and a half.

Is the humanitarian Calles, staunch advocate of the slogan "Mexico for the Mexicans," doing anything to forestall this calamity? Let his acts since January 1 be the answer. He has persistently oppressed both business and religion, and his savage animosity to civilization in his own country has brought about a condition that makes some sort of an upheaval inevitable. He has offered neither compromise nor any softening of his barbarous oppression in the face of the rising tide that is inevitably flowing toward a cataract of blood.

To deny that communism is the ruling interest of the Calles government is to persevere in a fallacy. If it is not the pawn of Moscow it has unquestionably patterned its form so closely after that of the Russians as to invite a holocaust similar to that on which Lenin and Trotski rode to bloody power over 10,000,000 corpses of their compatriots, mostly women and children.

The pacifists and our own parlor Bolshevists say the United States has no concern with all this. But more than 16,000 of our nationals have property rights in Mexico that are about to be confiscated, as have the nationals of many other countries, entitled under the Monroe doctrine to protection by this country. Also, there is incontrovertible proof that the Mexican Government has sought to extend its theory of social revolution to the smaller countries to the south of it and to establish over a substantial area on this continent a proletarian reign of terror.

And in all this direction from Moscow is palpably visible. Mexican deputies have sojourned in Russia studying the Soviet systems and returned to apply the knowledge thus acquired to the formation of new laws for Mexico.

Alexandra Kollontay, one of the most ardent and capable advocates of the doctrine of revolution, has been made Russia's accredited ambassador to Mexico. Under the auspices of the Government she has spread her destructive teachings throughout the land, shamelessly debasing morality with her assaults upon matrimony and her open advocacy of free love.

There is plenty of documentary evidence to prove that the so-called "liberal" party in Nicaragua is communistic in its purpose and its direction. It came into being wholly to gain control of Nicagarua that its government might be made a breeding place for activities in other Central American States.

The objective of the communists, who propose in time a great world conflict—one nation against another, with the communist like the jackal ready to feast on the dead—is control of the Panama Canal and its destruction if it can not be used to advantage in the world revolutionary movement. I need not dwell on this. Certain Members of Congress who have taken their oaths to support the Government of the United States can learn the facts as easily as I have learned them. All they need to do is to put aside their apathy, listen not to the siren cry of the radical, "Oh, there is nothing to this communist cry," and spend a few hours—only a few hours—getting the facts.

And I am speaking to my friends on the Democratic side of this House as well as on the Republican side. This is not a partisan question. It is a question of whether our Government shall endure, and when it comes to that patriotism does not divide along party lines. You Democrats of the South, especially, have not come in contact with certain subversive activities as have we of the northern industrial cities, but your industrial sections are growing. You may be the next to suffer.

Gentlemen, if you will read one of the exhibits which I will have in the CONGRESSIONAL RECORD, I will prove to you gentlemen of the South that this movement has hit you as well as us, because they are organizing in communistic groups your colored race.

When Mexico recognized the so-called "liberal" or revolutionary organization in Nicaragua, after we had recognized the constitutional party as legally in power, it did so well knowing it was directly and intentionally insulting the United States. The object of that insult was to cause trouble here. If by any hook or crook the present controlling forces in Mexico could embroil us in war, the communists would dance with glee. If there comes such a war—which I believe will not come with Coolidge as President and Kellogg as Secretary of State—it will come wholly and entirely because of the interference of the

many so-called peace organizations in the United States which are meddling in affairs concerning which they have little or no knowledge.

Only recently a crowd of "liberal" ministers, educators, lawyers, and others went to Mexico to make an "impartial survey" of conditions there. They stayed 10 days and then returned to the United States. So far as I am able to learn, not one of the members of this unofficial gang of meddlers had the slightest fundamental knowledge to equip him to make any kind of an investigation. Moreover, from the information I gain of them, not one of them could have written an unprejudiced report. They, knowingly or unknowingly, are agents for the world revolutionary movement. They have done great harm. Their activities, and the misinformation, to say nothing of the malinformation, they are now peddling to the people of the United States, is doing more to cause an open breach with Mexico, more finally to result in war, than all other agencies. I note that among those in this group is one, Sidney Strong, of Seattle. If I mistake not, his daughter, Anna Louise Strong, has frequently visited Soviet Russia, has lectured extensively in the United States on the beauties of sovietism, is a writer for the communist papers in this country, and is connected with the Federated Press, a propaganda bureau of the radicals, vigorously denounced by the late Samuel Gompers, whose patriotism has never been even questioned.

Mr. BLACK of New York. Will the gentleman yield?

Mr. SOSNOWSKI. I can not yield.

Recently there came to Mexico as the ambassadress from Soviet Russia one Alexandra Kollontay. She is said to be clever. According to the radical book The American Labor Who's Who? I find that Kollontay has been a leader in the world revolutionary movement for 28 years; that she has been arrested in three different countries because of her efforts to bring about revolutions in those countries; that in the fall of 1916 and spring of 1917 she visited the United States, speaking from coast to coast. She was under the management of Ludwig Lore, now a prominent communist in the United States. The object and purpose of the visit of Kollontay to the United States in 1916–17 was to so incite the socialists of this country to hamper our activities if the United States entered the war through a system of nonresistance and open sabotage. That she gained her point is evidenced by what took place.

Alexandra Kollontay is the world's greatest exponent of free love and the nationalization of children. She is in Mexico for a purpose and that purpose bodes no good to the people of the United States.

Recently the National Society, Daughters of the American Revolution, one of the many patriotic organizations in this country, issued a little booklet which has gone to its entire membership. This contains so much valuable information in a brief form that I will file it as addenda to my remarks.

I have dwelt more at length on conditions south of the Rio Grande than I had intended because what is going on there is but a part of what is taking place in my own city of Detroit and because it appears that the strategy of the communists is to center attention afar from points where their attacks are to be made. I am not one of those who belittle the seriousness of communism. My enemies may call me "Red" if they wish. I have a name which sounds so foreign that many who do not know me may think I am "another of those trouble-breeding foreigners;" but as everyone in this House knows, I was born in the United States and have served my country and now stand ready to serve it again, serve it, if need be, by cutting myself off from home ties and shouldering a gun in the ranks as a buck private.

It is the foreign born, or American-born workmen of foreign parents, the agitators against our Government seek as allies. We have many of them in Detroit. Thousands who are not yet fully acquainted with our language are being deceived and mislead by the clever agents of communism who tell them this country is for the rich only, and that it is necessary for the workers to unite and through the force of a bloody revolution, arise and destroy the "capitalist class." Nine out of ten of those being deceived are honest in intentions. They want to do the right thing. They are not permitted to do that which they would like. They are being made dupes for a dangerous movement and, strangely enough, this system of deception is given aid and support by well-meaning Americans who want to think they are "liberal" or who feel they are doing a great thing to help "the poor working man."

In the city of Detroit—and the same thing will be found in every industrial city of the United States—there is a well-organized communist movement. At the present time a number of trained and clever communist agitators are organizing the employees of the automobile industry to force a great strike which will make the recent "lesson in revolution" in New Jersey look like a Sunday school picnic. In this work of organization they are employing deception. I am attaching to my remarks a copy of instructions issued by the central communist organization on the system to be employed to carry on agitation work. It is clever.

Aiding in this are a large number of organizations that appear not to be communist, and yet which are guided in their activities by communists. Among them I wish to mention two because you will hear more of them in the near future. They are the Council for the Protection of the Foreign-Born Worker and the All-American Anti-Imperialist League.

The name, Council for the Protection of the Foreign-Born Worker, is cleverly deceptive. It does not claim any affiliation with Moscow. But those who formed and direct it got their directions from Moscow and report to Moscow regularly on progress. It gains the attention of the foreign-born workers with the claim that its purpose is to aid and protect them. Every measure presented in Congress looking toward restriction or a humane way of dealing with immigrants is at once turned into a terrifying bogey-man by the propagandists. The foreigners are told by speakers who know their language that the measure is designed to destroy them; that it is some scheme of the capitalist to enslave them; that their very families are in danger, and that it becomes their duty as a matter of self-preservation to join the organization and prepare to battle, by the use of force if necessary, the Government that is seeking to crush them—that is, the Government of the United States.

I need not tell you the effect this sort of harangue has. I have read reports of a number of such meetings. I know the foreign mind and the system of reason, or rather lack of reason, employed by a lot of these poor people whose hearts are honest enough. They join this organization, are handed communist literature in their own language which they read and attempt to digest. It is not long until these poor but well-meaning souls are out-and-out communists and are ready to fight the Government of the United States. I am not making a charge against all foreign publications by any means. We have a number of high-class, loyal, patriotic papers printed in foreign languages, which papers are doing all they can to educate their readers to the merits of pure Americanism. We have, however, unfortunately, a large number of foreign papers that do not have the welfare of the country at heart and are working to aid and advance communism.

The All-American Imperialistic League is soon to hold a conference in Washington. Subversive conferences in Washington appear to be the rule rather than the exception. It is a pure communist movement. Its head is one Manuel Gomez, a distinctly Mexican appendage, but the man happens not to have been born with that name. His right name is Phillips. He was born in the United States. He was educated in the United States.

When we went into the World War he became an objector to the draft. He was arrested and in part punished for his seditious actions. He then departed for Mexico, the haven of many of our draft dodgers, and took up active communist work there. An open enemy of constitutional government, yet American born, hiding his purpose under an assumed Mexican name, he will be handing "releases" to the press which will go to the whole Nation and you, Members of Congress, foresworn to protect the Government and the people of the United States, will say nothing, do nothing, because there will be held before your eyes that great bogey of "free speech."

That brings me to another dangerous organization with which, through congressional investigations, you ought to be acquainted, the American Civil Liberties Union. This organization proclaims in loud terms its purpose to protect the citizen in his right of free speech and free assemblage. A careful survey of its work indicates that it has never sought to give protection save to agitators who are seeking to subvert the Government. Its members are denied the right to speak in public-school buildings in New York City. It has defended the most pronounced agitators. It has been condemned in severest language by the American Federation of Labor and many other organizations. It has been exposed by the Lusk committee of New York State. It has been condemned by a Senate committee. Its members have openly defied the police power of more than one State. Its former head served a term for obstructing the draft. Its members have been arrested and convicted for the violation of laws intended to prevent activities against the Government. Its former head, Roger Baldwin, is responsible for this statement:

> Language that is part of an overt or criminal act is part of the act itself and has nothing to do with the issue of free speech; but the language unaccompanied by such act, even if the logical consequences of it lead others to the commission of the act, is legitimately within our conception of free speech. For instance, the advocacy of murder,

unaccompanied by any act, is within the legitimate scope of free speech. * * * I would say on behalf of the entire committee that all of them disbelieve in the legal theory of constructive intent, and that all of them believe in the right of persons to advocate "the overthrow of government by force and violence."

Roger Baldwin further stated before the Lusk committee:

There should be no control whatever in advance over what any persons desire to say. * * * There should be no prosecution for mere expression of opinion on matters of public concern, however radical, however violent. Laws purporting to prevent the advocacy of the "overthrow of the government by force and violence" are all violations of the right of free speech.

The Supreme Court of the United States, in several decisions, has held the exact contrary to be the fact, and yet in the face of these decisions this subversive organization continues its assaults on constitutional government. Through its many affiliated bodies, it fires the ignorant and misled to overt acts, and when the overt acts are committed furnishes bail, bond, and supplies attorneys. Further, to attempt to create public opinion in its favor, it constantly threatens libel against all who express their honest views concerning it, and eggs on others whose subversive activities are made public to bring libel suits.

The American Civil Liberties Union, through its affiliations, has been, and is right now, active in advancing propaganda in the United States against the Government, against the administration, and in favor of foreign governments. It has known communists on its national committee.

The Daily Worker, a communist paper printed in Chicago, but recently moved to New York, during the month of January, many times carried a six-column streamer across the front page, which read:

Get your union to telegraph Congress to-day!—Withdrawal of all warships from Nicaragua!—No intervention in Mexico!—Hands off China!—Don't delay!

Simultaneously organizations affiliated with the American Civil Liberties Union, through a most remarkable and dangerous interlocking directorate, began sending letters to people all over the Union with similar requests.

In my city of Detroit, in connection with the communist agitation and attempt to perfect an organization among the automobile workers that will precipitate a "lesson in revolution," the American Civil Liberties Union is exceptionally active. It is prepared to furnish bond for every man who indulges in force and violence and is arrested. It has its attorneys retained to give legal aid and support to communists and others who openly defy constituted authority. It has established itself with a group of so-called "liberal" ministers, who, from their pulpits, are presenting communistic theories carefully sugar-coated.

And, gentlemen, that brings me down to this group of ministers. In the Saturday Evening Post of January 15, Garet Garrett had an article on propaganda. Every Member of this House, every good American citizen, should read it. It might help to arouse you and the people from your apathy. Let me read an extract from this article:

The Carnegie Endowment for International Peace devotes an income of more than $500,000 a year to educational internationalism, to the subvention of societies and periodicals and to the spread of propaganda for the World Court and the League of Nations.

The Church Peace Union, also endowed by the late Andrew Carnegie, has a budget of approximately $150,000 a year. It works chiefly by means of the World Alliance for Promoting International Friendship through the Churches. It created this organization and supports it with funds. The World Alliance has an international committee with representatives from 25 nations.

A pamphlet on principles and methods says: "The fullest advantage will be taken of the possibilities of influencing public sentiment through the printed page," and among the phrases to be emphasized is "the cultivation of a large number of the editors of the great daily papers and magazines."

The chairman of the executive committee of the American branch of the World Alliance for Promoting International Friendship through the Churches is Fred B. Smith. On October 18 last he addressed the Presbyterian Synod of New York at Elmira, and, according to the Elmira Star-Gazette's report of his speech, he said:

"Americans are crying out nationalism like was heard in Germany some years ago. It is possible that such a spirited nationalism was never heard in Germany. The spirit of the people who are shouting that they are 100 per cent American is that spirit which will start a war. Lord Pomeroy stated that America will provoke the next war. If America demands every farthing which she has loaned to European nations, there will be a war. Those debts can never be paid. The politicians know this, but they are keeping it quiet because a presidential election will be here soon."

The Federal Council of Churches of Christ in America, incorporated under a special act of the New York Legislature, is perhaps the most aggressive of all organizations for internationalism. It has a budget of more than $300,000 a year, and its annual report is a book of 265 pages. Like the World Alliance, with which it cooperates, it devotes painstaking attention to organization and method. In a pamphlet entitled "What Pastors and Churches Can Do" it is suggested that each church shall have a peace cabinet, and that the peace cabinet shall teach the people, among other things, how to write short personal letters to Members of Congress and to the President, how to get up petitions, how to write letters to the newspapers, how to circulate literature, and so forth. Once a year the pastor shall invite the congregation, at the end of special peace services, to repeat in unison the "international creed."

The federal council is very definite in its aims. It is for the World Court. On armistice day, 1925, it circulated among the churches a two-color eight-page document entitled "America's Choice," and the choice was the World Court or another war. It is for the League of Nations. It is against preparedness. The study conference, in its message to the churches, recently said: "We deplore and regard as unnecessary the proposed organization of industry under the Government in preparation for possible war." This from the minutes of the executive committee: "Doctor Gulick * * * spoke also in detail * * * of the vicious propaganda which has recently been widespread in suppport of a bigger navy."

Political, economic, and financial matters touching in any way the good will among nations are moral problems, and the federal council faces them. On page 127 of the 1925 annual report: "It must be confessed that the feeling of some of the people of Europe in general toward the United States is that we are a selfish, mercenary people, due to unwise procedure in the way of handling the debts."

It proposes to be debated such questions as these: Has a nation the right to regulate its tariffs regardless of the disasters its rates may inflict on other people? Is the question of immigration strictly domestic? Has a nation absolute right to the mineral or food resources within its territory?

On the subject of the free-trade manifesto issued last October by a European group of bankers and industrialists, with some American signatures—a document regarded at Washington as foreign propaganda against the American policy of protection—the information service of the federal council said: "There are many who believe that the tariff question is a fundamentally ethical question, just as truly as war is an ethical question, and who see in tariffs and trade barriers a permanent bar to world peace and fellowship."

It is not for any ethical reason that the governments, the bankers, and the industrialists of Europe aim their propaganda at the tariff walls of the United States. They want free access to the richest market in the world, for profit. No matter. The Federal Council of the Churches of Christ in America says: "The most subtle and sinister causes of war are national monopolies of materials, transportation, and markets essential to modern industrial nations."

It follows that it is wrong for us to monopolize our own market. We ought to share it.

"The fact is," says the federal council's commissioner to Europe, page 126 of the annual report, 1925, "that within every nation, America included, there are two elements among the people, two types of spirit and ideal, the progressive and humanitarian on the one side and the selfishly national and socially reactionary on the other, and the real struggle to-day is far less a struggle between nations and peoples than it is a struggle between these two forces within each nation."

IDEALISM THE GRAND AMERICAN PASSION

The amount of money that can be raised for any kind of propaganda, provided it represents itself as idealism, is practically unlimited. Its sources are extremely varied. In 1919 a Senate committee interesting itself in Bolshevik propaganda examined John Reed, a brilliant magazine writer who became a revolutionary socialist in Russia and returned to this country as a soviet agent to spread revolutionary propaganda. He was asked how he got the funds to print and circulate his matter. He answered, "You know, there are some wealthy women in New York who have nothing to do with their money except something like that."

EVEN IDLE IDEALISM

So according to the parable. The intention of wheat and the intention of tares grow up together, and it is impossible to know which is which until the poisonous grain turns ripe. What a crazy seed plot we keep!

You hear a lot to the effect that the Army and Navy comprise our first line of defense. To a degree that's true; but, in my opinion, there's another "first line" quite as important—the youth of the land.

The parents of the United States need awakening to the fact that communistic teachings are being inculcated into the philosophies of their children through various activities, undermining their morals and their patriotism. These teachings are in all instances of foreign origin.

The communists envy the American Government or any other government with high ideals. Subtle and keen of perception, they realize that in order to attain their objectives they must attack, weaken, and demoralize an important line of a country's defense—its youth.

If one studies the printed documents of Soviet Russia, the organizations closely affiliated with it, and those who consciously or unconsciously are "playing the game," it will be readily seen there is a well-defined plan of attack upon the world and America in particular.

Consider the words of Zinoviev, former president of the Third International, recorded in its own publication, International Press Correspondence, reporting a session of the "enlarged committee." Without going into the details of Zinoviev's speech of July 15, 1923, I quote as follows:

The youth movement is the best section of the Third International, and that is as it should be, because they are the heralds of the future.

The youth movement had its origin on the Continent and its originators had lofty and legitimate ideals. Soviet Russia, recognizing its possibilities by its "boring from within" process, applied it to their world-demoralization plan.

The underlying principles of the youth movement under communistic direction, fully approved by its leaders in the United States, are revolt "against home restraint" and abolition of property rights; in fact, carrying "freedom" to an extreme, the cult of nudity and promiscuous sex relations that threaten moral disintegration.

Gentlemen of the House, if you doubt the menace of these libertine teachings, I refer to the book called "What I Believe," by one Bertrand Russell, and ask you to read the third chapter. This book is suggested for reading in some girls' schools. This is just a part of the youth movement. There are other phases of it.

Let me point out to you a few of the organizations that are abetting the communist scheme for the demoralization of youth from one viewpoint or another.

I am filing as an exhibit a letter dated January 10, this year, from the League of Industrial Democracy, originally known as the Intercollegiate Socialist Society, which states as its object "to promote an intelligent interest in socialism among college men and women." The change in name of this organization came after we entered the war, for the people then began to understand what socialism really was.

In this letter it is stated that four of its speakers, all well-known socialists—

addressed some 52,000 students in 136 colleges and college conferences from the Atlantic to the Pacific, from Maine to Texas. The attendance at noncollege meetings, public forums, labor-union halls, and at all sorts of gatherings would run to a much higher figure. We have maintained and increased our editorial news service, which now goes to 130 labor, farm, and college publications. We have added, as you know, to our pamphlet literature. Directly and through autonomous committees which we have set up we have cooperated in the Passaic strike and other industrial troubles. We have fought American imperialism here and elsewhere.

In this letter it is stated that $30,000 was spent for this kind of propaganda, and an appeal is made for funds to continue the work.

The National Student Conference met in Milwaukee December 28–January 1. In commenting on the conference discussion "In case of war," the New Student, voice of the youth movement, said—

to the proposition—I am ready to support some wars but no others—740 voted "yes," while 327 declared they would support no war. Eight hundred believed that the present economic system based on production for profit and not for use is "wrong." As a substitute for the present economic system, 392 voted for a cooperative system wherein the workers share in control. Communism appeared preferable to the present system to 47.

This same stripe of youth demoralizers, a comparatively short time ago, opened an offensive against compulsory military training in the schools and colleges. The use of the word compulsory was used for deception, for, as a matter of fact, the fight was against all military training, and it is easily provable that they were working hand in hand with the communists in this country. I refer you to the recognition of Russia hearing taken before the Subcommittee of the Committee on Foreign Relations (U. S. Senate, 68th Cong. pt. 2, p. 325), in connection with the Second National Convention of the Young Workers' League of America (controlled by Soviet Russia) held at Chicago, May, 1923. We read:

Propaganda amongst the youth likely to be recruited for military training student corps and the like national campaigns against participating in military training when the camps are opened * * * every attempt must be made to reach as large a section of the proletarian children and present membership in the boy and girl scout organizations.

From the Daily Worker, the paper of the Communist Party, then published in Chicago, now in New York City, this is taken from the editorial page of the issue of November 11, 1925.

Fight against the militarization of the youth in public schools disrupt and destroy as far as possible the military training camps established for the purpose of preparing for the time when the working class can be led to the imperialistic slaughter house; perfect organizations that can stifle production of war materials, thereby crippling the so-called national defense at its most vulnerable point.

While this damnable doctrine was being preached in America, aided and abetted by a large number of liberal organizations, some of which I have already mentioned, a dispatch of February 3 shows that in communist Russia they are training the youth of even 16 years of age to military service, the Associated Press report reads, as follows:

Moscow, February 3.—Regular military instruction will be extended to the high schools in Soviet Russia beginning February 5.

Like the university students who already are receiving such training, boys between 12 and 16 will receive theoretical instruction and drill in military science, including rifle practice, aeronautics, tank attacks, and chemical warfare. They will spend three months in summer camps for field drill.

Last spring representatives of some of the organizations I have mentioned appeared before the Military Affairs Committee of this House. One of these representatives, John Nevin Sayre, a secretary of the Fellowship of Reconciliation, and very active, possibly unconsciously, in aiding the communist scheme to impotent our national defense as well as to prostitute the patriotism of youth, in answering questions put to him by members of that committee, admitted that financial support for that class of work came from the notorious Garland fund. This fund is controlled by well-known radicals, a number of whom are members of the American Civil Liberties Union, the objectives of which have already been stated. And three of the directors of this fund are well known and self-admitted communists.

At a student conference held at Far Rockaway, Long Island, not long ago, attended by nearly a score of representatives from youth organizations, among which were the Young Men's Christian Association and Young Women's Christian Association, one Stanley High, an officer of the Methodist Church, stated that the youth of the land should declare for their slogan, "Go to Leavenworth, rather than fight." I wonder how many people in this Nation appreciate the danger of this kind of teaching?

Similar activities and propaganda are corrupting youth through women, labor, farmers, church, school, and other organizations. This well organized and sufficiently financed movement to undermine the morals of your children is one of the most menacing phases of our national life. It is not so much the numerical strength of our so-called enemies to-day, but the activities of the pacifists and the pacifity of the patriots that threaten disaster to constitutional government, the property right, religion, and the family relation.

Organized propaganda by such societies as I have mentioned—there are something like 200 of them in this country—against the Government of the United States and American institutions, will in time destroy unless the truth is brought to the people. This cry of "imperialism" and "militarism" as applied to the United States is pure, unadulterated propaganda and finds its genesis in Moscow. This is not merely an assertion. It is a fact. The documentary evidence to sustain it is overwhelming.

Mr. LINEBERGER. Will the gentleman yield?

Mr. SOSNOWSKI. I will.

Mr. LINEBERGER. How many members does the gentleman estimate there are in these 200 organizations to which he has referred? Has the gentleman any figures?

Mr. SOSNOWSKI. There are unlimited numbers. Those who pay dues directly and are contributing members number thousands, while those who are indirectly members of the communistic organization in the United States will run more than one million.

Mr. LINEBERGER. I am very glad to have those figures because the gentleman has given it very full and elaborate study, and I am sorry there are not more Members to hear his speech.

Mr. SOSNOWSKI. As recently as the last Sunday in January a prominent citizen of Montana before a group of "non-interventionists," some of whom were rather prominent among

the anti-Americans during the World War, expounded at length on our desire to become a great "imperialistic" nation, making many statements which he and no one else could prove; but they sounded nice, got applause from the un-Americans who sat in the audience, and gained first-page space for this Senator in the New York papers the next morning.

Gentlemen, do a bit of reasoning for yourself. How many years ago was it when you first heard these words "imperialistic" and "militaristic" applied to the United States? Seldom, certainly, before the World War. Then slowly but with increased frequency, they began to appear in the American press. An ever-increasing number of speakers began using them. Every form of propaganda and publicity was used to create the impression in the minds of the American people that we as a nation were both "imperialistic" and "militaristic." Need I say that this was all for a purpose? Now go back to the First, the Second, all other resolutions of the Third (communist) International. Read the literature of the communists and socialists. Listen to their speakers, and you will learn the genesis of a false, utterly and absolutely false, idea.

Mr. TYDINGS. Will the gentleman yield?

Mr. SOSNOWSKI. I can not yield now.

In other words, gentlemen, the words "imperialistic" and "militaristic" as applied to the United States are bogeymen of communist inception. They are nice things to play with. They appeal to the emotional and the idealistic. They enable blatant and limelight-seeking men and women to gain publicity. The most interesting thing about all this is that the nation which inspired this propaganda is the greatest, most dangerous, and vicious "imperialistic" and "militaristic" nation on the face of the globe. Russia openly, frankly, and candidly insists it will take over all the balance of the world and wipe out all present civilized government. And it openly, frankly, and candidly states that it proposes to maintain the strongest army in the world and accomplish its ends by persistent and continual revolutions in all the countries of the globe.

While this prominent citizen from Montana, from the rostrum in New York, was denouncing his own Government and lauding that of a foreign nation which, at the present time, is seeking to confiscate the property of American citizens, the cable was carrying an Associated Press dispatch to be printed Monday morning, January 31, which in part reads as follows:

> Moscow, January 30 (Associated Press).—Declaring that since its foundation the Third International has "proclaimed the necessity of war against the insolent and mightiest capitalist régime and imperialism of the United States," the Red Communist organization, which was founded by Lenin in the Kremlin, March 5, 1919, and is closely identified with the Soviet Government, bitterly arraigns the United States for its Latin-American and Mexican policy.
>
> In a manifesto issued to-day, which is addressed to "the workers and peasants of the oppressed nations of the world," it "invites all anti-imperialistic forces to support the people of Nicaragua in their struggle against the base designs of American imperialism."
>
> "The American Secretary of State," it says, "finds no better excuse for sending battleships to Nicaragua, borrowed a pitiful maneuver from the fascist bandits of Lithuania, Bulgaria, and other countries, and announced that it was the Bolshevist danger that caused American intervention.
>
> "The whole world is laughing at Mr. Kellogg's attempts to distract attention from the real motive of American intervention in Central America, namely, ratification of the American oil magnets and bankers exploiting and pillaging Central America. American imperialism is becoming bolder and cruder in trying to colonize the whole Latin America, whose recurring revolts menace the interests of American exploiters."
>
> Declaring that the United States must subdue the entire country in order to accomplish its design to build in Nicaragua a second canal, the proclamation says:
>
> "That is why the mask has been thrown away and the country occupied under the pretense of protecting the lives and property of American citizens. From the Rio Grande to Terra del Fuego the populations must organize a powerful movement against the exploitation and spoliation of the United States."

I know what will follow these remarks. I will be the subject of abuse from our radical friends. They will not refute a single statement of fact I have made, because they can not refute them. They will not undertake to present any evidence that I am wrong in my contentions, because there is no such evidence. But they will scoff. They will grow sarcastic. They will invoke all the irony at their command. They will belittle. They will shout, "Oh, another man seeing red." They will possibly say, as did the prominent citizen a few nights ago in New York of Secretary Kellogg, "He sees a Bolshevik under every sagebrush between Washington and Mexico City." To this I might reply: Had the gentleman who made that slurring remark seen more Bolsheviki, then known as Industrial Workers of the World, in the mining camps of Montana when we were at war, and at a time when Bolsheviki were engaged in openly seeking to cripple our war activities, he might have avoided for himself some trouble which he encountered with the President of the United States at that time.

But I care not what they say. I see this menace at home in my own city. I see well-meaning workmen being deceived and made to hate the Government that gives them liberties they could not obtain elsewhere and enables them to earn wages unknown in any other country. I see a well-designed plan laid in an unfriendly foreign country at work in my home town. When I leave this body on March 4 I am going back to the city of Detroit, the city I love, a wonderful city in a wonderful State. It was the Governments of Michigan and that of this Nation which enabled me, a poor son of a poor foreign workman, to gain a position in the world. I credit whatever success I may have attained not to myself but to the opportunities afforded by a fair, a liberal, and a just Government, which has permitted me unobstructedly to apply whatever initiative and ability a kind God gave me for my individual benefit and profit.

And back in the city of Detroit I will join hands with every true, loyal American citizen and organization to fight to the bitter end the forces which I know aim to destroy my Government, take from me whatever little property I have acquired, corrupt my home, and prevent me from worshiping God according to the dictates of my own conscience.

And you gentlemen who remain here have still a greater task. That task is to inform yourselves as to the nature, origin, character, and extent of these enemies of government, of home, and of religion, and deal them the finishing blow.

Mr. CONNALLY of Texas. Mr. Chairman, I make a point of order——

Mr. SOSNOWSKI. I do not yield.

Mr. CONNALLY of Texas. The gentleman does not have to yield for me to make a point of order. I make the point of order that the gentleman is violating the rules in discussing here in the House a Member of another body.

Mr. SOSNOWSKI. I have not mentioned any Member by name.

Mr. CONNALLY of Texas. We will see whether the gentleman did that or not. I ask that the words be taken down. The gentleman has just referred to what President Wilson did in reference to a Senator during the war.

Mr. SOSNOWSKI. Is the gentleman afraid to hear the truth about communism?

Mr. CONNALLY of Texas. The gentleman is not afraid of the truth, or the gentleman from Michigan, either.

The CHAIRMAN (Mr. CHINDBLOM). The Chair will confess he did not observe the language and would like to inquire whether the speaker referred to a Member of a past Congress?

Mr. CONNALLY of Texas. Of the present Senate. If the gentleman will strike out the statement referred to, I will not make the motion; but unless he does I shall have to do it.

Mr. RANKIN. Mr. Speaker, permit me to call the attention of the Chair to this precedent: Two or three years ago a former Speaker of this House, Mr. GILLETT, made a speech—I think it was in New Haven, Conn.—and he was criticized for that speech on the floor of the Senate. That question was taken up here on the floor of the House, and it was held, if I remember correctly, that a United States Senator on the floor of the Senate criticizing a Member of the House for utterances made elsewhere was violating the rule of the Senate.

Mr. CONNALLY of Texas. There is no question about the rules. A Member has no right on this floor to refer to a Member of the other body. That is exactly what the gentleman from Michigan has been doing, and doing repeatedly.

Mr. SOSNOWSKI. That means a question of taking something out of my remarks for the good of the country. If so, I will strike them out of my remarks. But the speech that I referred to was carried in every newspaper in the United States.

The CHAIRMAN. The gentleman from Texas [Mr. CONNALLY] demands that the words referred to be taken down.

Mr. CONNALLY of Texas. The rule is that the gentleman must take his seat while that is being done. If he wants to retract his remarks I will withdraw my motion. That is all the House can do—to strike them out. Of course, if the gentleman takes them out I shall not make the motion.

The CHAIRMAN. There is nothing pending before the Chair until the words are taken down.

Mr. CRAMTON. Mr. Chairman, may I make this suggestion? I sympathize entirely with the attitude of the gentleman from Texas [Mr. CONNALLY]. I think each body owes it to the other, in the interest of orderly parliamentary procedure,

to guard against any remarks which might lead to recrimination. I think it may interest the House, however, to know that on a very recent occasion when in another body the rule was flagrantly transgressed against and remarks were made that not only criticized one Member of the House, but criticized all the Republican Members of the House, and while the matter was called to the attention of the House by a resolution which I offered and which the House unanimously voted, couched in very mild language calling the attention of the Senate to the proceeding referred to and asking it to take the proper procedure in reference to it, the Senate has up to this date entirely ignored that request of the House, and thereby in my judgment has committed against the House a much more flagrant discourtesy than was constituted by the original remarks made in the Senate, and of much more flagrancy than the remarks just made by the gentleman from Michigan [Mr. SOSNOWSKI].

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. I will yield.

Mr. CONNALLY of Texas. Does not the gentleman think he was right then in demanding a retraction, and that I am right now?

Mr. CRAMTON. Yes. I was right then, and right in my saying now that it was an increased discourtesy to the House in the failure of the Senate to act.

Now, as the gentleman states, I am not sure that under the rule the remarks of the gentleman from Michigan are subject to question, because the remarks which the gentleman from Michigan [Mr. SOSNOWSKI] has called in question were remarks made in a speech delivered in New York. But I am so much of a stickler for the proper spirit of comity that should exist between the two bodies that I rose primarily to suggest to my colleague from Michigan, in order that the House at least might demonstrate to the fullest its desire to work with the Senate in harness, as two parliamentary bodies should, and show its disposition to respect to the fullest degree the rights of the Senate, whether the Senate respects the rights of the House or not, I want to appeal to my colleague that he remove any opportunity for question and any necessity for a great waste of time at this time in the session by such modification of his remarks as would make it impossible for anybody to take exception to them. I think if the gentleman from Michigan would merely strike out the title of the office referred to, and refer to "a prominent official," or something of that kind, his speech would lose nothing, but possibly gain something by reason of the attention that we have given it.

The CHAIRMAN. The Chair will say that there is nothing for the Chair to rule upon except the demand that the words be taken down. If that is insisted on the words will be taken down, and then the Chair will have something before him on which to rule.

Mr. CONNALLY of Texas. I demand that they be taken down.

Mr. DEMPSEY. Mr. Chairman, may I rise to a parliamentary question?

The CHAIRMAN. The gentleman will state the parliamentary inquiry.

Mr. DEMPSEY. I find, on referring to the rules, that they do not provide for an inhibition of what has been done here. The rule reads simply in this way.

The CHAIRMAN. On what page?

Mr. DEMPSEY. Section 363 of the Manual, at the right hand bottom of the page. I read:

> It is a breach of order in debate to notice what has been said on the same subject in the other House, or the particular votes or majority on it there; because the opinion of each House should be left to its own independency, not to be influenced by the proceedings of the other; and the quoting them might beget reflections leading to a misunderstanding between the two Houses.

So that while I am in sympathy with the gentleman from Michigan [Mr. CRAMTON] in what he has said, I am speaking now simply of the technical rule in force and the reasons underlying it.

The CHAIRMAN. The Chair is of opinion that the purpose of the gentleman from New York, in the matter of procedure, can be carried out only when the words objected to have been taken down.

Mr. DEMPSEY. That is it exactly.

The CHAIRMAN. The Chair will, however, call the gentleman's attention to the notations under the rule on the next page, page 144 of the Manual, the second paragraph:

> While the Senate may be referred to properly in debate, it is not in order to discuss its functions or criticize its acts or refer to a Senator in terms of personal criticism or read a paper making such criticism.

That is an expansion of the rule as made by the rulings of the Presiding Officers in the House and in the committee.

Mr. DEMPSEY. I will send for those authorities, but I think the Chair will find on reading the authorities that they refer to the acts of a Senator as such in the body of which he is a Member and that they do not refer to the acts of a Senator outside the Senate.

Mr. CONNALLY of Texas. Mr. Chairman, I make the point of order that the only thing to be done now is to have the words taken down.

Mr. DEMPSEY. I do not believe any Member has the right to have words taken down unless they are within the rules, and it clearly appears from a reading of the rules themselves—and I believe it will appear from the authorities as well as from the rules—that these words are not within the rule which the gentleman from Texas invokes.

The CHAIRMAN. Theoretically, at least, the words are not before the Chair until they have been taken down. The Chair therefore is unaware of the objectionable language.

Mr. SOSNOWSKI. Mr. Chairman, I will withdraw that language.

The CHAIRMAN. The gentleman from Michigan indicates a desire to withdraw the words, and without objection, the gentleman from Michigan will be permitted to make a statement as to what he purposes to do.

Mr. SOSNOWSKI. Mr. Chairman, I ask permission to strike out that language.

Mr. RANKIN. Mr. Chairman, since this question has been raised, there is more than one paragraph in the gentleman's speech, and if he wishes to strike out all reference to a speech made by a Senator in New York, I will be entirely satisfied; if not, I renew the objection made by the gentleman from Texas.

The CHAIRMAN. The Chair suggests that the gentleman be permitted to go back to the beginning of the matter to which objection has been raised and start to deliver his speech at that point; then the members of the committee will know whether any objectionable language remains in the speech.

Mr. CONNALLY of Texas. But, Mr. Chairman, we might have to stay here until to-morrow in order to permit the gentleman to read all of his speech again.

The CHAIRMAN. If the gentleman omits the reading of the objectionable language, then the gentleman from Texas will know what the gentleman from Michigan has left in his speech.

Mr. DEMPSEY. Mr. Chairman, if the gentleman from Texas has any right, does it not begin at the time he made his demand to have the words taken down? He certainly has no right to go back and have the whole speech reread. If he has no right to go back and have it all read, then he has no right to have any part of it reread except from the point where he made his demand.

Mr. CRAMTON. Mr. Chairman, the gentleman from Texas took exception to certain language, but it was not an extensive portion of the speech. There was about one section to which the gentleman from Texas took exception.

Mr. CONNALLY of Texas. The gentleman means the gentleman from Texas took exception publicly to that particular part, but, as a matter of fact, the gentleman from Texas took exception to most of the speech.

Mr. CRAMTON. But that is not a matter which is open to debate at this time.

Mr. CONNALLY of Texas. The gentleman directed his remarks at me, and I have a right to reply.

Mr. CRAMTON. I am trying——

Mr. CONNALLY of Texas. I know what the gentleman is trying to do.

Mr. CRAMTON. I am trying to get the situation ironed out in order to save the time of the House.

Mr. CONNALLY of Texas. The gentleman from Michigan said the gentleman from Texas did not make any objection to the earlier language and in that statement the gentleman from Michigan is technically correct. The gentleman is technically correct in saying that I only objected to the latter statement, and if the gentleman desires to do the right thing by revising his speech and not make it offensive I shall not press the point of order. However, I will say to the gentleman from Michigan that there were many other portions of the gentlman's speech which were offensive and subject to the point of order I have made.

Mr. CRAMTON. I had not noticed those other portions.

The CHAIRMAN. The only question now before the committee is whether the gentleman from Michigan may withdraw the remarks to which objection has been made. The gentleman

from Michigan has indicated to the Chair upon his copy the place where he proposes to begin to eliminate from his manuscript and the Chair thinks he has marked the point where the language begins which was objectionable in the view of the gentleman from Texas.

Mr. CONNALLY of Texas. I will say to the Chair that if the gentleman withdraws that language, technically, I can not object any further; but I want to serve notice on the gentleman now that if in the morning or at any other time there appears in the RECORD language that transgresses the rules of this House with reference to a Member of the Senate, I am going to move to have such language expunged from the RECORD.

Mr. RANKIN. Mr. Speaker, I desire to make a point of order against all the objectionable and unparliamentary language used by the gentleman with reference to a United States Senator.

The CHAIRMAN. Does the gentleman object to the withdrawal of his remarks by the gentleman from Michigan?

Mr. RANKIN. No; I prefer to have the gentleman withdraw all the language that is objectionable from a parliamentary standpoint.

The CHAIRMAN. The gentleman from Michigan will proceed in order and, without objection, leave is granted the gentleman to withdraw the objectionable language.

There was no objection.

Mr. SOSNOWSKI. I would suggest that some of you gentlemen read a book published by Blair Coan, entitled "The Red Web." I would also suggest you read the documentary evidence which I am going to introduce to back up every statement I have made. I am making this statement as a Member of Congress, and I realize the responsibility upon me, and which is backed by documentary evidence.

I want sincerely to thank both sides of this House. I have soldiered with a great many boys of the South for years. I have always loved and respected them. There is not a better class of people in the United States when it comes to loyalty, and I want to thank the gentlemen on the Republican side who have been kind to me for the last two years. If I have gained nothing more than their good friendship, if I have gained nothing more than the privilege of presenting my views to this House, I feel I am amply rewarded for the services I have given to my district, to my State, and to my country. [Applause.]

I thank you; and, Mr. Chairman, I yield back the remainder of my time.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 30 minutes to the gentleman from Arkansas [Mr. OLDFIELD]. [Applause.]

Mr. OLDFIELD. Mr. Chairman, Mr. WOOD, of Indiana, Chairman of the Republican National Congressional Committee, made a speech on this floor some days ago, in which he took me to task for stating that the Democratic Party won a real victory in the last November elections. In reply to this criticism I desire to state again that I feel that the people of the country generally looked upon the November elections as a real Democratic victory. We increased the Democratic membership in the House by 13 and decreased the Republican majority to the same extent. In the Senate we gained seven seats and reduced the majority of the Republicans there almost to the vanishing point. However, Mr. WOOD says that the election of Members of the House is more indicative of the national sentiment than the election of Members of the Senate. Of course, if we had made greater gains in the House than we did in the Senate, then probably Mr. WOOD would have said the reverse. However, in the election of United States Senators last fall every Republican nominee, I think with few exceptions, went before the people of their States on the slogan "That Coolidge needed him in the Senate." Coolidge needed ERNST; he needed Butler; he needed VARE; he needed SMITH and nearly all of the rest of them, and yet in spite of this great need the people returned Democrats at the election. While we are talking about the national aspect of the election I take it that there is no clearer indication as to this aspect than the election in Massachusetts.

Senator Butler was the ideal proponent and beneficiary of the Fordney-McCumber tariff law and of the control of Government by a small group of big business. Senator WALSH had the opposite viewpoint with regard to the Fordney-McCumber tariff law and privilege-controlled government. In addition to this, President Coolidge not only wrote a strong letter telling what a splendid man Senator Butler was and how indispensable he was to the Republican Party and the Chief Executive, but he went to Massachusetts to vote, and during the day saw many thousands of Massachusetts voters. Yet Senator WALSH won by some sixty thousand votes. It seems to me that this is the best index of what the Republicans of the Nation were thinking than any other election. The President himself being from Massachusetts, thoroughly in sympathy with the Forney-McCumber tariff law and other high tariff laws, was defeated in Massachusetts by Senator WALSH, because the President threw himself into the breach, and it can not be construed in any other way than an anti-Coolidge and an anti-Republican victory. Of course, there were some senatorial elections where the slogan was not "Stand by the President." Brookhart, of Iowa, for example; Blaine, of Wisconsin; Senator WILLIS, of Ohio; Senators WATSON and ROBINSON of Indiana. It also may be called to the attention of the people of the country that Col. FRANK L. SMITH of Illinois, chairman of the Public Utilities Commission of the State of Illinois and the Republican candidate for the United States Senate, while being very much criticized not only by Democrats but by Republicans, for accepting large contributions from Mr. Insull, the biggest public utilities man in Illinois and one of the biggest in the country, stated that it was no worse for him to accept campaign contributions from an interested party like Mr. Insull than it was for the President and other Republicans to receive large contributions from tariff barons who were interested in writing tariff laws. Whatever else Colonel SMITH said in his campaign there is no doubt that he told the literal truth in that statement.

The gentleman from Indiana would make light of the results of the November election. He professes not to see the handwriting on the wall. He professes to believe the party to which he belongs, the forces for which he contends, the forces of reaction, won a great victory. The gentleman from Indiana refuses to see any significance in an election result that decreases the Republican Party control of the Senate to a mere nominal control, a majority so small that during the next two years the distinguished Presiding Officer of that body dare not take even a cat nap without placing his party in jeopardy. He sees no significance in the result that decreased his party's majority in this body by 13 votes and increased the Democratic membership by that number. He sees no significance in a result that so frightened the old guard in both Houses, so reduced the likelihood of its control that, hats in hand, the party leaders in the two Houses went to their recalcitrant brethren of the progressive wing and begged them to return to the fold on any old terms under which they would agree to come in. Though they were outcasts, the fortunes of politics were such that these gentlemen whose very names were anathema to the old guard, suddenly became saintly and no price was too great to pay to get them to come back into the ranks of the old guard and vote with the majority to organize the two Houses. Nor does the gentleman from Indiana see any significance in an election result that, almost as soon as the ballots were counted, brought from the occupant of the White House a declaration for immediate tax relief. Some have been so unkind as to doubt the sincerity of the President's expression. Others have been so unkind as to scoff at the proposal. But whatever we may think of it, we at least know the President saw the light and by his move sought to deprive the Democratic Party of the righteous issue of a just and equitable downward revision of Federal taxes, which the people are demanding, to which they are entitled, and which at least the President knew would play havoc with the Republican plans in 1928. The fact is that whatever majority the Republican Party will have in the Senate when Congress convenes next December will be based upon a corrupted electorate in Pennsylvania and Illinois, assuming that they have any majority at all in that body, because they have no majority without the votes of VARE and SMITH.

Further on in his speech the gentleman from Indiana speaks of his party's fiscal record. Let us briefly examine that fiscal record. He refers to reduction of the public debt. At its peak, the Federal debt was $26,596,701,648.01. This was on August 31, 1919. Between that date and June 30, 1921, under the administration of Democrats, the debt was reduced $1,507,055,608, or a little more than three-quarters of a billion dollars a year. From June 30, 1921, to June 30, 1926, the debt was further reduced by a little more than $4,000,000,000. This was over a period of five years, a yearly average reduction of about the same amount as made during the two years of debt reduction under Democratic administration. But of this somewhat more than $4,000,000,000 of debt reduction under Republican administration down to the last June 30, nearly two and a half billion dollars of assets used in the reduction were inherited from the Democratic administration. This included three-quarters of a billion dollars in back taxes levied by a Democratic administration but not finally collected until after the opposition party came into power. It included more than a quarter of a billion dollars' worth of surplus war property which was sold off and the proceeds applied to the debt. It also included about $400,000,000 of assets of the War Finance

Corporation and Railroad Administration accumulated under a Democratic administration.

It also included a Treasury surplus of $186,000,000 turned over to the Republican administration. In addition it included $773,000,000 of interest and principal on the foreign debt. Thus credit for reduction of the debt by use of these assets, amounting to nearly two and a half billion dollars, rightfully belongs to the Democratic administration. The Republican administration is entitled to no credit for it. It makes the amount of reduction for which credit should go to the Democratic Party nearly $4,000,000,000 out of a total reduction up to last June of around $6,000,000,000.

Mr. WOOD also makes some reference to prosperity. It is difficult to determine just what he means by prosperity. Prosperity in order to be real must be general. Does the gentleman from Indiana really believe that whatever prosperity we have in this country is general? Mr. MILLS made the statement on the floor only a few days ago that we have unexampled prosperity in America at this time. Secretary Mellon made the same statement and President Coolidge makes the same statement. Each of these gentlemen knows, or ought to know, that they are simply trying to mislead the American people, because everyone knows that prosperity in America lacks a great deal of being general. Do these gentlemen contend that the farmers, who compose about one-third of the population of America, are prosperous? Do not they know that the value of farm property in America is to-day $30,000,000,000 less than it was when the Republican Party came into power on March 4, 1921? Everybody, except the gentleman from Indiana, the President, Secretary Mellon, and Undersecretary of the Treasury Mills knows that the farmers in America are in dire distress and are rapidly being forced to the level of European peasantry as a direct result of the policies of this administration. But it is not only the farmers of America that are in dire distress. The textile mills of the East and Southeast are also in distress. Notwithstanding the fact that the textile industry has the highest tariff rates under the Fordney-McCumber tariff law they have ever had, and notwithstanding the further fact that the textile industry pays lower wages than most other industries in America, yet the textile industry is in dire distress, and Mr. WOOD suggests, in the latter part of his speech, that Republican leaders should begin now to think about revising the tariff upward. Those representing the textile industry appeared before the Ways and Means Committee at the hearings on the Fordney-McCumber tariff law and made the statement that it was impossible to reduce wages; therefore, they must have higher tariff rates. Of course, they got these higher tariff rates and immediately began reducing wages in the industry. No man can truthfully deny this fact. Mr. Thomas F. McMahon, international president of the United Textile Workers of America, recently made the following statement:

> The wages before the present tariff law went into effect, viz, 1922, were, of course, higher than they are to-day, due to the war-time conditions. With the increased number of machines or spindles added to the worker during the past two years, with a reduction in wage per spindle and machine because of this increase in machinery, the condition of the workers in the cotton mills to-day and some of the worsted mills is worse than at any time in my memory.
>
> The strike at Willimantic, Conn., took place because of a reduction of 10 per cent. The American Thread Co., which controls this plant, had been doing business with us for 10 years, and during that period had declared 250 per cent cash dividends. The reason given for the 10 per cent reduction was because the cotton mills of Fall River were so doing. The cotton mills of Fall River and many other places, because of mismanagement, gross neglect, and ancient machinery, were compelled to cut wages or close down. Some of them have closed since, which proves that reductions in wages, when such wages are already as low as humanly possible to bear, will not save the situation. The thread company, on the other hand, declared its usual dividend the year prior to the strike and placed in reserve $1,380,000 from the net earnings of 1924, one of the worst years in the history of the industry.
>
> We tried for six weeks with the assistance of the Federal Department of Labor to avoid this strike. Mr. Robert Kerr, the president of the American board of directors, was adamant.
>
> The American Thread Co. is controlled by the English Sewing Cotton Thread Co. (Ltd.), of Manchester, England.
>
> The strike has now been on since March 9, 1925. The mill that usually employed 2,500 is employing less than 800 to-day. Three hundred of these people were formerly strikers; the others are out-of-town strike breakers.

The textile industry has reduced wages and laid off thousands of its employees, yet it has the highest tariff protection of any industry in America but this is not all. According to a recent report of R. G. Dun & Co., there were 2,465 failures by business concerns in the United States during January, 1927. This number was 396 more than occurred during December, 1926. I mention this comparison to show you that "prosperity" under Republican policies is progressive. The number is the greatest occurring during any one month in the country's history with the single exception of January, 1922—also under Republican rule—when there were 2,723. In January, 1925, there were 2,296 commercial failures. You can put your finger on almost any month under Republican rule and find that it is a record month in some respects of bankruptcies. During the year 1926 the total number of commercial failures in this country was 21,773, involving liabilities totaling $409,232,278. Compare this with the last Democratic year, 1920, when there were only 8,881 failures with liabilities of $295,000,000. The figures I have just quoted relate to commercial failures; that is, business concerns of one kind or another.

Of course, I assume that Mr. Wood will try to make the people believe that this is not the fault of the Republican administration, but if you are going to claim any credit for that which you claim to be good you can not escape the responsibility for that which is undoubtedly and admittedly bad. [Applause.]

While business conditions in this country have been growing continually worse, what of our neighbors to the north? In Canada during January of this year, when failures in this country were showing such an alarming increase, there were 234 commercial failures, as compared with 270 during the corresponding month of 1926, a decrease of 36. If the policies in force in this country are so benign, so wise, so conducive to prosperity, why is it that commercial conditions here grow worse as they grow better across the northern border? Let one of the "best minds" on the Republican side answer that question.

Now, let us examine the figures of bank failures for a moment. Surely, there is no better criterion of prosperity of a community or a country than the stability of the banking fraternity. During 1926 there were 608 bank failures in the United States, with liabilities amounting to $212,074,999. During the preceding year—1925—there were 464 bank failures, with liabilities amounting to $164,698,510. If, according to President Coolidge, Secretary Mellon, Mr. Hoover, and Republican leaders on this floor, business is growing progressively better, how do you account for the increase of 144 bank failures during the last year, and an increase in their liabilities of nearly $50,000,000? Now, let us compare these bank failures with the bank failures of 1920, the last year of Democratic control. During the year 1920, when the Republican spellbinders were telling the people that conditions were terribly bad and appealing to them to elect a Republican administration in order to help business conditions, there were only 119 bank failures in the United States, with liabilities of only $40,000,000. The increase in liabilities of bank failures during last year under Republican rule was more than the total liabilities of all the bank failures in America during the last year of the Wilson administration. And to carry the comparison a little further, during the eight years under President Wilson's administration there were only 578 bank failures in the entire country, as compared with 3,019 bank failures, with total liabilities of $969,276,000 during only six years of Republican rule, while commercial failures in five Republican years outnumbered the total for eight years under Wilson, with liabilities nearly twice as great. Republicans do some things at least in a "big" way. If you will consult the reports of R. G. Dun & Co. and take the Federal Reserve Bulletin, you will find that these figures are absolutely correct. If you will consult the Federal Reserve Bulletin, you will find that during the first three weeks of 1927 the Federal Reserve Board makes the statement that there were 93 bank failures in this country, with deposits of $25,600,000. Evidently 1927 is out to beat 1925 and 1926 records. Yet administration propagandists continue to repeat daily the false statement that we have "unexampled prosperity" in America.

Secretary Mellon in opposing farm-relief legislation opposed such legislation on the ground that it would increase the price of food products in this country. He forgot to tell us, however, that the Fordney-McCumber tariff law was written for the purpose of increasing the price of manufactured articles to American consumers. He also forgot to tell us that the Fordney-McCumber tariff law increased the duty on aluminum 3 cents per pound and that 60 days thereafter Mr. Mellon's aluminum trust increased the price of this product to the extent of the increase in duty.

The President and Secretary Mellon and others like them who believe a small segment of big business interests ought to run the Government, tell us that we have unexampled prosperity because of the large amount of income taxes paid last year by individuals and corporations. If you will investigate carefully you will find that the great corporations and individuals connected with them who seek and secure special privileges through

legislation and executive favor, are the only ones that are prosperous. Surely no one will claim that the hundreds of thousands of corporations that made no profits last year and the thousands that failed were prosperous. What is happening in this country to-day is that under privilege-controlled Government the small banks and the small business men are being continually and surely put out of business and the field of business is being monopolized by a small group of big business interests which controls the Government; and I might add our agricultural population is being forced into peasantry. Secretary Mellon and the President also make the point in their opposition to farm-relief legislation that it will enable the foreign consumers to secure American food products cheaper than our own consumers. Yet the President and Secretary Mellon both forget to tell us that this is one of the purposes of the Fordney-McCumber tariff law and this is the effect that the Fordney-McCumber tariff law has had on the consumers of our manufactured products in our country, and the consumers of our manufactured products abroad. If you will get the foreign edition of the Exporters and Importers' Journal of October 15, 1926, you will find a splendid illustration of this fact. In many of the articles the Journal advises that they will give the foreign prices on application. I assume that is on application by some foreigner who wants to buy American manufactured goods. The following are but a few of the outstanding illustrations. Surely there are many others.

Harrows and plows that are made by American manufacturers and sold to Americans for $108 are sold to foreign purchasers for $72. Harrows and plows manufactured in America and selling to American consumers for $165 are sold to foreign consumers for $110. Gas stoves sold in America for $100 are sold to foreign consumers for $70. Baking powder, price per dozen cans of 2 ounces each, 95 cents; price to foreign consumers, 86 cents. Dozen cans of baking powder 5 pounds each, $31.20 to American consumers and $28.08 to foreign consumers. Hammers, price to American consumers, $20.34 per dozen and to foreign consumers, $15.26 per dozen. When Americans buy coffin and casket trimmings made in America they pay 30 per cent more than the foreigner has to pay. They pay for blacksmiths' tools 25 per cent more than the foreigner has to pay. Auger bits, the American consumer pays 60 per cent more than the foreign consumer pays. Steel rules and gauges, the American consumer pays 20 per cent more than the foreign consumer. Screw drivers, the American consumer pays 33⅓ per cent more than the foreign consumer. Hence, you will see clearly that the effect of the Fordney-McCumber tariff law enables American manufacturers to sell to foreign consumers cheaper than they sell to their home consumers; and they do it. Yet proponents of high tariff laws very carefully guard the people against these facts.

Mr. Chairman, when the Democratic administration ended on March 4, 1921, every nation in the world was our friend. Many of the South American Republics entered the great war on our side not because they expected to furnish soldiers in the contest but to show their appreciation of the great American Government. To-day, after six years of Republican control, we have not a friend in the world, largely because of our tariff walls and other restrictions upon commerce. To-day the European nations are getting together and are writing tariff laws which will prevent our exports of farm and factory to those countries, largely because we have written tariff laws to keep their products from our shores. The people may just as well understand now as later that they can not sell if they are not willing to buy. No Democrat wants to write a tariff law that will injure business conditions in this country, and we have never done so; but we are unalterably opposed to prohibitory tariff laws. We want honest competitive tariff laws that will encourage legitimate international trade and commerce. [Applause.]

Another great question confronting the American people to-day is honesty in elections as well as honesty in Government. We have seen a veritable saturnalia of dishonesty in government within the last six years. Dishonesty in government is a natural corollary of corruption in politics. We should never hesitate to hit, and hit hard, corruption when it shows itself, either in elections or in office. It has been said that it is impossible to have honesty in government until we have first had honesty in elections; hence we invite men and women everywhere, regardless of party, who desire to assist in putting down corruption, both in elections and in office, to join us in this fight. [Applause.]

We have within the last few days seen the sickening spectacle of high Government officials go on the stand to certify to the good character of a former Attorney General who was afraid to go on the stand in his own defense. We have also seen this same former Attorney General and a former Alien Property Custodian of this administration, surrounded by relatives and friends at the conclusion of a former trial, being congratulated, not on being acquitted of the terrible charge of graft in high office, but on securing a hung jury. Yet some people wonder at the wave of crime in this country. The ordinary criminal has been encouraged by the example of crime committed in high office within the last six years.

Mr. Chairman, with the headless, spineless, and heartless leadership we have at the head of our foreign affairs, I think it would be wise for this House to pass a resolution before we adjourn declaring it to be the sense of the House that the President do not during the recess of Congress, between March 4 and December 5, involve the country in war with Mexico without first calling Congress in extraordinary session. My friends, this is especially necessary when we contemplate the controlling influence exercised by Mellon, Doheny, and Sinclair, who, it is stated, own more than 80 per cent of the oil lands in Mexico and who are the only interests refusing to comply with the land laws of that country. [Applause.]

Mr. Chairman, in conclusion permit me to suggest to Democrats in order to win in 1928 we must deserve to win. There is not room enough in this or any other country for two special-privilege, ultra-conservative, plutocratic parties. We can not hope to compete with the Republicans for the support of the despoilers of the people. Neither can there be two ultra-radical parties in the country. We must represent that great body of our citizenship who in their hearts and consciences desire a government which treats every man, woman, and child in the country just like it treats every other man, woman, and child when they come in contact with government. We must remain democratic; we must represent sound liberalism in America; we must protect the average citizen against the aggression of the corruptionist in politics; we must remain loyal to and fight the battle of the average citizen, the great common people. [Applause.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 30 minutes to the gentleman from Texas [Mr. CONNALLY]. [Applause.]

Mr. CONNALLY of Texas. Mr. Chairman and gentlemen of the committee, the Navy Department, under the direction of the State Department, is at war in Nicaragua. The Congress has not declared war, neither has the President as commander in chief of the Army and the Navy announced the existence of a state of war; but war is being made by the armed forces of the United States in the Republic of Nicaragua.

The people of Nicaragua at the last time that people expressed themselves officially indicated by a 2 to 1 vote they did not want to be governed by the Chomorro-Diaz régime. After the chosen servants of the people of Nicaragua had taken office, Chamorro instituted a military revolt and seized the reins of power. The State Department and the Navy Department, though they did not diplomatically recognize his régime, did not intervene with armed forces and put down his usurpation of power, but allowed him to exercise control of that Republic for a number of months in defiance of the will of its people.

When American marines were first landed in Nicaragua late in 1926, it was predicted then that slowly and by degrees the marines would be utilized not for the primary purpose of protecting American lives and American property, but it was predicted then on this floor that as events developed American marines would be utilized to keep the Liberal revolution headed by Sacasa from overcoming Diaz and driving him from power. Diaz, who to-day is recognized as President of that Republic by the United States, the day after he went into power publicly stated that unless the United States sent armed forces into Nicaragua his own people would overthrow him and put him out of power; and it was in response to that request that American marines were landed there.

My friends, what is the reason assigned by the Department of State and the Navy Department? They say that American marines have been landed in Nicaragua for the purpose of protecting American lives and American property. That is a worthy cause, and if American lives and American property were in truth endangered there might be some foundation for the course of these departments of government; but I challenge you and I challenge the Department of State to tell the American people of one American life that has been imperiled or one dollar of American property that has been endangered or damaged. The departments from day to day hand out statements that it is for the purpose of protecting American life and American property that marines are in Nicaragua. It was predicted here on this floor that the program of the State Department and of the Navy Department would be to gradually take control of the whole country through a process of neutralization, and what did they do? The first act of neutralization that took place was to seize Puerto Cabezas, the headquarters of the revolution,

They landed marines, took charge of that territory, and told the revolutionists that no fighting could take place in the neutral zone. Wherever there was a city or a point which the revolutionists threatened with any show of being able to capture it, marines were landed and that point was neutralized. At the city of Chinandega the liberals were in a threatening position. A battle took place, and shortly the marines were dispatched there and the territory declared neutral. Leon, a liberal center in Nicaragua, has been neutralized and the marines have taken their position there. Corinto, on the coast, has been neutralized, and when the liberals tried to cut off communication by railway between Corinto and the capital marines were landed and patrolled the railroad from Corinto for the purpose of doing what? For the purpose of perpetuating in power the usurper Diaz, recognized by the United States Government on the second day after his supposed election.

There are only two kinds of authority to be recognized in a State. The President is either a constitutional de jure officer or he secures his position by force and is a de facto officer. Diaz is neither. He is neither the constitutional President of Nicaragua, nor is he able to seize power in Nicaragua by force, because his rule is absolutely dependent on the force exercised and exerted by the marines of the United States.

You can have a certain admiration for a revolutionist or an insurrectionist who is strong enough, who has character enough, to overpower the existing régime by force and who becomes a de facto officer. If Diaz were such a character there would be at least the color of right of recognition. But in the case of Diaz he was not able to maintain himself, he could not seize the reins of power by force, nor was he the constitutionally elected President; he has neither the title to the office de jure, nor has he title to the office de facto by reason of the strength of his power.

It was stated publicly in the other end of the Capitol a few days ago that 17 days before he was supposedly elected by the Nicaraguan Congress the first secretary, the American chargé d'affaires, Mr. Dennis, had made a public statement that Diaz would be acceptable to the United States Government in case he should be elected by the Congress. Seventeen days after that statement he was elected, and two days later he was recognized by the State Department. A short time afterwards, in response to his urgent appeal, United States marines were landed there to maintain his authority at the point of the bayonet.

What did the press tell us this morning? It announced the following headlines. This is from the Washington Post, recognized as having access to the backstairs of the administration:

LATIMER PROHIBITS ANY FIGHTING NEAR LINE OF RAILROAD—DIAZ TREATY PLAN PUTS UNITED STATES OVER NICARAGUA FOR 100 YEARS—CONTROL OF FINANCES IN AMERICAN HANDS—CREATION OF NATIONAL GUARD OFFICERED BY UNITED STATES ARMY ALSO IS PROPOSED

In exchange for the American guarantees of sovereignty and independence, offering to guarantee the Bryan-Chamorro treaty on canal rights and naval bases, President Adolfo Diaz this week will submit to the Nicaraguan Congress a proposal for an alliance with the United States over a period of 100 years.

"In exchange for American guarantees of sovereignty and independence!"

Think of it, gentlemen, guarantees of sovereignty and independence are what we are going to give Nicaragua. Independence! In control under this proposed treaty, in control of her finances, in control of the customhouses, in control of her police, officered by the United States Army officers. And in exchange, gentlemen, for that kind of independence Diaz is going to have his tools in the Nicaraguan Congress promise to protect American rights to build an interoceanic canal.

The State Department among others gives as a basis for its action that the United States must land marines in order to protect our rights to build the Nicaraguan Canal. Mr. Chairman, the canal is as yet a mere figment of the imagination, as yet it is only a channel in the mind, as yet the Nicaraguan Canal is only a dream. Nothing that Nicaragua can do, nothing that Diaz can do, nothing that Sacasa can do can imperil our rights. We have the right to build it when we elect to build it, and the excuse that it is necessary to take over the Government of Nicaragua, not for 100 years or for 1 year, in order to protect the Nicaraguan Canal is the flimsiest of pretenses, and is unworthy of the Department of State. [Applause on the Democratic side.] The trouble with our Department of State is that it is presided over by a man with an eighteenth century mind. He acts like a diplomat of the eighteenth century. He reminds us of the diplomacy of Metternich. He suggests that type of Old World diplomacy that is devoted to commercial exploitation and to the spread of the dominion of some great ruler. Let me read from an editorial in the Brooklyn Daily Eagle of February 22, 1927:

[From the Brooklyn Daily Eagle, February 22, 1927]

TWO YEARS OF MR. KELLOGG

Mr. Kellogg has now been Secretary of State of the United States for two years. As a record of complete, unmitigated failure his administration sets a new standard. No previous Secretary has ever done more harm and less good in so short a time.

He has scored failures in these important negotiations:

On the Tacna-Arica issue.
On the treaty with Panama.
On the World Court.
In the Nicaraguan revolution.
In the oil and land dispute with Mexico.
On the Lausanne treaty.
In the preliminary disarmament conference.
On the American invitation to an arms conference.
In China.

No Secretary of State has ever had so many fine opportunities. None has ever failed so completely in everything he undertook.

What are we going to do about Nicaragua? We have already intervened. People speak of "going to intervene" in Nicaragua. We have already intervened. We have taken military control of the Republic of Nicaragua, over the protests of two-thirds of the people of that Republic, and for what? To protect American lives, to protect American property! That is the slogan under which the State Department claims to act. It will be noticed that I do not use the words "United States." I do not say that the United States is at war, because the United States and the people of the United States do not believe in the course of conduct that the State Department, usurping the rights of the American people, is carrying on in Nicaragua. [Applause on the Democratic side.] The people of the United States are not at war, and they do not want to be at war, but the State Department has usurped the functions of governments and is placing the United States in a position from which it is going to be difficult to recede and in which it is still more difficult to justify our actions.

Mr. MOORE of Virginia. Mr. Chairman, will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. MOORE of Virginia. I hope the gentleman will refer to the fact that the President of the United States, in his message on January 10, said that we had no purpose to intervene in Nicaragua.

Mr. CONNALLY of Texas. Here is what the President said. The President said, in his message on January 10:

I am sure it is not the desire of the United States to intervene in the internal affairs of Nicaragua.

If the President meant what he said in his message and if he still believes that the Government of the United States does not desire to intervene in Nicaragua, why does he not send a messenger over to the State Department and summon his Secretary and ask him how it is that he is embezzling the power the President placed in him by running contrary to the President's explicit expression in that respect?

Whenever we land troops in a country, whenever we take armed possession of the cities of a country—and we have already taken possession of all of the important cities in Nicaragua except two—whenever we take charge of a railway traversing a country and issue orders to the revolutionists that they must not come within 2,000 yards of either side of the railway with their troops, whenever we issue an edict to the revolutionary commander and tell him that he must not bring his troops within 2,000 yards of any city in Nicaragua, then we commit acts of war. It is not necessary to spill blood to wage war. It is not necessary to spill blood to conquer a country. To conquer a country is to take armed possession of it and establish your authority over it, and that is what Admiral Latimer has done. He has taken over sovereignty along the railroad and around every city. His answer is that Diaz, this puppet; Diaz, this paper President; Diaz, this theoretical President, has asked him to do it. Mr. Chairman, if I were the President of a country with an army, I would not ask any other nation to come in and exercise the functions of my office for me; and the only reason that Diaz asked Admiral Latimer to perform these functions is because he can not perform them himself, because the minute American marines are withdrawn from Nicaragua, Diaz will be ejected from office by the wrath of the people of Nicaragua. Diaz says that as long as he is President he wants the marines in Nicaragua. He says:

So long as I am President, and under subsequent administrations, I think the United States marines should remain in Nicaragua. This is the only means of preventing revolutions and guaranteeing the uninterrupted progress of the coast-to-coast railroad which I planned, paved highways, educational system, allowing the Nicaraguans to realize their natural physical advantages and possibilities of development during peace times. I always opposed removing the marines from Nicaragua, and I welcome their return to aid our nation.

Mr. O'CONNOR of New York. Mr. Chairman, will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. O'CONNOR of New York. Will the gentleman give us the benefit of his judgment as to the real reason why the State Department is intervening there, by what motive it is inspired?

Mr. CONNALLY of Texas. It is a difficult matter to conjecture or judge of the motives of other people, but so far as we are able to ascertain the facts with reference to the action of the State Department——

Mr. O'CONNELL of New York. We could not get them directly in the committee.

Mr. CONNALLY of Texas. We had no opportunity in the Committee on Foreign Affairs to have a representative of the Department of State come before the committee and give us information. The committee of which I happen to be a member absolutely refused to invite the Secretary of State or any of his subordinates to appear before the committee. The committee simply got behind that mouth-filling phrase "to protect American lives and property," but I rather suspect that the American lives and the American property that the State Department is so anxious to protect in Nicaragua are a few American-owned corporations that have loans in Nicaragua and corporations holding mahogany concessions, and interests that are now planning to acquire the railroad which the marines are now protecting.

This man Diaz says he planned the railroad. Well, I am not able to vouch for this information, but the best information I can obtain is that there is a group of financiers in New York who are planning to take over the railroad from the existing Government of Nicaragua, and I am informed that the day following the Diaz inauguration he borrowed $300,000 from a banking concern in New York. I am not able to vouch for that. I regret we have not available information on this subject. The Department of State has not vouchsafed to the committee the information, and there is such a prejudice in the Committee on Foreign Affairs against information that we were unable to get any from the department.

Let us see what we are going to do for 100 years. They are going to propose a treaty for 100 years. Thank the Constitution, however, a treaty to be effective must be ratified, and, thank the Constitution, there is a Senate over at the other end of the Capitol. Before the treaty can become effective the Senate must approve it. Yet the Department of State and the Department of the Navy as soon as Congress adjourns can go on putting into practical effect the terms of that treaty without the ratification of the Senate. We predicted more than a month ago what is transpiring now in Nicaragua. Wait until Congress adjourns, wait until the Senate adjourns, wait until its return home, and the Department of State and the Navy Department will have a free rein. They will have the marines at their disposal; they will have the Navy at their disposal. I hesitate to predict what will happen in Nicaragua and Mexico when the administration and State Department are free without Congress being in session to let the country know what they propose. Do you know how many marines there are in Nicaragua now? The New York World of this morning states there are already in that territory and on the way over 5,000 marines—5,000 marines! Why, my friends, you could give every American citizen in Nicaragua a corporal's guard to protect him, and to do that we would not need half as many marines as there are there now.

Mr. MOORE of Virginia. Will the gentleman allow me to interrupt him?

Mr. CONNALLY of Texas. I will.

Mr. MOORE of Virginia. At the time the President sent in his message there were marines to the extent of 20 officers, 400 enlisted men, and 15 naval vessels off the coast of Nicaragua, including cruisers, destroyers, and a mine sweeper—enough to protect all the property as well as the person of every American citizen in Central America, and yet, forsooth, we are sending an additional force.

Mr. CONNALLY of Texas. I will say to the gentleman from Virginia that his statement, so far as I know, is absolutely accurate, and as the days go by, and as the press reports come every day chronicling the increased number of warships and increasing numbers of marines the departments are dispatching to Nicaragua, not one American has suffered any personal peril so far as we are informed, and the reports fail to state that a dollar's worth of American property has been injured or harmed. I yield to the gentleman from Alabama.

Mr. ALLGOOD. The census of 1920 reports 521 Americans in Nicaragua.

Mr. CONNALLY of Texas. They have 10 for each American citizen in Nicaragua now—a guard of 10 marines—that is the quota! He may not have it, but he has a quota of 10 marines to which he is entitled.

Now, what is to be the policy of the United States? Here is what the President said in a public statement on the 20th of January. This is the voice of the President, who is supposed to control the Secretary of State. This is the voice of the President, who is Commander in Chief of the Navy and the Army.

The President on the 20th of January said:

Least of all we have no desire to interfere in the internal affairs of Nicaragua or dictate in any way.

Yet, gentlemen, in the face of that statement, these servants of the President, the Secretary of State and the Secretary of the Navy, in defiance of the President's own words, have interfered in Nicaragua. Have they interfered? They have told the citizens, the supposedly free citizens of a sovereign republic, that they can not come within 2,000 paces of a single city in their own republic. They have told them that they must not approach within 2,000 yards of the railway. Our naval commander has told them that they can not fight within certain areas. Our forces have neutralized completely, with the exception of two cities, every important point in Nicaragua.

Mr. Chairman and gentlemen of the House, on yesterday in this Chamber the President of the United States stood before one of the most distinguished gatherings that could be convoked on this earth, embracing the diplomats of foreign countries, the Senators of the United States, the Representatives of the people of the United States, the members of the greatest court that sits on this revolving globe, and delivered an eloquent and inspiring address on the life of George Washington. I would commend to you and to the President the following from George Washington's Farewell Address. In speaking of a weaker nation becoming attached to a greater nation, as we are seeking by this arrangement with President Diaz to attach Nicaragua, or at least the interest of one faction in Nicaragua, to the United States, President Washington said:

So, likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest, in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions to the favorite nation of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessarily parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted, or deluded citizens who devote themselves to the favorite nation facility to betray or sacrifice the interests of their own country without odium, sometimes even with popularity; gliding with the appearance of a virtuous sense of obligation a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak toward a great and powerful nation dooms the former to be the satellite of the latter.

Washington's words were wise 100 years ago. They are wise now. The President of to-day may profit by the example of our first President.

Mr. Chairman and gentlemen of the committee, we are in a state of war in Nicaragua; not perhaps with all of the people, but we are at war with the dominant faction in Nicaragua. We are at war with the majority of the people of that Republic, according to the last official expression of that people. We have neutralized all of the zones where any fighting was imminent. We have taken over the independence and sovereignty of Nicaragua to all intents and purposes.

Congress has not declared war. The President has not announced the existence of a state of war. But two departments of this Government, not responsible to anybody except the President, have created a condition of war yonder in the Republic of Nicaragua.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CONNALLY of Texas. Can the gentleman give me another minute?

Mr. TAYLOR of Colorado. I yield to the gentleman three minutes.

The CHAIRMAN. The gentleman is recognized for three minutes more.

Mr. CONNALLY of Texas. Mr. Chairman and gentlemen of the House, I want here to register my solemn protest against that action. I protest against it as a representative of the American taxpayers, who will have to foot the bill. As the representative of mothers and fathers whose unwilling sons must carry on war when it is waged, I protest against it. In the name of the rights of small nations as well as of great I protest. As a representative of the American people I protest against it. In the name of justice and fairness to the people of Nicaragua I protest against it. Above all, as an American citizen who loves his country and who glories in its traditions I protest against it, because it is wrong. [Applause.] I protest against it in the name of the Monroe doctrine, a doctrine that was enunciated for the protection and independence of the nations of Central and South America and not for their exploitation and destruction. [Applause.] I protest against it in the name of international good will and fellowship. I protest against it because, by the course which these two departments of the Government are pursuing, we are alienating the respect and confidence of Europe and stirring up the hatred and bitter passions of every people in South and Central America. I protest against it in the name of American business, because the course we are now following will drive the people of South and Central America into European markets for the purchase of goods. I protest against it because it increases the number of our enemies and lessens the number of our friends.

What are we going to do about it? Is there no way by which the American people can have their voice registered? We know and you know that the American people do not believe in that high-handed course. You all do know that the American people believe in what the President said he believed when he said the United States did not want to intervene in Nicaragua.

Is there no way, gentlemen, by which the great submerged voice of the American people can find utterance? Is there no forum where their voice can be heard? Is there no place in this Government where, when their voice is heard, it can be registered and its crystallized opinion can be translated into action? [Applause.]

Oh, Mr. President, who stood here yesterday and lifted up your voice in praise of the life of Washington, I would remind you that that great American's greatest fame clusters about the years when he warred here on these shores to make independent a struggling people and that he wrote his name where time can never efface it because he stood for the rights of a people to govern themselves without outside interference. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. CONNALLY of Texas. And it was because Washington, along with other citizens of the Colonies, was able with his sword to write those beliefs and those principles into law and into fact that his name has been handed down to the generations that shall come after him. It was because George Washington, with his little, ragged Continental Army, was able to drive from these shores forever the royal standard that Washington was Washington. [Applause.]

The Central and South American countries to-day are in existence because a great leader arose in the southern continent. Under the inspiration of Washington, the patriot Bolivar rose against the might and power of Spain and secured the independence of Central and South America. He was fascinated by the example of Washington. The exploits of Washington had seized upon his imagination. He raised the same battle cry in South America that Washington raised here, and those struggling people threw off the thralldom of Spain and became independent nations after the fashion of our own. And then the great country of the north, the home of Washington, when it saw the sovereignty and the integrity of South American countries imperiled, when it saw the threat of the Holy Alliance extended across the Atlantic, when it saw the covetous eyes of Spain looking with hunger and with greed upon the rich possessions that had been rudely ravished from its grasp, America said to Europe, "You shall never establish to the south of us any part of your system. Our people and our treasure are pledged to the protection of the independence and sovereignty of South and Central America." [Applause.]

Mr. Chairman and gentlemen of the committee, I protest against staining that splendid chapter of American international nobility by writing a new chapter which shall abase the independence of even one Central American State while it exalts the dollars of a few corporations. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. CRAMTON. Mr. Chairman, I yield 20 minutes to the gentleman from Michigan [Mr. KETCHAM].

Mr. KETCHAM. Mr. Chairman and members of the committee, in the closing days of this session of Congress the high pressure under which we have been working and the great interest nearly all Members take in particular measures coupled, of course, with some cross currents of divided interests have produced a state of mind among the Members that led one newspaper to call this Congress the "Battling Congress."

I am happy to say, Mr. Chairman, that the proposition I advance at this time is not calculated to increase this stress or strain to a greater extent, but on the contrary is advanced with the exactly opposite idea in mind. So far as I know no word of opposition has been expressed to the Capper-Ketcham bill (H. R. 16295), which has for its purpose supplementing the appropriations now made under the Smith-Lever bill, particularly in behalf of county club agents for the organization of boys' and girls' club work and also an increase in number of home demonstration agents.

The clear-cut delineation of the life and service of the Father of our Country delivered in this Chamber by President Coolidge yesterday emphasized particularly the value of business training and experience in the making of a noteworthy life and in the development of the extraordinary qualities of leadership which George Washington exemplified.

He was a practical and successful surveyor at 16, a joint executor of his brother's estate at 20, owner of Mount Vernon at 22, and one of the largest land holders of the Old Dominion at 26. Emphatically the Father of our Country learned "by doing." The great 4-H boys' and girls' club movement in the United States is a practical and successful application of this "Learning to do by doing principle."

There are in the United States 11,000,000 rural boys and girls between the ages of 10 and 18 years of age, 6,000,000 of whom live upon the farms. The common school course of study is usually completed at the age of 14 and unless the young people from the country go on to high school and college the remaining years between 14 and 20 are years of discovery and experiments, and in many cases mere drifting.

These years are, therefore, of the greatest consequence, not only to the individuals themselves but also to the country from the standpoint of public welfare. A substantially high percentage of the criminals of large centers of population are young men between these ages. This fact emphasizes the necessity of early and definite training for some worth-while occupation.

The boys' and girls' club movement in the open country is one of the most practical and successful means of meeting constructively this problem. In the twelve-year period covering the operation of the Smith-Lever law under which these clubs have been developed, nearly 6,000,000 different boys and girls enrolled in these clubs in every State of the Union, and a very high percentage of those enrolled completed the various projects undertaken and submitted written reports upon the results achieved.

The extension service set up under the Smith-Lever Act has been the motive power back of this tremendous club movement. Its efforts have been supplemented by nearly 40,000 local club leaders who for the most part rendered purely voluntary service in supervising and directing the various club projects.

There are in the United States at the present time practically 2,800 agricultural counties. Of these 2,800 counties, approximately 2,150 have agricultural agents, 945 of the counties have home-demonstration agents, and 160 have county club agents. It is the purpose of H. R. 16295 to supplement the appropriation now granted by the Smith-Lever Act by providing an increased amount, 80 per cent of which is to be used principally in the employment of additional boys' and girls' club and home-demonstration agents.

Probably every member of the committee is fully advised as to the general character of the work done by these boys' and girls' clubs and the primary purposes that are sought to be served. The Department of Agriculture summarizes them as follows:

1. By means of farm home and community demonstrations and club activities, carried on by the young people themselves, they are shown how to improve rural farm and home practices and to organize the social life of their home communities.

2. The larger possibilities of rural life are developed.

3. Those who are planning to become farmers and home makers are trained in the most efficient methods, and finally the young people are shown the advantages of leadership in rural affairs, and trained for these responsibilities.

The public interest in the clubs lies in the degree in which the young people themselves are developed into public-spirited and useful citizens.

The particular lines of work which are made the medium by which certain results are obtained are as follows: Growing an acre or more of cotton, corn, or potatoes in accordance with the latest and best directions and instructions; raising pigs, calves, sheep, and chickens according to the latest approved methods; growing fruits and vegetables to meet the needs of the ordinary family, canning the surplus in the latest approved method, and a few other lines of farm and home work that especially appeal to young folks.

The average period of training for these young people is about two years, although numbers of them continue longer, and thereby train themselves for leaders of local clubs or for further high-school and college work.

Probably the practical question that will be raised in the minds of most members of the committee is the necessity for additional funds for this purpose in view of the progress already quoted. This necessity arises out of the fact that the Smith-Lever funds have reached their limit and the field for boys' and girls' club work has just fairly been opened up. Both the county agricultural agents and home demonstration agents give every possible encouragement and supervision to the work of these clubs, but naturally the demands upon their time in other directions curtail their activities in club work and they can not do their best when such club work is a minor, rather than a major activity.

Proof of this fact is shown in the comparative results achieved where county agricultural agents and county club agents have worked at the problem. The latest figures indicate that the average number of boys' and girls' club members in counties where work is done under the supervision of the agricultural agent is 119, under the home demonstration agents, 196 club members per county, but where a county club agent gives his whole time to this work the average enrollment is 507.

While these enrollment figures show undoubtedly the advantage of having a county club agent, yet the real test of the success of their work is in the number of boys and girls who complete their projects and make reports. Very naturally the percentage of such completion is very much higher where the county club agent is able to give his whole time. The average of such completion is 75 per cent in contrast with 60 per cent by the county agricultural agent alone, or 50 per cent where the home demonstration agent alone has charge.

To indicate that the field is nowhere near occupied it may be stated that there are on the average 960 rural boys and girls between the ages of 10 and 18 years in each rural county of the United States. It will readily be seen then what a small percentage of those who ought to have the privilege of enrolling in boys' and girls' clubs are actually reached under the present arrangement. The supplementary appropriation carried in House bill 16295 when it becomes fully effective in 13 years would extend this service undoubtedly to all who could be attracted to it.

Agriculture and its problems have been very much before us in recent years, and while emergency legislation has just received a good deal of consideration, yet a matter of public policy that does not take a long look ahead fails to meet the situation fully.

There are approximately 6,400,000 farms in the United States and the average tenure on them is 16 years. Under normal conditions 400,000 new farmers take up the task every year. Under the most favorable circumstances, at present, but a small fraction of them have had as full training as they should for the very important responsibility they assume.

Certainly it is sound public policy to meet this situation more adequately than we are able to do under the limitations of the Smith-Lever Act. Endless illustrations could be given from every section of the country showing individual boys and girls who have developed very wonderfully under operation of boys' and girls' club work. The stories of some outstanding accomplishments will be found in the brief hearings on the bill that have been, and are to be held, by the Senate and House Committees on Agriculture.

In the remaining few moments of the time alloted to me I want to read one story, which is but typical of thousands, that will indicate what has been done by one boy out in the open country between these two critical ages of 14 and 18 years. I refer to Mr. Ford Mercer, of the State of Oklahoma. This young lad took a prize in 1924 for junior leadership of clubs. This is a very brief summary of the things accomplished by that young lad leading up to the winning of this club championship:

(1) He won his father to 4-H club work through corn demonstrations.

(2) He has been a demonstrator in all the club projects in his community.

(3) He enrolled additional members in his home community and helped them to succeed.

(4) He put himself through high school.

(5) He was State pig-club champion in 1921.

(6) He was coach of judging and demonstration teams during 1923-24.

(7) He won the sweepstakes championship in open classes in corn for five successive years.

(8) He has completed 16 club demonstrations with a net income of $1,317.70.

(9) He has made 42 exhibits and won $314 in prizes.

(10) He has taken part in 30 club-judging contests and won first place in 25 of them.

(11) He was president of the county federation of clubs and assumed a large part of the responsibility for the organization work in his county.

All of these indicate how splendidly he used the fine opportunities that were given to him under the provisions of this very fine bill. I would likewise like to include the statement of a like accomplishment on the part of a Michigan boy by the name of Donald Shepard. He lives in the congressional district of my friend and colleague, Mr. HOOPER, and likewise his inspiration and training came from the work that was done under the leadership provided by the terms of the Smith-Lever Act.

The statement referred to follows:

DONALD SHEPARD, EATON COUNTY, MICH.

Farmers of Eaton County, Mich., are beginning to lead visitors around to the Shorthorn herd of Donald Shepard, pointing it out as one of the county's leading herds and telling of the long list of prizes won at county and State fairs by this string of cattle.

A fine Shorthorn herd is no unusual sight in central Michigan; but for a young man barely past 21 and a comparative newcomer at cattle raising to get together a string of blue-ribbon winners such as Shepard's is a feat which has attracted the attention of an entire countryside.

Six years ago Don Shepard, then a boy of 15, joined a county calf club, under the boys' and girls' club organization, and bought two Shorthorn calves—a male and a female. From this start he has built the herd referred to above.

Shepard has just entered the Michigan Agricultural College as a freshman, the money for his entire first year having been won on his Shorthorns during a six-weeks fair circuit last summer.

He has won county and State championships in club work, and a scholarship which will help to pay his way through college. He has been a member of Michigan club stock-judging team at the Chicago international and at the Atlanta (Ga.) contest, is secretary of the Eaton County Shorthorn Breeders' Association, treasurer of Michigan Association of Club Champions, assistant superintendent of the Eaton County Fair Association, and a local leader of calf club work.

For three years Shepard has been winning his share of prizes at county and State fairs, topping off his successes with the awards this summer, which totaled enough to send him to college.

Mr. KETCHAM. Summarizing the arguments in support of H. R. 16295, I would say that I can do no better than to include the words of the Department of Agriculture, which is charged with the administration of this law, after 10 years' experience with it:

4-H club boys and girls are doers. They are taught high ideals and standards. They meet together, work together, play together, cooperate, achieve. They play the game fairly. They demonstrate, work, earn money, and acquire property. They learn and teach the better way on the farm, in the home, and in the community. They build up their bodies and their health through right living. They train their hands to be useful, their minds to think clearly, and their hearts to be kind.

The indorsements of club work are nation-wide in their scope and enthusiastic to an unusual degree. They include all the outstanding farm organizations, likewise livestock and breeding associations, the American Bankers' Association, the National Federation of Women's Clubs, and many others both from organizations and representative citizens.

Mr. Chairman and members of the committee, I have asked for time in which to make this very brief statement this afternoon because of the fact that the Senate Committee on Agriculture has already held hearings upon this measure, and at the conclusion of the first day's hearings the committee unanimously reported the measure favorably to the Senate, and it is now on the Senate Calendar. To-morrow morning at 10 o'clock

before the House Committee on Agriculture hearings upon the bill will start, and in view of the fact that many Members of the House have expressed their interest in the measure, I take this opportunity of extending you an invitation to be present and hear not only from those directly in charge, but from the boys and girls themselves, who will be present to give testimony as to the very excellent character and far-reaching results in training these boys and girls in the practical things which shall make them leaders in their communities in the days that are ahead. [Applause.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 15 minutes to the Resident Commissioner from Porto Rico [Mr. DAVILA]. [Applause.]

Mr. DAVILA. Mr. Chairman, I have received a communication from the University of Porto Rico, which I would like to have read by the Clerk in my time.

The CHAIRMAN. Without objection, the Clerk will read the communication.

There was no objection.

The Clerk read as follows:

GOVERNMENT OF PORTO RICO
UNIVERSITY OF PORTO RICO,
OFFICE OF THE CHANCELLOR,
Rio Piedras, P. R., February 9, 1927.

Hon. FELIX CORDOVA DAVILA,
Resident Commissioner of Porto Rico,
Washington, D. C.

MY DEAR MR. CORDOVA DAVILA: The University of Porto Rico, as you know, aspires to be a sympathetic and understanding cultural interpreter between the Americas and a factor in bringing together and correlating the streams of learning and wisdom that flow from the northern and southern continents. Located on an island lying midway between North and South America, Porto Rico is linked by language, race, and four centuries of common tradition to the southern continent, while to the northern it is bound by increasing contacts as a territory of the United States. A free public-school system, representing government, United States citizenship, are all powerful factors in our civil life. The English language side by side with the mother tongue is taught in our schools. Our trade is overwhelmingly with the north.

Because of these things we believe that Porto Rico is equipped as is no other community in the Western Hemisphere to be the seat of an inter-American university. We feel that our ideal is based on a solid and permanent foundation and that when it shall be achieved our contribution to American peace and good will will justify the efforts it will have required.

With this aspiration in mind, we as members of the faculty and board of trustees of the University of Porto Rico appeal to you, our Representative in the Congress of the United States, to do everything in your power to assist those intrusted with the leadership of the Government of the United States in a course of conciliation and peace in their dealings with the Republics of Mexico and Nicaragua. We do not doubt that our Government is moved by a purpose to deal justly with its neighbors, but we submit that this purpose will be more happily accomplished if the sacred cause of inter-American amity and understanding be kept ever before our eyes. We feel that too often in the past it has been treated as a vaguely idealistic theme, to which it was easy and pleasant to pay lip homage but which deserved little consideration when "practical" and "material" questions were involved. As teachers of young men and women, who perhaps better than any other student group are being equipped to appreciate and assimilate the highest thought and feeling of both continents, we are eager to have our Government choose a course that shall permanently vitalize a program of good will for the Americas.

Some of us are natives of the northern continent, with the English language and Anglo-Saxon tradition as our birthright; the rest of us are natives of Porto Rico, whose heritage is the Spanish speech and Latin culture. All of us are loyal citizens of the United States and fervent believers in a future in which the Americas are predestined to become the center of the world stage, for good or for evil, as inter-American friendship or inter-American hatred will determine.

ANTONIO R. BARCELÓ,
President of the Board of Trustees, University of Porto Rico, and others.
THOMAS E. BENNER,
Chancellor University of Porto Rico.

Mr. DAVILA. Mr. Chairman, of course the University of Porto Rico knows that the Representative of Porto Rico in Washington in his official capacity can not intrude himself in our foreign relations by offering his services to the administration in matters of international character, which are under the exclusive jurisdiction of the President and the Department of State. But as American citizens and citizens of a country of Latin origin the Porto Rican people are especially interested in the peaceable solution of all the difficulties originating in our relations with the Latin-American people, and they avail themselves of this opportunity to express their views on so vital a problem.

This wonderful country has nothing to fear from our neighbors of Central and South America. They are weak, while this Nation is powerful; they are poor, while America is rich. They are fighting desperately in their struggle of life, while this Nation is enjoying the blessings of an unusual prosperity. Uncle Sam's position is unique in the history of America and in the history of the world. Safeguarded by her traditions and institutions, and the marvelous development of her vast resources, America certainly can afford to be generous and altruistic in her dealing with other countries, and especially with our neighbors to the south. [Applause.]

The right of the United States to protect the life and property of its citizens in foreign countries is beyond question. This is a principle of international character accepted and recognized by all the powers of the world. It is a right and an obligation, but let us hope that no steps will be taken by this country to go further than assert it. Protection can be extended American citizens without interfering with the sovereignty of a foreign country. It is a duty to protect the right of property, but let us not overlook the fact that a drastic policy toward the Latin-American countries may represent a loss of millions of dollars to the commerce of the United States.

The Monroe doctrine does not allow any further invasion of the Western Hemisphere by Europeans or non-American powers. But while under this doctrine the integrity of the American countries is properly protected against outside intervention, Europe is nevertheless invading commercially the Latin-American fields and reaping a harvest at the expense of the United States.

The acquisition of territory in America by foreign powers is a matter of supreme concern to this Nation. But it seems that the leaders of this country do not attach sufficient importance to the monopoly of the Latin-American commerce by the European powers. There is a Monroe doctrine to safeguard the American sovereignty against European and non-American invasion. But nothing is being done to protect American commerce in Latin America against foreign commercial expansion. And there is an explanation for this. The enforcement of the old doctrine is an easy task for this Nation, since behind its principles stand the American Army and Navy and all the national resources. But the promotion and development of American commerce in Latin America in competition with foreign commercial expansion can only be secured by amity, sagacity, diplomacy, and statesmanship.

Let us have peace; let us abolish the misgivings and prejudices which have existed in the past between the North and South American Continents. Let us make one family of the two families who inhabit this hemisphere. Let us make one America of the two Americas, and let us see that the spirit of Christ and not the spirit of Mars shall be the guiding influence of the peoples of the two Americas. [Applause.]

Mr. Chairman, I ask unanimous consent to print in the RECORD an address delivered by me on the Monroe doctrine at the Spanish-American Atheneum in December, 1922, at this city.

The CHAIRMAN. The gentleman from Porto Rico asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

The address is as follows:

ADDRESS DELIVERED BY HON. FELIX CORDOVA DAVILA BEFORE THE SPANISH-AMERICAN ATHENEUM AT WASHINGTON, D. C., DECEMBER, 1922

Mr. DAVILA. This is the second time that I have the honor of addressing this atheneum. Since this is a social center having for its primary purpose the establishing, developing, and strengthening of cordial relations between Saxon and Latin Americans, it is natural that we should gather from time to time in order to become better acquainted, and to strengthen the ties that bind us by means of interchange of ideas and sentiments.

For this reason I have not hesitated to accept this atheneum's invitation, although I realize my insufficiency and although the honor thus conferred on me is undeserved.

It happens that important conferences among the five Central American Republics and the United States are being held in Washington. The purpose of these conferences could not be nobler or loftier. One word condenses everything—peace—and another word clears away and levels the road—love. Only on a foundation of love and harmony can we build the temple of peace. And it is beautiful and encouraging to behold these five small Central American Republics and this great Republic of the north amicably discussing transcendental problems and frankly and openly moving toward a firm and complete solidarity.

Many causes have contributed to keep apart these two great families of the Western Hemisphere who have been separately laboring for

years for their individual happiness in spite of the fact that we are all convinced of the necessity of collective labor of such a nature as to restore tranquillity to our minds and assure peace to all in a frank and sincere fraternity. Undoubtedly grave mistakes have been made, as undeniably there have been happy understandings in the mutual relations which these countries have necessarily maintained. This is not, however, the time to dwell on former errors or to stir up the ashes of mutual grievances which might have burned in times less propitious to the fostering of cordial feelings, since the new tendencies follow a different path, which seems destined eventually to lead us into an era holding forth flattering promise, the forerunner of universal happiness and good will. Let us banish distrust from our minds; let us endeavor to approach each other without misgivings, inspired in a mutual faith.

The words of the Secretary of State, Mr. Hughes, in his admirable inaugural speech before the Latin-American representatives deserve close study and profound meditation. The Monroe doctrine, which has given rise to numerous commentaries and various interpretations, seems to stand out boldly (bathed in a flood of light) in the phrases of the illustrous American statesman. As a matter of fact, the most eminent statesmen of the American people have for some time past been making manifestations which justify, and make clearer and broader the principles enunciated by Monroe in 1823.

Take, for example, the words of Theodore Roosevelt in the city of Rio de Janeiro, Elihu Root's speech at the Pan-American Conference held in that city in 1906, the statements of Woodrow Wilson and ex-President Taft, and the phrases of President Harding at the unveiling of Bolivar's statue in New York. The statements of these prominent public men in the past few years tend to do away with any doubts which may have arisen as to the interpretation of President Monroe's message.

It is well known that the Latin-American countries received this message with marks of approbation and satisfaction. Brazil, Argentina, Colombia, Chile, and other Latin-American countries expressed their conformity with the Monroe doctrine and made known their gratitude to the American Government for the declarations therein contained.

This Government's attitude was received in Europe by marks of disapproval and disgust. By means of the proclamation, the United States effectively curbed European ambition, and the independence of the Latin-American countries was guaranteed against external aggression.

There are those who would question the altruism of the American Government in proclaiming this doctrine, and there are those who go so far as to maintain that it was inspired from purely disinterested feelings. Both contentions are exaggerated. The doctrine is based primarily on the right to self-preservation, which no one can deny the American people, and secondarily on the desire to help the then small nations of America to develop without the danger of external aggression.

Whatever the motives behind these principles, it is impossible to deny their utility and efficacy, in view of the beneficial results which all the Republics in America have derived since their adoption. Notwithstanding the general approval which marked its proclamation, this doctrine has since awakened suspicion and misgivings in the Latin-American nations, which, in the absence of a guaranty imposing mutual limitations and based on mutual cooperation, must necessarily rely on the good faith of the American people and on a declaration which, besides lacking sufficient explicitness, has the weakness of being a one-sided promise. However divorced the mind of the American may be from imperialistic ambitions and desire for territorial expansion, and however unquestioned the good faith of the American people, it would be highly desirable to reach a satisfactory understanding among all the nations peopling this hemisphere over the signification and reach of the Monroe doctrine. That an understanding of this nature is not impossible is demonstrated by the conclusive statements of the most conspicuous North American statesmen. These statements, impelled by the prodigious force of ideas, have penetrated both continents; the atmosphere seems saturated with feelings of harmony; the soil is ready, and once the seed is dropped in the furrow there shall break out prolific shoots, precursors of a luxurious vegetation, heralds of variegated flowers, forerunners of seasoned fruit. Thus far we have been too prone to become involved in beautiful language, breathing the perfume of sentiment, and having a marked taste of open and frank sincerity. Let us crystallize these words in the field of the practical; let us change into a continental doctrine what has heretofore been but a one-sided declaration. The day that this is accomplished the prejudice, mistrust, and uneasiness which now stand in the way of the union of our Republics in complete solidarity will disappear, the peace of America will be assured, and we shall have taken a most important and transcendental step toward universal peace. Our work in Europe can be fruitful, useful, and beneficial, and it is but natural that we should lend our aid, whenever we can, to the benefit of humanity; but we must give preferential attention to the settling of our domestic affairs in order thereby to offer a salutary example, to realize our happiness, and to obtain the moral strength necessary for intervention in other problems of world-wide importance. Who knows but that destiny has reserved to our America the lofty mission of pointing out to the other peoples of the earth the only way which will lead us to our common salvation? The America of Washington, Jefferson, and Lincoln holds the standard in its hands, and will know how to wave it in defense of justice and truth. What was in the past an Utopia might perhaps some day be converted into a beautiful and tangible reality. It will be a happy day when we can tell the world: Jano's temple is closed and shall never open again.

The solution of any problem where there exist differences of opinion and supreme interests to defend generally demands, of course, mutual concessions and sacrifices on the part of the interested parties. In this case there do not seem to exist to-day any serious difficulties, since the opinions of Latin-American statesmen and writers coincide with the conciliatory tendencies so admirably set forth by eminent North-American statesmen and writers.

South America has strong reasons to feel devoutly inclined toward Pan American tendencies. It was in Latin America that the first sparks of this luminous idea of continental unity were struck. Latin-American thinkers limited themselves at first to advocate the union of the Latin-American Republics, but the illustrious Chilean, Juan Martinez Rosas, went much further in his statements, and insinuated timidly, yet in a prophetic strain, the union of the Northern and Southern continents. Simon Bolivar was an enthusiastic and fervent advocate of Latin-American union. At times the idea seemed to grow in his brain to extend over all America, as when he says:

"Only an intimate and fraternal union of the sons of the New World, and an unalterable harmony in the operation of their respective governments will be able to make them formidable to our enemies and respectable in the sight of other nations."

And in a letter written from Jamaica, in September 6, 1815, the great liberator has this to say:

"The consolidation of the New World into a single nation with a single bond uniting all its parts is a grand conception. Since the different parts have the same language, customs, and religion, they ought to be confederated into a single state; but this is not possible, because differences of climate, diverse conditions, opposing interests, and dissimilar characteristics divide America. How beautiful it would be if the Isthmus of Panama should become for us what the Isthmus of Corinth was for the Greeks! Would to God that we may have the fortune some day of holding there some august congress of the representatives of the republics, kingdoms, and empires of America, to deliberate upon the high interests of peace and of war not only between the American nations, but between them and the rest of the globe."

We must bear in mind, however, if we would respect historical truth, that Bolivar, in his efforts to establish a league of American nations, referred exclusively to the Latin-American countries without mentioning the United States. The apocalyptical words which we have just quoted, however, are in the character of a revelation. Genius sometimes surprises us with mysterious presentiments which in time become beautiful realities.

The great statesman, Henry Clay, was the first North American to foster the Pan American movement. There are men who have the privilege of sensing luminous visions of the future. Henry Clay belongs to the select number of these privileged characters. As a Member of Congress first, and later as Secretary of State he became an ardent champion of the independence of the Latin-American Republics, and, by developing a policy of attraction, fraternity, and harmony, took the first steps toward continental unity.

Then came the Monroe doctrine, necessary in its origin and wise in its ends, although, unfortunately, later the object of erroneous and twisted interpretations. Since this doctrine had its birth in North America, we should abide by the exposition thereof and the opinion of North American statesmen, to a large extent, because of the authority which accompanies their words and the effect which they themselves produce.

John Quincy Adams, Secretary of State at the time of the announcement of the doctrine, and believed to be its author, said:

"Considering the South Americans as independent nations, they themselves, and no other nation, had the right to dispose of their condition. We have no right to dispose of them, either alone or in conjunction with other nations. Neither have any other nations the right to dispose of them without their consent."

Theodore Roosevelt, in a speech at Rio de Janeiro, expressed himself as follows:

"All the nations which are sufficiently advanced, such as Brazil and the United States, should participate on an absolute equality in the responsibilities and development of this doctrine so far as the interests of the Western Hemisphere as a whole are concerned. It must be made a continental and not a unilateral doctrine."

Beautiful words, those, inclosing a great idea, and outlining the way toward that unity which we all desire, within the greatest possible equity.

Elihu Root said, among other things, before the third Pan American convention at Rio de Janeiro:

"To promote this mutual interchange and assistance between the American Republics, engaged in the same great task, inspired by the

same purpose, and professing the same principles, I understand to be the function of the American conference now in session. There is not one of all our countries that can not benefit the others; there is not one that can not receive benefit from the others; there is not one that will not gain by the prosperity, the peace, the happiness of all. These beneficent results, the Government and the people of the United States of America greatly desire. We wish for no victories but those of peace; for no territory except our own; for no sovereignty except the sovereignty over ourselves. We deem the independence and equal rights of the smallest and weakest member of the family of nations entitled to as much respect as those of the greatest empire, and we deem to observance of that respect the chief guaranty of the weak against the oppression of the strong. We neither claim nor desire any rights, or privileges, or powers that we do not freely concede to every American Republic. We wish to increase our prosperity, to expand our trade, to grow in wealth, in wisdom, and in spirit, but our conception of the true way to accomplish this is not to pull down others and profit by their ruin, but to help all friends to a common prosperity and a common growth, that we may all become greater and stronger together."

These statements from the lips of a distinguished Secretary of State agree with the declarations of another worthy statesman who now holds the same office. Secretary Hughes, speaking at Rio de Janeiro, said:

"You, my fellow countrymen of the United States, know full well how sincerely we desire the independence, the unimpaired sovereignty and political integrity, and the constantly increasing prosperity of the peoples of Latin America. We have our domestic problems incident to the expanding life of a free people, but there is no imperialistic sentiment among us to cast even a shadow across the pathway of our progress. We covet no territory; we seek no conquest; the liberty we cherish for ourselves we desire for others; and we assert no rights for ourselves that we do not accord to others. We sincerely desire to see throughout this hemisphere an abiding peace, the reign of justice, and the diffusion of the blessings of a beneficent cooperation. It is this desire which forms the basis of the Pan-American sentiment."

No American statesman, with the exception of Woodrow Wilson, has spoken with more enlightenment or expressed himself more wisely in appreciating the problems of America than this illustrious figure who, fortunately for us, occupies to-day an official position of such exceptional importance. His words, having the ring of sincerity, the foresight of the statesman, and the strength of conviction, are sowing the seed of love in Latin-American hearts, and indicate the dawning of a new era in the relations of the two great families that people the Western Hemisphere.

Ex-President Wilson's phrases to the Mexican newspapermen also deserve special mention. Said Wilson:

"The famous Monroe doctrine was adopted without your consent, without the consent of any of the Central or South American States. If I may express it in the terms that we so often use in this country, we said, 'We are going to be your big brother, whether you want us to be or not.' We did not ask whether it was agreeable to you that we should be your big brother. We said we were going to be. Now, that was all very well so far as protecting you from aggression from the other side of the water was concerned, but there was nothing in it that protected you from aggression from us, and I have repeatedly seen the uneasy feeling on the part of representatives of the States of Central and South America that our self-appointed protection might be for our own benefit and our own interests and not for the interests of our neighbors. So I said, 'Very well, let us make some arrangement by which we will give bond. Let us have a common guaranty, that all of us will sign, of political independence and territorial integrity. Let us agree that if any one of us, the United States included, violates the political independence or the territorial integrity of any of the others all the others will jump on her.'"

Wilson's words in his message to Congress of December 7, 1915, and in his message to the Senate of June 22, 1917, are also deserving of mention, as is his admirable speech delivered at the Second Pan American Scientific Congress, discussing the Monroe doctrine. In this speech Wilson points out that this doctrine holds out no promise whatever as to what the United States proposed to do with the protectorate which was apparently to be established on this side of the Atlantic, and argues that this absence of a guarantee, this lack of clearness, has given rise to suspicion and fears which have prevented the existence of a greater degree of confidence and intimacy between the Americas. This doubt, says Wilson, should be eliminated, first, by means of a mutual guarantee of political independence and territorial integrity; second, by adopting a covenant guaranteeing amicable settlement of all pending frontier disputes and agreeing further that all other differences which might arise be submitted to arbitration and investigated patiently and impartially.

According to the views expressed by Woodrow Wilson in addressing the Senate in 1917, no nation should seek to extend its policy over any other nation or people, but that every people should be let free to determine its own policy, its own way of development, unhindered, unthreatened, unafraid, the weak along with the great and powerful.

President Harding, speaking at the unveiling of Bolivar's statue at New York, on April 19, 1921, said:

"The doctrine proclaimed under Monroe, which ever since has been jealously guarded as a fundamental of our own Republic, maintained that these continents should not again be regarded as fields for the colonial enterprises of old war powers. There have been times when the meaning of Monroeism was misunderstood by some, perverted by others, and made the subject of distorting propaganda by those who saw in it an obstacle to the realization of their own ambitions. Some have thought to make our adhesion to this doctrine a justification for prejudice against the United States. They have falsely charged that we sought to hold the nations of the Old World at arm's length in order that we might monopolize the privilege of exploitation for ourselves. Others have protested that the doctrine would never be enforced if to enforce it should involve us in actual hostilities.

"The history of the generations since that doctrine was proclaimed has proved that we never intended it selfishly; that we had no dream of exploitation. On the other side, the history of the last decade certainly must have convinced all the world that we stand willing to fight, if necessary, to protect these continents, these sturdy young democracies from oppression and tyranny."

Let us close fittingly this series of quotations which adorn my humble and unauthorized phrases by copying some words pronounced by Secretary Hughes at the conferences being celebrated now among the representatives of Central America and the United States. Says Mr. Hughes:

"You will find here the most friendly atmosphere, the helpful spirit of cooperation, and an intense desire to aid you in the furtherance of your own wishes for an abiding peace and a constantly increasing prosperity. The Government of the United States has no ambition to gratify at your expense, no policy which runs counter to your national aspirations, and no purpose save to promote the interests of peace and to assist you, in such manner as you may welcome, to solve your problems to your own proper advantage. The interest of the United States is found in the peace of this hemisphere and in the conservation of your interests."

It is unnecessary to mention here the opinions of the Latin-American statesmen and writers, who have naturally manifested their accordance with these theories which tend to dissipate uneasiness and to fix in a clear and definite manner the only policy to be followed in order to reach the noble ends which we all pursue. The Monroe doctrine broadened, modified, and clarified in accordance with the ideas which prevail among the Americans would perforce guarantee peace and happiness. Had there existed in Europe a doctrine similar to Monroe's, with mutual obligations which would have safeguarded the principles of sovereignty and territorial integrity, we should perhaps have avoided suffering the horrors of the Great War, and the anxieties, disturbances, and conflicts which have followed in its wake.

The satisfactory solution of this important problem will pave the way to the bridging of other difficulties related with intricate problems of common interest, such as, for example, commercial relations, arbitration, frontier disputes, intervention, and mediation.

The idea of a federation of Central American Republics has been alive for some time. It is possible that the question may not be brought up for the consideration of the present conferences, but as a matter of fact the plan has many backers both in Central America and in the United States. May God grant that success crown the efforts of these representatives who have gathered in Washington at the initiative of President Harding, and that something transcendental to the security of America and the peace of the world issue from these conferences which have commenced under such encouraging auspices.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield such time as he may desire to the gentleman from Louisiana [Mr. O'CONNOR].

Mr. O'CONNOR of Louisiana. Mr. Chairman and Members of the House, about two years ago I was requested by Gill Hyatt to make a trip to Hagerstown. Gill Hyatt is a modest, unassuming American who has been a hero in every strife where human rights are involved. For years he has devoted his splendid talent and his wonderful energy untiringly for the benefit of the postal and other employees of the Government. He is now rendering a great service upon Labor, the great weekly which is read by millions of men and women who find the wisdom of multum in parvo compressed in its columns. He is associated with another great American, Edward Keating, who is the editor of Labor. "Ye shall know the truth, and the truth will make you free," is the inspiration that has made Labor a national institution. To railroad men from ocean to ocean Labor is a "cloud by day and a pillar of fire by night," whose influence will lead toilers out of the wilderness and "into a land flowing with milk and honey."

The purpose of the trip to Hagerstown was for Gill and me to say a few words to the locked-out employees of the Western Maryland; words which we hoped would be encouraging to the men who were steadfastly standing by their guns and pursuing lawful means to bring about and crystalize a public opinion which would be a judgment of approval. We

made the journey to Hagerstown amid difficulty as a snow storm of great fury broke over our route that evening, putting out of commission the bus which we had taken, and delaying us in reaching Hagerstown by five hours. We arrived at the hall in which the meeting was held at 10 o'clock.

The railroad men had patiently awaited our coming. It was there that Gill Hyatt made one of the greatest speeches I ever heard. He drew a picture of the miseries, heroically endured by locked-out families, and contrasted that sorrowful situation in human existence with what might be. He sketched in luminous words what it meant to the manufacturing interests of the country to maintain at all times the vast purchasing power of the masses by keeping men and women constantly employed at good wages. He showed most eloquently that factory wheels would cease revolving and great chimneys from sending columns of smoke skyward if lockouts were put into effect throughout the land. The click of machinery would cease, that industrial music would be as silent "as the harp that once through Tara's Halls." Factory grounds would be deserted, windows darkened, and buildings in ruins, that were once the hives of busy men and women. The laughter of boys and girls would be hushed and the scenes that knew happiness, thrift, and industry would know them no more. Vast unemployment permanently continued makes for the end of a country. The soul of it sickens and dies. Under such melancholy circumstances, men who love their country have only the mournful reflection which comes with the thought so well expressed in the lines—

So sleeps the pride of former days, so glory's thrill is o'er,
And hearts that once beat high for praise now feel that throb no more.

Eloquently and fervently he pictured what might be if all were bound by ties of fraternal love and a desire to distribute the fruits of civilizations so broadly and so generously that every American might stand up proudly and say, "This is my own, my native land." For no civilization is worthy of the name nor can it endure where all are compelled to work for the maintenance of an order that benefits the relatively few, that gives royal raiment, purple and fine line, to the high priest of the financial and industrial temple while millions who have worked and toiled and moiled as hewers of wood and drawers of water know not where to lay their heads. Gill showed the glories of the coming day, for he saw them with the eye of the prophet, when every family would own a home, when every household would be furnished with fine furniture, with carpets, musical instruments, pictures on the walls, and an automobile, making for such a demand upon our manufacturers as to keep them whirling with enterprise and buzzing with activity the year around and unlimited employment for everyone that asked for work. Listening to him, I felt that if it were a dream it was so beautiful that we might all pray for its fulfillment and translation into an actuality. He expressed the gripping thought through an interrogatory directed to the world of industrialism. His question was, If we have made so much progress in every direction notwithstanding the many antagonisms between capital and labor, what must our accomplishments be when capital and labor will dwell in amity and accord and walk arm in arm to the many brilliant conquests of mind over matter that are yet to be won? It was Gill at that meeting who suggested not a grand jury probe but an inquiry into the lockout for the sake of truth by churchmen. The balance of the story is found written by Gill himself. He will be surprised indeed to find that a friend who values him for his sterling Americanism has taken the liberty of perhaps mutilating a story which shows his fairness, for he unhesitatingly prints from the report of the churchmen that which may be a criticism of those who are affectionately enshrined in his heart. [Applause.]

Mr. Chairman, I ask unanimous consent to extend these brief remarks by incorporating in the RECORD at this point that wonderful story of Mr. Hyatt upon this investigation by the Federal Council of Churches, rabbis, and priests. [Applause.]

The CHAIRMAN. The gentleman from Louisiana asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

The matter referred to follows:

MINISTERS, RABBIS, AND PRIESTS JOIN IN STRONG REPORT—EVERY IMPORTANT CHARGE MADE BY STRIKERS ON THE WESTERN MARYLAND IS SUSTAINED—LOCKOUT, NOT A STRIKE—BYERS'S IMPOSSIBLE ATTITUDE FORCED MEN TO CEASE WORK, SAY IMPARTIAL INVESTIGATORS

By Gilbert E. Hyatt

The report of the research department of the Federal Council of Churches, the social service department of the National Catholic Welfare Conference, and the social justice commission of the Central Conference of American Rabbis on the strike of engineers and firemen on the Western Maryland has been given to the public.

The three organizations, representing practically all the religious bodies in the United States, state that it is the first time they have joined in a study of this character.

They were led to make this united investigation, according to their joint statement, because of the fact that, "although the number of men involved is comparatively small, the controversy is of much significance, both because it presents all the elements typical of American industrial controversies, and because the Western Maryland is the only class 1 railroad in the United States that has refused the requests of the enginemen's brotherhoods for the 'standard wage increase,' which was initially granted on the New York Central in January, 1921."

MINISTERS REQUESTED PROBE

They state that the investigation was requested by the Ministers' Association of Cumberland and Hagerstown and by business men and leading citizens, and that "influential and representative citizens of the two cities served on committees appointed to facilitate the inquiry" and to raise the funds necessary for its conduct.

The material used in this exhaustive report was collected principally by F. Ernest Johnson and Miss Agnes Campbell of the Federal Council and the Rev. Robert A. McGowan, of the Catholic Welfare Conference.

Covering every phase of the dispute, not only as between the management and the brotherhoods, but as it affected the public, the stockholders and the directors of the road, it confirms every charge brought by the men against the officers of the company.

SAY IT WAS A LOCKOUT

Referring to the notorious Bulletin 54, which forced the walkout of the engineers and firemen, the churchmen say:

"The order was, in fact, a lockout order, and the men discharged under it on October 13 and 14 were locked out. A strike is the act of the employees. A lockout is the act of an employer.

"While the distinction is not always clear, there seems to be no question about it in this case. The Western Maryland was locking out—refusing to work—those of its employees in engine service who would not agree as individuals to work under new conditions. As the Railroad Labor Board said later, the company 'struck first,' so to speak.

"If the present situation on the Western Maryland is called a strike, rather than a lockout, it is only because the men struck before the lockout order was made fully effective.

"The position taken by the management on practically every question involving labor union is typical of 'open-shop' theory and practice."

The charge that the management hired strike breakers while ostensibly negotiating with the men's committee is fully substantiated.

DEMANDS OF THE MANAGEMENT

In respect to the drastic demands for changes in working rules, which the management insisted upon, the report says:

"What the management asked, then, was that the men run more miles and stay at work 10 or 11 or 12 hours. This would obviate the need of calling new men to work, who would be paid for a new day, but the old men already at work would be paid overtime. Yet the company, it appears, would save very little in wages.

"The gain would come from the steadier use of equipment and a reduction of overhead costs. Even this gain might all be lost in one accident caused by fatigue after long hours of work."

In dealing with the plea of poverty, which the road used as an excuse for its systematic labor baiting, a careful analysis of the financial structure and condition of the Western Maryland is made, resulting in the point-blank assertion that "the financial condition of the Western Maryland puts it in a position where it can not continue to plead poverty as a reason for not adjusting wages."

COULD HAVE PAID WAGES

While pointing out that calculations of wage increases to meet standard rates could not be figured on the amount going to the engineers and firemen alone but that the trainmen and conductors must also be included, it is stated that—

"The cost of a settlement with both enginemen and trainmen could have been met sixteen times over, and still the great mortgage interest could have been paid. In 1925 it could have been met fourteen times over.

"The conflict is not between a wage settlement and bankruptcy," the report continues, "but between a wage settlement and dividends on stock."

Including the maintenance of employees, "it appears that even a 10 per cent increase in wages of all classes of labor would not have wiped out the net income reported for 1925."

The past history of the railroad, especially under its present management, is thoroughly discussed, disclosing the disgraceful attitude taken toward the shopmen and other classes of employees prior to the outbreak of the strike of engineers and firemen.

BYERS'S PROMISE EXPOSED

Another plea made by the management to excuse its repulse of all overtures from the public and the employees for a settlement was that a promise of permanent employment had been given to the "scabs."

This position, which is commonly taken by union-busting employers, is blown galley-west by the churchmen.

It is extremely doubtful, they say, whether an unconditional promise given at the beginning of a strike that employees engaged to break the strike shall have permanent positions rests on a solid foundation.

"It is certainly arguable, and with a strong presumption of truth, that the new employee should be considered as taking the plain risks involved and as holding a position whose permanence is contingent upon the outcome of the strike."

NOT GIVEN IN GOOD FAITH

That such promises, which are also threats against the strikers, are not even made in good faith even to the "scabs," is shown by the following paragraph:

"The employer who gives his word to a strike-breaker that he shall have undisputed seniority is deliberately putting himself in a position that the logic of events and the justice of the case may prove untenable.

"If he elects to stake his case on the issue of a battle, it would seem that he is bound to abide by that issue, without seeking extraneous support by an appeal to the sanctity of promises which were in reality conditional and which there is always a chance that he may be forced to break."

That Byers manned the road largely with the riffraff and offscourings of the railroad world is clearly proven by the evidence collected.

CHURCH VIEW OF THE "SCABS"

With very few exceptions the "scabs" were found to be all and more than the strikers had charged. On this point the churchmen say:

"Of the men who formerly worked for the road and were hired again, some were steady and not able; others were able but not steady. Some had been discharged for drunkenness, for refusing to pay their bills, for accidents, for disobeying signal orders. Others had 'resigned' under fire.

"Some of those whom the company reemployed had been, for one reason or another, among the worst of the company employees. And since some of them were public characters, the reputation of the strike breakers became instantly bad. This probably would have happened even if the Western Maryland communities had not had experience with strike breakers during the shop strike."

The report excoriates the treatment of the pensioned employees and points out the brutal unfairness with which the management used their dependance to break down their loyalty to their fellows.

ENGINEMEN AND THEIR WORK

One of the most interesting sections of the report is that dealing with the character of the men and the work they perform. It is in part as follows:

"Enginemen make their homes in the cities and towns where their work calls them. They are a steady class of men. They marry and rear families and educate their children. They are 'settled' men, following a skilled and responsible occupation, proud of their craftsmanship and the responsibilities placed upon them, and deeply interested in their work. Many years pass before they reach the rank of regular engineer.

"During their whole working life they live under rules that require steadiness. When after a successful examination they become engineers of full rank, they consider it the diploma of their profession. They have succeeded in attaining the responsible occupation toward which they have been striving.

"Upon such men the loss of their positions has a most serious effect. A discharged engineer rarely secures a chance to follow his occupation on any other road. The loss of his job is a tragedy in his life and in the life of his family."

LOYALTY TO THE BROTHERHOOD

The following warm tribute is paid to the engine service brotherhoods and the men's loyalty to them:

"But the union is more than an agent; it is a brotherhood of craftsmen. It symbolizes their occupation and the honor due it, the honor due themselves as craftsmen, and the fellowship of all the men who drive the engines that haul the traffic of the Nation.

"When the crisis came the enginemen, therefore, stood by their union in a battle with the management; but they conceived this battle to be against the management rather than against their railroad, which is still the object of a strong sentimental attachment, and which they still want to serve if they can recover their positions consistently with their loyalty to the union."

PUBLIC WITH THE STRIKERS

The following statement is typical of those found in a detailed discussion of the attitude of the public:

"An impressive fact disclosed by the present study is the strength of sentiment friendly to the strikers within the business community of the cities affected."

SOME CRITICISM FOR LABOR

The report does not hesitate to criticize the men as well as management.

"The men showed themselves somewhat obdurate in the negotiations and unwilling to concede points which afterwards they did concede," is one comment.

The investigators also suggest that the strikers should have made greater efforts to win the nonunionists from the company, and they urged labor unions to devote more attention to the best method of appealing to public opinion.

However, they found nothing in the strikers' conduct, either before or after the strike, to condemn.

Mr. CRAMTON. Mr. Chairman, I yield one minute to the gentleman from Colorado [Mr. VAILE].

Mr. VAILE. Mr. Chairman, the matter of the Colorado River is one which is engaging the attention of both branches of Congress and I would like unanimous consent to extend my remarks on that subject by inserting in the RECORD an article by a former attorney general of the State of Colorado concerning the constitutional aspects of the question and also a short article containing a historical review of it.

The CHAIRMAN. The gentleman from Colorado asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. VAILE. Mr. Speaker, pursuant to the leave granted me for extension of remarks I desire to insert in the RECORD an article prepared for the American Bar Association Journal by Hon. Wayne C. Williams. Mr. Williams was formerly attorney general of the State of Colorado, and in that capacity had occasion to conduct important water litigation on behalf of the State affecting interstate streams. He is an able lawyer of wide experience on this and similar questions, and his contribution to the subject of the legal aspects of the Colorado River problem is a valuable one.

His statement, which follows, was published in December, 1926, and is now subject to one slight change. Mr. Williams says:

The upper States are strenuously objecting to the passage of the Swing-Johnson bill.

He authorizes me now to correct this in accord with the present situation by saying that—

Whereas the upper States did oppose the bill in its original form, since amendments have been made to protect their rights they now, save Utah, favor it.

This refers, of course, to the official action of those States; that is, the action of their legislatures.

THE COLORADO RIVER AND THE CONSTITUTION—DEADLOCK OF STATES OVER AGREEMENT—HISTORY OF CASE—ATTITUDE OF ARIZONA AND CALIFORNIA—MOVE FOR A SIX-STATE COMPACT BLOCKED—SUGGESTION FOR SUIT IN UNITED STATES SUPREME COURT TO ADJUDICATE RIGHTS OF VARIOUS STATES—QUESTION OF JURISDICTION

By Wayne C. Williams, member of Denver (Colo.) bar

The Colorado River situation has reached an impasse, and the seven States which have rights in the great stream that flows across southwestern America are hopelessly deadlocked in a controversy as to their relative rights in the river.

There is now presented to the Nation a tangled situation partaking of the elements of politics, law, diplomacy, and economics; and the solution must be a legal one, for there is really no hope that any other remedy will solve the problem.

But before this remedy is proposed we must first understand the history of the controversy and the nature of the conflicting claims. This recital of facts gives us a picture of the way the deadlock has developed and furnishes the ground work for a true conception of the application of certain constitutional principles and the interpretation of those principles by the Supreme Court of the United States.

HISTORY OF THE CASE

In the first place, the controversy was settled once—or everybody thought it closed—when the seven States through their chosen representatives met at Santa Fe, N. Mex., and agreed upon a seven-State compact dividing all the waters of this river. In 1922 came the origin and development of this compact, and the States involved were all congratulated on the adjustment of what promised to be a serious dispute. The Federal Government came in for praise, too, for that wizard of adjustment and conference—Herbert Hoover—represented Uncle Sam and all went well. Hoover steered the conference over many a perilous shoal, and finally the waters of the river were all divided, everybody was happy, and the delegates went home to ratify.

This proceeding is somewhat unusual in the constitutional practice under the Constitution of the United States. It takes its authority from Article I, section 10, paragraph 2, which provides:

"No State shall without the consent of Congress enter into any agreement or compact with another State."

The right of the States to enter into a compact with consent of Congress has been very rarely exercised. The exercise of that right in this instance seemed to be a happy one and to eliminate and avoid interstate controversy; Congress had previously given its consent to the formation of such a compact by the seven States concerned. President Harding named Herbert Hoover as a representative of the Federal Government, but as the compact had been agreed upon it then went back to the several States for ratification by the various States.

Then trouble began.

As we follow the delegates home we must look at the map, for geography and physical alignment now become vital. The seven States involved include Colorado, where the river chiefly rises among the eternal snows of the Continental Divide; Utah and Nevada and Arizona, through which it flows; with Wyoming and New Mexico, which contain some of its tributary streams; and California, whose eastern boundaries are washed by the river and from which the enterprising Californians hope to make storehouses of electric power to supply their growing millions.

The States roughly group themselves into the northern and southern groups, the upper and lower States, the latter group including Arizona, Nevada, and California. But this alignment did not trouble the waters of the river—not at first.

The delegates went home, and six States promptly ratified. The Federal Government also ratified; it looked as if the compact was a certainty; that one of the greatest interstate controversies had been agreeably and sensibly settled without suit or heat or any sort of strife. The entire West was congratulating itself upon the division of the waters; and everyone breathed easier, for there would now be water for all, with no delays, no litigation, and no unnecessary expense.

Then something happened—Arizona refused to ratify. In place of Arizona it might be well to use the name of her governor, W. P. Hunt, for he was the personal obstacle which held up ratification. In 1922 the governor made the ratification of the water pact a State issue—and won on it. Since then Arizona has stoutly refused to ratify; she continues to refuse, and all the persuasive powers of a Hoover have failed to budge her. This is not the place to elaborate or discuss Arizona's refusal. The enemies of Governor Hunt (even in his own State) speak harshly enough of his stand; they say Arizona could have been reasonable and have entered into the compact and be done with it; that Hunt made a nonpolitical question of economic policy a football for politics. Indeed their language is far harsher than any that may be used here. But this does not seem to annoy the governor, and Arizona is "off the reservation"; she will not ratify. That is quite clear.

Speaking from the standpoint of constitutional law, it seems clear that the compact is not yet done for, since, if the others have accepted and as long as the pact is not formally withdrawn, any State may reopen the question and ratify where formerly it refused to do so. But in the present state of mind of Arizona a ratification now seems hopeless.

Then came step No. 3: The three lower States tried to arrange a three-power compact among themselves to divide their share of the waters of the river. California, Nevada, and Arizona met twice to do this, but failed to agree each time. California twice ratified the pact, the first time without reservation and the second time with certain reservations which were intended to give her more use of water for power from the river.

Meanwhile a new plan was offered—that of having the six States that had first ratified to ratify again as a six-State compact and leave Arizona out of it. This looked feasible, but California spoiled the new plan by attaching new conditions to her ratification, thus ending the movement for a six instead of a seven State compact.

The next step in the history of the case came on October 22, 1926, when the California Legislature again called an extraordinary session. The governor refused to ratify the six-State compact. The Assembly of California was in session scarcely two hours, and the vote against ratification was almost unanimous. This leaves the compact unratified with the Johnson-Swing bill pending before Congress. California favors the Johnson-Swing bill, but the upper States are against it. This bill provides for the construction of the great Boulder dam on the river in Arizona, and from this dam water will be taken for use in the cities of California and electric power generated for use throughout the Southwest. The upper States are strenuously objecting to the passage of the Johnson-Swing bill, and the Federal Power Commission has so far rejected applications for the right to impound water on the Colorado River and its tributaries. These rejections have come largely because of the protests of the upper States.

Thus the entire situation respecting the Colorado River has developed into a deadlock.

THE LAW OF THE CASE

There remains one other course of action which would now seem to be apparent, and that is a lawsuit in the Supreme Court of the United States under its original jurisdiction. The objections which have been made to a lawsuit are that it will require too much time and not prove satisfactory to the States, but there is now apparently no other course of action left open. So long as the States, left to themselves, might have agreed among themselves and formed a compact embodying that agreement, Congress and the courts would undoubtedly have refrained from interference; but with the States hopelessly at odds with each other there is but one other place to turn, and that is to the Supreme Court of the United States, which, under its original jurisdiction and as expressed in its previous decisions and under the provisions of the Constitution of the United States, may and should adjudicate the relative right of the various States in this river. Congress has no power in the premises and can pass no law respecting or affecting the rights of the States in interstate streams. The Supreme Court alone, when its power is properly invoked, may adjudicate these rights.

This question of constitutional power and jurisdiction was never fully nor satisfactorily settled until the great case of Kansas *v.* Colorado (206 U. S. 46). The opinion by Mr. Justice Brewer is statesmanlike and far-reaching; it is one of the greatest cases of constitutional interpretation among all the decisions of the court. In this decision will be found ample authority for invoking the jurisdiction of the Supreme Court to settle the controversy, and so important is the matter to the seven States and so acute has the controversy now become that an appeal to the courts seems the only probable course left to the State.

In Kansas *v.* Colorado, the State of Kansas complained in the Supreme Court of the United States that Colorado was using more than her share of the water of the Arkansas River. There were two questions to decide—one of law and one of fact. The question of law involved the jurisdiction of the Supreme Court; the question of fact was a plain one as to whether the State of Kansas had suffered in the use of the water of the Arkansas River by Colorado. Constitutional lawyers will recall that on the question of fact the court held that Kansas had not made out a case against Colorado.

On the constitutional questions Judge Brewer went deeply into the whole matter, basing the jurisdiction of the court fundamentally upon the peculiar language of the Constitution which grants judicial power to the Supreme Court. He points out that the grant of judicial power was different from the grant of legislative power, in that the grant of legislative power merely enumerates the subjects upon which Congress may act and that it is not a general grant of power. The grant of judicial power is an unlimited grant. Article III, section 2 of the Constitution, provides "that the judicial power extends to all cases of law and equity under the Constitution." This language, says Judge Brewer, is neither a limitation nor an enumeration; it is a definite declaration; "is an unrestricted general grant of the entire judicial power." It is worth noting as incidental to this decision that Judge Brewer here laid down a rule of constitutional construction which will have far-reaching consequences in the years to come upon the development of certain governmental powers, for the same language is used in granting the executive power that is used in granting judicial power.

But we are concerned primarily with the assumption of the jurisdiction by the Supreme Court in a controversy between two States over the water in an interstate stream. This particular language of Judge Brewer should be quoted:

"Speaking generally, it may be observed that the judicial power of a nation extends to all controversies justiciable in their nature, the parties to which or the property involved in which may be reached by judicial process, and when the judicial power of the United States was vested in the Supreme and other courts all the judicial power which the Nation was capable of exercising was vested in those tribunals, and unless there be some limitation expressed in the Constitution it must be held to embrace all controversies of a justiciable nature arising within the territorial limits of the Nation, no matter who may be the parties thereto.

"As finally adopted, the Constitution omits all provisions for the Senate taking cognizance of disputes between the States and leaves out the exception referred to in the jurisdiction granted to the Supreme Court. That carries with it a very direct recognition of the fact that to the Supreme Court is granted jurisdiction of all controversies between the States which are justiciable in their nature.

"Clearly this controversy is one of a justiciable nature. The right to the flow of a stream was one recognized at common law, for the tresspass upon which a cause of action existed.

"Now the question arises between two States, one recognizing generally the common law rule of riparian rights and the other prescribing the doctrine of the public ownership of flowing water. Neither State can legislate for or impose its own policy upon the other. A stream flows through the two and a controversy is presented as to the flow of that stream. It does not follow, however, that because Congress can not determine the rule which shall control between the two States or because neither State can enforce its own policy upon the other, that the controversy ceases to be one of a justiciable nature, or that there is no power which can take cognizance of the controversy and determine the relative rights of the two States. Indeed, the disagreement, coupled with its effect upon a stream passing through the two States, makes a matter for investigation and determination by this court.

"But the appropriation of the entire flow of the river would naturally tend to make the lands along the stream in Kansas less arable. It would be taking from the adjacent territory that which had been the customary natural means of preserving its arable character. On the

other hand, the possible contention of Kansas, that the flowing water in the Arkansas must, in accordance with the extreme doctrine of the common law of England, be left to flow as it was wont to flow, no portion of it being appropriated in Colorado for the purpose of irrigation, would have the effect to perpetuate a desert condition in portions of the Colorado beyond the power of reclamation. Surely here is a dispute of a justiciable nature which must and ought to be tried and determined. If the two States were absolutely independent nations, it would be settled by treaty or by force. Neither of these ways being practicable, it must be settled by decision of this court."

These extracts from the opinion of Judge Brewer in the case of Kansas v. Colorado are quite sufficient to show that the Supreme Court has jurisdiction over the controversy.

The suggestion for such a suit came from Colorado through its attorney general, the actual proposal being made by Hon. Fred S. Caldwell, at that time assistant attorney general of the State.

The proposal was broached to the other States, but no action has been taken. Should Colorado or any one of the six States go into the Supreme Court of the United States on an original bill of equity and plead the compact originally agreed upon between the seven States, it would certainly seem to follow that five of the States to the compact could do nothing but accept its terms. They would undoubtedly be barred by the operation of an equitable estoppel. This would leave Arizona alone refusing to agree to the division of the water, which the compact had made. It would remain for the court to appoint a referee to take testimony and determine what share Arizona has in the water of the river subject to the compact as ratified by six of the States. May it not also be said that the very best place to settle this controversy is in the Supreme Court of the United States. It is the one great, impartial tribunal to which the citizens may look for justice. It has settled other and more serious controversies between States, and it can certainly adjudicate this controversy in less time than the warring States have occupied in debating about it.

Moreover, a final decree by the Supreme Court of the United States would be a complete and definite adjudication of the whole matter not subject to new diplomatic negotiations nor to the whim of popular vote or legislative ratification.

Every consideration of law and of fact and of sound public policy points toward a judicial settlement of the dispute over the Colorado River in the highest court in the land.

I also desire to insert in the RECORD an article prepared by Anna Wolcott Vaile, of Denver, formerly a regent of the University of Colorado. Mrs. Vaile has been prominent in educational and civic work in Colorado for many years. She is at present the Republican national committeewoman for the State of Colorado. Her address on this subject puts its consideration upon a lofty as well as a practical plane. It is as follows:

THE COLORADO RIVER COMPACT

By Anna Wolcott Vaile

Rivers and civilizations have gone hand in hand since the beginning of history. The Garden of Eden was in the valley of the Euphrates. Egyptian civilization grew up around Father Nile. Every great national capital is associated with a river. Rome and the Tiber, London and the Thames, Paris and the Seine, and so on through a list too long to relate. Often, also, those rivers literally sustained the countries through irrigation. Mesopotamia fell to ruin when its canals were overwhelmed. Irrigation in India is not so old but is very extensive, as it is also in Italy and Spain.

The Colorado River is said to be 1,700 miles long from the source of its most distant tributary to the place where it reaches the Gulf of California. With the streams that flow into it seven States are traversed. These are Arizona, California, Nevada, New Mexico, Colorado, Utah, and Wyoming. It flows through different climatic zones and along its banks the crops vary from the hardy grains and fruits and sugar beets down to the products of the semitropic regions—citrus fruits, dates, and cotton. Part of its source is in glaciers and it reaches its end through desert lands in the warm waters of the Gulf of California. It rises in the snowy mountains of Colorado, Utah, and Wyoming, and, tumbling down from an altitude of 14,000 feet, discharges to its lower reaches a great volume of water. It is capricious, however, the amount each year varying from 9,000,000 to 25,000,000 acre-feet. It is also very changeable at different seasons of the same year, coming down at times in flood amounts and at other times running so low as to be of little value. All these variations suggest at once to the thoughtful mind the marvelous advantage to be gained by storing the water and giving it out as needed. This is true not only for its use in irrigation but for what might be called domestic use, since there are a large number of cities eager to secure the water for their daily use. The list includes the two large cities of Denver and Los Angeles.

The Colorado is a mighty builder, and as it passes through the great plateaus of its middle reaches it gathers quantities of silt which it carries on to deposit lower down, enough to cover each year a 640-acre farm to the depth of 137 feet, or, as some one else has said, to cover each year 100,000 acres of land a foot deep, an amount equal in volume annually to the total excavations made by the United States in constructing the Panama Canal.

People have rushed to the Colorado Valley to build homes and develop farms, but the river which lured them on by its fair promise is not constant. Owing to its marked habit of carrying silt, it builds barriers, when left to its own devices, which change its course, and the farmer wakes to find the river abandoning his fields, or it may even be in other places threatening to wash everything away in flood, and so not only ruin his farm but endanger the lives of his family. There are at present thousands of people living in this double danger who will have an assured occupation and a safe home when the river is placed in control by the splendid plans that have been made by skilled engineers for protective construction, in which nature seems to wish to help, since she has provided more than one ideal location for dam and reservoir.

Naturally the fact that in the present inadequate and temporary irrigation system the canal that carries the water to the valley flows through the neighboring country of Mexico, gives rise to international difficulties, and when this great undertaking is carried through there should also be built, as demanded, an all-American canal.

The great dam, which is a first requisite in the Colorado River project, suggests also the opportunity for the development of the great enterprises which the modern use of electricity requires. The development of power sites is not a direct motive with the Government, but since it appears as a by-product from the building of the great dam the question naturally arises if the Government may not take advantage of benefits so arising. Even persons most opposed to Federal control in general, among whom I count myself, might well consider this project an exception.

Realization of the following pressing and increasing needs and opportunities: (1) Flood protection, (2) an all-American canal, (3) water storage for irrigation and for domestic uses of cities, (4) water power, has been growing year by year. It was difficult for seven States with their different relations to the problems to forget their rights and requirements and conditions sufficiently to act together with the necessary compromises for the common good, but they did appoint a commission of representatives from all seven States to consider a mutual plan. The members met together during a period of many months, and in different places so as to have every benefit of all types of public opinion, and with great care and devotion they drew up a plan called the Colorado River compact, and this they all signed. The commission was not empowered to act, however, so the members all went back to their State legislatures for indorsement. Arizona has refused to sign. California signed with a condition of flood protection and Utah is at this late day suddenly reversing her consent. This failure to agree reveals an unfortunate situation in that the commission was not made a permanent one. It is very evident that there should be such commission serving continuously partly because the whole matter is in its infancy and partly because by its very nature new conditions and new problems will continually arise. Also if the commission were permanent many problems now up for decision could wait their actual coming and be better settled than in anticipation.

Notwithstanding the fact that six of the seven States in the watershed of the Colorado River favored the compact, yet the fact that one did not make the matter serious, for, according to the conditions under which the compact was made, it was to be effective only if indorsed by all, and since the commission was not a permanent one, a sort of impasse seemed to exist whereby the States seemed likely to lose the momentum that the project had acquired and the valuable labor that had been done. In this emergency the Swing-Johnson bill was brought forward. It was based in large measure upon the recommendations of the Colorado River Commission. It requires the consent of six States, the number that favored it at the time it was drawn. Regarding this last point Secretary Hoover said, March 3, 1926, "I have felt that the whole of this enormous work should not be held up because of this last remaining fraction of opposition."

The Swing-Johnson bill has been reported out by the Senate committee as S. 3331 and by the House committee as H. R. 9826, and with increasing anxiety waits its place on the calendar to come to a vote. It is indorsed by President Coolidge and by Secretary Work, who says: "The Colorado River is now a local menace. It may be converted into a public utility of first importance, particularly to southwestern United States. Its possibilities rank with those of the Panama Canal." It has been indorsed by Secretary Hoover who says: "Storage of flood waters in Boulder dam and utilization of the dam's power potentialities would add to national wealth a sum equal to that of an average State," and further suggests that creation of this new wealth from sources now not only wasted but threatening life and property, will lessen the national tax burden on wealth now existing.

Often when plans fail of indorsement one may well feel that perhaps the effort is premature and that matters can wait. In this case, however, there lurks a danger in waiting that requires a little understanding of the laws that govern water rights in order to be fully under-

stood. When this country was first settled and land was abundant those who located along the streams used them freely. In this they followed the usage prevailing in Europe, and to which they were accustomed before coming to America. If a piece of property along the river bank was sold, the use of the water went to the new owner and it mattered not whether he had long owned his land or whether he was a recent purchaser. His right to the use of the water was recognized by his ownership of the land along its banks. This system is called the riparian-water system.

When, however, settlers began moving west the conditions were so different that usage changed, and this change was greatly intensified in regions where little rain fell, and the water was often wanted at a distance from the stream. It thus came about that the right to the water was allowed through the courts, not to the man who owned the land adjacent to the stream but to the man who first applied the water to a beneficial use. This is called the priority system, and in six of the seven States under discussion the priority system prevails. In California both are in use.

It is not to be supposed that the power privileges which alone in the enterprise possess a high money-making value have not been sought by private corporations. One such instance known as the Girand case has been regarded as a sort of test case and there are said to be a score of others waiting its decision to press their wants. The courts have required the Girand people, in view of possible action on the Colorado River question, to wait "a reasonable time." This time of waiting some people think already borders on the unreasonable, and the danger that exists if the Swing-Johnson bill does not come to a vote lies in our prevailing priority water rights whereby if these powerful corporations are allowed first rights in the Colorado River the Government will be hampered in action and the communities will lose part or all of their birthright.

The West has been built up largely by private initiative which it encouraged in the early days of our national growth. As our population increases, however, and spreads over our vast area and our resources are needed by whole communities, the situation changes somewhat and private exploitation is replaced by national conservation. The appreciation of this change was one of the glories of President Roosevelt's administration, and conservation of our natural resources has ever since been one of the fixed policies of the United States.

This is one of the greatest conservation enterprises of the world. Doctor Mead names its possibilities, and among them we quote a few; a great dam for which nature has prepared an ideal location, a great reservoir to enable the water to be turned out as needed, cities to have thousands of cubic feet of water a second without interfering with the rights of irrigators above or below, power generation that will enable farm homes to be lighted at less cost, more wheels of industry to be turned, more than a million acres added to the irrigated area, 6,000,000 horsepower to be generated, all of which and more, mark it, he adds, as in the truest sense a national enterprise, entitled to the "interest and support of all people, no matter where they live." It is not in any sense a second Muscle Shoals, as its detractors sometimes assert but never prove, but is the very reverse in its financial value and in the pressing need that it aims to remedy.

The responsibility of those who will underwrite the cost is beyond challenge, and the bill calls for its complete financing without cost to taxpayers in advance of the work. The plan has been indorsed by Secretary Mellon, who says it is "workable."

The Colorado River project presents a bewildering array of questions of rights, international and Federal, interstate and State rights, corporation and individual rights, water rights and power rights, city and farm and community rights, all to be adjusted with due regard to precedent, not forgetting the march of progress and our obligations to the future, but perhaps after all the greatest point involved is an ethical one. It would seem that those interested in making the Colorado River compact have been most fair and just, as all must desire, and tried conscientiously to make only such compromises as would injure none but would help all, to which we might add another example. When St. John saw in vision the beautiful river flowing from the throne of God, he seems not to have seen fences around it. It watered the ground on both sides and the tree which bore 12 manner of fruits every month, not privately claimed, and whose leaves were for the healing of the nations. Beatific vision, but not impossible even for us; and we to be not recipients only but promoters.

Mr. CRAMTON. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Chairman, it was my privilege on December 21, 1925, to address this body on the subject of constitutional innovations, and I then discussed the eighteenth amendment at some length. Our experience with Federal prohibition since that time has substantiated my position. Many people who were then its advocates are now seeing and saying that the eighteenth amendment was a misfit and a mistake, or are upbraiding the administration for its failure to enforce an unpopular and unenforceable law. Prohibition has become the paramount political issue of our time not only because it is a symptom of a serious constitutional disorder, but also because it is a concrete manifestation of the rapidly increasing centralization of government and concentration of unlimited power in Washington. I have received more than 800 unsolicited letters in regard to that speech, 78 per cent of which were favorable. Most of the latter were from judges, lawyers, doctors, educators, political, social, and industrial leaders, men and women presumably capable of giving intelligent thought to age-long and world-wide problems—of which temperance is one. Very few of those who took exception to my position made any attempt to meet the issue in a reasonable, sensible, logical manner, but for the most part resorted to anonymous communications, personal abuse, or absurd insinuations. In marked contrast to these are hundreds of commendatory letters, which discuss the question in both its narrow and broad aspects with candor and moderation. It is becoming quite evident that those in the best position to observe conditions are in rapidly increasing numbers looking upon prohibition as one of the worst forms of intemperance, and many of its former proponents are no longer of the opinion that their personal habits should be made a matter for Federal concern simply because the licensed saloon was permitted to exist quite unnecessarily where it was not the lesser of two evils and to become a political and social menace. Just as rapidly as their prejudices yield to reason and conscience, the people are refusing to longer give their silent consent to a system that has resulted in the wholesale corruption of public officials and has been degrading, debasing, and debauching to an alarming degree—a system that has made illegal, without eliminating, one of the most extensive businesses in the country, the liquor traffic, so that those now engaged in it are left without any legal means of enforcing agreements or securing redress for a breach of faith, or for the breaking of an illegal contract, and, living in a state of anarchy, resort to violence and murder in order to protect their property and enforce the covenants of the underworld.

My objective a year ago was to set forth clearly, concisely, and, where possible, specifically the evil consequences and potential perils of some of our constitutional amendments, especially the eighteenth. My purpose in this address is to further demonstrate the inherent iniquity of Federal prohibition under the present state of the public mind and to suggest a practical method whereby we may extricate ourselves from an intolerable situation and make it possible for us not only to regain speedily the ground that has been lost to the cause of temperance, but also to advance to the position we now would have occupied, had it not been for the rash and premature work of fanatical zealots. Therefore, I have introduced the following resolution, which is intended not only for the consideration of Congress, but also and more particularly at this time for the consideration of the people of the United States, because it is well known that arguments often change the opinions of legislators, but seldom their votes, and that it is public opinion that eventually determines the course of legislation.

Resolution

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution, in lieu of the eighteenth amendment thereto, when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"The Congress shall have power to prohibit or regulate the manufacture, sale, transportation, importation, and exportation of intoxicating liquors but the several States by this article are not deprived of any of their regulatory or prohibitory power."

Any proposition which contemplates an amendment to the Constitution or basic principles upon which our Government rests and in accordance with which laws may be enacted, relations existing between the several States and the Federal Government altered and the liberties of individual citizens extended or restricted, should be submitted only after careful consideration and the reasons therefor should be clearly and candidly set forth.

My proposition is to (1) abolish the eighteenth amendment, because it places Congress in a strait-jacket and therefore does not permit it to exercise its judgment in dealing with one of the most perplexing problems that has ever confronted mankind; (2) grant Congress full power to regulate, restrict, or prohibit the liquor traffic throughout the United States, a power that it did not possess prior to the eighteenth amendment; and (3) not interfere with the power the several States now possess in regard to dealing as drastically with liquor problems as local sentiment may dictate, for Congress would

not be granted the exclusive power to legislate on them. Under the conditions herein proposed, some States would continue to prohibit beer, wine, and spirits; others might permit beer and prohibit wine and spirits, or permit beer and wine and prohibit spirits; or permit beer, wine, and spirits with or without an alcoholic limit, provided in each case the Federal laws were more liberal than the State laws. Congress could make wet States drier than their own laws contemplated, but could not make dry States wet. The fact that Federal prohibition has not proved satisfactory now does not preclude the possibility that it may be advisable to try it again at some future time, and it is better to experiment with a law that can speedily be repealed or modified than with a constitutional amendment that contemplates carrying with it mandatory instructions. This would permit Congress to divert into the public coffers millions that are now creating a powerful and sinister bootleg aristocracy. It would permit Congress and the States to provide those who want to drink, who will drink, or who must drink, with pure liquors, properly matured and made under sanitary conditions, without forcing them to turn their homes into distilleries, breweries, or wineries. This authority, if properly exercised, would reduce the death rate and drunkenness and tend to restore order and respect for law, and permit the officers of the law to devote more time to the protection of life and property. It would permit Congress at any time to enact a strict prohibition law, if no better solution is found.

It can not be gainsaid that the Protestant church people and the powerful political organizations identified or closely affiliated with them hold the key to the prohibition situation, and no proposition, such as I have submitted, can be considered upon its merits unless or until the strangle hold they have on legislation is relinquished voluntarily or broken forcibly. It was the intention of the founding fathers to form a representative republic whose legislators were to be more than mere delegates selected to do the bidding of the mob or of powerful organizations. They were, indeed, to be representatives in the highest sense of the word, chosen because of their ability to legislate for the whole country; they were to be permitted to use and were expected to use their best judgment in the light of the exceptional opportunities that their experiences, their contacts, and their broadened vision would afford. Today it would be political suicide for the representatives from many of the very districts which pride themselves upon their thorough Americanism to act in their truly representative capacity.

There was a fear, almost a foreboding, in the minds of those who bequeathed our Constitution to a somewhat unappreciative posterity that it might become altered so as to fail to preserve the liberties of individuals, protect the rights of minorities, or observe the prerogatives of the sovereign States and thus fail in the primary purposes for which our Government was created, which were to form a more perfect Union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty.

Washington, in his Farewell Address, cautioned us to:

> * * * resist with care the spirit of innovation upon its principles, however specious the pretexts. One method of assault may be to effect, in the forms of the Constitution, alterations which will impair the energy of the system, and thus to undermine what can not be directly overthrown.

Lincoln, in his Cooper Institute address, said:

> Now and here, let me guard a little against being misunderstood. I do not mean to say we are bound to follow implicitly in whatever our fathers did. * * * What I do say is that, if we would supplant the opinions and policy of our fathers in any case, we should do so upon evidence so conclusive, and argument so clear, that even their great authority, fairly considered and weighed, can not stand.

Since the adoption of the Constitution 19 amendments have been added, most of which, although unnecessary or harmful, were nevertheless designed and intended to aid and protect the individual in maintaining the rights and liberties which had been secured in the course of age-long controversies and struggles against tyrannical despots, political autocrats, and religious bigots.

The eighteenth or prohibition amendment is the only amendment that seeks to regulate or restrict the individual or invade his personal dominion, and, therefore, not only does it not harmonize with the other amendments but it is quite inconsistent with the spirit and intent of the Constitution as originally adopted.

Neither did we heed the warning of Washington, nor did we proceed cautiously according to the advice of Lincoln, when we supplanted the opinions and policy of our fathers by transforming the Constitution into a vehicle for carrying legislative material.

The dire consequences that have resulted from the eighteenth amendment and the several enforcement acts relating thereto, and from the unprecedented extension of the Federal police power, have not been equaled or approached since the days when slavery was the disturbing issue.

During the seven years of Federal prohibition there has in all probability been more law-breaking and more corrupting of public officials than in all our previous history, excepting, perhaps, lawlessness caused directly or indirectly by the Civil War. But more serious, perhaps, than the fact that increasing millions of our citizens continue to break the spirit or the letter of the prohibition laws and the fact that prohibition has corrupted a very large percentage of all officers that have come in contact with it, is the ugly mood and the defiant attitude of a large minority, if not an actual majority of our citizens toward these particular laws, together with their growing disrespect for all laws, for all legislatures, for all courts, and for all rightfully constituted authority.

When a people becomes lawless, the government becomes corrupt, which encourages greater lawlessness and, in turn, begets more corruption. Lawlessness that is created by unwise laws should be laid at the door of the lawmaker rather than at the door of the lawbreaker and can speedily be reduced by removing the cause. Lawlessness that trespasses upon long-established and generally recognized rights and privileges may be restrained to a large extent by developing the innate sense of honor and honesty, but when such lawless spirit manifests itself overtly it must be met by punishment commensurate with the offense or crime.

When the duty of preventing alcoholic beverages from satisfying a well-nigh irrepressible demand, inherited through generations so countless that the knowledge of man runneth not to the contrary, was placed primarily upon the Federal authorities, their machinery was strained to the breaking point and many unforeseen conditions were encountered.

The dignity and sovereignty of the United States were at once challenged by rum runners, who infested the high seas and lurked along the borders. The enormous quantities of alcohol necessary for the arts and industries promised a rich harvest to those who might succeed in diverting some of it to illegal purposes. The suppression of surreptitious manufacture and sale of alcoholic beverages presented difficulties quite beyond the ability of the Federal Government to meet even by the expenditure of much money and the employment of many spies.

In its attempt to prevent the importation of foreign liquors, forestall the diversion of industrial alcohol, and curb the manufacture and sale of alcoholic beverages, the officials or enforcers seem to have been constrained to resort to methods that have discredited themselves and lessened both at home and abroad the prestige of the Government they represent.

When the Government secured a large portion of its revenue from taxes on alcoholic beverages there was little or no demand for industrial alcohol for beverage purposes, and whether it was denatured by adding wood alcohol or other poisons was of little consequence. When, however, the Government undertook to legislate alcoholic beverages out of existence, but was unable to legislate a change in human nature, or in the appetites, the customs, and the habits of its citizens, it had no moral right to continue to place poison in alcohol which it was unable to prevent from being diverted to beverage purposes. When the Government created a previously nonexistent inducement to redistill industrial alcohol it should have ceased immediately the use of poisonous ingredients.

Recently the large number of deaths attributed to alcohol denatured by poison has caused much comment. Although Wayne B. Wheeler is reported to have made the callous statement that "the victims of poison alcohol have simply committed suicide," all normal men must concede that such an expression could come only from one who either never possessed the rudiments of Christianity or from one whose fanaticism has completely submerged the last flickering spark of humanity. The San Francisco News remarks: "Many States in this country have abolished the death penalty even for murder. Wayne B. Wheeler would have the death penalty applied to any man who takes a drink."

The following headlines will indicate that there are extremes to which the Government can go only at its peril, even if backed by the generalissimo of the military arm of the Protestant Church:

Legalized Murder.—Bridgeport (Conn.) Post.
The Government as a Poisoner.—Hartford (Conn.) Courant.
Nietzsche-Wheeler.—Denver (Colo.) News.

Stop These Murders by Poisoning.—Washington (D. C.) Herald.
Poisonous Alcohol Returns to the Limelight.—Des Moines (Iowa) Capital.
Prohibition's Poison Casualties.—Chicago (Ill.) Journal.
The Death Penalty and Prohibition.—Louisville (Ky.) Courier-Journal.
Poisoning of Alcohol is Very Close to Deliberate Murder.—Baltimore (Md.) American.
Poison, Uncle Sam's Gift.—Boston (Mass.) Advertiser.
Deadly Denaturing.—Boston (Mass.) Traveler.
Wheeler an Insistent Poisoner.—Springfield (Mass.) News.
Accessory to Crime.—Springfield (Mass.) News.
Ineffective as a Deterrent.—Detroit (Mich.) Free Press.
Barbarous Law Enforcement.—St. Louis (Mo.) Star.
Law Enforcement by Poisoning.—St. Louis (Mo.) Post-Dispatch.
God of the Drys Insane.—Newark (N. J.) Star-Eagle.
Stop It Now!—Albany (N. Y.) Knickerbocker Press.
Stop Alcohol Poisoning.—Albany (N. Y.) News.
Indefensible.—Albany (N. Y.) News.
Murder by the Government.—Brooklyn (N. Y.) Citizen.
Government Puts Poison in the Alcohol.—Brooklyn (N. Y.) Citizen.
Do the Nation's Revenues Require Murders?—Brooklyn (N. Y.) Standard Union.
No More Poisoning.—Buffalo (N. Y.) News.
Truly Infernal.—Buffalo (N. Y.) Times.
Stop Poisoning the People!—New York Graphic.
Kill to Cure.—New York Herald-Tribune.
Halt the Poisoners.—New York (N. Y.) News.
Suicide or Murder?—New York Evening Sun.
No More Borgia Cocktails.—New York Telegram.
Uncle Sam a Murderer.—New York Telegraph.
The State as Poisoner.—New York Times.
The Resort to Poison.—New York World.
The Government as Poisoner.—New York World.
Government Murder Must Stop.—New York Evening World.
Blind Fanaticism.—Columbus (Ohio) State Journal.
A Black Chapter of Our History.—Cincinnati (Ohio) Times-Star.
The Protest Against Liquor Poisoning.—Philadelphia (Pa.) Public Ledger.
Stop Poisoning American People.—Philadelphia (Pa.) News.
Volstead and the Death Penalty.—Pittsburgh (Pa.) Sun.
Cruel and Unusual.—Providence (R. I.) News.
The Method of the Borgias.—Providence (R. I.) Tribune.
Prohibition's Death Penalty.—Milwaukee (Wis.) Journal.
Extra Legal Executions?—Milwaukee (Wis.) Sentinel.

The revelations of the poison methods apparently found necessary to enforce prohibition naturally have created little pulpit comment from those who fain would make men moral by law rather than by love, who have replaced the cross of Christ with the policeman's club, and who, to all appearances, rejoice more in sending their fellow men to the penitentiary than in drawing sinners to the church. The most superficial Bible student, or even the non-Christian, must perceive that the spirit that engenders prohibition and the spirit that should animate Christianity are decidedly antagonistic and quite irreconcilable. By what mental process the fanatical prohibitionist imagines himself to be a Christian or follower of Christ would require an examination by a psychoanalyst. If he still "follows in His train," he is both limping and out of step and has lagged so far behind that he has lost sight of his Leader.

Certainly not since the witches were put to death on Gallow's Hill, at Salem, Mass., while Cotton Mather was assuring the faithful that it was God's will, or perhaps not even since the days of the inquisition, when the church forced the civil authorities to exterminate heretics, has the church appeared in a more unlovely, un-Christian attitude than since it started to wield the cudgel in its crusade for prohibition. Metaphorically speaking, it has become drunk with power and it is high time to inquire, "What meat is this our Cæsar feeds upon that he has become so great?" The majority of people in this country are Christians in the sense that they either believe in Jesus as the Christ, an historic person of divine origin who, while He tabernacled among men, lived the purest life, taught the highest ethics, and spoke with the authority of the only begotten Son of God the Father; or they, rejecting the miraculous, believe that Jesus was quite human and, although of illegitimate birth, or at least born out of wedlock, yet was a philosopher, a moral leader, a religious teacher without a peer, a man who not only loved mankind most deeply, but understood human nature most thoroughly. It will, therefore, be conceded that whether Jesus is divine or human, whether he is God or man, hundreds of millions of people throughout the world to-day recognize Him as the final, or, at least, as the highest authority in all matters pertaining to human wants, weaknesses, and conduct. Jesus "came eating and drinking" and turned water into wine at the marriage feast. That his wine was good wine, the best wine at the feast, and that Jesus established no precedent for prohibitionists such as Mohammed, Volstead, and Wheeler, is clearly indicated in the following passage:

> When the ruler of the feast had tasted the water that was made wine and knew not whence it was (but the servants who drew the water knew); the governor of the feast called the bridegroom and saith unto him: "Every man at the beginning doth set forth good wine; and when men have well drunk, then that which is worse; but thou has kept the good wine until now."

True, other great and good Biblical characters took a different view of life. John the Baptist was an ascetic; but John confessed that he was not worthy to unloose the shoes of Jesus. Let not the orthodox lightly cast aside the teaching, the example, and the authority of Jesus. We read in the account of the Transfiguration that it was not Moses the law-giver, nor Elias who represented the prophets that Peter, James, and John were admonished to hear, but the voice from the cloud said:

> This is my beloved Son, in whom I am well pleased; hear ye Him.

Perhaps we can learn something of Christ's attitude toward personal conduct that primarily concerns the accused individual. A woman taken in adultery was brought to Jesus. The law of Moses provided stoning for this sin. But when he said, "He that is without sin cast a stone at her," none responded, and he added, "Neither do I condemn thee; go and sin no more."

The two points I wish to emphasize are that our Great Teacher and Exemplar certainly did not classify the making, selling, or moderate using of intoxicating beverages as an offense, and also that He was compassionate to a remarkable degree in dealing with those whose sins were primarily against themselves. He did, however, say:

> Woe unto you also, ye lawyers! for ye lade men with burdens grievous to be borne.

Perhaps it would not be taking undue liberty with the sacred Scriptures to paraphrase this sentence by substituting "lawmakers" for "lawyers." Not only does the Bible state that "the Son of Man came eating and drinking," but the account of the Last Supper contains the following stanza:

> But I say unto you, I will not drink henceforth of this fruit of the vine until that day when I drink it new with you in my Father's kingdom.

Evidently heaven is not a prohibition paradise. The irreconcilable and constitutional dry, beyond question, would be uncomfortable in a heaven thus visualized. Therefore beneficent wisdom has provided another eternal abode where liberty is restricted and prohibition unlimited—a place for everyone and each one in his proper place.

If it is to be the future policy of the Federal Government to correct personal morals, then we need a new amendment to prohibit the social evil and the sanction of those who presume to speak for the church and direct the affairs of the State to employ prostitutes, solicitors, spies—the scum of the lowest strata of society—and set traps to apprehend the unwary.

In a statement from prohibition officials published January 30, 1927, it is claimed that under-cover men are necessary for enforcement of prohibition, and I think the officials are fully justified in making this statement; but in order to prevent graft and blackmail by the wholesale it will be necessary to employ subunder-cover men to spy on the under-cover men and then some supersubunder-cover men to spy on the next lower in rank, and about the time the system is perfected the pressure and temptation would become too great for some of the directing officials and the whole system would collapse.

No under-cover work is necessary that is degrading to those who may be assigned to perform it. The Government can not enjoy the respect of its citizens nor can its agents preserve a decent self-respect if they are directed or permitted to operate speak-easies in order to seduce people into breaking the law.

For some time after the adoption of the eighteenth amendment I was inclined to the opinion that it could and would be enforced, but for more than two years I have been of the opinion that it can not and will not be enforced. The purpose and intent of the prohibition amendment was to prevent the drinking of alcoholic beverages, and to equitably, impartially, and fully carry out this purpose would overthrow any administration and speedily lead to the downfall of the Government itself. It would require billions of money and hundreds of thousands of spies, sneaks, snoopers, and smellers to prevent the farmer from making his cider and the city dweller from making his wine and his home brew. Seven years have demonstrated that

this Nation is undoubtedly strong for temperance, but does not want prohibition.

The eighteenth amendment has been weighed in the balances and found wanting because—

1. It causes crime and creates criminals.
2. It is intemperate, intolerant, and intolerable.
3. It does not insure domestic tranquillity, promote the general welfare, or secure the blessings of liberty, and, therefore, fails in three of the primary purposes for which laws and constitutions and governments exist.
4. Its advocates testify to its failure when they demand more police, greater penalties, larger penitentiaries, bigger appropriations and additional courts to enforce it.

Many sponsors for prohibition have taken the position that with the passing of the present generation, and especially the speedy elimination of alcoholic addicts by means of poison liquor, the country will soon be free from drinkers for all time. However, the elimination of those having undesirable characteristics or characters certainly is not possible in 2,500 years, possibly not in 25,000, and certainly not in 25 years, or the space of one generation, as the optimists would have us believe. If, for example, elimination were simple and rapid, there would to-day be no prostitutes, for that class would have eliminated itself during the hundreds and thousands of years it has been known to exist. Their elimination would probably be more rapid than that of alcoholic addicts, because their occupation is abnormal, their environment unhealthy, they are peculiarly subject to disease, their average life is short, and they leave few descendants to inherit their inclination or moral infirmity. Nevertheless, regardless of handicaps that would seem to make survival almost impossible, we find that the law of supply and demand has not in this instance been abolished. It is just as impossible and, of course, impractical to eliminate the drinkers from the next generation by creating conditions that hasten their departure as it is to settle the social evil for all time by making disease more likely and life more precarious for those who overstep the bounds of virtue. Temperance, chastity, and morality should be implanted in the child at home, safeguarded in the school, and cultivated in the church.

History teaches that the white race can not be indefinitely restricted either by the church or State, or by a combination of both. Notable examples are the conditions preceding the French Revolution and the overthrow of the Czar of Russia. The future welfare of civilization demands that individuals shall be given all liberty compatible with public and private safety. Liberty is a natural safety valve which, if properly set, will prevent a violent explosion.

As before noted, the eighteenth amendment strikes the principal note of discord in the Constitution, yet the millions who are inclined to disregard it and who have disobeyed its letter and its spirit have frequently been denounced as nullificators and traitors. What epithet should then be applied to those who disregard, circumvent, or defy other sections of the Constitution? Article I, section 2, paragraph 3:

> Representatives * * * shall be apportioned among the several States * * * according to their respective numbers. * * * The actual enumeration shall be made within three years after the first meeting of the Congress of the United States and within every subsequent term of 10 years.

No reapportionment of Members has been made since the census of 1920, and therefore some States have a smaller and some a larger proportion of Representatives than was clearly intended and provided for in the Constitution.

The fifteenth amendment reads as follows:

> SECTION I. The right of citizens of the United States to vote shall not be denied or abridged by the United States or any State on account of race, color, or previous condition of servitude.
>
> SEC. II. The Congress shall have power to enforce this article by appropriate legislation.

I am not quoting these articles for the purpose of criticizing either sins of omission or sins of commission, but rather to show the inconsistency, the absurdity, the impudence of those who, having a beam in their own eyes, point to the mote in another's eye.

Many people seem to be of the opinion that the present situation can be remedied by modifying the enforcement laws without disturbing the eighteenth amendment. I have never given this method of procedure very careful thought, because I knew that during my tenure of office Congress would not seriously consider any such relief measure, and, furthermore, I am not at all sanguine that it would prove so much as a halfway successful method of dealing with our most serious domestic problem. It is quite true that the Volstead law has proved a failure of colossal proportions, and if it were repealed to-day the evil forces it has set in motion would continue to operate beyond the life of the present generation. Disrespect for law and its attendant corruption has become so widespread and so deep seated that it has well-nigh permeated every bone and sinew of our body politic, and therefore convalescence must be slow at best, and unless the condition is met promptly and fearlessly it may well be doubted whether normal health will ever be fully restored. In any event the eighteenth amendment should be abolished, because neither it nor any other sumptuary provision belongs in the Constitution.

Whether or not the prohibition laws can be sufficiently liberalized under the eighteenth amendment to automatically eliminate the bootlegger and prevent further contamination of public officials is a matter of opinion, but I do think the solution of our present difficulties can be best met by a Congress and the several States that are not unduly restrained or restricted by any amendment, so that legislation can be liberalized to the point where we can, with assurance of success, call upon the American people for better cooperation and reasonable observance, rather than follow out our present methods, which will eventually lead to military tactics and a reliance upon the sword to compel servile obedience.

I wish to speak especially to those who take the position that the eighteenth amendment can not be removed or modified, for I believe that, unless prohibition is justified by its works to such an extent that a large majority in each section of the country will favor it, the eighteenth amendment will either be removed or modified or become more and more a dead letter. The promoters of prohibition, while admitting that large numbers of the people in all sections and a majority in some sections of the country are opposed to prohibition, claim that a majority of the people favor it, and therefore by applying the doctrine of majority rule consider it a closed issue, unless or until a majority favor its repeal. They furthermore boast that a small minority of the people strategically located in not more than 13 States having few cities and a population of perhaps less than one-tenth of the total population of the United States can and will under any and all circumstances keep the eighteenth amendment in the Constitution forever. It is quite true that the Constitution can not be changed as long as more than one-fourth of the States withhold their assent, but it is also true that a constitutional provision of a sumptuary nature, which is not self-enforceable, can not remain effective for any considerable length of time without the approval and support of a large majority. Anyone who thinks otherwise knows little of history or human nature; neither does he comprehend the genius of our Constitution, the spirit of our institutions, the purpose of our Government, nor the necessity of having our Government respond to popular will if it is to remain a government "of the people, for the people, by the people," a government "which derives its just powers from the governed." If the Constitution is to be made an instrument whereby a minority can restrict the social liberty of the majority, it becomes the constitution not of a republic but of a tyranny, an oligarchy, a soviet.

The Constitution strongly reflects one of the purposes that was in the minds of those who drafted it, which was to safeguard the minority against the possible encroachment of the majority. It would be an anomalous situation, ridiculous if not so serious, for the minority to attempt to make use of powers that were primarily intended for its own protection, to coerce and suppress the majority. Certain provisions were placed in the Constitution for the express purpose of protecting a minority from the possible enroachment of the majority, and for the minority to attempt to use powers for suppression that were intended for protection would be both repugnant and reprehensible. If the time should ever come when a considerable majority of the people decide that the eighteenth amendment is causing more harm than good, that the purposes for which it was enacted can not be realized, that it is enriching the bootlegger at the expense of the Public Treasury, common sense and a decent respect for humanity will demand that the liquor business be placed on a more satisfactory and, incidentally, on a revenue-producing basis; for the only other alternatives would be to continue to waste money in a futile attempt to enforce it, or follow the precedent which the unfortunate adoption of the fifteenth amendment forced the Federal Government to create. It will, I am sure, be generally conceded that a majority would not long permit a minority to unduly encroach upon what it considered its vested rights or its individual prerogatives.

In certain sections of the country the people refused to voluntarily observe or obey the fifteenth amendment and it was found difficult to enforce. In time it became a dead letter wherever the local sentiment was strongly antagonistic to it. When it was determined that it was inexpedient, impractical, or impossible to enforce the fifteenth amendment, and that it

failed to "insure domestic tranquillity, promote the general welfare, and secure the blessings of liberty," it would have been wise, as subsequent events have demonstrated, to have acknowledged the mistake and forthwith amended the article by permitting each State to determine the qualifications of its voters in accordance with local conditions. Such action, no doubt, would have been taken had the adoption of the fifteenth amendment, like the adoption of the eighteenth amendment, deprived the Government yearly of several hundreds of millions of revenue.

Many people in all sections of the country and most people in some sections of the country refuse to voluntarily observe or obey the eighteenth amendment, and similar to the fifteenth amendment, it has been found difficult to enforce. A better way to handle the liquor problem and its attendant evils can surely be found if more leeway than the eighteenth amendment permits is granted to Congress and the several States.

We must not overlook the fact that neither the fifteenth amendment nor the eighteenth amendment is self-enforceable. At one time the Dred Scott decision was strictly in accordance with the solemn reading of the Constitution by the Supreme Court and was therefore, to all intents and purposes, as much of the Constitution as the eighteenth amendment is to-day. Horace Greeley's New York Tribune then declared that the real and final interpreter of the Constitution was the people, and that their reading of the Constitution would be final. In this connection, it should be observed that later Horace Greeley was nominated by the Democrats for President of the United States.

The prohibitionists having forced the legislative, the executive, and the judicial branches of the Government to go to unprecedented extremes in order to test out a theory that was foredoomed, if not foreordained, to failure, now heap abuse upon an administration that has leaned so far toward the side of prohibition that if it has not directed or condoned, it has permitted its enforcement agents to break the laws of the land many times for each conviction secured. In its efforts to drive the rum vessels from the coast it has gone so far as to permit the foreign vessels, in direct violation of the law, to enter and leave our ports with stocks of liquor in exchange for an extension of our search and seizure rights from the 3-mile limit to a 12-mile limit. Which simply means that in order to make prohibition more effective the administration has gone so far as to permit the law to be broken by some in order to facilitate the capture of others.

In plain language, this is a permit to violate for a consideration, and serves to illustrate to what an extent prohibition has caused the resurrection of the old doctrine that "the end justifies the means." Under these circumstances a call for law observance resounds like hollow brass or tinkling cymbal. While any criticism of the administration from prohibitionists is wholly gratuitous, those who have been railroaded to the penitentiary by hand-picked and, therefore, not impartial juries, those who have been jailed without a jury trial, those who have seen the autocratic powers of the judges reach excesses that have been unknown since the days of Cromwell, those who have seen the prohibition laws extended so as to be quite consistent with the Dred Scott Decision, which was one of the factors in precipitating the Civil War, so that now a man may be compelled to act as policeman in order to prevent his place of business from being padlocked; these people and many others may have cause to criticize the administration, but not so the prohibitionists. Would that we had a James Otis to draw an indictment against the present methods invoked in behalf of prohibition, for it would make King George and his Tory cohorts look like petty pikers. Again, if Patrick Henry could arise from his grave, he would, upon seeing the States stripped of sovereignty, point his finger of scorn at Washington, at Madison, at Hamilton, and say, in effect: "I foresaw and foretold what would become of your nice coordination of State sovereignty and Federal supremacy in the hands of some future generation that might look upon liberty as a free and unfading gift of the gods."

In referring to James Otis's great speech on "Writs of Assistance," President Adams said:

> American independence was then and there born. The seeds of patriots and heroes * * * were then and there sown. Every man of an immense crowded audience appeared to me to go away as I did, ready to take arms against writs of assistance. Then and there was the first scene of the first act of opposition, to the arbitrary claims of Great Britain. Then and there, the child Independence was born. In 15 years, i. e. in 1776, he grew up to manhood and declared himself free.
>
> I do say in the most solemn manner, that Mr. Otis's oration against writs of assistance, breathed into this Nation the breath of life.

A few sentences quoted from Otis's speech will serve to show how nearly parallel the conditions that brought forth the Revolutionary War are to the conditions which the insane efforts to enforce prohibition have created in our day. To quote:

> Your honors will find in the old books concerning the office of a justice of the peace precedents of general warrants to search suspected houses. But in more modern books you will find only special warrants to search such-and-such houses, specially named, in which the complainant has before sworn that he suspects his goods are concealed, and will find it adjudged that special warrants only are legal. In the same manner I reply on it, that the writ prayed for in this petition, being general, is illegal. It is a power that places the liberty of every man in the hands of every petty officer. * * * In the third place, a person with this writ, in the daytime, may enter all houses, shops, etc., at will and command all to assist him. Fourthly, by this writ, not only deputies, etc., but even their menial servants, are allowed to lord it over us. What is this but to have the curse of "Canaan" with a witness on us; to be the servant of servants, the most despicable of God's creation? Now, one of the most essential branches of English liberty is the freedom of one's house. A man's house is his castle, and whilst he is quiet he is as well guarded as a prince in his castle. * * * Customhouse officers may enter our houses when they please; we are commanded to permit their entry. Their menial servants may enter, may break locks, bars, and everything in their way, and whether they break through malice or revenge no man, no court, can inquire.
>
> Every man prompted by revenge, ill-humor, or wantonness to inspect the inside of his neighbor's house may get a writ of assistance. Others will ask it from self-defense; one arbitrary exertion will provoke another, until society be involved in tumult and in blood.
>
> I will to my dying day oppose with all the powers and faculties God has given me all such instruments of slavery on the one hand and villainy on the other, as this writ of assistance is.
>
> If the King of Great Britain in person were encamped on Boston Common, at the head of 20,000 men, with all his navy on our coast, he would not be able to execute these laws. They would be resisted or eluded.

It required men such as Otis to create American liberty, and it will require other men of like patriotism to restore it. How ridiculous King George would have appeared if he had appealed to men like Otis for law observance. Doubtless he would have been told that honor was in the breach rather than in the observance of such laws.

When we approach the question of prohibition legislation, it is of the utmost importance that a distinction be drawn between that which is legal and that which is moral, between that which is possible and that which is expedient, between that which is practical and that which is impractical, between that which is temperate and that which is intemperate. The problem that always has and probably always will be the most preplexing for statesmen in republics and democracies, is how to maintain a workable balance between law and liberty, and how to provide for the rule of the majority and at the same time compel or induce it to have a due respect for the minority. The founding fathers came about as near solving the fundamental problems of government as was humanly possible, but we have found that an amended and mutilated Constitution no longer fully serves the purposes for which it was intended. If it is a legitimate function for the Federal Government to correct the personal conduct of its citizens in regard to the use of liquor, it becomes the possible duty for the Federal Government to enter further into the field of sumptuary legislation. To-day many people believe that dancing is demoralizing, card-playing corrupting, theater-going sinful, golf a waste of time, hunting brutalizing, and that Sunday amusements interfere with church attendance. Therefore, given a few anti-leagues adequately financed at a time when there is a widespread wave of hysteria and it is not impossible that prohibitions will be extended, and logically extended, into the fields above mentioned. Such amendments once incorporated in the Constitution would add materially to the army of so-called criminals, nullifiers, and traitors. Furthermore, if the Federal Government intends to embark in earnest on a moral crusade, in order to be consistent, it must ban, bar, and outlaw everything that contributes directly or indirectly to moral delinquency, and, of course, such a policy would lead to the confiscation and junking of all automobiles, or at least of such automobiles as are used by petting parties.

How futile it is for the Federal Government to usurp the functions that properly belong to the State, the city, the county, the school, the church, the neighborhood, and the home. It will, I think, be generally conceded that the proper way for a majority to treat minorities is to meet them part way, as long as no principle is jeopardized and no demand made for the withholding of protection for life and property. Any other

course will lead to discord. Furthermore, the larger the minority the more nearly the majority should strive to meet it on a 50-50 basis.

Upon the executive branch of the Government rests the duty of enforcing the laws, whether wise or foolish, popular or unpopular, but upon the legislative branch of the Government and upon those who inflame public sentiment must be placed the responsibility for laws that unnecessarily create discord and dissension, that provoke enmity between neighbors, hatred between sects, and hostility between sections. The Federal Government should permit harmony and concord to prevail between city and country, North and South, East and West by interfering as little as possible with local likes and dislikes, prejudices, and preferences.

Jefferson was a champion of the rights of the individual. Believing that it was just as possible to have a tryanny of the people as it was to have a tyranny of a king, he stated:

> Wherever the real power in a government lies, there is the danger of oppression. In our Government the real power lies in the majority of the community, and the invasion of private rights is chiefly to be apprehended not from acts of government contrary to the sense of its constituents but from acts in which the Government is the mere instrument of the major number of the constituents.

He believed in a minimum of government and a maximum of freedom and said:

> Our country is too large to have all its affairs directed by a single Government. I deem as an essential principle of government the support of the State governments in all their rights, as the most competent administration for our domestic concerns and the surest bulwarks against antirepublican tendencies.

The Lincoln platform of 1860 contained the following plank:

> That the maintenance inviolate of the rights of the States, and especially the rights of each State to order and control its own domestic institutions according to its own judgment exclusively, is essential to that balance of power on which the perfection and endurance of our political fabric depends.

In the light of recent history, we can but marvel at the wisdom of those statements. The wise men of the past rise up in condemnation of the overthrow of State rights and the invasion of personal rights, and join with the experience of the present in denouncing Federal prohibition as the antithesis of Americanism.

The whole political system becomes degraded when we remove from the home community its control over the intimate affairs of life and concentrate enormous powers in Washington. Questions are now decided by mass appeal, and the individual voter, being lost in the multitude, feels that his vote does not count, and, in increasing numbers, ceases to take the trouble to vote. The futility of an individual attempting to counteract by voice or vote the effect of an emotional or mass appeal must be apparent to anyone who has observed the hypnotic influences of some of the present-day popular evangelists. Whether or not emotional hypnotism is justified in the realm of religion, it has no place in deciding the plain serious problems of everyday life with which governments must deal. Furthermore, when we look to Washington to correct all our ills and lean on Washington for help in every time of need, we fail to develop adequate local leadership. The county, the city, the State, should be the real training ground and testing ground for statesmen. The Constitution and Federal statutes should not be cluttered with experimental legislation.

That prohibition has had quite the opposite effect from that intended or expected is shown by the following table of governmental statistics covering the whole United States, which were compiled by E. Clemens Horst, San Francisco, Calif. The comparisons are between the years 1919, which was the year immediately preceding Federal prohibition, and the year 1924, the last year for which statistics are available:

United States deaths from—

Alcoholism, increased 14 times more than the increase of population.

Gonorrhea, increased 2.9 times more than the increase of population.

Syphilis, increased 0.7 times more than the increase of population.

Auto accidents, increased 11.6 times more than the increase of population.

Diabetes, increased 2.4 times more than the increase of population.

Bright's disease, increased 2 times more than the increase of population.

Excessive heat, increased 14 times more than the increase of population.

Homicides, increased 2.6 times more than the increase of population.

Suicides, increased 1.7 times more than the increase of population.

Illigitimate births, increased 2.8 times more than the increase of population.

Divorces, increased 3.8 times more than the increase of population.

Federal penitentiary commitments, increased 8.8 times more than the increase of population.

State penitentiary commitments, increased 7 times more than the increase of population.

In States "wet" until Federal prohibition, increased 4.1 times more than the increase of population.

In States "dry" before Federal prohibition, increased 11.2 times more than the increase of population.

Arrests for intoxication, increased 10 times more than the increase of population.

Wine-grape acreage, increased 5.3 times more than the increase of population.

Denatured alcohol released by United States Government, increased 46.4 times more than the increase of population.

Due to the fact that medical science has, during the last few years, greatly reduced the percentage of mortality from venereal diseases and also that contraceptive measures have become more widely known, it is indeed remarkable that deaths from these causes and illegitimate births show a relative increase as compared with the population. This condition, in all probability, is due to the dens of iniquity that have sprung up since the vendors and vendees of liquor have been driven farther and farther into the underworld. The United States Department of Agriculture recently published a bulletin showing that the wine-grape acreage of California in 1919 was 97,000 acres, and in 1926, 156,000 acres. Prior to 1919, California produced practically all the wine grapes grown in the United States, but since 1919 a number of Eastern and Middle-Western States have entered or enlarged their field of wine-grape growing. No doubt the number of stills and the amount of high-powered liquor being produced at present in the United States is enormous, and I dare say that the time and expense involved in the manufacture of alcoholic beverages for home consumption approaches, or may even exceed that of the preprohibition days.

So recent as February 21, 1927, the New York State Commissioner of Health, Doctor Nicoll, suggested a national conference to consider the alarming increase of deaths from alcoholism and called attention to the fact that alcoholic deaths have risen swiftly since 1920 and that—

> for the whole United States registration area the rate in 1925 was over three and a half times what is was in 1920.

Doctor Nicoll said that the records of one insurance company reveal that alcoholism accounted for 2,270 deaths in 16,000,000 insured policyholders in this country, while of the million policyholders residing in Canada only 25 deaths occurred from this cause. These figures indicate that the deaths from alcoholism in dry United States are more than five and a half times greater proportionately than in wet Canada!

Is it merely a coincidence that the drink evil and crime have so greatly increased since preachers and paid-professional reformers have become our political bosses? Or does it serve to establish as a maxim the old adage, "Shoemaker, stick to your last"?

Inasmuch as the Christian religion is not a religion of negation or prohibition and if the prohibitionists fail to recognize this fact and refuse to withdraw and form an anti-Christian but propolitical church, or if the church is not content to confine itself within its legitimate field, then it would seem that the natural result will be for those who believe in temperance, but consider total abstinence a matter for individual determination, to gradually lose interest in the church and withdraw their support from the church, so that the church with its thus concentrated ignorance, intolerance, and bigotry would be left free to accomplish its own destruction.

Many extravagant statements have been made as to the great benefits that the working classes have derived from prohibition and proof offered in the recital of individual cases and the increase in savings accounts. Most of these benefits, I dare say, are due to the passing of the licensed saloon, but the elimination of the saloon was rapidly taking place before prohibition, and its final passing was coincident with prohibition rather than entirely due to prohibition. Many of the individual cases that have been cited pertain, no doubt, to men and women of weak character and low mentality, who might almost be considered wards of the Government or of society; and, of course, the Government or organized society does not exist primarily or exclusively for the incompetent. The Government should, however, make it as easy as possible for every citizen to make good and not permit the unfortunate to suffer through neglect.

The increase in the savings accounts may be due, in part, to Federal prohibition, but is largely because: First, a dollar to-day is equivalent to only 60 or 70 cents a few years ago;

second, for some years past wages have been higher and work more plentiful than during any previous time in our history, caused by an abundance of capital and the restriction of immigration; third, a high tariff that has preserved our markets, the greatest in the world, for our own industries; and fifth, during the war the Government undertook through a most intensive campaign to educate the people in habits of thrift, which, no doubt, has had considerable effect on the number and amount of savings accounts.

On the other side of the equation, it has been claimed, and seldom, if ever, denied by those in a position to know the facts, that drinking of hard liquor is far more prevalent than at any time in our history among the boys and girls of the so-called upper classes. This condition and the heretofore-mentioned graft, corruption, and disrespect for law are of serious consequence to the whole people, while the maintenance of prohibition is of serious consequence only to the bootlegger, the grafter, the blackmailer, the paid professional reformer, the politician who can hold his job without expense or effort so long as he votes dry, and to the prestige of the sponsors for prohibition, as well as to our friendly neighbors and hospitable hosts across the Canadian border.

Drinking among the class of young people whom I have just mentioned may be more serious than is commonly supposed. Where promiscuous drinking of hard liquor prevails immorality is not likely to be unusual, and when those who are naturally expected to set a high standard are careless as to their personal conduct, their bad example is widespread.

No highly developed civilization such as we enjoy can be carried forward, or even maintained, by morons or by mediocres, however numerous or however well protected by a beneficent government. Obviously a dearth of leadership of proper quality and liberal quantity is most serious in a republic or democracy. When those who almost exclusively are capable of producing leadership fail to fulfill their mission, either because of dissipation, indifference, refusal to assume responsibility, or neglect to reproduce their kind, the downfall of civilization is imminent.

Prof. William McDougall, of Harvard, who has a reputation second to none on Social Psychology, takes the position that—

the upper social strata, as compared with the lower, contain a larger proportion of persons of superior natural endowments. * * *

He says:

History seems to show that in the rise and fall of peoples economic factors are of secondary importance; no advantages will save a people from decay when it loses its natural superiority. The higher races and classes are using the resources of scientific knowledge to reduce the death rate of the inferior and the birth rate of the superior. * * *

Civilizations decay because they die off at the top, because they cease to produce in sufficient numbers men and women of the moral and intellectual caliber needed for their support. * * *

But there remains to be answered the all-important question: Is it possible by improved and extended education adequately to prepare the rising generations for the immense responsibilities they must bear? Are their innate qualities such as will enable them to rise to a level required by the increasing complexity and difficulty of the tasks that will be laid upon them? Will the human qualities which have carried our civilization upward to its present point of complexity—will they suffice to carry it further or even to maintain it at its present level? Does not progressive civilization, while it makes ever greater demands on the qualities of its bearers, does it not tend to impair, has it not always impaired the qualities of the people on whom it makes these increasing demands?

Every human being, and therefore every community of human beings, every populace, inherits from its ancestry a stock of innate qualities which enable it to enjoy, to sustain, to promote, a civilization of a certain degree of complexity. As a civilization advances, it makes greater and greater demands on these qualities, requires their exercise and development in ever fuller degree, until it approaches a point at which its complexity outruns the possibilities of the innate qualities. At the same time it tends positively to impair those qualities, so that as the demands increase the latent reserves of human quality are diminished. Therefore, a time comes when the supply no longer equals the demand. That moment is the culminating point of that civilization and of that people, the turning point of the curve from which the downward plunge begins. This downward tendency may be gradual and difficult to discern at first but history seems to show that it is apt to be an accelerating process. * * *

The operation of the social ladder tends to concentrate the valuable qualities of the whole nation in the upper strata, and to leave the lowest strata depleted of the finer qualities. This provides the leadership and ability required for the flourishing of national life in all its departments, and so far is good and beneficial. But the working of the social ladder has further and less satisfactory results. The upper strata, which contain in concentration the best qualities of the nation, and which are capable of producing a far larger proportion of men fitted for leadership than the lower strata become relatively infertile. The causes are varied and complex, and in the main psychological; late marriage, celibacy, and restriction of the family after marriage are the main factors. This is not a new phenomenon or peculiar to any or a few countries. It is not confined to the topmost stratum. In Britain it has reached the skilled artisan class, the pick of the wage-earning class. Meanwhile the lowest strata continue to breed at a more normal rate; the birth rate remains highest among the actual mental defectives.

In making Army tests the young manhood of the American people were divided into classes ranging from A to E. A men are of the grade which has the intelligence to make a superior record in college; B men capable of making an average record; C men rarely capable of finishing a high-school course. It is, of course, not that which has been acquired by an individual but the capacity for acquirement that is the important factor in heredity. Our civilization obviously depends upon A men and B men, but they now comprise only 4 per cent and 9 per cent, respectively. What will become of our civilization when these classes drop to 1 or 2 per cent? The A men and B men do not maintain their numbers, although population is rapidly increasing, and the lower strata are constantly becoming less capable of replacing the deficiency. Whether it is a matter of centuries or only of decades until this critical condition becomes acute, it is the preservation and propagation of the best prospects rather than the worst that should be uppermost in the minds of those who believe that ours is a Government, a civilization, a race worth perpetuating.

Our future safety lies in the direction of more wholesome homes, typically American, well stocked with happy, healthy children nurtured and reared according to the best American traditions, rather than in prohibitions and restrictions which prevent the development of originality, independence, and individuality—characteristics which were instrumental in our development and which are indispensable if we are to avoid decay.

The passing of class distinction and the opportunity for all to obtain an education has opened the door for the cream of the working classes to enter the professional classes, which latter are relatively sterile classes. Furthermore, the feminist movement and the higher education of women have resulted in making intellectual women disinclined to marriage and motherhood. To-day the professional classes, the intellectual classes, the people of superior natural endowments are numerically passing into a relative and probably an actual decline. Students of heredity and biology will agree that the constant drafting of the best from the lower classes will render them more and more impotent to supply the dwindling ranks of the upper classes and that the lower classes as a body can not in any measurable length of time fully replace those whose capacity is a result of severe selection, segregation, and intermarriage.

If, therefore, prohibition is proving detrimental and demoralizing to the comparatively few young men and women who are especially endowed by nature and who are essential for the advancement—even the perpetuity—of civilization, then it must be condemned and discarded, regardless of all other considerations.

It requires no argument, only a roll call of the great men of all time, to establish the fact that the best and brainiest of our race are and long have been prone to indulge in alcoholic stimulants and that their individuality is so strongly developed that they will not accept the edict of fanatics which seeks to suppress it. Prohibition and the vile concoctions that accompany it are particularly demoralizing to and destructive of the health and lives of the potential leaders of the future, those on whom the white race must rely for advancement if it is to remain the dominant race.

With respect to the common and ultimate good of all, nothing could be more shortsighted or fatal on the part of the Government than the adoption or continuation of any policy, whether it be political, social, economic, or industrial, that decimates the prospective potential leaders.

The socialist who believes that man and all he possesses belongs to the state, and the master mind of big business who looks upon man as a mere mechanism, as well as the professional reformer who pretends to believe for an honorarium that man can and should be remolded in accordance with a man-made pattern, may look upon prohibition with equanimity, but the individualist believes that the individual must be accorded the largest freedom of choice, compatible with the rights of others, if he is to develop the one all-inclusive, worth-while human trait—character.

Professor Turner writes:

The transformations through which the United States is passing in our own day are so profound, so far-reaching, that it is hardly an exaggeration to say that we are witnessing the birth of a new Nation

in America. * * * It is with a shock that the people of the United States are coming to realize that the fundamental forces which have shaped their society up to the present are disappearing. * * * The old pioneer individualism is disappearing. * * *

Prof. G. W. Burgess in his Reconciliation of Government with Liberty says:

All parties are now declaring themselves to be progressives, and all mean in substance the same thing by this claim, viz, the increase of governmental power over the constitutional immunities of the individual, the solution by force of the problems of the social relations heretofore regulated by influence, by religion, conscience, charity, and human feeling, the substitution of the club of the policeman for the crozier of the priest; the supersession of education, morals, and philanthropy by administrative ordinance. * * *

In the face of this consideration it is time, high time, for us to call a halt in our present course of increasing the sphere of government and decreasing that of liberty, and inquire carefully whether what is happening is not the passing of the Republic, the passing of the Christian religion, and the return to Cæsarism, the rule of the one by popular acclaim, the apotheosis of government and the universal decline of the consciousness of, and the desire for, true liberty. The world has made this circuit several times before. Are we making it again or is it only a step backward in order to get a better foothold for another advance in the true direction? Let us hope it is the latter and make it so by keeping always consciously before us as the goal of political civilization, the reconciliation of government with liberty, so that, however, the latter shall be seen to be the more ultimate, shall be seen to be both end and means, while the former is only means. This is fundamental in the profoundest sense, and there can be no sound progress in political civilization without it.

At the rate we are now going we will soon arrive, indeed, if we have not already arrived, at a point in our history when we will have neither free speech nor free press, when property will be searched and seized without warrant, and when citizens who have incurred the ill-will of the dispensers of justice will be framed and jailed without trial. The disconcerting feature of the present situation is that every protest, every criticism, seems to be met by a diabolical attitude on the part of semi-public organizations who forthwith demand and usually force a further extension of governmental powers. When Solomon died the people plead with Rehoboam for a lighter yoke. He answered them: "My little finger shall be thicker than my father's loins. And now whereas my father did lade you with a heavy yoke, I will add to your yoke; my father hath chastised you with whips, but I will chastise you with scorpions." The sequel was a rebellion and a divided kingdom. It is not my intention to infer that the downfall or division of the Republic is imminent, but I do wish to call attention to the parallel between the young hot heads who advised Rehoboam to extend his authority over his subjects to the point of humiliation and the advice of those powerful personages who would have our Government, a free Republic, imprison, poison, and shoot its citizens for committing a so-called crime that was not even an offense under the harsh law of Moses.

As a public servant I am disturbed with every manifestation of unrest, resentment, or resistance to rightfully constituted authority and am especially interested in effecting a cure by removing the cause. During the last decade practically every candidate for public office has adopted the slogan "law enforcement," but for any practical effect it has done no more to cope with crime than if they had written on a piece of paper, "people should be good" and had then thrown the paper in the waste-paper basket. The direct and indirect cost of crime is variously estimated at from $5,000,000,000 to $10,000,000,000 per year. We now have more than 10,000 murders per year, and more than a hundred thousand murderers walk our streets daily, unmolested and unafraid. All over the country, the average age of criminals grows younger. In one city, for example, the average of robbers has decreased from 28 to 21 years, burglars from 20 to 21 years, and murderers from 35 to 25 years.

Many seek a solution by advocating merciless severity in dealing with a convicted offender, but experience has demonstrated that undue severity defeats its purpose. When 12 jurymen are placed in a position where they must either violate their oath or do violence to their human nature, to their inherent sense of justice, and to their feeling of mercy, one or more of them will refuse to become an instrument of persecution. While the criminal is glad to profit by our system of legal immunity, he is not the product of it. The remote fear of prison or capital punishment will not prevent the seeds of sedition against the moral aims of society from being planted and nourished in the child or youth of impressionable age.

It would be difficult, indeed, to draft our prohibition laws and, incidentally, our white slave laws more adroitly if their express purposes were to encourage graft, bribery, and blackmail.

Any condition created by environment, by example, by neglect, by teaching, by law or otherwise, that tends to undermine the moral nature, or offers great rewards for dereliction, or presents special opportunity to profit through bribery, graft, or blackmail, is a potential source of social sin, political pollution, and all the crimes in the category.

It has been repeatedly stated by prominent men high in the councils of the prohibitionists that obedience to the Constitution is of more importance than prohibition. If they are honest and sincere in this declaration, then it is obviously their patriotic duty to join with all other good citizens and purge the Constitution of the eighteenth amendment.

As to the morality of young people to-day compared with that of former generations opinions may differ; however, if we so much as mention suggestive movies and plays, automobiles, and hip-pocket flasks it will be conceded that temptations, opportunities, and inducements are greater now than formerly. As to the extent to which bootleg liquor is used, the court records and alcoholic deaths indicate that conditions are bad and growing worse; and we must admit that heretofore no such opportunities existed for profit through bribery, blackmail, and dereliction. As long as such statutes as the Volstead Act remain the law the door is wide open for the police to collect toll, the district attorneys to levy tribute, revenue and prohibition agents to get their rake-off, judges to create a reign of terrorism, and mayors and political leaders to apply coercion. Present laws and enforcement methods readily lend themselves to crime and corruption.

If home brew is as prevalent, stills as numerous, and bootlegging as general as is commonly supposed and conceded by many connected with prohibition enforcement, then the time, work, and expenditure of money directly and indirectly for liquor must now place a greater drain on our resources than was the case when the liquor business was legalized.

The eighteenth amendment and its enforcement acts are the culmination of the radical departures from the legitimate function of our Federal Government, as set forth in the Constitution, as accepted by those who knew first hand the mind and purpose of its framers, and which with few exceptions was adhered to for more than 100 years. Prohibition laws take precedence over State rights, over individual rights, and have reduced the bill of rights to a scrap of paper. Those who sanction these laws indorse bureaucracy. When Congress passes a regulatory law it provides that an autocrat in charge shall have authority to enforce its provisions by providing rules and regulations which have the force and effect of statutory laws, and by much regulation we have all but become a clerk-governed people. Our rights will be restored only when all are impressed with the fundamental fact that the Government exists for the people rather than the people exist for the Government.

Federal prohibition was proposed as a penacea, a cure-all, for all our ills, but after seven years of experiment we are dazed and dumbfounded. Seven years ago the liquor business might be likened to a fire fairly well under control. It was in plain view, its danger was apparent and understood, much water was being turned on it, and it was slowly dying. Seeking to destroy it suddenly a bomb was hurled into its midst, but instead of having the desired effect, the fire was scattered, and is now burning in the garret and garage, in homes, and behind hedges, in cellars, and secret places. The greater the evil that one considers liquor, the greater should be his condemnation of prohibition, because instead of confining it, restricting it, exposing it, regulating it, or prohibiting it, prohibition has scattered it. Its advocates do not now refer to their former predictions, but demand more police, greater penalties, larger penitentiaries, bigger appropriations and additional courts in order to enforce it.

Mr. CRAMTON. Mr. Chairman, at the recent conference of the Woman's Christian Temperance Union at the Mayflower Hotel in Washington a brief but interesting paper was presented by Dr. J. M. Doran, head of the technical section of the Bureau of Internal Revenue on the industrial alcohol problem. I desire to place that in the RECORD, including a letter which it contains, to which I direct special attention, from the National Paint, Oil & Varnish Co. I ask unanimous consent to extend my remarks in the RECORD by inserting the article by Doctor Doran.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

Mr. CRAMTON. Mr. Speaker, under the leave granted me, I present the following article by Dr. J. M. Doran:

THE INDUSTRIAL ALCOHOL PROBLEM

It is quite difficult to give in a few words the complete scope of the industrial alcohol problem. All informed people know that alcohol,

as a chemical, has uses that are beneficial to mankind. The public generally, however, has a very hazy notion of the widespread necessary and beneficial uses of alcohol. The use of alcohol for rubbing sick people, and the use of alcohol in winter to keep radiators of automobiles from freezing, is about the extent of the ordinary person's knowledge on the subject. There may be a vague understanding that alcohol has other uses, but unless the person himself is intimately associated with some manufacturing enterprise, the extent and importance of its industrial use is hardly appreciated. The membership of this organization, however, are presumably well informed on the general aspects of the problem of alcohol control, but it will not be amiss to point out briefly the course of events of the development of the use of alcohol for other than beverage purposes.

In the first place, alcohol was known and used as a chemical reagent and in medicine for the last two or three centuries. The use of purified high-proof alcohol, however, as an industrial raw material, has been a development of the last 65 years. In the United States it may be said to have been a development of the last 20 years. Science has taken hold of alcohol, as it has taken hold of many other natural products and forces, and has gradually developed it into a useful servant. This work has been going on during all the years that this organization has kept up its battle for the elimination of the use of alcohol as a beverage. The two movements were, to a large extent, unrelated and often lacked understanding of each other's viewpoint, but it is becoming clearer that both converge toward a common point, namely, the elimination of abuse and the upbuilding of forces that are helpful and beneficial.

It was early apparent to those who gave the matter study that the first real test of prohibition enforcement in this country would come when the overhanging supply of preprohibition liquor was exhausted and pressure was brought to divert a part of the large supply of industrial alcohol that was continually moving to commercial activities. This problem has been intensified in the last two years and has passed through several distinct stages. First the large proportion of alcohol that was released for industrial purposes went out in a pure state, tax paid. This alcohol offered a ready field for operation of crooks. All that was necessary was the addition of water and a little flavoring or coloring in order to make the mixture salable as whisky or gin or some other spirituous liquor. This difficulty was met in part by the introduction of many specially denatured formulas, which reduced the necessary distribution of pure alcohol to a comparatively small figure. Mr. Bootlegger countered by starting distilling plants and so-called "cooking" operations which had comparatively little difficulty in denaturing these formulas. This was followed on the part of the Government by a tightening up of the permit system under which these special formulas were withdrawn. This tightening up process has been continuous over the last year and a half, with a result that large supplies of specially denatured alcohol have not been readily secured for cooking or cleaning purposes, and consequently the drive was on to manipulate completely denatured alcohol, which is distributed in commerce with as little red tape as necessary.

It has been the theory of all countries, including our own, that completely denatured alcohol should, after being prepared at the denaturing plant and sold in commerce, be no longer surrounded with permit restrictions other than the penalties for reconverting it or attempting to reconvert it into beverages. The period that we are now in finds the Government taking necessary steps to protect the public from the abuse of completely denatured alcohol, and I can assure you that substantial progress has been made.

There has been much discussion in the public press of late as to the denaturing of alcohol. Let me say right here that industrial alcohol is not intended for human consumption and as it leaves the denaturing plant is not capable of human consumption, but only after it has been criminally manipulated. The country produced and consumed over 105,000,000 gallons of industrial alcohol last year. This was produced largely from molasses drawn from tropical countries. The supplies of raw material for industrial alcohol production, at a reasonable cost, are not overabundant and diversion of this alcohol into channels other than commerce, lays an economic burden on all users of industrial alcohol and for that reason alone it is not surprising to see these users, large and small, take a position that this industrial supply should be adequately safeguarded. I offer it as my opinion that the weakening of industrial alcohol policy in this country would reduce the industries to a virtual state of doing business on a physician's prescription and would be totally destructive of these innumerable uses without which our present civilization would not function at its highest point. It is hardly conceivable that this situation could come about for it would be destructive of the policy of prohibiting liquor for beverage purposes in that the country would be face to face with a situation the direct opposite of that which prohibition was assumed to promote; that is, social welfare, which is intimately associated with the soundness of our industrial machinery. I can not take the time necessary to elaborate in detail the specific problems faced in the denaturing of alcohol but I can put it in a few words. It is a great industrial and scientific problem with many ramifications and can be met only by having the most complete knowledge of all of these ramifications. A denaturant might be ideally adapted for one use and likewise of no value in a thousand other applications. It may be very good for certain purposes but be of only limited supply.

In all of these special problems there arises the general consideration that the denaturing substance must render the alcohol unfit for beverage purposes, must be adapted to the lawful use for which the alcohol is intended, must not be easily removed by illegal manipulations, and above all must in a broad sense be a material which may be used with a reasonable degree of protection to the general public.

The chemists of the Prohibition Unit are continually addressing themselves to these problems. We are in the middle of what seems to us a worthwhile enterprise and do not intend to relax our scientific work in the slightest degree. On the other hand these difficulties which we have always ourselves known and acknowledged, but which from time to time only come to public attention, are a part of the day's work, and I ask that the membership of this organization exercise toward the problems, with which we contend, the same degree of patience that has marked their own particular efforts during the past 52 years.

To illustrate the stand taken by industrial interests against the demand to weaken the Government policy of denaturing industrial alcohol I will read a letter from the National Paint, Oil & Varnish Association, one of the largest trade groups in the United States, which speaks for itself. The letter follows:

NATIONAL PAINT, OIL & VARNISH ASSOCIATION,
INDUSTRIAL ALCOHOL COMMITTEE,
New York, January 26, 1927.

To the EDITOR:

There is being sent to you under separate cover United States Senate Document No. 195, entitled "Denaturization of Industrial Alcohol." In it the Secretary of the Treasury submits a comprehensive statement on the subject, which industrial users of that commodity heartily indorse.

Denatured alcohol was authorized in 1906, nearly 14 years before prohibition. It furnishes the arts and sciences with an essential tax-free raw material which has been made unfit for use for beverage purposes.

The tremendous progress of chemical industry in this country during the past 20 years would not have been possible without an ample supply of cheap industrial alcohol. It has been available to foreign competitors for nearly three-quarters of a century, and constituted the very foundation of their achievements in the development of fuels, dyes, munitions, solvents, and countless other commodities. In the World War the production of industrial alcohol was rated by the Allies as one of the "key" industries.

The agitation for the elimination from industrial alcohol of proved efficient denaturants is based upon the monstrous proposition that the Government should abandon formulas favored for over two decades by lawful business interests because, perchance, criminals may succeed in diverting the product to beverage purposes! The principal object of attack seems to be methanol (wood alcohol), which chemists the world over unite in proclaiming as the ideal denaturant. The present satisfactory formulas used in the manufacture of paints, oils, varnishes, polishes, and innumerable other articles of commerce call for pure alcohol denatured with methanol.

Those who argue that industrial alcohol should be made less impure are, in effect, asking that the Government go into partnership with criminals in breaking its own laws. Expressed differently, they would glorify lawlessness at the expense of legitimate industry.

All that the situation requires is for the Government to apprehend and punish the bootleggers who make illegal use of an indispensable commercial necessity.

We bespeak your editorial comment in support of our attitude.

Yours respectfully,

H. S. CHATFIELD,
Chairman Industrial Alcohol Committee,
National Paint, Oil, and Varnish Association.

Mr. CRAMTON. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and Mr. TILSON having taken the chair as Speaker pro tempore, Mr. GREEN of Iowa, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 17291, the second deficiency bill, and had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. SPROUL of Kansas. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made to-day and include in it some correspondence in connection with that speech.

The SPEAKER pro tempore. The gentleman from Kansas asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

Mr. GARNER of Texas. I am not going to object, because of the example set at the other end of the Capitol in giving consent to what we ordinarily would object to.

The SPEAKER pro tempore. Is there objection?

There was no objection.

CONGRATULATIONS ON PRESIDENT'S SPEECH

Mr. ENGLEBRIGHT. Mr. Speaker, I ask unanimous consent to print in the RECORD a telegram from the citizens of McCloud, Calif., congratulating the President of the United States on his speech of yesterday.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The telegram is as follows:

McCLOUD, CALIF., *February 22, 1927.*

Hon. HARRY E. ENGLEBRIGHT,
358 House Office Building, Washington, D. C.

Out here on the western frontier of the Nation many of your constituents, including McCloud High School students, have heard the wonderful address on Washington by our President. May his message and the realization of Washington as the guiding star of the Republic be an inspiration to our citizens and lead them to a deeper sense of civic responsibility.

W. W. MARTIN.

THE PATRIOTIC EDUCATION OF OUR YOUTH

Mr. UPSHAW. Mr. Speaker, I ask unanimous consent to reprint in the RECORD an address that I made on the school republic, with a few brief additions.

The SPEAKER pro tempore. The gentleman from Georgia asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. UPSHAW. Mr. Speaker and Members of the House, under leave granted me to extend my remarks, I wish to discuss the school republic, as originated by Wilson Gill, the unique veteran educator, for the building of our boys and girls into patriotic, efficient citizens.

I recently came across this wonderfully practical moral and civic force in its inspiring operation.

As a means for the stabilized protection of our Government under the Constitution of the United States it should rank far above the Army and the Navy combined if put to work daily in every school in America.

As a means of protection against banditry and every other form of criminality it should almost put out of business the police force, the courts, and the prisons.

It is well calculated to check crime and the development of disloyalty to the ballot at their very source.

All of this, of course, is defensive and preventive, but, on the other side, it is constructive of good character among the whole people.

It is loyalty and the golden rule in action.

It visualizes the highest goal of civilization.

President Roosevelt wrote of this plan:

Nothing could offer higher promise for the future of our country.

President Harding wrote:

If proper interest can be developed, it ought to be productive of very valuable public results, and I hope that may be possible.

President Coolidge's secretary has written:

President Coolidge will give careful consideration to this matter.

DR. FRANK CRANE INDORSES THIS PLAN

Dr. Frank Crane has written many editorials on the school republic, and says that—

It is the biggest idea in the world.

Rev. Dr. Charles Stowe, son of Harriet Beecher Stowe, wrote:

If our dream of the Kingdom of God on earth is to be realized, and it can be realized, we must begin with the boys and girls. But how shall we begin? There is no practical way except Mr. Gill's plan.

Mr. Gill says:

Autocracy in the schools must be replaced by training in democracy; and if that had been done as soon as the Constitution was adopted, it might have prevented the Civil War, it would certainly have saved our people many millions of dollars, and the present distressing conditions could never have developed.

Democracy can be made fully successful by a people who, as a whole, live in accord with the golden rule, but not otherwise. "Do to others as you would have them do to you" is the magic key to the highest civilization.

The greatest problem of civilization throughout all the ages has been how to get the people of every nation to put the golden rule into operation in their daily life, and Mr. Gill declares further:

This problem has been solved, and through it practically all the difficult problems of human contact and conduct have been solved in the homes, in education, at the mines, in the industries, between individuals, and between nations.

It will make an end of war. Peace can not come by enacting laws, either national or international. It can come through improving the character of all individual men and women and in no other way.

It will enable all persons, while children, to develop fine and strong character.

COMPELLED WITHOUT EXPERIENCE

"As the twig is bent, so the tree is inclined." Children are compelled without experience or information to determine what their adult life shall be, and at best it is apt to go far astray; but when the way shall have been found to induce all of them to be guided by the golden rule, they will be able to build good, firm foundations for their adult life. They will develop pure, stalwart, conquering character.

THE SCHOOL REPUBLIC IS THE WAY

This will render all schools more efficient for every good purpose. It will at the same time give the teachers better pay and reduce the cost of maintaining the schools.

Naturally, then, it will greatly reduce the cost of maintaining prisons, courts, and police and reduce the people's loss of property through theft and other dishonesty.

Our Government has used this solution in Cuba, among the Indians, and in Alaska. It has been sanctioned by several governments and put into operation in several countries.

What is the solution of this greatest of all problems? It is simplicity itself, very easy to put into operation, and a daily joy to all concerned. It is to give the privileges and responsibilities of citizenship, under instruction, to citizens all through their school life instead of having them wait till they are 21 years of age.

The process is called the school republic.

THE FRANKLIN INSTITUTE AWARD

The famous old scientific society, the Franklin Institute, awarded Wilson Gill, the inventor of the school republic, the Elliott-Cresson gold medal, which is their highest honor. The trustees of the medal fund refused to deliver the medal. They said:

This is a spiritual matter and not a discovery or an invention. It is not practical or tangible. It is neither science nor art. The institute has no right under its charter to make an investigation of such a matter.

The institute brought suit in the Philadelphia court of common pleas.

The case was heard by a bench of three judges. It was in court six months. The decision of the court declared that child citizenship in the school republic is spiritual, and both a discovery and an invention, that it is practical and tangible, and both science and art, and that the Franklin Institute has the right to make such an investigation and to award the Elliott-Cresson gold medal, and the trustees were ordered to deliver the medal.

The presiding judge said:

In addition to this official decree, my associates on the bench wish me to state our further private opinion, which is that so important a matter was never before submitted to the institute for investigation, and it is probable there never will be again.

CIRCLES OF AMERICAN GOVERNMENT

THE CHILDREN'S CIRCLE

Mr. Gill describes the status and processes of the school republic as follows:

The Government of the United States can be likened to a series of circles, the first of which is that of the National Government. Within this are 48 State circles. Inside of these are those of counties and cities. Inside of the city circle is that of the school board, superintendent, principals, and teachers. The last circle is the governing of the children. This circle, in our country and every other country except Cuba and Argentina, is an autocracy of which the teacher is the monarch. This has been and is tolerated by the ignorance of statesmen and educators, and is the basis of most of the crime and disloyalty in our country and other lands. By means of the school republic this evil is rectified. Though the school republic is the smallest and last of the circles, it is the most important of all, as this is not only real government and its citizenship actual and true American citizenship,

but it determines the character of the citizenship in all of the other circles.

If any one of the circles inside of the national circle fails to maintain order and to protect the rights of American citizens a larger circle may invade a smaller one, as was the case when President Cleveland sent troops into Chicago and quelled a railroad strike, and Gov. Rutherford B. Hayes sent State troops into Cincinnati and quelled the courthouse riot. In the same way the teacher may invade the school republic if the child citizens fail to maintain the required order. This practically never happens, as the children are most eager to have the advice and help of the teacher.

Although citizens of the school republic are under observation and instruction, their citizenship is as real as that of their parents, and as has been said, is more fundamental.

SUPREME HUMAN LAW

The Constitution of the United States is the supreme human law of government and of conduct for every American citizen from birth till death. Our Government ought to recognize this and to protect its citizens in their rights as such, while they are too young to know that they have any rights and too weak to protect themselves from the ignorant and demoralizing autocratic tyranny that is forced on them. It should require of every school over which it has any authority to treat every American citizen in it as an American citizen and not as a helpless child and subject of a monarchical school government.

WHAT CONGRESS SHOULD DO

The Congress of the United States should go as far in this matter as it has the right to go; and if it has not the right to defend itself and the rights of the little citizens in the schools of the State, then the State legislatures and the governors should do whatever is necessary to get rid of monarchy in the schools, which demoralizes the morals and the loyalty of its people to the ballot.

The Congress of the United States should not delay its recognition of this great invention; nor should it lose ar unnecessary day in giving the advantages of it to our people and to the world.

The engineer who set about to invent a means to solve this great problem strikingly makes the following claims:

Trouble at the mines, antagonism in the industries, prevalence of crime, the horrors of war, and the failure of education to conquer these enemies of the human race can be solved by a discovery and invention so simple, so easy, so practical and inexpensive, and so full of common sense that it is in the reach of this Congress to understand it without discussion and to put it into operation immediately in our country—and by our example, in every other country—for the peace and general welfare of all mankind.

This builder of citizen patriots further declares:

AUTOCRACY IN THE SCHOOLS

Autocracy in the schools, the monster which has developed with our great school system, is destroying the foundation of our Government and is gnawing at the vitals of civilization.

This is a matter for consideration by statesmen and the people and only secondarily by educators, except as they, too, are responsible citizens.

THE AMERICAN REVOLUTION IS NOT COMPLETE

THIRD ACT

(This will complete the Revolution)

Between the end of the War of the Revolution and the convening of the convention to make a constitution for the governing of the people, one of the signers of the Declaration of Independence, Dr. Benjamin Rush, of Philadelphia, made the following remark in one of his speeches:

There is nothing more common than to confound the term "American Revolution" with that of the "American war."

The American war is over, but this is far from being the case with the American Revolution.

(1) On the contrary, nothing but the first act of the great drama is closed. It remains yet—

(2) To establish and perfect our new forms of government; and

(3) To prepare the principles, morals, and manners of our citizens for these forms of government after they are established and brought to perfection.

The first act of the Revolution, as we have seen, was ended by the surrender of Lord Cornwallis and the signing of the treaty of peace.

The second act was completed by the adoption of the Constitution by the thirteen States.

The third act of the American Revolution has scarcely begun, though nearly a century and a half has passed since the completion of the second act.

The Constitution set up a new kind of government, founded on principles which are totally different from those which were ever the basis of any government in the Old World.

To make this new kind of government fully operative and successful, it was and still is necessary that the whole people should adopt "principles, morals, and manners" such as had never been adopted by the people of any nation on earth, and have not yet been adopted by the people of our Nation.

The American Revolution will never be successfully ended and the Constitution of the United States become fully operative till this shall have been attended to.

Putting into constant practice by children in and out of school hours "the principles, morals, and manners," to which Doctor Rush refers, is the only possible way to make the Constitution completely operative, and by which it can be made safe and permanent. This is "the third act of the American Revolution," and the process is called the school republic.

THE PEOPLE NOT THE EDUCATORS

The citizenship of the people is, or should be, as much a part of the Government of the United States as is the Congress, the Supreme Court, or the Army or the Navy, yet it has never been prepared to perform its functions efficiently or intelligently as a part of the Government, although the maintenance and defense of the Government is dependent on this arm of the Government as much as upon the Congress and the Army and the Navy. No other branch of the Government has been so entirely neglected and so unprepared to perform its proper functions.

THE SCHOOL REPUBLIC OFFERS THE REMEDY—WHAT IS THE GILL METHOD?

It is the same citizenship, rights, duties, spirit, and practices applied before the age of 21 as is desirable after the age of 21, under encouragement and instruction by the regular school teachers, by the plan made by Washington, Franklin, Jefferson, and their coworkers and embodied in the Constitution of the United States.

Any vital, permanent improvement in civilization must rest on an improvement in the habits and character of the whole people.

This method has been producing good results for a quarter of a century.

Is it not time that American citizenship should be approved and adopted by all schools?

It is practically impossible to reform the habits of a great body of adults.

Now that the public-school system is rapidly developing throughout the world, it is entirely practicable to enable the children from the very beginning to form the habits which are necessary for universal peace, honesty, cleanliness, health, kindness, and cooperation for every good purpose.

Mr. Gill believes that this work among the children can not be accomplished by the old-fashioned academic method alone. To this must be added, he says, the laboratory method by substituting democratic government for the monarchial or absolute authority of the teacher.

In the work for universal peace, without disparaging anything that may be proposed, it is evident that however valuable any particular endeavor, or all endeavors together may be, they can never accomplish their full purpose until there is added this element of forming the habits of morality (which is peace) by the laboratory method, beginning with the youngest children in the schools and keeping it up through the individual's entire school life.

How the school republic can be introduced into every school is told in the following words by Mr. Gill, its inventor:

ORGANIZING A SCHOOL REPUBLIC—THE WHOLE SCHOOL

I organize the whole school as a national democratic republic, in the spirit of the Constitution of the United States, which is friendship and kindness, and expressed by the golden rule, and by the plan made by Washington, Franklin, Jefferson, and their associates, and embodied in the Constitution. All the pupils, from the eldest to the youngest, have equal rights.

I explain to the children assembled, with more or less explicitness, according to their age and other circumstances, some conditions in our country which need correction, such as that which is exhibited by the fact that in the Harding election 26,000,000 of our people voted and 27,000,000 were disloyal to the plan of the Constitution to the extent that they failed to vote.

I make it as clear to them as I can that there can be no true loyalty to our Government and to our flag except through a daily life of friendship and kindness such as is expressed by the golden rule. I tell them that there can be no reasonable hope that they will after the age of 21 live in the spirit and by the plan of the Constitution of the United States unless they do so before then, while they can have the help of their teachers and schoolmates. Then I say, "All of you who wish to begin your citizenship this minute and to help organize your school as a little American republic, in the spirit and by the plan of the Constitution of the United States, raise your right hands—high as

you can, so that I can see how you are voting." They invariably vote unanimously in favor. The request, "high as you can," is a factor in their interest.

Then I have them raise their right hands again and repeat after me a pledge of loyalty to the Constitution: "I solemnly promise that I will support and defend the Constitution of the United States and that I will perform the duties of my American citizenship to the best of my knowledge and ability."

ALL KNOW THE CHARACTER OF EVERYONE IN THEIR CLASS

The children, except the youngest, have been living together in their classes for years, and each one knows the moral and intellectual strength of every other one in the class without stopping to consider. This fact makes it possible to organize very rapidly. It is not necessary to use ballots or to have more than one candidate at a time.

When this work was begun in 1897 we did not know these facts, and the process of organizing was long and tedious. For various reasons, it is desirable to make the process of organizing as simple and short as is compatible with a clear understanding by the children. If one is elected unanimously, or by an evident majority, no time need be wasted in taking a negative vote, or by making any other unnecessary moves, just because they are customary.

ELECT A PRESIDENT AND VICE PRESIDENT

I ask those who are ready to name some one for president to raise their right hands. A few hands are raised, and I call on one of the older pupils for a nomination. To guard against any mishap—which is not apt to occur—I ask the principal if he approves. Almost invariably he replies to the effect, "It could not be better." If it is the principal who is organizing, of course there would be no question.

Many times I, a stranger, can not understand the name of the nominee, and to save time, I do not wait to find out, but say: "All in favor, raise your right hands." Almost invariably she or he is unanimously elected. In just a twinkle the vice president is elected in the same way. Before the voting I have the candidate come to the front so the little ones of the kindergarten and first and second grades may see who the candidate is.

Immediately I administer the oath of office to the president and vice president, the same as the pledge of loyalty, except that the word "office" takes the place of the words "American citizenship."

PRESIDENT APPOINTS OFFICERS

Instantly the president, with the approval of the principal, appoints a chief justice, secretary of state, secretary of general welfare, and four general traffic officers. The vice president says to the assembly, acting as the congress of the republic, "The president has appointed ——— ——— to be the chief justice. All in favor raise your right hands." Generally, all the right hands go up, and the vice president says, "Approved." The other officers are appointed in the same way, and they immediately take their oath of office. In future elections, ballots and all desired formalities may be used.

ORGANIZING A SCHOOL CITY

While they are still assembled, the pupils of one classroom are organized as a typical American city, with a mayor, president of the city council, all of the children being the council to make regulations for their own conduct and to approve the appointments of traffic officers and commissioners for every good purpose that can be found. A judge, three clerks—city clerk, clerk of council, and clerk of court—and a sheriff to attend to the decrees of the court are elected. This can generally be accomplished in from three to five minutes and serves as a pattern for all the other rooms in the building.

CHARTER OF THE SCHOOL CITY

PREAMBLE OR KEY

This charter is granted and accepted with the understanding that the spirit of the Constitution of the United States is expressed by the golden rule; that all laws and processes of government must be in accord with this spirit; that voting judicially in every election by all who have the right to vote is necessary for the full developing of civilization according to the plan of the Constitution; that life habits are begun and developed in childhood; that responsibility accepted and discharged under competent instruction is the most forceful educational means that exists; that a principal problem of moral and civic training is to provide responsibilities to be carried by the pupils; that to provide that all who will have the right to vote shall do so habitually, loyally, and judicially, it is desirable, if not necessary, that the habit shall be started in early childhood and developed and confirmed throughout the school and college career; that teaching is a chief function of most of the transactions of human life, and should be taught practically from the beginning to the end of every person's educational course; that frequent repetition of right thoughts and actions is a necessary element in producing right habits and good character.

ARTICLE I. OBJECT, NAME, TERRITORY, CITIZENS, POWERS

SECTION 1. The object of this school city is to train the citizens in the practice of the golden rule, independence of character, teaching, cooperation for every good purpose, and all duties of citizenship in school, at home, and everywhere.

SEC. 2. The name of the school city shall be determined by a majority of the citizens at the time this charter is adopted, or as soon after as convenient.

SEC. 3. The territory of this school city is the school, and so much of the district in which the pupils live as is not otherwise provided for.

SEC. 4. All individuals who are or shall be pupils in this schoolroom division shall be citizens of this school city, with equal rights. If two or more divisions occupy the same room, but at different times, each may be a separate school city.

SEC. 5. All citizens shall make the following pledge of loyalty: "I solemnly promise that I will support and defend the Constitution of the United States, and that I will perform the duties of my American citizenship to the best of my knowledge and ability."

SEC. 6. Citizens shall have the right to nominate and elect officers, to make laws for their own conduct, and to work and play without unlawful interruption.

SEC. 7. Citizens shall have the right, but shall not be required, to provide for themselves textbooks relative to the school republic, and badges for themselves and their officers.

SEC. 8. It is the duty of the city to protect the rights of all citizens and promote the general welfare, and of citizens to practice the golden rule and to be obedient to every lawful authority.

SEC. 9. The city shall have the right to make, to enforce, and to adjudicate laws.

SEC. 10. Term of office is one month, unless otherwise provided. An officer shall not be reelected to the same officer for two whole terms in succession.

SEC. 11. Before the close of each school year, an election of officers shall be held, whose term of office shall continue through the vacation, and until their successors are elected.

SEC. 12. The teacher is not a citizen or officer of the school republic, but instructor, guide, and friend, whose authority is not changed by the granting of this charter, and whose sanction is needed to validate every action of the school city.

ARTICLE II. OFFICERS, NOMINATIONS, ELECTIONS

SECTION 1. There shall be a mayor to see that the laws are obeyed, a judge to decide what is right and what is wrong, and a president of the city council to preside over the meetings of the city council. All the citizens shall be members of the council. Except among children who can not write, there shall be elected a clerk of the council, a city clerk for the executive department, and a clerk of the court.

SEC. 2. There may be health, police, and any other officers that the council shall authorize to be elected by the citizens or to be appointed by the mayor.

SEC. 3. There may be departments of Red Cross, Boy and Girl Scouts, Campfire Girls, Knights of Youth, Children of the Revolution, Good Citizens' Clubs, savings bank, manufacturing, publishing, games, athletics, and other industrial, educational, social, patriotic, and philanthropic work.

SEC. 4. Every officer shall make the following affirmation before entering upon the duties of his office: "I solemnly promise that I will support and defend the Constitution of the United States and that I will perform the duties of my office to the best of my knowledge and ability. So help me God." [Required by United States law.]

ARTICLE III. READERS

SECTION. 1. The mayor shall appoint five readers who shall lead all the citizens in reading slowly and thoughtfully once each week on different days, the following documents: First reader, Preambles of the Constitution of the United States and of this Charter and Code of Conduct, Monday; second reader, Ten Commandments of American Citizenship, Tuesday; third reader, Declaration of Principles, and The Biggest Idea in the World, Wednesday; fourth reader, Pledge of Loyal Citizenship and It Can Be Done, Thursday; fifth reader, International Pledge and The Good Citizens' Creed, Friday.

ARTICLE IV. DAILY READINGS

PREAMBLE OF THE CONSTITUTION

We, the people of the United States, in order to form a more perfect Union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America.

CODE OF CONDUCT

CHAPTER I—CONSTRUCTION AND PROHIBITION

SECTION 1. "Whatsoever ye would that men should do to you, do ye even so to them." All laws and regulations must conform to this law.

Do no wrong to any one.

Order

SEC. 2. Peace, order, and cooperation for every good purpose must be maintained.

Anything which disturbs the order in halls, classrooms, or in any place within the jurisdiction of this government is prohibited.

SEC. 3. The expression of good, pure, kind, and constructive thought must be encouraged.

Anything which is profane, rude, immodest, impure, impolite, or unkind to any living creature is prohibited.

Cleanliness

SEC. 4. Cleanliness, neatness, beauty, and orderly appearance must be encouraged.

Anything which detracts from the neat and orderly appearance of our community is prohibited.

Health

SEC. 5. Healthful conditions and actions must be encouraged.

Anything which detracts from the healthful condition of our community is prohibited.

Public and private property

SEC. 6. Protection of private and public property from theft, injury or interference must be encouraged and enforced.

Anything which mars, destroys, or interferes with property rights is prohibited.

SEC. 7. All reasonable protection shall be given highways. Breaking glass is prohibited.

CHAPTER II—DUTIES

SECTION 1. Every citizen is in duty bound to call the attention of the authorities of this Government to all known violation of the laws.

CHAPTER III—PUNISHMENTS

SECTION 1. Any citizen violating any law of this Government shall be subject to punishment not less than a reprimand and not greater than the withdrawal of the rights of citizenship. Punishments must be inflicted to discourage wrongdoing, not to produce unhappiness or disgrace.

SEC. 2. No punishment shall be carried into execution before it has been approved by the teacher or principal of the school, and then it must be put into effect promptly.

THE GOOD CITIZEN'S CREED

(By Frederic R. Kellogg)

To be good citizens of the United States and of our school republic,

WE MUST KNOW

First. That the Government of our Nation, our State, and our city is our Government.

Second. That we are responsible and are bound to see that every branch of our Government is good, clean, honest, and intelligent.

Third. That we can not expect good government of any kind unless we, the people, make it so.

Fourth. That graft in any form is a blow against the life of democracy.

Fifth. That we must see to it that good laws are made.

Sixth. That we must obey all laws, whether we like them or not, as long as they are valid.

Seventh. That the Constitution of the United States is the supreme human law of government and of conduct for every American citizen from birth till death.

WE MUST VOTE

First. In every election for which we are qualified.

Second. For honest persons only.

Third. For ablest and best persons only.

WE MUST FIGHT

First. Graft and dishonesty in every form.

Second. Every kind of disloyalty to the Constitution and our form of government.

Third. The habit of neglecting to vote.

Fourth. The idea that citizens need to obey only such laws as they approve.

Fifth. That the thought that if we neglect our duties as citizens, others will see that our Government is well carried on.

Sixth. Stupidity in carrying on public business.

Seventh. Wastefulness in spending the people's money.

WE MUST VENERATE

The memory of Washington, Franklin, Jefferson, Lincoln, and of all true American patriots.

WE MUST LOVE

Our country's flag, the symbol of the golden rule, which is the spirit of our Constitution, as well as the law of God.

INTERNATIONAL PLEDGE

We, the new citizens, builders of the world of to-morrow, wish to have our world at peace.

We wish for all people health, happiness, and intelligence, good manners, good morals, and good fortune.

We join hands from land to land and promise to do our best to serve the world, each in our own abiding place, each in our own, dear country, and all together in the children's international state, and to help support and develop this movement in every way in our power.

PLEDGE OF LOYAL CITIZENSHIP

Recognizing in some measure how great a privilege it is which has been granted to us that we shall be trained as responsible citizens of a democratic Republic under the Constitution of the United States, rather than as irresponsible subjects of a monarchy, we solemnly promise that we will be loyal, obedient, and faithful to every branch of our Government from that of the United States of America, and our State or other established government, to our own local school republic, and to all authority that is lawful; that we will endeavor to make good laws and to obey them; that we will use our best judgment in choosing officers; that we will perform the duties of office to the best of our knowledge and ability when chosen to any office; that we will encourage and help our officers without reference to the way our individual votes may have been cast; that if summoned to appear in court we will comply and give every reasonable assistance to enable the judge to discover the truth and to arrive at a just decision, whatever our relation may be to the case; that we will abide by the judgment of our court when approved by the teacher or other authorized adult officer of our school; and that we will, to the best of our ability, perform faithfully all the duties of citizenship.

THE BIGGEST IDEA IN THE WORLD

(By Dr. Frank Crane)

The school republic is the biggest idea in the world.

It is the last word in democracy.

It is the very root of democracy.

It is that without which democracy can not persist.

I believe in democracy, as the best product of the slow growth of evolution. It means the redemption of the race.

Jesus Christ was its first great exponent, and America is its most conspicuous example.

Democracy means self-government.

Democracy is a thing that has to be learned. It does not come by nature. Therefore the place to begin is in the public school.

It is much more important that children learn how to govern themselves, to obtain in lawful ways what the majority of them want, to select their own governors and obey them, to understand voting and take an interest in politics, than that they learn how to bound Uruguay or do sums in arithmetic.

As it is at present, children are trained in little autocracies. Thus when they graduate from school they despise politics.

The remedy is to teach democracy from the very kindergarten, so that the children coming out of the school will be experts therein.

Every school ought to be a republic. School children should be taught self-government. Every school should be a little United States and not a little imperial Germany.

The only reforms that are permanent steps forward are those that begin in the schoolroom.

Humanity advances through its children, not through its adults.

Train children in self-government!

Train them in citizenship!

Make every school in the United States a hotbed of democracy.

That is your answer to nine-tenths of your problems, moral, economic, and civil.

IT CAN BE DONE

Somebody said that "it couldn't be done,"
But he with a chuckle replied,
That "maybe it couldn't," but he would be one
Who wouldn't say so till he'd tried.
So he buckled right in with the trace of a grin
On his face. If he worried he hid it,
He started to sing as he tackled the thing
That couldn't be done—and he did it!

Somebody scoffed: "Oh, you'll never do that—
At least no one ever has done it."
But he took off his coat and he took off his hat,
And the first thing we knew he'd begun it.
With the lift of his chin and a bit of a grin,
Without any doubting or quiddit,
He started to sing as he tackled the thing
That couldn't be done—and he did it!

There are thousands to tell you it can not be done,
There are thousands to prophesy failure;
There are thousands to point out to you, one by one,
The dangers that wait to assail you.
But just buckle in with a bit of a grin,
Then take off your coat and go to it;
Just start in to sing as you tackle the thing
That "can not be done"—and you'll do it.

EDGAR A. GUEST.

Let nothing discourage you; never give up!

WILLIAM D. UPSHAW.

TEN COMMANDMENTS OF AMERICAN CITIZENSHIP

I

Thou shalt love good with all thine heart, for this is the law of God and a necessary condition of successful democracy.

II

Thou shalt obey the Constitution of the United States, for it is the supreme human law of government and conduct for every American citizen from birth till death.

III

Thou shalt do to others as thou wouldst have them do to you, for this is the law of God and the spirit of the Constitution.

IV

Thou shalt live in accord with the Constitution in childhood, in the same way that is desirable in adult life, for child life is the real life and determines what adult life shall be.

V

Thou shalt vote in every election for which thou art qualified, as this is necessary for the defense of our Government.

VI

Thou shalt assist in making good laws and in enforcing them, as long as they are laws, whether thou likest them or not, as this is necessary for the preservation of our Government.

VII

Thou shalt assume responsibility, whenever practicable, for responsibility is the most forceful means of education which exists.

VIII

Thou shalt learn to teach, for this is salesmanship, which is a necessary element of successful life.

IX

Thou shalt not say unto any child, "Thou art a tattletale; tell on thine own self, but not on others," for this foolish phrase protects and develops criminal tendencies and causes the prisons to overflow with criminals.

X

Thou shalt not tolerate graft or any other form of dishonesty, as this is a deadly enemy to civilization; and

Thou shalt fight the enemies of our country and of our civilization.

DECLARATION OF PRINCIPLES

The spirit of love and helpful kindness is in all normal young children. We must encourage and help them to develop this spirit for their own welfare and happiness and for the good of all.

All must work together to make an end of tyranny and of crime of every sort, to put restraint upon all that is wrong, to give encouragement to all that is good, and to maintain equal rights for all and special privileges for none.

We are responsible citizens, and the flag of our country is our symbol of service and cooperation for the good of all mankind. We want to be true to the citizenship of our country, and will show our love and loyalty by our industry, our efficiency, our friendliness, by looking on the bright side of things and not on the dark (except to help correct them), and by our good works.

Our country asks us to live for her and the good of all, and so to live and so to act that her citizenship and her Government shall be pure, her officers honest and efficient, and every part of her territory safe and fit for the best of men, women, and children.

Our country asks that we cooperate with our brothers and sisters in every land to make an end of tyranny and crime and advance the cause of good will, good manners, and best conditions in our homes and neighborhoods and throughout the world.

ENEMIES

These are the chief enemies: Failure to obey the golden rule; graft and dishonesty of every kind; the habit of neglecting to vote; the idea that citizens should obey only such laws as they approve; the thought that if we neglect our duties as citizens others will see to it that our Government is well carried on; stupidity in public affairs; and, worst of all, monarchy in school administration or Government, which develops disloyalty to the Constitution and fosters criminal tendencies.

ARTICLE V

SECTION 1. This charter having been granted by competent authority, and accepted by a majority of the citizens, takes effect immediately.

Date ———

———, *Mayor.*

———, *Teacher.*

CONCLUSION OF MR. UPSHAW'S REMARKS

I am sure that my thoughtful colleagues and all others who have studiously followed this remarkable compendium of patriotic, civic, and ethical principles of faith and action, as laid down by Wilson L. Gill, who has given three decades of his noble life to the founding of the school republic, will agree that seldom, if ever, has the CONGRESSIONAL RECORD carried to the public a richer contribution to the basic building of our national life.

School boys and girls should be encouraged to study and assimilate these principles with even more eagerness than they do to their daily lessons.

Having spoken myself to over 4,000,000 students in school since I got off the bed, where I stayed for seven years, teaching them to stand up and repeat the daily motto of my life, "Let nothing discourage you; never give up," I feel that I now have for the youth of America a new impact of inspiration for them to become builders and guardians of the Nation through the thrilling constructive influences of the school republic.

Verily, there is no material out of which to grow intelligent, patriotic citizens except boys and girls; and teachers, parents, and preachers have the biggest job on earth building citizens for time and eternity.

THE WORK OF THE BUREAU OF COMMERCIAL ECONOMICS

Mr. RAINEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the work of the Bureau of Commercial Economics.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. RAINEY. Mr. Speaker, the Bureau of Commercial Economics has its offices at No. 1108 Sixteenth Street NW., Washington, D. C., and the service it renders is valuable indeed. It furnishes free film service throughout the country. I can personally testify to the value of visual instruction. I recall that in Illinois a number of years ago, when it became necessary to amend the constitution of Illinois in order to permit the building of a waterway connecting the Chicago Ship Canal with the Illinois River, in connection with others, I made a campaign throughout that State, using a set of pictures I made myself, showing scenes along the waterway commencing with the Soo, extending all the way down through the Lakes, the canals, the rivers, the Gulf of Mexico, and then across the Gulf of Mexico and the Isthmus of Panama, insisting in the speeches I made that the Lakes to the Gulf deep waterway commenced with the Soo and ended in the Pacific Ocean. I made over 200 speeches, using slides constructed from the pictures I had made myself along the entire route. We carried the proposition by a majority of 750,000 votes, and I have been advised all over the State that this visual presentation of the subject assisted materially in carrying the proposition.

During the session of Congress now drawing to a close the completion of the deep waterway from Utica to the mouth of the Illinois River out of funds contributed by the Federal Government was authorized and construction will soon commence. The Illinois waterway connecting the Chicago Ship Canal with the Illinois River, at an expenditure of $20,000,000, is now being built by the State of Illinois, and in two years and a half the entire waterway will be completed from the Southern terminus of the Chicago Ship Canal to the Mississippi River. I therefore firmly believe in visual instruction, and it gives me great pleasure to indorse the educational work now being accomplished through the medium of free films by the Bureau of Commercial Economics.

Representatives should avail themselves of this free film service, both personally and for their constituents, to learn of our great industries of America, its resources, and the way the Government is spending the taxpayers' money.

The Bureau of Commercial Economics during the last season has shown its invited guests of Congress and the diplomatic corps films of Germany, Egypt, Latvia, Austria, Belgium, United States territory, Samoa, and of Newfoundland, and they have many additional new subjects ready for release.

The House of Representatives and the Senate, as well as the members of the diplomatic corps and official Washington, have had the opportunity and privilege during the present session of Congress of attending the series of diplomatic evenings given by the Bureau of Commercial Economics at the Carlton Hotel in Washington, when American or foreign films have been shown and eminent speakers of the foreign Governments or our own have given us the latest information pertaining to the subject presented.

The Bureau of Commercial Economics renders an extraordinary service to the people of the entire United States. Its

films, gathered from all parts of the world, entirely educational in character, are available to any responsible organization simply for the carrying charges. If the organization is able to afford the very low membership fee or make a donation to the carrying on of the work, well and good. If the organization is unable to do more than pay the carrying charges, the films are sent free, as evidenced by this letter I quote:

CANEY CREEK COMMUNITY CENTER,
Caney Creek, Ky.

DEAR MISS BOGGS: This settlement has been in your debt for the joy of light and moving pictures—the latter have literally brought the world into this wilderness. * * * The picture machine that you and Doctor Holley secured for us is still doing excellent service. It was scorched through our fire, was almost thrown out the window of the booth, and though it doesn't shine outwardly any more, yet it brings light to the souls of these deprived hill folks.

Yours sincerely,

ALICE SPENCER GEDDES LLOYD.

For nearly 14 years the bureau has been bringing the world to the American people by means of films and speakers—free. That this service is deeply appreciated is proven by the thousands of letters that the bureau has received from institutions and organizations who have used its service and who are most wholehearted in their praise.

For the information of the Congress I here enumerate a list of cities and towns where this bureau's speakers have addressed important clubs, educational institutions, civil organizations, and so forth, in the last six months. I have listed the cities, not the number of times lectures have been given in each place:

BUREAU OF COMMERCIAL ECONOMICS

[Partial list of cities served with speakers and films during 1926]

Arkansas: Fort Smith.

Connecticut: Bridgeport, Hartford, Middlebury, Naugatuck, Norwich, Storrs, Torrington, South Willington, and Waterbury.

Delaware: Wilmington.

District of Columbia: Washington.

Florida: Lake Worth, Longwood, Miami, Orlando, and West Palm Beach.

Georgia: Atlanta.

Illinois: Alton, Blue Island, Cairo, Champaign, Chicago, Decatur, Danville, East Aurora, Evanston, Jackson, Joliet, Kewanee, Normal, Oak Park, Ottawa, Peoria, Peru, Princeton, Quincy, Rockford, Rock Island, Springfield, Urbana, and Virden.

Idaho: Pocatello and Roxburg.

Indiana: Elkhart, Hammond, Indianapolis, Gary, Kendallville, Lafayette, La Porte, Muncie, Richmond, and Terre Haute.

Iowa: Ames, Burlington, Cedar Rapids, Council Bluff, Davenport, Dubuque, Eldora, Fayette, Fort Dodge, Grundy, Harlan, Iowa Falls, Lamoni, Manchester, Marshalltown, Muscatine, Sheldon, and Spirit Lake.

Kansas: Emporia, Horton, Kansas City, Manhattan, and Ottawa.

Kentucky: Covington.

Maryland: Annapolis and Baltimore.

Massachusetts: Attleboro, Beverly, Boston, Brockton, Danvers, Dorchester, Fall River, Fitchburg, Holyoke, Lexington, Lowell, Malden, Melrose, New Bedford, Newtonville, Rowley, Springfield, Watertown, and Worcester.

Michigan: Adrian, Ann Arbor, Battle Creek, Bay City, Detroit, Grand Haven, Grand Rapids, Marquette, Midland, Pontiac, Saginaw, St. Louis, Sault Ste. Marie, Watersmeet, and Wyandotte.

Minnesota: Austin, Bemidji, Duluth, Ely, Faribault, Mankato, Minneapolis, St. Paul, and Tracy.

Montana: Belgrade, Big Timber, Billings, Bozeman, Butte, Deer Lodge, Dillon, Glendive, Missoula, and Whitehall.

Missouri: Independence, Kansas City, and St. Louis.

Nebraska: Freemont, Lincoln, and Omaha.

New Hampshire: Keene, Newport, Portsmouth, and Wolfeboro.

New Jersey: Atlantic City, Camden, Edgewater, East Orange, Glassboro, Hoboken, Jersey City, Lakewood, Maplewood, Montclair, Newark, Newton, Perth Amboy, Orange, Riverside, Riverton, Rumson, Summit, Trenton, Union City, and Weehawken.

New York: Albany, Auburn, Aurora, Binghamton, Brooklyn, Buffalo, Chatham, Clinton, Cohoes, Dobbs Ferry, Dunkirk, Elmira, Falconer, Fulton, Geneseo, Lockport, Medina, Newburgh, New Rochelle, New York City, Ogdensburg, Oneonta, Oswego, Peekskill, Philmont, Plattsburgh, Port Jervis, Potsdam, Poughkeepsie, Richmond Hill, Rochester, Rome, Schenectady, Syracuse, Troy, Unadilla, Watertown, and White Plains.

North Dakota: Fargo, Grand Forks, and Valley City.

Ohio: Akron, Ashtabula, Canton, Cincinnati, Cleveland, Columbus, Cuyahoga Falls, Elyria, Findlay, Hiram, Kent, Lima, Lorain, New Philadelphia, Sandusky, Springfield, Steubenville, Zanesville, and Wooster.

Oregon: Portland.

Pennsylvania: Allentown, Ambridge, Bethlehem, Bustleton, Easton, Germantown, Greenville, Hummelstown, Jenkintown, Lancaster, Lebanon, Lock Haven, Mansfield, Meadville, Mont Alto, Mt. Pleasant, Munhall, Myerstown, Philadelphia, Pittsburgh, Pottstown, Punxsutawney, Reading, Roxborough, Scottsdale, Sharon, Uniontown, Warren, Washington, West Chester, and Wilkes-Barre.

Rhode Island: Pawtucket and Providence.

South Dakota: Brookings, Huron, and Springfield.

Tennessee: Jackson.

Vermont: St. Johnsbury.

Virginia: Fredericksburg, Harrisonburg, Hopewell, Richmond, Sweet Briar, and Winchester.

Washington: Wenatchee.

Wisconsin: Appleton, Beloit, Bloomer, Delavan, Eagle River, Ellsworth, Eau Claire, Green Bay, Janesville, Kenosha, La Crosse, Manitowoc, Menominee, Milton, Milwaukee, Oshkosh, Racine, Sheboygan, Stoughton, Superior, Waupaca, Wausau, and Whitewater.

A real service can be rendered by calling attention to the work of this bureau; all communities should enjoy the benefits of its service. This bureau renders a purely altruistic service; it is operated without profit through the unflagging zeal and self-sacrificing efforts of its director, Dr. Anita Maris Boggs, and its dean, Mr. Randolph M. Boggs.

The real purpose of the bureau is to teach men and women and children all over the world to think, to compare, to judge in the light of full knowledge, and to realize that under all appearances—all external differences—there is a fundamental unity of humanity. As the Greek poet, Aristophanes, wrote during the Peloponnesian War—

From the murmur and subtlety of suspicion with which we vex one another
Give us rest.
Make a new beginning.
And mingle again the kindred of the nations in the alchemy of love,
And with some finer essence of forebearance
Temper our minds.
Aristophanes Peace.

ENROLLED BILL SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled House bill of the following title, when the Speaker signed the same:

H. R. 15547. An act to authorize appropriations for construction at military posts, and for other purposes.

BILL PRESENTED TO PRESIDENT

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that this day they presented to the President of the United States for his approval the following bill:

H. R. 10485. An act for the relief of William C. Harllee.

ADJOURNMENT

Mr. CRAMTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 1 minute p. m.) the House adjourned until to-morrow, Thursday, February 24, 1927, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following list of committee hearings scheduled for Thursday, February 24, 1927, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON AGRICULTURE

(10 a. m.)

To provide for the further development of agricultural extension work between the agricultural colleges in the several States receiving the benefits of the act entitled "An act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts," approved July 2, 1862, and all acts supplementary thereto, and the United States Department of Agriculture (H. R. 16295).

COMMITTEE ON APPROPRIATIONS

(10.30 a. m.)

Public buildings bill.

COMMITTEE ON COINAGE, WEIGHTS, AND MEASURES

(10.30 a. m.)

To authorize the Secretary of the Treasury to prepare a medal with appropriate emblems and inscriptions commemorative of the services, sacrifices, and patriotism of the American women of all wars in which the United States has participated, which was the inspiration of their sons and daughters in carrying on their part of the various conflicts (H. R. 16916).

COMMITTEE ON ELECTION OF PRESIDENT, VICE PRESIDENT, AND REPRESENTATIVES IN CONGRESS

(10.30 a. m.)

To amend the penal laws of the United States (H. R. 17186).

COMMITTEE ON FOREIGN AFFAIRS

(10.30 a. m.)

To provide for the cooperation of the United States in the erection in the city of Panama of a monument to Gen. Simon Bolivar (S. 2643).

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(10 a. m.)

To provide for the coordination of the public-health activities of the Government, and for other purposes (H. R. 10125).

COMMITTEE ON WAYS AND MEANS

(10.30 a. m.)

To authorize advances by disbursing officers of the Treasury Department (H. R. 17205).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1010. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the fiscal year 1927, to remain available until June 30, 1928, for the Department of the Interior, Bureau of Indian Affairs, for reconnaissance work on lands of several Indian pueblos in New Mexico, $50,000, and for the purchase of land for the Indians of the Jicarilla Reservation, N. Mex., $10,000; in all, $60,000 (H. Doc. No. 745); to the Committee on Appropriations and ordered to be printed.

1011. A communication from the President of the United States, transmitting deficiency estimates of appropriations for the Department of Justice for the fiscal year 1924-25, amounting to $44.75 (H. Doc. No. 746); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WASON: Joint Committee on the Disposition of Useless Executive Papers. A report on the proceeds received from sales of useless papers in the various departments during first session of Sixty-ninth Congress (Rept. No. 2209). Ordered to be printed.

Mr. SNELL: Committee on Rules. H. Res. 436. A resolution providing for the consideration of H. R. 16507, a bill to authorize an increase in the limit of cost of certain naval vessels, and for other purposes; without amendment (Rept. No. 2210). Referred to the House Calendar.

Mr. SNELL: Committee on Rules. H. Res. 437. A resolution providing for the consideration of H. R. 16973, a bill to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; without amendment (Rept. No. 2211). Referred to the House Calendar.

Mr. SNELL: Committee on Rules. H. Res. 438. A resolution providing for the consideration of H. R. 9826, a bill to provide for the protection and development of the lower Colorado River Basin; without amendment (Rept. No. 2212). Referred to the House Calendar.

Mr. WURZBACH: Committee on Military Affairs. S. 5112. An act to provide for appointment as warrant officers of the Regular Army of such persons as would have been eligible therefor but for the interruption of their status, caused by military service rendered by them as commissioned officers during the World War; without amendment (Rept. No. 2213). Referred to the House Calendar.

Mr. JOHNSON of South Dakota: Committee on World War Veterans' Legislation. H. R. 17141. A bill to amend the World War veterans' act, 1924; without amendment (Rept. No. 2214). Referred to the Committee of the Whole House on the state of the Union.

Mr. COOPER of Ohio: Committee on Interstate and Foreign Commerce. S. 5762. An act to amend sections 4 and 5 of the act entitled "An act granting the consent of Congress to the Gallia County Ohio River Bridge Co. and its successors and asigns to construct a bridge across the Ohio River at or near Gallipolis, Ohio," approved May 13, 1926, as amended; without amendment (Rept. No. 2218). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 17136. A bill granting the consent of Congress to the Baton Rouge-Mississippi River Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Mississippi River at Baton Rouge, La.; with amendment (Rept. No. 2219). Referred to the House Calendar.

Mr. BURTNESS: Committee on Interstate and Foreign Commerce. H. R. 17249. A bill granting the consent of Congress to the States of South Dakota and Nebraska, their successors and assigns, to construct, maintain, and operate a bridge across the Missouri River; with amendment (Rept. No. 2220). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 17264. A bill to extend the times for commencing and completing the construction of a bridge across the Wabash River at the city of Mount Carmel, Ill.; without amendment (Rept. No. 2221). Referred to the House Calendar.

Mr. BURTNESS: Committee on Interstate and Foreign Commerce. H. R. 17292. A bill granting the consent of Congress to the States of North Dakota and Minnesota to construct, maintain, and operate a bridge across the Red River of the North; without amendment (Rept. No. 2222). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 17298. A bill granting the consent of Congress to the States of New York and Vermont to construct, maintain, and operate a free highway bridge across Lake Champlain; with amendment (Rept. No. 2223). Referred to the House Calendar.

Mr. YATES: Committee on the Judiciary. H. R. 15538. A bill to detach Okfuskee County from the northern judicial district of the State of Oklahoma and attach the same to the eastern judicial district of the said State; without amendment (Rept. No. 2224). Referred to the House Calendar.

Mr. VESTAL: Committee on Patents. H. R. 16808. A bill to amend sections 27, 42, and 44 of the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909; with amendment (Rept. No. 2225). Referred to the House Calendar.

Mr. YATES: Committee on the Judiciary. H. R. 17091. A bill to transfer Willacy County, in the State of Texas, from the Corpus Christi division of the southern district of Texas to the Brownsville division of such district; without amendment (Rept. No. 2226). Referred to the House Calendar.

Mr. WURZBACH: Committee on Military Affairs. S. 4692. An act to amend the act approved June 1, 1926 (Public, No. 318, 69th Cong.), authorizing the Secretary of War to exchange deteriorated and unserviceable ammunition and components, and for other purposes; without amendment (Rept. No. 2227). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. UNDERHILL: Committee on Claims. H. R. 5471. A bill for the relief of Josephine Thibodeaux; with amendment (Rept. No. 2215). Referred to the Committee of the Whole House.

Mr. REECE: Committee on Military Affairs. H. R. 11231. A bill to correct the military record of John Strevy; with amendment (Rept. No. 2216). Referred to the Committee of the Whole House.

Mr. VINSON of Kentucky: Committee on Military Affairs. H. R. 16597. A bill to correct the military record of Charles Robertson; without amendment (Rept. No. 2217). Referred to the Committee of the Whole House.

Mr. FISHER: Committee on Military Affairs. H. R. 14664. A bill for the relief of Dennis W. Scott; without amendment (Rept. No. 2228). Referred to the Committee of the Whole House.

Mr. GLYNN: Committee on Military Affairs. S. 95. An act for the relief of Carlos Tompkins; without amendment (Rept. No. 2229). Referred to the Committee of the Whole House.

Mr. REECE: Committee on Military Affairs. S. 1413. An act for the relief of Eustacio B. Davison; without amendment (Rept. No. 2230). Referred to the Committee of the Whole House.

Mr. VINSON of Kentucky: Committee on Military Affairs. S. 1859. An act for the relief of Patrick C. Wilkes, alias Clebourn P. Wilkes; without amendment (Rept. No. 2231). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MADDEN: A bill (H. R. 17305) to eliminate the renewal of oath of office of Government employees under certain conditions; to the Committee on the Judiciary.

By Mr. EATON: A bill (H. R. 17306) to establish a national military park at Middlebrook Heights, near Bound Brook, N. J., commemorating the spot where George Washington was in camp at the time of the adoption of the United States flag by Congress, June 14, 1777; to the Committee on Military Affairs.

By Mr. GIBSON: A bill (H. R. 17307) providing for acquisition of land, by purchase or condemnation, within the District of Columbia, for erection of buildings and parking and approaches thereto, by the Government of the United States, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. JOHNSON of Washington: A bill (H. R. 17308) to authorize the Secretary of War to grant and convey to the city of Vancouver a perpetual easement for public highway purposes over and upon a portion of the Vancouver Barracks Military Reservation, in the State of Washington; to the Committee on Military Affairs.

By Mr. LUCE: Concurrent resolution (H. Con. Res. 58) providing for the printing of 5,000 additional copies of House Document No. 357 of the Fifty-ninth Congress, being "The Federal and State Constitutions, Colonial charters, and other organic laws of the States, Territories, and Colonies now or heretofore forming the United States of America"; to the Committee on Printing.

By Mr. PHILLIPS: Resolution (H. J. Res. 368) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. McDUFFIE: Resolution (H. Res. 439) directing the Federal Trade Commission to investigate the operations and activities of those persons, firms, or corporations who purchase cottonseed for the purpose of crushing cottonseed and refining and marketing the same; to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the Legislature of the State of Oregon, requesting an appropriation from Congress of $25,000 to assist the Spanish War Veterans in erecting a memorial statue to Theodore Roosevelt at and on Battle Rock, State of Oregon; to the Committee on Appropriations.

By Mr. EVANS: Memorial of the Legislature of the State of Montana, regarding the depression due to agricultural interests in the State of Montana; to the Committee on Agriculture.

By Mr. GARBER: Memorial of the Legislature of the State of Oregon, urging funds for a further continued development of the nucleus of a naval base already established at Tongue Point, near Astoria; to the Committee on Naval Affairs.

By Mr. NEWTON of Minnesota: Memorial of the Legislature of the State of Minnesota, requesting agriculture relief in the State of Minnesota; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Minnesota, requesting favorable action on legislation providing for the retirement of disabled emergency officers of the World War; to the Committee on World War Veterans' Legislation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ARNOLD: A bill (H. R. 17309) granting a pension to Martha Snyder; to the Committee on Invalid Pensions.

By Mr. AYERS: A bill (H. R. 17310) granting an increase of pension to Susan Smith; to the Committee on Invalid Pensions.

By Mr. HOGG: A bill (H. R. 17311) granting a pension to Bertha M. Freeze; to the Committee on Pensions.

Also, a bill (H. R. 17312) granting an increase of pension to Margaret A. Curtis; to the Committee on Invalid Pensions.

By Mr. LINEBERGER: A bill (H. R. 17313) granting a pension to William O. Cooper; to the Committee on Pensions.

By Mr. MORROW: A bill (H. R. 17314) granting a pension to Victor Pineda; to the Committee on Pensions.

Also, a bill (H. R. 17315) granting an increase of pension to Lottie A. Rice; to the Committee on Invalid Pensions.

By Mr. RAINEY: A bill (H. R. 17316) granting an increase of pension to Kate E. Putnam; to the Committee on Invalid Pensions.

By Mr. UNDERWOOD: A bill (H. R. 17317) granting a pension to Elizabeth Smith; to the Committee on Invalid Pensions.

By Mr. WAINWRIGHT: A bill (H. R. 17318) to authorize Capt. Royden Williamson, United States Army, to accept a medal of honor and merit and a diploma tendered him by the Republic of Haiti; to the Committee on Military Affairs.

By Mr. WOLVERTON: A bill (H. R. 17319) granting an increase of pension to Carrie L. Barnes; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7305. Letter from C. S. Longacre, general international secretary of the Religious Liberty Association, Tacoma, Park, Washington, D. C., transmitting a petition from 35 citizens of the United States who are temporarily residing in India protesting against the passage of the Sunday bill (H. R. 10311); to the Committee on the District of Columbia.

7306. By Mr. ARNOLD: Petition from 227 citizens of Centralia, Ill., favoring the Civil War pension bill; to the Committee on Invalid Pensions.

7307. By Mr. BACHMANN: Petition of Rev. J. J. Phillips, president, and all members of the Fairmont Ministers Association, of Fairmont, W. Va., urging that the West Virginia Senators and Representatives use their ballots and influence in support of Senator Borah's resolution toward the outlawry of war; to the Committee on Foreign Affairs.

7308. By Mr. BROWNE: Petition of citizens of Knowlton, Marathon County, Wis., against the Sunday observance law (H. R. 10311); to the Committee on the District of Columbia.

7309. By Mr. BROWNING: Petition of Mrs. Martha J. Wilhelm and others, for increase of Federal pensions; to the Committee on Invalid Pensions.

7310. By Mr. BRUMM: Petition of citizens of Tamaqua, Schuylkill County, Pa., urging immediate action on the pending bill to provide an increase of pension for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7311. By Mr. CONNERY: Resolution of Cigarmakers' Union, No. 97, protesting the passage of House Resolution 8997; to the Committee on Ways and Means.

7312. By Mr. COOPER of Wisconsin: Petition of certain residents of Waukesha County, Wis., protesting against the passage of the compulsory Sunday observance bill; to the Committee on the District of Columbia.

7313. Also, petition of certain residents of Waukesha County, Wis., urging passage of bill to increase pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7314. By Mr. CRAMTON: Petition of Mrs. William Hicks and 29 other residents of Croswell, Mich., urging favorable action upon a more liberal Civil War pension bill; to the Committee on Invalid Pensions.

7315. By Mr. CULLEN: Letter from the Chamber of Commerce, Brooklyn, N. Y., urging reclassification of the salaries of postmasters; to the Committee on the Post Office and Post Roads.

7316. By Mr. DAVIS: Resolution of various patriotic societies and organizations against the Wadsworth amendment permitting admission into this country of aliens in excess of the national quotas provided for in the immigration act of 1924; to the Committee on Immigration and Naturalization.

7317. Also, resolution adopted by the Central Labor Union of St. Petersburg, Fla., protesting against further aggression on the part of the armed forces of the United States in the internal affairs of the Republics of Central and South America, and demanding that the armed forces of the United States be immediately withdrawn from Nicaragua, and that the matters in dispute with Mexico be submitted to a board of arbitration for adjustment; to the Committee on Foreign Affairs.

7318. By Mr. DENISON: Petition of various citizens of Jackson County, Ill., urging that immediate steps be taken to bring to a vote a Civil War pension bill carrying the rates proposed by the National Tribune in order that relief may be accorded to needy and suffering veterans and the widows of veterans; to the Committee on Invalid Pensions.

7319. By Mr. FISHER: Petition of 40 citizens of Memphis, Tenn., protesting against the passage of House bill 10311; to the Committee on the District of Columbia.

7320. By Mr. GALLIVAN: Petition of Massachusetts State Pharmaceutical Association, protesting against the Hawley medicinal bill (H. R. 17130); to the Committee on Ways and Means.

7321. By Mr. GARBER: Telegram from W. J. Hughes, chairman patients' body, of Johnson City, Tenn., urging support of legislation repealing that part of World War veterans'

act which would reduce compensation of veterans in hospitals after June 30; to the Committee on World War Veterans' Legislation.

7322. Also, telegram from American Steamship Owners' Association, by R. J. Baker, secretary, of New York, urging the inclusion of American seamen in any bill for workmens' compensation for maritime workers; to the Committee on Naval Affairs.

7323. Also, letter from Deppe Motors Corporation, of New York City, N. Y., protesting against the misleading of the American public on the motor fuel question; to the Committee on Ways and Means.

7324. Also, letter from Bernth K. J. Eenberg, commander of the Disabled American Veterans of the World War, of Chapter No. 6, at Liberty, N. Y., urging consideration and support of House bill 17157, known as general hospital bill; to the Committee on World War Veterans' Legislation.

7325. Also, letter from John B. Andrews, secretary of American Association for Labor Legislation, New York City, urging support of Senate bill 3170 and protesting against any proposed amendment to fix a definite maximum amount in death cases; to the Committee on Labor.

7326. Also, letter from Harry A. Austin, secretary of United States Beet Sugar Association, Washington, D. C., showing the farmer's interest in the beet-sugar industry; to the Committee on Agriculture.

7327. Also, petition of the National Manganese Mining Co., urging support of Senate bill 3641; to the Committee on Mines and Mining.

7328. By Mr. HADLEY: Petition of a number of citizens of Arlington, Wash., protesting against the Sunday bill (H. R. 10311); to the Committee on the District of Columbia.

7329. Also, petition of a number of citizens of Everett, Wash., urging further relief for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7330. Also, petition of voters of State of Washington, urging further relief for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7331. By Mr. HAUGEN: Petition of 96 voters of Decorah, Iowa, urging that immediate steps be taken to bring to a vote a Civil War pension bill, that relief may be accorded the needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

7332. By Mr. HICKEY: Petition of Mrs. E. E. Reese and other citizens of Rolling Prairie, Ind., urging the passage of a bill increasing the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7333. By Mr. HOGG: Petition of Herman Haskins and other veterans and widows of the Civil War, asking that immediate steps be taken toward liberalization of the Civil War pension laws; to the Committee on Invalid Pensions.

7334. By Mr. HOOPER: Petition of A. M. Griffin and 44 other residents of Quincy, Mich., protesting against the enactment of compulsory Sunday observance legislation for the District of Columbia; to the Committee on the District of Columbia.

7335. By Mr. JOHNSON of Texas: Resolution of Texas Legislature, indorsing the Tyson-Fitzgerald bill (S. 3027 and H. R. 4548); to the Committee on World War Veterans' Legislation.

7336. By Mr. KIESS: Petitions from citizens of Clinton and Lycoming Counties, Pa., favoring the passage of the Elliott pension bill; to the Committee on Invalid Pensions.

7337. Also, petition from citizens of Tioga County, Pa., opposing the passage of Senate bill 4821; to the Committee on the District of Columbia.

7338. By Mr. KVALE: Petition of Legislature of the State of Minnesota, urging the passage of Senate bill 3027 and House bill 4548, for the relief of disabled emergency officers; to the Committee on World War Veterans' Legislation.

7339. Also, petition of Central Cooperative Association of South St. Paul, Minn., indorsing the Great Lakes-St. Lawrence waterway; to the Committee on Rivers and Harbors.

7340. By Mr. LEA of California: Petition of 131 residents of Eureka, Calif., and four residents of Sonoma County, Calif., favoring passage of a Civil War pension bill; to the Committee on Invalid Pensions.

7341. By Mr. LINEBERGER: Petition protesting against any compulsory religious measures now pending, by J. R. Slavin, of Santa Monica, Calif., and approximately 400 other constituents of Los Angeles and surrounding cities; to the Committee on the District of Columbia.

7342. By Mr. MANLOVE: Petition of Mark Patton, R. L. Hickman, Wayne E. Hickman, Ethel Cox, Cora Young, George K. Hoffmeister, and 250 other residents of Barton County, Mo., urging legislation to increase the pensions of Civil War widows and veterans; to the Committee on Invalid Pensions.

7343. Also, petition of L. E. Bandy, Mabel Bandy, Sam McCormack, N. F. Pruitt, and 10 other citizens of Lawrence County, Mo., urging that legislation be passed to increase the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7344. By Mr. MORROW: Petition of certain citizens of Stanley, N. Mex., indorsing bill for increase of pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7345. Also, petition of certain citizens of Guadalupita, N. Mex., indorsing the Civil War pension bill for veterans and widows of veterans; to the Committee on Invalid Pensions.

7346. Also, petition of New Mexico State Convention of the American Legion, indorsing the bill for the retirement of disabled emergency officers; to the Committee on World War Veterans' Legislation.

7347. By Mr. NELSON of Missouri: Petition signed by J. J. Hilgert and many others, Tipton, Mo., in behalf of Civil War increased pension bill; to the Committee on Invalid Pensions.

7348. Also, petition signed by L. B. Nelson and many others, Cooper County, Mo., in behalf of the Civil War increased pension bill; to the Committee on Invalid Pensions.

7349. By Mr. O'CONNELL of New York: Petition of the New York State Pharmaceutical Association, opposing the passage of the whisky trust bill; to the Committee on Ways and Means.

7350. By Mr. PHILLIPS: Petition of citizens of Beaver County, Pa., urging an amendment to the Constitution of the United States wherein acknowledgment is made of the authority of Christ and the law of God; to the Committee on the Judiciary.

7351. Also, petition of citizens of Lawrence County, Pa., urging the passage of House bill 10311, known as the Lankford Sunday rest bill for the District of Columbia; to the Committee on the District of Columbia.

7352. Also, petition of citizens of New Castle, Lawrence County, Pa., urging that Congress take immediate steps to bring to a vote a Civil War pension bill that additional relief may be afforded needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

7353. By Mr. RAINEY: Petition of Harry W. Sandberg and 26 others of Jacksonville, Ill., favoring passage of legislation for the benefit of the veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

7354. Also, petition of Mrs. L. J. Lemon and others, of White Hall, Ill., urging the passage of legislation for the benefit of the veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

7355. By Mr. ROBINSON of Iowa: Petition from the sewing-machine operators in the H. B. Glover factory in Dubuque, Dubuque County, Iowa, urging the enactment of the Walsh-Cooper bill; to the Committee on Labor.

7356. Also, petition from citizens of Manchester, Delaware County, Iowa, urging immediate action be taken on the Civil War pension bill; to the Committee on Invalid Pensions.

7357. By Mr. ROUSE: Petition of citizens of Kenton County, Ky., opposing a modification of the immigration law; to the Committee on Immigration and Naturalization.

7358. By Mr. SANDERS of Texas: Petition from numerous citizens of Kaufman County, Tex., asking for an increase in pensions to Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7359. By Mr. SHALLENBERGER: Petition of sundry citizens of Nebraska, protesting against the passage of House bill 10311, Lankford Sunday law; to the Committee on the District of Columbia.

7360. By Mr. SINNOTT: Petition of a large number of citizens of Harney County, Oreg., against passage of House bill 10311, the Sunday bill, or any other bill enforcing the observance of the Sabbath; to the Committee on the District of Columbia.

7361. Also, petition of numerous citizens of Redmond, Oreg., protesting against the passage of House bills 10311, 10123, 7179, and 7822, compulsory Sunday observance bills; to the Committee on the District of Columbia.

7362. By Mr. SWING: Petition of certain residents of San Diego, Calif., protesting against the passage by Congress of House bill 10311, or any other religious measures which may be introduced; to the Committee on the District of Columbia.

7363. Also, petition of certain residents of San Diego County, Calif., protesting against the passage by Congress of House bill 10311, or any other religious measures which may be introduced; to the Committee on the District of Columbia.

7364. By Mr. TAYLOR of Colorado: Petition from citizens of Collbran, Colo., protesting against the Sunday observance bill; to the Committee on the District of Columbia.

7365. By Mr. TAYLOR of West Virginia: Petition of C. E. Byers and others, of Charleston, W. Va., protesting against the passage of House bill 10311, Sunday observance bill; to the Committee on the District of Columbia.

7366. By Mr. THATCHER: Petition of Henry W. Sauer and numerous other citizens of Louisville, Ky., for early enactment of legislation for the relief of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7367. By Mr. TINKHAM: Resolution of Boston Central Labor Union, protesting against passage of House bill 8997; to the Committee on Ways and Means.

7368. Also, resolution of Cigarmakers' International Union No. 97, Boston, protesting against passage of House bill 8997; to the Committee on Ways and Means.

7369. By Mr. UNDERWOOD: Petition of W. H. Ditrich et al, of Commercial Point, Ohio, and vicinity, favoring Civil War legislation; to the Committee on Invalid Pensions.

7370. By Mr. VESTAL: Petition of Frances S. Hapner, et al., of Randolph County, Ind., urging passage of pension legislation; to the Committee on Invalid Pensions.

7371. By Mr. WASON: Petition of Elizabeth W. Burbank and 23 other residents of Warner, N. H., urging that immediate steps be taken to bring to a vote a Civil War pension bill in order that relief may be accorded to needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

7372. By Mr. WOOD: Petition signed by residents of Valparaiso, Ind., asking that the Civil War pension bill be enacted into law at the present session of Congress; to the Committee on Invalid Pensions.

7373. By Mr. ZIHLMAN: Petition of citizens of Mount Lake Park, Md., urging immediate action and support of Civil War pension bill, providing relief for needy veterans and widows of veterans; to the Committee on Invalid Pensions.

7374. Also, petition of Henry Ortliff, Mrs. S. C. Freed, Mrs. Ida Wadsworth, and other residents of Phoenixville, Pa., and Takoma Park, D. C., protesting against the enactment of compulsory Sunday observance bills; to the Committee on the District of Columbia.

7375. Also, petition of Harold B. Hannum, R. L. Runk, M. M. Glee, and other residents of Takoma Park, Md., in opposition to compulsory Sunday observance bills or other religious legislation; to the Committee on the District of Columbia.

